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PROCEEDINGS AND DEBATES OF THE 98th CONGRESS, SECOND SESSION

SENATE—*Tuesday, June 26, 1984*

(Legislative day of Monday, June 25, 1984)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Father in Heaven, we thank Thee for our pages, for their service to the Senate, for the miles they walk to deliver messages and the hours they devote to their tasks. We commend to Thy gracious care those who have served faithfully and will be leaving us or have already returned home.

We pray for the pages who are with us for the summer. Grant that their experience will be constructive and edifying. Protect them against any destructive influence and strengthen them in their desire to do a good job, to please and honor their sponsors. Encourage their parents in the assurance that they are respected and loved—that there are those who take serious interest in their well-being. Bless the pages, Lord, and help us all to make this experience one that builds character and equips them for their futures. In Thy name and for Thy honor, we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The **PRESIDENT** pro tempore. The distinguished majority leader is recognized.

Mr. **BAKER**. Mr. President, I thank the Chair.

SENATE SCHEDULE

Mr. **BAKER**. Mr. President, there are two special orders this morning and a period for morning business until 11 o'clock. Today is Tuesday, and the Senate routinely recesses on Tuesday so that Members on both sides may attend their official party caucuses which are held away from the Senate Chamber.

It is the intention of the leadership on this side, as the first order of business after morning business, to ask the Senate to turn to the consideration of the child restraint bill, temporarily laying aside the unfinished business, which is math-science. There is, I believe, good reason to postpone the beginning of that until after the two caucuses.

ORDER FOR EXTENSION OF ROUTINE MORNING BUSINESS AND RECESS FROM 12 NOON TO 2 P.M.

Mr. President, I make two unanimous-consent requests. First, I ask unanimous consent that the time for the transaction of routine morning business be extended until 12 o'clock in which Senators may speak for 10 minutes each instead of 5; second, Mr. President, I ask unanimous consent that the Senate stand in recess from 12 noon until 2 p.m.

The **PRESIDING OFFICER** [Mr. HUMPHREY]. Is there objection? The Chair hears none, and it is so ordered.

ORDER OF PROCEDURE

Mr. **BAKER**. Mr. President, at 2 o'clock it will be the intention of the leadership on this side to ask the Senate to turn to the consideration of the child restraint bill, as I said a moment ago. It is hoped that we can finish that bill today. It is not without controversy and will no doubt require a good bit of debate, but I hope we can finish that within a reasonable period of time and perhaps turn to the consideration of the State-Justice appropriations bill, which is H.R. 4172. I do not expect a late day, however. I anticipate that the Senate will finish its work about 6 o'clock.

Mr. President, on tomorrow, however, we may have a very different situation. I am advised that the House is authorized to take up the deficit reduction conference report on Wednesday or any day thereafter. I have communicated to the Speaker's office my hope that the House will take it up early enough on Wednesday so the Senate may receive that bill and begin to act on it Wednesday. If that occurs, it would be the intention of the leadership on this side to make a determined effort to finish that conference report on Wednesday, even if it requires us to stay late into the evening. Therefore, Senators should be on notice of the possibility of a late day on Wednesday of this week.

Mr. President, in addition to the items that I have already mentioned, we have the debt limit which must be dealt with before we go out. I am also advised that our old friend, the bankruptcy bill, will expire tomorrow, the extension that we passed recently. I have not yet had an opportunity to consult with the distinguished Chairman of the Judiciary Committee about his preference in that respect, so that it is possible we will have to deal with bankruptcy once more. It is possible we may not. In any event, Senators should take account of the fact that we may have to add the bankruptcy bill and certainly will have to add debt limit to the list of things before we go out.

Mr. President, the House will initiate the adjournment resolution this year, I believe, and I have requested that they do so to provide for an adjournment of the Senate over the Fourth of July break from Thursday, Friday, or Saturday of this week. I urge Senators not to take the Saturday date lightly. I do not plan to ask the Senate to be in session Saturday, but if we cannot pass the debt limit or the deficit reduction package conference report, I do not think we have any alternative. So I urge and encourage Senators not to assume that the possibility of a Saturday session as contemplated by the adjournment resolution which I believe we will receive from the House is not an idle consideration.

Mr. **CHILES**. Mr. President, I have asked the minority leader if I might ask the majority leader a question which I think has some relevance to the schedule.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Mr. BAKER. Mr. President, I will be happy to yield to the Senator from Florida if the minority leader will.

Mr. BYRD. Mr. President, I am also happy to share my time for any colloquy that may ensue.

Mr. CHILES. I was listening to the majority leader set forth what he hoped the schedule would be and talking about whether or not we would have a Saturday session. As the leader knows, we have pretty well come to an agreement on the tax portion basically of the Budget Resolution Act. We now have an agreement, it appears, on the question in regard to caps, and I understand most of the other committees are ready to report. We have still failed to come to any agreement—really, we have failed to meet in regard to the budget resolution itself. It appears to this Senator that the major dispute we have is the Senate defense number as opposed to the House defense number, and there is a difference in domestic spending, a smaller difference but some difference between the House and the Senate.

Does the majority leader feel that we need to have a compromise in the budget resolution? To do that we are going to have to come to terms, as most conferences do, in regard to differences between the two numbers. We cannot seem to get at issue even on these particular things. We are told, or I hear that the majority leader does not really care whether we have a budget resolution or not. I have heard that before. The majority leader has told me different before. I am asking for his advice again today as to whether he thinks we need a resolution of this and we need to come to terms on what the basic differences are and, as every conference usually has to do, try to invoke a compromise between them.

Mr. BAKER. Mr. President, I thank the Senator

Let me answer one of the questions first and perhaps the only one I can answer in a definitive way. Yes, I do care whether or not we get a budget resolution. I think we should and I believe we will.

The second part of it is when and how, and the answer to that is, I do not know. Good progress has been made, as the Senator from Florida, who is the senior and ranking minority member of the committee, has pointed out, but there are issues remaining. Chief among them I guess is the funding level for defense.

I talked to the distinguished chairman of the committee yesterday about that, and he surfaced some ideas that were discussed then on how that might be worked out—if not reconciled, at least accommodated. I will explore those with him yet today. I think the Senator from Florida probably understands what I am saying. I can assure him that my objective will be to try to work something out so we can adopt the budget resolution and to do it even before we go out for the July 4 break. I have not included that on the list and that was not meant to exclude it but, rather, to say I do not know when we are going to be able to finish it. But if we can finish it today, tomorrow, or the next day, I would be pleased for that. I assure the Senator I would be willing to take it up.

There is an additional complication, of course, and that is the question of the conference on the Defense authorization bill. Since we are really hung up in the budget conference on the Defense level, we are also hung up in the Defense authorization conference, and certainly and surely the two do interrelate. I am disturbed somewhat by the reports I received from some members of our conference that there is no apparent urgency about finishing that conference. The two are not necessarily intertwined—that is, the budget resolution and the DOD authorization bill—but they are practically intertwined.

What I would suggest, then, is that at some point we sit down—and by "we," I mean the leadership, the chairman, and ranking minority member of the Budget Committee, and the chairman and ranking minority member of the Armed Services Committee—and see if we can arrange something that will bring a conclusion to both those conferences. So I will explore it with my colleagues, and we will see where we go.

However, the answer—the long-winded answer—to my friend from Florida, who is a most distinguished member of the Budget Committee, is that, yes, I do support the process; yes, I do want a conference report; and, yes, I will try to get that done as soon as possible.

Mr. CHILES. I am delighted to hear that.

Will the Senator enlighten me as to one further question: It seems to me that the whole linchpin as to whether we have those other things is whether the majority leader agrees that we will have to come to a number on defense that is agreed to by the House and the Senate.

Mr. BAKER. I am not sure we are. The issue may remain unresolved in the budget resolution. We have done that much before, too. As I recall, we have adopted ranges that were interpreted differently by the House and the Senate. That is not my preference.

Mr. CHILES. I do not think we have ever done it on an item like defense. I do not think we have ever done it on that issue. As the majority leader has just pointed out, the Defense Authorization Committee, I think, is really hung up on the same question.

Mr. BAKER. Mr. President, I am as anxious to get the Defense authorization conference out as the Senator from Florida is to get the budget resolution; and, one way or the other, we should find a way to get that done. But I am not prepared now to say that we can establish a number on the floor.

I have talked with the Speaker about it. We have talked about numbers and percentages and techniques. I have talked with the chairman of the committee and with many others.

We have a first-class problem on our hands. But the Senate and the House have a way to work out those problems sooner or later, and I assure the Senator from Florida that I will do my best to help.

Mr. CHILES. I look forward to that.

It seems to me that, over the years, we have had a way of working it out in most conferences so that we arrive at a number, and I cannot understand why we cannot do that. I know that we will not be able to do it unless we join the issue and come head to head. We have not yet done that in all the weeks we have been waiting since we passed the resolution.

Mr. BAKER. The Senator tempts me beyond response in telling a story about my strong-willed and delightful daughter who was seven. When she became sick, I called the doctor. That was back in the days when doctors used to make house calls. My friend Milford Thompson, the doctor, came, and Cissy was sitting on the edge of the bed, playing with a little game.

The doctor, in his best bedside manner, said, "Cissy, can I play that game with you?"

She said, "Yes, if you'll let me win."

Maybe that is the way we are here.

One way or the other, we will find a way for both sides to win, and I assure the Senator I will try to do that.

Mr. CHILES. I thank the Senator.

Mr. BAKER. Mr. President, I have exceeded my time, I fear; and if I have encroached on the time of the minority leader, I am willing to ask unanimous consent that his time be restored.

Mr. BYRD. Mr. President, if the majority leader has encroached on my time, he has done so because of the necessity of doing so. I think it was important that he respond to the Senator from Florida, and I have no problem with that.

I think I will need probably 6 or 8 minutes, or 10.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. BAKER. I thank the Senator. I apologize again.

Mr. President, I ask unanimous consent that the full time allocated to the minority leader under the standing order be restored.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the distinguished majority leader for his generosity.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The Democratic leader is recognized.

THE INCREASE IN THE PRIME RATE

Mr. BYRD. Mr. President, despite last weekend's announcement that agreement had been reached on the proposed downpayment on the deficit, on Monday the prime rate moved upward again for the fourth consecutive time this year—this time to 13 percent. In reacting to the bad economic news, the President said, "There is no excuse for interest rates being at the level they are right now, other than fear of the future." The President was right. There is a future to fear—a future of large deficits and high interest rates, of bank failures, competitive decline, and Third World defaults. But unlike the much-admired and oft-quoted Roosevelt, this White House is not willing to go beyond citing the danger of fear itself to tackling the disturbing realities which underlie an uncertain and troubled economic future.

Yesterday's increase in the prime rate is yet another reminder of the economic danger that lurks inside the current recovery. The prime rate has not been alone in its upward shift. Conventional mortgage rates have also moved up, reaching nearly 14.5 percent and, as could be expected, housing starts and housing sales are heading down. But the power of the prime extends far beyond a single market. Small businessmen and big corporations will both feel the pinch of a higher prime. Indeed, the rise in the American prime will be felt all around the world. In the past decade, interest rates on billions of dollars in overseas loans have been tied to the value of the prime. It is estimated that each percentage point increase in the prime adds $2.5 billion a year to the debt burden of less-developed nations. When the American prime moves upward, already troubled debtor nations will be put in an even more difficult situation.

The most recent increase in the prime has come despite some apparently good economic news. Consumer prices are rising slowly, and producer prices have not risen at all since March. The Federal Reserve Board does not appear to be tightening the supply of credit. In fact, the current rate of growth of the money supply is slightly ahead of the Fed's target rates. Rather, the upward pressure on the prime came from the expected clash of growing private sector demand for credit and the looming spectre of high and rising Federal deficits.

It is time the administration stopped looking at the economy through "rose garden" glasses and took the reins of fiscal leadership. In an atmosphere increasingly clogged with election year cosmetics, the White House has tried to get away with a dime's worth of downpayment. The markets have not been fooled. For when it comes to the deficits, the administration bobs and weaves—counterpunching its critics, throwing an occasional haymaker at the Fed.

In reacting to yesterday's jump in the prime, the President's principal spokesman said that the Federal Reserve Board has to "become convinced that the President means business" in keeping inflation down. What Mr. Speakes should have said is that it is time for the President to "mean business" about the deficit.

Adding up cuts that have already been made and counting the maybes of future savings, the White House proposed a 3-year, $141 billion deficit-reduction package. The proposed reductions were small compared to the enormous deficits and many of them were make-believe reductions.

At the beginning of the year, the conventional wisdom was that Congress would not and could not grapple with the problem of the deficits. That simply has not been the case. It is Congress that has pushed for action. It is Congress that has consistently pointed to the dangers of the deficits and called for more substantial cuts. But in the American system, the President must be willing to provide the essential element of leadership in tough circumstances. Together, Congress and the President can develop a program for long-term growth and deficit reduction. Without a White House commitment, there is little prospect for ultimate success. The White House must understand that the economic fate of the Nation lies not with the Fed but in their own hands. We need the kind of real downpayment on the deficits that will keep us from mortgaging our future.

The President said we should wait to fix this problem until after the election, until after 1985. That was what he indicated in the economic report when he implied that he had a plan which would be unveiled in 1985.

Given his ideological commitment to excess Pentagon spending and tax cuts for the wealthy, we have no reason to believe he has a program to reduce these deficits if he were reelected. But if he does have a program the President should act now before another recession falls in on the heads of millions of innocent Americans.

Does the distinguished Senator from Wisconsin wish me to yield him some time?

Mr. PROXMIRE. No.

Mr. BYRD. Mr. President, I yield back the remainder of my time.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

STAR WARS—APPEALING ARGUMENTS BUT NO SALE

Mr. PROXMIRE. Mr. President, the Star Wars proponents have two arguments designed to appeal to peace advocates. First, they claim that their antiballistic missile defense is exactly that: a defense. It would not attack. It would defend. It would not initiate war. It would reduce or prevent the casualties of war. Even if it should be used first it would be used to anticipate an enemy attack. And second, these nuclear weapons would never be used against people always lethal nuclear weapons on the other side. These Star Wars proponents argue that nuclear war has previously been viewed as an offensive operation. A weapons program designed to wreak the total destruction of an enemy. Now, ah, with the Star Wars, here come the boys with the white hats: the good guys—the A Team—lifesavers not life destroyers. Guardians of peace because missile defense would stop missile attack.

And that's not all. The proponents of Star Wars contend that defensive antimissile activity can supplement arms control, not kill it. They argue that Star Wars can operate in the interest of both the Soviet Union and the United States. They argue it can provide either side or both sides the assurance that there is an option other than massive civilization ending retaliation; that is, intercepting and destroying the incoming missiles of the other side. Presumably a President warned that the Russians had launched an ICBM attack would not be faced with a choice between doing nothing and pressing a button that would set the world on fire. He would have the option of putting out the fire by intercepting and destroying most, and perhaps all, of the incoming missiles.

What validity does this argument have? Is it conceivably possible that we could develop a defensive missile system that would work? Could we intercept and shoot down enough offensive enemy missiles to prevent total destruction? Is it possible that both sides could agree to a balance that would make nuclear war less instead of more likely? Is all this just a happy—maybe a slap-happy—dream? How about it? Is it possible? Well, anything is possible.

After all if we could put an American on the moon for $25 billion with the technology of the 1960's why could we not shoot down moving missiles with technology of the 1980's or 1990's for 10 or 20 times that much, say $250 billion or $500 billion. Maybe we can succeed with Star Wars, maybe we cannot. But why not try? Certainly there is no price we could pay, no burden we could bear that would be too great to prevent the total devastation of a nuclear attack on our country.

So what is wrong with "Star Wars"? What is wrong is that there is no real prospect that a defensive antimissile system would work. None. None. It will not work. Why not? Because whatever dynamic progress we can expect from a defense against missiles, we can surely anticipate an equally potent and opposite reaction from offensive missiles. At this moment where does the advantage lie? Clearly and obviously with the offensive. Even the staunchest proponents of Star Wars agree that offensive missiles have a massive advantage over any kind of a defensive antimissile system using presently researched and deployed weapons. But they say give us time; give us time; the Star Wars people plead, and we will construct a defense that will knock out all or almost all offensive incoming missiles.

At this point I have a confession. I believe that on this limited point, they are right. Yes, indeed, 20 years or maybe even 10 or 5 years from now with our lasers and other advanced technology, we will have the defensive technology to intercept and destroy incoming missiles that are deployed today. Then why not go ahead? There is an easy answer: If we do proceed, the other side will proceed too, but not with today's offensive missile technology and not with an antimissile technology that simply matched the defensive system missile for missile but with a highly intensified offensive missile program. The proponents of Star Wars have loaded the dice in this argument. They hand us a phony scenario. They make the patently ridiculous assumption that only the defense will be dynamic and progressive. They assume the offense will stand still, frozen, paralyzed. Armed with that utterly unrealistic assumption they predict victory for the defense. Of course, this is nonsense. Certainly without a negotiated mutual nuclear freeze both superpowers will continue to refine, modernize, and improve their offensive nuclear weapons. Whatever technological advantage might be temporarily with antiballistic missile defense, the offense will swiftly move to overcome. Will the offense succeed? Of course, they will. Why will they not? The offense can take its own initiative. After all the offense will always have the advantage of selecting the time of attack and the place. It can concentrate its resources on the targets it selects.

For example, Star Wars proponents do not even try to defend against such offensive nuclear weapons as ground-hugging cruise missiles. So what is to prevent a superpower frustrated by antimissile defense from simply sliding under the defensive screen with cruise missiles? The answer—nothing. Nothing.

Several times I have asked the proponents of Star Wars when they have appeared before our Appropriations Committee what they would do about cruise missiles. They say they do not have an answer to that. They are not trying to defend against cruise missiles, only trying to defend against the missiles they can defend against which is the intercontinental ballistic missiles.

The Star Wars proponents contend that we have to move into a massive strategic defense because the Russians are already deeply into it. But the SDI advocates' demands are based on the usual Pentagon approach to selling expensive hardware to Congress—that the Russians are 10 feet tall. Russia, indeed, has a long record of stressing defense, but there is little or no significant evidence that the Russians are spending substantial sums on antimissile defense. If we proceed with Star Wars, it will become a trillion-dollar boondoggle.

So how do we defend against nuclear war? One way: Stop the arms race. Stop it cold. Stop it now with a negotiated, mutual, verifiable, and comprehensive nuclear freeze.

THIS IS THE YEAR TO RATIFY THE GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, Saturday's New York Times contained an incisive column on the Genocide Treaty. Was that column welcome. It was written by William Korey, director of international policy research for B'nai B'rith. It was a column supporting our ratifying the treaty, and I certainly welcomed it with great enthusiasm.

Mr. Korey's column presents a compelling challenge to the Reagan administration and the 98th Congress: It is time for the administration to seek ratification of this important human rights document, which makes genocide a crime under international law. And it is time for Congress to ratify this document.

Mr. President, I commend this column to my colleagues. Mr. Korey gives a forceful argument on why this treaty is so important. And he goes over all the roadblocks and obstacles this document has faced.

Mr. Korey concludes that there's really no good reason for postponing the ratification of the Genocide Convention. In fact, he believes that with the administration lending its support, the 35-year stalemate over this treaty could finally be ended.

Frankly, Mr. President, I think the administration is going to support the treaty. I certainly earnestly hope so. There have been strong indications they will support it and that decision may be made in the next few days or few weeks.

But why is it so important to ratify the Genocide Convention? It is important for the same reasons that were given when the treaty was unanimously adopted by the United Nations on December 9—and get this date—1948, 35½ years ago.

On that day, the head of the U.S. delegation, Mr. Ernest A. Gross, urged the adoption of the Genocide Convention "before the memory of recent horrifying genocidal acts has faded from the minds and conscience of man."

Those words are as true today as they were more than 35 years ago.

In 1948, the international community was outraged and the Genocide Convention was the result of that outrage. But it seems that this outrage unfortunately has subsided, as year after year the ratification of the Genocide Convention is put off.

By ratifying the Genocide Treaty, the United States cannot change history. We cannot change the murderous, warped policies of Hitler's Nazi government. We cannot reverse the course of events in Armenia in 1915, or in Cambodia in the mid-1970's. We cannot compensate for the millions and millions of lives lost in the genocides throughout history.

But the United States must not simply shrug its shoulders and say "What's done is done." The United States must never stand idle as a national, ethnic, or religious group is deliberately slaughtered. This country must join the 92 nations, including every other developed nation in the world—it was our treaty; we got it through the United Nations unanimously and we alone, of the major countries in the world, have failed to ratify it. Ninety-two nations have already committed themselves to the prevention of future holocausts. We have not, although every Republican and Democratic President has urged us to do so, and the Reagan administration seems to be on the verge of doing the same.

So Congress must act now, before the memories of the Holocaust have faded. Congress should ratify the Genocide Convention, and, as Mr. Korey writes in in his column, the best time to ratify is now.

Mr. President, I ask unanimous consent that Mr. Korey's article be printed in full in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE GENOCIDE TREATY: UNRATIFIED 35 YEARS

(By William Korey)

The historic Genocide Convention—the first United Nations human rights treaty—was transmitted to the Senate by Harry S. Truman just 35 years ago. To the dismay of the international community, it has not yet been ratified. Senator William Proxmire correctly, if sadly, observed recently, "There is not a single proposal that has been before the Senate as long."

The consequence has been serious embarrassment for United States delegates at international forums, especially when the Soviet Union challenges America's human rights leadership by calling attention to America's absence among the treaty's ratifiers. To date, 92 countries have acceded to the accord, including every major power and vitually every democratic country.

Only inertia, and myopic vision springing from neo-isolationism or a fear that somehow America's sovereignty could be weakened, are obstacles to ratification.

To break the logjam and win Senate approval, strong Presidential leadership is essential. Every Administration in the last quarter-century has endorsed ratification, especially Richard M. Nixon's. In 1971, following his urgent appeal, the Senate Foreign Relations Committee voted 10 to 4 for the treaty, but further action then stalled. Jimmy Carter spoke out several times on behalf of the treaty but failed to exert the necessary political pressure.

President Reagan could achieve the breakthrough. The State Department, according to a reliable source, plans to ask Mr. Reagan to urge Senate ratification. Such action would be in keeping with the view that human rights must be at the core of our foreign policy—a perspective articulated in the introduction to the State Department's country-by-country report on human rights practices.

The treaty, unanimously adopted on Dec. 9, 1948, makes the mass killing of an ethnic, racial or religious group an international crime. The sponsors' hope was to prevent another Holocaust, which had so seared mankind's conscience. Scarcely surprising at the time was America's leadership in drafting the treaty and lobbying for adoption. On the eve of the General Assembly vote, the delegation head, Ernest A. Gross, demanded a favorable vote "before the memory of recent horrifying genocidal acts has faded from the minds and conscience of man."

The United States rushed to sign the treaty two days after its adoption. But ratification requires a two-thirds Senate vote. Dean Rusk, then Deputy Under Secretary of State, in early 1950 urged the Senate to "demonstrate to the rest of the world that the United States is determined to maintain its moral leadership in international affairs." Senate progress, however, was interrupted by the Korean War and the resulting xenophobia.

In addition, objections were raised at the time by the American Bar Association, which questioned the constitutionality of treaties concerned with international human rights. Today, the A.B.A. stands in the forefront of the effort to win ratification.

Our nation's failure to join the contracting parties to the Genocide Convention has puzzled our supporters in international forums. Arthur J. Goldberg, the former Supreme Court Justice and onetime chief delegate to the United Nations, has said that he "never found a convincing answer" to respond to foreign critics at the United Nations. Meanwhile, the Soviet Union uses every opportunity to exploit the issue. At the Madrid meeting of the signatories to the Helsinki Final Act, for example, Moscow challenged American advocacy of human rights by noting that we had failed to ratify the genocide and other human rights treaties (such as the International Covenant on Civil and Political Rights).

Moreover, our paralysis has hindered our moral ability to "blow the whistle" on advocates and practitioners of genocide. Since World War II, genocide has broken out about a dozen times—for example, in Cambodia, in the former East Pakistan, in Nigeria—but our role in halting the murder has been limited, both by nonratification and political policy.

This nation's strong involvement in ceremonies commemorating the Holocaust is seriously marred by its failure to ratify a treaty that in the words of the United States Holocaust Commission "can play some role in preventing such [genocidal] acts in the future."

The late Chief Justice Earl Warren once observed that "we, as a nation, should have been the first to ratify the Genocide Convention. . . . Instead, we may well be near the last." His dismal prediction could be proved wrong by a determined Reagan Administration initiative. Such an initiative would be in keeping with America's traditional advocacy of human rights and the rule of law.

Mr. PROXMIRE. Mr. President, I yield back my time and I yield the floor.

RECOGNITION OF SENATOR BUMPERS

The PRESIDING OFFICER. Under the previous order, the Senator from Arkansas [Mr. BUMPERS] is recognized for not to exceed 15 minutes.

ORGAN TRANSPLANT CONTRIBUTIONS ACT OF 1984

Mr. BUMPERS. Mr. President, I am today introducing legislation which will benefit thousands of Americans who, in my judgment, are more deserving of our help and our sympathy than perhaps any other segment of our society. Those people are those thousands of Americans who are so desperately ill that their only medical remedy lies in organ transplant surgery. I am today introducing the Organ Transplant Contributions Act of 1984.

Let me begin, Mr. President, by telling this story. Every Member of this body, I am confident, has heard a story similar to this during his or her service in the Senate. Last January a young man named Charles David Stevens, who lives in North Little Rock, called my office with a rather desperate plea for help. David Stevens was 28 years old and was very seriously ill with diabetes. David had already, some time ago, had a kidney transplant, and his doctors had told him that his only hope now lay in a pancreas transplant. The University of Minnesota Hospital, certainly one of the finest in the United States, had agreed to perform a pancreas transplant for David. And David's mother had also agreed to give him part of her pancreas. Only a mother, I suppose, could give as Mrs. Stevens has done for David. You see, she had already given David a kidney, and she was now prepared to give him half of her pancreas. David's problem, however, was money.

The University of Minnesota required a downpayment of $35,000 before David and his mother would be admitted to surgery. David had been working desperately for a number of months making pleas on radio and television and through his church in an effort to collect this enormous sum. He had been doing very well in this effort, but $35,000 is a lot of money in my State. David was asking me to help him in this effort, and I was certainly glad to try. But, as every Member of this body is aware, there is not a great deal that a U.S. Senator can do to cajole an insurance company into paying a claim that it does not believe it is obligated to pay. And the fact is that many, if not most, organ transplants today are not covered by insurance. Certainly, David's insurance coverage was not adequate. Well, I am delighted to give you a great report. David was able to raise this money and his operation was a complete success. He is no longer a diabetic, but his hospital bill totaled more than $70,000.

Mr. President, in the past year a great deal of national attention has been focused on organ transplantation. The Senate has passed a bill and the House has recently passed a bill, and I applaud both these efforts. It seems to me, however, that our efforts thus far fall short of addressing the crucial issue for most organ transplant patients. That issue is cost. These operations tend to be enormously expensive, and there are thousands of Americans who could benefit from organ transplants if the problems of donor location and cost could be addressed. The bill which I am introducing today, Mr. President, will specifically address the problem of cost by appealing to our Nation's best impulses and by taking advantage of our existing tax structure. In a nutshell, what I propose to do is to establish a National Organ Transplant Trust Fund in the Treasury, which would be funded by voluntary contributions made through a checkoff system on the income tax form, and which would provide funds to needy organ transplant patients.

The statistics on organ transplant procedures, Mr. President, are quite amazing. Until I began working on this bill, I had no idea how many transplant operations occur in this country each year and yet how many thousands of Americans still need organ transplants. There are now a total of 160 transplant centers in the United States. 159 of these transplant centers perform kidney transplants while only 11 perform heart transplants and only 6 perform liver transplants. I am proud to say, by the way, that the University of Arkansas Medical Center was a pioneer in the area of kidney transplant surgery. Most startling, Mr. President, is the fact that as many as 14,200 Americans between the ages of 10 and 54 could benefit from heart transplants. Yet, in 1983, there were only 172 heart transplants in this country. On the other hand, there were 5,500 kidney transplants, while there are at least 7,000 people on waiting lists for kidney transplant surgery. In 1983 there were 160 liver transplants, but experts tell me that somewhere between 4,000 and 5,000 Americans could benefit from liver transplant surgery. Last year there were between 18,000 and 20,000 cornea transplants in the United States, an operation that has become commonplace. There were, on the other hand, only 150 pancreas transplants.

I believe, Mr. President, that costs, as well as the experimental nature of some types of transplant surgery, is a major factor in so many Americans being unable to receive transplant surgery which they desperately need. It seems to me significant that Medicare will pay for kidney transplant surgery, which is now considered almost routine, but neither Medicare, Medicaid, nor many private insurance carriers will pay for many of the more recent and experimental procedures. Fortunately, Medicare will also pay for corneal implant surgery for persons over 65, a factor which no doubt has something to do with the larger number of corneal procedures performed last year. The availability of donor organs is, of course, a major problem and one which is addressed by legislation which has been passed in the House and the Senate. On the other hand, I am persuaded that legislation thus far does not adequately deal with the issue of cost, and that it is simply unrealistic to expect so many Americans to bear the enormous cost of these procedures by themselves, or even to be able to go into their communities and raise such enormous sums, often small communities, from charitable sources.

So, Mr. President, the idea occurred to me that we could and should use our existing revenue collection procedures to allow Americans to make voluntary charitable contributions to help their fellow citizens. I have no doubt, Mr. President, that every American would like to reach out and help his brother and sister in this situation. What we need is a mechanism and what I propose is a simple checkoff system on the income tax form which would allow taxpayers to designate $1, $2, $3, or any portion of their tax refund to be deposited in a special trust fund to be created in the Treasury Department. Let me say, Mr. President, first of all what I do not intend to do. I do not intend to create a new entitlement program. I do not intend to create any Government health program for which we would have to increase the deficit and the national debt. All I propose is a program to be funded by voluntary contributions by taxpayers who, I think, would like very much to give such a worthy thing.

The National Organ Transplant Trust Fund would be administered by the Secretary of Health and Human Services. My proposal, is to help those people who have no other source of payment. My aim is to help the David Stevens of the world, those who have little or no private insurance and those for whom Medicare and Medicaid are unavailable. The Secretary, after promulgating regulations which would establish an organ transplantation payments program, would make payments to needy individuals, after taking into account the individuals resources and his or her ability to raise funds from other sources, including charities and any State resources which might be available.

It seems to me, Mr. President, that the key to this program should be speed and flexibility. These people are desperately ill, often critically ill, and they are certainly in no position to withstand any drawn out bureaucratic process. This program cannot be the complete answer for these patients, and I do not suggest by this bill that it is a panacea, or that it is perfect. But I hope it will start the dialog for what I hope will be a successful conclusion. It will provide seed money which will help them to raise money from other sources. I do not intend, for there to be any drawn out appeal process under this program, just as there is no appeal under our veterans programs. The Secretary, presumably through the Health Care Financing Administration, should simply decide these cases fairly and quickly. Payments could then be made to the eligible transplant centers, which have been designated by the Secretary, on behalf of the needy transplant recipient.

There is not a Member of this body, Mr. President, who does not appreciate the seriousness and the urgency of this problem on a personal level. I daresay there is not a Member of Congress who has not had a call or a letter from someone in a situation as desperate as David Stevens was. Many of them, unfortunately, have not enjoyed the good result that David did. It is my hope, Mr. President, that through enactment of this legislation, we can help many more of our fellow Americans than we have been doing on an individual basis.

This, Mr. President, is what Government should be about—helping people who need help. My proposal will not cost the Treasury anything. It will not increase the national deficit, and it will not take anything from anyone who does not want to give. I hope Members of this body will join me in cosponsoring this bill, and I ask that it be referred to the Committee on Finance.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2791

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited as the "Organ Transplant Contributions Act of 1984".

SEC. 2. STATEMENT OF CONGRESSIONAL FINDINGS AND PURPOSES

(a) The Congress finds that there exists an urgent national health problem in the area of human organ transplantation, and that the Federal government is morally obligated to assist those citizens who are in need of organ transplant surgery.

(b) The Congress finds that advances in medical science have made organ transplantation an accepted medical treatment in an increasing number of cases, but that the cost associated with such treatment remain beyond the reach of many Americans.

(c) The Congress finds that many organ transplant procedures remain experimental in nature and that further organ transplant research should be encouraged so that the horizons of medical knowledge may be expanded and the quality of health care improved.

(d) The Congress finds that a number of States have established programs to assist citizens in obtaining needed transplant procedures, and that a number of charitable organizations are available to assist such persons, but there remains a substantial unmet need in this area;

(e) The Congress finds it necessary, therefore, to establish a National Organ Transplant Fund in the Treasury of the United States which shall be used to assist those Americans who are in need of transplant surgery and who have no other means of paying for such treatment; and it is the intent of the Congress that this Trust Fund shall be administered under regulations to be promulgated by the Secretary of Health and Human Services and shall be funded solely by voluntary taxpayer contributions under a taxpayer check-off system to be established by this Act.

(f) It is further the intent of the Congress that the National Organ Transplant Trust Fund be administered by the Secretary of Health and Human Services fairly and expeditiously, taking into account the medical condition of the applicant, the financial resources of the applicant and his or her ability to raise funds from State and private charitable sources, including the resources which the transplant center may devote to transplant research.

SEC. 3. DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS FOR NATIONAL ORGAN TRANSPLANT TRUST FUND

(a) In General.—Subchapter A of chapter 61 of the Internal Revenue Code of 1954 (relating to returns and records) is amended by adding at the end thereof the following new part:

"Part IX—Designation of Overpayments and Contributions for National Organ Transplant Trust Fund

"Sec. 6097. Amounts for National Organ Transplantation Trust Funds.

"SEC. 6097. AMOUNTS FOR NATIONAL ORGAN TRANSPLANT TRUST FUND

"(a) In General.—With respect to each taxpayer's return for the taxable year of the tax imposed by chapter 1, such taxpayer may designate that—

"(1) any portion of any overpayment of such tax for such taxable year, and

"(2) any cash contribution which the taxpayer includes with such return,

be paid over to the National Organ Transplant Trust Fund.

"(b) Joint Returns.—In the case of a joint return showing an overpayment, each spouse may designate any portion of such overpayment under subsection (a) (1).

"(c) Manner and Time of Designation.—A designation under subsection (a) may be made with respect to any taxable year only at the time of filing the return of the tax imposed by chapter 1 for such taxable year. Such designation shall be made on the first page of the return.

"(d) Overpayments Treated as Refunded.—For purposes of this title, any overpayment of tax designated under subsection (a) shall be treated as being refunded to the taxpayer as of the last date prescribed for filing the return of tax imposed by chapter 1 (determined without regard to extensions) or, if later, the date the return is filed.".

(b) Clerical Amendment.—The table of parts for subchapter A of chapter 61 of such Code is amended by adding at the end thereof the following new item:

"Part IX—Designation of Overpayments and Contributions for National Organ Transplant Trust Fund.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years ending after the date of enactment of this Act.

SEC. 4. ESTABLISHMENT OF NATIONAL ORGAN TRANSPLANT TRUST FUND

(a) In General.—Subchapter A of chapter 98 of the Internal Revenue Code of 1954 (relating to trust fund code) is amended by adding at the end thereof the following new section:

"SEC. 9504. NATIONAL ORGAN TRANSPLANT TRUST FUND

"(a) Creation of Trust Fund—There is established in the Treasury of the United States a trust fund to be known as the 'National Organ Transplant Trust Fund', consisting of such amounts as may be appropriated or credited to the National Organ Transplant Trust Fund as provided in this section or section 9602(b).

"(b) Transfer to National Organ Transplant Trust Fund of Amounts Designated.—There is hereby appropriated to the National Organ Transplant Trust Fund amounts equivalent to the amounts designated under section 6097 and received in the Treasury.

"(c) Expenditures From Trust Fund.—

"(1) In general.—The Secretary shall pay, on the order of the Secretary of Health and Human Services, amounts on behalf of eligible individuals to transplant centers specified by the Secretary of Health and Human Services in carrying out section 5 of the National Organ Transplant Contributions Act of 1984.

"(2) Administrative expenses.—Amounts in the National Organ Transplant Fund shall be available to pay the administrative expenses of the Department of the Treasury directly allocable to—

"(A) modifying the individual income tax return forms to carry out section 6097,

"(B) carrying out this chapter with respect to such Fund, and

"(C) processing amounts received under section 6097 and transferring such amounts to such Fund.".

(b) Clerical Amendment.—The table of sections for such subchapter A is amended by adding at the end thereof the following new item:

"Sec. 9504. National Organ Transplant Trust Fund.".

SEC. 5. ORGAN TRANSPLANTATION PAYMENTS PROGRAM

(a) Establishment of Program.—Subject to the availability of funds in the Trust Fund, the Secretary of Health and Human Services shall authorize payments by the Secretary of the Treasury from the National Organ Transplant Trust Fund to transplant centers on behalf of eligible individuals. Such payments shall be available to pay costs of organ transplantation procedures, both preoperatively and postoperatively, for such individuals.

(b) Regulations.—The Secretary of Health and Human Services shall prescribe by regulations the procedures which shall be eligible for payment, the maximum amounts payable for each such procedure, and the terms and conditions under which payments will be made on behalf of an eligible individual under this section. Such regulations shall specify, at a minimum—

(1) procedures, terms, and conditions for the verification of the need for organ transplantation by an eligible individual;

(2) criteria for the determination of which individuals are eligible individuals under this section and procedures to verify the eligibility of such individuals;

(3) the types of organ transplantation procedures for which payments may be made under this section; and

(4) procedures for certification of health care facilities as transplant centers authorized to perform transplant procedures on persons eligible for assistance under this Act.

(c) Definitions.—For purposes of this Act.

(1) the term "eligible individual" means an individual who, as determined by the Secretary of Health and Human Services by regulation has a life-threatening medical condition for which a transplant procedure is reasonably medically necessary, and who has no source of payment for an organ transplantation procedure, including sources of payment such as—

(A) the program established by titles XVIII of the Social Security Act;

(B) a State plan under the title XIX of such Act; and

(C) any insurance coverage applicable to such individuals; and

(2) the term "organ" means the eye, kidney, liver, pancreas, heart, lung, bone marrow, or any other organ or tissue included by the Secretary of Health and Human Services by regulation, whether from a human body or artificially manufactured.

(3) "Transplant center" means a health care facility which has been certified by the Secretary of Health and Human Services as qualified to perform specified types of transplant procedures.

(4) "Transplant procedure" means the surgical procedures necessary to accomplish the organ transplant, as well as appropriate preoperative and postoperative treatments, including immunosuppressive drugs, approved under the Federal Food, Drug, and Cosmetic Act, furnished by a transplant center, as defined herein, in connection with a transplant procedure, but only if furnished not later than the end of the thirty-sixth month after the month in which the individual receives the transplant for which the drugs are furnished.

Sec. 5. This Act shall not be construed to create any private right to sue by or on behalf of any person defined as an "eligible person" under this Act, and shall not be construed to create an entitlement on behalf of any individual.

Mr. PROXMIRE. Mr. President, will the Senator from Arkansas yield?

Mr. BUMPERS. I am happy to yield.

Mr. PROXMIRE. Will the Senator list me as a cosponsor of his proposal?

Mr. BUMPERS. I would be most honored to have the distinguished Senator who knows a great deal about this issue added as a cosponsor.

Mr. PROXMIRE. May I say to the Senator that it is a most impressive proposal. It makes all the sense in the world. As I understand it, the Senator would provide a trust fund so people who desperately need organ transplants and now die because they cannot get them would have a way of getting those organ transplants not through a burden on the taxpayer, not through an entitlement program, but through a voluntary contribution by taxpayers throughout the country.

Mr. BUMPERS. That is precisely correct.

Mr. PROXMIRE. It is an excellent suggestion. I am all for it.

May I say to my good friend that one of the finest members of our staff is a woman named Grace McConnell who recently was within a few months of death. She urgently had to have a new heart. She just, within a few months of the time when she otherwise might have died, did get a heart transplant. She survived, and she is healthy. She is not only a wonderful member of the staff, but a fine mother with a delightful family. It would have been a heartbreaking loss. In her case, it succeeded, as it did in the case of David Stevens. But as in so many cases, I am sure there is real heartbreak in this country. We have had miraculous progress in medical science. What the Senator from Arkansas is doing is making the progress made in medical technology available to people who otherwise would not have it, giving the gift of life, and I cannot think of a finer kind of contribution. I am very honored and delighted to have an opportunity to cosponsor the Senator's excellent suggestion.

Mr. **BUMPERS**. To the Senator from Wisconsin, let me say we have worked on this bill rather diligently for over a week in my office, and the product, as I say, is not perfect. Obviously, it will be subject to change. I hope the concept will be met with almost universal approval in this body, and let me say I have not had a chance to call anybody about cosponsorship. The Senator from Wisconsin will be my very first, and I am most honored for him to be. I thank the Senator very much.

The **PRESIDING OFFICER**. The bill will be received, and appropriately referred.

Mr. **BUMPERS**. Mr. President, I suggest the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **DIXON**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The **PRESIDING OFFICER**. Under the previous order, there will now be a period for the transaction of routine morning business, not to exceed the hour of 12 noon, with statements therein limited to 10 minutes each.

Mr. **DIXON**. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **STEVENS**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER** (Mr. GORTON). Without objection, it is so ordered.

ISRAELI AIRLINE BEGINS NEW CHICAGO SERVICE

Mr. **PERCY**. Mr. President, on June 18, 1984, El Al Israel Airlines inaugurated the only single-plane jumbo jet service from the Middle West to Israel. It was my pleasure to work with Civil Aeronautics Board Chairman Dan McKinnon to ensure the economic success of this service by allowing the El Al flight to continue on to Los Angeles to pick up west coast passengers bound for Israel.

Five years ago, I broke a bottle of champagne across the nose of an American-made El Al 747 when it entered the Chicago market for the first time. However, because of the recession, the service was terminated.

Service to Chicago had been possible under the terms of a bilateral aviation agreement we signed with Israel in 1978, in which I urged the inclusion of Chicago as a landing point.

I wish great success to El Al Israel Airlines. It is an airline with an entire fleet of aircraft built in the United States.

Now that El Al serves the three largest cities in the United States, more Americans will be able to discover the historical and religious treasures of the State of Israel.

I ask unanimous consent that an excellent article by Timothy J. McNulty of the Chicago Tribune be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW CHICAGO-TO-TEL AVIV LINK SIGN OF ISRAELI AIRLINE RECOVERY

(By Timothy J. McNulty)

JERUSALEM.—El Al, the Israeli airline, begins a direct link between Chicago and Tel Aviv Monday, a sign the troubled national carrier is recovering from its economic, political and religious setbacks.

The new route is part of an aggressive campaign to stem past losses and improve a poor image brought about by frequent wildcat strikes [69 in 10 years] and abominable service—there are those who say the airline's initials stand for "Every Landing Always Late."

The once-a-week Boeing 747 flight from O'Hare [on Monday night] isn't the first attempt by El Al to enter the Midwest market. A similar one was made five years ago but failed after several months.

El Al, a symbol of Israeli nationhood and an important factor in the country's economy, is back with a stronger hand now. After a crippling four-month shutdown in late 1982, it declared bankruptcy and went into receivership. The company revived with government aid and began trimming staff. From 6,300 employees in 1979 it has been cut to 3,600 today.

As part of the restructuring that began in 1983, new management was installed, fuel-guzzling aircraft were grounded, and unprofitable lines and offices were closed. An extensive retraining program, new food menus [all kosher] and four new, fuel-efficient Boeing 767 planes are aimed at attracting more passengers.

There still are operational problems to overcome: Under Israeli coalition politics, the nation's small but powerful religious parties forced the government to ground the airline from Friday evening to Saturday evening to comply with the Jewish sabbath. That loss of business alone is estimated to cost $30 million a year.

Many of the airline's labor problems appear to have been quieted by breaking the independence and accumulated power of its eight unions during the four-month shutdown.

The poor service reputation still haunts the airline, which in 1979 was ranked by one guidebook as last among all airlines flying to Britain, even behind Iran Air, a carrier that under Islamic law won't serve alcoholic drinks to its passengers.

El Al, however, has added perks to its flights, offering free headsets, free liquor in all classes, movies on even short flights to and from Europe and, beginning last week, a synopsis of Israeli news programs in both Hebrew and English.

"We've gone from a 70 percent negative to a 70 percent positive response in customer comments," said Nachman Kleiman, a former Chicagoan who is El Al's spokesman here.

An incentive for the new Chicago route is a free stopover in Amsterdam, from where the traveler can make his own way to any of the 21 other cities in Europe served by El Al, and then board another flight for Israel.

The Chicago flight will go on to Los Angeles on Sunday and then return Monday to pick up its Chicago passengers bound for Israel. The addition of those two cities brings to five the number of U.S. cities served by El Al. There are daily Tel Aviv-New York flights and also flights to Boston and Miami via Montreal.

Along with Israeli Ministry of Tourism, El Al is trying to promote more Christian pilgrimages to the Holy Land. It hopes to tap new markets both in the U.S. and Far East, especially Korea and Japan.

Another marketing program is aimed at America's large Jewish population. Only 8 percent of U.S. Jews have visited Israel, according to Israeli estimates, "an absurd figure," Klieman said.

Though El Al has become operationally profitable in the last year, it is still paying off debt and shows a loss. Company executives predict a continued loss of $15 million to $20 million this year from interest payments on outstanding debts, but they hope to show a profit in the next fiscal year.

El Al was founded in 1948. It operates a fleet of 20 aircraft and serves 26 cities, maintaining offices in an additional 26 cities.

SOVIET "ACTIVE MEASURES"

Mr. **PERCY**. Mr. President, the distinguished Chicago council on foreign relations recently held a significant discussion on Soviet disinformation practices worldwide. The council was addressed by William E. Knepper of the State Department's Bureau for Intelligence and Research who described the extensive Soviet disinformation program and provided examples of Soviet forgeries designed to serve as "evidence" for Soviet foreign policy propaganda themes. Feeling that this analysis will be of interest to my colleagues, I ask unanimous consent that excerpts from Mr. Knepper's remarks be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

THE CHICAGO COUNCIL ON FOREIGN RELATIONS—"SOVIET ACTIVE MEASURES"

(Speech by William E. Knepper)

"Active Measures" means unorthodox and covert Soviet and Bloc efforts to affect political attitudes and influence public opinion in the non-communist world.

Our Embassies abroad have as a priority requirement reporting likely forgeries that may appear in the press or be circulated privately among influential foreign leaders and opinion makers.

Larry Eagleburger, who retired May 7 as the Under Secretary of State for Political Affairs, wrote in a recent article, "Soviet Active Measures need to be countered by public exposure. They are infections that thrive only in darkness, and sunlight is the best antiseptic. Governments should make available to their publics as much as possible of our growing knowledge of Soviet practices."

The term "Active Measures" itself is a literal translation from the Russian—ack-tivknee meh'ree. That's the name of the organization in the KGB's First Chief Directorate responsible for worldwide direction of these activities. As the Soviets use the concept, active measures encompass a wide range of practices, including disinformation, manipulating the media in foreign countries, the use of communist parties and communist front groups, and other operations to expand Soviet political influence. Unlike overt Soviet diplomatic and informational efforts, active measures usually involve an element of deception and frequently employ clandestine means to mask Moscow's involvement.

Intelligence operations and propaganda are sometimes grouped in three categories; white, black, and grey. White refers to openly acknowledged government positions, policies, statements. Black operations are supposedly never officially acknowledged or attributed. Grey affairs fall somewhere in between.

Looking at the whole spectrum of Soviet foreign policy, diplomatic, trade, and informational programs may be considered "white" or overt activities. The use of procommunist fronts, local communist parties, or traditional media information outlets fall into a "grey" category. Spreading rumors, planting false stories, surfacing forgeries, and use of agents of influence—collaborators voluntary or paid—are "black" or clandestine operations. Active measures thus involve either grey or black operations, depending on the specific circumstances. Characteristic of Soviet active measures is their wide scope, geographic spread and persistence over time, as well as the frequent use of fabricated documents to underpin disinformation operations.

As a policy tool, active measures trace back to the 1920s when the Soviets sought to discredit emigre groups in Western Europe, particularly in France, by spreading disinformation. They also lured emigre activists back to Russia through various subterfuges. Some of you may have watched last fall on PBS the ten part series, "Reilly, Ace of Spies." Reilly was lured back to his death in Russia by a supposed exile organization, "The Trust," which was in reality a KGB "black" operation. Even before the 1917 Revolution, the Tsarist secret police employed similar deception techniques. They used agents abroad not only to collect intelligence but also to sow dissent among emigre groups of that era. They also gave covert subsidies to selected journals to stimulate a better press for Imperial Russia.

After World War II, the Soviets institutionalized these activities. They established a disinformation unit—Department D—within the First Chief Directorate of the KGB, the Soviet overseas intelligence arm. In the 1960s, the term "active measures" first appeared when the Soviets changed the name of Department D to the Active Measures Department.

Some of our best information on Soviet and Bloc intelligence operations is provided by defectors. In 1968 the onetime chief of the disinformation section of Czechoslovak intelligence, Ladislav Bittman, defected, and has provided unusual insights into active measures operations.

Bittman's experience underscores the close cooperation between the Soviets and satellite intelligence services. Indeed it is often difficult to know whether the Soviets or one of their surrogates are implementing an operation.

In the mid-1970s, the KGB active measures department was upgraded to a "Service," a further indication of the importance the Soviet leadership attached to active measures. This change meant that the Chief of the Service would have KGB general officer rank. The timing of the shift in the mid-1970s suggests a connection with Soviet disappointment with the fruits of detente—during which time forgeries had fallen off sharply. It indicated renewed willingness to employ deception techniques on a larger scale in support of Soviet aims.

Reflective of this, the Carter Administration was targeted with an upsurge of active measures, frequently involving fake US documents. These were particularly directed against the US/Egyptian relationship and the Camp David process.

Organizationally, the KGB Active Measures Services has the primary role of backstopping foreign active measures operations, which are directed in general terms at the Politburo level, the summit of the Soviet hierarchy. The service is organized along functional and geographic lines with roughly half a dozen departments. It is believed to employ directly about 300 people. They monitor ongoing active measures around the world; process proposals for new operations; maintain liaison on active measures with KGB regional and country desks and with overseas operations; and provide technical support for operations through preparation of forgeries and fabrications, translation of documents, and printing and publication of materials.

Our best view under the Soviet cloak of secrecy has been provided by Stanislav Levchenko, a former KGB major and active measures specialist who defected to the US in 1979 while working as a "journalist" in Japan. At the time of his defection, Levchenko was acting chief of the Active Measures section of the KGB "residency" in the Soviet Embassy in Tokyo. He supervised five case officers or KGB operators. They, in turn, ran a string of 25 agents of Japanese or third-country nationalities. Levchenko was sentenced to death by a Soviet military tribunal meeting in secret in August 1981. He has declared open opposition to what he views as ". . . the corrupt Soviet system." The Soviets are preventing his wife and teen-age son from joining him in the U.S.

According to Levchenko, KGB "residencies" or foreign stations operating under diplomatic cover in Soviet Embassies or Missions, consider active measures part of their core operational work, along with espionage. Residencies submit proposals for new active measures, and assessments of old activities, in the annual plan sent Moscow every December. "Residencies" can take the initiative in proposing new operations to take advantage of perceived opportunities at any time during the year. Final approval, however, rests with KGB headquarters as approved by the Politburo. Moscow can, of course, instruct residencies to undertake active measures at any time. Most official or quasi-official Soviet representatives abroad are likely to be involved from time-to-time in active measures. Even Soviet scholars, journalists, and representatives of the Russian Orthodox Church, who are often accepted abroad as legitimate counterparts by their non-Soviet Colleagues, also often engage in these types of active measures. Unlike their free world counterparts, they often must play a dual role. Their legitimatic academic or other pursuits sometimes play a subsidiary role to their political activities on behalf of the Kremlin. They are required to obey instructions from the bodies which plan and control Soviet active measures.

While the specifics of active measures vary widely, Levchenko stresses that all are specifically designed to reinforce Soviet policy objectives in a particular country or region. The US and NATO are the Soviet Union's principal worldwide targets. However, as Major Levchenko's activities in Japan show, other countries are also on the receiving end of active measures.

When Levchenko defected, he was ostensibly working as a correspondent for the Soviet news magazine, New Times. He found cover as a journalist to be especially useful for active measures operations, since it provided broader access than more traditional diplomatic cover.

Ideally the KGB seeks publication of disinformation in reputable non-communist media. The Soviet press then replays the story, citing credible sources. It may also be replayed elsewhere, for example by wire services or others unaware that they are repeating disinformation. Sometimes the KGB runs disinformation in pro-Soviet news outlets. This is in the hope that the phony story will gain acceptance through frequent repetition, even though the initial surfacing vehicle lacks credibility.

Spreading rumors is perhaps the crudest form of active measures. This was done on a considerable scale by both the Axis and the Allied nations in World War II. In recent years, there are indications that the Soviets may have resumed the practice. In 1979 after the seizure of the Grand Mosque in Mecca by religious fanatics, US Embassies picked up numerous reports that the Soviets were falsely spreading the word to Arab contacts that the US was implicated. Levchenko told the House Intelligence Committee that he personally participated in several operations to spread rumors in Japan directed against the Peoples Republic of China. One such effort was to suggest secret collusion on nuclear matters between the Chinese and the Italians.

Many disinformation operations gain acceptance by showing tangible "proof." Fabricated documents and forgeries are provided as "evidence." In some cases a Soviet role in manufacturing these documents may be uncovered by content and forensic analyses of the document, the method of surfacing, the relative level of sophistication of the forgery, or its nearly instantaneous replay by the Soviet media. While it is not entirely clear why the Soviets have made forgeries such a specialty, the fake US Government document has become a post-war hallmark of Soviet disinformation operations. In 1961 then CIA Assistant Director Richard Helms told the Senate Judiciary Committee that some 32 forgeries of US Government documents had been uncovered during the preceding four years. These ranged from fake high-level plans on Middle East policy, involving Secretary of State John Foster Dulles and then New York Governor Nelson Rockefeller, to false Pentagon documents alleging that most US strategic bomber pilots were medical wrecks.

Nineteen years later in February 1980, John McMahon, a successor to Helms as chief of CIA's clandestine service, told the House Intelligence Committee a similar tale of fabricated US Government documents. He provided background on the renewed Soviet surfacing of forgeries following the establishment of the Active Measures Service in the mid-1970s. McMahon elaborated on some two dozen forgeries such as a series intended to create frictions in US-Egyptian relations. He estimated that the Soviets in 1980 were devoting the equivalent of $3 billion annually to active measures activities.

Since 1980, the KGB forgery curve has continued to rise. According to CIA testimony before the House Intelligence Committee in 1982, and our own State Department reports on Soviet Active Measures, four forgeries surfaced in 1980, seven in 1981, nine in 1982 and twelve in 1983, or over thirty since 1980. In addition, several earlier forgeries have been purposely resurfaced a number of times.

The technical quality of recent forgeries has improved over earlier KGB products. The formatting is on the whole good, certainly sufficient to deceive those unfamilar with US Government documents. There are, however, almost always some discrepancies and mistakes. It is difficult for an outsider to duplicate US Government documents with total accuracy, given the frequent changes in form and procedures. While the American English in most forged documents is colloquial, there are occasional linguistic flaws, use of stilted language or of British rather than American phrases, or spelling. In some instances, literal translations expose the likely Soviet authorship. In a faked US document that was surfaced in Nigeria, the term "wet affair" was used to describe a proposed assassination. "Wet affair" is the euphemism in the Soviet intelligence lexicon for "assassination." In a letter from the New Orleans based aviation personnel agency to the South African Air Force Chief, the term "competent bodies" is used. "Competent bodies" is the way the Soviets describe their security services.

In contrast to the 1950s when the Soviets were often satisfied with surfacing forgeries in the Communist press, in recent years the KGB has sought publication in non-communist media. When successful, this enhances the credibility of the disinformation operation and provides more believable sourcing for replay by communist media. A number of respected non-Communist journals have been victimized by fabrications during the past two years.

The US or other offended parties can forcefully deny fabrications. However, once published, a story frequently assumes a life of its own. Either the denial does not catch up with the original false report or a few people are willing to believe the story simply because it is in print.

Probably the most enduring set of forgeries are the so-called Holocaust papers, designed to create tension between the US and our European allies. This is a collection of altered and authentic US war plans that date from the early 1960s. The papers allege that the US would sacrifice Western Europe by nuclear bombing strikes during a prospective World War III to save the continental US. The papers surfaced initially in a Norwegian magazine in 1967. More recently, they were the subject of questions in the town council of Graz, Austria in December 1982. At least 20 separate surfacings have been identified.

In November 1981, an attempt was made in Madrid to surface a forged letter from President Reagan to the King of Spain. The forgery was technically well done with the correct White House stationery and type script. In terms intended to offend Spanish sensitivities, the letter urged the King both to join NATO and to crack down on groups such as the "Opus Dei pacifists" and the "left-wing opposition."

After an initial blind mailing to Spanish journalists failed to obtain publication, the forgery was circulated on November 11 to all delegations (except to US and Spanish) to the Conference of Security and Cooperation in Europe, then meeting in Madrid. This time several Madrid newspapers ran stories that exposed the letter as a fabrication, probably of Soviet origin.

This forgery of an allegd June 1979 letter from then NATO Commander Alexander Haig to NATO Secretary General Joseph Luns surfaced in April 1982. The letter discusses a possible nuclear first strike and calls for ". . . action of a sensitive nature to jolt the faint-hearted." The letter is intended to stimulate the nuclear disarmament campaign by suggesting a Haig-Luns collusion against opponents of the modernization of nuclear forces in Europe. Technically, the quality is good but does include mistakes such as inappropriate stationary also the "Dear Joseph" greeting instead of the "Dear Joe" habitually used by General Haig. The forgery was surfaced in a leftist Belgian weekly and reported to Belgian television and radio. Its appearance coincided with numbers anti-nuclear demonstrations in the spring of 1982.

In January 1982, a forged letter and an accompanying research analysis dated September 23, 1981, from Judge William Clark, then Deputy Secretary of State, to the US Ambassador to Greece, Monteagle Stearns, was surfaced in Athens. This forgery indicated US support for the conservatives in the October Greek elections. It alluded to a possible military coup if Socialist leader Andreas Papoandreou won at the polls (as he did). On the basis of Embassy assurances that the letter was a fake, it was not initially published. Several weeks later, after copies had been circulated at the CSCE in Madrid, a small Athens daily published it. However, the daily described the letter as of doubtful authenticity and probably attributable to a "third-country' intelligence service.

Two faked 1982 telegrams were allegedly from the US Embassy in Rome. They depict the Italian investigation of a possible Bulgarian connection in the assassination attempt against Pope John Paul II as campaign orchestrated by the US. The forgery appeared in a leftist Rome newsweekly in late July, 1983. The cables are cleverly done and read much like State cables. An exception is the use of the term "spynest Sofia" and various technical formatting errors. The fabrication apparently was designed to provide "credible evidence" for Soviet media allegations that the US had orchestrated the arrest of the Bulgarian intelligence officer, Antonov, as part of an effort to blame the Soviets and Bulgarians for the papal assassination attempt.

Jeune Afrique, an influential French-language newsweekly published in Paris and widely read in Francophone Africa, reported on November 17, 1982 that despite the US Embargo on arms sales to South Africa, Northrop Aviation was offering to sell South Africa its new Tigershark fighter. To "prove" the point, Jeune Afrique published a picture of a letter, ostensibly sent by Northrop's vice president for marketing, to the commander of the South African Air Force. When Northrop called the letter a fake, Jeune Afrique ran a new story on January 19, 1983, suggesting that the denial was untrue and the original letter was authentic.

In this case, the perpetrator of the active measure apparently obtained a copy of a genuine letter that Northrop had routinely sent to many countries, but not to South Africa, and simply typed in the South African addressee. The purpose of this active measure was to suggest that the US embargo on military sales to South African was a sham. The envelope also had a 20¢ stamp—not enough to reach South Africa.

In Lima, Peru last year a report surface that the United States was planning to sell nuclear-tipped cruise missiles to Chile. Nothing of course could be further from the truth. The obvious intent was to stir up trouble between Peru and Chile and make the Peruvians suspicious of an antagonistic toward the United States. The report was based on the fake airgram appearing there. The Peruvians quickly realized that an attempt was being made to dupe them, and nearly every newspaper in Lima denounced the report as a forgery, most likely of Soviet inspiration.

The box score for disinformation and other media influence efforts is mixed. Despite extensive KGB active measures operations, it is hard to perceive any major impact on well-established, non-Communist, Western media outlets. Most fabrications or disinformation efforts are able to achieve publication only in obscure journals, or in those known for their predilection for the Soviet line. Probably more damaging are repeaters. Even though exposed through repeated surfacing and occasional uncritical publication, the impression can be created that "where there is smoke, there is fire."

Unfortunately for the US, the Soviets have had much more success with active measures in the Third World. In Africa and South Asia in particular, they have probably significantly added to the US's image problems. Over the years, the KGB and its allies have developed well-established outlets to float disinformation. They also have had considerable success in arranging for press plants of distorted news stories in Africa.

In gauging the overall impact of active measures, it is important to view it through Soviet, not just American, eyes. The Soviets, as Levchenko points out, take a long-term view. They are not seeking immediate, short-term gains or necessarily a big impact from any one operation. Rather, they regard active measures like pawns in a chess game, able to damage the opponent at the margin. If Dr. Goebbels espoused the technique of the "big lie," the Soviets in active measures operations have more modest aspirations. They take the long term view and by all accounts appear satisfied that the cumulative impact makes their considerable investment worthwhile.

MEMORIAL DAY ADDRESS OF SENATOR WARNER

Mr. TRIBLE. Mr. President, on Memorial Day, my friend and distinguished colleague from Virginia, Senator JOHN WARNER, delivered the principal address at the Vietnam Veterans Memorial in Washington, DC. Several hundred veterans of that conflict were in attendance that morning, some of whom were wearing the same field

uniforms they wore in the jungles of Vietnam.

This Memorial Day, of course, has special significance since the Unknown Soldier from the Vietnam war was interred at Arlington Cemetery.

These remarks honor the thousands of other men and women who served with valor in Vietnam and other wars in which our Nation has been engaged, and have special significance for all Americans.

Mr. President, I ask unanimous consent that Senator WARNER's address be included in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR JOHN W. WARNER, MEMORIAL DAY CEREMONY AT VIETNAM VETERANS MEMORIAL, MAY 28, 1984

We honor today the veterans of all wars in the history of our nation, but most especially those who volunteered and those who went unselfishly to Vietnam.

Today, we must muster the courage to look into the very face of war itself, and to remember that, only through the sacrifices of those who have served, are we allowed here today to enjoy the freedom in our nation and elsewhere in the world.

Each speaker has made a commitment this morning to devote his or her energies, everlastingly, to try and find and tell the story of the nearly 2,500 persons from the Vietnam War who remain unaccounted for. I, as a Member of Congress, pledge to join in that effort.

This coming November, Americans will elect their next President, the most powerful leader in the world. The foremost duty of that President, as well as all leaders in the world, will be to try and reconcile the differences, to work towards world peace and, above all, to reduce those tensions growing steadily as a consequence of the proliferation of nuclear weapons. No duty is more important to the leadership of the world than to solve that problem.

Generations have gone forth from this nation to fight that war always said to be the war that ended all wars. Now, it may be that the nuclear technology has taken its place. And, unless those leaders, whoever they may be, resolve this tension, indeed civilization itself may be the unkown soldier.

Over the past several weeks, the Congress has been struggling, as it does annually, to determine the size of the defense budget for this nation, which may be as much as $300 billion this year. One of the largest parts of that budget, of course, are the monies for new weapons. And as I've sat through the many hours of testimonies and hearings, it has occurred to me that the billions upon billions of dollars that we, as a nation, must and will invest in those systems, are not better than the men and the women who volunteer to step forward and man those weapons systems. Indeed, it is the men and women wearing the uniform of the United States who are the deterrent to the war, not the weapons systems themselves.

George Washington said, "To be prepared for war is one of the most effectual means of preserving the peace." Let us remember it is not the weapons that Washington referred to, but it is the spirit of the American people, and that generation that are willing to make the sacrifice in the uniform of their country to deter that war.

I close by reminding you of the phrase from the Star Spangled Banner, "Oh say, does that star spangled banner yet wave, over the land of the free and the home of the brave?" But, ladies and gentlemen, we know only too well that America, to remain free, and remain the land of the free, will be so only as long as America remains the land of the brave.

Thank you.

DAN VALENTINE—THE WILL ROGERS OF UTAH

Mr. HATCH. Mr. President, it is with great feeling and State pride that I ask the Congress to join me in honoring Dan Valentine—the Will Rogers of Utah—on his birthday. He was born on June 27, 1917.

For more than 30 years, he wrote a daily humor column for the Salt Lake Tribune called Nothing Serious. The column was must reading for thousands of Salt Lake Tribune subscribers. During its peak of popularity, the column enjoyed a phenomenal 90-percent readership in the Tribune. Many subscribers turned first to the column on page B-1 before reading anything else in the paper.

In addition, he wrote more than 35 books and gave thousands of speeches. For several years, he did all this plus produce a 6-day-a-week radio show.

An ongoing struggle with diabetes and a severe fall a few years ago have left him handicapped. But, although his typewriter has been stilled, he has not yet officially retired from the Tribune. Each Sunday, the newspaper reruns columns from Valentine's prolific past.

He concentrated primarily on humor, but he has gained wide acclaim for his serious moments, too. His essay "America Pleads Not Guilty"—written 8 years ago on American's 200th birthday—has become a modern newspaper classic. I would like to share it with you today on the 67th birthday of its author:

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

AMERICA PLEADS "NOT GUILTY"

(By Dan Valentine)

In the turmoil of the times, Americans have been innoculated with a false feeling of guilt.

Some would have us believe we have failed our dream.

They call us greedy, grasping, arrogant, meddlesome . . . America pleads not guilty.

Mobs stone our embassies . . . Americans are ridiculed in foreign lands . . . Dissenters at home defy our laws and make mockery of our freedom.

We are called selfish, smug, self-satisfied, unfair.

We are told to hang our heads in guilt and shame.

America pleads not guilty.

They call us inhumane.

But when disaster strikes anywhere in the world—flood, famine, hurricane or earthquake—we are the first to offer aid. Not just sympathy, but food, clothing, medicine, money . . .

They call us selfish.

But each year Americans contribute billions to charity—most of it dimes and dollars from average citizens.

They call us "Uncle Shylock" . . .

But what other nation in the history of the world fights and wins wars—then taxes itself to the breaking point to restore the war-torn lands of the enemies?

America pleads not guilty.

Critics scoff at our New World ways.

But in 200 years we have cleared a wilderness, and have become the granary of the world, and the arsenal of freedom.

Cynics say we are crude and uncultured.

But in 200 years we have built a nation of 175,000 schools . . . 2,200 colleges and universities . . . 1,000 symphony orchestras . . . 100,000 libraries . . . 75,000 hospitals . . . and 250,000 churches . . .

Two hundred years ago, children worked in the mines and were old at 14 . . . Criminals were dipped in vats of molten lead . . . Citizens were chained in dungeons with no hope of a fair trial . . . Debtors were stripped of their freedom . . . No man's home was his castle.

These things are no more . . . thanks to the American dream.

America pleads not guilty.

They call us intolerant. But men of other colors and other faiths sit in our Senate and Congress, and rule from the highest judicial court in the land.

America pleads not guilty.

There are 200 million Americans who have never owned a black slave, or any slave. They stem from a million ancestors who have never owned a black slave, or any slave.

There are 200 million Americans who have never started a war, or envied another man's land . . . They have never ransacked a nation, looted a stranger's home, or forced any man to bow to a loser's yoke.

There are 200 million Americans who have never scoffed at another man's God . . . or defiled his temples.

Thousands of American soldiers are buried in foreign soil—they died fighting so others could be free.

Cynics and dissenters cry: "America is through . . . the dream is gone."

They lie.

Millions of Americans still live with their neighbors in peace and harmony. Millions of Americans still live with the spirit of charity, with compassion in their hearts.

Millions of Americans still pray, pay taxes, obey the law and govern themselves.

Cynics, scoffers, critics . . . say what you will about us . . .

America pleads not guilty.

CHIEF POWELL STEPS DOWN

Mr. PELL. Mr. President, on June 30, there will be a notable changing of the guard on Capitol Hill when Chief James M. Powell steps down as Chief of the U.S. Capitol Police.

Chief Powell is closing out a distinguished career of 44 years in law enforcement, of which 26 were in service to the U.S. Capitol. He began his career with the Washington Metropolitan Police Department in 1940, and counts among his exploits the arrest of one of the assailants who attempted to assassinate President Harry S. Truman at the Blair House in 1950.

In 1958, then Captain Powell was assigned to the Capitol Police Force and in 1965 he was appointed its Chief, while still on detail from the Metropolitan Police Department. On February 1, 1980, Chief Powell transferred from the Metropolitan Police Department and became the first statutory chief of the U.S. Capitol Police, employed by the legislative branch in accordance with action of the 96th Congress.

Mr. President, as we all are reminded daily, the Capitol of the United States is both a national patriotic shrine and at the same time a place for conducting the business of the national legislature. Maintenance of security and good order is a challenging task that always must be balanced with the public's right to access to the democratic process. The Chief's job is not always an enviable one, but Chief Powell always seemed to manage the task with an appropriate blend of firmness and flexibility, with good humor and sensitivity to the unique requirements of the position.

I join my colleagues in saluting Chief Powell as he closes out his career on Capitol Hill, and I wish him well in all his future endeavors.

THE 20TH ANNIVERSARY OF THE URBAN MASS TRANSPORTATION ADMINISTRATION

Mr. PERCY. Mr. President, I would like to speak in support of the proposed Senate resolution to commemorate the 20th anniversary of the Urban Mass Transportation Administration [UMTA], which was introduced by my esteemed colleague, Senator D'AMATO.

UMTA operates under the authority of the Urban Mass Transportation Act of 1964. UMTA has been responsible for assisting in the development of improved mass transit facilities, equipment, and techniques; encouraging the planning and establishment of areawide urban mass transit systems where they are cost efficient; and providing State and local governments with assistance to finance such systems.

I am sure my colleagues are aware of UMTA's vital importance on the State and Federal levels. Mass transportation is an essential public service, a key link in the chain of this Nation's transportation infrastructure. UMTA, in addition, plays a major role in uniting the Federal, State, and local governments, ensuring that public transportation is available and affordable to areas that are determined to be cost effective.

Chicago possesses the second largest public transportation system. The CTA and RTA, located in Chicago, receive State and Federal funds through UMTA. In honoring the 20th anniversary of UMTA, I also wish to call attention to the special modernization efforts of the CTA and the RTA, in their attempt to anticipate and prepare for future transit needs.

I would like also to commend Ralph Stanley, for his fine work as Administrator of UMTA. Through his efforts and unique foresight, UMTA has provided and undoubtedly will continue to provide, State and Federal Government with outstanding service.

Mr. President, in light of the importance of mass transportation, I ask my colleagues to support this resolution honoring the 20th anniversary of UMTA.

THE 25TH ANNIVERSARY OF THE ST. LAWRENCE SEAWAY

Mr. PERCY. Mr. President, I would like to speak in support of Senate Joint Resolution 314, sponsored by my distinguished colleague [Mr. D'AMATO], which commemorates the 25th anniversary of the opening of the St. Lawrence Seaway, and marks June 27, 1984, as St. Lawrence Seaway Day.

I remind my colleagues of both the actual and symbolic significance of the seaway.

First, the St. Lawrence Seaway represents one of the great engineering achievements of all time. By opening up the St. Lawrence River to oceangoing ships, the seaway enabled these ships to gain access to the Great Lakes, thus making the lakes our Nation's fourth seacoast. The seaway enabled Illinois farmers and manufacturers to ship their goods—not through New Orleans via barge or through New York via railroad—but directly out of the Port of Chicago helping to make Illinois—and the Midwest a major international trade center.

Second, the St. Lawrence Seaway attests to the unique relationship between the United States and Canada. The cooperation needed to construct, maintain, and operate it symbolize the mutual respect and friendship that exists between our two great nations.

Third, the seaway reaffirms the commitment of the United States to the shipping industry and our firm resolve to maintain the integrity of the international shipping system. The St. Lawrence Seaway is an incentive to shippers by encouraging them to move their goods by sea rather than road or rail. Unfortunately, this incentive is reduced somewhat by the tolls which are still levied on ships using the seaway. That is why Senator DIXON and I have supported legislation to eliminate the tolls on the seaway, and it is my firm hope that we can resolve this issue soon. We need to encourage, not discourage, shippers to come into the Great Lakes via the seaway. If some action is not taken to reduce or eliminate the tools soon, there may not be a shipping industry in the Great Lakes someday.

I commend Senate Joint Resolution 314 to my colleagues and ask their support for its swift passage.

THE NATIONAL ENDOWMENT FOR DEMOCRACY

Mr. MOYNIHAN. Mr. President, Mr. Albert Shanker, president of the American Federation of Teachers, has written a persuasive and instructive article concerning the "National Endowment for Democracy." It has strengthened my resolve to see that hugely important project through, and I feel certain it will be of interest and encouragement to other Senators as well. I ask unanimous consent that Mr. Shanker's article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 24, 1984]

WHERE WE STAND

(By Albert Shanker)

WHY NOT NURTURE DEMOCRACY ABROAD?

During the last few weeks I've learned how hard it is for a democratic country like ours to do things and to do them right. Only a few months ago the Congress passed and the President signed a law which funded a private nonprofit corporation called the National Endowment for Democracy (NED). Now NED is fighting for its funding . . . and its life.

The basic reasons for NED are clear. For decades there has been a struggle between the U.S.S.R. and its bloc on one side and the U.S.A., Western Europe and their friends on the other. The struggle is not basically over which flag will fly over more territory, but over the question of how many people will have the right to enjoy the benefits of democracy. A look at the changes which have taken place in the world over the last four decades does not give an optimistic picture. It's true that wherever people are free to vote and choose their own form of government, they never choose the Soviet model. But nevertheless that model expands because it can use armed force without fear of internal criticism. It can spread money to its agents and sympathizers in other countries without worrying about press leaks or internal political dissension over who is getting the money or whether the projects are worthwhile. In any struggle, if one side is doing something while the other is doing little or nothing, the outcome is clear.

We in the United States do have something to promote and sell, something to offer in competition. Why not actively promote the idea of democracy? And why not continue to do it through government agencies like A.I.D. and U.S.I.A.—but add to them the strength of those free institutions which exist in our society and not in the Soviet Union's . . . or, for that matter, in dictatorships of the right? Institutions whose very existence shows the difference between our system and theirs—free trade unions, private business enterprise, independent political parties. Why not give a small amount of money ($31 million out of our annual budget of about $900 billion)? Each of these groups would not be using the money to do what the United States Government asks them to do. Rather the government would provide money to these groups for activities each of them wants to do to help indigenous democratic institutions, at their request. The AFL-CIO would help strengthen free labor unions in other countries. The United States Chamber of Commerce would strengthen business groups abroad and promote the philosophy of free enterprise, while the Republican and Democratic Parties would help strengthen their democratic counterparts around the world, again at the request of these existing foreign organizations.

The idea had strong support across the political spectrum: President Reagan, AFL-CIO President Lane Kirkland, party chairmen Frank Fahrenkopf of the Republicans and Charles Manatt of the Democrats. Senators Christopher Dodd, Pat Moynihan and Orrin Hatch, Representatives Dante Fascell and Jack Kemp, among many others. The National Endowment for Democracy was born, and I was one of the 15 members named to be on its Board of Directors.

But on May 31, with NED only a few months old, the House voted to cut off all of its funds for next year. And now the only hope is that the Senate will continue to support NED. Why the turnaround? Well, some in Congress don't seem to mind having the United States do nothing while the Soviet Union scores gains. Others don't like the idea of our political parties being "tainted" by government money. But most are just afraid that when one or another of the parties in NED occasionally makes a mistake in how the money is spent—and occasional mistakes will certainly be made—their election opponents will hit them hard for voting for NED.

We can either do something to promote democracy around the world or decide to do nothing. If we decide to do something, we can do it exclusively through government agencies, or we can also do it through private and free democratic institutions. (Of course, if we limit our efforts to government agencies, that there will be many groups and institutions in other countries which either cannot or will not accept help from a foreign government.)

There is no doubt that our promotion of democracy around the world will be more effective if conducted openly by a private, nongovernmental group of Americans. The idea is good. It's worth trying. It may or may not work. But those ready to kill NED before it has had enough time to develop—or are overly worried about demagogic attacks by political opponents. A bit of courage is called for.

THE DRAKE FAMILY OF CLEMSON, SC

Mr. THURMOND. Mr. President, I wish to take this opportunity to welcome to Washington, DC, the family of Mr. and Mrs. Thomas Drake of Clemson, SC.

The Drakes, along with eight other families, are in our Nation's Capital to receive special recognition from First Lady Nancy Reagan as part of the Great American Families Program. A panel of distinguished judges selected these nine families to receive Great American Family Awards based on strong family relationships and contributions to their respective communities.

The Drakes were selected as the 1983 South Carolina Family of the Year. One of the primary community service contributions by the Drakes on which this award was based was their outstanding involvement in adoption and refugee resettlement programs. Specifically, this American family sponsored and helped support another seven-member family from Vietnam during their transition to the United States. The Drakes have also worked closely with "OURS," a national adoptive parent organization. Thomas Drake and his wife, Carolyn, have eight children, six of whom were adopted. Three other children have also lived with the family at various times in the past.

Mr. President, the Drake family of Clemson, SC, is a shining example of the worthwhile, humanitarian accomplishments which can be obtained through caring and self-sacrifice. Their volunteer efforts help restore our faith in the American family tradition—a tradition which brings strength and vitality to our Nation.

Again, I commend the Drake family, as well as the other honorees, on being selected for this special recognition as one of nine great American families. We are especially proud of these outstanding citizens of South Carolina, and I am sure my Senate colleagues join me in extending our best wishes for success to all of these wonderful families in their future endeavors.

RECESS UNTIL 2 P.M.

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate stand in recess until 2 p.m.

There being no objection, the Senate, at 11:03 a.m., recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. HECHT].

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

EDUCATION FOR ECONOMIC SECURITY

MATH-SCIENCE BILL

The PRESIDING OFFICER. The clerk will state the unfinished business.

The bill clerk read as follows:

A bill (S. 1285) to improve the quality of mathematics and science teaching and instruction in the United States, and for other purposes.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, I anticipate that the minority leader will be on the floor in a moment. As I have previously announced and as he is aware, it is my intention at that time, but not now, to ask unanimous consent that the Senate temporarily set aside the math-science bill and proceed instead to the consideration of the child restraint bill, which is H.R. 4616, to which I expect the drunk driving amendments contemplated by Members will be offered.

While we await the arrival of the managers and the minority leader, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MILITARY CONSTRUCTION AUTHORIZATION, 1985

The PRESIDING OFFICER. Pursuant to the order of Thursday, June 21, 1984, H.R. 5604, having been received from the House of Representatives, is deemed to be considered, all after the enacting clause stricken and title 2 of S. 2723, as amended, inserted in lieu thereof. The bill is deemed to be read a third time and passed and the Senate has been deemed to have insisted on its amendment and requested a conference with the House of Representatives on the disagreeing votes of the two Houses, and the Chair appoints the following conferees on the part of the Senate: Senators THURMOND, WARNER, HUMPHREY, QUAYLE, EAST, STENNIS, HART, EXON, and BINGAMAN.

Mr. BYRD. Mr. President, reserving the right to object, will the distinguished majority leader ask for a quorum call before he presses his request?

Mr. BAKER. Yes.

Mr. President, may I say, by way of explanation, that it is my understanding that the action just taken was ordered by unanimous consent during the concluding period for deliberations on the Department of Defense authorization bill.

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. Mr. President, so that we may examine the details of that with the minority leader, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk with call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MOTOR VEHICLE SAFETY PROGRAMS

Mr. BAKER. Mr. President, I had hoped that at this moment we might be able to enter into a unanimous-consent agreement with respect to the time for debate on the measure I am about to ask the Senate to consider, as well as a limitation on amendments. That has not yet been cleared, I understand. I continue to hope that it will be cleared so that the only issues involved will be the two amendments dealing with drunk driving, one will be offered by Senators LAUTENBERG and DANFORTH and the other by Senators HUMPHREY and SYMMS. It is my hope that we can limit this debate to those two issues—they are the principal issues—and that we can get on with the timely disposition of this matter.

In order to go forward, I think it might be well to get started without the time agreement. Therefore, Mr. President, I ask unanimous consent that the Senate temporarily lay aside the pending business and proceed, instead, to the consideration of Calendar Order No. 832, H.R. 4616.

The PRESIDING OFFICER. Is there objection?

Mr. BAKER. Mr. President, I also ask unanimous consent that no call for the regular order will serve to displace H.R. 4616 as the pending business, except that a call to that effect by the majority or minority leader will do so.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

> A bill (H.R. 4616) to amend the Surface Transportation Assistance Act of 1982 to require States to use at least 8 per centum of their highway safety apportionments for developing and implementing comprehensive programs concerning the use of child restraint systems in motor vehicles, and for other purposes.

The Senate proceeded to consider the bill.

Mr. DANFORTH. Mr. President, let me lay out for the Senate very briefly the sequence as I understand it.

H.R. 4616 is a basic authorization bill for the highway safety grant program. It authorizes $115 million for fiscal year 1985 and $120 million for fiscal year 1986.

In addition to the authorization, there is a provision in the bill relating to child passenger safety seat programs. The bill requires that 8 percent of a State's highway safety funds be spent on child passenger safety seat programs. I think it is accurate to say that the basic authorization and the child safety seat provisions are totally noncontroversial.

Senator LAUTENBERG is going to offer an amendment. He will explain what that amendment has in it. There are four parts to it. One relates to drunk driving, one relates to computerization programs, one relates to incentive grants for criminal penalties and mandatory license revocation, and one relates to the withholding of highway construction money for States that do not enact 21-year-old drinking age statutes.

I believe, Mr. President, with the exception of the 21-year-old drinking age part of the Lautenberg amendment, that amendment also is noncontroversial. As a matter of fact, the incentive grant program for criminal penalties and mandatory license revocation is nearly identical in the amendment that will be offered by Senator LAUTENBERG and the amendment that will be offered by Senators HUMPHREY and SYMMS. Therefore, the controversy in the bill and the subject of debate will be what sort of approach the Congress desires to take with respect to the 21-year-old drinking age. Should we take the position of withholding a fraction of the State's highway construction funds if a State does not enact such a law, or, in the alternative, should we provide an incentive grant approach for States that do enact a 21-year-old drinking age?

That, I think, lay out what the subject of debate will be on this bill.

Mr. President, we have before us today a bill which addresses a major safety problem: The safety of children who ride in automobiles and other motor vehicles. According to the National Transportation Safety Board (NTSB), automobile accidents are the No. 1 killer and crippler of young children in the United States. More than 650 children under the age of 5 are killed in auto crashes each year, while more than 50,000 are injured. The insurance industry estimates that car crashes kill 10 times as many children as all the diseases combined against which children are immunized. The NTSB estimates, however, that proper use of child passenger safety seats could prevent 90 percent of these child fatalities and a vast majority of serious injuries to children.

At present, more then 40 States plus the District of Columbia have passed child restraint laws. The evidence shows that these laws save lives and reduce injuries. Given the large number of States with laws requiring the use of child passenger safety seats in cars, the focus at the Federal level must shift toward implementation of comprehensive programs to support these laws and enhance enforcement of the laws. States need funds in order to implement a variety of different highway safety programs, such as loaner programs, hospital and community-based training programs in correct usage of child restraints, and public information and education.

The usage rate of child safety seats must also be increased in order to afford maximum protection. As of 1983, among infants under the age of 1, only 32 percent were properly placed into child safety seats, while only 16 percent of toddlers between 1 and 4 years are protected by use of these seats.

Mr. President, we have before us today a bill which will greatly enhance child passenger safety seat programs. H.R. 4616, which was passed by the House on April 30, does two very important things. First, the bill increases the authorization for the Department of Transportation's highway safety grant program, the so-called section 402 program, to $115 million for fiscal year 1985 and $120 million for fiscal year 1986. These authorization levels will provide States with much-needed funds for their overall highway safety programs. Second, H.R. 4616, provides that each State is to expend 8 percent of the money it receives under the section 402 program for developing and implementing comprehensive programs concerning the use of child restraint systems in motor vehicles. The Secretary of Transportation may reduce the amount of the section 402 funds a State must spend on child safety seat programs only if the State can demonstrate that more than 75 percent of the children under the age of 4 traveling in vehicles in that State are properly restrained in child safety seats.

Mr. President, my colleague, Senator LAUTENBERG will be offering an important amendment to this bill which addresses the critical problems of drunk and drugged driving.

Drunk driving is a national epidemic; drunk driving accidents are responsible for more than 50 percent of the 45,000 deaths in traffic accidents in the United States each year. Also of substantial concern is the increasing problem of people who drive while under the influence of drugs other than alcohol.

Mr. President, the provisions of this amendment take steps to combat these serious problems and will greatly enhance highway safety.

First, this amendment will encourage States to set a minimum legal drinking age of 21. If a State does not have such a law, the Secretary of Transportation would be required to withhold a proportion of that State's Federal highway funds. This provision is crucial in the fight against drunk driving. Statistics show that a 21-year drinking age throughout the United States would significantly reduce the drunk driving problem. Of the Americans killed each year in drunk driving accidents, between 5,000 and 10,000 are under 21 years of age. In fact, the death rate in this country for persons between 15 and 24 is higher today than it was 20 years ago; the leading single cause of death for this age group is drunk driving.

Title II of an omnibus highway safety bill, S. 1108—the "Highway Safety Act of 1983," which was reported out of the Commerce Committee last year, contained a provision to provide incentive grants to States to encourage their enactment of 21-year drinking age laws. While I have always preferred the incentive grant approach as a means of encouraging States to enact 21-year drinking age laws, I believe that the time has come for Congress to take action so that we will have a nationwide drinking age of 21. Incentive grants alone are not enough to accomplish enactment of 21-year drinking age laws nationwide. Senator Lautenberg's approach, embodied in this amendment, is a strong way to encourage State enactment of 21-year drinking age laws.

Second, the amendment will encourage States to take action against drugged driving. In 1982, legislation was enacted which provides incentive grants to States which enact tough antidrunk driving laws. In order to qualify for these grants, States must meet certain criteria. This amendment would add State creation of drugged driving programs—specifically, rehabilitation and treatment programs for persons arrested and convicted of driving under the influence of drugs, and development of research programs to develop effective means of detecting use of drugs—as one of the criteria a State can use to qualify for an incentive grant under the provisions of the 1982 drunk driving law.

Third, the amendment would provide funds to encourage States to computerize their traffic recordkeeping systems. The amendment authorizes $11.5 million for fiscal 1985 and $12 million for fiscal 1986 for these computerization programs. These programs will make it easier for State and local enforcement of drunk driving laws and other traffic safety laws by enhancing the ability of law enforcement officials to determine locations where accidents are most likely to occur and, ultimately, to detect serious problem drivers.

Finally, this amendment would encourage States to enact laws specifying tough minimum sentencing standards for persons convicted of drunk driving. Such minimum sentencing standards were among the recommendations of the Presidential Commission on Drunk Driving.

I believe these four drunk and drugged driving provisions will significantly enhance efforts to combat these critical national health and safety problems. The House of Representatives took an important step earlier this month when it passed the 21-year drinking age provision that we are now considering. The provisions we are adding in this amendment, along with the House-passed language, will make the House provision even stronger and more comprehensive. I urge my colleagues to join me in supporting H.R. 4616 and the Lautenberg amendment.

Mr. LAUTENBERG. Mr. President, speaking for the minority, I concur in everything that the distinguished Senator from Missouri has said. We support the bill and urge its adoption.

● Mr. PACKWOOD. Mr. President, the legislation now before the Senate for consideration, takes major steps to address critical highway safety problems. H.R. 4616, as passed by the House, provides funds for States to develop and implement child passenger safety programs. It is important that Congress do all that it can to encourage these programs: automobile accidents are the single greatest cause of death for children. Child restraints have been proven effective time and time again in saving lives and reducing serious injuries.

Mr. President, I also want to note the importance of the provisions contained in the amendment offered by Senator Lautenberg to this bill. Drunk driving is the cause of more than 20,000 highway deaths in the United States each year. In my home State of Oregon, we have a very strong program to combat drunk driving, including a 21-year minimum legal drinking age. Oregon's drunk driving program is a comprehensive approach to the problem. Because of Oregon's experience in this area, I believe Congress, too, must take a comprehensive approach in dealing with drunk driving. The 21-year drinking age provision in this amendment will address the most pressing need in the fight against drunk driving. The other provisions in this amendment, inclusion of drugged driving programs as a criterion which States can use to help qualify for drunk driving program incentive grants established in Congress' 1982 drunk driving legislation, and establishment of an incentive grant program for States to computerize their traffic recordkeeping systems, will supplement the 21-year drinking age provision to provide a truly comprehensive approach to the problem.

I believe Congress must act now to further combat drunk driving. I want to commend my distinguished colleague, Senator Danforth, for his outstanding leadership in the fight against drunk driving—both in the Commerce Committee and in the Senate—and I look forward to speedy enactment of this important highway safety legislation.●

AMENDMENT NO. 3334

Purpose: To encourage a uniform minimum drinking age of 21, to combat drugged driving, improve law enforcement and provide incentives to the States to reduce drunk driving

Mr. LAUTENBERG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Jersey [Mr. Lautenberg], for himself, Mr. Danforth, Mr. Pell, Mr. Lugar, Mr. Packwood, Mr. Weicker, Mr. Huddleston, Mr. Heinz, Mr. Specter, Mr. Biden, Mr. Bradley, Mr. Burdick, Mr. Exon, Mr. Percy, Mrs. Hawkins, Mr. Metzenbaum, Mr. Dixon, Mr. Levin, Mr. Garn, Mr. Cohen, Mr. Randolph, and Mr. Mitchell proposes an amendment numbered 3334.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

(a) At the end of the bill, add the following new sections:

"Sec. 4. (a) Section 408(a) of title 23, United States Code, is amended by inserting 'or a controlled substance' immediately after 'alcohol'.

"(b) Section 408(c)(1) of title 23, United States Code, is amended by inserting, 'and controlled substance' immediately after 'alcohol'.

"(c) Section 408(f) of title 23, United States Code, is amended—

"(1) by striking the period at the end of paragraph (7) and inserting in lieu thereof '; and'; and

"(2) by adding at the end thereof the following:

" '(8) for the creation and operation of rehabilitation and treatment programs for those arrested and convicted of driving while under the influence of a controlled substance or for the establishment of research programs to develop effective means of detecting use of controlled substances by drivers.'.

"Sec. 5. Section 402 of title 23, United States Code, is amended by adding at the end thereof the following:

" '(k)(1) Subject to the provisions of this subsection, the Secretary shall make a grant to any State which includes, as part of its highway safety program under section 402 of this title, the use of a comprehensive computerized safety recordkeeping system designed to correlate data regarding traffic accidents, drivers, motor vehicles, and roadways. Any such grant may only be used by such State to establish and maintain a comprehensive computerized traffic safety recordkeeping system or to obtain and operate components to support highway safety priority programs identified by the Secretary under this section. Notwithstanding any other provision of law, if a report, list, schedule, or survey is prepared by or for a State or political subdivision thereof under this subsection, such report, list, schedule, or survey shall not be admitted as evidence or used in any suit or action for damages arising out of any matter mentioned in such report, list, schedule, or survey.

"'(2) No State may receive a grant under this subsection in more than 2 fiscal years.

"'(3) The amount of the grant to any State under this subsection for the first fiscal year such State is eligible for a grant under this subsection shall equal 10 percent of the amount apportioned to such State for fiscal year 1985 under this section. The amount of a grant to any State under this subsection for the second fiscal year such State is eligible for a grant under this subsection shall equal 10 percent of the amount apportioned to such State for fiscal year 1986 under this section.

"'(4) A State is eligible for a grant under this subsection if—

"'(A) it certifies to the Secretary that it has in operation a computerized traffic safety recordkeeping system and identifies proposed means of upgrading the system and indentifies proposed means of upgrading the system acceptable to the Secretary; or

"'(B) it provides to the Secretary a plan acceptable to the Secretary for establishing and maintaining a computerized traffic safety recordkeeping system.

"'(5) The Secretary, after making the deduction authorized by the second sentence of subsection (c) of this section for fiscal years 1985 and 1986, shall set aside 10 percent of the remaining funds authorized to be appropriated to carry out this section for the purpose of making grants under this subsection. Funds set aside under this subsection shall remain available for the fiscal year authorized and for the succeeding fiscal year and any amounts remaining unexpended at the end of such period shall be apportioned in accordance with the provisions of subsection (c) of this section.'.

"SEC. 6. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"'158. NATIONAL MINIMUM DRINKING AGE

"'(a)(1) The Secretary shall withhold five percent of the amount required to be apportioned to any State under each of sections 104(b)(1), 104(b)(2), 104(b)(5), and 104(b)(6) of this title on the first day of the fiscal year succeeding the fiscal year beginning after September 30, 1985, in which the purchase or public possession in such State of any alcoholic beverage by a person who is less than twenty-one years of age is lawful.

"'(2) The Secretary shall withhold 10 percent of the amount required to be apportioned to any State under each of sections 104(b)(1), 104(b)(2), 104(b)(5), and 104(b)(6) of this title on the first day of the fiscal year succeeding the second fiscal year beginning after September 30, 1985, in which the purchase or public possession in such State of any alcoholic beverage by a person who is less than twenty-one years of age is lawful.

"'(b) The Secretary shall promptly apportion to a State any funds which have been withheld from apportionment under subsection (a) of this section in fiscal year if in any succeeding fiscal year such State makes unlawful the purchase or public possession of any alcoholic beverage by a person who is less than twenty-one years of age.

"'(c) As used in this section, the term 'alcoholic beverage' means—

"'(1) beer as defined in section 5052(a) of the Internal Revenue Code of 1954,

"'(2) wine of not less than one-half of one percent of alcohol by volume, or

"'(3) distilled spirits as defined in section 5002(a)(8) of such Code.'.

"(b) The table of sections of chapter 1 of such title is amended by adding at the end thereof the following new item:

"'158. National minimum drinking age.'.

"SEC. 7. (a) Section 408(a) of title 23, United States Code, is amended by striking 'basic and supplemental'.

"(b) Section 408(d) of title 23, United States Code, is amended by adding at the end thereof the following new paragraph.

"'(3) Subject to subsection (c), the amount of a special grant made under this section for any fiscal year to any State which is eligible for such a grant under subsection (e)(3) shall not exceed 5 per centum of the amount apportioned to such State for fiscal year 1984 under section 402 and 408 of this title. Such grant shall be in addition to any basic or supplemental grant received by such State.'.

"(c) Section 408(e) of title 23, United States Code, is amended by adding at the end thereof the following new paragraph:

"'(3) For the purposes of this section, a State is eligible for a special grant if the State enacts a statute which provides that—

"'(A) any person convicted of a first violation of driving under the influence of alcohol shall receive—

"'(i) a mandatory license suspension for a period of not less than ninety days; and either

"'(ii)(I) an assignment of one hundred hours of community service; or

"'(II) a minimum sentence of imprisonment for forty-eight consecutive hours;

"'(B) any person convicted of a second violation of driving under the influence of alcohol within five years after a conviction for the same offense, shall receive a mandatory minimum sentence of imprisonment for ten days and license revocation for not less than one year;

"'(C) any person convicted of a third or subsequent violation of driving under the influence of alcohol within five years after a prior conviction for the same offense shall—

"'(i) receive a mandatory minimum sentence of imprisonment for one hundred and twenty days; and

"'(ii) have his license revoked for not less than three years; and

"'(D) any person convicted of driving with a suspended or revoked license or in violation of a restriction due to driving under the influence of alcohol conviction shall receive a mandatory sentence of imprisonment for at least thirty days, and shall, upon release from imprisonment, receive an additional period of license suspension or revocation of not less than the period of suspension or revocation remaining in effect at the time of commission of the offense of driving with a suspended or revoked license.'."

(b) H.R. 4616 is amended as follows:

(1) On page 2, line 3, strike "115,000,000" and insert in lieu thereof "126,500,000"; and on line 4, strike "120,000,000" and insert in lieu thereof "132,000,000."

(2) On page 3, line 16, strike "115,000,000" and insert in lieu thereof "126,500,000"; and on line 17, strike "120,000,000" and insert in lieu thereof "132,000,000".

Mr. LAUTENBERG. Mr. President, I offer this amendment for myself, Senator DANFORTH, Senator LUGAR, Senator PELL, Senator BURDICK, Senator HEINZ, and 14 others.

Our amendment incorporates S. 2719, the Uniform Minimum Drinking Age Act, to encourage the States to raise their drinking age to 21, and provides incentive grants to the States to encourage States to adopt mandatory sentencing laws to combat drunk driving in all age groups and to improve highway safety computer recordkeeping systems and law enforcement efforts.

Last November, the President's Commission on Drunk Driving highlighted one interstate problem that required Federal action: The crazy quilt of drinking ages in neighboring States. In addressing the need for uniformity, to rid our Nation of "Blood Borders," the Commission concluded:

> The lack of uniformity among the state laws is especially critical regarding the minimum legal drinking age because an incentive to drink and drive is established due to young persons commuting to border states where the drinking age is lower. There is simply no way to adequately address the needless tragedies caused by young persons commuting to border states except by establishing a uniform drinking age among the states.

The Commission recommended that 100 percent of Federal-aid highway funds be withheld from States without a 21-year-old minimum drinking age. Our amendment would provide for a more limited, but still effective, approach. It would:

Grant States a 2-year grace period in which to raise their minimum age for the purchase and public possession of alcoholic beverages to 21.

Beginning in fiscal year 1987, when the grace period expires, States which have not raised their minimum drinking age to 21 would have 5 percent of their Federal-aid highway funds withheld under the primary, secondary, interstate, and urban construction programs. Highway safety funds would not be withheld.

In fiscal year 1988, States which have not raised their minimum drinking age to 21 would have 10 percent of such funds withheld. The withholding would end at that point.

Should funds be withheld from any State, at the point a State raises its drinking age to 21, all funds withheld would be reimbursed.

Companion legislation on "21" passed the House of Representatives unanimously on June 7, with bipartisan support from all sections of the country. In the Senate, this legislation has been cosponsored by 24 Senators from both parties. It is supported by President Reagan, Secretary of Transportation Elizabeth Dole, Mothers Against Drunk Driving [MADD], the National Safety Council, the National Council on Alcoholism, the National PTA, the American Medical Association, the insurance industry, law enforcement officials, and many other grassroots organizations committed to combating drunk driving. Gallup polls have shown that 77 percent of the American people favor a minimum drinking age of 21.

Mr. President, I ask unanimous consent that a list of the cosponsors of S. 2719, Secretary Dole's letter in support of S. 2719 and in opposition to an incentive grant approach, editorials in favor of S. 2719 and a list of groups supporting a uniform minimum drinking ages of 21 be inserted in the Record at the end of my remarks.

Mr. President, the war on drunk driving must take place on many fronts. Our amendment provides grants to the States to encourage them to adopt stiff mandatory sentencing requirements and to improve their law enforcement efforts. But, for the one problem which is interstate in nature and has not been responsive to incentive grants, it turns from the carrot to the stick, a modest, but effective, stick.

Mr. President, since the President's Commission recommended that States raise their minimum drinking ages to 21, 23 States have had the opportunity to respond. Only four have done so.

It is time to use the stick—sparingly, but effectively. It is time to tell the States that they have another 2 years to respond. But that if they do not, we are prepared to take action.

Mr. President, the disappointing response from the States to the Commission's recommendations convinced the President of the United States, a strong supporter of States rights, to drop his opposition to this legislation and to support it.

Why did the President do this?

Why did the Commission so strongly support conditioning highway aid on a minimum age of 21?

Because it will save lives.

Mr. President, the facts could not be clearer.

The National Transportation Safety Board, the Insurance Institute for Highway Safety, and numerous scholarly studies have concluded that a uniform minimum drinking age will save lives.

Half of all teenage deaths are due to drunk driving.

Drunk driving is the leading cause of death in this age group.

If the Federal Government could halve the death rate among all segments of our population, you can be sure we would move to assist in this effort. We spend billions of dollars a year at the National Institutes of Health, through the medicare program and on other Federal programs to improve the public health and increase our population's longevity.

We must be equally serious about saving young lives.

Teenagers make up 10 percent of licensed drivers, but account for 21 percent of alcohol-related fatalities.

When New Jersey lowered its drinking age in 1974, the death rate due to drunk driving among those in the 16- to 20-year-old group tripled.

Since raising its drinking age to 21 in 1983, New Jersey has cut those fatalities in half.

The combination of alcohol, driving, and youth is deadly.

The National Safety Board estimates that at least 1,250 lives could be saved annually if all States raised the drinking age to 21.

Mr. President, the Senate has a rare opportunity to take action today to save young lives. I urge the Senate to adopt this amendment.

Before I yield the floor, I would like to make certain that my esteemed colleague from West Virginia, Senator Randolph, is mentioned as a cosponsor of the amendment. He is a ranking member of the Environment and Public Works Committee. His support is invaluable. His view is always welcome, and I thank you, Mr. President, for including him.

There being no objection, the documents were ordered to be printed in the Record, as follows:

List of Cosponsors of S. 2719

Senators Pell, Burdick, Proxmire, Heinz, Percy, Lugar, Dixon, Hatch, Danforth, Huddleston, Bradley, Exon, Mitchell, Riegle, Levin, Randolph, Garn, Stevens, Specter, Biden, Metzenbaum, Tsongas, Boschwitz, Bingaman, and Hawkins.

The Secretary of Transportation,
Washington, DC, June 19, 1984.

Hon. Frank Lautenberg,
U.S. Senate,
Hart Senate Office Building,
Washington, DC.

Dear Frank: Last week I announced Administration support for legislation that would encourage states to establish a drinking age of 21. The deadly combination of drinking and driving is the greatest killer of our young people. Disparity among state drinking age laws helps to create "blood corridors," when youths from a state with a higher drinking age travel to a neighboring state with a lower limit.

We support legislation authorizing the withholding of a portion of Federal-aid highway funds from any state that does not enact 21 as the legal minimum drinking age, with 5 percent of a state's funds to be withheld if it has not enacted legislation by October 1986, and 10 percent to be withheld if legislation has not been enacted by October 1987. This from of legislation is the most likely to bring about needed state action. Alternative forms of legislation, such as providing additional "incentive" funds or an increase in the Federal matching share of highway funds to states which enact 21-year-old drinking age, have two obvious disadvantages.

First, Federal highway program expenditures would be increased, at a time when it is vital that the resources of both the general fund of the Treasury and the Highway Trust Fund be used as effectively as possible to meet the needs to rehabilitate our essential highway and bridge systems and to promote highway safety without adding to the Federal deficit. Second, the prospect of withholding otherwise available Federal-aid funds on which a state has based its highway program plans is more likely to lead to state action than is the prospect of forgoing additional funds which have not been part of its planning process.

The quick and positive impact of raising the drinking age to 21 has been demonstrated in states that have taken this action. For example, night-time fatal accidents involving 19- and 20-year-olds fell 26 percent in New Jersey when the state raised the drinking age to 21. I urge you to support legislation which will most effectively encourage state action to raise the drinking age without requiring increaed Federal expenditures.

The Office of Management and Budget advises that the submission of this letter for your consideration is in accord with the President's program.

Sincerely,

Elizabeth Hanford Dole.

[From the New York Times, June 24, 1984]

Let Washington Set the Drinking Age

Drinking and driving don't mix—especially when teen-agers do the mixing. The number of drunk drivers involved in fatal crashes declines sharply after 21, and when states raise their drinking ages from 18 to 21, accident rates drop 30 percent. That's why a Presidential Commission on Drunk Driving last year recommended a national minimum drinking age of 21. President Reagan finally endorsed this sensible idea last week, and Congress can make it a reality.

Twenty-three states now set the drinking age at 21. But teen-agers often get around those laws by driving to a nearby state where the drinking age is lower. Many New Jersey teen-agers unable to drink legally until 21 can drive to New York, where the legal age is 19, or Connecticut, where the limit is 20. They're not likely to be in any condition to drive back.

Under a House bill passed earlier this month, a state would have two years in which to raise its legal drinking age to 21. If it didn't comply, it would lose 15 percent of its Federal highway funds over the following two years.

New Jersey's Frank Lautenberg is sponsoring similar legislation that will be considered by the Senate this week. His bill would also encourage stiffer punishment for all drunk drivers by increasing Federal highway safety grants to states imposing tougher enforcement measures. That's a sounder approach than one suggested by Steven Symms of Idaho, who would simply offer increased safety grants without the threat of any lost highway construction money.

Opponents of the legislation include restaurant owners, student groups and states' rights advocates who resent Washington's involvement in the issue. But they have no good answer for the border-crossing problem, which threatens drivers of all ages. It's too serious a matter to ignore for the sake of either special interest or ideology.

[From the Christian Science Monitor, June 11, 1984]

Raise Drinking Age

If a House-approved proposal were to be passed by the Senate and signed into law by the President, it would boost the national effort to control drunken driving. The measure would press states to raise their legal drinking age to 21; those that did not would lose 15 percent of their federal highway funds for two years.

The Senate should approve the bill and the President should sign it. The bill also ought to be strengthened so that it continues the penalty of lost highway funds until states raise their drinking age; the House-approved measure would penalize them for only two years. In any case, at this juncture the measure's future is in doubt.

In recent years Americans have begun to insist that legal authorities crack down on drunk driving. Several states have enacted tough laws against it and have begun stronger enforcement of them, both on the highways and in the courts. Citizen groups have been formed, often by people who have had a relative killed by a drunk driver. Since the late 1960s, 26 states have raised their minimum drinking age by at least one year.

Teen-agers and 20-year-olds aren't the only Americans who drive while drunk, of course. But they are involved in a disproportionately high percentage of accidents with fatalities in which alcohol is a factor—some 20 percent, according to the sponsor of the measure in the US House. One research analyst says the rate of liquor-related fatalities for teen-agers is three times that of people between 25 and 44. Postponing the age at which young people are permitted to drink should not be considered a panacea, but it is likely to reduce the number of accidents and fatalities related to alcohol.

Drunken drivers of any age are a menace, not only to themselves, but also to others on the highway. Although many young people are mature in outlook, large numbers of others are not. This lack of maturity leads some to use bad judgment by driving while intoxicated; in another two or three years they would be more likely to use better judgment.

Three states—Vermont, Louisiana, and Hawaii—have the lowest legal drinking age, 18. In several states it is 19 or 20, and in 20 states it is 21. A special problem exists in areas near the borders of states with different drinking ages. Too often youths from the state with the higher minimum age drive to the lower minimum state to drink, and then drive back—drunk. In an effort to prevent that particular hazard, authorities in some communities, including college towns, respond by looking the other way when underage youths drink alcoholic beverages in their own town.

Establishing and enforcing a national uniform minimum age of 21 will end these problems.

STOP THE SLAUGHTER

[From the Newark Star-Ledger, June 3, 1984]

The story is a familiar one. The powerful liquor lobby in New York state once again did a number on a well-intentioned plan to increase the minimum age for legal consumption of alcoholic beverages. And so the New York Assembly voted down by a plurality of 11 votes a bill to raise the drinking age from 19 to 21.

In doing so, the New York lawmakers ignored every reasonable argument on the side of public safety and the welfare of the state's citizens. The bill's sponsor, Assemblyman Melvin Zimmer, a Syracuse Democrat, produced strong proof based on established safety statistics that the measure would prevent 60 to 75 auto fatalities and 1,300 injuries in New York during the coming year. It made no difference to the majority of his colleagues.

Other supporters of the bill produced statistical evidence that 19-year-olds and 20-year-olds make up only 4 percent of New York's drivers but are involved in 16 percent of the alcohol-related fatal crashes. Once again, it made no difference to the Assembly majority.

If New York's neighbors, New Jersey and Pennsylvania, both of which have minimum drinking ages of 21, had a voice in the New York proceedings, they could have produced some grim statistical evidence of their own. They could have shown that teenagers from these two states frequently become involved in accidents because they regularly cross the state line into New York to take advantage of the lower drinking age. But that too would have made no difference to the New York lawmakers.

New York Gov. Mario Cuomo worked hard for the bill, but could not come with the needed votes. The governor predicted there would be another attempt and that it would be successful. Perhaps—but that powerful liquor lobby will again be difficult to thwart.

New York's rejection of the 21-year-old standard has already had one serious consequence. Connecticut Gov. William O'Neill was prepared to launch an effort in his state to raise the drinking age from 20 to 21. But once New York decided to stand pat at 19, he abandoned it, citing the "disappointing" lack of action by New York. Gov. O'Neill called for a standard regional drinking age.

Such a proposal makes sense. A plan for a national drinking age of 21, imposed by an act of Congress, makes even more sense.

But in the meantime, while we are waiting for permanent national reform, pressure must be kept on New York, which is proving a real menace to its neighbors. As long as New York continues to bow to the liquor lobby and keep the lower drinking age, its own youth, as well as those from neighboring states will continue to face injury and death.

[From the Advocate, June 6, 1984]

NEW YORK FLUNKS DRINKING TEST

"You are precious in our eyes and we love you." That's a quote from Isaiah that Father Michael Kelly used in a letter to the editor in The Advocate two weeks ago. He was telling our young people to enjoy themselves during this party season of proms and graduations, but to be sensible and courageous so that they can soon take their places in adult society.

We recall it here because last week the New York Assembly defeated a bill that would have raised the drinking age from 19 to 21. That was an unfortunate decision that went against the continuing tide of changes in the laws about drinking and driving.

Much progress has been made, particularly in the area of teenage drinking. Each time some new, more restrictive law is added, statistics improve. There are fewer alcohol-related deaths and accidents. That means more young people are alive. Notably absent from our newspapers lately have been the almost standard pictures of wrecked cars and crumpled bodies of teenagers who didn't make it home from the party.

Opposition to raising the drinkinig age comes from the young people themselves and from the liquor and bar industry. To the young people, our answer is that we do truly want to conserve them into adulthood. All our actions and goals as parents and educators have been toward that end. To the liquor industry our response is that they must move toward a more mature and responsible way to do business.

While the action in New York was certainly a setback it is by no means the end of the story. The New York bill had ties to several other things, like the death penalty, right to life, and the Governor's personal interest in seeing it passed. We hope that the next time around the age-21 question will be considered completely on its own. Then the results of the polls that show the pubic support and the statistics that show a definite and measurable drop in the death rate will be heard more clearly.

Our young people are precious in our eyes and we love them. That is why we will continue to try to protect them from one of the greatest hazards to their lives.

ORGANIZATIONS WHICH SUPPORT "21" [1]

Mothers Against Drunk Drivers.
Alliance of American Insurers.
Allstate Insurance.
American College of Emergency Room Physicians.
American Council on Alcohol Problems.
American Medical Association.
American Traffic Services Association.
Boy Scouts of America.
Insurance Information Institute.
International Association of Chiefs of Police.
International Commission Against Drunk Driving.
Justice for Crime Victims of America, Inc.
Junior League.
National Association of Independent Insurers.
National Child Passenger Safety Association.
National Commission Against Drunk Driving.
National Council on Alcoholism.
National Safety Council.
National Parent Teacher Association.
Presidential Commission on Drunk Driving.
Remove Intoxicated Drivers.
Students Against Drunk Drivers.
United States Achievement Academy.
Wine Institute.
Hotel Employees & Restaurant Employees International Union.
State Farm Insurance.

MOTHERS AGAINST DRUNK DRIVERS,
June 26, 1984.

Hon. FRANK LAUTENBERG,
Member of the Senate,
Washington, DC.

DEAR SENATOR LAUTENBERG: According to the Talmud, ". . . he who saves a single life saves the world entire."

Today, you and your colleagues in the U.S. Senate have the opportunity and the responsibility to save more than one life. Mothers Against Drunk Drivers, representing 291 chapters in 44 states and over half a million members, strongly supports the bipartisan Senate amendment, S. 2719. We feel it is the most efficient and effective vehicle to enact a federal minimum drinking age of 21, a law that will help save 14 teenage lives each day, and protect 360 others from serious injuries.

Such a law would help alleviate the disproportionate number of deaths at American's "blood borders"—state lines which teenagers cross over to legally consume alcohol, then attempt to drive home. Currently, only two states in the continental U.S.—California and Florida—do not border on a state with a different drinking age.

MADD vehemently opposes any alternative proposals dealing with incentives on "21". Such a measure would not only increase the cost of federal highway programs; it would not be effective. Similar incentives passed by Congress in 1982 have not worked. Since last fall, 23 states have introduced "21" bills; 19 were soundly defeated. Incentive grants have proven time and time again to be ineffective at the state level where powerful special interests, such as the liquor lobby, exert extraordinary influences over state legislatures.

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[1] Partial list.

It was not the individual states which determined 18 as the voting age. And it was not individual states which granted all Americans civil rights. It was the Federal government which acted upon these salient social issues. If we left every major decision to the states, America would still have segration and separate-but-equal education.

MADD agrees with President Reagan's assertion that the problem of teenage drinking and driving is "a national tragedy." We join with the Administration, the Presidential Commission on Drunk Driving, the U.S. House of Representatives, and over 25 national organizations in supporting S. 2719. While this legislation is neither the ultimate solution, nor a panacea, it is one of the best steps in the right direction to prevent the continuing unnecessary tragedy of teenage drinking and driving deaths.

I would, in conclusion, like to share with you the philosophy of Mothers Against Drunk Drivers as written by Edward Everett Hale:

"I am only one, but still I am one. I cannot do everything, but still I can do something. And because I cannot do everything, I will not refuse to do the something that I can do."

I urge you and your colleagues to "do the something that you *can* do", and vote today for S. 2719.

Thank you for your consideration.

Sincerely,

Candy Lightner,
President and Founder,
Mothers Against Drunk Drivers.

The National PTA,
Chicago, IL, May 30, 1984.

Dear Senator: The National Congress of Parents and Teachers (National PTA), urges you to cosponsor the Minimum Drinking Age Act of 1984, S. 2719, which was introduced May 24, 1984, by Senator Frank Lautenberg of New Jersey.

S. 2719 would withhold federal highway funds (but not safety funds) from states that do not raise their drinking age to 21. In FY 1986, 5 percent of the highway monies would be withheld; in FY 1987, 10 percent would be withheld. All funds withheld would be released to the states upon adoption of a minimum drinking age of 21.

The National PTA, a volunteer organization of 5.4 million members concerned about the safety and well-being of our nation's youth, believes Congress must respond to the tragic loss of life and injury caused by drinking and driving. Because a disproportionate number of accidents caused by intoxicated driving involve those under the age of 21, PTA members have been urging their states to raise the drinking age to 21. Many states have, but too many have not. The problem is further compounded when "21 states" border those with a lower drinking age. Often young people drive across the state line to consume alcoholic beverages and then endanger their lives and those of others on the highways. Only federal legislation such as S. 2719 can rectify this situation. That is why National PTA has endorsed S. 2719 and urges you to support and cosponsor this measure.

Thank you for your concern about our nation's youth.

Always for the children,

Elaine Stienkemeyer,
President.
Manya S. Ungar,
Vice President for Legislative Activity.

National Minimum Drinking Age of 21

Whereas, the National Council on Alcoholism has gone on record endorsing the establishment of a national drinking age of 21 as one important component of a comprehensive plan to reduce alcohol abuse and alcoholism, and

Whereas, despite concerted efforts by NCA local affiliates and other advocacy groups in statewide campaigns to raise the drinking age to 21, federal action appears critical if we are to realize national uniformity of drinking age laws, and

Whereas, on June 7, 1984, the U.S. House of Representatives voted overwhelmingly in support of legislation which would effectively result in a national drinking age of 21.

Therefore, the Executive Committee of the National Council on Alcoholism:

Applauds the progressive action of the House of Representatives with special congratulations to Representative Howard for his leadership in this effort; and

Urges the United States Senate to act quickly by voting affirmatively on the Senate companion measure to the House passed bill, S. 2719; and

Calls on President Reagan to sign this important public health measure into law without delay.

Adopted by the NCA Executive Committee, June 8, 1984.

Hotel Employees & Restaurant Employees International Union,
Cincinnati, OH, June 22, 1984.

Dear Senator: The Hotel and Restaurant Employees International Union endorses the current efforts to raise the national drinking age to 21.

Our Union has long been concerned with the needless slaughter of our young people on the highways. The General Executive Board, in fact, endorsed a resolution in January 1983, urging adoption of legislation to raise the national drinking age to 21.

In accord with our long-standing concern, we support the legislative initiative that is being spearheaded by Senator Frank Lautenberg of New Jersey.

Although the many organizations associated with the industries in which our members work have taken a variety of positions on the issue, our General Executive Board, confronted with the grim fact that more than 3,000 fatal crashes each year involve drinking drivers in the 18 to 20-year-old group, agreed unanimously that our Union should take an emphatic stand in the public interest.

While there is merit in many of the proposals suggested to alleviate the problem, such as stricter law enforcement, it is our firm conviction that increasing the drinking age to 21 is the right thing to do, and the most important first step that can be taken to solve this critical national challenge.

We urge you to give the proposal your most serious consideration, and hope that you will be able to give it your support, as well.

Sincerely,

Edward T. Hanley,
General President.
Robert E. Juliano,
Legislative Representative.

American Medical Society on Alcoholism,
New York, NY, May 15, 1984.

Dear Senator: This organization now has a membership of just under 1,500 physicians. We come from many specialties and backgrounds but share a common interest in alcoholism as well as in the use of alcohol in general and consequences of its use. Many of us work full time with alcoholic and other drug using people or do research in this field.

We are obviously interested in the issue of age of purchase of alcoholic beverages. Our official and longstanding policy is that we are indeed in favor of raising the age to twenty-one. If a way can be found to accomplish this on a national basis rather than more slowly and on a state by state basis, all the better.

A survey of our membership on this and other matters a little over a year ago showed overwhelming support for the "pro 21" view-point and, although less than half of the membership actually responded, there is no reason to believe that those who did were likely to differ in their opinions from those who did not. I think it safe to say that the membership agrees with the position adopted by its executive committee.

Please feel free to share this letter as you see fit. Should it be necessary, exact text and date of our policy statement can be provided.

Sincerely,

LeClair Bissell,
M.D.

Hill Center,
Ithaca College,
Ithaca, NY, June 17, 1984.

Hon. **Frank R. Lautenberg,**
U.S. Senate, Washington, DC.

Dear Senator Lautenberg: As an associate professor in the alcohol/drug field at Ithaca College, Ithaca, New York and as someone who deeply cares about my students and others who are affected by alcohol abuse on our campuses, I am writing to strongly support Bill S-2719, The Uniform Minimum Drinking Age Act of 1984. This federal legislation is desperately needed to prod reluctant state legislators into action.

On May 31, the New York State Assembly defeated (80-69) a bill to raise the legal drinking age to 21. Many individuals throughout our state worked long and hard to get that lifesaving bill approved. Unfortunately, there are too many other states such as New York where a few key legislators control the legislative process. To many of these leaders their priorities are more aligned with special interest groups and their profits than with saving the lives of their citizens. Many New York State citizens are frustrated by the indifference and inertia of our elected state representatives to support the 21-year-old drinking age. For example, in our own district, citizen activists wrote letters of support, made personal phone calls, and tried to educate our local assemblyman on the crucial need for a 21-year-old drinking age. Despite the clear evidence before him, the wide support of numerous local and national organizations, and the strong support of the people, our representative voted against the measure.

As stated in the final report of the Presidential Commission on Drunk Driving, there is an urgent need for a uniform, national 21-year-old drinking age. As it currently stands, each state has its own age limit and each has a patch-work of differing requirements. Furthermore, the problem of alcohol abuse is seen not only on our highways, but also it extends into the classrooms and residences at colleges and universities throughout this nation. How long do we have to patiently wait before state legislators take political action?

Thank you for your leadership in protecting our most valuable resource—our youth. Best wishes in the passage of your lifesaving bill; it is sorely needed.

Sincerely,

[illegible],
Associate Professor.

Mr. LAUTENBERG. At this point, Mr. President, I yield the floor.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I rise in strong support of H.R. 4616, the passenger safety legislation which contains an amendment I cosponsored with the Senator from New Jersey to encourage States to raise the drinking age to 21 years of age. In the past several years, we have seen an unprecedented degree of public support for tougher, tougher drunk driving laws. In community after community, grassroots groups like "Mothers Against Drunk Drivers" and "Students Against Drunk Drivers" have emerged to lead the campaign for safer highways.

As one who has been a part of this effort for many years, I became particularly interested in this whole question when two of my own staff members, Elizabeth Powell and Stephen Wexler, were wiped out and killed by drunk drivers—drunk drivers who received no punishment but a tap of the wrist afterward, which made me realize how inadequate our present laws and legislation in this matter are. It is heartening now to see our Nation resolve to eliminate one of the greatest sources of family tragedy and of heartbreak.

Having participated in the work of the President's Commission on Drunk Driving, headed up well, and led by Governor Volpe, I know how tremendously important it is for us to encourage all States to adopt a uniform minimum drinking age of 21. Experts in the field of highway safety have concluded that this measure could save the lives of as many as 1,000 teenagers every year. This bill will help in following [illegible] Senator [illegible] and Congressman [illegible], and I am confident that the addition of this bill to the foundation we laid in the 1982 legislation will help to permanently reduce highway deaths.

I commend the Senator from Missouri, Senator DANFORTH, in this regard the chairman of the subcommittee, and Senator LAUTENBERG for their leadership on this issue, and I join them in urging the swiftest possible enactment of this bill.

Mr. HEINZ. Mr. President, as a cosponsor of this amendment offered by my colleague from New Jersey, Senator LAUTENBERG, I want to express my strong support. The amendment represents a step toward deterring the No. 1 killer of our young people. The Lautenberg amendment would encourage States to establish a minimum drinking age of 21 by requiring the withholding of 5 percent of a State's Federal highway funds, if the State fails to establish this drinking age before the legislation's first effective year; the withholding would be doubled to 10 percent in the amendment's second effective year.

Drinking and driving has become one of the deadliest weapons known to mankind. In the past few years, the [illegible] than any of the wars fought in recent times. For example, there were approximately 45,000 U.S. serviceman killed over a 10-year period in Vietnam. In comparision, 52,600 Americans died on highways in 1980 alone.

The startling fact about these statistics is that 57 percent of all highway fatalities are alcohol related. The National Highway Traffic Safety Administration and the National Safety Council estimate that one out of every two Americans will be involved in an alcohol-related crash during his or her lifetime.

Among teenagers, the statistics are even more grim. In Pennsylvania, drivers under the legal drinking age comprise only 9 percent of the total driving population; however, they are involved in more than 20 percent of the alcohol-related fatal accidents. This is in a State where the drinking age is 21. Nationally, licensed drivers under the age of 24—22 percent of the population—caused 44 percent of all nighttime fatal alcohol-related crashes.

This issue is truly a national one demanding congressional action because we are faced in some States with situations where a State has a 21-year-old drinking limit, but an adjacent State does not. The result is that we end up with "blood borders" where young people drive over the State line to get alcohol.

Pennsylvania, [illegible] in that same position and there are [illegible] who have been killed as a result of driving into neighboring States in order to buy alcohol where it is legally available to those under the age of 21.

In Pennsylvania Gov. Richard Thornburgh's 1982 Driving Under the Influence Task Force Report, the task force summarized its findings:

> The recommendations outlined previously can be implemented within this State to assist police in cracking down on drunk drivers. But the Commonwealth is bordered by six States with varying laws regarding legal drinking ages and bar closing hours. Uniformity in these matters would aid enforcement effort considerably, particularly in border areas.

In light of its epidemic proportions, Senator LAUTENBERG's amendment seems like a modest but very necessary step to come to grips with this problem. Enactment of this legislation will not only reduce the number of deaths, it will serve notice to young people that alcohol is a potentially dangerous drug that is neither glamorous or healthy. More important, such a policy can serve as a catalyst for all sectors of the community—families, schools, churches, media, businesses—to get involved in the development of a strategy to prevent alcoholism and alcohol-related problems.

I would like also to speak not only as a Senator from Pennsylvania but as a parent of three children. My wife, Teresa, and I have not gone through the nightmare of losing a child due to an alcohol-related accident, but we are the fortunate. Today, therefore, I speak as a surrogate: a surrogate for the parents of those children who lost their lives because of the problem of drinking and driving. I also speak today for the parents of children who have been spared such catastrophe, but could someday become the victims of alcohol-related automobile accidents.

Mr. President, it is time for the Federal Government to take some responsibility for remedying the problem of drunk driving and the larger problem of alcohol abuse; the Lautenberg amendment is a desirable and reasonable start.

● Mr. BAUCUS. Mr. President, the problem of drunk driving in this country is real and alarming. Thousands of Americans die every year in drug and alcohol-related traffic accidents. Their deaths are tragic. And their deaths are senseless.

But the issue before us today is not whether drunk driving is a problem. It is not whether the Nation should renew its efforts to end the carnage of the highways. It is not even whether setting the legal drinking age at 21 throughout the country will be effective in saving lives.

The real issue presented to us today, Mr. President, is whether it is the Federal Government [illegible] whether the Federal Government should intrude into an area that has traditionally and appropriately been left to the States and force them into accepting its solution to the problem of drunk driving.

Put more bluntly, Mr. President, the questions we have to decide today is whether the Federal Government should use its awesome financial power to blackmail the States into taking legislative action with which they may disagree.

Mr. President, the 10th amendment to the Constitution was not an afterthought. It articulates and preserves the basic concept of federalism upon which this Nation was founded—that the Federal Government has only those powers specifically granted to it by the States and that all other powers are reserved to the States for themselves. The Lautenberg amendment ignores this basic concept. And by doing so, it does an injustice to the rights of the States and the principles of the Constitution.

Throughout our history, it has always been accepted that the control of alcoholic beverages is one of the powers that the States did not relinquish to the Federal Government. Except for the Nation's brief and sorry experience with prohibition, it has always been the States who have decided when and how liquor can be sold within their borders. It has always been the States who have decided who can buy alcohol and how old those people must be. It has always been the States who have enacted and enforced laws to punish people who threaten the lives of their fellow citizens by driving while intoxicated.

In my home State of Montana, this allocation of power and responsibility has worked extremely well. In recent years, Montana has instituted extensive educational and public information programs to combat drunk driving. It has enacted strict and unbending laws against drunk driving. It has increased the level of resources devoted to the enforcement of those laws. And the result of all these efforts has been a noticeable drop in the number of alcohol-related fatalities and accidents and a dramatic drop in the number of teenagers killed in alcohol-related incidents on the highways of the State.

No one can seriously argue that Montanans are not deeply committed to stopping drunk driving. No one can seriously argue that their efforts have been half-hearted or unsuccessful. The results of their actions speak for themselves.

But the people of Montana have not chosen to amend their statutes and their State Constitution to raise the legal drinking age to 21. And for that reason alone, the Lautenberg amendment will punish them. It will cut off desperately needed highway funds because the solutions Montana has chosen to use in combating drunk driving are not the solutions the all-powerful and all-knowing Federal Government has found acceptable. And it will essentially ignore Montana's educational and law enforcement successes.

Mr. President, this amendment simply makes no sense. And more importantly, it offends fundamental principles of fairness and federalism.

The proponents of this amendment argue that they are not really intruding into State matters by their proposal. After all, they argue, the States are free to reject the 21-year-old age limit, and they are free to adopt and implement other programs if they choose. Nothing in the amendment requires them to take a different course.

Maybe there is legal and theoretical merit to this argument, but it has no basis in reality.

How can it be said realistically that the States are free to choose their own drinking age when they face the immediate cutoff of Federal funds if they make the wrong choice?

How can it be said that the States are free to develop alternative programs if they must devote their resources to the enforcement of laws against a group of individuals whose actions are not now illegal?

How can it be said that this legislation is not an attempt by the Federal Government to usurp a State prerogative and force its will and its choice upon the States?

Mr. President, perhaps it is because I am from Montana that I find this amendment so offensive. Montanans are an independent people. When they have problems, they like to solve them on their own. They like to make their own choices. They don't like to be pushed and they don't like to be maneuvered. Most of all, they don't like to be blackmailed by their "Big Brother" in Washington.

But the Lautenberg amendment puts Montanans in a no-win situation. Montana is a massive State. The distance between towns and cities is vast. Highways are the lifeblood of the State, and Montanans need their full share of Federal funds to build those highways and keep them in repair.

So what are people in Montana to do? Do they resist the strongarm tactics of the Federal Government and continue their own independent campaign against drunk driving on their own terms? Or do they capitulate to the threats of the Federal Government and enact a law with which they may disagree so that they will not lose millions of dollars of highway funds on which they depend for their well-being?

Mr. President, we should not put the people of Montana or any other State to this choice. We should not intrude into their affairs and impose our solutions [illegible] should not use the control of Federal funds as a bludgeon to beat the States into submitting to our will.

I urge my colleagues to give the Lautenberg amendment careful consideration. I urge you not to be carried away by the emotionalism of the issue and the moment. I urge you to study the impact of this legislation on notions of fairness and federalism. And I am confident that if you do, you will reject it.●

Mr. DANFORTH. Mr. President, the national minimum drinking age amendment is designed to encourage States to outlaw the "purchase or public possession" of any alcoholic beverage by a person who is less than 21 years of age. I want to make it clear that this is not an attempt to require any State to set minimum age limits for restaurant or tavern employees who take alcoholic beverage orders, check identification, or mix, serve, or receive payment for alcoholic drinks. The term "public possession," in other words, does not pertain to such employees who are handling alcoholic beverages in the course of their jobs.

Mr. President, may I inquire, is this also the intention of the sponsor of the amendment, Senator LAUTENBERG?

Mr. LAUTENBERG. Yes, Mr. President, that is absolutely correct. It is not the intention of the sponsor or the cosponsors of the minimum drinking age amendment to influence the States in any way on the issue of a minimum age for employees of licensed alcoholic beverage retailers.

Congress recognizes that the restaurant industry alone provides jobs to hundreds of thousands, perhaps over a million young people under the age of 21. It is one of the best sources of entry-level employment for women and minorities, as well.

I want to join the Senator from Missouri in assuring my colleagues that the minimum age amendment does nothing to jeopardize the jobs of young people who mix, serve, sell, or otherwise handle alcoholic beverages in the course of their employment with licensed retailers.

Mr. DANFORTH. I thank the Senator.

● Mr. BAUCUS. Mr. President, I would like to direct a question to the manager of the amendment, Senator LAUTENBERG. In the State of Montana, it takes not only a statutory amendment, but also a constitutional amendment to raise the legal drinking age. Therefore, in Montana, the State legislature would have to meet, approve a constitutional amendment, and then put it on the ballot. The statutes dealing with the drinking age would also have to be changed by referendum or legislative action. This entire process could take a considerable amount of [illegible] of October 1, 1986, the date set in your amendment.

Under your amendment, it would appear that Montana would be penalized, not because it chose not to comply with this law, but simply because it would not have time to comply, whether it wanted to or not.

Could the Senator address this question?

● Mr. LAUTENBERG. As the Senator is aware, the Department of Transportation is always most reluctant to impose sanctions upon States whenever it can be reasonably avoided. If in fact, by fiscal year 1987, the process you described could not run its course: if the State could not practically comply through the use of its normal and general procedures for amending its constitution and its statutes, then all evidence would suggest that the Department should take this into account in its imposition of sanctions.

I would also observe that under the provisions of this amendment, any funds withheld in fiscal year 1987 would be returned in full to the State of Montana if and when the drinking age was raised.

● Mr. BAUCUS. I thank the Senator. I just wanted to make it clear on the record that Montana would not be penalized by your amendment because of circumstances beyond its control.●

● Mr. SPECTER. Mr. President, I am a cosponsor of S. 2719, and today support the amendment to reduce the amount of certain Federal-aid highway funds for any State in which the minimum legal age for the purchase or public possession of alcoholic beverages is less than 21 years.

Mr. President, I introduced sense of the Congress resolutions in both the 97th and 98th Congresses, urging States to voluntarily raise their drinking ages to 21. Senate Concurrent Resolution 32, now pending before the Judiciary Committee, has attracted 18 cosponsors and is endorsed by many of the organizations supporting that amendment.

My concern stems from the overwhelming number of automobile deaths due to drunk driving, especially the high number involving teenagers. The statistics are tragic. Some 25,000 people die each year in alcohol-related accidents; 5,000 of which are in their teens and 35 percent of which are between the ages of 16 and 24.

Our teens make up only 8 percent of the population, drive only 6 percent of highway miles, yet they are involved in 15 percent of all fatal alcohol-related automobile accidents. It has been estimated that 14 teenagers die each day in drunk driving accidents. In general, average life expectancy has gone up in the United States except for one age group, the 15- to 24-year-old bracket. The leading cause of this phenomenon has been linked to drunk driving. It is my hope to establish a uniformly [illegible] the legal age for alcohol purchasing and consumption to 21 nationwide.

I stress the importance of States' joint efforts to raise the minimum to 21 nationwide because I am acutely aware of the problem of "border migration." The minimum age of 21 is law in 23 States. This bill is targeted to helping solve the border migration problem which involves teenagers' crossing State lines in order to be able to "legally" buy and consume alcoholic beverages in neighboring States whose drinking ages are lower than their home States.

Statistics show that if the minimum legal drinking age had been kept at a nationwide 21 years between 1970 and 1977, that up to 270 deaths per year would have been averted among youths ranging from 18 to 21 years. Studies show the direct correlation of drinking ages and accident rates. A study conducted in Michigan showed that when the drinking age here was raised from 18 to 21, that alcohol-related accidents among drivers 18 to 20 fell 31 percent in the first 12 months after the age limit was raised. An Illinois study showed that when the drinking age was raised to 21, an 8.8-percent decline in what was termed single vehicle nighttime male driver accidents involving drivers between 19 and 20 occurred. Also, statistics of the National Highway Safety Administration showed that in Illinois, Iowa, Maine, Massachusetts, Michigan, Minnesota, New Hampshire, and Tennessee a higher drinking age was followed by a 28-percent reduction in nighttime accidents involving 18- to 21-year-olds.

This bill has a broad range of support. The Uniform Minimum Drinking Age Act passed the House on June 7 with the support of Republicans and Democrats from every region. Such legislation enjoys the support of President Reagan, Secretary of Transportation Elizabeth Dole, and such organizations as Mothers Against Drunk Driving, the American Medical Association, the National Safety Council, the insurance industry, law enforcement agencies, and many grassroots organizations. In fact, 77 percent of the American people are in favor of a minimum drinking age of 21. Now is clearly the time to encourage this change.

My resolution, Senate Concurrent Resolution 32, expressing the sense of the Congress that States ought to raise their drinking ages to 21 is not inconsistent with the Lautenberg amendment. I urge the 18 cosponsors of my resolution to join me today in offering wholehearted support to this bill which gives a stronger incentive to change and in the end will save the lives of many of America's young people.●

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

AMENDMENT NO. 3335 OFFERED AS A SUBSTITUTE FOR AMENDMENT NO. 3334

(Purpose: To provide for alcohol safety grants)

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY], for himself, Mr. SYMMS, Mr. SIMPSON, and Mr. WALLOP, proposes an amendment numbered 3335.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the pending amendment, insert the following:

SEC. 4. (a) Chapter 4 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ [illegible]. Alcohol safety incentive grants.

"(a) The Secretary shall make grants to those States for fiscal years 1984, 1985, 1986, 1987, and 1988 which qualify under paragraphs (1), (2), or (3) of subsection (b) of this section. The grant amount which a State receives under paragraph (1) of subsection (b) for each fiscal year of qualification shall be 5 per centum of the allocation for such State under sections 402 and 408 for such fiscal year. The grant amount which a State receives under paragraph (2) of subsection (b) for each fiscal year of qualification shall be 5 per centum of the allocation for such State under sections 402 and 408 for such fiscal year. The grant amount which a State receives under paragraph (3) of subsection (b) for each fiscal year of qualification shall be 1 per centum of the allocation for such State under sections 402 and 408 for each percentage increment determined by the Secretary under such paragraph for such fiscal year. Any State may receive grants under any or all of the paragraphs of subsection (b) in any fiscal year, but no State may receive grants under this section in more than five fiscal years.

"(b)(1) Any State shall qualify for a grant under this paragraph on the first day of each fiscal year if it is unlawful in such State for a person who is less than twenty-one years of age to purchase or possess any alcoholic beverage. For purposes of this paragraph, the term 'alcoholic beverage' means—

"(A) beer as defined in section 5052(a) of the Internal Revenue Code of 1954,

"(B) wine of not less than one-half of 1 percent alcohol by volume, or

"(C) distilled spirits as defined in section 5002(a)(8) of such Code.

"(2) Any State shall qualify for a grant under this paragraph on the first day of each fiscal year if such State has a statute which requires that—

"(A) any person convicted of a first violation of driving under the influence of alcohol shall receive—

"(i) a mandatory license suspension of at least ninety days; and

"(ii) (I) an assignment of community service; or

"(II) a minimum sentence of imprisonment of at least two days;

"(B) any person convicted of two or more violations of driving under the influence of alcohol within five years shall receive mandatory minimum sentences of imprisonment of at least ten days and license revocation of at least one year; and

"(C) any person convicted of driving—

"(i) with a suspended license,

"(ii) with a revoked license, or

"(iii) in violation of a license restriction,

by virtue of a driving under the influence of alcohol conviction shall receive a mandatory sentence of at least thirty days.

"(3) Any State shall qualify for a grant under this paragraph on the first day of each fiscal year if such State certifies to the Secretary reporting that the incidence of alcohol involvement in traffic accidents in such State has decreased in the most recent twelve-month period for which data is available compared to the immediately preceding twelve-month period. Each 1 per centum difference as determined by the Secretary shall equal one grant percentage increase under subsection (a). The Secretary shall ensure that the method of reporting in such State is a reasonably accurate indicator of alcohol involvement in traffic accidents.

"(c) Grants under this section shall only be used by a State for any alcohol safety program, including programs eligible under section 408. States shall not be required to provide matching funds for such grants.

"(d) No grant may be made to a State in any fiscal year under this section unless such State enters into such agreements with the Secretary as the Secretary may require to ensure that such State will maintain the aggregate expenditures for eligible activities from all other sources at or above the average level of such expenditures in the two fiscal years immediately preceding the date of enactment of this section.

"(e) There are authorized to be appropriated to carry out this section, out of the Highway Trust Fund (other than the Mass Transit Account) such sums as are necessary. All provisions of chapter 1 of this title that are applicable to Federal-aid primary highway funds, other than provisions relating to the apportionment formula and provisions limiting the expenditures of such funds to Federal-aid systems, shall apply to the funds authorized to be appropriated to carry out this section, except as determined by the Secretary to be inconsistent with this section. Notwithstanding any other provision of law, approval by the Secretary of a grant under this section shall be deemed a contractual obligation of the United States. Funds appropriated by this section shall remain available until expended."

(b) The table of sections of chapter 4 of such title is amended by adding at the end thereof the following new item:

"[illegible]. Alcohol safety incentive grants.".

Mr. HUMPHREY. Mr. President, just to clarify the situation, this amendment is offered on behalf of Senator Symms, Senator Simpson, Senator Wallop, and myself.

The PRESIDING OFFICER. Will the Senator suspend? Does the Senator want this to be a substitute for the pending amendment?

Mr. HUMPHREY. That is correct.

The PRESIDING OFFICER. [illegible] to be considered as a substitute for the Lautenberg amendment.

Mr. HUMPHREY. Mr. President, I believe that was the understanding of all parties. I will make that request.

The PRESIDING OFFICER. Is there objection?

Mr. LEAHY. Mr. President, reserving the right to object, I apologize to the Senator from New Hampshire. I did not hear what the unanimous-consent request was.

The PRESIDING OFFICER. The request was that the amendment be considered as a substitute.

Mr. LEAHY. I have no objection.

Mr. DANFORTH. Mr. President, reserving the right to object, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, what is the pending question?

The PRESIDING OFFICER. There is a unanimous-consent request pending that the Humphrey amendment be considered as a substitute for the Lautenberg amendment.

Mr. BAKER. Mr. President, do I understand that the problem is that the Humphrey amendment touches the Lautenberg amendment in more than one place?

The PRESIDING OFFICER. The problem is the Lautenberg amendment touches the bill in more than one place.

Mr. BAKER. Is it not equally so that the Lautenberg amendment touches the bill in more than one place and would be subject to a point of order and the Humphrey amendment touches the Lautenberg amendment in more than one place?

The PRESIDING OFFICER. The Humphrey amendment touches the Lautenberg amendment in only one place and, therefore, would be a perfecting amendment instead of a substitute.

Mr. BAKER. Then, Mr. President, who made the unanimous-consent request?

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. BAKER. Mr. President, will the Senator from New Hampshire permit me to put a unanimous-consent request to accomplish his purpose?

Mr. HUMPHREY. Yes.

Mr. BAKER. Mr. President, if the Senator will withdraw his request, I will present another request.

Mr. HUMPHREY. I withdraw my request.

Mr. BAKER. Mr. President, I ask unanimous consent that notwithstanding the fact that the Lautenberg amendment touches the bill in more than one place it not be subject to a point of order.

Mr. McCLURE. Mr. President, reserving the right to object, I wonder if the majority leader can put that request so that it touches both amendments equally.

Mr. BAKER. Yes, Mr. President.

I also ask unanimous consent, Mr. President, that the Humphrey amendment be considered in the nature of a substitute for the Lautenberg amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BAKER. Now, Mr. President, the situation is that the Senator from New Hampshire may be recognized if he seeks recognition to offer his substitute, which has just now been qualified; is that correct?

The PRESIDING OFFICER. It has been offered.

Mr. BAKER. So it is the pending question?

The PRESIDING OFFICER. It is the pending question.

Mr. BAKER. I thank the Chair and the Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, I thank the majority leader and all parties for their assistance in straighening out this matter.

The situation now is, I hope, that the amendment offered by Senator HUMPHREY, Senator SYMMS, Senator SIMPSON, and Senator WALLOP is pending as the substitute to the Lautenberg amendment. The Lautenberg amendment to the bill, through coercion, requires the States to raise their drinking age to age 21, the method of coercion being the threat of withholding highway safety funds from those States which do not raise their drinking age to age 21.

The substitute amendment to Lautenberg, our amendment, strikes all of Lautenberg and offers, in place of coercion, financial incentives to the States, financial incentives to accomplish largely the same end but actually designed to accomplish even more than the Lautenberg language would, in our opinion. That is the essential difference, Mr. President, in addressing this critical question of highway safety, especially as related to drinking and driving.

The question to be decided is whether we are going to coerce the States or whether we are going to offer them financial incentives and enticements to change their laws. It is that simple: Coercion or incentive; that is the issue to be decided here at the heart of the matter.

Mr. President, Justice Louis Brandeis once warned us in one of his decisions that we should be most on our guard against encroachment upon our liberties when the Government's purposes are beneficial. I doubt that Justice Brandeis could have found a case where that admonition more aptly applies than this one facing us today. Of course, we all want to reduce the carnage on our highways; of course, we want to reduce drinking and driving and the carnage which follows—carnage which often includes innocent victims. We are all agreed upon that end. Where we differ is over the means. What Justice Brandeis warned us of, what he was saying, is that the end does not justify the means. That certainly applies here.

We are all aware of the emotion behind this issue, the marshaling of a public relations effort over the last 10 days which has panicked half the town. We are all aware of the momentum behind this effort. But where are those who will stand today for principle? Where are those who will stand against expediency and in favor of principle today? I hope we will see them in a few minutes.

Who are we, the national legislature, who have done a perfectly abysmal job of managing the affairs which are legitimately our concern, to tell the State legislatures, who, by and large, have done a far better job of managing their affairs, how to conduct their business? That takes a lot of gall and a lot of brass, it seems to this Senator.

Where does this process stop? Yes, this is not the first time. The Congress is not virginal on this point. We have coerced the States in other matters regarding highways; for example, forced them to adopt a national 55-mile-per-hour speed limit. But where does this stop? Every time we do it, it reinforces the precedent and makes it that much easier.

Where will it be next? Shall we force the States through coercion to mandate the use of seatbelts, for instance? That is not such a far-fetched possibility. The State of New York just yesterday passed a bill and sent it to the Governor requiring the use of seatbelts. And I suspect it will not be long before various well-intentioned groups are pounding on our doors concocting public relations efforts to embarrass us into coercing the States to accomplish that purpose.

Where does it all end? Where do we stop enlarging the power of the Federal Government and attacking the sovereignty of the States? I suggest the time is long overdue that we address and answer that question.

Apart from the philosophical considerations, Mr. President, let me also point out that the Lautenberg approach and those of his supporters address this problem on a very narrow basis. So much public attention is focused on this age 21 business. Yet 84 percent of the highway-related fatalities occur among drivers—drinkers, I should say—whose age exceeds 21; 84 percent. This age 21 approach is no magical solution. Yes, every bit of progress we make in that direction is to the good, but let no one be under the impression that this is a magical end-all approach to solving this problem. It is not; 84 percent of all highway fatalities involving alcohol occur among those whose ages exceed 21.

The amendment that Senator SYMMS and Senator SIMPSON and I have put together is far broader. Apart from the issue of coercion versus incentive, apart from the issue of enlarging the powers of the Federal Government versus the States, apart from those issues, the substitute amendment attacks the problem—and it is a real problem, a severe problem—on a much broader base. We offer incentives to the States to raise their drinking age to 21, financial incentives. We offer incentives to the States to pass legislation mandating sentencing on the first offense and second offense and so on. In the case of first offense, it would be 2 days in jail or 90 days' license suspension. We provide incentive to do that.

I understand the Lautenberg bill has been improved in recent days to consider a similar amendment. But to make the point again, I think our approach is even broader—more than age 21, more than mandatory sentence. We offer incentives in addition to those who reduce the incidence of alcohol-related traffic accidents. For every 1-percent reduction realized, the State would get a 1-percent increase in its highway safety funds in addition, if it qualifies, to the other increases in its highway safety fund grants for passing age 21 and mandatory sentencing legislation.

I really cannot say more, Mr. President, and I shall not. As a practical matter, this substitute addresses the question and the problem on a much broader, much more realistic basis, one that will permit States with their unique circumstances to address their problems in the unique way that is necessary. We cannot tailor one approach for every State. If there is one lesson we should have learned in this body over the last 50 years, it is that lesson—that you cannot tailor one national approach to a problem that has unique aspects in every State.

It is a broader approach in our amendment, one that allows flexibility; on a philosophical level, one that does not enlarge the power of the Federal Government at the expense of the States; one that does not rely upon coercion but which, instead, relies upon incentives.

Where are those who will stand for principle, Mr. President? I hope that we shall see them today.

I yield the floor.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER (Mr. COCHRAN). The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I rise in opposition to this substitute. The Senator from New Hampshire has made several arguments in favor of his amendment, against mine. When all the window dressing is removed, the difference between the two amendments comes down to this: How can we best address the interstate problem of loss of young lives caused by blood borders—not principle, loss of young lives. What is the most effective way to achieve a uniform minimum drinking age of 21 across the country, the carrot or the stick? Which legislation will pass the House, be signed by the President, and become public law?

The Senator from New Hampshire is trying to make this issue a State's rights issue. The sponsors of this amendment know that this is not the case. At times when they sought uniformity, they strongly supported using the stick of cutting Federal highway aid to achieve this goal. In fact, they supported cutting, coercing States, to the tune of 100 percent of their highway aid.

All the sponsors of the Humphrey substitute supported withholding 100 percent of highway Federal aid in 1982 to assure access for tandem trailers in all 50 States. Just this month, the Senator from Idaho offered an amendment in the Environment and Public Works Committee which would have prevented any State road from receiving Federal highway aid if they kept motorcycles out of high-occupancy vehicle or carpool lanes.

Now, Mr. President, I ask my colleagues, if the Senator from New Hampshire and the Senator from Idaho can support withholding of 100 percent of highway aid in any given year to States who will not permit tandem trucks coercing their States to cross their borders, why do they oppose withholding 15 percent in aid over a period of 2 years, after a grace period of 2 years, which would save upward of 4,000 lives between the ages of 16 and 20—the only group in our society whose life expectancy has not improved in 20 years.

Mr. President, the Federal Government cannot and should not have to bribe States to do what 77 percent of the American people want to have. According to the authors of the substitute amendment, their proposal would cost upward of $40 million a year if all States responded positively. Further, Mr. President, we have experience with incentive grant programs. They are on the books. Incentive grant programs work for intrastate problems that do not face the opposition of powerful groups in State legislatures. They do not work for interstate problems whose solutions are opposed by such groups. The fact is that the Humphrey-Symms amendment is a phantom amendment because the House will not pass it, and the President will not sign it. The fact is that the Humphrey-Symms amendment is a skillfully crafted alternative to beat back the 21 bill by offering Senators the chance to vote for money for their States. It is designed to defeat efforts to achieve uniformity and to have the States raise their drinking age to 21. The fact is the Humphrey-Symms amendment will not work. The fact is that under the Humphrey-Symms amendment, a

State can qualify for incentive grants without raising its drinking age to 21. One part of that amendment suggests that if there is a decrease in highway fatalities occasioned by some force of nature, less driving or what have you, the States can get rewarded for that; not for effort but for a coincidental result.

Let us focus on the section of the Humphrey-Symms amendment that differs from ours, the selection dealing with 21. Both the Lautenberg amendment and the Humphrey-Symms amendment substitute provide the same incentive grants to States for adopting mandatory sentencing laws for drunk driving. The key difference is how to deal with the interstate problem of varying drinking age.

The Humphrey-Symms amendment would provide $5 million per year for all 50 States as the incentive to raise their drinking ages to 21. The 23 States which already have 21 as the minimum drinking age would get a significant portion of these funds. So, at best, we are talking about a couple of million dollars for the balance of the States which do not have 21 as a minimum drinking age, as the primary means for ending this carnage of our young people.

Mr. President, a few million dollars is not going to get us a uniform minimum drinking age across this Nation. The proponents of this amendment should know that incentives for 21 do not work. This amendment is proposed to defeat an effective 21 bill. The U.S. Student Association makes no bones about its opposition to raising the drinking age. They are against it, plain and simple, yet the U.S. Student Association favors the Humphrey-Symms amendment over the Lautenberg-Danforth amendment. Those who are working the halls of the Senate in favor of the Humphrey-Symms amendment know that it will not work, and there are others who know it. The President knows it. The Secretary of Transportation knows it. The House of Representatives knows it. Mothers Against Drunk Driving, the National PTA, the National Safety Council, the National Council on Alcoholism, the International Association of Chiefs of Police, and many others know it.

Speaking in my State last week, President Reagan, a strong supporter of States' rights, faced the question squarely. Let me quote from the President's speech:

> . . . This problem is much more than just a State problem—it's a national tragedy involving transit across State borders. Beyond that, there are some special cases in which overwhelming need can be dealt with by prudent and limited Federal influence. And in a case like this—where the problem is so clear cut and the benefits are so clear cut—then I have no misgivings about a judicious use of Federal inducements to encourage the states to get moving, raise the drinking age, and save precious lives.

President Reagan initially using the Federal stick to achieve uniformity on the drinking age, but the facts compelled him to reconsider. Since the President's Commission reported, 23 State legislatures have had time to respond and raise their drinking age to 21; 4 States out of the 23 took the step and 19 did not.

Mr. President, President Reagan is right. It is time to use a prudent and limited Federal influence to get the States moving. This is an interstate issue. The withholding of Federal highway assistance to achieve uniformity has been effective in other laws and is the only effective means of achieving a uniform minimum drinking age across the States.

Mr. President, raising the drinking age is only one step in the war against drunk driving. Along with other supporters of my amendment, may I add the National Safety Council, National PTA, law enforcement officials, and others, I support tougher mandatory sentencing for drunk drivers and improved law enforcement efforts. My amendment provides for this. But a uniform minimum drinking age can save 1,200 young lives a year, 20 percent of the problem in the 18- to 21-year-old age group. And any time that this Senate can solve 20 percent of any problem I say do it—but in particular when we are talking about the young flowers of our society.

On the issue of 21, the vote to come, let us be very clear. A vote for the Humphrey-Symms amendment is a vote to have business as usual. A vote for the Lautenberg-Danforth amendment is a vote for effective action to save young lives and to prevent injury to these people, billions of dollars worth of property damage included.

Mr. LEAHY. Mr. President, will the Senator yield?

Mr. LAUTENBERG. I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I do not question in any way the sincerity of the Senator from New Jersey. In fact, I applaud his leadership and concern in this area. I think the Senator from New Jersey feels, as most enlightened people do, that something has to be done about drunk drivers. I do not question his concern for young people. He has children of his own. He certainly, as a sensitive person, could not feel otherwise.

Mr. President, I am concerned, though, that when we go into some law enforcement matters over and over we—and I use that speaking of all legislators—we will mistake a couple of the symptoms as the full problem. I call it the armed robbery syndrome.

When I was a prosecutor—and I spent 8½ years as a prosecutor—I complained to the Vermont Legislature, "We have to do something about catching these armed robbers." They said, "We are going to take care of that. We are going to take care of the burglaries, too. We are going to double the penalties. We are going to double the penalties for armed robbery. We are going to double the penalties for burglary." I said, "Well, I appreciate that we have a couple of 50-year-old armed robbers out there and the penalty now is about 25 years. If you double it to 50, I am not sure you are going to deter them too much. Could I have instead, maybe, a few more State police officers, a few more detectives, beef up the felony squad a tad, and then have more prosecutors, and let's go out and catch all those armed robbers?"

Usually, I will hear from the legislature: "I'm sorry. We don't have any money. But we're really tough on crime up here, so we're going to double the penalties."

As a prosecutor, I was glad to see the penalties raised as much as possible, and I thought 50 years would be good. But it did not catch one more bank robber, and it did not deter them either.

With respect to burglars, you look down the street and you have three warehouses. One has a very good alarm system and the other two have nothing. Which ones are broken into? The two without the alarm system, of course. The penalty is precisely the same, whether you break into a warehouse with an alarm system or one without.

Now we come to drunk driving. Vermont used to have a pretty good law. For the first offense, you lost your license for a year; for the second offense, you lost it for 6 years; for the third offense, you lost it for life. I did not think the penalties were stiff enough, but it was a start.

We then passed a law in Vermont which said that the offense was driving with a 0.10 or above alcohol limit—not driving under the influence. The prosecutor only had to prove that a person had a 0.10 or higher blood alcohol limit.

You could take a breath test or a blood test. If the person refused to take a test, he lost his license for a time, at least equal to what he would have lost if he had been convicted. So there was no advantage in not taking the test. In effect, you had to take the test, and if you did not take the test, you still could be prosecuted.

When I was prosecutor, they did not lose their licenses for failing to take the test, but they would be tried for drunk driving and would be convicted.

Word got around that we had, first, a law on the books that you could not beat. It did not make any difference whom you hired for a lawyer. You would not win the case.

I believe that of the 100 Members of the Senate, I have personally prosecuted and tried more drunk driving cases than any other Member of the Senate. Within the last 20 years I have prosecuted more drunk driving cases than anybody else on the floor of the Senate. And I won them all—every one of them. When they went up on appeal to the Vermont Supreme Court, I won them all.

I am not saying this to try to build up my reputation for when I go out in a couple of years and practice law but, rather, to point out that if I could do it, anybody can do it. That is what I am saying. I think my 14-year-old son could have done it with the law we had. It was ironclad. It was a prosecutor's dream. It was also a dream for those who wanted to drive safely on our roads or the roads of any other State. They knew we had tough driving laws, the finest in the Northeast.

You have to add two other things. You have to have a foolproof law. On the first offense for drunk driving, the person should serve a week in jail, for the second offense, a number of months in jail, and for the third offense, you go away for a long, long, long time. I think that for the first offense, you should lose your license for a year for the second offense, 6 years, for the third offense, for life.

First, you have a law that cannot be beaten. No matter who the defense attorney is, he or she cannot get you off. No matter how inadequate the prosecutor might be—and that comes straight to home here—however inadequate the prosecutor might be, he or she cannot possibly lose the case. You start that way.

Second, you provide adequate police power to catch people. We had what we called a CRASH program at home. I do not recall what the acronym stood for, but there was not a person in Vermont who did not know about the program.

I had that CRASH van out every weekend. We publicized it. I poured resources into it. I took police officers from my own office. I begged, borrowed, and stole police officers from various jurisdictions to run that CRASH van. It was a large mobile home, with the letters "CRASH" on the side, "Vermont State Police." Inside you could process drunk drivers. We would hit an area, and the police would go out like a spider web every day and find every drunk driver there was.

A couple of things happened. One, the taxi business in our area went up considerably on weekends.

In fact, a couple of times near the end of the budget cycle, we could not pay overtime to the police. So we put the van out, with the lights on, and went home, and the word would go around that it was there. The next morning, at the bars, the cars would still be in the parking lots. People either took a taxi or had someone drive them home.

We wanted to get drunk drivers off the road. Word got out: Strong enforcement. You are going to get caught. You weave a little down the road and you are going to get caught.

The last part that has to come is that nobody gets a break—nobody, nobody, nobody, not a politician, not a member of the clergy, not a financially well-heeled person, not family members, or relatives. We had a rule that nobody got a break in our office.

The point is that nobody, nobody was given a break. Once that word got around, it became the same as in some Scandinavian countries, and people were afraid to drive when drunk.

If a group of people went out for an evening, they drew straws. One person ended up not allowed to drink. I did not care if the others were all singing off key all the way home because they were pretty well blitzed, so long as the person behind the wheel was sober.

In my opinion, this is the only way. Enforce it the same whether the person is 20, 21, 35, 40, 55, 60, 65, 80. Possibly raising the drinking age may make a difference. Statistics go both ways. Let us assume, arguendo, that it does do it. If it does, I applaud the Senator from New Jersey in wanting to make progress.

But I have a strong question in my mind whether we should try to coerce the States to do that. We all know that seatbelts would save lives. So should we pass a law here in Congress that says that unless States require mandatory seatbelts, they will lose their Federal funds? Should we do that? I ask the question rhetorically, even though we know seatbelts will save lives.

We also know that certain kinds of tires are better than others. Should we require these next? Should we require certain kinds of headlights or certain inspection systems? Should we make all these mandatory, or should we give incentives to the States?

It goes back to my original point: Are we at a point where we say we are going to stop crime by doubling the penalties, or are we going to give the tools to do the job the right way.

I really wish what we had done in this bill was to say to the States: "You want incentive. Fine. We will design for you the toughest, most foolproof drunk driving law ever, based on the Scandinavian countries, based on the countries that have wiped out drunk driving." Base it on that standard, and then say: "Now we will give you the money to hire the police, the prosecutors, and the needed support, and we will stop drunk driving. It will not make any difference if drivers are 20 years old, 40 years old, or whatever. We will stop them."

Mr. DANFORTH. Will the Senator yield?

Mr. LEAHY. I will in just a second.

And let the States set what they want for a drinking age. If my own State wants to set the age at 25 or 45, that is fine. The Vermont Legislature can do that. I think they are a wise group. I will say that again to make sure it gets in the Record. I think they are a wise group and they can set the age anywhere they want.

But I really have a problem. I do not know how I am going to vote on this, I might say to my friend from Missouri, but I have a real problem—notwithstanding what is on page 6, section (3)(A) (i), (ii), and so on—I have a real problem in thinking we are doing much more than cosmetics. And I say that very reluctantly because I know how strongly the Senator from New Jersey and the Senator from Missouri and others feel.

Mr. DANFORTH. If the Senator will yield.

Mr. LEAHY. I yield for a statement.

Mr. DANFORTH. Let me just say that I totally understand the point that the Senator from Vermont is making, and he has made it very effectively. He has pointed out that there are a number of problems relating to the whole drunk driving issue in addition to the drinking age. He has very well pointed out that enforcement, that having the kinds of laws that are enforceable and the sort of police capabilities so that people are caught are at least as important as the drinking age. And he has no quarrel from the Senator from Missouri on that point.

I know that the Senator from Vermont was an active supporter back in 1982 when we passed Public Law 97-364, which was a bill which was introduced by Senator Pell and me. It did a number of things relating to the question of drunk driving. It provided an incentive grant program so that States could qualify for more money so that they could use it for enforcement if they enacted statutes dealing more adequately with drunk driving.

So that was a bill back in 1982 which was focused very directly on the point that the Senator from Vermont is making. That bill had to do with prompt suspension of drivers licenses, with mandatory imprisonment, with the 0.10 blood alcohol concentration as a per se violation, with increased enforcement, public information efforts, and so on.

Indeed, in the amendment that was offered by Senator Lautenberg, there are areas in this amendment other than the drinking age. For example, there is a grant program for States so that they can develop computer programs in order to identify the time and the place where drunk driving accidents are most likely to occur so that law enforcement can be more effectively deployed to areas where drunk driving is likely.

So I think the Senator from Vermont has made an excellent point about the breadth of this issue and the need to address a number of factors all at the same time. And we did some of that in 1982, we are doing some more of that in this bill, and maybe there will be other opportunities as time goes on to focus on other aspects of drunk driving.

The issue that is before the Senate right now, and really the nub of the debate between Senator HUMPHREY and Senator LAUTENBERG, has to do with the 21-year-old drinking age. That is a segment of a broader problem. However, it is a very important segment of a broader problem and it is one that does have interstate implications.

Why does it have interstate implications? Why is this not just simply a State enforcement matter, a State legislative matter? Well the answer to that question is that we have 50 States and that many States with a 21-year drinking age are contiguous with States with an 18- or 19-year-old drinking age. And the effect of that is that there is interstate transportation in order to drink. This amendment that is offered by Senator LAUTENBERG and, in fact, the amendment offered by the Senator from New Hampshire are both designed to try to get at this 21-year-old drinking age problem.

Mr. LEAHY. Why the magic age of 21? Why not 25? I mean, if people do not drink until they are 25, there are that many more people who are not drinking and driving. How about 30, 35, 40? I am serious. Why the magic of 21?

Mr. DANFORTH. An effort was tried years ago to abolish alcohol altogether. It did not work very well.

But I think that the specific problem that this is designed to address is that some States now have a 21-year-old drinking age, some States have an 18-year-old drinking age, and those who go from the higher—namely, the 21—to the lower age States in order to get a drink have today, through this patchwork effort, an incentive to both drink and drive. And the specific effort of this amendment and Senator HUMPHREY's amendment is to try to address that problem of interstate transportation in order to get liquor.

Mr. LEAHY. So really what you want to do, if either amendment passes, you give a free ride to those States with the 21 drinking age, and you penalize those that are below it.

Mr. DANFORTH. Well, I do not look at it that way.

Mr. LEAHY. Is that not the effect of it?

Mr. DANFORTH. You are targeting the question of transportation.

Mr. LEAHY. Let me just use a different term. Those who have a drinking age of 21 automatically get the benefits of this bill. It is only those States that are below 21, if they do not come up, they either get penalized or do not get the benefit, depending on which amendment is passed. Is that correct?

Mr. DANFORTH. I am not sure—it is my understanding that the Humphrey amendment also provided the same incentive grant money to States that already have a 21-year-old drinking age. That would tend to spread out the benefits in the program.

Mr. LEAHY. But the Senator's amendment is not penalizing any State which is already at 21. It penalizes those below.

Mr. DANFORTH. Right.

Mr. LEAHY. To that extent, the benefit of it, the not being penalized, goes automatically to any State at 21.

Mr. DANFORTH. I would say the benefits really go to kids who live, the 18-year-olds and their families, who live in the lower age States who, under the present situation where there is a quiltlike effect among the States, now have this perverse incentive to both drive and drink. So I think it is aimed at those kids and other people who are injured in the same accidents.

Mr. LEAHY. Supposing those States' drinking age is 18 because that is also the age of majority? Is there not something anomalous in saying that there is the age of majority—that is, the age at which you can be tried in a criminal court, the age at which you are bound to a contract, the age at which you can go out and get married, the age at which you vote, the age at which your parents have no further duty to provide for you, the age at which you, in fact, have the duty to provide for yourself—and then step in and tell that State, "Wait a minute, there may be about 20 or 30 effects of the age of majority, but you, State legislature, you have got to change one of them or we are going to pull our dollars out."

I mean, if we can do that, can we not also say you have to change the right to marry at 18 or you have to change the obligation to provide for yourself at 18, or you have to change, because we are afraid of consumer ripoffs, you have to change the right to sign contacts at 18, but you are allowed to set the age of majority at 18? Is there anything anomalous in this?

Mr. DANFORTH. I do not think so. I really think the issue is more statistical than anything else. The issue is the disproportionate number of alcohol-related accidents caused by people in their late teens or early twenties.

Mr. LEAHY. How about 22? Are there more people killed in alcohol-related accidents at the age of 22 than, say, at the age of 25?

Mr. DANFORTH. I do not know the answer to that question. With all due respect, I do not understand the relevance of the question. I think the issue is whether or not there is going to be a situation in which late teenaged kids who live in 21-year States are going to drive some distance in order to go to a bar or buy liquor in a neighboring State. I think the issue is not whether it has something to do with the age to marry, but rather the number of people in that age group whose lives would be saved if they were not driving long distances in order to get drunk.

Mr. LEAHY. What if we made it all 22, and every State would have to do something because nobody has a 22-year drinking age now?

Mr. DANFORTH. Maybe the Senate might want to propose that. I do not think it is related to this bill because I think we are more interested in uniformity than in the precise age.

Several Senators addressed the Chair.

Mr. LEAHY. I see that the Senators from Idaho are seeking to ask a question. I yield to whichever Senator wants the floor.

Mr. McCLURE. Would the Senator yield for just a moment? You asked a question about statistics.

Mr. LEAHY. I yield for a question.

Mr. McCLURE. Why the particular age? There are a couple of different sets of statistics you can use. I would like to refer to one that has been used with respect to FBI crime statistics and how many drunken driving arrests there were in 1982. These age brackets, for example, are little different than the ones we have been using here, but it is an interesting result. For ages 16 through 19, there were 129,444 arrests; ages 20 through 29, there were 626,033 arrests in that age group; and in the age group 30 to 39 there were half that number, 332,556. Certainly, statistically, if you use that one set of statistics, then the mandatory drinking age ought to be raised at least to 30. I ask the Senator from Vermont as well as the Senator from New Hampshire, who is the author of the substitute, if really the reason they have chosen 21 in this particular amendment that is before us by the distinguished Senators from New Jersey and Missouri is they can get away with it by simply looking at one class of citizens, one age group of citizens.

Mr. SYMMS. Will the Senator yield?

Mr. LEAHY. For a question.

Mr. SYMMS. I appreciate very much the line of questioning the Senator from Vermont has been pursuing. But most of the studies in answer to the question raised by the Senator from Missouri, most of the studies point out that the drivers of age 21 to 24 are the worst offenders. In a study where drinking drivers were involved in fatal accidents which were alcohol related, the 37-year-olds were more likely to be involved than any other age. So I think that it is definitely, as the Senator from Vermont is pointing out, definite discrimination to pinpoint 18, 19-, and 20-year-old drivers, and say they are especially susceptible to alcohol-related accidents. In fact, the 19-year-old can have a license, own a business establishment, be responsible to pay the help, pay off the bank notes, dispense, sell, and serve the alcohol product, but he would be under age according to this proposal to consume a can of beer that he might be selling in his establishment.

Mr. LEAHY. I appreciate that. I wonder if the Senator might, in asking that question, also answer a question for me. I have these numbers. I have forgotten them. How many States now have a 21-year-old drinking age?

Mr. LAUTENBERG. Twenty-three. Will the Senator from Vermont yield for a question?

Mr. LEAHY. Certainly.

Mr. LAUTENBERG. The other comparisons that you draw, related to marriage contracts and so forth, I assume are not injurious to one's health. We know that drinking at age 18 often is.

Mr. LEAHY. I see some contracts that are injurious to one's health, and there are those, certainly not within the Leahy family, that would say marriages are injurious to one's health. But I will leave that one alone.

Mr. LAUTENBERG. But they live to try again.

Mr. LEAHY. I always thought marriage was forever.

Mr. LAUTENBERG. Mr. President, if the Senator from Vermont would yield for one more question.

Mr. LEAHY. Yes.

Mr. LAUTENBERG. In the Senator's remarks he said the legislators had the wisdom in the States to pass appropriate legislation that represents their populations. But in the State of Vermont after the legislature twice passed a 21 drinking age, one man, the Governor of Vermont, made the decision that that would not stand as law, and he chose to veto it. These are our children, too, not just Governor Snelling's.

Mr. LEAHY. I cannot speak for the Governor, nor do I intend to. I do not think the legislature would override that veto. Perhaps the Foreign Relations Committee would be the one to do this because we border on Canada where the age is I believe 18. Can we get them to do something?

Mr. LAUTENBERG. I think you have to be 21 to bring alcoholic beverages across the border between Canada and the United States.

Mr. LEAHY. Not internally, and not to drink. One of the greatest tragedies we have in our State is where people drive back from Canada after drinking. In fact, that was one of the incentives. You see the argument can be used both ways—for lowering the drinking age in Vermont. If kids were going to drink, the legislature might try to keep them closer to home. But I am wondering, based on what we have heard here, whether we should raise the age to 24.

Mr. SYMMS. Will the Senator yield?

Mr. LEAHY. I am wondering. I am about to yield the floor anyway. We could get off into frivolous arguments if we start talking about raising it to 24 because I do not think that the sponsors of the amendment want to raise it to 24. I suspect if we wanted a drinking age of 24, I would submit that amendment myself. But I hope that the sponsors of this amendment, both the Senator from New Jersey and the Senator from Missouri, and the sponsors of the other amendment, the Senators from Idaho and New Hampshire, understand, first, that in no way should my remarks be intended to question at all their sincerity in wanting to lower drunk-driving cases. In face, if anyone does not want to lower drunk-driving cases, I would question his sanity, not his sincerity, but his sanity. I hope all men and women who want to lower the number of drunk-driving cases realize that we have far too many in this country.

What I want to do in my question is point out, one, that I think there is only one real effective course of action that can be taken to stop drunk driving. And I have laid that out as well as I can here, based on my own experience as a prosecutor. Then also, I hope I have laid out my real concerns, as a Vermonter, irrespective of what our law is, because I will go along with the Vermont Legislature, whatever age they want. My real concern is about our telling them what they must do, as compared to giving them incentives to do something.

With that, Mr. President, I yield the floor. And I appreciate the courtesy of my colleagues who let me stay here so long.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Thank you, Mr. President.

Mr. President, already the debate this afternoon confirms, at least to this Senator, that it was the correct action to object to a 10-minute time agreement for consideration of this important issue. Last week a proposal was made to limit debate, but obviously this is a very critical issue, and it has aroused a great deal of interest.

First, let me commend this Congress, individuals, and groups for their efforts to rid the American highways of drunk drivers. That is a goal on which I agree with Senator LEAHY and others. It is certainly laudable, and something we should all support. How we accomplish this goal is another question.

Second, I think it is appropriate to review the events that have transpired in regard to this issue here for all Senators that in the last few weeks, especially for those Senators who have not followed the issue closely. Two weeks ago, the House passed H.R. 5504, the Surface Transportation Act of 1984, which included legislation to approve the interstate cost estimate and enact various other provisions. The House added an amendment that mandated a 21-year-old national drinking law and required the Secretary of Transportation to withhold Federal highway funds from a State, 5 percent, and then 10 percent; 5 percent the first year and 10 percent the second year would be withheld for failure to enact a 21 drinking age in a particular State. However, in the Senate, on a very different legislative track, Senator DANFORTH's Commerce Subcommittee, under his able leadership, was approaching the issue of drunk driving by using the incentive system to persuade the States to take necessary action. States could decide which approaches would best serve its needs to remove the drunk drivers from the highway. Since the House passed legislation, there has been a reversal by the President, and by several Senators. They certainly have a right to reverse their decision, and express their position. I respect them for their decision, I just happen to disagree with their position.

Now, I want to raise the bidding.

I feel some responsibility to my colleagues to be sure that they are aware of the magnitude of the highway sanctions being discussed.

Earlier in the debate, my good friend from New Jersey discussed a recent motorcycle amendment to the Senate highway bill regarding the use of HOV lanes by motorcycles. I want to clarify this situation and the tandem truck issue so that Senators will not have the wrong impression of what action the Environment and Public Works Committee proposed.

The Commerce Committee did deal with truck weights and lengths to try to get some uniformity for this country. Further, the Environment and Public Works Committee did address the weight issue, but sanctions were only imposed after a 10-year voluntary period and only two to three States had not complied.

There was no threat of the 100-percent removal of Federal highway funds.

With respect to motorcycles, the motorcycle provision was included in the Surface Transportation Assistance Act of 1982 and did not include a sanction of losing highway funds. States were directed to allow motorcycles to use high-occupancy vehicle lanes. This provision did give States a choice. If the State certified that there were safety concerns, the State did not have to permit such use.

The amendment offered in committee was only intended to clarify the original intent of the provision. The Federal Highway Administration interpreted the STAA of 1982 provision to apply only to HOV lanes which are built in the future, when, in fact, the intent of the legislation was to apply this requirement to all HOV lanes, including those already built by Federal-aid highway funds. This is also a safety issue. Motorcycle drivers say, and FHWA agrees, that motorcycles would be safer in HOV lanes.

FHWA has a wide variety of administrative tools available to enforce all the requirements relating to the Federal-aid highway program. The ultimate administrative action is not approving any Federal-aid highway project in a State. This is in practice the same as withholding highway funds. However, this is an extreme action and is not applied unless there are extraordinary circumstances and all other means to address the problem have been exhausted first.

Mrs. HAWKINS. Will the Senator yield?

Mr. SYMMS. Yes.

Mrs. HAWKINS. Would the Senator agree that there is a lot of uniformity in the National Highway Transportation Act?

Mr. SYMMS. Most certainly.

Mrs. HAWKINS. Is it not true that all States have to abide by the national safety standards in order to participate in this program? That all States, for example, have to build guard rails?

Mr. SYMMS. Most certainly I would say that is true.

Mrs. HAWKINS. And all States have to have signs off of the right of way?

Mr. SYMMS. That is true. Of course, many of the items the Senator from Florida is discussing items I find very distasteful about the Federal Highway Trust Fund. I think there is another point we should should discuss.

The Constitution of the United States speaks to the prohibition question. The Constitution does not speak directly to some of the questions that the Senator is mentioning. In fact, the Constitution on December 5, 1933, was amended by the 21st amendment—making it part of the Constitution.

If you examine the legislative history, a strong case can be made. However, if Senators believe really that we have the right answer by raising the drinking age to 21 years of age, then this Senate should be updating the Constitution.

If one goes back and examines the legislative history, Senator WAGNER of New York urged deletion of the proposed section 3 of the 21st amendment because it allowed for Federal intervention. He questioned the proper focus of section 3 when he said:

> If Congress gave itself power to regulate the saloon, it would have the power to regulate the place and hours of purchase as well as the age and sex of purchasers. By striking section 3, the Congress reserved these powers to the States.

Rarely, I would say, has legislative history been any more clear on the Constitution and on the States rights question by reserving drinking rights to the individual States.

The Surpreme Court also recognized the authority of the States in the area of alcohol regulation. In the case of the Board of Equalization against Young's Market, the Court held that the Constitution gave the States the right to determine the conditions under which the intoxicating beverages may be brought into the State for the purpose of sale and it "freed the States from all provisions of the police power to be found in other provisions of the Constitution."

Mr. President, the 21st amendment is unique for within the amendment is the only expressed grant of power to the States. There is no doubt that the Uniform Minimum Drinking Age Act of 1984, as encompassed in the Lautenberg proposal, violates the intent of the 21st amendment for it seeks the congressional establishment of a mandate in an area where our predecessors fought valiantly and successfully to maintain the balance of federalism. Such governmental disregard for the supreme law of our land and the balance of the power maintained by our federalist system is reminiscent of "Big Brother," in this Senator's opinion, as postulated in Orwell's 1984. Maybe it is appropriate that we are doing this legislation in the summer of 1984, I say to my colleagues.

The rights of the States, as outlined in the Constitution and reinforced by the Supreme Court, must be protected against this unwarranted intrusion. This intrusion is unwarranted not only because of its inherent disregard for the Constitution and our system of federalism, but also because it is a stinging blow to the States at a time when they are compiling the best highway safety records in the history of our Nation.

Our highway safety record is improving. Mothers Against Drunk Drivers and others are helping in this issue.

Mrs. HAWKINS. Does the Senator feel that the 55-mile-per-hour speed limit has enhanced our safety record?

Mr. SYMMS. I would put it this way: if you are driving in western Pennsylvania on the Pennsylvania Turnpike, I think it is very complimentary to the State of Pennsylvania that they might wish to have a 55-mile-per-hour speed limit on a very highly traveled road which was constructed at an earlier time and does not have the same level of safety standards as some of the newer interstate routes.

If we go to the State of Wyoming, where Interstate 80 crosses, the State, I would say to the good Senator from Florida, it makes very little sense to have an interstate highway system engineered to drive automobiles at 70 miles an hour, automobiles engineered to drive 70 miles an hour, not to allow responsible drivers to drive 70 miles per hour. It makes very little sense for "Big Brother" in Washington to try to mandate to the people in Wyoming to drive 55 miles per hour.

The sad part is that if you drive around the Washington Beltway, and you drive 55 miles per hour you will be the slowest person on the beltway. So we make a mockery of our laws by trying to enforce speed limits that are unrealistic for all areas of the country. Time is an important factor in our lives. It is a very important matter with respect to production, incentives and growth in the economy.

I do not know whether 55 miles per hour speed limits saved as many lives as claimed or whether people drove slower because of the fuel costs, or whether other factors caused the decline in highway fatalities.

The point is, it would be a nice tradeoff if in some way we were able to return back to the States the speed limit prerogative. I would like to see that happen—to let each State be allowed to set their own speed limits. But that is not what we are discussing here today.

We are trying to pass a new provision at a time when the States are compiling a very good highway safety record. In 1983, Americans logged more miles than ever before and the number of traffic deaths was the lowest in 20 years.

When the number of deaths is compared to the number of miles driven, the resulting fatality ratio is the lowest ever recorded in the United States, a number lower than that of any industrialized nation in the world. A number that, according to the Secretary of Transportation is due to the increased crack-down on drunk drivers by our States. The very same States that we propose to browbeat into submitting to this oppressive legislation.

The studies supporting raising the drinking age are far from conclusive and have elicited a great deal of criticism. Critics claim that these studies have failed to take into account many important variables, such as gasoline prices, miles driven, changes in DWI enforcement and increased public education about drunk driving. The most important criticism of these studies is that they assumed a direct cause and effect relationship between raising the drinking age and decreases in fatalities. None of these other factors were taken into account.

Do we have the right to force-feed our Washington wisdom down the throats of the States when the foundations of such decisions are laid upon unstable ground? Do we have the right to force the State of New York, where an estimated 99.4 percent of the 19- and 20-year-old population do not abuse their privilege to drink, to discriminate arbitrarily against the entire group of its citizens who happen to be 19 or 20 years of age? Do we have the right to mandate that Florida raise its drinking age further when 2 years after raising its drinking age to 19 there were more alcohol-related deaths per capita among 18-year-olds than when the legal age was 18, a fact that is even more curious when the "border hopping" theory is ruled out due to Florida's geographic isolation from any State with a drinking age lower than 19?

Montana, a similarly isolated State, experienced a 14-percent increase in nighttime fatality rates among 18-year-olds after raising its legal age of consumption to 19. What gives us the right to tell Minnesota, a State that experienced a fourfold increase in deaths among 18- and 19-year-olds when the drinking age was increased to 19, that Minnesota must again raise the age of consumption within her borders? How can we tell Michigan, where alcohol-related crash rates for 18- to 20-year-olds increased 12 percent relative to rates for older drivers when the legal age was raised to 21, that her citizens must never have the choice of lowering their drinking age without risking the loss of Federal highway funds that maintain the safe quality of her roads?

Frankly, if you take away the highway funds from the States, you are going to have less construction and more unsafe situtations.

Mr. President, I ask unanimous consent that there be printed in the RECORD at this point a table which shows the statistics and the figures of how much it will cost each of these States to adhere to the Lautenberg proposal and the money States would receive under the incentive approach.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

State	Fiscal year 1987—5 percent	Fiscal year 1988—10 percent	Current State highway safety grants (S402 and S408)	5 percent—age 21	5 percent—mandatory sentence	Reduced fatalities	Total possible incentives
Alabama	11,816,000	23,632,000	2,399,400	119,970	119,970	239,940	479,880
Alaska	0	0	786,500	39,325	39,325	78,650	157,300
Arizona	0	0	2,093,287	104,664	104,664	209,329	418,657
Arkansas	0	0	1,244,700	62,235	62,235	124,470	240,940
California	0	0	8,900,996	445,050	445,050	890,100	1,780,199
Colorado	9,178,000	18,306,000	1,442,217	72,111	72,111	144,222	288,443
Connecticut	7,589,000	15,178,000	1,147,139	57,357	57,357	114,714	229,428
Delaware	0	0	786,500	39,325	39,325	78,650	157,300
Florida	24,253,000	48,506,000	3,808,079	190,404	190,404	380,808	761,616
Georgia	17,187,000	34,374,000	2,470,229	123,511	123,511	247,023	494,046
Hawaii	5,839,000	11,678,000	524,500	26,225	26,225	52,450	104,900
Idaho	4,387,000	8,774,000	750,153	37,508	37,508	75,015	150,031
Illinois	0	0	4,621,728	231,086	231,086	462,173	924,346
Indiana	0	0	3,601,225	180,061	180,061	360,123	720,245
Iowa	6,103,000	12,206,000	1,679,048	83,952	83,952	167,905	335,810
Kansas	5,527,000	11,054,000	1,627,375	81,369	81,369	162,738	325,475
Kentucky	0	0	1,645,364	82,268	82,268	164,536	329,073
Louisiana	14,398,000	28,796,000	1,749,230	87,462	87,462	174,923	349,846
Maine	2,939,000	5,878,000	786,500	39,325	39,325	78,650	157,300
Maryland	0	0	1,561,164	78,058	78,058	156,115	312,233
Massachusetts	9,881,000	19,762,000	2,103,887	105,194	105,194	210,389	420,777
Michigan	0	0	3,800,711	190,036	190,036	380,071	760,142
Minnesota	10,558,000	21,116,000	2,151,635	107,582	167,582	215,164	430,327
Mississippi	5,424,000	10,848,000	1,930,115	96,506	96,506	193,012	386,023
Missouri	0	0	2,379,464	118,973	118,973	237,946	475,893
Montana	5,584,000	11,168,000	1,081,273	54,064	54,064	108,127	216,255
Nebraska	0	0	1,107,150	55,358	55,358	110,715	221,430
Nevada	0	0	818,583	40,929	40,929	81,858	163,717
New Hampshire	2,646,000	5,292,000	786,500	39,325	39,325	78,650	157,300
New Jersey	0	0	3,434,948	171,747	171,747	343,495	686,990
New Mexico	0	0	1,163,865	58,193	58,193	116,387	232,773
New York	30,101,000	60,202,000	6,479,928	323,996	323,996	647,993	1,295,986
North Carolina	9,970,000	19,940,000	2,531,635	126,582	126,582	253,164	506,327
North Dakota	0	0	1,155,155	57,758	57,758	115,516	231,031
Ohio	17,862,000	35,724,000	4,271,861	213,593	213,593	427,186	854,372
Oklahoma	0	0	1,701,343	85,067	85,067	170,134	340,269
Oregon	0	0	1,725,788	86,289	86,289	172,579	345,158
Pennsylvania	0	0	4,646,974	232,349	232,349	[illegible]	929,395
Rhode Island	0	0	786,500	39,325	39,325	78,650	157,300
South Carolina	7,616,000	15,232,000	1,431,793	71,590	71,590	143,179	286,359
South Dakota	4,156,000	8,312,000	698,162	34,908	34,908	69,816	139,632
Tennessee	0	0	2,048,321	102,416	102,416	204,832	409,664
Texas	33,247,000	66,494,000	6,430,683	321,534	321,534	643,068	1,286,137
Utah	0	0	1,148,228	57,411	57,411	114,823	229,646
Vermont	2,650,000	5,300,000	524,500	26,225	26,225	52,450	104,900
Virginia	15,560,000	31,120,000	2,175,578	108,779	108,779	217,558	435,116
Washington	0	0	1,894,588	94,729	94,729	189,459	378,918
West Virginia	6,178,000	12,356,000	863,713	43,186	43,186	86,371	172,743
Wisconsin	7,250,000	14,500,000	2,242,257	112,113	112,113	224,226	448,451
Wyoming	4,531,000	9,062,000	524,500	26,225	26,225	52,450	104,900
District of Columbia	2,486,000	4,972,000	524,500	26,225	26,225	52,450	104,900
Total	284,916,000	569,832,000	108,189,472	5,409,474	5,409,474	10,818,947	21,637,894
Grant administration and territories			8,810,528				
Total			117,000,000				

Mr. SYMMS. My own State of Idaho recently passed a law back in July of 1983. I see the majority leader standing. I think he wants the floor. I shall be happy to make this point and then I shall yield to him, then go into the question of whether the legal drinking age should be changed. First, the State of Idaho changed its law from illegal presumptive law to illegal per se, in regard to driving under the influence [DUI] and for first offenders, the maximum penalty increased from $300 to $1,000.

Second, for second offenders, the legislators created a mandatory minimum jail sentence of 10 days. They increased the maximum fine from $300 to $1,000 and they disallowed all special driving permits for a period of 30 days to 6 months.

Third, the State added an aggravated DUI statute that specified that any drunk driver who injures another driver is guilty of a felony rather than a misdemeanor.

Fourth, in 1984, anyone guilty of a third offense, or an aggravated DUI, would serve a minimum sentence of 30 days and up to a maximum sentence of 5 years.

Fifth, any driver refusing a breath test would have his or her license revoked for 120 days with no chance of obtaining a special driving permit.

Sixth, any person caught driving with a suspended license faces a mandatory minimum jail sentence of 2 days; and

Seventh, any drunk driver under the age of 18 would have his or her license revoked until he or she reached the age of 18 and with no chance of obtaining a special permit.

Idaho has recently adopted these provisions and the preliminary figures acknowledge the positive impact. Now, Congress is telling Idaho if they do not change their drinking age immediately—and it is not a 10-year grace period to do it, it is 2 years—the first year, Congress takes $4 million out of Idaho's highway funds, and the second year, almost $9 million.

That is not the way to have safer highways. We have many unsafe highway situations in the large-area States containing numerous mountains, difficult terrain, and a limited population. Taking away funds is not the answer. In fact, I think it is very arrogant for the Federal Government to go out and tell them what they have to do. Whose money is it in the highway trust fund in the first place? I say, Mr. President, the money is from the people of the United States. It is put in the highway trust fund to build highways, not put in the trust fund to further some scheme of social engineering, which we are trying to do today. That misses the mark. It certainly misses the mark in terms of young citizens in this country.

Mr. President, I shall continue in a few moments. I wish to reserve my right to the floor, and I yield to the majority leader.

VISIT TO SENATE BY THE PRESIDENT AND MEMBERS OF THE CONGRESS OF ECUADOR

Mr. BAKER. Mr. President, it has been brought to my attention that we are honored by the presence of visiting parliamentarians from another country. The distinguished Senator from Florida is here and prepared to introduce the group to the Senate. I ask unanimous consent that following that, the Senate stand in recess for 3 minutes so we may greet our fellow parliamentarians.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. CHILES. Mr. President, I thank the distinguished majority leader.

I am honored to present to the Senate the President of the Congress of Ecuador, Mr. Gary Esparza. Accompanying him are three other members of the Congress, Mr. Galo Pico, Mr. Manuel Daza, and Mr. Hugo Caicedo. I had the privilege of meeting Mr. Esparza and a number of these gentleman some months ago in their country, and I'm very pleased that these distinguished parliamentarians are visiting the U.S. Senate. I hope their visit to the United States proves both productive and informative.

Our heartiest welcome to you, gentlemen. We are delighted to have you here.

[Applause.]

The **PRESIDING OFFICER** (Mr. SPECTER). Without objection, the majority leader's request is agreed to.

Thereupon, the Senate, at 4:05 p.m. recessed until 4:08 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. SPECTER].

MOTOR VEHICLE SAFETY PROGRAMS

The Senate continued with consideration of the bill.

The **PRESIDING OFFICER.** The Senator from Idaho has the floor.

Mr. SYMMS. Mr. President, I think one question we should examine is a constitutional question. I think it is a very important question. All Senators should be aware of the ramifications. The Simpson-Humphrey-Symms-Wallop amendment provides for a 5-percent increase in funds for mandatory sentence, a 5-percent increase in funds for adopting a 21-year age, a 1-percent increase in funds for every 1-percent decrease in accidents as compared to the up to 5 percent in previous years. In addition, there is no limitation on the accident-free reduction funds. The cost will be $40 million per year and I think it is a worthwhile proposal and does address a large portion of the problem.

I have said all along that I think it is an issue that should be determined by the individual States. If we were not using the offensive big stick approach, I would not be here today with this amendment. Originally, the legislative work was being done in the Committee on Commerce. We are now trying to do this work on the floor. Regrettably, we are not able to work at a slower, more thoughtful, more reasonable process.

In Washington, DC, when emotions get high, the pass-the-law mentality is high, we say we have a problem and we decide we will pass a law and solve the problem. However, I would hope we would thoroughly debate the issue today.

Before we pass a law that mandates a 21-year-old drinking age, I think we should recognize that the States which have different drinking ages have looked at this issue very carefully and made a different determination.

Why has the State of Idaho, for example, made the decision not to raise the drinking age to 21? We have a high percentage of people in various ethnic and social groups in our State who do not use alcohol at all. As a matter of fact, many of them are in the State legislature, and have voted not to change the drinking age.

You can use statistics to make any statement you want. I will just cite a few to my colleagues to show the amount of contradictory evidence currently available.

For example, drivers from 18 to 20 have a comparable, if not better, driving record in alcohol-related fatalities than the groups of age 21 and older. Discrimination against these young citizens by age is simply not justified.

Do not assume that young drivers are the worst. I encourage my colleagues to take a look at the facts and compare young drivers to older drivers.

The studies cited by the proponents omit this essential comparison. The truth is that almost all comparative investigations have shown that the worst drivers are over age 21. The most reliable, hard data on alcohol-related traffic fatalities is contained in the National Highway Safety Administration technical report of May 1982. NTSA is the national collector of this data from the 50 States and the District of Columbia. They indicate that they have 15 States which are good reporters for comparision purposes. Using the data from these States based on actual blood alcohol counts, in 85 percent of the cases the NTSA comparison shows that 18-, 19-, and 20-year-old drivers are less blameworthy in alcohol-related traffic fatalities than drivers of age 21 through 44. Yet, as the Senator from Vermont pointed out, we have picked out 21. Once before in America there was an effort made to solve this problem. They prohibited the drinking of alcohol for all people, and that did not work out too well, either.

But what we are talking about doing is trying to use a law to impose a constitutional prohibition on people from the Federal level.

Most studies by age pinpoint age 21 to 24 as the worst offenders. As I stated earlier, I was amazed by one of the studies completed in Florida. It revealed that when drinking drivers were involved in accidents, 37-year-olds were actually the most likely to be involved. That was from the Morris study in January 1984. So it is just simply a disgrace to single out an age group of 18, 19, and 20 and say they are irresponsible and not trustworthy.

In many cases, raising the legal age has not had any measurable safety effect. Some States have actually experienced an increase in alcohol-related fatalities in the affected age after raising the drinking age. And so I just do not buy the suggestion that even if we pass this proposal, it is going to make the problem go away.

Raising the legal drinking age has no effect on the actual drinking age. Currently, many studies show that young people worldwide start experimenting with alcohol at around age 16, no matter what the legal age is. So, if that is the case, this could complicate the situation. Rather than an open, responsible approach to drinking, we may be encouraging a secretive approach.

I certainly do not advocate that, but I think we should be realistic with respect to what really goes on in the world and what we are trying to do from Washington, DC.

As I have said previously, Mr. President, the money accumulated in the highway trust fund is paid by every American driver when they buy their gasoline at the pump. The reason they put that extra 9 cents a gallon into the Federal highway trust fund is so the funds will be distributed to the States to build and maintain good highways. Thus the money provides safe roads to reduce accidents. How are we going to make the highways safer by denying the States the money that was theirs in the first place?

A point that is often overlooked is the number of college students employed in the restaurant industry. We in Congress yesterday appropriated $100 million for a jobs bill for youth employment.

Today there are 1 million young people who work their way through college; 5 million people are presently employed in the food and beverage service, and it is estimated that over 30 percent of them are under age 21. In most States it is illegal for underaged personnel to serve alcoholic beverages. And even where it is not forbidden by law, it is probably a bad business practice to allow it. This is an estimate from the National Restaurant Association. I think we ought to think about the facts. When we vote for this bill and it is signed by the President, we will probably find more young people unable to gain employment and work their way through college. Raising the drinking age is definitely discriminatory against these people.

Further, alcohol-related wrecks are overwhelmingly the fault of men—as high as 87 percent one study shows. Raising the age for young women is blatant discrimination. Why should 19-year-old women who are involved in only 13 percent of the accidents in their age group have their rights abrogated while 24-year-old men who are guilty of 87 percent of the accidents have their rights reserved? It just does not make sense to have the pass-a-law mentality of Washington, DC. All of a sudden we decide that the way to address this problem is pass another law.

Mr. President, another point. The legal drinking age, which was brought up earlier, is properly within the traditional police power of the States. I think the Senator from Vermont made that point very well. I will not expound on it. We should leave it alone.

Presently, Mr. President, 27 States and the District of Columbia permit consumption of some form of alcoholic beverage by those under 21. There are 4 States at 18, 13 at 19, 6 at 20, 17 States are below 21. And 10 States and the District of Columbia have mixed ages. In the 23 States the age for all beverages is 21. In spite of the pressure and emotional publicity for raising the age of 21, 27 States and the District of Columbia have refused to pass such legislation. In most States, the major rights of adult citizens vest at 18. Young people of that age are deemed mature enough to vote, to marry, to contract, to sit on a jury, to be a policeman, and so forth, and to serve in our Armed Forces.

In fact, as pointed our earlier, a man or woman can own a liquor license and operate a bar but could not be old enough to drink in it.

So a young man or woman can be a juror in a capital case to determine who lives or dies but not be old enough to have a drink. If the State determines that the law should be 21, I say that is fine. And I would not challenge that, provided people in the States make that determination. But I think it is a little unique that a 19-year-old policeman is trusted with the use of lethal force; that is, to shoot a suspect, if his judgment deems it necessary. But, he does not have enough judgment to be trusted to have a can of beer after he goes off shift.

I think we have all thought about those things. Therefore, if Congress deems it necessary to pass another bill, I hope my colleagues will look at the incentive approach as opposed to the coercion of big brother that is represented in the Lautenberg approach. I urge my colleagues to vote for the Humphrey-Simpson-Wallop-Symms substitute to the Lautenberg-Danforth amendment.

Mr. SIMPSON addressed the Chair.

Mr. SYMMS. I will yield the floor, and my colleague can gain the floor in his own right.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. SIMPSON. Very briefly, Mr. President, I visit again an issue I visited often when I was a member of the legislature in Wyoming. I was the sponsor of the implied consent legislation many years ago at a time when it was certainly not popular to do so among a constituency that had a right to carry a can of suds down the road wherever they intended to go. That was a tough one. I remember that distinctly. We came into individual rights and those questions, and now we are talking about States' rights and those questions.

It is an area of emotion, and our heart goes out. Not one of us in this Chamber or in this land has not had some loved one or friend killed by a drinking driver. There is no question about the fact that it is an awesome national problem.

However, for the first time here, instead of penalizing States, we are giving them an enhancement to go forward. I think it is a very generous amendment. You can pick up a 5-percent increase if a State has or passes a 21-year drinking age. You can pick up a 5-percent increase if a State enacts the mandatory sentencing provisions, and those are tough. For the first offense, 90 days license suspension, 2 days in jail, or community work. For repeat offenses, 1-year license suspension, and 10 days in jail. Those are heavy.

Then, a 1-percent increase for each 1 percent decrease in alcohol-related traffic accidents.

Those are things which I think are less rankling to those of us who believe that a State should have the right to set the minimum drinking age. I do not dispute in any way that teenage drinking is a problem. But for every study showing that the 21 drinking age reduces accidents, we have another showing that in States with a lower drinking age, they have better youth driving records.

According to this significantly impressive group of MADD—and they are indeed, or we would not be here on the floor in this fashion and this swiftly if they were not effective, and you have to admire what they do and admire the people involved in it. The parents have been literally crushed with sorrow by what has happened to their children. According to MADD, 85 percent of drivers involved in alcohol-related accidents are over 21 and would not be affected by the Lautenberg proposal.

"Border hopping" is not going to disappear with this bill, if the entire United States went to the 21 drinking age. We have 17 States in the United States that border on Canada or Mexico. In Canada, several provinces have an 18-year drinking age and the rest have 19. In Mexico, there is no limit on the drinking age whatsoever, although the age of contracting and other situations is 18.

So, whoever thinks we are going to solve something in the 17 States that border upon Canada and Mexico, with more lenient laws, has a serious defect in thinking.

By mandating a drinking age, the Federal Government would greatly increase its intrusion into State and local decisions. That has been mentioned by others. That kind of coercive use of the spending power is the one we see in my State with respect to the 55-mile-an-hour speed limit. We had to swallow that one. Yet, we have the largest number of interstate highway miles in the United States—three interstates cross the State of Wyoming.

So the coercive nature springs up again, and it will eventually go into other areas that are terribly emotional in the various States, such as gun control. There is a lot of difference in gun control in Massachusetts versus Wyoming. Abortion: There is a lot of difference in that between States, too. State wage and hour laws, municipal antitrust—ad infinitum, and nearly ad nauseam. This backdoor Federal legislation is a circumvention of that.

I have the greatest respect for the Senator from New Jersey and have come to know him as we serve on the Environment and Public Works Committee. He is a very able, sharp, and direct person who speaks clearly his position, and I like that. But I do not think this is going to meet the goal of a national uniform age. If a State really wants to hang on, they are going to forgo use of the 15 percent of Federal funds for the 2 punitive years and hold their horses and get the projects built down the line. We will always give it to them, because that is the way the game works here. We do not cut anybody out when we are dishing it out.

These tremendous decreases in drunk driving are occurring now because of community involvement, and MADD, and enforcement increases. We should support those efforts with incentives rather than discourage them and create an irritant by creating a backlash in the States by telling them that they have to do it the way the Feds tell them.

Since 1982, all but two States have tightened their drunk driving laws in some manner. Since last year, four more States have gone to 21. The process works. Why do we not give it a chance? Why do we not lay off the mailed fist approach? I think it is a bad precedent. I urge patience.

Those who do not support the Lautenberg proposal, I assure you, are just as compassionate, just as caring, just as loving, and just as anxious to remove the drunken driver from our road systems, without question.

So we are in the old argument that this is for the "common good." That has been the basis for some of the worst governmental decisions we have ever made. It was for the "common good" that prohibition was first enacted, but the exercise of and the strain upon individual freedom made us a nation of lawbreakers. It was for the common good that the Federal Government interned the Japanese-Americans during World War II. That was for the common good. One of those camps sprung up in the sagebrush about 20 miles from my home in Cody, WY. That act has been a source of anguish and guilt to us as a Nation ever since.

Now it is for the common good that the Federal Government removes from the States their ability to decide how best to deal with the alcohol problems within their own boundaries.

A bill such as this proposal sets that old, rankling, paternalistic hymn, and that is one we get terribly tired of in my part of the world: "You don't know what's good for you. We do know, and we're going to do it for you." They mean they are going to do it to you—telling the country that the Federal Government knows what is best for all individuals under 21 and telling the States, "You don't know what you're doing"; and all for the common good, with nary a backward glance for the rights of individuals or the individual States.

Mr. President, who among us is not stunned and saddened by the needless and tragic loss of lives caused by those who drive while intoxicated? I believe that the approach of this amendment is aimed at tossing these drunk drivers off the road. That is our mission. But in no case will I support the Federal Government in establishing a federally mandated national drinking age. I think the States must have the sole option and responsibility for doing that.

Finally, Mr. President, what is a more ironic and puzzling set of values, as I perceive it, is when we watch 47,000 persons die in automobile accidents. It ranges between 45,000 to 60,000 per year. That is a continual and almost pathetically, apparently, accepted type of carnage. How curious! Yet, we are often immobilized in this Chamber because we seek some kind of zero risk in all the things we do to protect the public health and safety. We do not get much done in that area. We have watched 47,000 die, and this is a good step to correct some of that. We look for zero risk in everything else we do: commercial nuclear activity, hazardous waste, acid rain, the Clean Air Act, RCRA, Superfund, the Clean Water Act, uranium mill tailings. Zero risk. Yet, we apparently do not consider it a risk to cruise down the highway, sitting in 2 tons of metal, while another guy is coming at us head on, in 2 tons of metal, in the other direction, 8 feet away.

We are a curious breed of cat, and maybe H.L. Mencken was right when he referred to us as "Boobus Americanus."

Mr. MATHIAS. Mr. President, today the Senate turns once again to the tragic problem of drunk driving on our Nation's highways. We have before us two proposals with a common aim: to encourage the States to take further action to reduce the carnage of alcohol-related traffic accidents. Each proposal would bring the Federal spending power to bear on the side of programs to reduce drunk driving. Each recognizes that this problem must be solved on a State level, and each acknowledges that a variety of changes in the laws and practices of the several States could help to reduce the frightful toll. Accordingly, while the two amendments before us propose somewhat different approaches to the drunk driving problem, I am prepared to support either or both of them as reasonable further steps to take in our continuing battle against this terrible menace.

Mr. President, every Senator is familiar with the extent of the drunk driving problem. The statistics are chilling. Over 50,000 Americans are killed on the highways each year, and alcohol is involved in more than half of these deaths. On an average day, drunk drivers are responsible for nearly 70 traffic deaths: that works out to 3 victims each hour, 1 every 20 minutes. This record of senseless killings shocks us; but the realization that this slaughter is preventable should rouse us to action. Certainly stringent measures are justified if they offer hope of surcease from this ongoing toll in life and limb.

But a realistic appraisal of this problem tells us that the role of the Federal Government in tackling it, while important, must be limited. As a Nation, we must stop those who drink and drive. But we must remember that who may drive and who may drink are questions that, under our Federal system, cannot be answered in Washington. The terms and conditions under which citizens may drive are left to the discretion of the States, as an incident of their police powers. The same is true of the terms and conditions under which citizens may drink alcoholic beverages, a power reserved to the States by the explicit terms of the 21st amendment to the Constitution.

Of course, this does not leave the Federal Government out of the picture entirely. Although Congress may have overlooked the seriousness of the drunk driving problem for far too long, the issue has reappeared several times on our agenda in recent years. For example, in 1982, we enacted Public Law 97-364, which established an incentive grant program for States that agreed to take specified steps to prevent, detect, and punish drunk driving. Later that year, in Public Law 97-424, we echoed the interim recommendation of the Presidential Commission on Drunk Driving when we strongly encouraged the States to raise the drinking age to 21. In this Congress, 19 Senators have joined to cosponsor Senate Concurrent Resolution 32, expressing the sense of the Congress in support of a uniform drinking age of 21 throughout the Nation.

However, we must recognize that these Federal efforts have been less important than the groundswell of public outrage about drunk driving that has spread across the United States over the last few years. Concerned citizens in all 50 States have done far more than the U.S. Senate could ever do to turn the tide in the continuing battle against this senseless slaughter. Citizens, organized into groups such as Mothers Against Drunk Driving [MADD], Students Against Drunk Driving [SADD], Remove Intoxicated Drivers [RID] and many more, have attacked the problem on several fronts—public education, prevention, enforcement of existing law, and improvements in the law to insure swift and meaningful punishment of offenders. Many of these groups have also advocated that the States raise their drinking ages, a step that several States, including Maryland, have taken in the last few years. All these efforts on the State level have begun to bear fruit; there is some evidence that we are starting to turn the corner on the problem of drunk driving.

This brings us to the proposals before us, both of which should help to accelerate the pace of progress in this important effort. The amendment to be offered by the Senators from New Jersey [Mr. LAUTENBERG] and Missouri [Mr. DANFORTH] takes a carrot and stick approach: it would cut Federal highway funding by up to 10 percent to States that do not adopt a minimum drinking age of 21, while providing an additional incentive grant program for States that adopt specified mandatory penalties for drunk drivers. The amendment proposed by the Senators from New Hampshire [Mr. HUMPHREY], Wyoming [Mr. SIMPSON], and Idaho [Mr. SYMMS] eschews the stick, but adds an additional carrot: States may obtain additional funds for alcohol highway safety programs by raising the drinking age or by adopting mandatory penalties, and in addition become eligible for more aid for each percentage point of reduction of alcohol-related traffic accidents. I should note that neither proposal requires any State to make any change in its laws relating to drinking or to driving.

While I might have preferred a somewhat different mix of incentives and disincentives, both these proposals seem to me to be on the right track. The States have the primary responsibility to combat drunk driving, and the Federal Government has no business dictating to them the weapons to be used. But it is perfectly proper for Washington to encourage States to do more to make our streets and highways safer, and to provide this encouragement through specific conditions on the spending power. Indeed, we would be irresponsible if we did less.

The Presidential Commission on Drunk Driving, which studied this program in great depth, recommended that the States adopt both the tools that are at the center of these proposals. The value of mandatory minimum penalties, including substantial nonwaivable periods of license suspension or revocation beginning with the first conviction of driving under the influence, should be obvious. There is no better way to make our highways safer than to ban from them those who have been proven beyond a reasonable doubt to have made them unsafe. The imposition of mandatory jail sentences for second and subsequent offenses, and for driving on a license revoked or suspended because of an alcohol-related offense, is more problematic, especially considering the nationwide crisis of jail overcrowding. However, there is good reason to think that the prospect of even a brief stay behind bars, which might have little effect on other types of crime, may be an excellent deterrent to drunk driving.

The Commission's recommendation in favor of a uniform minimum drinking age of 21 has proven far more controversial. It is indisputable that a disproportionate number of drivers involved in alcohol-related accidents are under 21-years old; it seems equally clear that establishing a 21-year minimum nationwide drinking age would have a salutary impact on drunk driving statistics, although the extent of the prospective improvement is far from certain. Raising the drinking age in States that have so far declined to do so would save some lives. But this reform attacks only a small part of the drunk driving problem, and at the cost of depriving millions of young Americans of a privilege that they would not abuse. While several States have recently raised their drinking ages, others have declined to do so. No doubt the controversy will continue to rage in the States, which alone have authority to make changes in this area. On balance, considering the strong recommendation of the Presidential commission in favor of the 21-year minimum, it is appropriate for the Federal Government to use the spending power—either through funding cuts or incentive grants—to encourage more States to make this step.

Our son, Robert, has recently graduated from the University of Vermont. While he was a student, he was a member and later the director of operations of the University of Vermont Rescue Squad.

One of the duties of the rescue squad was to go to the scene of automobile accidents and to render emergency medical assistance. This proved to be a sobering experience in witnessing the danger of mixing drinking and driving. Bob has told me of the tragic accidents that he has seen and of the fact that many of them are alcohol related.

But Bob has also made the point that not all of the drinking drivers are young. In fact, he says that in many of the alcohol-related accidents, he saw many of the drivers were well beyond the age of 21. Thus, it would seem, on the strength of his eyewitness account, that more than the minimum drinking age must be considered.

One virtue of both the Lautenberg-Weicker and the Humphrey-Symms-Simpson amendments is that neither considers the minimum drinking age question in isolation from other, more narrowly focused ways to combat drunk driving. Under either approach, a State can maximize its Federal highway funding by stiffening enforcement and punishment of driving-under-the-influence offenses, as well as by establishing a 21-year minimum drinking age.

Our approval of either of these proposals will not, I am sure, end the Senate's consideration of legislative initiatives against drunk driving. When we next revisit this problem, I hope that we can give careful thought to legislation to further some of the uniquely Federal interests that drunk driving undermines. For example, the Interstate Highway System, whose construction has been financed almost entirely by Federal tax dollars, is an essential channel of interstate commerce, and a vital component of our National Defense System. The plague of drunk driving poses a real threat to the vital national functions that the Interstate System carries out. We should give serious consideration to legislation requiring the States to insure that convicted drunk drivers are banned from the interstate highways for sufficiently lengthy periods to assure the unimpeded flow of commerce along these irreplaceable national arteries.

Mr. President, both the proposals before us are sincere, conscientious attempts to fashion an appropriate role for the Federal Government in a campaign of unparalleled importance—to rid our Nation of drunk drivers. We must continue to look for better ways to make our streets and highway safer, without doing violence to the time-tested allocation of powers between the Central and State governments. That task will tax our creativity and resourcefulness; but the fruits of our efforts should be the elimination of the needless carnage that today continues to blight our roads.

The PRESIDING OFFICER. The Senator from Washington.

Mr. EVANS. Mr. President, for years I had the responsibility each morning of reviewing a small blue slip from our State patrol. This small blue slip had on it the list of those who had died in [illegible] traffic accidents as well as the circumstances surrounding those deaths during the previous 24 hours.

It did not take me very long as Governor to recognize that an inordinate number of those deaths were young people, many of them still in their teenage years and early twenties—lives of promise cut short with no opportunity to fulfill the promise their parents and their families had for them. And, of course, as I got into it further, it became apparent that a high percentage of those accidents were alcohol related, ranging from those under 21, 21 to 24, and all older ages. The percentages might have been higher as they were younger, but the ones of greatest risk were from 21 to 24 and, as has been pointed out here earlier today, they were men rather than women.

Now, we will not be affected by either of these proposals in the State of Washington. We already have a 21-year-old drinking law. In fact, it is interesting that a dozen or more years ago we embarked on a program to simplify and standardize the age of majority. We passed a bill through the legislature which was almost 400 pages long, dealing with every conceivable potential act of those at 18, 19, 21, or similar ages, and it standardized the age of majority at 18. For purposes of contract, marriage, business, and all of the other activities, 18 was the age. There was only one amendment to that bill, and that amendment kept the drinking age which was at 21, from being lowered to 18.

Washington State will not be affected by the amendment, however, we are on the border of British Columbia and this points to yet another problem. British Columbia has a lower drinking age. Young people, or people of any age for that matter, tend to head north to Vancouver for a good time, especially on weekends. Thus, we certainly will not be protected any more by the so-called blood allies or the young people who may travel from one State to another because the drinking age is lower.

But what distresses me even more is that this is a single shot, one element, one item out of a comprehensive program which was presented by the Presidential Commission on Drunk Driving just this last fall.

Why? Why do we come to the Congress and why do we spend the time in the Senate to do just this one thing? If we are going to be really effective and if we believe that there is something comprehensive that we can do through withholding of highway funds, then why should we not, in addition to requiring States to raise their drinking age to 21, also insist on mandatory use of seatbelts? Clearly, [illegible] out in report after report as the single most effective thing that could be done to reduce traffic deaths is the use of seatbelts. Now it is mandatory that they be in the automobile, but only 11 to 12 percent of our people use them. If it was mandatory to use them and if all people used them, we would do far more than raising the drinking age to 21 in reducing traffic deaths. Why did we not include that in the amendment?

Why do we not mandate stronger court and legal procedures—another recommendation of the President's commission. Why do we not mandate breathalyzer tests in all States of the Nation? Why do we not abandon and disallow any plea bargaining in drunk driving cases? Why do we not mandate a presumptive limit on alcohol at .08 as was recommended here? Why do we not mandate the mandatory sentencing which was another element of the program?

If we were to do that in a comprehensive way, it might—just might—make it important enough to bruise, as severely as we potentially may do, the relationship between the States and the Federal Government.

I might say I am not greatly in favor of either of the amendments, but I think one is certainly far superior to the other. Senator **Lautenberg**, as Senator **Simpson** has pointed out, has a very direct and good way of getting at problems, but I cannot understand the logic of what we would do in mandating a minimum drinking age of 21 in all States.

First, we would penalize the States for not raising the drinking age to 21. The States would lose money which they could then use on their highways. Those States would end up with less safe highways than other States and would endanger all citizens of any age in that State by Federal action. That does not seem to make much sense to me.

I believe a broader and better incentive is contained in the Humphrey-Simpson amendment which is the pending question. Not only is it an incentive but it covers more than just raising the drinking age to 21. It has a variety of other incentives in it and it at least comes closer to a "comprehensive program" that I think is so important.

I wonder, if we were to pass this requirement, how long it would be before we would be back in this Chamber requiring that every State embark on capital punishment or face the loss of criminal justice funds which come from the Federal Government to the various States. I could go on with example after example of the same nature where we could put severe economic penalties on States for the social good.

We may pass this act and we may feel good about our efforts. Yet I can guarantee you that over time we will find that it simply will not do the job, at least not by itself.

If anyone thinks that teenagers will quit drinking because the drinking age is raised to 21, then they ought to revisit prohibition. How many people ceased drinking because alcohol was prohibited for the years it was in this country? All you have to do is visit a college campus today to understand what really comes into play.

I think we do need a comprehensive program. And so do some of the members of the President's commission. Dr. Chafetz, who was a member of that commission, pointed it out very well when he said:

> Changes in social attitudes must be realized if changes in the law are to prove effective. I am convinced, out of my own medical experience and speaking as a commission member, that legal and judicial measures will bring only short-term solutions to the drunk driving problem. All elements of society must be enlisted to insure a behavior pattern that makes drinking and driving socially unacceptable.

With that I thoroughly agree. We do need a comprehensive program. The Mothers Against Drunk Driving have done a remarkable job in this country in the last several years. They, along with the many others interested in this problem, have helped lead us to a safer set of highways than we had 2 or 3 years ago. Traffic deaths are coming down; alcohol-related deaths are coming down.

Let me finally read from what we have done in our own State in recent years which illustrates the end result of a comprehensive program carried on at a State level which can, and I believe is, being matched in many other States.

The benchmark year was 1980. Although we had engaged in strong traffic and alcohol-related programs many years before and had a significant and continuing decrease in traffic deaths until the mid-1970's, they then did turn up, and for 4 to 5 years we began to see a steady increase in the number of traffic deaths and the problem was expanding.

In 1980, Washington State started an effort for stricter laws against drunk driving. In 1980, the legislature passed a mandatory jail sentence requirement for those convicted of drunk driving.

In 1982, the legislature and the State administration initiated a public campaign to remove access to liquor to those under 21, and remember we have a 21-year-old drinking law.

In 1984, the legislature enacted a mandatory suspension of one's driver's license for his or her first DWI conviction. And we embarked, more importantly, on continuous educational programs, led at both the public and private levels, and the results were dramatic.

The number of alcohol-related traffic fatalities in 1980 was [illegible] in 1982, there were [illegible] in 1983, there were

1984: The traffic accidents with alcohol relation: 1981, 17,500; 1982, 14,500; 1983, 12,000.

I suggest that a comprehensive program can do the job, but a comprehensive program to be effective must bring into play all elements of a community. It cannot be done by those of us sitting in this Chamber passing laws that take away highway funds badly needed by the States of this Nation, and believing that such action alone will truly do the job.

Mr. RANDOLPH addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I have listened carefully, and have been at my desk during the discussion of the pending proposal. I have done so because—with other Members even of varying degrees of support or opposition to the proposal of Senators LAUTENBERG and DANFORTH, which others of us have joined—I wanted to evaluate again as I do often those comments, and let us say they are convictions of Senators who take a viewpoint other than the one that I shall present.

I think it is perhaps important to take a moment to not downgrade the Congress of the United States for giving attention to a subject like this. That certainly takes nothing away from the State legislative bodies. I would remind all of us that this country was created, and we have a Constitution which provides for a Congress of a House and Senate in which we would address ourselves to the overall problems of this country. As the Nation progressed, the problem that we must necessarily—if we were to be a unified nation—understand America move not in small segments but as a Republic meeting problems and solving them correctly. Our attention should be riveted on the matters in the age in which we live where time and distance are no more. We must understand that there are new initiatives that we bring into this well that we occupy ourselves with in a discussion like this afternoon.

Having said this at too great length, I want to say that the record will indicate that it takes a long time, sometimes longer than we realize, to accomplish a legislative dream which we have and which we would like to see a reality.

There were those of us in the early 1930's who felt that we should have a highway system for the United States of America, a highway system which went beyond the construction of roads in one State as against another, of varying sizes, degrees and depths, but we believed that there should be a system nationwide.

Very frankly, I proposed in 1937 as a member of the Roads Committee—we then had one in the House of Representatives—that we have a transcontinental highway system. I was not trying to deprive one or the other or any of the States, but I knew the time had come when we had to think in terms of all the States of this Nation in the construction of our Federal highways and bridges. I have to tell you that the Bureau of Public Roads through Tom MacDonald did not believe that the time had come. They believed that here and there we could patch together the highway system of this country.

So I was roundly defeated. I remember it very well. And I am understanding of defeats. And I bore no malice toward anyone who had a contrary line of thinking at that time. But the idea was ripe in 1937, although it could not be brought to fruition at that time. So in 1956, 19 years later, enacted into law for all of this country, we brought into being the Interstate Highway System. Where was the money coming from? States talk today as if, you know, it is a State obligation. Why, under the Interstate System, 90 cents out of every dollar that constructs that program in the United States is Federal funding. It is not State-by-State funding which brings it together, but 90 cents out of every dollar comes through the Federal Government.

We have not only the right, but we have the higher responsibility to face up to the fact that the Federal Government, not just nibbling away, not dipping into problems that are of no concern to us, has a responsibility to constantly strengthen this country from the standpoint of its transportation facilities.

So, from the mine, the factory, and the field we move over these highways the products of those producers in one form of activity or another. And we move the products to all the parts of this country to serve America. Workers move to and from their job and families vacation all over this Nation. It never could have been done if we had not constructed the Interstate Highway System of the United States of America.

I repeat: The money, 90 cents of every dollar, is contributed by the Federal Government.

I want to drop back to 10 years ago, to 1974 when we had the Interstate System established and under construction. In that year—and I want the Senate record to indicate—that passage in 1974 included the 55 mile-an-hour speed limitation. It was passed by a vote of 85 for, and not a single vote against. This is not something dreamed up overnight, and brought into this body. That is what took place 10 years ago. And during the period of the 10 years, the records will show that the highway fatalities have been cut by approximately 10,000 persons every year. [illegible] ated. But that is the approximation. Lives have been saved because of an amendment which had to do not with the construction of the highways but with the use of the highways. So we added the 55-mile-an-hour speed limitation.

That was the Federal-aid Highway Amendments of 1974, I repeat, of 1974.

I have a very high regard, and I use the two words advisedly, for Senator SYMMS. He chairs our Subcommittee on Transportation in the Committee on Environment and Public Works. We have worked together, not in anywise one aisle against the other in this body but working to strengthen the programs for highways and bridges and the transportation improvements of this country.

I think I would say for the record that currently, when we discuss this proposal today, we must remember that two programs—not in the future but now upon the books—use the approach that is contained in the Lautenberg amendment, joined, of course, by our able colleague from Missouri, whom I have mentioned, Mr. DANFORTH. In both of these programs it is important for us to realize today that highway funds, because I mention the two instances which are now on the books, can be withheld under the 55-mile-per-hour speed limit and for failure to establish an inspection and maintenance program for air quality.

So we come now to the choice, which is one that Senators should and must make. I think the amendment that I speak of and support, and am, in a sense, joined in as a cosponsor, hopefully can be passed by us.

I only want to say to a new member of our Committee on Environment and Public Works, Senator EVANS of Washington, that we value his experience as he comes to our committee, having been a former Governor.

Also, that in our consideration of this particular question we cannot allow ourselves to get too muddied up with other problems, let us say, and there are many, that we will not make a decision on this one problem which faces the country today.

I could branch off—and I do not want to do it—but I was interested in 18-, 19-, and 20-year-olds voting a long time ago and I offered the legislation to bring about a constitutional amendment to permit those youth to vote. When was it? 1942, when I was a Member of the House of Representatives. Its time did not come and so for 30 years we did not have it. Then in 1972, of course, we had the action of the Congress, two-thirds of those present and voting, and three-fourths of the States. Some people do not realize that that amendment does not return itself to the White House for Presidential signature but it is the law of the land.

I would have been very happy because I thought that young people would vote, those of 18, 19, and 20 in the last Presidential election. Only 24 out of 100 eligible to vote cast their ballots.

So no one can say that because a certain situation arises that it is a cureall.

Of course, as I branch off further, America is not doing much better in reference to the vote speaking of father and mother as well as young people in this country.

I will finish my remarks by saying that it would be very easy for me to stand and speak in a very quiet voice. I do not want to do that today. I feel very strongly about a proposal such as is now pending. We should vote and then whatever the vote is, we should abide by it until another opportunity perhaps comes to do something about it.

I only have 6½ months remaining in the Senate and then I will not retire, I will just change jobs. I am not sure what job I will be occupying, but I will not be retiring. But in these final 6 months as in all the 40 years in the House and Senate, I am addressing myself constantly to what I believe will build a better America.

Thank you very much, Mr. President.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

Mr. MITCHELL. Mr. President, I am pleased to be a cosponsor of the Lautenberg-Danforth amendment which would encourage States to enact a minimum drinking age of 21 as a means of reducing the tragic toll of highway deaths and injuries that result from drunken driving by younger drivers.

States would be encouraged to take this legislative step by the prospect of retaining full Federal participation in the highway-construction programs. The amendment proposes a reduction of 15 percent over 2 years in the Federal contribution to State highway construction programs if States fail to enact a 21-year drinking age law. This provision would not take effect immediately. States would have until 1987 to enact a minimum 21-year drinking age.

If States have failed to take this action by 1987, their Federal share of highway construction funds would be reduced by 5 percent. If they have taken no action by 1988, 1 year later, their funds would be reduced by an additional 10 percent.

Although I am sensitive to the concerns raised by many that this may be an intrusion into State legislative prerogatives, I am persuaded that this is more than merely a State problem. Young drivers regularly cross State lines to take advantage of lower drinking ages in neighboring States.

The factual data that underly the need for this legislative step are both persuasive and tragic. Young drivers are involved in one of every five fatal auto accidents. Almost 60 percent of fatally injured teenagers were found to have alcohol in their blood; 43 percent of those blood counts amounted to legal intoxication; 5,000 of those killed on our highways each year are teenagers—a fifth of all auto fatalities, even though teenagers account for only 10 percent of all drivers and travel only 9 percent of all miles driven. That means 14 youngsters die each day. And each day, 360 other youngsters are injured in auto accidents.

The Insurance Institute for Highway Safety has estimated that at least 1,250 lives could be saved each year in the United States if all States raised their drinking ages to 21.

The alternative, which is to provide incentives by increasing States' highway funds, has not worked in the past. It will not work in the future. We ought not to pursue half measures. The highway toll on young lives is too tragic.

I believe the Lautenberg-Danforth amendment deserves the strong support of my colleagues and I urge them to vote for it.

Mr. President, I would like to add a few extemporaneous remarks to those in my written statement.

Today, Tuesday, June 26, as we debate this bill 14 young Americans will die on our Nation's highways and 360 will be injured in drunk-driver crashes. Tomorrow, 14 more will die and 360 more will be injured. And so on, in each succeeding day.

Although teenagers today account for only 10 percent of all drivers, they account for 20 percent of all automobile fatalities.

We now have, being played out on American highways, a serious American tragedy. The question before us is whether we should do something about that and, if so, what.

I support very strongly the amendment proposed by the Senator from Missouri [Mr. DANFORTH] and the Senator from New Jersey [Mr. LAUTENBERG] and I commend them for their efforts. I urge all Members of the Senate to join in support of their amendment.

I have listened to the debate this afternoon and heard the arguments against their proposal and they seem to fall into three categories.

The first is that this will not solve all of the problem. Statistics were cited by several opponents of this legislation indicating that not only are persons below the age of 21 overrepresented in automobile fatalities, but so too are persons in the age category of 21 to 29. So it was suggested on the floor of the Senate—I am unable to l whether seriously or not—that maybe we should set the national drinking age at 24, 25, or 30.

That is an old argument in a new context. It is the argument heard here many times that if you cannot solve the whole problem, do not try to solve any part of the problem. It is an argument that regards legislation dealing with human behavior as a failure if it does not completely eradicate the problem.

This is not a perfect amendment. It will not eliminate highway fatalities. It will not eliminate the problem of drinking and driving. But it is an important step in the right direction, and that justifies its adoption.

To suggest that we should set the drinking age at 30 or at 25 is simply another way of saying let us kill the whole effort because it is an unrealistic proposal.

Why 21, asked the Senator from Vermont? Of necessity, any age is to some extent arbitrary, but everyone knows this was for two centuries the traditional customary age of majority in this country. There is a rational basis for adopting it and, therefore, it makes sense.

The second argument is, and I have heard it expressed here, well if someone is old enough to fight, why are they not old enough to drink?

It has a superficial appeal but, of course, it cannot, in my judgment, stand analysis because it implies that the right to vote, and the right to drink, and all other rights are identical in their weight, in their purpose, and in their significance to the individuals and to society.

The right to vote is a fundamental political right of all citizens in a democratic society protected by the Constitution. By no standard of logic or common sense can the right to drink be equated with the right to vote. Indeed, in this and virtually every other society, drinking and driving have been subject to reasonable regulation in the interest of public health and safety. They are simply not in any way comparable, and they bear no relationship to one another.

It is ironic that the argument about being old enough to fight makes one old enough to drink should be introduced here when we consider that during the Vietnam war, when our Nation was engaged in a full-fledged war in Southeast Asia, more Americans died on our highways than died in combat in Vietnam. In addition, the Pentagon recently reported to Congress that drunk driving is currently the leading cause of death in the military.

The age when one receives the right to vote was reduced during the past decade in reaction to the argument about that right being related to the age when a person may be drafted, and there may be some relationship between fighting and voting, but there is none between those and drinking.

Finally, Mr. President, we hear again the cry of States' rights. Year after year, decade after decade, indeed, century after century, when all else has failed, when logic vanishes and facts will not do, the banner of States' rights is raised.

We are, of course, a collection of 50 individual States, but over 200 years ago we settled that question and decided that we are first and foremost one nation and while the people of Idaho think of themselves as citizens of that State and the people of Maine think of themselves as citizens of that State, as well as people of Missouri and New Jersey think of themselves as citizens of their respective States, we are first and foremost all Americans. It is ironic that there have been few factors in our history that have contributed to the making of this Nation more than the invention of the automobile and the construction of the highway system which that invention spawned.

That, in turn, presents us with a very serious national problem. It is, I think, worth noting that one of the most difficult aspects of public life is not to be inconsistent over ones career. But I daresay there is not a person in this Senate, perhaps in this Congress and very few in this country, who have not been on the other side of an issue when the national legislation tended to support the position that they were advancing.

(Mr. **DURENBERGER** assumed the chair.)

Mr. **STAFFORD.** Mr. President, will the distinguished Senator yield for a question.

Mr. **MITCHELL.** I yield.

Mr. **STAFFORD.** The Senator in his very articulate statement mentioned the fact that 14 young people in the age group, I gather, 18 to 21 will die each day and 26 more will be injured. But the most able Senator did not indicate whether those 14 deaths and 26 injuries daily were alcohol related or not. I wonder if the Senator could advise us on that one particular matter.

Mr. **MITCHELL.** Yes; those are in drunk-driver crashes.

Mr. **STAFFORD.** So that alcohol is involved in the loss of each of these lives and in these injuries?

Mr. **MITCHELL.** According to the information that I have—this is a handout from the National Highway Traffic Safety Administration—it indicates that 14 teenagers die each day in drunk-driver crashes and an additional 360 teenagers are injured in alcohol-related crashes per day.

Mr. **STAFFORD.** I very much appreciate the Senator's clearing that up. I think that is very important information for the Senate to have. I thank the Senator.

Mr. **McCLURE.** Mr. President, will the Senator yield for a further question on that point?

Mr. **MITCHELL.** I yield.

Mr. **McCLURE.** Will the Senator indicate whether those statistics break out whether or not those drinking-related traffic accidents were in States in which drinking is legal or States in which it is illegal?

Mr. **MITCHELL.** The information I have in this handout does not provide such a breakdown. I do not know whether that information is otherwise available.

Mr. **McCLURE.** I thank the Senator. I have the same statistics. My understanding is that there is no breakdown on that subject and we cannot tell the Members of this body whether or not the drinking is where it is legal or illegal.

Mr. **MITCHELL.** I think the Senator's question brings into focus what I said earlier. This is not going to eliminate drunk driving. It is not going to eliminate teenage fatalities. It will, in my judgment, and I think beyond serious dispute, reduce them somewhat. There is some question about how much it will reduce them. One estimate is 1,250 such deaths a year. Even if it is a fraction of that, it seems to me that the lives of young Americans are worth this effort.

During the debate my distinguished colleague from Idaho, Senator SYMMS, remarked on the 55-mile-an-hour limit and suggested that because it is not adhered to by large numbers of persons in our society we ought to change the law to conform to behavior.

I would just say to the Senator that if we start down that course we are embarked on a dangerous path, because none of the criminal laws work to perfection. We have laws against murder and yet murder occurs every day and increases every day. Yet we are not about to repeal the laws against murder. The fact of the matter is, though, that the 55-mile-an-hour limit, although it is imperfect, thousands of people do not honor it precisely; nonetheless, it has had the effect of reducing highway fatalities significantly, and just a few American lives are worth the effort, in my judgment.

I repeat my commendation of the two Senators who fought to bring it here, and let us hope that before many more young Americans lose their lives, this Congress and the administration will have the will to act favorably.

In conclusion, Mr. President, I wish to commend the President. I have criticized the President on occasion when I have disagreed with him. I commend him for this decision. It is not easy for anyone in public life to reserve his position, especially on such a highly publicized matter. The President has done so. He deserves commendation for his courage in reversing his position and expressing his support for this legislation, and I hope that his decision will have some effect on the Members of this body.

I thank you, Mr. President, and I now yield the floor.

The **PRESIDING OFFICER.** The Senator from Connecticut is recognized.

Mr. **WEICKER.** Mr. President, I rise to support the amendment of the distinguished Senator from New Jersey and the distinguished Senator from Missouri. When I first learned that an amendment was to be offered to the child restraint safety bill which would encourage States to adopt 21 as the minimum drinking age, I was concerned that the Senate would enact only a token response to a broad national problem. When 20,000 to 25,000 people killed each year in alcohol-related fatalities are over the age of 21, it seemed to me to be both unfair and unwise to place the burden of a national problem on a limited population of our society. I have been actively working with my colleagues to include certain recommendations from the Presidential Commission on Drunk Driving in any drunk driving legislation proposed to the Senate. I believe the goal of our efforts to reduce drunk driving must be to reduce drunk driving across the board. The amendment offered by the Senator from New Jersey now includes provisions to do just that.

I also commend the distinguished Senators from Idaho and New Hampshire in the sense of how they view the problem. There just is no question that everyone's heart is in the right place on this matter. It is merely a question as to how we get the drunk driver off the road. And in nowise should it be inferred that those who support Senators SYMMS and HUMPHREY and the authors of the amendment themselves are any less interested in accomplishing that end than those who support the Lautenberg-Danforth proposal with the Weicker provisions in it. In some ways, I do think we tend to go ahead and rid ourselves of a solution to this problem by going the easiest route. There is something very emotional about the issue of teenage drinking. But we are supposed to be concerned with getting the drunk driver off the road, whether they are 18, or 19, or 30, or 40, or 50, or 70, or whatever. And there is a lot of work to be done in that area. I have included one provision of the Presidential Commission on Drunk Driving relative to license revocation right across the board. It does not make any difference what age you are.

The first time around you get your license revoked for 90 days, and serve 2 days in jail or 100 hours of community service; the second time, 1 year revocation, of your driver's license and 10 days in jail; for a third offense, 3 years revocation and 120 days in jail. It does not make any difference how old you are. And even that is not a solution to the problem. But at least it applies an evenhanded policy to everybody.

I might add there are those who say, "Well, now, there are only 20 States that do not have revocation provisions." That is correct. So they get swept in by this Federal legislation. But there are a lot of other States that have revocations but they are not mandatory and this is mandatory; you lose your license. In a sense of trying to legislate and understanding the necessity of compromise on any issue where we are trying to drive toward a common goal, I have joined forces with my good friends, Senator LAUTENBERG and Senator DANFORTH, to have a piece of legislation which directs itself toward what everybody concedes to be a national problem.

Yes; I am troubled, very frankly, by the constitutional aspects of it. I am. It is not a matter of States rights to me as much as it is individual rights and everybody being treated the same. And we are not treating everybody the same. So I hope that we do pass the amendment.

Mr. President, do you realize what the U.S. Senate has done compared to the House, which was to try to take the easy road, just focusing on one problem which could or could not have anything to do with drunken driving? At least we have sat down now quietly and thought this out and brought different perspectives to it, exchanged our views, and I think have a far better piece of legislation in the Lautenberg and Danforth amendment than anybody has discussed heretofore.

I hope the amendment passes, and I hope that we continue our efforts in a way that is fair and equal to all Americans. There are very few times I disagree with my colleague from Maine, very few times. I happen to think that in terms of his knowledge of constitutional law and his appreciation of both the spirit and the letter of that document, there is no finer Senator on this floor. But it seems to me the highest burden of citizenship is giving your life for your country. It really does. I do not know any higher obligation that rests on anyone. And that being the case, it seems to me you are also entitled to the simplest of its privileges, whether you want to determine it right here, or whenever you will. That is what bothers me. Maybe the voting and drinking does not relate, but I still am very bothered by it. I suppose just having come back from the ceremonies at Normandy and seeing all those rows of white crosses and knowing most of the people lying under them are 18-, 19-, and 20-year-olds. I have difficulty with this and I am troubled by it, as I am troubled by this matter of individual constitutional rights.

We all concede the nature and the enormity and the tragedy of the problem and we tried to come at it in a unique and a thoughtful way. We have each given a little of ourselves in trying to achieve a solution. The Senator from New Jersey and the Senator from Missouri have been very decent and good to work with, and in the sense that at least we get a start on the matter that is important to me, the matter of license revocation, which I consider to be the key step to getting the drunk driver off the road, I think this is a good start and I hope the amendment will pass.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. EXON. Mr. President, I rise to support the important piece of legislation that has been offered by my friend from Missouri and my friend from New Jersey. I am very pleased to be a cosponsor of that amendment. I suspect, although I have been tied up in the Department of Defense authorization conference all day, that most of the things that should have been said in support of the amendment offered by the two Senators I just mentioned have already been said. I am opposed to the substitute, and I simply say that from the standpoint of a States righter from a long way back. I served in State government in a rather high position for a long, long time. I was a States righter then, and I think my record since coming to the Senate indicates that this Senator from Nebraska is still very much in favor of States rights.

If I were for States rights completely, then I suspect I would be in support of the position taken by the substitute amendment. There comes a time, though, when you have to make a decision when is it proper, when is it in order, when is it in the best interests of the people, and especially in the case of the young people with the amendment before us, to make the decision that States rights should be set aside. I do not believe there is any fundamental, long-range States rights being overturned with this amendment. We are simply saying that it has been determined by evidence which cannot logically be refuted, with the continued carnage on our highways, we have to tighten up our driving-while-intoxicated statutes. I suppose that we could justify in our own minds giving them more time than even the extended time provided in the provisions in the law offered by the Senator from Missouri and the Senator from New Jersey. But there comes a time, I say, when time is critically important. As a father and a grandfather, I think that time is now.

We are simply saying to the States: "If you see not to come into compliance with this law, you will lose a rather small proportion of the rather generous amount of money that comes from the Federal Government to improve and keep your highways and bridges in shape."

Mr. President, the bottom-line consideration, it seems to me, is what is in the best interests of the people we are attempting to help. Having said that, I agree that sometimes when we try our best, and with good intentions, to help people here, it does not turn out that way. There are many examples of that. At least in this case, I am convinced beyond any questionable, reasonable doubt that it is in the interests of our society, and in the interests of our young people particularly, that the original amendment be adopted.

I do not believe—and I say this as an old States righter—that the States rights argument holds in this case. I strongly endorse the original amendment, and I hope that the substitute will not prevail.

Mr. McCLURE. Mr. President, I have listened to the debate now for 3 hours, and I do not intend to go over all the arguments made pro and con, but I do want to focus on three or four issues that seem to me to require some emphasis.

The distinguished Senator from Nebraska has said what has been said a number of times: That statistics indicate that we have to do something to help this particular age group of our society against their own actions and misconduct.

Yet, if I read correctly the statistics from the National Highway Traffic Safety Administration study of the 15 States that have good statistics, the 18-, 19-, and 20-year-old drivers had total alcohol-related traffic fatalities of 2,274. In the same year and by the same study and the analysis of those reports, drivers in the age group of 21 to 24 had over 2,590 alcohol-related traffic fatalities.

So if logic, irrefutable logic, is to control our actions here today, we would exempt the 18-, 19-, and 20-year-olds from this restriction and attach it only to those who are 21, 22, 23, and 24.

Or, if you really think that the statistical difference between the age groups is so small that you cannot make that difference, then we would at least extend the prohibition to age 25; because there is no logical distinction, based upon the evidence, to single out one age group and say that that age group, and that age group alone, will be the ones we will affect by the reach of the Federal statute.

Mr. President, I can look at the substance of the question, whether or not we ought to look at this age group and say we should do that, and I will find some question about that. I will also raise the issue again, as it has been raised here, not just on the narrow States' rights question, as though that is some kind of shibboleth or even one that is inconsequential and can be set aside easily.

There are 105 men and women who serve in the legislature of my State, and I am not necessarily wiser than they are. Three times in the last 3 years, they have debated legislation to raise the drinking age in Idaho, for the very reasons we are debating the matter here today. A majority of the house and the senate in my State, on each of those occasions, has said, "No, we are not going to change it."

My colleagues will tell me that we are wiser than they. They had the same information we have. They had the same opportunity we have to legislate. As a matter of fact, they have a greater right to do so under our Constitution, and they did not. But we are not satisfied with their judgment because we are 2,500 miles away from them, and therefore we are smarter. I do not believe that.

I also should like to mention a fact that seems to be a great anomaly, and that is that we look at one Federal exercise of authority and say that justifies another.

I was here when we voted for the 55-mile-per-hour speed limit. Do you know why we did it? Perhaps for a combination of reasons. But we would not have done that if we were not in the midst of an energy emergency and were trying to restrain the consumption of gasoline. That was in 1974, on the heels of the Arab oil embargo because of the war in the Middle East. I think that perhaps we made a mistake by passing that as a permanent statute, rather than having a sunset provision in there, so that when the emergency left, the law left.

Yes; I know it has probably saved lives during that period of time; probably saves lives every year; and there will be those who argue that we ought to keep it on just in order to save the lives.

I do not believe any Member of this body would not say that if you reduced the driving speed on our Nation's highways to 40 miles an hour, you would save more lives. So why do we not legislate that? Why do we not use the authority and power of the Federal Government to save more lives? Are we uncaring about the public? That is not the reason we do not do it. It is because we recognize two principles: One is that, first of all, there was a national emergency when we passed the 55-mile-an-hour speed limit. That is not here today. Second, it would be an impractical suggestion.

We do pass laws that have impact on public lives because it is impractical to deal with the matter in a different manner. But I am not suggesting that it is impractical to look at drunk driving or impractical to look at the reach of Federal legislation to effect it. I am suggesting, however, that, on substance, there is an argument as to whether this is the right law. As a matter of principle, there is a question as to whether or not the Federal Government, just because it has the power, has the right or ought to exercise power.

There is a constitutional principle, Mr. President—a constitutional principle that has been honored over 200 years, but in recent years more in breach than in observance. The people who formed the Constitution, wrote it, promoted it, got it adopted by the several States, were good students of history and of human nature. In looking at the background of oppression in the world in which they lived and the forms of government which they had not enjoyed but had observed, they determined that there was one thing they would not do, and that was to create an all-powerful central government.

They wrote into that Constitution some very careful limitations on the reach and the authority of the Federal Government, and they did it in a number of ways. They did it by the division of power in the central government into the executive, the legislative, and the judicial. We hear much about that, but one thing we do not hear very often—the need to maintain the principle of powers between State and Federal Government, for exactly the same reason.

Yes, autocrats, authoritarians, and dictators have always sought unlimited power; and we nibble away at the guarantees of individual liberty by justifying the good end.

I suggest that the real evil here is not whether we trample on State rights or whether we trample on the constitutional principles of the preservation of individual freedom by guaranteeing that a central government—all powerful, all wise, and all seeing—can enact laws that the people of this country do not want.

The people in my State have said they do not want it. The people of my State say they have a right to say they do not want it. We in this body are now about to say no, we have a superior judgment and a superior right and we shall override your decision; and we shall enforce upon you a rule that you do not want, that you consciously rejected—because we have the power.

That is a terribly dangerous operation, in my judgment.

Finally, Mr. President, I was shocked—I really was shocked—with respect to an argument that was made here a moment ago that there is a distinction that can be drawn between the right to vote and the right to drink. Where do we stop? Indeed, are we going again to get on the basis that we can discriminate among groups of people on drinking? Would the learned Senator who made that argument really justify it by saying, "We shall prohibit blacks from drinking; we shall prohibit Indians from drinking"? Or: "We shall prohibit males but let females drink, because statistics show that in this age group, it is the male driver who is the problem, not the female driver."

Does anybody here really believe that you can discriminate among people with respect to their right to drink?

I remember a few moments ago, one of the Senators was saying that when he was younger, they had taken the practice at a party of drawing straws to see who would drink because there had to be one sober one to drive home from the party. I was not in the position where I had to draw straws. I was very popular at parties because I did not drink and all the rest of them could. They did not have to draw straws because I was always there and they knew they could depend upon me to be sober to drive home. But are we going to make a distinction that said they did not have a right because they could depend upon me, that we could reach in somehow and reach that group of people because of their age and discriminate upon the basis of their age and upon their age alone?

Who is trying to kid anyone here that that is not what this does? It is rank age discrimination. We pontificate and posture, we write all kinds of statutes. We have enacted civil rights laws and we extend those laws. We have enacted one that says—a law, not a constitutional provision—that says you cannot discriminate on the basis of age. But, aha, we will here—just a little, not much. Do not worry about it; it is only for their own good. But we are going to discriminate against a group of people on the basis of their age.

The distinguished Senator from Connecticut is right when he said that he is disturbed about the constitutional provision. I find it almost equally distasteful to vote for the amendment of my colleagues, the Senator from New Hampshire and my colleague from Idaho—not because it is not better. I will probably vote for it, but because it is the lesser of the two evils that are presented to us. I have no illusion about the outcome of this vote.

Mothers Against Drunk Driving have seized upon and helped create a mass emotion in this country with respect to drunken driving. And I applaud them. They have done extremely effective work. The fact is that they—and they deserve the major credit—have caused our public to focus on the problems of drunken driving and the question of teenage drinking, which are related but separate questions. And they have caused us to look at the problem of drunken driving with a host of different solutions, the least justified of which is the one before us now.

I was, a little earlier, taken by the comments made by the Senator from Vermont when he was talking about prosecutions in his State, the fact that you could not fail to get a conviction. I mention this only because I wanted to make one other point—that is that public attitudes are more important in this fight than any number of laws of this nature that we might pass.

The reason that I asked the distinguished Senator from Maine a while ago if he could tell us, on the statistical basis on which he justifies support of this amendment, which of those teenage drivers was drinking where it was legal to drink and which ones were drinking where it was illegal to drink, is that that has something to do with the effectiveness of this statute. I was a prosecutor. I had the job for 6 years on a county basis and for 13 years in my State, of prosecuting those who violated the ordinances and statutes with respect to drinking. I had a different experience than my friend from Vermont had because under the statutes in our State, blood alcohol levels were admissible in evidence and there was an implied consent statute in my State, which I supported. But it was only a presumption of intoxication, not conclusive. And the juries were free to consider but free to reject. Juries in my town rejected it. The result was that almost always, if there were a jury trial requested, there was an acquittal.

I used to get the feeling that I was picked on by that, that, somehow, I was not doing my job right—until I looked back at the people who had been in my job before I got there who had the same problem. I watched the people who had that job after I left that position and they had the same problem. Because our community standards were such that they did not wish to convict. They did not care enough about the incidents of drunken driving, regardless of age, to move effectively against it. But it is in those community attitudes about drunken driving, it is in those community attitudes that we will find the solution, not in erecting a different kind of discriminatory statute that picks out one segment of our society and says, "Thou shalt not" while ignoring all other segments of our society that are equally guilty. At any time that we find it convenient to trample on constitutional principles and contitutional rights in order to "do good," we are moving down the road dangerously in the direction of destruction of constitutionally guaranteed individual freedom.

Mr. President, I hope that when we get to the vote, and I hope it will not be long from now, our colleagues will accept the lesser of the two evils, the positive stimulus of State action toward a desired goal rather than trample constitutional principles as well as individual rights in the process.

Mr. President, I have today expressed my concern over the recent efforts to erode traditional State authority and hand it to the Federal Government.

What I am talking about is the proposal to blackmail States into increasing their drinking age to 21 years. Under this proposal, a State would have 5 percent of its Federal highway funds withheld for failure to establish a minimum drinking age of 21. This penalty increases to 10 percent in the second year. As my colleagues know, States have varying laws establishing the legal drinking age in each State. Some States have determined that 18 should be the legal drinking age, while other States have determined that a person should be 21 before he or she is allowed to drink.

I am as concerned as everyone about the serious problems associated with drunk driving, and I commended President Reagan when he appointed a Presidential Commission on Drunk Driving in April 1982. This Commission, chaired by former Secretary of Transportation John A. Volpe, was established for the purpose of increasing public awareness about drunk driving.

In addition, the Commission's functions, as established by Executive Order No. 12358, are "to persuade States and communities to attack the drunk driving problem in a more organized and systematic manner, including developing plans to eliminate bottlenecks in the arrest, trial and sentencing process that impair the effectiveness of many drunk driving laws."

The Commission was also charged to "encourage State and local officials and organizations to accept and use the latest techniques and methods to solve the problems."

The Commission recommended expanding and encouraging citizen action groups at the local level to help solve drunk driving problems. These groups have been successful in nearly every State. The Commission also urged States to enact laws pertaining to the use of safety belts and child restraints, as well as compliance with the 55-mile-per-hour speed limit.

For the most part, the functions and recommendations made by the Commission are excellent, and I support them. Public awareness, at a local level, is the quickest and surest way to solve the problem.

One recommendation, however, that was made by the Commission, troubles me. It recommends the establishment of a nationwide legal drinking age of 21 years. This age limit is fine with me if it is what every individual State decides to do. However, it is a decision that rightfully should be made by individual States and not the Federal Government. If a particular State wants to raise their drinking age to 21, or 22, or even 23, then it is their decision. By the same token, if a State prefers to set its drinking age at 18, then this also is up to them.

The State of Idaho has established a drinking age of 19 for all alcoholic beverages. The State legislature, in 3 successive years, has considered the increase of the legal drinking age. For whatever the reason, the attempts were not successful. Right or wrong, the decision was made by the State.

Idaho has also established one of the toughest drunk driving laws in the country. For the first drunk driving offense, there is a maximum license suspension of 180 days, a fine not to exceed $1,000, and a jail sentence not to exceed 6 months.

These penalties increase for the second offense. For the third offense, within 5 years, there is a mandatory jail sentence not less than 30 days and not more than 5 years, a fine can be levied not to exceed $5,000 and an individual must surrender their license for a period not to exceed 5 years.

These are some of the toughest in the country and they have paid off. However, they were made by the State of Idaho. The results of these new laws are very impressive. Drunk driving arrests in Idaho have increased from 7,785 in 1978 to 12,096 in 1983. Also, the number of drunk driving arrests per 100 licensed drivers has increased from 1.32 in 1978 to 1.87 in 1983.

Mr. President, it is simply wrong to hold Federal highway funds hostage in order to force States to raise their legal drinking age. Those who think the Federal Government is in a position to better determine what States should do, are wrong. The sovereignty of each State is one of the principles upon which this Nation was founded. Taking authority away from States threatens this longstanding principle, and goes against the very reason I was elected and my colleagues were elected.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BAKER. Mr. President, it is approximately 20 minutes to 6. I had told a number of Senators earlier that I had hoped we could get through today's session at 6 o'clock. That is not now likely, I believe. I do not know how much longer it will take to complete the debate and voting on this bill, but I say to Senators that it is the intention of the leadership on this side to stay and try to finish work on this bill this evening. We still have State-Justice ahead of us. I do not believe now we shall lay that down tonight. We will do that tomorrow.

I do intend to finish this tonight and it will run past 6 o'clock. I wish to apprise Senators who are listening in their offices and on the floor of that intention.

Mr. JEPSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. JEPSEN. Mr. President, I rise in support of the Lautenberg-Danforth proposal. Today, we are debating the very important issue of whether or not to raise the drinking age to 21. There is a lot of emotion that is swirling all around this Chamber and around the Capitol and, I am sure, around other parts of this country about this issue. Some of that emotion comes from some of those who are less than 21 years of age and, in all probability, are thinking that they are losing some of their adult rights. Some of it comes from mothers and fathers, brothers and sisters, husbands and wives who have lost a loved one due to an accident caused by a drunk driver. Some of it comes from teachers who are having problems in the classroom due to alcohol use by some of the students.

Some of it comes from those in favor of prohibition, and some of it comes from those who sell alcoholic beverages. This emotion begs the question: Is this right? Is this fair? Those with statistics will argue that it is right; not only right, but essential. They will also argue that it is eminently fair. To them, we are assembled here today to save lives, and the way to save lives is to prohibit the consumption of alcohol to those under 21, and, thus, we have the justification for some of the emotional argument which we are now debating.

Though there are 29 States which have 21 as the legal age for drinking, there are still 21 States which have not acted. Indeed, only under the threat of legislation have those States begun to take any steps toward addressing this serious problem.

It is no secret that, along with a number of my distinguished colleagues here in the Senate, I am a believer, a defender, and a champion of States' rights. But, in this instance, where individual States' rights burden the Federal system as a whole, and because of the unique set of circumstances, I must take the position of supporting this amendment today.

For those of us in this Chamber, waiting to drink until the age of 21—as most of us did—did not really cramp our style. In fact, I am glad today that that is the way it was.

This measure will save some lives and it creates no greater burden on these young people than they now have on waiting to be a Congressman, or a Senator, or a doctor, or a lawyer, or to drive in interstate commerce.

Fourteen years ago, I was involved in a similar debate, as Lieutenant Governor of Iowa. The debate was: What should the legal age of drinking be? I argued against lowering the drinking age from 21 to 18 in those days. I will not list all of the reasons here, but I want to go on record today, just as I did then, by making an analogy, and that analogy is this: When I go to have my appendix removed, I do not go to an 18-year-old. It is not because I do not love them. It is not because I do not trust them. It is because they simply have not had time enough to become a doctor.

The young people of this country today are super. They are leading the way in this national renewal that is taking place in this country. And I mean that with all my heart and soul.

You can look all around you, whether they are at the campus at Berkeley or Hillsdale, whether they are taking vocational training, a course in welding, whatever it may be, the young people are very serious about getting about the business of preparing themselves to become productive citizens.

An example of this renewed spirit occurred just a short time ago. In Cedar Rapids, IA, in my home State, the four high school senior classes—on their own initiative—got together and said, "We want to have a baccalaureate service." A baccalaureate service is one of those things that have gone kind of by the wayside because of the antireligious bias that exists now because of some of the court rulings we have had in the past. And they did, Mr. President. They got together and went and rented an auditorium. They did not ask whether they could have equal access to it. They just did it. They set up a baccalaureate service. In fact, they asked my wife to be a speaker. They had a dinner; they had everything. The auditorum was packed.

The young people today are absolutely "fantabulous."

So this debate today on increasing or recommending or setting the machinery that would impose some sanctions and urge those other States to move to make a uniform drinking age of 21 is not to be looked on—and I do not look on it—as an indictment. I recognize that age is an arbitrary judgment, but it is one made by this Senator out of love and admiration, combined with the number of miles on my personal speedometer of life.

In conclusion, Mr. President, I would repeat what some others have already pointed out, there is a Gallup Poll of January 1983 of young adults between the ages of 18 and 21 that showed that 58 percent of them favor a national drinking age of 21. If they are for it, who can be against it?

Mr. PRESSLER. Mr. President, I rise in support of the Humphrey-Simpson-Symms amendment to encourage States to enact 21-year-old drinking age laws. I strongly support this concept because I believe we have to provide stronger incentives to raise the national drinking age and to make our highways safer.

I support this proposal over the Lautenberg amendment because it more accurately represents a real incentive, rather than what I consider to be the more coercive approach of the Lautenberg amendment.

It is my belief that the Lautenberg amendment raises serious constitutional questions about States' rights in our federal system. To tell the States that they must comply with a Federal mandate or lose their highway funds is nothing short of sheer coercion. On the other hand, I think we can still reach our goal to save lives by providing a real incentive for those who do raise their age limits—providing them with additional highway funds.

Further, I support the Humphrey-Simpson-Symms proposal because it is tied more closely to the States' actual performance in reducing alcohol-related accidents, rather than simply establishing some arbitrary age standard. That is, it provides the States with real incentives to reduce the number of accidents through tougher enforcement laws, advertising campaigns, and other creative ideas, rather then simply an arbitrary age law that has not proven to guarantee a reduction in traffic accidents.

This is a very important and emotionally charged issue. But we must be careful to stay within the limits of the Constitution and allow the States to govern as they see fit. There are strong arguments to be made on both sides of this issue, and it is an extremely controversial subject. But I do not believe that it is in the best interests of the public to coerce the States into complying with a Federal mandate in an area that should be left to them to regulate. We can reach our goal—more effectively and constitutionally, I believe—by following the Humphrey-Simpson-Symms proposal to encourage States to raise the drinking age to 21 and to lower the number of alcohol-related accidents in the manner they deem to be the most effective.

Mr. HUMPHREY. Mr. President, I know that my colleagues are anxious to conclude this business, and I am, too, so I want to sum up.

Let me say that I have found particularly weighty the arguments of the Senators from Connecticut and Wyoming on this subject of age discrimination. I think they are quite correct. I will confess at this late and mellow hour that I do not like either of the alternatives before us, including the one of which I am a principal sponsor. I do not like my own amendment, Mr. President, but I offer it as what I see as the lesser of two evils. Inasmuch as the Senate seems bent, by one means or another, on enacting some kind of mechanism by which to induce the

States to raise their drinking age to 21, I have offered this as what I see as the lesser of two evils.

How much better would it be, instead of punishing all of those, let us say, 18 to 20, instead of punishing all of those, treating all of them as guilty parties, how much better would it be, instead, to rely upon stricter law enforcement by the States against those who drink and drive, instead of applying this blanket criterion against all of those who fall between the ages of 18 and 20? It would be vastly better. It would eliminate this age discrimination. And it works.

This coercive approach before us is not the only alternative. It is not the only option. In Vermont, where the laws have been strictly applied and enforced, the fatality among drivers with a blood alcohol level of 0.10 or greater has declined over the last several years from 55 percent in 1980 to 50 percent in 1981, to 39 percent. It declined from 55 to 39 percent in 2 years by virtue of what? Stricter law enforcement by the State.

That is the best answer to this problem. That is the way to punish those who are guilty while letting go free those who are not guilty of violating the law, letting them enjoy the rights that ought to be theirs, in the opinion of this Senator.

Nevertheless, the situation is before us that we have two choices. We can induce the States to raise their drinking age to 21 by means of coercion, which is the proposal offered by the Senator from New Jersey, to withhold highway funds generated in the States, withhold them from the States unless they do the bidding of the Congress, or we can vote for the amendment now pending, which is a substitute for the amendment offered by the Senator from New Jersey, which takes a different approach, an approach which we consider to be a more enlightened, fairer one, that involves incentives—not coercion, but incentives—and one which, in addition, I might say, attacks the problem more broadly by rewarding States that achieve reductions in alcohol-related accidents.

Finally, Mr. President, the Senator from New Jersey makes the point that incentives do not work. But, in fact, incentives do work.

North Dakota, one of the States taking advantage of the section 408 highway safety program, which is an incentive program, has reduced its alcohol-related fatality count in the first 6 months of this year, 1984, by 54 percent. Incentives do work.

The Senator from New Jersey believes that incentives work because one of the provisions in his amendment relies upon incentives. The mandatory sentencing provision of the Senator's amendment relies upon incentives; not upon coercion, as do the other elements of his amendment, but upon incentives.

And I do not see how the Senator can argue it both ways. The Senator cannot say that incentives do not work, and that we must rely upon coercion if on the other hand the Senator includes an important provision in the Senator's bill which relies exclusively upon incentives. We cannot have it both way, it seems to this Senator.

Mr. SYMMS. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I will be happy to yield. I am almost finished, I am sure to the relief of my colleagues.

Mr. SYMMS. I thank my good friend, the Senator from New Hampshire, for yielding, and I want to compliment him on his efforts on this matter I share the Senator's concern about the whole situation. I think the amendment that we have offered does have the significant incentives, and does provide maximum flexibility through the 1 percent match to address individual State's needs. This is really the best method. West Virginia has a lower drinking age than some of the surrounding States. But they solved the problem of young people crossing the State border—requiring nonresidents to be 21 years old and possess an ID card to drink in the State of West Virginia. We have that same situation in my State. I pointed this out. Idaho could address their problem in the same way. However, if we adopt the Lautenberg approach we are pushing new standards with the big club of big brother and the coercive use of the highway trust fund moneys to withhold funds—some States will lose millions of dollars.

Washington State has a 21-year-old drinking age. Idaho has a 19-year-old drinking age.

There are two State universities located 9 miles apart—Washington State University and the University of Idaho. It has been quite common knowledge that sometimes students from Washington State come over to Idaho. With peer pressure and added education, there has been a tremendous increase in the number of people in a carpool who will designate one person who has not been drinking to drive back to Washington State University. But the point I am getting at is Washington State has a 2 a.m. bar closing time. Idaho has a 1 a.m. bar closing time. If we are going to mandate 21, why do we stop here? We ought to mandate the time closing for bars so that persons will not decide to cross that State line to finish off the evening, whatever their intentions may be.

Mr. HUMPHREY. If the Senator will permit me, I am sure he may be reassured because that proposal will be before us within the passage of not too many months based on the strengthening of the precedent that we are setting here.

Mr. LAUTENBERG. Mr. President, will the Senator from New Hampshire yield for a clarification?

Mr. HUMPHREY. Yes.

Mr. LAUTENBERG. The Senator from New Hampshire points out what he considers an inconsistency between the incentive approach in one part of our legislation and the punitive part of the other.

Mr. HUMPHREY. Yes.

Mr. LAUTENBERG. One, very frankly, has to deal with the traffic between States where one State no matter what they do cannot make the difference.

We are saying, yes, we want incentives. With all due deference to my colleagues from Idaho, the wisdom of the legislatures of that State is not questioned. But the people who live in Washington, Oregon, Nevada and Utah are not represented in that State legislative body. So I point out that the incentive portion is for those intrastate matters whereas the withholding of funds affects those matters that are interstate.

Mr. HUMPHREY. Mr. President, I will say finally, briefly, it comes down to this. Irrespective of how you feel about the justice of age 21, that is not the question we are deciding because what the Senate is going to do by one means or another is a foregone conclusion. So the question to be decided is, what that means. The question is, will that means be coercion, the withholding of highway funds from the States, or will it be incentives? That is the central issue reduced to essence.

I say finally what I said at the beginning: We would be well advised to take to heart the admonition of Justice Louis Brandeis who warned us to be most on guard against encroachments upon our liberty when the Government's purposes are beneficial.

I thank the Chair.

Mr. SYMMS. Mr. President, in our country today, we are riding a tide of emotional backlash against drunk drivers. I commend those groups who have helped to raise the awareness of our citizens about what is certainly a major problem facing our society. In response to this problem, the majority of our States have enacted various programs and approaches tailored to their specific needs and designed to reduce the incidence of drunk driving. Harsh penalties, public education, mandatory sentences, and revocation of licenses are some of the approaches that States have chosen in reaction to the problem of drunk driving. The Lautenberg approach of 1984 fails to recognize these efforts, and seeks to override the established balance of federalism that exists between the local, State and Federal governments by threatening those States who would take another approach. Congress is moving to allow "Big Brother" in Washington to intrude again with the big stick of Federal dictums to mandate how the States should spend money which is technically the States in the first place. Many concerned Americans have expressed opposition to this approach and have expressed other solutions to drunk driving in newspapers throughout the country.

Mr. President, I ask unanimous consent that excerpts from just a few of these articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Chicago Tribune: If auto fatalities are the only criterion, as the commission's logic implies, then everyone should be forced onto the wagon. Prohibition would undoubtedly save lives. But if the commission isn't willing to follow that logic on Americans older than 21, why pick on 18 year olds? Obviously because no one places much importance on the rights of teenagers. It is one thing to weigh the costs of a higher drinking age against the benefits and another to pretend, as the commission does, that there are no costs whatsoever. But the freedom to buy a drink has some value—otherwise adults wouldn't insist upon keeping it. Taking that right away from the 13 million Americans between the ages of 18 and 21 will require them to make a tangible sacrifice. But no one has considered their rights.

Parson's son of Oklahoma: Nonetheless, Oklahoma's new law and a proposed federal law setting the legal drinking age at 21 are discriminatory and miss their mark. The 20 year old driving drunk is no more disgusting than the 21 year old driving drunk, or the 35 year old, or the 69 year old. Bar the bourbon to any age group and you would avoid some crashes. People 18 to 20 years old are U.S. citizens. Most of them work, pay taxes, buy and sell property. They are called upon to defend this country with their lives in the armed forces. They raise families, vote and hold public office. Why brand a generation because some of their fellows are involved in a national problem? It would be just as reasonable to pick on those who are, say, age 37 to 44, when the mid-life crisis drives them to drink.

USA Today: Why stop at 21? Why not set the minimum age at 22, 26, 43 or 83, the age levels at which the other 16,000 alcohol-related deaths occur? Because that's prohibition—and that didn't work either.

What isn't needed is further inconsistency in the rights and responsibilities that we grant our young adults. We would permit them to hold office, but not drink; to own property, raise families, and die on the battlefield, but not to drink. Because comparatively few can't treat their rights responsibly, we would deny the privilege to all of them. And that just isn't the way America is supposed to work.

The State of Columbia, SC: Mr. Reagan wants the states to take the initiative, and we agree.

Asbury Parkpress of Asbury Park, NJ: The states have the right to regulate liquor consumption within their borders. We feel (the bill) is unconstitutional.

Topeka Capital Journal: The old strings-attached school of federal aid thrives anyway. Washington virtually always makes its aid to the states conditional. And in the case of the drinking age/highway funds issue, it is using tax dollars in an attempt to legislate social policy. This is wrong.

The lawmakers and bureaucrats have conveniently forgotten that the money in question is not their money; it's our money. Plenty of people would argue that these dollars should never leave the states in the first place.

Birmingham News: States have lost so much political power since Franklin D. Roosevelt began reordering law and society in the U.S., they should be very suspicious of any effort by the federal establishment that further restricts state powers.

The truth is that no state can give up highway funds and none should have to. The taxes from the highway fund are collected impartially in every state of the union and the people in all states should have impartial access to the highway funds.

Such laws . . . are repugnant to the U.S. Constitution and certainly violate its spirit. The states—and Alabama is among them—are competent to raise the legal age where it is under 21. They should be allowed to do so.

Washington Times: More Big-Brotherism, even in the name of a good cause such as teen-age sobriety, is the last thing we need. The elected lawmakers of the states are perfectly capable of deciding what's criminal for their states. Last time we looked, it took two-thirds of the states to change the Constitution and the powers it guarantees to the states. To ask a mere majority of Congress to usurp states rights by threatening to withhold federal funds is wrong. Some might say unconstitutional.

[From the Washington Post]

A Better Way To Combat Drunk Driving

A House bill and its Senate counterpart that would deny federal highway funds to states failing to enact a 21-year-old drinking age is well intentioned, but it will not work. For one thing, the focus of the proposal is drunk driving that involves individuals under 21. But figures released by Mothers Against Drunk Driving show that more than 84 percent of the DWI fatalities are caused by drivers over 21 years old.

My proposal would allow states as much flexibility as possible in attacking the problem. It would provide an array of incentives for states to crack down on drunk driving. The federal government would encourage instead of coerce.

The proposal encourages states to increase activity against drunk driving by offering additional highway safety funds if one of the following three requirements is met:

If states set a minimum drinking age of 21;

If states enact mandatory sentencing laws similar to the recommendations of the President's Commission on Drunk Driving;

If states are successful in reducing alcohol-related traffic fatalities.

The grants would be based on current levels of federal funding. Each state would receive an additional 5 percent for either setting a minimum 21-year drinking age or for enacting mandatory license suspension or sentencing. Each state would receive a 1 percent increase in the highway funds for each 1 percent decrease in alcohol-related traffic accidents.

Let's say, for instance, that an individual state satisfies all three requirements, reducing traffic fatalities by 20 percent. That would mean a 30 percent increase in federal highway safety funds.

As a former chairman of the Senate subcommittee on alcoholism and drug abuse, I have spent hundreds of hours listening to testimony on the problem of drunk driving. Awareness and education make a big difference. The best remedy is one that encourages the states to attack the plague of drunk driving broadly and in ways that deal with the unique situation in each state.

Gordon J. Humphrey,
U.S. Senator.

Washington, DC.

Mr. SYMMS. I ask for the yeas and nays.

Mr. DANFORTH. Mr. President, I intend to take a couple of minutes because everyone is anxious to vote, especially the majority leader. But it seems to me there are two points on which there may be not universal but general agreement, and two points on which there is general disagreement which have been brought up in the debate today.

First, the two points on which there is agreement: The first is that there is no magical solution to the problem of drunk driving, or anything else in life. What we are dealing with here is a partial answer to a part of the problem. No one, not the Senator from New Jersey, nor the Senator from Missouri, nor the Senator from New Hampshire, nor the Senator from Idaho suggests that anything we are going to do here is going to stop the problem of drunk driving. We are simply trying to make the situation a little better with respect to younger people, in particular.

The second point on which there is general, albeit not universal, agreement is that there is a special problem with respect to younger drivers who drink. The facts have been brought out throughout the debate as to the disproportionate number of alcohol-related fatalities, and alcohol-related accidents that have been caused by people who are younger drivers. So I think it is fair to say that most Senators have indicated a desire to do something about the problem of younger people drinking and then driving.

What are the two points of disagreement? The first is that there is alleged to be some sort of constitutional issue at stake here. Mr. President, I will only say that I do not agree with that. Some people have argued the question of States rights. I do not think there is any State right to take Federal money and run, no questions asked. That to me is not a matter of States rights. Then it has been argued that somehow there is age discrimination; that there is a constitutional right to drink. At what age? Any age? Ten, eight, or five years old? I do not believe that there is anything in the Constitution, even with the so-called rights explosion that many have commented upon, that confers a constitutional right to drink at 18, or 15, or any other age.

Finally, the real question, Mr. President, and the issue on which we have been focusing all day, is this: What works? That is really the question that has to be resolved by the Senate today. Some people say that an incentive system is just fine because it works. Other people—Senator LAUTENBERG and I—say that we have to move beyond incentives, and we have to use the withholding of highway funds in order to get more uniformity in the drinking age.

In that respect, I only say that the incentive program has been attempted. In 1982, Congress passed a bill, which I introduced, along with Senator PELL, that provided incentive for States to increase their drinking age.

Four States took us up on it. It was of some good to try that approach. Four States did pass laws increasing their drinking age. But 19 States considered legislation to increase the drinking age, and they did not enact it.

The sum of $5.5 million is my understanding of what is involved in the incentive program offered by Senator SYMMS and Senator HUMPHREY; $5.5 million spread throughout the States of this country would be, in my opinion, an insufficient incentive for States to do anything at all. Therefore, I raise the question of what works, and I would suggest that if we really want a greater move toward uniformity in drinking age in this country, the only thing that will work is to condition the receipt of highway funds on increasing the age of drinking.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, it comes down to this. We can adopt the Humphrey-Symms amendment and likely defeat the Uniform Minimum Drinking Age Act. Or, we can defeat this amendment and send this bill to the President for his signature.

I hope my colleagues here on the floor, or listening in their offices, recognize the difference between the two amendments. The public will know the difference.

The mothers, fathers, sisters, brothers, and teachers who have lost their sons, daughters, brothers, sisters, classmates, and students will know the difference. These citizens—these victims of this senseless loss of life—have come to the Senate not to ask us to bring back their loved ones—we cannot do that—but to help another mother or father avoid this tragedy.

These citizens know the truth of the poet, Aeschylus, who wrote:

> In our sleep, pain which cannot forget falls drop by drop upon the heart until, in our own despair, against our will, comes wisdom through the awful grace of God.

The wisdom borne of their pain should guide the Senate today.

I urge my colleagues to oppose the Humphrey-Symms amendment and approve the Lautenberg-Danforth amendment so that we might go on to pass this bill.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from New Hampshire. The yeas and nays have been ordered and the clerk will call the roll.

Tha assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Illinois [Mr. DIXON], and the Senator from Colorado [Mr. HART] are necessarily absent.

The PRESIDING OFFICER (Mr. EAST). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 35, nays 62, as follows:

[Rollcall Vote No. 157 Leg.]

YEAS—35

Abdnor
Andrews
Armstrong
Baucus
D'Amato
Denton
East
Evans
Ford
Garn
Goldwater
Hatch
Hecht
Heflin
Huddleston
Humphrey
Johnston
Kasten
Laxalt
Leahy
Long
Mathias
Mattingly
McClure
Melcher
Moynihan
Murkowski
Nickles
Nunn
Pressler
Rudman
Simpson
Symms
Thurmond
Wallop

NAYS—62

Baker
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
Danforth
DeConcini
Dodd
Dole
Domenici
Durenberger
Eagleton
Exon
Glenn
Gorton
Grassley
Hatfield
Hawkins
Heinz
Helms
Hollings
Inouye
Jepsen
Kassebaum
Kennedy
Lautenberg
Levin
Lugar
Matsunaga
Metzenbaum
Mitchell
Packwood
Pell
Percy
Proxmire
Pryor
Quayle
Randolph
Riegle
Roth
Sarbanes
Sasser
Specter
Stafford
Stennis
Stevens
Tower
Trible
Tsongas
Warner
Weicker
Wilson
Zorinsky

NOT VOTING—3

Burdick
Dixon
Hart

So the amendment (No. 3335) was rejected.

Mr. DANFORTH. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, if I may have the attention of Senators, may I say that it is the hope of the leadership that we have a rollcall vote immediately on the Lautenberg-Danforth amendment and then have a voice vote on final passage, so that there will be just one more vote.

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stands in recess until 10 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Now, Mr. President, I ask for the yeas and nays on the Lautenberg-Danforth amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

TREATY VOTES ON THURSDAY

Mr. BAKER. Mr. President, I do not want to hold things up, but let me say, since a number of Senators are on the floor, that we have a number of treaties on the calendar. There will be a hotline on this, but let me tell you now that negotiations are underway to ratify those treaties on Thursday at 11 a.m. There are 16 of them and 1 vote will count 16. So I urge Senators to be present at that time.

I have tried everything else to get Senators to the Chamber, Mr. President. Let us see if this will do it.

With that, I yield the floor.

Mr. BOREN. Mr. President, I am approaching the issue of a national drinking age with a certain amount of mixed emotions. Although I abhor drunk driving and the senseless slaughter among the young and every other age, I have also been, and continue to be a strong supporter of States rights. I am, therefore, concerned about efforts of the Federal Government to punish States that do not establish 21 as the drinking age by withholding Federal highway funds.

During my tenure as Governor of Oklahoma, I often opposed efforts by Congress to dictate to the States what their laws should be. This opposition to these efforts is why I am approaching this issue with some mixed emotions.

I am also very sensitive to the arguments that young people old enough to vote, old enough to be required to register for possible military service, and old enough to defend our country in time of war, should be allowed to purchase alcoholic beverages.

However, Mr. President, in spite of these reservations, I intend to vote for this amendment to establish a national drinking age of 21. I believe there should be national uniformity on an issue of this importance. Different drinking ages in bordering States have been a particular problem by creating a strong incentive for young people to drive to the State with the lower drinking age in order to purchase and drink alcoholic beverages when they would not be allowed to legally do so in their own State. The drive back to their own State can often end in tragedy for themselves or innocent victims of their drunk driving. A national drinking age would remove the incentive that creates much of this senseless slaughter.

Estimates are that literally thousands of lives could be saved every year by keeping younger drivers away from alcoholic beverages. I am not naive enough to believe that a national drinking age of 21 would completely keep the young from drinking and driving, but I do believe that this is a step in the right direction. Much stiffer penalties for drunk driving and increased educational programs would also go a long way in ending this senseless slaughter caused by drunk driving.

Mr. President, drunk driving, particularly among the young, is an overriding national interest that necessitates a national drinking age of 21. Estimates are that of all fatal accidents involving young people between the ages of 18 to 21, almost half also involve drunk drivers. These terrible tragedies on our Nation's highways must be stopped.

Along with increased penalties and better education programs, a national drinking age will go a long way in helping our efforts to save our young people from tragic traffic accidents.

I urge my colleagues to consider this issue as an overriding national interest and to join me in supporting this amendment to establish a national drinking age of 21.

Mr. PRYOR. Mr. President, I support the amendment by the Senator from New Jersey [Mr. LAUTENBERG]. I applaud his determination that the Senate do all it can to reduce preventable injuries and deaths on the Nation's roads.

This amendment encourages States to raise their drinking age to 21 and provides incentive grants to States to encourage them to adopt tougher sentencing laws for drunk driving. Although this is certainly no miracle solution to the problem of drunk driving, it is one positive step which I believe will save lives.

The national tragedy of young people dying on our roads is a compelling national problem. It is, therefore, appropriate that the Federal Government take action to eliminate a patchwork of drinking-age laws throughout this Nation.

This legislation is supported by a number of groups with particular insight into the issue of highway safety. Among these groups are Mothers Against Drunk Driving, the Department of Transportation, the National Safety Council, the National PTA, the American Medical Association, the insurance industry, and law enforcement officials.

Studies by the National Transportation Safety Board, the Insurance Institute for Highway Safety, and numerous other studies have concluded that a drinking age of 21 will save lives. Statistics support these conclusions: almost half of the highway deaths involving 18- to 20-year-olds are alcohol related, with drunk driving the No. 1 killer for this age group. The National Transportation Safety Board estimates that 1,250 lives could be saved annually if all States raised their drinking age to 21.

Mr. President, we have a duty to try to save lives. I believe this proposal is a meaningful step toward transportation safety and I commend those who have worked so hard to secure its approval by the Congress.

Mr. DURENBERGER. Mr. President, the issue before the Senate today is one that I do not take lightly, nor should the Senate. To be honest, I am partial to both of the major proposals the Senate will vote on today. All things considered, I would prefer to offer States an incentive to take the steps which we know will reduce the incidence of drunk driving rather than using the Federal hammer to force cooperation.

But, quite frankly, it does not appear that the Senate will adopt the Humphrey - Symms - Simpson - Wallop amendment. So, in the final analysis, the issue will pit a deeply held personal conviction against a deeply held public policy principle. It will pit my strong belief in the need for a national, uniform, 21-year-old drinking age against my opposition to Federal initiatives which impinge upon State's rights.

It is unfortunate the Senate is being asked to make this critical decision without adequate consideration of how we may be penalizing States like Minnesota that have made a serious effort to stop the slaughter on our highways, while rewarding other States that have not done as much to stop the drunk driver.

Mr. President, we all agree that this slaughter must be stopped. Last November, when the President's Commission on Drunk Driving issued its final report, I immediately announced my support for its findings. In particular, I pledged to place whatever forces I could bring to bear on the political process to establish a national uniform drinking age of 21.

My support for this proposal was met with surprise and consternation by the State and local interest groups that I have labored long and hard to support and represent in the Senate as chairman of the Intergovernmental Relations Subcommittee. Why, they asked me, was this a Federal responsibility? Where will the line be drawn?

Opposition was even stronger from the highway interests in Minnesota. Why, they asked, should the State's highway funds be held hostage for the sake of a national uniform drinking age?

My answer probably didn't satisfy them. My support for the Commission's recommendations wasn't so much a studied response as it was the gut reaction of a father trying to raise four boys who happen to be under the age of 21. I support the establishment of a national uniform drinking age of 21, not so much because I believe it will sharply reduce highway fatalities, but because I believe it will sharply reduce drinking in the under-21 age group.

Drunk driving is just one of the many adverse side effects resulting from chemical abuse in this age group. The other effects—poor scholastic performance, disruption of family unity, lack of concern for others, poor health, and so forth, are not as drastic an issue as drunk driving because the impact on the lives of others in society is more indirect. But it is just as real and just as much a cause for concern and action.

When I look at my four boys, I can't help but wonder if they will be prepared to shoulder the heavy responsibilities my generation is preparing to thrust on them. And I have to ask myself, what can I do to prepare them better? Like every parent, I have tried to set an example for my sons. I have spoken to them about the dangers of alcohol and drug abuse.

But try as I might, it is awfully difficult to convince a child to treat alcohol with caution and respect when his peers are treating it as if abuse is the best game in town. This juvenile game becomes a habit, and habits are hard to break. As far as I am concerned, the best way to break a bad habit is to prevent it from developing.

The fact of the matter is that we live in a complicated society with complex problems that are compounded by widespread alcohol and drug abuse. It is a far cry from my youthful days in rural Stearns County, where I could spend Saturday nights frolicking with my buddies quaffing a brew or two from bar owners who look to behavior, or knowing your parents, rather than your identification.

Nowadays, kids go to the liquor store, pick up a case of beer, buy some drugs, and challenge each other to finish the two as fast as they can. Good Lord, considering the number of empty beer cans my neighbor at the end of my street picks up on Sunday mornings, it is a wonder that there are not more obituaries in the Washington Post every Monday morning. Couple the drinking with the drugs, and I imagine these kids just about float out of our neighborhood.

But I know that it is not a 21-year-old leaving those cans on my street—it is high school kids whose parents will not let them drink at home, who are fortunate enough to have a 19-year-old for a friend. Raising the drinking age to 21 may not change the Sunday morning beer can problem, but it will make it less likely to occur.

Right now, 18-, 19-, or 20-year-olds do not have to sneak beer from their parents or ask someone to break the law. They can drive over to the store, legally purchase a case of beer, drive to a secluded spot, and drink, drink, drink. They may or may not consume drugs. But they are drinking a heck of a lot more than their parents expect them to.

All things considered, I would just as soon know how many beers my sons are drinking than counting on them to exercise restraint when they buy beer at the store. Expecting an unsupervised youth to limit his alcohol consumption is as realistic as taking a 6-year-old to the supermarket, giving him a dollar and expecting him to buy nutritious food products.

Drunk driving is just a symptom of teenage alcohol abuse. The best way to curtail that abuse is to make it difficult to obtain alcohol. And the easiest way to control alcohol consumption in the under-21 age group is to establish a national, uniform drinking age of 21.

So it is more than the problem of drunk driving that leads me to support a national, uniform 21-year-old drinking age.

But there should be another side to this debate in the Senate. To begin with, the President's Commission issued a series of recommendations designed to reduce the damage inflicted on society by drunk drivers. Nebraska and Minnesota, Nos. 1 and 2 in the Nation in reducing highway fatalities, happen to have less than a 21-year-old drinking age. The key to success in Minnesota has been the State's reliance on an education, awareness, and enforcement program. By alerting the public to the seriousness of the problem, educating youths on the dangers of alcohol abuse and drunk driving, rehabilitating the problem drinker, and meting out stiff penalties for driving under the influence, Minnesota has reduced highway fatalities by 34 percent over the last 3 years. Results like these cannot be achieved by simply raising the drinking age to 21.

Minnesota has a minimum drinking age of 19. It also has one of the strongest, most effective alcohol abuse programs in the Nation. While I wish Minnesota had a 21-year-old drinking age, I can say to the Senate that the reason Minnesota has one of the best records in the Nation on reducing highway deaths is not because of the drinking age. Minnesota has one of the best records because it has an alcohol abuse program unequalled in the Nation. Minnesota identifies the drunk driver, takes him or her off the road and rehabilitates the person.

It is the alcohol abuser, not a specific age group, that is the drunk driver. And that is why the Minnesota program is effective. It gets 19-year-olds, 20-year-olds, 25-year-olds, and 50-year-olds. It is effective because it gets every drunk driver—not just teenagers. What I would like to know is why increasing the drinking age should be given more weight in determining highway dollars than some of the other, more effective approaches?

As I stated earlier, Minnesota has been a leader in the fight to curb drunk driving. It has adopted virtually all of the President's Commission's recommendations save one—increasing the drinking age to 21. Arkansas, which has always had a minimum 21-year-old drinking age, has a less broad based program to fight drunk driving. The results speak for themselves—Minnesota's highway fatalities have declined by 34 percent over the past 3 years—Arkansas' have reduced by 5 percent. Yet, if Minnesota failed to increase its drinking age to 21, it could face a 10-percent reduction in its highway apportionment. Arkansas, by doing nothing, would receive an increase. Does this make sense? Of course not. But that is exactly what the Lautenberg amendment does. It penalizes States which have strong antidrunk driving statutes and rewards States with lax enforcement statutes.

It is unfortunate that the proponents of the minimum 21-year-old drinking age are not allowing the Senate to properly consider the alcohol abuse/highway safety/drunk driving issue. We may yet find a way to fashion excellent public policy on the drunk driving issue without penalizing States like Minnesota, though I doubt it will happen today. After this bill is signed by the President, after the clamor dies down, those of us who have technical problems with the Lautenberg amendment will make some sense of this action. I just wish we could have answered the questions before we acted on this bill.

But, Mr. President, I am glad we are acting. And I am especially glad that this action will demonstrate to other Americans what a difference one committed person can make to our society. Candy Lightner may be many things, but today she is rewarded for standing for something—especially for motherhood and seeing it pay off. Only in America.

Mr. BRADLEY. Mr. President, I rise in strong support of the amendment offered by my friend and colleague [Mr. LAUTENBERG] which encourages States to raise their drinking age to 21. I want to commend my fellow colleague from New Jersey for his unyielding efforts to get this bill enacted; if it were not for his commitment, diligence, and persistence, we would not today be debating this vital piece of legislation which is aimed at reducing the number of deaths on our highways due to drunk driving.

Mr. President, this bill provides a strong incentive to raise the drinking age to 21—Federal funds would be reduced if States are out of compliance. The bill generally employs the same mechanism as is used to establish the 55-mile-per-hour speed limit. It grants States a 2-year grace period in which to raise their minimum age for the purchase and public possession of alcoholic beverages to 21. Those States which have not raised their minimum drinking age by 1987 would have 5 percent of their Federal-aid highway funds withheld under primary, secondary, interstate, and urban construction programs. If, by 1988, a State has not yet acted to raise its drinking age to 21, then 10 percent of Federal funding would be withheld. If the State took action at a later date to raise the drinking age, then the State would be reimbursed for the Federal funds that were withheld.

The greatly well publicized strong correlation between teenage alcohol use and high incidence of traffic accidents clearly justifies this action. The death statistics are alarming:

Drunk driving is the single leading cause of death among 15- to 24-year-olds. Presently, 14 teenagers will die each day in drunk driving accidents. In 1980, nearly 9,000 teenagers were killed in motor vehicle accidents.

For every 330 children born today in the United States—which is about the size of a small grade school—1 will die and 4 will sustain serious or crippling injuries in an alcohol-related crash before they reach the age of 24.

In New Jersey, one of the most densely populated States in the Nation, nearly 80 youths under the age of 21 died in alcohol-related traffic accidents last year.

Mr. President, the uniform drinking age is of special concern to the tristate area consisting of New York, New Jersey, and Connecticut. The lower drinking age in New York and Connecticut provides an opportunity for youths to drive across State borders to obtain alcohol—helping to create "blood corridors".

New Jersey has been a leader in dealing with this problem through education programs and through legislative initiatives to get tough on drunk driving. In addition, New Jersey raised the drinking age from 19 to 21 in 1982. The quick and positive impact has already been demonstrated. For example, nighttime fatal accidents involving 19- and 20-year-olds fell 25 percent in New Jersey last year.

It should be emphasized that this effort is widely supported. The Drinking Age Act passed the House of Representatives on June 7, 1984, with the support of Republicans and Democrats from across the political spectrum and from all parts of the country. This legislation has the support of President Reagan and Secretary of Transportation Elizabeth Dole. They have joined with Members of Congress, Mothers Against Drunk Drivers, the National Safety Council, the National Council on Alcoholism, the National PTA, the American Medical Association, the insurance industry, law enforcement officials and many other grassroots organizations in coming to a consensus behind this bill. And Gallup polls have shown that 77 percent of the American people favor a minimum drinking age of 21.

Mr. President, virtually everyone I know has been deeply touched by the loss of a family member, a friend, or a loved one due to a drunk driver. Many of us, as parents, can empathize with parents who have lost a child to a drunk driver. This issue hits home for most of us. Today, we not only have an opportunity to make a sound decision based on strong public support, we also have an opportunity to save lives. I urge my colleagues to support this amendment.

Mr. BIDEN. Mr. President, I am pleased to be a cosponsor of Senator LAUTENBERG's amendment which would give States incentives to raise the age at which a person can legally buy and consume alcoholic beverages to 21. By making it a policy of the United States to adopt 21 as a uniform drinking age, we would be implementing one of the major recommendations of the Presidential Commission on Drunk Driving.

There is no need to cite the statistics; we are all familiar with them. Suffice it to say that in every instance I am aware of, a State which has chosen to lower its drinking age has experienced a dramatic increase in the number of alcohol-related traffic deaths involving young people; and that every State raising the age has seen a substantial decrease in such deaths.

Why, then, am I, a Senator representing a State which currently has a 21 drinking age on the books, a cosponsor of this legislation? Because many of the States with a 21 drinking age border on States with lower drinking ages, thereby creating an incentive for young people from the 21 State to drive some distance to a bar in the State with a lower drinking age, and then drive home: in many cases, impaired or intoxicated. Borders between such States have been called "blood borders," and with good reason.

There is simply no other way to address the blood border problem, Mr. President; we must make a uniform drinking age the policy of this country.

I should say, Mr. President, that I am of the belief that a great deal of work needs to be done on many of the bridges and highways in this Nation. We don't hear much anymore about our crumbling infrastructure, but it is still crumbling in many places. So I don't relish the prospect of denying States which do not conform to the 21 drinking age funds that are needed to build and repair highways and bridges. But I have weighed that reluctance against the grim statistics that serve as the legacy of lowered drinking ages.

A recent poll indicated that 77 percent of the American people support a 21-year-old uniform drinking age. Even among people aged 16-20, there is substantial support for a uniform 21 drinking age, with 58 percent of the respondents in that age group expressing support.

The American people are ahead of us on this issue, Mr. President. States all over the Nation are moving to higher drinking ages, but more needs to be done. I hope my colleagues will support the Lautenberg amendment.

Mr. BUMPERS. Mr. President, I had not been persuaded until recently that it was wise for the Federal Government to attempt to regulate what has been, since the repeal of prohibition by the 21st amendment to the Constitution, a matter for the individual States to decide—that is, the legal age for citizens to purchase and publicly possess alcoholic beverages. This was not really an issue before the 1970's, because only a few jurisdictions had legal drinking ages under 21. Then, during the Vietnam war, when thousands of our young Americans were serving their country and dying in Southeast Asia, the argument was made—and I must say rather forcefully—that if 18-year-olds were old enough to die for their country, they were old enough to buy and consume alcoholic beverages. As a result, many States lowered their legal drinking ages to anything from 18 for beer only to 19 for all alcoholic beverages. And this, Mr. President, brings us to the state we are in today.

Last November, the President's Commission on Drunk Driving came to the conclusion that the hodgepodge of State drinking-age laws was an interstate problem that required a Federal solution. My own State of Arkansas has a legal drinking age of 21. Arkansas, however, is surrounded by four States with legal drinking ages under 21. This situation is typical of most areas of the country, and the consequences are tragic.

Disparity among State drinking-age laws helps create the so-called blood corridors, when youths from a State with a higher drinking age travel to a neighboring State with a lower limit. These young people have to drive to the neighboring State and then drive home. They often are in no condition to drive back and too many don't make it.

Other arguments in favor of a uniform national drinking age are equally compelling. Drivers 18 to 20 years old make up 7 percent of all drivers. However, 16 percent of the drinking driver fatalities involve members of the 18 to 20 group—in other words, the group has 2½ times its proportionate share of drinking driver fatalities. Almost half of the highway deaths involving 18- to 20-year-olds are alcoholic related, and drunk driving is the No. 1 killer in this age group.

The quick and positive impact of raising the drinking age to 21 has been demonstrated in States that have taken this action. When New Jersey lowered its drinking age in 1974, the death rate due to drunk driving among those in the 16- to 20-year-old group tripled. Since raising its drinking age to 21 in 1983, New Jersey has cut those fatalities in half. The National Transportation Safety Board estimates that at least 1,250 lives could be saved annually if all States raised the drinking age to 21.

Under the terms of the Lautenberg amendment, a State will have 2 years in which to raise its legal drinking age to 21. If it does not comply, it will lose 15 percent of its Federal highway construction funds over the next 2 years. Should funds be withheld from any State, at the point a State raises its drinking age to 21, all funds withheld will be reimbursed. The amendment will also encourage stiffer punishment of all drunk drivers by increasing Federal highway safety grants to States imposing tougher enforcement measures. If a State meets the strict mandatory sentencing and license revocation criteria set forth in the bill, it can receive a 5-percent increase in highway safety funds.

This legislation is supported by President Reagan, Secretary of Transportation Dole, Mothers Against Drunk Driving, the National Transportation Safety Council, the National PTA, the AMA, and the insurance industry. Gallup polls have shown that 77 percent of the American people favor a minimum drinking age of 21, and 58 percent of those in the affected age group, those 18 to 20 years old, favor a minimum drinking age of 21.

Mr. President, the experience of the past decade has demonstrated that the establishment of the legal drinking age is not solely a question of State's rights but an issue with profound interstate consequences. President Reagan, a strong supporter of State's rights, endorsed this approach when he argued that the overwhelming need for a national drinking age can be dealt with by prudent limited Federal influence. I agree that it is necessary for the Federal Government to encourage the States to take action in this area, and I support the approach sponsored by the Senator from New Jersey.

Mrs. HAWKINS. Mr. President, until 1970, most States had the legal age for buying alcoholic beverages set at 21. In the past decade, however, many States lowered their minimum age, and the resulting increases in teenage traffic fatalities have led many to conclude that there should be a uniform national drinking age of 21.

The Insurance Institute for Highway Safety published statistics indicating that on an average, a State that raised its drinking age could expect a 28-percent reduction in nighttime fatal crash involvement among these young drivers. In the 31 States that still had a legal minimum drinking age of less than 21 as of January 1981, it is estimated that each year there could be about 730 fewer young drivers in nighttime fatal crashes if this legal drinking age were raised to 21. And since most fatal accidents involving adolescents occur between 10 p.m. and 2 a.m., this is indeed an impressive decrease.

Each year more than 28,000 people die as a result of drunk driving—that is more than 60 deaths a day. Add to the problem of drinking and driving the extra peril of an inexperienced driver—the teenager—and the problem is compounded, too often tragically so. During the years of 1960 to 1978, the death rate dropped in all age categories except one—the 15- to 24-year-olds—where it rose. Half of all teenage deaths are due to motor vehicle accidents and alcohol intoxication is cited as the most common explanation for these tragedies. It has been estimated that each year 8,000 teenagers and young adults are killed in drinking/driving accidents, and 40,000 are seriously injured.

Mr. President, in hearings conducted by the Subcommittee on Alcoholism and Drug Abuse, we heard both sides of the story on measures to counter the problem of teenage drunk driving.

For me, one thing said in the hearings sealed the issue, and that was with the passage of S. 2719, 1,000 lives a year would be saved. Increasing the driving age to a national minimum of 21 years of age may not be a panacea, as everyone at the hearing testified, both against and for the amendment being considered today, but if enactment of this legislation would indeed save 1,000 lives a year, then to me it is worth it.

Mr. D'AMATO. Mr. President, I rise at this time to bring to the attention of my distinguished colleagues an issue I believe is particularly relevant to our consideration of the problem of drunk driving. The matter I refer to is the growing problem of drugged driving.

The movement to impose a national drinking age of 21 has alerted many people to the intolerable loss of life which takes place annually on our highways. Accidents which are alcohol related account for half of the total deaths each year from auto accidents.

It is a national tragedy that each year 25,000 Americans are killed in alcohol-related auto accidents. At least 5,000 of these alcohol-related accident victims are teenagers. The legislation now before us responds to a national outcry for action against drunk driving. Groups such as Mothers Against Drunk Driving [MADD], Remove Intoxicated Drivers [RID], Students Against Drunk Driving [SADD], and many other dedicated organizations have successfully brought the drunk-driving issue to the forefront.

I am concerned, however, that we are not giving the equally serious problem of drugged driving the attention it demands. Absent from most of the statistics we have seen is the impact on highway deaths and injuries of this Nation's dangerous and widespread use of illegal drugs. Recent studies reveal that the use of certain drugs is rapidly increasing. Maryland reported a 36-percent increase in cocaine use in a 1-year period. Five times as many people died from PCP use in the District of Columbia last year than in 1982.

Since 1978, deaths attributable to drug overdose, mostly from heroin, have more than doubled in New York City. The number of heroin addicts in New York State has reached 247,000. In New York State, the use of cocaine has tripled in the last 5 years. More than 400,000 New Yorkers use cocaine at least once a week. There are now 1.5 million regular drug users in New York State.

Similar frightening statistics can be found throughout the United States. Studies by the National Institute of Drug Abuse [NIDA], indicate that although overall levels of drug abuse have peaked, patterns of heavier use, more dangerous use, and use of more potent materials are present. According to a recent NIDA study, 40 percent of American high school seniors have used an illicit drug other than marijuana, while 68 percent of 18- to 25-year-olds have used marijuana. We are facing a drug use phenomenon of massive proportions.

Think about this carefully—drug users are also drivers and are driving right now under the influence of drugs.

Medical evidence indicates that all drugs impair an individual's ability to perform basic driving skills. A drug user's physical reflexes are slow, his judgment and ability to respond to an emergency are limited. The physical and emotional effects of drug use can reoccur sporadically, days, even weeks, after use. Drugs are a menace to traffic safety.

I shall insert in the RECORD an article by Jim Ritter which appeared in the Chicago Sun-Times of May 27, 1984.

Mr. President, the potential for carnage on the roads due to drugged driving is unimaginable. We must help our States to deal with this challenge. I feel so strongly that drugged driving must be treated in the same way as drunk driving, that I seriously considered offering an amendment to that effect today. But, because of the complexity of the drugged driving issue, it was impossible to draft effective legislation within the time available before the drunk-driving issue reached the floor.

I am determined, however, to get drugged drivers off our highways and our streets. It is time to say no, not only to drunk drivers, but to drugged drivers as well. The message they must hear is that we will no longer tolerate their irresponsible conduct behind the wheel.

The Secretary of Transportation has assured me that she shares my concern about the danger to public safety when people drive under the influence of drugs. She has promised to work with me to draft legislation to deal with drugged drivers. I am confident that my Senate colleagues will join me in supporting this vital legislation which I hope to introduce shortly.

The article follows:

[From the Chicago Sun-Times, May 27, 1984]

DRUGS EQUAL DRINKING AS DANGER TO DRIVERS

(By Jim Ritter)

As the state prepares to crack down on drugged drivers, recent studies show a pot smoker is as dangerous behind the wheel as a drunk.

Marijuana impairs a driver's attention span, short-term memory and ability to judge distances much more than most smokers realize, the research shows.

"Marijuana is as bad as alcohol," said UCLA psychiatry professor Sidney Cohen, who has reviewed 18 studies of stoned drivers. "The evidence is compelling."

A separate study by the Illinois Public Health Department in 1980 showed that 20 percent of drivers under age 40 who were killed in auto accidents had "significant" levels of marijuana in their blood.

Until now, it's been harder to prosecute stoned drivers than drunks because testing for marijuana takes more time and money than running an alcohol breath test.

However, the state health department announced plans Monday to buy a $50,000 drug detector that can analyze up to 15 marijuana blood samples a day. The machine is expected to be in use by January, making Illinois the first state to routinely test for marijuana.

State lab test results could be used to prove a driving-under-the-influence charge. If the driver refused to give blood, his license automatically would be suspended for six months.

Some surveys have found that up to 80 percent of marijuana smokers believe the drug doesn't impair driving. But research shows they're dead wrong.

In 1982, for example, the California Justice Department found that stoned drivers tested on a road course couldn't back up straight, got lost easily and failed to negotiate S curves. "They ended up in the oncoming traffic lane," said criminologist Victor Reeve.

For many marijuana smokers, the peak effects seem to begin wearing off gradually about 30 minutes after smoking. But the California volunteers turned in their worst performances two hours after smoking, when they were convinced they were straight enough to drive.

The California study also found that volunteers who took marijuana and alcohol together did much worse than drivers who took the drugs separately.

Surveys show drivers routinely mix pot and booze. In North Carolina, for example, the state medical examiner found that 47 drivers killed in single-car accidents during a three-year period had marijuana in their blood. About 70 percent of these drivers also had been drinking, said toxocologist Arthur McBay.

These are the main reasons why researchers say a pot smoker shouldn't drive:

Impaired short-term memory. He may forget to use the turn signal and often can't remember what street he's on.

Delayed reactions. He can't slam on the brakes in time if someone pulls out in front.

Distorted sense of time and distance. A stoned driver has trouble staying in the middle of his lane, and estimating when it's safe to pass.

● Mr. GLENN. Mr. President, I rise today to commend the efforts of all those who have been involved with this debate over drunk driving and the drinking age. Both sides have very valid arguments and both are committed to the cause of reducing alcohol-related accidents. But I must make a decision, as we all must, and in order to demonstrate my commitment, I am supporting the Lautenberg-Danforth proposal, which would strongly encourage States to raise their drinking age to 21.

I do not think I have to repeat the statistics which have been presented on the floor of the Senate. We all recognize the fact that there are too many alcohol-related traffic accidents and fatalities in this Nation. A disproportionate number of these accidents involve people under the age of 21. Basically, those under 21 make up only 8 percent of the licensed drivers but they consitute 20 percent of the alcohol-related fatalities. This is a tragedy which demands action.

Drunk driving can be reduced. Efforts by the Federal Government have had a positive impact on State programs to deal with drunk driving. Many State governments have already raised the drinking age to 21. Both efforts have had a positive effect. But more action is necessary and the Lautenberg-Danforth proposal is the necessary action.

States that have already increased their drinking age to 21 have witnessed a 20-percent drop in fatalities for the affected group. we cannot ignore these significant achievements and we should act now to encourage all the States to adopt the 21 legal drinking age.

But our action must not stop there. We have the opportunity and the momentum to encourage even greater action by our State legislators, local officials, and concerned citizens. The bottom line is that all of us must work together to get drunk drivers off the road—and get them off the road now. I hope this vote will be a first step in that direction, and I hope we will summon the courage necessary to end the tragedy of drunk driving once and for all.●

● Mr. HUDDLESTON. Mr. President, as a cosponsor of S. 2719, a bill to establish a uniform national minimum drinking age of 21, I urge my colleagues to act on this most important concept as soon as possible. Senator LAUTENBERG's amendment to H.R. 4616, a bill to authorize certain motor vehicle safety programs, contains the same provisions as S. 2719 and seems to be the best course of action for the Senate to pursue at this time.

Like the public, we in Congress are increasingly aware of the staggering loss of human life and capital due to drunken driving. I applaud the grassroots efforts of groups such as Mothers Against Drunk Driving [MADD] and Students Against Drunk Drivers to educate the public, including teenages, about the hazards of drinking and driving. Previous initiatives by these groups and others include the strong support of legislation, which I cosponsored, designating the week of December 11-17, 1983, "National Drunk and Drugged Driving Week" as a time to focus particular attention on this chronic national problem.

But now we must ask ourselves if we can do more and whether we will take decisive legislative action that can and will save lives. By withholding 5 percent of Federal highway funding from States that do not adopt a minimum drinking age of 21, we will be sending a very clear message to the Nation that such action will take place.

The statistics on drunken driving are tragic and conclusive evidence that something must be done to control the epidemic of deaths due to drunk driving; 1 American life is lost every 20 minutes in alcohol-related auto accidents; 5,000 teens are killed in drunk driving accidents each year. Furthermore, drunk driving is the No. 1 cause of death for youths between the ages of 15 and 24. Of the 25,000 Americans who die each year in alcohol-related traffic accidents, over 10,000—that is 40 percent—are under the age of 21. And on and on. These horrifying statistics compel us to act.

One need only look at a map indicating the differences in drinking ages in States across the United States to see the necessity of a uniform national drinking age. The patchwork quilt of State laws only serves to amplify the national epidemic of alcohol-related deaths. The disparity in minimum ages among the States is a virtual invitation to teens to drive and drink: to drive across State lines in order to purchase and consume alcohol and to make the treacherous trip back home.

Such State lines are known, appropriately, as "blood borders." Only two States—California and Alaska—have no access to a "blood border." My own State has for many years had a minimum drinking age of 21. And, although adjacent to three other States with the 21 limit, Kentucky is bordered by four States with lower drinking ages—our own "blood borders."

In order to prevent the senseless deaths of not only teenagers but innocent victims as well, in order to eliminate the lure to combine drinking and driving, we need a uniform national drinking age, and we need congressional action to that end. I urge my colleagues to make every effort to approve S. 2719 or Senator LAUTENBERG's amendment as expeditiously as possible.●

● Mr. HOLLINGS. Mr. President, I support the Lautenberg amendment and I hope my colleagues will approve it.

Normally, I am very suspicious of any measure which exerts Federal power in areas which have traditionally been left to State and local control. In this case, however, it is clear that Federal action will result directly in the saving of lives.

The Lautenberg amendment would encourage States to establish a legal minimum drinking age of 21—if they haven't already—by withholding a portion of Federal-aid highway funds from any State which has not done so by October 1986. This type of Federal action is necessary and proper for one primary reason: The existence of differing minimum legal drinking ages in adjoining States becomes an incentive in many cases for young people to drive across State lines in order to obtain and consume liquor.

Drunk driving among younger adults is something this Congress should want to discourage, not encourage. And a uniform, 21-year-old legal drinking age is the only way to prevent young Americans from commuting across these "blood borders."

Indeed, numerous studies, including those by the National Transportation Safety Board and the Insurance Institute for Highway Safety, have concluded that the uniform drinking age will save a great deal of lives.

There are further provisions of the Lautenberg amendment which I believe will have great societal benefits. For example, it also contains a program of incentive grants to States which enact mandatory DWI sentencing laws as recommended by the Presidential Commission on Drunk Driving. Tougher sentencing by our State courts is a critical part of any effective approach to the problem, and I believe this provision will help our efforts to bring about greater deterrents to drunk driving.

Furthermore, the amendment incorporates two provisions of S. 1108, an omnibus highway safety bill passed by the Senate Commerce Committee in October 1983. It adds "driving under the influence of drugs" to the existing Federal Drunk Driving Program, thereby encouraging States to devise methods to combat drugged as well as drunk drivers. And it provides for incentive grants to States which implement accident reduction projects through the use of computerized safety record-keeping systems. These grants will help States to purchase and use new technology to reduce traffic injuries and fatalities.

In all, I feel good about the amendment before us today. I feel good about the lives it will save and the peace of mind it will bring the American people, many of whom must now be wondering about their chances for survival each time they take to the streets, roads, and highways of our Nation.

There is no question in my mind that our constituents want this legislation, and I commend the Senator from New Jersey for his tireless efforts to bring it to the floor today. I know much of his vigor on this issue stems from his own personal experience in watching the lowering of his State's drinking age to 18 several years ago—and the subsequent tripling of the death rate among young people due to drunk driving. He watched that rate drop by one-half during the past year after New Jersey raised the legal drinking age back up to 21.

But there's not much the people of New Jersey can do about laws in neighboring New York State, where the legal drinking age is 19. And until we have a uniform legal drinking age, then thousands upon thousands of teenagers in New Jersey and in other States will continue to get in a car, drive 10, 20, 30, maybe 40, or 50 miles to cross a border, purchase, and consume liquor, or wine, or beer, and then drive home. When they do this, their vehicles become projectiles. They are accidents looking for a place to happen.

Mr. President, I don't pretend to believe that the Lautenberg amendment is the end-all to the drunk driving problem. But it is a great step forward. If we pass it into law, it will save lives. It will make our roads safer. And when this amendment becomes law, I believe we should begin looking at the next step, the next measure we can take to reduce the death rate that much further. And perhaps one day in the not-too-distant future, people across the Nation will drive their automobiles secure in the knowledge that their lives are not threatened by the drunk driver.●

● Mr. DODD. Mr. President, I am pleased that the Senate is acting today to help States enact and enforce child safety seat programs.

Last July, I introduced S. 1670, a bill encouraging States to establish effective passenger safety programs for children. Although the funding mechanism of the legislation considered today differs slightly from that proposed in S. 1670, the intent is exactly the same: To help curb the epidemic of childhood injuries caused by auto accidents.

One out of every five younger Americans who dies each year is killed in an auto accident. Hundreds of thousands more are disabled, often times permanently.

At a Senate Childen's Caucus Forum held at Children's Hospital National Medical Center last July, I learned that motor vehicle accidents account for over half of all serious childhood injuries. This is telling, indeed, when one realizes that injuries have now replaced disease as the leading cause of death and disability among our children.

Despite these tragic facts, the majority of American children under the age of 10 are unrestrained by safety seats or belts when they travel in cars. Even when parents use seat belts, in most cases the children riding with them do not. And more alarming still, countless childen who are placed in child restraints are not correctly secured.

Yet, we know that when children are correctly secured, they stand an excellent chance of escaping death or serious injury in the event of a crash. To ensure that children receive that protection, we must require States to set up and implement comprehensive child passenger safety programs. This bill will do just that.

Although State laws mandating use of child restraints are a necessary first step here, much more must be done. Both parents and the police must know how to secure childen correctly. The public must be continually reminded of the need for such protective measures. Loaner programs must be available for parents who cannot afford child safety seats. And last, but not least, safety seat laws must be enforced.

Mr. President, I urge the Senate to support this legislation. The time to start a nationwide campaign against one of our biggest childkillers—namely, auto accidents—is now.●

● Mr. CHAFEE. Mr. President, when we discussed highways in the Senate, it is usually to debate funding formulas, or fuel taxes, or special projects. We seldom devote enough attention to the matter which brings us here today. Improving highway safety by combating the problem of drunk driving is as important as any effort Congress could undertake in protecting the lives of our citizens.

And so, it is gratifying that we have the opportunity to examine proposals for encouraging the States to do more to confront this devastating problem. Alcohol abuse remains the No. 1 factor contributing to injury and loss of life on American highways. According to the National Transportation Safety Board, 43,000 lives are lost each year in highway accidents, and 25,000 or 57 percent of all fatalities are alcohol-related. This figure is even more disturbing when one considers that many of these alcohol-related fatalities could be prevented.

The question is how. Federal and State transportation and law enforcement officials have worked diligently in recent years to devise and implement stronger measures to keep alcohol abusers off the road and to increase penalties for those guilty of drunk driving. Public awareness campaigns, tougher enforcement, mandatory sentencing, licenses revocation, improved treatment and rehabilitation opportunities, updated tracking and reporting systems—all of these measures have proven to be effective in combating drunk driving. We must continue to vigorously urge the States to employ the strongest possible measures to reduce the number of alcohol-related accidents.

We have begun by making support available for highway safety programs as well as incentive grants for States adopting more stringent standards. However, a tougher approach is needed. Today we can take an important step in the fight against drunk driving by encouraging the States to pursue several measures with proven effectiveness in this fight.

Chief among these is a strong incentive for States to increase the minimum age requirement for the purchase of alcoholic beverages to age 21. The Senate is already on record in favor of 21 as a national uniform drinking age. Today, we have an opportunity to send a stronger signal to compel the States to adopt this measure.

Adopting a uniform minimum drinking age standard of 21 should not be approached casually. Most young drivers are responsible individuals who do not abuse alcohol, and our society has conferred a number of privileges and obligations upon those aged 18 to 21. Removing the purchase of alcoholic beverages from those privileges would seem to be a drastic step. But in 21 States, the overriding importance of reducing auto fatalities has led the State legislatures to adopt 21 as the drinking age.

One has only to consider the statistics to understand why State after

State has taken this step. According to the Surgeon General, the life expectancy for every age group in our Nation has increased with the exception of those 15 to 24 years old. Despite the tremendous strides being made by medical science in helping our citizens to live longer, healthier lives, the death rate for those 15 to 24 is higher today than it was 20 years ago. And alcohol-related auto accidents are the major contributing factor.

According to the National Transportation Safety Board, 20 percent of the drivers involved in alcohol-related fatal accidents in 1982 were under 21 years of age, yet these drivers represented only 8 percent of the licensed drivers and drove only 9 percent of the total vehicle miles. Clearly, the incidence of tragic auto accidents among young drivers runs far out of proportion with their representation in the driving population.

A respected study by the Insurance Institute for Highway Safety has indicated that a striking correlation exists between the drinking age and alcohol-related auto fatalities. In a study of States in which the drinking age was raised, the Institute found a 28-percent reduction in fatalities attributable to drunk driving.

Rhode Island has taken a leading role in adopting tougher efforts to curb drunk driving. Mandatory license suspensions for first offenders, increased enforcement efforts, public awareness campaigns and other measures have begun to result in fewer auto fatalities. The drinking age in Rhode Island was increased from 18 to 19 in 1978, then to 20 in 1981, and will rise to 21 next month. Whereas those aged 16 to 19 accounted for over 23 percent of those killed in highway accidents in Rhode Island in 1978, today they account for 10 percent.

Although the Rhode Island General Assembly has voted to raise the drinking age to 21, the drinking age remains 20 in neighboring Massachusetts and Connecticut. This raises the deeply troubling prospect of young Rhode Islanders crossing State borders to purchase alcoholic beverages, then driving back across the State line. Border-crossing by drinking drivers is one of the most frightening aspects of the drunk driving dilemma, and I do not believe the States should delay any longer in adopting uniform standards.

I support the Lautenberg-Danforth amendment because it will provide a strong incentive for States to rectify the disparity between drinking ages which contributes to the border-crossing hazard and its incentive for people to both drink and drive.

However, it is essential for the Senate to recognize that in encouraging a higher drinking age we have only begun to resolve the drunk driving problem. Drivers older than 21 are still responsible for 80 percent of alcohol-related fatalities. Other strong actions will be necessary in order to reduce the incidence of drunk driving throughout all age groups. In addition to the increased drinking age, a series of initiatives has been recommended in the recent report of the Presidential Commission on Drunk Driving.

The Lautenberg-Danforth amendment recognizes the need for this combined approach by establishing a program of modest rewards for States which adopt mandatory license suspension as a penalty for drunk driving. Narrowing the discretion of judges in setting penalties for drunk driving is extremely important in deterring violators. In addition, computerized safety recordkeeping systems are an effective intrastate enforcement tool which this amendment would encourage through incentive grants. This proposal also includes an incentive for the States to establish programs to combat the problem of drugged driving.

The administration has expressed its strong support for the Lautenberg-Danforth proposal, and similar legislation has been approved in the House. Passage of this amendment will thus provide the best opportunity for positive congressional action this year in the fight against drunk driving.

I believe we must continue to examine carefully the comprehensive measures recommended in the Commission report, and to closely monitor the progress of the States in responding to these suggestions. Congress should be prepared to approve stronger incentives to encourage mandatory license suspensions and other deterrents in the future.

Alcohol abuse and its potential for resulting in tragedy on our highways will not disappear. Our efforts to grapple with the problem must not end with the conclusion of this debate. I look forward to joining my colleagues in a continuing effort to reduce death on our Nation's highways due to drunk driving.●

Mr. MATTINGLY. Mr. President, the issue of drunk driving among teenagers is an issue whose time has come, and I am glad. For too many years, we have sat silently by and let hundreds of our young people die themselves, kill, or seriously injure others. It is astounding to me that some say that an average of 14 teenagers die each day in drunk driving accidents.

While studying the issue of the 21 minimum drinking accidents. I reviewed page after page of statistics on the subject. One of the most striking statistics is that over the past 75 years the life expectancy in the United States has increased for every group except one age bracket, the 15- to 24-year-old category. The leading single cause of death in this group is drunk driving. Furthermore, about 3.3 million young people are problem drinkers.

There are none in this body that would want to stand in the way of efforts to reduce drunken-driving-related fatalities. In every State in the Union, it is a problem. In Georgia alone, in 1982, nearly half of the auto accident fatalities involved at least one drunken driver. Also, more than 75,000 persons were arrested for driving under the influence.

One of the questions that is perpetually raised when the issue of a minimum legal drinking age is discussed is "Why single out teenagers?" The facts speak for themselves. Teenagers comprise 8 percent of the population, drive only 6 percent of all highway miles, yet are involved in 15 percent of all fatal alcohol-related accidents. Studies by the National Highway Traffic Safety Administration have demonstrated that the rate of alcohol-related crashes declines dramatically, an average 28 percent, just after the age of 21.

We need a minimum drinking age of 21.

When the Presidential Commission on Drunk Driving was appointed on April 14, 1982, it faced an enormous task. That task was, "to encourage State and local governments, as well as the private sector, to implement programs that will reduce the carnage caused by the drinking driver on our highways."

The Commission issued its final report and response to that charge in November 1983. Among its findings were these:

First, there is evidence of a direct correlation between the minimum drinking age and alcohol-related crashes among the age groups affected.

Second, raising the legal drinking age has produced an annual reduction of 28 percent in nighttime fatal crashes involving affected 18- to 21-year-old drivers.

Third, the lack of uniformity among State laws is especially critical regarding the minimum legal drinking age because an incentive to drink and drive is established when young persons commute to border States where the drinking age is lower.

There are those who argue that simply raising the minimum age to 21 is not enough. They argue that the President's Commission had many more recommendations that should be implemented. I argue, however, that raising the age to 21 is a place to start. Congress is not always known for its ability to tackle a problem in a comprehensive fashion. This is no exception. But one step forward is better than no step at all.

I believe that next we must work to improve our education programs, those programs that warn about the harms of alcohol and drug abuse. We must also step up our enforcement efforts.

Today, we are considering two options related to establishing a minimum drinking age of 21. Both options have the same goal. Senator LAUTENBERG's legislation would hold a stick over the heads of the States, a threat. Senators SIMPSON, SYMMS, and HUMPHREY would offer a carrot, an incentive.

Let's not lose sight of two important considerations. First and foremost, we must reduce the number of alcohol-related fatalities. Too many lives have been lost and too much sadness has resulted from the brief moment when a dazed, numbed driver lost control of his or her car. This has happened far too often, and we must do something to stop it.

It is also our responsibility to look at another, a broader philosophical issue—the limit to which the Federal Government should intrude into matters rightfully left to the States. This must be taken into account in making our decision.

When weighing these two issues, however, we must not lose sight of the overriding goal—that of reducing the loss of human life. Ultimately, the decision will have to be made whether to cast a vote for or against a 21-year-old minimum drinking age. I believe there is an overwhelming need to raise the age and, therefore, will support such legislation.

Mr. PERCY. Mr. President, I rise today as a cosponsor of this fine amendment which Senators LAUTENBERG, DANFORTH, and WEICKER have put together to H.R. 4616. There is no doubt in my mind that the time has come for the Federal Government to encourage all States to reimpose the age of 21 as the legal minimum age for the purchase of alcoholic beverages.

There is an epidemic in our country and it is killing our youth; 14 teenagers die every day in alcohol-related accidents. Congress must act to try to solve this problem.

The mechanism for enforcement in the Lautenberg bill is an intelligent one and will, I believe, prove effective. By witholding from States which have not passed a 21 drinking age law 5 percent of their Federal highway funds the first year and 10 percent of those funds the second, Congress is not only sending a clear message that it wants a 21 age, we also now have the ability to back up this wish with the stick of financial hardship. This mechanism of highway funds witholding is the same that used to get enforcement of the 55-mile-per-hour speed limit which has been uniform for many years across the Nation.

In Illinois, we have the particularly terrible problem of young people traveling out of the State—which has a 21 drinking age—to the neighboring State of Wisconsin, which does not. Transportation Secretary Dole has called this the problem of "blood borders." Mr. President, that characterization rings terribly true in northern Illinois. Weekend after weekend young people from Chicago and its suburbs drive north to drink at bars just over the State line. Weekend after weekend, too many of them die on the way home, killed in drunk-driving accidents.

This must stop. Congress can act to help solve the problem and I am hopeful that the Senate will to its duty today and pass this amendment. If we do not, we are vitually ensuring that this epidemic will continue unabated and perhaps worsen.

I also support the three other parts of this amendment. I agree with placing drugged driving on the list of those factors taken into account by the National Highway Traffic Safety Administration in awarding grant money under alcohol incentive grant programs to States. I also support Federal funding for a program which will improve our national data banks on problem drunk and drugged drivers. If a driver has a history of drunk driving in, say, Arkansas, there ought to be a better way for police in other States to find this out when they pick up this driver on a similar charge. Senator WEICKER's provision offering a bonus in Federal aid to States who impose mandatory sentencing laws for drunk drivers will also be helpful.

Finally, I want to stress my support of H.R. 4616, which is the bill actually before us, the Child Safety Restraint Act. Again, here is another place where the Federal Government can act quickly and decisively to help save the lives of American citizens. This bill would direct States to earmark 8 percent of their highway safety apportionments under Federal law for the development and implementation of comprehensive programs to further the use of child safety restraint systems in motor vehicles.

The Surgeon General has reported that "no other preventable cause of death poses such a major threat as automobile accidents which account for 45 percent of total childhood mortality." This is a grave statistic. Yet simple safety restraints for our children will reduce that statistic significantly. This bill will help us toward that goal.

H.R. 4616 will save lives. The amendments to it will save lives. Let us pass both these pieces of legislation.

Mr. President, I ask unanimous consent that the following letter from Jim Edgar, supporting the 21 drinking age, be included at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF ILLINOIS,
OFFICE OF THE SECRETARY OF STATE,
Springfield, IL, May 31, 1984.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, DC.

DEAR SENATOR PERCY: One of the most sobering statistics to those of us who have a responsibility for highway safety is the fact that life expectancy for young persons 15 to 24 years of age has actually been decreasing, while the life expectancy for all other age groups has significantly increased. The major reason for the death and injury of these young persons is motor vehicle crashes, at least 60 percent of which involve a drinking driver.

As you know, much has been done during the last three years to combat the drunk driver problem. However, a very important task which remains to be accomplished is the establishment of a uniform age at 21 years for the purchase and/or possession of alcoholic beverages among all states. Currently, approximately 23 states have laws requiring a minimum 21 year drinking age. Inherent in the fact that only less than half our states have a minimum 21 year drinking age is that many of our young people, especially those who reside near state borders, are actually motivated to drive to neighboring states where the drinking age is lower. The result, of course, is that these same persons then commute to their homes following an evening of drinking, and many are involved in needless tragedies which result in the death and injury of themselves, their passengers, and other persons who may be sharing the highways.

The merits of a nationwide, uniform minimum 21 year drinking age for all alcoholic beverages are well founded. This issue was given much consideration by the Presidential Commission on Drunk Driving which resulted in the Commission's recommending that legislation be enacted at the federal level providing that Federal-Aid Highway Funds be withheld from states not enacting such legislation. As you may know, I served on the Presidential Commission on Drunk Driving and was the leading proponent of this recommendation.

The lack of a uniform drinking age is of special concern to those of us who reside in Illinois considering that we have two bordering states, Iowa and Wisconsin, where the drinking age is now 19 years. The border with Wisconsin along Lake and McHenry Counties has been called the "blood border" due to the high number of motor vehicle crashes involving our young people returning from Wisconsin. Since Illinois restored the drinking age to 21 in 1980, we have shown a substantial statewide reduction in the number of young drivers killed on our highways. Unfortunately, this reduction has not been nearly as significant in those counties bordering Wisconsin and Iowa. It does not appear that either state will act to remedy this situation in the forseeable future. Legislation has been introduced in both states to raise the minimum drinking age to 21 for all alcoholic beverages, but has not been successful. Further, Governor Earl of Wisconsin has publicly announced that he would veto any bill which raised the drinking age above 19.

Legislation is pending in Congress which would provide strong encouragement to all states to pass laws requiring a minimum 21 year age for the purchase or possession of all alcoholic beverages.

At this time, Chairman James Edward of the Committee on Public Works and Tranportation, has introduced H.R. 5383 which would provide a period of one year for each state to enact such legislation. Following this, 5 percent of any state's Federal-aid Highway Funds would be withheld during the second year in which the state had not enacted such legislation, and 10 percent withheld during a third year in which the state had not enacted such legislation. I understand that Chairman Howard plans to bring this measure before the House in the near future. Also, Senator Frank Lautenberg (New Jersey) has introduced S. 2719 which contains identical language.

I would very much appreciate your supporting and joining as a co-sponsor on this important legislation.

Thank you very much for your consideration. I value your alliance in making our highways safer.

Sincerely,

JIM EDGAR,
Secretary of State.

● Mr. BINGAMAN. Mr. President, I am happy to support the amendment offered by my distinguished colleagues from New Jersey and Missouri. I agree with them that today the Senate has a rare opportunity to take action which will save many young lives across the Nation. The proposal they have made seems to me to be a well considered and fiscally responsible response to the terrible toll caused by drunk drivers.

It is not surprising to me that this proposal enjoys bipartisan support not only in this body, but also in the House of Representatives where it passed on June 7. Support for the proposal is not partisan or regional, because the problem it seeks to address is not partisan or regional. Drunk driving is clearly a national problem. It is one which requires a national solution. It is one which calls for Federal action.

Experience has shown that there is a correlation between the raising of the drinking age to 21 and the lowering of the number of alcohol-related traffic fatalities. Problems arise when we turn to the role which the Federal Government should play in seeking a solution to the problem of alcohol-related deaths on our Nation's highways. President Reagan, who has long been a champion of States rights and who initially opposed this measure, has come to realize that drunk driving is a problem of national scope, which requires a solution of equal scope. Secretary of Transportation Elizabeth Dole has expressed her support for this amendment, and the President has indicated that he will sign it into law when it reaches his desk.

As attorney general of my home State, I saw first-hand the enormity of the problem facing us in regard to the problem of drunk driving. I believe that this amendment offers us a constructive and positive means of curbing the horrendous toll of alcohol-related deaths on our Nation's highways. I urge my colleagues to support this amendment and thereby take a positive step toward solving this serious problem.●

● Mr. LEVIN. Mr. President, I have cosponsored the Lautenberg-Danforth amendment to the Child Restrain Safety Act, H.R. 4616, because of the compelling evidence which shows the correlation between drinking and the number of injuries and fatalities involving young drivers. While I generally favor Federal legislation which provides incentives to the States to change their laws, rather than penalizing them for failing to do so, the need for a uniform law in this area is literally a matter of life and death.

Twenty-three States currently prohibit drinking below the age of 21, including my own State of Michigan. Because traffic deaths among young people between the ages of 18 to 21 have been reduced in those States which have higher drinking ages, the argument for Federal action is convincing. A uniform law is reasonable in order to prevent people under the age of 21 from traveling to States where the drinking age is lower to obtain alcohol.

No one is arguing that passage of the Lautenberg-Danforth amendment will solve the drunk driving problem in America. It is only one part of solving the problem, but it is a part that we can do today, and assure the saving of many lives. In addition, a program of incentives along the lines of those proposed by the Humphrey-Simpson-Symms alternative can and should also be adopted. There need be no conflict here. Everything reasonable should be done to reduce the slaughter on our highways.

It is reasonable to have a uniform national drinking age of 21. In addition, it is reasonable to adopt an incentive program such as the one proposed by my colleagues here today. But, it is not reaonable to bypass this opportunity to take this important first step, and establish a uniform national drinking age of 21.

Finally, I congratulate Senators LAUTENBERG and DANFORTH for their extraordinary efforts.●

Mr. GRASSLEY. Mr. President, 14 years ago while serving as a member of the Iowa Legislature I opposed lowering the legal drinking age in Iowa from 21 to 18. I also authored in 1963 the Iowa law which requires a suspected drunk driver in Iowa to submit to a blood test or forfeit their right to drive. Although this is an issue that generally belongs under State jurisdiction, last year I cosponsored a bill that addresses this problem through an appropriate Federal avenue—Federal bankruptcy laws. Senate bill 606 bars a drunk driver from filing bankruptcy to avoid paying damages resulting from drunk driving-related accidents. This bill was approved by the Senate on April 27, 1983.

Today we are considering a piece of legislation that forces our States to mandate a law that belongs under States' jurisidction, and we should not be legislating in this manner. Therefore I feel I cannot support this amendment and will vote against the proposal.

Mr. MOYNIHAN. Mr. President, as a matter of general principle, I would have preferred an incentive approach whereby the Federal Government would reward States that establish a 21-year-old drinking age. However, as the Senate could not agree to this approach, I support the amendment introduced by Senator LAUTENBERG and Senator DANFORTH.

It is clearly the case that differences in age between the States of New Jersey and New York present a disturbing problem for our neighbor, one to which we have to respond, as indeed Governor Cuomo has urged. On the other hand, I would note that the State of New York's proposal differs from this legislation. As I understand it, the Cuomo administration would prohibit the purchase of alcohol to those under the age of 21. This congressional legislation would prohibit the purchase or possession. Obviously, this will present many, and more complex, difficulties than the sponsors may anticipate.

It is just 25 years since I published what may have been the first epidemiological study on traffic safety. I argued at that time for a basic strategy of improving vehicle and road design and I think that the most promising approach.

Mr. THURMOND. Mr. President, there is no question that the problem of drunk driving is a serious matter, and one that urgently needs to be addressed. I welcome the widespread movement on the part of concerned individuals to combat this problem, and certainly share their goal of reducing the number of highway tragedies that befall far too many American families each year as a result of irresponsible alcohol consumption.

Many State legislatures have recently considered various proposals designed to reduce the incidence of people driving while intoxicated. In an effort to mitigate the problem, my home State of South Carolina, exercising its police power, has adopted a number of new laws. The minimum legal age for consumption of beer and wine has been raised to 19, and will be increased further to 20 on January 1, 1985. A mandatory sentencing law, and a prohibition on open alcoholic beverage containers in moving vehicles are now on the books. In addition, drunk drivers may now be convicted of a felony if they cause an accident in which someone is killed.

Proposals, have also been made for new Federal legislation that would compel the States to establish 21 as a legal minimum drinking age, as a condition for receiving their full allotment of Federal-aid highway funds. While I understand and appreciate the sincerity of the proponents of this proposal, I cannot support its adoption because it would result in Federal encroachment into areas that have been reserved to the States under the U.S. Constitution and by firmly established traditional division of Federal-State responsibilities.

Mr. President, ours is a constitutional government—founded and based upon the Constitution. The 10th amendment to the Constitution clearly states that:

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

The basic premise of these few, but extremely important words, is easily understood. All powers not specifically delegated to the Federal Government by the Constitution are reserved to the States, and to the people. Nowhere in the Constitution has the power to regulate the sale and consumption of alcoholic beverages been delegated to the Federal Government.

It is my belief, Mr. President, that the Founding Fathers exhibited profound wisdom in their careful drafting of the Constitution and the Bill of Rights. Incorporated in the words and spirit of our Constitution is the firm belief of those great leaders that, except on matters directly affecting the security, economic well-being, and foreign affairs of the Nation as a whole, the people are best served by reserving decisions on most other domestic issues to units of government more closely connected to and familiar with these issues. The form of federalism envisioned by the Constitution and its drafters left State and local governments free to determine and meet the needs of their respective citizens in the manner deemed most appropriate to State and local conditions.

Mr. President, the reasons for adoption of the 10th amendment are just as compelling, and just as important, if not more so, today than in the early days of our Republic. The Federal Government has grown in power and size far beyond anything I believe the framers of our Constitution could have possibly imagined. We have reached a point where our citizens feel they have little control over decisions that affect their daily lives.

Those desirous of expanding the power of the Federal Government beyond that granted to it by the Constitution have found various mechanisms for achieving their objective. Almost every Federal tax dollar returned to States and localities by the Federal Government is returned with strings attached. Thus, States and localities are put in the position of either foregoing the service or program for which these funds would have been used, raising taxes to compensate for the lost Federal funds, or submitting to a form of Federal bribery.

This practice, Mr. President, is nothing short of coercion and blackmail by the central government in Washington. I believe it to be repugnant to the Constitution, inconsistent with sound principles of federalism, and not in the best interest of our country. I do not believe this practice should be continued.

Mr. President, while I wholeheartedly agree that drunk driving is a serious problem, and one that urgently needs to be addressed, I cannot support legislation such as this that would result in further Federal encroachment into areas reserved to the States. With the repeal of the 18th amendment and the ratification of the 21st amendment, the regulation of alcoholic beverage sales and consumption is more clearly than ever left to the police power of the respective States.

The 21st amendment provides that:

> The transportation or importation into any State, Territory, or possession of the United States for delivery or use therein of intoxicating liquors, in violation of the laws thereof, is hereby prohibited.

This amendment explicitly and implicitly reinforces the principle that the power to regulate sale and consumption of alcohol is vested in the respective States. Doubtless, it would be unconstitutional for the Congress to pass a law setting a national minimum drinking age, as such a law would contravene the 10th and 21st amendments. What the Congress cannot do directly, it should not attempt indirectly through a coercive condition attached to the receipt of Federal funds.

Mr. President, during my years in the Senate, I have often voiced my opposition to Federal intrusion into areas reserved to State and local governments. Far too often today legislation is proposed whereby the Federal Government seeks to force its will on the States regarding matters within the jurisdiction of the States. I believe this to be contrary to our form of government and violative of sound constitutional principles.

It is for these reasons Mr. President, that I cannot support the amendment offered by the distinguished Senator from New Jersey [Mr. LAUTENBERG]. If adopted, this amendment would authorize the withholding of a portion of Federal-aid highway funds from any State that does not enact 21 as the legal minimum drinking age.

Should a State not enact 21 as the legal minimum drinking age by October 1986, it would be subjected to a 5-percent reduction in its Federal-aid highway funds for fiscal year 1987. In fiscal year 1988, a State not having enacted such a law would suffer a 10-percent reduction in these funds.

Mr. President, I am fully aware of the support this proposal has in the Senate, and expect that it will become law. A similar measure recently passed the House on a voice vote. President Reagan and Secretary of Transportation Dole also recently endorsed this legislation, thereby giving impetus to its passage.

Let it be clear that I share the concerns of those who favor this amendment, and I certainly recognize the urgency of addressing this problem in an effective manner. Nevertheless, Mr. President, I do not believe this to be the proper approach. Federal Government encroachment into areas reserved to the States is contrary to sound principles of federalism, contrary to our form of government, and contrary to the Constitution. I, certainly, hope that this manner of achieving a particular policy objective will not become even more of a routine practice than it already has. For these reasons, I shall vote against this amendment.

Mr. BYRD. Mr. President, I strongly support the amendment offered by my distinguished colleague from New Jersey [Mr. LAUTENBERG].

The consequences of drunk driving are a national tragedy. Fifty percent of all highway deaths involve the irresponsible use of alcohol. In the past 10 years, 250,000 Americans have lost their lives as the result of alcohol-related crashes. In those alcohol-related crashes which involved a single driver, 65 percent of the driver fatalities involved drivers who were legally under the influence of alcohol. For Americans under the age of 35, motor vehicle incidents are the No. 1 cause of death, and more than half of these are caused by drunk drivers. Moreover, drivers between the ages of 16 and 24 years of age account for a disproportionate share of the nighttime alcohol-related fatalities. This age group accounts for 44 percent of those fatalities; yet, drivers between the ages of 16 and 24 comprise only 22 percent of the total number of people licensed to drive.

There is one statistic which gives us a stark indication of the nature of the national human tragedy of drunk driving. The Surgeon General of the United States has reported that over the past 75 years the life expectancy has risen for every age group except those 15- to 24-years old. The leading cause of death in that age group is drunk driving, and the death rate in that age group is higher now than it was 75 years ago.

America's young people are dying needlessly, tragically, on the Nation's highways because of drunk driving. Thousands more are crippled and maimed as a result of drunk driving. It is as if there were a plague in the land which is killing, maiming, and disabling America's youth. The tragedy of young lives wasted on the Nation's streets and highways must be stopped. The waste of potential, the permanent foreclosing of the possibility of making a contribution to the future of this Nation must be stopped.

There is growing evidence that raising the drinking age contributes directly to a reduction in alcohol-related highway fatalities and accidents. We know that, as a rule, young people under the age of 21 are, generally, still inexperienced, both as drinkers and as drivers, and that the consequences of this inexperience are often reflected in statistics about highway deaths and accidents. It is our responsibility to protect these young drivers from these consequences. If we fail to carry out this responsibility, America's young people will continue to maim and kill themselves and others.

There are too many parents, grandparents, brothers, sisters, and other family members who must daily face the pain of losing a loved one to this tragedy of drunk driving. There are too many young drivers who must carry a burden of guilt and shame all their lives because in a moment of youthful recklessness, they killed or injured someone while driving under the influence of alcohol.

America's youth are a resource as precious to us as any bestowed upon the land. We have a responsibility to protect and nurture this resource, for out of America's youth the future of the Nation will grow. We must pass this bill. We owe it to the grieving families and youngsters whose lives have been touched so deeply by the tragedy of drunk driving. We owe it to our children, and we owe it to the Nation. I urge my colleagues to vote for this bill. Help put an end to the carnage on our Nation's highways.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Jersey and the Senator from Missouri. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Illinois [Mr. DIXON], and the Senator from Colorado [Mr. HART] are necessarily absent.

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK] and the Senator from Illinois [Mr. DIXON] would vote yea.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 81, nays 16, as follows:

[Rollcall Vote No. 158 Leg.]

YEAS—81

Abdnor
Andrews
Baker
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dodd
Dole
Domenici
Durenberger
Eagleton
East
Exon
Ford
Garn
Glenn
Gorton
Hatch
Hatfield
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Huddleston
Inouye
Jepsen
Kassebaum
Kasten
Kennedy
Lautenberg
Laxalt
Levin
Lugar
Mathias
Matsunaga
Mattingly
Metzenbaum
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Percy
Pressler
Proxmire
Pryor
Quayle
Randolph
Riegle
Roth
Rudman
Sarbanes
Sasser
Specter
Stafford
Stevens
Tower
Trible
Tsongas
Warner
Weicker
Wilson
Zorinsky

NAYS—16

Armstrong
Baucus
Evans
Goldwater
Grassley
Humphrey
Johnston
Leahy
Long
McClure
Melcher
Simpson
Stennis
Symms
Thurmond
Wallop

NOT VOTING—3

Burdick
Dixon
Hart

So the amendment (No. 3334) was agreed to.

Mr. DANFORTH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BRADLEY. Mr. President, I think this moment should not pass without an expression from me about the work of my distinguished colleague [Mr. LAUTENBERG]. This is his first amendment. It clearly is a major accomplishment. I wish to express my admiration and respect for his work. He has worked hard, he has negotiated carefully, he has argued persuasively. I think it is a significant achievement that will stand the test of time, and with this as his first amendment, the Senate will look forward to, I hope, many, many years of significant bills due to his service in the U.S. Senate.

Mr. President, I could not let this moment pass without paying tribute to him.

Mr. DANFORTH. Mr. President, I wish to take this opportunity to express my special gratitude to two staff people who have worked tirelessly for the enactment of this legislation. They are Mrs. Karen Borlang Phillips of the Commerce Committee staff and Walter McCormick of my personal staff. They have brought to this legislation not only great skill and great ability but also drive, determination, and spirit, which, to me, deserves special note. Without their efforts in working out the various difficulties along the way, this bill would not have been in the position that it is in today.

Mr. LAUTENBERG. Mr. President, I thank my colleague [Mr. BRADLEY] for his kind remarks. I do want to give special thanks to the majority leader, who saw me through moments of tension and anxiety and always responded with equanimity and grace. I am grateful especially to be able to get this amendment to the floor today and to have the patience and sufferance of all my colleagues—the minority leader, who gave me advice and counsel throughout all these proceedings. The advice was invaluable, and the counsel was correct. I thank him publicly as well.

I thank my colleagues on this amendment, Senator DANFORTH and Senator LUGAR, and I also thank Senator PELL and Senator BURDICK, who were cosponsors on this legislation when I first introduced it in February.

I am grateful to Senator WEICKER for his contribution and his support for this measure, and my colleague from Maine [Mr. MITCHELL] whose eloquence, I think, helped make the case so clearly.

I thank also Senator STAFFORD, the chairman of the Committee on Environment and Public Works, on which committee I serve, for his support. I also thank my esteemed colleague, Mr. RANDOLPH for his help and support.

I thank also the staff from my office, Eve Lubalin and Tom Howarth, who worked so hard and were so supportive through all these days, supplying the information and support that was needed every step along the way. I am grateful to them for the work they did. It went way beyond the call of duty.

With respect, I also wish to acknowledge those who differed from my view, the Senators from New Hampshire [Mr. HUMPHREY] and Idaho [Mr. SYMMS and Mr. MCCLURE] and Wyoming [Mr. SIMPSON], who wanted to achieve the same goal, and I believe, but approached it differently. I believe the debate was one of mutual respect and tolerance of view. I appreciate the fact that when we finally came to the end of the debate and the vote was taken, they offered me their congratulations. I offer them mine.

I thank the Chair for this opportunity to express these views.

Mr. BYRD. Mr. President, I thank the distinguished Senator from New Jersey for his kind comments with reference to the majority leader and me. I compliment him. This is his first time, I believe, to manage the floor on an amendment. He demonstrated a thorough knowledge of the subject matter, a very careful skill, and a great deal of patience. I can recall many times over the past few weeks he has discussed this matter with me. I think he has performed in a very admirable way and with sophistication and I compliment him.

I also wish to thank him for this work that he has done. I support the legislation. I indicated that support publicly some several days ago. I commend him on his determination, on his tenaciousness and on his profound interest in and concern about this difficult problem, one that has resulted in deaths of thousands of our young people on the highways and many other hundreds of persons who are adult but whose lives may have been given as a result of the use of intoxicating beverages by young people.

I also commend Mr. Danforth for his great skill for which we are all proud, and we know of his dedication to this matter. I commend, as well, all of the others who have participated, whether they were agreeable to our point of view or not. We respect their viewpoints. The Senate has, as it usually does and is meant to do, finally worked its will. I think, in a way, that is commendable to the Senate as a whole.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, shall it pass?

The bill (H.R. 4616), as amended, was passed.

Mr. DANFORTH. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ROUTINE MORNING BUSINESS

Mr. STEVENS. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business during which Senators may speak for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE HOUSE

At 10:50 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills, without amendment:

S. 2375. An act to amend the Small Business Act to improve the operation of the secondary market for loans guaranteed by the Small Business Administration; and

S. 2403. An act to declare that the United States holds certain lands in trust for the Pueblo de Cochiti.

The message also announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 529. An act to revise and reform the Immigration and Nationality Act, and for other purposes.

The message further announced that the House has passed the bill (S. 2048) to provide for the establishment of a task force on organ procurement and transplantation and an organ procurement and transplantation registry, and for other purposes, with amendments; it insists upon its amendments to the bill, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. Dingell, Mr. Waxman, Mr. Luken, Mr. Walgren, Ms. Mikulski, Mr. Gore, Mr. Broyhill, Mr. Madigan, and Mr. Dannemeyer as managers of the conference on the part of the House.

The message also announced that the House insisted upon its amendments to the bill (S. 663) to make persons who produce agricultural commodities on highly erodible land ineligible for certain agricultural related programs, and for other purposes, disagreed to by the Senate; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. de la Garza, Mr. Jones of Tennessee, Mr. Weaver, Mr. Bedell, Mr. English, Mr. Glickman, Mr. Daschle, Mr. Stenholm, Mr. Tallon, Mr. Durbin, Mr. Evans of Illinois, Mr. Madigan, Mr. Coleman of Missouri, Mr. Jeffords, Mr. Skeen, Mr. Morrison of Washington, and Mr. Gunderson as managers of the conference on the part of the House.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H.R. 5167) to authorize appropriations for fiscal year 1985 for the military functions of the Department of Defense, to prescribe military personnel levels for that fiscal year for the Department of Defense, and for other purposes, agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House:

From the Committee on Armed Services: Mr. Price, Mr. Bennett, Mr. Stratton, Mr. Nichols, Mr. Daniel, Mr. Montgomery, Mr. Aspin, Mr. Dellums, Mr. Dickinson, Mr. Whitehurst, Mr. Spence, Mrs. Holt, Mr. Hillis, and Mr. Badham.

From the Permanent Select Committee on Intelligence, solely when differences regarding intelligence-related activities are under consideration: Mr. Boland, Mr. Mineta, Mr. Hamilton, Mr. McCurdy, Mr. Robinson, and Mr. Stump.

From the Committee on Education and Labor, solely for the consideration of sections 1026, 1036, and 292 and title IV of the Senate amendments and modifications thereof committed to conference: Mr. Perkins, Mr. Ford of Michigan, Mr. Andrews of North Carolina, Mr. Miller of California, Mr. Simon, Mr. Erlenborn, Mr. Goodling, and Mr. Coleman of Missouri.

From the Committee on Foreign Affairs, solely for the consideration of sections 1021, 1025, 1029, 1030, 1035, 1037-1039, 1041, 1042, and 1047, and title IV of the Senate amendments and modifications thereof committed to conference: Mr. Fascell, Mr. Hamilton, Mr. Yatron, Mr. Solarz, Mr. Bonker, Mr. Mica, Mr. Broomfield, Mr. Winn, and Mr. Pritchard.

Solely for the consideration of section 207 of the House bill and section 1011 of the Senate amendments: Mr. Brown of California and Mr. Mavroules.

Solely for the consideration of sections 110 and 1132 of the House bill and section 1008 of the Senate amendments: Mrs. Schroeder, Mr. Mavroules, and Mr. AuCoin.

Solely for the consideration of section 812 of the House bill and those portions of section 199 of the Senate amendments which add section 2323 to title 10 of the United States Code relating to spare parts: Mr. Bedell.

Solely for the consideration of section 1112 of the House bill and modifications thereof committed to conference: Mr. Skelton.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 5653) making appropriations for energy and water development for the fiscal year ending September 30, 1985, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. Bevill, Mrs. Boggs, Mr. Chappell, Mr. Fazio, Mr. Watkins, Mr. Boner of Tennessee, Mr. Whitten, Mr. Myers, Mrs. Smith of Nebraska, Mr. Rudd, and Mr. Conte as managers of the conference on the part of the House.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H.R. 5713) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1985, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. Boland, Mr. Traxler, Mr. Stokes, Mrs. Boggs, Mr. Sabo, Mr. Boner of Tennessee, Mr. Whitten, Mr. Green, Mr. Coughlin, Mr. Lewis of California, and Mr. CONTE as managers of the conference on the part of the House.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 5753) making appropriations for the legislative branch for the fiscal year ending September 30, 1985, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. FAZIO, Mr. OBEY, Mr. MURTHA, Mr. TRAXLER, Mrs. BOGGS, Mr. HIGHTOWER, Mr. WHITTEN, Mr. LEWIS of California Mr. CONTE, Mr. MYERS, and Mr. PORTER as managers of the conference on the part of the House.

The message further announced that the Speaker appoints Mr. BROOKS and Mr. LUNGREN as additional conferees in the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5174) to provide for the appointment of U.S. bankruptcy judges under article III of the Constitution, to amend title 11 of the United States Code for the purpose of making certain changes in the personal bankruptcy law, of making certain changes regarding grain storage facilities, and of clarifying the circumstance under which collective bargaining agreements may be rejected in cases under chapter 11, and for other purposes.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 4308. An act granting the consent of the Congress to an interstate compact for the preparation of a feasibility study for the development of a system of high-speed intercity rail passenger services; and

H.R. 5604. An act to authorize certain construction at military installations for fiscal year 1985, and for other purposes.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 294. A concurrent resolution expressing the sense of the Congress that the President should express to the Government of the Soviet Union the disapproval of the American people concerning the Soviet Union's systematic nondelivery of international mail addressed to certain persons residing within the Soviet Union, and the U.S. delegation to the Congress of the Universal Postal Union seek the compliance of the Government of the Soviet Union with the treaties governing international mail to which it is a party.

The message also announced that the House has agreed to the following resolution:

H. Res. 531. A resolution electing the Honorable JIM WRIGHT as Speaker pro tempore during the absence of the Speaker.

ENROLLED BILLS SIGNED

The message further announced that the Speaker has signed the following enrolled bills:

S. 837. An act to designate certain National Forest System lands in the State of Washington for inclusion in the National Wilderness Preservation System; and

S. 1135. An act to consent to the Goose Lake Basin Compact between the States of California and Oregon.

The message also announced that the Speaker pro tempore [Mr. WRIGHT] has signed the following enrolled bill:

H.R. 4921. An act to provide for the selection of additional lands for inclusion within the Bon Secour National Wildlife Refuge, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore [Mr. THURMOND].

At 7:12 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 5154) to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. FUQUA, Mr. GLICKMAN, Mr. VOLKMER, Mr. NELSON, Mr. ANDREWS of Texas, Mr. WINN, Mr. LUJAN, and Mr. CARNEY as managers of the conference on the part of the House; and solely for the consideration of section 111 of the bill and modifications thereof committed to conference: Mr. BROWN of California and Mr. WALKER.

The message also announced that the House recedes from its amendment to the amendment of the Senate numbered 14 to the joint resolution (H.J. Res. 492) making an urgent supplemental appropriation for the fiscal year ending September 30, 1984, for the Department of Agriculture; and concurs in the Senate action thereon.

The message further announced that the House agrees to the amendment of the Senate to the joint resolution (H.J. Res. 548) authorizing the President's Commission on Organized Crime to compel the attendance and testimony of witnesses and the production of information, and for other purposes.

The message also announced that the House agrees to the amendments of the Senate to the amendments of the House to the bill (S. 373) to provide comprehensive national policy dealing with national needs and objectives in the Arctic.

The message further announced that the Speaker appoint the following Members as additional conferees in the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5167) entitled "An act to authorize appropriations for fiscal year 1985 for the military functions of the Department of Defense, to prescribe military personnel levels for that fiscal year for the Department of Defense, and for other purposes", solely for the consideration of title VII of the House bill and section 160b of the Senate amendments: Mr. EDWARDS of California, Mr. EDGAR, Mr. SAM B. HALL, JR., Mr. LEATH of Texas, Mr. SHELBY, Mr. APPLEGATE, Mr. HAMMERSCHMIDT, Mr. WYLIE, and Mr. SOLOMON.

The message also announced that pursuant to the provisions of section 225(b) of Public Law 90-206, as amended, the Speaker appoints as members of the Commission on Executive, Legislative, and Judicial Salaries the following members from private life: Mr. John E. Lyle of Houston, TX, and Mr. John J. Creedon of Larchmont, NY.

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1250. An act to improve access for handicapped and elderly individuals to registration and polling facilities for Federal elections;

H.R. 4694. An act to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to waive mandatory reductions in military retirement pay of certain retired military officers recruited for employment by the Department of Medicine and Surgery;

H.R. 5183. An act to direct the Secretary of Agriculture to convey certain National Forest System lands to Craig County, VA; and

H.R. 5584. An act to improve the preservation and management of Presidential records, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker has signed the following enrolled bills and joint resolution:

S. 2403. An act to declare that the United States hold certain lands in trust for the Pueblo de Cochiti;

H.R. 5565. An act to direct the Architect of the Capitol and the District of Columbia to enter into an agreement for the conveyance of certain real property, to direct the Secretary of the Interior to permit the District of Columbia and the Washington Metropolitan Area Transit Authority to construct, maintain, and operate certain transportation improvements on Federal property, and to direct the Architect of the Capitol to provide the Washington Metropolitan Area Transit Authority access to certain real property; and

H.J. Res. 492. Joint resolution making an urgent supplemental appropriation for the fiscal year ending September 30, 1984, for the Department of Agriculture.

The enrolled bills and joint resolution were subsequently signed by the President pro tempore [Mr. THURMOND].

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1250. An act to improve access for handicapped and elderly individuals to registration and polling facilities for Federal elections; to the Committee on Rules and Administration.

H.R. 4694. An act to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to waive mandatory reductions in military retirement pay of certain retired military officers recruited for employment by the Department of Medicine and Surgery; to the Committee on Veterans' Affairs.

H.R. 5183. An act to direct the Secretary of Agriculture to convey certain National Forest System lands to Craig County, VA; to the Committee on Agriculture, Nutrition, and Forestry.

MEASURE PLACED ON THE CALENDAR

The following concurrent resolution was read, and placed on the calendar:

H. Con. Res. 294. Concurrent resolution expressing the sense of the Congress that the President should express to the Government of the Soviet Union the disapproval of the American people concerning the Soviet Union's systematic nondelivery of international mail addressed to certain persons residing within the Soviet Union, and the U.S. delegation to the Congress of the Universal Postal Union seek the compliance of the Government of the Soviet Union with the treaties governing international mail to which it is a party.

The following bill was discharged from the Committee on Agriculture, Nutrition and Forestry and ordered placed on the calendar:

S. 1643. A bill to strengthen the operation of the agricultural stabilization and conservation committee system, and for other purposes.

MEASURE HELD AT THE DESK

Pursuant to the order of the Senate of June 21, 1984, the following bill was held at the desk:

H.R. 4308. An act granting the consent of the Congress to an interstate compact for the preparation of a feasibility study for the development of a system of high-speed intercity rail passenger service.

The following measure was ordered held at the desk until the close of business June 27, 1984, by unanimous consent:

H.R. 5584. An act to improve the preservation and management of Presidential records, and for other purposes.

ENROLLED BILLS PRESENTED

The Secretary reported that on today he had presented to the President of the United States the following enrolled bills:

S. 837. An act to designate certain National Forest System lands in the State of Washington for inclusion in the National Wildernes Preservation System; and

S. 1135. An act to consent to the Goose Lake Basin compact between the States of California and Oregon.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KASTEN, from the Committee on Appropriations, without amendment:

S. 2793. An original bill making appropriations for foreign assistance and related programs for the fiscal year ending September 30, 1985, and for other purposes (Rept. No. 98-531).

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

H.R. 3927. A bill for the relief of Kenneth L. Perrin (Rept. No. 98-532).

H.R [illegible]22. A bill to establish a 1-year limitation on the filing of claims for unpaid accounts formerly maintained in the Postal Savings System (Rept. No. 98-533).

By Mr. D'AMATO, from the Committee on Banking, Housing, and Urban Affairs, with amendments:

S. 910. A bill to amend the Securities Exchange Act of 1934 to increase the sanctions against trading in securities while in possession of material nonpublic information.

By Mr. THURMOND, from the Committee on the Judiciary, with amendments:

S. 1538. A bill to amend the patent laws of the United States.

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. 2766. A bill to amend chapter 44, title 18, United States Code, to regulate the manufacture and importation of armor-piercing ammunition.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PERCY, from the Committee on Foreign Relations:

Clint Arlen Lauderdale, of California, a career member of the Senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Cooperative Republic of Guyana:

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Clint A. Lauderdale.

Post: Ambassador to Guyana.

Contributions, amount, date, and donee:

1. Self: None.
2. Spouse, Maria: None.
3. Children and spouses names: Steve Lauderdale, Mike Lauderdale, Teresa Lauderdale, Regina Lauderdale, Jeanne Lauderdale; none.
4. Parents names: Deceased.
5. Grandparents names: Deceased.
6. Brothers and spouses names: Ben and Tina Lauderdale, Dell and Mary Lauderdale, Harvey and Nina Lauderdale, Glen and Mary Lauderdale; none.
7. Sisters and spouses names: Eulala and Troy Nix, Lorene and Frank Railsback, Mattie and Marvin Ratford, Beth and Buck Knowlton, Grace and James Joyner, Jo and James Reeves; none.

Owen W. Roberts, of New Jersey, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Togo:

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nonimee: Roberts, Owen W.

Post: Ambassador, Togo.

Contributions, amount, date, and donee:

1. Self: None.
2. Spouse: None.
3. Children and spouses names: Read K. Roberts (son), None; Monique Castianx (wife), none.
4. Parents names: Thomas C. Roberts, $200 yearly to Republican Party; Kay Roberts (wife), $200 to Anderson in 1980.
5. Grandparents names: None alive.
6. Brothers and spouses names: Thomas C. W. Roberts, brother, none; Sally R. Roberts (wife), $20 yearly Democratic Party; Fred N. G. Roberts (brother), none; Adelaide Roberts (wife), none.
7. Sisters and spouses names: Mrs. Alice Pierson (sister), none; Dr. Richard Pierson (husband), $100 Anderson 1980, $100 Cranston 1983.

John William Shirley, of Illinois, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States to the United Republic of Tanzania:

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: John William Shirley.

Post: Ambassador to Tanzania.

Contributions, amount, date, and donee:

1. Self: John William Shirley, none.
2. Spouse: Katherine H. Shirley $50, 1982, Richard F. Celeste.
3. Children and spouses names: Gunnery Sergeant and Mrs. Christopher Tunnel, daughter, none; Alexandra Jean Shirley, daughter, none.
4. Parents names: William Shirley, none; Yvette Rosen, none.
5. Grandparents names: None.
6. Brothers and spouses names: None
7. Sisters and spouses names: None.

Alberto Martinez Piedra, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Guatemala:

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Alberto M. Piedra.

Post: Ambassador to Guatemala.

Contributions, amount, date, and donee:

1. Self: None except approximately $25 yearly to the Republican Party since I recall correctly, 1966.
2. Spouse: None.
3. Children and spouses names: None.
4. Parents names: None.
5. Grandparents names: None.
6. Brothers and spouses names: None.
7. Sisters and spouses names: None.

Leonardo Neher, of Maryland, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Upper Volta:

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Leonardo Neher.

Post: Ouagadougou, Upper Volta.

Nominated: March 19, 1984.

Contributions, amount, date, and donee:

1. Self: None.
2. Spouse: None.
3. Children and spouses names: None.
4. Parents names: None.
5. Grandparents names: None.
6. Brothers and spouses names: None.
7. Sisters and spouses names: None.

(The above nominations were reported from the Committee on Foreign Relations with the recommendation that they be confirmed subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation:

Mr. PACKWOOD. Mr. President, for the Committee on Commerce, Science, and Transportation, I report favorably a nomination list in the Coast Guard which was received by the Senate on April 19, 1984, and to save the expense of printing them on the Executive Calendar I ask unanimous consent that the nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BUMPERS (for himself and Mr. Proxmire):

S. 2791. A bill to amend the Internal Revenue Code of 1954 to provide a mechanism for taxpayers to designate any overpayment of income tax, and to contribute other amounts, for payment to the National Organ Transplant Trust Fund; to the Committee on Finance.

By Mr. GORTON:

S. 2792. A bill for the relief of Frederick Paul and Aileen Paul; to the Committee on Finance.

By Mr. KASTEN from the Committee on Appropriations:

S. 2793. An original bill making appropriations for foreign assistance and related programs for the fiscal year ending September 30, 1985, and for other purposes; placed on the calendar.

By Mr. THURMOND (for himself and Mr. Hollincs):

S. 2794. A bill to prohibit the Postal Service from purchasing, erecting, or installing any mail receptacle, mailbox, neighborhood delivery and collection box, or parcel locker for the purpose of providing, with or without charge, any such receptacle, box, or locker to any person; to the Committee on Governmental Affairs.

By Mr. PERCY:

S.J. Res. 320. Joint resolution regarding the implementation of the policy of the U.S. Government in opposition to the practice of torture by any foreign government; to the Committee on Foreign Relations.

By Mr. TOWER (for himself, Mr. Riegle, Mr. Garn, Mr. Proxmire, Mr. Heinz, Mr. D'Amato, Mr. Gorton, Mr. Mattingly, Mr. Hecht, Mr. Trible, Mr. Humphrey, Mr. Cranston, Mr. Sarbanes, Mr. Dodd, Mr. Dixon, Mr. Sasser, Mr. Lautenberg, Mr. Bentsen, Mr. Percy, Mr. Heflin, Mr. Burdick, Mr. Helms, Mr. Exon, Mr. Leahy, Mr. Domenici, Mr. Bumpers, Mrs. Hawkins, Mr. Lugar, Mr. Huddleston, Mr. Goldwater, Mr. Durenberger, Mr. Cochran, Mr. DeConcini, Mr. Inouye, and Mr. Grassley):

S.J. Res. 321. Joint resolution to designate the week of October 14, 1984, through October 21, 1984, as "National Housing Week"; to the Committee on the Judiciary.

By Mr. QUAYLE:

S.J. Res. 322. Joint resolution designating the week beginning on October 7, 1984, as "Mental Illness Awareness Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. D'AMATO (for himself, Mr. Sarbanes, Mr. Riegle, Mr. Tsongas, Mr. Bentsen, Mr. Dixon, Mr. Dodd, Mr. Eagleton, Mr. Moynihan, Mr. Trible, Mr. Percy, and Mr. Cranston):

S. Res. 415. Resolution commemorating the 20 years of Federal support of mass transportation; to the Committee on Banking, Housing, and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BUMPERS (for himself and Mr. Proxmire):

S. 2791. A bill to amend the Internal Revenue Code of 1954 to provide a mechanism for taxpayers to designate any overpayment of income tax, and to contribute other amounts, for payment to the National Organ Transplant Trust Fund; to the Committee on Finance.

(The remarks of Mr. Bumpers on this legislation appear earlier in today's Record.)

By Mr. GORTON:

S. 2792. A bill for the relief of Frederick Paul and Aileen Paul; to the Committee on Finance.

RELIEF OF FREDERICK PAUL AND AILEEN PAUL

● Mr. GORTON. Mr. President, today I am introducing a private bill for the relief of Frederick and Aileen Paul of Seattle, WA. This legislation would relieve Mr. and Mrs. Paul of all Federal income tax liability on sums awarded to Mr. Paul by the Court of Claims in 1975.

Mr. Paul received this award as compensation for 7 years of legal services rendered on behalf of the Alaskan North Slope Eskimos. Mr. Paul's efforts were largely responsible for the passage of the Alaska Native Claims Settlement Act and the creation of the North Slope Borough.

Mr. Paul, who is one-fourth Tlingit Indian, did not include his $275,000 in legal fees in his gross income for 1975 because of a provision in the Alaska Native Claims Settlement Act which states:

> Revenues originating from the Alaska Native Fund shall not be subject to any form of Federal * * * taxation at the time of receipt by a * * * individual Native through dividend distributions *or in any other manner.* 43 U.S.C. 160(a) (emphasis added).

He was advised by three tax attorneys that this provision would cover his legal fees. The Internal Revenue Service and the courts concluded, however, that his fees were not tax-exempt on the basis of the purpose, context, and legislative history of this subsection.

Because of this ruling, Mr. and Mrs. Paul owe more than $200,000 in taxes and interest on his legal fees.

Mr. Paul, who is legally blind, faces possible insolvency because of his invaluable efforts on behalf of Alaskan Natives.

The bill I am introducing today would correct this injustice by relieving Mr. and Mrs. Paul of this unwarranted tax liability. I urge the prompt and favorable consideration of this measure.●

By Mr. THURMOND (for himself and Mr. Hollings):

S. 2794. A bill to prohibit the Postal Service form purchasing, erecting, or installing any mail receptacle, mailbox, neighborhood delivery and collection box, or parcel locker for the purpose of providing, with or without charge, any such receptacle, box or locker to any person; to the Committee on Governmental Affairs.

PROHIBITING THE POSTAL SERVICE FROM PROCURING AND DISTRIBUTING NEIGHBORHOOD BOXES AND PARCEL LOCKERS

Mr. THURMOND. Mr. President, joined by my distinguished colleague from South Carolina, Mr. Hollings, I am pleased today to introduce legislation prohibiting the U.S. Postal Service from engaging in the procurement and distribution of neighborhood delivery and collection boxes and parcel lockers, and apartment house mail receptacles. Enactment of this legislation will prevent the Postal Service from further engaging in activities that have already inflicted great harm on many small businesses across the country.

For the information of my colleagues, neighborhood delivery and collection boxes, and apartment house mail receptacles, refer to various types of centralized delivery mail receptacles—so-called cluster boxes—in which individual mail receptacles are clustered or grouped together within a single unit. Neighborhood delivery and collection parcel lockers are larger than typical mail receptacles and designed to accommodate parcel postage users.

Mr. President, over the years we have witnessed an increase in the types and varieties of mail receptacles available to the public. This increase has come about as the result of concerted effort on the part of manufacturers of mail receptacles and the U.S. Postal Service to better serve the needs of Postal Service customers. Cluster boxes and parcel lockers evolved out of this concerted effort.

Traditionally, the public has been largely free to select the type of mail receptacle suitable to their location and needs. As a condition to the Postal Service delivering mail, mail recepients, for the most part, were obligated to purchase, install, and maintain, at their own expense, a mail receptacle that conformed to official Postal Service specifications. A manufacturing and marketing network, consisting primarily of small businesses, for many years has fulfilled the needs of mail receptacle purchasers. However, the Centralized Delivery Mail Receptacle Program of the U.S. Postal Service has radically altered this system insofar as cluster boxes are concerned.

On March 5, 1981, the Postal Service published a final rule in the Federal Register (46 Fed. Reg. 15263-66 (1981)), under which the Service indicated its intent to procure, install, and maintain cluster boxes and parcel lockers. In response to concerns over the effects this policy would have upon small businesses engaged in the manufacture and marketing of cluster boxes, the regulations provided that the Postal Service would purchase cluster boxes locally and in lots not exceeding 100 units. Furthermore, the Postal Service estimated that the aggregate total number of units purchased during the 3-year period of fiscal years 1981, 1982, and 1983 would not exceed 90,000 units.

Since publication of this rule, the Postal Service has engaged in the practice of purchasing cluster boxes and installing them in housing developments and apartments free of charge. However, the volume of purchases has far exceeded Postal Service estimates. In fiscal year 1981, 17,207 were purchased by the Postal Service. Purchases in fiscal year 1982 totaled 93,859—exceeding by almost 4,000 in 1 year alone the total aggregate number of cluster boxes the Postal Service has pledged not to exceed over the 3-year period of fiscal years 1981, 1982, and 1983.

In fiscal year 1983, the Postal Service purchased an additional 86,784 cluster boxes, resulting in a 3-year aggregate number of cluster box purchases of 197,805—more than twice the estimated number of purchases originally announced by the Postal Service. Additionally, Mr. President, the Postal Service has disregarded its own regulations by greatly exceeding the 100-unit-per-lot purchase limitation specified in the rule authorizing procurement of the cluster boxes.

Mr. President, the net result is that the Postal Service has now become virtually the only purchaser of cluster boxes. This monopsony situation has driven prices below basic manufacturing costs and disrupted the entire marketing chain for cluster boxes. In short, the program has had a severe negative impact on the small businesses engaged in the manufacture and distribution of cluster boxes, and should not be allowed to continue.

The bill which Senator HOLLINGS and I are today introducing would take the Postal Service out of the business of purchasing cluster boxes, and prevent further disruption of the cluster box manufacturing and distribution chain brought about by the anticompetitive effects of the current monopsony situation. I commend this bill to my colleagues in the Senate and urge them to join Senator HOLLINGS and me in working toward its enactment.

Mr. HOLLINGS. Mr. President, I am pleased today to join with my most distinguished colleague, Senator THURMOND, in introducing legislation to end the U.S. Postal Service's involvement in the purchasing and distribution of "cluster mailboxes." Senator THURMOND has very ably outlined the course of events necessitating this legislation so I will only take a moment to add my comments and stress the importance the passage of this measure will have in restoring stability and competition to the cluster mail box manufacturing and distribution industry.

Until the early 1970's, Mr. President, the application and implementation of policy, regulation and standards regarding mail boxes by the U.S. Postal Service and its predecessor, the U.S. Postal Department, was exemplified by its consistency and uniformity. The general rule was that it was the responsibility of the receiver of mail to provide an address and to provide and maintain an acceptable delivery point as a condition of the receipt of mail. This general policy of the Postal Service which has been in effect literally since the inception of U.S. mail delivery, has allowed the private sector—principally, small business—to effectively handle the needs of the U.S. Postal Service and the public with regard to mail delivery points. The cost of mailboxes, their installation and repair were ultimately borne by the receivers of mail in a uniform and consistent manner.

With the issuance of a final rule in the Federal Register on March 5, 1981 (46 Fed. Reg. 15263-66 (1981)), the U.S. Postal Service formally and publicly granted itself the authority to purchase, install, maintain or replace mail receptacles, boxes, and parcel lockers. However, as Senator THURMOND has explained, the final rule did limit the involvement of the U.S. Postal Service in an attempt to ensure the protection of the many competing manufacturers and distributors. Unfortunately, the U.S. Postal Service failed to adhere to either the letter or the spirit of the law. Instead, a national system of distributors and sales representatives have been summarily eliminated by the Postal Service's procurement methods and distribution techniques.

Mr. President, I join with Senator THURMOND in urging my colleagues' support of this legislation. The passage of this measure will remove the Postal Service from the business of purchasing cluster mail boxes and prevent the further disruption of the many small businesses engaged in the manufacture and distribution of cluster mail boxes.

By Mr. PERCY:

S.J. Res. 320. Joint resolution regarding the implementation of the policy of the U.S. Government in opposition to the practice of torture by any foreign government; to the Committee on Foreign Relations.

OPPOSING TORTURE BY FOREIGN GOVERNMENTS

Mr. PERCY. Mr. President, earlier today, the Committee on Foreign Relations met to hear testimony on the practice of torture by foreign governments and U.S. efforts to combat its occurrence. The shocking reality that torture is routinely practiced in more than 60 countries and that allegations of torture have been reported in almost 100 countries compels the attention of all decent people and their governments. We are in debt to the work of Amnesty International in bringing this grim reality to world attention through its recently published report, "Torture in the Eighties." I am particularly interested in exploring additional ways in which our Government can increase its efforts to curb this grievous practice.

As a first step in this effort I am introducing today a joint resolution that requests the Secretary of State to instruct representatives of the U.S. Government abroad to engage in efforts to combat torture in countries where it is practiced. The joint resolution will also require military and law enforcement training provided by the United States to foreign personnel to include instruction in international human rights standards, addressing the practice of torture and the policy of the United States in this regard.

Senator PELL, ranking member of the Foreign Relations has asked to be added as a cosponsor of the joint resolution. I am joined by my colleague in the House of Representatives, DANTE FASCELL, chairman of the House Foreign Affairs Committee, who is submitting an identical resolution on the House side.

We are convinced that both international and domestic pressure can be effective in persuading governments to implement measures to reduce and eventually abolish torture. If one victim can be helped by our efforts, those efforts are worthwhile.

We hope through this effort to continue to expose the practice of torture and convince the practitioners that it is not in their interests to pursue this illegal conduct. This will require an enormous effort to succeed. But if there is ever to be an end, then there must be a beginning.

As a former president of the U.N. General Assembly once remarked:

> A crime against humanity means also a crime against every one of us. * * * Every time a helpless individual is being tortured, our own dignity is being diminished and degraded.

We look forward to the day when the universally proclaimed right to be free of torture is in fact, the reality. Approving this joint resolution is one step that we can take now to achieve that goal.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 320

Whereas internationally recognized nongovernmental and intergovernmental human rights organizations have investigated and reported in detail on the systematic use of torture in more than sixty countries;

Whereas the Department of State in its annual country reports on human rights practices has reported that this gross violation of internationally recognized human rights continues to recur;

Whereas torture knows no ideological boundaries and is practiced in countries in every region of the world;

Whereas torture is absolutely prohibited by international legal standards;

Whereas in those countries where torture is practiced systematically, it is possible to identify laws, institutions, and other forms of political organization that contribute to the practice and allow its continuation;

Whereas legal, medical, religious, and other groups seeking to combat torture emphasize that access to detainees, civil and criminal prosecution of torturers, and rehabilitation of victims of torture are critical steps in reducing the practice and effects of torture;

Whereas the United States Government has supported the work of the United Nations Commission on Human Rights in developing the draft Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment which is intended to reduce the practice of torture and lead to its eventual abolition, and the United States Government is supportive of the United Nations Voluntary Fund for Victims of Torture; and

Whereas the good will of the peoples of the world toward the United States can be increased when the United States Government distances itself from the practice of torture by governments friendly to the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress reaffirms that it is the continuing policy of the United States Government to oppose the practice of torture by foreign governments through public and private diplomacy and, when necessary and appropriate, through the enactment and vigorous implementation of laws intended to reinforce United States policies with respect to torture. The United States Government opposes acts of torture wherever they occur, without regard to ideological or regional considerations, and will make every effort to work cooperatively with other governments and with nongovernmental organizations to combat the practice of torture worldwide.

Sec. 2. (a) It is the sense of the Congress that the President should—

(1) instruct the Permanent Representative of the United States to the United Nations to continue to raise the issue of torture practiced by governments; and

(2) continue to involve the United States Government in the formulation of international standards and effective implementing mechanisms, particularly the draft Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment.

(b) In order to implement the policy expressed in the first section of this joint resolution, it is the sense of the Congress that the Secretary of State should issue formal instructions to each United States chief of mission regarding United States policy with respect to torture, including—

(1) instructions—

(A) to examine allegations of the practice of torture, particularly allegations concerning the existence of secret detention, extended incommunicado detention, and restrictions on access by family members, lawyers, and independent medical personnel to detainees; and

(B) to forward such information as may be gathered, including information regarding any efforts made by the host government to reduce and eliminate the practice of torture, to the Assistant Secretary of State for Human Rights and Humanitarian Affairs for analysis by the Department of State in preparing the annual country reports on human rights practices;

(2) in the case of a chief of mission assigned to a country where torture is regularly practiced, instructions to report on a periodic basis, as circumstances require, to the Assistant Secretary of State for Human Rights and Humanitarian Affairs regarding efforts made by the respective United States diplomatic mission to implement United States policy with respect to combating torture;

(3) instructions to meet with indigenous human rights monitoring groups knowledgeable about the practice of torture for the purpose of gathering information about such practice; and

(4) instructions to express concern in individual cases of torture brought to the attention of a United States diplomatic mission including, whenever feasible, sending United States observers to trials when there is reason to believe that torture has been used against the accused.

(c) The Secretary of Commerce should continue to enforce vigorously the current restrictions of the export of crime control equipment made by or under the Export Administration Act of 1979.

(d) The heads of appropriate departments of the United States Government that furnish military and law enforcement training to foreign personnel, particularly personnel from countries where the practice of torture has been a documented concern, shall include in such training, when relevant, instruction regarding international human rights standards and the policy of the United States Government with respect to torture.

By Mr. TOWER (for himself, Mr. Riegle, Mr. Garn, Mr. Proxmire, Mr. Heinz, Mr. D'Amato, Mr. Gorton, Mr. Mattingly, Mr. Hecht, Mr. Trible, Mr. Humphrey, Mr. Cranston, Mr. Sarbanes, Mr. Dodd, Mr. Dixon, Mr. Sasser, Mr. Lautenberg, Mr. Bentsen, Mr. Percy, Mr. Heflin, Mr. Burdick, Mr. Helms, Mr. Exon, Mr. Leahy, Mr. Domenici, Mr. Bumpers, Mrs. Hawkins, Mr. Lugar, Mr. Huddleston, Mr. Goldwater, Mr. Durenberger, Mr. Cochran, Mr. DeConcini, Mr. Inouye, and Mr. Grassley):

S.J. Res. 321. Joint resolution to designate the week of October 14, 1984 through October 21, 1984, as "National Housing Week"; to the Committee on the Judiciary.

NATIONAL HOUSING WEEK

● Mr. TOWER. Mr. President, today it is a pleasure for Senator Riegle and I to introduce Senate Joint Resolution 321, which designates the week of October 14 to 21, 1984, as National Housing Week.

In the latter stages of recent economic recoveries in this country, housing starts have played an important role in maintaining a stable rate of growth. Our present recovery has been no exception. There were 729,000 housing starts during the first 5 months of 1984 representing a 14-percent increase from the same period last year, and a 70-percent increase from the low point of the 1980 recession. As for yearly totals, current predictions call for 1.76 housing starts in 1984, a stable 39-percent annual growth from the 1983 total.

For the favorable situation in the housing market to remain ongoing, Congress and the Administration must work together to reduce the massive deficits and continue to promote policies that will even further reduce the current low rate of inflation. In order to make homes affordable for most Americans, the maintenance of low interest rates is crucial. Together we can keep the American dream alive by giving each individual the opportunity to own his or her own home.

Mr. President, I urge my colleagues to join in supporting this joint resolution which pays tribute to homebuilders and those in related industries who have led our Nation out of the recession and have aided in creating the stable economic growth we now enjoy.●

● Mr. RIEGLE. Mr. President, I am pleased to join with my distinguished colleague, Senator TOWER, to introduce this joint resolution declaring October 14 to 21, 1984, to be National Housing Week.

It is appropriate that Congress and the Nation as a whole specifically recognize the importance of decent housing to American families. For generations, ownership of their own home has been a central dream of American families. It remains an important goal for most Americans today.

National Housing Week also provides an opportunity for the United States to appreciate the housing industry's enormous contribution to this country's economic vitality, social stability, and quality of life.

Mr. President, homebuilders exemplify the vigor and resourcefulness of American private industry. This industry is made up of over 93,000 firms that range in size from very small businesses up to large, integrated corporations.

Homebuilding has a profound affect on U.S. economic growth. Creating demand in other industries throughout the economy including forestry products, building materials, home decorations, and furnishings.

Homebuilding, which has traditionally led the economy out of a recession, has performed truly remarkable feats during the past year.

From 1980 to 1982, the housing industry suffered its worst decline since the great depression. Housing starts remained below 1 million units for a 9-month period—August 1981 through April 1982—the longest period on record. The 1982 annual level of 1,060,000 housing starts was the lowest since 1945. Thousands of homebuilders were financially damaged. Many were forced into bankruptcy. Thousands of men and women were put out of work.

Despite this disaster, homebuilding has recently rebounded as one of the strongest sectors of the economy. In the past year, the production of 1,703,000 homes created 2.4 million jobs, $47.6 billion in wages, and $20.3 billion in State and local tax revenues.

National Housing Week is an opportunity not only to celebrate that achievement but also to consider the unprecedented challenges that lie before the housing industry in the coming months.

The first concern and largest threat is the possibility that rising interest rates will once again bring a collapse in homebuilding. There is growing evidence of a sharp drop recently in the number of families actively shopping for homes.

For decades, economic policymakers have been willing to treat the homebuilding industry as a balance wheel for the economy. In periods of economic boom, homebuilding was quickly shut down by rising interest rates. And when the economy as a whole sank into recession, falling interest rates stimulated a recovery in the housing sector. Such policies exposed homebuilding to a roller-coaster business environment. Soaring production levels led to labor and material shortages, and the subsequent crash in production created financial damage. The homebuilding industry has had a much more difficult time developing production efficiencies under these conditions than if production had been more stable.

Those who know the homebuilding industry best are very concerned that the last recession was so deep and the financial damage inflicted upon homebuilding firms so severe that rising interest rates now pose a far greater threat than ever before. I believe that one of the Nation's greatest challenges is to reduce that threat to this important sector of our economy.

A second challenge is the growing home-affordability crisis. Up until 1979, a family with median income was able to afford a median-priced new home easily. But in the last 4 years that has no longer been true. This year, a median-priced new home is expected to cost at least $14,000 more than a typical first-time homebuyer could afford. Since 1980, the ratio of homeownership has declined for the first time since the 1940's. In fact, more than half of the homeownership gains of the entire decade of the 1970's have been wiped out in the last 4 years.

Mr. President, since the 1930's both Republican and Democratic administrations have affirmed the Federal responsibility for attaining a goal of a decent home and a suitable living environment for every American family. In the past 3 years, however, Federal support for housing has been cut back more sharply than any other Federal activity. This administration's actions across a broad range of policy areas have been consistent with their early assertions that too much money has been made available for housing.

It is my hope that National Housing Week will provide an occassion for us all to take a more responsible, long-term view of the housing needs of American families.

I am pleased that so many of our colleagues have joined as cosponsors of this joint resolution, and I hope the Senate will soon act upon it favorably.●

By Mr. QUAYLE (for himself, Mr. HATCH, Mr. KENNEDY, Mrs. HAWKINS, Mr. DODD, Mr. RANDOLPH, Mr. GRASSLEY, Mr. PRYOR, Mr. STAFFORD, Mr. SARBANES, Mr. GORTON, Mr. GLENN, Mr. RIEGLE, Mr. LUGAR, Mr. DIXON, Mr. BURDICK, Mr. WEICKER, Mr. SASSER, Mr. DOMENICI, Mr. CHAFEE, Mr. ANDREWS, Mr. LEVIN, Mr. THURMOND, Mr. COCHRAN, Mr. METZENBAUM, Mr. DENTON, Mrs. KASSEBAUM, Mr. BRADLEY, Mr. CRANSTON, Mr. COHEN, and Mr. HEINZ):

S.J. Res. 322. Joint resolution designating the week beginning on October 7, 1984, as "Mental Illness Awareness Week"; to the Committee on the Judiciary.

MENTAL ILLNESS AWARENESS WEEK

● Mr. QUAYLE. Mr. President, on behalf of a number of our colleagues and myself, I am introducing a joint resolution to authorize the President to issue a proclamation designating the week of October 7-13, "Mental Illness Awareness Week."

The purpose of this resolution is to focus public attention on concerns surrounding and advances in treating mental illness. Mental illness is a problem of grave concern and consequence in our society, though it is commonly and unnecessarily feared and misunderstood. Currently, 31 to 41 million Americans suffer from clearly diagnosable mental disorders involving significant disability with respect to employment, attendance at school, or independent living. As many as 12 million children suffer from mental illness, which impairs vital developmental and maturational processes. The elderly are also particularly vulnerable to mental illness. All told, mental illness costs our Nation $65 million annually in health care expenses and lost productivity.

Regrettably, fear and misunderstanding of mental illness still pervade the Nation. Often the mentally ill are portrayed as being morally weak, and not suffering from a condition accepted as a disease. Those afflicted, because of the dual nature of their predicament, their illness, and their shame often do not seek help.

Mental illness is an increasingly curable disability with excellent prospects for amelioration and recovery when properly recognized and treated. Recovery from psychiatric problems is not only possible, but probable. About two-thirds of all mentally ill patients show significant signs of recovery with their initial treatment. Much of the progress in the treatment can be attributed to research in recent decades. This research has led to a wide array of new and more effective modalities of treatment—pharmacological, behavioral, psychosocial—for some of the most incapacitating forms of mental illnesses—including schizophrenia, major affective disorders, phobias, and panic disorders.

Mental health treatment provides a very effective cost-containment tool because treatment can result in reduced utilization of more costly hospital, medical, and surgical services. A recent study by the National Institute of Mental Health found that utilization of medical and surgical services dropped anywhere from 5 to 85 percent following psychiatric care. A Washington, DC, health maintenance organization found that patients receiving needed mental health counseling reduced their nonpsychiatric physician usage by 31 percent and reduced lab tests and x rays by 30 percent.

This joint resolution is inspired and dedicated to such groups as the American Psychiatric Association [APA] whose members research for the treatment of mental illness and treat those suffering from the disease. Medical specialty societies like the APA, which itself represents 29,000 psychiatrists nationwide, stand at the center of efforts to bring mental illness under control. The APA and its membership believe that only through the understanding of the causes of mental illness and the knowledge of available treatment and successful cures will the fear and misunderstanding of this disease diminish with people than seeking timely and appropriate care.

Mental illness is an increasingly treatable disease; it is worthy of our attention and concern. I urge support and passage of this important resolution.

I ask that Senate Joint Resolution 322 be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

This joint resolution is inspired and dedicated to such groups as the American Psychiatric Association [APA] whose members research for the treatment of mental illness and treat those suffering from the disease. Medical specialty societies like the APA, which itself represents 29,000 psychiatrists nationwide, stand at the center of efforts to bring mental illness under control. The APA and its membership believe that only through the understanding of the causes of mental illness and the knowledge of available treatment and successful cures will the fear and misunderstanding of this disease diminish with people than seeking timely and appropriate care.

S.J. RES. 322

Whereas mental illness is a problem of grave concern and consequence in American society, though one widely but unnecessarily feared and misunderstood;

Whereas thirty-one to forty-one million Americans annually suffer from clearly diagnosable mental disorders involving significant disability with respect to employment, attendance at school, or independent living;

Whereas mental illness in at least twelve million children interferes with vital developmental and maturational processes;

Whereas our growing population of the elderly is particularly vulnerable to mental illness;

Whereas mental illness costs our nation $65,000,000,000 annually, including lost productivity;

Whereas mental illness is increasingly a treatable disability with excellent prospects for amelioration and recovery when properly recognized;

Whereas in recent years since there have been unprecedented major research developments bring new methods and technology to the sophisticated and objective study of the functioning of the brain and its linkages to both normal and abnormal behavior;

Whereas research in recent decades has led to a wide array of new and more effective modalities of treatment (pharmacological, behavioral, psychosocial) for some of the most incapacitating forms of mental illness (including schizophrenia, major affective disorders, phobias and panic disorders);

Whereas appropriate treatment of mental illness has been demonstrated to be cost-effective in terms of restored productivity, reduced utilization of other health services, and lessened social dependence;

Whereas recent and unparalleled growth in scientific knowledge about mental illness has generated the current emergence of a new threshold of opportunity for future research advances and fruitful application to specific clinical problems. Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on October 7, 1984, is hereby designated as "Mental Illness Awareness Week," and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.●

ADDITIONAL COSPONSORS

S. 337

At the request of Mr. PACKWOOD, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 337, a bill to amend the Internal Revenue Code of 1954 to make permanent the deduction for charitable contributions by nonitemizers.

S. 1285

At the request of Mr. HATCH, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 1285, an original bill to improve the quality of mathematics and science teaching and instruction in the United States, and for other purposes.

S. 1300

At the request of Mr. HUDDLESTON, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 1300, a bill to amend the Rural Electrification Act of 1936 to insure the continued financial integrity of the rural electrification and telephone revolving fund, and for other purposes.

S. 2014

At the request of Mr. SPECTER, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 2014, a bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to provide for assistance in locating missing children.

S. 2139

At the request of Mr. HEINZ, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 2139, a bill to improve the operation of the countervailing duty, antidumping duty, import relief, and other trade laws of the United States.

S. 2380

At the request of Mr. HEINZ, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 2380, a bill to reduce unfair practices and provide for orderly trade in certain carbon, alloy, and stainless steel mill products, to reduce unemployment, and for other purposes.

S. 2430

At the request of Mr. STEVENS, the names of the Senator from Maine [Mr. COHEN] and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of S. 2430, a bill to provide for a family violence prevention and services program.

S. 2725

At the request of Mr. DECONCINI, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 2725, a bill to amend part A of title XVIII of the Social Security Act with respect to payment rates for hospice care.

SENATE JOINT RESOLUTION 219

At the request of Mr. KENNEDY, the names of the Senator from Rhode Island [Mr. PELL], the Senator from Ohio [Mr. METZENBAUM], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of Senate Joint Resolution 219, a joint resolution recognizing the important contributions of the arts to a complete education.

SENATE JOINT RESOLUTION 253

At the request of Mr. PRESSLER, the names of the Senator from New Mexico [Mr. DOMENICI], and the Senator from Nevada [Mr. HECHT] were added as cosponsors of Senate Joint Resolution 253, a joint resolution to authorize and request the President to designate September 16, 1984, as "Ethnic American Day."

SENATE JOINT RESOLUTION 307

At the request of Mr. GARN, the names of the Senator from Tennessee [Mr. BAKER], the Senator from Ohio [Mr. GLENN], the Senator from Utah [Mr. HATCH], the Senator from Hawaii [Mr. INOUYE], the Senator from Nevada [Mr. LAXALT], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Maryland [Mr. SARBANES], the Senator from Idaho [Mr. SYMMS], and the Senator from Virginia [Mr. TRIBLE] were added as cosponsors of Senate Joint Resolution 307, a joint resolution to designate July 20, 1984 as "Space Exploration Day."

SENATE JOINT RESOLUTION 314

At the request of Mr. D'Amato, the names of the Senator from South Dakota [Mr. Abdnor], the Senator from North Dakota [Mr. Andrews], the Senator from Minnesota [Mr. Boschwitz], the Senator from Illinois [Mr. Dixon], the Senator from Minnesota [Mr. Durenberger], the Senator from North Carolina [Mr. East], the Senator from Ohio [Mr. Glenn], the Senator from Florida [Mrs. Hawkins], the Senator from Alabama [Mr. Heflin], the Senator from Pennsylvania [Mr. Heinz], the Senator from New Jersey [Mr. Lautenberg], the Senator from Vermont [Mr. Leahy], the Senator from Michigan [Mr. Levin], the Senator from Indiana [Mr. Lugar], the Senator from Illinois [Mr. Percy], the Senator from South Dakota [Mr. Pressler], the Senator from Wisconsin [Mr. Proxmire], the Senator from Michigan [Mr. Riegle], the Senator from Mississippi [Mr. Stennis], the Senator from South Carolina [Mr. Thurmond], the Senator from Virginia [Mr. Trible], the Senator from Connecticut [Mr. Weicker], and the Senator from California [Mr. Wilson] were added as cosponsors of Senate Joint Resolution 314, a joint resolution to designate 1984 as the "Year of the St. Lawrence Seaway" and June 27, 1984, as "St. Lawrence Seaway Day."

SENATE JOINT RESOLUTION 319

At the request of Mr. Huddleston, the name of the Senator from Nebraska [Mr. Exon] was added as a cosponsor of Senate Joint Resolution 319, a joint resolution to amend the Agriculture and Food Act of 1981 to provide for the establishment of a commission to study and make recommendations concerning agriculture-related trade and export policies, programs, and practices of the United States.

SENATE CONCURRENT RESOLUTION 101

At the request of Mr. D'Amato, the name of the Senator from Delaware [Mr. Roth] was added as a cosponsor of Senate Concurrent Resolution 101, a concurrent resolution to commemorate the Ukrainian famine of 1933.

SENATE CONCURRENT RESOLUTION 109

At the request of Mr. Hollings, the name of the Senator from Arkansas [Mr. Bumpers] was added as a cosponsor of Senate Concurrent Resolution 109, a concurrent resolution expressing the sense of the Congress that the Federal Government take immediate steps to support a national STORM program.

SENATE RESOLUTION 412

At the request of Mr. Hollings, the name of the Senator from North Carolina [Mr. East] was added as a cosponsor of Senate Resolution 412, a resolution to congratulate and commend the USA Philharmonic Society.

AMENDMENT NO. 3053

At the request of Mr. Gorton, the name of the Senator from North Carolina [Mr. East] was added as a cosponsor of amendment No. 3053 intended to be proposed to S. 2537, a bill to amend the Federal Railroad Safety Act of 1970 to authorize additional appropriations, and for other purposes.

SENATE RESOLUTION 415—COMMENDING 20 YEARS OF FEDERAL SUPPORT OF MASS TRANSPORTATION

Mr. D'AMATO (for himself, Mr. Sarbanes, Mr. Riegle, Mr. Tsongas, Mr. Bentsen, Mr. Dixon, Mr. Dodd, Mr. Eagleton, Mr. Moynihan, Mr. Trible, Mr. Percy, and Mr. Cranston) submitted the following resolution; which was referred to the Committee on Banking, Housing, and Urban Affairs:

S. Res. 415

Whereas public transit is an essential public service and a key ingredient of the nation's transportation infrastructure;

Whereas public transit results in constructive employment increased mobility and commerce, and business and economic growth;

Whereas the federal government, through the Urban Mass Transportation Administration, has joined state and local governments in a vital partnership which has resulted in the delivery of critical mass transit service;

Whereas the Urban Mass Transportation Administration has assisted the riding public by providing financial assistance to operators for the purchase of new, rehabilitated, and replacement buses, subway and commuter cars and has provided financial assistance for building new bus garages, transit stations, and rail yards and shops;

Whereas the Urban Mass Transportation Administration has provided operating assistance to help ensure that transit is affordable to all;

Whereas the Urban Mass Transporation Administration has provided planning assistance to aid operators in preparing for future transit needs;

Resolved, That the Senate of the United States hereby commemorates twenty years of Federal mass transit assistance.

● Mr. D'AMATO. Mr. President, I rise today to submit a resolution commemorating 20 years of Federal support of mass transportation.

With the passage of the Urban Mass Transportation Act of 1964, there was a recognition that the Federal Government has a legitimate and indeed vital role to play in supporting and promoting mass transit. Through the Urban Mass Transportation Administration, the Federal Government has joined State and local governments in an important partnership which has resulted in improved transit service throughout this Nation.

July 9 marks the 20th anniversary of Federal participation in this vital area. Over the past years, UMTA has assisted States and localities in purchasing new, rehabilitated and replacement buses, subway and rail commuter cars. UMTA has also provided critical operating assistance to transit operators to help ensure that transit will be affordable to all.

The Surface Transportation Assistance Act of 1982 reaffirmed the vital role which the Federal Government has in the area of mass transit. For the first time in the history of the Federal transit program, a dedicated source of funding was legislated for transit capital projects. In addition, a formula program was created to assure transit operators of predictable and stable Federal capital and operating assistance.

Mr. President, mass transit is key to the economic development of both urban and nonurban areas. Whether it is getting people to work or school, or providing transportation for the poor, elderly, and handicapped who often have no transit alternatives, public transportation deserves our continued strong support.●

AMENDMENTS SUBMITTED

SURFACE TRANSPORTATION ASSISTANCE ACT AMENDMENTS

LAUTENBERG (AND OTHERS) AMENDMENT NO. 3334

Mr. LAUTENBERG (for himself, Mr. Danforth, Mr. Pell, Mr. Lugar, Mr. Packwood, Mr. Weicker, Mr. Huddleston, Mr. Heinz, Mr. Specter, Mr. Biden, Mr. Bradley, Mr. Burdick, Mr. Exon, Mr. Percy, Mrs. Hawkins, Mr. Metzenbaum, Mr. Levin, Mr. Garn, Mr. Cohen, Mr. Randolph, Mr. Mitchell, and Mr. Dixon proposed an amendment to the bill (H.R. 4616) to amend the Surface Transportation Assistance Act of 1982 to require States to use at least 8 percent of their highway safety apportionments for developing and implementing comprehensive programs concerning the use of child restraint systems in motor vehicles, and for other purposes; as follows:

(a) At the end of the bill, add the following new sections:

"Sec. 4. (a) Section 408(a) of title 23, United States Code, is amended by inserting 'or a controlled substance' immediately after 'alcohol'.

"(b) Section 408(c)(1) of title 23, United States Code, is amended by inserting 'and controlled substance' immediately after 'alcohol'.

"(c) Section 408(f) of title 23, United States Code, is amended—

"(1) by striking the period at the end of paragraph (7) and inserting in lieu thereof '; and'; and

"(2) by adding at the end thereof the following:

" '(8) for the creation and operation of rehabilitation and treatment programs for those arrested and convicted of driving while under the influence of a controlled substance or for the establishment of research programs to develop effective means of detecting use of controlled substances by drivers.'.

"Sec. 5. Section 402 of title 23, United States Code, is amended by adding at the end thereof the following:

"'(k)(1) Subject to the provisions of this subsection, the Secretary shall make a grant to any State which includes, as part of its highway safety program under section 402 of this title, the use of a comprehensive computerized safety recordkeeping system designed to correlate data regarding traffic accidents, drivers, motors vehicles, and roadways. Any such grant may only be used by such State to establish and maintain a comprehensive computerized traffic safety recordkeeping system or to obtain and operate components to support highway safety priority programs identified by the Secretary under this section. Notwithstanding any other provision of law, if a report, list, schedule, or survey is prepared by or for A State or political subdivision thereof under this subsection, such report, list, schedule, or survey shall not be admitted as evidence or used in any suit or action for damages arising out of any matter mentioned in such report, list, schedule, or survey.

"'(2) No State may receive a grant under his subsection in more than 2 fiscal years.

"'(3) The amount of the grant to any State under this subsection for the first fiscal year such State is eligible for a grant under this subsection shall equal 10 percent of the amount apportioned to such State for fiscal year 1985 under this section. The amount of a grant to any State under this subsection for the second fiscal year such State is eligible for a grant under this subsection shall equal 10 percent of the amount apportioned to such State for fiscal year 1986 under this section.

"'(4) A State is eligible for a grant under this subsection if—

"'(A) it certifies to the Secretary that it has in operation a computerized traffic safety recordkeeping system and identifies proposed means of upgrading the system acceptable to the Secretary; or

"'(B) it provides to the Secretary a plan acceptable to the Secretary for establishing and maintaining a computerized traffic safety recordkeeping system.

"'(5) The Secretary, after making the deduction authorized by the second sentence of subsection (c) of this section for fiscal years 1985 and 1986, shall set aside 10 percent of the remaining funds authorized to be appropriated to carry out this section for the purpose of making grants under this subsection. Funds set aside under this subsection shall remain available for the fiscal year authorized and for the succeeding fiscal year and any amounts remaining unexpended at the end of such period shall be apportioned in accordance with the provisions of subsection (c) of this section.'.

"Sec. 6. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"'§ 158. National minimum drinking age

"'(a)(1) The Secretary shall withhold five percent of the amount required to be apportioned to any State under each of sections 104(b)(1), 104(b)(2), 104(b)(5), and 104(b)(6) of this title on the first day of the fiscal year succeeding the fiscal year beginning after September 30, 1985, in which the purchase or public possession in such State of any alcoholic beverage by a person who is less than twenty-one years of age is lawful.

"'(2) The Secretary shall withhold 10 percent of the amount required to be apportioned to any State under each of sections 104(b)(1), 104(b)(2), 104(b)(5), and 104(b)(6) of this title on the first day of the fiscal year succeeding the second fiscal year beginning after September 30, 1985, in which the purchase or public possession in such State of any alcoholic beverage by a person who is less than twenty-one years of age is lawful.

"'(b) The Secretary shall promptly apportion to a State any funds which have been withheld from apportionment under subsection (a) of this section in fiscal year if in any succeeding fiscal year such State makes unlawful the purchase or public possession of any alcoholic beverage by a person who is less than twenty-one years of age.

"'(c) As used in this section, the term 'alcoholic beverage' means—

"'(1) beer as defined in section 5052(a) of the Internal Revenue Code of 1954,

"'(2) wine of not less than one-half of one percent of alcohol by volume, or

"'(3) distilled spirits as defined in section 5002(a)(8) of such Code.'.

"(b) The table of sections of chapter 1 of such title is amended by adding at the end thereof the following new item:

"'158. National minimum drinking age.'.

"Sec. 7. (a) Section 408(a) of title 23, United States Code, is amended by striking 'basic and supplemental'.

"(b) Section 408(d) of title 23, United States Code, is amended by adding at the end thereof the following new paragraph:

"'(3) Subject to subsection (c), the amount of a special grant made under this section for any fiscal year to any State which is eligible for such a grant under subsection (e)(3) shall not exceed 5 per centum of the amount apportioned to such State for fiscal year 1984 under section 402 and 408 of this title. Such grant shall be in addition to any basic or supplemental grant received by such State.'.

"(c) Section 408(e) of title 23, United States Code, is amended by adding at the end thereof the following new paragraph:

"'(3) For the purposes of this section, a State is eligible for a special grant if the State enacts a statute which provide that—

"'(A) any person convicted of a first violation of driving under the influence of alcohol shall receive—

"'(i) a mandatory license suspension for a period of not less than ninety days; and either

"'(ii)(I) an assignment of one hundred hours of community service; or

"'(II) a minimum sentence of imprisonment for forty-eight consecutive hours;

"'(B) any person convicted of a second violation of driving under the influence of alcohol within five years after a conviction for the same offense, shall receive a mandatory minimum sentence of imprisonment for ten days and license revocation for not less than one year;

"'(C) any person convicted of a third or subsequent violation of driving under the influence of alcohol within five years after a prior conviction for the same offense shall—

"'(i) receive a mandatory minimum sentence of imprisonment for one hundred and twenty days; and

"'(ii) have his license revoked for not less than three years; and

"'(D) any person convicted of driving with a suspended or revoked license or in violation of a restriction due to driving under the influence of alcohol conviction shall receive a mandatory sentence of imprisonment for at least thirty days, and shall, upon release from imprisonment, receive an additional period of license suspension or revocation of not less than the period of suspension or revocation remaining in effect at the time of commission of the offense of driving with a suspended or revoked license.'."

(b) H.R. 4616 is amended as follows:

(1) On page 2, line 3, strike "115,000,000" and insert in lieu thereof "126,500,000"; and on line 4, strike "120,000,000" and insert in lieu thereof "132,000,000."

(2) On page 3, line 16, strike "115,000,000" and insert in lieu thereof "126,500,000"; and on line 17, strike "120,000,000" and insert in lieu thereof "132,000,000".

HUMPHREY (AND OTHERS) AMENDMENT NO. 3335

Mr. HUMPHREY (for himself, Mr. Simpson, Mr. Symms, and Mr. Wallop) proposed an amendment to amendment No. 3334 proposed by Mr. Lautenberg (and others) to the bill, H.R. 4616, supra; as follows:

In lieu of the pending amendment, insert the following:

Sec. 4. (a) Chapter 4 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 409. Alcohol safety incentive grants

"(a) The Secretary shall make grants to those States for fiscal years 1984, 1985, 1986, 1987, and 1988, which qualify under paragraph (1), (2), or (3) of subsection (b) of this section. The grant amount which a State receives under paragraph (1) of subsection (b) for each fiscal year of qualification shall be 5 per centum of the allocation for such State under sections 402 and 408 for such fiscal year. The grant amount which a State receives under paragraph (2) of subsection (b) for each fiscal year of qualification shall be 5 per centum of the allocation for such State under section 402 and 408 for such fiscal year. The grant amount which a State receives under paragaph (3) of subsection (b) for each fiscal year of qualification shall be 1 per centum of the allocation for such State under sections 402 and 408 for each percentage increment determined by the Secretary under such paragraph for such fiscal year. Any State may receive grants under any or all of the paragraphs of subsection (b) in any fiscal year, but no State may receive grants under this section in more than five fiscal years.

"(b)(1) Any State shall qualify for a grant under this paragraph on the first day of each fiscal year if it is unlawful in such State for a person who is less than twenty-one years of age to purchase or possess any alcoholic beverage. For purposes of this paragraph, the term 'alcoholic beverage' means—

"(A) beer as defined in section 5052(a) of the Internal Revenue Code of 1954,

"(B) wine of not less than one-half of 1 percent alcohol by volume, or

"(C) distilled spirits as defined in section 5002(a)(8) of such Code.

"(2) Any State shall qualify for a grant under this paragraph on the first day of each fiscal year if such State has a statute which requires that—

"(A) any person convicted of a first violation of driving under the influence of alcohol shall receive—

"(i) a mandatory license suspension of at least ninety days; and

"(ii)(I) an assignment of community service; or

"(II) a minimum sentence of imprisonment of at least two days;

"(B) any person convicted of two or more violations of driving under the influence of alcohol within five years shall receive mandatory minimum sentences of imprisonment of at least ten days and license revocation of at least one year; and

"(C) any person convicted of driving—

"(i) with a suspended license,

"(ii) with a revoked license, or

"(iii) in violation of a license restriction, by virtue of a driving under the influence of alcohol conviction shall receive a mandatory sentence of at least thirty days.

"(3) Any State shall qualify for a grant under this paragraph on the first day of each fiscal year if such State certifies to the Secretary reporting that the incidence of alcohol involvement in traffic accidents in such State has decreased in the most recent twelve-month period for which data is available compared to the immediately preceding twelve-month period. Each 1 per centum difference as determined by the Secretary shall equal one grant percentage increment under subsection (a). The Secretary shall ensure that the method of reporting by such State is a reasonably accurate indicator of alcohol involvement in traffic accidents.

"(c) Grants under this section shall only be used by a State for any alcohol safety program, including programs eligible under section 408. States shall not be required to provide matching funds for such grants.

"(d) No grant may be made to a State in any fiscal year under this section unless such State enters into such agreements with the Secretary as the Secretary may require to ensure that such State will maintain the aggregate expenditures for eligible activities from all other sources at or above the average level of such expenditures in the two fiscal years immediately preceding the date of enactment of this section.

"(e) There are authorized to be appropriated to carry out this section, out of the Highway Trust Fund (other than the Mass Transit Account) such sums as are necessary. All provisions of chapter 1 of this title that are applicable to Federal-aid primary highway funds, other than provisions relating to the apportionment formula and provisions limiting the expenditures of such funds to federal-aid systems, shall apply to the funds authorized to be appropriated to carry out this section, except as determined by the Secretary to be inconsistent with this section. Notwithstanding any other provision of law, approval by the Secretary of a grant under this section shall be deemed a contractual obligation of the United States. Funds appropriated by this section shall remain available until expended.".

(b) The table of sections of chapter 4 of such title is amended by adding at the end thereof the following new item:

"409. Alcohol safety incentive grants.

STATE, JUSTICE, COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION, 1985

STEVENS (AND INOUYE) AMENDMENT NO. 3336

(Ordered to lie on the table.)

Mr. STEVENS (for himself and Mr. INOUYE) submitted an amendment intended to be proposed by them to the bill (H.R. 5712) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1985, and for other purposes; as follows:

On page 6, line 2, strike out "$1,114,551,000" and insert in lieu thereof "$1,115,951,000".

On page 6, line 3, strike out the semicolon and insert in lieu thereof ", of which $1,400,000 shall be available for the Fisheries Oceanography Coordinated Investigations program (with $600,000 specifically available for a joint research project sponsored by the University of Alaska and the Hawaiian Oceanic Institute on factors influencing the year class strength of subarctic bottom fishes);".

DEVELOPMENTAL DISABILITIES ASSISTANCE

WEICKER AMENDMENT NO. 3337

Mr. STEVENS (for Mr. WEICKER) proposed an amendment to the bill (S. 2573) to revise and extend programs for persons with developmental disabilities; as follows:

On page 7, strike out lines 15 through 19 and insert the following:

"(A) the—

"(i) use by persons with developmental disabilities of the same community resources that are used by and available to other citizens, and

"(ii) participation by persons with developmental disabilities in the same community activities in which nonhandicapped citizens participate,

together with regular contact with nonhandicapped citizens, and

On page 38, line 12, strike out "any" and insert "each".

On page 59, line 25, insert "or who are Native Americans or Native Hawaiians" before the end parenthesis.

COMPENSATION OF INDIAN COMMUNITIES FOR IRRIGATION EXPENSES

ANDREWS AMENDMENT NO. 3338

Mr. STEVENS (for Mr. ANDREWS) proposed an amendment to the bill (S. 1967) to compensate the Gros Ventre and Assiniboine Tribes of the Fort Belknap Indian Community for irrigation construction expenses; as follows:

On page 2, after line 19, add the following new subsection:

"(c) The provisions of this Act shall become effective on October 1, 1984."

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, June 26, in order to receive testimony concerning S. 2501, the Health Care Cost Containment Act of 1983.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, June 26, in order to receive testimony concerning the following nominations:

U.S. DISTRICT JUDGE

Charles A. Legge, of California, to be U.S. district judge for the northern district of California;

Marcel Livaudais, Jr., of Louisiana, to be U.S. district judge for the eastern district of Louisiana; and

Ilana Diamond Rovner, of Illinois, to be U.S. district judge for the northern district of Illinois.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, June 26, at 10 a.m., to hold a hearing on practice of torture by foreign governments, and United States efforts to oppose its use.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, June 26, at 2 p.m., to hold a business meeting to consider the following nominations:

Owen W. Roberts, to be Ambassador to the Republic of Togo;

John William Shirley, to be Ambassador to the United Republic of Tanzania;

Leonardo Meher, to be Ambassador to the Republic of Upper Volta;

Alberto Martinez Piedra, to be Ambassador to the Republic of Guatemala;

Clint Arlen Lauderdale, to be Ambassador to the Cooperative Republic of Guinea; to be followed by a hearing on international trade distortion harming U.S. agriculture exports.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY AND CONSERVATION AND SUPPLY

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on Energy and Conservation and Supply, of the Committee on Energy and Natural Resources, be authorized to meet during the session of the Senate on Tuesday, June 26, at 10 a.m., to hold an oversight hearing on the Outer Continental Shelf leasing activities.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Tuesday, June 26, to hold an oversight hearing on the prevention of drug abuse among adolescents.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TOXIC SUBSTANCES AND ENVIRONMENTAL OVERSIGHT

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on Toxic Substances and Environmental Oversight, of the Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Tuesday, June 26, at 2 p.m., to hold a hearing on the Safe Drinking Water Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

URGENT SUPPLEMENTAL APPROPRIATIONS

● Mr. BOREN. Mr. President, I was pleased with the passing yesterday of the conference report on House Joint Resolution 492, which provides supplemental appropriations for various programs. This legislation will allow many of our vital programs to remain in operation for the remainder of this fiscal year.

Included in this legislation is an appropriation of $60 million for the Public Law 480 program. Over the past 2 years, 18 African countries have experienced sharp declines in agricultural production due to severe drought and erratic rainfall. This appropriation will be provided to these countries through title II of the Public Law 480 program.

This legislation also includes $545 million for child nutrition programs. Previous appropriations for this program were expected to be adequate to keep the program in operation through August 15. However, due to increased school enrollment, participation in the school lunch and school breakfast programs has increased dramatically over previous estimates. Consequently, available funds will be adequate only to fund the child nutrition programs for services provided through May.

Unless Congress approves this supplemental appropriation, States will be unable to fully pay schools for meals served in May and in subsequent months. This would subject our schools to an unnecessary hardship and would also result in many schools being unable to pay vendors of food and supplies for products already received.

Also included in this measure is an additional appropriation of $300 million for the supplemental feeding program for women, infants, and children [WIC]. Congress, on a previous occasion, wisely directed that funds available for the WIC program be utilized in a manner which would maintain the fiscal year 1983 year-end caseload. Unless this program receives a supplemental appropriation, funds for the WIC program will be exhausted by July 10 in most areas of the country.

In my home State of Oklahoma, 45,738 people depend upon the WIC program for their nutritional needs. This supplemental appropriation is essential if we are to continue to provide nutritional assistance for nursing mothers and pregnant women, infants, and children who do not receive adequate nutrition and are considered a nutritional risk.

Mr. President, this legislation also includes some much-needed export credit guarantees. The U.S. export forecast for 1984-85 now stands at 36.7 million tons, down 2 million from 1983-84. The U.S. share of the world market is estimated to decline again—this time to slightly below the 1983-84 level of 38 percent. This compares with the record 48 percent we held in 1981-82. With the continuing decline in exports, it is imperative that we take every possible step we can to improve the situation.

This legislation includes $25 million for the revolving fund of the Commodity Credit Corporation [CCC] export credit guarantee program. Also, this legislation provides that not less than $5 million be made available in short-term credit to finance exports of U.S. agricultural products.

Also included in this legislation is a provision which will bring the level of appropriations for the summer youth employment and training program back up to the fiscal 1983 level. There were many areas in Oklahoma which received less than 90 percent of the amount of payments in fiscal year 1984 than in fiscal year 1983. Of the $100 million supplemental appropriation included in this bill for this program, Oklahoma will be receiving a total of $1,258,770 in additional funds, bringing the summer jobs program in Oklahoma back to last year's level.

Mr. President, it is important that Congress has taken action to ensure that all these programs remain in operation for the rest of this fiscal year.●

PROPOSED ARMS SALES

● Mr. PERCY. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of a proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD a notification which has been received.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, June 18, 1984.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 84-50, concerning the American Institute in Taiwan's proposed Letter of Offer to the Coordination Council for North American Affairs for defense articles and services estimated to cost $325 million.

Sincerely,

PHILIP C. GAST,
Director.

TRANSMITTAL NO. 84-50—NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Coordination Council for North American Affairs (CCNAA) pursuant to P.L. 96-8.

(ii) Total Estimated Value:

	Millions
Major defense equipment[1]	$269
Other	56
Total	325

[1] As defined in Section 47(6) of the Arms Export Control Act.

(iii) Description of Articles or Services Offered: A quantity of 12 C-130H military transport aircraft with government furnished aeronautical equipment to be installed during production, aircraft spares, support equipment, and training.

(iv) Military Department: American Institute in Taiwan for the U.S. Air Force (SHA).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: None.

(vii) Section 28 Report: Included in report for quarter ending 31 December 1983.

(viii) Date Report Delivered to Congress: June 18, 1984.

POLICY JUSTIFICATION—COORDINATION COUNCIL FOR NORTH AMERICAN AFFAIRS (CCNAA)—C-130 AIRCRAFT

This proposed Letter of Offer and Acceptance provides for the sale of 12 C-130H military transport aircraft with government-furnished aeronautical equipment to be installed during production, aircraft spares, support equipment, and training at an estimated cost of $325 million.

This proposed sale is consistent with United States law and policy, as expressed in Public Law 96-8.

Taiwan's military transport aircraft fleet is composed almost entirely of 1940's and 1950's vintage equipment (C-47, C-119G, C-54G, and C-118 aircraft). The purchase of these C-130H aircraft would permit progressive retirement of obsolescent and increasingly unsafe aircraft.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the Lockheed-Georgia Company of Marietta, Georgia.

Implementation of this sale will require the assignment of six additional contractor representatives to Taiwan for one year.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

PROPOSED ARMS SALES

● Mr. PERCY. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD at this point the notification I have received. A portion of the notification, which is classified information, has been deleted for publication, but is available to Senators in the Office of the Foreign Relations Committee, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, June 22, 1984.
In reply refer to I-02718/84.
Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 84-45 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Army's proposed Letter of Offer to Canada for defense articles and services estimated to cost $27 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Director.

TRANSMITTAL NO. 84-45

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act

(i) Prospective purchaser: Canada.

(ii) Total estimated value:

	Millions
Major defense equipment [1]	$21
Other	6
Total	27

(iii) Description of articles or services offered: A quantity of five AN/TPQ-36 Mortar Locating Radars including ancillary equipment, concurrent spare parts for one year, and support.

(iv) Military department: Army (YVJ).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.

(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: See Annex under separate cover.

(vii) Section 28 report: Case not included in section 28 report.

(viii) Date report delivered to Congress: June 22, 1984.

POLICY JUSTIFICATION

CANADA—AN/TPQ-36 MORTAR LOCATING RADARS

The Government of Canada has requested the purchase of a quantity of five AN/TPQ-36 Mortar Locating Radars including ancillary equipment, concurrent spare parts for one year, and support at an estimated cost of $27 million.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of Canada; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

This weapons system is required by the Government of Canada to upgrade the current NATO assigned Canadian Forces' readiness posture in Western Europe. Canada will have no difficulty absorbing this system. This sale will upgrade the military capability of Canadian Forces, Europe.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the Hughes Aircraft Corporation of Fullerton, California.

Implementation of this sale is expected to require the assignment of additional personnel to Canada as follows: four U.S. Government personnel for 30 days, two U.S. Government personnel for 14 days, and one contractor representative for one year.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

NOTICE OF DETERMINATIONS BY THE SELECT COMMITTEE ON ETHICS

● Mr. STEVENS. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 which would permit Ms. Ruth Kurtz, of the staff of the Joint Economic Committee, to participate in a program in Seoul, Korea, sponsored by the Seoul National University and its Institute of Social Sciences from July 6 to July 17, 1984.

The committee has determined that participation by Ms. Kurtz in the program in Seoul, Korea, at the expense of the Seoul National University and its Institute of Social Sciences, to attend a series of seminars, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Howard S. Marks of the Subcommittee on Energy, Nuclear Proliferation, and Government Processes staff, to participate in a program in Belo Horizonte, Minas Gerais, Brazil, from June 12 to June 15, 1984.

The committee has determined that participation by Mr. Marks in the program in Brazil, to participate in a meeting on "The Strategic Impact of Ethanol," at the expense of the Organization of American States [OAS], is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Mark W. Goodin, of the staff of Senator THURMOND, to participate in a program in Taiwan sponsored by Tamkang University, from July 1 to July 8, 1984.

The committee has determined that participation by Mr. Goodin in the program in Taiwan, at the expense of Tamkang University, to discuss United States-Taiwan relations is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Malcolm Lee of Senator SPECTER's staff to participate in a program sponsored by Tamkang University, to be held in Taipei, Taiwan, from July 1 to July 8, 1984.

The committee has determined that participation by Mr. Lee in the program in Taiwan, at the expense of Tamkang University, to meet with Government officials to discuss United States-Taiwan relations, is in the interests of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. William Bell of the staff of Senator DAVID BOREN, to participate in a conference in Seoul, Korea, sponsored by Seoul National University, from July 7 to July 17, 1984.

The committee has determined that participation by Mr. Bell in the conference in Seoul, Korea, at the expense of Seoul National University, to discuss United States-Korean relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Ms. Margo Carlisle of the staff of Senator JAMES MCCLURE, to participate in a conference in Munich, West Germany, sponsored by the Hans Seidel Foundation, from July 5 to July 8, 1984.

The committee has determined that participation by Ms. Carlisle in the conference in Munich, at the expense of the Hans Seidel Foundation, is in the interest of the Senate and the United States.

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[1] As defined in section 47(6) of the Arms Export Control Act.

The select committee has received a request for a determination under rule 35 which would permit Mr. James Malin of the staff of Senator EDWARD ZORINSKY, to participate in a program in Taiwan, sponsored by the Chinese Cultural University, from July 5 to July 20, 1984.

The committee has determined that participation by Mr. Malin in the program in Taiwan, at the expense of the Chinese Cultural University, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.●

THE PEOPLE'S RIGHT NOT TO KNOW

● Mr. SYMMS. Mr. President, there is a strange reluctance in Washington to disclose facts that people should know, must know, in order to make informed decisions about the sort of foreign policy they want from the White House.

One such area is the numerous violations of the SALT I and SALT II Treaties perpetrated by the Soviets in the last 10 years. Despite overwhelming indications of Soviet violations, we have yet to receive a comprehensive, fully documented report on this matter.

Another instance where information is lacking is the connection between the Bulgarian secret police and the plot to assassinate the Pope. In light of the remarkable statement from the Italian Judiciary, we can only draw two conclusions. One is that the CIA, with its sizable budget and thousands of employees, was unable to gather information collected by one resourceful writer for the Reader's Digest. The other conclusion is that our Government decided that some issues are just too controversial to bring before the citizens of the United States.

Mr. President, the citizens of America owe a lot to Claire Sterling, and the Reader's Digest, for performing a public service that the Government could not—or would not—perform for us.

I ask that the following editorial from the June 12, 1984, edition of the Wall Street Journal be printed in the RECORD.

The article follows:

To Tell the Truth

"The imposing rise of Solidarity in Poland in the summer of 1980 and consequent social convulsions constituted a most acute crisis for the socialist states of Eastern Europe. . . . In some secret place, where every secret is wrapped in another secret, some political figure of great power took note of this most grave situation and, mindful of the vital needs of the Eastern bloc, decided it was necessary to kill Pope Wojtyla."

This statement by Italian State Prosecutor Antonio Albano is the first official suggestion that the Soviet Union ordered the 1981 assassination attempt on the Pope—Italians know which nation Churchill described as "a riddle wrapped in a mystery inside an enigma." Mr. Albano is entirely explicit in saying the plot was hatched and paid for by "the Bulgarian secret services," and has requested the indictment and trial of nine people—three Bulgarian spies, five members of the Sofia-linked Turkish mafia and Mehmet Ali Agca, the hit man now in Italian custody. Sergei Antonov, one of the Bulgarians, also is in Italian hands.

The prosecutor's 78-page report was leaked to free-lance investigative reporter Claire Sterling; the New York Times decided to play her dispatch on page one of its Sunday edition, jumping inside for 5,000 words or so. The story has been a difficult one for the Times. In March 1983 it published a previous lengthy article by Nicholas Gage supporting the Bulgarian connection. But CIA sources tended to shoot down this connection. A New York Times reporter last October concluded that "The Antonov case appears as one of deprivation of liberty on the accusation of a single witness of doubtful character, an assassin convicted of murder in Turkey and attempted murder of the Pope and of uncertain emotional stability to boot." Yesterday columnist William Safire remarked that, "From the start, this story was minimized and ridiculed by our C.I.A.," and he calls for an investigation by the Foreign Intelligence Advisory Board.

The Times certainly vindicated its coverage with this latest dispatch, but there remains an issue of why it has taken so long for the press to shake this story loose. In fact, some of our colleagues went all out to declare Antonov innocent. When Antonov was temporarily released from prison for health reasons, the Guardian of London opined that the Bulgarian connection had lost its "penultimate shred of credibility." Even the Associated Press in Rome has been quick to quote Antonov's lawyers predicting his imminent release. Those of us who ran with the story, these columns and the Reader's Digest, where Mrs. Sterling first published, have been written off as not reliably maintream. The plot was detailed in Mrs. Sterling's book "The Time of the Assassins" as well as Paul Henze's "The Plot to Kill the Pope," but these books were greeted with skeptical to scoffing reviews.

Now comes Mr. Albano's report with convincing detail and confirming the darkest theories. The Bulgarian Embassy, for example, had actually arranged for a sealed truck to spirit trigger man Agca away without risking customs checks, but the plan went awry when Agca was caught after one of his accomplices failed to set off a diversionary bomb after the shooting. As for corroborating Agca's testimony implicating the Bulgarians, Mr. Albano reports that Agca knew the unlisted telephone number of one of the Bulgarian agents (despite Bulgarian claims the number didn't exist), knew that another collected miniature bottles, and described a small wart on the chin of the third. Most interestingly, the account is woven through with references to the Turkish mafia and the right-wing Turkish terrorists, the Grey Wolves—both groups enjoyed close relationships with the Eastern secret services. The Soviets obviously don't demand ideological commitment from the terrorists, just terror.

The Safire notion that the real problem was less the press than the CIA and other officials gets plenty of support from Mrs. Sterling. She was strongly urged, even threatened, by the U.S. Embassy in Rome to drop the investigation that resulted in her original 1982 Reader's Digest article. The West German police told her she was foolish. She suspects an intentional cover-up by Western governments of the Bulgarian connection. In the end the story was rooted out by a brave Italian judiciary; during parts of the process Judge Martella's house has been guarded by tanks.

If the reason the story was slow to come out was official hesitancy what can the press do about it? For one thing, reporters badly burned on this story can go back to their sources in places like Langley and 2201 C Street, and ask what the heck was going on, why Soviet behavior should be off-limits from the truth. For another, they can revise the knee-jerk response that dismisses allegations of grotesque Soviet behavior. We note that the Times and the Washington Post also recently have revised their attitudes toward the expert sources telling them "yellow rain" was merely bee feces. In both cases, we're sure, the horror of the crime and the evilness it pins on the Soviets were just too much.

Accepting the Pope plot as true carries with it an entire view of the nature of the Soviet empire, and it is this view that many in government, in the press and elsewhere have been hesitant to face. But while it's not easy to say how to deal with Soviet lawlessness, the problem can't be faced until we agree it's there. We seem to be much closer to agreement now than a week ago, thanks to the Times to Claire Sterling and to the Italian judiciary.●

ST. LAWRENCE SEAWAY

● Mr. GLENN. Mr. President, it was 25 years ago today that the royal yacht *Britannia* passed through the St. Lambert locks at Montreal to officially open the St. Lawrence Seaway, connecting inland North America—the United States and Canada—with the Atlantic.

Today's Christian Science Monitor marks this anniversary with an excellent article which notes both the accomplishments and the disappointments of this, the world's longest canal system. I ask that the Monitor story be printed in the RECORD.

The material follows:

[From the Christian Science Monitor, June 26, 1984]

World's Longest Canal System

25 YEARS LATER, UNITED STATES AND CANADA STILL AT ODDS OVER ST. LAWRENCE SEAWAY

(By Fred Langan)

It was a gala day. The Royal Yacht Britannia was moored in the St. Lawrence River a few miles away. Queen Elizabeth and President Eisenhower rode in an open car in the streets of Montreal waving at the crowds. And then the blue and white yacht slipped regally through the locks at St. Lambert at Montreal, officially opening the St. Lawrence Seaway.

It was June 26, 1959, 25 years ago, that the St. Lawrence Seaway opened as a deep waterway. The seaway is 2,342 miles from the western tip of Lake Superior to the Atlantic. The Suez and Panama canals may carry more, but no canal system in the world is as long.

And while the Suez has been shut by Mideast wars and the Panama lies in strife-torn Central America, the St. Lawrence Seaway placidly bisects the boundary between Canada and the United States, two countries that have shot nothing but hot air at each other since the War of 1812.

The St. Lawrence Seaway is now just a workaday part of North American life. Some 45 million tons of cargo went through the St. Lambert locks last year. Half of the cargo on the seaway is grain; the rest is coal, iron ore, limestone, oil, and petrochemicals—the stuff that fuels industrial North America.

Of late the seaway has also been carrying manufactured imported steel, the stuff industrial North America doesn't like. That isn't the seaway's fault. It is still cheap, efficient, and does the job.

It seems hard to believe now but the St. Lawrence Seaway was once controversial. Presidents as far back as Calvin Coolidge were in favor of it. But there were powerful lobbies against building the seaway—among them the railways, the railway unions, and the Port of New York City.

The railways were right. Ships are about three times as efficient as railways. Seaway officials say it costs $7 a ton more to ship grain by rail than by laker from the head of Lake Superior to terminals on the St. Lawrence River.

And every time the price of fuel rises, ships look better.

New York City was wrong and so was Montreal, for the same reasons. There were a lot of ports on the Great Lakes which thought the St. Lawrence Seaway was going to make them bustle, that freighters would ply the lakes with goods and make their harbors vibrants places instead of dumping grounds for coal, grain, and ore.

Cities such as Chicago and Toronto hoped for general cargo, the packages of small goods delivered in freighters, which were still around in the late 1950's. Not today. Containers have taken over. Ocean ports unload the containers; trucks or trains deliver them inland.

But hopes had been high. "Quite possibly the project [the seaway] would in time, by giving direct access to the deep sea, make Chicago the greatest port in the world," wrote John Gunther in his book "Inside USA" in 1947.

Well, Chicago is no slouch. In 1981 it handled 32 million tons of cargo and was the No. 2 port on the Great Lakes, but it was No. 17 on the list of ports in the United States—behind New Orleans and New York City, two worrywarts from the pre-seaway days. It was even just behind Pittsburgh. It isn't doing badly but is hardly the greatest port in the world.

"Some of the inland ports were perhaps just a little too optimistic about what the seaway would bring," says William O'Neil, president of the St. Lawrence Seaway Authority, which oversees the Canadian side of the system.

While it was a disappointment for ports such as Chicago and Detroit, Mr. O'Neil points out it was great news for places such as Duluth, Minn., the No. 1 port on the Great Lakes.

Its specialty is bulk cargo, and that is what the long, thin lakers are good at taking on at Duluth or Thunder Bay grain from the prairies that they will carry to Port Carter in the Gulf of St. Lawrence, then loading up with iron ore pellets from Labrador for the long trip back to the steel mills of Ontario and the Midwestern United States.

Ports that don't handle bulk cargo just watch most ships glide by.

Take Toronto on Lake Ontario. The seaway killed this port. Few ships stop here. The grain ships and the other bulk carriers have little reason to pull in. There is some traffic here, but the city doesn't like the port anymore, and even feels it doesn't need it.

Grain terminals have been torn down to make way for luxury condominiums on the lakefront. There is a movement to open up Toronto's waterfront, to let people get at the lake, which has been blocked by the port, the factories on the lake and the railway tracks that served them both. The thinking seems to be that this is a service city and it doesn't need a port.

Montreal is a different story.

In 1959 it was thought the seaway would kill the port of Montreal. The first locks of the waterway are across the St. Lawrence from the port of Montreal at St. Lambert, and the argument went that shipping would bypass Montreal and head inland. But the Port of Montreal has boomed. It is a major grain terminal, with ships from the seaway bringing cargo to Montreal, where it is loaded on oceangoing vessels for transshipment to Europe.

A huge container business has been built up as the general cargo ocean-going vessels stop at Montreal, roll off their containers and head back to Europe rather than waste valuable time going through the St. Lawrence Seaway system. The goods are then shipped by rail or truck to destinations in Canada and the US. Although Montreal is a thousand miles from the sea, there are no locks or other obstacles. It is an ocean port open 12 months a year.

It is the rapids at Montreal that started the building of a canal system in the 19th century and led to the construction of the St. Lawrence Seaway.

The early French fur traders used to portage around the Lachine Rapids and the other obstructions on their way through the Great Lakes. A shortcut was built around the fast, shallow water surrounding the island of Montreal called the Lachine Canal. Then farther down the river was the Soulanges Canal.

In other parts of the Great Lakes System the Welland Canal was built to connect Lake Erie with Lake Ontario. It gets over the 326-foot drop of Niagara Falls and the rapids that race by Buffalo, N.Y.

But more impressive than the distance is the climb. A ship going into the lock system will rise 580 feet by the time it has passed through the Sault locks and on to the head of Lake Superior.

The seaway is not a moneymaker. "There have been financial problems because it was felt at the start that user fees would pay the way," says William O'Neil. "But it has been an economic success. It would be a physical impossibility to move all this cargo through that old canal system." The Canadian part of the seaway lost "less than a million dollars" last year and this year it could break even.

The seaway is open from April 15 to Dec. 15, and some people would like to see it open longer, especially Great Lakes ports in the United States, which want year-round access to the ocean. But to keep the seaway open year-round would mean a twin system of locks, according to seaway officials, because the locks have to be repaired.

And there's a lot of ice to deal with, especially at the locks. The US Army Corps of Engineers says the seaway can be kept open 12 months a year. The Canadians say it isn't worth spending the money.

But isn't this how the seaway started—with a lot of hot air blowing across the border?●

THE U.S. STEEL INDUSTRY

● **Mr. CHAFEE.** Mr. President, following its finding of injury to the steel industry by imports, the International Trade Commission is currently reviewing all the arguments and facts to determine what remedy it should recommend to the President on July 24.

One argument which the ITC is probably not considering, but which unfortunately may be the more compelling for President Reagan, is that the steel-producing States—California, Illinois, Indiana, Kentucky, Michigan, New York, Ohio, Pennsylvania, and Texas—together have 225 of the 270 electoral college votes he needs to be reelected.

I do not envy the President his decisions on this and other ITC cases which have been timed by the petitioners to land on his desk just as the Presidential campaign heats up. If he chooses protection, the impact will reverberate quickly through the world trading system. Not long afterward, consumers will feel the effect in increased prices for steel products and for products which are made of steel like automobiles and heavy machinery.

My hope is that the President will be persuaded by economic analysis and his free-trade principles when all the arguments are presented to him for a preelection choice.

The Congressional Budget Office, in its economic analysis of the steel industry for the House Ways and Means Trade Subcommittee last week, argued purely and simply that the United States has lost its comparative advantage in steelmaking. A more mature economy, the United States consumes less steel per dollar of GNP than economies that are at earlier stages of maturity.

Demand for steel is quite strong in developing countries where low employment costs combined with advanced technology and a strong resource base all add up to the kind of competition in steel production that is proving formidable for the United States, Europe, and Japan. The U.S. industry has had difficulty accepting this shift away from the strong competitive advantage it enjoyed 30 years ago.

Quotas, whether the result of legislation like the proposed Fair Trade in Steel Act or Presidential authority, can do little to reverse these trends in the industry which make large integrated producers less and less competitive.

But import protection—tariffs or quotas—will have a profound impact on other sectors of the economy. According to CBO's analysis, in 1989 the proposed 15-percent steel quota would cost U.S. consumers roughly $7.7 billion. If a quota were imposed, import prices would tend to rise significantly because import competition would be constrained. The limit on imports would also increase the demand for domestically produced steel, causing domestic prices to rise. By 1989, CBO estimates, average steel prices in the United States would be 9 percent higher with the quota than without it.

Domestic steel output would increase, raising steel employment. This increase in steel employment would be offset by decreased employment in other sectors of the economy. The increase in steel jobs is likely to be temporary, however. Accordingly to CBO, with or without the quota, the number of future jobs provided by the steel industry is likely to decline owing to slow demand growth and productivity increases.

CBO predicts that the negative impact of a steel quota would be most noticeable on output and employment in those industries that consume significant quantities of steel—automotive production, machinery, construction, and the like. CBO Deputy Director Hanushek stated in recent House hearings:

> This danger would be particularly pronounced for industries that face international competition. Current steel prices in the United States are about 20 percent above the world price, so they already represent a competitive disadvantage for many U.S. industries. Any increase in steel prices engendered by the quota would exacerbate this problem. In time, such developments might, in fact, encourage the industries affected to follow the steel industry's example in seeking protectionist solutions to their difficulties.

Even if new investment in steel were required by quota legislation, import restraints would have little effect on the industry's investment decisions. Major investments would take up to 4 years to become operational and the quota would be removed after 5 years.

A steel quota then offers little prospect of revitalizing the U.S. industry and thus finally resolving the steel import problem. Despite the ITC finding, too many other factors account for the plight of the steel industry. These factors, unrelated to imports, are so predominant and glaring one wonders how the ITC apportions weight to the various factors affecting an industry's competitiveness to determine when section 201 relief is warranted.

Of course some improvement will occur in the industry as a result of protection, if savings are directed toward modernization. But this improvement will take place at the expense of the consumer and other industries elsewhere in the economy where the capital could be more profitably invested. Would the new investment generated by the quota represent a socially desirable use of capital resources, given that integrated firms' investments often earn low rates of return?

The impact of improvements will pale after a few years when the protection is removed and the industry must once again face squarely the realities of the world steel market in which it must compete. Pressure for a perpetual import quota would be the likely outcome.

Mr. President, the purported benefits of a steel quota hardly seems to outweigh these simple economic realities, nor do they justify in my mind inviting the retaliation of our trading partners.

My views are shared by economists, columnists, and by some in the steel industry, as reflected in a number of articles from the Washington Post, the Chicago Tribune, Forbes, and the American Metal Market. A comment appearing recently in the Wall Street Journal questions the ITC's application of section 201 of the Trade Reform Act of 1974 to the steel complaint, and warns of a dangerous protectionist trend in the way this independent body has begun to interpret our trade laws.

I request that these articles be printed in the RECORD.

The articles follow:

[From the Washington Post, June 17, 1984]

STEEL INDUSTRY MAY BE FORGING ITS OWN DEMISE

(By Hobart Rowan)

You don't have to be too much of a cynic to look at things this way: First, the summit leaders make a firm antiprotectionist declaration, as they did a year ago at Williamsburg. Then they go home, and do the opposite.

That's what happened in the spring of 1983, when the United States adopted new quotas and tariffs on the importation of specialty steels from Europe. (Our European partners were hardly better on a whole range of items.)

Now the ink is barely dry on the London summit declaration of last week, evoking the same dying spirit of free trade, when a combination of circumstances again is moving this country toward greater import protection for steel.

It would be wrong, unhealthy, counterproductive and a denial of what is supposed to be a main achievement of otherwise empty summit declarations. Yet, unless President Reagan shows extraordinary courage in an election year, the steel industry is likely to get its way after a long struggle.

The American steel industry is operating at about 75 percent of a sharply reduced capacity. About half of the 400,000 steel union members are out of work. That's a made-to-order issue for the Democrats, and potential candidate Walter Mondale is exploiting it to the hilt.

Naturally, Mondale is getting support from political leaders in the big steel states such as Pennsylvania. "Our steel industry needs and deserves time to respond to the challenge of modernization without being handicapped by unfair competitive practices," said Gov. Richard L. Thornburgh.

What hooey! The industry has had nothing but time to make itself more efficient, and has done nothing but squander it. Despite all sorts of "trigger-price" gimmickry, investment incentives and other assistance, the industry has been on a tear to diversify out of the steel-making business.

From 1976 to 1979, U.S. Steel's nonsteel assets grew 80 percent, while its steel assets grew 13 percent. National Steel didn't expand steel capacity, but bought into the savings and loan business. Republic has become big in the insurance business.

For steel executives looking at the bottom line, the game has been—anything but steel.

Just substitute "textile" or "auto" for steel in Thornburgh's pat excuse for protectionism, and you have a chronology of what has been wrong with America: For almost 20 years now, we have been trying to protect inefficent industry, while other countries have been willing to adapt to change.

In his best-selling "New American Frontier," Robert Reich reviews the pattern. By the mid-1960s, America's basic industries had lost the habit of competing: U.S. Steel was the leader in its industry, General Motors in automobiles, RCA in electronic products, and so on down the line. And the industrywide unions in these industries successfully negotiated big, three-year wage contracts, with the escalating costs passed to consumers. A benign Federal Trade Commission guarded against pricecutting to retailers and dealers.

Yet, in their ivory towers, the steel company managers knew that their 1950s-style open-hearth furnaces were less efficent than the modern, basic-oxygen furnaces coming into being elsewhere in the world. There were also new and better slab or billet casting methods superior to American technology.

"But it would have been difficult and costly for U.S. firms to fit the new technology into their old plants without completely suspending production and redesigning the plant site," Reich says. "They saw no reason to go to this trouble and expense since industry profits could be maintained through careful coordination among producers."

Their complacency was first jarred in the late 1960s when a more efficient Japanese industry began to invade the American market. Only a portion of the Japanese advantage could be attributed to lower wage costs, but American steel makers refused to meet the price competition (the smaller companies always preferred to follow the leader, U.S. Steel). So a steel glut developed, and the industry began to shrink its capacity.

In recent years, less developed countries such as Brazil, South Korea and Mexico began to be important producers of steel—and while Democratic and Republican administration alike, in consort with the industry, turned their attention to fending off Japanese and European steel competition, the lesser developed countries grabbed off big pieces of the market.

So here we are today with foreign suppliers enjoying 26 percent of the American steel market—even though some of them are following "voluntary restraints"—and the nation is confronted with a demand by Bethlehem Steel Corp., joined by the United Steelworkers of America, to limit imports to 15 percent of consumption.

The International Trade Commission decided in a 3-to-2 vote that the Bethlehem-USW petition was valid, and will recommend some form of relief to Reagan, who then will be required toward the end of September, just about a month before the election, to decide what to do about it.

The ITC decision on steel came as a shock to the Reagan administration, inasmuch as the same agency had just voted, 5 to 0, against protecting the American shoe industry the day before the London summit started.

Reagan, of course, could reject the ITC steel recommendation. But the betting is that political imperatives will weigh more heavily on the president than his own free-trade instincts or his pledges to summit partners.

Nonetheless, U.S. Trade Representative William E. Brock's office is likely to make the case that new protection will boost prices, making it even tougher for the auto industry and other industrial steel consumers to meet foreign competition.

As Brock pointed out in recent testimony, the substitution of plastics for high-priced steel in cars already has been as significant a factor in the steel industry's problems as import competition.

Ford Motor Co., for example, is using 28 percent less steel by weight in cars since 1978 and 32 percent more plastics. Another threat to the big steel conglomerates that has nothing to do with imports is the success of the so-called American "minimills." They are unencumbered by the high USW wage levels, which (like their auto worker union brethren's) run 70 percent over the average for the rest of the U.S. manufacturing industry.

Couple all this with the probability that any new tariffs or import restrictions will stimulate additional foreign investment in steel production here, especially from Japan, and one can make a good case that, in demanding temporary protection, the steel industry is completing its kamikaze run.

[From the Chicago Tribune, May 21, 1984]

No Quota for Steel Imports

The American steel industry says it is tired of the costly and cumbersome procedures required to banish unfairly traded foreign steel from the American market. So it is pressing now for an outright quota on steel imports, which would reduce them from the 26 percent of U.S. sales they now enjoy to 15 percent. That, as the president of Inland Steel Co. argues in his column on the opposite page, is supposed to give Big Steel a chance to modernize to meet the foreign challenge.

No one doubts his claim that a lot of the steel imported here is, if not dumped, at least unfairly subsidized. Nor is there any dispute about the difficulty of enforcing American trade laws, which provide for special duties on any subsidized imports. But a quota is no answer. It would help the American industry now at the expense of its own future, and at great cost to consumers.

A quota on steel imports would raise prices, which is obviously the point. If American firms could make sufficient profits at current prices, they wouldn't be demanding barriers to competition. That will raise prices for a variety of goods requiring steel—autos, construction, heavy equipment. Besides contributing to inflation at home, it would make it harder for American industries that use steel to compete in the international marketplace. What steel would gain, other sectors would lose.

Nor is the industry's real problem those imports that are unfairly traded; otherwise the quota wouldn't apply to those countries (Japan, South Korea, Canada, for example) that compete very well without such subsidies. Shutting out those nations that dump or subsidize would only mean a bigger share of the market for those that don't. U.S. firms wouldn't be helped much. They need limits not on unfair competition, but on competition, period.

A quota would discourage American steelmakers from making the changes needed to improve their competitive position. Granted, the bill being pushed on Capitol Hill requires them to invest in modernization or lose the quota. But modernization isn't an end in itself. What's needed are the kinds of modernization that reduce costs, which a quota doesn't encourage. It would also spare the industry the other measures—reducing labor costs, most notably—that are essential.

The industry doesn't publicize the fact that past experiments with import restrictions, which were supposed to enable steel firms to make the transition to a more competitive era, haven't succeeded. This should surprise no one. Big Steel's prescription is like trying to learn to swim without ever getting in the water. It will never learn to compete until it has no choice.

[From Forbes, July 2, 1984]

Give Us the Quota Cure

(By Harold Seneker)

Few people can say Donald Trautlein has a cushy job. An accountant by trade who monitored Bethlehem Steel's books for almost a quarter-century before taking over as chairman and CEO in 1980, Trautlein is grappling with an outsize task: the need to scrap tons of obsolete capacity, while scrambling for enough capital to bring Bessie into the new, low-cost world of continuous casting.

How is Trautlein doing? A lot better than you would think if all you did was listen to this warm, amiable 57-year-old argue the need for quotas as the only way to deal with foreign competition. Why does Trautlein sound so pessimistic? Because doing so is a good tactic. Steel has seen what wonders quotas worked for the battered auto industry, and it would like a swig from the same bottle.

Trautlein isn't complaining only about the more or less familiar pressures from Europe and Japan, but about those from newly industrializing countries like South Korea, Taiwan, Spain, Brazil, Mexico and—God save the mark—even Finland.

For steelmen like Trautlein, the facts seem brutally simple: Foreign steel supplied some 15 percent of domestic demand in the 1970s. In the first four months of this year, it has been 25 percent of smaller demand. Trautlein's solution is simple, too. He wants outsiders rolled back to 15 percent of the market for five years, a deal not unlike the one the auto industry got against Japan and currently waxes fat on. But Trautlein means 15 percent for the whole outside world, not only Japan.

What would that do for Bethlehem? Trautlein smiles and quickly tots up the figures. "Where you get the romance in this is, this is a very high fixed cost business. You figure a good 100-million-ton [domestic consumption] year. And figure that the average price will come up about $50 a ton because the world economy is getting better and we've had a price depression." Trautlein estimates the quota would give the domestic industry an additional 10 million tons of that 100 million-ton market. Bethlehem, with its characteristic 13 percent share, could make a quarter of a billion dollars on the new business, and maybe a half-billion from the higher prices on the old volume. "Add about $300 million cash flow from depreciation, and we would be in pretty good shape."

That's putting it mildly. Since it probably would not be paying taxes because of investment credits and loss carryforwards, that would amount to profits of over $9 per Bethlehem share cash flow of $16 per share. Compare this with the recent price of $20 per share.

It would be nice to put Bessie and every other major producer in good shape, but are quotas really the way to do it? Granted, the steelmakers need help while getting their act together but are quotas the only answer? Why not higher tariffs instead? They would preserve at least a measure of competition, without overly penalizing consumers for the ills the steelmakers have brought mainly on themselves. The industry is now biting the bullet for generations of compliant wage settlements and the timidity with which it long faced the truly urgent business of modernization.

The trouble with quotas is that they pass the burden to the consumer rather than forcing management and labor to do the tough things.

In all of those years it was falling behind, Bessie was paying dividends that never got below $1 a share and regularly conceding handsome raises to the steelworkers—to the point where the average wage in the industry, fringes included, now stands at $21.35 an hour.

The dividend was cut to 60 cents a share last year, a year in which the accountant in Trautlein conjured up a number of fixes, some of them oneshot, that helped cut Bessie's deficit from a disastrous $1.4 billion to $164 million.

While he has taken on another $160 million or so in long-term debt since 1981, reinforced by the sale of a $225 million issue of convertible preferred, Trautlein figures he needs to spend no less than $3 billion in present dollars to get old Bessie fully modernized, in line with the rest of the world, over the next five years. That figure does not include such oddments as pension commitments tied to closed-down facilities that will mostly be paid over 16 to 18 years.

It's little wonder steelmen want quotas so badly. Quotas will force many U.S. consumers to buy higher-priced U.S. steel because the cheaper foreign steel will be less available.

Even without the quotas, however, Bessie is in much better shape than it might appear. It expects to raise cash from the sale of assets—$500 million over the next three to four years, including such items as its Seattle plant. Surprisingly, some of the money needed for modernization will be generated internally. Though Trautlein tends to put on his poor boy courtroom clothes when talking about foreign competition, Bessie turned into the black in the second quarter. Trautlein cautiously allows that the company will likely show a profit for the entire year as well, assuming the snapback in heavy construction and the capital goods markets continues apace. The turn began to show as early as the first quarter, when Bessie shipped 2.4 million tons (vs. 2 million in the first quarter of last year), and operations jumped from 40.6 percent to 71 percent of capacity.

Bethlehem is by no means out of the woods, but Trautlein has done such a good job in reshaping the company that Wall Street is beginning to sit up and take notice. Value Line, for example, feels "the next three to five years, while not necessarily easy, will be a lot more palatable and profitable than the last few."

In part, that's an encomium to the accountant in Trautlein and the imaginative way he's juggling the financing of the most crucial investment Bethlehem must make: a pair of continuous casters, one at Sparrows Point, Md. and one at Burns Harbor, Ind. They will knock $40 a ton off the production cost of nearly half Bethlehem's remaining steel capacity. Without these, Bethlehem can forget about being competitive. Ever.

Trautlein aims to get that new plant without laying out a nickel in precious capital. A consortium of banks is setting up a trust that will own the casters (which are at the heart of two key Bethlehem steel facilities, remember) and lease them to Bessie on an as-used basis. The banks will own the trust and lend money to it. They will get the investment tax credit and the depreciation benefits as part of their compensation. But Bessie's tax-loss carryforwards are so huge it won't need those anyway. "Sure, I would have liked to own them myself," says Trautlein. "It's costing us more [in the end], but the choice was to have some of the advantages rather than none of them. I think it was the right decision. It was the least worst alternative."

"The least worst alternative." Not a bad summation of the way things are with steel these days, but Trautlein seems to be bearing up, and so does Bessie.

One reason U.S. steel producers come up short in world competition is the hodgepodge way in which they have allocated capital—here a new blast furnace, there some new basic oxygen capacity. The effect has been to keep open semimodernized marginal plants, dissipating investments that would bring much higher returns if concentrated in a single new installation built from the ground up.

The newly industrializing nations, of course, are starting from the ground up. The efficiencies of doing so show in their productivity numbers. Take Pohang Iron & Steel, South Korea's only integrated producer. As analyzed by Peter Marcus of Paine Webber Mitchell Hutchins, the company's labor cost per ton of steel shipped ran to $20.11 last year. That compares with an average of about $150 in the U.S. and perhaps as much as $159 a ton for Bethlehem.

Thanks to a combination of low labor costs and high technology, Pohang is financing 65 percent of its new construction internally. It draws the rest of its capital from foreign bank and equipment supplier loans, and zips its way through world markets with hardly a government subsidy of any kind. The real edge shows in list prices: cold rolled sheet at $419 a metric ton, compared with $620 in the U.S. and $465 in Japan.

Pohang has been in the black every year since 1973 and is unlikely to be left at the technological post. Its new plant under construction at Kwangyang is scheduled to go live in 1988. Projected labor costs in 1984 dollars: $12 a ton.

[From the American Metal Market, May 10, 1984]

STEEL NEEDS COOPERATION, NOT TRADE RESTRICTIONS

Throughout the 1950s, the highest annual volume of steel imports was less than 5-million tons, about 6 percent of total consumption. That was in 1959, one of those years when labor contracts were renegotiated and there was either a strike or the threat of one, a principal reason behind continuously increasing U.S. demand for imported steels, as I will explain later.

Actually, it was only in 1965 that steel imports first surpassed 10-million tons and 10 percent of total apparent supply.

On an annualized basis, imports did not reach 20 percent of apparent supply until 1981 and the highest share on record was 22.3 percent in 1982.

Only as an aisde, I should like to observe that the 25 or 26 percent calculated on monthly statistics and cited in the news media is really not a very pertient figure since neither production nor consumption is planned on a monthly basis. This is because short-range percent of apparent supply is primarily influenced by variables such as weather, shipping conditions, holidays.

Originally confined to such comparatively basic items as reinforcing and merchant bars, structural steel and nails, imports grew in quantity and improved in technological sophistication until today many most demanding customers consider imported product to be on par—and in certain cases superior—to domestic supplies.

New and highly efficient mills were built abroad which permitted manufacturing steel to meet ever more demanding specifications of U.S. customers. In many cases, steel users worldwide adjusted their own needs to the high-quality level that became available.

Obviously, when such large capital investments are made suppliers look for a continuous flow of business that permits running equipment at optimum capacity.

There were many occasions when this optimum capaicty was of tremendous benefit to American consumers, especially during periods of high business activity such as 1972 when severe steel shortages occurred.

In 1980 to '82, when there was danger of insufficient supply for development of U.S. oil resources, increased pipe shipments from abroad helped overcome a potentially serious shortage. I might add that among the largest buyers at that time were the biggest U.S. producers, such as U.S. Steel, which contracted with Dalmine, an Italian supplier, for 600,000 tons of seamless pipe to be delivered over a five-year period.

As various U.S. mills closed antiquated facilities, foreign producers of semi-finished steel—such as slabs—were able to fill the gap. In this case, American steelmakers were the only customers for this product since no other buyer could process it.

With the ups and downs of the marketplace, imports of many items were seen as a serious problem by American producers, who eventually went to the U.S. government for help. They tried to stop the flow of steel into the country by using existing statutes or, if necessary, attempting to change them to fit the circumstance.

That, of course, presented problems for American export trade as well as many users who had come to depend on foreign steel. In trying to help the steel industry, the U.S. government ran the risk of alienating foreign governments and undermining our foreign trade relations.

Certain measures taken by the government at the instigation of the steel industry were conceived to help modernize often obsolete facilities. For one reason or another, however, this purpose was not realized to a satisfactory degree and additional trade restraints are now being sought.

One such proposal, under the so-called Section 201 application to the International Trade Commission and the President, asks that steel imports be limited to 15 percent of U.S. consumption. A bill to accomplish the same quantitative limitation has been introduced in Congress sponsored by the Steel Caucus.

From our point of view, it is hoped neither of these measures will be enacted into law. I would like to think they are not in the best interest of the country.

If semi-finished products like slabs and pipe which have been sold to big U.S. mills were excluded from import figures, since 1968 the annual average would be close to the 15-percent level.

It is important to recognize, however, that the 15 percent is not evenly spread over all regional steel markets of the U.S. For example, consumers in locations such as the West Coast look to imports for almost 50 percent of their total requirements.

Furthermore, for some product lines import demand is high, while for others it is fairly low at any given time. To make things even more complicated, this situation of differing demand intensities is apt to change in an unpredictable manner.

For instance, at this moment some real tightness is developing in many flat-rolled steel products used in automobiles and appliances. Indeed, customers report lengthening lead times and what might develop into an allocation system by their domestic suppliers. In contrast, many structural steels are in ample supply.

It would be difficult or impossible to design an import quota that not only takes all these American market regions and product characteristics into account but is also sufficiently flexible to accommodate constant market changes.

Arbitrary reductions in steel imports obviously have an effect on steel prices. In 1978, after the trigger price mechanism, a much less stringent measure, was put into effect, the Federal Trade Commission said direct cost to consumers surpassed $1 billion.

But that was only the beginning since trigger prices were raised repeatedly between then and 1980, when they were temporarily suspended. Most knowledgeable people estimate the result of an imposed 15 percent quota to be considerably more expensive.

Looking at the American market today and beyond, we seen a leaner and more efficient domestic steel industry as a result of competitive pressure from imports and minimills. We also see a market that will improve through increased output and higher prices.

Trade discounts which were considerable during 1982 and '83 have been reduced and many experts believe they will disappear altogether as time goes on.

Many of our foreign trading partners have self-imposed quantity restrictions and others have suggested they will follow a similar course. We believe a system of voluntary cooperation is greatly preferable to an inflexible system of quotas or trade restrictions which works to the detriment of our foreign supplier and—most certainly—of the American consumer.

[From the Wall Street Journal, June 21, 1984]

FASHIONING AN INDUSTRIAL RELIEF ACT

(By Tom Wasinger)

Are you a U.S. executive whose company hasn't been producing up to speed lately? Shipments a little slow? Have you dropped a few employees recently to stay above water? Are you generally feeling the financial blahs? If you are suffering from any of these symptoms, you may have a serious case of import indigestion.

Don't worry. Relief is now available. Actually, the remedy has been around for some years now, but just recently a breakthrough was achieved in the treatment.

What is the new cure for import indigestion? Section 201 of the Trade Reform Act of 1974, commonly referred to as the escape clause.

Last week petitions filed by the ailing steel and copper industries, represented respectively by Bethlehem Steel Co. and an ad hoc group of producers, won support from the International Trade Commission (ITC), a five-member body appointed to hear trade complaints filed by U.S. industries. In separate votes, the complainants were found to have been unfairly harmed by imports under a new interpretation of Section 201. President Reagan will not make a final decision on whether to grant import protection for several weeks, but the first-round results were points for the companies and pain for steel and copper consumers.

A SUBTLE CHANGE

The latest ITC decisions represent a watershed in the history of Section 201. In escape-clause cases, the commission, of course, can only recommend relief in the form of adjustment assistance, (usually payments to displaced workers), tariffs or quotas, or a combination of the latter two. The ultimate authority to impose relief resides with the president.

With these two decisions, however, a majority of the commission has shifted the focus to Section 201 away from import protection and concentrated it on industrial relief. The change is a subtle one, but it will have fundamental and profound effects on this country's ability to lead the world away from its recent slide into protectionism. Sadly, the ITC seems unaware of both the flood of trade complaints about to descend on it and the economic costs to the nation as a whole.

To understand the significance of the steel and copper decisions, it is necessary to step back and consider the role Congress played in this unfolding tragedy. In 1974, Congress amended the Trade Expansion Act of 1962. Among many changes was the liberalization of the escape-clause provision so as to ease the barriers to import relief. By doing so, Congress laid the groundwork for what happened at the ITC last week.

Prior to 1974, before an industry could obtain restrictions on imports it had to show that increased imports resulted in major part from trade concessions. The link to trade concessions was undoubtedly a difficult standard, but it was difficult for a reason.

At U.S. insistence, the escape clause was included in the General Agreement on Tariffs and Trade (GATT), negotiated in 1947. It allowed a country to "escape" from its international free-trade obligations if, as a result of trade concessions it granted to other countries, a domestic industry was besieged with imports "in such increased quantities and under such conditions that they were causing or threatening to cause serious injury" to the industry.

Obviously, the escape-clause provision was meant to be invoked ony rarely, lest the consensus for GATT unravel. Not surprisingly the standard established in U.S. law by Congress in 1962 was originally a very difficult one to satisfy. As a result, 26 cases were filed with the ITC (then known as the Trade Commission) between 1962 and 1974. Of those, the commission recommended import relief in only nine cases. Consequently in 1974, Congress decided to relax the rules of the game for complaining companies.

The 1974 Trade Reform Act removed the causal link requiring that increased imports be shown to result in major part from trade agreement concessions and stipulated that increased imports need only be "a substantial cause" rather than "the major cause" of actual or threatened injury. Also, a congressional conference committee decided that imports didn't have to increase in absolute terms to satisfy the substantial-cause requirement, but merely had to increase in relative terms.

Two comments contained in the Senate's legislative report accompanying the 1974 act are noteworthy. The Senate felt that unless imports were increasing absolutely as well as relatively, imports could not be a substantial cause of industry ills. And in a moment of prescience it indicated that the 1974 changes were not intended to allow "the escape clause criteria [to] go from one extreme excessive rigidity to complete laxity."

Between 1975 and 1984, as a consequence of these changes in the law, 50 cases were brought before the ITC by industries complaining of import pressures. In 29 of these cases, the commission ruled in their favor. Of those decisions, the president granted relief to the industries on only 12 occasions.

This brings us back to the ITC and its decisions in favor of the steel and copper industry petitions. In the case of Bethlehem Steel, the commission by a vote of 3-2 agreed with the steel industry that imports were the substantial cause of its suffering, despite the fact that imports had not increased in absolute terms over the period of investigation. The dissenters (one liberal and one Reagan independent) argued that imports were about the least of the industry's problems. They stated that demand for steel, imprudent investment strategies, increasingly noncompetitive costs (labor in particular), and intra-industry competition in the form of highly efficient mini-mills were more important causes of Big Steel's decline.

The copper industry's petition was even more unusual. For a long time, U.S. copper producers exerted substantial control over world production and, thereby, world prices. Over the years, however, worldwide production outside of their influence continued to grow. Conditions became more competitive and world prices fluctuated widely based upon supply and demand. U.S. producers became price takers as opposed to price makers.

Currently the cost of copper production in the U.S. (between 80 cents and 90 cents a pound) is above the world price of roughly 60 cents to 70 cents a pound. In addition, imports have been increasing. Therefore, U.S. copper producers argued, imports were the substantial cause of their difficulties.

Based upon the curious theory of one commissioner that "increased imports are a vehicle for transmitting low world copper prices to the U.S. market," the panel unanimously found that imports were a substantial cause of injury. Needless to say, with or without the presence of imports in this country, the world price of copper is not about to change, and surely the U.S. price will change little, if any. Therefore the ITC has afforded relief from imports to an industry that can in no way produce a profit, regardless of the absence or presence of increased imports.

In so doing, the ITC has essentially eliminated the need for domestic industries to show any causal connection between imports and the injury they are suffering. It is now enough to simply establish a coincidence of factors—industrial distress and the presence of imports in the marketplace. Put another way, if there is no direct proof of a causal relationship between imports and serious injury, one will be created or inferred.

DOOR IS WIDE OPEN

Last week's decisions by the ITC make the transition of Section 201 from an import protection measure to an industrial relief program complete. What they share is an almost single-minded focus on the plight of domestic industries. In so doing they have lowered the causation standard beyond that which Congress intended, assuming, of course, that the Senate meant what it said about its concern about avoiding laxity in the escape-clause criteria.

The impact of these decisions on the world trading system won't be felt for some time, but this much is manifestly certain: The door to industrial relief in this country is now wide open and the U.S. is sliding ever more quickly back into the protectionist mode.

President Reagan is the only person who can slow this dangerous trend. He promised to do just that at this year's economic summit. However, the current election season may be a factor in his equation. Ironically enough, he has been placed in his dilemma by his own handpicked appointees to the ITC.●

GEN. MARK CLARK

● Mr. LAXALT. Mr. President, not so long ago, the Nation commemorated the 40th anniversary of the Allied landing on the beaches of Normandy.

While it is right that we should remember the bravery and heroism of those landing forces, we should at the same time remember the bravery and endurance of the Allied forces in another theater of operations.

Some called the Italian campaign the "forgotten war;" but, some remember, and they remember the Commander of the American 5th Army in World War II, Gen. Mark W. Clark. One such individual is Kenneth Scheibel, one of the Frederick News-Post Washington correspondents.

As Ken rightfully points out:

> Whatever historians finally say about the highly controversial Italian campaign in World War II, they must admit that Allied troops there pinned down a sizable German force—troops that could not be used on the Russian front, on the beaches of Normandy, or to drop buzz bombs on helpless citizens in London.

Ken has the following to say about General Clark:

Clark's critics fault him for major mistakes and possibly they have some merit. But I always felt that in the weeks, months, and years I marched in "la quinta armata" that somebody higher up was more concerned with saving lives than in losing them.

And that somebody had to be Mark W. Clark.

Mr. President, I ask that Ken Scheibel's article be printed in the RECORD.

The article follows:

[From the Post (Frederick, MD), June 6. 1984]

REMEMBERING A DASHING, DARING, CARING SOLDIER

(By Kenneth Scheibel)

The passing of Gen. Mark W. Clark will evoke many memories for officers and men who marched with him in the American Fifth Army in World War II.

Clark had a flair for capturing headlines, both for his exploits and for what critics call major mistakes. He went about his business with the air of a throughgoing professional. And he was truly that.

Clark was dashing. He was a diplomat. He was daring. And as a professional soldier he was dedicated to getting the very best from his officers and men.

It seemed to me Clark had a mania for preparation and training. He always seemed cool, poised, and collected. But when one battle ended, we worked like hell preparing for the next one.

Gen. Clark was a believer in battle training schools and I attended several of them. Perhaps I should say "survived" them. Clark tried to make his training schools as close to actual battle as possible so when the real thing came along, his troops were ready in body and spirit.

At the Fifth Army Leadership and Battle Training Center at Oujda, Morocco, in the summer of 1943, Clark put officers and men through a gamut of exercises which some veterans of Tunisia said made the real thing seem tame by comparison.

We slithered on our bellies under the crackle of machine gun fire a few inches overhead. We dodged into shell holes on a pock-marked field as artillery bursts cracked alongside. We learned the intricacies of the devilish coterie of mines fashioned by the Germans. And we were taught how to lob hand grenades for combat at close quarters. Clark also insisted that his troops become proficient in operation and repair of radios—so vital to blitzkrieg warfare.

The general also was a bear for physical conditioning. Long before the era of jogging, Clark had us running four to five miles daily under the hot summer sun. And woe be to anyone who could not meet this test.

But Clark was no martinet. He felt that hard work deserved reward. And Fifth Army provided rest camps and recreation for officers and men in North Africa and Italy, which were truly memorable.

Clark did his level best to see that his troops received hot food in combat whenever possible. Weary troops were provided portable shower units and a change of clothing.

Clark did not generate the personal warmth among officers and men like a Patton, Eisenhower, or Bradley. He seemed aloof in person, but his close associates felt he was warmhearted and genuine.

Like officers in World War II, Clark wore boots, always highly polished. His olive drab trousers were pressed razor sharp. In his travels by plane, jeep, or sedan, Clark wore a bandanna around his neck. Usually it was blue.

Not many medals were presented in the Fifth Army in Italy without General Clark being there to make the award. A photographer recorded the event. And the Fifth Army public relations office—a very busy one—cranked out a press release for the paper back home.

Gen. Clark seemed to lack some of the oratorical flair possessed by other leaders of the World War II era. But he made a memorable promise to warweary Italians in an address in which he said, "we covet only enough of your soil to bury our gallant dead."

Gen. Clark was a gentleman of the old school.

At Anzio, a pretty nurse in a U.S. field hospital found herself in "a family way" after a few visits from a young lieutenant. Clark learned of the lady's plight and ordered her returned to the United States. But before her departure, Clark summoned three people to his headquarters—the nurse, the lieutenant, and an army chaplain. The ceremony of marriage was performed—at the invitation of the commanding general. And the war went on.

World War II in Italy brings to mind such battles as Salerno, the Rapido River, Monte Cassino.

During the bitter campaign, Clark always told us that when we eventually broke into the Po Valley, where our tank sweeps could decimate the enemy, we would take a million German prisoners.

After nearly two years of slogging through the mud of Italy, we did break through—and had a chance to test Clark's promise. He was right.

Whatever historians finally say about the highly controversial Italian campaign in World War II, they must admit that Allied troops there pinned down a sizable German force—troops that could not be used on the Russian front, on the beaches of Normandy, or to drop buzz bombs on helpless citizens in London.

Clark's critics fault him for major mistakes and possibly they have some merit. But I always felt that in the weeks, month and years I marched in "la quinta armata" that somebody higher up was more concerned with saving lives than in losing them.

And that somebody had to be Mark W. Clark.●

20TH ANNIVERSARY OF THE SLAYING OF ANDREW GOODMAN, JAMES CHANEY, AND MICHAEL SCHWERNER

● Mr. DODD. Mr. President, this summer we mark the 20th anniversary of the deaths of Andrew Goodman, James Chaney, and Michael Schwerner during the Mississippi freedom summer of 1964. In this season of great national debate, it is well to remember that many of the rights which we seek to preserve in the political arena were purchased dearly, in bloody currency, not so very long ago. On October 29, 1964, our former colleague Congressman Al Lowenstein delivered a moving tribute to the three young civil rights workers in an address to the Queens College student body. Al's own violent death in 1980 lends special poignancy to his remarks, and I ask that the text of that speech be printed in the RECORD.

The speech follows:

. . . WHAT IS BEST IN ALL OF US

From the plain homes of this land have always come as needed the men and women of the frontline. From people who look like us and show no greater signs of nobleness than we, in civil and world wars and through the years, born from ordinary circumstance came not alone the drifters and evaders, but came as well the ordinary men whose cleverness and courage defeated cynicism and preserved opportunity for their own times and their descendants.

The best of them—and what is best in all of us—thus was at Chancellorsville and Belleau Wood and in the trenches of University City on the Mangares and at Anzio and Pusan.

And the best of us—and what is best in all of us—went to Mississippi this summer and for a moment shared the timeless shacks and tasted the weariness of Itta Beana and Ruleville and Neshoba. Not all of this best came back; no more from Mississippi than from Chancellorsville or Madrid. But it is the extraordinary fact that there is more of it now than there was before, and that this more is yet better than it could have been before.

That fewer may have died here than there makes death no less for us, for those who died, and no less terrible for those who loved them and live on. For though the universe itself collapses, one can die but once.

Some have said these deaths in Mississippi are the more appalling being needless or senseless. And in a sense all deaths to make life better are needless, as in a larger sense, no death is needless. Senseless—who's to say what's senseless except by what comes after.

And so to us. We commemorate three from among us who chose not to die, but to risk death, who loved life and saw what it could be, as do we, the same vision, the same life. And we are asked not to die nor even especially to risk death, but to risk life, to stand toughened and sweetened and warned and stretched, to smite talk of senselessness by what we make of the terminal event with our continuings. For no event can be senseless that lights a decade and lifts the prospects of a whole people.

Buildings will be named for Andrew Goodman, and then in time the buildings will crumble. But while men struggle for status and credit and power so they can have other buildings that will come to be named for them too, it lies with us to assure that this good man and his comrades, freed of such struggle, forge themselves into the immortality that depends on and yields to no buildings, no speeches, that lodges in the lifted prospects of a whole people through generations uncounted.

We can. We may. We may not.

For as surely as the plain homes and ordinary circumstances of Americans have produced the men and women of the frontlines, so too have they produced, between the indifference and blindness that have made so many frontlines necessary, and have helped to cause so many premature deaths from those who are the best of us and who died for what is best in all of us.

That all these tired words can mean much comfort for those nearest to those now lost, I doubt. At least not yet. But they are said here in hopes that with time will come healing and with perspective will come solace. In the shattering fact two things are sure: that men through history will now be saying these were hard years for the good things in American life. They lost Eleanor Roosevelt, Medgar Evers, John Fitzgerald Kennedy, James Chaney, Michael Schwerner and Andrew Goodman. But they gained the momentum to make it over the top for so much that had languished so long.

"Long, too long America
Traveling roads all even and peaceful, you learned from joys and prosperity only,
But now, oh now, to learn from crisis of anguish, advancing, grappling with direst fate and recoiling now,
And now to conceive and show to the world what your children en-masse really are."—Whitman.●

THE U.S. AUTOMOBILE INDUSTRY

● Mr. CHAFEE. Mr. President, the American automobile industry has made great strides to modernize itself. To its credit, Detroit automakers have spent about $50 billion since 1979 in new plant and equipment. They have replaced old plants and outmoded design techniques with modern, new facilities and radical changes in the way they build cars.

Even labor has helped the recovery of this industry by giving up nearly $2 billion in wage demands. Unfortunately, given the exorbitant rewards recently enjoyed by management, labor can hardly be expected to continue this trend in its contract negotiations this fall.

All in all, the automobile industry is making a comeback due in part to its investments and hard work to restore quality and higher productivity. A booming economy and better controls on costs are also factors which explain the industry's recovery. Another important factor has been higher car prices, up 19 percent in the past 2 years, according to the Commerce Department. Most of this increase in prices has been caused by the voluntary export restraints on Japanese automakers.

As the debate over the state of the automobile industry continues, there is growing sentiment that the extension of import protection is simply not justified. Domestic content legislation, which would provide ironclad permanent protection, would raise prices even higher, to the detriment of the American consumer.

Robert J. Samuelson, in a commentary in the Washington Post on June 13, warns that this industry is simply becoming addicted to quotas which are not necessary for its continued health.

Fortune magazine's June 25 issue argues that Detroit can live without quotas because it is making its big money today on big cars, where there is little competition from overseas.

I request that these articles be included in the RECORD.

The articles follow:

[From the Washington Post, June 13, 1984]

AUTO MAKERS FIND QUOTAS ADDICTING

(By Robert J. Samuelson)

Watching the auto industry, it seems increasingly clear that at least two of the three major U.S. firms (Ford Motor Co. and Chrysler Corp.) are angling for permanent protection from Japanese imports. They've become addicted to the profitable effects of the quotas, and—like all addicts—they're peddling their own version of reality that holds that the addiction isn't so bad after all.

Chrysler Chairman Lee A. Iacocca is a master at this. He's all for the free market (who isn't?), but claims that the Japanese have an "unfair" edge in low taxes and an artificially low exchange rate. Iacocca puts the advantage at $1,600 a car and says that, otherwise, he can compete. But, meanwhile, import restraints should continue. Actually, the facts are:

The yen is one-fifth higher now than in 1975, but the number of Japanese imports has risen 140 percent. A new University of Michigan study puts the Japanese cost advantage between $1,300 and $2,200 a car, reflecting factory efficiencies and lower labor costs. The Japanese can sell all the cars they're allowed under the "voluntary" annual quota of 1.9 million at high prices. But the study warned that, if the Japanese ever turn their cost superiority into price cutting, it would threaten "the continued existence of the U.S. automotive industry in its current form."

Despite quality improvements that U.S. companies claim to have made (and probably have), the reputation of American cars continues to slide. Drivers most want maintance-free operation from a car, according to John Hemphill of J.D. Power & Associates. In 1979, 28 percent of drivers rated U.S. cars "excellent" or "very good" on dependability; by 1983, that was 24 percent. Meanwhile, comparable ratings for Japanese cars rose from 19 to 30 percent, according to the Power surveys.

Perhaps the most offensive bit of industry propaganda is that quotas haven't increased car prices and (more preposterous) that auto prices have risen less than inflation—that is, cars are becoming relatively cheaper. Even the industry's own statistics indicate otherwise. The Motor Vehicle Manufacturers Association reported that the average price of a new car was $4,051 and average weekly earnings were $145 in 1973; a car cost the equivalent of 27.9 weeks of earnings, down from 35.4 weeks in 1966. Since 1973, the cost of a car (measured in weeks of earnings) has risen steadily. It was 31.3 in 1978, 32.3 in 1980 and 37.5 in 1983.

Moreover, consumers are behaving as if prices had risen. Deterred by high new-car prices, they're holding on to their cars longer (the average age of a car was 7.2 years in 1982, up from 5.7 years in 1973). And more buyers are being forced into the used-car market. Used-car prices, therefore, have jumped about one-fifth faster than new-car prices since 1980.

When auto executives say car prices are rising less than inflation—as Ford Treasurer David N. McCammon did recently—they're using government statistics either incompetently or dishonestly. It's true that the consumer price index (CPI) for new cars rose less (6.5 percent) than the overall index (9.5 percent) from 1981 to 1983. But auto executives know (or ought to) that many adjustments have been made to the CPI that understate the true price of cars.

For starters, the Bureau of Labor Statistics adjusts the CPI for "quality changes" in new cars, and these adjustments recently have eliminated up to half the price increase from the index. In theory, this is fair. If cars improve in quality, a higher price shouldn't be counted as a price increase. But in practice, the adjustments seem to be one-sided. For example, prices are reduced to reflect better fuel efficiency and pollution control, but aren't often adjusted in the other direction—a quality loss—for smaller size and less powerful engines.

And the CPI has totally missed some price increases. As the industry shifted to front-wheel-drive cars in the late 1970s, the BLS decided that the new models couldn't be compared with the old. When, for example, General Motors Corp. introduced its X cars (such as the Chevrolet Citation) in 1979, the prices were nearly 10 percent higher than previous models'. The CPI disregarded most of the increase. Because the industry has changed most models, the CPI may have underpriced many domestic cars.

In fact, the reality of rising car prices—relative to purchasing power—is at the root of the auto industry's problems. Until 1973, it had costs under control. Since then, it has faced escalating labor expenses and staggering investment costs for more-fuel-efficient cars. Higher costs have been passed along in higher prices, depressing demand and making the industry less competitive with the Japanese. Production is lower now than in 1973—even though the labor force has risen by one-quarter and the recession left a huge pent-up demand for autos.

The limits on imports create a price umbrella to cover high costs and allow the companies to earn large profits at lower sales volumes. Unless the law of supply and demand has been repealed, the quotas increase prices: Restrict supply in the face of constant demand, and prices rise. The exact amount is difficult to estimate, but many auto analysts put the premium at $400 a car. Economist Robert W. Crandall of the Brookings Institution thinks it may be as high as $800.

All this is addicting to auto executives. It's unclear how much the quotas inflate auto profits, but some arithmetic is instructive. Last year, U.S. car companies had after-tax profits of $6.2 billion and sold 6.8 million cars. At $400 a car, quotas would have added $2.7 billion to car prices; at $800 a car, it would have been $5.4 billion. If—as seems increasingly likely—the industry signs an expensive labor contract this fall, it (and the union) will need protection more than ever. Naturally, then, the public should be made to think that quotas don't cost much and only offset an "unfair" Japanese advantage.

No one should deny the enormous strides the companies have made since the companies have made since the mid-1970s: They've redesigned this cars to make them more fuel-efficient and streamlined their manufacturing operations. But the competition is striding, too. The gripe against import restrictions has always been not only that they raise prices but that, by creating a false sense of security and artificial prosperity, they will act to make the industry less competitive. These worst fears may now be coming true.

CAN DETROIT LIVE WITHOUT QUOTAS?

(By Anne B. Fisher)

"When a patient is just recovering from pneumonia, it doesn't make much sense to open the windows and let the cold air blow in," Ford Chairman Philip Caldwell declared recently. The chilly draft on Caldwell's neck is coming from Washington, where U.S. Trade Representative William Brock has been fulminating against restraints on Japanese auto imports. If Brock has his way, the window will open wide next year, and the U.S. will allow unlimited imports of Japanese cars for the first time since April 1981. That would surely make life a lot less comfortable for Detroit and its workers—but the prognosis for the patient is better than Caldwell would have you believe.

The quotas, euphemistically known as "voluntary export restraints," were applied as emergency first aid: the Big Three auto companies, battered by recession and Japanese competition, lost $4 billion in 1980 alone. If they were ever to get back on their feet, the companies argued, they needed "breathing room"—a three-year freeze on Japanese imports, during which Detroit could update its production methods, chop costs, and learn how to succeed in the market for small cars. The Japanese Ministry of International Trade and Industry (MITI), chary of provoking harsher protectionist measures, was more than willing to oblige. It offered to hold Japanese auto exports to their then current level of 1.65 million cars a year, or about 20% of the U.S. market. The restraints, now extended to a fourth year that began on April 1, have been loosened a bit to admit 1.85 million Japanese cars by April 1985.

Judging by U.S. auto companies' profits these days, the quotas have helped effect a miraculous cure. Chrysler's 1983 profit of $701 million was more than four times greater than in 1982, and GM earned $3.7 billion, the company's best showing since 1978. Even Ford, which managed to lose $658 million in 1982 despite protection from imports, earned $1.9 billion last year.

Not so clear are the costs the quotas have imposed on consumers. A widely cited study by Wharton Econometrics Forecasting Associates says that the average price of a new car has gone up nearly $2,000 since quotas started. But the analysis fails to take into account that people are buying more big cars with more expensive options. The U.S. Bureau of Labor Statistics, whose research weights such shifts in the product mix, reports that in the first three years of quotas, the price of the average new car rose 13% and the consumer price index 16%.

Scarcity has nonetheless fattened the profits of Japanese manufacturers and their American dealers. As anyone knows who has gone car shopping lately, the Japanese aren't shipping many of the low-priced economy cars that gobbled up U.S. market share after the two oil shocks. Today they send their priciest models, and dealers frequently load on options along with hefty extra changes of their own. The popular Honda Civic CRX, which lists for $6,773, will set customers of some dealerships back as much as $9,000.

The Japanese price umbrella has helped Detroit prosper too. But some of the U.S. industry's profit improvement is due to greater efficiency. To its credit Detroit has been working hard—and investing heavily—to modernize itself. Its effort to reverse direction is unprecedented in an industry of its size. U.S. automakers have been scrapping old plants, building new ones, and struggling to adopt radical changes in the way they design and build cars. All told, they have spent more than $50 billion on new plant and equipment since 1979, vs. $23 billion in the preceding four years, and there's no end in sight.

GM, for example, plans to spend another $6 billion this year, twice what it spent in 1983. Since 1980 the Big Three have lopped some $4 billion from inventory costs and trimmed their management ranks by 15%. Labor too has made some unprecedented contributions: the United Auto Workers gave up about $2 billion wages and benefits in the contract that expires this fall, compared with what they would have gotten under the terms of the old contract. Many locals agreed to fundamental changes in work rules so that plants could be run more efficiently.

The industry is getting a visible payoff: quality is rising and costs are falling. One measure of productivity, the number of vehicles produced per employee in a year, has nearly doubled since 1980 from ten to 19 for Ford and Chrysler, somewhat less for GM. Chrysler, the company most voluble on the details of its cost-cutting, says it can now break even by selling 1.1 million vehicles. That's less than half its 1980 breakeven of 2.4 million units.

Alas, one difficulty remains: Detroit still can't build a cost-competitive small car—at least not in this country. Despite all the productivity gains, experts' estimates of the Japanese cost advantage range from $1,600 to $2,500 per subcompact car, about the same as four years ago. By running fast, the industry has managed to stay in the same place.

As Ford, Chrysler, and the UAW see it, the trouble is that they haven't been running on a "level playing field." The field, they say, is tilted against them in two ways. First, the weakness of the yen against the dollar makes Japanese cars some $900 cheaper here in the U.S. than they would be if the yen were "fairly valued" (see Politics & Policy). Second, Japan has a value added tax system that doesn't apply to exports, while U.S. automakers and their employees must pay income taxes that become part of the cost of the product. The difference between the tax systems supposedly gives the Japanese an edge of $700 per car. Protectionists say that these two unfair Japanese advantages account for most, or even all, of the difference in small-car costs. Since Detroit is powerless to do anything about currency and taxes, quotas are needed so that U.S. carmakers get a chance to compete.

The argument rests on some shaky assumptions. The protectionists arrive at the alleged currency advantage by comparing the entire cost of a Japanese car with what the cost would be if the yen were "fairly valued." But Martin Anderson, an automotive consultant who until recently headed a four-year study of the world auto industry for MIT, points out that the Japanese pay tariffs and buy the bulk of their raw materials and their most costly services—including transportation and marketing—in currencies other than yen (U.S. dollars, for instance). Notes Anderson: "A big chunk of Japanese expenses, and profits, is not in yen and has nothing to do with the yen." The real figure, Anderson contends, is more like $200 to $300 per car. It's also largely temporary, since sooner or later the dollar should drop, or the yen should rise.

The putative Japanese tax edge is even more illusory. While it's true that Japanese exporters have their value-added taxes rebated at home, they do pay other domestic taxes, as well as taxes and import duties in the U.S. According to a recent study by the Lexington, Massachusetts, consulting firm of Temple, Barker & Sloane, a typical Japanese car sold in this country is actually more heavily taxed than its U.S. counterpart, carrying a tax and duty load of $2,675 vs. $2,088 for an American-made car.

The Japanese companies do have a few peculiar advantages. Their laws, unlike U.S. laws, allow them to share research and development efforts. They can depreciate equipment more rapidly—up to 60% during the first year vs. 25% in the U.S.—so they have plenty of incentive to adopt the latest labor-saving machinery. And they have much more control over the companies that supply them with parts. Toyota and Nissan, for example, have equity interests in most of their suppliers. They get the benefits of vertical integration along with a few extras: the suppliers have to raise their own capital and are expected to take the brunt of any downturn in sales. Some will take on workers the manufacturers don't need, eliminating layoffs at the auto plants.

But the main Japanese advantage now as in the past, is in the cost and productivity of labor. American auto workers still get about $8 an hour more than Japanese workers, including wages and benefits, and far more of their time is required to build a car. James Abegglen, a Boston Consulting Group vice president in Tokyo, has concluded from his research that auto industry productivity in Japan is 2½ times greater than in the U.S. and still growing at 8% a year as the manufacturers automate.

The U.S. industry should be able to narrow the gap with improvements in design, factory organization, and automation. Japanese automakers building cars in the U.S. are tight-lipped about their costs—and the manufacturing techniques they are using—but some of them, at least, appear to think they can compete with the home factories.

One optimistic school of thought holds that U.S. automakers can do even better than the Japanese if they try hard enough over a long enough period. A giant company like GM is slow to change, says David Cole, director of automotive studies at the University of Michigan. "But in a way that tremendous size is a real advantage," he argues. "They can use their operations as one enormous laboratory, where hundreds of experiments are going on all the time. When all the best practices are consolidated, they'll have generated a new production system internally." Cole thinks Detroit's efforts can pay off in a cost-competitive small car by 1989.

GM thinks so too. In an operation called Project Saturn, GM is "starting with a clean sheet of paper," as Chairman Roger B. Smith puts it, to design a new generation of small cars that would be on the market before the end of the decade. GM will build the wedge-shaped Saturn using large numbers of so-called intelligent robots that can do complex tasks, along with teams of workers responsible for whole subassemblies. Many components, like front-end sections, will reach the final assembly line already made up into modules. Chrysler claims to be embarked on a similar effort—presumably on a smaller scale, given its lesser resources.

The end of the decade is an awful lot of breathing room for the industry to expect, but over the next five years several factors, political and economic, will work in Detroit's favor. In the near term it may well get an extension of the quotas, though perhaps with some annual growth rate for Japanese imports. Walter Mondale has pledged to continue quotas—provided U.S. auto companies promise to reinvest their profits on American soil. The Reagan Administration has avoided taking any position on the matter, claiming that Brock's free-trade talk reflects only his personal opinion. Reagan's campaign strategists can't help but notice that 74% of the electoral votes needed to win the election are in industrial states, where protectionist feeling runs high. Reagan's reticence is more complicated, however, than mere election-year fence-straddling. Japan, because of its powerful farm lobby, is still virtually shutting out U.S. agricultural imports despite Administration efforts to pry that market open. The Administration would have a hard time explaining how it could yield on its quotas while the Japanese hang tough on theirs.

Even if quotas end next year, Detroit is unlikely to return to its sickbed. One pleasant surprise—and a big part of the reason for the rapid run-up in Detroit's earnings—has been the return to popularity of the relatively big and luxurious car. Demand for Cadillacs, Lincolns, Oldsmobile Cutlass Supremes, and the like shifted into high gear as soon as oil prices began to drop two years ago; sales are now at two million a year, or about 25% of the market. No one in Detroit expects big-car sales to accelerate forever. But it's a heady ride while it lasts: profit margins range from $2,000 to $6,000 per car. In this segment of the market the Japanese don't compete at all. "The U.S. is the only market in the world for these cars," notes Martin Anderson. "It isn't practical for the Japanese to build them in any volume."

Big cars aren't the only ace Detroit is holding. Figuring that Japanese import restraints have to end sometime, all three major auto companies have made plans either to build small cars overseas or import cars to sell under U.S. labels, or both. General Motors has been the most aggressive. GM now has a 34% equity in the Japanese automaker Isuzu, a 5% stake in Suzuki, and 50% of South Korea's Daewoo. GM wants to start importing some 300,000 cars from Asia as soon as quotas end—which is why it is the only member of the Big Three saying the quotas should be scrapped.

Chrysler now gets about 8% of its sales from cars built by Mitsubishi. A Chrysler executive says that if quotas come off next year the percentage would more than double: the Mitsubishi vehicles are more profitable than any small car Chrysler builds at home. (At the same time, Mitsubishi would probably try to build up its own dealer network in the U.S.) Later this year Chairman Lee Iacocca will have to decide where to invest more than $600 million to build a replacement for the aging Omni/Horizon line. If quotas look likely to end, Chrysler officials say, the new car may be manufactured overseas. Ford isn't talking, but the company's next small car could come from Mazda—Ford owns 25%—or from Ford assembly plants in Mexico. "Removing the Japanese quota would affect GM, Ford, and Chrysler in different ways," says Gary Glaser, an auto analyst at the brokerage firm of Sanford C. Bernstein, "but it's not at all clear that earnings at any of the companies would go down."

One pothole mars the path of GM and Ford. The federal law known as CAFE (for Corporate Average Fuel Economy) penalizes car companies whose autos don't on average meet a government standard of 27 mpg (to rise to 27.5 next year). Once GM starts importing lots of small cars that aren't included in the average, it could be left with a domestic fleet of large cars that can't make the grade. Ford could be in some trouble too if sales of its money-losing subcompact Escort fall after the quotas' demise. Its LTDs and Lincolns are gas-guzzlers by comparison, and even today's healthy Escort sales are barely enough to keep the company above the standard. Only Chrysler is safe: it doesn't sell many big cars. Martin Anderson, who was an analyst at the National Highway Traffic Safety Administration when CAFE was imposed on the country, calls it "the stupidest piece of public policy I've ever seen." It will punish carmakers for providing what consumers manifestly want: a mix of cheap small cars and comfortable big ones. Anderson estimates that Ford and GM could be liable for CAFE fines of $300 million to $500 million in 1985—but, he notes, that's still a bargain compared with the bill for continuing to build small cars under Detroit's current cost structure.

The most compelling reason for expecting more breathing room is that the Japanese have gone into a deep think of their own about how the world auto market will play out over the next 20 years. In the short term Japanese carmakers are feasting off the quotas. Japan's stagnant home market has been so torn by price wars that cars generally sell at or below cost. Not so in the U.S., where import restraints—with a fixed allotment of vehicles for each company—allow the automakers to avoid the risky business of fighting for market share and concentrate on making money.

It's nearly impossible to tell from public reports how much of the Japanese auto companies' profits come from the U.S., but industry experts estimate the figure is about 80% for Toyota and even more than that for Nissan. They point to Subaru of America as an example of what quotas have done for the Japanese. With world sales of $1 billion, tiny Subaru sells only two modest subcompact models in the U.S.—no vans, sports cars, or fancy sedans. And, like its large compatriots, the company has enjoyed little increase in U.S. unit sales since quotas were slapped on. Yet the company's earnings per share have zoomed from $1.79 five years ago to $8.15 last year. In 1984 analysts expect Subaru's per-share profits to reach $10.

Small wonder, then, that MITI now says it would not object to seeing the quotas stay in place for another year. Apart from enjoying high profits in the short run, the Japanese want to avoid stricter protectionist measures in the long run. One official told a Tokyo newspaper recently that, even if restraints were officially removed, MITI would not permit "a heavy rain of cars" on the U.S. "They would not want to exceed 20% of the U.S. market," or about the current Japanese share, predicts Maryann Keller, an auto analyst at the New York money management firm Vilas-Fischer & Associates. "They'll aim for a tolerable level of animosity."

But free markets are rough places that bureaucrats chronically misjudge. MITI's influence over Japanese manufacturers is not all-powerful, and the smaller companies that were awarded tiny quotas three years ago will doubtless be itching to get into the U.S. market in a bigger way. As they do so, Detroit—freed from quotas itself—will respond with imports from Korea and elsewhere. No one can be sure a price-cutting free-for-all wouldn't erupt in the U.S. just as it has in Japan. On the other hand, lower prices should expand the market. While opinions vary on how much the U.S. market can grow over the next few years, many industry experts contend that between one and two million American consumers who now buy used cars would buy a new small car if they could afford one. If that's the case, an influx of low-priced small cars would lure those sticker-shocked shoppers back into the showrooms (relegating a proportional share of the rapidly aging used-car fleet to the scrapyards).

Consumers would clearly benefit from such a ferociously free market. The U.S. industry, with its global resources, might even prosper. But how many cars are built in the U.S. will depend less on fiats from Washington than on decisions made in Detroit. The industry's efforts to modernize will require a lot of help from the UAW, long a standard-bearer for enlightened trade unionism but lately turned protectionist. The pressures on the leadership are terrible (FORTUNE, April 16) and were worsened by the let-the-good-times-roll rewards the industry bestowed on management this spring. Now the rank and file wants some goodies too, and the contracts to be negotiated this summer could be crucial for the industry. Quotas are a sometime thing. In the long run, jobs can be preserved only by a competitive labor force.●

JAMES L. EVERAGE HONORED

● **Mr. BUMPERS.** Mr. President, I would like to pay tribute to James L. Everage, who recently received the Department of Agriculture's Superior Service Award for his work as the director of the Cass Job Corps Civilian Conservation Center. Mr. Everage is the director of the jobs corps center on the Ozark-St. Francis National Forest in Arkansas which provides economically disadvantaged youth with the chance to complete their education, receive vocational training, and develop social skills. In just 2 short years as director, Mr. Everage brought the Cass Center to the top ranking among all the Nation's centers in 1982. That achievement is to be especially commended because the Department of Labor ranked the Cass Center in the lowest 25th percentile when Mr. Everage took over as its director.

The accomplishments of the corps members speak strongly of Mr. Everage's leadership. In 1982, no enrollees dropped out of the program after the crucial first 30 days, and more than 95 percent of the Cass Center's graduates were placed in jobs. The Cass Center utilizes all the slots it is allotted, and Mr. Everage would like to take advantage of the facilities at the Center to serve even more young people. As convincing as these statistics are, they do not tell the full story of Mr. Everage's success. I have heard from many citizens of the communities near the Cass Center who enthusiastically support the work done at the center and are dedicated to keeping the center at Cass. Community members consistently compliment Mr. Everage on the pride and dedication he shows in his round-the-clock job and for the inspirational leadership he offers his staff and corps members.

In passing the Job Training Partnership Act, the Congress hoped to establish a partnership between the private and public sectors. Mr. Everage has dramatically improved relations between the Cass Center and its surrounding communities and made the partnership we held as an ideal a reality. As one community leader recently said, "The Job Corps Center is a vital part of our area." No stronger compliment or clearer recognition of Mr. Everage's work could be offered.

On behalf of his staff, his corps members, and graduates, and the Cass community, I congratulate Mr. Everage on receiving the Superior Service Award and thank him for his fine work at the Cass Center.●

EUGENE ROSTOW CALLS FOR REPEAL OF WAR POWERS RESOLUTION

● Mr. GOLDWATER. Mr. President, one of the wisest constitutional and strategic scholars in the country, Dr. Eugene Rostow, formerly Under Secretary of State for Political Affairs for both Presidents Kennedy and Johnson and currently sterling professor of law at Yale University, gave a noteworthy speech here in Washington before the American Bar Association Conference on Congress, the President, and foreign policy. In view of recent debates in Congress on the defense authorization bill and other legislation involving Presidential authority to respond to foreign dangers, I think that Dr. Rostow's remarks are pertinent to the choices we must make on these issues of fundamental national policy.

One of the points that Dr. Rostow makes most forcefully is that it will be impossible for the United States to have an effective foreign policy unless our people, legislators, and leaders put Vietnam in back of us. The revival of Fortress America as a national doctrine and the isolationist illusion of retreating unto ourselves must be brought to a halt before the United States repeats the nearly fatal errors of the late 1930's.

As Dr. Rostow warns, peace cannot be kept by a nation which loses both its power and its self-confidence. Peace requires the effective and far-reaching deterrence of aggression. Peace requires a foreign policy that is based on the ability and willingness to behave firmly in a crisis and not on policies of passivity and retreat.

Dr. Rostow believes that one of the surest ways to restore a sound foreign policy is to repeal the War Powers Resolution, which he correctly charges with hobbling our diplomacy, making deterrence uncertain and thereby increasing the risk of major war. Echoing the words of Thomas Jefferson, Dr. Rostow argues that the Constitution must be interpreted in the light of functional necessity.

This is not to say that the system of checks and balances and the separation of powers does not operate in the field of national security. It does mean that the Chief Executive, the constitutionally designated Commander in Chief, must possess flexibility to defend the Nation, its people, and their freedoms.

Among the most serious defects in the War Powers Resolution is the fact that it leaves both our friends and adversaries with the belief that our Government will not act with energy and firmness in a crisis. Our adversaries especially may be led by the War Powers Resolution into making a serious miscalculation about whether the United States will fight and fight well to defend its freedoms, and this mistake may lead to the very war the War Powers Resolution was designed to avoid.

Mr. President, Dr. Rostow's speech sets forth a comprehensive basis for restoring a strong American foreign policy and I commend his statement to my colleagues. I ask that the full text of his statement may appear at this point in the RECORD.

The statement follows:

THE "LESSONS" OF VIETNAM AND THE FOREIGN AFFAIRS POWER

(By Eugene V. Rostow)

(Remarks before a Conference on Congress, the President, and Foreign Policy sponsored by the Standing Committee on Law and National Security and the Committee on Executive Congressional Relations of the American Bar Association.)

The committees of the American Bar Association which organized this program deserve our thanks. It is a matter of the highest importance that we break through the conspiracy of silence which for nearly ten years has made our Vietnam experience a forbidden subject of serious political or scholarly discussion. Until we face the Vietnam question in a sober, disciplined, and responsible way, and reach broad agreement on what its lessons really are, two fundamental objectives of national policy will be beyond our reach. First, it will be impossible for us to restore a solid bipartisan consensus on the ends and means of foreign policy: that is, to put the issue bluntly, it will be impossible for us to have an effective foreign policy at all. And secondly, we shall remain distracted from more serious problems by a noisy, sterile, irrelevant, and endless constitutional debate about the ways in which the government's sovereign authority over foreign affairs is divided between Congress and the Presidency.

Of course constitutional theology is our national passion. Every American heart beats faster when we try to divine the intentions of the founding Fathers from materials Justice Jackson once said were "almost as enigmatic as the dreams Joseph was called upon to interpret for Pharaoh". But such exercises are much more than a lively sport. They can do a great deal of harm—witness the Neutrality Act of the 1930's and the War Powers Resolution of 1973, which similarly hobbles our diplomacy, makes deterrence incredible, and therefore greatly increases the risk of major war. The methods of the ostrich are of no avail in the realm of foreign affairs.

The baleful consequences of the War Powers Resolution may go beyond even an increase in the risk of war. The debate over the respective war powers of the President and of Congress has involved an unusually high quotient of intellectual irresponsibility, as politicians concerned about their next election yielded to temptation, and fell back on gimmicks, illusions, or plain old-fashioned nonsense in their eagerness to slither off a very hot deck. With far less justification, some professors, journalists, and pundits did not perform any better. Such behavior is of course a betrayal of the most fundamental ethical precepts of a democratic society—the rules of probity on which its ultimate concord depends. If cynicism and hypocrisy become the rule of our public life rather than the exception, the survival of democracy itself would be in question for the first time in our history.

I

Let me start with the first of these topics—the substantive lessons of Vietnam for our foreign policy. It is after all logical to consider what we have to do before we ask ourselves how we should do it.

Lord Carrington said recently that NATO's greatest weakness at the present time is the absence of an agreed vision about what the alliance should be trying to accomplish, backed by agreement among the Allies on practicable strategies for fulfilling that vision. I fully agree with Lord Carrington. Exactly the same comment could be made about the missions of our other key security relationships—those with Japan, Australia and New Zealand, South Korea, China, Israel, Egypt, Jordan, and a number of other nations which are or may become of particular importance to our security, either in themselves or in the context of Soviet programs of expansion. Given the turbulence of world politics in this period of history, doubt about the purposes and effectiveness of American foreign policy can be profoundly destabilizing.

There is no mystery about why American foreign policy is such an enigma throughout the world today. The reason for this deplorable state of affairs can be summed up in one word: Vietnam. The foreign policy the nation has pursued with varying degrees of success since the time of Truman and Acheson was gravely wounded by our decision to withdraw from Vietnam and by the policies of passivity and retreat we have pursued since that time. But the Truman-Acheson foreign policy has not been replaced by an alternative. Indeed, there are no alternatives which could replace the general principles of President Truman's foreign policy as a method for protecting the security of the United States in the real world of the late twentieth century. Nobody has offered a plausible substitute for the key ideas President Truman proposed in a burst of creative energy nearly forty years ago: the Marshall Plan; the Truman Doctrine, the doctrine of containment; NATO and then the other regional security treaties; the Point Four Program; and the Baruch Plan, the starting point for our long, multifacetted, and thus far unsuccessful effort to exorcise the nuclear demon. It is therefore not an accident that the nation is still nominally committed to the foreign policy laid down in the immediate post war period. Even President Carter found himself invoking the SEATO Treaty on several occasions. But, because of the shock of Vietnam, our commitment to that policy is hesitant and without conviction. Neither we ourselves nor our friends and adversaries are convinced that we should in fact behave in a crisis the way President Truman behaved over and over again during his heroic watch. We have become sentimental about Truman, but many have forgotten how firm he was in resisting aggression in Greece, Turkey, Iran, Berlin, Israel, and South Korea, and in the debates which led to the formation of NATO and the United Nations. The dénouement in Vietnam has confused our minds and paralyzed our instinct for action. As the recent fiasco of our policy in Lebanon demonstrates once again, the foreign policy of the United States is still becalmed in the post-Vietnam doldrums.

Ambassador Charles Malik, the distinguished Lebanese statesman, has said that the withdrawal of the Allied force from Lebanon confirms the most important geo-political fact in the world today—that the United States will not fight to protect its strategic interests. In this Ambassador Malik is surely wrong. The United States has hardly become pacifist. All that the setback in Lebanon proves so far is that President Reagan, like most of his predecessors, is capable of a Bay of Pigs, a Norwegian campaign, a Dunkerque. But Ambassador Malik's error is extremely important. Miscalculations about whether Great Britain and the United States would fight, and fight well, were among the important causes of both World Wars. American foreign policy will have no health, it will lack all power to rally the world to its standards, until we put Vietnam firmly and explicitly behind us. We should urgently address the Vietnam issues without passion or polemics, and formulate a post-Vietnam foreign policy the nation could support with all its resources of energy and optimism. I hope this meeting will prove to be a turning point in achieving that state of public opinion, and the effective system of peace which it should demand.

It must be admitted at once that we have made little or no progress towards this goal in the ten years since Ambassador Graham Martin climbed into a helicopter and carried his Embassy flag out of Saigon. We have preferred to treat Vietnam as a tabooed subject; to allow Soviet supported aggression to run riot throughout the Third World, and to pretend that peace could be achieved without tears by sufficiently ingenious arms control agreements.

But the American giant is waking up after his long and restless sleep. Every national election since 1948 and every careful study of public opinion—most recently a thorough study sponsored by the Committee on the Present Danger—demonstrate that the Trumanesque majority is alive and well. A strong bipartisan consensus supports the policy of restoring the Soviet-American military balance we so foolishly allowed to deteriorate during the Seventies. People are beginning to realize that there is no magic in arms control negotiations, and that useful arms control agreements are not possible until we establish a renewed and improved system of collective security to maintain the general peace.

But there is no agreement as yet on the shape and content of a renewed and improved system of collective security, adapted to the realities of the looming future. We have not faced the question of what our enlarged military establishment is for. Should the armed forces of the United States be used only to repel invasions of Long Island or Puget Sound? To protect the independence as well of Canada, Western Europe, and of China and Japan as crucial components of a world balance of power? In securing the world balance of power on which our primitive safety as nation depends, is it necessary also to protect the approaches to Western Europe and Japan—South Korea, Taiwan, and the Philippines in the Far East; the Middle East and the Mediterranean Basin in the Eastern Hemisphere? Equally, does a policy of geo-political security require us to be concerned about the approaches to the United States—the Caribbean, the Gulf of Mexico, Iceland, Greenland, the Azores, Bermuda, and the Western Hemisphere more generally? Does the American nuclear umbrella extend to China too? To Australia and New Zealand? Or, given the flexible character of the Soviet campaign of expansion, does the protection of our national interests in world politics require us to go back to the model of Truman and Eisenhower and organize regional coalitions to resist Soviet-sponsored aggression everywhere. Is peace really indivisible in the contracting, interdependent, nuclear world of the late twentieth century, or can we allow the Soviet Union to take over the old empires of Great Britain, France, Spain, Portugal, and Belgium, while we dream of living safely as a rich democratic enclave in a world of violence, dictatorship, and teeming poverty?

The responsibility for our failure to answer these questions decisively rests above all on our recent political leadership—in both parties—and on the intellectuals who would lead public opinion. With a few notable exceptions, these men and women have been paralyzed by their recollection of the turbulence of the late sixties and seventies: the demonstrations and the riots; the ugliness of the Democratic Convention of 1968; the uproar at many universities. Shrinking before these Vietnam memories, they have prudently preferred to pass by on the other side, hoping that security can be achieved through rhetoric, propaganda, economic pressures, summit meetings, or other futile gestures designed to permit their advocates to evade the harsh reality of the Soviet drive for power.

We can all sympathize with such reactions. But they cannot be excused. The duty of leaders is to lead. The great task of President Reagan, and one of the mandates of his election in 1980, was not only to restore the military balance between the Soviet Union and the United States, but to explain and practice the deterrent diplomacy our armed forces should be designed to support. Thus far, President Reagan's failure to meet the challenge of that task has been the most important shortcoming of his administration. The task cannot be deferred much longer.

In the absence of a clear lead from our most recent Presidents and their Secretaries of States, it is hardly remarkable that our national debate about foreign policy is neither a fugue nor a symphony but a cacaphony.

All across the American political spectrum, many voices say the first and main lesson of Vietnam is that we should cross the Third World off the list of American national security concerns, and concentrate only on protecting the United States itself, and perhaps Europe and Japan as well. Our experience in Korea and Vietnam has reinforced our historic isolationist impulses. And the state of the nuclear balance between the Soviet Union and the United States is enlarging the ranks of those who advocate a policy of "Fortress America" for the United States, as if the protection of our vital geo-political interests were a matter of choice or philanthropy. Increasingly, our people discharge their frustration by blaming our friends rather than ourselves and our adversaries for the state of world politics. It is the safer course. People of this view have forgotten that the world is round: that Europe, the United States, and Japan can be outflanked as well as attacked directly; that we are increasingly dependent on the freedom of the seas for access to raw materials and semi-manufactured goods; and that the United States can hope to remain a democratic society only in a world of wide horizons, generally organized under the rule of the law.

In that connection, information which has become available during the past decade has amply confirmed one element in the controversy over Vietnam: the American position was fully supported by international law. It is now obvious that the outcry against the legality of our course in Vietnam was always without foundation. General Giap himself and other North Vietnamese officials have made it clear that the war in Vietnam was a deliberate aggression by North Vietnam, backed both by the Soviet Union and by China. However the facts are examined, the historical record is clear. Legally, politically, and strategically, the attack on South Vietnam was exactly like the earlier attack on South Korea and many other episodes in the Soviet program of expansion: a use of aggressive war as an instrument of national policy. A Soviet fleet in Cam Ranh Bay hardly adds to our security in the Pacific.

The "lessons of Vietnam" have become a theme in the campaign for the Democratic Presidential nomination this year. This is a welcome development, and I hope it will be followed by a serious discussion of the issues in the campaign this fall. Of course there is bound to be a good deal of clap-trap in such an exercise. But the potential for harm in a Vietnam debate during the election campaign is far outweighed by its potential for good. An American election should be an educational process. If a reasonable number of the candidates and their supporters can bring themselves to talk sense to the American people, the surfacing of the Vietnam issue in the campaign can force the nation to confront the basic questions I have just listed, and respond to the fundamental challenge Lord Carrington has put on the table: the question, that is, of formulating a vision of our foreign policy congruent with the emerging reality of world politics in the twenty-first century.

Despite my unquenchable faith in democracy, I must confess that so far the electoral debate about the lessons of Vietnam has been disappointing, to put it mildly. One candidate tells us that the worst mistake in his public life was to support our effort in Vietnam "too long". But he has not yet explained his mistake. Does he think the Senate never should have consented to the ratification of the SEATO Treaty, on which the war was based? That Congress should never have approved the Tonkin Gulf Resolution and other acts of Congress in support of the President's decision under the SEATO Treaty to join South Vietnam in defending itself against aggression? That is, does he believe, like his two leading opponents, that the United States has no security interests in the Third World, and should ignore Soviet expansion in the Third World as irrelevant to our security? Or does he now believe it was a mistake for the nation not to win the war in Indo-China promptly and decisively—that the mistake which he now regrets so poignantly was to allow the conflict to drag on until victory became too costly to justify its putative benefits? Vice President Mondale owes us a fuller exposition of his views.

For one of his rivals, who claims to be an advocate of new and fresh ideas, the lesson of Vietnam is that we should adopt a policy of isolation, reduce our forces in Europe and other forward bases, and build up our sea power to make the United States impregnable. This is not a new idea, but a very old one. It never was a good idea, even in the nineteenth century, when at least it worked, more or less, and we prospered behind the shield of European diplomacy and the British fleet. But since 1914 isolationism has been a pernicious idea for the United States, because the diplomatic concert of Europe, which kept the peace for a century, had lost both its power and its self-confidence. The peace cannot be kept by American sea power alone, especially if Senator Hart's theory of sea power prevails, for he would confine the fleet to the high seas, and refrain from landing troops on distant shores. Peace now requires the effective and far-reaching deterrence of aggression—that is, the visible capacity and determination to defeat aggression by conventional means. Such deterrence in turn requires a network of stable alliances, backed by the nuclear and conventional forces needed to make their warnings persuasive. The United States lacks the power to keep the peace unilaterally, and in any event an imperial course is contrary to our nature as a people, and a poor and ineffectual style of diplomacy to boot.

Some now tell us that even in partnership with our allies and associates in Europe, the Middle East, and Asia, and despite the manifest superiority of the Western coalitions, the West lacks the power to achieve the goal of peace—that the shadow of Soviet nuclear power would paralyze any Western efforts to use conventional force to resist aggression in the Third World or indeed even in Europe and Japan. This view is in error and will remain in error so long as we keep our armed forces and our military doctrine up to date. The failure of our recent effort in Lebanon was not caused by terrorism or by Soviet nuclear blackmail behind the scenes. The wound was self-inflicted. We and our allies were altogether free to protect Lebanon against Syrian aggression, and restore the territorial integrity of that country, so far as the Soviet Union was concerned. With Israel on the Golan Heights, Syria would have had no choice but to accept Lebanon's request for its withdrawal if the allied force was clearly prepared to support that request. But we missed the opportunity—this time at least—entirely through our own mistakes. The allied force was too small. Its mission was misconceived. It was deployed in the wrong places. And our diplomacy was not clearly directed to the ends the President had in mind. Whether we have lost a battle or only a skirmish in the long struggle to prevent Soviet domination of the Middle East depends on what we learn from our mistakes and what we do next.

This is not the occasion to untie all the knots implicit in the broad proposition I have put before you, but I should briefly indicate the way I believe the nation should untie them.

What distinguishes this period from all previous stages of the Cold War is the fact that the Soviet Union has achieved at least general parity with the United States in nuclear weapons, and marked superiority over the United States in one decisive category of nuclear weapons—ground-based ballistic missiles, the most accurate and destructive nuclear weapon, and the one most nearly immune so far to effective defense.

We should view the nuclear weapon as primarily political, not military in character. Because of the altogether reasonable fear of nuclear war, nuclear weapons exert profound and far-reaching political influence in the west even though it is unlikely that they can actually be used as weapons, at least while we retain a credible retaliatory capability.

The Soviet lead in ground based ballistic missiles was achieved and is being enlarged for the same reasons which led Germany to build its huge fleet before the First World War. The Kaiser's goal was to induce Britain to remain neutral in the event of war on the European continent. The Soviet goal now is to exploit the Western fear of nuclear war by forcing Europe, Japan, and the United States to adopt attitudes of neutrality in the face of Soviet aggression elsewhere in the world. The Soviet nuclear advantage is generating political currents of great force in all the countries of the West. Those currents are transforming political attitudes, and eroding the foundations of the Western alliance systems which have kept at least minimal peace for the last thirty-seven years. American islationism has not been stronger since the America First movement of the late Thirties. Corresponding illusions are popular in Europe, Canada, and Japan.

The nuclear weapon is a mutation in warfare and therefor in world politics. The nuclear secret is out of laboratory and can never be put back. Any semi-industrial state can build some nuclear weapons, and they can be obtained by irrational political leaders like Quaddafi or Khomeini, and by terrorist groups. Therefore the United States and the western group of powers can never expect, this side of Utopia, to abandon nuclear weapons as a deterrent against aggression or lunacy or both. Moreover, there is no way to build a secure fire break between nuclear and conventional war. The same fallible human beings control both kinds of weapons. Who can say that in the turmoil and emotional fury of conventional war, a leader or indeed a subordinate officer will not use nuclear weapons despite the strength of the nuclear taboo?

It follows therefore that the only way to eliminate the risk of nuclear war is to eliminate all forms of aggressive war: to renew and strengthen regional systems of collective self-defense which could enforce the rules of the United Nations Charter against aggression.

More and more students of the problem of war and especially of nuclear war have been coming to this conclusion. The most recent recruit to the movement is the brilliant French General Etienne Copel, whose "*Vaincre la Guerre*"—"we must conquer war"—is a powerful tract for the times. The same theme is also the burden of the 1983 annual Report of the Secretary General of the United Nations, Ambassador Perez de Cuellar. In that important statement, published last September, the Secretary General formally warned that anarchy is the greatest danger facing mankind—not nuclear war, or the arms race, but anarchy. He called on the governments of the world community to recommit themselves to the principles of the United Nations Charter, and particularly to those which purport to govern the international use of force. The Secretary General's ominous words are not a ritual incantation. On the contrary, they constitute a measured judgment on what is super-obvious and therefore almost invisible: that the state system we have inherited is collapsing before our eyes.

At some level of consciousness, the Secretary-General's warning is universally understood. But Ambassador Perez de Cuellar's appeal has met thus far with thunderous silence, although his words are echoed in earlier statements by President Reagan and other American spokesmen, and by other western leaders as well. No government, no leader, no citizens' group has made the Secretary-General's recommendation the first principle of its foreign policy or the rallying cry of a political effort. Here, too, the reason for our singular silence is painfully clear: it is Vietnam.

In the light of these conclusions, my answer to the first question posed as the theme of this panel is apparent: the main lesson of Vietnam for our foreign policy is that we should have won, quickly and decisively. I understand and respect President Johnson's strategy of fighting Vietnam as a limited border war, in order to attain larger strategic objectives. But the decision was a mistake nevertheless. Our armed forces performed their duties admirably and successfully under extraordinarily difficult circumstances. Their devoted efforts should have been translated to clear-cut military victory. By the standards of every system of ethics I know, the world would have been much better off if that goal had been achieved. And we should have been much closer to establishing a general system of peace than we are today if the campaign in Vietnam, like the campaign in Korea, had vindicated the policies of collective security to which the West has been committed since 1947. The principles behind those policies are more urgent to the security of the United States in the bipolar nuclear environment of 1984 than they were in President Truman's day.

If we decide to take even more speculative advantage of hindsight, there is another important question to ask. Can there be any doubt that the world would have been better off, and the United States would have been much better off, if President Eisenhower had decided to help France in Indochina before the catastrophe at Dien Bien Phu? If Eisenhower knew then what we know now about Vietnam, can there be any reasonable question about what he should have done, while France still had 500,000 troops in the field? Can anyone honestly compare the conditions of Malaysia, Singapore, South Korea, Hong Kong, Thailand and Taiwan today with that of Vietnam, Laos and Cambodia, both as human societies and as citizens of the family of nations?

II

The lesson of Vietnam for our constitutional law—and, for that matter, for international law as well—derives from the conclusion I have just put before you: the Constitution, like every other body of law, must be interpreted in the light of functional necessity. The government of the United States must be deemed to have all the powers it needs to protect its security successfully in the world as it is. Those powers should of course be exercised responsibly and democratically, in accordance with the purposes of the Constitution. But they must be adequate to their task. I am confident that this was the view of the Founding Fathers, the authors of the Federalist, and above all of John Marshall, the great architect of our constitutional system. It is the major premise of *McCullogh v. Maryland*, one of the seminal judgments of our constitutional history.

In the contemplation of international law, the United States became a nation among the nations on July 4, 1776, fully vested with "sovereignty", and endowed with the capacity to do whatever nations do in world politics. Both under the Continental Congress and the Articles of Confederation, the government of the United States lacked an executive, and the authority delegated to it by the states was severely limited. According to hallowed constitutional metaphysics, the Constitution of 1787 is thought to emanate not from the states but directly from the "people of the United States", acting through special constituent assemblies within the states, but not through the state governments.

This rare and extraordinary action re-established the American government on a new foundation, and gave it a fresh start. One of the most important features of that fresh start was the Presidency, deemed to be an autonomous third branch of government, and chosen by the people through a special procedure, and not by Congress or the state legislatures. The authority of the United States to act as a sovereign nation in "the great external realm" of world politics is confined by the Constitution to the national government and denied to the states. And it is divided by that document between the President and Congress, both organs of government ordained by the Constitution itself. The President is endowed by the Constitution with "the executive power" of the United States, including the power to receive ambassadors, ratify treaties, and serve as commander in chief of the armed forces; Congress with certain specified categories of legislative authority.

With regard to foreign affairs, the powers of the national government are necessarily shared by Congress and the President, although some kinds of action can be taken only by the President, and others only by Congress. Only the President can conduct the diplomacy of the nation; only the Congress can declare war. There is widespread popular and even professional confusion about the Congressional power to declare war. It is hard to understand why this misunderstanding persists, since the rulings of the Supreme Court, the pattern of history, and the categories of international law are so clear. A "declaration of war" under our Constitution is a joint resolution which when signed by the President or passed over his veto places the nation in a state of "general, public, and notorious war" as that concept is defined by international law. But there are many kinds of hostilities recognized as legitimate under international law and the Constitution which do not constitute war in the international law sense.

Between the two extremes there is a vast and constantly changing range of government actions, some purely executive in character—the removal of cabinet officers, for example—others purely legislative. In most cases, the effective exercise of the foreign affairs powers of the nation requires both executive and legislative action, and therefore cooperation between the President and the Congress in patterns which are necessarily flexible and dependent on circumstances. The choice of procedure in organizing that cooperation is often—and properly—influenced by political judgment. This solution is a typical application of the political philosophy of the Constitution. As Madison and Hamilton both made clear in the Federalist, the constitutional principle of the separation of powers does not call for a hermetic separation between the branches, but a commingling and intermixture of powers, designed to prevent a monopoly of power in any one branch of government.

The constitutional idea of shared power—of executive and legislative cooperation shared in a flexible pattern between President and Congress—is peculiarly appropriate in the field of foreign affairs. As Hamilton wrote in his classic Federalist Paper, No. 23, "the authorities essential to the common defense . . . ought to exist without limitation, *because it is impossible to foresee or define the extent and variety of the means which may be necessary to satisfy them* (italics in original). The circumstances that endanger the safety of nations are infinite, and for this reason no constitutional shackles can wisely be imposed on the power to which the care of it is committed."

Hamilton carried his analysis further in his essay signed Pacificus, and published in 1793, during the violent controversy over the wisdom and constitutionality of President Washington's Proclamation of Neutrality in the war which broke out during that year between France and Great Britain. The President had full power to issue the Neutrality Proclamation without prior Congressional approval, Hamilton said. It was the President's duty to carry out the Treaty of 1778 with France, which established a perpetual alliance between the two countries. As part of that duty, he necessarily had to decide "in the first instance" how the Treaty applied to the situation he faced. Congress (or indeed the courts) have the last word in interpreting a Treaty. But until Congress acts, Hamilton argued, the President has to decide what the Treaty requires, and to act on his views, even if his action would inevitably affect the later exercise of Congress' power to declare war, support limited war, or abrogate the Treaty.

For Hamilton, the *President's* constitutional position was that of the British King minus the particular exceptions mentioned in the Constitution: the requirement of senatorial advice and consent to the appointment of high officials and the ratification of treaties, and the power to declare war. He contended that those grants of power to Congress, being exceptions to the executive authority of the President, should be strictly construed. Jefferson later took the same view.

Between 1789 and 1973 Hamilton's precepts dominated our constitutional practice with respect to the exercise of the nation's power over foreign affairs, including the use of the armed forces. There were only five declarations of war, but there were more than two hundred occasions in which the President ordered the armed forces into combat, sometimes with the support of legislation passed before or after the event, more often on his own authority, either as repository of the executive power in general or as the interpreter of treaties in the first instance.

This pattern is far less mysterious than Justice Jackson's celebrated aphorism about Pharaoh's dreams would lead one to suppose. The President conducted the diplomacy of the nation. From time to time, often secretly, he threatened to use the armed forces in support of our diplomacy, and sometimes he did so—for example, in the course of Commodore Perry's visit to Japan. In the course of two turbulent centuries there were numerous occasions when the President exercised the familiar rights of the nation under international law to use a limited and proportional amount of armed force in times of peace in the name of the inherent right of self-defense. Episodes of this kind concerned defense against armed attacks or the threat of armed attacks originating at sea or from the territory of other nations; the protection of citizens or nationals being mistreated abroad; or intervention in situations of chaos where organized government had broken down. Sometimes it was deemed useful to obtain the formal support of Congress for such expeditions. Normally they were carried out under the President's authority alone.

Of course there were periods of tension and jealousy in the relation between Congress and the Presidency with respect to the conduct of our foreign relations, even in the long century before 1914 when we were not much involved in world politics. Foreign affairs are almost always controversial, especially where the armed services are used, and the rivalry between the two branches of government is natural and inevitable—an instance indeed of "the inevitable friction" between the branches on which the Founding Fathers relied to protect our liberties.

Occasionally a member of Congress or a law professor would claim that the authority of Congress to declare war in the international law sense carried with it the requirement that no use of the national force was legitimate unless it had been approved in advanced by Congress through a declaration of war. Spokesmen for this view knew little of the conduct of our foreign relations or the history of the constitution. And they forgot Chief Justice Marshall's comment in *Talbot v. Seeman*, welcoming the fact that neither counsel in the case made any such claim for Congress.

But in 1973, during the period of immense stress under the combined pressures of Vietnam and Watergate, Congress passed the War Powers Resolution over the President's veto ostensibly to guarantee the American people that there would be no future Vietnams. The assumptions behind this notion would be funny if they were not so serious. They recall an episode during the Constitutional Convention when someone proposed that the armed forces be limited to 3,000 men. General Washington was heard to whisper that perhaps the Constitution should also deny any foreign power the right to invade the United States with more than 3,000 troops. The notion that an act of Congress can keep future Presidents and members of Congress from making mistakes is itself astonishing. But it is not nearly so astonishing as the notion that future Vietnams can be prevented by prescribing exactly the procedure of cooperative Presidential and Congressional decision making which was followed in the Vietnam case. As President Johnson commented:

"I knew early in my Presidency that if I wanted Congress with me on the landing in Vietnam I'd have to have them on the take off. And I did just that. But I failed to reckon with one thing: the parachute. I got them on the take off, but a lot of them bailed out before the end of the flight." (Letter of March 25, 1972.)

The War Powers Resolution is a remedy for a nonexistent disease. Its sponsors claimed that Presidents had usurped Congressional authority over the war power, especially in Vietnam, and designed what they thought was a cure. But the supposed cure is far worse than the supposed disease. We shall not be able to function effectively in world politics unless that fact is confronted head on.

The War Powers Resolution will be discussed in detail at our session tomorrow. I shall confine myself here to three simple points.

(1) The first is that the War Powers Resolution should be repealed promptly and decisively, so that we can return to the Hamiltonian constitutional methods we distilled from more than two hundred years of testing experience in the conduct of our foreign relations. We need the strong and active President anticipated by the Constitution of 1787, and created by the example of our best Presidents—Washington, Jefferson, Madison, and Monroe, among those who served during the Napoleonic Wars, Lincoln, of course, Grant, and the Presidents since Grover Cleveland and McKinley, all of whom had to participate in building the modern constitutional pattern. And we need a vigilant, active Congress as well, fully participating in the foreign policy process as legislator, grand inquisitor, and maker of public opinion.

I wish to be very clear in this regard. I am no friend of unlimited Presidential power like that once advocated by Senator Fulbright and McGeorge Bundy, and I have not been impressed by any proposals I have seen for improving our foreign policy by reorganizing the government. I am against proposals to convert the United States into a parliamentary government, to give the President a single six-year term, and above all to set up machinery for the conduct of foreign affairs that would erase the distinction between the legislative and the executive functions. The lesson of Vietnam to me is not that we need new machinery. The machinery did not fail. What we need is a renewed commitment to democratic responsibility.

(2) My second point is that the War Powers Resolution is unconstitutional. The Resolution is unconstitutional under the *Chadha* case as a legislative veto, both because Section 5(c) is manifestly unconstitutional, and because Section 5(b) is even more unconstitutional. Section 5(b) provides that unless Congress votes to support the President within 60 days after he first orders the troops into a combat area, the President's authority disappears. If Congress cannot terminate the President's power by passing a Concurrent Resolution, how can it accomplish the same result by not passing a Concurrent Resolution? A legislative veto by Congressional silence strikes me as an even deeper offense against the President's constitutional veto power than a Concurrent Resolution. We should not forget that Wilson regarded the President's veto as his most important power. The Supreme Court has been right to guard it jealously.

But the War Powers Resolution is unconstitutional on even more important grounds. It is an attempt by Congress to take over executive powers fundamental to the possibility of our having an effective foreign policy, and more necessary now than they were in 1789. Imagine, for example, attempting to apply the procedures of the War Power Resolution to the problem of using nuclear weapons, or the secret warnings through which President Nixon persuaded the Soviet Union not to blow up China's nuclear plants.

(3) Finally, I suggest, a third lesson of the Vietnam experience for the foreign affairs power is the primacy of substance over procedure. We look around for procedural solutions for problems like Vietnam because the leaders of our public opinion have not achieved a national consensus about the kind of foreign policy the safety of the nation requires at this stage of world history. Part of the responsibility rests on our educational institutions which do not often train our youth to understand history and the processes of world politics. Another part reflects a failure of leadership. When the war in Vietnam became unpopular, far too many Congressmen were willing to forget their own repeated votes in support of the President's decisions, denounce what they called a Presidential war, and assure their constituents that no President in the future would be able to lure America into war by stealth.

Democracy will not deserve to survive unless it takes foreign affairs seriously, for in that realm the price of error is death. We cannot, we must not escape from the demanding but manageable task of accepting reality by retreating into the insoluble and dangerous realm of myth, myth about the nature of the world, and myth also about the nature of our constitution.●

SECONDARY SCHOOL BASIC SKILLS ACT

● Mr. GLENN. Mr. President, recent reports have alerted us to the many shortcomings of public schools in the United States. Reading and comprehension levels of American school children are below those of many countries, and far too many of our children are graduating from our schools without acquiring the basic skills they need to lead productive lives. These studies are cause for alarm, but not for despair. By forging a partnership among parents and teachers, school administrators, and school boards, State governments and the Federal Government, we can effectively address this matter of vital national concern. Now is the time to redouble these cooperative efforts to reestablish America's preeminence in public education. It is my view that the Secondary School Basic Skills Act is an important step in this direction.

The Secondary School Basic Skills Act, supplements chapter I, of the Elementary and Secondary Education Act, and borrows its most successful features. It will target Federal resources to where they are needed most and ensure that they are spent effectively. It will accomplish this by funding a variety of programs to improve the basic skills of high school students. After careful evaluation the most successful of these approaches will be earmarked for Federal support in secondary schools in areas with high concentrations of disadvantaged children. Continuation of such funding will be contingent upon demonstrated progress in improving the basic skills of students such as an increase in the number of students passing a State-approved basic skills test or a decrease in the dropout rate.

Although the cost of this program is considerable, its potential benefits are well documented and the need for it is clearly apparent. According to recent studies, the skill levels of economically disadvantaged school children in reading and mathematics have increased markedly as a result of programs sponsored under chapter I of the Elementary and Secondary Education Act. But these studies have also shown that, when these programs are not continued beyond elementary school, students do not maintain their grade levels and many of them, doubting the value of a high school diploma, drop out of school.

To improve our educational system, we must expand opportunity, ensure accountability, and promote excellence. The Secondary School Basic Skills Act meets these criteria. First, it will help disadvantaged youths acquire basic skills and compete with other young Americans who have greater access to quality education. These skills will enhance their opportunities in the job market and enable them to break out of the vicious cycle of poverty and welfare dependency. Second, the program has easily enforced accountability provisions. Unlike many Federal education assistance programs, only those school systems which can demonstrate success will be eligible for continued funding. Finally, and most critically, the Secondary School Basic Skills Act promotes excellence. By providing a sound, basic education for all Americans it will raise the floor of academic achievement, and increase the productivity of our economy.●

"NEED A LIFT?," THE AMERICAN LEGION'S EXCELLENT STUDENT AID HANDBOOK

● Mr. PELL. Mr. President, most Americans are well aware of the ever-increasing cost of higher education. Of course, this awareness is particularly acute among young people planning for college, as well as their parents who will likely incur substantial debt to finance those educational pursuits.

While there are many private and governmental assistance programs available, some of these sources of aid are not utilized because college-bound students and their parents simply do not know that they exist. Fortunately, the American Legion has recognized this problem and for 33 years has produced an excellent publication which is entitled, "Need a Lift?" It contains descriptions of various programs offering financial aid to defray the expense of college or vocational education.

This publication is one of the best of its kind currently available. It is sent each year to thousands of high schools nationwide and for years I have found it indispensable in answering student aid inquiries from my home State of Rhode Island. I strongly encourage all of my colleagues to become familiar with it. I am sure you will agree that "Need a Lift?" is an essential reference for anyone contemplating college or involved in career planning.

It is available from: The American Legion Education Program, Americanism and Children and Youth Division, Indianapolis, IN 46206.

NATIONAL BUREAU OF STANDARDS AUTHORIZATION ACT FOR FISCAL YEAR 1985

Mr. STEVENS. Mr. President, I ask the Chair to lay before the Senate Calendar Order No. 830, which is S. 2458.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2458) to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1985, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alaska?

There being no objection, the Senate proceeded to consider the bill.

Mr. GORTON. Mr. President, I am pleased to rise on behalf of S. 2458, the National Bureau of Standards [NBS] authorization for fiscal year 1985.

The National Bureau of Standards is an agency with an extremely broad mission, relevant to nearly every national problem area and every economic sector. Many of us take for granted the measures, standards and technologies developed at NBS which affect us daily. For example, the neon tube was first demonstrated at NBS; NBS first made it possible for radios to operate on household current; the first large-scale computer in the United States was designed and built at NBS; and the performance standards for flammability of children's sleepwear and for residential smoke detectors were developed by NBS scientists.

The administration's proposed budget for fiscal year 1985 for the NBS included substantial budget decreases, as well as several new initiatives. In the National Engineering Laboratory, both the Center for Building Technology and the Center for Fire Research were proposed for elimination. In addition, the Institute for Computer Sciences and Technology was proposed for drastic reductions.

New initiatives at the Bureau included: development of cold neutron research on materials, and the first stage of purchase of a supercomputer to be used by both NOAA and NBS.

We have scrutinized carefully those proposed changes, assessed their impact on the overall mission of the Bureau and made our recommendations with respect to the budget for NBS for fiscal year 1985.

Accordingly, S. 2458 includes the proposed new initiatives, but in recognition of the tremendous and invaluable contribution of the Centers for Building Technology and Fire Research, as well as the Institute for Computer Sciences and Technology, funding has been restored for these programs.

S. 2458 provides modest funding, in light of the service which the Bureau provides to industry, universities and the public. I ask my colleagues to join me in supporting this bill.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2458) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2458

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Bureau of Standards Authorization Act for Fiscal Year 1985".

AUTHORIZATION FOR PROGRAM ACTIVITIES

Sec. 2. (a) There are authorized to be appropriated for fiscal year 1985 to the Secretary of Commerce to carry out activities performed by the National Bureau of Standards the sums set forth in the following line items:

(1) Measurement Research and Standards, $56,840,000.

(2) Engineering Measurements and Standards, $23,102,000.

(3) Computer Science and Technology, $10,000,000.

(4) Center for Fire Research, $5,827,000.

(5) Core Measurement Research for New Technologies, $12,125,000.

(6) Technical Competence Fund, $8,563,000.

(7) Central Technical Support, $15,186,000.

(b) Notwithstanding any other provision of this or any other Act, of the total amount authorized for fiscal year 1985 under subsection (a)(2) of this section, not less than $3,969,000 shall be available for "Building Research".

EXCESS FOREIGN CURRENCY

Sec. 3. In addition to the sums authorized to be appropriated by section 2 of this Act, there are authorized to be appropriated to the Secretary of Commerce $600,000 for fiscal year 1985 for expenses of the National Bureau of Standards incurred outside the United States, to be paid for in foreign currencies that the Secretary of the Treasury determines to be excess to the normal requirements of the United States.

OFFICE OF PRODUCTIVITY, TECHNOLOGY, AND INNOVATION

Sec. 4. In addition to the sums authorized to be appropriated by sections 2 and 3 of this Act, there are authorized to be appropriated to the Secretary of Commerce $3,371,000 for fiscal year 1985 for the activities of the Office of Productivity, Technology, and Innovation.

SALARY ADJUSTMENTS

Sec. 5. In addition to the sums authorized to be appropriated by sections 2, 3, and 4 of this Act, there are authorized to be appropriated to the Secretary of Commerce for fiscal year 1985 such additional sums as may be necessary to make any adjustments in salary, pay, retirement, and other employee benefits which may be provided for by law.

AVAILABILITY OF APPROPRIATIONS

Sec. 6. Appropriations made under the authority provided in this Act shall remain available for obligation, for expenditure, or for obligation and expenditure for such period or periods as may be specified in the Acts making such appropriations.

COST RECOVERY AUTHORITY

Sec. 7. (a) Section 12(f) of the Act of March 3, 1901 (15 U.S.C. 278b(f)) is amended—

(1) by striking "first"; and

(2) by inserting immediately before the period at the end thereof the following: ", and to ensure the availability of working capital necessary to replace equipment and inventories".

(b) Fees for calibration services, standard reference materials, and other comparable services provided by the National Bureau of Standards shall be at least sufficient to meet the requirements set forth in the amendments made by subsection (a) of this section, and any funds recovered in excess of such requirements shall be returned to the Treasury of the United States.

COMPENSATION OF DIRECTOR

Sec. 8. (a) Section 5 of the Act of March 3, 1901 (15 U.S.C. 274) is amended by adding at the end thereof the following: "The director shall be compensated at the rate now or hereafter in effect for level IV of the Executive Schedule, pursuant to section 5315 of title 5, United States Code.".

(b)(1) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following: "Director, National Bureau of Standards, Department of Commerce.".

(2) Section 5316 of title 5, United States Code, is amended by striking the following item: "Director National Bureau of Standards, Department of Commerce.".

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION—TREATIES

Mr. STEVENS. Mr. President, as in executive session, I ask unanimous consent that at 11 a.m. on Thursday, June 28, the Senate go into executive session to consider 16 treaties on the Executive Calendar, the treaties being numbered 16, 17, 18, 21, 22, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, and 34. I ask unanimous consent that it be in order at this point to ask for the yeas and nays en bloc on the 16 resolutions of ratification.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I further ask unanimous consent that the treaties be advanced through their various parliamentary stages, up to and including the presentation of the resolutions of ratification.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONVENTION WITH CANADA WITH RESPECT TO TAXES ON INCOME AND CAPITAL

PROTOCOL AMENDING THE TAX CONVENTION WITH CANADA

SECOND PROTOCOL AMENDING THE 1980 TAX CONVENTION WITH CANADA

The legislative clerk read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the United States of America and Canada With Respect to Taxes on Income and on Capital (the Convention), together with a related exchange of notes, signed at Washington on September 26, 1980, the Protocol Amending the 1980 Convention (the First Protocol), together with a related exchange of notes, signed at Ottawa on June 14, 1983; and the Second Protocol Amending the 1980 Convention (as amended by the First Protocol), signed at Washington on March 28, 1984.

PROTOCOL TO THE TAX CONVENTION WITH THE FRENCH REPUBLIC

The legislative clerk read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Protocol to the Tax Convention between the United States of America and the French Republic with respect to Taxes on Income and Property, signed at Paris on January 17, 1984.

ESTATE AND GIFT TAX CONVENTION WITH THE GOVERNMENT OF SWEDEN

The legislative clerk read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Government of Sweden for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Estates, Inheritances, and Gifts, signed at Stockholm on June 13, 1983.

SUPPLEMENTARY CONVENTION ON EXTRADITION WITH SWEDEN

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Supplementary Convention on Extradition Between the United States of America and the Kingdom of Sweden, signed in Stockholm on March 14, 1983.

CONVENTION WITH FRANCE ON THE TRANSFER OF SENTENCED PERSONS

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention Between the United States of America and the Republic of France on the Transfer of Sentenced Persons, signed at Washington on January 25, 1983.

EXTRADITION TREATY WITH THAILAND

The legislative clerk read as follows:

Resolved, (two thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty Between the United States of America and the Kingdom of Thailand Relating to Extradition, signed at Washington on December 14, 1983.

EXTRADITION TREATY WITH COSTA RICA

The legislative clerk read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty of Extradition Between the United States of America and the Republic of Costa Rica, signed at San Jose on December 4, 1982, together with a related exchange of notes signed on December 16, 1982.

EXTRADITION TREATY WITH JAMAICA

The legislative clerk read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty of Extradition Between the United States of America and the Government of Jamaica, signed at Kingston on June 14, 1983.

EXTRADITION TREATY WITH IRELAND

The legislative clerk read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty of Extradition Between the United States of America and Ireland, signed at Washington on July 13, 1983.

EXTRADITION TREATY WITH ITALY

The legislative clerk read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty of Extradition Between the United States of America and the Republic of Italy, signed at Washington on October 13, 1983.

CONVENTION ON THE TRANSFER OF SENTENCED PERSONS

The legislative clerk read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention on the Transfer of Sentenced Persons drawn up within the Council of Europe with observers from the United States and Canada as adopted by the Council of Ministers, and signed on behalf of the United States at Strasbourg on March 21, 1983.

CONVENTION ON THE MUTUAL LEGAL ASSISTANCE WITH THE KINGDOM OF MOROCCO

The legislative clerk read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty of Mutual Legal Assistance Between the United States of America and the Kingdom of Morocco, signed at Rabat on October 17, 1983.

MUTUAL LEGAL ASSISTANCE TREATY WITH ITALY

The legislative clerk read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty of Mutual Legal Assistance with a related memorandum of understanding Between the United States of America and the Italian Republic, signed at Rome on November 9, 1982.

TREATY WITH CANADA RELATING TO THE SKAGIT RIVER AND ROSS LAKE IN THE STATE OF WASHINGTON AND THE SEVEN MILE RESERVOIR ON THE PEND D'OREILLE RIVER IN THE PROVINCE OF BRITISH COLUMBIA

The legislative clerk read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty between the United States and Canada relating to the Skagit River and Ross Lake in the State of Washington, and the Seven Mile Reservoir on the Pend D'Oreille River in the Province of British Columbia, signed at Washington on April 2, 1984.

Mr. STEVENS. Mr. President, I also ask unanimous consent that debate on the resolutions of ratification be limited to 10 minutes total, to be equally divided between the chairman of the Foreign Relations Committee and the ranking minority member, or their designees.

I also ask unanimous consent that the vote occur on the following resolutions of ratification to accompany Executive Calendar Nos. 16, 17, 18, 21, and 22, immediately following debate on Thursday, and that one rollcall vote count as five rollcall votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask for the yeas and nays on that one rollcall vote, which will count as five.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. Mr. President, I also ask unanimous consent that following the vote on the above-mentioned resolutions of ratification, the Senate proceed to vote on the following resolutions of ratification to accompany Executive Calendar Nos. 24, 25, 26, 27, 28, 29, 30, and 31 and that one rollcall vote count as eight rollcall votes.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object, I will not object. Will the distinguished assistant Republican leader also include in his overall request that it not be in order to proceed to any other nominations or matters on the executive calendar other than the numbered treaties as he included in his request?

Mr. STEVENS. Mr. President, it was to be my intention to make that request at the conclusion of all of the matters on which we will go into executive session on Thursday.

Mr. BYRD. Very well. I thank the Senator. Mr. President, I remove my reservation.

The PRESIDING OFFICER. Is there further objection? Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask for the yeas and nays.

The **PRESIDING OFFICER.** Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. Mr. President, I also ask unanimous consent that following the vote on the above mentioned resolutions of ratification, a third rollcall vote occur on the following resolutions of ratification to accompany Executive Calendar Nos. 32 and 33, and that one rollcall vote count as two rollcall votes.

Mr. BYRD. Mr. President, reserving the right to object, will the distinguished assistant Republican leader remove the words "rollcall" as they appear in the second line on the piece of paper from which we are reading so that we will not be ordering a rollcall vote by unanimous consent?

Mr. STEVENS. Yes, I delete that in the RECORD. It is the third vote. Yes.

Mr. BYRD. I thank the Senator.

The **PRESIDING OFFICER.** Is there objection? Hearing none, it is so ordered.

Mr. STEVENS. Mr. President, I ask for the yeas and nays.

The **PRESIDING OFFICER.** Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. Mr. President, I also ask unanimous consent that following the vote on the two above resolutions of ratification, the Senate proceed to vote on the resolution of ratification to accompany Executive Calendar No. 34.

The **PRESIDING OFFICER.** Is there objection? Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask for the yeas and nays on Calendar No. 34.

The **PRESIDING OFFICER.** Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. Mr. President, I now ask unanimous consent that during the consideration of these 16 treaties at 11 a.m. on Thursday, June 28, that the Senate not consider any other matter other than those that have been enumerated in the unanimous consent requests which have been previously granted today.

The **PRESIDING OFFICER.** Is there objection? Without hearing none, it is so ordered.

The text of the agreement follows:

Ordered, that at 11 a.m. on Thursday, June 28, 1984, the Senate go into executive session to consider 16 treaties on the Executive Calendar (Treaty Cal. Nos. 16 through 18, 21 and 22, and 24 through 34), and that debate on the resolutions of advice and consent to ratification be limited to 10 minutes total, to be equally divided between the Chairman and Ranking Minority Member of the Committee on Foreign Relations or their designees:

Ordered, further, that the vote occur on the resolutions to accompany Treaty Cal. Nos. 16 through 18 and 21 and 22 immediately following the debate on Thursday, with one vote counting as five votes;

Ordered, further, that following this vote the Senate proceed to vote on the resolutions to accompany Treaty Cal. Nos. 24 through 31, with one vote counting as eight votes;

Ordered, further, that following this vote, the Senate proceed to vote on the resolutions to accompany Treaty Cal. Nos. 32 and 33, with one vote counting as two votes; and

Ordered, further, that following this vote, the Senate proceed to a vote on the resolution to accompany Treaty Cal. No. 34; and

Provided, that it not be in order to consider any other matter except the treaties and resolutions thereto as enumerated in this agreement.

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 98-27

Mr. STEVENS. As in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Inter-American Convention on Letters Rogatory with Protocol (Treaty Document No. 98-27), transmitted to the Senate yesterday by the President of the United States; and ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

I transmit herewith the Inter-American Convention on Letters Rogatory, adopted at Panama City, Panama, on January 30, 1975, and the Additional Protocol, adopted at Montevideo, Uruguay, on May 8, 1979, with a view to receiving the advice and consent of the Senate to ratification. The Convention and the Additional Protocol were signed on behalf of the United States on April 15, 1980.

When ratified, the Convention with its Additional Protocol will comprise the first multilateral agreement among the United States and other members of the Organization of American States (OAS) in the field of international judicial cooperation. The provisions of the Convention and Additional Protocol are explained in the report of the Department of State that accompanies this letter. In broad terms, the purpose of the Convention is to facilitate the service in the territory of one Contracting State of documents emanating from civil and commercial proceedings in another Contracting State.

The Convention will, in effect, establish a level of international judicial cooperation among the contracting OAS States analogous to that which now exists among the 24 Contracting States to the Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters. Although the latter Convention entered into force for the United States on February 10, 1969, following Senate advice and consent to ratification, only one other OAS member State has become a party to it. Ratification of the Inter-American Convention on Letters Rogatory and the Additional Protocol will thus constitute a significant step in filling the void that now exists in the area of judicial cooperation with other OAS countries. Henceforth, litigants before United States courts or other adjudicatory bodies will be to avail themselves of a number of improved and simplified procedures for the service of process in OAS countries, with consequent savings of time, effort and expense.

I recommend that the Senate of the United States promptly give its advice and consent to the ratification of this Convention and Additional Protocol, subject to two reservations which are described in the accompanying report of the Department of State and which should be made at the time of the deposit by the United States of the instruments of ratification.

RONALD REAGAN.

THE WHITE HOUSE, *June 25, 1984.*

FEDERAL CAPITAL INVESTMENT PROGRAM INFORMATION ACT OF 1984

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1330.

The **PRESIDING OFFICER** laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1330) entitled "An Act to authorize the United States Army Corps of Engineers to provide grants to the several States to encourage and foster the construction of necessary public capital investment projects; and for other purposes", do pass with the following amendments:

Strike out all after the enacting clause and insert:

SHORT TITLE

SECTION 1. This Act may cited as the "Federal Capital Investment Program Information Act of 1984".

PURPOSES

SEC. 2. The purposes of this Act are—

(1) to provide budget projections for major Federal capital investment programs;

(2) to provide a summary of the most recent needs assessment analyses for these programs;

(3) to provide information on the sensitivity of the needs estimates to major policy issues and technical and economic variables;

(4) to assist the planning capabilities of State and local governments on the assessment of major capital investment programs; and

(5) to improve legislative oversight over Federal capital investment programs.

FEDERAL CAPITAL INVESTMENT PROGRAM REPORT

SEC. 3. Section 1105 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(e)(1) The President shall submit with materials related to each budget transmitted under subsection (a) on or after January 1, 1985, an analysis for the ensuing fiscal year that shall identify requested appropriations or new obligational authority and outlays for each major program that may be classified as a public civilian capital investment program and for each major program that may be classified as a military capital investment program, and shall contain summaries of the total amount of such appropriations or new obligational authority and outlays for public civilian capital investment programs and summaries of the total amount of such appropriations or new obligational authority and outlays for military capital investment programs. In addition, the analysis under this paragraph shall contain:

"(A) an estimate of the current service levels of public civilian capital investment and alternative high and low levels of such investments over a period of ten years in current dollars and over a period of five years in constant dollars;

"(B) the most recent assessment analysis and summary, in a standard format, of public civilian capital investment needs in each major program area over a period of ten years;

"(C) an identification and analysis of the principal policy issues that affect estimated public civilian capital investment needs for each major program; and

"(D) an identification and analysis of factors that affect estimated public civilian capital investment needs for each major program, including but not limited to the following factors:

"(i) economic assumptions;

"(ii) engineering standards;

"(iii) estimates of spending for operation and maintenance;

"(iv) estimates of expenditures for similar investments by State and local governments; and

"(v) estimates of demand for public services derived from such capital investments and estimates of the service capacity of such investments.

To the extent that any analysis required by this paragraph relates to any program for which Federal financial assistance is distributed under a formula prescribed by law, such analysis shall be organized by State and within each State by major metropolitan area if data are available.

"(2) For purposes of this subsection, any appropriation, new obligational authority, or outlay shall be classified as a public civilian capital investment to the extent that such appropriation, authority, or outlay will be used for the construction, acquisition, or rehabilitation of any physical asset that is capable of being used to produce services or other benefits for a number of years and is not classified as a military capital investment under paragraph (3). Such assets shall include (but not be limited to):

"(A) roadways or bridges,

"(B) airports or airway facilities,

"(C) mass transportation systems,

"(D) wastewater treatment or related facilities,

"(E) water resource projects,

"(F) hospitals,

"(G) resource recovery facilities,

"(H) public buildings,

"(I) space or communications facilities, and

"(J) railroads.

"(3) For purposes of this subsection, any appropriation, new obligational authority, or outlay shall be classified as a military capital investment to the extent that such appropriation, authority, or outlay will be used for the construction, acquisition, or rehabilitation of any physical asset that is capable of being used to produce services or other benefits for purposes of national defense and security for a number of years. Such assets shall include (but not be limited to):

"(A) military bases, posts, installations or facilities, and

"(B) military weapons system or other platforms excluding weapons or supplies carried on such platforms.

"(4) Criteria and guidelines for use in the identification of public civilian and military capital investments, for distinguishing between public civilian and military capital investments, and for distinguishing between major and non-major capital investment programs shall be issued by the Director of the Office of Management and Budget after consultation with the Comptroller General. The analysis submitted under this subsection shall be accompanied by an explanation of such criteria and guidelines.

"(5) For purposes of this subsection:

"(A) the term 'construction' includes the design, planning, and erection of new structures and facilities, the expansion of existing structures and facilities, the reconstruction of a project at an existing site or adjacent to an existing site, and the installation of initial and replacement equipment for such structures and facilities;

"(B) the term 'acquisition' includes the addition of land, sites, equipment, structures, facilities, or rolling stock by purchase, lease-purchase, trade, or donation; and

"(C) the term 'rehabilitation' includes the alternation of or correction of deficiencies in an existing structure or facility so as to extend the useful life or improve the effectiveness of the structure or facility, the modernization or replacement of equipment at an existing structure or facility, and the modernization of, or replacement of parts for, rolling stock.".

Amend the title so as to read: "An Act to amend the provisions of title 31, United States Code, relating to the President's budget to require it to separately identify and summarize the capital investment expenditures of the United States, and for other purposes.".

Mr. STEVENS. Mr. President, I move that the Senate disagree with the House amendments and request a conference with the House on the disagreeing votes thereon and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to and the Presiding Officer appointed Messrs. STAFFORD, DOMENICI, DURENBERGER, RANDOLPH and MOYNIHAN conferees on the part of the Senate.

DEVELOPMENTAL DISABILITIES ACT OF 1984

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate Calendar No. 937, S. 2573.

THE PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2573) to revise and extend programs for persons with developmental disabilities.

THE PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Labor and Human Resources with amendments as follows:

On page 2, line 2, strike "general" and insert "generic".

On page 3, line 12, strike "to establish" and insert "(B) operate".

On page 7, strike after "own" on line 3 through line 5 and insert "lives".

On page 7, line 12, strike "nonpaid".

On page 7, line 18, strike after "with" through line 19 and insert "non-handicapped citizens, and".

On page 7, strike lines 20 through 23 and insert:

"(B) the residence by persons with developmental disabilities in homes or in home-like settings which are in proximity to community resources, together with regular contact with non-handicapped citizens in their communities.

On page 8, line 18, strike "case management services, child development services".

On page 9, line 5, strike line 5, and insert:

(i) the provision of specialized services in the area which respond to unmet needs of persons with developmental disabilities;

On page 9, line 25, strike "subparagraph (D)) and" and insert "subparagraph (D)),".

On page 10, line 1, strike "services" and insert "activities".

On page 10, line 1, strike "subparagraph (E))." and insert "subparagraph (E)), and child development services (as defined in subparagraph (G))."

On page 10, line 8, strike "and include" and insert "including".

On page 10, line 14, strike "services" and insert "services, and (ii) case management services for persons with developmental disabilities who receive services described in clause (i)".

On page 10, line 20, strike "and includes" and insert "including".

On page 11, line 3, strike "employment" and insert "employment, and (ii) case management services for persons with developmental disabilities who receive services described in clause (i).

On page 11, after line 19, insert:

"(G) The term 'child development services' means (i) such services as will assist in the prevention, identification, and alleviation of developmental disabilities in children, including early intervention services, counseling and training of parents, early identification of developmental disabilities, and diagnosis and evaluation of such developmental disabilities, and (ii) case management services for persons with developmental disabilities who receive services described in clause (i).

On page 12, line 7, strike "and".

On page 12, line 13, after "available;" insert "and".

"(C) may engage in the activities described in subparagraph (A), (B), or (C) of paragraph (13).

On page 14, line 12, strike "project" and insert "project,".

On page 18, line 23, strike "January 1," and insert "January 1".

On page 19, line 18 strike "1419(b)(3)" and insert "section 142(a)(5)".

On page 20, strike lines 6 through 10 and insert:

"(b) Within 90 days after the date of enactment of the Developmental Disabilities Act of 1984, the Secretary of Health and Human Services and the Secretary of Education shall establish an interagency committee composed of representatives of the Administration for Developmental Disabilities of the Department of Health and Human Services, the Office of Special Education and Rehabilitative Services of the Department of Education, and such other Federal departments and agencies as the Secretary of Health and Human Services and the Secretary of Education consider appropriate. Such interagency committee shall met regularly to coordinate and plan activities conducted by Federal departments and agencies for persons with developmental disabilities.".

On page 24, line 20, strike "for the conduct of programs" and insert "to plan for, and to conduct, activities".

On page 25, line 22, strike "that section" and insert "this title".

On pag. 6, after "supervise)," on line 3, strike through line 7.

On page 28, strike from line 20, through line 18 of page 29 and insert.

"(4)(A) the plan must provide for the examination not less often than once every three years of the provision, and the need for the provision, in the State of the three areas of priority services (as defined in section 102(11)(C)).

"(B) The plan must provide for the development, not later than the second year in which funds are provided under the plan after the date of the enactment of the Develomental Disabilities Act of 1984, and the timely review and revision of, a comprehensive statewide plan to plan, financially support, coordinate, and otherwise better address, on a statewide and comprehensive basis, unmet needs in the State for the provision of—

"(i) employment related activities and, except as provided in subparagraph (C), not more than one of the other areas of priority services (as defined in section 102(11)(C)), such other area of priority services to be specified in the plan; and

"(ii) at the option of the State, of one or more additional areas of services for persons with developmental disabilities from the areas of services described in section 102(11)(A)(ii), such area or areas also to be specified in the plan.

"(C) In any case in which appropriations under section 130 for a fiscal year exceed $60,000,000, a State plan may provide for the provision of an area of priority services (as defined in section 102(11)(C)) in addition to the areas of priority services required to be provided by subparagraph (B)(i).

"(D) The plan must be developed after consideration of the date collected by the State education agency under section 618(b)(3) of the Education of the Handicapped Act.".

On page 31, line 1, strike "(B)(i)" and insert "(E)(i)".

On page 31, line 12, strike "(C)" and insert "(F)".

On page 33, line 15, strike "(4)(B)(ii)" and insert "(4)(E)(ii)".

On page 33, line 18, strike after "facility" and insert "or a satellite center".

On page 33, line 23, strike "(Public Law 93 113)".

On page 39, line 22, strike after "under" and insert "section 122(b)(4)(B)".

On page 41, line 18, strike "any" and insert "such".

On page 42, line 1, strike after "to" and insert "section 122(b)(2)(C)".

On page 43, line 2, strike "his intention" and insert "the intention of the Secretary".

On page 43, line 20, strike "approived" and insert "approved".

On page 47, after line 3, insert:

"Sec. 141. It is the purpose of this part to provide for allotments to support a system in each State to protect the legal and human rights of persons with developmental disabilities in accordance with section 142.".

On page 47, line 9, strike "Sec. 141" and insert "Sec. 142".

On page 50, line 3, strike "section 142" and insert "section 143".

On page 50, line 6, strike "subsections" and insert "subsection".

On page 50, line 7, before "(d)" insert "subsection".

On page 50, line 14, strike "section 142" and insert "section 143".

On page 50, at the beginning of line 23, insert "for such fiscal year".

On page 51, lines 9 and 13, strike "section 142" and insert "section 143".

On page 51, line 11, strike "subparagraph" and insert "paragraph".

On page 51, line 15, strike "subparagraph (A)" and insert "paragraph (1)".

On page 51, line 17, strike "Sec. 142" and insert "Sec. 143".

On page 51, line 17, strike "section 141" and insert "section 142".

On page 52, strike lines 18 through 25 and on page 53, lines 1 and 2, and insert:

"(1) Conducting

"(A) a study of the feasibility of establishing a university affiliated facility or a satellite center in an area not served by a university affiliated facility, including an assessment of the needs of the area for such a facility or center, or

"(B) a study of the ways in which such university affiliated facility, singly or jointly with other university affiliated facilities which have received a grant under subsection (a), can assist in establishing one or more satellite centers which would be located in areas not served by a university affiliated facility.

A study under subparagraph (A) or subparagraph (B) shall be carried out in consultation with the State Planning Council for the State in which the university affiliated facility conducting the study is located and the State Planning Council for the State in which the university affiliated facility or satellite center would be established.".

On Page 54, line 16, after "cost" strike through line 20.

On page 54, after line 22, insert:

"(d)(1) The Secretary may not make a grant under subsection (c) for the fiscal year ending on September 30, 1985 to a satellite center which has not received a grant under such subsection or section 121(c) (as such section was in effect prior to October 1, 1984) unless—

"(A) a study assisted under subsection (b)(1)(A) of this section has established the feasibility of establishing or operating such center, except that such study shall not be required to contain an assessment of need for such center in the area in which such center will be located; or

"(B) a study assisted under section 121(b)(1) (as in effect prior to October 1, 1984) has established the feasibility of establishing or operating such center.

"(2) The Secretary may not make a grant under subsection (a) or subsection (c) for a fiscal year beginning after September 30, 1985, to a university affiliated facility or a satellite center which has not received a grant under this section or section 121 (as such section was in effect prior to October 1, 1984) unless—

"(A) a study assisted under subsection (b)(1)(A) has been conducted with respect to such facility or center by a university affiliated facility, and

"(B) such study has established the feasibility of establishing or operating such facility or center.".

On page 55, line 23, strike "(d)" and insert "(e)".

On page 55, line 24, strike "$7,500,000" and insert "$7,800,000".

On page 57, line 5, strike "These" and insert "Such".

On page 57, line 5, strike "for facilities".

On page 60, after "(2)" insert "technical assistance and".

On page 60, line 6, strike "section 141" and insert "section 142".

On page 61, line 1, strike "(established under section 124)".

On page 63, line 19, after "section 2" insert "of this Act".

On page 63, line 20, strike "section 163" and insert "section 108(b), 153(a), and 163".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Developmental Disabilities Act of 1984".

Sec. 2. Title I of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 is amended to read as follows:

"TITLE I—PROGRAMS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES

"PART A—GENERAL PROVISIONS

"SHORT TITLE

"Sec. 100. This title may be cited as the 'Developmental Disabilities Assistance and Bill of Rights Act'.

"FINDINGS AND PURPOSES

"Sec. 101. (a) The Congress finds that—

"(1) there are more than two million persons with developmental disabilities in the United States;

"(2) individuals with disabilities occurring during their developmental period are more vulnerable and less able to reach an independent level of existence than other handicapped individuals who generally have had a normal developmental period on which to draw during the rehabilitation process;

"(3) persons with developmental disabilities often require specialized lifelong services to be provided by many agencies in a coordinated manner in order to meet the persons' needs;

"(4) generic service agencies and agencies providing specialized services to disabled persons tend to overlook or exclude persons with developmental disabilities in their planning and delivery of services; and

"(5) it is in the national interest to strengthen specific programs, especially programs that reduce or eliminate the need for institutional care, to meet the needs of persons with developmental disabilities.

"(b)(1) It is the overall purpose of this title to assist States to (A) assure that persons with developmental disabilities receive the care, treatment, and other services necessary to enable them to achieve their maximum potential through increased independence, productivity, and integration into the community, and (B) operate a system which coordinates, monitors, plans, and evaluates services which ensures the protection of the legal and human rights of persons with developmental disabilities.

"(2) The specific purposes of this title are—

"(A) to assist in the provisions of comprehensive services to persons with developmental disabilities, with priority to those persons whose needs are not otherwise met under the Rehabilitation Act of 1973 or other health, education, or welfare programs;

"(B) to assist States in appropriate planning activities;

"(C) to make grants to States and public and private, nonprofit agencies to establish model programs, to demonstrate innovative habilitation techniques, and to train professional and paraprofessional personnel with respect to providing services to persons with developmental disabilities;

"(D) to make grants to university affiliated facilities to assist them in administering and operating demonstration facilities for the provision of services to persons with developmental disabilities, and interdisciplinary training programs for personnel needed to provide specialized services for these persons; and

"(E) to make grants to support a system in each State to protect the legal and human rights of all persons with developmental disabilities.

"DEFINITIONS

"SEC. 102. For purposes of this title—

"(1) The term 'State' includes Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the District of Columbia.

"(2) The term 'facility for persons with developmental disabilities' means a facility, or a specified portion of a facility, designed primarily for the delivery of one or more services to persons with one or more developmental disabilities.

"(3) The terms 'nonprofit facility for persons with developmental disabilities' and 'nonprofit private institution of higher learning' mean, respectively, a facility for persons with developmental disabilities and an institution of higher learning which are owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual; and the term 'nonprofit private agency or organization' means an agency or organization which is such a corporation or association or which is owned and operated by one or more of such corporations or associations.

"(4) The term 'construction' includes construction of new buildings, acquisition, expansion, remodeling, and alteration of existing buildings, and initial equipment of any such buildings (including medical, transportation, and recreation facilities); including architect's fees, but excluding the cost of offsite improvements and the cost of the acquisition of land.

"(5) The term 'cost of construction' means the amount found by the Secretary to be necessary for the construction of a project.

"(6) The term 'title', when used with reference to a site for a project, means a fee simple, or such other estate or interest (including a leasehold on which the rental does not exceed 4 per centum of the value of the land) as the Secretary finds sufficient to assure for a period of not less than fifty years undisturbed use and possession for the purposes of construction and operation of the project.

"(7) The term 'developmental disability' means a severe, chronic disability of a person which—

"(A) is attributable to a mental or physical impairment or combination of mental and physical impairments;

"(B) is manifested before the person attains age twenty-two;

"(C) is likely to continue indefinitely;

"(D) results in substantial functional limitations in three or more of the following areas of major life activity: (i) self-care, (ii) receptive and expressive language, (iii) learning, (iv) mobility, (v) self-direction, (vi) capacity for independent living, and (vii) economic self-sufficiency; and

"(E) reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services which are of lifelong or extended duration and are individually planned and coordinated.

"(8) The term 'independence' means the extent to which persons with developmental disabilities exert control and choice over their own lives.

"(9) The term 'productivity' means—

"(A) engagement in income-producing work by a person with developmental disabilities which is measured through improvements in income level, employment status, or job advancement, or

"(B) engagement by a person with developmental disabilities in work which contributes to a household or community.

"(10) The term 'integration' means—

"(A) the use, by persons with developmental disabilities, of the same community resources that are used by other citizens together with regular contact with nonhandicapped citizens, and

"(B) the residence by persons with developmental disabilities in homes or in homelike settings which are in proximity to community resources, together with regular contact with nonhandicapped citizens in their communities.

"(11)(A) The term 'services for persons with developmental disabilities' means—

"(i) priority services (as defined in subparagraph (C)); and

"(ii) any other specialized services or special adaptations of generic services for persons with developmental disabilities, including diagnosis, evaluation, treatment, personal care, day care, domiciliary care, special living arrangements, training, education, sheltered employment, recreation and socialization, counseling of the person with such disability and the family of such person, protective and other social and sociolegal services, information and referral services, follow-along services, nonvocational social-developmental services, transportation services necessary to assure delivery of services to persons with developmental disabilities, and services to promote and coordinate activities to prevent developmental disabilities.

"(B) The term 'service activities' includes, with respect to an area of priority services described in subparagraph (C) or an area of services described in subparagraph (A)(ii)—

"(i) the provision of specialized services in the area which respond to unmet needs of persons with developmental disabilities;

"(ii) model service programs in the area;

"(iii) activities to increase the capacity of agencies to provide services in the area;

"(iv) the coordination of the provision of services in the area with the provision of other services;

"(v) outreach to individuals for the provision of services in the area;

"(vi) the training of personnel, including parents of persons with developmental disabilities, professionals, and volunteers, to provide services in the area; and

"(vii) similar activities designed to expand the use and availability of services in the area.

"(C) The term 'priority services' means alternative community living arrangement services (as defined in subparagraph (D)), employment related activities (as defined in subparagraph (E)), and child development services (as defined in subparagraph (G)).

"(D) The term 'alternative community living arrangement services' means (i) such services as will assist persons with developmental disabilities in developing or maintaining suitable residential arrangements in the community, including in-house services (such as personal aides and attendants and other domestic assistance and supportive services), family support services, foster care services, group living services, respite care, recreation and socialization services, and staff training, placement, and maintenance services, and (ii) case management services for persons with developmental disabilities who receive services described in clause (i).

"(E) The term 'employment related activities' means (i) such services as will increase the independence, productivity, or integration of a person with developmental disabilities in work settings, including such services as employment preparation and vocational training leading to supported employment, incentive programs for employers who hire persons with developmental disabilities, services to assist transition from special education to employment, and services to assist transition from sheltered work settings to supported employment settings or competitive employment, and (ii) case management services for persons with developmental disabilities who receive services described in clause (i).

"(F) The term 'supported employment' means paid employment which—

"(i) is for persons with developmental disabilities for whom competitive employment at or above the minimum wage is unlikely and who, because of their disabilities, need intensive ongoing support to perform in a work setting;

"(ii) is conducted in a variety of settings, particularly work sites in which persons without disabilities are employed; and

"(iii) is supported by any activity needed to sustain paid work by persons with disabilities, including supervision, training, and assistance with transportation.

"(G) The term 'child development services' means (i) such services as will assist in the prevention, identification, and alleviation of developmental disabilities in children, including early intervention services, counseling and training of parents, early identification of developmental disabilities, and diagnosis and evaluation of such developmental disabilities, and (ii) case management services for persons with developmental disabilities who receive services described in clause (i).

"(12) The term 'satellite center' means a public or private nonprofit entity which—

"(A) is affiliated with one or more university affiliated facilities;

"(B) functions as a community or regional extension of such university affiliated facility or facilities in the delivery of services to persons with developmental disabilities, and their families, who reside in geographical areas where adequate services are not otherwise available; and

"(C) may engage in the activities described in subparagraph (A), (B), or (C) of paragraph (13).

"(13) The term 'university affiliated facility' means a public or nonprofit facility which is associated with, or is an integral part of, a college or university and which provides for at least the following activities:

"(A) Interdisciplinary training for personnel concerned with developmental disabilities which is conducted at the facility and through outreach activities.

"(B) Demonstration of—

"(i) exemplary services relating to persons with developmental disabilities in settings which are integrated in the community; and

"(ii) technical assistance to generic and specialized agencies to provide services to increase the independence productivity, and integration into the community of persons with developmental disabilities, such as the development and improvement of quality assurance mechanisms.

"(C)(i) Dissemination of findings relating to the provision of services under subparagraph (B) of this paragraph, and (ii) providing researchers and government agencies sponsoring service-related research with information on the needs for further service-related research which would provide data and information that will assist in increasing the independence, productivity, and integration into the community of persons with developmental disabilities.

"(14) The term 'Secretary' means the Secretary of Health and Human Services.

"(15) The term 'State Planning Council' means a State Planning Council established under section 124.

"FEDERAL SHARE

"Sec. 103. (a) The Federal share of all projects in a State supported by an allotment to the State under part B shall be 75 percent of the aggregate necessary costs of all such projects, as determined by the Secretary, except that in the case of projects located in urban or rural poverty areas, the Federal share of all such projects shall be 90 percent of the aggregate necessary costs of such projects, as determined by the Secretary.

"(b) The Federal share of any project to be provided through grants under part D shall be 75 percent of the necessary cost of such project, as determined by the Secretary, except that if the project is located in an urban or rural poverty area, the Federal share may not exceed 90 percent of the project's necessary costs as so determined.

"(c) The non-Federal share of the cost of any project assisted by a grant or allotment under this title may be provided in kind.

"(d) For the purpose of determining the Federal share with respect to any project, expenditures on that project by a political subdivision of a State or by a nonprofit private entity shall, subject to such limitations and conditions as the Secretary may by regulation prescribe, be deemed to be expenditures by such State in the case of a project under part B or by a university affiliated facility or a satellite center, as the case may be, in the case of a project assisted under part D.

"RECORDS AND AUDIT

"Sec. 104. (a) Each recipient of assistance under this title shall keep such records as the Secretary shall prescribe, including (1) records which fully disclose (A) the amount and disposition by such recipient of the proceeds of such assistance, (B) the total cost of the project or undertaking in connection with which such assistance is given or used, and (C) the amount of that portion of the cost of the project or undertaking supplied by other sources, and (2) such other records as will facilitate an effective audit.

"(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients of assistance under this title that are pertinent to such assistance.

"RECOVERY

"Sec. 105. If any facility with respect to which funds have been paid under part B or D shall, at any time within twenty years after the completion of construction

"(1) be sold or transferred to any person, agency, or organization which is not a public or nonprofit private entity, or

"(2) cease to be a public or other nonprofit facility for persons with developmental disabilities,

the United States shall be entitled to recover from either the transferor or the transferee (or, in the case of a facility which has ceased to be a public or other nonprofit facility for persons with developmental disabilities, from the owners thereof) an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the facility is situated) of so much of such facility as constituted an approved project or projects, as the amount of the Federal participation bore to the cost of the construction of such project or projects. Such right of recovery shall not constitute a lien upon such facility prior to judgment. The Secretary, in accordance with regulations prescribed by the Secretary, may, upon finding good cause therefor, release the applicant or other owner from the obligation to continue such facility as a public or other nonprofit facility for persons with developmental disabilities.

"STATE CONTROL OF OPERATIONS

"Sec. 106. Except as otherwise specifically provided, nothing in this title shall be construed as conferring on any Federal officer or employee the right to exercise any supervision or control over the administration, personnel, maintenance, or operation of any facility for persons with developmental disabilities with respect to which any funds have been or may be expended under this title.

"REPORTS

"Sec. 107. (a) By January 1 of each year, the State Planning Council of each State shall prepare and transmit to the Secretary a report concerning activities carried out during the preceding fiscal year with funds paid to the State under part B for such fiscal year. Each such report shall be in a form prescribed by the Secretary by regulation and shall contain

"(1) a description of such activities and the accomplishments resulting from such activities;

"(2) a comparison of such accomplishments with the goals, objectives, and proposed activities specified by the State in the State plan submitted under section 122 for such fiscal year;

"(3) an accounting of the manner in which funds paid to a State under part B for a fiscal year were expended, including a specification of

"(A) the total amount of Federal funds paid to the State under such part for such fiscal year,

"(B) the total amount of the non-Federal share for projects under such part for such fiscal year,

"(C) the total amount of Federal funds and the total amount of non-Federal funds obligated to carry out such part during such fiscal year,

"(D) the total amount of Federal funds and the total amount of non-Federal funds expended to carry out such part during such fiscal year, and

"(E) the total amount of Federal funds provided under such part which were not obligated or expended during such fiscal year,

"(4) a specification of the amount and proportion of Federal funds paid to the State under part B for such fiscal year which were allocated to

"(A) State agencies,

"(B) local governments and local government agencies,

"(C) nonprofit private agencies, and

"(D) academic institutions, and

"(5) a description of the extent to which the individuals who actually attended meetings of the State Planning Council during such fiscal year reflect the requirements for membership on such Council specified in section 124(a).

"(b) By January 1 of each year, each protection and advocacy system established in a State pursuant to part C shall prepare and transmit to the Secretary a report which describes the activities and accomplishments of the system during the preceding fiscal year.

"(c)(1) By April 1 of each year the Secretary shall prepare and transmit to the President, the Congress, and the National Council on the Handicapped a report which describes

"(A) the activities and accomplishments of programs supported under parts B, C, D, and E of this title; and

"(B) the progress made in States in improving the independence, productivity, and integration into the community of persons with developmental disabilities and any activities or services needed to improve such independence, productivity, and integration.

"(2) In preparing the report required by this subsection, the Secretary shall use and include information submitted to the Secretary in the reports required under subsections (a) and (b) of this section and section 142(a)(5).

"(d) Within 90 days after receiving from the States the assessments required under section 122(b)(6)(A), the Secretary shall prepare and transmit to the Congress, the Secretary of Education and the National Council on the Handicapped a report which summarizes and analyzes the results of such assessments.

"RESPONSIBILITIES OF THE SECRETARY

"Sec. 108. (a) The Secretary, not later than 180 days after the date of enactment of any Act amending the provisions of this title, shall promulgate such regulations as may be required for the implementation of such amendments.

"(b) Within 90 days after the date of enactment of the Developmental Disabilities Act of 1984, the Secretary of Health and Human Services and the Secretary of Education shall establish an interagency committee composed of representatives of the Administration for Developmental Disabilities of the Department of Health and Human Services, the Office of Special Education and Rehabilitative Services of the Department of Education, and such other Federal departments and agencies as the Secretary of Health and Human Services and the Secretary of Education consider appropriate. Such interagency committee shall meet regularly to coordinate and plan activities conducted by Federal departments and agencies for persons with developmental disabilities.

"EMPLOYMENT OF HANDICAPPED INDIVIDUALS

"SEC. 109. As a condition of providing assistance under this title, the Secretary shall require that each recipient of such assistance take affirmative action to employ and advance in employment qualified handicapped individuals on the same terms and conditions required with respect to the employment of such individuals by the provisions of the Rehabilitation Act of 1973 which govern employment (1) by State rehabilitation agencies and rehabilitation facilities, and (2) under Federal contracts and subcontracts.

"RIGHTS OF THE DEVELOPMENTALLY DISABLED

"SEC. 110. Congress makes the following findings respecting the rights of persons with developmental disabilities:

"(1) Persons with developmental disabilities have a right to appropriate treatment, services, and habilitation for such disabilities.

"(2) The treatment, services, and habilitation for a person with developmental disabilities should be designed to maximize the developmental potential of the person and should be provided in the setting that is least restrictive of the person's personal liberty.

"(3) The Federal Government and the States both have an obligation to assure that public funds are not provided to any institutional or other residential program for persons with developmental disabilities that—

"(A) does not provide treatment, services, and habilitation which is appropriate to the needs of such persons; or

"(B) does not meet the following minimum standards:

"(i) Provision of a nourishing, well-balanced daily diet to the persons with developmental disabilities being served by the program.

"(ii) Provision to such persons of appropriate and sufficient medical and dental services.

"(iii) Prohibition of the use of physical restraint on such persons unless absolutely necessary and prohibition of the use of such restraint as a punishment or as a substitute for a habilitation program.

"(iv) Prohibition on the excessive use of chemical restraints on such persons and the use of such restraints as punishment or as a substitute for a habilitation program or in quantities that interfere with services, treatment, or habilitation for such persons.

"(v) Permission for close relatives of such persons to visit them at reasonable hours without prior notice.

"(vi) Compliance with adequate fire and safety standards as may be promulgated by the Secretary.

"(4) All programs for persons with developmental disabilities should meet standards which are designed to assure the most favorable possible outcome for those served, and—

"(A) in the case of residential programs serving persons in need of comprehensive health-related, habilitative, or rehabilitative services, which are at least equivalent to those standards applicable to intermediate care facilities for the mentally retarded promulgated in regulations of the Secretary on January 17, 1974 (39 Fed. Reg. pt. II), as appropriate when taking into account the size of the institutions and the service delivery arrangements of the facilities of the programs;

"(B) in the case of other residential programs for persons with developmental disabilities, which assure that care is appropriate to the needs of the persons being served by such programs, assure that the persons admitted to facilities of such programs are persons whose needs can be met through services provided by such facilities, and assure that the facilities under such programs provide for the humane care of the residents of the facilities, are sanitary, and protect their rights; and

"(C) in the case of nonresidential programs, which assure the care provided by such programs is appropriate to the persons served by the programs.

The rights of persons with developmental disabilities described in findings made in this section are in addition to any constitutional or other rights otherwise afforded to all persons.

"PART B—FEDERAL ASSISTANCE FOR PLANNING AND SERVICE ACTIVITIES FOR PERSONS WITH DEVELOPMENTAL DISABILITIES

"PURPOSE

"SEC. 121. The purpose of this part is to provide payments to States to plan for, and to conduct, activities which will increase and support the independence, productivity, and integration into the community of persons with developmental disabilities.

"STATE PLANS

"SEC. 122. (a) Any State desiring to take advantage of this part must have a State plan submitted to and approved by the Secretary under this section. Notwithstanding any other provision of law or Executive order, a State may not consolidate the State plan required by this section with any other State plan required for the receipt of Federal assistance or substitute for the State plan required by this section any other plan prepared pursuant to State law or procedures unless the State Planning Council and the State agency or agencies designated pursuant to subsection (b)(1)(B) consent in writing to such consolidation or substitution.

"(b) In order to be approved by the Secretary under this section, a State plan for the provision of services for persons with developmental disabilities must meet the following requirements:

"(1)(A) The plan must provide for the establishment of a State Planning Council, in accordance with section 124, for the assignment to the Council of personnel in such numbers and with such qualifications as the Secretary determines to be adequate to enable the Council to carry out its duties under this title, and for the identification of the personnel so assigned.

"(B) The plan must designate the State agency or agencies which shall administer or supervise the administration of the State plan and, if there is more than one such agency, the portion of such plan which each will administer (or the portion the administration of which each will supervise).

"(C) The plan must provide that each State agency designated under subparagraph (B) will make such reports, in such form and containing such information, as the Secretary or the State Planning Council may from time to time reasonably require, and will keep such records and afford such access thereto as the Secretary or the State Planning Council finds necessary to verify such reports.

"(D) The plan must provide for such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of and accounting for funds paid to the State under this part.

"(2) The plan must—

"(A) set out the specific objectives to be achieved under the plan and a listing of the programs and resources to be used to meet such objectives;

"(B) set forth the non-Federal share that will be required in carrying out each such objective and program;

"(C) describe (and provide for the review annually and revision of the description not less often than once every three years) (i) the extent and scope of services being provided, or to be provided, to persons with developmental disabilities under such other State plans for federally assisted State programs as the State conducts relating to education for the handicapped, vocational rehabilitation, public assistance, medical assistance, social services, maternal and child health, crippled children's services, and comprehensive health and mental health, and under such other plans as the Secretary may specify, and (ii) how funds allotted to the State in accordance with section 125 will be used to complement and augment rather than duplicate or replace services for persons with developmental disabilities who are eligible for Federal assistance under such other State programs;

"(D) for each fiscal year, assess and describe the extent and scope of the priority services (as defined in section 102(11)(C)) being or to be provided under the plan in the fiscal year; and

"(E) establish a method for the periodic evaluation of the plan's effectiveness in meeting the objectives described in subparagraph (A).

"(3) The plan must contain or be supported by assurances satisfactory to the Secretary that—

"(A) the funds paid to the State under section 125 will be used to make a significant contribution toward strengthening services for persons with developmental disabilities through agencies in the various political subdivisions of the State;

"(B) part of such funds will be made available by the State to public or nonprofit private entities;

"(C) not more than 25 percent of such funds will be allocated to a designated agency for the provision of services by such agency;

"(D) such funds paid to the State under section 125 will be used to supplement and to increase the level of funds that would otherwise be made available for the purposes for which Federal funds are provided and not to supplant such non-Federal funds, and

"(E) there will be reasonable State financial participation in the cost of carrying out the State plan.

"(4)(A) The plan must provide for the examination not less often than once every three years of the provision, and the need for the provision, in the State of the three areas of priority services (as defined in section 102(11)(C)).

"(B) The plan must provide for the development, not later than the second year in which funds are provided under the plan after the date of the enactment of the Developmental Disabilities Act of 1984, and the timely review and revision of, a comprehensive statewide plan to plan, financially support, coordinate, and otherwise better address, on a statewide and comprehensive basis, unmet needs in the State for the provision of—

"(i) employment related activities and, except as provided in subparagraph (C), not more than one of the other areas of priority services (as defined in section 102(11)(C)), such other area of priority services to be specified in the plan; and

"(ii) at the option of the State, of one or more additional areas of services for persons with developmental disabilities from the areas of services described in section 102(11)(A)(ii), such area or areas also to be specified in the plan.

"(C) In any case in which appropriations under section 130 for a fiscal year exceed $60,000,000, a State plan may provide for the provision of an area of priority services (as defined in section 102(11)(C)) in addition to the areas of priority services required to be provided by subparagraph (B)(i).

"(D) The plan must be developed after consideration of the data collected by the State education agency under section 618(b)(3) of the Education of the Handicapped Act.

"(E)(i) The plan must provide that not less than 65 percent of the amount available to the State under section 125 will be expended for service activities in the priority areas of services (as defined in section 102(11)(C)).

"(ii) The plan must provide that the remainder of the amount available to the State from allotments under section 125 (after making the expenditures required by clause (i) of this paragraph) shall be used for service activities for persons with developmental disabilities, and the planning, coordination, and administration of, and the advocacy for, the provision of such services.

"(F) The plan must provide that special financial and technical assistance shall be given to agencies or entities providing services for persons with developmental disabilities who are residents of geographical areas designated as urban or rural poverty areas.

"(5)(A)(i) The plan must provide that services furnished, and the facilities in which they are furnished, under the plan for persons with developmental disabilities will be in accordance with standards prescribed by the Secretary in regulations.

"(ii) The plan must provide satisfactory assurances that buildings used in connection with the delivery of services assisted under the plan will meet standards adopted pursuant to the Act of August 12, 1968 (known as the Architectural Barriers Act of 1968).

"(B) The plan must provide that services are provided in an individualized manner consistent with the requirements of section 123 (relating to habilitation plans).

"(C) The plan must contain or be supported by assurances satisfactory to the Secretary that the human rights of all persons with developmental disabilities (especially those persons without familial protection) who are receiving treatment, services, or habilitation under programs assisted under this part will be protected consistent with section 110 (relating to rights of the developmentally disabled).

"(D) The plan must provide assurances that the State has undertaken affirmative steps to assure the participation in programs under this title of individuals generally representative of the population of the State, with particular attention to the participation of members of minority groups.

"(E) The plan must provide assurances that the State will provide the State Planning Council with a copy of each annual survey report and plan of corrections for cited deficiencies prepared pursuant to section 1902(a)(31)(B) of the Social Security Act with respect to any intermediate care facility for the mentally retarded in such State within 30 days after the completion of each such report or plan.

"(6) The plan must provide—

"(A) for an assessment to be submitted to the Secretary twenty-four months after the date of enactment of the Developmental Disabilities Act of 1984 and every three years thereafter, of—

"(i) the need for professionals and paraprofessionals in the field of developmental disabilities in the State and for the training of such professionals and paraprofessionals; and

"(ii) plans to support the training of such professionals and paraprofessionals to maintain the availability of services to persons with developmental disabilities in the State,

"(B) that the State will pay the cost of conducting such assessment from the amount described in paragraph (4)(E)(ii); and

"(C) that the State will, in arranging the conduct of such assessment, give preference to a university affiliated facility or a satellite center.

"(7)(A) The plan must provide for the maximum utilization of all available community resources including volunteers serving under the Domestic Volunteer Service Act of 1973 and other appropriate voluntary organizations, except that such volunteer services shall supplement, and shall not be in lieu of, services of paid employees.

"(B) The plan must provide for fair and equitable arrangements (as determined by the Secretary after consultation with the Secretary of Labor) to protect the interests of employees affected by actions under the plan to provide alternative community living arrangement services (as defined in section 102(11)(D)), including arrangements designed to preserve employee rights and benefits and to provide training and retraining of such employees where necessary and arrangements under which maximum efforts will be made to guarantee the employment of such employees.

"(8) The plan also must contain such additional information and assurances as the Secretary may find necessary to carry out the provisions and purposes of this part.

"(c) The Secretary shall approve any State plan and any modification thereof which complies with the provisions of subsection (b). The Secretary shall not finally disapprove a State plan except after reasonable notice and opportunity for a hearing to the State.

"(d)(1) At the request of any State, a portion of any allotment or allotments of such State under this part for any fiscal year shall be available to pay one-half (or such smaller share as the State may request) of the expenditures found necessary by the Secretary for the proper and efficient administration of the State plan approved under this section; except that not more than 5 per centum of the total of the allotments of such State for any fiscal year, or $50,000, whichever is less, shall be available for the total expenditures for such purpose by all of the State agencies designated under subsection (b)(1)(B) for the administration or supervision of the administration of the State plan. Payments under this paragraph may be made in advance or by way of reimbursement, and in such installments, as the Secretary may determine.

"(2) Any amount paid under paragraph (1) to any State for any fiscal year shall be paid on condition that there shall be expended from the State sources for such year for administration of the State plan approved under this section not less than the total amount expended for such purposes from such sources during the previous fiscal year.

"HABILITATION PLANS

"SEC. 123. (a) The Secretary shall require as a condition to a State's receiving an allotment under this part that the State provide the Secretary satisfactory assurances that each program (including programs of any agency, facility, or project) which receives funds from the State's allotment under this part (1) has in effect for each developmentally disabled person who receives services from or under the program a habilitation plan meeting the requirements of subsection (b), and (2) provides for an annual review, in accordance with subsection (c), of each such plan.

"(b) A habilitation plan for a person with developmental disabilities shall meet the following requirements:

"(1) The plan shall be in writing.

"(2) The plan shall be developed jointly by (A) a representative or representatives of the program primarily responsible for delivering or coordinating the delivery of services to the person for whom the plan is established, (B) such person, and (C) where appropriate, such person's parents or guardian or other representative.

"(3) The plan shall contain a statement of the long-term habilitation goals for the person and the intermediate habilitation objectives relating to the attainments of such goals. Such goals should include the increase or support of independence, productivity, and integration into the community for the person. Such objectives shall be stated specifically and in sequence and shall be expressed in behavioral or other terms that provide measurable indices of progress. The plan shall (A) describe how the objectives will be achieved and the barriers that might interfere with the achievement of them, (B) state an objective criteria and an evaluation procedure and schedule for determining whether such objectives and goals are being achieved, and (C) provide for a program coordinator who will be responsible for the implementation of the plan.

"(4) The plan shall contain a statement (in readily understandable form) of specific habilitation services to be provided, shall identify each agency which will deliver such services, shall describe the personnel (and their qualifications) necessary for the provision of such services, and shall specify the date of the initiation of each service to be provided and the anticipated duration of each such service.

"(5) The plan shall specify the role and objectives of all parties to the implementation of the plan.

"(c) Each habilitation plan shall be reviewed at least annually by the agency primarily responsible for the delivery of services to the person for whom the plan was established or responsible for the coordination of the delivery of services to such person. In the course of the review, such person and the person's parents or guardian or other representative shall be given an opportunity to review such plan and to participate in its revision.

"STATE PLANNING COUNCILS

"SEC. 124. (a)(1) Each State which receives assistance under this part shall establish a State Planning Council which will serve as an advocate for persons with developmental disabilities. The members of the State Planning Council of a State shall be appointed by the Governor of the State from among the residents of that State. The Governor of each State shall make appropriate provisions for the rotation of membership on the Council of that State. Each State Planning Council shall at all times include in its membership representatives of the principal State agencies (including the State agency that administers funds provided under the Rehabilitation Act of 1973, the State agency that administers funds provided under the Education of the Handicapped Act, and the State agency that administers funds provided under title XIX of the Social Security Act for persons with developmental disabilities), higher education training facilities, any university affiliated facility or satellite center in the State, the State protection and advocacy system established under section 142, local agencies, and nongovernmental agencies and private nonprofit groups concerned with services to persons with developmental disabilities in that State.

"(2) At least one half of the membership of each such Council shall consist of persons who—

"(A) are persons with developmental disabilities or parents or guardians of such persons, or

"(B) are immediate relatives or guardians of persons with mentally impairing developmental disabilities,

who are not employees of a State agency which receives funds or provides services under this part, who are not managing employees (as defined in section 1126(b) of the Social Security Act) of any other entity which receives funds or provides services under this part, and who are not persons with an ownership or control interest (within the meaning of section 1124(a)(3) of the Social Security Act) with respect to such an entity.

"(3) Of the members of the Council described in paragraph (2)—

"(A) at least one third shall be persons with developmental disabilities, and

"(B)(i) at least one-third shall be individuals described in subparagraph (B) of paragraph (2), and (ii) at least one of such individuals shall be an immediate relative or guardian of an institutionalized person with a developmental disability.

"(b) Each State Planning Council shall—

"(1) develop jointly with the State agency or agencies designated under section 122(b)(1)(B) the State plan required by this part, including the specification of areas of services under section 122(b)(4)(B);

"(2) monitor, review, and evaluate, not less often than annually, the implementation of such State plan;

"(3) to the maximum extent feasible, review and comment on all State plans in the State which relate to programs affecting persons with developmental disabilities; and

"(4) submit to the Secretary, through the Governor, such periodic reports on its activities as the Secretary may reasonably request, and keep such records and afford such access thereto as the Secretary finds necessary to verify such reports.

"STATE ALLOTMENTS

"SEC. 125. (a)(1) For each fiscal year, the Secretary shall, in accordance with regulations and this paragraph, allot the sums appropriated for such year under section 130 among the States on the basis of—

"(A) the population,

"(B) the extent of need for services for persons with developmental disabilities, and

"(C) the financial need,

of the respective States. Sums allotted to the States under this section shall be used in accordance with approved State plans under section 122 for the provision under such plans of services for persons with developmental disabilities.

"(2) The Secretary may not revise the basis on which allotments are made under clauses (A), (B), and (C) of paragraph (1) more than once every three years. In any case in which the Secretary determines that changes in the factors described in such clauses warrant such a revision, the Secretary shall, at least six months prior to the date on which the Secretary requires the submission of State plans under section 122 for the next succeeding fiscal year, provide each State with a written notice specifying the basis on which allotments will be made under such paragraph.

"(3)(A) The allotment of a State under paragraph (1) for any fiscal year may not be less than the allotment of such State for fiscal year 1984 under part B of this title (as such part was in effect on September 30, 1984).

"(B) In any case in which amounts appropriated under section 130 for a fiscal year exceed $45,000,000, the allotment under paragraph (1) for such fiscal year—

"(i) to each of American Samoa, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, or the Trust Territory of the Pacific Islands may not be less than $135,000, and

"(ii) to each of the several States, Puerto Rico, or the District of Columbia, may not be less than $300,000.

"(4) In determining, for purposes of paragraph (1)(B), the extent of need in any State for services for persons with developmental disabilities, the Secretary shall take into account the scope and extent of the services described, pursuant to section 122(b)(2)(C), in the State plan of the State.

"(b) Whenever the State plan approved in accordance with section 122 provides for participation of more than one State agency in administering or supervising the administration of designated portions of the State plan, the State may apportion its allotment among such agencies in a manner which, to the satisfaction of the Secretary, is reasonably related to the responsibilities assigned to such agencies in carrying out the purposes of the State plan. Funds so apportioned to State agencies may be combined with other State or Federal funds authorized to be spent for other purposes, provided the purposes of the State plan will receive proportionate benefit from the combination.

"(c) Whenever the State plan approved in accordance with section 122 provides for cooperative or joint effort between States or between or among agencies, public or private, in more than one State, portions of funds allotted to one or more such cooperating States may be combined in accordance with the agreements between the agencies involved.

"(d) The amount of an allotment to a State for a fiscal year which the Secretary determines will not be required by the State during the period for which it is available for the purpose for which allotted shall be available for reallotment by the Secretary from time to time, on such date or dates as the Secretary may fix (but not earlier than thirty days after the Secretary has published notice of the intention of the Secretary to make such reallotment in the Federal Register), to other States with respect to which such a determination has not been made, in proportion to the original allotments of such States for such fiscal year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use during such period; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount so reallotted to a State for a fiscal year shall be deemed to be a part of its allotment under subsection (a) for such fiscal year.

"PAYMENTS TO THE STATES FOR PLANNING, ADMINISTRATION AND SERVICES

"SEC. 126. From each State's allotments for a fiscal year under section 125, the State shall be paid the Federal share of the expenditures, other than expenditures for construction, incurred during such year under its State plan approved under this part. Such payments shall be made from time to time in advance on the basis of estimates by the Secretary of the sums the State will expend under the State plan, except that such adjustments as may be necessary shall be made on account of previously made underpayments or overpayments under this section.

"WITHHOLDING OF PAYMENTS FOR PLANNING, ADMINISTRATION AND SERVICES

"SEC. 127. Whenever the Secretary, after reasonable notice and opportunity for hearing to the State Planning Council and the appropriate State agency designated pursuant to section 122(b)(1), finds that—

"(1) there is a failure to comply substantially with any of the provisions required by section 122 to be included in the State plan, or

"(2) there is a failure to comply substantially with any regulations of the Secretary which are applicable to this part,

the Secretary shall notify such State Council and agency or agencies that further payments will not be made to the State under section 125 (or, in the discretion of the Secretary, that further payments will not be made to the State under section 125 for activities in which there is such failure), until the Secretary is satisfied that there will no longer be such failure. Until the Secretary is so satisfied, the Secretary shall make no further payment to the State under section 125, or shall limit further payment under section 125 to such State to activities in which there is no such failure.

"NONDUPLICATION

"SEC. 128. In determining the amount of any State's Federal share of the expenditures incurred by it under a State plan approved under section 122, there shall be disregarded (1) any portion of such expenditures which are financed by Federal funds provided under any provision of law other than section 125, and (2) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds.

"APPLICATIONS AND CONDITIONS FOR APPROVAL

"SEC. 129. If any State is dissatisfied with the Secretary's action under section 122(c) or section 127, such State may appeal to the United States court of appeals for the circuit in which such State is located, by filing a petition with such court within sixty days after such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by the Secretary for that purpose. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary based the action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Secretary may modify or set aside the order of the Secretary. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of the fact and may modify the previous action of the Secretary, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this section shall not, unless so specifically ordered by the court, operate as a stay of the Secretary's action.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 130. For allotments under section 125, there are authorized to be appropriated $54,500,000 for fiscal year 1985, $58,300,000 for fiscal year 1986, and $62,400,000 for fiscal year 1987.

"PART C—PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS

"PURPOSE

"SEC. 141. It is the purpose of this part to provide for allotments to support a system in each State to protect the legal and human rights of persons with developmental disabilities in accordance with section 142.

"SYSTEM REQUIRED

"SEC. 142. (a) In order for a State to receive an allotment under part B—

"(1) the State must have in effect a system to protect and advocate the rights of persons with developmental disabilities;

"(2) such system must—

"(A) have the authority to pursue legal, administrative, and other appropriate remedies to insure the protection of the rights of such persons who are receiving treatment, services, or habilitation within the State and to provide information on and referral to programs and services addressing the needs of persons with developmental disabilities;

"(B) not be administered by the State Planning Council;

"(C) be independent of any agency which provides treatment, services, or habilitation to persons with developmental disabilities; and

"(D) except as provided in subsection (c), be able to obtain access to the records of a person with developmental disabilities who receives services under this title and who resides in a facility for persons with developmental disabilities if—

"(i) a complaint has been received by the system from or on behalf of such person; and

"(ii) such person does not have a legal guardian or the State or the designee of the State is the legal guardian of such person;

"(3) the State must provide assurances to the Secretary that funds allotted to the State under this section will be used to supplement and increase the level of funds that would otherwise be made available for the purposes for which Federal funds are provided and not to supplant such non-Federal funds;

"(4) the State must provide assurances to the Secretary that such system will be provided with a copy of each annual survey report and plan of corrections for cited deficiencies made pursuant to section 1902(a)(31)(B) of the Social Security Act with respect to any intermediate care facility for the mentally retarded in the State within 30 days after the completion of each such report or plan; and

"(5) the State must submit to the Secretary, within 90 days after the end of each fiscal year, a report in a form prescribed by the Secretary which describes such system and describes the expenditures made by the State from allotments under subsection (d).

"(b) A State may not redesignate the agency of the State which administers the system required by subsection (a) unless the State determines that good cause exists to warrant such redesignation. In any case in which a State determines that such good cause exists, the State shall, prior to such redesignation, give public notice of its intent to make such redesignation and give persons with developmental disabilities or their representatives an opportunity to comment on such proposed redesignation.

"(c) Prior to October 1, 1986, the provisions of paragraph (2)(D) of subsection (a) shall not apply to any State in which the laws of the State prohibit the system required under such subsection from obtaining access to the records of a person with developmental disabilities under the conditions described in such paragraph.

"(d)(1) To assist States in meeting the requirements of subsection (a), the Secretary shall allot to the States the amounts appropriated under section 143. Allotments and reallotments of such sums shall be made on the same basis as the allotments and reallotments are made under the first sentence of subsection (a)(1) and subsection (d) of section 125, except that—

"(A) the allotment of any State under this subsection for any fiscal year shall not be less than the allotment of such State for fiscal year 1984 under section 113(b) (as such section was in effect on September 30, 1984); and

"(B) in any case in which the amounts appropriated under section 143 for a fiscal year exceed $9,500,000—

"(i) the allotment of each of American Samoa, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands for such fiscal year shall not be less than $60,000; and

"(ii) the allotment to each of the several States, Puerto Rico, and the District of Columbia for such fiscal year shall not be less than $100,000.

"(2) A State may use not more than 5 percent of any allotment under this subsection for the costs of monitoring the administration of the system required under subsection (a).

"(3) Notwithstanding paragraph (1), if the aggregate of the amounts of the allotments for grants to be made in accordance with such paragraph for any fiscal year exceeds the total of the amounts appropriated for such allotments under section 143, the amount of a State's allotment for such fiscal year shall bear the same ratio to the amount otherwise determined under such paragraph as the total of the amounts appropriated for that year under section 143 bears to the aggregate amount required to make an allotment to each of the States in accordance with paragraph (1).

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 143. For allotments under section 142, there are authorized to be appropriated $15,000,000 for fiscal year 1985, $16,100,000 for fiscal year 1986, and $17,200,000 for fiscal year 1987. The provisions of section 1913 of title 18, United States Code, shall be applicable to all moneys authorized under the provisions of this section.

"PART D—UNIVERSITY AFFILIATED FACILITIES

"PURPOSE

"SEC. 151. The purpose of this part is to provide for grants to university affiliated facilities to assist in the provision of interdisciplinary training, the conduct of service demonstration programs, and the dissemination of information which will increase and support the independence, productivity, and integration into the community of persons with developmental disabilities.

"GRANT AUTHORITY

"SEC. 152. (a) From appropriations under section 154, the Secretary shall make grants to university affiliated facilities to assist in the administration and operation of the activities described in section 102(13).

"(b) The Secretary may make one or more grants to a university affiliated facility receiving a grant under subsection (a) to support one or more of the following activities:

"(1) Conducting—

"(A) a study of the feasibility of establishing a university affiliated facility or a satellite center in an area not served by a university affiliated facility, including an assessment of the needs of the area for such a facility or center; or

"(B) a study of the ways in which such university affiliated facility, singly or jointly with other university affiliated facilities which have received a grant under subsection (a), can assist in establishing one or more satellite centers which would be located in areas not served by a university affiliated facility.

A study under subparagraph (A) or subparagraph (B) shall be carried out in consultation with the State Planning Council for the State in which the university affiliated facility conducting the study is located and the State Planning Council for the State in which the university affiliated facility or satellite center would be established.

"(2) Provision of service-related training to parents of persons with developmental disabilities, professionals, volunteers, or other personnel to enable such parents, professionals, volunteers, or personnel to provide services to increase or maintain the independence, productivity, and integration into the community of persons with developmental disabilities.

"(3) Conducting an applied research program designed to produce more efficient and effective methods (A) for the delivery of services to persons with developmental disabilities, and (B) for the training of professionals, paraprofessionals, and parents who provide these services.

The amount of a grant under paragraph (1) may not exceed $25,000.

"(c) The Secretary may make grants to pay part of the costs of establishing satellite centers and may make grants to satellite centers to pay part of their administration and operation costs. A satellite center which receives a grant under this section may engage in the activities described in subparagraph (A), (B), or (C) of section 102(13).

"(d)(1) The Secretary may not make a grant under subsection (c) for the fiscal year ending on September 30, 1985, to a satellite center which has not received a grant under such subsection or section 121(c) (as such section was in effect prior to October 1, 1984) unless—

"(A) a study assisted under subsection (b)(1)(A) of this section has established the feasibility of establishing or operating such center, except that such study shall not be required to contain an assessment of the need for such center in the area in which such center will be located; or

"(B) a study assisted under section 121(b)(1) (as in effect prior to October 1, 1984) has established the feasibility of establishing or operating such center.

"(2) The Secretary may not make a grant under subsection (a) or subsection (c) for a fiscal year beginning after September 30, 1985, to a university affiliated facility or a satellite center which has not received a grant under this section or section 121 (as such section was in effect prior to October 1, 1984) unless—

"(A) a study assisted under subsection (b)(1)(A) has been conducted with respect to such facility or center by a university affiliated facility; and

"(B) such study has established the feasibility of establishing or operating such facility or center.

"(e) In any case in which amounts appropriated under section 154 for a fiscal year exceed $7,800,000, the Secretary shall expend the amount of such excess to carry out the activities described in the following clauses in the following order of priority:

"(1) The Secretary shall make grants under subsection (c) to establish satellite centers which have not previously received a grant under this section or section 121(c) (as such section was in effect prior to October 1, 1984) and shall make grants under subsection (a) to university affiliated facilities which have not previously received a grant under this section or section 121(a) (as such section was in effect prior to October 1, 1984).

"(2) The Secretary shall make grants under subsection (a) to satellite centers which—

"(A) have received a grant under this section or section 121(c) (as such section was in effect prior to October 1, 1984); and

"(B) have demonstrated the capacity to become university affiliated facilities,

in order to enable such centers to become such facilities.

"(3) The Secretary shall make grants to university affiliated facilities under subsection (a) and satellite centers under subsection (c) to enable such facilities or centers to carry out a specific activity described in subparagraph (A), (B), or (C) of section 102(13).

"APPLICATIONS

"SEC. 153. (a) Not later than six months after the date of the enactment of the Developmental Disabilities Act of 1984, the Secretary shall establish by regulation standards for university affiliated facilities. Such standards shall reflect the special needs of persons with developmental disabilities who are of various ages, and shall include performance standards relating to each of the activities described in section 102(13).

"(b) No grants may be made under section 152 unless an application therefor is submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and manner, and contain such information, as the Secretary may require. Such an application shall be approved by the Secretary only if the application contains or is supported by reasonable assurances that—

"(1) the making of the grant will (A) not result in any decrease in the use of State, local, and other non-Federal funds for services for persons with developmental disabilities and for training of persons to provide such services, which funds would (except for such grant) be made available to the applicant, and (B) be used to supplement and, to the extent practicable, increase the level of such funds;

"(2)(A) the applicant's facility is in full compliance with the standards established under subsection (a), or

"(B)(i) the applicant is making substantial progress toward bringing the facility into compliance with such standards, and

(ii) the facility will, not later than three years after the date of approval of the initial application or the date standards are promulgated under subsection (a), whichever is later, fully comply with such standards; and

"(3) the human rights of all persons with developmental disabilities (especially those persons without familial protection) who are receiving treatment, services, or habilitation under programs assisted under this part will be protected consistent with section 110 (relating to rights of the developmentally disabled).

"(c) The Secretary shall establish such a process for the review of applications for grants under section 152 as will ensure, to the maximum extent feasible, that each Federal agency that provides funds for the direct support of the applicant's facility reviews the application.

"(d) The amount of any grant under section 152(a) to a university affiliated facility shall not be less than $150,000 for any fiscal year, and the amount of any grant under section 152(c) to a satellite center shall not be less than $75,000 for any fiscal year.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 154. For the purpose of making grants under section 152, there are authorized to be appropriated $9,400,000 for fiscal year 1985, $10,100,000 for fiscal year 1986, and $10,800,000 for fiscal year 1987.

"PART E—SPECIAL PROJECT GRANTS

"PURPOSE

"SEC. 161. The purpose of this part is to provide for grants for demonstration projects to increase and support the independence, productivity, and integration into the community of persons with developmental disabilities.

"GRANT AUTHORITY

"SEC. 162. (a) The Secretary may make grants to public or nonprofit private entities for—

"(1) demonstration projects—

"(A) which are conducted in more than one State,

"(B) which involve the participation of two or more Federal departments or agencies, or

"(C) which are otherwise of national significance,

and which hold promise of expanding or otherwise improving services to persons with developmental disabilities (especially those who are disadvantaged or multihandicapped); and

"(2) technical assistance and demonstration projects (including research, training, and evaluation in connection with such projects) which hold promise of expanding or otherwise improving protection and advocacy services relating to the State protection and advocacy system described in section 142.

Projects for the evaluation and assessment of the quality of services provided persons with developmental disabilities which meet the requirements of subparagraphs (A), (B), and (C) of paragraph (1) may be included as projects for which grants are authorized under such paragraph.

"(b) No grant may be made under subsection (a) unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information as the Secretary shall by regulation prescribe. The Secretary may not approve such an application unless each State in which the applicant's project will be conducted has a State plan approved under section 122, and unless the application provides assurances that the human rights of all persons with developmental disabilities (especially those persons without familial protection) who are receiving treatment, services, or habilitation under projects assisted under this part will be protected consistent with section 110 (relating to the rights of the developmentally disabled). The Secretary shall provide to the State Planning Council for each State in which an applicant's project will be conducted an opportunity to review the application for such project and to submit its comments on the application.

"(c) Payments under grants under subsection (a) may be made in advance or by way of reimbursement and at such intervals and on such conditions, as the Secretary finds necessary. The amount of any grant under subsection (a) shall be determined by the Secretary.

"(d) The Secretary shall not consolidate the authority to make grants under this section with any other authority to make grants which the Secretary has under any other law.

"STUDY ON INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED

"SEC. 163. (a) Within six months after the date of enactment of the Developmental Disabilities Act of 1984, the Secretary shall prepare and transmit to the Congress a report containing—

"(1) recommendations for improving services for mentally retarded persons and persons with developmental disabilities provided under an approved State plan under title XIX of the Social Security Act so that the manner in which such services are provided will increase the independence, productivity, and integration into the community of mentally retarded persons and persons with developmental disabilities;

"(2) recommendations for services provided for mentally retarded persons and persons with developmental disabilities under waivers granted under section 1915(c) of the Social Security Act so that the manner in which such services are provided can be improved and expanded to increase the independence, productivity, and integration into the community of mentally retarded persons and persons with developmental disabilities; and

"(3) comments by each of the officials specified in clauses (2) through (5) of subsection (b) on the recommendations included in the report pursuant to paragraph (1), including comments concerning the effect of such recommendations, if implemented, on programs carried out by such officials.

"(b) To assist the Secretary in preparing the report required by subsection (a), there is established a task force composed of.

"(1) the Secretary (or the designee of the Secretary);

"(2) the Administrator of the Health Care Financing Administration of the Department of Health and Human Services (or the designee of the Administrator);

"(3) the Commissioner of the Administration for Developmental Disabilities of the Department of Health and Human Services (or the designee of the Commissioner);

"(4) the Chairman of the National Council on the Handicapped (or the designee of the Chairman); and

"(5) the Assistant Secretary of Education for Special Education and Rehabilitative Services (or the designee of the Assistant Secretary).

"(c) To conduct the study required by this section, the Secretary may expend not more than $75,000 from the amounts appropriated under section 164 for fiscal year 1985.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 164. To carry out this part, there are authorized to be appropriated $3,200,000 for fiscal year 1985, $3,700,000 for fiscal year 1986, and $4,000,000 for fiscal year 1987.".

EFFECTIVE DATE

SEC. 3. The amendment made by section 2 of this Act shall take effect on October 1, 1984, except that sections 108(b), 153(a), and 163 of the Developmental Disabilities Assistance and Bill of Rights Act (as added by the amendment made by section 2 of this Act) shall take effect on the date of enactment of this Act.

Mr. STEVENS. Mr. President, I move that the committee amendments be agreed to en bloc.

The **PRESIDING OFFICER.** The question is on agreeing to the motion of the Senator from Alaska.

The motion was agreed to.

AMENDMENT NO. 3337

(Purpose: To make technical corrections.)

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of the Senator from Connecticut [Mr. WEICKER].

The **PRESIDING OFFICER.** The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. WEICKER, proposes an amendment numbered 3337.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

On page 7, strike out lines 15 through 19 and insert the following:

"(A) the—

"(i) use by persons with developmental disabilities of the same community resources that are used by and available to other citizens, and

"(ii) participation by persons with developmental disabilities in the same community activities in which nonhandicapped citizens participate.

together with regular contact with nonhandicapped citizens, and".

On page 38, line 12, strike out "any" and insert "each".

On page 59, line 25, insert "or who are Native Americans or Native Hawaiians" before the end parenthesis.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment.

The amendment (No. 3337) was agreed to.

Mr. HATCH. Mr. President, today, the Senate is considering S. 2573, a bill to reauthorize and extend the Developmental Disabilities and Bill of Rights Act. I want to go on record in support of this extremely worthwhile program. The Developmental Disabilities Act was originally passed in order to coordinate and provide services where necessary for the more severely handicapped persons of our Nation. The law has served as a vehicle to help eliminate gaps in services with emphasis on providing these services to rural and underserved regions. It has, for the most part, effectively accomplished its mission.

S 2573 will amend the Developmental Disabilities Act to increase the independence, productivity and community integration of our Nations 3.9 million developmentally disabled persons. As reported out of the Labor and Human Resources Committee, S. 2573 proposed changes which would improve the Developmental Disabilities Act. It recommends revisions which more adequately reflects the needs of developmentally disabled persons and their families now and in the future.

At this time, I would like to express my appreciation to Senator WEICKER for his efforts in drafting this bill and for shepherding S. 2573 through the legislative process. Much time and energy has gone into perfecting S. 2573. You are to be complemented for your diligence.

Because of the bill's impact on our developmentally disabled population, I encourage my colleagues in the Senate to expedite passage of S. 2573. Nearly 4 million severely handicapped persons are counting on us to improve the Developmental Disabilities Act and we cannot afford to let them down.

Mr. DOLE. Mr. President, I rise today to speak in support of the Developmental Disabilities Act of 1984.

Surely, we can all agree that this is worthy legislation.

The estimated 10 million people who are developmentally disabled are among the most severely disabled in our Nation. Their disabilities are caused by physical and mental impairments which are chronic and severe and have occurred during their developmental period thereby making them more vulnerable and less able to reach an independent level of functioning than other handicapped persons who have had a normal developmental period of experiences on which to draw.

The legislative intent of the Developmental Disabilities Act is to enable States to increase the provision of quality services to persons with developmental disabilities through the use of Federal, State, local and private resources and to provide for a system which protects and advocates for the rights of developmentally disabled persons through legal, administrative, or other appropriate means. This is accomplished by means of the program's four major components: Basic grants to States for planning, services, and administration; protection and advocacy grants to States; special project grants, and project grants to universities or affiliated facilities for interdisciplinary training programs; clinical services and research program services to serve the developmentally disabled.

Mr. President, I want to commend my colleagues on the Subcommittee on the Handicapped for modifying the legislation to reflect the current needs of our Nation's developmentally disabled population. Additionally, the increased funding levels authorized within the bill will make it possible for developmental disabilities programs across the country to continue their efforts on behalf of these children and adults.

Major provisions of S. 2573 include the redefinition of priority service areas to include employment-related services plus either child development or alternative community living activities with case management, specific to each priority included within that priority's definition; protection and advocacy agencies will be provided State ICF/MR annual surveys and corrective plans and under certain circumstances can gain access to institutionalized persons' records; a modest cost-of-living increase is to be provided before new UAF's or satellites are established and outreach and demonstration activities in integrated settings are required; and funds are targeted for a one-time study to make recommendations on ways the ICF/MR Program may be improved to increase the independence, productivity, and community integration of developmentally disabled persons.

It is my hope that my colleagues in the Senate will reaffirm their commitment to the developmentally disabled citizens of America through passage of this legislation. The provisions contained within S. 2573 are important in order to assist developmentally disabled people in leaving our institutions, or ensuring that new generations will never have to enter our institutions, and that all will have the opportunity of living safely, comfortably, and productively within the community.

Mr. STAFFORD. Mr. President, I join my colleagues, Senators WEICKER and RANDOLPH, to give my support for the passage of the Developmental Disabilities Amendments of 1984, S. 2573.

This legislation will serve to strengthen the Federal mandate to provide lifelong services to our Nation's 3.9 million developmentally disabled citizens of all ages.

The focus of this legislation is on the necessary programming and gap-filling services for adults with developmental disabilities. To accomplish this task, the Labor and Human Resources Committee has concentrated its efforts on the Federal priority service areas and on increasing the authorization levels.

This legislation emphasizes the need for increased numbers of community-based living alternatives and supported work opportunities for developmentally disabled individuals. By living and participating in their communities, the lives of developmentally disabled persons are greatly enhanced, as well as the lives of the individuals they come in contact with.

In order to accomplish these needed changes, the authorization levels for this program have been increased. This is of particular interest in my own State of Vermont where one in eight residents have been identified as having a disability. The authorization of these additional funds will assist the Vermont DD Council in augmenting services to developmentally disabled persons.

Mr. President, the initiatives contained in this legislation complement the new provisions contained in the Education for Handicapped Children Act Amendments of 1983 and the Rehabilitation Amendments of 1984. Together they bring us closer to achieving our goal of full integration of handicapped individuals into the mainstream of American life.

Mr. President, I urge my colleagues to join in passage of this important legislation.

Mr. WEICKER. Mr. President, I rise today to urge my colleagues to support Senate bill 2573, the reauthorization of the Developmental Disabilities Assistance and Bill of Rights Act.

This bill reaffirms Congress' commitment to our Nation's most severely handicapped citizens—those with developmental disabilities. The bill refines existing programs which provide services to handicapped citizens and strengthens protections for the rights of those citizens.

Senate bill 2573 has been reported favorably from both the Subcommittee on the Handicapped and the Labor and Human Resources Committee. The bill represents a substantial effort on the part of all Senators on the committee, thus reflecting a tradition of bipartisan support for legislation serving handicapped Americans.

I would like to take this opportunity to commend my colleague, Senator JENNINGS RANDOLPH, who is the ranking member of the Subcommittee on the Handicapped. His leadership in shaping this reauthorization bill has been typical of his 26 years in the Senate of untiring advocacy for our Nation's handicapped citizens. Senator RANDOLPH has led the way in developing Federal policy for disabled people and his presence will be greatly missed when he retires at the end of this session.

I would also like to thank Senator HATCH, chairman of the Committee on Labor and Human Resources, for his support and assistance in developing the legislation before us today, as well as Senator STAFFORD whose efforts have been critical in developing this bill.

I urge my colleagues to support Senate bill 2573, the Developmental Disabilities Act of 1984.

Mr. LEAHY. Mr. President, I am very pleased to be a cosponsor of the Developmental Disabilities Act of 1984.

I would like to thank Senator RANDOLPH and Senator STAFFORD for the commitment and hard work each has given to this important legislation.

The provisions of this bill have been carefully developed after hearing from a wide range of individuals and groups having an interest in developmental disabilities programs. I am pleased that the final provisions support the concept of helping developmentally disabled persons increase in independence and productivity, and to become part of the mainstream of the community in which they live.

For small States the increase in minimum State allotments from $250,000 to $300,000 is a very important provision. The increase in protection and advocacy allotments from $50,000 to $100,000 is equally important.

I also support the mandated representation on the councils of individuals from vocational rehabilitation, special education, Medicaid, protection and advocacy and university associated affiliates, where they exist.

It is noteworthy that the provisions of S. 2573 have been developed to take into account those programs already well established and those for which the new requirements will enable them to more fully serve the developmentally disabled.

Mr. RANDOLPH. Mr. President, the Developmental Disabilities and Bill of Rights Act was first passed on October 30, 1970. At that time, children with severe disabilities were excluded from public schools and severely disabled adults looked forward to nonproductive, nonrewarding lives in sheltered workshops, activity centers or institutions.

A lot has happened since those early years of 1970. The enactment of Public Law 94-142 brought a new future to handicapped children as the schools opened their doors to even the most severely disabled. Amendments to the Rehabilitation Services Act brought a new focus on the most severely disabled. The projects with industry authority brought a new focus on employment for disabled adults. The Developmental Disabilities Act brought more parents and consumers into State decision making and introduced a protection and advocacy system into each State.

It has been my good fortune to watch the changes in public attitudes and services to handicapped individuals over the past 50 years.

The first supported work program for handicapped persons came into being in 1936, it was the Randolph-Sheppard Act which permitted blind persons to operate vending stands in Federal buildings. That supported work program has flourished and today we have 3,677 Randolph-Sheppard vendors earning an average of $17,308 per year. In 1983 they sold $279,000,000 in goods.

I have seen the days when handicapped individuals were left to their own devices with little help other than what their parents could provide. I have seen the days when the treatment of choice for mentally retarded individuals was complete isolation from society in institutions far from populated centers. I have seen the changes take place as national organizations such as the Goodwill Industries and smaller community organizations developed employment programs to provide employment opportunities for disabled individuals.

I have seen the development of the rehabilitation industry in this country and the formation of the national association of rehabilitation facilities which has led the way to improved employment and training opportunities for individuals needing such services. I have watched as the Rehabilitation Services Administration, particularly under the leadership of the late Commissioner Mary Switzer, provide leadership, direction and resources to the field of rehabilitation.

The gains we see today which are reflected in the revisions of the Development Disabilities Act could not have happened had it not been for the vision and leadership of the National Association of Rehabilitation Facilities and its member agencies. The concept of supported employment which is so popular today and which is featured so prominently in the Developmental Disabilities Act, had its beginnings in the subsidized employment developed in rehabilitation facilities over the past decades.

The weakness of the rehabilitation industry has been in its ability to serve individuals with the most severe handicaps. This was, and is, a direct result of the provision in the Rehabilitation Act which requires that individuals served must have potential for employment and, until recently, individuals with very severe handicaps were never considered to have employment potential.

The advantages of a public school education and the advances in training technologies have resulted in more disabled individuals being employable than ever before as well as individuals with more severe conditions. People who might have lived out their lives in sheltered workshops are now being employed in competitive industries and individuals with more severe disabilities who might have had no employment opportunities before are now earning reasonable wages in sheltered settings. The concept of subsidized employment which was first developed in this country over a century ago in the industrial departments of schools for the deaf and blind, is now being extended to the most severely mentally retarded as a new concept supported employment.

New terms are sometimes helpful in bringing services to a new population. New terms can help in the passage of legislation which bring new sources of support to bear on a problem. If this is the case, we could use many new terms for there are many problems yet to be solved. Perhaps we could use a new term for "employment" because this is still the greatest single problem facing handicapped persons today. Perhaps we need a new term for "partnership" because there is a desperate need for better partnerships between the rehabilitation industries and private industries. Somehow, the handicapped worker must have an opportunity to move from the sheltered environment to the world of competitive employment. For many workers, the job done in the sheltered shop can be done as well or better in the facilities of the industry which contracts the work to the shop.

In spite of all the advances of the past 14 years, there is still much to be done. There are still many developmentally disabled youngsters attending school in segregated settings: there are still many developmentally disabled adults who require lifelong care and custody and for whom adequate programs have not yet been designed. There are still many disabled people in developmental centers and sheltered workshops who could, with appropriate training, become employed in more productive settings.

The 1984 extension of the Developmental Disabilities Act continues the successful programs from previous years and adds new provisions to further the purposes of the act.

The 1984 revisions require an interagency committee made up of representatives of the administration for developmental disabilities in the Department of Health and Human Services and the office of special education and rehabilitation services in the Department of Education. The interagency committee is to meet often to coordinate and plan activities conducted by Federal departments and agencies for developmentally disabled persons. This section was included in the act because these two agencies are both concerned with persons with developmental disabilities and it is important that they communicate closely between meetings to avoid overlap and duplication.

A major change was made in the priority section of the State plan program. Priority areas have been modified to reflect recent discoveries in the capabilities of developmentally disabled adults for employment. Thus, the priorities are to include, within 2 years, employment related activities, child development services, and alternative community living arrangements, case management is to be built into each of these priorities.

Changes in legislation, however well intended, do not necessarily improve the lives of disabled persons. Competent administration at the Federal level and creative professionalism at the local level are required to make effective use of appropriated funds and to bring together the ideas and resources neded to bring about the changes needed. The Developmental Disabilities Act, by itself, can accomplish very little. It is the combination of Federal laws and cooperation of Federal agencies which are so important. It is the working together of the administration for developmental disabilities, the national institute on handicapped research, the rehabilitation services administration, the office of special education programs with the national council on the handicapped and others that will bring us closer to our goal of full participation in society for developmentally disabled persons.

I am pleased to have been a part of bringing this new measure into the full Senate for consideration and I urge its passage.

The **PRESIDING OFFICER**. The bill is before the Senate and open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2573), as amended, was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2573

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Developmental Disabilities Act of 1984".

SEC. 2. Title I of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 is amended to read as follows:

"TITLE I—PROGRAMS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES

"PART A—GENERAL PROVISIONS

"SHORT TITLE

"SEC. 100. This title may be cited as the 'Developmental Disabilities Assistance and Bill of Rights Act'.

"FINDINGS AND PURPOSES

"SEC. 101. (a) The Congress finds that—

"(1) there are more than two million persons with developmental disabilities in the United States;

"(2) individuals with disabilities occurring during their developmental period are more vulnerable and less able to reach an independent level of existence than other handicapped individuals who generally have had a normal developmental period on which to draw during the rehabilitation process;

"(3) persons with developmental disabilities often require specialized lifelong services to be provided by many agencies in a coordinated manner in order to meet the persons' needs;

"(4) generic service agencies and agencies providing specialized services to disabled persons tend to overlook or exclude persons with developmental disabilities in their planning and delivery of services; and

"(5) it is in the national interest to strengthen specific programs, especially programs that reduce or eliminate the need for institutional care, to meet the needs of persons with developmental disabilities.

"(b)(1) It is the overall purpose of this title to assist States to (A) assure that persons with developmental disabilities receive the care, treatment, and other services necessary to enable them to achieve their maximum potential through increased independence, productivity, and integration into the community, and (B) operate a system which coordinates, monitors, plans, and evaluates services which ensures the protection of the legal and human rights of persons with developmental disabilities.

"(2) The specific purposes of this title are—

"(A) to assist in the provisions of comprehensive services to persons with developmental disabilities, with priority to those persons whose needs are not otherwise met under the Rehabilitation Act of 1973 or other health, education, or welfare programs;

"(B) to assist States in appropriate planning activities;

"(C) to make grants to States and public and private, nonprofit agencies to establish model programs, to demonstrate innovative habilitation techniques, and to train professional and paraprofessional personnel with respect to providing services to persons with developmental disabilities;

"(D) to make grants to university affiliated facilities to assist them in administering and operating demonstration facilities for the provision of services to persons with developmental disabilities, and interdisciplinary training programs for personnel needed to provide specialized services for these persons; and

"(E) to make grants to support a system in each State to protect the legal and human rights of all persons with developmental disabilities.

"DEFINITIONS

"SEC. 102. For purposes of this title:

"(1) The term 'State' includes Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the District of Columbia.

"(2) The term 'facility for persons with developmental disabilities' means a facility, or a specified portion of a facility, designed primarily for the delivery of one or more services to persons with one or more developmental disabilities.

"(3) The terms 'nonprofit facility for persons with developmental disabilities' and 'nonprofit private institution of higher learning' mean, respectively, a facility for persons with developmental disabilities and an institution of higher learning which are owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual; and the term 'nonprofit private agency or organization' means an agency or organization which is such a corporation or association or which is owned and operated by one or more of such corporations or associations.

"(4) The term 'construction' includes construction of new buildings, acquisition, expansion, remodeling, and alteration of existing buildings, and initial equipment of any such buildings (including medical, transportation, and recreation facilities); including architect's fees, but excluding the cost of offsite improvements and the cost of the acquisition of land.

"(5) The term 'cost of construction' means the amount found by the Secretary to be necessary for the construction of a project.

"(6) The term 'title', when used with reference to a site for a project, means a fee simple, or such other estate or interest (including a leasehold on which the rental does not exceed 4 per centum of the value of the land) as the Secretary finds sufficient to assure for a period of not less than fifty years undisturbed use and possession for the purposes of construction and operation of the project.

"(7) The term 'developmental disability' means a severe, chronic disability of a person which—

"(A) is attributable to a mental or physical impairment or combination of mental and physical impairments;

"(B) is manifested before the person attains age twenty-two;

"(C) is likely to continue indefinitely;

"(D) results in substantial functional limitations in three or more of the following areas of major life activity: (i) self-care, (ii) receptive and expressive language, (iii) learning, (iv) mobility, (v) self-direction, (vi) capacity for independent living, and (vii) economic self-sufficiency; and

"(E) reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services which are of lifelong or extended duration and are individually planned and coordinated.

"(8) The term 'independence' means the extent to which persons with developmental disabilities exert control and choice over their own lives.

"(9) The term 'productivity' means—

"(A) engagement in income-producing work by a person with developmental disabilities which is measured through improvements in income level, employment status, or job advancement, or

"(B) engagement by a person with developmental disabilities in work which contributes to a household or community.

"(10) The term 'integration' means—

"(A) the—

"(i) use by persons with developmental disabilities of the same community resources that are used by and available to other citizens, and

"(ii) participation by persons with developmental disabilities in the same community activities in which nonhandicapped citizens participate,

together with regular contact with nonhandicapped citizens, and

"(B) the residence by persons with developmental disabilities in homes or in homelike settings which are in proximity to community resources, together with regular contact with nonhandicapped citizens in their communities.

"(11)(A) The term 'services for persons with developmental disabilities' means—

"(i) priority services (as defined in subparagraph (C)); and

"(ii) any other specialized services or special adaptations of generic services for persons with developmental disabilities, including diagnosis, evaluation, treatment, personal care, day care, domiciliary care, special living arrangements, training, education, sheltered employment, recreation and socialization, counseling of the person with such disability and the family of such person, protective and other social and sociolegal services, information and referral services, follow-along services, nonvocational social-developmental services, transportation services necessary to assure delivery of services to persons with developmental disabilities, and services to promote and coordinate activities to prevent developmental disabilities.

"(B) The term 'service activities' includes, with respect to an area of priority services described in subparagraph (C) or an area of services described in subparagraph (A)(ii)—

"(i) the provision of specialized services in the area which respond to unmet needs of persons with developmental disabilities;

"(ii) model service programs in the area;

"(iii) activities to increase the capacity of agencies to provide services in the area;

"(iv) the coordination of the provision of services in the area with the provision of other services;

"(v) outreach to individuals for the provision of services in the area;

"(vi) the training of personnel, including parents of persons with developmental disabilities, professionals, and volunteers, to provide services in the area; and

"(vii) similar activities designed to expand the use and availability of services in the area.

"(C) The term 'priority services' means alternative community living arrangement services (as defined in subparagraph (D)), employment related activities (as defined in subparagraph (E)), and child development services (as defined in subparagraph (G)).

"(D) The term 'alternative community living arrangement services' means (i) such services as will assist persons with developmental disabilities in developing or maintaining suitable residential arrangements in the community, including in-house services (such as personal aides and attendants and other domestic assistance and supportive services), family support services, foster care services, group living services, respite care, recreation and socialization services, and staff training, placement, and maintenance services, and (ii) case management services for persons with developmental disabilities who receive services described in clause (i).

"(E) The term 'employment related activities' means (i) such services as will increase the independence, productivity, or integration of a person with developmental disabilities in work settings, including such services as employment preparation and vocational training leading to supported employment, incentive programs for employers who hire persons with developmental disabilities, services to assist transition from special education to employment, and services to assist transition from sheltered work settings to supported employment settings or competitive employment, and (ii) case management services for persons with developmental disabilities who receive services described in clause (i).

"(F) The term 'supported employment' means paid employment which—

"(i) is for persons with developmental disabilities for whom competitive employment at or above the minimum wage is unlikely and who, because of their disabilities, need intensive ongoing support to perform in a work setting;

"(ii) is conducted in a variety of settings, particularly work sites in which persons without disabilities are employed; and

"(iii) is supported by any activity needed to sustain paid work by persons with disabilities, including supervision, training, and assistance with transportation.

"(G) The term 'child development services' means (i) such services as will assist in the prevention, identification, and alleviation of developmental disabilities in children, including early intervention services, counseling and training of parents, early identification of developmental disabilities, and diagnosis and evaluation of such developmental disabilities, and (ii) case management services for persons with developmental disabilities who receive services described in clause (i).

"(12) The term 'satellite center' means a public or private nonprofit entity which—

"(A) is affiliated with one or more university affiliated facilities;

"(B) functions as a community or regional extension of such university affiliated facility or facilities in the delivery of services to persons with developmental disabilities, and their families, who reside in geographical areas where adequate services are not otherwise available; and

"(C) may engage in the activities described in subparagraph (A), (B), or (C) of paragraph (13).

"(13) The term 'university affiliated facility' means a public or nonprofit facility which is associated with, or is an integral part of, a college or university and which provides for at least the following activities:

"(A) Interdisciplinary training for personnel concerned with developmental disabilities which is conducted at the facility and through outreach activities.

"(B) Demonstration of—

"(i) exemplary services relating to persons with developmental disabilities in settings which are integrated in the community; and

"(ii) technical assistance to generic and specialized agencies to provide services to increase the independence, productivity, and integration into the community of persons with developmental disabilities, such as the development and improvement of quality assurance mechanisms.

"(C)(i) Dissemination of findings relating to the provision of services under subparagraph (B) of this paragraph, and (ii) providing researchers and government agencies sponsoring service-related research with information on the needs for further service-related research which would provide data and information that will assist in increasing the independence, productivity, and integration into the community of persons with developmental disabilities.

"(14) The term 'Secretary' means the Secretary of Health and Human Services.

"(15) The term 'State Planning Council' means a State Planning Council established under section 124.

"FEDERAL SHARE

"Sec. 103. (a) The Federal share of all projects in a State supported by an allotment to the State under part B shall be 75 percent of the aggregate necessary costs of all such projects, as determined by the Secretary, except that in the case of projects located in urban or rural poverty areas, the Federal share of all such projects shall be 90 percent of the aggregate necessary costs of such projects, as determined by the Secretary.

"(b) The Federal share of any project to be provided through grants under part D shall be 75 percent of the necessary cost of such project, as determined by the Secretary, except that if the project is located in an urban or rural poverty area, the Federal share may not exceed 90 percent of the project's necessary costs as so determined.

"(c) The non-Federal share of the cost of any project assisted by a grant or allotment under this title may be provided in kind.

"(d) For the purpose of determining the Federal share with respect to any project, expenditures on that project by a political subdivision of a State or by a nonprofit private entity shall, subject to such limitations and conditions as the Secretary may by regulation prescribe, be deemed to be expenditures by such State in the case of a project under part B or by a university affiliated facility or a satellite center, as the case may be, in the case of a project assisted under part D.

"RECORDS AND AUDIT

"Sec. 104. (a) Each recipient of assistance under this title shall keep such records as the Secretary shall prescribe, including (1) records which fully disclose (A) the amount and disposition by such recipient of the proceeds of such assistance, (B) the total cost of the project or undertaking in connection with which such assistance is given or used, and (C) the amount of that portion of the cost of the project or undertaking supplied by other sources, and (2) such other records as will facilitate an effective audit.

"(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients of assistance under this title that are pertinent to such assistance.

"RECOVERY

"Sec. 105. If any facility with respect to which funds have been paid under part B or D shall, at any time within twenty years after the completion of construction—

"(1) be sold or transferred to any person, agency, or organization which is not a public or nonprofit private entity, or

"(2) cease to be a public or other nonprofit facility for persons with developmental disabilities,

the United States shall be entitled to recover from either the transferor or the transferee (or, in the case of a facility which has ceased to be a public or other nonprofit facility for persons with developmental disabilities, from the owners thereof) an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the facility is situated) of so much of such facility as constituted an approved project or projects, as the amount of the Federal participation bore to the cost of the construction of such project or projects. Such right of recovery shall not constitute a lien upon such facility prior to judgment. The Secretary, in accordance with regulations prescribed by the Secretary, may, upon finding good cause therefor, release the applicant or other owner from the obligation to continue such facility as a public or other nonprofit facility for persons with developmental disabilities.

"STATE CONTROL OF OPERATIONS

"Sec. 106. Except as otherwise specifically provided, nothing in this title shall be construed as conferring on any Federal officer or employee the right to exercise any supervision or control over the administration, personnel, maintenance, or operation of any facility for persons with developmental disabilities with respect to which any funds have been or may be expended under this title.

"REPORTS

"Sec. 107. (a) By January 1 of each year, the State Planning Council of each State shall prepare and transmit to the Secretary a report concerning activities carried out during the preceding fiscal year with funds paid to the State under part B for such fiscal year. Each such report shall be in a form prescribed by the Secretary by regulation and shall contain—

"(1) a description of such activities and the accomplishments resulting from such activities;

"(2) a comparison of such accomplishments with the goals, objectives, and proposed activities specified by the State in the State plan submitted under section 122 for such fiscal year;

"(3) an accounting of the manner in which funds paid to a State under part B for a fiscal year were expended, including a specification of—

"(A) the total amount of Federal funds paid to the State under such part for such fiscal year;

"(B) the total amount of the non-Federal share for projects under such part for such fiscal year;

"(C) the total amount of Federal funds and the total amount of non-Federal funds obligated to carry out such part during such fiscal year;

"(D) the total amount of Federal funds and the total amount of non-Federal funds expended to carry out such part during such fiscal year; and

"(E) the total amount of Federal funds provided under such part which were not obligated or expended during such fiscal year;

"(4) a specification of the amount and proportion of Federal funds paid to the State under part B for such fiscal year which were allocated to—

"(A) State agencies;

"(B) local governments and local government agencies;

"(C) nonprofit private agencies; and

"(D) academic institutions; and

"(5) a description of the extent to which the individuals who actually attended meetings of the State Planning Council during such fiscal year reflect the requirements for membership on such Council specified in section 124(a).

"(b) By January 1 of each year, each protection and advocacy system established in a State pursuant to part C shall prepare and transmit to the Secretary a report which describes the activities and accomplishments of the system during the preceding fiscal year.

"(c)(1) By April 1 of each year the Secretary shall prepare and transmit to the President, the Congress, and the National Council on the Handicapped a report which describes—

"(A) the activities and accomplishments of programs supported under parts B, C, D, and E of this title; and

"(B) the progress made in States in improving the independence, productivity, and integration into the community of persons with developmental disabilities and any activities or services needed to improve such independence, productivity, and integration.

"(2) In preparing the report required by this subsection, the Secretary shall use and include information submitted to the Secretary in the reports required under subsections (a) and (b) of this section and section 142(a)(5).

"(d) Within 90 days after receiving from the States the assessments required under section 122(b)(6)(A), the Secretary shall prepare and transmit to the Congress, the Secretary of Education and the National Council on the Handicapped a report which summarizes and analyzes the results of such assessments.

"RESPONSIBILITIES OF THE SECRETARY

"Sec. 108. (a) The Secretary, not later than 180 days after the date of enactment of any Act amending the provisions of this title, shall promulgate such regulations as may be required for the implementation of such amendments.

"(b) Within 90 days after the date of enactment of the Developmental Disabilities Act of 1984, the Secretary of Health and Human Services and the Secretary of Education shall establish an interagency committee composed of representatives of the Administration for Developmental Disabilities of the Department of Health and Human Services, the Office of Special Education and Rehabilitative Services of the Department of Education, and such other Federal departments and agencies as the Secretary of Health and Human Services and the Secretary of Education consider appropriate. Such interagency committee shall meet regularly to coordinate and plan activities conducted by Federal departments and agencies for persons with developmental disabilities.

"EMPLOYMENT OF HANDICAPPED INDIVIDUALS

"Sec. 109. As a condition of providing assistance under this title, the Secretary shall require that each recipient of such assistance take affirmative action to employ and advance in employment qualified handicapped individuals on the same terms and conditions required with respect to the employment of such individuals by the provisions of the Rehabilitation Act of 1973 which govern employment (1) by State rehabilitation agencies and rehabilitation facilities, and (2) under Federal contracts and subcontracts.

"RIGHTS OF THE DEVELOPMENTALLY DISABLED

"SEC. 110. Congress makes the following findings respecting the rights of persons with developmental disabilities:

"(1) Persons with developmental disabilities have a right to appropriate treatment, services, and habilitation for such disabilities.

"(2) The treatment, services, and habilitation for a person with developmental disabilities should be designed to maximize the developmental potential of the person and should be provided in the setting that is least restrictive of the person's personal liberty.

"(3) The Federal Government and the States both have an obligation to assure that public funds are not provided to any institutional or other residential program for persons with developmental disabilities that—

"(A) does not provide treatment, services, and habilitation which is appropriate to the needs of such persons; or

"(B) does not meet the following minimum standards:

"(i) Provision of a nourishing, well-balanced daily diet to the persons with developmental disabilities being served by the program.

"(ii) Provision to such persons of appropriate and sufficient medical and dental services.

"(iii) Prohibition of the use of physical restraint on such persons unless absolutely necessary and prohibition of the use of such restraint as a punishment or as a substitute for a habilitation program.

"(iv) Prohibition on the excessive use of chemical restraints on such persons and the use of such restraints as punishment or as a substitute for a habilitation program or in quantities that interfere with services, treatment, or habilitation for such persons.

"(v) Permission for close relatives of such persons to visit them at reasonable hours without prior notice.

"(vi) Compliance with adequate fire and safety standards as may be promulgated by the Secretary.

"(4) All programs for persons with developmental disabilities should meet standards which are designed to assure the most favorable possible outcome for those served, and—

"(A) in the case of residential programs serving persons in need of comprehensive health-related, habilitative, or rehabilitative services, which are at least equivalent to those standards applicable to intermediate care facilities for the mentally retarded promulgated in regulations of the Secretary on January 17, 1974 (39 Fed. Reg. pt. II), as appropriate when taking into account the size of the institutions and the service delivery arrangements of the facilities of the programs;

"(B) in the case of other residential programs for persons with developmental disabilities, which assure that care is appropriate to the needs of the persons being served by such programs, assure that the persons admitted to facilities of such programs are persons whose needs can be met through services provided by such facilities, and assure that the facilities under such programs provide for the humane care of the residents of the facilities, are sanitary, and protect their rights; and

"(C) in the case of nonresidential programs, which assure the care provided by such programs is appropriate to the persons served by the programs.

The rights of persons with developmental disabilities described in findings made in this section are in addition to any constitutional or other rights otherwise afforded to all persons.

"PART B—FEDERAL ASSISTANCE FOR PLANNING AND SERVICE ACTIVITIES FOR PERSONS WITH DEVELOPMENTAL DISABILITIES

"PURPOSE

"SEC. 121. The purpose of this part is to provide payments to States to plan for, and to conduct, activities which will increase and support the independence, productivity, and integration into the community of persons with developmental disabilities.

"STATE PLANS

"SEC. 122. (a) Any State desiring to take advantage of this part must have a State plan submitted to and approved by the Secretary under this section. Notwithstanding any other provision of law or Executive order, a State may not consolidate the State plan required by this section with any other State plan required for the receipt of Federal assistance or substitute for the State plan required by this section any other plan prepared pursuant to State law or procedures unless the State Planning Council and the State agency or agencies designated pursuant to subsection (b)(1)(B) consent in writing to such consolidation or substitution.

"(b) In order to be approved by the Secretary under this section, a State plan for the provision of services for persons with developmental disabilities must meet the following requirements:

"(1)(A) The plan must provide for the establishment of a State Planning Council, in accordance with section 124, for the assignment to the Council of personnel in such numbers and with such qualifications as the Secretary determines to be adequate to enable the Council to carry out its duties under this title, and for the identification of the personnel so assigned.

"(B) The plan must designate the State agency or agencies which shall administer or supervise the administration of the State plan and, if there is more than one such agency, the portion of such plan which each will administer (or the portion the administration of which each will supervise).

"(C) The plan must provide that each State agency designated under subparagraph (B) will make such reports, in such form and containing such information, as the Secretary or the State Planning Council may from time to time reasonably require, and will keep such records and afford such access thereto as the Secretary or the State Planning Council finds necessary to verify such reports.

"(D) The plan must provide for such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of and accounting for funds paid to the State under this part.

"(2) The plan must—

"(A) set out the specific objectives to be achieved under the plan and a listing of the programs and resources to be used to meet such objectives;

"(B) set forth the non-Federal share that will be required in carrying out each such objective and program;

"(C) describe (and provide for the review annually and revision of the description not less often than once every three years) (i) the extent and scope of services being provided, or to be provided, to persons with developmental disabilities under such other State plans for federally assisted State programs as the State conducts relating to education for the handicapped, vocational rehabilitation, public assistance, medical assistance, social services, maternal and child health, crippled children's services, and comprehensive health and mental health, and under such other plans as the Secretary may specify, and (ii) how funds allotted to the State in accordance with section 125 will be used to complement and augment rather than duplicate or replace services for persons with developmental disabilities who are eligible for Federal assistance under such other State programs;

"(D) for each fiscal year, assess and describe the extent and scope of the priority services (as defined in section 102(11)(C)) being or to be provided under the plan in the fiscal year; and

"(E) establish a method for the periodic evaluation of the plan's effectiveness in meeting the objectives described in subparagraph (A).

"(3) The plan must contain or be supported by assurances satisfactory to the Secretary that—

"(A) the funds paid to the State under section 125 will be used to make a significant contribution toward strengthening services for persons with developmental disabilities through agencies in the various political subdivisions of the State;

"(B) part of such funds will be made available by the State to public or nonprofit private entities;

"(C) not more than 25 percent of such funds will be allocated to a designated agency for the provision of services by such agency;

"(D) such funds paid to the State under section 125 will be used to supplement and to increase the level of funds that would otherwise be made available for the purposes for which Federal funds are provided and not to supplant such non-Federal funds; and

"(E) there will be reasonable State financial participation in the cost of carrying out the State plan.

"(4)(A) The plan must provide for the examination not less often than once every three years of the provision, and the need for the provision, in the State of the three areas of priority services (as defined in section 102(11)(C)).

"(B) The plan must provide for the development, not later than the second year in which funds are provided under the plan after the date of the enactment of the Developmental Disabilities Act of 1984, and the timely review and revision of, a comprehensive statewide plan to plan, financially support, coordinate, and otherwise better address, on a statewide and comprehensive basis, unmet needs in the State for the provision of—

"(i) employment related activities and, except as provided in subparagraph (C), not more than one of the other areas of priority services (as defined in section 102(11)(C)), such other area of priority services to be specified in the plan; and

"(ii) at the option of the State, of one or more additional areas of services for persons with developmental disabilities from the areas of services described in section 102(11)(A)(ii), such area or areas also to be specified in the plan.

"(C) In any case in which appropriations under section 130 for a fiscal year exceed $60,000,000, a State plan may provide for the provision of an area of priority services (as defined in section 102(11)(C)) in addition to the areas of priority services required to be provided by subparagraph (B)(i).

"(D) The plan must be developed after consideration of the data collected by the State education agency under section 618(b)(3) of the Education of the Handicapped Act.

"(E)(i) The plan must provide that not less than 65 percent of the amount available to the State under section 125 will be expended for service activities in the priority areas of services (as defined in section 102(11)(C)).

"(ii) The plan must provide that the remainder of the amount available to the State from allotments under section 125 (after making the expenditures required by clause (i) of this paragraph) shall be used for service activities for persons with developmental disabilities, and the planning, coordination and administration of, and the advocacy for, the provision of such services.

"(F) The plan must provide that special financial and technical assistance shall be given to agencies or entities providing services for persons with developmental disabilities who are residents of geographical areas designated as urban or rural poverty areas.

"(5)(A)(i) The plan must provide that services furnished, and the facilities in which they are furnished, under the plan for persons with developmental disabilities will be in accordance with standards prescribed by the Secretary in regulations.

"(ii) The plan must provide satisfactory assurances that buildings used in connection with the delivery of services assisted under the plan will meet standards adopted pursuant to the Act of August 12, 1968 (known as the Architectural Barriers Act of 1968).

"(B) The plan must provide that services are provided in an individualized manner consistent with the requirements of section 123 (relating to habilitation plans).

"(C) The plan must contain or be supported by assurances satisfactory to the Secretary that the human rights of all persons with developmental disabilities (especially those persons without familial protection) who are receiving treatment, services, or habilitation under programs assisted under this part will be protected consistent with section 110 (relating to rights of the developmentally disabled).

"(D) The plan must provide assurances that the State has undertaken affirmative steps to assure the participation in programs under this title of individuals generally representative of the population of the State, with particular attention to the participation of members of minority groups.

"(E) The plan must provide assurances that the State will provide the State Planning Council with a copy of each annual survey report and plan of corrections for cited deficiencies prepared pursuant to section 1902(a)(31)(B) of the Social Security Act with respect to any intermediate care facility for the mentally retarded in such State within 30 days after the completion of each such report or plan.

"(6) The plan must provide—

"(A) for an assessment to be submitted to the Secretary twenty-four months after the date of enactment of the Developmental Disabilities Act of 1984 and every three years thereafter, of—

"(i) the need for professionals and paraprofessionals in the field of developmental disabilities in the State and for the training of such professionals and paraprofessionals; and

"(ii) plans to support the training of such professionals and paraprofessionals to maintain the availability of services to persons with developmental disabilities in the State;

"(B) that the State will pay the cost of conducting such assessment from the amount described in paragraph (4)(E)(ii); and

"(C) that the State will, in arranging the conduct of such assessment, give preference to a university affiliated facility or a satellite center.

"(7)(A) The plan must provide for the maximum utilization of all available community resources including volunteers serving under the Domestic Volunteer Service Act of 1973 and other appropriate voluntary organizations, except that such volunteer services shall supplement, and shall not be in lieu of, services of paid employees.

"(B) The plan must provide for fair and equitable arrangements (as determined by the Secretary after consultation with the Secretary of Labor) to protect the interests of employees affected by actions under the plan to provide alternative community living arrangement services (as defined in section 102(11)(D)), including arrangements designed to preserve employee rights and benefits and to provide training and retraining of such employees where necessary and arrangements under which maximum efforts will be made to guarantee the employment of such employees.

"(8) The plan also must contain such additional information and assurances as the Secretary may find necessary to carry out the provisions and purposes of this part.

"(c) The Secretary shall approve any State plan and any modification thereof which complies with the provisions of subsection (b). The Secretary shall not finally disapprove a State plan except after reasonable notice and opportunity for a hearing to the State.

"(d)(1) At the request of any State, a portion of any allotment or allotments of such State under this part for any fiscal year shall be available to pay one-half (or such smaller share as the State may request) of the expenditures found necessary by the Secretary for the proper and efficient administration of the State plan approved under this section; except that not more than 5 per centum of the total of the allotments of such State for any fiscal year, or $50,000, whichever is less, shall be available for the total expenditures for such purpose by all of the State agencies designated under subsection (b)(1)(B) for the administration or supervision of the administration of the State plan. Payments under this paragraph may be made in advance or by way of reimbursement, and in such installments, as the Secretary may determine.

"(2) Any amount paid under paragraph (1) to any State for any fiscal year shall be paid on condition that there shall be expended from the State sources for such year for administration of the State plan approved under this section not less than the total amount expended for such purposes from such sources during the previous fiscal year.

"HABILITATION PLANS

"SEC. 123. (a) The Secretary shall require as a condition to a State's receiving an allotment under this part that the State provide the Secretary satisfactory assurances that each program (including programs of any agency, facility, or project) which receives funds from the State's allotment under this part (1) has in effect for each developmentally disabled person who receives services from or under the program a habilitation plan meeting the requirements of subsection (b), and (2) provides for an annual review, in accordance with subsection (c), of each such plan.

"(b) A habilitation plan for a person with developmental disabilities shall meet the following requirements:

"(1) The plan shall be in writing.

"(2) The plan shall be developed jointly by (A) a representative or representatives of the program primarily responsible for delivering or coordinating the delivery of services to the person for whom the plan is established, (B) such person, and (C) where appropriate, such person's parents or guardian or other representative.

"(3) The plan shall contain a statement of the long-term habilitation goals for the person and the intermediate habilitation objectives relating to the attainments of such goals. Such goals should include the increase or support of independence, productivity, and integration into the community for the person. Such objectives shall be stated specifically and in sequence and shall be expressed in behavioral or other terms that provide measurable indices of progress. The plan shall (A) describe how the objectives will be achieved and the barriers that might interfere with the achievement of them, (B) state an objective criteria and an evaluation procedure and schedule for determining whether such objectives and goals are being achieved, and (C) provide for a program coordinator who will be responsible for the implementation of the plan.

"(4) The plan shall contain a statement (in readily understandable form) of specific habilitation services to be provided, shall identify each agency which will deliver such services, shall describe the personnel (and their qualifications) necessary for the provision of such services, and shall specify the date of the initiation of each service to be provided and the anticipated duration of each such service.

"(5) The plan shall specify the role and objectives of all parties to the implementation of the plan.

"(c) Each habilitation plan shall be reviewed at least annually by the agency primarily responsible for the delivery of services to the person for whom the plan was established or responsible for the coordination of the delivery of services to such person. In the course of the review, such person and the person's parents or guardian or other representative shall be given an opportunity to review such plan and to participate in its revision.

"STATE PLANNING COUNCILS

"SEC. 124. (a)(1) Each State which receives assistance under this part shall establish a State Planning Council which will serve as an advocate for persons with developmental disabilities. The members of the State Planning Council of a State shall be appointed by the Governor of the State from among the residents of that State. The Governor of each State shall make appropriate provisions for the rotation of membership on the Council of that State. Each State Planning Council shall at all times include in its membership representatives of the principal State agencies (including the State agency that administers funds provided under the

Rehabilitation Act of 1973, the State agency that administers funds provided under the Education of the Handicapped Act, and the State agency that administers funds provided under title XIX of the Social Security Act for persons with developmental disabilities), higher education training facilities, each university affiliated facility or satellite center in the State, the State protection and advocacy system established under section 142, local agencies, and nongovernmental agencies and private nonprofit groups concerned with services to persons with developmental disabilities in that State.

"(2) At least one-half of the membership of each such Council shall consist of persons who—

"(A) are persons with developmental disabilities or parents or guardians of such persons, or

"(B) are immediate relatives or guardians of persons with mentally impairing developmental disabilities,

who are not employees of a State agency which receives funds or provides services under this part, who are not managing employees (as defined in section 1126(b) of the Social Security Act) of any other entity which receives funds or provides services under this part, and who are not persons with an ownership or control interest (within the meaning of section 1124(a)(3) of the Social Security Act) with respect to such an entity.

"(3) Of the members of the Council described in paragraph (2)—

"(A) at least one-third shall be persons with developmental disabilities, and

"(B)(i) at least one-third shall be individuals described in subparagraph (B) of paragraph (2), and (ii) at least one of such individuals shall be an immediate relative or guardian of an institutionalized person with a developmental disability.

"(b) Each State Planning Council shall—

"(1) develop jointly with the State agency or agencies designated under section 122(b)(1)(B) the State plan required by this part, including the specification of areas of services under section 122(b)(4)(B);

"(2) monitor, review, and evaluate, not less often than annually, the implementation of such State plan;

"(3) to the maximum extent feasible, review and comment on all State plans in the State which relate to programs affecting persons with developmental disabilities; and

"(4) submit to the Secretary, through the Governor, such periodic reports on its activities as the Secretary may reasonably request, and keep such records and afford such access thereto as the Secretary finds necessary to verify such reports.

"STATE ALLOTMENTS

"Sec. 125. (a)(1) For each fiscal year, the Secretary shall, in accordance with regulations and this paragraph, allot the sums appropriated for such year under section 130 among the States on the basis of—

"(A) the population,

"(B) the extent of need for services for persons with developmental disabilities, and

"(C) the financial need,

of the respective States. Sums allotted to the States under this section shall be used in accordance with approved State plans under section 122 for the provision under such plans of services for persons with developmental disabilities.

"(2) The Secretary may not revise the basis on which allotments are made under clauses (A), (B), and (C) of paragraph (1) more than once every three years. In any case in which the Secretary determines that changes in the factors described in such clauses warrant such a revision, the Secretary shall, at least six months prior to the date on which the Secretary requires the submission of State plans under section 122 for the next succeeding fiscal year, provide each State with a written notice specifying the basis on which allotments will be made under such paragraph.

"(3)(A) The allotment of a State under paragraph (1) for any fiscal year may not be less than the allotment of such State for fiscal year 1984 under part B of this title (as such part was in effect on September 30, 1984).

"(B) In any case in which amounts appropriated under section 130 for a fiscal year exceed $45,000,000, the allotment under paragraph (1) for such fiscal year—

"(i) to each of American Samoa, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, or the Trust Territory of the Pacific Islands may not be less than $135,000; and

"(ii) to each of the several States, Puerto Rico, or the District of Columbia, may not be less than $300,000.

"(4) In determining, for purposes of paragraph (1)(B), the extent of need in any State for services for persons with developmental disabilities, the Secretary shall take into account the scope and extent of the services described, pursuant to section 122(b)(2)(C), in the State plan of the State.

"(b) Whenever the State plan approved in accordance with section 122 provides for participation of more than one State agency in administering or supervising the administration of designated portions of the State plan, the State may apportion its allotment among such agencies in a manner which, to the satisfaction of the Secretary, is reasonably related to the responsibilities assigned to such agencies in carrying out the purposes of the State plan. Funds so apportioned to State agencies may be combined with other State or Federal funds authorized to be spent for other purposes, provided the purposes of the State plan will receive proportionate benefit from the combination.

"(c) Whenever the State plan approved in accordance with section 122 provides for cooperative or joint effort between States or between or among agencies, public or private, in more than one State, portions of funds allotted to one or more such cooperating States may be combined in accordance with the agreements between the agencies involved.

"(d) The amount of an allotment to a State for a fiscal year which the Secretary determines will not be required by the State during the period for which it is available for the purpose for which allotted shall be available for reallotment by the Secretary from time to time, on such date or dates as the Secretary may fix (but not earlier than thirty days after the Secretary has published notice of the intention of the Secretary to make such reallotment in the Federal Register), to other States with respect to which such a determination has not been made, in proportion to the original allotments of such States for such fiscal year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use during such period; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount so reallotted to a State for a fiscal year shall be deemed to be a part of its allotment under subsection (a) for such fiscal year.

"PAYMENTS TO THE STATES FOR PLANNING, ADMINISTRATION AND SERVICES

"Sec. 126. From each State's allotments for a fiscal year under section 125, the State shall be paid the Federal share of the expenditures, other than expenditures for construction, incurred during such year under its State plan approved under this part. Such payments shall be made from time to time in advance on the basis of estimates by the Secretary of the sums the State will expend under the State plan, except that such adjustments as may be necessary shall be made on account of previously made underpayments or overpayments under this section.

"WITHHOLDING OF PAYMENTS FOR PLANNING, ADMINISTRATION AND SERVICES

"Sec. 127. Whenever the Secretary, after reasonable notice and opportunity for hearing to the State Planning Council and the appropriate State agency designated pursuant to section 122(b)(1) finds that—

"(1) there is a failure to comply substantially with any of the provisions required by section 122 to be included in the State plan; or

"(2) there is a failure to comply substantially with any regulations of the Secretary which are applicable to this part,

the Secretary shall notify such State Council and agency or agencies that further payments will not be made to the State under section 125 (or, in the discretion of the Secretary, that further payments will not be made to the State under section 125 for activities in which there is such failure), until the Secretary is satisfied that there will no longer be such failure. Until the Secretary is so satisfied, the Secretary shall make no further payment to the State under section 125, or shall limit further payment under section 125 to such State to activities in which there is no such failure.

"NONDUPLICATION

"Sec. 128. In determining the amount of any State's Federal share of the expenditures incurred by it under a State plan approved under section 122, there shall be disregarded (1) any portion of such expenditures which are financed by Federal funds provided under any provision of law other than section 125, and (2) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds.

"APPLICATIONS AND CONDITIONS FOR APPROVAL

"Sec. 129. If any State is dissatisfied with the Secretary's action under section 122(c) or section 127, such State may appeal to the United States court of appeals for the circuit in which such State is located, by filing a petition with such court within sixty days after such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by the Secretary for that purpose. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary based the action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Secretary may modify or set aside the order of the Secretary. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of the fact and may modify the previous action of the Secretary, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this section shall not, unless so specifically ordered by the court, operate as a stay of the Secretary's action.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 130. For allotments under section 125, there are authorized to be appropriated $54,500,000 for fiscal year 1985, $58,300,000 for fiscal year 1986, and $62,400,000 for fiscal year 1987.

"Part C—Protection and Advocacy of Individual Rights

"PURPOSE

"Sec. 141. It is the purpose of this part to provide for allotments to support a system in each State to protect the legal and human rights of persons with developmental disabilities in accordance with section 142.

"SYSTEM REQUIRED

"Sec. 142. (a) In order for a State to receive an allotment under part B—

"(1) the State must have in effect a system to protect and advocate the rights of persons with developmental disabilities;

"(2) such system must—

"(A) have the authority to pursue legal, administrative, and other appropriate remedies to insure the protection of the rights of such persons who are receiving treatment, services, or habilitation within the State and to provide information on and referral to programs and services addressing the needs of persons with developmental disabilities;

"(B) not be administered by the State Planning Council;

"(C) be independent of any agency which provides treatment, services, or habilitation to persons with developmental disabilities; and

"(D) except as provided in subsection (c), be able to obtain access to the records of a person with developmental disabilities who receives services under this title and who resides in a facility for persons with developmental disabilities if—

"(i) a complaint has been received by the system from or on behalf of such person; and

"(ii) such person does not have a legal guardian or the State or the designee of the State is the legal guardian of such person;

"(3) the State must provide assurances to the Secretary that funds allotted to the State under this section will be used to supplement and increase the level of funds that would otherwise be made available for the purposes for which Federal funds are provided and not to supplant such non-Federal funds;

"(4) the State must provide assurances to the Secretary that such system will be provided with a copy of each annual survey report and plan of corrections for cited deficiencies made pursuant to section 1902(a)(31)(B) of the Social Security Act with respect to any intermediate care facility for the mentally retarded in the State within 30 days after the completion of each such report or plan; and

"(5) the State must submit to the Secretary, within 90 days after the end of each fiscal year, a report in a form prescribed by the Secretary which describes such system and describes the expenditures made by the State from allotments under subsection (d).

"(b) A State may not redesignate the agency of the State which administers the system required by subsection (a) unless the State determines that good cause exists to warrant such redesignation. In any case in which a State determines that such good cause exists, the State shall, prior to such redesignation, give public notice of its intent to make such redesignation and give persons with developmental disabilities or their representatives an opportunity to comment on such proposed redesignation.

"(c) Prior to October 1, 1986, the provisions of paragraph (2)(D) of subsection (a) shall not apply to any State in which the laws of the State prohibit the system required under such subsection from obtaining access to the records of a person with developmental disabilities under the conditions described in such paragraph.

"(d)(1) To assist States in meeting the requirements of subsection (a), the Secretary shall allot to the States the amounts appropriated under section 143. Allotments and reallotments of such sums shall be made on the same basis as the allotments and reallotments are made under the first sentence of subsection (a)(1) and subsection (d) of section 125, except that—

"(A) the allotment of any State under this subsection for any fiscal year shall not be less than the allotment of such State for fiscal year 1984 under section 113(b) (as such section was in effect on September 30, 1984); and

"(B) in any case in which the amounts appropriated under section 143 for a fiscal year exceed $9,500,000—

"(i) the allotment of each of American Samoa, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands for such fiscal year shall not be less than $60,000; and

"(ii) the allotment to each of the several States, Puerto Rico, and the District of Columbia for such fiscal year shall not be less than $100,000.

"(2) A State may use not more than 5 percent of any allotment under this subsection for the costs of monitoring the administration of the system required under subsection (a).

"(3) Notwithstanding paragraph (1), if the aggregate of the amounts of the allotments for grants to be made in accordance with such paragraph for any fiscal year exceeds the total of the amounts appropriated for such allotments under section 143, the amount of a State's allotment for such fiscal year shall bear the same ratio to the amount otherwise determined under such paragraph as the total of the amounts appropriated for that year under section 143 bears to the aggregate amount required to make an allotment to each of the States in accordance with paragraph (1).

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 143. For allotments under section 142, there are authorized to be appropriated $15,000,000 for fiscal year 1985, $16,100,000 for fiscal year 1986, and $17,200,000 for fiscal year 1987. The provisions of section 1913 of title 18, United States Code, shall be applicable to all moneys authorized under the provisions of this section.

"Part D—University Affiliated Facilities

"PURPOSE

"Sec. 151. The purpose of this part is to provide for grants to university affiliated facilities to assist in the provision of interdisciplinary training, the conduct of service demonstration programs, and the dissemination of information which will increase and support the independence, productivity, and integration into the community of persons with developmental disabilities.

"GRANT AUTHORITY

"Sec. 152. (a) From appropriations under section 154, the Secretary shall make grants to university affiliated facilities to assist in the administration and operation of the activities described in section 102(13).

"(b) The Secretary may make one or more grants to a university affiliated facility receiving a grant under subsection (a) to support one or more of the following activities:

"(1) Conducting—

"(A) a study of the feasibility of establishing a university affiliated facility or a satellite center in an area not served by a university affiliated facility, including an assessment of the needs of the area for such a facility or center; or

"(B) a study of the ways in which such university affiliated facility, singly or jointly with other university affiliated facilities which have received a grant under subsection (a), can assist in establishing one or more satellite centers which would be located in areas not served by a university affiliated facility.

A study under subparagraph (A) or subparagraph (B) shall be carried out in consultation with the State Planning Council for the State in which the university affiliated facility conducting the study is located and the State Planning Council for the State in which the university affiliated facility or satellite center would be established.

"(2) Provision of service-related training to parents of persons with developmental disabilities, professionals, volunteers, or other personnel to enable such parents, professionals, volunteers, or personnel to provide services to increase or maintain the independence, productivity, and integration into the community of persons with developmental disabilities.

"(3) Conducting an applied research program designed to produce more efficient and effective methods (A) for the delivery of services to persons with developmental disabilities, and (B) for the training of professionals, paraprofessionals, and parents who provide these services.

The amount of a grant under paragraph (1) may not exceed $25,000.

"(c) The Secretary may make grants to pay part of the costs of establishing satellite centers and may make grants to satellite centers to pay part of their administration and operation costs. A satellite center which receives a grant under this section may engage in the activities described in subparagraph (A), (B), or (C) of section 102(13).

"(d)(1) The Secretary may not make a grant under subsection (c) for the fiscal year ending on September 30, 1985, to a satellite center which has not received a grant under such subsection or section 121(c) (as such section was in effect prior to October 1, 1984) unless—

"(A) a study assisted under subsection (b)(1)(A) of this section has established the feasibility of establishing or operating such center, except that such study shall not be required to contain an assessment of the need for such center in the area in which such center will be located; or

"(B) a study assisted under section 121(b)(1) (as in effect prior to October 1, 1984) has established the feasibility of establishing or operating such center.

"(2) The Secretary may not make a grant under subsection (a) or subsection (c) for a fiscal year beginning after September 30, 1985, to a university affiliated facility or a satellite center which has not received a grant under this section or section 121 (as such section was in effect prior to October 1, 1984) unless—

"(A) a study assisted under subsection (b)(1)(A) has been conducted with respect to such facility or center by a university affiliated facility; and

"(B) such study has established the feasibility of establishing or operating such facility or center.

"(e) In any case in which amounts appropriated under section 154 for a fiscal year exceed $7,800,000, the Secretary shall expend the amount of such excess to carry out the activities described in the following clauses in the following order of priority:

"(1) The Secretary shall make grants under subsection (c) to establish satellite centers which have not previously received a grant under this section or section 121(c) (as such section was in effect prior to October 1, 1984) and shall make grants under subsection (a) to university affiliated facilities which have not previously received a grant under this section or section 121(a) (as such section was in effect prior to October 1, 1984).

"(2) The Secretary shall make grants under subsection (a) to satellite centers which—

"(A) have received a grant under this section or section 121(c) (as such section was in effect prior to October 1, 1984); and

"(B) have demonstrated the capacity to become university affiliated facilities,

in order to enable such centers to become such facilities.

"(3) The Secretary shall make grants to university affiliated facilities under subsection (a) and satellite centers under subsection (c) to enable such facilities or centers to carry out a specific activity described in subparagraph (A), (B), or (C) of section 102(13).

"APPLICATIONS

"SEC. 153. (a) Not later than six months after the date of the enactment of the Developmental Disabilities Act of 1984, the Secretary shall establish by regulation standards for university affiliated facilities. Such standards shall reflect the special needs of persons with developmental disabilities who are of various ages, and shall include performance standards relating to each of the activities described in section 102(13).

"(b) No grants may be made under section 152 unless an application therefor is submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and manner, and contain such information, as the Secretary may require. Such an application shall be approved by the Secretary only if the application contains or is supported by reasonable assurances that—

"(1) the making of the grant will (A) not result in any decrease in the use of State, local, and other non-Federal funds for services for persons with developmental disabilities and for training of persons to provide such services, which funds would (except for such grant) be made available to the applicant, and (B) be used to supplement and, to the extent practicable, increase the level of such funds;

"(2)(A) the applicant's facility is in full compliance with the standards established under subsection (a), or

"(B)(i) the applicant is making substantial progress toward bringing the facility into compliance with such standards, and (ii) the facility will, not later than three years after the date of approval of the initial application or the date standards are promulgated under subsection (a), whichever is later, fully comply with such standards; and

"(3) the human rights of all persons with developmental disabilities (especially those persons without familial protection) who are receiving treatment, services, or habilitation under programs assisted under this part will be protected consistent with section 110 (relating to rights of the developmentally disabled).

"(c) The Secretary shall establish such a process for the review of applications for grants under section 152 as will ensure, to the maximum extent feasible, that each Federal agency that provides funds for the direct support of the applicant's facility reviews the application.

"(d) The amount of any grant under section 152(a) to a university affiliated facility shall not be less than $150,000 for any fiscal year, and the amount of any grant under section 152(c) to a satellite center shall not be less than $75,000 for any fiscal year.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 154. For the purpose of making grants under section 152, there are authorized to be appropriated $9,400,000 for fiscal year 1985, $10,100,000 for fiscal year 1986, and $10,800,000 for fiscal year 1987.

"PART E—SPECIAL PROJECT GRANTS

"PURPOSE

"SEC. 161. The purpose of this part is to provide for grants for demonstration projects to increase and support the independence, productivity, and integration into the community of persons with developmental disabilities.

"GRANT AUTHORITY

"SEC. 162. (a) The Secretary may make grants to public or nonprofit private entities for—

"(1) demonstration projects—

"(A) which are conducted in more than one State,

"(B) which involve the participation of two or more Federal departments or agencies, or

"(C) which are otherwise of national significance,

and which hold promise of expanding or otherwise improving services to persons with developmental disabilities (especially those who are disadvantaged or multihandicapped or who are Native Americans or Native Hawaiians" before the end parenthesis); and

"(2) technical assistance and demonstration projects (including research, training, and evaluation in connection with such projects) which hold promise of expanding or otherwise improving protection and advocacy services relating to the State protection and advocacy system described in section 142.

Projects for the evaluation and assessment of the quality of services provided persons with developmental disabilities which meet the requirements of subparagraphs (A), (B), and (C) of paragraph (1) may be included as projects for which grants are authorized under such paragraph.

"(b) No grant may be made under subsection (a) unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information as the Secretary shall by regulation prescribe. The Secretary may not approve such an application unless each State in which the applicant's project will be conducted has a State plan approved under section 122, and unless the application provides assurances that the human rights of all persons with developmental disabilities (especially those persons without familial protection) who are receiving treatment, services, or habilitation under projects assisted under this part will be protected consistent with section 110 (relating to the rights of the developmentally disabled). The Secretary shall provide to the State Planning Council for each State in which an applicant's project will be conducted an opportunity to review the application for such project and to submit its comments on the application.

"(c) Payments under grants under subsection (a) may be made in advance or by way of reimbursement and at such intervals and on such conditions, as the Secretary finds necessary. The amount of any grant under subsection (a) shall be determined by the Secretary.

"(d) The Secretary shall not consolidate the authority to make grants under this section with any other authority to make grants which the Secretary has under any other law.

"STUDY ON INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED

"SEC. 163. (a) Within six months after the date of enactment of the Developmental Disabilities Act of 1984, the Secretary shall prepare and transmit to the Congress a report containing—

"(1) recommendations for improving services for mentally retarded persons and persons with developmental disabilities provided under an approved State plan under title XIX of the Social Security Act so that the manner in which such services are provided will increase the independence, productivity, and integration into the community of mentally retarded persons and persons with developmental disabilities;

"(2) recommendations for services provided for mentally retarded persons and persons with developmental disabilities under waivers granted under section 1915(c) of the Social Security Act so that the manner in which such services are provided can be improved and expanded to increase the independence, productivity, and integration into the community of mentally retarded persons and persons with developmental disabilities; and

"(3) comments by each of the officials specified in clauses (2) through (5) of subsection (b) on the recommendations included in the report pursuant to paragraph (1), including comments concerning the effect of such recommendations, if implemented, on programs carried out by such officials.

"(b) To assist the Secretary in preparing the report required by subsection (a), there is established a task force composed of:

"(1) the Secretary (or the designee of the Secretary);

"(2) the Administrator of the Health Care Financing Administration of the Department of Health and Human Services (or the designee of the Administrator);

"(3) the Commissioner of the Administration for Developmental Disabilities of the Department of Health and Human Services (or the designee of the Commissioner);

"(4) the Chairman of the National Council on the Handicapped (or the designee of the Chairman); and

"(5) the Assistant Secretary of Education for Special Education and Rehabilitative Services (or the designee of the Assistant Secretary).

"(c) To conduct the study required by this section, the Secretary may expend not more than $75,000 from the amounts appropriated under section 164 for fiscal year 1985.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 164. To carry out this part, there are authorized to be appropriated $3,200,000 for fiscal year 1985, $3,700,000 for fiscal year 1986, and $4,000,000 for fiscal year 1987.".

EFFECTIVE DATE

SEC. 3. The amendment made by section 2 of this Act shall take effect on October 1, 1984, except that sections 108(b), 153(a), and 163 of the Developmental Disabilities Assistance and Bill of Rights Act (as added by the amendment made by section 2 of this Act) shall take effect on the date of enactment of this Act.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER VITIATING REPORTING OF S. 2713 AND RETURNING S. 2713 TO THE COMMITTEES (S. REPT. NO. 98-527)

Mr. STEVENS. Mr. President, I ask unanimous consent that the reporting of S. 2713, by the Committee on Foreign Relations on June 21, 1984, be vitiated and that the bill be returned to the Committees on Armed Services and Foreign Relations pursuant to the order of May 23, 1984.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDER DISCHARGING THE COMMITTEE ON AGRICULTURE, FORESTRY AND NUTRITION FROM CONSIDERATION OF S. 1643

Mr. STEVENS. Mr. President, I ask unanimous consent that the Agriculture Committee be discharged from further consideration of S. 1643, to strengthen the operation of the agricultural stabilization and conservation committee system, and it be placed on the calendar.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

WAIVER OF SECTION 303(a) OF CONGRESSIONAL BUDGET ACT—CONSIDERATION OF S. 1967

Mr. STEVENS. Mr. President, I ask unanimous consent that the Chair lay before the Senate Calendar Order No. 1004, the budget waiver to accompany Calendar Order No. 787, which is S. 1967.

The **PRESIDING OFFICER.** The resolution will be stated.

The assistant legislative clerk read as follows:

A resolution (S. Res. 399) waiving section 303(a) of the Congressional Budget Act of 1974 with the respect to the consideration of S. 1967.

The **PRESIDING OFFICER.** Is there objection to the request of the Senator from Alaska?

There being no objection, the Senate proceeded to consider the resolution.

Mr. STEVENS. Mr. President, I ask for the adoption of the resolution.

The **PRESIDING OFFICER.** The question is on agreeing to the resolution.

The resolution was agreed to, as follows:

S. RES. 399

Resolved, That pursuant to section 303(c) of the Congressional Budget Act of 1974, the provisions of section 303(a) of such Act are waived with respect to the consideration of S. 1967, a bill to compensate the Gros Ventre and Assiniboine Tribes of the Fort Belknap Indian Community for irrigation construction expenditures. S. 1967 violates section 303 of the Congressional Budget Act because, after the adoption of a proposed floor amendment sponsored by the committee, it will provide new budget authority for fiscal year 1985 prior to the adoption of the first concurrent resolution on the budget for that fiscal year. The waiver of section 303 is necessary to allow the Senate to consider S. 1967 in a timely manner.

COMPENSATION FOR IRRIGATION CONSTRUCTION EXPENSES

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate Calendar Order No. 787, S. 1967.

The **PRESIDING OFFICER.** The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1967) to compensate the Gros Ventre and Assiniboine Tribes of the Fort Belknap Indian Community for irrigation construction expenses.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Select Committee on Indian Affairs with amendments as follows:

On page 2, line 2, strike "plus 4 per centum interest on such" and insert "which represents tribal".

On page 2, line 5, after "1913" insert "The Secretary shall also pay 4 per centum simple interest on such funds.".

So as to make the bill read:

S. 1967

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Treasury is authorized and directed to pay to the Gros Ventre and Assiniboine Tribes of the Fort Belknap Indian Community, out of money in the Treasury of the United States not otherwise appropriated, the sum of $107,759.58, which represents tribal funds expended for the construction of the irrigation system on the Fort Belknap Indian Reservation from 1895 to 1913. The Secretary shall also pay 4 per centum interest on such funds. Interest shall be calculated from the date on which such funds were expended to the date of payment under this Act. Payment of such tribes against the United States relating to the expenditure of tribal funds for such construction.

(b) No part of any amount appropriated in this Act in excess of 10 per centum of such appropriation shall be paid or delivered to, or received by, any agent or attorney on account of services rendered in connection with any claim described in subsection (a) and the same shall be unlawful, any contract to the contrary notwithstanding. Violation of the provisions of this section is a misdemeanor punishable by a fine not to exceed $1,000.

Mr. STEVENS. Mr. President, I ask for the immediate adoption of the committee amendments.

The **PRESIDING OFFICER.** The question is on agreeing to the committee amendments.

AMENDMENT NO. 3338

(Purpose: Technical amendment to S. 1967)

Mr. STEVENS. Mr. President, I have another amendment on behalf of Senator ANDREWS which I sent to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The amendment will be stated.

The Senator from Alaska [Mr. STEVENS], for Mr. ANDREWS, proposes an amendment numbered 3338. On page 2, after line 19, add the following new subsection:

"(c) The provisions of this Act shall become effective on October 1, 1984."

Mr. STEVENS. Mr. President, I ask for the adoption of the Andrews amendment.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment of the Senator from Alaska.

The amendment (No. 3338) was agreed to.

The **PRESIDING OFFICER.** The bill is open to further amendment. If there be no further amendments to be proposed, the question on the engrossment and the third reading of the bill.

The bill (S. 1967), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1967

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Treasury is authorized and directed to pay to the Gros Ventre and Assiniboine Tribes of the Fort Belknap

Indian Community, out of money in the Treasury of the United States not otherwise appropriated, the sum of $107,759.58, which represents tribal funds expended for the construction of the irrigation system on the Fort Belknap Indian Reservation from 1895 to 1913. The Secretary shall also pay 4 per centum simple interest on such funds. Interest shall be calculated from the date on which such funds were expended to the date of payment under this Act. Payment of such sum shall constitute full settlement of all claims of such tribes against the United States relating to the expenditure of tribal funds for such construction.

(b) No part of any amount appropriated in this Act in excess of 10 per centum of such appropriation shall be paid or delivered to, or received by, any agent or attorney on account of services rendered in connection with any claim described in subsection (a) and the same shall be unlawful, any contract to the contrary notwithstanding. Violation of the provisions of this section is a misdemeanor punishable by a fine not to exceed $1,000.

(c) The provisions of this Act shall become effective on October 1, 1984.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

H.R. 5584 HELD AT DESK

Mr. STEVENS. Mr. President, I ask unanimous consent that H.R. 5584 be held at the desk until the close of business tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR WEDNESDAY

SENATE CONVENE AT 10 A.M.

Mr. STEVENS. Mr. President, it is my understanding there is an order for the convening tomorrow; is that correct?

The PRESIDING OFFICER. At 10 o'clock; that is correct.

ORDER FOR RECOGNITION OF CERTAIN SENATORS

Mr. STEVENS. Mr. President, following the time for the two leaders under the standing order, I ask unanimous consent that there be special orders for a period not to exceed 15 minutes for Senators SYMMS, CHILES, BYRD, PROXMIRE, EAGLETON, LEVIN, and KENNEDY.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. STEVENS. Mr. President, following those special orders, I ask unanimous consent there be a period for the transaction of routine morning business not to extend beyond the hour of 12 noon, with statements therein limited to 2 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

H.R. 5712

Mr. STEVENS. Mr. President, I wish to state that upon the conclusion of the routine morning business at the hour of 12 noon, it will be the intention of the leadership to turn to the consideration of the State-Justice-Commerce bill, which is H.R. 5712.

RECESS UNTIL 10 A.M. TOMORROW

Mr. STEVENS. Mr. President, I ask my good friend, the distinguished Democratic leader, if there is anything further he wishes to bring before the Senate this evening?

Mr. BYRD. Mr. President, I thank my friend. I have nothing further.

Mr. STEVENS. Mr. President, if there be nothing further to come before the Senate, I move the Senate stand in recess in accordance with the previous order.

The motion was agreed to, and at 7:13 p.m. the Senate recessed until Wednesday, June 27, 1984, at 10 a.m.

HOUSE OF REPRESENTATIVES—*Tuesday, June 26, 1984*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O give thanks to the Lord, call on His name, make known His deeds among the peoples! Sing to Him, sing praises to Him, tell of all His wonderful works!—Psalm 105:1,2.

O God, may we never be so confident in our ways or knowledge that we fail to see Your glory and the power of Your works. May Your direction for us and love for us transcend our daily tasks and give us that peace that passes all human understanding. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. PETRI. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. PETRI. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 360, nays 24, answered, "present" 4, not voting 45, as follows:

[Roll No. 264]

YEAS—360

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (TX)
Annunzio
Anthony
Archer
Aspin
AuCoin
Badham
Barnard
Barnes
Bartlett
Bateman
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Broomfield
Brown (CA)
Broyhill
Bryant
Burton (CA)
Burton (IN)
Byron
Campbell
Carney
Carper
Carr
Chandler
Chappell
Chappie
Cheney
Clarke
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conable
Conte
Conyers
Cooper
Corcoran
Courter
Coyne
Craig
Crane, Daniel
Crane, Philip
Crockett
D'Amours
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dicks
Dingell
Dorgan
Downey
Dreier
Duncan
Dwyer
Dyson
Early
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
English
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Fiedler
Fields
Fish
Flippo
Foglietta
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Fuqua
Gaydos
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gore
Gradison
Gray
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (UT)
Hartnett
Hayes
Hefner
Hertel
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Long (LA)
Lott
Lowery (CA)
Lujan
Lundine
Lungren
Mack
MacKay
Madigan
Markey
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McNulty
Mica
Michel
Mikulski
Miller (CA)
Mineta
Minish
Molinari
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Obey
Olin
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Patman
Patterson
Paul
Pease
Pepper
Perkins
Petri
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Rahall
Rangel
Ratchford
Ray
Reid
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Rudd
Russo
Savage
Sawyer
Schaefer
Schneider
Schulze
Seiberling
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Simon
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert
Snowe
Snyder
Spence
Spratt
Staggers
Stangeland
Stark
Stenholm
Stokes
Stratton
Stump
Swift
Synar
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traxler
Udall
Valentine
Vander Jagt
Vandergriff
Vento
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weaver
Weber
Wheat
Whitehurst
Whitley
Whitten
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (FL)
Young (MO)
Zschau

NAYS—24

Brown (CO)
Coughlin
Dickinson
Dixon
Durbin
Emerson
Evans (IA)
Gejdenson
Gekas
Goodling
Harkin
Hawkins
Lowry (WA)
Luken
Miller (OH)
Penny
Roberts
Roemer
Sabo
Sikorski
Smith, Denny
Solomon
Walker
Young (AK)

ANSWERED "PRESENT"—4

Andrews (NC)
Florio
Oberstar
St Germain

NOT VOTING—45

Applegate
Bethune
Clay
Donnelly
Dowdy
Dymally
Erlenborn
Foley
Ford (MI)
Frost
Garcia
Gingrich
Gramm
Hall (IN)
Hansen (ID)
Harrison
Hatcher
Heftel
Jacobs
Jeffords
Kogovsek
Lewis (CA)
Long (MD)
McKinney
Mitchell
Moakley
Mollohan
Oakar
Ottinger
Regula
Scheuer
Schroeder
Schumer
Sensenbrenner
Shannon
Solarz
Studds
Sundquist
Tallon
Towns
Weiss
Whittaker
Williams (MT)
Williams (OH)
Winn

☐ 1220

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 492) entitled "Joint resolution making an urgent supplemental appropriation for the fiscal year ending September 30, 1984, for the Department of Agriculture."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 5, 8, 10, 16, 20, 27, and 34 to the above-entitled joint resolution.

The message also announced that the Senate tabled its amendment numbered 14 to the above-entitled joint resolution.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

APPOINTMENT AS MEMBERS OF COMMISSION ON EXECUTIVE, LEGISLATIVE, AND JUDICIAL SALARIES

The SPEAKER. Pursuant to the provisions of section 225(B), Public Law 90-206, as amended, the Chair appoints as members of the Commission on Executive, Legislative, and Judicial Salaries the following members from private life: Mr. John E. Lyle of Houston, TX, and Mr. John J. Creedon of Larchmont, NY.

EXPLANATION OF HOUSE JOINT RESOLUTION 492

(Mr. WHITTEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHITTEN. Mr. Speaker, I wish to make a statement regarding a unanimous-consent request that I am about to make regarding the urgent supplemental (H.J. Res. 492). As my colleagues probably know by now, yesterday the Senate cleared the remaining obstacle on the conference report on the urgent supplemental. By a record vote of 88 to 1 the other body agreed with the House position that no additional funding should be made available to the CIA for the Nicaragua operations. This House voted 241 to 177 on May 24 to prohibit the CIA to use any funds in this bill to continue their covert actions in Nicaragua. Finally after almost a month, the Senate has come around to the House position on this matter. My unanimous-consent request, which I will make shortly is somewhat unusual in that since the Senate has tabled its amendment (No. 14) which provided the $21 million, for the bill to go to the President we need to recede from our language amendment which was offered by the gentleman from Massachusetts [Mr. BOLAND]. Since the funding is no longer in this measure, the language prohibition is no longer required and it can now be deleted so that this bill may go to the President.

I sincerely hope that no one will object to this request. This resolution which began in the Appropriations Committee on February 29 is long overdue and necessary.

For the benefit of my colleagues I would like to call attention to the fact that your Committee on Appropriations drafted a single purpose appropriations bill in February which was to address the problem of starvation facing many of the African nations. This single purpose appropriations bill was reported to the House February 29 and passed the House without amendment on March 6. The Senate added some 36 amendments to the supplemental totaling some $1.4 billion. Your House conferees insisted that only immediate and urgent items be added to this legislation and consequently deleted 13 Senate amendments and agreed to 11 funding provisions which I am sure you will agree are necessary. Funding for the Food for Peace Program for Africa was provided for at a level of $60,000,000—this amount is in addition to the previously provided amount of $90,000,000—which brings the total available in line with the House figure of $150,000,000.

The conference report provides the following amounts:

Child nutrition	$545,544,000
WIC	300,000,000
USIA—Nassau County, NY	850,000
CAB—Salaries and expenses	2,000,000
Corps of Engineers (tug fork)	21,000,000
El Salvador—Juror protection	500,000
El Salvador—Refugee assistance	7,000,000
Summer youth employment	100,000,000
Senate expenses	61,000
Customs Service—Air interdiction	25,000,000
Food for African Relief (additional Funds)	60,000,000

When the House acted last month on the conference report, a motion was made by the gentleman from Maryland [Mr. LONG], to provide the $61,750,000 for El Salvador aid. This compromise amount was agreed upon only after the necessary restrictions on the Government of El Salvador were accepted.

I urge my colleagues to go along with the Committee on Appropriations, agree to this request and let's get these necessary programs working, so that our summer youth program, our feeding programs for women, infants and children, and child nutrition can work as I know all of us in this body intend.

URGENT SUPPLEMENTAL APPROPRIATION, DEPARTMENT OF AGRICULTURE, 1984

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H.J. Res. 492) making an urgent supplemental appropriation for the fiscal year ending September 30, 1984, for the Department of Agriculture, with the remaining amendment, and that the House recede from its amendment to the amendment of the Senate numbered 14 and agree to the action of the Senate.

This is necessary in order for the bill to go on to the President, and as I say again, everyone that I have talked to agrees that it is necessary.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 492, and the amendment in disagreement.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 5713, HOUSING AND URBAN DEVELOPMENT—SUNDRY INDEPENDENT AGENCIES APPROPRIATION, 1985

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 5713) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1985, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

WHY DOES THE PRESIDENT FIND IT HARD TO UNDERSTAND?

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, today the prime interest rate went up another one-half of 1 percentage point to 13 percent. An extortionate, outrageous level. This is 2.5 percent higher than it was on January 1 of this year. President Reagan says he finds it hard to understand why this is happening.

At the same time, the same President Reagan has asked us for a budget deficit in 5 years greater than the aggregate budget deficits of the first 192 years of this Nation's constitutional history. What is really hard to understand is why the President finds it so hard to understand.

AMERICAN PASSBOOK SAVINGS ACT

(Mr. TAUZIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAUZIN. Mr. Speaker, when the prime interest rate rose a half of a point yesterday to a new 18-month high of 13 percent, thousands of Americans watched helplessly as the monthly notes on their home mortgages, which were signed as variable rate mortgages, rose dramatically. The figures are alarming. The rise in the last 3 months for some families on a $50,000 home mortgage, has been as much as $125 a month.

Housing and employment in our country have been dealt another severe blow by this increase in the prime interest rate. We can do something to help, Mr. Speaker. Already 92 of our colleagues, including House leader, Jim Wright, and minority assistant leader, Trent Lott, have joined together in cosponsoring the American Passbook Savings Act, H.R. 5678. It is a bill designed to encourage savings accounts at lower cost, and thus produce lower interest rates for our country. All other major industrialized nations have savings rates which double and triple ours, and the results are lower mortgage rates.

In Germany, for example, house mortgage rates are as low as 6 to 8 percent. High interest rates are dangerous to our country, Mr. Speaker, and they are dangerous to our people. We need the American Passbook Savings Act now.

DEFICIT REDUCTION: LET'S SPREAD THE SACRIFICE EVENLY

(Mr. RATCHFORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RATCHFORD. Mr. Speaker, $8 billion might not sound like much in comparison to $200 billion annual deficits, but it could mean a lot to some people.

Eight billion dollars is the amount the House-Senate conferees have agreed to cut from Medicare—$8 billion that eventually will be paid by America's elderly and infirm.

Mr. Speaker, I strongly advocate reduction of the deficit, and I supported House budget and tax proposals earlier this year, but I am uncomfortable with this plan. It would place a significant additional burden on older Americans, just those people who need our help the most.

When we are called to vote on this package, which is loaded with special provisions for various interests, let us look at who is hurt and who is helped. We all must sacrifice to lower the deficit, but that sacrifice should be fair to all Americans. I ask my colleagues to consider just how much older Americans have already given up when deciding how to vote on this House-Senate tax compromise.

☐ 1230

SEARCHING FOR AN ECONOMIC CURE

(Mr. COELHO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COELHO. Mr. Speaker, 3 weeks ago, President Reagan personally assured his fellow Western leaders that interest rates would soon fall. He said the same thing to the homebuilders in Texas shortly before that. But instead of falling, the prime rate is now a whopping 13 percent.

I feel an element of deja vu here. Ronald Reagan has made idle predictions before, as we all know. In 1980, he said his policies would not bring recession. But recession came. And then, week after week, he promised that it would be brief and painless. But it was prolonged and painful—and millions suffered.

Eight years ago, when he was trying to oust Jerry Ford, candidate Reagan said, and I quote: "The country can't pretend it's having a recovery when it's based on deficit spending."

But today, Mr. Reagan instructs his Treasury Secretary to tell us deficits don't matter. Well, of course, they do, and once again the people are beginning to feel the pain of his sorry economic policies.

Mr. Speaker, in searching for an economic cure, I am reminded of Mr. Reagan's 1980 campaign slogan: "The time is now * * *. We need leadership for a change."

INJUSTICE TO THE PEOPLE OF PUERTO RICO

(Mr. CORRADA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CORRADA. Mr. Speaker, there is a provision in the Puerto Rican Federal Relations Act (48 U.S.C.A. 734) that requires that all taxes collected under the internal revenue laws of the United States on articles produced in Puerto Rico and transported to the United States shall be covered into the Treasury of Puerto Rico. This provision in our Organic Act allows the government of Puerto Rico to use revenues mainly resulting from our rum production to improve services to our people for health, education, housing, economic development, and others.

The House-Senate conferees in H.R. 4170 violated that fundamental provision by agreeing that Federal excise taxes on alcohol, including rum, will be increased by $2 per proof gallon, but that the proceeds from that increase will not be covered over to Puerto Rico and by denying us the excise taxes from certain cane neutral spirits also produced in Puerto Rico.

Today I want to express my shock and outrage for what I consider an abuse and an act of injustice to the people of Puerto Rico. I urge my colleagues to reject the conference report on this point when it comes for our consideration.

PRIME RATE TAKES ANOTHER LEAP

(Mr. ECKART asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ECKART. Mr. Speaker, for the fourth time in 4 months, the prime interest rate has taken another leap. Now, at 13 percent, it is the highest since October 1982 and, predictably enough, the administration has said that it is the result of faulty predictions of inflation, failing to see what those in the economic and banking world realize are skyrocketing deficits.

The rise in the prime rate is, indeed, bad news for the struggling auto industry and, indeed, for the homebuilders. Indeed, we should also not fail to forget the impact on higher international trade deficits as well. Housing starts down, car sales down; interest rates up, and the trade deficit up. Not exactly a rosy scenario.

Failing to take this into account only condemns us to repeat the mistakes of the past, to relive the sky-high deficits and sky-high trade deficits that are putting thousands out of work. We need action, and we need it now.

JESSE JACKSON MUST REPUDIATE LOUIS FARRAKHAN

(Mr. DOWNEY of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY of New York. Mr. Speaker, a paradox can be found in today's newspaper. While Democrats can finally breathe a sigh of relief over the unity reached by Presidential aspirants Walter Mondale and Gary Hart, we must hang our heads in shame as we continue to read the divisive and anti-Semitic remarks made over the weekend by Louis Farrakhan.

For the last few months we have witnessed a tooth and nail battle for the Democratic nomination for President. Some have said that this was a battle between the old and new values of the Democratic Party. We are now critically close to the nominating convention and must melt our individual ideas into a unified platform, solidly committed to both the traditional and progressive principles of our party. However, Rev. Jesse Jackson's continued association with Louis Farrakhan and his anti-Semitic remarks undermines principles fundamental to the Democratic Party and the Nation.

Reverend Jackson's ties with Mr. Farrakhan serve only to divide the constituencies of the Democratic Party and the Nation. Reverend Jackson must repudiate Mr. Farrakhan and distance himself from policies destructive to the fabric of our Nation.

JUMP IN THE PRIME INTEREST RATE

(Mr. WOLPE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLPE. Mr. Speaker, I rise this afternoon to join in the expression of concern about yesterday's jump in the prime interest rate, the fourth such increase in the last 4 months.

It should now be crystal clear to everyone that yesterday's jump in the prime rate is a direct result of the clash between the credit demand to finance the recovery and the credit demand to finance the soaring Federal budget deficit. It is absolutely imperative that we take steps now to halt this competition for credit before rising interest rates halt the recovery.

The best way to dampen demand for credit is to reduce these massive Federal deficits that are putting upward pressure on the interest rates. The failure to reduce these deficits and hold down interest rates will have particularly severe impact on the interest-sensitive sectors of our economy. It will become even more difficult for young families to buy their homes. Many Americans will be simply unable to afford the financing costs to buy a new car.

It is time to stop talking about interest rates and actually do something about them. It is time to get serious about reducing the huge Federal deficits.

BIGOTRY HAS NO PLACE IN AMERICA

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, bigotry should have no place in America. Yet the purveyors of hate do not let up.

Louis Farrakhan yesterday labeled Israel's existence an "outlaw act," he labeled America and England "criminal" states, and he labeled Judaism a "gutter religion."

Mr. Speaker, it is important to understand that these are not examples of a black-Jewish rift. These are the statements of an individual bigot.

Both blacks and Jews have long histories experiencing suffering, prejudice, and bigotry and have worked closely with each other and will continue to do so, fighting against prejudice and for civil rights.

Let us remember that Mr. Farrakhan has a following of no more than 5,000 to 10,000 people in the entire Nation; 95 percent of all black Americans who are Muslims have chosen not to follow his direction.

Especially for those of us whose political vision was shaped by the civil rights movement and the inspiration of prophets such as Martin Luther King, Jr., let us remember that Mr. Farrakhan's ugly and misguided comments have been rejected both by the minority community and the general community, and that is as it should be.

☐ 1240

REAGAN POLICIES SEEN AS DEEPENING UNITED STATES MILITARY INVOLVEMENT IN CENTRAL AMERICA

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, yesterday I released the findings of a 6-month investigation conducted by the General Accounting Office, which report spells out the extent to which Mr. Reagan has used his recent "training" exercises in Honduras as an illegal cover for the deepening American military involvement in Central America.

Secretary Weinberger responded to that report by stating that the GAO findings were "bookkeeping errors."

Mr. Speaker, the decision states clearly that a majority of the military construction undertaken during the "training exercises," all training provided to Honduran troops by United States military, and all civic and humanitarian actions conducted by United States military personnel violates American law.

The Secretary of Defense, though, is partially correct. The GAO investigation does point to serious errors, but they are not bookkeeping errors.

Mr. Speaker, they are errors in the President's policy in Central America, a policy which is leading this Nation into a deepening, widening military involvement which the President of Mexico says could lead us into a regional war.

RECONCILIATION UPDATE

(Mr. PANETTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PANETTA. Mr. Speaker, the reconciliation conference wrapped up work on over 60 billion dollars' worth of deficit reduction legislation late last week, with the subconference on taxes finishing early Saturday morning. The House owes a great debt of gratitude to the committee chairman and conferees who participated in the 12 subconferences and struggled with some very tough issues. Special recognition should go to the Ways and Means Committee, which, under the leadership of Chairman ROSTENKOWSKI, produced over 90 percent of the deficit reductions contained in the conference report.

A vote is expected this week on the reconciliation conference report. This will be one of the most important votes of the year in terms of enforcing the budget resolution we adopted last April, and it will be the best opportunity of the year to vote for large deficit reductions. With the prime rate climbing to 13 percent yesterday it is clear that the country needs a signal that the Congress is serious about reducing the deficit. Consequently I hope we see strong support not only for the conference report on reconciliation, but for a reduction in defense spending as part of the budget resolution conference. These efforts must go hand in hand—revenue increases and entitlement reductions must be accompanied by restraint in defense spending.

Members should be aware that if you add the spending reductions achieved in the reconciliation conference report to legislation reducing spending enacted earlier, the total 3-year spending reductions for reconciliation amount to almost $19 billion. That compares to the $12.3 billion we targeted for reconciliation in the House-passed resolution.

While we do not yet have the official estimates on the tax provisions in the bill, the Ways and Means and Senate Finance Committees have estimated that the total is about $50 billion over 4 years. On the spending side, CBO has analyzed the provisions of the reconciliation conference report and submitted the numbers shown below. I have also described some of the highlights of each subconference agreement.

3-YEAR OUTLAY TOTALS

[In billions of dollars]

		Amount
1. Ways and Means	Finance, Budget	−0.714
Spending reductions were achieved through changes in current law regarding the payment of excise taxes to Puerto Rico. It is estimated that the conferees agreed to over $50,000,000,000 in 4-yr revenue increases		
2. Energy and Commerce, Budget	Finance, Budget	+.283
The Child Health Assurance Program [CHAP], with a 3-yr cost of $270,000,000, was approved by the conferees. A Senate proposal to extend the State medicaid penalty was dropped in conference		
3. Ways and Means, Budget	Finance, Budget	−2.531
Limits on increases in hospital costs plus other medicare savings, changes in the AFDC and SSI programs and Grace Commission savings		
4. Ways and Means, Energy and Commerce, Budget	Finance, Budget	−6.495
Medicare savings, including a fee schedule for reimbursement of clinical laboratory services, a physician fee freeze for 15 mo, an increase in the beneficiary premium for supplemental medical insurance, and making medicare the secondary payer to a nonworking spouse over age 65 whose spouse is under 65 and still working. Also included are income verification proposals for medicaid, AFDC, and SSI		
5. Appropriations, Rules, Budget	Appropriations, Governmental Affairs, Budget	0
Conferees agreed to sense of the House and sense of the Senate language on deficit reduction plans. Also, a $2,000,000,000 recission in the synfuels program was approved (this has no outlay effect)		
6. Post Office and Civil Service, Armed Services, Judiciary, Budget	Governmental Affairs, Budget	−1.566

3-YEAR OUTLAY TOTALS—Continued

[In billions of dollars]

		Amount
Conferees agreed to delay the payment date for military retirement from the last day of the month to the 1st day of the month.		
7. Armed Services, Government Operations, Budget.	Armed Services, Governmental Affairs, Budget.	0
A new Federal competitive contracting/procurement system was agreed to.		
8. Banking, Budget	Banking, Budget	-1.006
A 1 time, special deposit by federally insured credit unions into the credit union share insurance fund was adopted by the conferees.		
9. Small Business, Budget	Small Business, Budget	-.212
Agreed to was an extension to fiscal year 1987 of current law requiring agricultural disaster loans to be managed primarily by the FmHA.		
10. Veterans' Affairs, Budget	Veterans' Affairs, Budget	-.705
Conferees agreed to changes in the VA gauranteed housing loan program, including a loan origination fee increase, and to changes in VA pensions.		
11. Government Operations, Budget.	Governmental Affairs, Budget	0
Language was adopted dealing with CBO analysis of budget assumptions and requests, and cost savings by administrative action.		
12. Budget	Budget	0
Conferees agreed to language requiring authorizing committees to submit recommendations for cost savings to the Budget Committee as part of their Mar. 15 reports.		
Total, 3-yr deficit savings.		-12.946
Total, approximate revenues		50
Total, approximate deficit reduction.		62.946

THE WORLD BANK EMBARKS ON A NEW SPENDING PROGRAM

(Mr. YOUNG of Florida asked and was given permission to address the House for 1 minute.)

Mr. YOUNG of Florida. Mr. Speaker, although today's prime interest rate is dramatically less than the 21½ percent prime rate that we saw during the Carter administration, it is too high. One reason the prime rate gets so high is because of the spending policies of the U.S. Congress.

One of the very large contributions we make every year from the tax fund is our contribution to the World Bank. Over the years I have had the opportunity to report to my colleagues on some of the high living styles the World Bank has employed for itself when ostensibly it is there just to take care of the poorest of the poor.

Just yesterday I learned of another instance, where the World Bank has paid $1,194 per square foot, the most ever paid for a property purchased in Washington, DC, by anyone, to build themselves a palatial new office building. In addition to the $1,194 a square foot, they will have to raze the present building, clear the land, and contruct their brandnew, palatial offices.

I will say, Mr. Speaker, that we ought to be very careful when we analyze the dollars we are asked to give to the World Bank and see how much of that money really goes to help the poorest of the poor, and how much of it is used for high lifestyles, extremely generous staff allowances, and things of that nature.

A SPECIAL WEEK FOR RECOGNITION OF THE PROBLEMS OF "LATCHKEY" CHILDREN

(Mr. McKERNAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McKERNAN. Mr. Speaker, today the House of Representatives will consider House Joint Resolution 544, establishing National School-Age Child Care Awareness Week. I am gratified that over 220 of my colleagues have joined me as cosponsors of this legislation, and I thank the gentlewoman from Indiana, for bringing this measure to the floor.

Mr. Speaker, we live in a changing society. Today more than half of our children have both parents in the workforce. Another one in five children grows up in one-parent families. Two-earner families--and working single parents—have become an economic necessity and a reality for many Americans. These circumstances result in school age children returning home alone after school, "latchkey" children, as they are often called.

The purpose of House Joint Resolution 544, which designates the first week of September—when most children are returning to school—as National School-Age Child Care Awareness Week, is to encourage States to examine their changing child care needs, and to encourage a critical look at the national implications of our after school child care problem, and to consider the problems of children in self-care.

I look forward to the consideration of this measure and urge my colleagues to support it.

AND MOSCOW SMILES

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, Jesse Jackson once again takes his road show on the road. This time he will visit Panama, Nicaragua, and Cuba.

And once again he will capture the headlines as he assails U.S. policy and praises our enemies. It is sad that millions will be influenced by his remarks. Many of my colleagues in Congress will cheer and applaud Jackson, but I wonder about other reactions.

I wonder how the new Government of El Salvador will feel as they watch Jackson commend the Cubans and the Sandinistas for their efforts to stabilize that region. I wonder how the freedom fighters in Nicaragua will feel as they watch Jackson join the Sandinistas in decrying U.S. policy in their country. What other reaction can we see?

Well, if we look closely, we will see Moscow smiling.

ATTEMPT TO GAIN CONSIDERATION OF VOLUNTARY SCHOOL PRAYER, BALANCED BUDGET, LINE-ITEM VETO, AND COMPREHENSIVE CRIME CONTROL LEGISLATION

(Mr. GREGG asked and was given permission to address the House for 1 minute.)

Mr. GREGG. Mr. Speaker, at this time I would hope to offer unanimous-consent requests calling for consideration of amendments to permit voluntary school prayer, balanced budget, line-item veto, and legislation calling for the passage of the President's Comprehensive Crime Control Act of 1983, H.R. 2151.

The Chair has ruled that in order to make these requests I must have the clearance of the majority and minority leaderships.

This request has been cleared by the minority leadership.

I would now yield to a spokesman from the majority leadership for appropriate clearance.

Mr. Speaker, I hear no response. That should make it clear to the American people who stands in the way of these four important issues—the Democratic leadership of this House.

A CONSIDERABLE INCREASE IN TAX PAYMENTS BY MILLIONAIRES

(Mr. MACK asked and was given permission to address the House for 1 minute.)

Mr. MACK. Mr. Speaker, this is a quote from the 1984 Democratic platform: "Mr. Reagan's tax 'reforms' were a bonanza for the very wealthy." Well, let me ask the Members to consider the following data:

In 1978, the number of millionaires filing returns was 2,039. In 1979, the number was 3,549. By the way, this jump came as a result of the reduction in the capital gains tax. In 1981, the number of millionaires filing had increased to 5,495. In 1982, the first year of the Reagan tax cuts, this number jumped by 53 percent, with 8,185 millionaires filing tax returns in 1982.

Stated another way, those making $1 million contributed 42 percent more in tax revenues in 1982, as opposed to 1981.

Quoting economists Richard Vedder and Lowell Callaway of Ohio University on the effects of the capital gains reduction and the Reagan tax cuts, these programs "have greatly improved equity by flushing out many heretofore hidden millionaires."

Mr. Speaker, the Democratic platform is great political rhetoric, but where is the beef? It states no specifics.

A COMPARISON OF THE PRIME INTEREST RATES IN THE CARTER AND REAGAN ADMINISTRATIONS

(Mr. COURTER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. COURTER. Mr. Speaker, I did not intend to seek the well on a 1-minute speech today, but I did hear some of my friends and colleagues on the Democratic side talk about prime interest rates of 13 percent.

It seems to me that they have a massive amount of chutzpah to castigate a 13-percent prime interest rate, as high as it is, when, under their tutelage, under their leadership, and under Mr. Mondale when he was Vice President of the United States, those interest rates went from 7 to 21 percent in 4 years. They have gone down now about 8 percentage points from that 21-percent level. They are still too high, but I think Americans will remember the time when they were 21 percent.

I just cannot believe that Members have the ability to come to the well and castigate a 13-percent prime interest rate when it was their party, their leadership, and their Mr. Mondale that brought us 21-percent interest rates.

□ 1250

REPORT OUTLINES HUMAN RIGHTS REFORMS BY PRESIDENT DUARTE

(Mr. COLEMAN of Missouri asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Missouri. Mr. Speaker, today I am releasing a study prepared by the Congressional Research Service of the Library of Congress outlining the major political and military reforms being taken in El Salvador by newly elected Salvadoran President Jose Napoleon Duarte.

This non-partisan report outlines the many significant initiatives that Mr. Duarte has undertaken in an effort to eliminate human rights abuses in El Salvador.

According to the report President Duarte has: (1) Announced creation of a commission charged with investigating specific cases of politically motivated violence; (2) disbanded the intelligence section of the Treasury police; (3) announced elimination of private bodyguards controlled independently by government officials; (4) called for centralization of control over security forces; (5) transferred military officers with alleged links to the death squads; (6) called for a dialogue with democratic elements in the leftist guerrilla movement.

And all of this has been done in a remarkably short period of time; after all he has only been in office for less than a month. I don't think there can be any question after reading this report that Mr. Duarte has embarked upon an aggressive program designed to end death squad activity and reform the Salvadoran military.

This report cannot address whether or not Mr. Duarte will be successful in meeting these goals. It is much too early to tell how he will fare. What is important however, and I think that this report bears this out, is the fact that Mr. Duarte has moved with dispatch to eliminate the many abuses being perpetrated by right wing extremists in El Salvador.

Clearly Mr. Duarte cannot be accused of ignoring the excesses of the right in his nation. Because of this, I think it is time for the House of Representatives to end its practice of denying funds to the government of El Salvador because of human rights abuses by the radical right. If Mr. Duarte is to be successful in bringing right wing death squads under control, he needs our support. In the future I would hope that my colleagues here in the House of Representatives will not deny Mr. Duarte U.S. help in his fight against those elements of the right that we find so objectionable.

TREASURY SECRETARY REGAN OPPOSES PURE FLAT TAX BILL

(Mr. SILJANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SILJANDER. Mr. Speaker, Treasury Secretary Don Regan stated in a Washington Post article that he opposed any flat tax proposals in Congress and felt they did not have a chance to pass.

I am happy to report after talking with Secretary Regan twice and after testifying before the Treasury this morning, he opposes a pure flat tax bill, and I concur with those sentiments, because it would not be appropriate for the poor, and for the middle-class Americans, and homeowners, and for those of us who are saving for retirement.

I am very happy also to tell the membership that he is considering all modified flat tax proposals in a Treasury hearing, analyzing how to make the complicated, confusing tax system a fair and justifiable system.

How could anyone oppose House Resolution 5432, the countdown to simple taxes? It helps the poor more than the present system.

The 10-percent flat tax means it is an income tax cut for middle-income Americans. It allows deductions for homeowners, for charity, and for savings accounts for retirement future security.

This bill is an appropriate bill. This bill is being considered by the Treasury. I hope the membership will also consider the bill to simplify our taxes in House Resolution 5432.

RADICAL LEFTWING HAS TAKEN OVER DEMOCRATIC PLATFORM

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, we have heard much here today from the doom and gloom Democrats, those who hardly ever speak on this floor unless they can delight in economic bad news.

Well, Mr. Speaker, if you have a strong stomach you ought to read what the Democratic platform has to say about economic matters. That platform is proof positive that the radical leftwing has taken over the policy-making function of the Democratic Party.

The document goes on for page after page decrying deficits, but totally ingores the solution to that problem which 80 percent of the American people endorse, a balanced budget amendment to the Constitution.

A party that is out of touch with 80 percent of the American people has problems to begin with, but in this case the problem goes even deeper. The Democrats declare themselves opposed to deficits, but offer no real solution to the problem. They ignore the fact that every penny of those deficits has been approved by this House which they have controlled lock, stock and barrel, for the last three decades. Thirty years of spending irresponsibility has produced a major problem with deficits that the Democrats can complain about, but evidently cannot solve. They cannot solve it because the leftwing radicals in the party will not allow consideration of the only policy that might work, the balanced budget amendment.

THE GOVERNMENT HAS FAILED TO DEAL WITH THE DEFICIT

(Mr. SLATTERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLATTERY. Mr. Speaker, yesterday the President of the United States said that "there is no excuse for interest rates being at the level they are right now, other than just fear of the future."

Well, Mr. Speaker, that is absolutely correct. The President is absolutely right. Many people in America are fearful of the future. They fear $200 billion deficits that they know cause high-interest rates. They fear a government that has failed to deal with this problem, and they fear a President who talks about a constitutional amendment to balance the budget, while proposing a budget with a deficit of over $200 billion.

To eliminate this fear, I would respectfully request that the President tell the American people how he proposes to balance the budget. The downpayment plan is simply not enough.

Mr. President, your country needs you. It needs your leadership on this critical issue. The need to deal with the deficit cannot wait until after the next election.

DEFEAT THE RULE ON TRANSPORTATION APPROPRIATIONS BILL

(Mr. HOWARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOWARD. Mr. Speaker, this week the House is expected to take up the rule providing for consideration of H.R. 5921, the Department of Transportation and related agencies appropriation bill, 1985.

That bill contains a significant number of provisions which constitute legislation in an appropriations bill, and therefore intrudes on the jurisdiction of the Committee on Public Works and Transportation. These provisions were included either without consultation with our committee or over our strong objections. If allowed to remain in the bill, these provisions will wreak havoc with the highway, highway safety, and mass transit programs, and will undo much of what we accomplished when Congress passed the 5-cent gas tax increase in the landmark Surface Transportation Assistance Act of 1982.

I, therefore, intend to oppose either the previous question on the rule or the rule itself since I anticipate that it will provide for numerous waivers of rule XXI—legislation in an appropriation bill. In this regard, I am enclosing in the Extensions of Remarks for today's RECORD a copy of my statement before the Rules Committee. A "Dear Colleague" will also be forthcoming.

Mr. Speaker, the real issue goes far beyond the proposed rule, the Transportation appropriations bill, or the interests of a single committee. It goes to the very integrity and credibility of the legislative process, specifically to how Congress and its committee system function.

Over the years, the Committee on Appropriations has been able to legislate more and more in disregard of the jurisdiction of the authorizing committees of the House, thereby destroying the delicate but legitimate balance between the authorization and appropriation process.

I plan to wage a fight to defeat the previous question or the rule in order to stop this deliberate evasion of the proper way to legislate.

A vote to defeat either is, in my judgment, a vote to protect the integrity of the U.S. House of Representatives.

I look forward to the support of my colleagues.

APPOINTMENT OF CONFEREES ON H.R. 5154, NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION ACT, 1985

Mr. FUQUA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5154) "to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes," with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida? The Chair hears none and, without objection, appoints the following conferees: Messrs. FUQUA, GLICKMAN, VOLKMER, NELSON of Florida, ANDREWS of Texas, WINN, LUJAN, and CARNEY.

As additional conferees solely for consideration of section 111 of the House bill and modifications committed to conference: Mr. BROWN of California and Mr. WALKER.

There was no objection.

ARCTIC RESEARCH AND POLICY ACT OF 1983

Mr. FUQUA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 373) "to provide comprehensive national policy dealing with national needs and objectives in the Arctic," and concur in the Senate amendments to the House amendments.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendments, as follows:

Page 4, line 17, of the House engrossed amendments, strike out "physical and biological sciences," and insert "Physical, biological and health sciences,".

Page 7, of the House engrossed amendments, strike out lines 3 to 10, inclusive, and insert:

(d)(1) Members of the Commission may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code. A member of the Commission not presently employed for compensation shall be compensated at a rate equal to the daily equivalent of the rate for GS-16 of the General Schedule under section 5332 of title 5, United States Code, for each day the member is engaged in the actual performance of his duties as a member of the Commission, not to exceed 90 days of service each year. Except for the purposes of chapter 81 of title 5 (relating to compensation for work injuries) and chapter 171 of title 28 (relating to tort claims), a member of the Commission shall not be considered an employee of the United States for any purpose.

Page 11, of the House engrossed amendments, after line 19 insert:

"(H) the Department of Health and Human Services;

Page 11, line 20, of the House engrossed amendments, strike out "(H)" and insert "(I)".

Page 11, line 22, of the House engrossed amendments, strike out "(I)" and insert "(J)".

Page 11, line 23, of the House engrossed amendments, strike out "(J)" and insert "(K)".

Page 19, line 24, of the House engrossed amendments, strike out "Federal Government, and provide for" and insert "Federal Government, and make recommendations for".

Page 21, line 16, of the House engrossed amendments, strike out "in carrying out activities" and insert "making recommendations".

Page 24, lines 20 and 21, of the House engrossed amendments, strike out "have specific responsibility for overseeing and collaborating" and insert "be responsible for coordination".

Page 25, line 5, of the House engrossed amendments, strike out "development" down to and including "Office" in line 7 and insert "recommend the designation of the key responsibilities for carrying out such research, and to provide for coordination of this plan with the Office".

Page 25, line 16, of the House engrossed amendments, strike out "shall, in cooperation with" and insert "shall make recommendations, in cooperation with".

Page 25, line 19, of the House engrossed amendments, strike out "deemed appropriate, ensure" and insert "deemed appropriate, to ensure".

Page 26, lines 8 and 9, of the House engrossed amendments, strike out "shall consider all of such requests as" and insert "and the recommendations of the Council, shall consider all of such requests and recommendations as".

Page 26, line 10, of the House engrossed amendments, strike out "reviewed by the Council and" and insert "reviewed by".

Page 27, line 22, of the House engrossed amendments, strike out "The" and insert "Subject to existing law and regulations governing conflicts of interest, the".

Page 30, line 14, of the House engrossed amendments, strike out "property" and insert "materials and supplies".

Page 30, line 17, of the House engrossed amendments, after "publish" insert ", consistent with title 44 of the United States Code,".

Page 30, after line 21, of the House engrossed amendments, strike out "and".

Page 30, after line 21, of the House engrossed amendments, insert:

(4) to utilize such services or personnel as may be provided to the Council on a reimbursable basis by any agency of the United States; and

Page 30, line 22, of the House engrossed amendments, strike out "(4)" and insert "(5)".

Page 31, line 5, of the House engrossed amendments, strike out "thereafter." and insert "thereafter: *Provided*, That the authority provided for in this title shall expire on September 30, 1990, unless otherwise authorized by Congress.".

Mr. FUQUA (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments to the House amendments be considered as read and printed in the RECORD.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The **SPEAKER** pro tempore. Is there objection to the initial request of the gentleman from Florida?

There was no objection.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The **SPEAKER** pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken today after debate has been concluded on all motions to suspend the rules.

HEAD START AND HUMAN SERVICES AMENDMENTS OF 1984

Mr. **ANDREWS** of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5885) to authorize appropriations for Head Start, Follow Through, and Native American Programs, to establish a program to provide child care information and referral services, and for other purposes.

The Clerk read as follows:

H.R. 5885

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Head Start and Human Services Amendments of 1984".

TITLE I—PROJECT HEAD START

ADMINISTRATION

Sec. 101. Section 636 of the Head Start Act (42 U.S.dC. 9831) is amended by adding at the end thereof the following new subsection:

"(c) The Secretary shall administer Project Head Start through the Administration for Children, Youth, and Families within the Department of Health and Human Services.".

TECHNICAL AMENDMENTS

Sec. 102. Section 637(2) of the Head Start Act (42 U.S.C. 9832(2)) is amended by inserting "the Commonwealth of" before "the Northern Mariana Islands".

AUTHORIZATION OF APPROPRIATIONS

Sec. 103. Section 639 of the Head Start Act (42 U.S.C. 9834) is amended—

(1) by striking out "$950,000,000" and all that follows through "1983, and", and

(2) by insertinig before the period the following: ", $1,111,000,000 for fiscal year 1985, and $1,300,000,000 for fiscal year 1986".

ALLOTMENT OF FUNDS

Sec. 104. Section 640(a) of the Head Start Act (42 U.S.C. 9834(a)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (C) by inserting ", as described in section 648, except that there shall be made available for this purpose no less funds than were obligated for this purpose for fiscal year 1982" before the semicolon,

(B) in subparagraph (D) by striking out the period and inserting in lieu thereof a semicolon; and

(C) by adding at the end of such paragraph the following:

"except that no funds reserved under this paragraph may be combined with funds appropriated under any other Act if the purpose of combining funds is to make a single discretionary grant or a single discretionary payment.", and

(2) in paragraph (4) by inserting "the Commonwealth of" before "the Northern Mariana Islands".

DESIGNATION OF HEAD START AGENCIES

Sec. 105. (a) Section 641(a) of the Head Start Act (42 U.S.C. 9836(a)) in amended—

(1) by striking out "which" and inserting in lieu thereof "in a community if such agency", and

(2) in paragraph (1) by striking out "a community" and inserting in lieu thereof "such community".

(b) Section 641(c) of the Head Start Act (42 U.S.C. 9836(c)) is amended—

(1) by striking out ", except that" and inserting in lieu thereof ": *Provided* That", and

(2) in paragraph (1)—

(A) by striking out "shall, before giving such priority, determine that the agency involved meets" and inserting in lieu thereof "makes no finding that the agency involved fails to meet", and

(B) by striking out "and" at the end thereof and inserting in lieu thereof "or".

(c) Section 641 of the Head Start Act (42 U.S.C. 9836) is amended—

(1) by redesignating subsection (d) as subsection (f), and

(2) by inserting after subsection (c) the following new subsections:

"(d) If there is no Head Start agency as described in subsection (c)(1), no successor agency as described in subsection (c)(2), and no existing Head Start agency serving a community, then the Secretary may designate a Head Start agency from among qualified applicants in such community. Any such designation shall be governed by the program and fiscal requirements, criteria, and standards applicable on September 1, 1983, to then existing Head Start agencies.

"(e) Except as provided in subsection (d), this section shall be carried out in fiscal years 1985 and 1986 in accordance with the rules issued under this section by the Secretary as in effect on September 1, 1983.".

PARTICIPATION IN HEAD START PROGRAMS

Sec. 106. (a) Section 645(a)(1) of the Head Start Act (42 U.S.C. 9840(a)(1) is amended by adding at the end thereof the following: "During the period beginning on the date of the enactment of the Human Services Amendments of 1984 and ending on October 1, 1986, and unless specifically authorized in any statute of the United States enacted after such date of enactment, the Secretary may not make any change in the method, as in effect on April 25, 1984, of calculating income used to prescribe eligibility for the participation of persons in the Head Start programs assisted under this subchapter if such change would result in any reduction in, or exclusion from, participation of persons in any of such programs.".

(b) Section 645 of the Head Start Act (42 U.S.C. 9840) is amended by adding at the end thereof the following new subsection:

"(c) Each Head Start program operated in a community may provide services to any eligible child for any period in which such child is not less than 3 years of age and has not attained the age of compulsory school attendance in the State in which such program operates.".

TECHNICAL ASSISTANCE AND TRAINING

Sec. 107. Section 648 of the Head Start Act (42 U.S.C. 9843) is amended—

(1) by striking out "may" and inserting in lieu thereof "shall", and

(2) by inserting the following before the period at the end thereof: ", including a national child development associate training and assessment program providing the necessary credentialing for such personnel, and training (including resource access projects) which improves the ability of such personnel to provide Head Start services to handicapped children".

RESEARCH, DEMONSTRATION, AND PILOT PROJECTS

Sec. 108. Section 649 of the Head Start Act (42 U.S.C. 9844) is amended by adding at the end thereof the following new subsection:

"(c) No funds available to carry out this section may be combined with funds available to carry out any other provision of law if the purpose of combining funds is to make a single discretionary grant or a single discretionary payment to a recipient of such funds.".

EVALUATION

Sec. 109. The second sentence of section 651(b) of the Head Start Act (42 U.S.C. 9846(b)) is amended to read as follows: "Any revisions in such standards shall not result in either the elimination of, or the reduction in the scope of, types of health, education, parent involvement, social, or other services required by the performance standards issued by the Secretary as in effect on November 2, 1978.

TITLE II—FOLLOW THROUGH PROGRAMS

AUTHORIZATION OF APPROPRIATIONS

Sec. 201. Section 663(a) of the Follow Through Act (42 U.S.C. 9862(a)) is amended—

(1) in paragraph (1)—

(A) by striking out "$44,300,000" and all that follows through "1983, and", and

(B) by inserting before the period the following: ", $22,150,000 for fiscal year 1985, and $23,000,000 for fiscal year 1986", and

(2) in paragraph (2) by striking out "for fiscal years 1982 and 1983".

RESEARCH, DEMONSTRATION, AND PILOT PROJECTS

Sec. 202. Section 664(a) of the Follow Through Act (42 U.S.C. 9863(a)) is amended—

(1) by striking out "may" and inserting in lieu thereof "shall", and

(2) by striking out "special problems" and all that follows through "subchapter", and inserting in lieu thereof the following: "the special problems of primarily low-income children previously enrolled in Head Start or similar programs in continuing to develop to their full potential in kindergarten and the primary grades".

EVALUATION

Sec. 203. (a) Subsection (a) of section 666 of the Follow Through Act (42 U.S.C. 9865(a)) is amended to read as follows:

"(a) The Secretary shall, directly or through grants or contracts, provide for a review and analysis of all previous evaluation and reports made in connection with all Follow Through programs and projects authorized by any Act of Congress in effect after August 20, 1964, and provide a comprehensive evaluation report that measures the impact of such programs and projects with regard to—

"(1) the effectiveness of such programs and projects in achieving their stated goals;

"(2) the impact of such programs and projects on related programs;

"(3) the impact of such programs and projects on efforts to link preschool and elementary school programs in order to maintain and enhance the continuity of a child's development;

"(4) the structure and mechanism of such programs and projects for delivery of services; and

"(5) the effectiveness of such programs and projects in narrowing the gap in successful educational performance between children from low-income families and children from non-low-income families.

Such review may be conducted only by persons who are not directly involved in the development, design, administration, or implementation of such programs and projects. Such report shall include comparisons with appropriate control groups composed of persons who have not participated in such programs and projects, including persons from non-low-income families. Such report shall be submitted to the President and the Congress not later than January 30, 1986.".

(b) Section 666(c) of the Follow Through Act (42 U.S.C. 9865(b)) is amended by striking out "evaluations" and inserting in lieu thereof "any evaluation".

TECHNICAL AMENDMENT

Sec. 204. Section 670 of the Follow Through Act (42 U.S.C. 9868) is repealed.

CHILD CARE INFORMATION AND REFERRAL

Sec. 205. The Follow Through Act (42 U.S.C. 9861-9868) is amended by adding at the end thereof the following new subchapter:

"Subchapter D—Child Care Information and Referral

"SHORT TITLE

"Sec. 670. This subchapter may be cited as the 'Child Care Information and Referral Services Act'.

"STATEMENT OF PURPOSE

"Sec. 670A. It is the purpose of this subchapter—

"(1) to make efficient use of available child care resources by creating models for centralized systems for matching families' needs for child care services with appropriate child care providers;

"(2) to document at the local level the availability of and demand for child care providers;

"(3) to facilitate an educated choice for parents, of appropriate child care services according to parental needs and preferences; and

"(4) to improve the quality and increase the number of child care providers by making information available on local needs and preferences for child care services.

"FINANCIAL ASSISTANCE FOR CHILD CARE INFORMATION AND REFERRAL SERVICES

"Sec. 670B. (a) The Secretary of Health and Human Services (hereinafter in this subchapter referred to as the 'Secretary'), through the Administration for Children, Youth, and Families, shall make grants to assist public or private nonprofit organizations to establish and operate community-based child care information and referral centers.

"(b)(1) Any community-based public or private nonprofit organization which desires to receive a grant under subsection (a) shall submit an application to the Secretary in such manner as the Secretary may require. Such application shall—

"(A) describe the manner in which the child care information and referral center involved will be established or operated, as the case may be;

"(B) describe the services to be provided by such center;

"(C) contain an estimate of the cost of establishing or operating such center, as the case may be; and

"(D) include such other information as the Secretary determines to be necessary to carry out the purposes of this subchapter.

"(2) The Secretary, in evaluating applications for grants under subsection (a), shall consider the demonstrated ability of applicants to provide child care information and referral services. Priority shall be given to applications for grants of less than $75,000

"(3) Recipients of grants under subsection (a) shall be selected through a competitive process to be established by the Secretary. As part of such process, the Secretary shall announce publicly the availability of funds for such grants, the general criteria for the selection of grant recipients, and a description of the processes applicable to submitting and reviewing applications for such grants.

"(c) A grant may be made under subsection (a) to an applicant only if such applicant provides adequate assurances that—

"(A) such grant will be used solely for the establishment or operation, or both, of a child care information and referral center;

"(B) any such center for which such grant is made shall provide information to interested persons only with respect to providers of child care services that meet applicable State and local licensing and registration requirements; and

"(C) during the period for which one or more of such grants are made, such center shall obtain the following percentages of its projected budget through non-Federal sources of funding:

"(i) at least 25 percent in the first and second years;

"(ii) at least 50 percent in the third year; and

"(iii) at least 65 percent in the fourth and fifth years.

"(d) If one or more grants are made under subsection (a) to operate a child care information and referral center for a period of 5 years in the aggregate, then no applicant shall be eligible to receive a grant to be made under such subsection to operate such center after such period.

"REPORTS

"Sec. 670C. (a) Not later than December 31 of each year, each recipient of a grant made under section 670B(a) shall submit to the Secretary a comprehensive report on the activities, during the most recent concluded fiscal year, of the center for which such grant was made. Such report shall contain such information as the Secretary may require by rule.

"(b) Not later than March 1 of each year, the Secretary shall submit to the chairman of the Committee on Education and Labor of the House of Representatives and the chairman of the Committee on Labor and Human Resources of the Senate a comprehensive report on the activities carried out under this subchapter during the most recently concluded fiscal year.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 670D. There are authorized to be appropriated to carry out this subchapter $8,000,000 for fiscal year 1985 and $8,400,000 for fiscal year 1986.

"APPLICABILITY OF PROVISIONS OF SUBCHAPTER B

"Sec. 670E. The provisions of sections 653, 654, 655, 656, and 657 shall apply to the administration of this subchapter.".

TITLE III—COMMUNITY SERVICES PROGRAMS

LEVEL OF AUTHORIZATION

Sec. 301. Section 672(b) of the Community Services Block Grant Act (42 U.S.C. 9901(b)) is amended by striking out "1982" and all that follows through "provisions of", and inserting in lieu thereof "1984, $409,000,000 for fiscal year 1985, and $429,000,000 for fiscal year 1986 to carry out".

APPLICATIONS AND REQUIREMENTS

Sec. 302. (a) Section 675(c) of the Community Services Block Grant Act (42 U.S.C. 9904(c)) is amended—

(1) in paragraph (2)(A)—

(A) in clause (i)—

(i) by striking out ", for fiscal year 1982 only,",

(ii) by striking out "90 percent" and inserting in lieu thereof "85 percent", and

(iii) by striking out "clause (1)" and inserting in lieu thereof "paragraph (1)", and

(B) in clause (ii)—

(i) by striking out ", for fiscal year 1983 and for each subsequent fiscal year, not less than 90 per centum of" and inserting in lieu thereof "that portion of the",

(ii) by inserting "which remains after carrying out clause (i)" after "section 674",

(iii) by striking out "clause (1)" and inserting in lieu thereof "paragraph (1)", and

(iv) by striking out "clause (3)" and inserting in lieu thereof "paragraph (3)",

(2) in paragraph (5)—

(A) by striking out "or the energy" and inserting in lieu thereof "the energy", and

(B) by inserting ", or the Temporary Emergency Food Assistance Act of 1983" before the semicolon, and

(3) by striking out the last sentence.

(b) Section 675 of the Community Services Block Grant Act (42 U.S.C. 9904) is amended by adding at the end thereof following new subsections:

"(i) Whenever the State determines that a political subdivision of the State or a combination of political subdivisions within the State are not included in the designated geographic service area of an eligible entity, the State may use funds described in subsection (c)(2)(A)(ii) through an existing eligible entity to provide services under this subtitle in such subdivision or combination of such subdivisions. If it is not feasible to use an eligible entity for such purpose, then such State may establish a community agency to provide such services in such subdivision or combination of subdivisions.

"(j) The Secretary may waive for any State, upon application, the limitations of subsection (c)(2)(A)(ii) relating to eligibility to receive grants, if—

"(1) such State obtained a waiver of the limitations of section 138 of the Act of October 2, 1982 (Public Law 97-276; 96 Stat. 1198), relating to eligibility to receive funds appropriated for fiscal year 1983; and

"(2) such State submits, before the fiscal year for which a waiver is requested under this subsection, an application specifying the uses to be made by political subdivisions of such State of assistance received under this subchapter.

"(k)(1) For purposes of determining compliance with this subchapter the Secretary shall conduct, in several States in each fiscal year, evaluations of the uses made of funds received under this subchapter by such States.

"(2) The results of such evaluations shall be submitted annually to the chairman of the Committee on Education and Labor of the House of Representatives and the chairman of the Committee on Labor and Human Resources of the Senate.".

ADMINISTRATION

Sec. 303. (a) Section 676(a) of the Community Services Block Grant Act (42 U.S.C. 9905(a)) is amended by inserting "who shall be appointed by the President by and with the advice and consent of the Senate" before the period at the end thereof.

(b) Section 676(b) of the Community Services Block Grant Act (42 U.S.C. 9905(b)) is amended by striking out "his functions" and inserting in lieu thereof "the functions of the Secretary".

WITHHOLDING

Sec. 304. (a) Section 679(b) of the Community Services Block Grant Act (42 U.S.C. 9908(b)) is amended—

(1) in paragraph (2) by striking out "he" and inserting in lieu thereof "the Secretary", and

(2) in paragraph (3) by striking out "may" and inserting in lieu thereof "shall".

(b) Section 679 of the Community Services Block Grant Act (42 U.S.C. 9908) is amended by striking out subsection (d).

DISCRETIONARY AUTHORITY OF SECRETARY

Sec. 305. Section 681(a) of the Community Services Block Grant Act (42 U.S.C. 9910(a)) is amended—

(1) by striking out "is authorized" and inserting in lieu thereof "shall",

(2) in subsection (2) subparagraph (E) by striking out "and" at the end thereof,

(3) by redesignating subparagraph (F) as subparagraph (G), and

(4) by inserting after subparagraph (E) the following new subparagraph:

"(F) a program of the type described in section 222(a)(2) of the Economic Opportunity Act of 1964, as in effect on August 12, 1981, to be known as 'Senior Opportunities and Services'; and".

COMMUNITY FOOD AND NUTRITION PROGRAM

Sec. 306. The Community Services Block Grant Act (42 U.S.C. 9001 et seq.) is amended by inserting after section 681 the following new section:

"COMMUNITY FOOD AND NUTRITION

"Sec. 681A. (a) The Secretary shall, through grants to public and private, nonprofit agencies, provide for community-based, local, and statewide programs—

"(1) to identify food and nutritional needs of low-income populations, especially high-risk infants and children;

"(2) to assist low-income communities to identify potential sponsors of children nutrition programs and to initiate new programs in underserved or unserved areas;

"(3) to coordinate existing private and public food assistance resources to better serve low-income populations; and

"(4) to increase public awareness of hunger and develop strategies to minimize dependence on emergency food assistance.

"(b) There is authorized to be appropriated $5,000,000 for each of the fiscal years 1985 and 1986 to carry out this section, except that some funds shall be expended for programs for each of the purposes specified in paragraphs (1) through (4) of subsection (a).".

AUTHORIZATION OF APPROPRIATIONS

Sec. 307. Section 683(b) of the Community Services Block Grant Act (42 U.S.C. 9912) is amended by striking out "1983, 1983, and 1984" and inserting in lieu thereof "1984, 1985, and 1986".

TITLE IV—NATIVE AMERICAN PROGRAMS

SHORT TITLE

Sec. 401. This title may be cited as the "Native American Programs Act Amendments of 1984".

DISTRIBUTION OF FINANCIAL ASSISTANCE

Sec. 402. (a) Section 803(a) of the Native American Programs Act of 1974 (42 U.S.C. 2991b) is amended by adding at the end thereof the following: "Every determination made with respect to a request for financial assistance under this section shall be made without regard to whether the agency making such request serves, or the project to be assisted is for the benefit of, Indians who are not members of a federally recognized tribe. To the greatest extent practicable, the Secretary shall ensure that each project to be assisted under this title is consistent with the priorities established by the agency which receives such assistance.".

(b) Section 803(c) of the Native American Programs Act of 1974 (42 U.S.C. 2991b(c)) is amended—

(1) by inserting "(1)" after "(c)", and

(2) by adding at the end thereof the following new paragraph:

"(2) No project may be disapproved for assistance under this title solely because the agency requesting such assistance is an Indian organization in a nonreservation area or serves Indians in a nonreservation area.".

ADMINISTRATION OF PROGRAMS

Sec. 403. Section 812 of the Native American Programs Act of 1974 (42 U.S.C. 2992b) is amended to read as follows:

"ADMINISTRATION; DELEGATION OF AUTHORITY

"Sec. 812. (a)(1) The general administration of the programs authorized in this Act shall remain within the Department of Health and Human Services and, notwithstanding any authority under any other law, may not be transferred outside of such Department.

"(2) The Secretary shall continue to administer grants under section 803 through the Administration for Native Americans. The Commissioner of such Administration may not delegate outside of the Administration the functions, powers, and duties of the Commissioner to carry out such section.

"(b)(1) Except as provided in subsection (a)(2), the Secretary may delegate only to the heads of agencies within the Department of Health and Human Services any of the functions, power, and duties of the Secretary under this title and may authorize the redelegation only within such Department of such functions, powers, and duties by the heads of such agencies.

"(2) Funds appropriated to carry out this title, other than section 803, may be transferred between such agencies if such funds are used for the purposes for which they are authorized and appropriated.

"(c) Nothing in this section shall be construed to prohibit interagency funding agreements made between the Administration for Native Americans and other agencies of the Federal Government for the development and implementation of specific grants or projects.".

DEFINITIONS

Sec. 404. Section 813 of the Native American Programs Act of 1974 (42 U.S.C. 2992c) is amended—

(1) in paragraph (3) by striking out the period and inserting in lieu thereof "; and", and

(2) by adding at the end thereof the following new paragraph:

"(4) 'Secretary' means the Secretary of Health and Human Services.".

EXPENDITURE OF AVAILABLE FUNDS

Sec. 405. Section 814 of the Native American Programs Act of 1974 (42 U.S.C. 2992d) is amended—

(1) by striking out "1981" and inserting in lieu thereof "1986",

(2) by inserting "(a)" after "Sec. 814.", and

(3) by adding at the end thereof the following new subsection:

"(b) Not less than 90 per centum of the funds made available to carry out the provisions of this title for a fiscal year shall be expended to carry out section 803(a) for such fiscal year.".

TITLE V—EFFECTIVE DATE

EFFECTIVE DATE

Sec. 501. This Act and the amendments made by this Act shall take effect on the date of the enactment of this Act or October 1, 1984, whichever occurs later.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from North Carolina [Mr. Andrews] will be recognized for 20 minutes and the gentleman from Wisconsin [Mr. Petri] will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. Andrews].

Mr. ANDREWS of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, during the recent Memorial Day recess, I had the privilege of visiting Normandy and remembering, or perhaps I should say reliving, some of my personal experiences during World War II. Since coming back, I have come to consider it rather regrettable that President Johnson chose to use military imagery with reference to our programs for the poor and disadvantaged. In declaring a so-called "War on Poverty," the President may have unintentionally led the public to believe it was an offensive action—rather like the invasion of Normandy, if you will.

The Nation's poor know all too well that our efforts to confront poverty are defensive rather than offensive in nature. Poverty invades this country daily, regardless of whether we offer organized resistance. The bodies of its casualties lie strewn across our welfare rolls. As in real war, the saddest casualties are the children—those who have no choice and who can in no way be held accountable for their circumstance. They are, in a real sense, prisoners of war from birth.

The children of poverty are at an immediate disadvantage, including nutritionally and medically. Over a 5- or 6-year period, without attention, their ability to compete educationally with their more advantaged peers is stunted before the competition ever begins. Educational handicaps become employment handicaps and the children of the poor become the poor themselves and their children's children. We know it as the poverty cycle.

Head Start breaks the poverty cycle. Intended to give a hand up rather than a hand out, Head Start seeks to intervene early in a child's life to correct nutritional, medical, developmental, and educational deficits while there is still time to make a difference. From everything researchers have been able to tell us in recent years, Head Start does make a difference. That is a primary reason I am pleased to bring H.R. 5885 before the House, along with my chairman, Congressman CARL PERKINS of Kentucky, and my colleague, Congressman TOM PETRI of Wisconsin.

Many Members will note that this bill, the Head Start and Human Service Amendments of 1984, closely resembles in substance H.R. 5145, which narrowly failed under suspension several weeks ago. In the interim, my colleague, Mr. PETRI, and I have worked together to remedy problems which seemed to relate to the cost of the bill and the early authorization of the community services block grant. I believe we have succeeded.

While retaining the substance of H.R. 5145, our bill cuts the authorization period of the programs involved from 5 to 2 years, thereby reducing the total cost by about 70 percent. Of the total 2-year cost, 93 percent is authorized solely for the Head Start Program. The Community Services Block Grant Act would not be extended early. I believe that H.R. 5885, the Head Start and Human Services Amendments of 1984, provides a noncontroversial means of expressing our bipartisan support for Head Start and the fine job it is doing for our Nation's low-income children. I urge the support of all of my colleagues of both parties.

Mr. Speaker, I am honored; I yield such time as he may consume to my distinguished chairman, the gentleman from Kentucky [Mr. CARL PERKINS].

Mr. PERKINS. Mr. Speaker, first let me congratulate the distinguished gentleman from North Carolina [Mr. ANDREWS] for bringing the bill up today. H.R. 5885 is similar, as the gentleman has just stated, to the bill we called up a few weeks ago, and we lacked a few votes at that time under suspension.

The authorization time has been cut back from a 5-year bill to a 2-year bill. This is an excellent piece of legislation. I do not know of any programs that have done more for the young children of the country than the Head Start Program, the Follow Through Program, and the other programs included in this legislation.

This is a very modest bill and will return the money many times over that will be expended in the legislation.

In conclusion, let me again congratulate the distinguished gentleman from North Carolina [Mr. ANDREWS] and the minority ranking member on the subcommittee, the gentleman from Wisconsin [Mr. PETRI]. Both of them have worked many days to make sure that we had a good bill. The bill will pass practically unanimously today and, naturally, I like to see such a strong vote on so worthy a piece of legislation like this bill.

Now, Mr. Speaker, let me go into more detail on this bill.

Mr. Speaker, H.R. 5885, the Human Services Amendments of 1984, authorizes appropriations for Head Start, Follow Through, the Community Services Block Grant, Child Care Information and Referral Act and the Native Americans Program. The Head Start, Follow Through and Native Americans Programs are extended for 2 years through fiscal year 1986. The bill would also establish a 2-year authorization for the Child Care and Information and Referral Program. The Community Services Block Grant would not be extended beyond the current authorization through fiscal year 1986.

H.R. 5885 is very similar in substance to H.R. 5145, the bill that failed under suspension on June 7. The primary concern that Members had, however, with H.R. 5145 was the cost under that bill and the fact that the Community Services Block Grant Program was being reauthorized earlier than necessary. H.R. 5885 solves those problems by extending these programs for only 2 years rather than 5 years, thereby cutting the total costs of H.R. 5145 by 70 percent, and does not extend the Community Services Block Grant Program.

Authorization levels for most programs under this bill allow for increases which will maintain the programs at current service levels. Of the total 2-year costs under H.R. 5885, 93 percent is authorized solely for the Head Start Program. Head Start has long been a bipartisan program which has been regarded as an effective program in providing educational, medical, and nutritional services to children ages 3 to 5 whose economic circumstances put them at an academic disadvantage. Numerous studies have shown that since this program began under the Economic Opportunity Act of 1965, we have made great strides in providing children with equal educational opportunity. These children now perform as well as their peers when they begin school.

Mr. Speaker, all of the programs under H.R. 5885 are important to thousands of children and adults throughout our country, most of whom are low-income. It is imperative that we move swiftly here today to reauthorize these programs in order that individuals can continue to receive these much-needed services. H.R. 5885, the Head Start and Human Services Amendments of 1984, I believe, can now be readily considered and accepted in a bipartisan, noncontroversial manner. I would strongly urge all of my colleagues on both sides of the aisle to quickly pass this bill.

Mr. PETRI. Mr. Speaker, I yield to myself such tme as I may consume.

Earlier this month I spoke against suspending the rules for passage of H.R. 5145, a previous version of the bill that is now under consideration, and at that time I expressed my enthusiastic support for the Head Start Program and my hope to deal with its reauthorization under more favorable circumstances later in the month.

In my opinion the old bill was simply too costly, complex, and controversial to pass under suspension. Ideally, I had hoped that this issue would be dealt with under an open rule. Regrettably there is apparently not enough time for this body to do so before the Head Start Program expires.

The other available option was to redraft H.R. 5145 so that it could be handled under suspension. The chairman of the Human Resources Subcommittee, the gentleman from North Carolina [Mr. ANDREWS], suggested that route and I agreed. And I hope my colleagues in the House will accept the compromise that we have produced.

This new bill, H.R. 5885, still should be considered under an open rule and if we had more time left I would oppose its passage under suspension. Nevertheless, I believe that it is better to pass this bill under suspension now than to let the clock run out on Head Start.

Let me review the changes we have made to this legislation that allow me to support its passage under the suspension process.

First we have reduced the cost of this measure considerably. H.R. 5145 had a price tag of over $8 billion. In contrast, H.R. 5885 authorizes about $2.5 billion.

□ 1310

I admit that $2.5 billion is quite a bit to authorize under the suspension process, but it is a tremendous improvement.

Second, H.R. 5885 is much less complex than the old bill. The legislation no longer reauthorizes the Community Services Block Grant Program for more time. Further, intricate restrictions on administrative flexibility are deleted.

Finally and in my opinion most critically, much of the controversy has been defused. The two changes I just mentioned, deleting both early reauthorization of the Community Services Block Grant Program and certain Head Start restrictions, have helped reduce the controversy.

In addition, all programs contained in this bill are now reauthorized for just 2 years rather than the 5 years provided in the original bill. This change will give us the opportunity to reconsider all these programs in the next Congress rather than waiting a half decade.

Thanks to these changes, we are left with a fairly good bill. The proven Head Start Program is reauthorized and is improved. The fine Native Americans Act is also reauthorized.

With both of these programs facing a September 30 expiration date and the Congress racing toward summer recess, we must act quickly. H.R. 5885 also contains three other provisions that I think need closer review in conference.

One continues the followthrough demonstration project for yet another 2 years. Another creates a new statutory child care information and referral program just when the administration was moving in this direction with available discretionary funds.

Since neither of these programs are in the parallel Senate legislation, the conference will have complete freedom in dealing with them.

Finally, the bill still contains things in the administration of community services block grants which will also be subject to the conference committee.

Overall, H.R. 5885 is a good bill that merits your support. Again, I regret that we could not deal with it under an open rule but nevertheless I urge all Members to join me in voting to suspend the rules and pass H.R. 5885.

Thank you, Mr. Speaker.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. PETRI. I yield to my distinguished colleague from New York [Mr. SOLOMON].

Mr. SOLOMON. I thank the gentleman. I am sorry I missed the beginning of his explanation of the bill. There are those of us who believe that the Head Start Program is one of the best Federal programs that we have and many of us were forced to vote against that bill earlier this year when it came before this House on the suspension calendar which prohibited any change or any amendment or modification of the bill despite the fact that it had an $8 billion-plus price tag which was budget busting beyond any reality.

If the gentleman would just explain again the dollar price tag on this bill and the two changes that have taken place.

Mr. PETRI. The dollar price tag has been reduced significantly, cut to almost 25 percent of the original. It is still a lot of money to authorize on suspension, I admit, but we are under increasing time pressure and we have reduced the controversial items in this bill to a minimum.

It is reduced from over $8 billion authorization to in the neighborhood of $2, $2.5 billion in authorization.

Mr. SOLOMON. I certainly want to commend the gentleman; because of the extra work put into this now, it has corrected some of the changes many of us wanted to make in the bill; therefore many of us now will be able to support it, even though it should not be on the Suspension Calendar as it is today.

I think that the changes that were made are changes that we can live with. The bill as it now stands continues this extremely vital program at a substantive level of spending and I would strongly urge all of you to give it your unanimous support.

Mr. PETRI. I thank the gentleman.

Mr. Chairman, I would now yield such time as he may consume to my distinguished colleague on the Education and Labor Committee, the Representative from Utah, HOWARD NIELSON.

Mr. NIELSON of Utah. Thank you.

I think we ought to know exactly what we are voting for on this particular bill.

As you recall Congressman PERKINS indicated we did vote on this bill approximately 2 weeks ago. At that time the bill was defeated on suspension and the main reasons have been outlined. The bill was $8.1 billion, it contained a 5-year authorization and it added two new categorical programs besides increasing the Follow Through budget.

Now as you know, $100 million is all we should have on a Suspension Calendar; this bill is $2.6 billion. I want to point out first of all that the bill is down from $8.1 billion to $2.6 billion primarily because we left out the last 3 years. There is little change in the funding for the 2 years. As a matter of fact, it is $133 million more in Head Start than the other bill.

That, however, is the direction the people indicated was right. They supported Head Start but they did not support the other programs to that extent so the previous bill was defeated on suspension. The current bill has a savings in 1985 of some $421.35 million from the previous bill; $20.5 million from community services block grant savings, and $850,000 in Follow Through.

However, in 1986, there is an increase of $110 million in the program. It is a 2-year program rather than 5, and that makes it easier to make adjustments in a more timely fashion.

I would think, however, H.R. 5885 should still have been brought up under the open rule. I think if it had been we would have eliminated the two brand new categorical programs which have not had good support in the Congress and we would have reduced Follow Through even more than this bill does.

I am hoping that we will be able to handle those differences we have in the conference committee. I fully support the Head Start Program. I had one grandchild in that program years ago. It was a very useful experience.

I would like to indicate also that I am going to very reluctantly support this bill in spite of the $133 million increase in Head Start for 1986, because I believe that is where the money should go, to a program which has proven itself, rather than start a whole series of brand new programs at great cost.

Thank you very much.

Mr. PETRI. I thank my colleague for his contribution and assure you we will do all we can to fight in the direction you have indicated in the conference committee, because I think you have spoken the sentiments of the House.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. The gentleman has consumed 8 minutes.

Mr. ANDREWS of North Carolina. Mr. Speaker, at this time I would certainly like to thank the gentleman from Wisconsin, [Mr. PETRI] and the others of the minority who helped work with us and developed the bill in the first instance and then in this compromise which we are pleased they now support.

Mr. Speaker, at this time I yield 3 minutes to a valued member of the committee, my friend, the gentleman from Montana, Mr. PAT WILLIAMS.

Mr. WILLIAMS of Montana. I thank the Speaker.

Mr. Chairman, I want to commend you and the ranking member of our subcommittee, Mr. PETRI, as well as the other members for their hard work on this legislation during this past year.

Within this legislation is the reauthorization of the Native Americans Program Act for 2 years. This act, the Native Americans Program Act, will continue the legislative mandate to promote the economic and social self-sufficiency for American Indians, Alaskan Natives, and native Hawaiians.

Since the beginning of this effort in the 93d Congress, success has been evident in job creation and placement, natural resource development, business development and better linkages between the private sector and State and local government services delivery systems.

The return on Federal investment from this act is 3 to 1. Besides reauthorizing the Native Americans Program Act for the next 2 years, this legislation ensures that the Administration for Native Americans, which administers the program, remain within the Department of Health and Human Services.

That provision, by the way, is identical to a provision in the legislation which has passed the other body.

Further this legislation states that off-reservation grantees are to continue to be eligible for services under this act.

Mr. Speaker, with more than one-half of all native Americans, all American Indians, currently residing off the reservations, it is very important that the Administration for Native Americans continue to respond to the particular services needs of the off-reservation Indians. I want the RECORD to show and to be very clear at this point that it was the intention of the subcommittee, the full committee, and this Member in particular that the Administration for Native Americans begin to pursue more diligently and with more activity their good efforts to benefit off-reservation Indians as well as on-reservations Indians.

Again, with more than half of the American Indians now living off the reservations, we need to do a better job in servicing those Indians.

The committee, purposely, did not set aside a certain portion of the dollars for ANA for the purpose of serving off-reservation Indians, but we made it very clear in the committee and I want to emphasize here today in full debate that it is the intention of the Congress that ANA begin to fully service off-reservation Indians.

Mr. PETRI. Mr. Speaker, I yield such time as he may consume to my colleague on the Education and Labor Committee, the gentleman from Vermont, Mr. JIM JEFFORDS.

Mr. JEFFORDS. I will not speak at any length. I just want to commend the chairman of the subcommittee and the chairman of the full committee and the ranking Republican on the subcommittee for reaching what I think is an excellent compromise in order to insure passage of this bill on a suspension calendar.

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I would out of duty point out, however, that the administration still objects to the bill, but I do support it. Also I am sure many Republicans will, for the reasons that have already been stated such as the success of the Head Start Program.

Mrs. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentlewoman from Connecticut.

Mrs. JOHNSON. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of H.R. 5885. I would like to commend the gentleman from North Carolina [Mr. ANDREWS] and the gentleman from Wisconsin [Mr. PETRI] on their fine work in bringing this back to the House in a timely fashion.

I would just like to express my support for an aspect of the Head Start Program that is all too often overlooked.

As a member of the Subcommittee on Children, Youth and Families, we have heard from many women who have, through their involvement in Head Start, moved from isolation and confusion to community involvement, participation, and understanding.

Head Start serves not only children, but their family. It provides job training. It often provides career development. It opens opportunities for parents, as well as children. It is one of the very soundest, one of the very best programs for children and families in America that we have ever had the good sense to develop and fund. I am proud and pleased to support it.

● Ms. MIKULSKI. Mr. Speaker, I rise today to urge my colleagues to suspend the rules and pass H.R. 5885, the Human Services Amendments of 1984. This bill contains authorization for a Child Care Information and Referral Services Program, which I had originally introduced separately and which is part of the Economic Equity Act.

I am an original cosponsor of the human services amendments and I am especially pleased by the inclusion of the Child Care Information and Referral Services Act.

This section establishes a grant program to fund referral services that will link families in need of child care with the already existing services in their area.

This program will accomplish three important goals. It will:

First, assist families in selecting child care appropriate to their specific needs;

Second, document the availablity of and demand for child care services at the local level; and

Third, improve the quality and quantity of providers by gathering data on local needs and preferences.

My interest in child care referral services grew out of my knowledge of the excellent work of the Maryland Committee for Children.

The committee operates a service called Locate. Basically, Locate is a child care information and referral service which uses computers to store data on child care providers and to match up parents' needs. It is exactly the kind of grassroots activity that this legislation would help fund.

The need for child care services in this country has been well documented. About 19.5 million children 13 years old and under live in families in which all parents present in the home work. Many of them—6.1 million—are under age 6. In addition, 4.3 million children 13 years old and under, including 1.3 million under age 6, live in one-parent families where the parent works.

This legislation will help these working mothers and fathers locate appropriate child care. The money is not available in existing programs.

Title XX programs are already stretched beyond an acceptable point in funding much needed social service programs and I am sure I do not have to describe for you the difficulty States are facing in meeting their existing budgets.

While some clearinghouses have been established, like the one in Maryland, it will take this Federal initiative to assure that these needed services are available in all our States.

Today, and in the future, there will be many working parents, many single parents, and many children who need quality care for all or part of the day. This program will provide that care in the most efficient and productive way.

Although this legislation will not directly increase the supply of child care services, it will directly facilitate the efficient use of the existing supply. Further, it will indirectly encourage the expansion and upgrading of existing services.

This low-cost program, which maximizes efficiency and also encourages private sector expansion, is a much needed solution to the problems that parents face in finding quality child care and that employers face in assisting their employees in such efforts.

I urge my colleagues to suspend the rules and pass H.R. 5885. Thank you.●

● Mr. FAUNTROY. Mr. Speaker, I rise in support of H.R. 5885, Head Start and human services amendments. This legislation authorizes $3.29 billion through fiscal year 1986 for the Head Start, Follow Through, and Community Services Block Grant Programs, and such sums as may be necessary for the Native American Programs. H.R. 5886 also creates a new child care information and referral program, and authorizes $16.4 million for the programs through fiscal year 1986.

I am pleased that the House is again considering legislation regarding these programs. Previously, on June 7, the House, by a vote of 261 to 156, failed to suspend the rules and pass H.R. 5145, human services amendments. That bill authorized approximately $9.1 billion through fiscal year 1989 for the Head Start, Follow Through, Community Services Block Grant, and Native American Programs, and created a new child care information and referral program. however, now we have another opportunity.

Mr. Speaker, Head Start is widely recognized as one of the most cost-efficient and successful Federal programs for children and families. Its unique approach emphasizes direct parent involvement, strong community support, and deep commitment to helping families meet all their needs. Studies conducted since 1970 indicate that compared to other low-income children, Head Start children:

Score better on standardized tests;

Achieve more in school and are less likely to fail a grade, drop out, or need special classes; and

Are more likely to receive adequate medical care, to be of normal height and weight, to have fewer absences from school due to illness, and to perform better on physical tests.

Mr. Speaker, I strongly urge my colleagues to vote to suspend rules and pass H.R. 5885, the Head Start and human services amendments.●

● Mr. CORRADA. Mr. Speaker, I rise in support of H.R. 5885, the Head Start and Human Services Amendments of 1984, which would extend the Head Start Program, the Follow Through Program, the Community Services Block Grant, and the Native American Programs Act for 2 years, and authorize the Child Care Information and Referral Services Act for 2 years.

The Head Start Program has been an extremely effective program of early intervention which works with educationally at-risk children to prepare them for entry into the school system. Studies have shown that children of low income backgrounds which participated in these programs do substantially better in school, and remain in school longer than their peers which have not enrolled in Head Start.

This year Puerto Rico will receive more than $37 million for the Head Start Program, of which $9.5 million will be spent on centers in the San Juan area. In addition to programs run through the San Juan Department of Family Services, the Puerto Rico Office for Human Development supports 22 delegate agencies around the island which serve over 11,000 children.

Mr. Speaker, I would also like to mention that Puerto Rico is proud to be the site for the 1985 National Head Start Conference, to be held in San Juan from April 25 to May 1, 1985.

The Follow Through concept is a strong, comprehensive child development system which effectively maintains and builds upon the gains that children from low-income families have made in Head Start and other quality preschool programs. Although relatively small in monetary terms, Follow Through provides access to innovative curriculum models which annually impact on more than 410,000 disadvantaged children. The network of local programs, sponsor, and resource center works as a team to provide quality services to children, to demonstrate and disseminate effective practices, and to provide technical assistance to communities.

Both Head Start and Follow Through have proven to effectively use Federal dollars to improve the opportunity for education for children from disadvantaged backgrounds, and as such deserve to be continued as a cornerstone in our war against poverty.

Mr. Speaker, I am also pleased to support the extension of the Community Services Block Grant Programs, which although limited in size has been a vital mechanism for improving life in low-income communities. In Puerto Rico, each community to be served determines priorities for use of these funds, and thereby funding is allocated to the most needy segments of our population.

I would like to commend my colleague, IKE ANDREWS, for his leadership role in developing this legislation, and as a cosponsor of the measure, urge my colleagues to vote in support of passage.●

● Mr. BROWN of California. Mr. Speaker, I rise in support of H.R. 5885, the Head Start and Human Services Amendments of 1984. I am a cosponsor of this legislation, which reauthorizes Project Head Start. It also reauthorizes Follow Through, child care and information referral services, community services, and the Native American Programs Act. While I endorse all these programs, I must express my special support for provisions which reauthorize and strengthen Project Head Start.

Head Start is one of the most widely recognized Federal programs for children. Head Start teachers and administrators emphasize direct parental involvement, strong community support, and deep commitment to helping families meet all their needs, whether through Head Start or other community agencies. With Head Start's record of success, I believe it well deserves the 5-percent inflation increase allowed in this legislation.

This legislation contains provisions to protect congressional intent in the administration of Head Start. The bill requires the continuing administration of the program through the Administration for Children, Youth, and Families. It prohibits the administration from using Head Start funds for non-Head Start purposes, prohibits the administration from reducing funds for training and technical assistance, and prohibits administrative changes in eligibility standards without congressional approval.

The bill also protects the Indian and Migrant Head Start Program by prohibiting the reorganizing of the program out of the Administration for Children, Youth, and Families. Similarly, it protects the Child Care Food Program by prohibiting the change of funding from the Department of Agriculture to the Department of Health and Human Services.

These provisions protect Head Start from ill-advised attempts to weaken or eliminate the program. At the same time, H.R. 5885 responds to those who fought the Head Start reauthorization on June 7 by changing the reauthorization periods from 5 to 2 years, and dropping the early reauthorization or community services programs.

Mr. Speaker, I commend my colleagues, the chairman of the Committee on Education and Labor, Mr. PERKINS, and the chairman and ranking minority member of the Subcommittee on Human Resources, Mr. ANDREWS and Mr. PETRI. They have worked hard to reach a reasonable compromise which ensures that Head Start will continue to reach our Nation's children. I encourage my colleagues to support H.R. 5885, the Head Start and Human Services Amendments of 1984.●

● Mr. WEISS. Mr. Speaker, I support the swift approval of H.R. 5885 to reauthorize Head Start, Follow Through, the Community Services Block Grant, and the Native American Programs Act.

This bill comes up under suspension of the rules because of the limited time remaining for consideration of the various appropriations bills that must still be acted on during this session. A similar measure has strong bipartisan support in the Senate.

All the programs in H.R. 5885 are important in serving low-income groups, but for the moment, I want to focus on Head Start, for it has earned a reputation as one of the most successful and cost-effective programs ever operated through the Federal Government.

H.R. 5885 authorizes $1.11 billion in fiscal year 1985 and $1.3 billion in fiscal year 1986 to maintain Head Start at current levels. The bill protects the program from damaging changes by requiring that its administration be continued under the Administration for Children, Youth, and Families in the Department of Health and Human Services and that training and technical assistance funds be kept at no less than 1982 levels. It also prohibits the administration from changing eligibility requirements—without congressional approval—and from putting the program into a block grant.

Study after study has shown that Head Start pupils score higher on standardized tests than their peers, achieve more in school, and are less likely to drop out of school, to fail a grade, or to need special education. The program clearly gives young children a headstart on their primary education, but its benefits extend beyond compensatory education. Head Start children also receive medical and dental services, innoculations against childhood diseases, and hot, nutritious meals.

The program's record of hiring parents as paraprofessionals, cooks, and janitors is unprecedented among Federal programs. In 1982 alone, nearly a third of the 75,000 Head Start employees were parents of its pupils. Parents participate in local, regional, and national policymaking for Head Start and are heavily involved as volunteers in most aspects of the program.

Head Start is also cost effective, with a lower average per pupil cost than our public schools or Federal child-care programs. Federal funds are intended to cover only 80 percent of costs with the balance covered by in-kind contributions from parents and community groups. Typically, the centers are housed in the basements of churches or housing projects.

Head Start is also considered a catalyst for community change. Particularly in its early years, it was instrumental in helping to develop leaders in black communities.

A key element to its success has been its openness to improvements such as the conversion from summer-only to full-year programing, the creation of performance standards to ensure quality, an increased emphasis on parent involvement, and the creation of a staff-training program. Head Start centers have never become part of the bureaucracies of public education or local government but have remained small and flexible, rooted in local community values and networks.

Since its inception in 1965, Head Start has served approximately 8 million preschoolers. Almost 415,000 children are currently enrolled, but that total constitutes only 18 percent of the eligible population. As more families sink into poverty, the waiting lists for Head Start programs are growing.

Under the Reagan administration, the program has suffered from budget slashes in related programs. For example, when public service employment under CETA [Comprehensive Employment and Training Act] was eliminated, 6,000 Head Start workers were lost. The reduction of $20 million in the Child Care Food Program, which provides meals for Head Start children, also damage the program. Budget cuts in programs such as medicaid, food stamps, and the social services block grant have strained the resources of Head Start centers as they try to meet the health, nutrition, and other needs of their children.

The administration has also sought repeatedly to slash by 50 percent the Head Start funding for training and technical assistance. In 1983, Congress directed the administration not to reduce that aspect of the program, but unfortunately, HHS has ignored that mandate.

A very significant aspect of the Head Start reauthorization is the new child-care information and referral services program, originally introduced as part of the Economic Equity Act. This measure authorizes $16.4 million through fiscal year 1986 in seed money to establish community-based clearinghouses for child-care information, providing desperately needed assistance for working parents.

When these programs were considered earlier this month, the reauthorization bill [H.R. 5145] contained $9.1 billion through fiscal year 1989. Because of the amount of money involved, the suspension of the rules was defeated and the bill failed to pass. The authorization in this bill, however, is only $3.29 billion through fiscal year 1986.

It is vitally important that Head Start and the other programs in H.R. 5885 continue without interruption, and I strongly urge my colleagues to vote for the suspension of the rules and passage of this legislation.●

● Mrs. COLLINS. Mr. Speaker, I rise in support of H.R. 5885, a bill which will reauthorize the Head Start Program and related programs such as Follow Through, Community Services Block Grant, and Native Americans. This reauthorization which would extend through fiscal year 1989, also includes strengthening of the Head Start Program by providing for a child care information and referral program.

I strongly support passage, largely because of its proven effectiveness in alleviating the low-income working woman's dilemma of rearing healthy and productive children. The bill represents the increasing need for the continuation of, and improvements upon these child care programs in order to accommodate the large numbers of children which appear on waiting lists for Head Start-type programs.

Head Start has proven to be extremely beneficial in meeting the health, education, and social needs of low-income children and enjoys the reputation of being one of the most cost-effective and successful Federal programs. Studies conducted since 1970 indicate the following: children enrolled in Head Start programs score better on standardized tests; are much more productive in school than their counterparts and are less likely to fail a grade, drop out, or require special education classes; and are found to be healthier because they receive better medical care. In addition, the Head Start approach emphasizes direct parent involvement, an abundance of community support, and a deep commitment to helping families meet all of their needs through other community agencies as well. In spite of these excellent provisions to help disadvantaged pre-school children compete more effectively once they enter school, it is a fact that the Head Start Program is currently serving only 18 percent of the children who are actually eligible.

The child care information and referral proposal which is included in H.R. 5885 provides for making the public knowledgeable of information on the availability of child care. The presence of an easily accessible base from which to turn for aid in meeting the responsibility of providing quality care for children, will make the single parent much more apt to seek these services.

Keeping in mind the benefits of Head Start and other enrichment programs, we must be aware of the increasing need for their continuation and improvements. I urge my colleagues to vote for H.R. 5885.●

Mr. PETRI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ANDREWS of North Carolina. Mr. Speaker, I would just like to say by word of explanation. It might appear from what has been said here that there has been a reduction in funds allocated or here authorized for the Head Start or some other program.

That is true and yet it is not true. The amount in the bill is obviously much less, some 70 percent less than the bill that was previously considered. On the other hand, let me hasten to say in my own and Mr. PETRI's and in defense of others as well, there is no annual reduction in moneys available for Head Start as provided in this bill as compared to the other. In fact, there is slightly more, some 5 percent I believe the first year and an additional 5 the second.

So we have not really reduced the allocation of support funds for children who are eligible under the Head Start Program; rather, we have increased them slightly.

Nevertheless, it is true that the amount authorized in the bill is some 70 percent less, and that is because we reduced the authorization from 5 years for Head Start and certain other programs back to 2 years. That, I believe, and a couple of other changes that have not really hurt the program, in fact have improved it, I think, will enable us to avoid the open rule, which I, too, would prefer, but which circumstances seem to indicate not to be practicable at this time.

I, therefore, believe that all Members of the House, or certainly more than two-thirds, should and will support the bill.

May I say that this is possible not really because of any work that we on the subcommittee or in the full committee or the Congress, for that matter, have done, but instead it is due to the fact that those people throughout the country outside the Congress, who serve Head Start, Native Americans, Follow Through, and the other good programs in this bill, do such a job that they cause the program to be acceptable and to be supported in a bipartisan, relatively noncontroversial way by those of us here in the Congress, as well as throughout the Nation.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from North Carolina [Mr. ANDREWS] that the House suspend the rules and pass the bill, H.R. 5885.

The question was taken.

Mr. **PETRI.** Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The **SPEAKER** pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. **ANDREWS** of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 5885.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

EXPRESSING SENSE OF CONGRESS WITH RESPECT TO ADVERSE IMPACT OF EARLY PROJECTIONS OF ELECTION RESULTS BY NEWS MEDIA

Mr. **SWIFT.** Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 321) expressing the sense of the Congress with respect to the adverse impact of early projections of election results by the news media.

The Clerk read as follows:

H. CON. RES. 321

Resolved by the House of Representatives (the Senate concurring), That the Congress finds that—

(1) in the 1980 and 1982 general elections, broadcasters made projections of election results in many States while polls were still open;

(2) those projections may have decreased voter participation and affected close elections;

(3) early projections of election results undermine the belief of individuals in the importance of their votes—a belief that is essential in a democratic society;

(4) rapidly developing technology makes it possible that projections of election results will be made earlier and in more elections, especially in States with more than one poll closing time (which States might consider adopting a single closing time);

(5) if projections of election results are based on exit interviews and the news media do not voluntarily refrain from making those projections before the polls close, then a uniform closing time will not solve this problem; and

(6) with the approach of the 1984 election, there is continued concern about the impact of early projections of election results on the electoral process.

SEC. 2. In light of the findings set forth in the first section of this resolution, it is the sense of the Congress that, to maintain the appropriate balance between freedom of the press and the integrity of the electoral process, in future elections—

(1) broadcasters and other members of the news media should voluntarily refrain from characterizing or projecting results of an election before all polls for the office have closed; and

(2) the news media, including industry, trade, and professional organizations, should adopt guidelines to assure that data from exit interviews are not used to characterize or project results of an election before all polls for the office have closed.

The **SPEAKER** pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Washington [Mr. SWIFT] will be recognized for 20 minutes and the gentleman from California [Mr. THOMAS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Washington [Mr. SWIFT].

Mr. **SWIFT.** Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Concurrent Resolution 321 is a resolution expressing the concern of Congress about the adverse impact of early election projections by the media, particularly the television networks.

This resolution has its origins in the controversy that surrounded the 1980 Presidential election, when one network projected the winner of the election at 5:15 p.m. Pacific time. At that moment, polls were still open in approximately half the States, in every time zone. On the west coast, there were nearly 3 hours left until the polls closed.

What ensued, Mr. Speaker, was accurately described by columnist David Broder as "uproar in the West." Thousands of angry phone calls flooded local broadcast stations. Over and over people told their stories of lines at the polls dissolving when the election was projected; of voters driving to the polls, hearing the projections on their radios and going home instead; of campaign workers trying to get their voters to the polls and being told: "We're not going. The election's over."

These reports led to widespread complaints that those projections actually affected the outcomes of close State and local—and even congressional—elections. Witnesses in the House Administration Committee hearings pointed to:

The California Assembly seat that was decided by 0.28 percent of the vote;

The seat in the Montana Legislature that was decided by seven votes; and

The 21st Congressional District in California, where an additional 2 percent would have meant 5,000 votes in a race that was decided by 864 votes out of a total of 145,440 votes cast.

Furthermore—and this is the deepest concern of all—the many millions of voters who did vote were, in effect, told that their votes did not count. The message they got from television news was that the election had been held without them; that it was over and their votes did not matter.

In a great democracy like ours, people believe that all citizens have a right to vote and that all votes will count equally. When they are told that is not the case—as they were in 1980—they react as they did in 1980: they are angry, disappointed, bitter, and unhappy.

When voters begin to question the fundamental integrity of the electoral process—when they believe it is being undermined in a systematic, pervasive way—the implications for a democratic government are exceptionally serious.

In response to the serious questions raised about the 1980 election, the Task Force on Elections of the House Administration Committee, together with the Subcommittee on Telecommunicatioins of the Energy and Commerce Committee, held several hearings, both here in Washington, DC, and on the west coast.

Briefly, we concluded after our hearings that there was a significant decline in voter turnout in the West as a result of the early projection, that close election could have been affected, and that early projections do persuade voters that their votes do not count.

Deeply concerned about those effects—and about the implications for all future elections, particularly as technology develops and projections of election results can be made even earlier—it was our conclusion that early network projections based on exit polls do present a problem that requires a solution.

Most of the potential solutions we examined, however, were flawed in some way. On the one hand are solutions, like uniform poll closing times, that will not solve the problem. The reason is that when the television networks use their exit poll data to make their projections they do not need any actual vote totals to decide who the winner is.

On the other hand are proposals, similar to Canada's law banning projections, that would solve the problem, but which, in this country, would require legislating around the first amendment.

After examining these choices, we came to the conclusion that the best solution to this serious problem would be for the networks voluntarily to refrain from making projections based on their exit polling data while the polls are still open. Voluntary restraint is a true solution to the problem, unlike uniform poll closing times, and it avoids any hint of conflict with the first amendment.

In 1982, just before the elections, the House Administration Committee moved to respond to the conclusions of our hearings, and adopted a resolution calling on the networks to exercise voluntary restraint.

Last year, the Task Force on Elections and the Subcommittee on Telecommunications again held a hearing to see whether there was any evidence from the 1982 election that the call for voluntary restraint had been heeded by the networks.

What we found was not encouraging. Whereas in 1980 only one network used exit poll data to make its projections, by 1982 all three networks were doing so. Furthermore, the League of Women Voters had monitored the 1982 election and was able to document numerous instances in which networks had projected the results of State races—for Congress, Senate, and Governor—while polls were still open in those States. And finally, the network representatives who testified all indicated that they intended to project the 1984 elections just as they had projected the elections of 1980 and 1982.

Concerned about the elections coming up this year, and the potential for 1980 to repeat itself, the gentleman from California [Mr. THOMAS] and I introduced House Concurrent Resolution 321. Among the important points set out in the resolution are:

First, early projections were made in both 1980 and 1982 while the polls were open;

Second, those projections may have decreased voter participation and affected close elections; and

Third, early projections undermine the belief of individuals in the importance of their votes—a belief that is essential in a democratic society.

The resolution then calls on broadcasters and other members of the news media to voluntarily refrain from projecting election results before all polls for the office close.

I firmly believe that early election projections by the television networks constitute an intrusion by the networks into one of our most fundamental democratic institutions—our elections—and I hope they can be persuaded not to continue to intrude.

I share the sentiment of our hearing witness who said: "The public deserves at least 1 day when its voice is heard without filter, when its votes will be counted and simply reported."

□ 1330

Mr. Speaker, I reserve the balance of my time.

Mr. THOMAS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, many people believe that the most fundamental right which we possess in a democracy, the right to choose our leaders by free election, is being unduly influenced by the broadcast news media and the polltakers.

The Committee on House Administration Task Force on Elections is offering House Concurrent Resolution 321 out of concern that early projections of election results by broadcast networks have an impact on the outcome of the elections themselves. The committee is also greatly concerned about the impact which early election projections have on individual voters across the Nation. We know from field hearings on this issue that many angry and disillusioned voters did not cast ballots in the 1980 Presidential election after learning that the winner had already been proclaimed on nationwide television and radio. As my colleague indicated earlier, some State elections and a congressional race may very well have hinged on voter apathy created by the early prediction of victory by the news media.

The prevailing attitude described by witnesses at the hearings was, "Why should we vote when our vote doesn't count? Why bother if it's all over as soon as TV decides who's going to win?"

The testimony received by the committee reveals that Americans hold in deep respect their right to vote, and they are rightly upset when the importance and meaning of each individual's vote is robbed by reports of what may happen as though it had happened. Resentment and apathy triggered in the 1980 election could spread with the increasing use of sophisticated polling techniques and early election projections by the broadcast media. Unless we act to balance the public's right to know against the integrity of the polling place, the American public may decide it would be just as well to sit out future elections, and our democracy will be seriously threatened.

I know that observers of this debate might hastily conclude that this is only a west coast problem, but that is certainly not the case. Although the impact of early projections is greatest in the West, as my colleague has described, we should remember that the projection of the 1980 Presidential race came while the polls were open in about half the States in the nation. In 1981, the Governor's race was projected in New Jersey while polls were still open. In 1982, a number of State races were projected before the polls closed.

In this Presidential election year, we have already witnessed a number of network projections in primary elections around the country. On March 13, Super Tuesday, the three major networks projected results in Florida, Alabama, and Massachusetts 1 hour before the polls closed. In Rhode Island, the call was made 2 hours before the polls closed. In the New York primary on April 3, the networks began projecting results at 6:30 p.m., 2½ hours before the polls closed at 9 p.m. In Pennsylvania, network projections came 1 hour before the polls closed. And in the Iowa caucuses held February 20, NBC and CBS were projecting winners before the voting had even started.

The committee has received more than 1,000 letters from voters in 49 States expressing disappointment and bitterness over projections of election results being made before the polls close. Opposition to this practice is also beginning to be heard from broadcast industry members. Richard Salant, the former president of CBS News who pioneered in developing projections based on tabulating selected voter precincts, now says he doesn't trust these early projections. The president of Group W Television, Lawrence P. Fraiberg, told his colleagues recently that he is deeply concerned with the effect which TV coverage—specifically, exit polls and projections based on those polls—is having on the national political process. The administration, in reply to a House subcommittee inquiry on its position, has stated its opposition to projection of Federal election results because of their adverse effect on voter turnout.

Prior to the New York Presidential primary election last April, I joined my colleagues on the House Task Force on Elections and the House Subcommittee on Telecommunications in requesting the broadcast networks to refrain voluntarily from projecting election results before the polls closed. One of the networks replied that its practice is not to project winners of primary elections until after the polls are closed, and that it would adhere to that practice through the rest of the primary elections and in the November general election.

The networks have responded to growing public concern over their influence on elections by changing their projections to characterizations of results, but the characterizations contain at least as much, if not more, information than the projections. The network reporters make comments such as: "indications are" that a candidate will win a "decisive victory" or that a candidate is "doing very well" and "may win by as wide a margin as he did in New York."

Such characterizations, while stopping short of outright prediction, nonetheless carry a great deal of weight, because they are based on actual voter interviews. The majority of viewers and listeners will not make the distinction between predicting results and characterizing results. They will believe they are being told how a particular election is going, and if they have not yet voted with time remaining at the polls, being told how an election has gone and will probably result, takes much of the purpose and meaning from the act of voting.

Early projections were a bitter disappointment for millions of voters in America in 1980, and the possibility exists for a repeat of that experience in 1984. I sincerely hope that this resolution will prompt the networks to examine the way that they cover elections and to take to heart the responsibility which accompanies their freedom of speech. That is the responsibility not to intrude on the individual's right to cast a ballot in the belief that his or her vote counts every bit as much as any other. That belief is a foundation of our democracy.

Mr. SWIFT. Mr. Speaker, I yield 2 minutes to the gentleman from Colorado [Mr. Wirth], chairman of the Subcommittee on Telecommunications, Consumer Protection, and Finance, with whom this committee has held hearings on this issue.

Mr. WIRTH. I thank the gentleman for yielding.

Mr. Speaker, I want to commend the gentleman from Washington [Mr. Swift], the gentleman from California [Mr. Thomas], and the gentleman from California [Mr. Edwards], who has also been deeply involved in this, as I believe have been almost every member of the California delegation and many other Members of the House.

On this issue, we have had almost 200 Members of the House who have signed letters to the networks, hoping that there would not be early election returns in their respective States.

☐ 1340

We have very, very strong support for this; we are not impinging upon any kind of first amendment values. There is nothing there to hide behind in any way, shape, or form. We are only asking the networks to exercise good news judgment, and that they do all the time.

For example, in Iran, the networks knew that there were Americans who were hiding out in the Canadian Embassy. They knew that; they did not report that news. They knew the name of the child who was the bubble baby in Texas; they did not report that. That was news judgment. In this situation, we are simply asking the networks to reflect that same kind of news judgment.

We have had some positive responses; those have started, as Mr. Thomas correctly points out. We have also had some very, very clear indications of policy from Westinghouse, and I have here a letter from Mr. Dan Ritchie, the chairman of Westinghouse, supporting this resolution. A similar kind of thing from Turner Broadcasting, the major cable news operation, and a telegram from Turner Broadcasting also supporting this resolution.

So it is my hope, Mr. Speaker, that all Members of the House would join in supporting this resolution. Nothing is more fundamental to democracy than people voting in a democratic system. Nothing is more insidious in any way, shape, or form in inhibiting or in any way suggesting that an individual's vote does not count.

So please pass this resolution. Again, I commend the gentleman for bringing this up.

Mr. Speaker, 25 years ago, Zechariah Chafee wrote a book entitled "The Press Under Pressure." He observed that "freedom from something is not enough. It should also be the freedom for something. Freedom is not safety but opportunity. Freedom ought to be a means to enable the press to serve the proper function of communication in a free society."

Some might try to construe the debate on House Concurrent Resolution 321 as one involving two very compelling and divergent interests: our democracy's need to encourage voters to exercise their franchise, and the media's first amendment right to report the news. I do not believe these two goals need conflict in any way.

We are not here to debate the first amendment right of news gathering organizations to report votes cast in any election. We are not questioning their right to poll or analyze voting trends or results, whether in the form of a telephone survey, face-to-face interviews before or after a person has voted, or limited statistical results from certain key precincts. Nor does the issue that we are debating today concern the accuracy or inaccuracy of network projections.

Rather, the issue is the civic responsibility—or lack thereof—of the electronic media and the implications that premature announcements or characterizations of election results have on the electoral process and thus on our citizens' rights under the the same first amendment guarantee.

Every citizen has civic responsibilities. And the networks, too, have a civic responsibility to report the news responsibly. However, that is quite different from the pell-mell rush to be the first to report election results that are not really election results. They are not raw vote tabulations. They are the results of sophisticated and highly accurate analysis of a tiny portion of the voter population, based on exit polls or key precincts that have the potential of reducing the Nation's electoral process into a computer exercise for hired statisticians. I do not want that. I do not believe the American public wants that. Such an exercise I fully believe, has the potential of seriously compromising the democratic process.

For nearly 3 years, the Subcommittee on Telecommunications, Consumer Protection, and Finance has worked with the House elections task force in examining the relationship between voter participation and early vote projections or characterizations by the television networks. In several hearings we have developed an extensive record demonstrating that network projections before the polls close can only tend to reduce voter participation.

Scholars, elected officials, political analysts, party officials, and others who are concerned about, and affected by, the electoral process have spent an enormous amount of time examining all sides of this issue. The studies that have been done show there is a very clear relationship between early election projections and lower voter turnout.

Voters are discouraged from participating in the electoral process when they are essentially told that their votes will not affect the outcome. Why should someone bother to go to a poll and cast a vote when the conclusions have already been announced?

Moreover, in nearly 3 years, we have not been presented with any credible evidence that withholding projections until the voting process is over harms the public in any way, or interferes with the right of the media to report real news events as they occur.

The competition to be first, to create news, is an egregious interference in our electoral process. The broadcast media claim they are just reporting the news. On the other hand, exit polls, entrance polls, and other techniques—opinions, not actual vote count—are used to create news, then reported as though they were fact.

I think it is plain to see, based on the coverage to date of the 1984 Presidential primaries and caucuses, that the broadcast media regard elections coverages as simply another form of entertainment they must be competitive in. In fact, the day after the Iowa caucus, NBC issued a press release claiming that "NBC was the first network to declare Walter Mondale the winner." The release boasts that NBC news did this at 8:18 p.m. central time. Not only was this before the voting had finished—in this case, it was before the caucus had actually started.

Election projections before polls are closed do not inform the public—they discourage voters. We have empirical evidence to show that. Early projections do not contribute in any positive way to our democratic form of government—indeed, they erode it. Moreover, it interferes in the process of electing all our public officials from the President to Congress to statewide races right on down to critically important local offices.

The solution is simple—it requires only for the networks to exercise voluntary restraint; restraint not from reporting votes cast, but rather, restraint from reporting or characterizing winners based on small samples of votes, cast in key precincts or exist polls, no matter how accurate.

Voluntary restraint until all polls are closed would hide no information, censor no fact, destroy no one's right to know. It would preserve and protect our most basic right that we as Americans have. If voluntary restraint cannot be viewed as a solution to this problem, the interests of 230 million Americans—to democratically choose a President—will be damaged.

The fact that Westinghouse Broadcasting and Turner Broadcasting have both gone on record as supporting voluntary restraint is evidence that no canon of journalism is being threatened or compromised by this measure.

I urge support for House Concurrent Resolution 321. Thank you.

WESTINGHOUSE BROADCASTING
& CABLE, INC.,
New York, NY, June 26, 1984.

DEAR CONGRESSMAN: It is my understanding that you are about to consider H. Con. Res. 321 which would express a sense of the Congress in opposition to the practice of projecting winners in the electoral process—and, more specifically, the practice known as exit polling.

Group W is on record regarding this subject in two respects: (1) We have adopted a policy which will preclude Group W Radio and Television stations from exit polling or other projections until such times as the polls are closed. (2) We have urged all three networks with whom we have affiliation agreements to adopt similar policies. Consequently I am happy to endorse H.Con. Res. 321 and urge you to give it your support.

Sincerely,

DANIEL L. RITCHIE,
Chairman.

TURNER BROADCASTING SYSTEM, INC.,
Washington, DC, June 26, 1984.

Hon. Congressman TIMOTHY E. WIRTH,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN WIRTH: It is my understanding that the House of Representatives may consider H. Con. Res. 321 today respecting the adverse impact of early projections of election results by the news media. As you may recall, Turner Broadcasting testified on this issue before the Subcommittee on Telecommunications, Consumer Protection and Finance this past February.

It remains our view that preservation of the integrity of the electoral process is an all important public objective. The practice of projecting election results prior to poll closing, which studies indicate may well discourage voter participation, is antithetical to this objective. Accordingly, it is the established policy of CNN to voluntarily refrain from projecting the results of any election before all the polls relevant to that election have closed. We hope that the other networks and members of the news media in general will similarly and voluntarily refrain from the publication of pre-poll closing election projections.

Sincerely yours,

ROBERT W. ROSS.

Mr. THOMAS of California. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio [Mr. GRADISON].

Mr. GRADISON. Mr. Speaker, I rise in opposition to House Concurrent Resolution 321, early projections of election results.

I have no question of the sincerity of the supporters of this resolution but I believe it runs the risk of intimidating the fourth estate. It could well have a chilling effect on free speech and on a free press. It is a not-too-subtle attempt to impose prior restraint.

I am aware that it is argued that early reporting of and predictions from early election results influence voter turnout and election outcomes. Consequently, there is a call for curbs—voluntary curbs.

Those who press this issue present a weak argument. They lack convincing evidence of an effect—let alone a negative one—on voter turnout and election results. By failing to recognize the full range of voting impacts, their view is shortsighted. By ignoring or dismissing the loss of the right to know attendant to their proposals, their proposals threaten our political freedom.

It is true, of course, that in 1980, television networks called the Presidential election well before the west coast polls closed. Conventional wisdom holds that this led to a drop in voting turnout in the West which, in turn, changed the outcome of some non-Presidential races.

There are serious deficiencies with this line of thought. Even if the result were lower turnout and changed outcomes, it seems as likely that they stemmed no less from President Carter's newsworthy, albeit premature, concession. Furthermore, at the time the media called the Presidential race, the race's outcome was hardly in doubt—which, by the way, typifies the conservatism, if not the restraint, generally employed in such predictions. Moreover, the evidence disputes the conventional wisdom. In fact, in 1980, voter turnout dropped on both coasts, and the drop was greater in the East.

The latest point of departure seems to center on the assumption that early predictions of election results discourages people from voting. This is, at best, a one-sided argument, for if voters are discouraged by some predictions, it would seem that predictions might also increase voter turnout—say, from predictions of a photo finish.

Even if there were credible evidence of an adverse effect from early reporting and predicting, remedial action is unjustified. Intentional or not, lots of things influence voter turnout and election outcomes. Most are perfectly legal—and cherished—in a free and open society. No doubt, some result in higher voter turnout, some lower.

Nearly everyone agrees that an outright restriction on early reporting and predictions would violate the first amendment, so serious attention has focused on voluntary media compliance, such as House Concurrent Resolution 321. But a voluntary approach would only work if all media outlets cooperated. Yet just a glance at the number of independent media outlets—the major networks, cable, radio, independent news-gathering entities such as UPI and AP—makes it clear that voluntary compliance would not likely work, even in the face of congressional intimidation and ridicule.

Of course, we could enact a law that would delay all ballot counting until after all polls have closed. Yet, I detect less than a groundswell of political support for this idea. Nevertheless, this proposal could not prevent the real bugaboo—predictions. When all is said and done, it is predictions that offend, not that some election returns are known while some polling places remain open.

Yet, predictions constitute legitimate news, worthy of dissemination, regardless of when they are made. Predictions extrapolated from early voter returns are little different than predictions drawn from exit polls which, in turn, are little different than predictions from conventional polling. Where to draw the line? More importantly, why draw a line?

Public policy should encourage—rather than simply not discourage—voter turnout. But much more is at stake here than influencing voter turnout, however important that is. Notwithstanding the likelihood that early predictions may influence turnout either way, any restrictions on predictions constitute a raid on political rights which must be rejected if we cherish freedom.

Free people have the right to know. It is not for Government, through public policy, to pass judgment on the publication of information, whoever, and whenever determined. That is for a free people to determine. That is what freedom is about.

Mr. SWIFT. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. EDWARDS].

Mr. EDWARDS of California. I thank the gentleman from Washington and I compliment the gentleman from California, and the gentleman from Washington, and the gentleman from Colorado, [Mr. WIRTH], all of whom have done yeoman work on this very important resolution.

Mr. Speaker, I rise in support of House Concurrent Resolution 321. It addresses a matter of grave concern for all those who are interested and committed to maintaining the historical integrity of our electoral system.

Our country's 200-year history is marked by a much heralded and analyzed democracy. Our election system is probably the single most important element constituting our particular form of government. On November 6, every American must be heard through their vote. Americans have the right to cast their votes and to believe that their votes contribute to the democratic process.

Recently, however, there has been much discussion about the devastating effects that early election day projections and characterizations have on voter turnout and our electoral system. Some of the debate focuses on scientific studies, some on anecdotal tales. The networks have so far refused to accept the scientific studies as indicative and hardly tolerate the anecdotes.

What we have here is a perceptual problem. Most election officials, Members of this body, civic organizations, and a significant majority of western voters feel certain that the network projections are interfering with voter participation and directly affecting voting patterns. The networks, of course, think otherwise.

Today we are asking for the passage of a resolution that offers a simple solution to a very complex and potentially costly problem. If we sit by while the networks continue their current practices, we are inviting severe disruption to our 200-year-old electoral system.

The networks say that they have offered a viable solution to the election projections problem: national uniform poll closing. March Fong Eu, California Secretary of State, has estimated that any significant change in our election procedures would cost my State 3 million taxpayers' dollars. Voluntary restraint by the networks would not cost 1 cent nor would it interfere with the networks' first amendment rights. Voluntary action would not prohibit the collection of exit poll data nor the use of such data for analysis after polls close. Finally, voluntary restraint would not prohibit announcement of actual ballots counted when such counts become available.

What is this data that the networks feel compelled to announce so early in the day? Exit polls were designed by the networks to sample a small set of voters who, when added together, would represent the entire electorate. The networks have figured out that by determining how this sample voted, projections could be made of how the entire electorate might vote. The process has revolutionized how elections are reported and analyzed. Exit polling continues throughout election day, so it is possible to call a race without waiting for an official poll closing. This is what the networks are asserting is hard news. I suggest that it is a creation of the network news organizations, designed and controlled by the networks so that they have something to say during the long hours of an election day.

Today we are facing electoral disruption from this technological advance. There is litigation in Washington State over the State's prohibition of exit polling within 300 feet of the polling place; 22 other States have either adopted similar laws or are applying existing electioneering statues to regulate exit polls. Still others are awaiting the outcome of the Washington suit to decide upon a course of action. Another exit poll problem, which has serious future ramifications, has recently popped up: An extremist candidate for President has argued that the numbers collected from his exit polls don't match his actual vote tallies. Bases on his polling, he is suing the State for election fraud. This is a distasteful example of things to come if we do not act today.

The networks veiw the Presidential election as one more marketable commodity. They have studied their ratings and have concluded that early calls on election day translate into high ratings. However, as licensed users of the American people's airwaves, it is their responsibility to consider fully and fairly all the implications of early calls on election day. Election day in American is more, I suggest, than a network event entitled "The Selling of the Presidential Election."

It is no longer possible to believe the networks when they say that their formal policy is not to make projections before the polls close in any one-time-zone State. This policy is nothing more than empty rhetoric: not one of the networks had complied with it. We have the experience of 1980, 1982, and 1984 which show just how empty it is.

This resolution in no way impinges on the networks' freedom of speech or press. It asks only for voluntary compliance. The American voter is entitled to an election day unencumbered by these projections.

Mr. Speaker, I ask unanimous consent to insert into the RECORD supporting letters from the mayor of Los Angeles, Tom Bradley; a letter from the Non-Voter Study '84–'85 group, and a letter from the National Education Association Government Relations Office. All of them in enthusiastic support of this resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

OFFICE OF THE MAYOR,
Los Angeles, CA, June 25, 1984.

Hon. DON EDWARDS,
Member, U.S. House of Representatives,
House Office Building, Washington, DC.

DEAR CONGRESSMAN EDWARDS: It is my understanding that House Concurrent Resolution 321 will be before the full House of Representatives on June 26th. The resolution call upon the television and radio industry and members of the news media to voluntarily refrain from projecting presidential election results prior to the closing of the polls throughout the United States. I am most pleased to lend my support to this important effort, and I applaud your actions in seeking passage of Resolution 321 to this end.

It is a very substantial concern to all of us in elected public life in the western part of the United States that premature projections of voting for major national candidates has a very dampening effect upon voters appearing at the polls in late afternoon and early evening periods. There are many state and local elections whose outcome can be dramatically changed by the dampening effect of a projection of a national victory or defeat for a particular candidate. Such effects can create very meaningful distortions in voting patterns for state and local elections and may, indeed, have a profound effect upon the direction of governance at these levels in the years to come.

It is most clear that this matter is not a partisan issue, but rather one that affects a very important and basic tenet of the Democratic process.

My best wishes to you for the success of your resolution and my sincere hope that the representatives of the media will take most seriously the intent of your resolution.

Sincerely,

TOM BRADLEY,
Mayor.

NON-VOTER STUDY '84–'85,
June 22, 1984.

DEAR MEMBER OF CONGRESS: The Committee for the Study of the American Electorate would like to take this opportunity to urge swift and overwhelming passage of H. Con. Res. 321, on election night projections by the full House of Representatives.

The Committee, a bi-partisan, non-profit, research corporation whose main mandate is to look into the causes and cures of low and declining voter participation, believes that the problem can be stated simply:

The networks have persisted in both characterizing and projecting the outcome of elections before the polls close, both in individual states and as much as two and three-quarter hours before the polls close in the West during Presidential elections.

All available evidence indicates that such projections have some depressing impact on voter turnout and thus may influence the outcome of elections other than those whose results are being projected.

These projections are not news. They are instead created events. They are nothing more nor less than the networks reporting on their own creations—either exit polls or sample precinct analysis. These do not nor should they have the same standing as reporting carefully the tabulation or actual results.

These projections serve no useful societal purpose. They provide information the public would be glad to hear an hour or two later, if that meant protecting the integrity of the voting process. They may do some harm by influencing the outcome of elections.

Networks exercise judgement every day as to how and when to report a story. Although exit polls showed Reagan to be a clear winner mid-day Election Day 1980, they chose to withhold that fact from viewers until prime time. If they can withhold something for a few hours during the day, they can surely withhold information for a few hours during the evening if the integrity of the electoral process is at stake.

Voluntary action by the networks in refraining from projecting election results until all the polls close in individual states and until all the polls close nationally in Presidential elections is the best and most feasible way of resolving this problem. All other solutions are either inequitable, costly or potentially intrusive of the right to broadcast under the First Amendment. A 1972 Census Bureau study which showed that lower income voters tend to vote later in the day raises the question of equity with regard to establishing a uniform poll closing hour. Legislative restrictions on what the networks may broadcast may be violative of the spirit, if not the letter, of the First Amendment to the Constitution of the United States. An election day holiday or a 24 hour voting day would be costly with no promise of enhancing voter turnout. On another level, it is an arrogance to suggest that the whole nation should revise its electoral system for the convenience of the networks so that they may continue a practice which is neither journalism under any reasonable definition, serves no useful purpose and may detract from the integrity of the electoral process.

There seems no question that the networks need continued prodding on this issue. Since 1980 when only one network used exit polls for the purposes of projections, the situation has worsened so that all three major networks engage in this practice. Although two networks have shown some sensitivity on the issue to the extent that they say they will not actually project election results before the polls close, both they and the third network persist in characterizing the outcomes of elections in such a way as to leave no doubt—well in advance of final poll closings.

Perhaps the networks, having turned deaf ears on the pleas of individuals from all walks of life, the poll results which show an overwhelming majority of the nation wants them to stop the practice, and to many of their journalistic colleagues both in the print and electronic medium, might respect the vote of an overwhelming majority of the House of Representatives.

At least, that effort should be made.

Sincerely,

CURTIS B. GANS,
Vice President and Director.

NATIONAL EDUCATION ASSOCIATION,
Washington, DC, June 25, 1984.

Hon. DON EDWARDS,
U.S. House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR REPRESENTATIVE EDWARDS: The National Education Association, representing 1.7 million public school employees, supports the passage of H. Con. Res. 321 calling upon the media to refrain from making projections of election results until all polls are closed. The right to vote is one of the most precious rights Americans have. It is vital to ensure that every citizen be encourage to exercise this right. Anything that creates a disincentive to voting must be actively discouraged.

Many studies have shown that the early projections of results in the 1980 Presidential election resulted in a voter decline of at least three percent in the Western region of the country. While NEA strongly supports protection of First Amendment rights, H. Con. Res. 321 is necessary to urge the media to concentrate on reporting the news of elections results, not influencing election results by making harmful projections.

I congratulate you on your leadership role in this important area and look forward to passage of H. Con. Res. 321.

Sincerely,

LINDA TARR-WHELAN,
Director of Government Relations.

MEMORANDUM

JUNE 25, 1984.

To: Members of the House of Representatives.

From: Dorothy S. Ridings, President, and Julia A. Holmes, Legislative Action Chair, League of Women Voters of the United States.

Re H. Con Res. 321, Early Projections of Elections Results.

The League of Women Voters of the United States urges your support for H. Con. Res. 321. We believe that projections or characterizations of election results by the news media before the polls close have an adverse impact on elections and interfere with the constitutional right of every person to vote H. Con. Res. 321 calls upon broadcasters and other members of the news media to voluntarily refrain from projecting or characterizing the results of an election before all the polls for the office have closed and to adopt guidelines to assure that data from exit interviews are not used to make early characterizations or projections of election results.

Early election projections by the broadcast media can have a negative effect on voter turnout and this can affect the outcome of elections. Studies of the 1980 experience with early election projections show that there is sufficient evidence that premature projections of the outcome of the presidential election by the networks may have influenced voter turnout and thus may have influenced the outcome of closer races for non-presidential offices and issues.

In 1980, the networks made early projections of election results. In 1982, the networks announced their intention not to project election results in any state before the polls had closed in that state. However, all three major networks did project election results before the polls closed in one or more of the 13 states whose borders are within two time zones. And, in 1984, the networks have made early projections and characterizations of results in presidential primaries and caucuses.

The League is concerned about the media making characterizations before the polls close of how significant groups in the electorate are voting. We believe that such characterizations can have negative impacts on voter participation similar to those caused by early projections. We are also concerned about the media's use of exit polls, interviews with voters leaving polling places, to make early projections or characterizations of election results. Exit polling provides valuable election information. But we believe that the media needs to develop guidelines to ensure that exit polls are not used to make projections or characterizations before the polls close.

Voting is the key act in our democratic system. The League of Women Voters ask Congress to add its persuasive voice in urging the media to voluntarily refrain from making projections or characterizations of election results before the polls close.

Mr. TAUKE. Mr. Speaker, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman.

Mr. TAUKE. I understand that the gentleman is one of the authors of the resolution, and I want to ask him a question about the impact of the section of the resolution relating to the characterization of projection of results of an election before all polls for the office have closed.

Is it the gentleman's understanding that this means that we are suggesting that the networks not announce, for example, results from New York polling on a Presidential race until the polls in California, and Alaska, and Hawaii have closed? Or is he simply saying that those results can be announced, but projections based on results cannot be made?

Mr. EDWARDS of California. Well, it would be more appropriate and my bill actually would do a better job in many ways because it would suggest and hope that these projections would not be made until the polls closed in all of mainland America, including Alaska.

However, I believe that this resolution just suggests to the networks that when the polls are closed, we will say in Massachusetts, of course they can announce the results of the polls. But they should not at that time project the results elsewhere in the country.

Mr. TAUKE. So while the voters are voting in California, they may know that the Presidential race has been won because enough States have voted for one candidate or the other, to have already reached a conclusion as to who would be the victor in the race?

☐ 1350

The SPEAKER pro tempore. The time of the gentleman from California [Mr. EDWARDS] has expired.

Mr. SWIFT. Mr. Speaker, I yield 30 additional seconds to the gentleman from California.

Mr. EDWARDS of California. I thank the gentleman for yielding me this additional time.

Mr. Speaker, actually that would not happen very often, but if the results of the voting are available to the public in Massachusetts, certainly the networks would be entitled to announce the results.

Mr. TAUKE. I thank the gentleman.

Mr. THOMAS of California. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. TAUKE].

Mr. TAUKE. I thank the gentleman for yielding this time to me.

Mr. Speaker, I commend those who have brought this resolution to the floor for the restraint they have exercised, because I know that there are some in this House who would like to pass legislation prohibiting the projection of voter results, and I know there are others who would have taken a much harder line position than is contained in the resolution.

Frankly, I hope that there is some reaffirmation from those who are handling this bill on the floor that, indeed, the interpretation offered by the gentleman from California in my questioning of him is an interpretation that they share; specifically, that this resolution does not call on the networks to withhold results once polls in a given State have closed but, rather, that this resolution only relates to projections and to other characterization of voting results and not to actual results.

That interpretation improves the resolution significantly. But this House should make no mistake about it. This resolution is a poorly disguised attempt to regulate through raised eyebrow. There is no question but that the people who are bringing this resolution to the floor recognize that the broadcast media constitute one of the most regulated industries in the Nation. They know that we have a history in this Nation of the FCC regulating the broadcast media by raised eyebrow and they hope that this resolution will have the same effect.

In my judgment, it is inappropriate for this Congress to use that method of regulation in order to suppress news. "Oh," my colleagues say, "it is in the public interest." I suggest to them that that is a very slippery road to begin to follow because there are many who will contend that news should be suppressed for the public interest. The news from the summit should be suppressed because it is in the public interest that people not know yet. The news from various negotiations—whether between labor-management or in the Halls of Congress—should be suppressed because we cannot reach agreements if people know.

The bottom line is that we are making a mistake when we suggest that it is in the public interest to suppress the news and we attempt to use this raised-eyebrow method to do it. I am not impressed at all by the letters that come from other people in the broadcast media and in the print media suggesting that, indeed, this resolution should be adopted. Of course they want to stop their competitors from doing what they cannot do. But I wonder if the gentlemen who offered this resolution find it also offensive when the morning newspapers on the day of the election have banner headlines suggesting that the Gallup Poll or some other poll shows that this Senator or that candidate will win. I wonder if they find it offensive when, the day before, those kinds of polls are offered. Or the weekend before.

I wonder where they want to draw the line on the characterization of polls and other projections of election results.

The point is this: It is difficult to make a case to restrict the dissemination of some information without having a chilling affect on the broadcast of other information.

The SPEAKER pro tempore. The time of the gentleman from Iowa [Mr. TAUKE] has expired.

Mr. THOMAS of California. Mr. Speaker, I yield 30 additional seconds to the gentleman from Iowa.

Mr. SWIFT. Mr. Speaker, will the gentleman yield?

Mr. TAUKE. I yield to the gentleman from Washington.

Mr. SWIFT. I would simply like to make two remarks.

If, in fact, the elected Representatives of the people of the United States cannot express an opinion to our media, then who can? It seems to me that if our media in this country are so weak that for us to express an opinion makes them quiver in front of us, then they certainly have turned into jellyfish in the last 10 minutes, because I have never noticed that before.

The second point that I would like to make is that this one story—this one story—on how people vote is a unique story in a democratic society. It is unlike any other, and to ask the news media to withhold from projecting on this one story is not like asking them to withhold news in any other capacity that they face.

I thank the gentleman for yielding.

Mr. SWIFT. Mr. Speaker, I yield 2 minutes to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS of Montana. I thank the gentleman for yielding this time to me.

Mr. Speaker, as the gentleman knows, I have been interested in this issue at least since the last Presidential election. I am a cosponsor on this resolution. I have legislation of my own introduced and I am pleased to join the gentleman in supporting this resolution today.

The marriage between computers and television has created a dilemma for our democracy. The technology which encourages the early projection of election winners before many citizens have voted is a very real form of voter disenfranchisement. The evidence of vote dropoff is more than just anecdotal; it is real and the dropoff has been documented in studies.

Without exception the Congress must protect the right of the press and the right of speech. This is a beginning, but let me say to the Members of the House how I would prefer to do it.

I believe that we should seal all of the ballot boxes, seal them from everyone, not just the press, until the last poll has closed. Now, I understand that that will mean that some people on the east coast might have to wait 3 hours before they know who their new President is, but after all, those same people waited 3 months to find out who shot J.R. They ought to be able to wait 3 hours to avoid the disenfranchisment of voters in my State of Montana and throughout the West and Midwest.

The freedom of speech and the press in this instance, nudges up against the right of people to vote and know that that vote is meaningful. This is a first step in solving that dilemma. I support it, but say to my friends, we may have further to go.

Mr. THOMAS of California. Mr. Speaker, I yield 3 minutes to the gentleman from Washington [Mr. PRITCHARD].

Mr. PRITCHARD. I thank the gentleman for yielding this time to me.

Mr. Speaker, I want to thank and commend the chairman, the gentleman from Washington [Mr. SWIFT], and the gentleman from California [Mr. THOMAS] for this very excellent effort.

Let us be very clear about what we are doing here. Somebody said, "Where do you draw the line?" Well, you draw the line the moment the election starts. If the papers, and magazines, and radio, and TV want to put out polls, fine. We all know how sometimes they are accurate and sometimes they are not, but we draw the line once people start voting.

Some of the people have said, "Well, the networks cannot make those judgments." I was in a hearing and I asked each one of the three TV stations in our area what they would do if I came down at 9 o'clock the morning of an election with absolute proof that my opponent had been in a bank robbery 10 years earlier. I said, "What are you going to do with that?"

They said, "Well, you know we do not touch any political claims the day of the election."

I said, "You do not touch any political claims the day of the election? There is no question. My opponent is a bank robber, and proven, and it is 9 o'clock, the polls have started."

They said, "Well, we cannot touch that."

I said, "Why?"

They said, "Well, that is our policy."

"Is it too much to ask that they lay off on exit polling during the election?" They have already admitted that they make judgments on election day. They admit it. But now they say they cannot back off on exit polling, and you and I know that is nonsense.

We are only taking as short step if we move at this time, but somehow down the road we are going to have to solve this. If you do not believe that elections are changed, you just come to the State of Washington and check out the results in the last election. We know it. But if you still do not believe it, then I would say, we cannot afford to have the perception of an election that is twisted. We cannot have a perception through America that somehow, well, after about 5 o'clock or 6 o'clock, then things start to change.

The reason I am so upset is that our State legislature passed a law that said these people had to stay 300 feet away from the polls. That is what we do for campaigning, taking signature, anything else, you have to stay away 300 feet. So they passed it and what did networks do? They have gone into court to fight that action.

We have to be sure that the perception of Americans is that elections are terribly important and no one is twisting the events or twisting the final results because they get a little commercial advantage.

I urge you to pass this small step.

☐ 1400

Mr. SWIFT. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. ECKART].

Mr. ECKART. Mr. Speaker, I thank my friend, the gentleman from Washington, and I applaud his efforts and the efforts of my friend, the gentleman from California, on this resolution.

Let me deal with some of the issues that a few Members have made before me. There is a dramatic difference between reporting the news and making the news. I submit to my friends on the floor today that what we see today with exit polling being given out during the course of an election is not the reporting of the election but the making of the election.

Mr friend, the gentleman from Ohio [Mr. GRADISON], spoke of the chilling effect on the first amendment. Is there not a similar chilling effect on the 45-year-old blue-collar automobile worker living in an ethnic neighborhood, sitting down for his supper, watching the television, having not yet voted but having just returned home from work, and seeing a television reporter standing in front of his neighborhood school saying that all 45-year-old white blue-collar automobile workers, based on his poll, are voting for Mr. Reagan or for Mr. MONDALE? Is that not a chilling effect that has the same effect as a lawn sign in front of every yard in that automobile worker's neighborhood itself? I submit to you that it is.

What is the difference between polls that are conducted several days in advance by Gallup and a poll conducted while the polls are closing? There is a dramatic difference. We allow people to go door to door up to the day of the election. We do not let them stand in the polling place door on the day of the election.

Exit polls can be helpful. They are an absolute boon to the political scientist in dissecting the returns, but after the returns are in. The spontaneity of television is so dramatically different that to equate its impact with the restraint or lack of restraint on newspapers is to understate the importance of the electronic medium in the world today as we know it.

Predictions are not characterizations. As my friend, the gentleman from California, pointed out, they both operate under the same false and assumed name. And let us not get our system into the same position that Mike Royko offered in his unsolicited advice to the people of Chicago to lie to the exit pollers so we could have some fun on election night again.

Mr. Speaker, this resolution is a small step but an important first step, because I say to the major networks that if they do not do this voluntarily, there are those of us who will seek other ways to deal with what we feel is a fundamental threat to our democracy.

Mr. THOMAS of California. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, I want to add my congratulations to the chairman of the Task Force on Elections, the gentleman from Washington [Mr. SWIFT], and the ranking minority member, the gentleman from California [Mr. THOMAS]. They, in addition to at least two other subcommittee chairmen who have both spoken already, have told this body that they believe House Concurrent Resolution 321 should be passed. So do I.

Mr. Speaker, this is a most moderate, very beginning step in dealing with the problem. The resolution does not say that decreased voter participation has been proved. It merely says the projections may have decreased voter participation, and that these kinds of projections undermine the belief of individuals in the importance of their votes.

I believe those statements are accurate. As a matter of fact, I think personally that probably the turnout was decreased as a result of these projections.

But certainly the task force has chosen the path of moderation both in its findings and in its recommendations. The networks are not forced to do anything, nor is any element of the Fourth Estate harassed or forced in any way. We are simply telling them what we think is right under the circumstances.

It seems to me that occasionally the Fourth Estate should be provided with a little advice and counsel. It gives it to us frequently enough. Occasionally we take its advice. It would not be such a bad idea if they took some of ours.

Projections from exit polls are becoming an increasingly important problem. It is far more important in the West. Those of us who live in the East and the Midwest tend to laugh it off, but it is not a laughing matter for those who find election results predicted while they are still standing in line.

Mr. Speaker, I think this resolution is an important first step, and I congratulate the authors and proponents and hope that the concurrent resolution is promptly passed.

Mr. SWIFT. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. MINETA]

Mr. MINETA. Mr. Speaker, I wish to commend our colleagues, the gentlemen from Washington and California for their leadership in bringing this matter before us and I rise in support of the resolution. It is especially appropriate that we consider the resolution before us today in this election year. This resolution calls on the broadcast media to voluntarily refrain from the characterization or projection of election results until all polls have closed on election day. Further, it calls on the broadcast industry to adopt guidelines to ensure that information gained from exit interviews is not employed to make early projections. I believe these are reasonable requests to make of the media, inasmuch as the early broadcast of election projections has been shown to have a seriously detrimental effect on voter turnout.

In the 1980 Presidential election, in my home State of California alone, it is estimated that over 400,000 voters did not exercise their franchise because early election projections made them feel that their vote, their most direct contribution to our democracy, had been rendered unimportant. Numerous eyewitnesses in the Western United States saw voters walk away from the polls upon hearing these projections. This is a sad, sad state of affairs, with critical ramifications for the health of our democracy. Just about 53 percent of eligible voters cast a ballot in that election, the lowest turnout in 32 years, with the result being that the President was elected by only 27 percent of eligible Americans.

Another poll showed that 74 percent of California's voters would prefer not to hear predictions before the polls closed. There is a clear public call for restraint on the part of the media. This resolution is an opportunity for the Congress to call on the press to do what they can to promote, and not discourage, voter participation. I urge my colleagues to support this resolution as well.

The SPEAKER pro tempore. The Chair will state that the gentleman from Washington [Mr. SWIFT] has 2½ minutes remaining and the gentleman from California [Mr. THOMAS] has 2½ minutes remaining.

Mr. SWIFT. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. BIAGGI].

Mr. BIAGGI. Mr. Speaker, I rise today in full support of House Concurrent Resolution 321, which expresses the sense of Congress that the media should voluntarily refrain from using exit polls and other means to project the outcome of elections before all polling places close. In fact, I had joined a number of my colleagues in consponsoring a similar measure, House Resolution 395, earlier this Congress.

Since prior to the 1980 election, I have been deeply concerned about the negative impact early election projections by the media can have on our election process. Technological advancements and improved polling techniques, particularly in the area of exit polls, have raised even greater concern about the problem of early election projections. That is why I have authored legislation (H.R. 84 and H.R. 4618) calling for same-time voting, which would prevent the media from using actual voting results from the East to predict a Presidential election outcome before the polling places in other parts of the country have closed. While Congress continues to debate the issue of same-time voting and other similar reforms aimed at stimulating voter turnout, I believe the voluntary efforts called for in House Concurrent Resolution 321 to deal with the early election projection problem are more than a fair and warranted short-term solution to the problem.

Although I have along sought to resolve the early election projection problem, I strongly believe that any solution must not infringe on the media's constitutional right to report the news. The provisions of House Concurrent Resolution 321 are consistent with that belief. Simply put, this resolution seeks to remind the media that their role should continue to be news reporters, and not newsmakers.

Admittedly, there has been a limited amount of research done on the impact of early election projections. However, the information that does exist indicates that these early projections do result in fewer voters going to the polls, an occurrence that could alter the outcome of an election. In fact, many, including myself, have pointed to the election defeat of our former colleague, James Corman, as a prime example of how early election projections can affect the outcome of an election. Consider, for example, that Mr. Corman lost his Los Angeles County seat by only 752 votes—less than one-half a percentage point—in his 1980 House reelection bid. Although we will never know for certain, it is very possible that this small margin of defeat could have been reversed if not for the fact that the voter turnout in Mr. Corman's 21st Congressional District declined by more than 5½ percent from 1976—the previous Presidential election year. This decline was 10 times greater than the national decline for that same period and, based on a number of studies, must be attributable at least in part to the early election projection that year in the Presidential race—a projection that was made some 3 hours before the polls were to close in Mr. Corman's district.

A study released in October 1981 by the Center for Political Studies at the University of Michigan concluded that overall voter turnout declined by 6 to 11 percent as a result of the early projections during the 1980 election. This study, which was funded in part by ABC News, also found that 47 percent of those surveyed heard the projected winner announced before local poll closing time, and that "exposure to projections of the election outcome alters individual decisions about voting."

Other similar studies were highlighted by the following findings:

First, the number of Los Angeles County voters who went to the polls after 6 p.m. [PST] declined by 3.23 percent from 1976 to 1980—when one television network predicted a Reagan victory at 5:15 p.m. local time;

Second, 1 in 10 of those registered nonvoting Californians surveyed blamed their failure to vote—in the 1980 election—on the early network projections;

Third, the network's early projection of the 1972 Nixon victory was responsible for a 2.7-percent shortfall in voter turnout; and

Fourth, 74 percent of those Californians surveyed said they favored prohibiting early election projections.

Regardless of those findings, though, the point is that this resolution asking the media to refrain from making election projections until all polls have closed makes good sense. We may never know to what extent early election projections influence voter activity, but the evidence strongly suggests that early election projections have some negative effect on voter turnout, without any positive tradeoff. Clearly, this is a situation that should not be allowed to continue and I believe a voluntary effort on the part of the media is a good place to start.

Ultimately, however, I remain convinced that same-time 24-hour voting, as proposed in my bill, H.R. 4618, offers us the best opportunity to deal with the problems of early election projections and voter inconvenience—two key factors that contribute to our Nation's dismal voter turnout rate, a trend that appears to be continuing based on recent 1984 primary election turnout figures.

Even with same-time voting, however, we need a commitment from the media that they will not use exit polls to project an election winner before all polls are closed. House Concurrent Resolution 321 calls for such a voluntary commitment and I applaud its sponsor, Mr. Swift, for his sincere and diligent efforts to help develop solutions to the flaws that exist in our current elections process—flaws that have resulted in dangerously low voter turnout figures in our Nation.

Mr. Speaker, House Concurrent Resolution 321 makes good sense and I urge my colleagues to join me in voting for this important and very responsible measure.

● Mr. WILSON. Mr. Speaker, the right to vote, one of the most basic of all American rights and duties, has been handicapped in recent years by broadcast media use of exit polling and projected returns. Studies show that voter turnout is significantly reduced when the voter believes a trip to the polls will be wasted on a contest that already has a winner.

The significance of just one vote—and the difference a few ballots can make—has been demonstrated in Texas and several times in U.S. electoral history by races that were decided by a handful of votes. It is time for us to make a statement against this use of speculative journalism that has nothing to do with hard news, and yet is so persuasive to the American public. I urge my colleagues to support House Concurrent Resolution 321, to express the sense of Congress that all broadcast news media should avoid projecting election results or suggesting probable winners in an election before the close of all participating polls.●

● Mr. LEVINE of California. Mr. Speaker, I rise in support of House Concurrent Resolution 321 which expresses Congress' concern regarding the adverse impact of early projections of election results by the news media. This resoution prudently calls on the networks to refrain voluntarily from projecting election results before all polls for all offices have closed.

Throughout this Presidential primary season, we have watched and listened to the networks predict winners while the polls were still open. In the case of the Iowa caucuses, the networks went so far as to declare a winner before the caucus voting had even begun. While early election projections make for great television drama and attract viewing audiences, they also have a significantly stifling effect on voter participation.

In my home State of California, it has been reported that in 1980, more than 400,000 people did not vote after hearing election day projections. As part of a broader investigation, the House Election Task Force concluded that early 1980 election projections discouraged voters across the country from going to the polls. The Task Force also found that in aggravating the problem of declining voter participation, early election projections could easily affect the outcome of close races.

Unless Americans feel confident that their votes count, they will be understandably discouraged from voting. As long as networks continue to make election projections before all polls have closed, many disenfranchised Americans will stay away from the polls, fully rejecting the notion that it's not over until it's over.

This resolution asks broadcasters to show voluntary restraint in their coverage of elections. At a time when nearly half the registered population neglects to vote, we can ill afford to tolerate practices which further discourage voter participation in the electoral process. This resolution should remind us that our Government can only serve the public interest to the extent that the public takes an interest in its government. In sacrificing the possibility of increasing television ratings, the networks would definitely be serving the public interest by adhering to the terms of this resolution.●

● Mr. **ROYBAL**. Mr. Speaker, I am from California, and I can speak from personal knowledge about the importance of House Concurrent Resolution 321.

In 1980, as we all know, the networks projected the winner of the Presidential election long before the polls closed on the west coast. We also know that voters in line at the polls, upon hearing that the election had already been decided, turned away and went home without voting. After all, they said, their votes no longer mattered. A winner had been determined, so what was the point of waiting in line?

They were wrong. More than 400,000 Californians did not go to the polls after hearing these projections, and many election experts believe these votes could have made a great deal of difference in certain close Congressional and local races. Results could have even been reversed if the networks had not acted as they did in discouraging voters for the sake of their scoops.

In 1980, it was primarily Democrats who were affected by the network projections. Next time around, the situation could be reversed. In the name of fair play for candidates of every party whose careers could be riding on just a few votes, and for the sake of the American people who should not be made to feel disenfranchised, I urge my colleagues to support this resolution. We would not be impinging the freedom of the press, because we would not be requiring them to do anything. We would simply be asking them to voluntarily refrain from projecting election results before all the polls have closed.

In fact, I don't see why the networks or any other member of the news media should object to acting in this responsible manner. Whenever the FCC tries to exert any influence over the industry, we are met with a storm of protest declaring that the media is made up of responsible, caring, civic-minded organizations and are perfectly capable of policing themselves.

However, it is clear from the coverage of the Democratic primaries that the networks do not intend to set up responsible guidelines for exit polling or to refrain from projecting results before the polls close. And we all know that with today's rapid technological advances the problem will be exacerbated with each election.

We need to send the message that the American people are standing by to take note of just how fair and civic minded the news media really is. If this concurrent resolution or the public outcry can goad them into positive action, so much the better. If it does not, we will have to explore other possibilities. In any case, it is up to all of us to achieve a workable solution, and this resolution can be a step in the right direction. I urge you to vote for House Concurrent Resolution 321.●

☐ 1410

Mr. **THOMAS** of California. Mr. Speaker, in the few moments remaining I want to make sure that everyone understands just exactly what we have before us. One of the speakers earlier indicated there was a concern we were going to intimidate the fourth estate. Would that were the case, that we could intimidate the fourth estate with a simple nonbinding resolution.

Anyone who attended the hearings either with the Telecommunications Subcommittee or jointly with the task force or with the task force by themselves would readily admit that intimidating the fourth estate is not something easily done.

In addition, this is not Congress versus the fourth estate. Wire services, a number of newspapers, some of the electronic media themselves indicated that they were in support of what we were doing. It is not just us versus them.

Finally, I would say that this resolution is simply asking the networks to voluntarily refrain from announcing their exit polling results or characterizing those results while the actual voting places are still open, and that is all.

To adopt guidelines so that when they deal with the question of their exit polls, which some of us wonder is news in the first place, that they adopt guidelines and voluntarily restrain from releasing the exit polling results or characterizing those results while the polling places are still open. That is the thrust of the resolution.

Mr. **TAUKE**. Mr. Speaker, will the gentleman yield?

Mr. **THOMAS** of California. I yield to the gentleman from Iowa.

Mr. **TAUKE**. Mr. Speaker, is the gentleman suggesting that the resolution deals only with exit polls and not projections based on something other than exit polls, such as projections based on actual results?

Mr. **THOMAS** of California. The resolution says that you ought not to characterize or project results of an election for an office before the polls close.

It is very difficult for this gentleman from California to understand how you project results of a contest before the polls are closed without actual polling material, since it is not available until the polls close.

Mr. **TAUKE**. Very simply; for example, New York and all the States east of the Mississippi have found that candidate A is the winner of a Presidential race, the networks are probably going to figure out he has 280-plus electoral votes and has the votes to win and may project that.

Now, does this resolution suggest that that projection should not be made because there would be polls open in other parts of the country?

Mr. **THOMAS** of California. No. The projection is the question of the sampling of votes within a given area. If a candidate had a majority of the electoral college in States where the polls have closed, the reporting would be based on actual results not on exit polling before the polls close.

Mr. **SWIFT**. Mr. Speaker, I yield myself the remainder of the time.

The New York Times, commenting on the network coverage of the New York primary, said:

> The boldest report was on NBC: "In New York, where the polls are still open, Mondale appears to be winning by a decisive margin. Interviews with voters leaving the polling places indicate that Mondale is the first choice of most groups." Note the words winning and decisive. The language was more measured on CBS ("This may be a big night for Walter Mondale and Jesse Jackson") and ABC ("It appears to be going well for Walter Mondale"). Appears from what? On all three networks, the point was unmistakable; Sure, dear viewer, there are 2 hours of voting left, but never mind, things are all wrapped up.

Mr. Speaker, I urge my colleagues to support the resolution.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Washington [Mr. SWIFT] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 321.

The question was taken.

Mr. **SWIFT**. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. SWIFT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the concurrent resolution just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 5, rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 5885, by the yeas and nays; and House Concurrent Resolution 321, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

HEAD START AND HUMAN SERVICES AMENDMENTS OF 1984

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 5885.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina [Mr. ANDREWS] that the House suspend the rules and pass the bill, H.R. 5885, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 409, nays 10, not voting 14, as follows:

[Roll No. 265]

YEAS—409

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Aspin
AuCoin
Barnard
Barnes
Bartlett
Bateman
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Bethune
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bryant
Burton (CA)
Burton (IN)
Byron
Campbell
Carney
Carper
Carr
Chandler
Chappell
Chappie
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conable
Conte
Conyers
Cooper
Corcoran
Coughlin
Courter
Coyne
Crockett
D'Amours
Daniel
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dicks
Dingell
Donnelly
Dorgan
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dyson
Early
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Fiedler
Fields
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Fuqua
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gore
Gradison
Gramm
Gray
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (UT)
Harkin
Harrison
Hartnett
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hertel
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kogovsek
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Markey
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McNulty
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Patman
Patterson
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Rahall
Rangel
Ratchford
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Rudd
Russo
Sabo
Savage
Sawyer
Schaefer
Scheuer
Schneider
Schroeder
Schulze
Schumer
Seiberling
Sharp
Shaw
Shelby
Shuster
Sikorski
Siljander
Simon
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traxler
Udall
Valentine
Vander Jagt
Vandergriff
Vento
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NAYS—10

Badham
Cheney
Craig
Crane, Daniel
Crane, Philip
Dannemeyer
Paul
Shumway
Smith, Denny
Stump

NOT VOTING—14

Dickinson
Dixon
Dymally
Erlenborn
Frost
Gingrich
Hall (IN)
Hansen (ID)
Hunter
Lewis (CA)
McKinney
Sensenbrenner
Shannon
Towns

□ 1430

Messrs. BADHAM, DENNY SMITH, and DANNEMEYER changed their votes from "yea" to "nay."

Mrs. VUCANOVICH and Mr. KEMP changed their votes from "nay" to "yea."

Mr. DORGAN changed his vote from "present" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. DICKINSON. Mr. Speaker, on the vote on H.R. 5885, Head Start and social services, I was unavoidably detained in conference with the Senate and was not here to vote.

Had I been present, I would have voted "yea."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on the additional motion to suspend the rules on which the Chair has postponed further proceedings.

EXPRESSING SENSE OF CONGRESS WITH RESPECT TO ADVERSE IMPACT OF EARLY PROJECTIONS OF ELECTION RESULTS BY NEWS MEDIA

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, House Concurrent Resolution 321.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Washington [Mr. SWIFT] that the House suspend the rules and agree to the concurrent resolution (H. Con. Res. 321) on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 352, nays 65, not voting 16, as follows:

[Roll No. 266]

YEAS—352

Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
AuCoin
Barnard
Barnes
Bartlett
Bateman
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Brown (CA)
Bryant
Burton (CA)
Burton (IN)
Byron
Campbell
Carney
Carper
Carr
Chandler
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conable
Conte
Conyers
Cooper
Corcoran
Coughlin
Courter
Craig
Crane, Daniel
Crane, Philip
Crockett
D'Amours
Daniel
Dannemeyer
Darden
Daschle
Davis
de la Garza
Dellums
Dickinson
Dicks
Dingell
Donnelly
Dorgan
Dowdy
Downey
Durbin
Dwyer
Dyson
Early
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Franklin
Frenzel
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Goodling
Gore
Gray
Gregg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hance
Hansen (UT)
Harkin
Harrison
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hightower
Hillis
Holt
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Ireland
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kazen
Kennelly
Kildee
Kleczka
Kogovsek
LaFalce
Lagomarsino
Lantos
Leath
Lehman (CA)
Lehman (FL)
Leland
Levin
Levine
Lewis (FL)
Lipinski
Lloyd
Loeffler
Long (LA)
Lott
Lowry (WA)
Lujan
Lundine
Lungren
Mack
MacKay
Madigan
Markey
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McNulty
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell
Moakley
Mollohan
Montgomery
Moody
Moore
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Oxley
Packard
Panetta
Parris
Patman
Patterson
Pease
Penny
Pepper
Perkins
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Rahall
Rangel
Ratchford
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Rudd
Russo
Sabo
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schulze
Seiberling
Sharp
Shelby
Shumway
Shuster
Sikorski
Siljander
Simon
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traxler
Udall
Valentine
Vander Jagt
Vandergriff
Vento
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Williams (MT)
Williams (OH)
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Young (AK)
Young (MO)

NAYS—65

Ackerman
Archer
Badham
Bethune
Bliley
Broomfield
Brown (CO)
Broyhill
Chappie
Coyne
Daub
DeWine
Dreier
Duncan
Fiedler
Fields
Frank
Gekas
Glickman
Gonzalez
Gradison
Gramm
Green
Hammerschmidt
Hartnett
Hertel
Hiler
Hopkins
Hyde
Jacobs
Kemp
Kindness
Kolter
Kostmayer
Kramer
Latta
Levitas
Livingston
Lowery (CA)
Luken
McCollum
Molinari
Moorhead
Murphy
Myers
Pashayan
Paul
Petri
Roemer
Schaefer
Schumer
Shaw
Snyder
Solomon
Stump
Tauke
Taylor
Walker
Weber
Whitehurst
Whittaker
Winn
Yatron
Young (FL)
Zschau

NOT VOTING—16

Derrick
Dixon
Dymally
Erlenborn
Frost
Gingrich
Hall (IN)
Hansen (ID)
Leach
Lent
Lewis (CA)
Long (MD)
McKinney
Sensenbrenner
Shannon
Towns

□ 1440

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE PRESIDENT'S COMMISSION ON ORGANIZED CRIME TO COMPEL ATTENDANCE AND TESTIMONY OF WITNESSES AND THE PRODUCTION OF INFORMATION

Mr. HUGHES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H.J. Res. 548) authorizing the President's Commission on Organized Crime to compel the attendance and testimony of witnesses and the production of information, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the resolving clause and insert:

TAKING OF TESTIMONY AND RECEIPT OF EVIDENCE

SECTION 1. The Commission established by the President by Executive Order 12435, dated July 28, 1983 (hereinafter in this joint resolution referred to as the "Commission"), may hold hearings. The powers authorized by this resolution shall be limited to the purposes set forth in section 2 of that Executive order. The Commission, or a member of the Commission or member of the staff of the Commission designated by the Commission for such purpose, may administer oaths and affirmations, examine witnesses, and receive evidence.

SUBPENA POWER

SEC. 2. (a) The Commission, or any member of the Commission when so authorized by the Commission, shall have the power to issue subpenas requiring the attendance and testimony of witnesses and the production of information relating to a matter under investigation by the Commission. A subpena may require the person to whom it is directed to produce such information at any time before such person is to testify. Such attendance of witnesses and the production of such evidence may be required from any place within the jurisdiction of the United States at any designated place of interview or hearing. A person to whom a subpena issued under this subsection is directed may for cause shown move to enlarge or shorten the time of attendance and testimony, or may move to quash or modify a subpena for the production of information if it is unreasonable or oppressive. In the case of a subpena issued for the purpose of taking a deposition upon oral examination, the person to be deposed may make any motion permitted under rule 26(c) of the Federal Rules of Civil Procedure.

(b)(1) In case of contumacy or refusal to obey a subpena issued to a person under this section, a court of the United States within the jurisdiction of which the person is directed to appear or produce information, or within the jurisdiction of which the person is found, resides, or transacts business, may upon application by the Attorney General, issue to such person an order requiring such person to appear before the Commission, or before a member of the Commission or a member of the staff of the Commission designated by the Commission for such purpose, there to give testimony or produce information relating to the matter under investigation, as required by the subpena. Any failure to obey such order of the court may be punished by the court as a contempt thereof.

(2) The Commission is an agency of the United States for the purpose of rule 81(a)(3) of the Federal Rules of Civil Procedure.

(c) Process of a court to which application may be made under this section may be served in a judicial district wherein the person required to be served is found, resides, or transacts business.

TESTIMONY OF PERSONS IN CUSTODY

SEC. 3. A court of the United States within the jurisdiction in which testimony of a person held in custody is sought by the Commission or within the jurisdiction of which such person is held in custody, may, upon application by the Attorney General, issue a writ of habeas corpus as testificandum requiring the custodian to produce such person before the Commission, or before a member of the Commission or a member of the staff of the Commission designated by the Commission for such purpose.

IMMUNITY

SEC. 4. The Commission is an agency of the United States for the purpose of part V of title 18 of the United States Code.

SERVICE OF PROCESS; WITNESS FEES

SEC. 5. (a) Process and papers issued pursuant to this resolution may be served in person, by registered or certified mail, by telegraph, or by leaving a copy thereof at the residence or principal office or place of business of the person required to be served. When service is by registered or certified mail or by telegraph, the return post office receipt or telegraph receipt therefor shall be proof of service. Otherwise, the verified return by the individual making service, setting forth the manner of such service, shall be proof of service.

(b) A witness summoned pursuant to this resolution shall be paid the same fees and mileage as are paid witnesses in the courts of the United States, and a witness whose deposition is taken and the person taking the same shall severally be entitled to the same fees as are paid for like services in the courts of the United States.

ACCESS TO OTHER RECORDS AND INFORMATION

SEC. 6. (a)(1) The investigative activities of the Commission are civil or criminal law enforcement activities for the purposes of section 552a(b)(7) of title 5, United States Code, except that section 552a(c)(3) shall apply after the termination of the Commission.

(2) The Commission is a Government authority, and an investigation conducted by the Commission is a law enforcement inquiry, for the purposes of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401 et seq.). Any delay authorized by court order in the notice required under that Act shall not exceed the life of the Commission, including any extension thereof. Notwithstanding a delay authorized by court order, if the Commission elects to publicly disclose the information in hearings or otherwise, it shall give notice required under the Right to Financial Privacy Act a reasonable time in advance of such disclosure.

(b) For the purposes of section 2517 of title 18, United States Code, and as limited by subsection (c), the members and members of the staff of the Commission are investigative or law enforcement officers, except that in the case of a disclosure to or by any member or member of the staff of the Commission of any of the contents of a communication intercepted under section 2516(1) of such title, such disclosure may be made only after the Attorney General or the Attorney General's designee has had an opportunity to determine that such disclosure may jeopardize Federal law enforcement interests and has not made that determination, and in the case of a disclosure to or by any member or member of the staff of the Commission of any of the contents of a communication intercepted under section 2516(2) of such title, such disclosure may be made only after the appropriate State official has had an opportunity to make a determination that such disclosure may jeopardize State law enforcement interests and has not made that determination.

(c)(1) A person to whom disclosure of information is made under this section shall use such information solely in the performance of such person's duties for the Commission and shall make no disclosure of such information except as provided for by this joint resolution, or as otherwise authorized by law.

(2) A disclosure or use by a member or a member of the staff of the Commission of the contents of a communication intercepted under chapter 119 of title 18 of the United States Code may be made solely in the course of carrying out the functions of the Commission as such functions were established by Executive Order 12435, dated July 28, 1983.

FEDERAL PROTECTION FOR MEMBERS AND STAFF OF THE COMMISSION

SEC. 7. Conduct, which if directed against a United States attorney would violate section 111 or 1114 of title 18, United States Code, shall, if directed against a member of the Commission or a member of the staff of the Commission, be subject to the same punishments as are provided by such sections for such conduct.

CLOSURE OF MEETINGS

SEC. 8. The functions of the President under section 10(d) of the Federal Advisory Committee Act (5 U.S.C. App. 10(d)) shall be performed by the Chairman of the Commission.

RULES AND PROCEDURES OF THE COMMISSION

SEC. 9. (a) The Commission shall adopt rules and procedures (1) to govern its proceedings; (2) to provide for the security of records, documents, information, and other materials in its custody and of its proceedings; (3) to prevent unauthorized disclosure of information and materials disclosed to it in the course of its inquiry; (4) to provide the right to counsel to all witnesses examined pursuant to subpena; and (5) to accord the full protection of all rights secured and guaranteed by the Constitution of the United States.

(b) No information in the possession of the Commission shall be disclosed by any member or employee of the Commission to any person who is not a member or employee of the Commission, except as authorized by the Commission and by law.

(c) The term "employee of the Commission" means a person (1) whose services have been retained by the Commission, (2) who has been specifically designated by the Commission as authorized to have access to information in the possession of the Commission, and (3) who has agreed in writing and under oath to be bound by the rules of the Commission, the provisions of this resolution, and other provisions of law relating to the nondisclosure of information.

EFFECTIVE DATES OF RESOLUTION

SEC. 10. This joint resolution shall take effect on the date of enactment and shall remain in effect until the expiration of the Commission, including any extensions thereof, or two years, whichever event occurs earlier.

Mr. HUGHES (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. SAWYER. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from New Jersey if he would please advise us what the Senate amendment does.

Mr. HUGHES. Mr. Speaker, will the gentleman yield?

Mr. SAWYER. I yield to the gentleman from New Jersey.

Mr. HUGHES. I thank the gentleman for yielding.

Mr. Speaker, the Senate has made 10 changes in the House-passed resolution. These are mostly of a technical and noncontroversial nature.

The principal difference from the House-passed resolution is that the commission would not have the authority to directly litigate the enforcement of its subpoenas.

The committee is willing to accept this approach because it has been assured by the Department of Justice that it will promptly act upon Commission requests for enforcement, and will provide attorneys for the Commission a complete opportunity to participate in the proceedings. The committee intends to carefully monitor the enforcement of subpoenas to assure that the Comission is enabled to obtain the testimony and documents that it needs. I might also add that the Chairman of the Commission has written to me that he is quite satisfied with an agreement that the Commission and the Department of Justice have negotiated to assure prompt action to enforce subpoenas if necessary.

The other amendments are technical amendments with respect to rules and procedures to be followed by the Commission with respect to the acquisition and safeguarding of information by the Commission.

This resolution provides the Commission with the authority that it urgently needs to carry out its mission and provides the appropriate safeguards to the public in guiding the investigations of the Commission.

Mr. SAWYER. With that I concur in the amendment, and, Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New Jersey [Mr. HUGHES]?

There was no objection.

The **SPEAKER** pro tempore. Is there objection to the initial request of the gentleman from New Jersey [Mr. HUGHES]?

There was no objection.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3987, NATIONAL ARCHIVES AND RECORDS ADMINISTRATION ACT OF 1984

Mr. BONIOR of Michigan, from the Committee on Rules, submitted a privileged report (Rept. No. 98-862) on the resolution (H. Res. 534) providing for the consideration of the bill (H.R. 3987) to improve the preservation and management of Federal records, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR THE CONSIDERATION OF H.R. 5468, DEPARTMENT OF JUSTICE APPROPRIATION AUTHORIZATION ACT, FISCAL YEAR 1985

Mr. BONIOR of Michigan, from the Committee on Rules, submitted a privileged report (Rept. No. 98-863) on the resolution (H. Res. 535) providing for the consideration of the bill (H.R. 5468) to authorize appropriations to carry out the activities of the Department of Justice for fiscal year 1985, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR THE CONSIDERATION OF H.R. 5602, HEALTH PROFESSIONS AND SERVICES AMENDMENTS OF 1984

Mr. BONIOR of Michigan, from the Committee on Rules, submitted a privileged report (Rept. No. 98-864) on the resolution (H. Res 536) providing for the consideration of the bill (H.R. 5602) to amend titles VII and VIII of the Public Health Service Act to extend the programs of assistance for the training of health professions personnel, to revise and extend the National Health Service Corps Program under that act, and to revise and extend the programs of assistance under that act for health maintenance organizations and migrant and community health centers, which was referred to the House Calendar and ordered to be printed.

WATER QUALITY RENEWAL ACT OF 1984

The **SPEAKER** pro tempore. Pursuant to House Resolution 522 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3282.

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IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3282) to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's waters, and for other purposes, with Mr. KAZEN, Chairman pro tempore in the chair.

The Clerk read the title of the bill.

The **CHAIRMAN.** When the Committee of the Whole rose on Monday, June 18, 1984, all time for general debate had expired.

Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered as an original bill for the purpose of amendment, and each section shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Water Quality Renewal Act of 1984".

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ROE

Mr. ROE. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. ROE: Strike out all after the enacting clause and insert in lieu thereof the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "Water Quality Renewal Act of 1984".

AUTHORIZATIONS OF APPROPRIATIONS

SEC. 2. (a) Section 104(u) of the Federal Water Pollution Control Act is amended—

(1) in clause (1), by inserting after "September 30, 1982," the following: "and not to exceed $22,770,000 per fiscal year for each of the fiscal years ending September 30, 1983, September 30, 1984, September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988,";

(2) in clause (2), by striking out "and $3,000,000 for fiscal year 1982" and inserting in lieu thereof the following: "$3,000,000 for fiscal year 1982, and $3,000,000 per fiscal year for each of the fiscal years ending September 30, 1983, September 30, 1984, September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988"; and

(3) in clause (3), by striking out "and $1,500,000 for fiscal year 1982," and inserting in lieu thereof the following: "$1,500,000 for fiscal year 1982, and $1,500,000 per fiscal year for each of the fiscal years ending September 30, 1983, September 30, 1984, September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988".

(b) Section 106(a)(2) of the Federal Water Pollution Control Act is amended by inserting after "1982" a comma and the following: "and $75,000,000 per fiscal year for each of the fiscal years 1983, 1984, 1985, 1986, 1987, and 1988".

(c) Section 112(c) of the Federal Water Pollution Control Act is amended by striking out "and $7,000,000 for the fiscal year ending September 30, 1982," and inserting in lieu thereof the following: "$7,000,000 for the fiscal year ending September 30, 1982, and $7,000,000 per fiscal year for each of the fiscal years ending September 30, 1983, September 30, 1984, September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988,".

(d) Section 208(f)(3) of the Federal Water Pollution Control Act is amended by striking out "and September 30, 1982" and inserting in lieu thereof "September 30, 1982, September 30, 1983, September 30, 1984, September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988".

(e) Section 208(j)(9) of the Federal Water Pollution Control Act is amended by inserting after "1982," the following: "and $100,000,000 per fiscal year for each of the fiscal years ending September 30, 1983, September 30, 1984, September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988,".

(f) Section 304(k)(3) of the Federal Water Pollution Control Act is amended by striking out "1983" and inserting in lieu thereof "1988".

(g) Section 314(c)(2) of the Federal Water Pollution Control Act is amended by striking out "and $30,000,000 for fiscal year 1982" and inserting in lieu thereof the following: "$30,000,000 for fiscal year 1982, and $30,000,000 per fiscal year for each of the fiscal years 1983, 1984, 1985, 1986, 1987, and 1988".

(h) Section 517 of the Federal Water Pollution Control Act is amended by striking out "and $161,000,000 for the fiscal year ending September 30, 1982" and inserting in lieu thereof "$161,000,000 for the fiscal year ending September 38, 1982, and $160,000,000 per fiscal year for each of the fiscal years ending September 30, 1983, September 30, 1984, September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988".

AUTHORIZATIONS FOR CONSTRUCTION GRANTS

SEC. 3. Section 207 of the Federal Water Pollution Control Act is amended by striking out "and for the fiscal years ending September 30, 1982, September 30, 1983, September 30, 1984, and September 30, 1985, not to exceed $2,400,000,000 per fiscal year" and inserting in lieu thereof "for the fiscal year ending September 30, 1982, and September 30, 1983, not to exceed $2,400,000,000 per fiscal year; for the fiscal year ending September 30, 1984, not to exceed $2,400,000,000; for the fiscal year ending September 30, 1985, not to exceed $2,900,000,000; and for the fiscal years ending September 30, 1986, September 30, 1987, and September 30, 1988, not to exceed $3,400,000,000 per fiscal year".

COMPLIANCE DEADLINES

SEC. 4. (a) Section 301(b)(2)(C) of the Federal Water Pollution Control Act is amended to read as follows:

"(C) for all toxic pollutants referred to in table 1 of Committee Print Numbered 95-30 of the Committee on Public Works and Transportation of the House of Representatives compliance with effluent limitations in accordance with subparagraph (A) of this paragraph as expeditiously as possible, but in no case later than three years and six months after the date such limitations are established;".

(b) Section 301(b)(2)(D) of the Federal Water Pollution Control Act is amended by striking out "not later than three years after the date such limitations are established" and inserting in lieu thereof "as expeditiously as possible, but in no case later than three years and six months after the date such limitations are established".

(c) Section 301(b)(2)(E) of the Federal Water Pollution Control Act is amended by striking out "1984" and inserting in lieu thereof "1987".

(d) Section 301(b)(2)(F) of the Federal Water Pollution Control Act is amended to read as follows:

"(F) for all pollutants (other than those subject to subparagraph (C), (D), or (E) of this paragraph) compliance with effluent limitations in accordance with subparagraph (A) of this paragraph as expeditiously as possible, but in no case later than three years and six months after the date such limitations are established.".

(e) The Administrator of the Environmental Protection Agency shall promulgate final regulations establishing effluent limitations in accordance with sections 301(b)(2)(A) and 307(b)(1) of the Federal Water Pollution Control Act for all toxic pollutants referred to in table 1 of Committee Print Numbered 95-30 of the Committee on Public Works and Transportation of the House of Representatives which are discharged from the categories of point sources in accordance with the following table:

Category	Date by which the final regulation shall be promulgated
Foundries	June 30, 1984
Inorganic chemicals (phase II).	June 30, 1984.
Nonferrous metals forming.	October 31, 1984.
Organic chemicals and plastics and synthetic fibers.	February 28, 1985.
Pesticides	November 30, 1984.
Plastics molding and forming.	September 30, 1984.
Nonferrous metals (phase II).	November 30, 1984.

INDIVIDUAL CONTROL STRATEGIES FOR TOXIC POLLUTANTS

SEC. 5. (a) Section 304 of the Federal Water Pollution Control Act is amended by adding at the end thereof the following new subsection:

"(l)(1) Not later than one year after the date of enactment of this subsection, the Administrator, in cooperation with the States and after notice and opportunity for public comment, shall publish in the Federal Register a list of all navigable waters in each State for which the Administrator does not expect the applicable standard under section 303 of this Act will be achieved after the requirements of sections 301(b), 306, and 307(b) are met, due entirely or substantially to discharges from point sources of any toxic pollutants listed pursuant to section 307(a). For each segment of the navigable waters included on such list, the Administrator shall determine the specific point sources discharging any such toxic pollutant which is believed to be preventing or impairing such water quality and the amount of each such toxic pollutant discharged by each such source. At a minimum, the Administrator shall consider for listing under this subsection any navigable waters for which any person submits a petition to the Administrator for listing not later than 120 days after the date of enactment of this subsection.

"(2) Not later than one year after the date of publication of the list required by paragraph (1) of this subsection, the Administrator, in cooperation with the States, shall issue proposed regulations setting forth, for each listed segment of the navigable waters, an individual control strategy. Each individual control strategy shall produce a reduction in the discharge of toxic pollutants from point sources identified by the Administrator under paragraph (1) through the establishment of effluent limitations under section 302 of this Act and water quality standards under section 303(c)(4)(B) of this Act, which reduction is sufficient, in combination with existing controls on point and nonpoint sources of pollution, to achieve the applicable water quality standard as soon as possible, but not later than three years after the date of promulgation of the final strategy. Not later than 180 days after issuing the proposed regulations, the Administrator shall promulgate each individual control strategy as a final regulation.

"(3) The Administrator shall implement each individual control strategy promulgated under paragraph (2) by modifying or requiring the modification of permits under section 402 of this Act.".

(b) Section 509(b)(1) of the Federal Water Pollution Control Act is amended by striking out "and (F)" and inserting in lieu thereof "(F)" and by inserting after "any permit under section 402," the following: "and (G) in promulgating any individual control strategy under section 304(l),".

CIVIL PENALTIES

SEC. 6. (a) Section 309(d) of the Federal Water Pollution Control Act is amended by striking out "$10,000" and inserting in lieu thereof "$20,000".

(b) The Federal Water Pollution Control Act shall not be construed as requiring a State to have a civil penalty for violations described in such section 309(d) which have the same monetary amount as the civil penalty established by such section, as amended by subsection (a) of this section.

STUDY OF EFFECTS OF DAMS ON WATER QUALITY

SEC. 7. Section 516 of the Federal Water Pollution Control Act is amended by adding at the end thereof the following new subsection:

"(f) The Administrator, in cooperation with interested States and Federal agencies, shall study and monitor the effects on the quality of navigable waters attributable to the impoundment and discharge of water by dams. The results of such study, together with any recommendations for the control of such impoundment and discharge, shall be submitted to Congress not later than December 31, 1985.".

CONTROL OF NONPOINT SOURCES OF POLLUTION

SEC. 8. (a) Title III of the Federal Water Pollution Control Act is amended by adding at the end thereof the following new section:

"NONPOINT SOURCE CONTROL IMPLEMENTATION PROGRAMS

"SEC. 319. (a)(1) The Governor of each State shall prepare and submit to the Administrator for his approval, a report which—

"(A) identifies those portions of the navigable waters within the State which, as a result (in whole or in part) of pollution from nonpoint sources, are not meeting applicable water quality standards or the goals and requirements of this Act;

"(B) identifies those categories and subcategories of nonpoint sources which add significant pollution to each portion of the navigable waters identified under subparagraph (A) in amounts which contribute to such portion not meeting such water quality standards or such goals and requirements;

"(C) identifies and describes State and local programs for controlling pollution added from nonpoint sources to, and improving the quality of, each such portion of the navigable waters, including but not limited to those programs which are receiving Federal assistance under subsection (i); and

"(D) describes the process, including intergovernmental coordination and public participation, for identifying best management practices and measures to control each category and subcategory of nonpoint sources identified under subparagraph (B) and to reduce, to the maximum extent practicable, the level of pollution resulting from such category or subcategory.

"(2) Each report submitted under paragraph (1) shall be based on available information including, but not limited to, information available under sections 208, 303(e), 304(f), and 305(b) of this Act, and may include all or part of any water quality management program approved under section 208 or 303 of this Act.

"(b)(1) The Governor of each State shall prepare and submit to the Administrator for his approval—

"(A) a plan which such State proposes to implement in the first four fiscal years beginning after the date of submission of such plan for controlling pollution added from nonpoint sources to the navigable waters within the State and improving the quality of such waters; and

"(B) a report which (i) identifies each department, agency, or instrumentality of the United States and each department, agency, or instrumentality of the State which is likely to be engaging in, supporting, or providing financial assistance in each of such fiscal years for any activity or program in the State which, if carried out, would be inconsistent with implementation of such plan in such fiscal years, and (ii) recommends to the Administrator methods by which such Federal department, agency, or instrumentality could modify administration of such activity or program, and describes methods by which such State department, agency, or instrumentality intends to modify administration of such activity or program, so that such activity or program is consistent with, and assists the State in implementation of, such plan.

"(2) Each plan proposed for implementation under this subsection shall specify—

"(A) from among those portions of navigable waters significantly affected by pollution added from nonpoint sources, each portion and land area contributing such pollution with respect to which the State plans to assist, encourage, or require implementation of best management practices and measures in the first four fiscal years beginning after the date of submission of such plan;

"(B) the order in which, and the schedule under which, the State plans to assist, encourage, or require implementation of such practices and measures in such fiscal years;

"(C) from among those categories and subcategories of nonpoint sources of pollution which contribute to each portion specified under subparagraph (A) not meeting applicable water quality standards or the goals and requirements of this Act, the categories and subcategories with respect to which the State plans to assist, encourage, or require implementation of such practices and measures in such fiscal years and the relative contribution of such pollution by category and subcategory of such sources;

"(D) the best management practices and measures the implementation of which the State plans to assist, encourage, or require in each of such fiscal years to reduce pollution resulting from nonpoint sources and to improve water quality;

"(E) the methods, by category and subcategory of such sources of pollution, (including, but not limited to, demonstration, enforcement, technical assistance, education, training, and cost-sharing programs) which the State plans to use to encourage, assist, or require implementation of such practices and measures in such fiscal years; and

"(F) sources of Federal and other assistance (other than assistance provided under subsection (i)) which will be available in each of such fiscal years for supporting implementation of such practices and measures and the purposes for which such assistance will be used in each of such fiscal years.

"(3) Each plan submitted by a State under this subsection shall be accompanied by a certification of the attorney general of the State or the chief attorney of any State water pollution control agency which has independent legal counsel that the laws of the State provide adequate authority to implement such plan or, if there is not such adequate authority, a list of such additional authority which will be necessary to implement such plan.

"(4) The schedule required by paragraph (2)(B) shall establish for each category and subcategory of nonpoint sources of pollution specified under paragraph (2)(C) an expeditious time period for implementation of best management practices and measures specified under paragraph (2)(D) and shall indicate the estimated dates for implementation of such practices and measures.

"(5) In developing and implementing a plan under this subsection, a State shall, to the maximum extent practicable, utilize local public and private agencies and organizations which have expertise in control of nonpoint sources of pollution.

"(6) A State shall, to the maximum extent practicable, develop and implement a plan under this subsection on a watershed-by-watershed basis.

"(c)(1) Any report required by subsection (a) and any plan and report required by subsection (b) shall be submitted to the Administrator during the 270-day period beginning on the date of enactment of this section; except that upon request of the Governor, the Administrator shall extend such period for not to exceed an additional 270 days.

"(2) If a Governor of a State does not submit the report required by subsection (a) during such period, the Administrator shall prepare a report for such State which makes the identifications required by paragraphs (1)(A) and (1)(B) of subsection (a).

"(d) The Administrator shall consolidate recommendations for modifications of activities and programs submitted by the States under subsection (b)(1)(B) and submit such consolidated recommendations to the appropriate departments, agencies, and instrumentalities of the United States. Each such department, agency, or instrumentality, to the maximum extent practicable and consistent with existing law, shall accommodate such recommendations and shall carry out its own activities and programs in a manner which is consistent with, and will assist implementation of, the plan submitted by the State under subsection (b) and approved by the Administrator under this section.

"(e)(1) Subject to paragraph (2), not later than 180 days after the date of submission to the Administrator of any report or plan under this section (other than subsections (i) and (j)), the Administrator shall either approve or disapprove such report or plan, as the case may be. The Administrator may approve a portion of a plan under this subsection. If the Administrator does not disapprove a report, plan, or portion of a plan in such 180-day period, such report, plan, or portion shall be deemed approved for purposes of this section.

"(2) If, after notice and opportunity for public comment and consultation with appropriate Federal and State agencies and other interested persons, the Administrator determines that a plan submitted under subsection (b) or any portion thereof is not likely to satisfy, in whole or in part, the goals and requirements of this Act, that adequate authority does not exist, or adequate resources are not available, to implement such plan or portion, that the schedule for implementing such plan or portion is not sufficiently expeditious, or that the practices and measures proposed in such plan or portion are not adequate to improve the quality of navigable waters in the State and to reduce the level of pollution in navigable waters in the State resulting from nonpoint sources, the Administrator shall disapprove the plan or portion thereof with respect to which the Administrator makes such determination. The Administrator shall notify the State of such disapproval and request specific revisions of such plan or portion necessary to obtain approval of such plan or portion. Not later than 90 days after the date of such notification, the State shall submit to the Administrator for his approval under this subsection its revisions of such plan or portion.

"(f) If a State fails to submit a plan under subsection (b) or the Administrator does not approve such a plan, a local public agency or organization which has expertise in, and authority to, control pollution resulting from nonpoint sources in any area of such State which the Administrator determines is of sufficient geographic size may, with approval of such State, request the Administrator to provide, and the Administrator shall provide, technical assistance to such agency or organization in developing for such area a plan which is described in subsection (b) and meets the requirements of subsection (e). After development of such plan, such agency or organization shall submit such plan to the Administrator for his approval. If the Administrator approves such plan, such agency or organization shall be eligible to receive financial assistance under subsection (i) for implementation of such plan as if such agency or organization were a State for which a report submitted under subsection (a) and a plan submitted under subsection (b) were approved under this section. Such financial assistance shall be subject to the same terms and conditions as assistance provided to a State under subsection (i).

"(g) Upon request of a State, the Administrator may provide technical assistance to such State in developing a plan under subsection (b) for those portions of the navigable waters requested by such State.

"(h)(1) If any portion of the navigable waters in any State which is implementing a plan approved under this section is not meeting applicable water quality standards or the goals and requirements of this Act as a result, in whole or part, of pollution from nonpoint sources in another State, such State may petition the Administrator to convene, and the Administrator shall convene, a management conference of all States which contribute pollution resulting from nonpoint sources to such portion. If, on the basis of information available to him, the Administrator determines that a State is not meeting applicable water quality standards or the goals and requirements of this Act as a result, in whole or part, of pollution from nonpoint sources in another State, the Administrator shall notify such States. The Administrator may convene a management conference under this paragraph not later than 180 days after giving such notification, whether or not the State which is not meeting such standards requests such conference. The purpose of such conference shall be to develop an agreement among such States to reduce the level of pollution in such portion resulting from nonpoint sources and to improve the quality of such portion.

"(2) Each State which contributes significant pollution from nonpoint sources to the portion of navigable waters in amounts which contribute to such portion not meeting applicable water quality standards or the goals and requirements of this Act shall submit to the Administrator for his approval a plan referred to in subsection (b) to reduce the level of pollution in such portion resulting from nonpoint sources in such State and to improve the quality of such portion; except that if such State has an approved plan under subsection (b), such State shall revise such plan to reduce the level of pollution in such portion resulting from nonpoint sources in such State and to improve the quality of such portion and submit such revised plan to the Administrator for his approval under this section. Such plan or revised plan shall be consistent with existing Federal and State law. After approval, the State shall implement such plan or revised plan.

"(i)(1) Upon application of a State for which a report submitted under subsection (a) and a plan submitted under subsection (b) is approved under this section, the Administrator shall make grants under this subsection to such State for the purpose of assisting the State in implementing such plan.

"(2) An application for a grant under this subsection in any fiscal year shall be in such form and shall contain—

"(A) an identification and description of the best management practices and measures which the State proposes to assist, encourage, or require in such year with the Federal assistance to be provided under the grant; and

"(B) such other information as the Administrator may require.

"(3)(A) The Federal share of the cost of each plan implemented with Federal assistance under this subsection in any fiscal year shall not exceed 50 percent of the cost incurred by the State in implementing such plan; except that the Federal share of those costs of any such plan which are attributable to a watershed area with respect to which the Administrator determines that a significant number of non-Federal, non-State interests of such area are willing and able to enter into agreements to participate in such year in nonpoint source pollution control measures under such plan shall be not less than 50 percent and not more than 60 percent.

"(B) For purposes of this paragraph, administrative costs in the form of salaries, overhead, or indirect costs for services provided and charged against activities and programs carried out with a grant under this subsection shall not exceed in any fiscal year 10 percent of the amount of the grant in such year, except that costs of implementing enforcement and regulatory activities, education, training, technical assistance, demonstration projects, and technology transfer programs shall not be subject to this limitation.

"(4) No grant may be made to a State under this subsection in any fiscal year unless such State enters into such agreements with the Administrator as the Administrator may require to ensure that such State will maintain its aggregate expenditures from all other sources for programs for controlling pollution added to the navigable waters in such State from nonpoint sources and improving the quality of such waters at or above the average level of such expenditures in its two fiscal years preceding the date of enactment of this subsection.

"(5)(A) Each State which receives a grant under this subsection in any fiscal year shall submit to the Administrator a written report which describes the activities and programs carried out in the State under such grant and the progress made by such State in meeting the schedule specified under subsection (b)(2)(B).

"(B) No grant may be made under this subsection in any fiscal year to a State which in the preceding fiscal year received a grant under this subsection unless the Administrator determines that such State made satisfactory progress in such preceding fiscal year in meeting the schedule specified by such State under subsection (b)(2)(B).

"(6) Notwithstanding any other provision of this subsection, not more than 15 percent of the amount appropriated to carry out this subsection may be used to make grants to any one State, including any grants to any local public agency or organization with authority to control pollution from nonpoint sources in any area of such State.

"(7) For each fiscal year beginning after September 30, 1986, the Administrator may give priority in making grants under this subsection, and shall give consideration in determining the Federal share of any such grant, to any State which has included effective regulatory mechanisms in an approved State plan under this section and has implemented such mechanisms in the preceding fiscal year. Such mechanisms shall include, but are not limited to, deadlines for implementation of best management practices and enforcement procedures to ensure implementation of such plan.

"(8) There is authorized to be appropriated to carry out this subsection not to exceed $150,000,000 per fiscal year for the fiscal years ending September 30, 1985, September 30, 1986, September 30, 1987, September 30, 1988, and September 30, 1989. Sums appropriated to carry out this subsection shall remain available until expended.

"(j)(1) Not later than January 1, 1985, and each January 1 thereafter the Administrator shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate, a report for the preceding fiscal year on the activities and programs implemented under this section and the progress made in reducing pollution in the navigable waters resulting from nonpoint sources and improving the quality of such waters.

"(2) Not later than January 1, 1988, the Administrator shall transmit to Congress a final report on the activities carried out under this section. Such report, at a minimum, shall include—

"(A) an analysis of the effectiveness of plans carried out under this section and of the best management practices and measures utilized under those plans in controlling nonpoint sources of pollution;

"(B) an analysis of the level of State participation in implementing such plans; and

"(C) recommendations of the Administrator concerning future programs (including enforcement programs) for controlling pollution from nonpoint sources.

"(k) Not less than 5 percent of the funds appropriated to carry out subsection (i) for any fiscal year shall be available to the Administrator to maintain personnel levels at the Environmental Protection Agency at levels which are adequate to carry out this section in such year.".

(b) Section 304(k)(1) of the Federal Water Pollution Control Act is amended by inserting "and 319" after "208".

POLICY FOR CONTROL OF NONPOINT SOURCES OF POLLUTION

Sec. 9. Section 101(a) of the Federal Water Pollution Control Act is amended by striking out "and" at the end of paragraph (5), by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and", and by adding at the end thereof the following:

"(7) it is the national policy that plans for the control of nonpoint sources of pollution be developed and implemented in an expeditious manner so as to enable the goals of this act to be met through the control of both point and nonpoint sources of pollution.".

LAKE RESTORATION GUIDANCE MANUAL

Sec. 10. Section 104(h) of the Federal Water Pollution Control Act is amended by inserting "(1)" after "(h)" and by adding at the end thereof the following:

"(2) The Administrator shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate not later than one year after the date of enactment of this paragraph a lake restoration guidance manual establishing procedures to guide future State and local efforts to improve water quality in lakes.".

ELIGIBLE CATEGORIES OF PROJECTS

Sec. 11. (a) The second sentence of section 201(g)(1) of the Federal Water Pollution Control Act is amended by striking out "appurtenances, and" and inserting in lieu thereof "appurtenances," and by striking out the period and inserting in lieu thereof the following: ", and projects to address water quality problems due to impacts of discharges from combined stormwater and sanitary sewer overflows.".

(b) Section 201(n)(2) of the Federal Water Pollution Control Act is amended by striking out "$200,000,000" and inserting in lieu thereof "$500,000,000". The amendment made by this subsection shall apply to fiscal years beginning after September 30, 1984.

FEDERAL SHARE

Sec. 12. (a) Section 202(a)(1) of the Federal Water Pollution Control Act is amended by striking out "55 per centum" and inserting in lieu thereof "65 per centum".

(b) The last sentence of section 202(a)(1) of the Federal Water Pollution Control Act is amended—

(1) by inserting after "correction" the first place it appears the following: "or a project to address water quality problems due to impacts of discharges from combined storm water and sanitary sewer overflows"; and

(2) by inserting after "correction" the third place it appears the following: "and project to address such problems".

(c) Section 202(a)(1) of the Federal Water Pollution Control Act is amended by adding at the end thereof the following: "Notwithstanding the first sentence of this paragraph, in the case of a project for which an application for a grant under this title has been made to the Administrator before October 1, 1984, and which project is under judicial injunction on such date prohibiting its construction, such project shall be eligible for grants at 75 per centum of the cost of construction thereof.".

(d) The activated bio-filter feature of the project for treatment works of the city of Little Falls, Minnesota, shall be deemed to be an innovative wastewater process and technique for purposes of section 202(a)(2) of the Federal Water Pollution Control Act and the amount of any grant under such Act for such feature shall be 85 per centum of the cost thereof.

(e) Section 202(a)(3) of the Federal Water Pollution Control Act is amended by inserting at the end thereof the following: "In addition, the Administrator is authorized to make a grant to fund all of the costs of the modification or replacement of biodisc equipment (rotating biological contractors) in any publicly owned treatment works if the Administrator finds that such equipment has not met design performance specifications, unless such failure is attributable to negligence on the part of any person, and if such failure has significantly increased capital or operating and maintenance expenditures.".

AGREEMENT ON ELIGIBLE COSTS

Sec. 13. Section 203(a) of the Federal Water Pollution Control Act is amended by inserting after the second sentence the following new sentences: "Before taking final action on such plans, specifications, and estimates, the Administrator shall enter into a written agreement with the applicant which establishes and specifies which items of the proposed project are eligible for Federal payments under this section. The Administrator may not refuse to make payments for the Federal share of those costs of any item specified in such an agreement which are incurred on such project.".

GRANT CONDITIONS

Sec. 14. (a) Section 204(a)(1) of the Federal Water Pollution Control Act is amended to read as follows:

"(1) that any required areawide waste treatment management plan under section 208 of this Act (A) is being implemented for such area and the proposed treatment works are included in such plan, or (B) is being made toward its implementation and the proposed treatment works will be included in such plan;".

(b) Section 204(a)(2) of the Federal Water Pollution Control Act is amended to read as follows:

"(2) that (A) the State in which the project is to be located (i) is implementing any required plan under section 303(e) of this Act and the proposed treatment works are in conformity with such plan, or (ii) is developing such a plan and the proposed treatment works will be in conformity with such plan, and (B) such State is in compliance with section 305(b) of this Act;".

(c) The amendments made by subsections (a) and (b) of this section shall take effect two years after the date of enactment of this Act.

USER CHARGES ON LOW-INCOME RESIDENTIAL USERS

SEC. 15. Section 204(b)(1) of the Federal Water Pollution Control Act is amended by adding at the end thereof the following: "A system of user charges which imposes a lower charge for low-income residential users (as defined by the Administrator) shall be deemed to be a user charge system meeting the requirements of clause (A) of this paragraph, if the Administrator determines that such system was adopted after public notice and hearing.".

ALLOTMENT OF CONSTRUCTION GRANT FUNDS

SEC. 16. (a)(1) Section 205(c)(2) of the Federal Water Pollution Control Act is amended by adding after the first sentence the following: "Sums authorized to be appropriated pursuant to section 207 for the fiscal years 1986, 1987, and 1988 shall be allotted for each such year by the Administrator not later than the tenth day which begins after the date of enactment of the Water Quality Renewal Act of 1984.".

(2) The third sentence of section 205(c)(2) of the Federal Water Pollution Control Act is amended by striking out "and September 30, 1985," and inserting in lieu thereof "September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988,".

(b) Section 205(e) of the Federal Water Pollution Control Act is amended by striking out "and 1985" each place it appears and inserting in lieu thereof "1985, 1986, 1987, and 1988" and by striking out "thirty-three one-hundredths of 1 per centum" and inserting in lieu thereof "two-thirds of 1 per centum".

(c)(1) Section 205(g)(1) of the Federal Water Pollution Control Act is amended by striking out "1985" and inserting in lieu thereof "1988".

(2) Section 205(g) of the Federal Water Pollution Control Act is amended by adding at the end thereof the following new paragraph:

"(3) The Administrator shall reserve each fiscal year beginning after September 30, 1984, $900,000 from the sums available to the State of New York under this subsection for such fiscal year, $900,000 from the sums available to the State of New Jersey under this subsection for such fiscal year, and $200,000 from the sums available to the State of Connecticut under this subsection for such fiscal year. Sums reserved under this paragraph shall be used by the Administrator to make a grant for each such fiscal year to the Interstate Sanitation Commission established by such States by interstate compact to carry out the functions of such Commission under this Act.".

(d) Section 205(l) of the Federal Water Pollution Control Act is amended by striking out "and September 30, 1985" and inserting in lieu thereof "September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988".

(e) Section 205(j)(3) of the Federal Water Pollution Control Act is amended by adding at the end thereof the following: "In giving such priority, the State shall allocate at least 50 percent of the amount granted to such State for a fiscal year under this subsection to regional and interstate public comprehensive planning organizations in such State, except in any fiscal year for which the Administrator and the Governor of such State determine jointly that allocation of at least 50 percent to such organizations will not substantially assist in achieving the goals of this Act.".

(f) Section 205 of the Federal Water Pollution Control Act is amended by adding at the end thereof the following new subsection:

"(1) One-quarter of one percent of any amount appropriated under section 207 of this Act for any fiscal year beginning after September 30, 1984, shall be reserved by the Administrator for carrying out investigations and audits authorized by this Act of projects for which funds are made available under this title.".

(g)(1) The Administrator of the Environmental Protection Agency (hereinafter in this subsection referred to as the "Administrator") shall make a grant from funds allotted under section 205 of the Federal Water Pollution Control Act to the State of California for fiscal year 1985 to the city of Avalon, California, for improvements to the publicly owned treatment works of such city.

(2) The Administrator shall make a grant of $2,337,000 from funds allotted under section 205 of the Federal Water Pollution Control Act to the State of Ohio for fiscal year 1985 to the owners of the Rocky River Wastewater Treatment Plant in Rocky River, Ohio, for reimbursement of such owners for the cost of construction of such plant.

(3) The Administrator shall make grants from funds allotted under section 205 of the Federal Water Pollution Control Act to the State of Pennsylvania for fiscal year 1985 to Walker Township, Pennsylvania, for developing a collector system and connecting its wastewater treatment system into the Huntingdon Borough, Pennsylvania, sewage treatment plant, and to Smithfield Township, Pennsylvania, for rehabilitating and extending its collector system.

(4)(A) The Administrator shall make a grant to the Elk Pinch Public Service District, Kanawha County, West Virginia, from funds allotted to the State of West Virginia under section 205 of the Federal Water Pollution Control Act for fiscal years beginning after September 30, 1984. Such grant shall be in such amount, not exceeding $3,000,000, as is necessary to allow such district to maintain the approved user charge of $4.26 per thousand gallons and shall be in addition to the Federal share of eligible costs of such project otherwise allowable.

(B) As a condition to receiving a grant under this paragraph, the Elk Pinch Public Service District shall agree to take necessary steps, including litigation, to recover funds from parties against whom such district has claims for damages relating to the planning, designing, constructing, and financing of such wastewater treatment works. Amounts recovered under the preceding sentence, to the extent such amounts do not exceed the amount of grants made under this paragraph, shall be paid to the Administrator and shall be added to the allotment of the State of West Virginia under section 205 of the Federal Water Pollution Control Act for the first fiscal year following such payment.

(5) Notwithstanding section 201(g)(1) of the Federal Water Pollution Control Act or any other provision of law, the Administrator shall make a grant of $250,000 from funds allotted under section 205 of the Federal Water Pollution Control Act to the State of Kentucky for fiscal year 1985 to the city of Taylor Mill, Kentucky, for the repair and reconstruction, as necessary, of the publicly owned treatment works of such city.

(6) The Administrator shall made a grant of $27,000,000 from funds allotted under section 205 of the Federal Water Pollution Control Act to the State of California for fiscal years beginning after September 30, 1984, to the city of Watsonville, California, for improvements to the wastewater treatment and disposal facilities of such city.

GRANTS TO STATES FOR ESTABLISHMENT OF WATER POLLUTION CONTROL REVOLVING FUNDS

SEC. 17. (a) Title II of the Federal Water Pollution Control Act is amended by adding at the end thereof the following new section:

"GRANTS TO STATES FOR REVOLVING FUNDS

"SEC. 220. (a) The Administrator shall make a grant to each State of the funds allotted to such State under this section for any fiscal year for deposit in a Water Pollution Control Revolving Fund established by such State under subsection (b)(2) of this section, for providing assistance to municipalities and intermunicipal and interstate agencies for construction of treatment works (as defined in section 212 of this Act) which are publicly owned.

"(b)(1) A grant shall not be made for a fiscal year to a State under this section unless the State has first deposited in the fund established by such State under this section an amount equal to 20 percent of the amount allotted to such State for such fiscal year.

"(2) Each State shall submit to the Administrator annually a certification—

"(A) that upon completion of any project for treatment works for which financial assistance is made available under this section, discharges from such treatment works will meet all applicable requirements necessary to achieve applicable State and Federal water quality standards; and

"(B) that such State will comply with all provisions of this section.

"(3) Each State shall establish a Water Pollution Control Revolving Fund to provide assistance under this section. Such State shall deposit in such fund any Federal funds allotted to such State under this section, any amounts received by such State for repayment of loans made by such State with amounts in such fund, any amounts required to be deposited in such fund under subsection (b)(1), and any additional funds (except for funds received under any other section of this title) which such State wishes to deposit in such fund.

"(c)(1) A State may use amounts in the fund established by such State under this section only to make loans, loan guarantees, payments to reduce interest on loans and loan guarantees, bond interest subsidies, and bond guarantees to municipalities and intermunicipal and interstate agencies.

"(2) In addition, to the extent provided by state law, any State may issue revenue or general obligation bonds using amounts in the fund established by such State under this section as a source of revenue or security for the payment of interest and principal on such bonds, if the proceeds of the sale of such bonds are deposited in such fund. No municipality or intermunicipal or interstate agency shall receive a loan from the fund unless such municipality or agency establishes a dedicated source of revenue for the repayment of such loan.

"(3) A State may provide assistance under this section to a municipality or intermunicipal or interstate agency with respect to the non-Federal share of the costs of a project for which such municipality or agency is receiving assistance from the Administrator under any other section of this title.

"(4) A State may provide financial assistance from the fund established by such State under this section for any project which is on the State's priority list under section 216 of this Act.

"(d) Notwithstanding any other provision of this section, a State may make assistance available under this section from the fund established by such State under this section to finance the cost of facility planning and the preparation of plans, specifications, and estimates for construction of publicly owned treatment works. If the recipient of a grant under section 201(g) of this Act for construction of treatment works receives an allowance under section 201(l)(1) for non-Federal funds expended for such planning and preparation and such recipient has received a loan under this first sentence of this subsection, such recipient shall promptly repay such loan to the extent of such allowance.

"(e)(1) Each State shall annually make a full and complete report to the Administrator concerning the use of Federal funds made available under this section in such manner as the Administrator shall prescribe.

"(2) The Administrator shall, at least on an annual basis, conduct or require each State to have independently conducted reviews and audits as may be deemed necessary or appropriate by the Administrator to carry out the objectives of this section. Audits of the use of Federal funds shall be conducted in accordance with the auditing procedures of the General Accounting Office.

"(f) The provisions of this title shall not apply to financial assistance under this section, except to the extent provided in this section.

"(g)(1) There is authorized to be appropriated to carry out this section not to exceed $1,600,000,000 per fiscal year for each of the fiscal years ending September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988.

"(2) Sums authorized to be appropriated to carry out this section for any fiscal year shall be allotted by the Administrator in the same manner and in accordance with the same table as if such funds were authorized to be appropriated under section 207 of this Act for such fiscal year. Sums allotted to a State for a fiscal year shall remain available for a grant to such State for the fiscal year for which authorized and for the following fiscal year. Any funds granted to a State for a fiscal year under this section which are not utilized by such State for any of the purposes of this section during such fiscal year and the following fiscal year shall be repaid to the Administrator for reallotment among the other States.".

(b) Section 207 of the Federal Water Pollution Control Act is amended by striking out "and 209" and inserting in lieu thereof ", 209, and 220".

INNOVATIVE TECHNOLOGY COMPLIANCE DEADLINES FOR DIRECT DISCHARGERS

Sec. 18. Section 301(k) of the Federal Water Pollution Control Act is amended by striking out "July 1, 1987," and inserting in lieu thereof "two years after the date for compliance with such effluent limitation which is otherwise applicable under such subsection,".

COAL REMINING OPERATIONS

Sec. 19. Section 301 of the Federal Water Pollution Control Act is amended by adding at the end thereof the following:

"(n)(1) Subject to paragraphs (2) and (3) of this subsection, the Administrator, or the State in any case in which the State has an approved permit program under section 402(b), may issue a permit under section 402 which modifies the requirements of subsection (b)(2)(A) of this section with respect to the pH level of any discharge, and with respect to discharges of iron and manganese, from the remined area of any coal remining operation. Such modified requirements shall apply the best available technology economically achievable on a case-by-case basis, using best professional judgment. In no event shall such a permit allow the pH level of any discharge, and in no event shall such a permit allow the discharges of iron and manganese, to exceed the levels being discharged from the remined area before the coal remining operation begins.

"(2) The Administrator or the State may only issue a permit pursuant to paragraph (1) if the applicant demonstrates to the satisfaction of the Administrator or the State, as the case may be, that the coal remining operation provides a potential for improvement to water quality.

"(3) For purposes of this subsection—

"(A) the term 'coal remining operation' means a coal mining operation which begins after the date of enactment of this subsection at a site on which coal mining was conducted before the effective date of the Surface Mining Control and Reclamation Act of 1977; and

"(B) the term 'remined area' means only that area of any coal remining operation on which coal mining was conducted before the effective date of the Surface Mining Control and Reclamation Act of 1977.

"(4) Nothing in this subsection shall affect the application of the Surface Mining Control and Reclamation Act of 1977 to any coal remining operation, including the application of such Act to suspended solids.".

WATER QUALITY CRITERIA

Sec. 20. (a) Section 304(a)(1) of the Federal Water Pollution Control Act is amended by adding at the end thereof the following: "In developing, publishing, and revising criteria under this paragraph after the date of enactment of this sentence, the Administrator shall consider, among other things, the effects on the ecosystem of (i) water hardness, (ii) pH, (iii) chemical and physical interactions, (iv) persistence of pollutants and the long-term effects of pollutants, (v) sedimentation from chemical reaction of pollutants, (vi) the absorptive properties of sediments, (vii) resuspension, and (viii) bio-uptake.".

(b) Section 304(a)(1) of the Federal Water Pollution Control Act is amended by adding at the end thereof the following: "New or revised criteria under this paragraph should be established so as to provide an ample margin of safety to protect human health and fish and wildlife resources. Whenever, in developing new or revised criteria under this paragraph with respect to a pollutant, the Administrator determines that a well-founded and signficant difference of opinion exists as to the latest scientific and research knowledge on the matters referred to in the preceding sentence, the Administrator shall publish a description of such difference of opinion along with the publication of such criteria.".

PRETREATMENT STANDARDS

Sec. 21. (a) Section 307(b) of the Federal Water Pollution Control Act is amended by adding at the end thereof the following new paragraph:

"(5)(A) Upon the request of any source which is subject to two or more pretreatment standards which are promulgated under this subsection before the date of enactment of this paragraph and for which more than one compliance date is prescribed, the Administrator may establish a single compliance date for all such standards in accordance with this paragraph. Such a single compliance date shall be not later than one year after the first of such compliance dates, whichever first occurs. The Administrator shall not establish a single compliance date under this paragraph unless the applicant demonstrates to the satisfaction of the Administrator that—

"(i) the establishment of a single compliance date will result in compliance by the applicant with all such standards earlier than would be the case in the absence of such single date; and

"(ii) the technology which is the basis for one of the applicable pretreatment standards is inconsistent with the technology which is the basis for another of the applicable pretreatment standards, or the pretreatment standard with the later compliance date requires sufficient additional technology to justify such single compliance data.

"(B) Any application by a source under this paragraph for a single compliance date shall be made not later than 30 days after the date of enactment of this subparagraph. The Administrator shall provide public notice of such application not later than two weeks after its receipt and shall either approve or deny such application within 60 days after the last day of such two-week period.".

(b) Notwithstanding any other provision of law or rule or regulation to the contrary, the date for compliance with pretreatment standards under section 307(b) of the Federal Water Pollution Control Act for the electroplating point source category, as that category is described at page 9404 of volume 46 of the Federal Register (January 28, 1981), shall be December 31, 1984.

(c) The Administrator of the Environmental Protection Agency shall take such actions as may be necessary to increase the number of employees of such agency in order to effectively implement pretreatment requirements under section 307 of the Federal Water Pollution Control Act.

(d) Section 307 of the Federal Water Pollution Control Act is amended by adding at the end thereof the following:

"(e) In the case of any new or existing facility that proposes to comply with the pretreatment standards of subsection (b) of this section by applying an innovative system that meets the requirements of section 301(k) of this Act, the owner or operator of the publicly owned treatment works receiving the treated effluent from such facility may establish a date for compliance with the applicable pretreatment standard not later than two years after the date for compliance with such applicable standard (1) if the Administrator determines that (A) the innovative system has the potential for industrywide application, and (B) the action will not cause the publicly owned treatment works to be in violation of its permit under section 402, and (2) if the Administrator (or the State, in any case in which the State has a pretreatment program approved by the Administrator) concurs with the proposed action of the owner or operator of such treatment works under this subsection.".

CRIMINAL PENALTIES

SEC. 22. Section 309(c) of the Federal Water Pollution Control Act is amended to read as follows:

"(c)(1) Any person who—

"(A) negligently violates section 301, 302, 306, 307, 308, 318, or 405 of this Act, or any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or any requirement imposed in a pretreatment program approved under section 402(b)(8) of this Act or in a permit issued under section 404 of this Act by the Secretary of the Army, acting through the Chief of Engineers, or by a State; or

"(B) negligently introduces into a sewer system or into a publicly owned treatment works any pollutant or hazardous substance which causes or may reasonably be anticipated to cause personal injury or property damage or which causes such treatment works to violate any effluent limitation or condition in any permit issued to the treatment works under section 402 of this Act by the Administrator or a State;

shall be punished by a fine of not less than $2,500 nor more than $25,000 per day of violation, or by imprisonment for not more than one year, or by both. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, punishment shall be by a fine of not more than $50,000 per day of violation, or by imprisonment of not more than two years, or by both.

"(2) Any person who—

"(A) knowingly violates section 301, 302, 306, 307, 308, 318, or 405 of this Act, or any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or any requirement imposed in a pretreatment program approved under section 402(b)(8) of this Act or in a permit issued under section 404 of this Act by the Secretary of the Army, acting through the Chief of Engineers, or by a State; or

"(B) knowingly introduces into a sewer system or into a publicly owned treatment works any pollutant or hazardous substance which causes or may reasonably be anticipated to cause personal injury or property damage or which causes such treatment works to violate any effluent limitation or condition in a permit issued to the treatment works under section 402 of this Act by the Administrator or a State;

shall be punished by a fine of not less than $5,000 nor more than $50,000 per day of violation, or by imprisonment for not more than two years, or by both. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, punishment shall be by a fine of not more than $100,000 per day of violation, or by imprisonment of not more than four years, or by both.

"(3) It shall be an affirmative defense under paragraph (1)(B) and (2)(B) of this subsection that the introduction of any pollutant or hazardous substance into a sewer system or a publicly owned treatment works was in compliance with all applicable Federal, State, and local requirements which govern the introduction of a pollutant or hazardous substance into a sewer of publicly owned treatment works.

"(4) Any person who knowingly makes any false material statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under this Act or who knowingly falsifies, tampers with, or renders inaccurate any monitoring device or method required to be maintained under this Act, shall upon conviction, be punished by a fine of not more than $10,000, or by imprisonment for not more than two years, or by both. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, punishment shall be by a fine of not more than $20,000 per day of violation, or by imprisonment of not more than four years, or by both.

"(5) For the purpose of this subsection, the term 'person' means, in addition to the definition contained in section 502(5) of this Act, any responsible corporate officer.

"(6) For the purpose of this subsection, the term 'hazardous substance' means (A) any substance designated pursuant to section 311(b)(2)(A) of this Act, (B) any element, compound, mixture, solution, or substance designated pursuant to section 102 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, (C) any hazardous waste having the characteristics identified under or listed pursuant to section 3001 of the Solid Waste Disposal Act (but not including any waste the regulation of which under the Solid Waste Disposal Act has been suspended by Act of Congress), (D) any toxic pollutant listed under section 307(a) of this Act, and (E) any imminently hazardous chemical substance or mixture with respect to which the Administrator has taken action pursuant to section 7 of the Toxic Substances Control Act.".

ADMINISTRATIVE PENALTIES

SEC. 23. Section 309 of the Federal Water Pollution Control Act is amended by adding at the end thereof the following:

"(g)(1) Whenever on the basis of any information available to him—

"(A) the Administrator finds that any person is in violation of sections 301, 302, 306, 307, 318, or 405 of this Act, or is in violation of any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by him or by a State, or

"(B) the Secretary of the Army, acting through the Chief of Engineers (hereinafter referred to as the 'Secretary') finds that any person is in violation of any permit condition or limitation implementing any of such sections in a permit issued under section 404 of this Act by a State.

he may, after consultation with the State in which the violation occurs, assess a civil penalty of not more than $10,000 per day of violation, except that such penalty shall not exceed a total of $75,000.

"(2)(A) A civil penalty shall be assessed under this subsection by the Administrator or Secretary, as the case may be, by an order made on the record after opportunity (provided in accordance with this subparagraph) for a hearing in accordance with section 554 of title 5, United States Code. Before issuing such an order, the Administrator or Secretary, as the case may be, shall give written notice to the person to be assessed a civil penalty under such order of the Administrator's or Secretary's proposal to issue such order and provide such person an opportunity to request, within 15 days of the date the notice is received by such person, such a hearing on the order.

"(B) In determining the amount of a civil penalty, the Administrator or Secretary, as the case may be, shall take into account the nature, circumstances, extent, and gravity of the violation or violations and, with respect to the violator, ability to pay, effect on ability to continue to do business, any history of prior such violations, the degree of culpability, economic savings (if any) resulting from the violation, and such other matters as justice may require.

"(C) The Administrator or Secretary, as the case may be, may compromise, modify, or remit, with or without conditions, any civil penalty which may be imposed under this subsection. The amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owing by the United States to the person charged.

"(3) Any person who requested in accordance with paragraph (2)(A) a hearing respecting the assessment of a civil penalty and who is aggrieved by an order assessing a civil penalty may file a petition for judicial review of such order with the United States Court of Appeals for the District of Columbia Circuit or for any other circuit in which such person resides or transacts business. Such a petition may only be filed within the 30-day period beginning on the date the order making such assessment was issued.

"(4) If any person fails to pay an assessment of a civil penalty—

"(A) after the order making the assessment has become a final order and if such person does not file a petition for judicial review of the order in accordance with paragraph (3), or

"(B) after a court in an action brought under paragraph (3) has entered a final judgment in favor of the Administrator or the Secretary, as the case may be,

the Attorney General shall recover the amount assessed (plus interest at currently prevailing rates from the date of the expiration of the 30-day period referred to in paragraph (3) or the date of such final judgment, as the case may be) in an action brought in any appropriate district court of the United States. In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review.

"(5) The Administrator or Secretary, as the case may be, shall have the authority to issue subpoenas in connection with hearings under paragraph (2) of this subsection and may request the Attorney General to bring an action to enforce any subpoena under this subsection. The district courts shall have jurisdiction to enforce such subpoenas and impose sanctions.

"(6) Action taken by the Administrator or Secretary, as the case may be, pursuant to this subsection shall not affect or limit the Administrator's or Secretary's authority to enforce any provision of this Act, except that any violation with respect to which a civil penalty is imposed under this subsection shall not be subject to a civil penalty under section 309(d) or section 311(b) of this Act.

"(7) When a State has proceeded with an enforcement action relating to a violation with respect to which the Administrator or the Secretary is authorized to assess a civil penalty under this subsection, the Administrator and the Secretary are not authorized to take any action under this subsection if the State demonstrates that the State imposed penalty is appropriate. ".

CLEAN LAKES

Sec. 24. (a) Section 314(a)(1) of the Federal Water Pollution Control Act is amended by striking out "fresh water".

(b) Section 314 of the Federal Water Pollution Control Act is amended—

(1) in subsection (b), by striking out "this section" the first place it appears and inserting in lieu thereof "subsection (a) of this section";

(2) in subsection (c)(1), by striking out "this section" the first place it appears and inserting in lieu thereof "subsection (b) of this section" and by striking out "this section" the second place it appears and inserting in lieu thereof "subsection (a) of this section"; and

(3) in subsection (c)(2), by striking out "this section" the first place it appears and inserting in lieu thereof "subsection (b) of this section" and by striking out "this section" the second place it appears and inserting in lieu thereof "subsection (a) of this section".

(c) Section 314 of the Federal Water Pollution Control Act is amended by adding at the end thereof the following new subsections:

"(d)(1) The Administrator shall make grants to States for priority projects for control of nonpoint sources of pollution which are contributing to the degradation of water quality in lakes: The Administrator shall provide an equitable distribution of such sums to the States.

"(2) The amount granted to a State for a project under this subsection shall not exceed 70 per centum of the cost of such project.

"(3) There is authorized to be appropriated to carry out this subsection not to exceed $100,000,000 per fiscal year for each of the fiscal years ending September 30, 1985, September 30, 1986, September 30, 1987, September 30, 1988, and September 30, 1989. Sums appropriated shall remain available until expended.

"(e)(1) Any State may prepare, and submit to the Administrator for his approval—

"(A) a survey of water quality deterioration in lakes and other waters in such State which has resulted from high acidity which may be due to acid deposition, and

"(B) methods and procedures which may be applied to lakes and other waters in such State to restore water quality, insofar as such quality has deteriorated as a result of high acidity which may be due to acid deposition.

"(2)(A) The Administrator shall make grants to States to carry out methods and procedures approved by the Administrator under this subsection. Such methods may include, but are not limited to, (i) innovative methods of neutralizing and restoring buffering capacity of lakes and other waters that have become so acidic as to endanger game fish species, and (ii) methods of removing from lakes and other bodies of water toxic metals and other toxic substances mobilized by high acidity.

"(B) The amount granted under this section to any State for any fiscal year shall not exceed 80 per centum of the funds expended by such State in such year for carrying out approved methods and procedures under this subsection.

"(C) The Administrator shall provide for an equitable distribution of sums appropriated under this subsection among States with approved methods and procedures. Such distribution shall be based on the relative need of each such State for the restoration of water quality which has deteriorated as a result of high acidity which may be due to acid deposition. The amount of any grant to a State under this subsection shall be in addition to, and not in lieu of, any other Federal financial assistance.

"(3) There is authorized to be appropriated to carry out this subsection $25,000,000 per fiscal year for each of the fiscal years ending September 30, 1985, September 30, 1986, September 30, 1987, September 30, 1988, and September 30, 1989. Amounts appropriated under this subsection shall remain available until expended.

"(f) The Administrator shall submit annually to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the status and trend of water quality in lakes in the United States, including but not limited to, the nature and extent of pollution loading from point and nonpoint sources and the extent to which the use of lakes is impaired as a result of such pollution, particularly with respect to toxic pollution.

"(g) The Administrator shall, in cooperation with the State of Texas, study water quality problems in Lake Houston, Houston, Texas, and undertake such control measures as the Administrator and State determine are necessary to improve water quality. Such study shall include, but not be limited to, the evaluation of the feasibility of regional or consolidated waste treatment facilities and the development of recommendations for the cost-effective control of pollutants entering the Lake Houston watershed. The Administrator shall submit a report of such study and identify such structural or nonstructural controls which were undertaken or are proposed, along with recommendations for further measures, to improve the water quality of Lake Houston, to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate not later than one year after the date of enactment of this subsection. There is authorized to be appropriated for fiscal years beginning after September 30, 1984, $10,000,000 to carry out this subsection, to remain available until expended.

"(h) The Administrator, in cooperation with the Secretary of the Army, acting through the Chief of Engineers, and in consultation with appropriate State and local agencies, shall conduct a one-year comprehensive study of the Beaver Lake, Arkansas, to identify measures which will optimize achievement of the purposes for which Beaver Dam was constructed while preserving and enhancing the quality of the reservoir's water. Upon completion of the study the Administrator shall undertake a demonstration project at Beaver Lake to determine the effectiveness of measures identified in such study for preserving and enhancing the quality of the reservoir's water for current and future users. Upon completion of the demonstration project the Administrator shall submit a report of such study and project, along with recommendations for further measures to improve the water quality of Beaver Lake, to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. Funds appropriated under subsections (c), (d) and (e) of this section and section 52 of the Water Quality Renewal Act of 1984 shall be available to carry out this subsection.

"(i) The Administrator shall undertake a demonstration project for the removal of silt, stumps, and other obstructions from Greenwood Lake and Belcher Creek, New Jersey. Upon completion of the demonstration project the Administrator shall submit a report of such project, along with recommendations for further measures to improve the water quality of Greenwood Lake and Belcher Creek, to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. There is authorized to be appropriated $10,000,000 to carry out this subsection.

"(j) The Administrator shall undertake a demonstration project for the removal of silt and stumps from, and the control of pollution from nonpoint sources in, Deal Lake, Monmouth County, New Jersey. Upon completion of the demonstration project, the Administrator shall submit a report of such project, along with recommendations for further measures to improve the water quality of Deal Lake, to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. There is authorized to be appropriated $8,000,000 to carry out this subsection.

"(k) The Administrator shall undertake a demonstration project for the restoration of Alcyon Lake, New Jersey, including removal and disposal of contaminated sediments in the lake. Upon completion of the demonstration project, the Administrator shall submit a report of such project, along with recommendations of further measures to improve the water quality of Alcyon Lake, to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. There is authorized to be appropriated $3,500,000 to carry out this subsection.".

NPDES PERMITS

Sec. 25. (a)(1) Section 402(b)(1)(B) of the Federal Water Pollution Control Act is amended to read as follows:

"(B) are for fixed terms not exceeding ten years, except in the case of a permit which modifies any requirement of this Act under section 301(c), (g), (h), or (m) of this Act and except in any case in which the State determines that the applicant has not consistently complied with any permit held by such applicant under this section, in which cases such permits shall be issued for fixed terms not exceeding five years;".

(2) Section 402(b)(1) of the Federal Water Pollution Control Act is amended by redesignating subparagraph (D) as subparagraph (E) and by inserting after subparagraph (C) the following:

"(D) must be modified promptly to insure compliance with any new or revised effluent limitation under section 307(a) of this Act or any new or revised requirement pursuant to a standard under section 303 of this Act which limitation or requirement is more stringent than the existing effluent limitation or requirement in the permit or which controls a pollutant not controlled in the permit; and".

(b) Section 402(l) of the Federal Water Pollution Control Act is amended by inserting "(1)" after "(l)" and by adding at the end thereof the following new paragraph:

"(2) The Administrator shall not require a permit under this section, nor shall the Administrator directly or indirectly require any State to require such a permit, for discharges of stormwater runoff from mining operations or oil or gas exploration, production, processing, or treatment operations, composed entirely of flows which are from conveyances or systems of conveyances (including but not limited to pipes, conduits, ditches, and channels) used for collecting and conveying precipitation runoff and which are not contaminated with process wastes, overburden, raw materials, toxic pollutants above natural background levels, spilled product, hazardous substances or oil or grease. Any person discharging stormwater runoff described in the preceding sentence shall monitor the quality of water in such flows and shall report not less often than annually to the Administrator on the results of such monitoring.".

(c) Section 402 of the Federal Water Pollution Control Act is amended by adding at the end thereof the following new subsections:

"(m) To the extent a treatment works (as defined in section 212 of this Act) which is publicly owned is not meeting the requirements of a permit issued under this section for such treatment works as a result of inadequate design or operation of such treatment works, the Administrator, in issuing a permit under this section, shall not require pretreatment by a discharger of conventional pollutants identified pursuant to section 304(a)(4) of this Act which are introduced into such treatment works other than pretreatment required to assure compliance with pretreatment standards under subsection (b)(8) of this section and section 307(b)(1) of this Act. Nothing in this subsection shall affect the Administrator's authority under sections 307 and 309 of this Act, affect State and local authority under sections 307(b)(4) and 510 of this Act, relieve such treatment works of its obligations to meet requirements established under this Act, or otherwise preclude such works from pursuing whatever feasible options are available to meet its responsibility to comply with its permit under this section.

"(n)(1) The Governor of a State may submit under subsection (b) of this section a permit program for a portion of the discharges into the navigable waters in such State.

"(2) A partial permit program under this subsection shall cover at a minimum administration of a major category of the discharges into the navigable waters of the State or a major component of the permit program required by subsection (b).

"(3) The Administrator may approve a partial permit program covering administration of a major category of discharges under this subsection if—

"(A) such program represents a complete permit program and covers all of the discharges under the jurisdiction of a department or agency of the State; and

"(B) the Administrator determines that the partial program represents a significant and identifiable part of the State program required by subsection (b).

"(4) The Administrator may approve under this subsection a partial and phased permit program covering administration of a major component (including discharge categories) of a State permit program required by subsection (b) if—

"(A) the Administrator determines that the partial program represents a significant and identifiable part of the State program required by subsection (b); and

"(B) the State submits, and the Administrator approves, a plan for the State to assume administration by phases of the remainder of the State program required by subsection (b) by a specified date not more than five years after submission of the partial program under this subsection and agrees to make all reasonable efforts to assume such administration by such date.".

(d)(1) Section 402(c)(1) of the Federal Water Pollution Control Act is amended by striking out "as to those navigable waters" and inserting in lieu thereof "as to those discharges".

(2) Section 402(c) of the Federal Water Pollution Control Act is amended by adding at the end thereof the following new paragraph:

"(4) A State may return administration of its permit program to the Administrator, and the Administrator may withdraw approval of a State permit program under paragraph (3) of this subsection (A) in the case of any approval under subsection (n)(3), the entire permit program being administered by the State department or agency at the time of such return or withdrawal, as the case may be, or (B) in the case of any approval under subsection (n)(4), any phased component approved at the time of such return or withdrawal, as the case may be.".

AGRICULTURAL STORMWATER DISCHARGES

Sec. 26. Section 502(14) of the Federal Water Pollution Control Act is amended by inserting after "include" in the last sentence thereof the following: "agricultural stormwater discharges and".

NEWTOWN CREEK, NEW YORK

Sec. 27. The Administrator is authorized to make a grant to the city of New York to install such additional facilities in, and make such modifications to, the Newtown Creek sewage treatment plant as are necessary for the plant to provide secondary treatment. The Federal share of such project shall be 75 percent of the cost of installing such facilities and making such modifications. There is authorized to be appropriated such sums as may be necessary to carry out this section for fiscal years beginning after September 30, 1984, which shall be in addition to and not in lieu of any other amounts authorized to be appropriated under title II of the Federal Water Pollution Control Act.

SAN DIEGO, CALIFORNIA

Sec. 28. (a) For purposes of protecting the economy, public health, environment, surface water and public beaches, and water quality of the city of San Diego, California, and surrounding areas, which are endangered and are being polluted by raw sewage emanating from the city of Tijuana, Mexico, upon application of the city of San Diego, the Administrator of the Environmental Protection Agency (hereinafter in this section referred to as the "Administrator") shall make grants to such city for construction of a project consisting of—

(1) a publicly owned treatment works in such city to provide primary or more advanced treatment of not less than 60,000,000 gallons of municipal sewage and industrial waste per day for the city of Tijuana, Mexico; and

(2) a publicly owned treatment works in such city to provide primary or more advanced treatment of such amount of municipal sewage and industrial waste per day for such city of San Diego as may be necessary to meet the objectives of the Federal Water Pollution Control Act.

(b) Any treatment works for which a grant is made under this section shall be constructed in accordance with plans developed by the city of San Diego and approved by the Administrator to meet the construction standards which would be applicable if such treatment works were being constructed under section 201 of the Federal Water Pollution Control Act.

(c) The project authorized by this section shall provide capacity to provide treatment of municipal sewage and industrial waste for the cities of Tijuana and San Diego.

(d) All provisions of the Federal Water Pollution Control Act which are applicable to grants made under section 201(g) of such Act shall apply to grants made under this section to provide treatment of municipal sewage and industrial waste for the city of San Diego.

(e) The Federal share of the cost of construction of the treatment works to provide treatment of municipal sewage and industrial waste for the city of Tijuana shall be at full Federal expense less any costs paid by the Government of Mexico as a result of agreements negotiated with the United States.

(f) Upon application of the city of San Diego, the Administrator may issue a permit under section 402 of the Federal Water Pollution Control Act which modifies the requirements of section 301(b)(1)(B) of such Act to permit the discharge of pollutants for any ocean outfall constructed with Federal assistance under this Act if such pollutants have received primary or more advanced treatment. Any permit issued pursuant to this subsection shall not be effective after December 31, 1993.

(g) If the treatment works constructed under this section to provide treatment for municipal sewage and industrial waste for the city of Tijuana has capacity which is no longer necessary to provide such treatment, such capacity may be used to provide treatment for municipal sewage and industrial waste for the city of San Diego.

(h) For purposes of this section, the terms "construction" and "treatment works" have the meanings such terms have under section 212 of the Federal Water Pollution Control Act.

(i) There is authorized to be appropriated to the Administrator to make grants under this section for fiscal years beginning after September 30, 1984, such sums as may be necessary.

NACO, ARIZONA

Sec. 29. (a) For purposes of protecting the economy, public health, environment, and surface water and groundwater of the community of Naco, Arizona, which are in danger and are being polluted by raw sewage emanating from the city of Naco, Sonora, Mexico, upon application of the county of Cochise, Arizona, the Administrator of the Environmental Protection Agency (hereinafter in this section referred to as the "Administrator") shall make grants to such county for construction of a project consisting of—

(1) a publicly owned treatment works in such community of Naco, Arizona, to provide primary or more advanced treatment of not less than 150,000 gallons of untreated

sewage emanating from the city of Naco, Sonora, Mexico; and

(2) a publicly owned treatment works in such community of Naco, Arizona, to provide primary or more advanced treatment of such amount of municipal sewage and industrial waste per day for such community of Naco, Arizona, as may be necessary to meet the objectives of the Federal Water Pollution Control Act.

(b) Any treatment works for which a grant is made under this section shall be constructed in accordance with plans developed by the County of Cochise, Arizona, and approved by the Administrator to meet the construction standards which would be applicable if such treatment works were being constructed under section 201 of the Federal Water Pollution Control Act.

(c) The project authorized by this section shall provide capacity to provide treatment of municipal sewage and industrial waste for the city of Naco, Sonora, Mexico and the community of Naco, Arizona.

(d) All provisions of the Federal Water Pollution Control Act which are applicable to grants made under section 201(g) of such Act shall apply to grants made under this section to provide treatment of municipal sewage and industrial waste for the community of Naco, Arizona.

(e) The Federal share of the cost of construction of the treatment works to provide treatment of municipal sewage and industrial waste for the city of Naco, Sonora, Mexico shall be at full Federal expense less any costs paid by the Government of Mexico as a result of agreements negotiated with the United States.

(f) If the treatment works constructed under this section to provide treatment for municipal sewage and industrial waste for the city of Naco, Sonora, Mexico, has capacity which is no longer necessary to provide such treatment, such capacity may be used to provide treatment for municipal sewage and industrial waste for the community of Naco, Arizona.

(g) For purposes of this section, the terms "construction" and "treatment works" have the meanings such terms have under section 212 of the Federal Water Pollution Control Act.

(h) There is authorized to be appropriated to the Administrator $2,000,000 to make grants under this section for fiscal years beginning after September 30, 1984.

LIMITATION ON DISCHARGE OF RAW SEWAGE

SEC. 30. (a) After March 15, 1986, the city of New York shall not discharge raw sewage into navigable waters in an amount which is greater for any 30-day period than an amount equal to 30 times the average daily discharge of raw sewage by the city of New York during the 12-month period preceding March 15, 1986 (as determined by the Administrator of the Environmental Protection Agency), except as provided in subsection (b) of this section.

(b) In the event of any significant interruption in the operation of a wastewater treatment plant which is operated by the city of New York, the Administrator of the Environmental Protection Agency may waive the limitations of subsection (a), but only to such extent and for such limited period of time as may be reasonably necessary for such city to resume such operation.

(c) The Administrator of the Environmental Protection Agency shall undertake measures, including modifications of schedules of compliance, to reduce and eliminate at the earliest practicable date, the discharge of raw sewage by the city of New York taking into account any increase in the authorization for grants for construction of treatment works made by this Act and standards and practices which are necessary for the attainment of that water quality which assures protection of public water supplies, protection of the public health, and the protection and propagation of a balanced indigenous population of shellfish, fish, and wildlife, and allows recreational activities, in and on the water.

JEFFERSON COUNTY, KENTUCKY

SEC. 31. The Okolona Sewer Construction District, Jefferson County, Kentucky, shall be permitted to operate the Okolona Sewer Construction District Treatment Works and shall not be required to use any other facility for wastewater treatment, until such time as the West County Wastewater Treatment Plant, Jefferson County, Kentucky, is completed. The Administrator shall issue a permit under section 402 of the Federal Water Pollution Control Act to carry out this section.

BOSTON, MASSACHUSETTS

SEC. 32. The Administrator of the Environmental Protection Agency is authorized and directed to make grants to the Metropolitan District Commission, Massachusetts, for a project to undertake emergency improvements at the Deer Island Waste Water Treatment Plant in Boston, Massachusetts. The Federal share of such project shall not exceed 75 percent of the cost of carrying out such improvements. There is authorized to be appropriated to carry out this section $10,000,000 per fiscal year for each of the fiscal years 1985, 1986, and 1987.

OAKWOOD BEACH AND RED HOOK PROJECTS, NEW YORK

SEC. 33. Notwithstanding any provision of the Federal Water Pollution Control Act, the Administrator of the Environmental Protection Agency shall pay, to the extent provided in appropriation Acts, in the same proportion as the Federal share of other project costs, all expenses for the relocation of facilities for the distribution of natural gas with respect to the entire wastewater treatment works known as the Oakwood Beach (EPA Grant Numbered 360392) and Red Hook (EPA Grant Numbered 360394) projects, New York. There is authorized to be appropriated for fiscal years beginning after September 30, 1984, not to exceed $9,000,000 to carry out this section.

CHIPPEWA TOWNSHIP, PENNSYLVANIA

SEC. 34. In order to protect the public health, environment, and water quality endangered by the destruction of the Chippewa Township, Pennsylvania, sewage treatment facility and the resultant raw sewage discharged into Brady's Run and the Beaver River, Pennsylvania, the Administrator of the Environmental Protection Agency is directed to remove such raw sewage.

STUDY OF REGULATION OF DE MINIMIS DISCHARGES

SEC. 35. The Administrator of the Environmental Protection Agency shall study the feasibility and desirability of eliminating the regulation of discharges of pollutants into the navigable waters in amounts which, in terms of volume, concentration, and type of pollutant, are not significant. The Administrator shall submit a report of such study along with recommendations to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate not later than one year after the date of enactment of this Act.

STUDY OF EFFECTIVENESS OF INNOVATIVE AND ALTERNATIVE PROCESSES AND TECHNIQUES

SEC. 36. The Administrator of the Environmental Protection Agency shall study the effectiveness on waste treatment of innovative and alternative wastewater treatment processes and techniques referred to in section 201(g)(5) of the Federal Water Pollution Control Act which have been utilized in treatment works constructed under such Act. In conducting such study, the Administrator shall compile information, by State, on the types of such processes and techniques utilized, on the number of facilities constructed with such processes and techniques, and a description of such processes and techniques which have not performed to design standards. The Administrator shall also determine which States have not obligated the full amount set aside under section 205(i) of such Act for such processes and techniques and the reasons of each such State's failure to make such obligations. The Administrator shall submit a report of such study to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate not later than two years after the date of enactment of this Act, along with recommendations for providing more effective incentives for innovative and alternative wastewater treatment processes and techniques.

WATER QUALITY IMPROVEMENT STUDY

SEC. 37. (a) The Administrator of the Environmental Protection Agency shall study the water quality improvements which have been achieved by application of best available technology economically achievable pursuant to section 301(b)(2) of the Federal Water Pollution Control Act. Such study shall include, but not be limited to, an analysis of the effectiveness of, and the costs and benefits associated with, application of best available technology economically achievable pursuant to such section and an analysis of the effectiveness of the water quality program under such Act and methods of improving such program, including site specific levels of treatment which will achieve the water quality goals of such Act in a cost-effective manner.

(b) Not later than two years after the date of enactment of this Act, the Administrator shall submit a report on the results of the study conducted under subsection (a) together with recommendations for improving the water quality program and its effectiveness to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

STUDY OF TESTING PROCEDURES

SEC. 38. (a)(1) The Administrator of the Environmental Protection Agency shall study the testing procedures for analysis of pollutants established under section 304(h) of the Federal Water Pollution Control Act. Such study shall include, but not be limited to, an analysis of the adequacy and standardization of such procedures. In conducting the analysis of the standardization of such procedures, the Administrator shall consider the extent to which such procedures are consistent with comparable procedures established under other Federal laws.

(2) Not later than one year after the date of enactment of this Act, the Administrator shall submit a report on the results of the

study conducted under this subsection, together with recommendations for modifying the test procedures referred to in paragraph (1) to improve their effectiveness, to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

(b) Biennially after the date of submission of the report under subsection (a), the Administrator shall conduct a state-of-the-art review of the test procedures for the analysis of pollutants established under subsection (a) for the purpose of determining the adequacy and effectiveness of such procedures and shall, based on the results of such review, submit to the committees referred to in subsection (a)(2) recommendations for modifying such procedures to improve their effectiveness.

STUDY OF PRETREATMENT OF TOXIC POLLUTANTS

SEC. 39. (a) The Administrator of the Environmental Protection Agency shall study—

(1) the adequacy of data on environmental impacts of toxic industrial pollutants discharged through publicly owned treatment works;

(2) the extent to which secondary treatment at publicly owned treatment works removes toxic pollutants;

(3) the capability of publicly owned treatments works to revise pretreatment requirements under section 307(b)(1) of the Federal Water Pollution Control Act;

(4) possible alternative regulatory strategies for protecting the operations of publicly owned treatment works from industrial discharges, including an evaluation of the extent to which each such strategy identified may be expected to achieve the goals of this Act; and

(5) the adequacy of Federal, State, and local resources to establish, implement, and enforce multiple pretreatment limits for toxic pollutants for each alternative strategy identified in paragraph (4).

(b) The Administrator shall, not later than two years after the date of enactment of this Act, submit a report on the results of such study along with recommendations for improving the effectiveness of pretreatment requirements to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

SULFIDE CORROSION STUDY

SEC. 40. (a) In order to protect the Federal and other investment in treatment works, the Administrator of the Environmental Protection Agency shall conduct a study of the problem of the corrosive effects of sulfides in collection and treatment systems, the extent to which the uniform imposition of categorical pretreatment standards will exacerbate this problem, and the range of available options to deal with the effects.

(b) The study required by this section shall be conducted in consultation with the Los Angeles City and County sanitation agencies which have observed examples of corrosion, probably caused by sulfides. the Administrator shall submit a report on the results of the study, together with recommendations for measures to reduce the corrosion of treatment works, to the Committee on Public Works and Transportation of the House of representatives and the Committee on Environment and Public Works of the Senate within one year of the date of enactment of this Act. There is authorized to be appropriated $2,000,000 to carry out this subsection for fiscal years beginning after September 30, 1984.

GRANTS FOR ALTERNATIVE WATER SUPPLY TO REPLACE CONTAMINATED GROUNDWATER

SEC. 41. (a) The Administrator of the Environmental Protection Agency is authorized to make grants to (1) any person who owns or operates a public water system which, because of groundwater contamination, is unable to supply water which is fit for human consumption to some or all of the users of such system, and (2) any unit of local government on behalf of individuals residing within the boundaries of such unit whose water is supplied from a source other than a public water system and is unfit for human consumption because of groundwater contamination. Such grants shall be for the purpose of providing alternative water supplies to such users and individuals on a temporary basis and providing permanent remedies for water supply problems resulting from groundwater contamination, including but not limited to the drilling of new wells and the installation of new pipes.

(b) An application under this section shall be in such form and shall contain such information as the Administrator may require. Each such application shall include—

(1) a description of the source and extent of groundwater contamination;

(2) information on the number of people who do not have water available to them because of such contamination; and

(3) a description of the measures the applicant proposes to undertake with the assistance to be provided under this section.

(c) The Federal share of the cost of measures undertaken with assistance under this section shall not exceed 50 percent.

(d) The maximum amount of a grant under this section to any applicant with respect to a particular source of groundwater contamination shall be $2,000,000 for each fiscal year. The maximum amount of grants under this section to applicants within one State shall be $10,000,000 for each fiscal year.

(e) The Administrator shall report annually to Congress on grants made under this section. Each such report shall include—

(1) information on applicants for such grants, including the number of such applicants;

(2) information on the sources and extent of groundwater contamination with respect to which applications are made under this section, including the average number of people affected by each source of groundwater contamination; and

(3) the average amount of such grants and the types of measures undertaken with such grants.

(f) For purposes of this section—

(1) the term "person" includes a State, a political subdivision of a State, and an agency or instrumentality of a State or political subdivision of a State;

(2) the term "public water system" means a system for the provision to the public of piped water for human consumption, if such system has at least fifteen service connections or regularly serves at least twenty-five individuals; and

(3) the term "State" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Marianas.

(g) There is authorized to be appropriated to carry out this section not to exceed $150,000,000 per fiscal year for each of the fiscal years 1985, 1986, and 1987.

DES MOINES, IOWA

SEC. 42. The Administrator of the Environmental Protection Agency is authorized to make a grant to the city of Des Moines, Iowa, for construction of the Central Sewage Treatment Plant component of the Des Moines, Iowa, metropolitan area project. The Federal share of such project shall be 75 percent of the cost of construction. There is authorized to be appropriated to carry out this section not to exceed $85,000,000 for fiscal years beginning after September 30, 1984, which shall be in addition to and not in lieu of any other amounts authorized to be appropriated under title II of the Federal Water Pollution Control Act.

WASTEWATER RECLAMATION DEMONSTRATION

SEC. 43. The Administrator of the Environmental Protection Agency is authorized to make a grant to the San Diego Water Reclamation Agency, California, to demonstrate and field test for public use innovative processes which advance the technology of wastewater reclamation and which promote the use of reclaimed wastewater. There is authorized to be appropriated not to exceed $3,000,000 to carry out this section for fiscal years beginning after September 30, 1984.

DISCHARGES INTO MARINE WATERS

SEC. 44. (a) Section 301(h)(2) of the Federal Water Pollution Control Act is amended by striking out "such modified requirements will not interfere" and inserting in lieu thereof the following: "the discharge of pollutants in accordance with such modified requirements will not interfere, alone or in combination with pollutants from other sources,".

(b) Section 301(h)(3) of the Federal Water Pollution Control Act is amended by inserting before the semicolon at the end thereof the following: ", and the scope of such monitoring is limited to include only those scientific investigations which are necessary to study the effects of the proposed discharge".

(c) Section 301(h) of the Federal Water Pollution Control Act is amended by redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively, and by inserting after paragraph (5) the following new paragraph:

"(6) in the case of any treatment works serving a population of 50,000 or more, with respect to any toxic pollutant introduced into such works by an industrial discharger for which pollutant there is no applicable pretreatment requirement in effect, the applicant has in effect a pretreatment program which, in combination with the treatment of discharges from such works, removes the same amount of such pollutant as would be removed if such works were to apply secondary treatment to discharges and if such works had no pretreatment program with respect to such pollutant;".

(d) Section 301(h) of the Federal Water Pollution Control Act is amended by striking out the period at the end of paragraph (8) (as redesignated by subsection (b) of this section) and inserting in lieu thereof a semicolon and by adding after paragraph (8) (as so redesignated) the following new paragraphs:

"(9) no effluent will be discharged from such works which does not receive primary treatment by screening, sedimentation, and skimming, and treatment for disinfection where necessary, and which does not meet the criteria established under section 304(a)(1) after initial mixing in the waters surrounding or adjacent to the point at which such effluent is discharged; and

"(10) in the case of any treatment works serving a population of 50,000 or more, with respect to any toxic pollutant introduced into such works by an industrial discharger for which pollutant there is an applicable pretreatment requirement in effect, the Administrator shall grant to the applicant removal credits to reflect the consistent removal of that pollutant achieved by the treatment works, provided that the following criteria are met:

"(A) there exists an effluent limitation on the treatment works for the pollutant and the revised requirement will not result in the effluent violating such effluent limitations;

"(B) the revised requirement will not result in interference with the method of disposal or reuse of sludge from the treatment works;

"(C) the revised requirements will not result in a pollutant interfering with the operation of such treatment works; and

"(D) all other criteria of this subsection are met.".

(e) Section 301(h) of the Federal Water Pollution Control Act is amended by striking out the second sentence and inserting in lieu thereof the following: "For the purposes of this subsection, the phrase 'the discharge of any pollutant into marine waters' refers to a discharge into deep waters of the territorial sea or the waters of the contiguous zone.".

(f) The amendments made by this section shall not apply to any person whose application for a permit under section 301(h) of the Federal Water Pollution Control Act has been tentatively or finally approved by the Administrator of the Environmental Protection Agency on or before the date of enactment of this Act.

MAINTENANCE OF WATER QUALITY IN ESTUARIES

SEC. 45. (a)(1) In any case where the Administrator of the Environmental Protection Agency (hereinafter in this section referred to as the "Administrator") determines, on his own initiative or upon request of one or more States any portion of which is located within the estuarine zone of an estuary, that the attainment or maintenance of that water quality in such estuary which assures protection of public water supplies and the protection and propagation of a balanced, indigenous population of shellfish, fish, and wildlife, and allows recreational activities, in and on the water, requires the control of point and nonpoint sources of pollution in more than one State, the Administrator shall convene a management conference. The members of such conference shall include the Administrator, the Administrator of the National Oceanic and Atmospheric Administration, a representative of each of those States which are located, in whole or in part, within the estuarine zone of the estuary for which the conference is convened, a representative of each interested Federal agency as determined appropriate by the Administrator, a representative of any interstate agency having jurisdiction over all or a significant part of the estuary, and representatives of local governments within the estuarine zone as deemed appropriate by the Administrator. In any case in which an interstate agency has jurisdiction over all or a significant part of the estuary, such agency shall be the lead agency for purposes of carrying out this section. The Administrator shall give priority consideration under this section to Long Island Sound; Buzzards Bay, Massachusetts; Delaware Bay, Delaware and New Jersey; and Albemarle Sound, North Carolina.

(2) In any case in which a boundary between two States passes through an estuary and such boundary is disputed and is the subject of an action in any court, the Administrator shall not convene a management conference with respect to such estuary before a final adjudication has been made of such dispute.

(3) Notwithstanding any other provision of this section, the Administrator shall not convene a management conference with respect to an estuary if he determines that there exists a management program for the estuarine zone of such estuary with sufficient authority to achieve the purposes of this section.

(b) The purposes of any management conference convened with respect to an estuary under subsection (a) shall be—

(1) to develop a comprehensive master plan for such estuary;

(2) to coordinate the implementation of the master plan by the States participating in the conferences;

(3) to recommend priority corrective actions and compliance schedules to address point and nonpoint sources of pollution posing the most serious problems; and

(4) to monitor the estuary to determine the effectiveness of actions taken pursuant to the master plan.

(c) The master plan developed pursuant to paragraph (1) of subsection (b) may include, but need not be limited to any of the following standards and practices which are necessary for the attainment or maintenance of that water quality which assures protection of public water supplies and the protection and propagation of a balanced, indigenous population of shellfish, fish, and wildlife, and allows recreational activities, in and on the water:

(1) development of water quality standards for waters within the estuarine zone;

(2) development of toxicity-based standards for toxic pollutants;

(3) development of water quality based effluent standards for significant point sources of pollution; and

(4) development of best management practices to control nonpoint sources of pollution.

In developing a master plan under this section, the management conference shall survey and utilize existing reports, data, and studies relating to the estuary that have been developed by or made available to Federal, interstate, State, or local agencies.

(d) A management conference convened under this section shall be convened for at least five years. Such conference may be extended by the Administrator, and if terminated after the initial five-year period, may be reconvened by the Administrator at any time thereafter, as may be necessary to meet the requirements of this section.

(e) For purposes of this section, the terms "estuary" and "estuarine zone" have the meanings such terms have in section 104(n)(4) of the Federal Water Pollution Control Act, except that the term "estuarine zone" shall also include those portions of tributaries draining into the estuary up to the historic height of migration of anadromous fish or the historic head of tidal influence, whichever is higher. For purposes of this section, the term "State" has the meaning such term has in section 502(3) of such Act.

(f) The Administrator is authorized to make grants to States and interstate agencies participating in a management conference which has adopted a comprehensive master plan pursuant to this section for the estuary which is the subject of such conference. The amount of the grants to any State or interstate agency for a fiscal year shall, subject to such amounts as are provided in appropriation Acts, be equal to 50 per centum of that State's or agency's cost of implementing the master plan for such fiscal year. There is authorized to be appropriated to carry out this subsection not to exceed $10,000,000 for the fiscal year ending September 30, 1984; not to exceed $30,000,000 for the fiscal year ending September 30, 1985; not to exceed $50,000,000 for the fiscal year ending September 30, 1986; not to exceed $75,000,000 for the fiscal year ending September 30, 1987; and not to exceed $75,000,000 for the fiscal year ending September 30, 1988. Amounts appropriated under this subsection shall remain available until expended.

(g) There is authorized to be appropriated to the Administrator not to exceed $10,000,000 per fiscal year for each of the fiscal years ending September 30, 1984, September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988, for—

(1) expenses related to the administration of management conferences under this section;

(2) grants to State water pollution control agencies, State coastal zone management agencies, interstate agencies, other public or nonprofit private agencies, institutions, organizations, and individuals for research, surveys, studies, and modeling and other technical work necessary for the development of comprehensive master plan under this section; and

(3) monitoring the implementation of a comprehensive master plan by the management conference or by the Administrator in any case in which the conference has been terminated.

CHESAPEAKE AND NARRAGANSETT BAYS

SEC. 46. (a)(1) The Administrator of the Environmental Protection Agency (hereinafter in this section and sections 47 and 48 referred to as the "Administrator") shall continue the Chesapeake Bay program and shall establish and maintain in the Environmental Protection Agency an office, division, or branch of Chesapeake Bay Programs to—

(A) collect and make available, through publications and other appropriate means, information pertaining to the environmental quality of the Chesapeake Bay (hereinafter in this subsection referred to as the "Bay");

(B) coordinate Federal and State efforts to improve the quality of the Bay;

(C) determine the impact of sediment deposition in the Bay and identify the sources, rates, routes, and distribution patterns of such sediment deposition; and

(D) determine the impact of natural and man-induced environmental changes on the living resources of the Bay and the relationships among such changes, with particular emphasis placed on the impact of pollutant loadings of nutrients, chlorine, acid precipitation, dissolved oxygen, and toxic pollutants, including organic chemicals and heavy metals, and with special attention given to the impact of such changes on striped bass.

(2)(A) The Administrator shall, at the request of the Governor of a State affected by the interstate management plan developed pursuant to the Chesapeake Bay program (hereinafter in this subsection referred to as the "plan"), make a grant for the purpose of implementing the management mechanisms contained in the plan if such State has, within one year after the date of enactment of this section, approved and committed to implement all or substantially all aspects of the plan. Payments for such purpose may be made to the States as hereinafter provided, subject to such terms and conditions as the Administrator considers appropriate.

(B) A State or combination of States may elect to avail itself of the benefits of this paragraph by submitting to the Administrator a plan including the estimated cost of the abatement actions proposed to be taken during the next fiscal year. If the Administrator finds that such proposal is consistent with the national policies set forth in section 101(a) of the Federal Water Pollution Control Act and will contribute to the achievement of the national goals set forth in such section, he shall approve such proposal and shall finance the costs of implementing segments of such proposal; except that Federal grants under this paragraph shall not exceed 50 percent of the costs of implementing the plan in any fiscal year and shall be made on condition that non-Federal sources provide the remainder of the cost of implementing the plan during such fiscal year.

(C) Administrative costs in the form of salaries, overhead, or indirect costs for services provided and charged against programs or projects supported by funds made available under this paragraph shall not exceed in any one fiscal year 10 percent of the annual Federal grant made to a State under this paragraph.

(3) Any State or combination of States that receives a grant under paragraph (2) shall, within 18 months after the date of receipt of such grant and biennially thereafter, report to the Administrator on the progress made in implementing the interstate management plan developed pursuant to the Chesapeake Bay program. The Administrator shall transmit each such report along with the comments of the Administrator on such report to Congress.

(b)(1) The Administrator shall, at the request of the Governor of an affected State and after consultation with the Administrator of the National Oceanic and Atmospheric Administration and other appropriate Federal and State agencies and interested persons, make a grant for purposes of assessing the principal factors having an adverse effect on the environmental quality of the Narragansett Bay (hereinafter in this subsection referred to as the "Bay"), as perceived by both scientists and users, in conjunction with developing and implementing a management program to improve the Bay's water quality. Payments for such purposes may be made to the States as hereinafter provided, subject to such terms and conditions as the Administrator considers appropriate. Federal grants under this paragraph shall not exceed 50 percent of the costs of implementing the plan in any fiscal year and shall be made on condition that non-Federal sources provide the remainder of the cost of implementing the plan during such fiscal year.

(2) A State may elect to avail itself of the benefits of this subsection by submitting to the Administrator a full and complete description of the program it proposes to establish and administer under State law. The Administrator shall approve each such submitted program, within three months of receipt of such program, if the applicant demonstrates to the satisfaction of the Administrator that the applicant will—

(A) establish a committee of representatives from various units of Federal, State, and local governments, research and educational institutions, and concerned groups and individuals on the Bay to provide advice on the design and implementation of a management program and to coordinate communication on issues affecting the Bay's water quality;

(B) review and coordinate Federal and State water pollution abatement efforts that will most efficiently address those principal factors having an adverse effect on the Bay's water quality; and

(C) undertake, subsequent to an analysis of all environmental sampling data presently being collected on the Narragansett Bay, methods for improving such data collection, particularly with respect to toxic pollutants; establish a continuing capacity for collecting, storing, analyzing, and disseminating such data; institute a sampling program where deficiencies are found to exist in present sampling programs; and develop and, as soon as practicable but not later than three years after the date of enactment of this section, implement management practices and measures (including land use requirements) to reduce to the greatest extent feasible pollutant loadings in the Bay and to improve the Bay's water quality.

(3) Any State that avails itself to the benefits of this subsection shall, not later than two years after receipt of a Federal grant under this subsection and annually thereafter, report to the Administrator on progress made in implementing a management program to improve the water quality of Narragansett Bay.

(c) There are hereby authorized to be appropriated the following sums, to remain available until expended, to carry out the purposes of this section:

(1) $3,000,000 per fiscal year for each of the fiscal years ending September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988 to carry out subsection (a)(1);

(2) $10,000,000 per fiscal year for each of the fiscal years ending September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988 for grants to States under subsection (a)(2); and

(3) $1,500,000 per fiscal year for each of the fiscal years ending September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988 to carry out subsection (b).

NEW YORK AND NEW JERSEY HARBOR AREA

SEC. 47. (a)(1) The Administrator shall—

(A) collect and make available, through publications and other appropriate means, information pertaining to the environmental quality of the New York and New Jersey Harbor area (hereinafter in this subsection referred to as the "Harbor");

(B) coordinate Federal and State efforts to improve the water quality of the Harbor; and

(C) determine the impact of natural and man-induced environmental changes on the living resources of the Harbor and on adjacent coastal areas and the relationships among such changes, with particular emphasis placed on the impact of pollutant loadings of sewage, dissolved oxygen, and toxic pollutants, including organic chemicals and heavy metals.

(2)(A) The Administrator shall, at the request of the Governor of a State affected by any interstate management plan relating to the Harbor developed pursuant to section 45 of this Act (hereinafter in this subsection referred to as the "plan"), make a grant for the purpose of implementing the management mechanisms contained in the plan in accordance with such section.

(B) An affected State or combination of States may, in addition, submit to the Administrator a plan including the estimated cost of the abatement actions proposed to be taken during the next fiscal year. If the Administrator finds that such proposal is consistent with the national policies set forth in section 101(a) of the Federal Water Pollution Control Act and will contribute to the achievement of the national goals set forth in such section, he shall approve such proposal and shall finance the costs of implementing segments of such proposal; except that Federal grants under this paragraph shall not exceed 50 percent of the costs of implementing the plan in any fiscal year and shall be made on condition that non-Federal sources provide the remainder of the cost of implementing the plan during such fiscal year.

(C) Administrative costs in the form of salaries, overhead, or indirect costs for services provided and charged against programs or projects supported by funds made available under this paragraph shall not exceed in any one fiscal year 10 percent of the annual Federal grant made to a State under this paragraph.

(3) Any State or combination of States that receives a grant under section 45 of this Act or subparagraph (B) of paragraph (2) shall, within 18 months after the date of receipt of such grant and biennially thereafter, report to the Administrator on the progress made in implementing the plan developed pursuant to such section 45 or subparagraph (B) of paragraph (2). The Administrator shall transmit each such report along with the comments of the Administrator on such report to Congress.

(b) There is authorized to be appropriated $10,000,000 per fiscal year for each of the fiscal years ending September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988 to carry out subsection (a) of this section.

GREAT LAKES CONSUMPTIVE USES STUDY

SEC. 48. (a) In recognition of the serious impacts that are expected to occur to the Great Lakes environment as a result of a projected fivefold increase in consumption of Great Lakes water, including loss of wetlands and reduction of fish spawning and habitat areas, as well as serious economic losses to vital Great Lakes industries, and in recognition of the national goal to provide environmental protection and preservation of our natural resources while allowing for continued economic growth, the Administrator, in cooperation with other interested departments, agencies, and instrumentalities of the United States and the eight Great Lakes States and their political subdivisions, is authorized to conduct a study of control measures which can be implemented to reduce the quantity of Great Lakes water consumed without adversely affecting projected economic growth of the Great Lakes region.

(b) The study authorized by this section shall include an analysis of both existing and new technology which is likely to be feasible in the foreseeable future and shall at a minimum include the following:

(1) a review of the methodologies used to forecast Great Lakes consumptive uses, including an analysis of the sensitivity of key variables affecting such uses;

(2) an analysis of the affect that enforcement of provisions of the Federal Water

Pollution Control Act relating to thermal discharges has had on consumption of Great Lakes water;

(3) an analysis of the affect of laws, regulations, and national policy objectives on consumptive uses of Great Lakes water used in manufacturing;

(4) an analysis of the economic affects on a consuming industry and other Great Lakes interests associated with a particular consumptive use control strategy;

(5) an analysis of associated environmental impacts, both singularly and in combination with other consumptive use control strategies; and

(6) a summary discussion containing recommendations for methods of controlling consumptive uses which methods maximize benefits to the Great Lakes ecosystem and also provide for continued full economic growth for consuming industries as well as other industries which depend on the use of Great Lakes water.

(c) There is authorized to be appropriated for fiscal years beginning after September 30, 1984, $4,500,000 to carry out this section. Sums appropriated under this section shall remain available until expended.

(d) For purposes of this section, the term "Great Lakes States" means Minnesota, Wisconsin, Illinois, Ohio, Michigan, Indiana, Pennsylvania, and New York.

APPLICATION FOR OCEAN DISCHARGE MODIFICATIONS

SEC. 49. Section 301(j)(1)(A) of the Federal Water Pollution Control Act is amended by inserting before the semicolon the following: ", except that a publicly owned treatment works which before December 31, 1982, had a contractual arrangement to use a portion of the capacity of an ocean outfall operated by another publicly owned treatment works which has applied for or received a modification under subsection (h) of this section, may apply for a modification of subsection (h) in its own right not later than thirty days after the date of enactment of the Water Quality Renewal Act of 1984".

GREAT LAKES INTERNATIONAL COORDINATION OFFICE

SEC. 50. (a)(1) The Congress finds that—

(A) the Great Lakes are a valuable national resource, continuously serving the people of the United States and other nations as an important source of food, fresh water, recreation, beauty, and enjoyment;

(B) the United States should seek to attain the goals embodied in the Great Lakes Water Quality Agreement of 1978 with particular emphasis on goals related to toxic pollutants; and

(C) the Environmental Protection Agency (hereinafter in this section referred to as the "Agency") should take the lead in the effort to meet those goals, working with other Federal agencies and State and local authorities.

(2) It is the purpose of this section to achieve the goals embodied in the Great Lakes Water Quality Agreement of 1978 through improved organization and definition of mission on the part of the agency, funding of State grants for pollution control in the great Lakes area, and improved accountability for implementation of such agreement.

(b)(1) The Great Lakes National Program Office of the Agency is hereby designated as the Great Lakes International Coordination Office (hereinafter in this section referred to as the "Office"). The head of the Office shall also serve as principal liaison person on Great Lakes matters to the International Joint Commission, United States and Canada (hereinafter in this section referred to as the "Commission").

(2) The Office shall—

(A) develop and implement specific action plans to carry out the responsibility of the United States under the Great Lakes Water Quality Agreement of 1978;

(B) coordinate actions of the Agency (including actions by headquarters and regional offices thereof) aimed at improving Great Lakes water quality;

(C) coordinate actions of the Agency with the actions of other Federal agencies and State and local authorities, so as to insure the input of those agencies and authorities in developing water quality strategies and obtain the support of those agencies and authorities in achieving the objectives of such agreement;

(D) establish a Great Lakes system-wide surveillance network to monitor the water quality of the Great Lakes, with specific emphasis on the monitoring of toxic pollutants; and

(E) serve as the liaison with, and provide information to, the Canadian members of the Commission and the Canadian counterpart to the Agency.

(3) The Administrator of the Agency shall ensure that the office should enter into agreements with the various organizational elements of the Agency involved in Great Lakes activities in the appropriate State agencies specifically delineating—

(A) the duties and responsibilities of each such element with respect to the Great Lakes;

(B) the time periods for carrying out such duties and responsibilities; and

(C) the resources to be committed to such duties and responsibilities.

(4) The Administrator of the Agency shall, in the Agency's annual budget submission to Congress, include a funding request for the Office as a separate budget line item.

(c)(1) There are authorized to be appropriated for the purposes of carrying out subsection (b) and for the purpose of carrying out the functions, powers, and duties of the Office not to exceed—

(A) $8,000,000 for fiscal year 1986;

(B) $9,000,000 for fiscal year 1987;

(C) $10,000,000 for fiscal year 1988;

(D) $11,000,000 for fiscal year 1989; and

(E) $12,000,000 for fiscal year 1990.

(2) For the purpose of carrying out section 104(f) of the Federal Water Pollution Control Act there is authorized to be appropriated $10,000,000 for fiscal year 1985. Such funds shall be in addition to and not in lieu of any funds authorized to be appropriated under section 104(u) of such Act.

(d)(1) Within 120 days after the date of enactment of this Act, and at the beginning of each fiscal year thereafter, the Administrator of the Agency shall submit to Congress a comprehensive assessment of the planned efforts to be pursued in the succeeding fiscal year for implementing the Great Lakes Water Quality Agreement of 1978. The assessment shall show by categories (including judicial enforcement, research, State cooperative efforts, and general administration) the amounts anticipated to be expended on Great Lakes water quality initiatives in the fiscal year to which the assessment relates. The assessment shall also include a report of current programs administered by other Federal agencies which make available resources to Great Lakes water quality efforts.

(2) Within 150 days after the end of each fiscal year, the Administrator of the Agency shall submit to Congress a comprehensive report which—

(A) describes the achievements in the preceding fiscal year in implementing such agreement and shows by categories (including judicial enforcement, research, State cooperative efforts, and general administration) the amounts expended on Great Lakes water quality initiatives in such preceding fiscal year;

(B) describes the progress made in such preceding fiscal year in implementing the system of surveillance of the water quality of the Great Lakes, with particular reference to toxic pollutants; and

(C) describes the long-term prospects for improving the water quality of the Great Lakes.

RESEARCH ON EFFECTS OF POLLUTANTS

SEC. 51. (a) In carrying out the provisions of subsection (a) of section 104 of the Federal Water Pollution Control Act, the Administrator of the Environmental Protection Agency shall conduct research on the harmful effects on the health and welfare of persons caused by pollutants in water, in conjunction with the United States Fish and Wildlife Service, the National Oceanic and Atmospheric Administration, and other Federal, State, and interstate agencies carrying on such research. Such research shall include, and shall place special emphasis on, the effect that bioaccumulation of these pollutants in aquatic species has upon reducing the value of aquatic commerical and sport industries. Such research shall further study methods to reduce and remove these pollutants from the relevant affected aquatic species so as to restore and enhance these valuable resources.

(b) There is authorized to be appropriated to carry out subsection (a) of this section not to exceed $2,500,000 per fiscal year for each of the fiscal years ending September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988.

DEMONSTRATION PROGRAMS ON ACIDIFIED LAKES

SEC. 52. (a) The Administrator of the Environmental Protection Agency, in conjunction with the United States Fish and Wildlife Service, shall carry out a demonstration program to restore the biological integrity of acidified lakes and watersheds through liming. The Administrator shall select sites to carry out such program which will enable the Administrator to demonstrate and determine the effectiveness of liming in reducing the acidity of lakes and watersheds and in restoring the biological integrity of acidified lakes and watersheds.

(b) The Administrator of the Environmental Protection Agency shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate reports on the results of the demonstration program carried out under this section not later than 90 days after completion of the demonstration program and not later than three and six years after completion of the program. Such reports shall include, but not be limited to, an analysis of the effectiveness of liming in reducing the acidity of lakes and watersheds and in restoring the biological integrity of acidified lakes and watersheds in the long-term and the short-term.

(c) There is authorized to be appropriated to carry out this section not to exceed $25,000,000 for fiscal years beginning after

September 30, 1984, to remain available until expended.

SEATTLE, WASHINGTON

SEC. 53. The Administrator of the Environmental Protection Agency is authorized to make a grant to the municipality of metropolitan Seattle, Washington, to construct necessary treatment works for providing secondary treatment for the area served by such agency. The Federal share of such project shall be 75 percent of the cost of construction thereof. There is authorized to be appropriated $250,000,000 to carry out this section for fiscal years beginning after September 30, 1984, which shall be in addition to and not in lieu of any other amounts authorized to be appropriated under title II of the Federal Water Pollution Control Act.

GRANTS FOR CARRYING OUT GROUNDWATER QUALITY PROTECTION ACTIVITIES

SEC. 54. (a) Upon application of a State for which a report submitted under subsection (a) of section 319 of the Federal Water Pollution Control Act, as added by section 8 of this Act, and a plan submitted under subsection (b) of such section is approved under such section, the Administrator of the Environmental Protection Agency shall make grants under this section to such State for the purpose of assisting such State in carrying out groundwater water quality protection activities which the Administrator determines will advance the State toward implementation of a comprehensive nonpoint source pollution control program. Such activities shall include, but not be limited to, research, planning, groundwater assessments, demonstration programs, enforcement, technical assistance, education and training to protect the quality of groundwater and to prevent contamination of groundwater from nonpoint sources of pollution.

(b) An application for a grant under this section shall be in such form and shall contain such information as the Administrator of the Environmental Protection Agency may require.

(c) The Federal share of the cost of assisting a State in carrying out groundwater protection activities in any fiscal year under this section shall be 50 percent of the costs incurred by the State in carrying out such activities, except that the maximum amount of Federal assistance which any State may receive under this section in any fiscal year shall not exceed $150,000.

(d) The Administrator of the Environmental Protection Agency shall include in each report transmitted under subsection (k) of section 319 of the Federal Water Pollution Control Act, as added by section 8 of this Act, a report on the activities and programs implemented under this section during the preceding fiscal year.

(e) There is authorized to be appropriated to carry out this section not to exceed $7,500,000 per fiscal year for the fiscal years ending September 30, 1985, September 30, 1986, September 30, 1987, September 30, 1988, and September 30, 1989.

PULP MILL STUDY-REPORT

SEC. 55. The Administrator of the Environmental Protection Agency, in consultation with the State of Alaska, shall conduct and prepare a study-report which shall determine the feasibility of resolving the air pollution control, solid waste disposal, water quality standards compliance, and energy impacts associated with the achievement of best practicable technology under section 301 of the Federal Water Pollution Control Act with respect to—

(1) the Alaska Lumber and Pulp Company, located at Sitka, Alaska (NPDES permit numbered AK000053-1); and

(2) the Louisian-Pacific Corporation, located at Ketchikan, Alaska (NPDES permit numbered AK000092-2).

The Administrator shall submit such study-report to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate not later than three months after the date of enactment of this Act.

NATIONAL GROUNDWATER COMMISSION

SEC. 56. (a) There is established a commission to be known as the National Ground Water Commission (hereinafter in this section referred to as the "Commission").

(b) The duties of the Commission are to:

(1) Assess generally the amount, location, and quality of the Nation's groundwater resources.

(2) Identify generally the sources, extent, and types of groundwater contamination.

(3) Assess the scope and nature of the relationship between groundwater contamination and groundwater withdrawal and develop projections of available, usable groundwater in future years on a nationwide basis.

(4) Assess the relationship between surface water pollution and groundwater pollution.

(5) Assess the need for a policy to protect groundwater from degradation caused by contamination.

(6) Assess generally the extent of overdrafting of groundwater resources, and the adequacy of existing mechanisms for preventing such overdrafting.

(7) Assess generally the engineering and technological capability to recharge aquifers.

(8) Assess the adequacy of the present understanding of groundwater recharge zones and sole source aquifers and assess the adequacy of knowledge regarding the interrelationship of designated aquifers and recharge zones.

(9) Assess the role of land-use patterns as these relate to protecting groundwater from contamination.

(10) Assess methods for remedial abatement of groundwater contamination as well as the costs and benefits of cleaning up polluted groundwater and compare cleanup costs to the costs of substitute water supply methods.

(11) Investigate policies and actions taken by foreign governments to protect groundwater from contamination.

(12) Assess the use and effectiveness of existing interstate compacts to address groundwater protection from contamination.

(13) Analyze existing legal rights and remedies regarding contamination of groundwater.

(14) Assess the adequacy of existing standards for groundwater quality under State and Federal law.

(15) Assess monitoring methodologies of the States and the Federal Government to achieve the level of protection of the resource as required by State and Federal law.

(16) Assess the relationship between groundwater flow systems (and associated recharge areas) and the control of sources of contamination.

(17) Assess the role of underground injection practices as a means of disposing of waste fluids while protecting groundwater from contamination.

(18) Assess methods for abatement and containment of groundwater contamination and for aquifer restoration including the costs and benefits of alternatives to abatement and containment.

(19) Assess State and Federal groundwater law and mechanisms with which to manage the quality and quantity of the groundwater resource.

(20) Assess the adequacy of existing groundwater research and determine future groundwater research needs.

(21) Assess the roles of State, local, and Federal Governments in managing groundwater quality and quantity.

(c)(1) The Commission shall be composed of nineteen members as follows:

(A) six appointed by the Speaker of the United State House of Representatives from among the Members of the House of Representatives, two of whom shall be members of the Committee on Energy and Commerce, two of whom shall be members of the Committee on Public Works and Transportation, and two of whom shall be members of the Committee on Interior and Insular Affairs;

(B) four appointed by the majority leader of the United States Senate from among the Members of the United States Senate;

(C) eight appointed by the President as follows:

(i) four from among a list of nominations submitted to the President by the National Governors Association, two of whom shall be representatives of groundwater appropriation States and two of whom shall be representatives of groundwater riparian States;

(ii) one from among a list of nominations submitted to the President by the National League of Cities and the United States Conference of Mayors;

(iii) one from among a list of nominations submitted to the President by the National Academy of Sciences;

(iv) one from among a list of nominations submitted to the President by groups, organizations, or associations of industries the activities of which may affect groundwater; and

(v) one from among a list of nominations submitted to the President from groups, organizations, or asociations of citizens which are representative of persons concerned with pollution and environmental issues and which have participated, at the State or Federal level, in studies, administrative proceedings, or litigation (or any combination thereof) relating to groundwater; and

(D) the Director of the Office of Technology Assessment.

A vacancy in the Commission shall be filled in the manner in which the original appointment was made. Appointments may be made under this subsection without regard to section 5311(b) of title 5, United States Code. Not more than three of the six members appointed under subparagraph (A) and not more than two of the four members appointed under subparagraph (B) may be of the same political party. No member appointed under paragraph (C) may be an officer or employee of the Federal Government.

(2) If any member of the Commission who was appointed to the Commission as a Member of the Congress leaves that office, or if any member of the Commission who was appointed from persons who are not officers or employees of any government becomes an officer or employee of a government, he may continue as a member of the Commission for not longer than the ninety-day period beginning on the date he leaves

that office or becomes such an officer or employee, as the case may be.

(3) Members shall be appointed for the life of the Commission.

(4)(A) Except as provided in subparagraph (B), members of the Commission shall each be entitled (subject to appropriations provided in advance) to receive the daily equivalent of the maximum annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Commission. While away from their homes or regular places of business in the peformance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5 of the United States Code.

(B) Members of the Commission who are Members of Congress shall receive no additional pay, allowances, or benefits by reason of their service on the Commission.

(5) Five members of the Commission shall constitute a quorum but two may hold hearings.

(6) The Chairman of the Commission shall be appointed by the Speaker of the House of Representatives from among members appointed under paragraph (1)(A) of this subsection and the Vice Chairman of the Commission shall be appointed by the majority leader of the Senate from among members appointed under paragraph (1)(B) of this subsection. The Chairman and the Vice Chairman of the Commission shall serve for the life of the Commission unless they cease to be members of the Commission before the termination of the Commission.

(7) The Commission shall meet at the call of the Chairman or a majority of its members.

(d)(1) The Commission shall have a Director who shall be appointed by the Chairman, without regard to section 5311(b) of title 5, United States Code.

(2) The Chairman may appoint and fix the pay of such additional personnel as the Chairman considers appropriate.

(3) With the approval of the Commission, the Chairman may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code.

(4) The Commission shall request, and the Chief of Engineers and the Director of the Geological Survey are each authorized to detail, on a reimbursable basis, any of the personnel of their respective agencies to the Commission to assist it in carrying out its duties under this section. Upon request of the Commission, the head of any other Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist it in carrying out its duties under this section.

(e)(1) The Commission may, for the purpose of carrying out this section, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(2) Any member or agent of the Commission may, if so authorized by the Commission, take any action which the Commission is authorized to take by this section.

(3) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(4) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

(5) The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this section. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(f)(1) The Commission shall transmit to the President and to each House of the Congress a report not later than October 30, 1986. The report shall contain a detailed statement of the findings and conclusions of the Commission with respect to each item listed in subsection (b), together with its recommendations for such legislation and administrative actions, as it considers appropriate.

(2) Not later than one year after the date of enactment of this Act, the Commission shall complete a preliminary study concerning groundwater contamination from hazardous and other solid waste and submit to the President and to the Congress a report containing the findings and conclusions of such preliminary study. The study shall be continued thereafter, and final findings and conclusions shall be incorporated as a separate chapter in the report required under paragraph (1). The preliminary study shall include an analysis of the extent of groundwater contamination caused by hazardous and other solid waste, the regions and major water supplies most significantly affected by such contamination, and any recommendations of the Commission for preventive or remedial measures to protect human health and the environment from the effects of such contamination.

(g) The Commission shall cease to exist on January 1, 1987.

(h) There is authorized to be appropriated for the fiscal years 1985 through 1987 not to exceed $7,000,000 to carry out this section.

LIMITATION ON PAYMENTS

SEC. 57. No payments may be made under this Act except to the extent provided in advance in appropriation Acts.

Mr. ROE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

(By unanimous consent, Mr. ROE was allowed to proceed for 5 additional minutes.)

Mr. HOWARD. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from New Jersey.

Mr. HOWARD. I thank the gentleman for yielding.

Mr. Chairman, I just wish to take this time to congratulate the gentleman in the well, the gentleman from New Jersey [Mr. ROE], the gentleman from Minnesota [Mr. STANGELAND], the ranking minority member on the Subcommittee on Water Resources, all the members of the Public Works and Transportation Committee, and to a very great degree the majority and minority staffs of this subcommittee, which have worked so long and so hard to present this, the finest clean water bill ever presented to the Congress. I congratulate them on their work and effort, and I ask for the overwhelming support of our colleagues on this vital measure.

Mr. ROE. Mr. Chairman, I thank the gentleman from New Jersey [Mr. HOWARD] for his comments, and I, too, want to extend my appreciation to him and to the gentleman from Kentucky [Mr. SNYDER], the ranking minority member of the committee, and the gentleman from Minnesota [Mr. STANGELAND], the ranking minority member of the subcommittee, who is my counterpart on the Subcommittee on Water Resources. I also want to particularly single out the gentleman from Pennsylvania [Mr. EDGAR] amongst our other Members who have done such a splendid job on this legislation, and particularly the staff for the outstanding job and the work that they have conducted on this most important Water Quality Renewal Act of 1984.

Mr. Chairman, this amendment is an amendment in the nature of a substitute to the bill, H.R. 3282, the Water Quality Renewal Act of 1984, which was reported by our committee on June 6, 1984. This amendment is designed to address a number of problems which arose after the bill was reported. The amendment was published in the CONGRESSIONAL RECORD for June 22 for the information of the Members. A detailed analysis of the amendment follows:

SECTION-BY-SECTION ANALYSIS

(AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 3282 OFFERED BY MR. ROE)

SECTION 1

Section 1 provides that this Act may be cited as the Water Quality Renewal Act of 1984.

SECTION 2

This section continues through Fiscal Year 1988 authorizations at existing levels for a number of programs in the Water Pollution Control Act as follows:

$22,770,000 per fiscal year for research activities and investigations on the causes and effects of water pollution.

$3 million per fiscal year for the training of personnel who operate and maintain treatment plants.

$1,500,000 per fiscal year for forecasting the supply of and demand for occupational categories needed in the water pollution control field.

$75 million per fiscal year for grants to State and interstate agencies to assist in administering programs for water pollution control.

$7 million per fiscal year for grants to educational institutions for programs to train personnel in the operation of water pollution control facilities and to provide scholarships for students entering the field of operation and maintenance of publicly owned treatment works.

$100 million per fiscal year for grants under section 208 for developing and operating areawide waste treatment management planning processes.

$100 million per fiscal year for the rural clean water program.

$100 million per fiscal year to implement interagency agreements for the utilization of other Federal laws to assist in controlling water pollution.

$30 million per fiscal year for the Clean Lakes Program, which provides for the restoration of the quality of water in lakes.

$160 million per fiscal year for general administration of the Federal Water Pollution Control Act by the Environmental Protection Agency.

SECTION 3

This section increases the authorization level for the Construction Grants Program from its present level of $2.4 billion per [illegible] year. The new amounts are $2,900,000,000 for fiscal year 1985, and $3,400,000,000 per year for fiscal years 1986, 1987 and 1988.

SECTION 4

This section extends the compliance dates for achievement of best available technology and best conventional technology.

Subsection (a) of section 4 extends the compliance date for all toxic pollutants referred to in Table 1 of Committee Print 95-30 of the House Committee on Public Works and Transportation (the priority pollutants). Compliance is to be as expeditiously as possible, but in no case later than three years and six months after the date such effluent limitations are established.

Subsection (b) of section 4 extends the compliance date for all other toxic pollutants which may be listed under 307(a). Compliance is to be as expeditiously as possible, but in no case later than three years and six months after the date of establishment of any applicable effluent limitations.

Subsection (c) of section 4 extends the compliance date for application of best conventional technology (for conventional pollutants—biological oxygen demand, fecal coliform, suspended solids and pH) from July 1, 1984, to July 1, 1987.

Subsection (d) of section 4 extends the requirement for best available technology for all other pollutants. Compliance is to be as expeditiously as possible, but in no case later than three years and six months after the date the effluent limitations are established.

Subsection (e) of section 4 requires the Administrator of the Environmental Protection Agency to promulgate final regulations establishing effluent limitations for direct dischargers and limitations requiring pretreatment for all of the toxic pollutants referred to in Table 1 of Committee Print 95-30 in accordance with the following schedule: [Not reproduced in the RECORD.]

SECTION 5

This section provides for the development and implementation of individual control strategies to achieve compliance with applicable water quality standards where it is determined that such compliance will not result from the application of best available technology and best conventional technology.

Subsection (a) requires the Administrator, in cooperation with the States, and not later than one year after the date of enactment of this legislation, to publish in the Federal Register a list of all navigable waters in each State for which the Administrator does not expect the applicable water quality standard to be achieved after the requirements for best available technology and best conventional technology are met, due entirely or substantially to discharges from point sources of toxic pollutants listed pursuant to section 307(a). For each segment of the waters included on this list, the Administrator is to determine the specific point sources discharging toxic pollutants which are believed to be preventing or impairing such water quality, and the amount of each toxic pollutant discharged by each source. At a minimum, the Administrator is to consider for listing under this subsection any navigable waters for which any person submits a petition to the Administrator for listing not later than 120 days after the date of enactment of the subsection.

Not later than one year after the date of publication of the list, the Administrator, in cooperation with the States, is to issue proposed regulations setting forth each listed segment of the navigable waters an individual control strategy. Each strategy shall produce a reduction in the discharge of toxic pollutants from point sources identified by the Administrator, through the establishment of effluent limitations and water quality standards which reduction is sufficient, in combination with other controls on point and nonpoint sources of pollution, to achieve the applicable water quality standard as soon as possible, but not later than three years after the date of promulgation of the final strategy.

Subsection (b) amends the citizen suits provision of section 509 of the Act to allow interested persons to bring a legal action for review of the Administration's promulgation of individual control strategies under section 6.

SECTION 6

Subsection (a) of this section increases the maximum amount of a civil penalty for violating certain provisions of the Act from $10,000 per day to $20,000 per day.

Subsection (b) provides that the Federal Water Pollution Control Act shall not be construed as requiring a State to have a civil penalty for violations described in section 309(d) which has the same monetary amount as the civil penalty established by this section. This relates to the requirement in the Act that a State have adequate enforcement and penalty provisions in order to assume management of the National Pollution Discharge Elimination System under section 402 of the Act.

SECTION 7

This section directs the Administrator, in cooperation with interested States and Federal agencies, to study and monitor the effects on the quality of navigable waters attributable to the impoundment and discharge of water by dams. The results of this study, together with recommendations for the control of such impoundment and discharges, shall be submitted to Congress not later than December 31, 1985.

SECTION 8

This section adds a new section 319 to Title III of the Federal Water Pollution Control Act, to provide for nonpoint source control implementation programs.

Subsection (a) of new section 319 provides that the Governor of each State shall prepare and submit to the Administrator for his approval a report which:

Identifies those portions of the navigable waters within the State which, as a result of pollution from nonpoint sources in whole or in part, are not meeting applicable water quality standards or the goals or requirements of the Act;

Identifies those categories and subcategories of nonpoint sources which add significant pollution to each portion of the navigable waters identified under the preceding provision, in amounts which contribute to such portion not meeting such water quality standards or such goals and requirements;

Identifies and describes State and local programs for controlling pollution added from nonpoint sources to and improving the quality of, each such portion of the navigable waters, including but not limited to those programs which are receiving Federal assistance;

Describes the process, including intergovernmental coordination and public participation, for identifying best management practices and measures to control nonpoint sources of pollution.

Subsection (b) of new section 319 provides that the Governor of each State shall prepare and submit to the Administrator for his approval:

A plan which the State proposes to implement, in the first four fiscal years beginning after the date of submission of the plan, for controlling pollution from nonpoint sources;

A report which identifies each department, agency, or instrumentality of the United States, and each department, agency, or instrumentality of the State, which is likely to be engaging in, supporting or providing financial assistance for any activity or program in the State which, if carried out, would be inconsistent with implementation of the State's plan for controlling nonpoint sources. This report is to recommend to the Administrator methods by which Federal departments could modify administration of their activities or programs and describe methods by which the State intends to modify administration of its activity or program so that the activity or program is consistent with and assists the State in implementation of its plan for control of nonpoint sources.

Each plan proposed for implementation must specify:

For those portions of navigable waters significantly affected by nonpoint pollution, the particular portion of navigable waters and the land area contributing such pollution with respect to which the State plans to assist, encourage, or require implementation of best management practices and measures in the first four fiscal years beginning after the date of submission of the plan;

The order in which, and the schedule under which, the State plans to assist, encourage, or require implementation of such practices and measures in such fiscal years;

The categories and subcategories of nonpoint sources of pollution with respect to which the State plans to assist, encourage, or require implementation of such practices and measures;

The best management practices and measures, the implementation of which the State plans to assist, encourage, or require;

The methods by category and subcategory of sources of pollution, which the State plans to use to assist, encourage or require implementation of such practices and measures; and

Sources of Federal and other assistance which will be available for supporting implementation of such practices and measures and the purposes for which the assistance will be used in each of the fiscal years.

Each plan submitted by a State under this subsection shall be accompanied by a certification of the Attorney General of the State, or the chief attorney of any State water pollution control agency, that the laws of the State provide adequate authority to implement the plan or, if adequate authority does not exist, a list of the additional authority which will be necessary to implement the plan.

The implementation schedule must establish for each category and subcategory of nonpoint sources of pollution an expeditious period for implementation of best management practices and measures and shall include the estimated dates for implementation of these practices and measures.

In developing and implementing a plan under this section, a State is required, to maximum extent practicable, to utilize local, public and private agencies and organizations which have expertise in control of nonpoint sources of pollution.

The States are directed, to the maximum extent practicable, to develop and implement nonpoint source control plans on a watershed-by-watershed basis.

Subsection (c) of new section 319 requires that any report required by subsection (a) and any plan and report required by subsection (b) shall be submitted to the Administrator during the 270-day period beginning on the date of enactment of this legislation, except that, upon request of the Governor, the Administrator shall extend this period for not to exceed an additional 270 days.

If the Governor of a State does not submit the report required by subsection (a) during such period (the report describing existing State programs and practices), the Administrator is to prepare the report for the State.

Subsection (d) of new section 319 directs the Administrator to consolidate recommendations for modifications of activities and programs submitted by the States and submit these consolidated recommendations to the appropriate departments, agencies and instrumentalities of the United States. Each such department, agency or instrumentality, to the maximum extent practicable and consistent with existing law, must accommodate these recommendations and carry out its own activities and programs in a manner which is consistent with and will assist implementation of the State's nonpoint source pollution control plan.

Subsection (e) of new section 319 provides that, subject to paragraph 2, not later than 180 days after the date of submission of any report or plan under this section, the Administrator shall either approve or disapprove the report or plan as the case may be. The Administrator may also approve or disapprove a portion of a plan. If the Administrator does not disapprove a report, a plan, or a portion of a plan, in the 180-day period, it is deemed approved. Paragraph 2 provides that if, after notice and opportunity for public comment and consultation with appropriate Federal and State agencies, the Administrator determines that the State plan or any portion of it is not likely to satisfy the goals and requirements of the Federal Water Pollution Control Act, that adequate authority does not exist or adequate resources are not available to implement the plan, or that the plan is not adequate to improve the quality of waters in the State, the Administrator is directed to disapprove the plan or a portion of the plan with respect to which the Administrator makes his determination. The Administrator must notify the State of any disapproval and request specific revisions of the plan or portion of the plan necessary to obtain approval. Not later than 90 days after the date of this notification, the State must submit its revised plan to the Administrator for his approval.

Subsection (f) of new section 319 provides that, if a State fails to submit a plan or the Administrator does not approve a plan for the control of nonpoint sources of pollution, a local agency or organization which has expertise in, and authority to, control pollution resulting from nonpoint sources in any area of the State which the Administrator determines is of sufficient geographic size, may, with the approval of the State, request the Administrator to provide technical assistance to it in developing for such area a nonpoint source pollution control plan. The agency or organization must submit its plan to the Administrator for his approval. If the Administrator approves the plan, the agency or organization shall be eligible to receive financial assistance for implementation of the plan as if the agency or organization were a State.

Subsection (g) of new section 319 provides that, upon request of the State, the Administrator may provide technical assistance to the State in developing a nonpoint source pollution control plan.

Subsection (h) of new section 319 provides that, if any portion of the waters in a State which is implementing a plan approved under this section is not meeting applicable water quality standards because of pollution from nonpoint sources in another State, the State may petition the Administrator to convene, and the Administrator shall convene, a management conference of the involved States which contribute pollution resulting from nonpoint sources. If, on the basis of information available to him, the Administrator determines that a State is not meeting applicable water quality standards because of pollution from nonpoint sources from another State, the Administrator shall notify the States. The Administrator may convene a management conference under this paragraph not later than 180 days after giving such notification whether or not the State requests the conference. The purpose of the conference is to develop agreement among the States to reduce the level of pollution.

A State contributing significant pollution from nonpoint sources to another State must submit to the Administrator for his approval a nonpoint source pollution control plan to reduce the level of pollution, or, if it has an approved plan, the State must revise the plan to reduce the level of pollution entering the other State.

Subsection (i) of new section 319 provides for grants to States with approved plans for the purpose of assisting the States in implementing the plans. The Federal share of the cost of the plan shall not exceed 50 percent of the cost incurred by the States. However, where the Administrator determines that a significant number of non-Federal, non-State interests in a watershed area are willing and able to enter into agreements to participate in nonpoint source pollution control measures, the grant shall be not less than 50 percent and not more than 60 percent. This bonus grant—of up to 10 percent—is intended to provide a greater incentive for individuals and local organizations to work together to solve nonpoint source pollution problems. The phrase "significant number of interests" is intended to provide the administrators of this program with the flexibility to include landowners, farmers, conservation districts, national resource districts, or other suitable regional non-governmental organizations which may be functioning within a watershed, regardless of the size of the interest.

The State must enter into agreements with the Administrator of the Environmental Protection Agency to assure that the State will maintain its aggregate expenditures for programs for controlling pollution added to the navigable waters in the State from nonpoint sources and for improving the quality of waters at or above the average level of such State expenditures in the two fiscal years preceding the date of enactment of this subsection.

Each State which receives a grant under this section must submit to the Administrator a written report which describes the activities and programs carried out in the State under the grant and the progress made by such State in meeting the schedule specified under its State plan.

No grant may be made in any fiscal year to a State which in the preceding fiscal year received a grant under this section, unless the Administrator determines that the State made satisfactory progress in meeting the schedule specified by the State in its submitted and approved plan.

Not more than 15 percent of the amount appropriated to carry out this section may be used to make grants to any one State, including any grants to any local public agency or organization with authority to control pollution from nonpoint sources in any area of the State.

Beginning with fiscal year 1987, the administrator is authorized to give priority in making grants, and shall give consideration in determining the Federal share of any grants, to any State which has included effective regulatory mechanisms in an approved State plan and has implemented such mechanisms in the preceding fiscal year. Such mechanisms shall include, but not be limited to, deadlines for implementation of best management practices and enforcement procedures to ensure implementation of the State's plan.

There is authorized to be appropriated to carry out this grant program not to exceed $150 million per fiscal year for fiscal years 1985 through 1989.

Not later than January 1, 1985, and each January 1 thereafter, the Administrator is to transmit to the Committee on Public Works and Transportation of the House and the Committee on Environment and Public Works of the Senate, a report for the preceding fiscal year on the activities and programs implemented under this section and the progress made in reducing pollution in the navigable waters resulting from nonpoint sources and improving the quality of these waters.

The Administrator is to transmit to Congress a final report on the activities carried out under this section. This report, at a minimum, is to include:

An analysis of the effectiveness of plans carried out under this section, and of the best management practices and measures utilized under those plans in controlling nonpoint sources of pollution;

An analysis of the level of State participation in implementing such plan;

Recommendations of the Administrator concerning future programs, including enforcement programs, for controlling pollution from nonpoint sources.

Not less than 5 percent of the funds appropriated to carry out this section shall be available to the Administrator to maintain personnel levels at the Environmental Protection Agency which are adequate to carry out this section.

SECTION 9

Section 9 adds to section 101(a) of the Federal Water Pollution Control Act the statement that it is the national policy that plans for the control of nonpoint source pollution be developed and implemented in an expeditious manner, so as to enable the goals of the Act to be met through the control of both point and nonpoint sources of pollution. The intent of this section is to emphasize the importance of controlling nonpoint sources of pollution, together with point sources, so as to achieve the water quality goals of the Act.

SECTION 10

Section 10 amends subsection 104(h) of the Federal Water Pollution Control Act to require the Administrator to submit a lake restoration guidance manual to this Committee and the Committee on Environment and Public Works of the Senate. The manual, to be submitted not later than one year after date of enactment of H.R. 3282, shall establish procedures to guide future State and local efforts to improve water quality in lakes.

Subsection 104(h) of the Act currently authorizes the Administrator to enter contracts with or make grants to public or private agencies for the purpose of developing and demonstrating new or improved methods for the prevention, removal, reduction, and elimination of pollution in lakes. As part of this effort, the Committee understands that EPA's Office of Research and Development has spent considerable time and resources on an evaluation of the effectiveness of lake quality improvement techniques. It was expected that a guidance manual would be developed based on this work. This has not been done. The Committee believes that a guidance manual will significantly assist future State and local efforts to improve lake quality. Because the bulk of the background work has been done, the Committee is confident that a year or less is sufficient time for EPA to complete and submit this manual.

SECTION 11

Subsection (a) of section 11 amends section 201(g)(1) of the Federal Water Pollution Control Act by adding projects to address water quality problems due to impacts of discharges from combined storm water and sanitary sewer overflows to the list of categories which are eligible for Federal grant assistance.

Subsection (b) of section 15 amends section 201(n)(2) of the Act which provides grants to address water quality problems due to the impacts of discharges from combined storm water and sanitary sewer overflows into marine bays and estuaries by increasing the amount authorized from $200 million per fiscal year to $500 million per fiscal year.

Pollution resulting from combined sewer overflows is a severe problem in many parts of the country, particularly in older cities. One particular example is the discharges of untreated effluent as a result of sewer overflows into the Neponset River and Dorchester Bay and Boston Harbor in the Boston Metropolitan Area. In order to diminish the threat to public health posed by these discharges, the Committee expects funding priority under Section 15 to be used for combined sewer overflow improvement projects in this area.

SECTION 12

Subsection (a) of this section amends section 202(a)(1) of the Federal Water Pollution Control Act by changing the basic 55 percent Federal construction grant share to 65 percent.

The Municipal Wastewater Treatment Construction Grant Amendments of 1981, P.L. 97-117, amended the Act to provide the Federal grant amount for eligible projects in the regular program to be 55 percent of the cost of construction beginning October 1, 1984. Since the passage of P.L. 92-500 in 1972, the basic Federal grant share has been 75 percent. The effect of subsection (a) of section 16 will be that the change as of October 1, 1984, will be from 75 percent to 65 percent.

Subsection (b) of section 12 amends section 202(a)(1) of the Act by adding projects to address water quality problems due to impacts of discharges from combined storm water and sanitary sewer overflows. This is the subsection which provides that projects which have received a step three construction grant before October 1, 1984, will continue to receive a Federal grant of 75 percent until completion.

Subsection (c) of section 12 provides that, in the case of any project for which an application for a grant has been made before October 1, 1984, and which project is under judicial injunction on such date prohibiting its construction, the project shall still be eligible for grants of 75 percent of the construction cost.

Subsection (d) provides that the activated bio-filter feature for treatment works of the City of Little Falls, Minnesota, shall be deemed to be an innovative wastewater process and technique and shall be eligible for the increased grants which the Act makes available for innovative technology projects.

The Little Falls project is designed to use activated bio-filters (ABFs) in its treatment system. ABFs have been used in wastewater systems before, but not as they would be used in Little Falls. In Little Falls, the ABF component will be part of the second stage in a trickling filter system. The innovative classification is appropriate because there exists little or no performance data on the optimum loadings, sizing, and other considerations with which the application can be designed without some risk. There is no other situation of ABFs having been used exactly as is being proposed in the Little Falls treatment works. In addition, there is doubt about how the extreme cold of Minnesota winters will affect performance.

Subsection (e) of section 12 amends section 202(a)(3) of the Act. This section authorizes the Administrator to make grants to fund all the costs of the modification or replacement of any facilities constructed with a grant made available for innovative technology if the Administrator finds that the facilities have not met design performance, unless the failure is attributable to negligence on the part of any person.

Subsection (e) amends this provision by providing that, in addition, the Administrator is authorized to make a grant to fund all the costs of the modification or replacement of biodisc equipment (rotating biological contactors) in any publicly owned treatment works if the Administrator finds that the equipment has not met design performance specifications, unless the failure is attributable to negligence on the part of any person, and if the failure has significantly increased capital or operating and maintenance expenditures.

SECTION 13

Section 203(a) of the Federal Water Pollution Control Act requires each applicant for a grant to submit to the Administrator for his approval plans, specifications and estimates for each proposed project for the construction of treatment works for which a grant application is made. Section 13 amends this provision to provide that before taking final action on such plans, specifications and estimates, the Administrator must first enter into an agreement with the applicant which establishes and specifies to the extent practicable which items of the proposed project are eligible for Federal payments under this section. Once this agreement has been entered into, the Administrator may not refuse to make payments for the Federal share of those reasonable costs of any item specified in the agreement which are incurred on the project.

Under current law, once the Administrator approves a grant applicant's plans, specifications, and estimates, the approval constitutes a contractual obligation of the United States for payment of the Federal Government's proportional contribution to the project covered by the grant. Current Agency audit procedures permit construction grants to be obligated only for allowable costs. However, these costs are determined until a final audit of the project grant is conducted. Thus, an EPA auditor is in a position to and often does reevaluate and override during the final audit process the previously approved allowable costs, despite the fact that the agency had approved the plans and specifications for the project prior to obligation of the grant funds. This practice subjects grant recipients to a great deal of vulnerability during the audit process and leads, in some instances, to substantial and unplanned financial burdens for the grantee.

The purpose of section 13 is to emphasize and effectuate the Committee's intent that award to a grantee of a Title II wastewater treatment construction grant constitutes a binding contractual obligation of the Federal government. Where the Administrator approves an agreed-upon specific project for grant funding, then under this provision the United States is contractually obligated to fund that project as it was approved, so long as the grantee acted in good faith and in accordance with the grant agreement and the costs are not in violation of Federal law. In this manner, the Agency's dealings with the States and with grantees will be on a more reliable and business-like basis, with all parties knowing what costs are allowable for grant funding.

The Committee intends that the Administrator, in implementing section 13, will continue to review plans, specifications, and estimates to ensure that wastewater treatment projects are cost effective.

SECTION 14

Subsection 14(a) amends section 204(a)(1) of the Federal Water Pollution Control Act to require the Administrator, before approving sewage treatment construction grants for any project, to determine that either any required areawide waste treatment management plan under section 208 is being implemented for such area and the proposed treatment works are included in such plan or that reasonable progress toward implementation is being made.

Subsection 14(b) amends section 204(a)(2) of the Act and requires similar conformance with plans and reports in sections 303(e) and 305(b) of the Act.

Subsection 14(c) provides that the amendments made in subsections (a) and (b) of section 18 shall take effect two years after the date of enactment of this legislation.

Section 204 of the Act provides certain conditions that the Administrator must assure are met before making grants. It provides at present for projects receiving funding to be part of existing plans and in conformance with sections 303(e) and 305(b). The amendments in section 14 seek to provide additional assurance that consistent program progress will be maintained by focusing on implementation.

The 208 program provides for the development of areawide waste treatment plans. Grant monies under section 208 are to be made available to identify pollution problems and decide on a management plan to address the problems. Section 303(e) requires each State to have a continuing planning process. Section 305(b) requires submission by each State every two years of a report on the water quality situation for that State.

The Committee, by adopting the amendments in section 14, intends that the programs of areawide planning and consistency with plans and programs to meet the goals of the Act be pursued. The plans developed under section 208, for instance, are not to be static documents to be written and ignored. The Committee expects to see these plans implemented in order to meet the goals of the Act. Similar use is expected of 303(e) and 305(b) requirements.

SECTION 15

Section 204(b)(1) of the Federal Water Pollution Control Act provides that, notwithstanding any other provisions of the Act, the Administrator shall not approve any grant for any treatment works unless he shall first have determined that the applicant has adopted or will adopt a system of charges to assure that each recipient of waste treatment services within the applicant's jurisdiction will pay its proportionate share of the costs of operation and maintenance of any waste treatment services provided by the applicant.

Section 15 amends this by providing that a system of user charges which imposes a lower charge for low-income residential users, as defined by the Administrator, shall be deemed to be a user charge system meeting the requirements of section 204, if the Administrator determines that the system was adopted after public notice and hearing.

SECTION 16

Subsection (a) of section 16 includes conforming amendments to section 205(c)(2) of the Federal Water Pollution Control Act which provides for allotment of funds authorized to be appropriated for the Construction Grants Program, and specifies the amount allotted to each State, for fiscal years through fiscal year 1985. Subsection (a) adds fiscal years 1986, 1987 and 1988 so as to conform with section 3 of H.R. 3282 which extends and increases the authorizations for construction grants through fiscal year 1988.

Subsection (b) of section 16 amends section 205(e) of the Act so that it conforms with the extension of the construction grant authorizations in section 3 of H.R. 3282.

Section 205(e) provides that, for fiscal years 1978, 1979, 1980, 1981, 1982, 1983, 1984 and 1985, no state shall receive less than one-half of one percent of the total allotment under subsection (c) of section 205, except that in the case of Guam, Virgin Islands, American Samoa, and the Trust Territories, not more than thirty-three one-hundredths of one percent in the aggregate shall be allotted to all four of these jurisdictions. For the purpose of carrying out subsection 205(e) there are authorized to be appropriated, subject to such amounts as are provided in appropriation Acts, not to exceed $75,000,000 for each of fiscal years 1978, 1979, 1980, 1981, 1982, 1983, 1984 and 1985.

Subsection (b) of section 16 also adds fiscal years 1986, 1987 and 1988 to section 205(e) and changes the maximum amount available to Guam, the Virgin Islands, American Samoa and the Trust Territories from one-third of one percent to two-thirds of one percent in order to better meet their water quality needs.

Subsection (c) amends section 205(g)(1) of the Act so that it will conform with the extension of the Construction Grants Program in section 3 of H.R. 3282. Section 205(g)(1) authorizes the Administrator to reserve not to exceed four percent of a State's allotment of construction grant funds for the purpose of making grants to the State for the costs of administering aspects of the construction grants program which the Administrator has delegated to the State.

Subsection (c) also amends section 205(g)(1) by adding a provision that the Administrator shall reserve each fiscal year beginning after September 30, 1984, $900,000 from the sums available to the State of New York under the subsection for such fiscal year, $900,000 from the sums available to the State of New Jersey under the subsection for such fiscal year, and $200,000 from the sums available to the State of Connecticut under the subsection for such fiscal year. These sums shall be used by the Administrator to make a grant for each such fiscal year to the Interstate Sanitation Commission established by these States by interstate compact to carry out the functions of such Commission under the Federal Water Pollution Control Act. The Commission is an environmental agency of the States of New Jersey, New York, and Connecticut, established by an interstate compact having the consent of Congress. Among other things, the Commission has jurisdiction of a regulatory character over water quality in the tidal waters of the northeastern New Jersey, southeastern New York, southwestern Connecticut Metropolitan Area. Specifically, the Interstate Sanitation District includes the Hudson River from the Bear Mountain Bridge to the ocean, Raritan and Sandy Hook Bays, the waterways of the New York Harbor Complex, and Long Island Sound westerly of a line from New Haven to Port Jefferson. The Commission monitors receiving waters and effluents, administers water quality standards, makes regulations containing both effluent limitations and receiving water quality standards, and has authority to enforce its regulations.

In view of the Commission's role in administering provisions of the Federal Water Pollution Control Act, the Committee considers it appropriate to provide additional grant assistance to the Commission under section 205(g).

Subsection (d) of section 16 is a conforming amendment to section 205(i) of the Act so that it will be consistent with the extension of the authorization for construction grants contained in section 3 of H.R. 3282. Section 205(i) provides that a total (as determined by the Governor of a State) of not less than four percent nor more than seven and one-half percent of the construction grant funds allotted to a State shall be used only to increase the Federal share of construction grants for construction of treatment works utilizing innovative or alternative processes and techniques. The increase in the grant for such treatment works is twenty percent greater than the Federal share established in section 202(a)(1), but in no event greater than eighty-five percent.

Subsection (e) of section 16 amends section 205(j)(3) of the Federal Water Pollution Control Act which directs the Administrator to reserve each fiscal year not to exceed one percent of the sums allotted and available for obligation for each State for water quality management planning. Subsection (e) provides that the State shall allocate at least 50 percent of the amount granted to the State for a fiscal year under the section to regional interstate public comprehensive planning organizations in the State, except in any fiscal year for which the Administrator and Governor of any State determine jointly that allocation of at least 50 percent to such organizations will not substantially assist in achieving the goals of the Act.

In the Municipal Wastewater Treatment Construction Grants Amendments of 1981 (P.L. 97-117), a new subsection, 205(j), was added to provide assured funding for a variety of planning purposes. The set-aside is to be for water quality management planning including, among other things: identifying cost effective and locally acceptable point and non-point measures; developing implementation plans; identifying water quality problems; and determining which publicly owned treatment works should be built, and for implementation of section 303(e) of the Act.

A key part of the provision in the 1981 Amendments, which is now part of the Federal Water Pollution Control Act, is:

"(3) In carrying out planning with grants made under paragraph (2) of this subsection, a State shall develop jointly with local, regional, and interstate entities, a plan for carrying out the program and give funding priority to such entities and designated or undesignated public comprehensive planning organizations to carry out the purposes of this subsection".

Subsection (e) reinforces the original intent to have these organizations carry out a significant part of the program under section 205(j). Such comprehensive planning organizations are assured at least 50 percent of 205(j) funds. There is an exception to this requirement where the Administrator of EPA and the Governor jointly determine otherwise to recognize the differing circumstances among the States.

Subsection (f) of section 16 adds a new subsection to section 205 of the Federal Water Pollution Control Act which provides that ¼ of 1 percent of any amount appropriated for the Construction Grants Program for any fiscal year after fiscal year 1984 shall be reserved by the Administrator for carrying out investigations and audits authorized by the Act of projects for which funds are made available under Title II.

This provision is based on information obtained by an investigation conducted by the Committee's Subcommittee on Investigations and Oversight. In 1981, that Subcommittee investigated problems associated with the construction of treatment works and the adequacy of EPA auditing procedures.

At the time of the Subcommittee's review, the EPA Office of Inspector General's (OIG) resources were so inadequate that it was facing a 70 work-year backlog in audit requests. Further, the OIG had virtually no investigators in two of the EPA's audit regions covering 27 states which had more than $10 billion in active Construction Grants Program projects. Information recently obtained by the Subcommittee indicates that by the end of this year the EPA will still be confronted with a backlog of as many as $1 billion worth of wastewater treatment projects in need of final audits.

Subsection (f), which would result in the allocation of some $6 million annually to the Inspector General's Office at the current level of Construction Grants Program authorizations, will help insure the integrity of the program and the protection of the public's investment in these wastewater treatment facilities.

Subsection (g) of section 16, paragraph (1), directs the Administration to make a grant, from funds allotted to the State of California under section 205 of the Act, to the City of Avalon, California, for improvements to the publicly owned treatment works of that City.

Paragraph (2) of subsection (g) directs the Administrator to make a grant of $2,337,000 from funds allotted to the State of Ohio for fiscal year 1985 to the owners of the Rocky River Wastewater Treatment Plant in Rocky River, Ohio, for reimbursement of the owners for cost of construction of the plant.

The project at Rocky River, which also serves the communities of Bay Village, Westlake, and Fairview Park, was originally funded in 1968 under the Research and Development grant provisions of the Federal Water Pollution Control Act. The project was to use an advanced system of chemical coagulation and carbon filtration in order to provide the high level of treatment required for discharges into Lake Erie. Construction of the plant was initiated in October 1972. Its operation has been a total failure, and a new plant is now being constructed.

EPA has interpreted section 206 of the Act as not being applicable to the Rocky River plant because of the date on which construction was commenced and the fact that it was built with research and development grant assistance rather than construction grant assistance under the Pollution Control Act in existence prior to the 1972 amendments.

The Committee believes that the plant should be eligible for reimbursement and has accordingly provided for it in subsection (g).

Paragraph (3) of subsection (g) directs the Administrator to make grants from funds allotted to the State of Pennsylvania for fiscal year 1985 to Walker Township, Pennsylvania, for developing a collector system and connecting its wastewater treatment system into the Huntington Borough Pennsylvania Sewage Plant, and to Smithfield Township, Pennsylvania, for rehabilitating and extending its collector system.

Sewage disposal in Walker Township is presently accomplished by on-site methods, such as septic tanks and cesspools, and their appurtenances. Such methods are suitable in some parts of the Township in its present state of development. However, in areas with relatively high population density and certain subsurface conditions, there is dire need of public sewers in the immediate future. The project includes construction of a complete sanitary sewage collection system for the Village of McConnellstown and other population concentration areas of the townships (approximately 47,000 linear feet of sanitary sewers), two sewage pumping stations and force mains and a separate interceptor sewer from the Walker Township line to the Huntingdon Sewage Treatment Plants. The estimated cost of the project is $4.5 million. Huntingdon Borough is currently proceeding toward providing required secondary treatment without benefit of EPA construction grants funding. The Committee commends their efforts and wants it to be clear that the funding of the Walker Township project shall not place any construction grants regulations or requirements on Huntingdon Borough as it proceeds on its own.

The Smithfield Township sewer system rehabilitation and extension is in two parts. The first portion is the rehabilitation and replacement of approximately 9,000 linear feet of sewers, laterals, and drains. The estimated cost is $500,000. The second portion is construction of a sewer system to serve the McConnellstown Road area of Smithfield Township from Kelly's Corner to the Walker Township line. The project includes construction of approximately 6,000 linear feet of sewers and laterals. The estimated cost is $400,000.

Paragraph (4) of subsection (g) directs the Administrator to make a grant to the Elk Pinch Public Service District, Kanawha County, West Virginia, from funds allotted to the State of West Virginia, in an amount not exceeding $3 million as is necessary to allow the district to maintain the approved user charge of $4.26 per thousand gallons and shall be in addition to the Federal share of eligible costs of such project otherwise eligible.

As a condition to receiving this grant, the Elk Pinch Public Service District must agree to take necessary steps including litigation, to recover funds from parties against whom the District has claims for damages relating to the design and construction of the plant. Any amounts recovered are to be paid back to the Administrator and are to be reinstated to the allotment of West Virginia under the Construction Grants Program.

Paragraph (5) requires the Administrator to make a grant of $250,000 to the City of Taylor Mill, Kentucky, for any necessary repairs and reconstruction of the City's publicly owned treatment works. The Taylor Mill grant is to be made from funds allotted under section 205 of the Federal Water Pollution Control Act for fiscal year 1985. The Committee has determined that special emphasis should be placed on addressing this wastewater facility need because 49 percent of the population in the area affected by these repairs is below the poverty level.

Paragraph 6 requires the Administrator to make a grant of $27 million from funds allotted to the State of California for fiscal years beginning after September 30, 1984, to the City of Watsonville, California, for improvements to the wastewater treatment and disposal facilities of the city.

SECTION 17

Section 17 adds to Title II of the Federal Water Pollution Control Act a program for grants to States for establishment of water pollution control revolving funds.

Subsection (a) of new section 220 directs the Administrator to make a grant to each State for deposit in a Water Pollution Control Revolving Fund for providing assistance to municipalities and intermunicipal and interstate agencies for construction of treatment works as defined in section 212 of the Act which are publicly owned.

Subsection (b) provides that, before receiving a grant, the State must first deposit in the fund an amount equal to 20 percent of the amount allotted to the State for a fiscal year.

Each State must submit annually to the Administrator a certification that, upon completion of any project for treatment works for which financial assistance is made available under this section, discharges from such treatment works will meet all applicable requirement necessary to achieve applicable State and Federal water quality standards. The State must further certify that it will comply with all provisions of this section.

Each State is to establish a Water Pollution Control Revolving Fund to provide assistance under this section. The State shall deposit in such Revolving Fund any Federal funds allotted to that State under this section, any amounts received by the State for repayment of loans made by that State with funds in the Revolving Fund and any other funds, except for funds received under any other section of Title II, which the State wishes to deposit in its Revolving Fund. Construction grant funds cannot be deposited in the Revolving Fund.

Subsection (c) of new section 220 provides that a State may use amounts in the Revolving Fund only to make loans, loan guarantees, payments to reduce interest on loans and loan guarantees, bond interest subsidies, and bond guarantees to municipalities and intermunicipal and interstate agencies.

In addition, to the extent provided by State law, any State may issue revenue or general obligation bonds using amounts in the Revolving Fund as the source of revenue or security for the payment of interest and principal on the bonds. The proceeds of the sale of the bonds shall be deposited in the Revolving Fund. No municipality or intermunicipal or interstate agency shall receive a loan from the Revolving Fund unless such municipality or agency establishes a dedicated source of revenue for the repayment of the loan.

A State may provide assistance under this section to a municipality or intermunicipal or interstate agency with respect to the non-Federal share of the costs of a project for which such municipality or agency is receiving assistance from the Adminsitrator under any other section of Title II.

A State may provide financial assistance from the Fund for any project which is on the State's priority list under section 216 of the Act, without regard to the ranking of the project on the list.

Subsection (d) of new section 220 provides that a State may make assistance available under this section from the Revolving Fund established by the State to finance the costs of facility planning and the preparation of plans, specifications and estimates for construction of publicly owned treatment works. If the grant recipient under this subsection ultimately receives a construction grant from the Environmental Protection Agency which includes reimbursement for non-Federal funds expended for planning and engineering, the recipient must promptly repay the loan to the extent of the allowance it receives from the Environmental Protection Agency.

Subsection (e) requires each State to annually make a full and complete report to the Adminsitrator concerning the use of Federal funds made available under this section in such manner as the Administrator shall prescribe. Also, at least annually, the Administrator shall conduct, or require each State to have independently conducted, reviews and audits as may be deemed necessary and appropriate by the Administrator to carry out the objectives of this section. Audits of the use of Federal funds shall be conducted in accordance with the auditing procedures of the General Accounting Office.

Subsection (f) states that the provisions of Title II of the Federal Water Pollution Control Act shall not apply to financial assistance under new section 220 except to the extent specifically provided in new section 220. The purpose of this provision is to give States maximum flexibility in the use of the revolving fund.

Subsection (g) of new section 220 authorizes to be appropriated to carry out this section not to exceed $1,600,000,000 per fiscal year for each of the fiscal years 1985 through 1988. These funds are to be allotted by the Administrator in accordance with the same table which provides for allotment of Construction Grant funds. Sums allotted to a State for a fiscal year shall remain available for a grant to such State for the fiscal year for which authorized and for the following fiscal year as well. Any funds granted to a State for a fiscal year under this section which are not utilized by such State for any of the purposes of this section during such fiscal year and the following fiscal year shall be repaid to the Administrator for reallotment among the other States.

The revolving fund was intentionally developed to provide maximum flexibility to the States. The Committee believes this program should be maintained primarily as a State-controlled effort. The Committee will, however, exercise its oversight responsibilities to assure that the States manage the program to optimize the benefits to localities in their efforts to meet the requirements of the Federal Water Pollution Control Act.

Many communities on State priority lists for construction grants funding are too low on the lists to receive grants. Others may not receive the grants as quickly as they are prepared to go forward. The revolving fund is intended to provide a complementary system to the Construction Grants Program. The fund can be used for a project anywhere on the priority list and can be used in combination with grant funds. The $1.6 billion authorization over four years will provide a series of permanent funds among the States totalling $6.4 billion nationwide.

The suggestion of a loan or similar fund as an adjunct to or in lieu of the construction grants program has been discussed for several years. The Committee received substantial testimony that was very helpful in designing this new proposal.

SECTION 18

Section 301(k) of the Act provides that, in the case of any facility which proposes to comply with the requirements of best available technology by replacing existing production capacity with an innovative production process, which will result in an effluent reduction significantly greater than that required by the otherwise applicable effluent limitation or with the installation of an innovative control technique that has a substantial likelihood for enabling the facility to comply with the applicable effluent limitation by achieving a significantly greater effluent reduction than that required by the applicable limitation, the Administrator may establish a compliance date no later than July 1, 1987—three years later than the final compliance date otherwise provided in the Act. Section 18 amends this provision, changing the compliance date from July 1, 1987, to a date two years after the date for compliance with the effluent limitation which is otherwise applicable.

In the period since the 1977 Amendments, there have been delays in final promulgation of effluent guidelines. This is in large part what has led to extension of the compliance deadlines in Section 4 of H.R. 3282. There is still potential for the kinds of innovative processes envisioned in the 1977 Amendments. For this reason, the 301(k) innovative technology extension is continued and is to be no later than two years after the date for compliance with effluent limitations otherwise applicable.

SECTION 19

This section adds a new subsection (n) to section 301 of the Federal Water Pollution Control Act concerning remining operations. It provides that the Administrator, or the State in any case in which the State has an approved permit program under section 402(b), may issue a permit under section 402 which modifies the requirements of subsection (b)(2)(A) of section 301 with respect to the pH level of any discharge, and with respect to discharges of iron and manganese, from the remined area of any coal remining operation. Such modified requirements shall apply the best available technology economically achievable on a case-by-case basis, using best professional judgment. In no event shall such a permit allow the pH level of any discharge, and in no event shall such a permit allow the discharges of iron and manganese, to exceed the levels being discharged from the remined area before the coal remining operation begins.

The Administrator or the State may only issue a permit if the applicant demonstrates to the satisfaction of the Administrator or the State, as the case may be, that the coal remining operation provides a potential for improvement to water quality.

"The term 'coal remining operation' means a coal mining operation which begins after the date of enactment of this subsection at a site on which coal mining was conducted before the effective date of the Surface Mining Control and Reclamation Act of 1977; and

"The term 'remined area' means only that area of any coal remining operation on which coal mining was conducted before the effective date of the Surface Mining Control and Reclamation Act of 1977.

"Nothing in the new subsection shall affect the application of the Surface Mining Control and Reclamation Act of 1977 to any coal remining operation, including the application of such Act to suspended solids.".

At the time of the passage of the Surface Mining Control and Reclamation Act (SMCRA), an estimated 1.5 million acres of land had been disturbed by coal mining, and over 11,500 miles of streams polluted by sediment or acidity from surface or underground mines. The abandoned mind lands program authorized by SMCRA established a fund to reclaim these abandoned sites where there is no continuing reclamation responsibility under State or Federal law. The program is funded by a reclamation fee levied on coal operators of 35 cents per ton on surface mined coal and 15 cents per ton on underground mined coal. Fee collection began in 1978 and will extend through 1992.

It is estimated that reclamation of 100 percent of coal related abandoned mine land problems would require expenditures of about $12 billion in constant 1983 dollars. However, published estimates of the cost to rehabilitate lands affected by past coal mining activities have exceeded $30 billion. The current program will result in the collection of approximately $3 billion and will resolve approximately 10 percent of the national problem through the use of State and Tribal share funds (50 percent of total collections). Expenditure of all money generated from both share (State/Tribal and Federal) would result in something less than 20 percent of the problem being resolved.

Estimates indicate that approximately 40-45 percent of these lands contain additional recoverable reserves that today can be mined with economic benefits. The intent of section 24 is to provide a limited incentive to remine abandoned coal mining sites through a very limited exclusion of discharge of pollutants occurring at the abandoned sites from effluent limitations established pursuant to the Federal Water Pollution Control Act. In the absence of remining, these discharges would continue in view of the limited resources available for reclamation of abandoned mines. Remining, however, would be subject to the requirements of the Surface Mining Control and Reclamation Act, which would result in reclamation of the site.

There are a number of provisions in the Surface Mining Act and regulations designed to protect the quality of water in areas where surface coal mining operations are being conducted. The Act reflects the understanding that there is likely to be some temporary disruption to water quality and quantity during the actual mining process. The operator, whether proposing a new or remaining operation, is required to submit in his permit application a determination of the probable hydrologic consequences of the operation on surface and groundwater quantity and quality. This will be based on baseline hydrologic, geologic and other information collected as part of the permit application. The baseline hydrologic data will be collected for a minimum of six months prior to mining but sufficient to show seasonal variations in quantity and quality. It will address acid forming and potentially toxic materials which could contaminate surface or groundwater. The regulatory authority must then perform a cumulative hydrologic impact assessment based upon previous and predicted mining operations. In addition, there are numerous other performance standards to ensure proper reclamation and protection of public health and safety.

Because reclamation techniques require some form of regrading, surface hydrology in most cases would improve from controlling the quantity and direction of flow. Quality of surface flow is enhanced through reclamation because many potential point-source discharges of poor quality water would be eliminated through filling, grading, and revegetation. These beneficial impacts to surface hydrology typically range from minor to significant, depending on site conditions, and are of long duration.

SECTION 20

Section 304(a)(1) of the Act directs the Administrator to develop and publish criteria for water quality accurately reflecting the latest scientific knowledge on the kind and extent of all identifiable effects on health and welfare. Section 20 amends this provision by adding the requirement that, in developing, publishing and revising criteria, the Administrator shall consider, among other things, the effects on the ecosystem of water hardness, pH, chemical and physical interactions, persistence of pollutants and the long-term effects of pollutants, sedimentation from chemical reaction of pollutants, the absorptive properties of sediments, resuspension, and bio-uptake.

Subsection (b) of section 20 adds the requirement that in the development of new or revised criteria with respect to a pollutant, whenever the Administrator determines that a well-founded and significant difference of opinion exists as to the latest scientific and research knowledge on the matters referred to in the section, the Administrator shall publish a description of this difference of opinion along with the publication of the criteria.

Subsection (b) also provides that new or revised criteria should be established so as to provide an ample margin of safety to protect human health and fish and wildlife resources.

SECTION 21

Subsection (a) of this section adds a new paragraph (5), including two subparagraphs, to section 307(b) of the Federal Water Pollution Control Act. Section 307(b) requires the Administrator to promulgate national categorical pretreatment standards for the control of pollutants introduced by industrial dischargers into publicly owned treatment works.

New subparagraph (5)(A) authorizes the Administrator to establish a single compliance date for any source—also referred to as any indirect discharger—which is subject to two or more pretreatment standards that have been promulgated before the date of enactment of H.R. 3282. The single compliance date shall apply to all of the pretreatment standards applicable to the source and promulgated before the date of enactment, shall apply only to those already-promulgated and applicable standards, shall only be granted to sources which make application for the single compliance date, and shall not be later than one year after the earliest applicable pretreatment standard compliance date or not later than the date for compliance specified in the last promulgated pretreatment standard applicable to the source, whichever comes first. The Administrator shall not establish a single compliance date unless the applicant demonstrates to the satisfaction of the Administrator that

The establishment of a single compliance date will result in compliance by the applicant with all such standards earlier than would be the case in the absence of such single date; and

The technology which is the basis for one of the applicable pretreatment standards is inconsistent with the technology which is the basis for another of the applicable pretreatment standards, or the pretreatment standard with the later compliance date requires sufficient additional technology to justify such single compliance date.

Any application by a source under this paragraph for a single compliance date shall be made not later than 30 days after the date of enactment of this subparagraph. The Administrator shall provide public notice of such application not later than two weeks after its receipt and shall either approve or deny such application within 60 days after the last day of such two-week period.

The Federal Water Pollution Control Act requires the Administrator to establish mandatory national pretreatment standards to prevent the discharge of any pollutant into publicly owned treatment works which interferes with, passes through, or is otherwise incompatible with the works. The Act specifies a time for compliance not to exceed three years from the date of promulgation of a standard and focuses on the control of toxic pollutants for the 65 classes of industrial and commercial discharges in specific industrial categories determined to be the most significant sources of 126 priority toxic pollutants.

The Administrator has implemented these requirements through the promulgation of General Pretreatment Regulations, which establish standards common to all industries, and industry-specific Categorical Pretreatment Standards for the 25 specific industrial categories determined to be the most significant sources of toxic pollutants. This approach requires an industrial discharger which combines wastestreams and is subject to multiple categorical pretreatment standards to comply sequentially with each categorical standard as it is promulgated. Such industrial dischargers are commonly referred to as integrated facilities.

Under the scheme of the Act and the Agency's implementing regulations, integrated facilities must meet more than one deadline for compliance, since more than one pretreatment standard applies to these facilities and since the Administrator has promulgated the categorical pretreatment standards with different compliance dates for each standard.

The Committee has responded to this situation under subsection (a) of section 21 by providing integrated facilities with an alternative to sequential compliance with each applicable categorical standard as it is promulgated. Subsection (a) authorizes the Administrator to establish a single compliance date for an integrated facility, at the request of the facility, for all pretreatment standards promulgated prior to enactment of this provision and applicable to the facility. Under subsection (a), at least the earliest of an integrated facility's categorical pretreatment standard compliance dates would be deferred and the latest would be accelerated, both to a single date, resulting in total compliance for the facility at an earlier date than would be the case in the absence of a single compliance date. Where the first and last pretreatment standards have compliance deadlines one year or less apart, the single compliance date established by the Administrator must be earlier than the date of compliance with the last standard required.

Subsection (b) of section 21 extends the date of compliance with the electroplating pretreatment standards to December 31, 1984.

Current law, by regulation, requires non-integrated facilities covered by the electroplating categorical pretreatment standards to comply with those standards by April 27, 1984; integrated facilities must be in compliance by June 30, 1984. Subsection (b) extends the compliance date for both types of facilities to December 31, 1984.

The Committee anticipates that expeditious and orderly progress towards obtaining compliance with the electroplating pretreatment standards by the regulated sector and towards implementing the pretreatment program by the Agency will be made.

Subsection (c) of section 21 directs the Administrator to increase the number of employees in the Agency in order to effectively implement the Federal Water Pollution Control Act's pretreatment requirements.

The Committee believes that insufficient Agency resources are being dedicated to regulatory and implementation activities relating to the National Pretreatment Program. This program has been surrounded by controversy since 1972 and it is only now on the verge of being implemented nationwide. Of the approximately 1675 publicly-owned treatment works required to develop pretreatment programs under the Federal regulations, only 371 had approved programs as of the beginning of fiscal year 1984. During fiscal year 1983, only 306 programs were approved. If the Agency's goal of having all 1675 programs approved and functioning by the end of fiscal year 1985 is to be achieved—a goal the Committee shares and would even like to see exceeded—far more resources than are currently being budgeted for this effort will be required.

The Committee believes that EPA resources dedicated to pretreatment program approval and enforcement activities should be substantially increased compared to levels assumed in the proposed budget. The Agency has estimated that it will take fifteen days to review each POTW application for pretreatment program approval. Based on the number of approvals already made, the number projected to be made before the end of fiscal year 1985, and the level of resources currently being proposed for pretreatment program efforts, the Agency will barely be able to meet its stated goal of having all 1675 programs approved by September 30, 1985. However, to achieve this level of program approvals, the Agency will have to dedicate all of its currently budgeted resources to the effort, having virtually none available for reviewing State program delegation applications (40 days required per application), reviewing baseline monitoring reports for compliance with EPA regulations (4-8 day per report), processing removal credit applications (20 days per application), providing necessary support functions for enforcement actions (10-20 days per enforcement action against an industrial user and the same for each action against a POTW), monitoring a POTW's implementation of its program (15 days per POTW), and monitoring a State's implementation of its pretreatment program (10 days), to list just a number of pretreatment program functions that must also be performed. The Committee is convinced for these and other reasons that substantial additional revenues will be required for the pretreatment program in fiscal year 1985 and beyond.

Subsection (d) of section 31 amends section 307 of the Federal Water Pollution Control Act to authorize the owner or operator of a publicly owned treatment works to grant up to a two-year extension for compliance with a categorical pretreatment standard to an indirect discharger that intends to comply with such applicable standard by using an innovative treatment system that meets the criteria specified in section 301(k) of the Act, if (1) the Administrator determines that the innovative system has the potential for industry-wide application and the action will not cause the publicly owned treatment works to violate its NPDES permit, and (2) the Administrator or a State having an approved pretreatment program concurs with the proposed action of the owner or operator of the publicly owned treatment works.

Section 301(k) of the Federal Water Pollution Control Act currently authorizes an extension of the date for compliance with certain best available technology treatment requirements for direct dischargers where the applicable innovative technology or process installed by the direct discharger has potential for industry-wide application and achieves either significantly greater pollutant reduction compared to that required by the applicable effluent limitations or achieves the required reduction at significantly lower cost. Subsection (d) is intended to provide the same kind of innovative technology deadline extension for indirect dischargers as is provided in section 301(k) of the Federal Water Pollution Control Act, as amended by section 18 of H.R. 3282, for direct dischargers. In this way, the Committee intends to provide an additional incentive to the development of new and better techniques to control the discharge of pollutants.

The purpose of this amendment is to encourage the development of innovative processes and control technologies. It is not in any way intended to provide a means for delay in compliance with the deadlines established in the Act. The Committee thus understands "innovative system" to be one which has not yet been demonstrated on a commercial scale under operating conditions in any industry; is proposed for application in a very few plants; and is unlikely to be installed without this encouragement. Additionally, this provision is not intended to allow delays by other companies awaiting the results of the demonstration.

SECTION 22

This section amends section 309 of the Federal Water Pollution Control Act to provide that dischargers or individuals who knowingly violate or cause the violation of certain of the Act's requirements will be subject to criminal penalties of up to $50,000 per day and/or imprisonment for up to two years.

Under section 22, punishment by fine of between $2,500 and $25,000 per day, or imprisonment for up to a year, or both, is required with respect to (1) any person who negligently violates section 301, 302, 306, 307, 308, 318, or 405 of the Federal Water Pollution Control Act, or any permit condition or limitation implementing any of these sections in an NPDES permit, or any requirement imposed in an approved pretreatment program, or any requirement in a dredge and fill permit under section 404 of the Act; or (2) any person who negligently introduces into a sewer system or a publicly owned treatment works any pollutant or hazardous substance which causes or may reasonably be anticipated to cause personal injury or property damage or which causes the treatment works to be in violation of its NPDES permit requirements. Second and subsequent violations shall be punished by a fine of not more than $50,000 per day, or by imprisonment of up to two years, or both.

Section 22 also requires punishment by fine of between $5,000 and $50,000 per day, or imprisonment for up to two years, or both, for (1) any person who knowingly violates section 301, 302, 306, 307, 308, 318, or 405 of the Act, or any permit condition or limitation implementing any of these sections in an NPDES permit, or any requirement imposed in an approved pretreatment program, or any requirement in a dredge and fill permit under section 404 of the Act; or (2) any person who knowingly introduces into a sewer system or a publicly owned treatment works any pollutant or hazardous substance which causes or may reasonably be anticipated to cause personal injury or property damage or which causes the treatment works to be in violation of its NPDES permit requirements. As with negligent violations, for subsequent knowing violations, the maximum punishment which may be imposed for these knowing violations is twice that pertaining to the initial violation.

The section provides, for both of these negligent or knowing violations, an affirmative defense that the introduction of any pollutant or hazardous substance into the sewer system or treatment works was in compliance with all applicable Federal, State, and local requirements governing the introduction.

Any person who knowingly makes any false material statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under the Act or who knowingly falsifies, tampers with, or renders inaccurate any monitoring device or method required to be maintained under the Act shall upon conviction be punished by a fine of up to $10,000 per day or imprisonment for up to two years, or both. Second and subsequent convictions shall be punished by a fine of up to $20,000 per day of violation, or by imprisonment of up to four years, or both.

For the purpose of section 22, the term "person" means any responsible corporate officer in addition to the definition of the term in section 502(5) of the Federal Water Pollution Control Act. The term "hazardous substance" means any substance designated pursuant to section 311 of the Federal Water Pollution Control Act; any element, compound, mixture, solution, or substance designated under section 102 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980; certain hazardous wastes having the characteristics identified under or listed pursuant to section 3001 of the Solid Waste Disposal Act; any toxic pollutant listed under section 307(a) of the Federal Water Pollution Control Act; and any imminently hazardous chemical substance or mixture with respect to which the Administrator has taken action pursuant to section 7 of the Toxic Substances Control Act.

Presently the Federal Water Pollution Control Act has no provision that deals with knowing violations of major statutory or regulatory requirements. Section 22 is intended to be used primarily to address intentional violations of the Act occurring on a regular basis over an extended period of time that result in significant harm to public health or the environment. The section is intended to provide for imposition of severe penalties for such actions.

SECTION 23

This section authorizes the assessment of civil penalties for violations of the Act. Whenever on the basis of any information available to him the Administrator finds that any person is in violation of sections 301, 302, 306, 307, 318, or 405 of the Act or is in violation of any permit condition or limitation implementing any of these sections in a permit issued under section 402 of the Act, he may, after consultation with the State in which the violation occurs, assess a civil penalty of not more than $10,000 per day of violation, except that the penalty shall not exceed a total of $75,000. The Secretary of the Army is given similar authority in connection with permits issued by him under section 404 of the Act, which relates to the discharge of dredged or fill material.

A civil penalty is assessed under this provision by the Administrator or the Secretary, as the case may be, by an order made on the record after opportunity for a hearing. Before issuing such an order, the Administrator or the Secretary is required to give written notice to the person to be assessed the civil penalty of the proposal to issue such an order and is required to provide the person with an opportunity to request, within 15 days, a hearing on the order.

In determining the amount of the civil penalty the Administrator or the Secretary shall take into account the nature, circumstances, extent, and gravity of the violation or violations and, with respect to the violator, the ability to pay, the effect on the ability to continue to do business, any history of prior violations, the degree of culpability, economic savings resulting from the violation and such other matters as justice may require.

The Administrator or the Secretary may compromise, modify, or remit, with or without conditions, any civil penalty which may be imposed under this provision.

Any person who requested a hearing with regard to the assessment of his civil penalty and who is aggrieved by an order assessing a civil penalty may file a petition for judicial review of the order with the United States Court of Appeals for the District of Columbia Circuit or for any other Circuit in which such person resides or transacts business. Such a petition may only be filed within the 30-day period beginning on the date the order making the assessment was issued.

If any person fails to pay an assessment of his civil penalty, after the order making the assessment has become a final order, and where the person does not file a petition for judicial review of the order, or after the court has enter a final judgment in favor of the Secretary or the Administrator, the Attorney General shall recover the amount assessed in an action brought in any appropriate District Court of the United States.

The Administrator and the Secretary are given the authority to issue subpoenas in connection with hearings under this provision and may request the Attorney General to bring an action to enforce any subpoena.

Any violation with respect to which any civil penalty is imposed under this provision is not subject to a civil penalty under section 309(d) or section 311(b) of the Federal Water Pollution Control Act.

When a State has proceeded with an enforcement action relating to a violation with respect to which the Administrator or the Secretary is authorized to assess a civil penalty under this provision, the Administrator and the Secretary are not authorized to take any action under this subsection if the State demonstrates that the State-imposed penalty is appropriate.

SECTION 24

This section contains a number of amendments to section 314 of the Federal Water Pollution Control Act, which establishes a grant assistance program to improve the water quality of lakes.

Subsection (a) of section 24 deletes the reference to "fresh water" in section 314(a)(1) in order to make the Clean Lakes Program applicable to saline, as well as fresh water, lakes. The Committee believes that lakes which are saline, both inland and those connected to bays, estuaries or other saline waters where salinity from those sources enters the lake, should not be excluded from the water quality improvement program for lakes under section 314.

Subsection (b) of section 24 consists of technical amendments to existing law to reflect the amendments made by section 24.

Subsection (c) adds a number of new subsections to section 314.

New subsection (d) provides that the Administrator shall make grant to States for priority projects for control of nonpoint sources of pollution which are contributing to the degradation of water quality in lakes. The amount to the State for such a project shall not exceed 70 percent of the cost of the project. There is authorized to be appropriated not to exceed $100 million per year for the Fiscal Years 1985 through 1989 for these purposes.

New subsection (e) provides that any State may prepare and submit to the Administrator for approval a survey of water quality deterioration lakes and other waters in the State which has resulted from high acidity and methods and procedures which may be applied to lakes and other waters in the State to restore water quality insofar as quality has deteriorated because of high acidity. The Administrator shall make grants to States to carry out these methods and procedures, as approved by the Administrator. The amount granted to any State for any fiscal year shall not exceed 80 percent of the funds expended by the State in that year for carrying out approved methods and procedures. Such methods may include, but are not limited to, innovative methods of neutralizing and restoring buffering capacity of lakes and other waters that have become so acidic as to endanger game fish species, and methods of removing from lakes and other bodies of water toxic metals and other toxic substances mobilized by high acidity. The Administrator shall provide for an equitable distribution of sums among States with approved methods and procedures, with the distibution to be based on the relative need of each State for the restoration of water quality which has deteriorated as a result of high acidity. The amount of any grant to a State under this subsection is to be in addition to, and not in lieu of, any other federally financed assistance. To carry out new subsection (e) there is authorized to be appropriated $25 million per fiscal year for each of the fiscal years 1985 through 1989.

New subsection (f) directs the Administrator to submit annually to the House Committee on Public Works and Transportation and the Senate Committee on Environment and Public Works a report on the status and trend of water quality in lakes in the United States, including, but not limited to, the nature and extent of pollution loading from point and nonpoint sources and the extent to which the use of lakes is impaired as a result of such pollution, particularly with respect to toxic pollution.

New subsection (g) directs the Administrator to study, in cooperation with the State of Texas, water quality problems in Lake Houston, Texas, and undertake such control measures as determined necessary to improve water quality. The study will include, but not be limited to, evaluating the feasibility of regional or consolidated waste treatment facilities and developing recommendations for cost-effective control of pollutants entering the Lake Houston watershed. A report is to be submitted to the Committee on Public Works and Transportation of the House and the Committee on Environment and Public Works of the Senate.

Lake Houston is a 12,000 acre lake located in the northeast section of Houston, Texas. The lake provides about 40 percent of the drinking water for the City of Houston. It is also used by thousands of residents of the Houston area for a wide range of recreational activities. At present, there is great concern that high fecal coliform counts indicate a potential serious health hazard. Given the key role played by Lake Houston in the area, the Committee believes priority action is warranted.

There has been extensive development in the vicinity of Lake Houston and a large number of very small treatment plants have been put in place in the watershed. Most of these treat less than 1 million gallons per day. Overloading, poor performance, or lack of proper operation and maintenance of these small plants may be significant factors in the water quality problems being experienced at Lake Houston. The Committee is directing that these and other factors be studied and measures taken to eliminate water quality problems. One approach for consideration is consolidating the smaller treatment plants into larger, more effective sewage treatment systems.

New subsection (h) directs the Administrator, in cooperation with the Secretary of the Army, and in consultation with State and local agencies, to conduct a one-year study of Beaver Lake, Arkansas, and then undertake a demonstration project at Beaver Lake to determine the effectiveness of measures identified in the study. The study is to find means to optimize achievement of the purposes for which Beaver Dam was constructed while preserving and enhancing the quality of the reservoir's water. Following the demonstration project, the Administrator shall submit a report on the study and the project, along with recommendations for further measures to improve the water quality of Beaver Lake. This report will be submitted to the Committee on Public Works and Transportation of the House and the Committee on Environment and Public Works of the Senate. To carry out this subsection, funds appropriated under subsections (c, (d), (e), of section 314 of the Federal Water Pollution Control Act and section 52 of H.R. 3282 are available.

Beaver Lake is on the White River in northwestern Arkansas, in the Ozark highlands. Beaver Dam, behind which the lake is impounded, was completed by the U.S. Army Corps of Engineers in 1965 and impounds nearly 2 million acre-feet of storage. It is operated in conjunction with other lakes in the White River basin to prevent flood damages down river. It also serves as an important source of hydroelectric power and water supply. In addition, there are eleven parks around the lake, providing substantial recreational opportunity. A high level of water quality is needed to maintain the varied uses of Beaver Lake. The comprehensive, one-year study followed by a thorough demonstration project, will provide the opportunity for improvements in the water quality of the lake.

New subsection (i) directs the Administrator to undertake a demonstration project for the removal of silt, stumps and other obstructions from Greenwood Lake and Belcher Creek, New Jersey. Upon completion of the demonstration project, the Administrator is to submit a report, along with recommendations for further measures to improve the water quality of Greenwood Lake and Belcher Creek, to the House Committee on Public Works and Transportation and the Senate Committee on Environment and Public Works. There is authorized to be appropriated $10 million to carry out this subsection.

New subsection (j) directs the Administrator to undertake a demonstration project for the removal of silt and stumps from, and the control of pollution from nonpoint sources in, Deal Lake, Monmouth County, New Jersey. Upon completion of the demonstration project, the Administrator is to submit a report on the project, along with recommendations for further measures to improve the water quality of Deal Lake, to the House Committee on Public Works and Transportation and the Senate Committee on Environment and Public Works. There is authorized to be appropriated $8 million to carry out this subsection.

New Subsection (k) directs the Administrator to undertake a demonstration project for the restoration of Alcyon Lake in New Jersey including removal and disposal of contaminated sediments in the lake. Upon completion of the project, a report is to be submitted to the House Committee on public Works and Transportation and the Senate Environment and Public Works Committee, together with recommendations for further cleanup measures.

SECTION 25

Section 402(b)(1)(B) of the Federal Water Pollution Control Act currently provides that permits for the discharge of pollutants are to be for fixed terms not exceeding five years.

Subsection (a) of section 35 amends this provision to provide that permits are for fixed terms not to exceed ten years, except in the case of a permit which modifies any requirement of the Act's sections 301(c), (g), (h), or (m) of the Federal Water Pollution Control Act—relating to extensions of compliance dates for direct dischargers where innovative technology is involved, modifications of compliance dates for pollutants other than toxic pollutants, modifications of technology requirements where an ocean outfall is involved and effluent limitations for certain pulp mills—and except in any case in which the State determines that the applicant has not consistently complied with any permit held by the applicant. In such excepted cases, permits shall be issued for fixed terms not exceeding five years. In carrying out this provision, the Administrator should consider, among other things, the frequency and significance of any instances of noncompliance by the permittee.

Subsection (a)(2) requires that permits must be modified promptly to insure compliance with any new or revised toxic pollutant effluent limitation under section 307(a) of the Federal Water Pollution Control Act, or any new or revised requirement pursuant to a standard under section 303 of this Act which limitation or requirement is more stringent than the existing effluent limitation or requirement in the permit or which controls a pollutant not controlled in the permit.

The burden placed upon the Agency and the States by virtue of the numerous permits that must be issued or renewed each year has, among other things, led to extended delays in the permitting process. In order to help relieve these burdens and to expedite the process for the Agency, States, and permittees alike, section 25(a) authorizes the issuance of certain permits for terms of up to ten years.

The Agency and the States are issuing most permits for a second time. Since initial permit issuance, a great deal of familiarity and experience has been gained both with the permitting process and with specific permits and permittees. In many cases, this justifies an extended permit term. However, the Committee recognizes that for some permits the ten year term may be inappropriate. Specifically, for those permits issued pursuant to the waiver or modification provisions of section 301 (c), (g), (h), or (m), a five year maximum permit term is established.

In addition, nothing in this provision infringes on the Agency's ability to establish shorter permit terms where the Agency deems it appropriate. Given the wide variety of permits and recognizing that the Agency is just beginning to issue many major permits with toxic limitations for the first time, it is understood that EPA will need the flexibility to set maximum permit terms of less than ten years for some dischargers.

Subsection (b) of section 25 of the bill provides that the Administrator shall not require a permit under section 402 or directly or indirectly require any State to require such a permit for discharges of stormwater run-off which (1) are from mining operations or oil or gas exploration, production, processing, or treatment operations, (2) are composed entirely of flows from conveyances or systems of conveyances used for collecting and conveying precipitation run-off; and (3) are not contaminated with process wastes, overburden, raw materials, toxic pollutants above background levels, spilled product, oil, grease, or hazardous substances.

Any person discharging stormwater run off described in the preceding sentence shall monitor the quality of water in such flows and shall report not less often than annually to the Administrator on the results of such monitoring.

The subsection was developed by the Committee in recognition of the fact that there are numerous situations in the mining and oil and gas industries where stormwater is channeled around plants and operations through a series of ditches and similar devices in order to prevent pollution contamination of the stormwater. Many of these stormwater run-off devices are voluntary means of pollution control. For example, many mining operations located in mountainous and snow-packed areas collect run-off around the mine sites to keep such water from coming into contact with and being contaminated by process water or materials. The Committee believes that, to avoid penalizing operators for using good management practices designed to prevent or minimize pollution and for making expenditures to prevent stormwater run-off contamination, uncontaminated stormwater diversion devices should not be regulated under the permit scheme of the Act.

Subsection (c) amends section 402 of the Federal Water Pollution Control Act by adding new subsections (m) and (n). New subsection (m) provides that, in issuing a permit to a publicly owned treatment works, the Administrator shall not require additional pretreatment by any indirect discharger of conventional pollutants introduced into the treatment works as a substitute for inadequate pollution removal by the treatment works due to design or operation problems for which the treatment works is responsible. Indirect dischargers into the works must still comply with all applicable pretreatment standards promulgated under the Federal Water Pollution Control Act. Nothing in this subsection affects the Administrator's authority under sections 307 and 309 of the Act, affects State and local authority under section 307(b)(1) (pretreatment programs) or section 510 (state authority to establish limitations on discharges of pollutants), relieves the treatment works from its obligations to meet requirements of the Act, or otherwise precludes the treatment works from pursuing whatever feasible options are available to meet its responsibility to comply with its permit.

When a publicly owned treatment works is failing to meet its permit limits due in whole or in part to a failure by the treatment works in its responsibilities, the Administrator shall not require pretreatment of conventional pollutants by indirect discharges to remedy that problem. This provision simply recognizes that in such circumstances the burden of correcting the problem lies with the publicly owned treatment works itself through adjustment of its facilities or operation. The language of this provision makes clear, however, that discharges of conventional wastes must be in compliance with all applicable pretreatment limitations and prohibitions. In addition, this subsection is not designed to interfere with EPA's enforcement authorities, State and local pretreatment authorities, or a municipality's responsibilities and options to treat or require pretreatment in order to comply with its permit requirements.

New subsection (n) allows partial delegation to the States of the Act's NPDES program. Under this provision, the Governor of a State may submit and the Administrator may approve a partial permit program for point source discharges into the navigable waters of the State where the State's partial permit program covers, at a minimum, either administration of a major category of the discharges into the State's navigable waters or a major component of the State's NPDES permit program. With respect to a partial permit program covering administration of a major category of discharges, the Administrator is authorized to approve such a program if the program covers in a complete fashion all of the discharges under the jurisdiction of a department or agency of the State and if the Administrator determines that the partial program represents a significant and identifiable part of the State's NPDES program. With respect to a partial and phased permit program covering a major component of the State's NPDES program, the Administrator is authorized to approve such a program if the Administrator determines that the partial program represents a significant and identifiable part of the State's NPDES program and if the State submits and the Administrator approves a plan for the State to assume administration by phases of the remainder of the State's NPDES program within five years.

The Committee believes that authorizing partial and phased approval of State permit programs will greatly benefit efforts to increase individual States' NPDES program implementaton activities. With phased approval, States will be able to gradually assume responsibility for portions of the NPDES program over a specified period of time leading to full administration of the program by the end of the specified period. This will be particularly helpful to States having resource or other constraints which currently preclude full administration by allow something less than that at this time. Other States will benefit from the provision's authorization for a State to assume permitting authority over one or more discharge categories representing a major part of the State's permit program. For example, States with jurisdiction over point source regulation split among two or more State agencies, could apply for and receive authority to implement the permit program for all categories of discharges under the jurisdiction of one or more of its agencies.

It is the Committee's understanding and intent that, under the language of new subsection 402(n), at least the States of Arkansas, Louisiana, New Mexico, Oklahoma, and Texas could qualify for partial NPDES program delegation.

Subsection (d) of section 25 of H.R. 3282 amends section 402(c) of the Federal Water Pollution Control Act to provide that a State may return or the Administrator may withdraw approval of delegated NPDES program responsibilities. In the case of an approved partial permit program covering administration of a major category of a State's point source discharges, the entire permit program related to that category and being administered by one of the State's department or agencies must be returned or withdrawn. Partial programs relating to other categories and being administered by other of the State's departments or agencies, if such is the case, may remain delegated. In the case of an approved partial and phased program covering administration of a major component of a State's NPDES program, any approved phased component must be returned or withdrawn.

SECTION 26

This section amends section 502(14) of the Federal Water Pollution Control Act to provide that the term "point source" of pollution does not include agricultural stormwater discharges.

SECTION 27

This section authorizes the Administrator to make a grant to the City of New York to install such additional facilities in, and make such modifications to, the Newtown Creek sewage treatment plant as are necessary for the plant to provide secondary treatment. The Federal share of the project is 75 percent of the cost of installing such facilities and making such modifications. There is authorized to be appropriated such sums as may be necessary to carry out this section for fiscal years beginning after September 30, 1984, which shall be in addition to and not in lieu of any other amounts authorized to be appropriated under title II of the Federal Water Pollution Control Act.

SECTION 28

Subsection (a) of this section directs the Administrator, upon application of the City of San Diego and for purposes of protecting the City and surrounding areas, to make grants to San Diego for a project consisting of publicly owned treatment works to provide primary or more advanced treatment of (1) not less than 60 million gallons per day of municipal sewage and industrial wastes emanating from the City of Tijuana, Mexico, and (2) such amount of municipal sewage and industrial waste for the City of San Diego as may be necessary to meet the objectives of the Federal Water Pollution Control Act.

Subsection (b) provides that any treatment works funded under the section shall be constructed in accordance with plans developed by the City of San Diego and approved by the Administrator. Such plans shall be drawn to meet whatever construction standards would be applicable if the works were being constructed under the Federal Water Pollution Control Act's section 201 Construction Grants Program.

Subsection (c) requires the overall project authorized by section 33 to provide capacity to treat municipal sewage and industrial wastes for both of the cities of Tijuana and San Diego.

Subsection (d) provides that all of the provisions of the Federal Water Pollution Control Act which are applicable to construction grants made under subsection 201(g) of that Act shall also apply to any grant made under section 33 to provide treatment for the City of San Diego.

Under Subsection (e), the Federal share of the cost to construct treatment works to treat pollutants emanating from Tijuana shall be at full Federal expense less any amounts received from the Government of Mexico. The Committee strongly intends that negotiations should proceed at the earliest possible time, and as a matter of high priority, to secure agreement with the Government of Mexico leading to an appropriate contribution from the government of Mexico toward the project's construction, operation, and maintenance.

Subsection (f) authorizes the Administrator, upon application of the City of San Diego, to issue an NPDES permit of limited duration which modifies the requirements of section 301(b)(1)(B) of the Federal Water Pollution Control Act to permit the discharge through an ocean out fall of effluent which has received primary or more advanced treatment—but less than secondary treatment—by facilities constructed with Federal assistance under the Water Quality Renewal Act of 1984.

Subsection (g) provides that, in the event the treatment works constructed under section 33 to treat Mexican sewage and waste has capacity which is no longer necessary to provide such treatment, any such capacity may be used to provide treatment for the City of San Diego.

Subsection (h) defines the terms "construction" and "treatment works" for purposes of section 33 in the same way as those terms are defined under section 212 of the Federal Water Pollution Control Act.

Subsection (i) authorizes the appropriation of such sums as may be necessary for fiscal year 1985 and beyond to make grants under the section.

Section 28 is intended to address one of the most serious water pollution problems currently being experienced in the United States.

The City of Tijuana, located at the border of California and Baja California Norte, Mexico, presently generates approximately 20 million gallons of sewage per day. In the future, as the City's rapidly expanding population continues to grow beyond the current one million inhabitant level, and as running water is provided to more of the city's homes, the amount of sewage emanating from the city will also greatly increase.

Tijuana has neither a reliable sewage collection system nor a fully operating wastewater treatment facility. Consequently, discharges of untreated and partially treated sewage from Tijuana to the ocean at Playas de Tijuana, in addition to sewage seepages across the border, have continually contributed to the contamination of U.S. beaches and territory in the Tijuana River Valley region. This contamination has not only had an adverse economic impact on the U.S. communities in the region, it also poses a severe health hazard to citizens on both sides of the border. In August of 1983, for example, more than 6 million gallons per day of Tijuana sewage were flowing into the ocean near Imperial Beach, California. This forced the closure of Imperial, Silver Strand, and Coronado Beaches where water sample indicated the contamination to be as high as 100 times the level considered safe. Unfortunately, this was not an isolated incident. Beaches north of the border were quarantined for 307 days in 1980, 219 days in 1982, and 309 days in 1983 because of pollution emanating from Tijuana.

Section 28 provides authorization for the construction of wastewater treatment works having such capacity as may be determined necessary by the City of San Diego with concurrence of the Administrator to provide for the long-term sewage treatment needs of both the City of Tijuana, Mexico, and the City of San Diego. Further, section 28 may permit initial or interim phases of the sewage treatment works to provide less than primary treatment, provided, however, that such phases shall be compatible with and convertible to a treatment facility with primary or more advanced treatment.

With regard to treatment works authorized for sewage and industrial waste for the City of Tijuana, Mexico, it is fully expected that the Administrator will expeditiously process any application by the City of San Diego for a permit, under section 402 of the Clean Water Act, to modify requirements for secondary treatment in order to discharge through an ocean outfall.

SECTION 29

This section provides that, for purposes of protecting the economy, public health, environment, and surface and groundwater of the community of Naco, Arizona, which are in danger and are being polluted by raw sewage emanating from the community of Naco, Sonora, Mexico, upon application of the County of Cochise, Arizona, the Administrator of the Environmental Protection Agency shall make grants to such county for construction of a project consisting of a publicly owned treatment works to provide primary or more advanced treatment of not less than 150,000 gallons of untreated sewage emanating from the City of Naco, Sonora, Mexico, and treatment of waste from Naco, Arizona.

Any treatment works for which a grant is made under this section shall be constructed in accordance with plans developed by the County of Cochise, Arizona, and approved by the Administrator to meet the construction standards which would be applicable if such treatment works were being constructed under section 201 of the Federal Water Pollution Control Act.

The project authorized by this section shall provide capacity to provide treatment of municipal sewage and industrial waste for the City of Naco, Sonora, Mexico and the community of Naco, Arizona.

All provisions of the Federal Water Pollution Control Act which are applicable to grants made under section 201(g) of such Act shall apply to grants made under this section to provide treatment of municipal sewage and industrial waste for the community of Naco, Arizona.

The Federal share of the cost of construction of the treatment works to provide treatment of municipal sewage and industrial waste for the city of Naco, Sonora, Mexico shall be at full Federal expense less any costs paid by the Government of Mexico as a result of agreements negotiated with the United States.

If the treatment works constructed under this section to provide treatment for municipal sewage and industrial waste for the city of Naco, Sonora, Mexico, has capacity which is no longer necessary to provide such treatment, such capacity may be used to provide treatment for municipal sewage and industrial waste for the community of Naco, Arizona.

For purposes of this section, the terms "construction" and "treatment works" have the meanings such terms have under section 212 of the Federal Water Pollution Control Act.

There is authorized to be appropriated to the Administrator $2,000,000 to make grants under this section for fiscal years beginning after September 30, 1984.

Since early 1977 the United States has negotiated with Mexico regarding immediate and long-term solutions to the problems of chronic sewage discharges into Greenbush Draw from the Naco, Sonora treatment facilities. The City of Bisbee and County of Cochise have supplied equipment and manpower for repairs on many occasions, with funding from the International Boundary and Water Commission. However, because of frequent damage from heavy rains, inadequate maintenance of facilities, increased sewage load, and the strained economic conditions in Naco, Sonora, the frequency of sewage overflow from the treatment ponds and manholes in Naco, Sonora has increased in the last three years.

The groundwater production facilities for Bisbee, Arizona which are owned and operated by Arizona Water Company, are located in Greenbush Draw, approximately one mile downstream from the international boundary. The sewage discharge from Naco, Sonora threatens to contaminate the aquifer which supplies all of the City of Bisbee's drinking water. The sewage load to Naco, Sonora is currently 132,000 gallons per day; this load was flowing unchecked into Greenbush Draw in December 1983. As an emergency measure to prevent this sewage from reaching the Arizona Water Company well field, a diversion and impoundment were constructed on private property in Naco, Arizona again using funding from the International Boundary and Water Commission. This holding pond is unacceptable as a long-term measure and is not adequate to retain sewage flows in the event of heavy seasonal rains which are typical of southern Arizona nor to eliminate the threat of groundwater contamination.

SECTION 30

Subsection (a) of this section provides that after March 15, 1986, the City of New York shall not discharge raw sewage into navigable waters in an amount which is greater for any 30-day period than an amount equal to 30 times the average daily discharge of raw sewage by the City of New York during the 12-month period preceding March 15, 1986, as determined by the Administrator of the Environmental Protection Agency, except as provided in subsection (b) of this section.

Subsection (b) provides that, in the event of any significant interruption in the operation of a wastewater treatment plant which is operated by the City of New York, the Administrator of the Environmental Protection Agency may waive the limitations of subsection (a), but only to such extent and for such limited period of time as may be reasonably necessary for such City to resume such operation.

Significant interruptions include situations which are beyond the control of the City of New York, such as accidents or acts of God causing damage to the plants or to construction equipment.

The Administrator of the Environmental Protection Agency is directed to undertake measures, including modifications of schedules of compliance, to reduce and eliminate at the earliest practicable date, the discharge of raw sewage by the City of New York taking into account any increase in the authorization for grants for construction of treatment works made by H.R. 3282 and standards and practices which are necessary for the attainment of that water quality which assures protection of public water supplies, protection of the public health, and the protection and propagation of a balanced indigenous population of shellfish, fish, and wildlife, and allows recreational activities in and on the water.

This section in no way modifies the obligations of the City of New York to achieve secondary treatment as required by the Federal Water Pollution Control Act and any consent decrees entered into by the Environmental Protection Agency, the State of New York, the City of New York, and other parties, or any compliance orders or schedules imposed by the Administrator. It does not permit the indefinite discharge of raw sewage at the March 15, 1986 level. Rather, it places a limitation on the amount of discharge of raw sewage which may occur as the City continues its efforts to achieve full secondary treatment of all of its sewage.

SECTION 31

This section allows the Okolona Sewer Construction District in Jefferson County, Kentucky, to continue to operate its wastewater treatment works—without being required to use any other wastewater treatment facility—until completion of the West County Wastewater Treatment Plant in Jefferson County. The section also requires the Administrator to issue a National Pollutant Discharge Elimination System permit to effectuate the purpose of the section.

This provision is necessary to prevent the Okolona Sewer Construction District from being forced to connect with and discharge into an existing interceptor line leading to a publicly owned treatment works which discharges into the Ohio River. Not only would such a connection lead to unnecessary additional user charges for a community comprising a high percentage of retirees living on fixed and relatively low incomes, but it would also result in Okolona's secondary-treatment-quality effluent being diverted to an existing wastewater treatment plant which is itself incapable of treating incoming wastes to secondary levels. The Committee believes that requiring Okolona to make such a connection would be economically wasteful and directs the Administrator to allow the District's plant to remain in operation with the necessary NPDES permit until construction is completed on a new regional wastewater treatment plant.

SECTION 32

This section authorizes and directs the Administrator of the Environmental Protection Agency to make grants to the Metropolitan District Commission, Massachusetts, for a project to undertake emergency improvements at the Deer Island Waste Water Treatment Plant in Boston, Massachusetts. The Federal share of the project shall not exceed 75 percent of the cost of carrying out the improvements. There is authorized to be appropriated to carry out this section $10,000,000 per fiscal year for each of the fiscal years 1985, 1986 and 1987.

SECTION 33

This section provides that, notwithstanding any provision of the Federal Water Pollution Control Act, the Administrator of the Environmental Protection Agency shall pay, to the extent provided in appropriation Acts, in the same proportion as the Federal share of other project costs, all expenses for the relocation of facilities for the distribution of natural gas with respect to the entire wastewater treatment works known as the Oakwood Beach (EPA Grant Number 360932) and Red Hook (EPA Grant Number 360394) projects, New York. There is authorized to be appropriated for fiscal years beginning after September 30, 1984, not to exceed $9,000,000 to carry out the section.

SECTION 34

This section provides that, in order to protect the public health, environment, and water quality endangered by the destruction of the Chippewa Township, Pennsylvania, sewage treatment facility and the resultant raw sewage discharge into Brady's Run and the Beaver River, Pennsylvania, the Administrator of the Environmental Protection Agency is directed to remove such raw sewage.

The explosion that destroyed the Chippewa sewage treatment facility led to the discharge of millions of gallons of raw sewage into Brady's Run and the one mile section of the Beaver River, from where it enters the Ohio River upstream to Brady's Run.

Section 34 requires the Administrator to remove the sewage deposited in this reach of the Beaver River and Brady's Run.

SECTION 35

This section directs the Administrator to study the feasibility and desirability of eliminating the regulation of discharges of pollutants into the navigable waters in amounts which, in terms of volume, concentration, and type of pollutant, are not significant. A report, with recommendations, is to be submitted to the House Committee on Public Works and Transportation and the Senate Committee on Environment and Public Works within one year of the date of enactment of H.R. 3282.

SECTION 36

This section directs the Administrator of the Environmental Protection Agnecy to study the effectiveness on waste treatment of innovative and alternative wastewater treatment processes and techniques which have been utilized in treatment processes and techniques which have been utilized in treatment works constructed under the Act. In conducting the study, the Administrator is to compile information, by State, on the types of such processes and techniques utilized and on the number of facilities constructed with such processes and techniques, and a description of such processes and techniques which have not performed to design standards. The Administrator must also determine which States have not obligated the full amount set aside for innovative and alternative facilities constructed with such processes and techniques and the reasons therefor. The Administrator is to submit a report on this study to the House Committee on Public Works and Transportation and the Senate Committee on Environment and Public Works not later than two years after the date of enactment, along with recommendations for providing more effective incentives for innovative and alternative wastewater treatment processes and techniques.

SECTION 37

Subsection (a) of this section directs the Administrator to study the water quality improvements which have been achieved by application of best available technology. The study must include an analysis of the effectiveness of, and the costs and benefits associated with, application of best available technology and must also include an analysis of methods of improving our Nation's water quality program and its effectiveness. Subsection (a) requires the Administrator, in analyzing methods of improving the water quality program, to study site-specific levels of treatment which will achieve the water quality goals of the Federal Water Pollution Control Act in a cost effective manner.

Subsection (b) requires the Administrator, within two years of the date of enactment of H.R. 3282, to submit a report on the results of the study, together with recommendations for improving the Nation's water quality program and its effectiveness, to the House Committee on Public Works and Transportation and the Senate Committee on Environment and Public Works.

SECTION 38

This section directs the Administrator to study the testing procedures for analysis of pollutants. The study shall include, but is not limited to, an analysis of the adequacy and standardization of testing procedures. In conducting the analysis of the standardization of such procedures, the Administrator is to consider the extent to which these procedures are consistent with comparable procedures established under other Federal laws. A report on the results of this study is to be submitted within one year, together with recommendations for modifying testing procedures, to the House Committee on Public Works and Transportation and the Senate Committee on Environment and Public Works.

Subsection (b) of section 38 directs the Administrator, biennially after the date of submission of the report on testing procedures, to conduct a state-of-the-art review of the testing procedures for the analysis of pollutants for the purpose of determining the adequacy and effectiveness of such procedures and, based on the results of such review, to submit to the Committees recommendations for modifying testing procedures to improve their effectiveness.

SECTION 39

This section directs the Administrator of the Environmental Protection Agency to conduct a study and make a report with recommendations concerning a number of pretreatment-related issues.

Subsection (a) directs the Administrator to study the adequacy of data on environmental impacts of toxic industrial pollutants discharged through publicly owned treatment works; the extent that secondary treatment by these treatment works removes toxic pollutants; the capability of publicly owned treatment works to grant pretreatment removal credits authorized under section 307(b)(1) of the Federal Water Pollution Control Act; possible alternative regulatory strategies for protecting the operations of publicly owned treatment works from industrial discharges, including an evaluation of how effective each strategy might be in achieving the goals of H.R. 3282 and the Federal Water Pollution Control Act, and, the adequacy under each of the strategies studied of Federal, State, and local resources to establish, implement, and enforce multiple pretreatment limits for toxic pollutants.

Subsection (b) requires the Administrator to submit a report on the study performed under subsection (a), along with recommendations for improving the effectiveness of pretreatment requirements, to the House Committee on Public Works and Transportation and the Senate Committee on Environment and Public Works within two years of date of enactment of H.R. 3282.

Section 39 requires the Administrator to study the effectiveness of the National Pretreatment Program. This study is not intended to determine the need for pretreatment or in any way to delay ongoing program implementation. Rather, the study should be used to update and expand information available to the Agency on such matters as the impact on publicly owned treatment works of industrial discharges and the pollution removal effectiveness of publicly owned treatment works technology. In addition, the study should also be used to evaluate the effectiveness—both in terms of pollution removal and cost—of industrial pretreatment controls.

Section 39(a)(3) requires the Administrator to study the capability of publicly owned treatment works to revise pretreatment requirements under section 307(b)(1) of the Federal Water Pollution Control Act. The Committee intends that EPA focus particular attention on the extent to which EPA's pretreatment removal credits program is presently effectuating the Congressional intent behind section 307(b)(1). Congress added the credits system to the Act in 1977 because of its concern that EPA's categorical pretreatment standards could result in costly redundant treatment by industry and publicly owned treatment works. The Committee also intends that, in implementing section 39(a)(3), the Administrator shall examine the capability of publicly owned treatment works to establish and enforce requirements more stringent than or different from national categorical standards.

The Committee's reference in section 39(a)(4) to possible alternative regulatory strategies is meant to include, among other things, consideration of sludge quality in evaluating strategy effectiveness. Section 39(a)(5)'s reference to "adequacy of . . . resources" is meant to include evaluation of technical expertise and availability of analytical methods as well as financial and staffing level evaluations.

SECTION 40

This section provides that, in order to protect the Federal and other investment in treatment works, the Administrator shall conduct a study of the problem of the corrosive effects of sulfides in collection and treatment systems, the extent to which the uniform imposition of categorical pretreatment standards will exacerbate this problem, and the range of available options to deal with the effects.

The study required is to be conducted in consultation with the Los Angeles City and County sanitation agencies which have observed examples of corrosion, probably caused by sulfides. The Administrator shall submit a report on the results of the study, together with recommendations for measures to reduce the corrosion of treatment works, to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate within one year of the date of enactment of H.R. 3282. There is authorized to be appropriated $2,000,000 to carry out this section for fiscal years beginning after September 30, 1984.

In recent years in Southern California, it has become apparent that sulfide corrosion of concrete sewers and wastewater treatment facilities is creating severe damages. The causes of sulfide corrosion of concrete structures include high strength sewage, high temperature, acidic wastewater, lack of aeration of sewage and low cleaning velocities in the sewer system. The climatic conditions in Southern California and the use of sanitary sewers which do not accept rainfall tend to promote conditions causing sulfide corrosion. The lack of rainfall tends to eliminate the periodic flushing and cleaning of the sewer slimes which create sulfides. In less desert-like climates this periodic flushing of sewers tends to reduce sewer corrosion problems.

The existence of sulfides in large concrete sewers throughout the Los Angeles basin results in the formation of sulfuric acid which corrodes the sewers and creates the potential for sewer collapse.

It is necessary to perform an extensive evaluation of the interactions of the many factors that may be causing sulfide corrosion of sewerage structures. The interrelated remedial effects of the peroidic cleansing of concrete sewers, the effectiveness of adding chemicals that eliminate sewer slimes, the effect of in-sewer aeration of wastewater and other remedial measures need to be properly evaluated. This amendment will provide for funding for the Administrator to work cooperatively with the Los Angeles County sanitation agencies to develop methods to deal with this problem.

SECTION 41

This section provides that the administrator of the Environmental Protection Agency is authorized to make grants to (1) any person who owns or operates a public water system which, because of groundwater contamination, is unable to supply water which is fit for human consumption to some or all of the users of such system, and (2) any unit of local government on behalf of individuals residing within the boundaries of such unit whose water is supplied from a source other than a public water system and is unfit for human consumption because of groundwater contamination. Such grants shall be for the purpose of providing alternative water supplies to such users and individuals on a temporary basis and providing permanent remedies for water supply problems resulting from groundwater contamination, including but not limited to the drilling of new wells and the installation of new pipes.

An application for a grant under this section shall be in such form and shall contain such information as the Administrator may require. Each such application shall include—

(1) a description of the source and extent of groundwater contamination;

(2) information on the number of people who do not have water available to them because of such contamination; and

(3) a description of the measures the applicant proposes to undertake with the assistance to be provided under this section.

The Federal share of the cost of measures undertaken with assistance under this section shall not exceed 50 percent.

The maximum amount of a grant under this section to any applicant with respect to a particular source of groundwater contamination shall be $2,000,000 for each fiscal year. The maximum amount of grants under this section to applicants within one State shall be $10,000,000 for each fiscal year.

The Administrator shall report annually to Congress on grants made under this section. Each such report shall include—

(1) information on applicants for such grants, including the number of such applicants;

(2) information on the sources and extent of groundwater contamination with respect to which applications are made under this section, including the average number of people affected by each source of groundwater contamination; and

(3) the average amount of such grants and the types of measures undertaken with such grants.

For purposes of this section—

the term "person" includes a State, a political subdivision of a State, and an agency or instrumentality of a State or political subdivision of State;

the term "public water system" means a system for the provision to the public of piped water for human consumption, if such system has at least fifteen service connections or regularly serves at least twenty-five individuals; and

the term "State" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Marianas.

There is authorized to be appropriated to carry out this section not to exceed $150,000,000 per fiscal year for each of the fiscal years 1985, 1986, and 1987.

SECTION 42

This section authorizes the Administrator of the Environmental Protection Agency to make a grant to the city of Des Moines, Iowa, for construction of the Central Sewage Treatment Plant component of the Des Moines, Iowa, metropolitan area project. The Federal share of such project shall be 75 percent of the cost of construction. There is authorized to be appropriated to carry out this section not to exceed $85,000,000 for fiscal years beginning after September 30, 1984, which shall be in addition to and not in lieu of any other amounts authorized to be appropriated under title II of the Federal Water Pollution Control Act.

SECTION 43

This section authorizes the Administrator of the Environmental Protection Agency to make a grant to the San Diego Water Reclamation Agency, California, to demonstrate and field test for public use innovative processes which advance the technology of wastewater reclamation and which promote the use of reclaimed wastewater. There is authorized to be appropriated not to exceed $3,000,000 to carry out this section for fiscal years beginning after September 30, 1984.

SECTION 44

This section amends Section 301(h) of the Federal Water Pollution Control Act. That section allows applications for modification of the requirement for secondary treatment where the discharge is to be made into deep ocean waters or in estuarine areas with strong tidal currents.

Section 301(h)(2) presently provides that the modified requirements shall not interfere with the attainment or maintenance of that water quality which assures protection of public water supplies, assures the protection and propagation of a balanced indigenous population of shellfish, fish and wildlife, and allows recreational activities in and on the water.

Subsection (a) of section 5 amends this provision to require that the discharge of pollutants in accordance with such modified requirements will not interfere, alone or in combination with pollutants from other sources, with attainment of the required water quality.

Subsection (b) of section 44 relates to monitoring requirements of section 301(h). Subsection 301(h)(3) requires that the applicant establish a system for monitoring the impact of the discharge on a representative sample of aquatic biota, to the extent practicable. The amendment provides that the scope of the monitoring is to be limited to include only those scientific investigations which are necessary to study the effects of the proposed discharge.

Monitoring programs should include methods that are widely proven and accepted, with demonstrated value in assessing impacts that can be attributed to the permittee's discharge and that relate directly to quantifiable objectives promulgated in advance by the Administrator. Using widely proven, cost-effective techniques will help assure that data collection is not hastily or poorly done and that comparable results can be achieved throughout the nation.

Subsection (c) of section 44 provides that, in the case of any treatment works serving a population of 50,000 or more, where there is any toxic pollutant introduced into the treatment works by an industrial discharger and there is no applicable pretreatment requirement for that pollutant in effect, the applicant must have in effect a pretreatment program of its own, which, in combination with the treatment of discharges at the treatment works, removes the same amount of the toxic pollutant as would be removed if the treatment works were applying secondary treatment and there were no pretreatment program in effect. This is designed to ensure that where less than secondary treatment is permitted by a 301(h) modification, no more toxics will be discharged from the treatment works than from a treatment works supplying full secondary treatment.

Subsection (d) of section 44 provides that any effluent discharged from a treatment works with a 301(h) modification must receive primary treatment by screening, sedimentation and skimming, and treatment for disinfection where necessary. The discharge must also meet the water quality criteria established pursuant to section 304(a)(1) of the Act, after initial mixing in the water surrounding or adjacent to the point at which the effluent is discharged.

Subsection (d) also provides that in the case of any treatment works serving a population of 50,000 or more, with respect to any toxic pollutant introduced into such works by an industrial discharger for which pollutant there is an applicable pretreatment requirement in effect, the Administrator shall grant to the applicant removal credits to reflect the consistent removal of that pollutant achieved by the treatment works, provided that the following criteria are met. There must exist an effluent limitation on the treatment works for the pollutant and the revised requirement must not result in the effluent violating such effluent limitations. The revised requirement shall not result in interference with the method of disposal or reuse of sludge from the treatment works. The revised requirement will not result in a pollutant interfering with the operation of the treatment works. Also, all other criteria of section 301(h) must be met.

Subsection (e) of section 44 modifies that part of section 301(h) which allows a discharge into deep waters of the territorial sea or the waters of the contiguous zone, or into saline estuarine waters where there is strong tidal movement, by deleting the reference to saline estuarine waters where there is strong tidal movement. The effect is to require marine discharges to be made into deep waters of the territorial sea or the waters of the contiguous zone, and not into estuaries.

Subsection (f) of section 5 provides that the amendments made by the section shall not apply to any person whose application for a permit under section 301(h) has been tentatively or finally approved by the Administrator on or before the date of enactment of H.R. 3282.

SECTION 45

This section is designed to improve the water quality of estuaries.

Subsection (a) of section 45 provides that in any case where the Administrator of the Environmental Protection Agency determines, on his own initiative or upon request of one or more States any portion of which is located within the estuarine zone of an estuary, that the attainment or maintenance of that water quality in an estuary which assures protection of public water supplies and the protection and propagation of a balanced, indigenous population of shellfish, fish and wildlife, and allows recreational activities in and on the water, requires the control of point and nonpoint sources of pollution in more than one State, the Administrator is directed to convene a management conference. The members of this conference are to include the Administrator, the Administrator of the National Oceanic and Atmospheric Administration, a representative of each of those States which are located in whole or in part within the estuarine zone of the estuary for which the conference is convened, a representative of each interested Federal agency as determined appropriate by the Administrator, a representative of any interstate agency having jurisdiction over all or a significant part of the estuary, and representatives of any local governments within the estuarine zone as deemed appropriate by the Administrator.

In any case in which an interstate agency has jurisdiction over all or a significant part of the estuary, that agency shall be the lead agency for purposes of carrying out the non-Federal responsibilities of this section over which the agency has jurisdiction. The Administrator is directed to give priority consideration under this section to Long Island Sound; Buzzard's Bay, Massachusetts; and Delaware Bay, Delaware and New Jersey.

In any case in which a boundary between two states passes through an estuary and such boundary is disputed and is the subject of an action in any court, the Administrator shall not convene a management conference with respect to that estuary before a final adjudication has been made of the dispute.

Notwithstanding any other provision of the section, the Administrator shall not convene a management conference with respect to an estuary if he determines that there exists a management program for the estuarine zone of such estuary with sufficient authority to achieve the purposes of the section.

Subsection (b) defines the purposes of any management conference convened with respect to an estuary under the section. These purposes are:

Development of a comprehensive master plan for the estuary;

Coordination of the implementation of the master plan by the States participating in the conference;

Recommendation of priority corrective actions and compliance schedules to address point and nonpoint sources of pollution posing the most serious problems; and

Monitoring the estuary to determine the effectiveness of actions taken pursuant to the master plan.

Subsection (c) defines examples of the standards and practices which may be included in the master plan. These are:

Development of water quality standards for waters within the estuarine zone;

Development of toxicity-based standards for toxic pollutants;

Development of water quality-based effluent standards for significant point sources of pollution; and

Development of best management practices to control nonpoint sources of pollution.

In developing a master plan under the section, the management conference shall survey and utilize existing reports, data, and studies relating to the estuary that have been developed by or made available to Federal, interstate, State, or local agencies.

Subsection (d) provides that a management conference convened pursuant to the section shall be convened for at least five years. It may be extended by the Administrator, and, if terminated, may be reconvened by the Administrator as may be necessary to meet the requirements of the section.

Subsection (e) of new section 319 defines the terms "estuary" and "estuarine zone". "Estuary" means all or part of the mouth of a river or stream or other body of water having unimpaired natural connection with open sea and within which the sea water is measurably diluted with fresh water derived from land drainage. "Estuarine zone" means an environmental system consisting of an estuary and those transitional areas which are consistently influenced or affected by water from an esturary, such as salt marshes, coastal and intertidal areas, bays, harbors, lagoons, inshore waters and channels. It also includes those portions of tributaries draining into the estuary up to the historic height of migration of anadromous fish or the historic head of tidal influence, whichever is higher.

The definition of "estuarine zone" is necessarily broad because pollutants which enter the estuary could conceivably originate from a variety of locations within the entire zone. The Committee intends, however, that the conference address only those portions of the estuarine zone which are identified as being contributors of pollutants to the estuary in amounts significant enough to warrant implementation of control methodologies.

Subsection (f) authorizes the Administrator to make grants to States and interstate agencies participating in a management conference, which has adopted a comprehensive master plan for the estuary which is the subject of the conference. The amount of the grants is 50 percent of a State's or agency's cost of implementing the master plan for each fiscal year. There is authorized to be appropriated to carry out this provision not to exceed $10 million for fiscal year 1984, not to exceed $30 million for fiscal year 1985, not to exceed $50 million for fiscal year 1986, not to exceed $75 million for fiscal year 1987, and not to exceed $75 million for fiscal year 1988.

Subsection (g) authorizes to be appropriated to the Administrator not to exceed $10 million per fiscal year for each of fiscal years 1984 through 1988 for the administration of the section, grants for research, surveys, studies and other technical work, and monitoring the implementation of any comprehensive master plan.

It is the intent of the Committee that the development of any master plan for an estuary pursuant to subsection (c) shall take into consideration a broad range of environmental, social and economic factors. These include, among other things, commercial, navigation, port development and trade needs that might be affected by the plan.

SECTION 46

Section 46 provides for the cleanup and control of pollution in the Chesapeake and Narragansett Bays.

Subsection (a) directs the Administrator to continue the Chesapeake Bay program and to establish and maintain in the Environmental Protection Agency an office, division or branch of Chesapeake Bay programs to:

Collect and make available information pertaining to the environmental quality of the Chesapeake Bay;

Coordinate Federal and State efforts to improve the water quality of the Bay;

Determine the impact of sediment deposition in the Bay and identify the sources, routes, rates and distribution patterns of such sediment deposition;

Determine the impact of natural and man-induced environmental changes on the living resources of the Bay and the relationships among such changes, with particular emphasis placed on the impact of pollutant loadings of nutrients, chlorine, acid precipitation, dissolved oxygen and toxic pollutants, including organic chemicals and heavy metals, and with special attention given to the impact of such changes on the striped bass.

The Administrator is directed, at the request of a Governor of a State affected by the interstate management plan developed pursuant to the Chesapeake Bay program, to make a grant for the purpose of implementing the management mechanisms contained in the plan if the State has within one year after the date of enactment of this section approved and committed itself to implement all or substantially all aspects of the plan.

Any State, alone or in combination with other States may elect to avail itself of the benefits of this provision by submitting to the Administrator a plan, including the estimated cost of the abatement actions proposed to be taken during the next fiscal year. If the Administrator finds that such proposal is consistent with the national policy set forth in section 101(a) of the Federal Water Pollution Control Act and will contribute to the achievement of the national goals set forth in that section, he shall approve the proposal and shall finance the costs of implementing segments of such proposal, except that Federal grants under this provisions shall not exceed 50 percent of the costs of implementing the plan in any fiscal year and shall be made on condition that non-Federal sources provide the remainder of the cost of implementing the plan.

Administrative costs in the form of salaries, overhead, or indirect costs for services provided and charged against programs or projects supported by funds made available under this paragraph shall not exceed in any one fiscal year ten percent of the annual Federal grant made to a State.

Any State or combination of States that receives a grant shall, within eighteen months after the receipt of the grant, and biennially thereafter, report to the Administrator on the progress made in implementing the interstate management plan developed pursuant to the Chesapeake Bay program. The Administrator is to transmit each such report, along with his comments, to the Congress.

Subsection (b) of section 46 provides that the Administrator shall, at the request of the Governor of an affected State, and after consultation with the National Oceanic and Atmospheric Administration, appropriate Federal and State agencies and other interested persons, make a grant for purposes of assessing the principal factors having an adverse affect on the environmental quality of the Narragansett Bay as perceived by both scientists and users.

A State may elect to avail itself of this section by submitting to the Administrator a full and complete description of the program it proposes to establish and administer under State law. The Administrator shall approve each such submitted program within three months of receipt if the applicant demonstrates to the satisfaction of the Administrator that the applicant will:

Establish a committee of representatives from various units of Federal, State and local governments, research and educational institutions, and concerned groups and individuals on the Bay to provide advice on the design and implementation of a management program and to coordinate communication on issues affecting the Bay's water quality;

Review and coordinate Federal and State water pollution abatement efforts that will most efficiently address those principal factors having an adverse effect on the Bay's water quality;

Undertake, subsequent to an analysis of all environmental sampling data presently being collected on the Narragansett Bay, methods for improving such data collection, particularly with respect to toxic pollutants; establish a continuing capacity for collecting, storing, analyzing and disseminating such data; institute a sampling program where deficiencies are found to exist in present sampling programs; and develop and implement management practices and measures, including land use requirements, to reduce to the greatest extent feasible pollutant loadings in the Bay and to improve the Bay's water quality.

Any State that avails itself of the benefits of this subsection is required not later than two years after receipt of a Federal grant, and annually thereafter, to report to the Administrator on progress made in implementing a management program to improve the water quality of Narragansett Bay. The Federal grants under this section are not to exceed 50 percent of the costs of implementing the plan in any fiscal year and shall be made on condition that non-Federal sources provide the remainder of the cost of implementing the plan.

Subsection (c) authorizes to be appropriated the following sums to carry out the purposes of this section:

$3 million per fiscal year for each of fiscal years 1985 through 1988 to carry out the Chesapeake Bay program by the Administrator of the Environmental Protection Agency;

$10 million per fiscal year for each of fiscal years 1985 through 1988 for grants to the States to implement the Chesapeake Bay program;

$1,500,000 per fiscal year for each of fiscal years 1985 through 1988 to carry out the Narragansett Bay program.

SECTION 47

This section provides for studies and investigation and cleanup of the New York and New Jersey Harbor area.

It directs the Administrator to collect and make available information pertaining to the environmental quality of the New York and New Jersey Harbor area, to coordinate Federal and State efforts to improve the water quality of the harbor, and to determine the impact of natural and man-induced environmental changes on the living resources of the harbor and on adjacent coastal areas and the relationships among such changes, with particular emphasis placed on the impact of pollutant loadings of sewage, dissolved oxygen and toxic pollutants, including organic chemicals and heavy metals.

The Administrator is directed, at the request of a Governor of a State affected by any interstate management plan developed pursuant to section 45 of H.R. 3282 (the estuarine studies program), to make a grant for the purpose of implementing the management mechanisms contained in the plan, in accordance with that section.

An affected State or combination of States may, in addition, in the absence of a plan developed pursuant to section 45, submit to the Administrator a plan, including the estimated costs of the actions proposed to be taken during the next fiscal year, to control water pollution problems. If the Administrator finds that such a proposal is consistent with the national policies set forth in the Act, he shall approve such proposal and shall finance the costs of implementing segments of such proposal, except that Federal grants under this paragraph shall not exceed 50 percent of the costs of implementing the plan in any fiscal year and shall be made on condition that non-Federal sources provide the remainder of the cost of implementing the plan.

Any State or combination of States that receives a grant under Section 45 or subparagraph (B) of paragraph (2) of this section shall, within 18 months after the date of receipt of the grant, and biennially thereafter, report to the Administrator on the progress made in implementing the developed plan. The Administrator is to transmit each such report, along with the Administrator's comments, to Congress.

Subsection (b) of section 47 authorizes to be appropriated $10 million per fiscal year for each of fiscal years 1985 through 1988 for the New York and New Jersey Harbor area provision.

SECTION 48

Section 48 provides for a Great Lakes consumptive uses study.

Subsection (a) of section 48 authorizes the Administrator, in cooperation with other interested departments, agencies, and instrumentalities of the United States and the eight Great Lakes States and their political subdivisions, to conduct a study of control measures which can be implemented to reduce the quantity of Great Lakes water consumed without adversely affecting projected economic growth of the Great Lakes region.

Subsection (b) provides that the study shall include an analysis of both existing and new technology which is likely to be feasible in the foreseeable future and must, as a minimum, include the following:

A review of the methodology used to forecast Great Lakes consumptive uses;

An analysis of the effect that enforcement of other sections of this Act relating to thermal discharges has had on consumption of Great Lakes water;

An analysis of the effects of laws, regulations and national policy objectives on consumptive uses of Great Lakes water used in manufacturing;

An analysis of the economic effects on a consuming industry and other Great Lakes interests associated with a particular consumptive use control strategy;

An analysis of associated environmental impacts, both singularly and in combination with other consumptive use control strategies;

A summary discussion containing recommendations for methods of controlling consumptive uses which methods maximize benefits to the Great Lakes ecosystem and also provide for continued full economic growth for consuming industries as well as other industries which depend on the use of Great Lakes water.

Subsection (c) authorizes to be appropriated, for fiscal years beginning after fiscal year 1984, $4,500,000 to carry out this provision.

Subsection (d) for purposes of this section defines the term Great Lakes States as meaning Minnesota, Wisconsin, Illinois, Ohio, Michigan, Indiana, Pennsylvania and New York.

SECTION 49

This section amends section 301(j)(1)(A) of the Federal Water Pollution Control Act. That section requires that an application for a modification for less than secondary treatment under section 301(h) where an ocean discharge is involved, shall be filed not later than one year after the date of the 1981 amendments to the Act. Section 49 grants an exception to this time limitation, providing that a publicly owned treatment works which, before December 1, 1982, had a contractual arrangement to use a portion of the capacity of the ocean outfall operated by another publicly owned treatment works which has applied for or receives a 301(h) modification, may apply for a modification of subsection (h) in its own right, not later than 30 days after the date of enactment of the Water Quality Renewal Act of 1984. This is intended to accomplish a narrow, specific purpose: to provide an opportunity for the Irvine Ranch Water District, a California public agency, to apply for a waiver under section 301(h). This district, which currently has a contract to discharge through the Orange County Sanitation District outfall, had been operating on the assumption that its discharge was accommodated in the application for a modification by the Orange County Sanitation district and thus the district did not apply during the period allowed by the 1981 amendments.

All that is provided to the district is the opportunity to apply for the waiver. Prior to its discharge into the ocean, either through its own outfall or through Orange County Sanitation district's outfall, the District must comply with the provisions of section 301(h). The amendment limits the opportunity for application to 30 days after enactment. The Environmental Protection Agency, however, should provide the District with the time necessary to demonstrate compliance with the requirements of section 301(h) so long as the application is promptly submitted within the time required and the District demonstrates due diligence in meeting the requirements for a waiver.

SECTION 50

The purpose of this section is to achieve the goals embodied in the Great Lakes Water Quality Agreement of 1978 through improved organization and definition of mission on the part of the Environmental Protection Agency, funding of State grants for pollution control in the Great Lakes area, and improved accountability for implementation of the agreement.

The Great Lakes National Program Office of the Agency is designated as the Great Lakes International Coordinating Office. The head of the Office shall also serve as principle liaison person on Great Lakes matters to the International Joint Commission, United States and Canada.

The Coordination Office shall develop and implement specific plans to carry out the responsibility of the United States under the Great Lakes Water Quality Agreement of 1978; coordinate actions of the Agency aimed at improving Great Lakes water quality; coordinate actions of the Agency and State and local authorities, so as to insure the input of those agencies and authorities in developing water quality strategies and obtain the support of those agencies and authorities in achieving the objectives of such agreement; establish a Great Lakes systemwide surveillance network to monitor the water quality of the Great Lakes, with specific emphasis on the monitoring of toxic pollutants; and serve as the liaison with, and provide information to, the Canadian members of the Commission and the Canadian counterpart to the Agency.

The Administrator shall ensure that the office enters into agreements with the various organizational elements of the agency involved in Great Lakes activities in the appropriate State agencies specifically delineating the duties and responsibilities of each such element with respect to the Great Lakes; the timeframes for carrying out such duties and responsibilities, and the resources to be committed to such duties and responsibilities.

There are authorized to be appropriated for the purposes of carrying out this section $8,000,000 for fiscal year 1986, $9,000,000 for fiscal year 1987, $10,000,000 for fiscal year 1988, $11,000,000 for fiscal year 1989, and $12,000,000 for fiscal year 1990.

For the purposes of carrying out section 104(f) of the Federal Water Pollution Control Act (water quality studies of the Great Lakes) there is authorized to be appropriated $10,000,000 for fiscal year 1985. Such funds shall be in addition to and not in lieu of any funds authorized to be appropriated under section 104(u) of the Act.

Within 120 days after the date of enactment of H.R. 3282, and at the beginning of each fiscal year thereafter, the Administrator shall submit to Congress a comprehensive assessment of the planned efforts to be pursued in the succeeding fiscal year for implementing the Great Lakes Water Quality Agreement of 1978. The assessment shall show by categories (including judicial enforcement, research, State cooperating efforts, and general administration) the amounts anticipated to be expended on Great Lakes water quality initiatives in the fiscal year to which the assessment relates. The assessment shall also include a report of current programs administered by other Federal agencies which make available resources to Great Lakes water quality efforts.

Within 150 days after the end of each fiscal year, the Administrator shall submit to Congress a comprehensive report which describes the achievements in the preceding fiscal year in implementing the agreement; describes the progress made in such preceding fiscal year in implementing the system of surveillance of the water quality of the Great Lakes, with particular reference to toxic pollutants; and describes the long-term prospects for improving the water quality of the Great Lakes.

SECTION 51

This section provides that the Administrator shall conduct research on the harmful effects on the health and welfare of persons caused by pollutants in water. The research is to be done in conjuction with other Federal, State, and interstate agencies carrying on such research, including the United States Fish and Wildlife Service and the National Oceanic and Atmospheric Administration.

Special emphasis is to be placed on the effect that bioaccumulation of these pollutants in aquatic species has upon reducing the value of aquatic commercial and sport industries. The research is to also further study methods to reduce and remove these pollutants from the relevant affected aquatic species so as to restore and enhance these valuable resources.

Subsection (b) provides an authorization for appropriations not to exceed $2.5 million per fiscal year for fiscal years 1985 through 1988 for carrying out the provisions of this section.

Section 51 of H.R. 3282 provides specific direction for certain types of critical research to be performed and authorizes appropriations to carry out this work. Emphasis is to be placed on bioaccumulation and its effect on commercial and sport aquatic species, and on investigating methods to reduce and remove pollutants from these species.

SECTION 52

This section authorizes the Administrator of the Environmental Protection Agency, in conjunction with the United States Fish and Wildlife Service, to carry out a demonstration program to restore the biological integrity of acidified lakes and watersheds through liming. The Administrator shall select sites to carry out such program which will enable the Administrator to demonstrate and determine the effectiveness of liming in reducing the acidity of lakes and watersheds and in restoring the biological integrity of acidified lakes and watersheds.

The Administrator shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate reports on the results of the demonstration program carried out under this section not later than 90 days after completion of the demonstration program and not later than three and six years after completion of the program. Such reports shall include, but not be limited to, an analysis of the effectiveness of liming in reducing the acidity of lakes and watersheds and in restoring the biological integrity of acidified lakes and watersheds in the long-term and the short-term.

There is authorized to be appropriated to carry out this section not to exceed $25,000,000 for fiscal years beginning after September 30, 1984, to remain available until expended.

SECTION 53

This section authorizes the Administrator of the Environmental Protection Agency to make a grant to construct necessary treatment works for providing secondary treatment for the metropolitan Seattle, Washington area. The Federal share of such project shall be 75 percent of the cost of construction thereof. There is authorized to be appropriated $250,000,000 to carry out this section for fiscal years beginning after September 30, 1984, which shall be in addition to and not in lieu of any other amounts authorized to be appropriated under title II of the Federal Water Pollution Control Act.

SECTION 54

This section provides that, upon application of a State for which a report submitted under subsection (a) of section 319 of the Federal Water Pollution Control Act, as added by section 8 of this Act, and a plan submitted under subsection (b) of such section is approved under such section, the Administrator of the Environmental Protection Agency shall make grants under this section to the State for the purpose of assisting the State in carrying out ground water water quality protection activities which the Administrator determines will advance the State toward implementation of a comprehensive nonpoint source pollution control program. Such activities shall include, but not be limited to, research, planning, ground water assessments, demonstration programs, enforcement, technical assistance, education and training to protect the quality of ground water and to prevent contamination of ground water from nonpoint sources of pollution.

An application for a grant under this section shall be in such form and shall contain such information as the Administrator of the Environmental Protection Agency may require.

The Federal share of the cost of assisting a State in carrying out ground water protection activities in any fiscal year under this section shall be 50 percent of the costs incurred by the State in carrying out such activities, except that the maximum amount of Federal assistance which any State may receive under this section in any fiscal year shall not exceed $150,000.

The Administrator of the Environmental Protection Agency shall include in each report transmitted under subsection (k) of section 319 of the Federal Water Pollution Control Act, as added by section 8 of this Act, a report on the activities and programs implemented under this section during the preceding fiscal year.

There is authorized to be appropriated to carry out this section not to exceed $7,500,000 per fiscal year for the fiscal years ending September 30, 1985, September 30, 1986, September 30, 1987, September 30, 1988, and September 30, 1989.

SECTION 55

This section directs the Administrator of the Environmental Protection Agency, in consultation with the State of Alaska, to conduct and prepare a study-report which shall determine the feasibility of resolving the air pollution control, solid waste disposal, water quality standards compliance, and energy impacts associated with the achievement of best practicable technology under section 301 of the Federal Water Pollution Control Act with respect to—

(1) the Alaska Lumber and Pulp Company, located at Sitka, Alaska (NPDES permit number AK000053-1); and

(2) the Louisiana-Pacific Corporation, located at Ketchikan, Alaska (NPDES permit numbered AK000092-2).

The Administrator shall submit such study-report to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate not later than three months after the date of enactment of this Act.

SECTION 56

This section establishes a commission to be known as the National Ground Water Commission.

The duties of the Commission are to:

Assess generally the amount, location, and quality of the Nation's ground water resources;

Identify generally the sources, extent, and types of ground water contamination;

Assess the scope and nature of the relationship between ground water contamination and ground water withdrawal and develop projections of available, usable ground water in future years on a nationwide basis;

Assess the relationship between surface water pollution and ground water pollution;

Assess the need for a policy to protect ground water from degradation caused by contamination;

Assess generally the extent of overdrafting of ground water resoures, and the adequacy of existing mechanisms for preventing such overdrafting;

Assess generally the engineering and technological capability to recharge aquifers;

Assess the adequacy of the present understanding of ground water recharge zones and sole source aquifers and assess the adequacy of knowledge regarding the interrelationship of designated aquifers and recharge zones;

Assess the role of land-use patterns as these relate to protecting ground water from contamination;

Assess methods for remedial abatement of ground water contamination as well as the costs and benefits of cleaning up polluted ground water and compare cleanup costs to the costs of substitute water supply methods.

Investigate policies and actions taken by foreign governments to protect ground water from contamination;

Assess the use and effectiveness of existing interstate compacts to address ground water protection from contamination;

Analyze existing legal rights and remedies regarding contamination of ground water;

Assess the adequacy of existing standards for ground water quality under State and Federal law;

Assess monitoring methodologies of the States and the Federal Government to achieve the level of protection of the resource as required by State and Federal law;

Assess the relationship between ground water flow systems (and associated recharge areas) and the control of sources of contamination;

Assess the role of underground injection practices as a means of disposing of waste fluids while protecting ground water from contamination;

Assess methods for abatement and containment of ground water contamination and for aquifer restoration including the costs and benefits of alternatives to abatement and containment.

Assess State and Federal ground water law and mechanisms with which to manage the quality and quantity of the ground water resource;

Assess the adequacy of existing ground water research and determine future ground water research needs; and

Assess the roles of State, local, and Federal Governments in managing ground water quality and quantity.

(1) The Commission is composed of nineteen members as follows:

Six appointed by the Speaker of the United States House of Representatives from among the Members of the House of Representatives, two of whom shall be members of the Committee on Energy and Commerce, two of whom shall be members of the Committee on Public Works and Transportation, and two of whom shall be members of the Committee on Interior and Insular Affairs;

Four appointed by the majority leader of the United States Senate from among the Members of the United States Senate;

Eight appointed by the President as follows:

Four from among a list of nominations submitted to the President by the National Governors Association, two of whom shall be representatives of ground water appropriation States and two of whom shall be representatives of ground water riparian States;

One from among a list of nominations submitted to the President by the National League of Cities and the United States Conference of Mayors;

One from among a list of nominations submitted to the President by the National Academy of Sciences;

One from among a list of nominations submitted to the President by groups, organizations, or associations of industries the activities of which may affect ground water; and

One from among a list of nominations submitted to the President from groups, organizations, or associations of citizens which are representative of persons concerned with pollution and environmental issues and which have participated, at the State or Federal level, in studies, administrative proceedings, or litigation (or any combination thereof) relating to ground water.

The Director of the Office of Technology Assessment.

The Chairman of the Commission shall be appointed by the Speaker of the House of Representatives from among members appointed under paragraph (1)(A) of this subsection and the Vice Chairman of the Commission shall be appointed by the majority leader of the Senate from among members appointed under paragraph (1)(B) of this subsection. The Chairman and the Vice Chairman of the Commission shall serve for the life of the Commission unless they cease to be members of the Commission before the termination of the Commission.

The Commission shall request, and the Chief of Engineers and the Director of the Geological Survey are each authorized to detail, on a reimbursable basis, any of the personnel of their respective agencies to the Commission to assist it in carrying out its duties under this section. Upon request of the Commission, the head of any other Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist it in carrying out its duties under this section.

The Commission shall transmit to the President and to each House of the Congress a report not later than October 30, 1986. The report shall contain a detailed statement of the findings and conclusions of the Commission with respect to each item listed in subsection (b), together with its recommendations for such legislation and administrative actions, as it considers appropriate.

Not later than one year after the date of enactment of this Act, the Commission shall complete a preliminary study concerning ground water contamination from hazardous and other solid waste and submit to the President and to the Congress a report containing the findings and conclusions of such preliminary study. The study shall be continued thereafter, and final findings and conclusions shall be incorporated as a separate chapter in the report required under paragraph (1). The preliminary study shall include an analysis of the extent of ground water contamination caused by hazardous and other solid waste, the regions and major water supplies most significantly affected by such contamination, and any recommendations of the Commission for preventive or remedial measures to protect human health and the environment from the effects of such contamination.

(g) The Commission shall cease to exist on January 1, 1987.

(h) There is authorized to be appropriated for the fiscal years 1985 through 1987 not to exceed $7,000,000 to carry out this section.

SECTION 57

This section provides that no payments may be made under this Act except to the extent provided in advance in appropriation Acts.

The substitute is the same as the bill reported by the committee with the following exceptions:

The provision adding collector sewers as eligible categories for grant assistance has been deleted (section 11).

A technical amendment to section 16(g)(4) is added to make sure that grant monies for Elk Pinch, West Virginia, will be available if the plant is completed prior to enactment of this bill into law.

New section 16(g)(6) is added providing a grant of $27 million out of funds allotted to the State of California to the city of Watsonville for the construction of sewage treatment facilities.

In section 19 a revised version of the coal remining provisions has been included to address concerns raised by environmental organizations. This amendment, among other things, makes it clear that best available technology using best professional judgment must be applied in the case of remining.

The provision in section 21 with regard to integrated facilities contains a new provision that an integrated facility may apply and the administrator may establish a single compliance date for all applicable pretreatment standards only if it will result in compliance with all such standards at an earlier date than would otherwise be the case and if the applicant demonstrates to the satisfaction of the administrator that the extension of the first applicable compliance date is necessary because of technical reasons.

Subsection (b) of section 21 limits the extension of the compliance date for the electroplating category to December 31, 1984 and eliminates the provision for application for an extension of that date. Both this provision and the previous provisions were worked out to meet the concerns or environmental organizations.

In section 25 the amendment modifies the provision permitting discharge permits of up to 10 years by requiring that such permits must be modified promptly not only to ensure compliance with any new or revised effluent limitations for toxics but also any new or revised requirements pursuant to a water quality standard established under the act.

The provision in section 25(b) relating to exemption of conveyances of storm water around facilities from the requirement for a permit under the act is modified in two respects. The reference to pollutants in reportable quantities as determined by the administrator is deleted so that the exemption only applies where there are no pollutants in the diverted flows and the person discharging storm water runoff must conduct monitoring activities and report the results to the administrator.

Section 29 which provides for grant assistance to treat Mexican sewage flowing into the community of Naco, Arizona, has been revised to make the county of Cochise rather than Naco the grantee and to also provide that treatment may be provided for the community of Naco's sewage in accordance with all of the provisions of the Water Pollution Control Act.

Section 41 adds a new provision providing 50 percent Federal grant assistance for the purpose of providing temporary alternative water supplies and remedies for water supply problems resulting from ground water contamination.

Section 42 authorizes a 75-percent grant of $85 million to the city of Des Moines, Iowa, to assist in the construction of sewage treatment facilities.

Section 43 adds a provision authorizing EPA to make a grant of $3 million to San Diego, California, to demonstrate and field test innovative processes which promote the use of reclaimed wastewater.

Section 44 adds to the bill amendments to section 301(h) of the Federal Water Pollution Control Act relating to marine discharges which were originally included in the introduced bill. Briefly the amendments to section 301(h), which provides a mechanism for less than secondary treatment where ocean discharges are involved, make the provisions more strict by requiring at least primary treatment, requiring pretreatment of industrial discharges and prohibiting discharges into estuaries.

Section 45 adds a provision providing for the convening of an interstate conference on water quality problems in estuaries in order to develop plans to be implemented by the States in the estuarine zone to improve the water quality of the estuary.

This is the same as the version included in the introduced bill except for the following four significant changes: the conferences are to be convened at the request of either a State or E.P.A.; the National Oceanic and Atmospheric Administration has been included; no management conference is convened if an adequate management program already exists; and the definition of estuarine zone is modified to include tributaries to the historic height of migration of anadromous fish.

The provision in section 46 for the study and clean up of Narragansett Bay, Massachusetts, has been modified to include the National Oceanic and Atmospheric Administration as a participant.

Section 48 authorized a study of consumptive uses of water in the Great Lakes.

Section 49 provides a 30-day extension for Orange County, California, to apply for a modification for an ocean discharge under section 301(h) of the act.

Section 50 establishes a Great Lakes international coordination office within E.P.A. to assist in the achievement of the goals embodied in the Great Lakes water quality agreement of 1978.

Section 51 directs the E.P.A. in conjunction with the U.S. Fish and Wildlife Service and the National Oceanic and Atmospheric Administration to conduct research on the harmful effects of pollutants in water on the health and welfare of persons, with special emphasis on bioaccumulation of pollutants in aquatic species.

Section 52 directs E.P.A. in conjunction with the U.S. Fish and Wildlife Service to carry out a demonstration program to restore the biological integrity of acidified lakes through liming.

Section 53 authorizes a grant of $250 million to Seattle, Washington, to pay 75 percent of the cost of treatment works to provide secondary treatment.

Section 54 provides a 50 percent grant program to States to assist the States in carrying out ground water quality protection activities.

Section 55 directs E.P.A. in consultation with the State of Alaska to prepare a report on the feasibility of resolving various pollution problems associated with two pulp mills in Alaska and to report back to Congress within 3 months. This provision replaces an earlier provision which would have granted a 10-year extension of existing permits.

Section 56 establishes a National Groundwater Commission to study and report to Congress on problems associated with the Nation's ground water resources and the feasibility of various methods to correct these problems.

Section 57 is technical in nature and adds a provision that no payments may be made pursuant to this act except to the extent provided in advance by appropriation acts.

Finally, Mr. Chairman, the Committee on Merchant Marine and Fisheries has worked with our committee on certain provisions of H.R. 3282. Of interest to the Merchant Marine Committee. They have also raised an issue that I would like to clarify for the record; that is, on the role of State coastal zone management programs in implementing the comprehensive plans developed pursuant to section 45 of the committee substitute.

The Committee on Merchant Marine and Fisheries has brought to our attention that many of the States bordering estuaries that are likely to be the subject of management conferences have federally approved coastal zone management programs. These programs provide for comprehensive, balanced planning for the State's coastal zone and will serve as an entirely appropriate apparatus to implement the estuarine plans developed under section 45. I would, therefore, like to note for the record the understanding between our committee and the Committee on Merchant Marine and Fisheries that any State seeking implementation funds under subsection (f) will, as part of that implementation, incorporate the recommendations and policies of the estuarine plan into their approved coastal zone programs. The purpose of this would be to use the existing State apparatus when implementing these plans so as to avoid needless programmatic redundancies.

Mr. ANDERSON. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from California.

Mr. ANDERSON. Mr. Chairman, I rise in support of H.R. 3282, the Water Quality Renewal Act of 1984.

At the outset, I want to congratulate our chairman of the Subcommittee on Water Resources, Bob Roe, and the subcommittee's ranking minority member, Arlan Stangeland, on a tremendous job in crafting this important measure. I would also, of course, like to commend JIM HOWARD, chairman of the full Public Works and Transportation Committee, and GENE SNYDER, our ranking minority member, on their efforts. Also, majority and minority staffs should be recognized for their great work and dedication.

As you know, this measure will reauthorize the landmark Clean Water Act of 1972 through fiscal year 1988. As an original coauthor of the 1972 act, I have closely monitored its progress over these past 12 years and most will agree that it certainly has helped improve the quality of our Nation's water. Today we can look with pride at most of our rivers, lakes, and streams and know that our efforts in 1972 were not futile.

This is not to say, however, that the problem of dirty water is a thing of the past. We must continue to have a strong water pollution control program at the Federal level in order to finish the job and meet the needs of tomorrow. This is where H.R. 3282, and the perfecting amendment in the nature of a substitute, comes into play.

Throughout this past week, many of our colleagues have addressed this Chamber to highlight the major points of H.R. 3282. I will not take the House's valuable time to again discuss the major features of this legislation. Instead, I would like to take just a moment and look at H.R. 3282 in a more personal way. Specifically, how it will affect my area in southern California.

First, the EPA Administrator is directed to conduct a study, in consultation with the city and county of Los Angeles, on the problem of the corrosive effects of sulfides in collection and treatment systems.

Unlike much of the rest of the country, southern California has separate storm drains and sanitary sewers. While this eliminates the major environmental problems caused by combined sewer overflows which plagues many communities, it does result in a unique problem caused by the stronger sewage flowing through separate sewers, that is the generation of sulfides and the subsequent deterioration of the sewers and treatment works that they cause. These works were constructed at enormous expense of Federal, State, and local dollars and because they were properly constructed they should last a long time. However, the strong sewage and warm temperatures in southern California enhance sulfide generation.

The existence of sulfides in large concrete sewers throughout the Los Angeles basin results in the formation of sulfuric acid which corrodes the sewers and creates the potential for sewer collapse. If one of the large sewers, some of which are as large as 7 feet in diameter, were to collapse in Metropolitan Los Angeles, the resulting environmental and public health problems that would occur would be devastating. Further, sulfides are causing corrosion within the treatment works as the sewage enters the POTW.

One of the most effective controls of sulfide generation in sewers is the existence of heavy metals such as iron, zinc, or nickel in the sewage. These heavy metals combine with the sulfide as soon as they are generated, thus preventing the sulfides from corroding the sewers. With the advent of more stringent controls on the discharge of heavy metals into the sewers from industry, there is less metal in the sewer to inactivate the sulfide. The imminent implementation of categorical pretreatment standards on electroplaters and metal finishers will have an enormously profound negative effect on the sulfide problem as more and more metals are removed from the sewers.

As I have said earlier, this provision will provide funding for the EPA Administrator to work cooperatively with the Los Angeles sanitation agencies to develop methods to deal with the problem, including potential modification to the categorical problem.

Another important provision of this measure pertains to the city of Avalon's sewage treatment system. Avalon is located on Santa Catalina Island, 26 miles off the coast of southern California. It is a resort community, whose population swells during the summer months. Prior to 1978, Avalon dumped its raw sewage into the ocean with little, if any negative environmental impact. Pursuant to the 1972 law, however, the city, in 1978, began operation of a secondary treatment plant.

The sewage treatment plant was designed for an average daily flow of 500,000 gallons and a peak flow of 1 million gallons per day. The average daily flow during the peak of the summer season is 800,000 gallons per day—peak flows have been as high as 1,600,000 gallons.

Subsection (g) of section 16 directs the EPA Administrator to make a grant, from the funds allotted to the State of California under section 205 of the act, to the city of Avalon to upgrade and improve its treatment plant. This work is estimated to cost approximately $2.5 million.

In conclusion, Mr. Chairman, I would again like to express my strong support for this important legislation and urge all of my colleagues to support it as well. When it comes to cleaning up our environment, we must now finish the work we started in the 1970's and renew our commitment to a clean and healthy world.

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Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Kentucky.

Mr. SNYDER. I thank the gentleman for yielding.

Mr. Chairman, I, too, want to join with those who are giving commendations to the gentleman in the well, the chairman of the subcommittee, and to the gentleman from Minnesota, and, of course, to the chairman of the full committee.

Mr. Chairman, I rise in support of the Roe amendment in the nature of a substitute to H.R. 3282, the Water Quality Renewal Act of 1984.

H.R. 3282 is the product of more than 2 years of hearings and deliberations by our Subcommittee on Water Resources, a process spanning portions of both the 97th and 98th Congresses. During this period, testimony from hundreds of witnesses was received, reviewed, and analyzed. Consideration was given to recommendations and suggestions from virtually every segment of our population—politically, philosophically, and geographically. The result of this thorough and painstaking process is a bill which attempts to strike the proper balance between adequately protecting the quality of our Nation's waters and being realistic in the goals and requirements we establish for this most important environmental program.

Special recognition should be made of the chairman of our Committee on Public Works and Transportation, the gentleman from New Jersey [Mr. HOWARD], who is the original author of H.R. 3282 and whose leadership in support of a strong and environmentally protective bill has been second to none. I would also like to compliment the chairman of the Subcommittee on Water Resources, our committee chairman's colleague from New Jersey [Mr. ROE], and his ranking Republican counterpart, the gentleman from Minnesota [Mr. STANGELAND], both of whom have made significant contributions to the formulation of this legislation and to fashioning the compromise bill that we are considering today.

Mr. Chairman, in the 12 years since passage of the Federal Water Pollution Control Act Amendments of 1972, we have made great strides in the campaign to preserve and enhance the quality of our Nation's precious water resources. Industrial dischargers have installed billions of dollars of water pollution control equipment, and municipalities have constructed wastewater treatment facilities throughout the Nation in an effort to achieve the act's goal of fishable-swimmable waters.

More, of course, remains to be done. The Environmental Protection Agency has identified almost $120 billion in unmet municipal wastewater treatment facility needs throughout the country. Industrial dischargers are in the process of designing and constructing the next generation of pollution control equipment—best conventional technology and best available technology economically achievable—in order to further reduce the point source discharge of pollutants into our lakes, streams, and rivers.

The Roe substitute, which the committee brings to the floor today continues and builds upon the momentum that our national water quality program has developed. The substitute reauthorizes appropriations for the construction grants program at levels above the annual $2.4 billion figure currently established in law. It also authorizes a new 4-year $1.6 billion per year program of grants to the States for use in establishing revolving funds to finance construction of priority wastewater treatment facilities. Together, these two authorities are intended to restore the Nation's investment in constructing municipal sewage treatment plants to pre-1981 levels, while at the same time providing additional flexibility to the States in their efforts to focus financial resources on addressing priority water pollution control needs.

Like the bill reported by our Committee on Public Works and Transportation, the Roe substitute makes a number of other very significant changes and additions to our body of Federal water pollution control law. The substitute establishes a major new authority in the Federal Water Pollution Control Act designed to address nonpoint source pollution, a problem which experts have estimated is responsible for more than half of the pollutant loading into our Nation's waters and a problem which has received far too little attention until now. The Roe substitute provides two new enforcement mechanisms to the arsenal of compliance oriented behavior-modifying tools at the disposal of EPA: new administrative penalties and strengthened criminal penalties. It authorizes the appropriation of additional funds to clean up an increasingly important and, up until now, much neglected water pollution problem: Deteriorating quality in many of our Nation's lakes. The substitute also makes a number of revisions to the Clean Water Act's industrial compliance deadlines, revisions necessitated by originally unforeseen technical and administrative problems experienced by EPA in promulgating necessary effluent guideline regulations, and it amends the act's provisions relating to national pollutant discharge elimination system permits to improve the functioning and effectiveness of the NPDES permit program. The gentleman from New Jersey's substitute, like our reported bill, also addresses a number of pressing site-specific water pollution problems. One of these, the international pollution problem being experienced in the vicinity of San Diego, CA—a matter that has been characterized by many as the most serious environmental problem in California—has been addressed in no small measure due to the excellent leadership and efforts of our committee colleague from that area, the gentleman from California [Mr. PACKARD]. Two others—relating to grants for Taylor Mill, KY, and requirements applying to the Okolona sewer construction district in Jefferson County, KY—are particularly important to me and to my constituents.

Mr. Chairman, in addition to the provisions I have just discussed and others which are identical to language appearing in the committee-reported bill, the Roe substitute contains three other types of provisions.

The substitute includes a number of provisions which were included in the version of H.R. 3282 originally reported by our Public Works Committee but which were subsequently deleted because of questions that were raised about the possible jurisdictional reach of those provisions. These include amendments to the ocean discharge waiver provisions of the Clean Water Act, authorization of new programs to maintain water quality in estuaries and to address water pollution control needs in certain bays, direction to the Administrator to conduct research on the harmful effects of water pollution, authorization for the establishment of a new Great Lakes international coordination office, and direction to the Administrator to carry out a clean lakes liming demonstration project. I might point out that, in connection with the estuary management conference language in the substitute, the gentleman from Oregon [Mr. ROBERT SMITH], has worked successfully with the environmental community and others interested in this provision to fashion a new definition of estuarine zone and additional language necessary to prevent duplicative efforts. This language has been included in the substitute, and the gentleman is to be complimented for his efforts. I would also like to point out that, in taking the action which we did to delete these provisions from the originally reported bill, the committee in no way intended to concede the correctness of jurisdictional claims made by others with respect to any of the provisions and, in fact, we disagree with those claims.

Second, the Roe substitute includes language reflecting a compromise reached with a number of Members who expressed misgivings about certain of H.R. 3282's committee-reported provisions. Included in this category is new language relating to the authority of the Administrator to issue NPDES permits for up to 10 years, compliance deadlines for the electroplating categorical pretreatment standard regulations, collector sewer grant eligibility, and permit requirements pertaining to coal remining operations, stormwater runoff diversion facilities, and Alaskan pulp mills. The effect of this new language is to make the bill even more environmentally responsible and protective than the strong bill which was reported by the committee, and I am most pleased that agreement was able to be reached leading to the strong general support for the substitute which now exists.

Finally, the substitute contains a number of new provisions suggested by various Members to improve the legislation and our Nation's water pollution control program. Among those is a provision authorizing new grant assistance to provide alternative water supplies in instances of contaminated ground water. The gentlelady from Connecticut [Mrs. JOHNSON] is the original author of this language and I believe she deserves great credit for recognizing the need to address this important water pollution problem and for developing the approach which is now included in the substitute. Also included in the substitute are provisions establishing a National Ground Water Commission—a proposal originated by the gentleman from Pennsylvania [Mr. EDGAR] which has twice before been approved by the full House of Representatives—and authorizing the Administrator to provide grant assistance to the States for implementation of necessary ground water protection activities.

Mr. Chairman, the bill before us is not perfect but it is a substantial and, I believe, generally successful effort to advance our Nation's water pollution control program. There is still additional work that needs to be done to perfect this legislation before it goes to the President for his signature. At least four areas that I believe may need further refinement relate to compliance deadlines for best conventional technology, clarification of liability standards in the bill's new criminal penalty section, more realistic deadlines and revised orientation of the new post-BAT language in section 5, and the need to make some of the authorization levels in the bill track more closely with levels of funding likely to actually receive appropriations in the next few years. I am hopeful that we will be able to pursue these matters further in the weeks to come when the bill is in conference.

In sum, Mr. Chairman, the legislation before us is a balanced approach to strengthening our Nation's clean water laws. It is a good bill, one that is a true credit to all those who worked on it and who care strongly about preserving and maintaining the quality of our waters. It deserves an overwhelming vote of approval here today and I urge my colleagues to join me in supporting it.

Mr. ROE. Mr. Chairman, I yield back the balance of my time.

Mr. STANGELAND. Mr. Chairman, I am pleased to rise in strong support of the amendment in the nature of a substitute to H.R. 3282, offered by the gentleman from New Jersey [Mr. ROE].

The substitute is a compromise that has bipartisan support from the Committee on Public Works and Transportation and throughout the Congress. It is supported by numerous environmental, industry, labor, State, and local organizations. Credit for reaching this compromise must be shared by many people. I truly believe the outstanding leadership of the chairman of the full committee [Mr. HOWARD] and the Subcommittee on Water Resources [Mr. ROE], as well as the ranking member of the committee, the gentleman from Kentucky [Mr. SNYDER], is the primary reason this agreement has been made possible.

The bill, as it was reported from the committee, contained provisions that concerned various groups. The committee sought, and obtained, an open rule, so that all members would have the opportunity to offer amendments they believed to be needed. The leadership of the committee went far beyond that, however. Numerous meetings between the members and environmental, industry, and other groups were held during the last few weeks. Late last Wednesday, agreement was reached on key provisions. They may not satisfy everyone totally, but that is the essence of compromise. In my opinion, the provisions that are changed are modified reasonably and toward the end of improving water quality and management of clean water programs. There are many provisions that are not changed, and this is also the best result. No legislation can contain everything it might, and the same is true of the substitute for H.R. 3282.

As I discussed in the general debate for H.R. 3282, I firmly believe that a local pretreatment option is well justified. Such locally controlled programs would do a better job by managing issues nearer to the problem. I had considered offering an amendment for a nationwide program or a demonstration pretreatment program. Either would apply only to those communities with the financial and technical capability to undertake such a pretreatment program. It would also have numerous environmental safeguards. The rest of the communities would operate under the National Categorical Program, which is proceeding despite some difficulties. I have agreed to not offer the local option amendment in order to ensure rapid consideration of H.R. 3282. I do retain my belief in the local option approach and am hopeful that it will be favorably considered in the future.

Mr. Chairman, the agreement reached last week is that environmental groups, like others, will support H.R. 3282 and work for its enactment. No amendments will be pursued on issues even if groups did not get exactly what they wanted. What must be stressed is that the substitute offered here today is fundamentally the same as that voted out of the Committee on Public Works and Transportation on May 10. That version of the legislation provided, among other things:

A 5-year reauthorization of existing programs;

Revisions of some of the act's compliance deadlines;

An expanded program of grants and revolving funds for the construction of sewage treatment plants;

A new nonpoint source control program;

Authority for administrative penalties;

Ten-year national pollutant discharge elimination system [NPDES] permits and partial program delegation to the States;

Continued eligibility for combined sewer overflows [CSO's];

Required passthrough of 205(j) grants to substate planning organizations;

A one-quarter of 1 percent set-aside for investigation and auditing activities within the construction grants program; and

Several site-specific projects to deal with major problem areas.

Mr. Chairman, as a result of jurisdictional issues raised by two other committees, certain provisions were deleted. These were detailed during general debate on June 18. The version of the legislation offered by the gentleman from New Jersey [Mr. ROE] puts back those provisions that were taken out to speed consideration of the bill. I must stress again that this action does not in any way admit that the jurisdictional claims were valid. To the contrary, the committee believes they were not.

Some of the changed provisions in the legislation as a result of the agreement last week include:

Ten-year NPDES permits with mandatory reopener clauses for certain water quality standard and toxic effluent guideline changes;

Exemptions from NPDES permits for stormwater runoff directed around oil and mining facilities if there is monitoring and reporting of the water quality of these diversions;

A limit to December 31, 1984, of extending the electroplating compliance deadline;

A requirement to show technological need to extend compliance for integrated facilities, having more than one effluent guideline, that will result in a final compliance date earlier than would be the case otherwise;

Eligibility for collector sewers under 20 percent State discretionary funding; and

A revised remining provision.

There are limited other additions to this legislation. One provision of note was proposed by the gentlelady from Connecticut [Mrs. JOHNSON]. It was incorporated in the substitute and will provide grants for alternative water supply to replace contaminated ground water. It is a most appropriate addition to the legislation, and I congratulate the gentlelady on her initiative.

Mr. Chairman, the substitute is excellent and strong environmental legislation. It should be strongly supported in the same bipartisan fashion that it has been developed. I urge all my colleagues to vote for the Roe substitute to H.R. 3282.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. STANGELAND. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman for his leadership along with my colleague from New Jersey [Mr. ROE]. I think we do have a good substitute. It is a substitute that took many hours to fashion, and it is a substitute that needed the cooperation of all the Members of Congress as well as the environmental community.

I would like to point out that the substitute includes language that provides an amendment to strengthen safeguards on the 10-year pollution discharge permits to ensure that they will be adjusted to reflect changes in water quality standards. Also, it provides for pretreatment deadlines for integrated facilities that are set 1 year after the first applicable deadline. It provides for an amendment that eliminates added Federal funding for collective sewers, which can promote unwise development.

It eliminates exemptions from pollution discharge standards for two Alaskan pulp mills, but it also allows for a small study to be done in that area. It provides for strict water quality safeguards and monitoring required at mining sites where an abandoned mine has been reopened.

Finally, the amendment sets a firm deadline of December 1984 for the electroplating industry to comply with tough new pretreatment standards.

I thank the gentleman for yielding and for his work on this effort. I think it is important for all to know that the environmental community has signed off on this substitute. They are strongly in support of the provisions that we made, and I want to commend my colleague from New Jersey [Mr. ROE] for including in that substitute the establishment of a National Ground Water Commission.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. STANGELAND] has expired.

(On request of Mr. EDGAR and by unanimous consent, Mr. STANGELAND was allowed to proceed for 3 additional minutes.)

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. STANGELAND. I yield to the gentleman.

Mr. EDGAR. I thank the gentleman.

The National Ground Water Commission is something that passed the House in the last Congress; it is strongly supported on a bipartisan effort to look at our long-term ground water needs and I commend the committee for including it in the substitute.

Mr. Chairman, I rise in strong support of the committee amendment which corrects a number of objections to the bill which had been raised by members of the environmental community and truly makes this bill an important step forward in protection of the environment.

As a matter of policy, authorizing legislation to extend the Clean Water Act provides essential continuity for our pollution control programs and reiterates the commitment of Congress to the essential goal of fishable, swimable, pollution-free waters. Many of the programs and general authorizations under the Clean Water Act expired in 1982 and we have been operating without a regular authorization since then. The bill before us not only reauthorizes the act but also contains provisions which will advance our positive efforts to clean up the Nation's waters. Among the most important items contained in the bill are increases in funding for the EPA construction grants program; a valuable grant program for the control of nonpoint pollution from rural and urban runoff; and targeted efforts to clean up the Chesapeake Bay and other bays and estuaries.

The bill as reported contained several provisions which concerned environmental groups like the National Wildlife Federation and Sierra Club. I think it is a credit to both the environmental community and the leadership of our Public Works Committee that we were able to sit down together and iron out these substantive differences in order to produce a bill which could command broad support. I want to especially compliment the subcommittee chairman, Mr. ROE and the full committee chairman, Mr. HOWARD, as well as the ranking minority members for their diligence and fairness in this effort. I think Chairman HOWARD deserves special credit for originally introducing the Water Quality Renewal Act and working through the negotiations which produced the amendment now before us.

Let me briefly outline the modifications to H.R. 3282 which have led to the strong, enthusiastic support of the environmental community:

The amendment strengthens safeguards on 10-year pollution discharge permits to ensure that they will be adjusted to reflect changes in water quality standards.

Pretreatment deadlines for integrated facilities are set at 1 year after the first applicable deadline, ensuring that facilities discharging several pollutants will not escape the requirements of the act.

The amendment eliminates added Federal funding for collector sewers which can promote unwise development.

Exemptions from pollution discharge standards for two Alaska pulp mills are eliminated.

Strict water quality safeguards and monitoring are required at mining sites where an abandoned mine has been reopened.

Finally, the amendment sets a firm deadline of December 1984 for the electroplating industry to comply tough new pretreatment standards.

I believe that the House is wise to accept these strengthening provisions which reassert the tough requirements of the Clean Water Act. Granting delays, variances, and waivers for specific industries or firms can only promote a substantial weakening of the act by encouraging local authorities and the private sector to come to Congress for special relief from pollution control requirements. The long-term consequences of poisoning the environment are more costly than the tough pollution controls. By and large, we have made progress in cleaning up the Nations' water by sticking to our goals, procedures, and deadlines. Yet, it will be difficult to sustain this progress if Congress is seen as backing down from some of the most difficult cleanup tasks or as granting inequitable relief from regulations.

I want to thank the leadership and staff of the environmental groups for their work and support on this measure. I believe it is legislation that the House can be proud of, and I urge support of the amendment.

I also want to briefly mention one specific new provision which I urged the committee to include in its amendment. This is the section which creates a new national commission to study our national ground water problems. The Clean Water Act regulates surface water, while a number of other statutes govern disposal of hazardous waste, but there is currently no overall policy which governs the protection of underground water resources. Over one-half of our Nation's population depend on ground water for drinking water, and discovery of contamination and supply problems in recent years poses a significant new threat to this critical resource. The EPA has been studying this problem literally for years but has come up with no firm, comprehensive policy for dealing with ground water problems. The commission set up in this legislation would focus the debate on this problem and provide recommendations for necessary actions at the Federal and State level in order to protect this resource. I thank the chairman for his support on this legislation.

Mr. LOEFFLER. Mr. Chairman, will the gentleman yield?

Mr. STANGELAND. I yield to the gentleman from Texas.

Mr. LOEFFLER. I thank the gentleman for yielding.

Mr. Chairman, I would like to pose a question to the distinguished gentleman from New Jersey, the chairman of the subcommittee, and that is, Mr. Chairman: Does anything under the new law affect those cities which either have approval or have tentative approval of a 301H permit?

Mr. ROE. No, it does not. Nothing in the new bill will affect that standing at all. They are protected under its provisions.

Mr. LOEFFLER. I thank the distinguished chairman, and I have asked the question on behalf of Congresswoman FIEDLER who is in a budget resolution conference at this moment.

I thank the gentleman from Minnesota.

Mr. STANGELAND. Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MS. FERRARO TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ROE

Ms. FERRARO. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Ms. FERRARO to the amendment in the nature of a substitute offered by Mr. ROE. In subsection (b) of section 30 of the amendment, insert "(1)" after "(b)" and add at the end thereof the following new paragraph:

(2) The Administrator of the Environmental Protection Agency shall waive the limitations of subsection (a) if the city of New York is in substantial compliance with a Federal consent decree designed to eliminate the discharge of raw sewage by a date certain.

Ms. FERRARO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. FERRARO. Mr. Chairman, first of all I want to commend the two distinguished gentlemen from New Jersey, my two chairmen, Mr. HOWARD and Mr. ROE, and the other members of the Public Works and Transportation Committee for bringing this important piece of legislation to the floor. The Water Quality Renewal Act of 1984 has many admirable features.

For example, the bill provides for a badly needed increase in the construction grants program from the current $2.4 billion per year to $2.9 billion in fiscal year 1985 and $3.4 billion for the following 3 fiscal years. In addition, I'm pleased to note that the problem of combined sewer overflows, a serious concern in many older communities, is addressed in the bill.

Regrettably, there is one section of the bill, section 30, that I must oppose and it is to this section that my amendment speaks. This provision which is aimed solely at New York City, purports to increase environmental protection by hastening the construction of two wastewater treatment plants and thus ending raw sewage discharges.

In fact, the city of New York already is proceeding on an accelerated schedule to complete those plants and currently is 6 months ahead of the schedule set forth in a Federal court order governing their completion.

Unfortunately, in discussions of this provision there have been several inaccurate statements made. For instance, it has been asserted that New York by its own admission, discharges 220 million gallons of raw sewage every day. Though the design capacity of the two plants combined is 220 million gallons of water a day, the estimated actual flow from the two areas of the city that will be served by the new plants now under construction totals approximately 195 million gallons a day, of which 99.99 percent is pure water. Less than one one-hundredth of 1 percent consists of solids and organic matter.

It has been contended that discharges from New York head directly for the beaches of New Jersey. In fact, according to models of the New York-New Jersey Harbor area accepted by EPA, the biochemical oxygen demand, suspended solids, and bacteria from North River and Red Hook are totally dissipated and unmeasureable before reaching even the Staten Island beaches, which are far closer to the outfalls than the New Jersey beaches. My colleagues should be aware that both the New York City beaches and those in New Jersey fully comply with bathing water quality standards.

This is not to deny that trash and debris can sometimes be seen washing up on New Jersey beaches. But the major source of this material is discharges from New Jersey storm sewers, as well as combined sewer overflows from both New Jersey and New York.

Moreover, the relevant consideration here is not whether a discharge is raw or treated. In terms of the environmental impact of municipal wastewater discharges, the relevant consideration is how clean is the discharged water. For example, of the 14 New Jersey plants discharging into the Hudson-Raritan Estuary, all of which provide some level of treatment, 4 plants actually have higher levels of organic pollution than the raw discharges from the North River outfalls, and 5 have comparable levels of organic pollution.

One further point made is that this provision is neither punitive nor discriminatory. On its face, this statement is simply not so. This provision adds new requirements to the Clean Water Act that apply only to New York City, despite the fact that there are 242 communities throughout the country with raw discharges. The Clean Water Act already contains sufficient civil and criminal enforcement authority, which applies equally to all communities, to compel continued progress in cleaning up the Nation's waters. Imposing additional sanctions piecemeal through the political process is bad public policy, and in this case, unfairly suggests that New York has not made a good faith effort to modernize and upgrade its facilities.

Mr. Chairman, New York City has spent $1.5 billion in the past decade to upgrade nine sewage treatment plants to full secondary treatment. Work continues on two additional plants and the new plants, North River and Red Hook, will both achieve full secondary treatment later this decade. This is indicative of the tremendous effort the city is making, and has been making, to improve regional water quality.

The claim has been made that the language in section 30 will not harm housing and commercial development in New York City. Unfortunately, this is not the case. Because the provision is silent with respect to enforcement, a court enforcing the amendment could call for a moratorium on new sewer hookups. The prospect of such sanctions would have a chilling effect on real estate development in New York City.

The Clean Water Act is working. Progress is being made to clean up the Nation's waters. We should not retreat from a national approach. We should not impose unique penalties upon one particular community—particularly when that community is moving aggressively to end raw discharges ahead of schedule.

The amendment I am offering today requires the EPA Administrator to waive the limitations set forth in subsection (a) of section 30 as long as the city of New York is in substantial compliance with the terms of the Federal consent decree. The current language in section 30 would have a chilling effect on housing and commercial development in New York City. We must remove this cloud of uncertainty, which threatens one of New York's most important industries.

□ 1510

The CHAIRMAN pro tempore. The time of the gentlewoman from New York (Ms. FERRARO) has expired.

(By unanimous consent, Ms. FERRARO was allowed to proceed for 3 additional minutes.)

Ms. FERRARO. Mr. Chairman, today New York is being singled out; tomorrow it could be other communities. Mr. Chairman, let us continue to work together to find solutions to our remaining water problems, which are not exclusive to New York.

I urge my colleagues to support the amendment.

Mr. BIAGGI. Mr. Chairman, will the gentlewoman yield?

Ms. FERRARO. I am happy to yield to the gentleman from New York.

Mr. BIAGGI. I thank the gentlewoman for yielding.

Mr. Chairman, I rise in vigorous support of the amendment offered by my distinguished colleague from New York, Ms. FERRARO. I do so in the spirit that its passage will certainly compliment an otherwise fine piece of legislation, H.R. 3282, absent section 30 which is distinct both in its content, and its intent.

Section 30 bars one city, the city of New York, from dumping more raw sewage into its water after March 15, 1986, than the average of what was dumped in the preceding year, unless there is a significant interruption in the operation of the city's treatment plant. The Ferraro amendment would allow this provision or limitation to be waived if the Administrator of the Environmental Protection Agency finds that the city is in substantial compliance with a Federal consent decree designed to eliminate raw sewage discharges by a certain date.

I am most obviously troubled by the way section 30 of this bill singles out the city of New York. As he well knows, I have the highest regard and respect for the chairman of the Public Works Committee, Mr. HOWARD. His legislative career includes a veritable litany of significant legislative accomplishments which have benefited all areas of the Nation including New York City.

However, section 30 of this bill represents an exception. It seems to be an extension of the undeclared war which has broken out between New Jersey and New York, which has managed to infestate the legislative process. This provision is but one example. Several weeks ago, the House Merchant Marine and Fisheries Committee became embroiled in another area of dispute between our States, that related to ocean dumping.

The **CHAIRMAN** pro tempore. The time of the gentlewoman from New York [Ms. FERRARO] has again expired.

(On request of Mr. BIAGGI and by unanimous consent, Ms. FERRARO was allowed to proceed for 2 additional minutes.)

Mr. **BIAGGI**. If the gentlewoman will yield further, while this undeclared war has perhaps escaped the attention of most of my colleagues outside the two States, it is a matter of deep concern to me. One of the characteristics of this war which disturbs me the most is the consistent tendency to misrepresent critical facts about New York City, and then use these misrepresentations as a means of justifying a particular policy change which inevitably ends up harming the city.

When we refer to the matter before us, we find this to be the case once again. A number of the main arguments used by the proponents of this are either misleading or factually incorrect. Let me present several of the more prominent ones.

One of the reasons used to justify the Howard language is that it is needed to effectively place a cap on the amount of raw sewage that New York City can discharge, and that the city discharges some 220 million gallons of raw sewage daily.

This statement is simply false. The 220 million gallon figure is based on the designed capacity of the two sewage treatment plants currently under construction; one at North River, the other at Red Hook. The fact is that the amount discharged is more than 10 percent below that cited by the proponents of section 30. Further, of the 195 million gallons discharged, less than one one-hundredth of 1 percent consists of solid or organic matter—the rest is simply water.

Another patently misleading statement is that the raw sewage discharges from New York head directly to the beaches off New Jersey. Mathematical models of the New York-New Jersey Harbor approved by the EPA for use as a planning tool, show that the majority of sewage discharges is largely dissipated and unmeasurable prior to even reaching the beaches of Staten Island, which come before New Jersey beaches in terms of the flow of sewage. This is before the treatment plants actually open up and the situation will only improve at that point.

Another misleading and factually false statement that has been advanced in support of section 30 is that New York City is as much as 30 years behind in its schedule of sewage treatment plant construction and years behind other cities. The findings of a 1982 EPA needs survey finds that nationally, another $31 billion of municipal sewage treatment plant construction is needed in every State of the United States, simply to comply with the secondary treatment requirement of the Clean Air Act. This includes more than $2 billion needed to complete projects in New Jersey. New York City at this time is ahead of schedule in construction of its North River and Red Hook plants. In the case of Red Hook, it is almost 7 months ahead of schedule and in the case of North River almost 6 months ahead of schedule.

The proponents of the bill contend that the amendment is neither punitive nor discriminatory against New York since it simply requires New York to do what every other city has done, stop discharging raw sewage. This statment is totally false, the EPA lists more than 240 municipalities with raw wastewater discharges nationally. Further, if one seeks to distinguish sewage on the basis of whether it is raw or treated, and then apply this to the argument about environmental impact, it presents an interesting issue. Treated discharges can be much worse than raw discharges; the relevant consideration is how clean the discharged water is, not the kind of treatment it has received.

The Ferraro amendment, unlike the section it seeks to eliminate in the bill, is carefully and clearly written and does not suffer from the vagueness of the Howard language. The court orders referred to in the Ferraro amendment would result in the North River plant having to be operational by May 1, 1986. This is not dilatory in any way and if anything, would most certainly promote a timely completion of this important project.

Another deliberate intent of the Howard language is too far beyond the scope of just the Clean Water Act. His language could have the effect of slapping a construction ban on the city of New York. This stems again from the vagueness associated with some of the terms in the amendment about what the ceiling might be on discharges of raw sewage and how it might be enforced. However, the language is clear relative to the fact that building will not be permitted if the ceiling is violated, which no matter how you slice it, is a construction ban.

The Clean Water Act has always been applied in an equitable fashion to all cities and localities, including New York City. This is a clear attempt to deviate from that process and have it apply in a punitive manner to the detriment of New York City.

In the final analysis, this is a bad provision in an otherwise good bill. the Ferraro amendment is the way to deal with this thorny, but entirely unnecessary problem.

I call upon the House to adopt the Ferraro amendment so we can legislate a "cease-fire" in this undeclared war between the States of New York and New Jersey. We have too many common concerns without inventing new problems of controversy.

Mr. **WEISS**. Mr. Chairman, will the gentlewoman yield to me?

Ms. **FERRARO**. I am happy to yield to my colleague, the gentleman from New York.

Mr. **WEISS**. I thank the gentlewoman for yielding.

Mr. Chairman, I rise very briefly to express my strong support for the amendment offered by the gentlewoman from New York and to suggest that in the course of debate we sometimes tend to draw lines of conflict which are not necessary to draw.

It is my understanding that the distinguished chairman of the Committee on Public Works and Transportation, as well as the distinguished chaiman of the subcommittee, both of whom are good friends of mine and who are from New Jersey, really do not intend, and say that they do not intend, to do any harm at all to New York, and I believe that.

The **CHAIRMAN** pro tempore. The time of the gentlewoman from New York [Ms. FERRARO] has again expired.

(On request of Mr. WEISS and by unanimous consent, Ms. FERRARO was allowed to proceed for 2 additional minutes.)

Mr. **WEISS**. If the gentlewoman will yield further, it seems to me if they were to accept the amendment that is offered by the gentlewoman they would really still have the best of all possible worlds. It would, in fact, be a consession on behalf of New York that we want to be in substantial compliance with the court-mandated timetable which has been agreed to under the consent decree. At the same time we would have a clear spelling out that so long as there is substantial compliance with the court-mandated timetable that, New York would not have to be concerned about there being this unintentional chilling of those who wish to engage in commercial or residential construction in the city of New York.

☐ 1520

Now, I have a special interest in this matter. The North River pollution control plant is in my district, and we have been watching with great concern the pace of construction. I think my colleagues ought to know and they ought to remember that the city has done everything within its power to meet the timetable. Unhappily, with the administration's cutback of funding for pollution control purposes, significant periods of time went by, and because of that cutback and because the city was on the verge of bankruptcy for some period of time, it was in no position to move ahead faster than the court had mandated.

In spite of that, we are 6 months ahead of the timetable agreed to in court. So if the two gentlemen from New Jersey, who I know want to do the right thing by the city, would look objectively at the gentlewoman's amendment, perhaps they could find it appropriate to accept it. We would then satisfy both New York and New Jersey instead of exacerbating a situation which should never have been allowed to even suggest that there is conflict between us.

Mr. Chairman, I thank the gentlewoman for yielding.

Ms. FERRARO. Mr. Chairman, I want to thank the gentleman from New York [Mr. Weiss] for his very concise and clear statement. He makes the point that New York is making every effort to comply with the laws.

As a matter of fact, we are 6 months ahead of time. We have six construction crews working. The only place we could put another construction crew is if we put them on a barge out in the water. There is the intent to finish, there is the desire to finish, and this language is merely a punitive effort directed at New York City.

Mr. Chairman, I urge my colleagues to support the amendment.

Mr. SCHEUER. Mr. Chairman, I move to strike the requisite number of words.

I will not use all of my 5 minutes. I just want to add to the words of my distinguished colleague, the gentleman from New York [Mr. Weiss], and say that New York is going now above and beyond the call of duty.

We are functioning under a consent decree. We are ahead of the schedule outlined in the consent decree. When the two plants under construction are finished, one in May 1986 and one in May 1987, we will be in compliance.

There are 242 cities around the country that are substantially situated as New York City is. They are not in compliance with all of the EPA requirements, but they, as we are, working on it. For some obscure reason that I do not understand, New York City was the only city that was selected for this rather invidious treatment. I know it was not meant to be invidious treatment, but on the face of it, it is, and I would urge my colleagues, the gentlemen from New Jersey [Mr. Howard and Mr. Roe], who have been friends and colleagues of mine for many, many years, to accept the amendment offered by the gracious gentlewoman from New York. I think it would be the collegial thing to do.

New York is aimed right at compliance in a matter of months. They are headed toward compliance, and they are in compliance with the court order.

Mr. Chairman, I would urge that we have collegial and friendly action from our friends across the Hudson.

Mr. McGRATH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from New York [Ms. Ferraro].

Mr. HOWARD. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, this is a very important amendment.

Members might ask, why is the Congress about to pick on New York City? There is no large city in this Nation other than New York City which dumps any raw sewage into the waters to be sent down somewhere else. I wonder if the 240 cities that are mentioned that have some raw sewage add up to this amount all put together. New York City dumps and have been dumping 220 million gallons of raw sewage a day into the Hudson River. That is 220 million gallons a day, enough to fill a football field at the Meadowlands arena to a height of 67 stories high, two-thirds the height of the huge complex buildings at the foot of New York. That is 12 square miles to a depth 1 inch thick each day.

At this rate, if New York City did not want to treat but just kept its raw sewage, it would cover the entire city, all five boroughs, in 1 month. But that does not happen. It is dumped into the waters of the Hudson River. It flows down on the seashore areas, and for so many years people who live in New Jersey and the New Jersey seashore that depend upon clean beaches and clean water have said that we must accept this from New York City because New York City is so big and powerful and rich and important that the other communities just have to take second place.

I think the time has come to just assure that New York City meets its commitments. What we did in this legislation is this: We did not stop construction. We will not stop construction if New York City means what it says. It sets a date of March 15, 1986.

We had an earlier date, but in discussions with a member of our committee, the gentleman from New York [Mr. Molinari], we set that date back to March 15, 1986, saying that that puts a cap and a limit on how much New York City may discharge into the river to come down into New Jersey and Long Island shores.

Now, New York City is working on its North River plant. Its North River plant is due to be in operation, treating only primary raw sewage, by November 1985. Under our amendment, we figure it on an average per month basis of the year, starting prior to March 15, 1986, which gives them 7½ months of heavy discharge of raw sewage 4½ months after the plant opens. When that plant opens, it will treat 150 million gallons a day. So they do not have that much leeway to work on.

What about the fact of what would take place if something happens? If there is a strike that delays the construction of that plant, if there are heavy overflows due to rain, if lightning strikes the plant and there is a delay, in the substitute amendment offered by the gentleman from New Jersey [Mr. Roe] and myself there is a provision that grants the head of EPA the right to extend the time limit for compliance. So if New York City means what it says, it will have no trouble at all.

New York City says that as far as dumping raw sewage, they are 6 months ahead. If we look at the papers, they are 49 years behind. We have been complaining about this since 1935, and it is about time consideration is given to those downstream. New York City dumps this raw sewage and they do not have to worry; it immediately leaves their area, and they get clean water from communities upstream that are taking of their sewage.

Nobody is picking on New York. I love New York. The Committee on Public Works and Transportation loves New York. There is no committee in this Congress that has been a better friend of New York City down through the years than our committee.

They have a problem with Newtown Creek in Brooklyn that would cost New York City $250 million to get into secondary treatment at the proper time. What did our committee do? We wanted to help them. We put that project on a demonstration basis, and instead of having the Federal Government only pay 55 percent, we grandfathered in the old 75 percent. We do not hear very much thanks from New York City on that effort that is being made this week in this Congress.

The CHAIRMAN pro tempore. The time of the gentleman from New Jersey [Mr. Howard] has expired.

(By unanimous consent, Mr. Howard was allowed to proceed for 2 additional minutes.)

Mr. HOWARD. Mr. Chairman, I do not know why New York City is opposing this amendment. It merely says that we want to make sure that they do what they say they are going to do. We give all kinds of provisions for New York City to be in compliance should something happen that is not its fault.

The only reason they might oppose this would be if they do not want to keep their commitment, if they intend to go back to the courts again, as they have done so often and gotten so many extensions and so much relief because they are so big and powerful and rich and important, more so than the rest of the country. I do not know why they oppose it.

The largest contractor in New York City called me a couple of weeks ago.

concerned that it might stop construction in some way.

☐ 1530

I told him, I said, "Just have one of your attorneys read the amendment and if you have any problem at all, call me." I have not heard from him in 3½ weeks.

There is no problem, if they intend to keep their commitments.

A vote for this amendment by the gentlewoman from New York is a vote to say that New York City should not have any cap, any limit, any stopping at all of any amount of raw sewage that they want to dump in the rivers and dump on the seashore areas of other parts of the country. I just think it is unfair.

It is a sensible, reasonable amendment. After 49 years, it is time for us to say to New York, some other areas are just as important as you are.

I urge a no vote on the amendment.

Mr. STANGELAND. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am not going to take the 5 minutes. I think the chairman of the Committee on Public Works and Transportation, the gentleman from New Jersey [Mr. HOWARD] has very eloquently spoken of the issues and the problem and the concern.

Mr. Chairman, I rise in strong opposition to the amendment offered by the gentlelady from New York [Ms. FERRARO]. This amendment would be of great harm to a provision in the legislation that seems both reasonabale and environmentally desirable. It is understandable that the distinguished representative from New York wants to protect New York City. However, what is the cost to the environment? It would leave New York City with the opportunity to continue dumping raw sewage in the Hudson River. This leaves New Jersey's shores and the total environment with the problem of New York's untreated sewage.

New Jersey has enforced building bans in 77 municipalities since 1973 until clean water projects are built. No such bans are required by the provision in the bill. No municipality in the United States has been allowed to flush 220 million gallons a day of raw wastes into the waterways. New York City's own project completion projection is November 1985, which is 6 months ahead of schedule. The provision in the bill will only safeguard the assurance that no further increases of raw sewage dumpage are permitted. The provision would limit discharge to its present conservative 220 million gallons per day estimate by May 15, 1985. It stands to reason, therefore, that this amendment can undermine the good-faith agreement of New York City to clean up its raw sewage dumping, which affects both New York and New Jersey areas downstream.

The provision as reported does contain appropriate language to provide for adequate handling of unforeseeable problems that could preclude the primary treatment of effluent. It is not punitive, as it only limits the amount of raw sewage that can be dumped and safeguards the speedy completion and utilization of the facilities needed to treat the sewage. The committee chairman [Mr. HOWARD] has made a reasonable proposal; he could have proposed a lower or zero level of discharge, after all.

I, therefore, strongly oppose this amendment. It is an unnecessary reaction to a timely and effective provision. I urge all my colleagues to vote against the Ferraro amendment to H.R. 3282.

Mr. SNYDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to the amendment of the gentlelady from New York. On its face, the amendment appears to be benign. On closer examination, however, I believe that my colleagues will agree with me that the amendment is designed to allow the city of New York to continue dumping large amounts of raw sewage or inadequately treated wastewater into the Hudson River and, ultimately, onto the beaches of New Jersey.

Mr. Chairman, I am sure you are aware of the high level of controversy that has surrounded the issue of ocean dumping of sewage sludge by the city of New York in the New York Bight. The battle over whether this pollution of the waters between New York and New Jersey has been raging for almost 10 years and, as my colleagues know, it is an issue that is still unresolved. I would point out that that issue is different from the one under consideration here today and yet, what we are being asked to do by the gentlelady on behalf of the city with respect to the Clean Water Act is very much related to the problem of New York Bight water pollution. The city of New York is currently discharging 220 millon gallons a day of raw sewage into the Hudson River and hence into the New York Bight from the two wastewater treatment plants that would be affected by the gentlelady's amendment. Continuation of this practice is a totally untenable and improper situation, and we should not allow it to continue.

The gentlelady may tell us that there is really no problem under her amendment because all she is asking for is the right to allow New York City to continue polluting the Hudson River from these two plants in accordance with a court order. Two points should be focused on. First, it is the Congress, not the courts, that should be properly determining when pollution of our Nation's waters should cease. In this regard, I am convinced that the view of this body and, for that matter, of the entire Congress as well as of the American people is that this incredible level of pollution from New York City should not be allowed to continue 1 minute longer than is absolutely necessary. Second, and most importantly, it must be recognized that what the gentlelady is asking us to do is to vote in favor of additional water pollution by New York City and to vote against language that would require the city to eliminate its pollution sooner than she proposes. This is totally inappropriate, runs counter to the entire thrust of H.R. 3282, is in abrogation of the agreement reached by the committee leadership to resist amendments which weaken the act, and should be resoundingly defeated here today.

Mr. Chairman, I think that what the chairman of our committee has said bears repeating, and that is that, if anything, the bill's current section 30 language relating to this matter is too weak. Up until March 15, 1986, New York City can continue to discharge more than the 220 million gallons of raw sewage a day, and only at that point, on March 15, 1986, do they take the 12 months average and set that as the level that they cannot exceed.

Mr. Chairman, as far as I am concerned, the Ferraro amendment should be defeated. If anything, amendments should perhaps be offered to tighten up on the city of New York to see that they do not do what no one else in the country is allowed to do.

Mr. Chairman, I oppose the amendment and I urge my colleagues to do likewise.

Mr. WEISS. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the amendment.

Mr. Chairman, I would like to say at the outset that I have nothing but the fondest of feelings and memories for and of New Jersey. I grew up in New Jersey.

The one thing that people from New York and New Jersey ought to refrain from is attacking one another on environmental grounds. The sad and unhappy fact of life is that both New York and New Jersey for far too long have allowed their water and their air and their land to be polluted. If anybody wants to have some sense of some of the problems that New Jersey had, and I do not want to single out New Jersey, but just to try to create a balance here, there was a time when Secaucus, NJ, just barely across the George Washington Bridge, used to be known as the "pig capital" of the world and the odors that wafted over into New York were just unbearable.

Well, now the pigs have gone from Secaucus and what we have got are chemical plants directly across the bridge and running for about 15 miles into New Jersey, which send forth the most horrendous odors and gases and mists and acids imaginable.

We each, New York and New Jersey, have a long way to go. I think we ought to be looking for ways to improve our respective environments rather than taking the occasion to be critical of one another.

What I have said has nothing to do with an intent to draw criticism on New Jersey, but simply to suggest that both of our States really have some very serious problems that ought to be addressed.

Now, New York with the cooperation of the Committee on Public Works and Transportation, as a matter of fact, is addressing its water quality problems and its pollution problems. We are in the midst right now of having two major new pollution control plants built, one as I indicated a few moments ago, the North River pollution plant on the Hudson River in my district; the other, the Red Hook plant, which is the district of my colleague, the gentleman from New York [Mr. SOLARZ], and both of those plants are moving ahead apace; indeed, ahead of schedule. Pursuant to the consent decree under which construction is proceeding there are provisions for no fewer than 58 specific steps that must be taken to construct the North River treatment plant, along with specific deadlines and stringent penalties of up to $25,000 per day for any failure to meet those deadlines.

So it seems to me that the inducement, the carrot and the stick, already exist in that court order and what we are really suggesting, what the gentlewoman from New York is suggesting by her amendment, is that we recognize the effort that New York is making so long as it is in substantial compliance with the very stringent consent decree. In essence the amendment says that it is not fair to single out New York for punishment and penalties which would not apply to any other municipality.

Mr. Chairman, I commend the gentlewoman from New York for offering her amendment. It is a very modest, very moderate, very reasonable amendment.

I would like to think that all the Members of the House, including those from New Jersey, would find that it was an amendment that they not only could, but would with eagerness support.

The amendment attempts to mitigate a provision in the Water Quality Renewal Act that would unfairly penalize New York City—and New York City alone—should it fail to build two sewage treatment plants on schedule.

I have long advocated a strong Clean Water Act, and I want to applaud my colleagues on the Public Works and Transportation Committee and in the environmental community for working so diligently to develop the compromise on which we will vote today.

However, I must take exception to section 30 of the bill, which singles out New York City for punitive sanctions while adding no environmental benefits.

On its face, section 30 appears to increase protection of the environment by limiting increased discharges of raw sewage by the city after March 15, 1986. But the fact is that New York City is already building modern treatment plants as rapidly as is humanly possible to accommodate the untreated sewage.

These facilities, the North River plant in my district and the Red Hook plant in Brooklyn, are actually 6 months ahead of a construction schedule established as part of a court-approved consent decree between the city and the Environmental Protection Agency. North River will be ready by November 1985 and Red Hook will begin operation by December 1986.

The consent order sets forth no fewer than 58 specific steps that must be taken to construct the North River treatment plant, along with specific deadlines and stringent penalties of up to $25,000 per day for any failure to meet those deadlines.

Section 30 would plainly add nothing to the strong incentives already embodied in the consent decree and the Clean Water Act. The provision would, though, be unreasonably punitive if, for reasons beyond the city's control, the construction schedule slipped or one of the city's existing plants malfunctioned.

Moreover, the potential for a court-ordered moratorium on new sewer hookups created by section 30 would have an almost immediate chilling effect on real estate investment and development in the city.

New York City has demonstrated its good faith over the past decade by spending more than $1.5 billion to upgrade nine plants to full secondary treatment capacity. Today, it is among 242 communities nationwide which still have additional treatment plant construction to complete. Yet section 30 would punish only New York.

This amendment directs the Environmental Protection Agency to waive section 30 if the city remains in substantial compliance with the consent decree. Its passage will soften the unnecessarily hardline approach taken in the bill, and recognize that New York is progressing—under Federal court supervision—as rapidly as possible to comply with the Clean Water Act.

Mr. MOLINARI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am in rather an unusual position in that coming from New York City and hearing the dialog that took place on the floor, it seems like this is a New York versus New Jersey fight, and indeed there have been a number of confrontations in the last year or year and a half between the States of New York and New Jersey, which I think are very unfortunate.

The Port Authority, naming one, the HUD grant to Jersey City was another one, issues where I felt the city of New York was wrong.

I must have mixed feelings because I come from the city, and yet I must also recognize the fact that the chairman of the committee, the gentleman from New Jersey [Mr. HOWARD], at my request put in a number of amendments that are going to affect the quality of the waters in my region.

I also would like to point out, although I am going to support the gentlewoman from New York, the raw sewage that comes from New York City and Manhattan before it gets to the district of the gentleman from New Jersey [Mr. HOWARD] and the rest of New Jersey, stops off at a place called Staten Island.

□ 1540

And, Mr. Chairman, I represent that area and our waters are polluted. They are not fishable and swimmable and they have been closed, and we have been seeing a very slow improvement to the quality of those waters.

If you look back historically we are not without sin. The city of New York is not benevolent. We were dragged into court and that is the reason why we are building the plants that we are building today.

So we have been at fault. We have been at fault and the fact is that the gentleman from New Jersey [Mr. HOWARD] has a problem affecting his district that affects my district, as well. I think not only in the city of New York but in other areas, we should enforce the laws more stringently.

I want to thank the chairman for the amendment, for the Interstate Sanitation Commission amendment which directly affects the waterways we are talking about here today. Reluctantly I must vote with the gentlewoman from New York against the chairman, even after what you have done for me.

I would just like to engage in a little colloquy with the gentleman from New Jersey [Mr. HOWARD] if I may.

The question has been raised about strikes. Suppose there is a problem, an unforeseen problem in construction and the completion of construction of the North River plant of any nature, perhaps a storm. We just had a pier collapse in my district that was unexpected. What impact would that have upon the city of New York and the construction of future building units in the city of Jersey?

Mr. HOWARD. Will the gentleman yield?

Mr. MOLINARI. I yield to the gentleman from New Jersey.

Mr. HOWARD. It would have no effect because there is a section that talks about significant interruption either in the construction or in the operation of sewage treatment plants which permits the Administrator of the Environmental Protection Agency to waive the requirements in this legislation. Certainly we would want to take care of that. Anything that is not New York City's fault, whether it be lightning striking or a strike which would hold up the construction of a plant, or something that would happen in the operation of it would certainly be protected.

We want to be very reasonable and fair about that.

Mr. MOLINARI. As I understand it, the cap you are imposing here remains the same when the North River goes on line. We are talking about 150 million gallons of sewage that would be treated, and we expect that to occur somewhere around October or November 1985. This cap does not reduce it; it remains at the current level?

Mr. HOWARD. That is right. They would start treating 150 million gallons from November 1985 so they would calculate the amount they are discharging from November until March, 4½ months. But they would have also calculated into that the 7½ months prior to that where they would be dumping 150 million additional gallons per day. So it gives them plenty of leeway.

I think a lot of people say too much leeway, but they certainly have much leeway.

Mr. MOLINARI. But the point I am trying to make, and I hope you will clear up this question, is once the North River goes on line, the city of New York would have the latitude to build more buildings provided they could otherwise do it, and dump the sewage up to the amount of that cap?

Mr. HOWARD. That is right. I cannot see any problem where New York City is in any danger whatever of having any kind of interruption or threat or question about expansion of construction. None whatever.

Mr. MOLINARI. I thank the gentleman.

Mr. HUGHES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take the full 5 minutes. But this is such an important issue to us in New Jersey I thought I would want to talk just a couple of minutes.

I say to my colleagues from New York I, too, regret that we have this confrontation. I am sorry the gentleman from New York [Mr. WEISS] left New Jersey, but you left about the time that we started getting this pollution, so you probably left at a very timely moment.

But the Near Bight Apex is one of the most severely degraded bodies of water in this country, if not in the world. A number of factors contribute to it. Certainly the 220 million gallons of raw sewage is one factor. The literally millions of tons of sludge, sewage sludge we deposit in the Bight Apex contributes to it. Certainly the runoff contributes to it, as well as industrial and domestic discharges.

But the problem has become so serious that it threatens our tourist economy and our fishery resources.

Between my distinguished colleague, JIM HOWARD, and myself, we represent probably most of the coast of New Jersey. I have some of the finest seashore communities that you will find anywhere in the country, and our stock in trade is our clean beaches and our waters, just like the stock in trade for my fishery resources is a healthy marine environment.

Not a month goes by any more that you do not see the Department of Environmental Protection or the Food and Drug Administration closing down new sections of our ocean to fishing because the seafood is contaminated with FCBs and other harmful substances into the soft matter of our fish.

Our bluefish, in particular, are contaminated.

It has only been a few years ago that we had an oxygen depletion that threatened our tourist economy. That situation was certainly precipitation, in part, by the raw sewage that is going into the Raritan and Hudson estuaries, as well as the sludge that we dump just off our beaches. And the question is when are we going to stop it.

All this bill says, in essence, is that we want New York City to comply with the court order. If there are extenuating circumstances, as the distinguished chairman of the Public Works Committee has indicated, the city of New York can apply for a relaxation of time constraints.

But all we are asking is that at this point New York City comply with what in essence is an order that these facilities be completed expeditiously and not return to court, as New York City has done time and time again, for extension after extension.

They have done that with regard to raw sewage. They have done the same thing with their sewage sludge, which they dump in the ocean. All we are asking at this point is that they finally develop land-based alternatives like other communities have done.

Ms. FERRARO. Will the gentleman yield?

Mr. HUGHES. I will be happy to yield.

Ms. FERRARO. I just wanted to make one comment. That is about the Raritan estuary which you mentioned.

There is a discharge into that particular tributary, but what it is is we have 9 of the 14 New Jersey treatment plants that are actually putting in higher levels of organic pollution than that raw discharge coming from New York City's river, even though it has been treated on a primary level.

Mr. HUGHES. If I can reclaim my time, let me say to the gentlewoman that she is right. There are certain New Jersey communities that are contaminating the Raritan estuary and are also ocean dumping sewage sludge. And I have no sympathy with what they are doing to the Bight Apex.

My point is we have created a literal cesspool off of our beach and all we are asking is that we begin finally to begin to dispose of waste material in a more environmentally accepted fashion. And certainly dumping into the ocean or permitting raw sewage to be dumped into our waterways is not going to solve any problems. It is going to create more problems, economic, health, and other problems.

Mr. HOWARD. Will the gentleman yield?

Mr. HUGHES. I will be happy to yield to my colleague.

Mr. HOWARD. I thank the gentleman for yielding.

I think it is also important to point out that in New Jersey there are communities that have self-imposed construction bans where you may not build anything additional unless you treat the sewage that is produced by that.

New Jersey has done that.

Mr. HUGHES. The gentleman's point is well taken and we have made progress. We are down from over 100 polluters in the ocean to just a handful. New York City just happens to be the biggest of the polluters in the Bight Apex.

I would urge my colleagues to reject the amendment.

Mr. SOLARZ. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

I will be very brief. I rise in strong support of the amendment offered by the gentlewoman from New York. My understanding is that New York City is doing its best to deal with this problem. It is even a few months ahead of schedule in dealing with it.

There are many other communities around the country which have not even begun to meet the timetables. I think this does unfairly single out the "Big Apple." In that sense it is perhaps a bill of attainder.

I think that it is unfair.

I am confident that New York City, with the leadership of Mayor Ed Koch, will be doing everything that it is humanly possible to do to clean up this problem which is of such great and understandable concern to our friends from New Jersey.

Mr. Chairman, I rise in support of the amendment. I do so because I believe that section 30 of the bill is ill conceived and the amendment being offered will go a long way toward curing its defects.

Section 30 masquerades as an environmental provision by calling for the elimination of raw sewage discharges in New York City and expressing the will of Congress that a reluctant city be put on notice that further delays will not be allowed.

This characterization of New York City's behavior is unwarranted. There is no need or justification for singling it out for special warnings, requirements, or sanctions. Furthermore, no benefit will result from doing so. The real result is rhetoric without any real environmental substance. I believe this kind of provision sets a bad precedent and is not in the best interests of effective clean water legislation.

The city and State of New York have not been reluctant or recalcitrant in the repair, upgrading, and construction of treatment plants required under the Clean Water Act. Over $1.5 billion in Federal, State, and local funds have been spent in the last decade to upgrade nine of the city's plants to full secondary treatment. These investments have had to be made based on priorities for the greatest improvements in water quality, in accordance with the State priority list and the availability of Federal construction grant funds.

New York City is not alone in having additional work remaining. 242 communities around the country have untreated municipal wastewater discharges. And hundreds of communities in every State of the Nation have a total of over $30 billion of construction that must be done to comply with the secondary treatment requirement of the Clean Water Act. If all the requirements of the Clean Water Act are included, the total needs are over $188 billion.

The Clean Water Act already contains clear-cut requirements for ending raw discharges and adequate sanctions, both civil and criminal, for compelling compliance with these requirements. These requirements and sanctions ought to be applied in an evenhanded manner. A basic purpose of the Federal Water Pollution Control Act of 1972, which established the current law, was to establish a national program with uniform requirements. Section 30 would depart from this 14-year precedent and begin to go back to a system or regional disparities based upon differing perceptions of the values of clean water and the vagaries of the political process.

Section 30 of the bill produces no environmental benefit. The city is proceeding with construction of the needed treatment plants as quickly as possible. Adequate funds are now available, and the city and State commitment to the projects is secure. In fact, through a remarkable effort, the city is actually ahead of the schedule set forth in the governing court order for construction of the plants. I am sure many of you can appreciate how unusual for a construction project of this magnitude to actually run ahead of schedule.

This construction is proceeding under the terms of a consent agreement incorporated in a Federal court order. Compliance with its terms is being administered by the Federal district court for the southern district of New York. The order implements the requirements of the Clean Water Act, and contains stringent penalties for violating any of the numerous deadlines. Given that this matter is currently being handled in the courts, that it is apparently being handled effectively, and that the courts are well equipped to deal with the complexities of such vast undertakings, it would be extraordinary for Congress to step in at this time.

There is nothing unique about construction schedules being governed by court orders implementing the Clean Water Act. As of mid-1981, no less than 20 major cities and sewer authorities were under similar court orders, including Los Angeles, the District of Columbia, Chicago, Detroit, and Philadelphia. Federal court involvement does not indicate bad faith for any of these communities or for any of the other hundreds of communities which have not yet achieved compliance with the ambitious requirements of the Clean Water Act.

A great deal remains to be done to meet the goals of the Clean Water Act. I think these goals are overwhelmingly supported by the American people as well as every level of Government. We must avoid the temptation to address the need for additional progress by enacting either case-by-case exemptions or case-by-case sanctions. This will tend to politicize the clean water program and take us away from the uniform national program which Congress realized is necessary for its success.

Although the Ferraro amendment does not delete the special sanction against New York City, it would at least remove the sanction if the city is in substantial compliance with its consent decree. It does not cure all of the defects of the existing section 30. At the same time it would still allow Congress to put the city on notice, even if such action is unwarranted. Such an approach ought to be acceptable to the sponsors of the original provision. I support the amendment as an improvement over what is currently contained in the bill.

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Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. I yield to my friend from New York [Mr. Green].

Mr. GREEN. I think my colleague from New York [Mr. Solarz] has put his finger on what is a source of concern to us, that we are far from the only community which faces this problem. Yet this bill singles out New York City, even though I am told, there are even some communities in New Jersey that are dumping raw sewage.

And yet who is singled out? New York City. And that I think is the basic unfairness of the provision in the bill that this amendment seeks to rectify.

Looking at the situation from a broader prospective, I want to commend the Public Works and Transportation Committee, for bringing this important piece of legislation to the floor. As a cosponsor of the original H.R. 3282 and a committed advocate of clean water I wish to rise in support of the admirable provisions of this bill. I must, however, join my colleague from New York, Ms. Ferraro, in objecting to the particularly discriminatory provision of the bill, namely section 30. Section 30 clearly singles out the city of New York for a unique requirement. It would limit raw sewage discharges from the city to the 30-day average over the year preceding March 15, 1986, and thus impose sanctions against New York City, including the possibility of a sewer hookup moratorium.

This singling out of the city does not produce any environmental benefit. It will not cause plants to be built any faster than is currently occurring. At this point money and commitment are not the constraints. The only limitations on the pace of construction are the physical limitations of the site itself and the number of contractors that can work there at one time.

Ms. Ferraro's amendment directs the Environmental Protection Agency to waive this limitation if the city of New York is in substantial compliance with a Federal consent decree designed to eliminate sewage discharges by a date certain. New York City is currently operating under the terms of a consent decree calling for the elimination of raw discharges at the Red Hook treatment plant by May 1, 1987, and at the North River plant by May 1, 1986. Construction is proceeding in the fastest possible manner and the city is actually ahead of the consent decree schedule. North River will be ready by November 1985 and Red Hook by December 1986.

Uncertainty about section 30, the calculation of the ceiling imposed, and the consequences of violating it, will have a chilling effect on investment in the city for construction or real estate development almost immediately.

It is poor policy for Congress to get into the business of selective enforcement of our environmental laws by enacting special sanctions and requirements on a case-by-case basis. Singling out one city for punitive sanctions presents a bad precedent, one that could be used against almost any Congressional District in the county. I would, therefore, urge my colleagues to support Congresswoman Ferraro's amendment to waive this limitation if the city is in substantial compliance with a Federal consent decree.

Mr. SOLARZ. I yield back the balance of my time, Mr. Chairman.

Mr. ROE. Mr. Chairman, I move to strike the last word.

You know, we are trying our best for all of our distinguished colleagues in this bipartisan effort. And how could we be distressed with our beautiful people from New York any more than they could be with us from New Jersey?

I would ask those who are in this confrontation to think a minute about the amendment that is pending and I ask your indulgence, because I am not quite sure how to handle it.

The amendment goes as follows, one Member just gave to me, that maybe what we ought to be doing is, pardon the euphamism, putting some kind of a head tax on those coming from New Jersey who work in New York and those in New York who go to New Jersey and equate the situation out.

I would suggest the following to my Members: We have labored for 2 years on this bill, and the mark of effort was based upon the use, the position of equity and fairness.

Now let me just close on this point and I hope we can come to—I kind of like to see the amendment withdrawn because I think we are both in the same direction. There are three things to call to the Members' attention of the House; one is that through a great deal of effort we were able to get EPA to grant additional funds to New York City, we importuned EPA and they provided a $40 million additional bonus just recently to the city of New York and they made the following statement: "As a result, New York City estimates it may be able to achieve secondary treatment at North River as early as 2 years ahead of the court's approved schedule."

We have provided in this bill about a 35- to 40-percent increase in the funding available to each respective State in the Nation at great effort, which gives considerable added funding to New York to expedite its situation and we specifically provided for New York City a $250 million authorization with a 75-percent grandfather clause.

So I would respectfully suggest that in view of the fact that there is so much other legislation and in view of the fact that we love New York and New York loves New Jersey, let us vote the thing or withdraw the amendment and be done with it now.

Mr. SCHUMER. Mr. Chairman, the Clean Water Act is one of the great environmental success stories of the last decade. We can be proud that the country is well on its way to achieving the fishable, swimmable waters, called for in the original act. The legislation before us today, with its increased Federal funding for construction of water treatment facilities and its new program for dealing with nonpoint source pollution should help us take those last few steps.

At least one aspect of the bill, however, seems to serve no environmental purpose. I refer to section 30, which would limit New York City's discharge of raw sewage beginning in March of 1986. Ostensibly, this provision would hasten the completion of the city's wastewater treatment facilities. The fact is, New York City is already well on its way to ending such discharges. The money has been allocated and the contractors hired, and construction is proceeding ahead of schedule on two huge new water treatment plants.

Why should New York City, which has spent more than $1.5 billion over the last 10 years to bring its sewage treatment plants into compliance with the act, be singled out? According to the EPA, New York City is one of 242 municipalities still discharging raw wastewater. Furthermore, the city's raw discharges in fact contain fewer pollutants than the treated discharges from four plants in New Jersey and the same levels as five others.

The penalties and sanctions stipulated in the act have proved themselves more than adequate in compelling municipalities to come into compliance with the act's requirements. New York City, by proceeding on an accelerated building program to bring the North River and Red Hook treatment plants into operation as soon as humanly possible, has proved its intentions to help clean up its surrounding waters. To invoke new sanctions is both unfair and a dangerous precedent. While it does not eliminate the problem, Ms. Ferraro's amendment at least recognizes that New York City is currently meeting the terms of a Federal consent decree and that, unless something totally unforeseen occurs in the next 2 years, the terms of that decree will be met ahead of schedule. I urge my colleagues to support this amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from New York [Ms. Ferraro] to the amendment in the nature of a substitute offered by the gentleman from New Jersey [Mr. Roe].

The amendment to the amendment in the nature of a substitute was rejected.

AMENDMENT OFFERED BY MR. LEVITAS TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ROE

Mr. LEVITAS. Mr. Chairman, I offer my amendment No. 1 as an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. Levitas to the amendment in the nature of a substitute offered by Mr. Roe: At the end of the amendment add the following new section:

TURNKEY CONTRACTS

Sec. 58. Section 203 of the Federal Water Pollution Control Act is amended by adding at the end thereof the following new subsection:

"(f)(1) After completion of an approved facility plan for a treatment works that has an estimated total cost of $8,000,000 or less (as determined by the Administrator), the applicant proposing to construct such treatment works may enter into an agreement with the Administrator under this subsection for the preparation of construction plans and specifications and the building and erection of such treatment works, in lieu of proceeding under the other provisions of this section.

"(2) An agreement entered into under this subsection shall—

"(A) set forth an amount agreed to by the Administrator and the applicant as the maximum Federal contribution to the project, based upon a determination of the federally eligible costs of the project at the applicable Federal share under section 202 of this Act;

"(B) set forth a date for completion of construction of the treatment works by the applicant and a schedule of payments by the Administrator of the Federal contribution to the project;

"(C) contain such assurances by the applicant as the Administrator may require that (i) the proposed treatment works will be an operable unit and will meet all the requirements of this title (except as otherwise provided in paragraph (3) of this subsection), and (ii) not later than one year after the date specified as the date for completion of construction of the treatment works, the treatment works will be operating so as to meet the requirements of any applicable permit for such treatment works under section 402 of this Act; and

"(D) require the applicant and any agent or contractor of the applicant to provide a bond in an amount determined necessary by the Administrator to protect the Federal interest in the project; and

"(E) contain such other terms and conditions as the Administrator deems necessary to ensure compliance with this title (except as provided in paragraph (3) of this subsection).

"(3) Sections 201(g)(3), 203 (other than this subsection and except with respect to the development and approval of a facility plan), 204(a)(5), 204(a)(6), and 204(d)(1) shall not apply to grants made pursuant to this subsection.

"(4)(A) Upon entering into an agreement under this subsection, the Administrator shall deposit, from amounts allotted to the State for such fiscal year under section 205 of this Act, the amount of the Federal contribution to the project agreed upon by the

Administrator and the applicant into an interest-bearing account. Such amount shall be available only for making payments to the grantee in accordance with the schedule contained in the agreement.

"(B) Interest earned on amounts in the account under subparagraph (A) shall be available for payments to the grantee. Such payments shall be made solely for the purpose of reducing the net interest costs incurred by the grantee on obligations issued by the grantee for construction of such treatment works. The amount of such payments shall be in addition to the Federal share of the project otherwise allowable. The amount of any such interest earned which exceeds the amount of such interest costs incurred shall be deposited in the general fund of the Treasury after the final audit of the project.

"(5) The Administrator shall reserve a portion of the amount in the account under paragraph (4)(A) until the final audit of the project. If the amount deposited into the account by the Administrator under paragraph (4)(A) exceeds the cost of preparing construction plans and specifications and the building and erection of the treatment works, the Administrator shall reallot the amount of the excess to the State in which such treatment works are located for the fiscal year in which such audit is completed.

"(6) The Administrator shall not obligate more than 20 percent of the amount allotted to a State for a fiscal year under section 205 of this Act for grants pursuant to this subsection.

"(7) In no event shall the Federal contribution for the cost of preparing construction plans and specifications and the building and erection of treatment works pursuant to this subsection exceed the amount agreed upon under paragraph (2), plus interest paid to the grantee under paragraph (4)(B).

"(8) In any case in which the recipient of a grant made pursuant to this subsection does not comply with the terms of the agreement entered into under paragraph (2), the Administrator is authorized to take such action as may be necessary to recover the amount of the Federal contribution to the project.

"(9) A recipient of a grant made pursuant to this subsection shall not be eligible for any other grants under this title.".

Mr. LEVITAS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LEVITAS. Thank you, Mr. Chairman.

Mr. Chairman, the purpose of this amendment is to assist smaller communities in meeting the law's cleanup requirements at less cost, and more expeditiously.

It is also intended to ensure there is no confusion as to who's responsibility it is to design and construct a treatment works, and exactly who will be accountable, and liable, for the project, particularly with respect to treatment works that all too frequently don't work properly.

This amendment will allow States to use up to 20 percent of their Construction Grants Program allocation each year for grants to communities that wish to pursue the design and construction portions of their treatment works projects by entering into a turnkey contract. This is a contract wherein the community hires one agent who will be responsible for the total design and construction of the treatment system, and after completing that project, when it has been determined that the project works properly, then that agent turns over the keys to the plant to the municipal government or treatment authority. Then, and only then, does the agent receive final payment.

According to various reports and testimony we have received during hearings held by the Subcommittee on Investigations and Oversight of the Committee on Public Works and Transportation over the past several years, and according to reports by the U.S. General Accounting Office, this type of design-construct contract is very efficient and should significantly reduce the time delays and some of the cost increases that we have so frequently experienced in this program. It is a construction contracting method that also has been used for years in Europe, and that is often used here in this country by industry.

This provision also has a number of safeguards in it to protect the environment, and the public's investment.

It limits the size of the project to no more than $8 million in total costs, and it limits the Federal share to that which would normally be the case if the project were funded through the current program.

It also requires that the grant applicant have an approved facilities plan, step one, which is that part of the Construction Grants Program process wherein the law requires that alternative technologies, such as land use, be examined. This will also ensure that the law's requirements for considering the recreational and open space, and other multipurpose benefits, such as the potential for energy related savings, and resource recycling, will still be met.

It is only after all of these various requirements—including public participation in the planning of the treatment works, and approval of the final plan—have taken place that this alternative system for designing and constructing the works can be pursued.

Under the current program, a community must borrow the money it needs to construct a treatment works. Only after it has spent the money does it get reimbursed by the EPA. Consequently, a community can incur considerable interest costs during construction, costs which only add to the costs that the user must pay for years and years.

This provision would avoid much of that, by providing a predetermined schedule of payments to be worked out between the grantee and the Administrator of EPA. Once agreed, this provision calls for the EPA to place the Federal share of the project's costs in a bank account where it can earn interest until a payment is made. The interest can also be paid to the grantee, so long as the grantee uses this extra payment for reducing its interest costs during construction.

These two provisions of the amendment will lower the amount of funds a community has to borrow, and it will reduce the net interest costs a community must pay on those funds it must borrow to finance its own local share of the project's costs, which by the way, often exceeds 40 to 50 percent of the total costs when federally ineligible items are included.

I believe that this provision will benefit small communities. It will help these communities to comply with the law more quickly. It will reduce costs, and ensure that we obtain treatment plants that work—or that it is clear when a plant doesn't work, as to who is responsible, and who must be accountable for correcting the problems.

I believe that this provision will go a long way toward helping us meet our water quality goals.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I would be happy to yield to the gentleman from New Jersey.

Mr. ROE. The gentleman has done such an extraordinary job as chairman of our Oversight and Investigations Committee, I know he has done a great deal of work, particularly on this issue.

Mr. Chairman, we find the amendment on this side to be in complete order, an excellent amendment to our legislation, and I have no objection to accepting the gentleman's amendment.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I would be happy to yield to the gentleman from Minnesota.

Mr. STANGELAND. Mr. Chairman, we on this side have looked at the amendment and we think it makes a good contribution to the bill and have no objection and think the amendment should be adopted.

Mr. LEVITAS. I thank the chairman and the ranking member.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by Mr. Levitas to the amendment in the nature of a substitute offered by the gentleman from New Jersey [Mr. Roe].

The amendment to the amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. LEVITAS TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ROE, AS AMENDED

Mr. LEVITAS. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute. This is my amendment No. 2.

The Clerk read as follows:

Amendment offered by Mr. LEVITAS to the amendment in the nature of a substitute offered by Mr. ROE, as amended: After section 13 of the amendment, insert the following:

GRANTEE CERTIFICATION OF TREATMENT PROCESS

SEC. 14. Section 203(a) of the Federal Water Pollution Control Act is amended by inserting after the second sentence the following: "The approval of construction plans and specifications by the Administrator under this section shall not include a determination or approval of the treatment work's unit processes, or the configuration of the treatment work's unit processes, which constitute the treatment technology. The Administrator shall not approve plans, specifications, and estimates for a project under this section unless the applicant certifies that the proposed unit processes and treatment technology are capable of meeting the effluent limitations for which such process and technology are designed.".

Redesignate succeeding sections accordingly.

Mr. LEVITAS (during the reading). Mr. Chairman, I ask unanimous consent the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LEVITAS. Mr. Chairman, in 1981, the Subcommittee on Investigations and Oversight of the Public Works Committee held extensive hearings on the accountability of those involved in the design and construction of wastewater treatment grant projects for the performance of the final product. The subcommittee's inquiry showed, in the words of the General Accounting Office, that—

> The question of accountability and/or responsibility for fixing wastewater treatment plants that have seldom or never performed as efficiently as they were designed to be, is a tangled web of charges, counter-charges, inuendos, and fingerpointing by the various parties involved in plant construction.

The 1981 amendments to the clean water law focused on the Construction Grants Program, and attempted to address this problem, at least in part, by requiring that "* * * the engineer or engineering firm supervising construction or providing architect services during construction shall continue its relationship to the grant applicant for a period of 1 year after the completion of construction and initial operation of such treatment works."—Section 204(d)(1). That specific provision went on to note that at the end of the 1-year period, the "owner and operator of such treatment works shall certify to the Administrator whether or not such treatment works meet the design specifications and effluent limitations contained in the grant agreement and permit * * * for such works." The 1981 provisions also requires that, if the treatment works does not meet its required level of performance, corrections must be made "at other than Federal expense."

The 1981 provision attempts to ensure that grantee's fulfill their responsibilities by taking adequate corrective action where necessary to realize the full capabilities of a grant project. But it stops short, doing little to clear up the numerous factors that contribute to the performance problem in the first place, and to the overlapping and ambiguous lines of responsibility and accountability between all of those involved in the typical grant project.

Consequently, while the community may now have the burden of having to correct any problems it experiences with a wastewater treatment grant project at other than Federal expense, it nonetheless will still face the dilemma of trying to determine just who was responsible for what, and who is liable financially for correcting any problems.

The subcommittee's review has shown that this accountability/responsibility problem stems from the fact that Federal and State officials often involve themselves, both formally and informally, in influencing the nature of the design or process technology to be used in a treatment works, rather than limiting their review to the more traditional areas of the biddability of a project's plans and specifications, and the buildability of whatever it is that was designed.

For these reasons, the subcommittee, in its October 1981 report recommended that—

> The statute should require Federal and State review of plans and specifications only to the extent of "buildability and biddability," thus focusing responsibility on the grantee community and its design engineer.

Under the scope of review envisioned by this amendment today, project plans and specifications would be examined in terms of mechanical engineering, their electrical engineering, and their structural engineering. And they would also be reviewed in terms of normal construction standards and for the completeness and adequacy of the project's specification as the basis for a contractor's bid. But they would not be reviewed by EPA with respect to the specific nature of the individual unit process technology, or the configuration of that technology; those are process design factors, and they should be left to the grantee or, as is the case in most instances, the grantee's design engineer.

This approach would eliminate Government agency involvement in "process" design, leaving the design engineer with that responsibility, as he is normally licensed and required to do, and indeed more appropriately qualified to do. It would, however, retain primary responsibility for reviewing the adquacy and integrity of the structual and physical design of a project with the Government, which is traditionally one of the latter's more appropriate roles.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I would be happy to yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, again I find this amendment to be in complete order and, as a result of the distinguished gentleman from Georgia's excellent work in the Investigative and Oversight review of this legislation, on this side we have no objection to the amendment.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I would be happy to yield to the gentleman from Minnesota.

Mr. STANGELAND. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the gentleman's amendment, which provides that the approval by the Administrator of Construction Plans for a publicly owned treatment works shall not include approval of the proposed treatment works unit processes or the proposed configuration of those processes, and which requires applicant certification that the proposed treatment technology and processes are capable of meeting effluent limitation design parameters. The General Accounting Office and others have criticized the Construction Grants Program on certain occasions because of allegedly low municipality compliance with the requirements of the act. Where these problems exist there are usually a variety of reasons.

One reason, however, is often that there exists confusion about who is responsible and to what extent when a treatment plant is built and fails to operate as envisioned when the facility plan was approved. Grantees often assert that, because EPA had approved the facility plan prior to the plant's construction, the Agency had somehow warranted the plant's future performance and, when that performance was not achieved, shared in the responsibility for the failure.

This amendment is designed, as I understand it, to clarify that under circumstances such as these, responsibility for design deficiencies and improper POTW performance will rest with the grantee and/or the grantee's consultant engineers and not with EPA. The amendment is intended to strengthen accountability under the act and I strongly support it.

Mr. LEVITAS. I thank the gentleman from Minnesota.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Georgia [Mr. LEVITAS] to the amendment in the nature of a substitute offered by the gentleman from New Jersey [Mr. ROE], as amended.

The amendment to the amendment in the nature of a substitute, as amended, was agreed to.

AMENDMENT OFFERED BY MR. LEVITAS TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ROE, AS AMENDED

Mr. LEVITAS. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute. This is my amendment designated No. 3.

The Clerk read as follows:

Amendment offered by Mr. LEVITAS to the amendment in the nature of a substitute offered by Mr. ROE, as amended: In subsection (l) of section 205 of the Federal Water Pollution Control Act, as proposed to be added by subsection (f) of section 16 of the amendment, insert before the closing quotation marks the following:

Such sums shall be in addition to, and not in lieu of, any sums otherwise appropriated for or allocated to the Office of the Inspector General.

Mr. LEVITAS (during the reading). Mr. Chairman, I ask unanimous consent the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LEVITAS. I thank the Chairman.

This amendment simply assures that the one-quarter of 1 percent set-aside for the Inspector General cannot be made subject to a shell game and that they will get one-half of 1 percent.

Mr. ROE. If the gentleman will yield, a quarter percent.

Mr. LEVITAS. Quarter percent, and it will not be shuffled around from some other program.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I would be happy to yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, we accept this amendment because what this amendment does is simply guarantees, as the gentleman pointed out, that the Department will not cut the funds from the auditing section. We agree with the amendment. It is in order.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I would be happy to yield to the gentleman from Minnesota.

Mr. STANGELAND. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the gentleman's amendment which would provide that the one-quarter of 1 percent set-aside for the Inspector General contained in the bill would be in addition to and not in lieu of other funding for the Inspector General. This amendment is really technical in nature since it was always our intention that the set-aside called for in the bill would provide additional funds for EPA's IG and would not be an excuse for OMB or others to reduce funding for this important purpose from other sources.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Georgia [Mr. LEVITAS] to the amendment in the nature of a substitute offered by the gentleman from New Jersey [Mr. ROE] as amended.

The amendment to the amendment in the nature of a substitute, as amended, was agreed to.

Mr. OBERSTAR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment in the nature of a substitute to H.R. 3282, the Clean Water Renewal Act. This is a strong and effective bill now that the committee has made the revisions that are included in this committee substitute.

It is a clear restatement of clean water policy on the part of the Committee on Public Works and Transportation and I would call it a reaffirmation of our 30-year national commitment to cleaning up the Nation's waterways.

I particularly want to commend the gentleman from New Jersey [Mr. ROE] and the gentleman from New Jersey [Mr. HOWARD], for spending many hours not only in the hearings that were conducted by the subcommittee, but prior to the markup, during the markup and afterward. After the committee had reported out a much different bill than the pending substitute, both Mr. HOWARD and Mr. ROE spent additional time to redress some grievances that were called to the committee's attention by some of us on the committee and many in the environmental community who saw certain shortcomings and flaws in the bill as reported, in some respects, a retreat from the strong clean water program we anticipated in this bill, and a retreat from current law, in some provisions of the reported bill.

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To the great credit of the chairman of the full committee, the gentleman from New Jersey [Mr. HOWARD], and the chairman of the subcommittee, the gentleman from New Jersey [Mr. ROE], these problems have been corrected. We now have before us a bill that is environmentally sound.

I would like to commend our colleagues on the minority side, the gentleman from Kentucky [Mr. SNYDER] and the gentleman from Minnesota [Mr. STANGELAND] for participating in that effort to bring forth what is a truly sound and responsible progressive, forward looking piece of legislation. But without the changes, without the amendments in eight key particulars which were designated earlier by the chairman of the subcommittee, I would have found it necessary to offer an amendment in the nature of a substitute which would have cured those problems.

That is not necessary now. This bill is a very progressive piece of legislation in the tradition of our strong commitment to clean water. I am honored to have played a role in shaping this substitute.

Mr. Chairman, the committee substitute is in that tradition; it is a bill of which the House can be proud. It contains major advances in toxics control, fulfills the commitment made in 1972 to control municipal wastes, adds a major, innovative loan program for municipal treatment plant construction, provides substantially increased funding for the Clean Lakes Program, and contains a nonpoint source control implementation program. I urge my colleagues to support the committee substitute.

I also commend the various environmental groups who worked long hours, over many days and nights, with us: the Clean Water Action Project, the Environmental Policy Institute, the Friends of the Earth, the Izaak Walton League of America, the League of Women Voters, the National Audubon Society, the National Wildlife Federation, the Natural Resources Defense Council, and the Sierra Club.

Mr. Chairman, while I support the entire bill, I would like to speak particularly to the provision which adds a new section 319, Nonpoint Source Control Implementation Programs, to the Clean Water Act. I originally introduced this section as H.R. 4037, and worked with a broad range of interested groups and individuals both before and after hearings to develop the final language.

Section 8 of the committee amendment adds a new section 319 which establishes a voluntary program to encourage States to develop and implement control programs for nonpoint sources of pollution. This is to be an implementation program, not a planning program, using existing data where applicable, and building on programs, best management practices [BMP's] and other measures where they are already being implemented. No new planning funds are provided.

The intent of this program is not only to reduce nonpoint sources of pollution, but to improve water quality.

While this first phase of the program is voluntary in nature, section 319 does not preclude regulatory programs at the State level. Many States already have such programs for certain categories of sources, and enforcement is included as an eligible implementation activity. However, I am convinced that, during these first 4 years, the decisions to implement a regulatory program should be made at the State rather than at the Federal level.

Each State is required, first, to submit to EPA a report which identifies streams not meeting applicable water quality standards or the goals and requirements of the act because of nonpoint sources; which identifies categories, such as agricultural, silvicultural, urban, construction, and mining, and their subcategories, of nonpoint sources; identifies existing State and local nonpoint source control programs; and describes the process for identifying best management practices [BMP's] and other control measures. This information is to be based on existing information where available and adequate, including that collected under other provisions of the act, and on water quality management plans approved under section 208 or 303 of the act.

Each State is also required to submit to EPA a plan which the State intends to implement over the next 4 years. This plan must specify those significantly affected streams the State will address; the order and schedule for implementation; the categories and subcategories of sources to be included in the implementation plan; the best management practices and other measures to be used; other methods including but not limited to demonstration programs, enforcement, technical assistance, education, training, and cost sharing; sources of funding other than this program; and the estimated cost of the total implementation program.

The purpose of the plan is to inform the Administrator of precisely what the State intends to implement, when, and where. States need not address all their significantly impacted waters during these first 4 years. Rather, they should concentrate on those for which they have the resources to achieve real gains in pollution control and water quality improvement. However, initial implementation must concentrate on the most serious problem waters.

Section 319 does not set fixed implementation dates; the State is the proper entity to determine which dates it believes it can attain. However, the schedule must establish an expeditious time period for implementation of BMP's and other measures for each category and subcategory, and must indicate the estimated dates by which these practices and measures will be implemented. Expedition is a condition for initial approval of the plan, and the State's progress in attaining those goals is a condition of continued funding. The State must submit an annual report describing its activities and progress made in meeting its schedule during the preceding year. No grant for the coming fiscal year may be made unless the Administrator determines the State's progress has been satisfactory during the past year.

The State must also address the major sources of nonpoint pollution. The plan should therefore indicate to the Administrator the relative contributions of each category and subcategory to the overall nonpoint source problem.

The State need not include in its plan all the methods enumerated in the bill. However, implementation of BMP's is required.

Cost sharing is a necessary tool to encourage implementation of BMP's. However, the limited resources authorized in the bill preclude widespread use of cost sharing. This should be used very sparingly, and only when absolutely necessary to assure critically needed compliance where these costs would otherwise be beyond the individual farmer's means. Demonstration programs and other methods with wider spread application should be the predominant choices by the States.

To the maximum extent practicable, plans should be developed and implemented on a watershed-by-watershed basis.

In the development and implementation of their plans, States should, to the maximum extent practicable, utilize local agencies and organizations with expertise in nonpoint source controls, such as conservation districts, watershed districts, and public comprehensive planning organizations.

Because of the short timeframe between enactment of this bill and the final report to be issued by EPA in January 1988, States are required to submit both the report and the plan within 270 days of enactment. However, we don't want to close the door on States which may not be able to complete the requirements within the first 9 months. Therefore, States may request, and EPA must grant, an extension of up to 9 additional months to permit as many States as possible to participate in the program.

EPA is to examine the State's plan against the data submitted under the report and against the goals and requirements of the act. EPA must make a final decision on the plan and report within 6 months, or they are automatically approved. EPA may disapprove the plan or portion of it if it is unlikely to satisfy the goals and requirements of the act; if the State's authority or resources are not adequate; if the implementation schedule is not sufficiently expeditious; or if the plan is not adequate to improve water quality or reduce nonpoint source pollution.

All States are required to participate. However, if a State does not choose to do so, or if its plan is not approved, the bill provides that EPA develop the information required in the report for waters not meeting water quality standards or the goals and requirements of the act, and categories and subcategories of sources, in order to assure a nationally consistent data base. There is no implementation provision in the report.

In order to achieve the maximum implementation nationwide, section 319 provides that, if a State does not participate, or if its plan is not approved, a local public agency or organization may, with the approval of its State, develop and implement a plan for its area. Such a local organization must have expertise in, and authority to, control nonpoint source pollution in its area, and must be of sufficient geographic size to implement an effective program. It may request technical assistance from EPA in developing its plan, and if the plan is approved the local organization may receive funding and implement its plan in the same manner as if it were a State.

There is some concern that other Federal and State programs and activites may at times work at cross purposes with the State's efforts to control nonpoint source pollution. Accordingly, the States are to identify Federal and State programs which are inconsistent with their plans, and recommend changes which could be made to make them consistent, and assist with implementation. EPA is to consolidate the States recommendations, and forward them to the appropriate agencies. Each agency must then consider these recommendations, and, to the maximum extent practicable and consistent with existing law, accommodate those recommendations and carry out its own programs and activities in a way which will be consistent with, and assist implementation of, the plans.

Section 319 provides further incentives to consistency by referencing this section in section 304(k) of the act, which authorizes EPA to enter into agreements with other Federal agencies to provide for the maximum utilization of other Federal laws and programs in controlling nonpoint sources of pollution. While I understand that EPA has begun negotiations with the Department of Agriculture, I encourage the Agency to open discussions with other agencies, including the Office of Surface Mining, Reclamation and Enforcement in the Department of the Interior.

Section 319 establishes a mechanism for reconciling pollution of one State's waters by another State. At the request of a downstream State with an approved plan, or at the initiation of EPA, an interstate management conference of all States contributing nonpoint source pollution to the water body shall be convened, in a case where the water body is not meeting water quality standards or the goals and requirements of the act. Upstream States would be required either to implement or to revise their plans to address the interstate water body, but the choice of BMP's and other implementing measures is made by each individual State. There is no provision in the bill for another State or the conference to impose specific measures on any State. Each State must implement its revised plan.

Management conferences or compacts already exist for many interstate water bodies. Where appropriate, EPA should consider using these existing bodies for this purpose as well.

Section 319 authorizes $150 million per year through 1989, and provides for up to a 50-percent Federal match for costs incurred by the States. However, the Federal share could rise to 60 percent where the Administrator determines that a significant number of non-Federal, non-State interests in a watershed area agree to participate. The Administrator is provided the flexibility to determine when a "significant number" of participants has joined the program.

The application should contain, in detail specific to each watershed, information similar to that required for the plan: that is, it should provide, at the project level, for the year for which the funds are requested, an identification of the stream segments to be addressed, the specific pollutants involved, and the sources of pollution. It should lay out the strategy for controlling these sources, including BMP's and other measures, together with a schedule of activities to be undertaken, and a discussion of other activities of Federal and State agencies cooperating in the effort.

Section 319 contains no formula for allocations to States; rather, each State is encouraged to apply for as much assistance as it is able to match, although a cap of 15 percent of the appropriation per State is established.

The section requires EPA to report annually to the House Committee on Public Works and Transportation, and to the Senate Committee on Environment and Public Works, on the preceding year's programs and activities, and the progress made in reducing nonpoint source pollution.

A final report is required on January 1, 1988, on the activities carried out under this program. While improved water quality is the ultimate goal of this program, such improvements may take longer than 4 years to be fully measured and documented. Therefore, the final report should give full attention to the effectiveness of the plans, BMP's, and other measures in controlling nonpoint sources of pollution, and provide an analysis of the effectiveness of a voluntary program. The recommendations should include a determination of whether this voluntary approach should be continued, or whether the Congress should consider a regulatory and enforceable approach in the next phase of the program.

Complementing this nonpoint source control program for navigable waters is section 54 of the substitute, which provides $7.5 million per year, on a voluntary basis, for ground water protection activities which assist States in moving toward a comprehensive surface and ground waters nonpoint source protection program. Some States may not have the necessary information on ground water for such a comprehensive program now. Therefore, section 54 provides additional funding, on request by States with approved programs under section 319, of up to $150,000 per State per year on a 50-50 matching basis, for research, planning, ground water assessments, demonstrations, enforcement, technical assistance, education, training, and other activities aimed at protecting ground water quality from nonpoint sources of pollution.

Mr. Chairman, in closing I again commend the Public Works and Transportation Committee and especially our leadership, chairman of the full committee, Mr. HOWARD, and chairman of the subcommittee, Mr. ROE, for their support of these programs, and for their firm commitment to water pollution control and strong environmental protection. I urge my colleagues to support the committee's amendment in the nature of a substitute to H.R. 3282.

AMENDMENT OFFERED BY MR. MOLINARI TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ROE, AS AMENDED

Mr. MOLINARI. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. MOLINARI to the amendment in the nature of a substitute offered by Mr. ROE, as amended: At the end of the amendment add the following:

SEC. 58. For purposes of the Federal Water Pollution Control Act, the term "point source" includes a leachate collection system.

Mr. MOLINARI (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MOLINARI. Mr. Chairman, this amendment is designed to help solve the pressing problem of leachate discharges into our surface waters. Everyday, our efforts aimed at improving our water quality are curtailed by these discharges.

In fact, EPA has published a report listing some 400 landfill sites as having degraded surface water quality stemming from leachate discharges. It is apparent that leachate contamination of surface waters is a subject that must be addressed.

In my district alone, 4 million gallons of leachate is collected and channeled daily into the water that separates New York from New Jersey. This discharge which comes from the largest sanitary landfill in the world, degrades water quality. It adversely effects my district, as well as Mr. HOWARD's, and Mr. ROE's. In fact it has a major effect upon water quality within the entire New York Bight apex area.

I attempted to control this discharge by asking the EPA to require a discharge permit for the leachate collection system from the city of New York. EPA refused on the grounds that the landfill leachate was not considered a point source, and therefore, did not require a discharge permit.

In my mind, the definition of point source in the Clean Water Act is clearly stated. The act states that if there is a definable, discrete means of discharging a pollutant, it is a point source. Thus, any system designed to collect and direct the outpouring of leachate from a landfill into the surface waters should clearly fall within that definition.

However, this has not been the case. Therefore, this amendment is necessary to clarify existing law by specifying that a leachate collection system is a point source discharge.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. MOLINARI. I yield to the gentleman from New Jersey.

Mr. ROE. I thank the gentleman for yielding.

Mr. Chairman, we have reviewed this distinguished gentleman's amendment on our side. In fact, it happens to be one of the outstanding amendments that has been offered here today, certainly between our two great States. We would have no objection to the adoption of the ordinance on our side.

Mr. MOLINARI. Mr. Chairman, I thank the gentleman.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. MOLINARI. I yield to the gentleman from Minnesota.

Mr. STANGELAND. I thank the gentleman for yielding.

Mr. Chairman, we support the gentleman's amendment believing it to be a technical amendment to correct a misinterpretation which has been made in region 2 and to clarify that leachate collection systems are point sources for purposes of the Federal Water Pollution Control Act. We urge the amendment's adoption.

Mr. MOLINARI. Mr. Chairman, I thank the gentleman.

The **CHAIRMAN** pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. MOLINARI] to the amendment in the nature of a substitute offered by the gentleman from New Jersey [Mr. ROE], as amended.

The amendment to the amendment in the nature of a substitute, as amended, was agreed to.

AMENDMENT OFFERED BY MR. MINETA TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ROE, AS AMENDED

Mr. MINETA. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. MINETA to the amendment in the nature of a substitute offered by Mr. ROE, as amended: After section 20 of the amendment, insert the following:

TEST PROCEDURES

SEC. 21. Section 304(h) of the Federal Water Pollution Control Act is amended by striking out ", within one hundred and eighty days from the date of enactment of this title," and inserting in lieu thereof ", within ninety days from the date of enactment of the Water Quality Renewal Act of 1984,".

Redesignate succeeding sections accordingly.

Mr. MINETA. Mr. Chairman, when Congress enacted the Federal Water Pollution Control Act Amendments of 1972, it adopted a law that envisioned a tough and substantive national enforcement program. The foundation of that enforcement program was to be the development of various effluent limitations or cleanup standards that, once developed and issued by the EPA were to be complied with by industry.

In 1977, Congress shifted the emphasis of the act to the abatement of toxic pollutant discharges. Significant among these amendment were requirements, for the EPA to develop and implement effluent guidelines for both direct and indirect dischargers. These effluent guidelines were to address an enumerated list of toxic pollutants.

And, in order to provide a mechanism for monitoring compliance with these requirements, the law provided the EPA Administrator with the authority to require each discharger to report, monthly if need be, on the results of each discharger's efforts to remove or reduce the toxic and other chemicals that they had been previously discharging into our Nation's waters. This is the law's self-monitoring system.

The EPA is now close to completing its promulgation of the effluent guidelines. But the EPA has not done its job with respect to the promulgating testing methods, and in particular, has not promulgated analytical methods for toxic pollutants which are addressed by its effluent for guidelines. While it proposed analytical methods for toxic pollutants in December 1979, it has not completed that rulemaking process. This has left the regulated community in great uncertainty as to what analytical methods should be used.

My amendment would emphasize that Congress expects the EPA to complete its rulemaking process promptly so that dischargers may be required to provide reliable and consistent data on the content of their effluent. My amendment would not change the substance of any current or forthcoming effluent limitations or analytical methods.

This amendment will ensure that we have in place a self-monitoring system that is fundamental to our ability to know that we are achieving substantive compliance with the law; that we are achieving our cleanup goals and objectives; and that we are cleaning up and protecting the quality of our Nation's waters for ourselves and for future generations.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I am more than pleased to yield to our fine distinguished colleague, the gentleman from New Jersey.

Mr. ROE. I thank the distinguished gentleman from California for yielding.

Mr. Chairman, we have reviewed the gentleman's amendment, and it is an important addition and improvement to our legislation. We have no objection to its adoption on this side.

Mr. MINETA. Mr. Chairman, I thank the gentleman.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I yield to the gentleman from Minnesota.

Mr. STANGELAND. I thank the gentleman for yielding.

Mr. Chairman, we too, support this amendment. I think it contributes greatly to the overall bill.

Mr. Chairman, I rise in support of the amendment of the gentleman from California [Mr. MINETA]. His amendment will assure that guidelines on testing methods will be published by EPA.

Section 304(h) of the act requires EPA to publish guidelines on testing methods for use in developing and monitoring effluent requirements. At the time of the 1977 amendments, some 76 of the pollutants had no such known methodologies. They have had to be developed since that time. EPA has not published most of these. It is important to those who must monitor their effluent to ensure compliance that this information is available.

Mr. Chairman, the gentleman's amendment merely requires that these test method guidelines will be published in a timely fashion. It is a good amendment and I urge all my colleagues to vote in support of it.

The **CHAIRMAN** pro tempore. The question is on the amendment offered by the gentleman from California [Mr. MINETA] to the amendment in the nature of a substitute offered by the gentleman from New Jersey [Mr. ROE], as amended.

The amendment to the amendment in the nature of a substitute as amended was agreed to.

Mr. DAUB. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I will not take the full amount of my time.

I want to thank our chairman, our ranking members, and my colleagues on the committee for the outstanding work that they have done in arriving at truly a bipartisan compromise on H.R. 3282.

Of significance are the compliments that have been paid as well to the staff of the majority and minority who have worked so hard with the environmental organizations who have been so interested in crafting a better bill, and indeed, I do rise in support of this effort. Their work has brought us a compromise in a substitute that I can support. Their hard fought and diligent efforts have been unparalleled and it is a pleasure for me to take part in the process now of refining that legislation.

Let me indicate my support for the final product, and at the same time, point out a particular interest that I have in a new avenue that we have taken in this legislation. It is in the area of nonpoint source pollution.

In previous clean water legislation, we have dealt only with point source pollution in which a specific source could be identified as a discharger or emitter. Not only is this kind of effort one that I am glad to see in the current legislation, but I want to point out that the work of my colleague, the gentleman from Minnesota [Mr. OBERSTAR] is creative. The work he has done, essentially in my view, creates a program based on incentive rather than regulation. It is truly appreciated. I want to commend him for his fine efforts in that regard.

I also want to thank my colleague from Minnesota, as well as the committee, for the assistance that I received in the committee when they adopted an amendment that I offered to enhance the effectiveness of nonpoint source pollution in that section of the bill. My amendment was styled after a provision embodied in soil conservation legislation that I introduced recently, which encourages a regional approach to solving soil erosion problems.

The amendment simply would offer States up to an additional 10 percent in funding if they can encourage a significant number of interests in a watershed area to implement nonpoint source pollution control programs.

I would like, however, at this same time to bring up one of the reservations that I have about this bill as we move into this new territory in addressing nonpoint source pollution.

Most who are familiar with this type of pollution realize that it occurs in rural agricultural areas. Unfortunately, not everyone is familiar with the type of risk and investment that farmers take, and this subject is particularly relevant during this time of unusually high economic stress in our agricultural sector.

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As well, most do not realize that farmers' costs are fixed, and they are further subjected to widely varying returns on their investment. I bring all this to my colleagues' attention because they are factors which must be taken into consideration when discussing remedies for nonpoint source pollution. While the provisions of H.R. 3282 as it stands should not adversely impact on farmers, we need to keep in mind that Federal nonpoint source pollution action of a regulatory nature could have dire consequences on those in agriculture, when one begins to discuss the costs involved in cleaning up contaminated ground water for example, and who would be held responsible for such costs.

Thus, in believing that we must proceed cautiously in our approach to nonpoint source pollution, I felt it important to bring this concern to the attention of my colleagues.

Nonetheless, I lend my qualified support to the direction that we have taken in addressing nonpoint source pollution in this legislation, and once again I want to thank my colleagues for their diligence in this matter, as well as commend the chairman, Mr. HOWARD, my subcommittee chairman, Mr. ROE, and the ranking members, Mr. SNYDER and Mr. STANGELAND, for the unique cooperation and perseverance fostered which allowed us such a compromise that has been achieved in consideration today of H.R. 3282.

Mr. RAHALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as a member of the Committee on Public Works and Transportation, I rise in support of the amendment in the nature of a substitute to H.R. 3282 being offered by the committee.

A provision of this substitute which amends section 19 of the bill as reported by the committee is of great interest to those with a concern for the environment in the coal mining regions of this Nation.

As the author of this provision, I am pleased to say that it is aimed at giving the coal industry an incentive to remine and reclaim abandoned coal mine lands.

The provision of H.R. 3282 as reported, which is being substituted today, while well-intended, was subject to misinterpretation by several interest groups. The new language for this provision, however, has been agreed to by all those with an interest in this issue.

Today, there are in excess of 1 million acres of abandoned coal mine lands with the vast majority located in the Appalachian region. While the Surface Mining Control and Reclamation Act of 1977 created an abandoned mine reclamation program to address the problems created by coal mines left in an orphaned state prior to enactment of the 1977 statute, it is expected that this program—funded by a tax assessed on the coal industry—will resolve only about 20 percent of the problem areas.

As such, from a water quality perspective, many of these abandoned mine lands are currently discharging pollutants and will continue to do so into eternity unless the coal industry can be enticed into remining, and as such, reclaim, these areas.

Industry in many instances has not been prone to remine abandoned coal mine sites because it would then become liable for treating the preexisting discharges. Treating these discharges are often technically or economically infeasible, especially for small coal operators.

The provision on remining being offered today is intended to provide the incentive the industry needs to remine and reclaim abandoned coal mine sites.

Under the substitute provision which I have authored and which is being offered by the committee to section 19 of H.R. 3282, the Administrator, or a State which has permitting authority under section 402(b), may issue a NPDES permit which modifies section 301(b)(2)(A) requirements for the coal mining industry for the level of pH in any discharge and for discharges of iron and manganese in situations where a coal operator intends to remine an abandoned coal mine site.

The coal operator would, however, have to apply best available technology economically achievable on a case-by-case basis, using best professional judgment as well as practices required by the Surface Mining Control and Reclamation Act of 1977. This requirement would replace the BAT and BCT requirements contained in the national guidelines for the specified discharges. It must be noted that within this context we are not applying the national standards as defined by section 301(b)(2)(A) of the Federal Water Pollution Control Act, but rather, a case-by-case application through the use of best professional judgment. It is intended that through the use of best professional judgment, an incentive will be provided to the applicant to remine abandoned coal mine sites.

The permit applicant would have to demonstrate to the Administrator or the State, as the case may be, that the coal remining operation provides a potential for improvement to water quality. It is expected the applicant would indicate how the reclamation of the site after the completion of the remining activity should improve water quality over that existing prior to the remining activity.

In addition, the provision requires that the level of pH in any discharge and discharges of iron and manganese do not exceed the levels being discharged from the site before the coal remining operation began.

The guiding consideration behind this provision of H.R. 3282 is that its implementation provide an incentive for the coal industry to remine abandoned coal mine lands. Obviously, for situations in the coal industry not addressed by this amendment, the applicable BAT and BCT standards would apply.

I would at this point yield to the distinguished chairman of the Committee on Interior and Insular Affairs, the gentleman from Arizona [Mr. UDALL] for the purpose of entering into a colloquy.

Mr. UDALL. I thank the gentleman for yielding.

First, I would like to take this opportunity to thank the gentleman from West Virginia for his hard and diligent work on this matter. It has been apparent to me ever since we started wrestling with the strip mining question a decade ago that the only way to clean up all the abandoned mine lands in this country was to encourage the remining of as may of those lands as we safely could. It also has become apparent that some standards coal operators are required to meet unnecessarily impeded remining and its potential for extensive environmental improvement. The gentleman from West Virginia has taken the initiative to tackle this exceptionally difficult problem of devising a water quality formula that would be both flexible for the operator yet tough enough to ensure real gains in environmental health. He has worked hard on this and done a remarkable job and I wish to compliment him.

It is my understanding that in no event would the amendment diminish the authority of the Interior Department to implement the Surface Mining Control and Reclamation Act of 1977. Is this your understanding?

Mr. RAHALL. Yes; the gentleman is correct.

Mr. UDALL. To further establish the legislative history, the Surface Mining Control and Reclamation Act of 1977 provides that coal operators must minimize disturbances to the prevailing hydrologic balance by among other things, preventing or removing water from contact with toxic deposits and by treating drainage to reduce toxic content. Would these provisions be affected by the amendment?

Mr. RAHALL. I would say to the distinguished Chairman of the Interior Committee, no, they would not be.

Mr. UDALL. I am concerned that some operators may draw their permit areas to avoid preexisting acid discharges during a remining operation. Such a practice would leave unmined coal reserves. As the gentleman knows, section 515(b)(1) of the Surface Mining Control and Reclamation Act of 1977 requires that a coal operator maximize coal recovery so that the land would not have to be reaffected in the future. Do you agree that this requirement would be applicable to situations addressed by your amendment?

Mr. RAHALL. I am in complete agreement with the gentleman. I would say once again that in no way does this amendment affect provisions of the Surface Mining Control and Reclamation Act of 1977 or the regulations to implement that act.

And as the gentleman knows, I served with him on the conference committee that enacted that law, and this is in no way an attempt to circumvent that 1977 law.

Mr. UDALL. I thank the gentleman, and I ask, finally, if the amendment affects a State's authority to set and apply water quality standards?

Mr. RAHALL. The amendment does not amend any section of the Federal Water Pollution Control Act nor does it deal with that authority.

Mr. UDALL. I thank the gentleman, and I congratulate him on a fine job.

Mr. RAHALL. I thank the chairman for his remarks and for his concerns with respect to how this provision relates to the Surface Mining Control and Reclamation Act of 1977, a matter that is completely within the jurisdiction of his committee. The gentleman from Arizona has long held a great interest in the surface coal mining industry and recognizes the need for the incentive to remine abandoned coal mine lands provided by this legislation.

I would like to once again express my appreciation to the distinguished chairman of the full committee, the gentleman from New Jersey [Mr. Howard], and the ranking minority member, the gentleman from Kentucky [Mr. Snyder], for their valiant efforts in regard to this legislation also.

Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. Clinger].

Mr. CLINGER. I thank the gentleman for yielding, and I would just like to commend him for his work in this very important area, and I am pleased to have been able to join with you in working on this amendment.

In my State of Pennsylvania, the regulatory authority estimates that $75 million in reclamation per year will be done by the private sector as a result of this amendment.

So it is my understanding that under this provision programs such as the one proposed by Pennsylvania's General Assembly—which, incidentally, has the support of both the coal mining industry and the environmental community—would be an acceptable program. Is that the understanding of the gentleman from West Virginia?

Mr RAHALL. Yes; that is my understanding.

Mr. CLINGER. I thank the gentleman very much for yielding, and I again commend him for his work on this very vital issue.

Mr. RAHALL. I thank the gentleman for his comments.

Before I conclude, Mr. Chairman, if I might ask the chairman of the subcommittee, Mr. Roe, to enter into a colloquy with me in regard to the collector sewage system in this bill. Mr. Chairman, as you are well aware, the 1981 amendments to the construction grants program eliminated from grant eligibility problems associated with combined sewer overflows, replacement, and rehabilitation, and construction, and repair of collector sewers. This was tempered by a provision which allowed grants to be made for these otherwise ineligible categories in an amount not to exceed 20 percent of a State's allotment as determined by the Governor.

The committee amendment in the nature of a substitute would reinstate grant eligibility for collector sewer systems. However, while the bill as reported by the committee would also reinstate collector sewers, the substitute would delete the provision of this bill.

I would ask the distinguished subcommittee chairman, does the action of the committee have any reflection on the importance of collector sewer systems and especially to rural parts of our Nation?

The CHAIRMAN pro tempore. The time of the gentleman from West Virginia [Mr. Rahall] has expired.

(By unanimous consent, Mr. Rahall was allowed to proceed for 2 additional minutes.)

Mr. ROE. If the gentleman will yield, no, we do not believe it does, because when we revisited that issue we had taken both the collector sewer and the combined sewer elements out of the Governors' discretionary section and put it into a separate section. When we put it back again, in effect what we are saying now is there is more funding that would be available in the 20-percent discretionary section of the Governors than there would have been before, and also, of course, we have requested, as the gentleman knows, as a distinguished member of the committee, an increase in the funding to be allocated for this program. So all in all we figure we have at least provided a quantum step in making collector sewers—which I happen to agree with, by the way—eligible under the legislation. It is not the intent of the committee in any way to denigrate that eligibility.

Mr. RAHALL. I thank the chairman. Since collector systems remain as the only category besides rehabilitation eliminated from grant eligibility, as CSO's as being reinstated by the subcommittee, is it the intention of the committee that collector systems be the primary recipient of funding under the 20-percent Governors' set-aside?

Mr. ROE. The gentleman is correct.

Mr. RAHALL. I thank the distinguished gentleman.

Mr. Chairman, I yield to the gentleman from New York [Mr. Nowak].

Mr. NOWAK. I thank the gentleman for yielding.

Mr. Chairman, I wish to associate myself with the remarks of my colleague from West Virginia regarding the importance of funding for the construction of collector pipeline systems.

I must strongly disagree with those who assert that the sole effect of collector construction is to encourage "urban sprawl" in rural areas. The simple fact is this: effective wastewater treatment facilities are systems. Each part of these systems must operate efficiently if the facilities are to properly treat municipal and industrial wastewater. The most efficient and modern wastewater treatment plant in the world is of little use if there are not adequate pipelines to collect the sewage and convey it to the plant. Collector pipelines contribute to economic expansion, not urban sprawl.

I am sure that everyone is very much aware of the national attention that is being focused on America's decaying infrastructure. Recognizing that the aging sewer systems are a major problem facing our older industrial cities of the Northeast, I have been concerned that the 1981 amendments to the Clean Water Act would restrict Federal assistance for certain categories of wastewater treatment facilities. Under current law, such categories as combined sewer overflow [CSO] projects and collector sewers will not be eligible for full funding after October 1, 1984. However, the law does provide that each Governor would be able to use 20 percent of his annual allotment to fund such ineligible categories of construction.

I am pleased that the bill before us today does reinstate CSO projects as an eligible category for grant assistance and also provides that collector sewers would remain eligible for funding under the 20-percent discretionary fund.

Both the House of Representatives and the Senate engaged in many long hours of discussion on the collector construction issue when considering the 1981 amendments. It was determined then, and it remains true today, that the construction of collector pipelines is a vital concern of the Congress and that this category must remain eligible for Federal funding. This message must be made quite clear to the Environmental Protection Agency and the Reagan administration, and I respectfully urge each Governor to make full use of this discretionary fund to finance necessary collector pipeline construction.

Mr. Chairman, I rise in strong support of the committee amendment in the nature of a substitute to the bill, H.R. 3282, the Water Quality Renewal Act of 1984.

The Clean Water Act, which was first passed by the Congress in 1972 as the Federal Water Pollution Control Act, has been a major force in our Nation during the past decade in cleaning up polluted waters and preventing further deterioration. As a member of the Water Resources Subcommittee, I have been actively following the implementation of this law. The bill before us today is a monumental piece of legislation that will improve the effectiveness of the water pollution control program and certainly the distinguished chairman of the subcommittee, Bob Roe, and the ranking minority member, Allan Stangeland are to be commended for their ardent efforts in developing this bill. Among the most important items included in this bill are funding increases for the EPA Construction Grants Program, a new State loan program to assist in the construction of sewage treatment facilities, an increase in the Federal share for the construction of publicly owned treatment works to 65 percent, and establishment of a new grant program for the States to control nonpoint source pollution.

Included in the committee amendment is language that I sponsored during committee markup to strengthen the Great Lakes Program at the Environmental Protection Agency. I would like to take this opportunity to present the background for this amendment and explain its significance for the Great Lakes region.

With 95 percent of the Nation's surface fresh water, the Great Lakes have long been recognized as a critical economic and environmental resource for the Nation. Thanks to the Clean Water Act and the wastewater treatment program, we have begun to see hopeful signs of improvement in the lakes' water quality. The control of municipal effluents has at least checked phosphorus pollution in the lakes; the algae growth that was choking off the life in Lake Erie has begun to subside, and fish have returned to parts of the shoreline.

Yet critical water quality problems remain. In particular, the General Accounting Office, in a comprehensive report issued in May 1982, highlighted toxic contaminants and pollution from nonpoint sources as the two most serious long-term threats to the environmental integrity of the Great Lakes. Our reauthorization of the Clean Water Act will address these problems in constructive ways by establishing a State grants program to help manage nonpoint pollution, and by tightening both industrial and municipal discharge limits for toxic pollutants. Unfortunately, we may not receive the maximum benefit from these improved regulatory guidelines unless we also strengthen the EPA's Great Lakes Program.

The record leaves little doubt that our commitment to the Great Lakes has been haphazard at best. The 1982 report from the General Accounting Office constituted a sweeping indictment of our neglect of one of our Nation's most critical natural resources. The report found the Federal effort with respect to the Great Lakes to be underfunded and badly disorganized. In particular, the GAO singled out the Environmental Protection Agency for its neglect of the United States-Canadian Water Quality Agreement, which set goals for both countries with respect to phosphorus, toxic, and nonpoint pollution.

The report criticized the EPA for not equipping the Great Lakes National Program Office, which was set up to coordinate U.S. efforts under the Water Quality Agreement, with the resources to do the job. As a consequence, the Monitoring and Surveillance Network for the Great Lakes, which is required under the agreement and which is so critical to an understanding of the movement and impact of toxics in the lakes, never has been developed.

According to GAO, there is virtually no coordination among the 16 Federal agencies involved in the Great Lakes, which in turn results in wasted resources. The administration's fiscal 1985 budget request would cut funding for the Great Lakes National Program Office by more than 50 percent. The Clean Water Act's section 104(f) program, which provides grants to States for Great Lakes water quality planning in coordination with EPA, has never been funded by Congress.

My amendment would correct this problem in four ways:

First, by providing the EPA with a mandate to pursue the goals of the water quality agreement, develop our data base on toxic contaminants in the lakes, and in particular establish a Great Lakes Surveillance and Monitoring Network.

Second, by strengthening the organization of the Great Lakes Program. GLNPO is clearly identified as the lead agency responsible for implementing the water quality agreement. The bill provides GLNPO with a mandate to work with EPA's regional offices, with other Federal agencies, and with the States in developing and implementing strategies for meeting the goals expressed in the water quality agreement.

Third, by providing the EPA with resources for carrying out the congressional mandate. GLNPO's budget would be increased from an unrealistic fiscal 1985 request of $1.7 to $8 million in fiscal 1986. The section 104(f) grants which will provide the States with funds to work with GLNPO would be authorized at $10 million in fiscal 1985.

And finally, by recognizing that the EPA must be accountable to Congress for our national effort to clean up the Great Lakes. The amendment would require the Agency to present, along with its annual budget request, a detailed work plan for implementing the goals of the water quality agreement and its progress to date.

This year, President Reagan has requested $10 million for the Environmental Protection Agency to begin a comprehensive cleanup of the Chesapeake Bay. All of us should take pride in the fact that the Chesapeake Bay water quality program is beginning to bear fruit after so many years of Federal commitment. Surely the Great Lakes deserve no less.

The bill also includes a provision I supported in committee authorizing a comprehensive EPA study of measures to control Great Lakes water use. Such a study was among proposals endorsed last November at the annual meeting of Great Lakes Governors. Concerns have been expressed that future consumptive use of the Great Lakes could seriously affect ecological productivity, hydropower production, navigation, wetlands, and fish spawning and habitat areas.

In conclusion, I urge all Members to support the passage of H.R. 3282, a sound environmental bill which preserves and strengthens our commitment to clean water.

Mr. CLINGER. Mr. Chairman, will the gentleman yield?

Mr. RAHALL. I yield to the gentleman from Pennsylvania.

Mr. CLINGER. Mr. Chairman, I wish to associate myself with the remarks of the gentleman from West Virginia [Mr. Rahall] on providing adequate access for funding for collector sewer pipelines. These pipelines run from residences and businesses to the main sewerlines under streets and eventually feed into central treatment plants. The cost of hooking up to sewage systems can be quite costly. Many times the homes in rural communities use septic tanks to dispose of waste. When a community decides to process sewage on a centralized basis, mandatory hookups are often required. This can significantly add to the cost of sewage system conversions because users pay either front-end connector charges or higher consumption fees.

I am happy that the committee has made connectors and pipeline rehabilitation eligible for funding under the 20-percent discretionary fund that Governors will administer beginning October 1 of this year. However, both connectors and storm drains are not eligible categories for Federal program funds. I believe that it is incumbent upon the Governors to give these two categories the highest priority in the administration of the States' discretionary funds because this is the only means to access funding.

If this approach fails, I think that the committee will have to give serious thought to reviewing the wisdom of the approach taken in this legislation. In the spirit of the compromise embodied in this bill, I will support the collector pipeline approach on a trial basis.

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Mr. ROBERT F. SMITH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to engage in a colloquy with the subcommittee chairman, first to congratulate him for an outstanding job on this bill, and I know that his education at Oregon State University gave him the background necessary to come back with this fine piece of legislation.

Mr. ROE. I did not go to New York.

Mr. ROBERT F. SMITH. Mr. Chairman, section 319 provides that the Administrator shall not convene a management conference if he determines that there exists a management program for the estuarine zone with sufficient authority to address the purposes of this section.

This language is important because it allows States that have taken action to protect their estuarine zone will not be required to submit to a management conference as envisioned by the provisions of section 319. I would like to point out what Oregon has done to protect the estuarine zone of the Columbia River.

Oregon was one of the first States in the Nation to develop comprehensive land-use planning and to incorporate the Federal Coastal Zone Management resource protection programs and EPA water quality standards into planning law. The Columbia River Estuary Study Team [CREST] has developed land-use plans for local jurisdictions within the boundaries of the Columbia River Estuary.

Oregon's land-use laws require impact assessments to determine if proposed uses are compatible with the resource capabilities of the estuary and specifically prohibit water quality and resource degradation; protect riparian habitat and freshwater marshes and lakes adjacent to the estuary; and require local governments to incorporate EPA standards into their State-approved land-use plans.

The Pacific Northwest Power Planning and Conservation Act of 1980 addresses the threat of hydroelectric development in the Columbia River to anadromous fish and has as its policy "to protect, mitigate, and enhance fish and wildlife resources of the Columbia River and tributaries affected by hydroelectric development and operations."

The Oregon Department of Fish and Wildlife must sign off on all fill and removal permits. The Oregon Department of Environmental Quality issues water-quality certificates for dredge and fill permits and issues NPDES waste-discharge permits. Oregon's strategic water planning bill is a pilot project to develop management plans that protect fish, water quality, and all beneficial uses of water within Oregon's river basins. Through Oregon's State Forest Practices Act, Oregon has accomplished significant improvement to water quality associated with forest management and has implemented EPA-approved best management practices to minimize adverse impacts on water quality from nonpoint sources of pollution within Oregon's forests.

In addition, the Fish and Wildlife Coordination Act is a powerful and effective tool used by Federal and State fish and wildlife resource agencies to ensure proper review of permits within the estuary or river system.

Mr. Chairman, it is my understanding that with all of these protections for the estuarine zone of the Columbia River, the Columbia River would probably not be covered by the provisions of section 319's management conferences.

Mr. ROE. Mr Chairman, I agree with the gentleman's conclusion.

Mr. ROBERT F. SMITH. Mr. Chairman, I thank the gentleman, and I yield back the balance of my time.

AMENDMENT OFFERED BY MR. MC NULTY

Mr. McNULTY. Mr. Chairman, I offer an amendment.

The Clerk proceeded to read the amendment.

Mr. McNULTY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read.

The CHAIRMAN. The Chair will inquire, is the gentleman offering the amendment to the Roe substitute or to the original bill?

Mr. McNULTY. The document was prepared, Mr. Chairman, to the bill. But now that the Roe substitute has come along, it is to the Roe substitute and it simply adds entirely new material at the end of the matter now being considered by this body.

The CHAIRMAN. Does it add a section at the end of the bill?

Mr. McNULTY. It does, Mr. Chairman.

The CHAIRMAN. Will the gentleman withdraw his amendment temporarily and the Chair will recognize him for the purpose of constructing it and finding the place in the substitute?

Mr. McNULTY. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Without objection, the amendment is withdrawn.

There is no objection.

Mrs. JOHNSON. Mr. Chairman, I rise in support of H.R. 3282 and the committee amendment. I would like to commend the chairman, Mr. HOWARD, and the subcommittee chairman, Mr. ROE, and the ranking members, Mr. SNYDER and Mr. STANGELAND, for their outstanding work in bringing this Clean Water Reauthorization Act to the floor of the House.

The hearings have been extensive; the consideration exhaustive, and indeed, I believe that this bill strengthens our Nation's clean water laws and assures victory in the long battle against water pollution.

There are several sections that are of particular significance to the people that I represent, and in my estimation, are crucial to the goal of achieving clean water in America. I am particularly pleased that this bill preserves State control and discretion over the expenditure of 20 percent of the sewer grant money.

In Connecticut, where the infrastructure is aging, the problem of combined sewer overflows is a $500 million problem at minimum, and at this point, correction of that problem may have more to do with achieving our clean water goals than any other action. The older areas of our Nation, blessed with economic development while burdened with an aged infrastructure, depend on the discretionary portion of the sewer grant program to preserve regional balance to the Federal law.

The funding of sewage treatment plants, and in this bill that funding is somewhat more generous both in dollars and Federal share, is critical to the development of jobs and individual opportunity in some of the smaller, older, more remote urban areas. I represent areas where new jobs are desperately needed but public treatment plants cannot accept the waste of new employers. Jobs literally depend on treatment plant communication. I appreciate the increased funding and support for the construction grant program that is contained in this bill.

Mr. FLORIO. Mr. Chairman, will the gentlewoman yield?

Mrs. JOHNSON. I yield to the gentleman.

Mr. FLORIO. I thank the gentlewoman for yielding.

Mr. Chairman, I would like to identify myself with the remarks of the gentlewoman, and extend my support and congratulations to the gentleman from New Jersey [Mr. Roe].

Mr. Chairman, I would like to take this opportunity to thank my fellow colleagues from New Jersey Mr. Howard and Mr. Roe, for their diligent efforts in putting together a strong and workable Clean Water Act. Their willingness to compromise has afforded us the opportunity to put forth an aggressive program to upgrade our Nation's waters.

I am especially pleased with the changes that have been made to strengthen the Clean Lakes Program. As you know, this bill authorizes $100 million in each fiscal year 1985 through 1989 for EPA to make grants to States for priority projects to control nonpoint sources of pollution which contribute to the deterioration of water quality in lakes.

Under the revised Clean Lakes Program, Alcyon Lake, located in my district in Pitman, NJ, would be given an increased chance for revival. In January 1980, Alcyon Lake was closed to all contact and use due to extreme leachate contamination from the Lipari Landfill. The landfill, which is located 900 feet from the lake, is the Nation's No. 1 toxic waste site, ranking first on the Superfund National Priorities List.

The new Clean Water Act, which we consider here today, authorizes $3.5 million for a demonstration project to restore Alcyon Lake, and would require the EPA, upon completion of the project, to submit recommendations for further improvement of the lake's water quality.

Without question, these additional moneys will help speed the recovery of Alcyon Lake, and at the same time, supplement the Superfund cleanup effort already in progress at the Lipari Landfill. It is only through this type of integrated program that we can begin to protect and restore our Nation's waters from further contamination from hazardous waste and other pollutants.

Mrs. JOHNSON. I would also like to commend the committee, the chairman, and ranking member particularly, for the nonpoint source program that is initiated by this legislation. Long overdue and very significant, this bill encourages States to plan and implement programs to control pollution that originates not from a specific, identifiable source, but broadly from fields, parking lots, and other seed, in areas, which pollution represents approximately one-half the materials polluting our streams, lakes, and underground waterways in the long run.

An equally important new section of the bill addresses a problem of great significance to my constituents and that is the problem of contamination of underground waterways, and acquifers, and private and public wells by such contaminants as EDB.

The new program creates a 50-50 Federal-local matching grants program which will offer to the small towns of America, an opportunity to address promptly, before the problem grows and spreads, the problem of well-water pollution.

Mr. ROE. Mr. Chairman, will the gentlewoman yield?

Mrs. JOHNSON. I yield to the gentleman.

Mr. ROE. I thank the gentlewoman for yielding.

I want to compliment the gentlewoman on her extraordinary input into this legislation. I know how hard the gentlewoman has worked over the years as we have been forming it, and particularly the contributions you have made in this specific area, because I think it is a necessary area that has been void in the legislation, and you are providing, in my judgment, a major step forward for our communities as far as their water supplies are concerned, and I think it is a great tribute to you for your help in this legislation.

Mrs. JOHNSON. I appreciate those kind comments from the Chairman.

Mr. STANGELAND. Mr. Chairman, will the gentlewoman yield?

Mrs. JOHNSON. I yield to the gentleman.

Mr. STANGELAND. I, too, want to lend my words of congratulation on your initiative in this matter. I think it is exemplary of the gentlewoman's service and it is a tremendously good asset to the bill. We are talking about clean water; it is essential that our constituents and our people have clean water, and you have an initiative begun now in this bill that will be known as the Johnson Drinking Water Act individually.

I commend the gentlewoman.

Mrs. JOHNSON. Thank you very much, my colleagues. You are all most kind. I know of your long work in this area and know that you have supported as well the Superfund legislation, adopted to enable government to clean up toxic pollutants buried in our environment and endangering earth and water quality. One of the difficulties that the Federal Government faces is structuring a program to meet the massive challenge that Superfund represents but to meet as well the seemingly less important problem affecting, though devastatingly, a few. I believe it is equally important to meet the challenge of the problems individual homeowners face when their source of clean drinking water is polluted and endangered.

I do appreciate your cooperation and efforts and I know many, many families throughout America will be grateful for the action that we take today that will help them preserve the investment they have made in their property and in their home, and will preserve as well the property tax base of many a town throughout America. I appreciate your help and support, your willingness to include my amendment in the committee amendment, and your clear commitment to strengthening the Clean Water Act that has begun the process of cleaning up America's water sources so effectively.

AMENDMENT OFFERED BY MR. MC NULTY TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY THE MR. ROE, AS AMENDED

Mr. McNULTY. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. McNulty to the amendment in the nature of a substitute offered by the Mr. Roe, as amended: At the end of the amendment, insert the following:

STUDIES OF WATER POLLUTION PROBLEMS IN AQUIFERS

Sec. 58. (a) The Administrator of the Environmental Protection Agency, in conjunction with State and local agencies and with the opportunity for full public participation, shall conduct studies for the purpose of identifying existing and potential point and nonpoint sources of pollution, and of identifying measures and practices necessary to control such source of pollution, in the following groundwater systems and aquifers:

(1) the groundwater system of the Upper Santa Cruz Basin and the Avra-Altar Basin of Pima, Pinal, and Santa Cruz Counties, Arizona;

(2) the Spokane-Rathdrum Valley Aquifer, Washington and Idaho;

(3) the Nassau and Suffolk Counties Aquifer, New York;

(4) the Whidbey Island Aquifer, Washington; and

(5) the Unconsolidated Quaternary Aquifer, Rockaway River area, New Jersey.

(b) After completion of each study under subsection (a), the Administrator of the Environmental Protection Agency, in conjunction with State and local agencies and with the opportunity for full public participation, shall prepare a proposed management plan describing methods of implementing the measures and practices identified for each groundwater system and aquifer under subsection (a).

(c) The Administrator of the Environmental Protection Agency shall submit to Congress an interim report of the studies and proposed management plans under this section not later than one year after the date of enactment of this Act. The Administrator shall complete such studies and plans and submit to Congress a final report of such studies and plans not later than two years after the date of enactment of this Act.

(d) There is authorized to be appropriated $10,000,000 for fiscal years beginning after September 30, 1984, to carry out this section.

Mr. McNULTY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. McNULTY. Mr. Chairman, I have an amendment at the desk and I would like the opportunity to explain it.

This amendment simply authorizes the Administrator of EPA, in conjunction with the opportunity for full public participation, to conduct studies to identify existing and potential point and nonpoint sources of pollution. In addition, EPA and the States are to work together to identify measures and practices necessary to control these sources of pollution in five distinct aquifers.

We chose these five aquifers, because they suffer from unique sources of potential sources of contamination; they are located in different regions of the country, but they all underly rapidly growing areas of population and they all serve areas with no future sources of potable water.

These five aquifers are:

First, the ground water system of the Upper Santa Cruz Basin and the Avra-Altar Basin of Pima, Pinal, and Santa Cruz Counties, AZ. This aquifer system which serve a rapidly growing area of 500,000 persons is threatened because of potential and existing pollution problems stemming from a mixture of sources including municipal, industrial, agricultural and mining activities. I would like to submit here for the RECORD a list of wells which have been found to be contaminated by the Pima County Health Department:

TCE CONTAMINATION

Hughes/Airport area: 6 wells city of Tucson Water Company, 5 private wells.

Northwest Side: 1 community water supply, 2 private wells.

OTHER ORGANIC SOLVENT CONTAMINATION

Northwest Side: 1 community water supply.

MINE-ASSOCIATED CONTAMINATION

A plume of high sulfate ground water near the community water wells (Green Valley).

NITRATES

Wells near the town of Marana, 2 private wells, northwest side.

In addition, in 1980, municipal and industrial users within this ground water system depleted five times more ground water than was replenished naturally.

Second, the Spokane-Rathdrum Valley Aquifer, Washington and Idaho. This aquifer, which serves about 300,000 persons in a two State region which lies below areas of rapid growth and development shows signs of degradation and declining water quality, with particular contamination from pollutants such as nitrate and chloride introduced by septic tank seepage.

Third, the Nassau and Suffolk Counties Aquifer in New York. The aquifer is part of the largest aquifer system in New York State and serves an area with less than 3 percent of the State's land but has more than half of the people whose existence depends on ground water. Crucial to the maintenance of the water quality in the aquifer is the nearby 110,000 undeveloped acres of scrub pine.

Fourth, the Whidbey Island Aquifer, WA. This aquifer serves a small, but rapidly growing residential community of 40,000 persons. The aquifer is threatened with contamination by salt water intrusion and total dissolved solids. In addition, this area is without any current ground water management plan.

Fifth, the Unconsolidated Quaternary Aquifer, Rockaway River area, New Jersey. This aquifer which serves approximately 90,000 persons is in area with no future sources of potable water. The aquifer is threatened with contamination from gasoline and chemical spills, leaking fuel tanks, septic tanks and leaching from open dumps.

After completion of each study, EPA and the States, with ample opportunity for public participation, will prepare a proposed management plan. The plan would describe methods of implementing the measures and practices identified for each ground water system and aquifer to be studied. It is our intention that EPA would submit an interim report of the studies and management plans within 1 year of the enactment of the legislation. EPA shall complete such studies and management plans and submit a final report to Congress 2 years after the enactment of this legislation. We are asking for an authorization of $10 million for the interim and final reports to Congress.

Mr. Chairman, the importance of ground water is obvious: It constitutes more than 96 percent of all the freshwater in the United States and over 89 billion gallons of this water is pumped out of the ground each day for a variety of potable, agricultural, and industrial uses. In addition, it has an extremely important influence on surface water quantity and quality. Therefore, the mounting evidence of widespread ground water contamination argues for immediate and effective action to prevent future contamination, to clean up ground water that has been contaminated and to safeguard the users of contaminated ground water. To accomplish this, exisiting ground water protection programs must be improved and new programs must be initiated to address point and nonpoint sources of contamination.

The strategy EPA proposed in January takes a useful step forward by creating an Office of Ground Water within EPA to coordinate the Agency's program affecting ground water. However, the strategy with the exception of the Office of Ground Water, is flawed because State participation is voluntary, and funding is insufficient to coordinate a national strategy with EPA or to foster meaningful State programs.

I believe that a large part of the responsibility for ground water quality lies with the States. Therefore, the intention of my amendment is for EPA to work hand in hand with the States in developing the aquifer studies and the management plans. A strong State Federal partnership is envisioned in developing methods and practices identified to protect the water quality of these aquifer systems. In addition, I believe it is of the utmost importance that full and open public participation is encouraged throughout the development of the studies and the management plans. Obviously, if we want these plans to work we must make sure that all interested parties' insight and suggestions are taken into account.

Finally, it is our intention that these proposed management plans developed by EPA and the States would, in turn, be implemented by the States in a timely fashion. It is my intention to work with the committee to provide Federal financial assistance for the implementation of these management plans to protect these threatened, but critical aquifer and ground water systems.

I believe it is time we take a holistic and preventative approach to our water quality problems. By linking ground water and surface water problems in this amendment, we will go a long way toward identifying contamination and preventing the degradation of our most precious resource, water.

Mr. SWIFT. Mr. Chairman, will the gentleman yield?

Mr. McNULTY. I yield to the gentleman.

Mr. SWIFT. I thank the gentleman for yielding.

Mr. Chairman, I ask the gentleman to yield for the purpose of entering into a very brief colloquy with the chairman of the subcommittee.

I have worked with the gentleman from Washington [Mr. BONKER] on this matter, and he has worked out this colloquy with Mr. ROE. Congressman BONKER at this point is leading a conference on the Export Administration Act and asked me if I would do the colloquy for him.

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Mr. SWIFT. I thank the gentleman for yielding.

Mr. Chairman, the Environmental Protection Agency is currently considering a request by two Alaskan pulp mills for a variance from certain requirements of the Federal Water Pollution Act. It is my understanding that section 55 of the committee amendment is in no way intended to add to, alter or affect existing law under which EPA is to make its decision on this issue. Is this correct?

Mr. ROE. That is correct.

Mr. SWIFT. It is also my understanding that this study will in no way interfere with the variance proceedings currently before EPA pursuant to these two mills, nor will it affect the timing of any decision EPA might make in these proceedings. Is this correct?

Mr. ROE. That is correct.

Mr. SWIFT. Finally, while the language requires that EPA consult with the State of Alaska in preparing this study, is it not the committee's intent that EPA also make use of existing data from its 4 years of study and public hearings on this matter?

Mr. ROE. That is correct. It is the intent of the committee that all such materials that is available will be gathered and used in the reevaluation.

Mr. SWIFT. I thank the chairman.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. McNULTY. I yield to the subcommittee, the gentleman from New Jersey.

Mr. ROE. I thank the gentleman for yielding.

Mr. Chairman, the gentleman has been very patient. We have had a chance, on our side, to review the gentleman's amendment. It is an excellent amendment because it gets into a very important issue which I know that the gentleman from Pennsylvania [Mr. EDGAR] is going to be speaking to later, and has already, which is the import of our ground water supply and the aquifer situation particularly affecting our Western States.

So from our point of view, the language the gentleman has presented is splendid. It adds a great deal to the bill and we have no objection on this side to the gentleman's language.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. McNULTY. Indeed, I yield to the gentleman from Minnesota.

Mr. STANGELAND. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the gentleman from Arizona's amendment which authorizes the Administrator to study and identify control measures with respect to contaminated ground water aquifers and systems. While the Nation has made substantial progress in maintaining and restoring the quality of our surface waters, we are only now coming to realize that many of our ground water supplies are polluted and in need of better understanding and techniques for addressing this pollution. The bill under consideration offers a number of initiatives that reflect this recognition. The gentleman's amendment will contribute toward increasing our understanding of ground water pollution and resolving these problems on a priority basis. I support this effort and urge adoption of the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Arizona [Mr. McNULTY] to the amendment in the nature of a substitute offered by the gentleman from New Jersey [Mr. ROE], as amended.

The amendment to the amendment in the nature of a substitute, as amended, was agreed to.

AMENDMENT OFFERED BY MR. DICKS TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ROE, AS AMENDED

Mr. DICKS. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. DICKS to the amendment in the nature of substitute offered by Mr. ROE, as amended: At the end of the amendment in the nature of a substitute, add the following:

PUGET SOUND

SEC. 58. (a) The Administrator of the Environmental Protection Agency (hereinafter in this section referred to as the "Administrator"), in consultation with the Administrator of the National Oceanic and Atmospheric Administration, a representative of any other interested Federal agency as determined appropriate by the Administrator, representatives of the State of Washington, and representatives of interested local governments as determined appropriate by the Administrator, shall—

(i) develop a comprehensive master plan for Puget Sound, Washington;

(2) recommended priority corrective actions and compliance schedules to address point and nonpoint sources of pollution posing the most serious problems to the water quality of such Sound; and

(3) monitor such Sound to determine the effectiveness of actions taken pursuant to the master plan.

(b) The master plan developed pursuant to paragraph (1) of subsection (a) may include, but need not be limited to, any of the following standards and practices which are necessary for the attainment or maintenance of that water quality which assures protection of public water supplies and the protection and propagation of a balanced, indigenous population of shellfish, fish, and wildlife and allows recreational activities in and on the water:

(1) development of water quality standards for waters within the estuarine zone of Puget Sound;

(2) development of toxicity-based standards for toxic pollutants;

(3) development of water quality based effluent standards for significant point sources of pollution; and

(4) development of best management practices to control nonpoint sources of pollution.

In developing a master plan under this section, the Administrator shall survey and utilize existing reports, data, and studies relating to Puget Sound that have been developed by or made available to Federal, State, and local agencies.

(c) The Administrator is authorized to make grants to the State of Washington if such State adopts a comprehensive master plan pursuant to this section for the Puget Sound. The amount of such grant for a fiscal year, shall, subject to such amounts as are provided in appropriation Acts, be equal to 50 percent of such State's cost of implementing the master plan for such fiscal year.

(d) There is authorized to be appropriated to the Administrator to carry out this section not to exceed $4,900,000 for the fiscal year ending September 30, 1985, $4,450,000 for the fiscal year ending September 30, 1986, and $2,400,000 for the fiscal year ending September 30, 1987. Amounts appropriated under this subsection shall remain available until expended.

Mr. DICKS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. DICKS. Mr. Chairman, I will not use all my time.

Mr. Chairman, I want to compliment the distinguished subcommittee chairman and this committee for the outstanding bill that they have brought to the floor.

My amendment to the Roe substitute to the Water Quality Control Act would address a problem not specifically mentioned in the bill, that of estuary pollution plans for estuaries which only involve one single State, such as the Puget Sound plan involving Washington State.

In 1951, Puget Sound was ranked as the sixth most-polluted body of water in the United States. Since then, numerous pollution control efforts have been undertaken in the sound, resulting in improvements in water quality. However, much work remains to be done. The first Superfund national priority list ranked Commencement Bay, in the southern region of Puget Sound, in my district among its 10 highest priority sites for cleanup.

The most serious problems hampering pollution control efforts in Puget Sound have been the difficulties in identifying pollution sources and creating effective solutions. The large number of agencies with jurisdiction over Puget Sound have contributed to the problem, because coordination of efforts has been virtually impossible.

Recognizing the difficulties, the Washington State Department of Ecology and the U.S. Environmental Protection Agency have been working together since 1982 with the cooperation of our entire congressional delegation, to devise a joint strategy for water quality control. Their proposal is now completed and ready for implementation. The overall goal of the proposal is to achieve and maintain a healthy marine environment which provides for maximum beneficial use of the waters of Puget Sound.

In order to achieve this goal, EPA has established specific objectives for their plan. These objectives are: First, to define the nature and extent of existing and developing water quality problems in Puget Sound; second, to collect and evaluate information needed for abatement and long-range water quality management; third, to develop and implement appropriate abatement and remedial action plans for current priority water quality problems; fourth, to establish long-term water quality management policies to ensure protection of public health and the natural resources of the sound; and fifth, to improve communication and coordination of water quality management activities among State, Federal, and local agencies and the public of the Puget Sound region.

Washington State has already taken steps to make available a substantial contribution of staff and funding to begin this process. EPA has identified its share of the project, and the regional office has forwarded a request for reprogramming of funds to the Administrator for his immedate consideration. EPA estimates it will need $4.9 million in fiscal year 1985 for this purpose, and the total project cost through fiscal year 1987 is estimated at $11.75 million.

Regional Administrator Ernesta Barnes has assigned this proposed Puget Sound action plan her highest priority in region 10. EPA Administrator William Ruckelshaus also has expressed his support for research on pollution in estuaries, and specifically for the Puget Sound Project.

Mr. Chairman, I believe it is essential that the Federal Government provide authorization to implement estuary management plans which EPA has drafted in close cooperation with State agencies for estuaries which only involve one single State. The Puget Sound plan is one such effort, and inclusion of the project in the reauthorization of the Clean Water Act is both timely and essential. Implementation of this plan will go a long way toward addressing the chronic pollution problems of one of the more critical estuaries in our Nation. For this reason, I strongly urge my colleagues to support inclusion of specific authorization for the Puget Sound management initiative in the Water Quality Renewal Act.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the distinguished subcommittee chairman, the gentleman from New Jersey.

Mr. ROE. I thank the gentleman for yielding.

Mr. Chairman, again, the gentleman is making a very important point. Puget Sound is one of the most important water bodies on the west coast. The gentleman's amendment directs its attention to that issue. It is constructive. It adds to the quality of our legislative process, and we would accept the gentleman's amendment.

Mr. DICKS. Mr. Chairman, I thank the gentleman.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to my distinguished friend, the gentleman from Minnesota.

Mr. STANGELAND. I thank the gentleman for yielding.

Mr. Chairman, we have examined the gentleman's amendment on this side and think it makes the bill a better bill. Puget Sound is a very important natural resource of this Nation, and we accept the gentleman's amendment.

Mr. DICKS. Mr. Chairman, I thank the gentleman very much. I appreciate the gentleman's support.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Washington [Mr. DICKS] to the amendment in the nature of a substitute offered by the gentleman from New Jersey [Mr. ROE], as amended.

The amendment to the amendment in the nature of a substitute, as amended, was agreed to.

Mr. PACKARD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise today in support of the Roe substitute to H.R. 3282, the Water Quality Renewal Act.

As a member of the Water Resources Subcommittee, I am aware of the tremendous time and energy that has gone into the development of this legislation. Chairmen HOWARD and ROE, as well as Mr. SNYDER and Mr. STANGELAND, the minority leadership, as well as the committee staff are to be commended for their efforts.

I am proud to be a member of a committee which has taken a major step toward protecting our Nation's critically important water resources. There are many significant provisions in this bill and I would like to draw your attention to two of them.

Near the border in San Diego, CA, we face a health and environmental crisis in the form of a chronically disabled sewage collection system in Tijuana, Mexico.

The combination of breaks in the collector system, households not connected to the system and overflows results in an average of 5 million gallons of raw sewage flowing daily into the United States. This situation is not expected to improve; in fact, the population of Tijuana is expected to more than double by the year 2000.

Section 42 of this bill calls for the Administrator of EPA to make a grant to the city of San Diego for the purposes of protecting the economy, health, environment, and water quality of San Diego and surrounding areas.

This grant provides for the construction of a publicly owned treatment works in the city of San Diego to provide primary or more advanced treatment of municipal sewage and industrial waste for the cities of Tijuana and San Diego.

Another salient provision of this bill is the authorization of a grant to the San Diego Water Reclamation Agency to demonstrate innovative processes which advance the technology of wastewater reclamation and which promote the use of reclaimed wastewater.

This particular process is called CCBA, pronounced see-ba. An impressive benefit of this process is the fact that the sludge generated by the water treatment process, can be converted into a high quality, environmentally safe lightweight aggregate which can be used for cement and other purposes.

Research done shows that the construction industry is interested in the lightweight aggregate and that there is a market for it.

Further, it is estimated that the capital cost of the sludge handling and aggregate production portion of the plant and all of the associated operation and maintenance costs will be offset by the sale of the lightweight aggregate.

I strongly support this impressive legislation and I urge my colleagues to vote for its passage.

AMENDMENT OFFERED BY MR. BROOKS TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ROE, AS AMENDED

Mr. BROOKS. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. BROOKS to the amendment in the nature of a substitute offered by Mr. ROE, as amended: Page 27, strike out "The" on line 4 and all that follows through page 27, line 7, and insert in lieu thereof the following: The Administrator may not later modify such eligibility determinations unless they are found to have been made in violation of applicable Federal statutes and regulations. Such eligibility determinations shall not preclude the Administrator from auditing a project pursuant to section 501(c) of this Act, or other authority, or from withholding or recovering Federal funds for costs which are found to be unreasonable, unsupported by adequate documentation, or otherwise unallowable under applicable Federal cost principles, or which are incurred on a project which fails to meet the design specifications or effluent limitations contained in the grant agreement and permit pursuant to section 402 of this Act for such project.".

Mr. BROOKS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BROOKS. Mr. Speaker, I have an amendment at the desk.

My amendment amends section 13 of H.R. 3282. In the substitute section 13 would virtually eliminate the ability of the Inspector General to audit construction grants awarded under the Federal Water Pollution Control Act and to make recommendations to disallow costs determined to be outside the law.

Mr. Speaker, Inspectors General do not disallow costs. They are charged with the responsibility to determine whether grantees comply with the law. When they find that costs incurred by grantees are improper or do not conform with applicable Federal cost principles, they report these findings to the agency managers. These managers then review the Inspector General findings and applicable Federal rules and regulations in order to reach a final determination on which costs are in fact unallowable. The Inspector General never makes the final determination.

Section 13 inadvertently eliminates the Government's ability to recoup unlawful expenditures.

I do not think this is what the Public Works Committee intended.

My amendment would require the Administrator to enter into written agreements and stand behind those agreements but would preserve the right of the Inspector General to audit the contracts and grants and the right of the Administrator to disallow and retrieve any payments that were made in violation of Federal laws and regulations. I believe this will do what Chairmen Howard and Roe want to do without eliminating the audit process.

Mr. Chairman, my amendment just makes it clear that auditing will continue to be an important function in the administration of EPA contracts and grants. I have explained it to the very distinguished subcommittee chairman, the gentleman from New Jersey [Mr. Roe], to the chairman of the full committee, the gentleman from New Jersey [Mr. Howard], to the distinguished ranking member [Mr. Stangeland], and all the staff on both committees.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to my friend, the gentleman from Georgia.

Mr. LEVITAS. I thank my colleague for yielding.

Mr. Chairman, I commend the gentleman for this amendment. I think that the purpose that was embodied in the original language is a commendable purpose, and we should not want to, by inadvertence or oversight, in any way preclude the vital function of fighting waste and abuse of programs that the Inspector General is able to bring about through his audit. I think this is a constructive contribution.

Mr. Chairman, I think it is also important to point out that section 13 of the amendment in the nature of a substitute is an important section of this legislation. For years, hearings that have been held by the Subcommittee on Investigations and Oversight of the Committee on Public Works and Transportation have all too often shown that frequently, communities have found themselves faced with audits of their construction grant projects that have claimed that some of the costs which were previously deemed eligible for Federal grant assistance from the EPA were no longer eligible.

For these communities, this has often created significant problems. They have found themselves faced with the need to come up with sometimes two or three times the amount of money they were originally told they would have to provide to finance their treatment works. In these cases, this has meant that they suddenly must borrow in some cases millions of dollars in order to meet their obligations. This has also placed some officials in local governments with the problem of having to go back to their local residents and explain why their sewer bills were going up. And it has left little room for explaining why something that might have cost less was not chosen.

Section 13 will ensure that, to the maximum extent possible, these situations will be avoided in the future. Before a community goes forward, they will now have the opportunity to know up front just what those are supposed to be.

I think it is also important to point out why the additional provision to section 13 has been added.

The amendment to section 13 preserves the authority of the EPA Inspector General to carry out his function: To protect against waste, fraud, and abuse in the multibillion-dollar Construction Grants Program. The provision, as it was originally fashioned, would have had the unintended effect of limiting the Inspector General's ability to ensure that the public's investment in these costly projects were maximized to the greatest extent possible.

This provision, as it is amended, now will ensure that there is no constraint on the Inspector General from carrying out his responsibilities. Yet, it also sets forth some criteria for ensuring that the process of audit and the process in determining or resolving any questions or disputes about what is eligible will not be arbitrary. I believe that overall, this amendment to section 13 and the amended provision will help to strengthen the overall program.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to my distinguished leader, the gentleman from New Jersey.

Mr. ROE. I thank the gentleman for yielding.

Mr. Chairman, I am in accord, most assuredly, with the gentleman's clarifying amendment, both he and the gentleman from Georgia [Mr. Levitas], vis-a-vis the point of view that it never was the intent of the committee that there would not be adequate or proper auditing.

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I do think, however, for the value of the colloquy that we ought to comment that the purpose of the section that the committee put into this bill is to make it abundantly clear to EPA that they must tell and specify specifically what the area of agreement and the scope of the contractual arrangements are at the initiation of their grant program with any city of municipality. I would like to get that clear again on the record.

Mr. Chairman, on that basis, we have absolutely no objection to the language suggested by the distinguished gentleman from Texas.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to my distinguished friend, the gentleman from Minnesota [Mr. Stangeland].

Mr. STANGELAND. Mr. Chairman, I thank my friend for yielding.

We respect the chairman of the Committee on Governmental Operations insight into the need for audits. We think this is a very strong contribution to the bill. It was the intent of the full Committee on Public Works and Transportation that EPA ought to be conducting these audits, and we thank the gentleman for his contribution and we accept the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Texas [Mr. Brooks] to the amendment in the nature of a substitute offered by the gentleman from New Jersey [Mr. Roe], as amended.

The amendment to the amendment in the nature of a substitute, as amended, was agreed to.

Mr. SOLOMON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, at the outset let me just say that as a former member of the committee and as a New Yorker, I want the gentleman to know that he is welcome in upstate New York at any time, especially for the outstanding job the gentleman has done in his capacity.

Mr. Chairman, I rise in strong support of the Johnson amendment. This amendment, which has been incorporated into the committee amendment, addresses the serious national problem of ground water contamination. Thousands of drinking water sources are contaminated nationwide and the Johnson amendment provides a mechanism to immediately safeguard the American people from this health threat, something we have never had before.

I am extremely pleased to support this sound environmental approach which balances Federal and local participation in an effective effort to address a serious public health concern.

The gentlewoman from Connecticut [Mrs. Johnson] and the Committee on Public Works are to be commended for their outstanding work on this environmental milestone. I know how serious a drinking water contamination problem is, particularly to a community, because the residents of the town of Moreau in my congressional district, which is on the banks of the Hudson River up where the Hudson is pristine pure, are currently facing this kind of plight. A few years ago toxins were found in the drinking wells of the residents of this entire town. Yet, since that time no Federal funds have been available or no program has been available to help these people. The potential threat to the aquifer is extremely serious, not only to the 400 private wells but also to the entire Fort Edward municipal watershed, which provides drinking water to thousands of people and also pollutes the Hudson River.

At this point, I would like to yield to Chairman Roe for a colloquy concerning this matter.

Mr. Chairman, we have already discussed, the gentleman and I, with our staffs and the staffs of the minority, the town of Moreau and its needs and I am very pleased that the committee believes that the town does need a new water district because of this very serious contamination to that entire area.

Mr. Chairman, am I correct in my understanding that a new water district for the town of Moreau is considered a top priority of the committee and would be eligible for full funding under the terms of the Johnson amendment, incorporated into the committee amendment?

Mr. ROE. Mr. Chairman, if the gentleman will yield, I think the gentleman has given us a splendid summary of the entire issue involved. There is no question about it, under the Johnson language in the legislation, the town of Moreau should receive top priority.

Mr. SOLOMON. Well, again I would just like to commend the gentlewoman from Connecticut [Mrs. Johnson]. This is something that the gentleman's committee, of which I was a member for many years, has been working on. I think the gentlewoman from Connecticut [Mrs. Johnson] certainly has come up with the right approach, which is really going to help a lot of people that just cannot help themselves and after all, that is what we are here for is to help those people who cannot help themselves. The gentleman's committee certainly is to be commended.

Mr. CLINGER. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I would be glad to yield to the gentleman from Pennsylvania.

Mr. CLINGER. Mr. Chairman, I just would like to associate myself with the gentleman's remarks and join with the gentleman in commending the gentlewoman from Connecticut on this very important provision of this bill. I think all of us, particularly those of us who represent rural areas, are aware that there is a very pressing need particularly in rural areas where we have a growing problem with ground water contamination and not the means often to address those problems. They are not limited to any particular substance. I, for example, have problems in my district where wells are being contaminated with oil and gas intrusion into the ground water; so I think this was one of the most significant things in this bill.

Again, I just want to join with the gentleman in commending the gentlewoman from Connecticut [Mrs. Johnson] for a very innovative approach to this very serious problem.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I am glad to yield to the gentleman from Alaska, who represents a district a lot like mine.

Mr. YOUNG of Alaska. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of H.R. 3282 and the amendment offered by the gentleman from New Jersey, especially section 55.

Since the Clean Water Act was first enacted, amendments have focused on the need to balance environmental protection against the ability of industries to comply with deadlines set by the Congress. At each point in the reauthorization process, we have continued to seek a realistic balance of these interests. Through this balance, we are making a great deal of progress toward our goal of clean water for our Nation, without blindly bankrupting our businesses and forcing people out of work for the sake of an arbitrary, inflexible standards.

In the amendment offered by the gentleman from New Jersey, and the bill as reported by the committee, the Public Works Committee has continued our commitment to water quality renewal. At the the same time, I believe the committee amendment maintains the proper balance of realistic, achievable environmental enforcement as well as a commitment to preserving employment for our citizens, wherever possible.

For example, in my State of Alaska, two pulp mills, employing over 1,100 people, are threatened with closure even though they have installed secondary treatment and meet State water quality standards which are among the most stringent in the Nation. This amendment offered by the committee does not exempt these mills from compliance with the law, it merely requires the Environmental Protection Agency to study in consultation with the State of Alaska, the total environmental impacts associated with the operation of these mills and their effort to maintain compliance with section 301.

Mr. Chairman, it is important to note the Alaska mills are in compliance with EPA-approved State water quality standards. Since 1974, EPA has recognized the peculiar land, energy, and logistic constraints associated with the mills and applied a differential in discharge standards which recognizes the conditions faced by these mills located in a noncontiguous State. EPA may choose to continue this differential and is authorized to do so under current law. The amendment offered by the committee merely requires EPA to study other factors not currently considered involving the total environmental impacts associated with compliance under section 301 including air pollution, solid waste disposal, energy requirements for additional compliance. These are important factors affecting the environment in both communities.

The amendment requires EPA to study these factors and to report to Congress the feasibility of resolving these impacts associated with compliance under section 301.

It is my belief that the EPA can set a standard for compliance which resolves these impacts in a cost-efficient manner which allows the mills to continue to operate.

Both Alaska mills are located in isolated rural areas not connected by road to the contiguous States. In this setting, the loss of 500 jobs for one community of 8,000 would have an immediate and devastating effect on the local economy. Such a loss is not justified by a strict adherence to a rigid technological discharge standard especially where, as here, water quality standards are being met.

For these reasons, I support the committee amendment to H.R. 3282.

AMENDMENT OFFERED BY MRS. BYRON TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ROE, AS AMENDED

Mrs. BYRON. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The clerk read as follows:

Amendment offered by Mrs. BYRON to the amendment in the nature of a substitute offered by Mr. ROE, as amended: At the end of the amendment add the following new section:

SEC. 58. Section 201 of the Federal Water Pollution Control Act is amended by adding at the end thereof the following new subsection:

"(p) In any case in which a dispute arises with respect to the awarding of a contract for construction of treatment works by a grantee of funds under this title and a party to such dispute files an appeal with the Administrator under this title for resolution of such dispute, the Administrator shall make a final decision on such appeal within 60 days of the filing of such appeal.".

Mrs. BYRON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

Mrs. BYRON. Mr. Chairman, this amendment is fairly simple. It would require the EPA Administrator to make a decision within 60 days on an appeal of a bid determination. Recently, a town in my district was required by EPA to correct a problem with their existing sewage system. The town evaluated several construction contract bids and awarded the contract to the second lowest bidder after the lowest bidder proved to be unresponsive. The lowest bidder appealed to EPA to reverse the town's decision. The town complied with all EPA guidelines and ultimately, EPA upheld the decision of the town to go with the second lowest bidder. However, it took EPA over 6 months to make a decision on this particular bid determination. Subsequently, this delay forced the town to renegotiate the bid due to an increase in labor and material costs. In addition, the town has stated that it will most assuredly miss the October deadline for fiscal year 1984, resulting in a decrease of EPA funding available from 70-percent matching to 55-percent matching. I do not think that it is much to ask the EPA to make a timely decision on appeals of a bid determination. After all, EPA imposes numerous time constraints on municipalities who are attempting to comply with EPA guidelines. I believe that this amendment puts some balance back into the equation by making EPA render timely decisions and be more responsive to the concerns of towns and cities throughout the country. Thus, I urge the House to approve this amendment.

Mr. ROE. Mr. Chairman, will the gentlewoman yield?

Mrs. BYRON. I am glad to yield to the distinguished subcommittee chairman.

Mr. ROE. Mr. Chairman, I think the amendment is an extraordinarily important one because it provides a new mechanism or at least an expanded mechanism for expediting the decisionmaking process. I think it is a materially important contribution to this legislation, and we accept it on this side of the aisle.

Mrs. BYRON. Mr. Chairman, I thank the distinguished chairman.

Mr. STANGELAND. Mr. Chairman, will the gentlewoman yield?

Mrs. BYRON. I am glad to yield to the gentleman from Minnesota.

Mr. STANGELAND. Mr. Chairman, I thank the gentlewoman for yielding.

We have looked at the amendment on this side, we think it enhances the bill, and we will accept the amendment.

Mrs. BYRON. Mr. Chairman, I thank the gentleman very much.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Maryland [Mrs. BYRON] to the amendment in the nature of a substitute offered by the gentleman from New Jersey [Mr. ROE], as amended.

The amendment to the amendment in the nature of a substitute, as amended, was agreed to.

Mr. ALBOSTA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the committee amendment.

Mr. Chairman, it is imperative that the House of Representatives pass the Roe substitute of H.R. 3282—the Clean Water Quality Renewal Act of 1984, in order that we carry on the important task of making our environment clean and safe for generations of Americans to come. I would like to take this opportunity to commend Chairman JAMES HOWARD of the Public Works and Transportation Committee as well as Chairman ROBERT ROE of the Subcommittee on Water Resources in addition to the ranking minority member of the full committee—Mr. GENE SNYDER and Mr. ARLAN STANGELAND of the subcommittee for their excellent work on this important bill. The gentlemen from New Jersey have taken the lead in this critical legislation and I salute them for their very hard work in this vital endeavor.

As a Congressman from Michigan, I am particularly pleased about the provisions relating to the expansion of the Clean Lakes Program which will continue to fund the cleanup of our Great Lakes. The Great Lakes are an important resource which must be cherished and taken care of, in order that the generations to come can enjoy swimming, fishing, and boating in safe and clean waters. Moreover, the Great Lakes consumptive use study which is authorized in the bill, ensures the residents of Michigan and surrounding States of an ample supply of fresh water. I firmly believe that our beautiful Great Lakes with the recreational and economic benefits it offers is such an important resource for us to protect.

Mr. Chairman, the Public Works and Transportation Committee, on which I sit, has worked many long hours in an attempt to come up with what I believe is a fair, reasonable and balanced piece of legislation which provides the needed protection for our environment without an unreasonable barrier to necessary economic development. By passing this bill, we will indicate to the country our strong concern for an effective clean water bill which is backed by our friends in the environmental community as well as those in industry. I urge my colleagues to vote in favor of the Roe substitute. The best way for us to indicate our support for this environmentally sound legislation is to pass this bill, work out the differences with our colleagues in the other Chamber, and make sure this arrives on the President's desk for his signature in the not too distant future.

Mr. HUNTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I simply want to commend Chairman ROE and Chairman HOWARD, the gentleman from Kentucky [Mr. SNYDER], the gentleman from Minnesota [Mr. STANGELAND], and all the members of the committee and the staff for the work that they have done in putting this package together, and particularly I want to thank the committee for the concern that they manifested in this package for the present situation in southern California in my district and abutting the district of the gentleman from California [Mr. PACKARD], in which we have a tremendous flow of raw sewage coming across the border on a regular basis from Mexico, polluting our beaches and resulting in quarantines on a fairly regular basis.

I want to thank the committee for the hard work that they did. They analyzed the problem, they spent a great deal of time looking at it.

I know Chairman HOWARD was down at the site of the problem on at least one occasion when I was there, and I thank them for the efforts they have taken to try to take care of this problem.

I think it is an excellent package and I commend everybody for the hard work that they did with regard to it.

Mr. DYSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I arrived at the beginning of the debate on the reauthorization of the Clean Water Act and remember saying to the counsel for the committee, Dick Sullivan, that the gentleman from New Jersey [Mr. ROE] has probably spent a great deal of time on this legislation. He turned to me and said, "somewhere on the order of 24 hours each day."

From the amount of praise that has been bestowed upon the gentleman from New Jersey, I think that observation is quite true.

I am here today to thank the gentleman from New Jersey [Mr. ROE] and also to thank the ranking minority member, the gentleman from Minnesota [Mr. STANGELAND], the gentleman from New Jersey [Mr. HOWARD], and the gentleman from Kentucky [Mr. SNYDER] for all their help in drafting the substitute before the House today.

Included in the chairman's substitute is the language of the legislation I introduced in the House early last year. That legislation, H.R. 2817, commonly known as the Chesapeake Bay bill, is naturally very important to me and to the entire Chesapeake Bay region. The bill before us will initiate an interstate management program for the cleanup of the Chesapeake Bay.

The Chesapeake is the Nation's largest, most productive estuary in the contiguous United States. It is the home for countless forms of marine and acquatic life, a fishing industry that generates over $100 million for the regional economy each year and for shipping interests which annually carry over $27 billion in cargo.

I am proud to say that most of this great estuary lies within the state of Maryland and is the shoreline of almost every county I represent in the First Congressional District.

But as many of my colleagues know, the Chesapeake Bay is currently an estuary in decline; 2 years ago, I came before the House and asked my colleagues to support a request for funding the completion of an Environmental Protection Agency [EPA] study on the bay. Last year the study was published, answering many of the most pressing questions about the bay's condition.

Its conclusions, however, indicated that a great deal of hard and thoughtful work must be undertaken in order to restore the water quality of this body of water.

The Chesapeake Bay is an ecosystem which has declined because of too many years of neglect and abuse. It has been stressed by nutrient enrichment, by sedimentation, and by toxic chemicals. It has been forced to handle both agricultural and urban runoff that have harmed the striped bass and numerous other anadramous fish species which spawn in it.

The bay is also threatened by toxic compounds entering the estuary from its three major tributaries: the James, the Potomac, and the Susquehanna Rivers.

These problems prompted me to introduce legislation last year that would establish a long-term Federal commitment to restore the bay's water quality. This initiative, H.R. 2817, would authorize $52 million over the next 4 years for the clean up of the bay.

Forty million dollars would go to Maryland, Virginia, Pennsylvania, and the District of Columbia in the form of grants which would be used to curb the nonpoint source pollution that has plagued the bay for so long. Additionally the EPA would receive $12 million to offer the States technical support in their clean up effort and to pinpoint the exact causes of the decline in the Chesapeake Bay strain of striped bass.

I want to alert my House colleagues to the fact that the States in the Chesapeake Bay region have acted in anticipation of my legislation passing as part of a broader reauthorization of the Clean Water Act. Maryland, Virginia and Pennsylvania have all pledged State funds so they can actively participate in the bay clean up process.

In fact, the grant formula in my bill contains a creative cost-sharing formula between the Federal Government and the respective States. I am hopeful that the cooperation it seeks to foster in restoring the bay will serve as a model for cleaning up estuaries throughout the country.

Today's action is truly an historic occasion for the people of the Chesapeake Bay region. And I want to take this opportunity to thank all of my House colleagues who have helped so much in the effort to save the bay. Of particular note are my friends who represent other portions of Maryland in Congress. They have been steadfast in their support of the bay and deserve the admiration and respect of all the citizens of our State for their work.

In addition, I want to thank my colleagues from Virginia and Pennsylvania who have cosponsored this bay legislation. They have joined me on several occasions in working to strengthen the bipartisan coalition that supports its passage. There are many other House Members who have helped in this process as well. Many have joined me on the bay to see its beauty and its problems first hand. Others have helped me in securing vital appropriations to continue the efforts to save the bay; 74 Members of this body cosponsored H.R. 2817.

Finally, I want to commend all the State officials and private citizens who have worked with me and others in the Congress to forge a national consensus behind the Chesapeake Bay clean up.

Action by the House today to pass the Water Quality Renewal Act will place us on the verge of beginning the most ambitious and comprehensive clean up of any estuary in the world. And no body of water deserves this kind of attention more than the Chesapeake Bay.

It is critical that the House adopt the committee amendment proposed by Representatives HOWARD and ROE. They have developed a Clean Water Act reauthorization package which is balanced, responsible and in the best interests of the act's original goal of providing for fishable and swimmable waters. Every Member of this body is indebted to them and to their fine staff for their persistence in fashioning this bill.

I urge my colleagues to support the committee amendment and to support final passage of H.R. 3282. The future of the Chesapeake Bay literally depends upon it.

Thank you.

Mrs. SCHNEIDER. Mr. Chairman, I ask to strike the requisite number of words.

I would like to take this opportunity to get involved in a colloquy with the chairman.

As you know, I have had problems and great concerns with two of the provisions of the bill, as have a number of my colleagues, in particular the gentlewoman from my neighboring State of Connecticut, Mrs. JOHNSON. Those two provisions in particular are first of all the extension of the pretreatment deadline for electroplaters until July 1985, and the second one being a provision granting EPA broad discretion to give integrated facilities an extra year in order to meet their first pretreatment deadline.

But, as you know, because the deadline for nonintegrated electroplaters has already passed, and the integrated electroplaters is imminent, these deadline extensions are at this time penalizing the companies that have invested their hard-earned dollars in pollution control technologies in favor of competitors who failed to comply with the law.

I had therefore planned to introduce an amendment deleting both provisions.

I am pleased to see that the committee has since decided that electroplaters should not get an extension beyond December 1984 and that EPA should only give integrated facilities a single compliance date where there are sound technological reasons for doing so and where the single compliance date will result in speedier, more comprehensive pollution control.

I would still prefer that there be no electroplating deadline extension and I do believe that the committee's new amendments are a very reasonable compromise, provided that we send industry EPA and our constitutents a very clear message that Congress is serious about enforcing this deadline.

I wanted to check with you to make sure that I am correct in stating that it is the committee's intent that once the December 1984 deadline expires, neither the EPA, the States, the cities, nor the courts may add a new grace period on top of that already provided by Congress. Instead, it is my understanding, as you and I have spoken, that they will be forced to vigorously enforce the deadline and obtain sanctions, including penalties against those who exceed it.

Mr. ROE. Will the gentlewoman yield?

Mrs. SCHNEIDER. I yield to the gentleman from New Jersey.

Mr. ROE. I want to thank the gentlewoman for her contribution. I would like to say at the outset that you have been a real leader in the field of environmental concerns throughout the entire Nation, not only including your own State, and I know the great work you had put into this entire issue.

The committee has listened to your observations and your advice and I can tell you frankly that what we have done here under the substitute now has made the date of December 1984 a date certain for these achievements.

Of course, all throughout the Nation people realize that that is the date that we expect those people who would be involved in this particular type of business to definitely do what they are supposed to do and do it right by that time.

As you indicated, and quite rightfully so, we have also added much stricter, not only monetary penalties into the legislation but also criminal sanctios. So I think what you are saying is that the date, and we hope that is the date. That is the intent of the committee.

Mrs. SCHNEIDER. In that case, I will not offer my amendment.

Mr. EDGAR. Will the gentlewoman yield?

Mrs. SCHNEIDER. I am happy to yield.

Mr. EDGAR. I would like to commend the gentlewoman for her action on this particular issue of electroplating. It was an issue that I was very concerned about, and when in full committee the language was changed I became very much alarmed that we were sending the wrong message out, particularly in light of the fact that we do have the technology available to use to clean up this very hazardous pollution. And I think we have provided now, with the chairman's substitute, a clear signal that at the end of 1984 all deadlines have in fact been targeted and met and there will be no additional extensions.

So I thank the gentlewoman for her leadership. The gentlewoman from Connecticut has provided that leadership also in our committee, so Rhode Island and Connecticut have been well represented.

But I think it really reflects the interest of the environmental community across the country to set a time certain for this particular issue, and I commend you for your action.

Mrs. SCHNEIDER. I thank my colleague.

Mr. Chairman, I would also like to take this opportunity to thank you not only for your willingness to compromise on the electroplating extension, but also I would like to thank you for your support in the $1.5 million appropriation that will help to coordinate and assist the Federal and State data collection for the Narragansett Bay and the Chesapeake Bay pollution studies in order to better understand what are the actual pollutants and how to further best pursue measures to correct them.

Mr. ROE. Will the gentlewoman yield?

Mrs. SCHNEIDER. I yield to the gentleman.

Mr. ROE. May I suggest that the gentlewoman has been very, very articulate and very persuasive in her views.

Mrs. SCHNEIDER. I thank the chairman.

AMENDMENT OFFERED BY MR. EDGAR TO THE AMENDMENT IN THE NATURE OF SUBSTITUTE OFFERED BY MR. ROE, AS AMENDED

Mr. EDGAR. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. EDGAR to the amendment in the nature of a substitute offered by Mr. ROE; as amended: At the end of the bill add the following new section:

"SEWAGE SLUDGE

"SEC. . (a)(1)(A) Not later than six months after the enactment of the Water Quality Renewal Act of 1984, the Administrator shall indentify those toxic pollutants which, on the basis of available information on their toxicity, persistence, concentration, mobility, or potential for exposure, may be present in sewage sludge in concentrations which may adversely affect human health or the environment.

"(B) Not later than eighteen months after the enactment of the Water Quality Renewal Act of 1984, the Administrator shall identify those toxic pollutants not identified under subparagraph (1)(A) which may be present in sewage sludge in concentrations which may adversely affect public health or the environment.

"(2)(A) Not later than eighteen months the enactment of the Water Quality Renewal Act of 1984, the Administrator shall publish regulations specifying acceptable management practices for sewage sludge containing each toxic pollutant identified under subparagraph (1)(A) and establishing numerical limitations for each such pollutant for each use of or disposal technique for sludge identified by the Administrator. Such regulations shall require compliance no later than six months after their publication.

"(B) Not later than thirty months after the enactment of the Water Quality Renewal Act of 1984, the Administrator shall publish regulations specifying acceptable management practices for sewage sludge containing each toxic pollutant identified under subparagraph (1)(B) and establishing numerical limitations for each such pollutant for each use of or disposal technique for sludge identified by the Administrator. Such management practices and numerical limitations shall be adequate to protect the public health and the evironment from any reasonably anticipated adverse effects of such pollutant. Such regulations shall require compliance no later than six months after their publication.

"(C) For purposes of this subparagraph, if, in the judgment of the Administrator, it is not feasible to prescribe or enforce a numerical limitation for a pollutant identified under paragraph (1), he may instead promulgate a design, equipment, management practice, or operational standard, or combination thereof, which in his judgment is adequate to protect public health and the environment from any reasonably anticipated adverse effects of such pollutant. In the event the Administrator promulgates a design or equipment standard under this subsection, he shall include as part of such standard such requirements as will assure the proper operation and maintenance of any such element of design or equipment.

"(D) Any regulation issued under this paragraph shall be considered an "effluent standard of limitation" for purposes of Section 308 or Section 505 of the Federal Water Pollution Control Act.

"(b) The Administrator is authorized to conduct or initiate scientific studies, demonstration projects, and public information and education projects which are designed to promote the safe and beneficial use of sewage sludge for such purposes as aiding the restoration of abandoned mine sites, conditioning soil for parks and recreation areas, agricultural and horticultural uses, and other beneficial purposes. For the purposes of carrying out this paragraph, the Administrator may make grants to State water pollution control agencies, other public or non-profit agencies, institutions, organizations, and individuals. In cooperation with other federal departments and agencies, other public and private agencies, institutions, and organizations, the Administrator is authorized to collect and disseminate information pertaining to the safe and beneficial use of sewage sludge.

"(c) For the purposes of carrying out the scientific studies, demonstration projects, and public information and education projects authorized in this section, there is hereby authorized to be appropriated for fiscal year 1985 and ensuing fiscal years such sums as may be necessary but not to exceed $15,000,000."

Mr. EDGAR (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EDGAR. Mr. Chairman, I take this time at the end of this proceeding, and I know there may be just a few additional comments to be made, to offer an amendment dealing with sewage sludge.

I feel a little bit like the character in the "Sesame Street" TV show that we used to see over and over again on public television about singing "I love trash." I would like to put out a song about how I like sludge.

It is not something that everybody wants to talk about. It is not something anybody wants to deal with, and yet we have to put an orderly process together whereby EPA puts our clear recommendations and regulations dealing with the disposal of this commodity that is created by our efforts to clean up your environment.

So, Mr. Chairman, this amendment is intended to deal with what is probably the most difficult practical problem facing sewage treatment plants in cities around the Nation. The problem is what to do with the sewage sludge which accumulates at these treatment plants.

The amendment adds specific requirements in order to put the EPA on a schedule of publishing guidelines for the safe use and disposal of sludge.

My amendment places emphasis on the responsibility of the Federal Government to provide assistance in the safe and beneficial use of this sludge.

Mr. Chairman, I hope that as we come to a close in this particular bill with this amendment, we recognize the outstanding leadership of our chairman of the subcommittee, the gentleman from New Jersey [Mr. ROE], and our ranking member on the Republican side, the gentleman from Minnesota [Mr. STANGELAND], as well as the gentleman from New Jersey [Mr. HOWARD], and the gentleman from Kentucky [Mr. SNYDER], and many others who have put this legislation together.

I also think we must commend the environmental community who kept all of our feet to the fire on this legislation, who helped us to understand some of their particular concerns. It was tough at times and I objected to some of the tactics used by some within the environmental community because I think they became too personal. But I can assure those in the environmental community, and my colleagues in Congress, that this clean water bill is clearly a clean water bill. That it does in fact continue the effort that Congress set out over 10 years ago to make sure that our waters would be drinkable and swimmable and fishable, and that we would have the desired effect of cleaning up our water supply.

So I would urge my colleagues not only to support my sludge amendment but to support the thrust of this bill and help us to move to a conference with the other body, to place on the President's desk before the election in November a strong, committed environmental piece of legislation that continues a strong, committed effort to clean up our waters.

Mr. Chairman, again, this amendment is intended to deal with what is probably the most difficult practical problem facing sewage treatment plants in cities around the nation. The problem is what to do with the sewage sludge which accumulates at such treatment plants.

The amendment adds specific requirements in order to put the EPA on a schedule for publishing guidelines for the safe use or disposal sludge. My amendment places emphasis on the responsibility of the Federal Government to provide assistance in the safe and beneficial use of sludge.

Although sludge, if properly treated and monitored, can be a resource, sewage authorities have found great difficulty in obtaining public acceptance of the use of sludge for such purposes as mine reclamation, soil enhancement, and other purposes. Sludge is not a nice word, and not a nice concept for most people. Few people seem to want it in their back yards, their parks, or their forests. Such public caution is wise if the product contains toxic chemicals or metals from industrial processes, but proper wastewater treatment and management practices can remove dangerous pollutants and render sludge a truly beneficial product.

The alternatives to land disposal of sludge are either ocean dumping or incineration. Dumping of even well-treated sludge into the ocean can be severely disruptive of the marine environment and shore communities. Incineration requires very large capital investments and poses possible hazards to air quality. Ocean dumping has been discouraged by a number of Federal statutes, and many of our cities have complied with this wise policy. However, the Federal Government has neglected its responsibility to explore and promote responsible alternatives to outright disposal of sludge. Despite aggressive efforts by the private sector and local authorities to market sludge products, the EPA has refused to provide the types of strict public health and environmental guidelines which could reassure the public about the safe use of sludge. The Federal Government has also failed to provide any visible assistance to promoting the safe use of sludge.

The city of Philadelphia, with massive sewage treatment requirements, has refrained from dumping sludge in the ocean since 1977 and explored creative techniques for land application at mine sites as well as parks within the city. Philadelphia has encountered nearly intractable public acceptance problems despite the advanced pollution control techniques in place at the city's new sewage treatment plants. Although State environmental authorities carefully regulate and monitor sludge use, a Federal seal of approval has been lacking because the EPA has refused to promulgate detailed sludge use guidelines. Philadelphia is only an example of the types of problems which have plagued the District of Columbia, New York, and nearly every other city in the country. Yet, EPA has declined to aggressively help sort out this mess.

My amendment would require two actions by EPA. First, it would require the Administrator of EPA to publish detailed guidelines and numerical pollutant standards governing environmentally acceptable use of sludge for specified purposes. The EPA would be on a strict time schedule for this regulatory process, with complete regulations due within 2½ years after enactment of this act and interim regulation due within eighteen months.

The amendment also authorizes the Administrator to conduct or initiate scientific studies, demonstration projects, and public information and education projects designed to promote the beneficial use of sewage sludge for such purposes as restoration of abandoned mine sites, conditioning of soil for parks and recreation areas, and agricultural and horticultural uses. Finally, the amendment authorizes the expenditure of $15 million by the EPA in subsequent years to carry out projects and activities which will help solve the sludge disposal and use problem. This is a small but needed sum in comparison with the multibillion dollar investment we have authorized for the removal of pollution from our wastewater.

My amendment also authorizes the Administrator to collect and disseminate information regarding the beneficial use of sludge. Many communities throughout the United States currently make use of their sludge in safe and environmentally sound ways. These initiatives are not receiving the attention they deserve.

My amendment will give EPA the resources needed to study these programs and report on their status and long-term potential. In conducting these activities, EPA should focus particular attention on our major metropolitan areas where sludge management has been a major, ongoing problem. In many cases, the implementation of innovative and positive programs has led to the safe and beneficial use of sludge. Regional seminars on sludge management would allow firsthand information exchange and discussion of sludge use to publicize the concept of sludge as a resource rather than a waste.

This is an especially difficult problem faced by many of our cities which have complied with the tough requirements of the Clean Water Act. Congress should press the EPA to move forward on this problem in a more aggressive way, and I urge adoption of this amendment to ensure that this problem is dealt with.

Mr. ROE. Will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from New Jersey.

Mr. ROE. I thank the gentleman for his splendid contribution and his comments, and also for his leadership in his groundwater amendment, and particularly the sludge amendment now.

I think this is the one big open item in the entire environmental community as to what we do with that, whether we burn it, dump it into the ocean as has been debated, or whether we bury it in contamination vaults.

I think it is a very key environmental area and a key issue as far as this legislation is concerned.

By all means, we accept your most splendid amendment as it adds to the quality of this bill.

□ 1700

Mr. EDGAR. I thank the gentleman for his comments.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from Minnesota.

Mr. STANGELAND. I thank my friend for yielding.

Certainly we on this side have looked at the amendment, we accept it. Beyond that, I would like to say I want to commend the gentleman for being a catalyst in working to put this together.

Perhaps one of the strongest environmentalist advocates here in the Congress, certainly on the Committee on Public Works and Transportation. Had it not been for his strong association with these environmental groups, it might have been more difficult for the chairman of the subcommittee and the chairman of the full committee to bring that to fruition. But because of that close association, because of the respect that he has in that community and on the committee, he has been a catalyst.

I want to commend his role in this clean water bill, because it is a clean water bill. We would be happy to accept the amendment.

Mr. Chairman, I rise in support of the gentleman from Pennsylvania's amendment.

The question of proper sludge treatment and disposal practices is one of the most important matters dealt with by the Clean Water Act. It makes very little difference that we are removing pollutants from waste streams in our cities if, in the process, all we are doing is transferring the pollution from our water to the land. The situation becomes even more critical in light of the fact that, in many instances, sludge from wastewater treatment plants is used as fertilizer, fill for reclaiming abandoned mines, and other nonwaste purposes. Under these circumstances, it is absolutely essential that we ensure to the maximum extent practicable that sewage sludge does not contain toxic pollutants in concentrations that may adversely affect human health or the environment.

The question of proper use and disposal of sludge is not a new issue. The Agency has been tasked with providing sludge use guidelines since Public Law 92-500 in 1972. Again, in the 1977 Clean Water Act, Congress focused on the need to develop adequate procedures and requirements for disposing of sewage sludge and amended the act to require promulgation of guidelines and necessary regulations. Unfortunately, we are still awaiting the product of the work that has been ongoing at EPA since 1977.

The gentleman's amendment is intended to accomplish this objective. It is drafted in a way to emphasize once again how important the Congress believes this issue is. It is a good amendment and I urge its adoption.

Mrs. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentlewoman from Connecticut.

Mrs. JOHNSON. Mr. Chairman, I want to commend the gentleman from Pennsylvania on this amendment. Without the work that he is requiring EPA to do in regard to sludge identification, classification, testing, and catalyzation, the environmentally committed entrepreneurs of America cannot find ways to reuse this material in a constructive environmentally sound fashion.

I have in my own district a creative young man who has, through the way he manages his plant, demonstrated the soundness of his concern for the environment and his willingness to invest in environmentally sound methods, who has discovered a way to bond sludge together.

The CHAIRMAN pro tempore. The time of the gentleman from Georgia has expired.

(By unanimous consent, Mr. EDGAR was allowed to proceed for 1 additional minute.)

Mr. EDGAR. I yield to the gentlewoman from Connecticut.

Mrs. JOHNSON. It is a very promising process. It will have commercial application. It will be a building material. But there simply is no framework within which this material can be evaluated publicly. And I appreciate the gentleman's leadership in this area.

Mr. EDGAR. I thank the gentlewoman.

Let me conclude by saying that I love sludge and I love the fact that the Members have accepted the amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. EDGAR] to the amendment in the nature of a substitute offered by Mr. ROE, as amended.

The amendment to the amendment in the nature of a substitute, as amended, was agreed to.

Mr. ANDREWS of Texas. Mr. Chairman, I move to strike the last word, and I rise in support of the Roe substitute.

I will not take all of my time. I wanted to take an opportunity to congratulate Chairman HOWARD and Chairman ROE for their leadership on this very important bill.

I think the key point about this piece of legislation is that it is a forged compromise that is truly a strong environmentally-supported bill. I urge all my collegues to support this piece of legislation.

Mr. DONNELLY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the substitute.

Mr. Chairman, I rise to commend the diligent efforts of Representative HOWARD, chairman of the Public Works and Transportation Committee, Representative ROE, chairman of the Subcommittee on Water Resources, and the ranking Republican members of the committee for successfully bringing H.R. 3282, a 4-year reauthorization of the Clean Water Act, before the House today. Today's actions culminate work that began late in the 97th Congress to reauthorize the construction grants program and review many of the important provisions established in the 1972 Clean Water Act.

As the cornerstone of water pollution control, the Clean Water Act symbolizes the progress we have made toward maintaining and improving the water quality of rivers, lakes, and estuaries across the Nation. H.R. 3282 is a remarkable product of consensus among the often conflicting interests of environmental and industrial groups and provides continued hope for a complete cleanup of the Nation's waterways.

The objections raised to H.R. 3282 have been addressed by the committee with the resulting compromise representing a marked improvement in our clean water program. The most important of these improvements is a strong reauthorization of the construction grants program which will provide adequate Federal funding to continue the construction of needed waste water treatment facilities. Also included are rational and enforceable compliance deadlines that will allow the EPA to proceed on schedule with its industrial and toxic waste programs.

Several provisions in H.R. 3282 are particularly important to the inhabitants of the Northeast which has water pollution problems that are unique to this region of the country.

Combined sewer overflows are a problem for the older cities of the Northeast that date back to the late 1800's. When these cities were constructed there was no reason to separate stormwater runoff from sewage disposal and a combined sewer system resulted. Growing populations soon made it apparent that these combined systems were not viable because overflows produced the discharge of raw sewage into open water bodies. H.R. 3282 recognizes the problem of these overflows by increasing and extending the authorization for addressing this most urgent problem.

Also included in H.R. 3282 is a provision authorizing $25 million annually to assist States in restoring water bodies that have deteriorated as a result of acid deposition. This is a temporary, but necessary effort to battle the degrading effects acid rain has had on the life-sustaining capability of lakes and streams in the Northeast.

Finally, of particular importance to my own city of Boston is the $30 million authorization for emergency repairs at the Deer Island sewage treatment facility. The deplorable state of this facility results in frequent breakdowns of machinery that produce massive sewage backups in the entire metropolitan system. These backups discharge raw sewage into Dorchester Bay, Quincy Bay, and Boston Harbor, closing beaches during the summer and contaminating the shellfish beds located throughout the area. The $30 million authorization for Boston will provide a cost-effective and efficient solution that will significantly improve water quality for the entire Boston area.

Mr. TOWNS. Mr. Chairman, I move to strike the requisite number of words.

Mr. MINETA. Mr. Chairman, will the gentleman yield?

Mr. TOWNS. I yield to my good friend, the gentleman from California.

Mr. MINETA. I thank my colleague for yielding

Mr. Chairman, I rise in strong support of the amendment in the nature of a substitute offered by the gentleman from New Jersey [Mr. ROE].

I had reservations about H.R. 3282 after it was voted out of the Public Works and Transportation Committee and I felt that the bill could use some improvement in a handful of areas so that it would be the strongest, best environmental bill possible.

I am extremely pleased to see that the gentleman from New Jersey who chairs the Subcommittee on Water Resources, has prepared a package of amendments in the nature of a substitute which addresses these concerns. If this amendment is passed, the House will have the opportunity to vote out a strong Clean Water Act reauthorization bill.

I urge my colleagues to join in supporting the Roe substitute. It is a carefully crafted compromise and the result of weeks of hard work by Mr. ROE, Mr. HOWARD, Mr. SNYDER, Mr. STANGELAND, their committee staff, environmental representatives, and others.

I commend all of these experts on their diligence and commitment to the integrity of the Clean Water Act and to the goal of making our Nation's water resources safe and of the highest environmental quality. With adoption of the Roe substitute, H.R. 3282 will be legislation in which we can all take pride.

Mr. TOWNS. Mr. Chairman, I rise to express my support for H.R. 3282. I would like to commend Chairman HOWARD, subcommittee Chairman ROE, GERALDINE FERRARO, GUY MOLINARI, and the other members of the Committee on Public Works and Transportation for their diligent efforts on this bill. One of the provisions of direct concern to me and my constituents is section 33, which addresses a serious, yet unique problem.

I offered this section in committee to rectify a substantial inequity created by an anomaly in New York State law which, as a practical matter, requires gas utility relocation expenses incurred because of certain EPA wastewater treatment projects to be borne exclusively by local gas consumers. Specifically, millions of dollars in gas utility relocation expenses caused by construction of two EPA-funded projects in New York, the Red Hook and Oakwood Beach projects, have been and will be borne solely by gas consumers in New York City if special consideration is not given. This is especially disturbing to me in light of the fact that more than 40 percent of the gas consumers involved are low-income and elderly people living on fixed incomes. It is simply unfair to add this burden squarely on these people who are not in any way special beneficiaries of these projects. Moreover, the relocation expenses involved are indeed extraordinary in relation to other projects in other areas.

Generally, the burden of federally financed construction should not be borne disproportionately by gas consumers in one State. It is noteworthy that EPA does share in the gas utility relocation expenses incurred in other States on projects funded under the Clean Water Act. These States include, for example, New Jersey, Illinois, Michigan, Rhode Island, Ohio, Connecticut, and Pennsylvania. To require any one group of individuals located in a distinct geographic sector to pay more than a prorata share of the project cost clearly places an unjust burden on those individuals.

The purpose of section 33 is simply to direct the EPA Administrator to reimburse, at the statutorily applicable Federal share, the gas utility relocation costs incurred in connection with the Red Hook and Oakwood Beach projects. This section will reimburse expenses only to the same extent as the Federal share of any other project cost. Most importantly, section 33 will not diminish or in any manner impact the EPA Construction Grants Program funds available to any State. A separate authorization is provided in the section to assure this result.

The section is limited to relocation of natural gas facilities in New York City because of the detailed hearing record on this very specific problem. Testimony before the subcommittee illustrated the extraordinary cost impact of these projects on gas consumers. Thus, section 33 was adopted to cover the total gas utility relocation costs incurred to date and to be incurred in the future on these projects. Simply stated, it covers all relocation expenses for the entire two projects designated. These expenses would include costs incurred in the relocation of facilities, such as gas lines, valves, and related compressor equipment, as well as costs necessary to support and protect facilities influenced by the projects.

An additional benefit of section 33 is that it minimizes economic waste because it encourages local project administrators to coordinate with the gas utility in seeking the most economic and efficient relocation plans.

In sum, Mr. Chairman, I am pleased to support H.R. 3282 and particularly section 33 relating to gas utility relocation expense reimbursement on the Red Hook and Oakwood Beach projects.

Mr. LEVITAS. Mr. Chairman, I move to strike the requisite number of words, and I support the substitute.

Mr. Chairman, it has become almost a ritual in this body as we conclude the debate on important legislation that we heap praise upon the managers of the bill, the ranking Members who played a role in constructing it.

It has become so much of a ritual that I fear sometimes we do not really give enough serious consideration to the words that are spoken on behalf of some of the efforts.

But I have watched very carefully the work that was done on this bill. It was done meticulously, quietly, conscientiously and diligently by the gentleman from New Jersey, the chairman of the subcommittee; the gentleman from Minnesota, the ranking member.

The cooperation and involvement of the chairman of our full committee and of the ranking member of the full committee was not perfunctory.

These people worked day and night, literally, piecing together an extremely important piece of environmental legislation. It is not only good legislation for the environment, it is also reasonable and it is balanced.

And I think that that is an extremely remarkable achievement, given the situation in this instance which was one in which there were the competing efforts and points of view at work.

□ 1710

As I look back over the last few years of this administration, I suppose if there is one area in which the original policies and programs of this administration were wrong—dead wrong, and were not supported by the American people, and for which there was never a mandate, it was in the area of the enviornmental protection and conservation. I think that it is a tribute to the processes of our system that the administration, if not completely changing its policy and program, has at least, as a result of the efforts which have been made in the Congress of the United States, rejected and stopped those wrong policies. James Watt is gone. Anne Gorsuch Burford and 13 Presidential appointees are gone. We made a difference and a change.

The American people have said time and again that they want clean air to breathe, they want clean water to drink, and they want soil that is free from contamination of toxic chemicals.

What we have seen today in the clean water area is a result of our efforts to turn President Reagan's policy from error and destruction. The American people are willing to pay for a healthy environment. They have time and again in polls said, "We think a clean environment is vital and we are willing to pay what is necessary and accept reasonable controls."

Mr. MOLINARI. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from New York.

Mr. MOLINARI. I thank the gentleman for yielding.

Mr. Chairman, I would like to associate myself with the eloquent remarks of the gentleman from Georgia [Mr. LEVITAS].

Mr. Chairman, I would like to commend the chairmen and the ranking members of the Committee on Public Works and Transportation and the Subcommittee on Water Resources for their extraordinary effort in fashioning this Clean Water Act reauthorization legislation before us now in the form of a substitute.

A great deal of deliberation went into drafting and redrafting this bill in order to come up with the most acceptable language to all parties involved. It is no secret that both environmental and industry groups protested certain provisions of the previous legislation. The fact that such diverging views could reach an agreement points out the exceptional compromise which this legislation represents.

We have made impressive progress thus far in cleaning up our Nation's waterways. It is imperative that we continue to rejuvenate America's waters at an accelerated pace. While the legislation before us today is not revolutionary, it addresses those areas within current law which have proven especially difficult to implement and which need reform to be more effective. Now is the time that we reevaluate our efforts and attempt to correct the regulations which have caused significant administrative backlog and have hindered progress in achieving our goals. Absent of such reform, further advancement will likely grind to a halt.

This reasonable compromise encompasses a balanced approach which both the environmental and industrial representatives recognize will strengthen the protection of our Nation's waters while alleviating some of the impractical regulatory burden. I doubt that a better legislative remedy could have been crafted.

Several fundamental, yet problematic, areas have been skillfully addressed. The discharge permit system, which has experienced substantial backlog, is extended from 5 years to 10 years. However, it allows permits to be reconsidered where there are changes in toxic regulations or water quality standards. Another provision extends electroplating deadlines to December 1984, with no further extensions. Integrated facilities with more than one waste stream would have a single compliance deadline 1 year after the first deadline and only when the technology requirements are the same for the various processes.

The compromise package would also maintain the current law which permits States to use up to 20 percent of its construction grant allotment for collector sewer lines which run from homes to central treatment plants, rather than making collector sewer lines fully eligible for Federal wastewater treatment construction grants. Retaining this provision focuses our attention on the priority of pollution control rather than spending precious moneys on costly pipelines which do comparatively less in alleviating our real pollution problems.

I am pleased to note that four provisions of my own Clean Water Act amendment legislation, H.R. 5512, is included in this substitute package. For example, one of my provisions contained within this legislation is intended to force all States to comply with the standards established by both interstate and intrastate water quality plans by withholding grant moneys for any proposed construction project located within an area which is out of compliance with the standards set forth by the water quality plan for that area. Furthermore, this provision will give interstate agencies a stronger mandate to enforce interstate, areawide water quality standards so that one State is not precluded from receiving construction grant funds due to the negligence of another State located within the same areawide, interstate water quality management plan.

Another provision would provide for further research on the rising levels of pollutant contamination within marine life that directly effect public health, and research designed to reduce and eliminate such contamination. In my own metropolitan area of New York City, both the shellfish and striped bass industries have been reduced to virtually nonexistant levels. But even more disturbing than the damage suffered by the industry is the threat which such levels of pollution pose to human health. It is time that we upgrade the quality of waters to safeguard public health and allow for the restoration of the indigenous marine population.

Finally, I applaud the greater weight given to the responsibilities of interstate agencies. The legislation requires that any time a group of States convene for a water quality management conference, if there is an interstate agency for those States that agency will be the lead agency. This is important to ensure that an interstate overseer would put the welfare of the waterbody before the unilateral interests of an individual State.

In conclusion, I urge my colleagues to support this reasonable and effective approach toward upgrading and protecting our Nation's waters.

Mr. LEVITAS. I thank the gentleman.

Mr. FEIGHAN. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I am happy to yield to the gentleman from Ohio.

Mr. FEIGHAN. I thank the gentleman for yielding.

Mr. Chairman, I, also, would like to associate myself with the gentleman's remarks.

The CHAIRMAN pro tempore. The time of the gentleman from Georgia [Mr. LEVITAS] has expired.

(By unanimous consent, Mr. LEVITAS was allowed to proceed for 1 additional minute.)

Mr. LEVITAS. Mr. Chairman, it is for that reason that I think this legislation is one that all of us should support.

I know that there were some in the environmental community who I think took positions that almost went to the extreme and that they undid the good work that was accomplished by the Congress up to this point through over zealousness, shrillness, and personal attack. The environmental movement, which was languishing, really got new life through the excess negativism of this administration's wrong policies. It would be a shame if they lost this second chance for success by excess zeal, unreasonableness, and elitism. But wiser and cooler heads prevailed and the consensus with the environmental community come back to a more balanced position which will gain the continued broad public support for an effective and reasonable environmental protection program.

It is in part for that reason that I, in consultation with the gentleman from New Jersey, did not offer an amendment which I had intended to offer that would have reduced from 65 percent to 55 percent the share of the Federal portion of this program in order to give incentives to the various municipalities to move forward. Because I believe that the gentleman understands the problem and I think has, by this legislation and its funding levels and with the framework that it has established, struck the proper balance for effective environmental protection.

Mr. Chairman, in mentioning the question of the Federal share, I want to reemphasize the fact that we have for years been providing ever-increasing amounts of Federal assistance to local communities in order to assist them in meeting the clean water laws mandatory requirements for wastewater treatment and pollution abatement. But I have continued to be concerned that by increasing the amount of funding every few years, and by increasing the Federal share of a wastewater grant projects costs, we have encouraged many communities to wait as long as they can, so that in the end, when they were finally forced to cleanup, they would obtain the maximum Federal share. In a sense, we have been encouraging the recalcitrant community to wait and to delay.

In 1981, we began to change things. The amendments to the law that year reversed this historical pattern by reducing the Federal share. There was a concern among many, though, that this reduction in the Federal share was too much, too quickly, and that it would create considerable problems for many communities who had begun costly, multiyear projects in good faith. Indeed, our oversight hearings and reports also recommended that the reduction in the Federal share of these projects be a phased and gradual one.

It is for these reasons that I am supportive of this bill's provisions to adjust the 1981 change so that the net effect will now be to reduce the Federal share from the current 75 percent of a construction grants program project's costs to 65 percent. I am also pleased that this will help communities to respond to the change in a more reasonable way. It provides time for adjustment.

I also understand that the gentleman from New Jersey would consider this matter in the future, when the authorization in this bill expires. I think that is most appropriate, for it ensures that we are able to have an opportunity to further review the progress of this program, and to evaluate the overall Federal assistance that is needed.

In the meantime, this provision does reduce the Federal share, and it does continue to send the same signal that we began to send in 1981 for the first time in many years. That waiting and delaying in cleaning up pollution will not be to a community's advantage. We will no longer reward the recalcitrant.

● Mr. PANETTA. Mr. Chairman, I would like to express my strong support for a provision in H.R. 3282, which will be extremely helpful to some residents of my district, and I believe to other individuals throughout the country who benefit from wastewater systems financed under the Federal construction grants program.

The San Lorenzo Valley Water District, in my congressional district of California, is currently in the process of preparing a grant proposal for a new and much-needed wastewater management system. Some of the area's residents have been deeply concerned over the cost impact of the proposed project on fixed and low-income senior citizens and families living in the project's service area. Under current law, these users cannot be charged a lower than proportionate share of the system's costs. As a result, the local community is precluded from offering any assistance to economically disadvantaged local residents, for whom the service charges associated with the project will represent a significant financial burden.

The language included in H.R. 3282 resolves this problem by allowing lower charges to low-income residential users of federally assisted wastewater systems, while requiring public notice and hearing as well as review and approval by the EPA.

I believe this provision will increase the flexibility of local communities in dealing with wastewater management and disposal problems, by allowing them to subsidize low-income residents if the community judges that to be a valid and worthwhile policy. Current law is intended to disallow subsidies to industrial users, and that is a sensible limitation. But current law also has the effect of placing an unnecessary restriction on assistance to low-income users of wastewater systems. This language simply allows local governments to deal with the issue on a local basis, depending on each community's situation and needs.

I am grateful for the assistance of the subcommittee and committee chairman in including this language in H.R. 3282, and I urge my colleagues to support it.●

● Mr. FAZIO. Mr. Chairman, reauthorization of the Clean Water Act is vital for keeping our lakes, rivers, and other waterways safe and clean for America's future. I, therefore, rise in support of H.R. 3282, the Water Quality Renewal Act.

I also want to take this opportunity to commend the leadership of the Committee on Public Works and Transportation for their diligent efforts to bring this legislation to the floor. Chairman HOWARD, subcommittee Chairman ROE, and ranking members SNYDER and STANGELAND deserve our thanks for their commitment to achieving the goals of this important legislation.

This legislation reaffirms the commitment of Congress to the original goal of the Clean Water Act of 1972—attaining fishable, swimmable waters for all Americans. Although this goal has not yet been achieved, significant progress has been made over the past several years. Our publicly owned wastewater treatment plants are removing more than 13,000 tons per day of pollutants from our waters, an increase of 65 percent over 1973 levels. That is real progress, Mr. Speaker.

H.R. 3282 seeks to continue and expand the water cleanup program. It would limit raw sewage discharges into estuaries and the ocean. It maintains water-quality standards, wetlands protection, and funding for the important clean lakes program. It also increases funding for sewage treatment under the construction grants program, and authorizes $1.6 billion for a new loan guarantee program, to be used by the States to help municipalities with sewage-treatment construction.

Mr. Chairman, these reforms are absolutely essential for thousands of small towns across the Nation who are trying to comply with EPA wastewater treatment standards. A survey I took this year indicated that over 80 percent of the mayors in my district have experienced serious problems with the construction grants program. It is simply inadequate and too inflexible to meet the clean water needs of rural American communities.

I also want to thank the chairman for agreeing to allow collector sewers to remain eligible for funding only under the current 20-percent discretionary fund. This will allow many smaller communities to select less costly, more environmentally sound alternatives to the construction of collector sewers.

Again, in the interest of clean water for ourselves and many future generations, I urge my colleagues to support this carefully crafted compromise without further delay.●

● Mr. LIPINSKI. Mr. Chairman, I rise in strong support of the committee amendment in the nature of a substitute to H.R. 3282, the Water Quality Renewal Act of 1984. The Water Resources Subcommittee under the able chairmanship of Representative BOB ROE has worked long and hard for many months in attempting to fashion eign city's sewers. Quite simply because San Diego is at a lower elevation than Tijuana. In addition, for a good part of the year, the Pacific Ocean currents flow northward along the Mexican coastline to California shores. Be assured, Mr. Chairman, were it not for these facts of municipal infrastructure and geography, Mexican sewage would be of no concern to San Diego. But the facts are inescapable. And their consequence is millions of gallons of raw sewage pouring daily, uncontrolled, onto the land and into the sea, crossing the border from Mexico to pollute and contaminate nearby U.S. valleys, rivers, and seashores.

For half a century, Federal, State, and local agencies have struggled with this problem. American Presidents have repeatedly urged Mexican Presidents to resolve this historic problem. The State Department has worked diligently with the Mexican foreign ministry to execute agreements which will mitigate the pollution hazard. Yet, despite long-term efforts by both countries, the problem only increases in severity. And, candidly, Mr. Chairman, the citizens of San Diego and its nearby communities who are forced to live daily with the pollution which flows from Mexico, grow impatient with the pace of a diplomatic search for a permanent solution.

San Diego is convinced that if this problem is to be solved, the initiative must come from the American side of the border. We also believe that the control of pollution which emanates from Mexico is the responsibility of the United States.

Let me set the background of our request. Since the 1930's San Diego and its environs have suffered pollution from Tijuana sewage. During the early years, the Mexicans built rudimentary facilities which were regularly overwhelmed by increasing demands.

In 1965, a band-aid effort took the form of a 20-year service agreement between the United States and Mexico. The two nations agreed that the city of San Diego would accept sewage from Tijuana into the city's Metropolitan Sewer System [Metro] under emergency conditions. The reason for this pact was to avert serious health and environmental problems in both countries due to the discharge of large quantities of Mexican sewage in the two border communities or into the Pacific Ocean near the international boundary.

During the first 10 years of the agreement, San Diego treated Mexican sewage on an average of 20 days per year. However, in the midseventies the usage increased dramatically. In 1976, Tijuana sewage was treated 90 days and rose to 253 days in 1978. For the past 3 years San Diego has treated Mexican sewage for 365 days each year. In effect, there has been and is a permanent emergency in the Tijuana sewage system. As a consequence, San Diego is collecting, treating, and disposing of nearly 80 percent of Tijuana's daily sewage load on a continuing basis.

While this daily treatment of Mexican sewage has been a burden, consider the alternative. If Tijuana's system were fully operational, it would pump approximately 18 million gallons a day of untreated sewage into the Pacific Ocean surf a few miles south of the border. The local U.S. ocean shoreline has been spared the major pollution and contamination which surely would result from the discharge of such enormous quantities of untreated sewage only because of Tijuana's permanent emergency. Under the emergency condition, San Diego, because of contractual obligations and self-interest, receives into its system 13 million gallons of Mexican sewage daily for treatment and disposal. Tijuana pumps the balance of its daily flow, 5 MGD, into the ocean a short distance below the border. Believe me when I say, it is not difficult to locate this discharge point on the Tijuana coastline. This joint effort, the treatment by San Diego of 13 MGD, and the raw discharge of 5 MGD by Tijuana, constitutes Tijuana's present total sewage disposal method.

When Tijuana cannot pump its daily 5 MGD into the surf because of failures in its system, the 5 MGD, following land contours, flows into the Tijuana River Valley on the U.S. side of the border contaminating and polluting farm acreage. Sewage also flows into the Tijuana Valley River, which carries it to the ocean, contaminating U.S. valley waterways along the way. For part of the year, ocean currents carry this raw sewage northward fouling U.S. shorelines. Records show there was a beach quarantine in effect directly north of the international border for 307 days in 1980, 219 days in 1982, and 309 days in 1983. In August 1983, approximately 7 miles of beach north of the border was quarantined.

In response to the intolerable situation, Mexico is unwrapping the latest band-aid. It has started construction of a 60 MGD pumping plant, a force main and a conveyance system which, when complete, will carry all of Tijuana's sewage to the present ocean discharge point 5.6 miles south of the border. The 60 MGD facility is designed to handle projected Tijuana sewage loads through 1993. Work on the pumping plant was halted in 1982 due to a peso devaluation and a change of national administration. It is approximately 50 percent complete. However, work continued on the force main and conveyance system and is said to be complete. But of course, without the pumping station the other work is useless. We are informed that some construction on the pumping plant has resumed, but it is uncertain when it will be complete. Moreover, U.S. engineers question whether the engineering, construction, and maintenance of the new system, when complete, will accommodate the flow for which it is designed.

Mexico speaks of a future system which will carry sewage from Tijuana to a treatment facility to be built approximately 18 miles south of Tijuana. It is said that in addition to eliminating the present pollution problem, this facility will also reclaim sewage for agricultural uses. Unfortunately, Mexico cannot say when this facility will be operational.

Mr. Chairman, this pollution hemorrhage cannot be stopped with band-aids. What is needed now is a tourniquet. San Diego has concluded that the tourniquet is a treatment and disposal facility constructed on the U.S. side of the border which is capable of accepting Mexican sewage. We are joined and supported in this conclusion by the U.S. Environmental Protection Agency and the State of California.

Again, I am pleased at the committee's positive response to this serious problem. The San Diego delegation is working on all fronts to remedy the Tijuana sewage hazard and I encourage my colleagues to support H.R. 3282 on the floor today.●

● Mr. McKINNEY. Mr. Chairman, as amended on May 1, 1984, by the House Subcommittee on Water Resources, H.R. 3282 included a provision which required the Environmental Protection Agency [EPA] to convene a management conference to formulate a comprehensive water quality restoration plan for estuaries affected by interstate-sourced pollution. Unfortunately, during its full committee markup this provision, known as the estuaries section, was dropped from the bill because of jurisdictional questions.

Today, however, it is my understanding that the House Committee on Merchant Marine and Fisheries and the House Committee on Public Works and Transportation have come to an agreement regarding the estuaries section. It also is my understanding that the section is ready to be reattached to H.R. 3282. Given the apparent resolution of the jurisdictional questions, I rise today in strong support of the inclusion of the estuaries section in H.R. 3282.

If enacted, this section wil have an historic effect on pollution control efforts in Long Island Sound. For the residents of New York, Connecticut, and thousands of others who each year use Long Island Sound for their livelihood and recreation, a comprehensive interstate pollution control plan has been long overdue. Numerous water quality problems occur each a strong bill that will ensure that our Nation's water supplies continue to meet the fishable and swimmable goals set forth in the 1972 Clean Water Act.

Included in the committee amendment is an authorization for a study of the consumptive uses of Great Lakes water. Earlier this year I introduced legislation that would authorize the Environmental Protection Agency, in cooperation with the Great Lakes States to undertake a comprehensive study of all possible control measures to reduce the quantities of Great Lakes water consumed. The major provisions of my bill have been incorporated into the committee substitute to H.R. 3282.

One of the objectives of the Clean Water Act is to provide for the protection and propagation of fish, shellfish, and wildlife, and to provide for recreation in and on the waters of the Nation. Those of us who live in the Northeast and Midwest regions of the country have traditionally enjoyed plentiful supplies of fresh water from the Great Lakes that surround our borders. We want to ensure that we will always have this resource readily available.

Recent studies by the International Joint Commission have indicated that future consumptive uses will put a serious strain on the ability of the Great Lakes system to maintain those water levels and flows necessary to maintain ecological productivity and to avoid serious losses to important Great Lakes interests such as hydropower production and navigation. The Commission projects a fivefold increase in the amount of Great Lakes water that will be consumed over the next 50 years. Most of the increase in water consumption will be due to growth in the manufacturing and thermal-power-generation industries. In 1975, the consumptive use of Great Lakes water was estimated at 3.2 billion gallons per day. By the year 2035, it has been estimated that consumptive uses will increase to over 16.4 billion gallons per day. There will be a corresponding drop of 9 inches in water level on the lakes with this increased usage. The economic losses and direct costs to navigation and hydropower interests alone are projected to exceed $200 million annually by the year 2035.

The idea of a study of Great Lakes consumptive uses was endorsed by the Council of Great Lakes Governors at a conference last November. It is vital that our region develop a unified position on the use of our water. In addition this study will take into account the past and future water requirements and uses that will have to be met, to ensure our regions' ability to remain economically viable.

Once again I want to thank the committee for including this provision in their legislation and I urge all of my colleagues to vote for H.R. 3282.●

● Mr. ST GERMAIN. Mr. Chairman, today I find myself in a most difficult position with respect to H.R. 3282, the Water Quality Renewal Act. The reauthorization of the Clean Water Act is extremely important for our Nation's environment. A number of my colleagues have worked diligently to develop a bill that on the whole is a good, strong piece of legislation, one which if enacted into law will maintain the progress which has been made under the Clean Water Act.

Unfortunately, one section of the compromise legislation which is being presented is most difficult for me to support. I am referring to the 6-month extension for pretreatment deadlines for the electroplating industry. The electroplating industry has a strong presence in my district and the discharges of the industry are particularly harmful to our water quality. In my view, the industry has been given sufficient time to comply with the deadlines originally set. Indeed, many firms have made the effort, and have met the deadlines. To extend the deadline for the electroplating industry sets a bad precedent. If we grant an extension for one industry, how can we deny it to others? Moreover, it is patently unfair to those who have made the necessary investments to meet the pretreatment standards on time to grant their competitors an extension. Such an action rewards those who have ignored the law, while penalizing those who have acted in good faith to obey the law.

Enough environmental damage has been done by the untreated discharges from industry; deadlines have been set and they should not be set aside. It is simply bad policy to constantly push back deadlines. When will industry ever believe Congress? How will they know what the real deadline is, if we repeatedly allow the deadline to recede into the future?

I am faced with a real dilemma in deciding my vote on this bill. On the one hand, I believe it is crucial to reauthorize the Clean Water Act. On the other hand, I find this particular provision to be bad policy for the Nation and especially harmful to my district. My vote for H.R. 3282 is cast with the greatest reluctance because of the extension of the deadline for electroplaters to comply with pretreatment standards.●

● Mr. LOWERY of California. Mr. Chairman, I rise in strong support of H.R. 3282, the Water Quality Renewal Act of 1984. I would like to commend the gentlemen from New Jersey, Mr. HOWARD and Mr. ROE, for their diligent efforts in bringing this compromise legislation to the floor. In particular, I would like to express my appreciation and gratitude to the Committee on Public Works for its foresight in coming to grips with a matter of great importance to San Diego.

H.R. 3282 contains an authorization of funds which will give the San Diego region relief from a source of environmental pollution which presently it has no ability to control. This pollution, in the form of millions of gallons of untreated industrial and domestic sewage, flows daily uncontrolled from Tijuana, Mexico, across the international border into the United States contaminating the land and waters of San Diego and its neighboring cities. This sewage constitutes a daily hazard to the health and environment of southern California citizens and could erupt into a public health emergency at any time.

The city of San Diego is located in the most Southwestern part of the United States. Its southern corporate boundary is coterminous with the California-Mexico border. Directly south of San Diego lies Tijuana, Mexico, whose northern limits are likewise coterminous with the international line. Since the 1930's Tijuana has grown from a small frontier outpost into a commercial/residential city of approximately 1 million inhabitants. And, because economic opportunity is greater in proximity to the United States than in Mexico's interior, its population is expected to more than double in the next 20 years.

Tijuana is well known throughout the Western United States and Canada for its colorful sporting events, its cultural and scenic attractions, and its international shopping plazas. What is not as well known is this city, approximately equal in population to the seventh largest city in the United States, has neither a reliable sewage collection system nor a sewage treatment facility. Moreover, only about 45 percent of Tijuana's population is, or can be, currently connected to the city's sewerage system. The balance either use septic tanks or have no system of sewage disposal at all. Yet, despite this lack of connections, Tijuana's system currently collects approximately 18 million gallons per day [MGD] of sewage. A combination of anticipated population increase, future connections to the collection system, and an increased water supply from the Colorado River could more than quintuple this current volume by the end of the century.

To compound the problem, it is not unusual for Tijuana's sewage collections and disposal system to fail completely. Not for hours, not for days, not even for months, but for years at a time. It is a matter of fact that San Diego has been receiving and disposing of Tijuana's sewage daily for the past 3 years because of such system failures.

You may wonder why we concern ourselves with the condition of a for-year, such as the closure of shellfish beds and periodic prohibitions on swimming. Yet, disagreements over State jurisdiction and responsibility have always stood in the way of progress.

While it is generally accepted that enactment of the Clean Water Act and subsequent construction of sewage treatment plants have resulted in improved water quality in many parts of Long Island Sound, documentation of these improvements is limited. The last soundwide investigation conducted was in 1972 by the National Oceanic and Atmospheric Administration; and, in Connecticut, no surface water testing outside of beaches and shellfish areas is done at all. Therefore, today no one really knows just how clean or dirty the sound is. Exacerbating this problem, the National Marine Fisheries Service, the U.S. Coast Guard, the Interstate Sanitation Commission, the Army Corps of Engineers, Connecticut and New York and two regional offices of the EPA share authority over the sound. In the past everyone's efforts to deal with the sound's very real pollution problems were sabotaged by the resulting bureaucratic snarl.

In contrast to the current makeshift and often contradictory Long Island Sound management policy, enactment of the estuaries section and the subsequent establishment of an EPA conference would lay the firm groundwork for a coordinated water quality scheme. The interstate conference would be charged with: First, developing an inclusive master plan for the sound; second, coordinating and implementing the master plan; third, recommending priority corrective actions and compliance schedules; and, fourth, monitoring the estuary to determine the success of the master plan.

On September 30, 1983, and again on March 2, 1984, I wrote to the Public Works and Transportation Committee outlining the need for an EPA conference to help untangle the interstate management problems impeding a coordinated pollution control strategy for Long Island Sound. Each letter was cosigned by the Connecticut and Long Island House delegations, as well as by Representatives RICHARD OTTINGER and HAMILTON FISH. I was pleased to learn that on May 1, 1984, the Subcommittee on Water Resources approved a Clean Water Act reauthorization package in which Long Island Sound was given priority consideration under the estuaries provision.

I am hopeful that the interstate cooperation which was so evident during our work on behalf of the sound will carry over into the management conference. The estuaries provision is a crucial addition to existing water pollution law; and one which promises to be instrumental in maintaining the biological integrity of one of the Northeast's primary water resources—Long Island Sound.●

● Mr. SMITH of Iowa. Mr. Chairman, I want to thank the distinguished chairman, Mr. ROE, for supporting section 42 in the bill. This grant brings justly deserved relief to the citizens of the largest metropolitan area in Iowa whose 11 local government jurisdictions have worked diligently over the past 13 years to develop planning and preliminary construction on an areawide sewer system that would meet EPA standards. Because of a cap on State funds, the proposed 5-year construction project scheduled to begin in fiscal year 1983 would have had to be extended at least another 4 years resulting in huge increases in construction costs and unacceptable burden for citizens of the area in the form of sewer user fees.

I hope the Senate will pass the bill and the President will sign it.●

● Mr. FAUNTROY. Mr. Chairman, I rise in support of the committee amendment in the nature of a substitute offered to H.R. 3282, the Water Quality Renewal Act. My colleagues House Public Works Chairman JAMES HOWARD and Water Resources Subcommittee Chairman ROBERT ROE are to be commended for working out a compromise with a coalition of environmental groups so as to ensure that the Clean Water Act is not weakened.

The Clean Water Act has been one of the most effective pieces of environmental legislation this body has ever passed. Many rivers and lakes have been restored and fish are returning to waters that had previously been polluted. The jurisdiction I represent, the District of Columbia, has directly benefited from the Clean Water Act. Fifteen years ago the Potomac River was dying. Today, thanks to the funding and requirements of the Clean Water Act, the Potomac River is on its way back to environmental health—District of Columbia's youth can once again go fishing in their own city and can safely eat the fish they catch.

H.R. 3282 would reauthorize many of the programs of the Clean Water Act through fiscal year 1988, increasing the authorization for sewage treatment construction grants from $2.4 billion to $2.9 billion in fiscal year 1985 and $3.4 billion in each of fiscal years 1986 through 1988. It also increases the Federal share of treatment plant construction costs; establishes a new program to control nonpoint source pollution such as runoff from fields or streets; extends certain deadlines for industrial compliance with Clean Water Act standards; establishes a new program to clean up toxic hot spots—waters which will not meet water quality standards due to toxic pollution—and expands the Clean Lake Program.

The committee compromise amendment will qualify H.R. 3282 so that industrial discharge permits, which are extended by the bill from 5 to 10 years, can be adjusted to reflect changes in water quality standards. It also eliminates Federal funding for collector sewers which many fear could only exacerbate residential sprawl. Finally it limits exemptions granted to integrated pretreatment facilities, and the electroplating and mining industry, and eliminates the bill's exemption from certain pollution standards for two pulpmills in Alaska.

Mr. Chairman, we cannot retreat from our efforts to control water pollution. I urge my colleagues to support the committee amendment to H.R. 3282.●

● Mr. JEFFORDS. Mr. Chairman, I rise in support of the committee's substitute amendment. I applaud the efforts of all those involved in forging this compromise to assure the effective continuation of one of this country's most farsighted and successful environmental laws. I commend the committee for presenting this clearly bipartisan substitute.

Clean water as a national policy and goal enjoys broad bipartisan support, as demonstrated in national polls. This package of strengthening provisions to H.R. 3282 responds to this overwhelming public support.

The committee had a tough assignment. There are many who feel that we have gone too far in our attempts to clean and protect our Nation's drinking supplies, rivers, lakes, and streams. Somehow they consider it bad for business. Well, in Vermont water pollution is bad business. Putting aside the obvious health benefits of clean water, the recreational and tourism benefits of clean water in my State are enormous! On top of this, clean drinking supplies and the beauty of our lakes and streams add to the high quality of life in Vermont which attracts many new residents and businesses to the State each year.

This substitute amendment reflects the commitment of the committee to present the full House with an effective and strong renewal of the Federal Water Pollution Control Act. There willingness to compromise is a testiment to this commitment. I urge all my colleagues to support this amendment and pass this very important legislation.●

● Mr. McEWEN. Mr. Speaker, I rise in strong support of H.R. 3282, the Water Quality Renewal Act of 1984. As a member of the Public Works and Transportation Committee, I would like to commend our distinguished chairman, Mr. HOWARD, and our Water Resources Subcommittee chairman, Mr. ROE, for their help in shepherding this legislation through. I would also like to thank the ranking member of the committee, Mr. SNYDER, and the ranking subcommittee member, Mr. Stangeland.

This bill is designed to improve the existing Water Pollution Control Program in order to achieve more effectively high water quality standards in our rivers, lakes, and streams. The bill would extend for 5 years the authorization for grants to construct local sewage treatment plants and increase the current $2.4 billion authorization to $2.9 billion in fiscal year 1985, and $3.4 billion in the 3 succeeding years.

Ohio's share of the $2.9 billion allotment for the Construction Grants Program authorized in H.R. 3282 would be $165.4 million in fiscal year 1985, an increase of $28.5 million over what the State would have received under the existing authorization of $2.4 billion. For each of the fiscal years 1986 through 1988, Ohio's share of the $3.4 billion annual authorization would be $193.9 million, or an additional $28.5 million annually over the fiscal year 1985 funding level.

The bill also creates a new financing mechanism in addition to the Construction Grants Program through the establishment of a 4-year $1.6 billion per year national program of grants to States, using the clean water allocation formula, to be used in setting up revolving funds for use in financing water pollution control facilities. Ohio's share of the $1.6 billion authorized would be $91.2 million annually. The funds must be used to finance water pollution control facilities and only for projects on a State's priority list, and not to make grants or be commingled with funds having a purpose other than water pollution control.

This is an important initiative in addressing the needs of our wastewater collection and treatment infrastructure. The bill's authorized funding for Ohio under the Construction Grants Program, including the new revolving fund, would total $265.6 million in fiscal year 1985 and $295.1 million for each of fiscal years 1986-88, which means that the Federal investment in wastewater treatment facility construction would more than double the current amount provided for Ohio, and, indeed, for the Nation as a whole.

I urge my colleagues to join me in supporting this important legislation.●

Mr. ROE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just want to close. I believe we have covered all of the amendments and I think we have covered all the colloquy, at least that the committee is aware of.

I would like to commend, of course, again and not to take extra time—but then you are supposed to have some roses while you are alive—Arlan Stangeland, who is my counterpart, who has done a marvelous job in working with us on this bill—this is only the first of a series of bills we are working on—together with Gene Snyder, our distinguished ranking member on the Republican side, who has done a super job, and our own chairman, Jim Howard, of the full committee. But I think we would be remiss as we are many times around here that when Members get all the encomiums for the great work that they have done and accomplished, but somehow they forget that there is an extraordinary—what would you say—staff that is involved to get the work done.

I would like to commend the names of some of our members who are on the staff who have done such a good job. Errol Tyler, Gayle Chestnut, John Doyle, Craig DeRemer—he has his good suit on today—Charlotte Miles, Kathy Guilfoy, Bob Gergman, and Dave Mendelsohn, just to say but a few, and of course our two chief counsels on both sides of the aisle.

I think we ought to give those members of the staff a great round of applause for the work they did on this bill.

Now when we close debate, before we hear from the distinguished gentleman from Minnesota, I hope that we will now achieve a rousing responding vote in favor of this legislation so that we can get the Clean Water Act underway.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Minnesota.

Mr. STANGELAND. I thank the gentleman for yielding.

Mr. Chairman, I would like to associate myself with the gentleman's remarks.

Someone said earlier that hundreds of hours have been spent on this bill. I think the gentleman spent hundreds of hours and weeks on this bill, not just hundreds of hours totally.

I do also want to join with the gentleman in commending the diligence and the hard work of the staff, because as the gentleman said, as Members of Congress, we cannot do it alone, we need that staff support. The gentleman's staff, our staff, have done an excellent job. I think we have crafted a piece of legislation here that can go out of this House in a tide of glory.

I thank the gentleman.

Mr. ROE. I thank the gentleman for his comments.

The CHAIRMAN pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from New Jersey [Mr. Roe], as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Commitee rises.

□ 1715

Accordingly, the Committee rose, and the Speaker having resumed the chair, Mr. Kazen, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3282) to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's waters, and for other purposes, pursuant to House Resolution 522, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 405, nays 11, not voting 17, as follows:

[Roll No. 267]

YEAS—405

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Aspin
Badham
Barnard
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Bethune
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bryant
Burton (CA)
Byron
Campbell
Carney
Carper
Carr
Chandler
Chappell
Chappie
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conable
Conte
Conyers
Cooper
Corcoran
Coughlin
Courter
Coyne
Craig
Crockett
D'Amours
Daniel
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
Donnelly
Dorgan
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dyson
Early
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Fiedler
Fields
Fish

Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gore
Gradison
Gramm
Gray
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (UT)
Harkin
Harrison
Hartnett
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hertel
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Mack
MacKay
Madigan
Markey
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McHugh
McKernan
McNulty
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Patman
Patterson
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Rahall
Rangel
Ratchford
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rostenkowski
Roth
Roukema
Rowland
Roybal
Rudd
Russo
Sabo
Savage
Sawyer
Schaefer
Scheuer
Schneider
Schroeder
Schulze
Schumer
Seiberling
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Simon
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vander Jagt
Vandergriff
Vento
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wirth
Wise
Wolf
Wolpe
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NAYS—11

Bartlett
Burton (IN)
Cheney
Crane, Daniel
Crane, Philip
Dannemeyer
Lungren
Marlenee
Nielson
Paul
Stump

NOT VOTING—17

AuCoin
Brooks
Dixon
Dymally
Emerson
Erlenborn
Hall (IN)
Hansen (ID)
Kogovsek
Lewis (CA)
McGrath
McKinney
Mrazek
Rose
Sensenbrenner
Shannon
Wortley

☐ 1730

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

CIVIL RIGHTS ACT OF 1984

The SPEAKER. Pursuant to House Resolution 528 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 5490.

☐ 1737

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 5490) to clarify the application of title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and title VI of the Civil Rights Act of 1964, with Mr. SWIFT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Monday, June 25, 1984, all time for general debate had expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Civil Rights Act of 1984".

Mr. SIMON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, just to remind the membership of what we are doing, and the significance of what we are doing here, probably the most significant civil rights bill of the last decade is before us right now.

Mr. Chairman and my colleagues, what the Supreme Court did in the Grove City case was to misinterpret what Congress intended, and in a very real sense, defang the teeth of title IX of the Education Amendments of 1972 and by clear implication, of title VI, the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973 for handicapped and the Age Discrimination Act of 1975.

Let me just mention two of the important advancements and what the title IX and section 504 provisions have meant. In title IX, in the last decade under title IX, we have moved overall for women and their earnings from 59 cents compared to a dollar that a man earns, to 62 cents. Not very impressive. But, for those under the age of 30, it has moved to 85 cents because women have been permitted to get into medical schools, law schools, engineering schools, architectural schools and the opportunities have been open.

☐ 1740

On title VI, the Supreme Court 30 years ago this year ruled in the Brown against Board of Education case that we have to proceed with integration with all deliberate speed, but until we passed title VI and put in some financial teeth, nothing happened. So we now face, because of that Grove City case, the question of whether we are going to continue to have some real enforcement powers.

Harm has already been done because of the Grove City case, and I am going to insert in the RECORD a number of cases since the title IX case that are clearly softening the civil rights enforcement for the people of this Nation. Those cases are as follows:

Under title IX—

Twenty-three education complaints involving large institutions have been closed in admissions, student services, and in student support services;

Six compliance reviews have been narrowed;

Eighteen compliance reviews and five complaint investigations have been interpreted; and

Nine cases involving public schools and 46 involving colleges and universities are being reviewed to determine whether they can proceed.

Under section 504—

Five complaint cases and one pending compliance review have been narrowed; and

Seven cases are being reviewed to determine whether they can proceed.

Under title VI—

One complaint has been closed; and

Five cases have been modified because of the Department's perception of changes brought about by the decision in Grove City College.

Mr. Chairman, I am also inserting in the RECORD a portion of a letter from the Congressional Budget Office to the chairman of our full committee, the gentleman from Kentucky [Mr. PERKINS], which points out that the enactment of this bill may result in savings to the Federal, State, and local governments because there is going to be confusion as to what happens if we do not go back to before that day. A portion of that letter is as follows:

> The enactment of H.R. 5490 may result in savings to the Federal, State, and local governments. To monitor adherence to nondiscrimination policies under current law, the federal, state, and local governments would have to increase their administrative efforts and accounting capabilities to trace the flow of Federal financial assistance to individual programs and activities. The Federal Government might also have incurred costs from an increase in discrimination suits pursued judicially rather than administratively. The enactment of H.R. 5490 would avoid such potential costs.

Finally, Mr. Chairman, let me point out what John F. Kennedy said to this Congress in 1962. He said as follows:

> Simple justice requires that public funds to which all taxpayers of all races contribute, not be spent in any fashion, which encourages, subsidizes or results in racial discrimination.

I am sure he would apply the same to sexual discrimination, to age discrimination, and to discrimination because of physical condition. The question is, Are we as a country going to be a country of opportunity for all?

Mr. Chairman, I hope we come out with a resoundingly affirmative action here in this House this evening.

Mr. JEFFORDS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to express my support for the legislation before us. The Civil Rights Act of 1984 will simply reaffirm the interpretation and enforcement of our antidiscrimination laws in practice prior to the Supreme Court's decision in Grove City College against Bell. It will do nothing more and nothing less.

I can appreciate the concern of some of my colleagues as to the scope and reach of this legislation. The issues raised by this legislation are of fundamental importance. And, as the Grove City decision shows us, clarity of congressional intent is critical if we are to advance the cause of civil rights in this country. However, this concern, while understandable, is in my opinion unfounded.

The Supreme Court's decision in the Grove City case severely limited the scope of title IX of the education amendments of 1972. As my colleagues know, this statute is critical to protecting the rights of women and girls in our schools and colleges. The substantial strides they have made since the passage of title XI only underscores its importance.

Title IX, despite the misgivings of many upon its enactment, has proven to an effective and measured tool in combating discrimination in our country. The same is true of the other statutes amended by H.R. 5490; title VI of the Civil Rights Act, section 504 of the Rehabilitation Act and the Age Discrimination Act.

In restoring the pre-Grove City interpretation and enforcement to these statutes, we are reaffirming Congress' commitment not only to the rhetoric of civil rights, but to the means by which to secure them. We are not treading into uncharted territory, indeed, we have the experience of two decades to guide us. Since 1964, when the first civil rights law was passed, until 1981, these laws have been interpreted broadly, on an institution-wide rather than program-specific basis.

Such an interpretation and resultant enforcement has not led to the rather extreme results that critics of this legislation suggest. Reversing this pattern, however, has already led and will continue to lead to substantial problems, entirely aside from the diminution of effective civil rights enforcement. The Federal Government and recipients of Federal aid would be forced to trace Federal dollars within a particular institution, ignoring displacement of non-Federal by Federal funds, with the extraordinary result that an institution might be permitted to discriminate in one department but not another.

The argument has been made that this bill will result in an impossible choice for those institutions seeking to remain independent from the Federal Government: forfeit Federal student aid or submit to Federal intrusion into their affairs. I would suggest that there is a third alternative: do not discriminate. If you accept the premise that the Federal Government has an obligation to protect the civil rights of its citizens, then it does seem to be too much to ask that institutions receiving Federal aid shoulder the modest burden of affirming their compliance with the laws of our land.

Now, the administration and some others are opposing this bill because they believe that we have gone beyond what would be done to put it back to where we were before Grove City. I would make two points. First of all, the committee itself in the wording of the bill, I believe, adequately takes care of those problems, and I quote from the committee report:

> The exclusion of the "ultimate beneficiary" of the assistance was put in title VI with section 504 regulations to make clear that the individuals to whom certain forms of assistance such as social security benefits are extended, are not recipients for coverage purposes. The title IX regulations do not contain an express exclusion but have operated in a similar manner. The bill's definition addresses this point by omitting words denoting individuals from a list of possible recipients. Thus the regulatory purpose is preserved.

Second, and because of that concern, I asked each of the advocates for this bill who appeared before our committee whether in their minds this assertion was a correct one and one which was not adequately addressed in the bill. Each of those advocating the bill felt the bill would not go beyond Grove City.

Thus I think the record is clear all the way through, and I think we will make it very clear here that there is no intent to go beyond Grove City.

Finally, Mr. Chairman, I believe that what we are doing here today, as has already been pointed out—and I would echo his words—is passing what I believe and what I think we all believe is going to be the most significant piece of civil rights legislation in the last decade or more. I would hope for the support of all the Members.

One more thought Mr. Chairman. I wish that we, too, could live by the law of our land. I supported Representative BARTLETT's efforts to apply the provisions of these statutes to Congress, and was disappointed that the Education and Labor Committee did not agree to this amendment. Few bills are perfect, and while the cry of no amendments has the appeal of simplicity, the bill before us could be improved. I had hoped that we would be able to consider and adopt this amendment on the House floor, and for this reason voted against the rule for consideration of H.R. 5490. There is no reason why the laws of the land must stop at the edge of the Capitol Grounds.

Despite this reservation, I want to reiterate my strong endorsement of this legislation. It is vital to the enforcement of our civil rights laws, it is vital to our Nation. I urge my colleagues to give it their overwhelming support.

Mr. PANETTA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of H.R. 5490, the Civil Rights Act of 1984. As a cosponsor of this important legislation, I believe it is urgently needed to guard against one of the most serious threats to civil rights enforcement we have faced in many years.

My experience as former head of the Office of Civil Rights at the Department of Health, Education, and Welfare—the official responsible for enforcing title VI of the Civil Rights Act of 1964 as it applied to school desegregation—taught me how strong a weapon Federal assistance and the threat of termination of such assistance can be in the fight against discrimination. Our struggles with title VI provide clear proof that the threat of a cutoff of Federal funds—not only to a specific program which discriminates, but to all programs which receive Federal aid—is the only real enforcement tool the Federal Government has in the fight to make the promise of equality a reality. During the 10 years of court battles which elapsed between the Supreme Court's landmark decision in Brown against Board of Education and passage of the Civil Rights Act, the number of black children in the Deep South attending schools with a majority of white students grew only marginally. But as HEW began to enforce the act, using the threat of a funding cutoff, the pace of school desegregation increased markedly, and tremendous progress was made throughout the late 1960's.

The regulations which we used to implement and enforce title VI were incontrovertibly clear in their broad application of the statute not only to particular programs, but to all practices and programs in an institution seeking Federal aid. Court decisions also followed that interpretation, and the important civil rights statutes—such as title IX—which were patterned after title VI were based on that premise.

However, in its recent decision in Grove City College against Bell, the Supreme Court saw fit to ignore clear congressional intent as well as the precedent set by previous regulations and court rulings. Instead, the Court held that the provisions of title IX can be used to cut off Federal funds only to the specific program at an educational institution which discriminates. This raises possibilities which I think are clearly unacceptable in light of our commitment to civil rights. For example, under the Grove City ruling, women at federally assisted educational institutions could be denied participation in athletic programs or math and science programs, denied use of certain facilities, or even denied admission, as long as those particular programs were not receiving Federal aid.

We have made a great deal of progress in recent years in moving our society toward the goal of equal rights and equal opportunity for all our citizens. That progress has been prompted and sustained by the Federal Government's commitment not only to end Federal subsidization of discrimination, but to eliminate such discrimination wherever it exists. And the reality is that without strict and effective enforcement of civil rights statutes, that commitment is meaningless.

H.R. 5490 does not represent a radical change in civil rights enforcement, but it does ensure that that enforcement will be meaningful. The fact is that if we do not correct the Grove City decision, then we have effectively eliminated title IX and by extension, those statutes which prohibit discrimination on the basis of race, color, national origin, handicap, or disability, and age as well.

Our society shares certain commonly held values. One of the most fundamental of those values is a deeply held belief in equality of opportunity. Only by putting teeth back into the Federal civil rights statutes can we live up to the full measure of that commitment. I urge my colleagues to support H.R. 5490.

□ 1750

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. I am pleased to yield to the gentleman from Illinois.

Mr. SIMON. I simply want to commend the gentleman from California not only for his statement here but for his testimony before the committee on this. I would simply point out to my colleagues who may not be aware of the background of the gentleman from California that he was Director of the Office of Civil Rights at one point during, if you will forgive me for saying it, during a Republican administration. But he knows what he is talking about and I appreciate what the gentleman said.

The CHAIRMAN. The time of the gentleman from California [Mr. PANETTA] has expired.

(On request of Mr. WOLPE, and by unanimous consent, Mr. PANETTA was allowed to proceed for 1 additional minute.)

Mr. WOLPE. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. I yield to the gentleman from Michigan.

Mr. WOLPE. Mr. Chairman, I rise in support of H.R. 5490, the Civil Rights Act of 1984. I want to associate myself fully with the remarks of the gentleman from California [Mr. PANETTA], and also pay tribute to the gentleman from Illinois [Mr. SIMON] for the leadership he has exercised on this critical issue.

In the wake of the Supreme Court's ruling in the Grove City against Bell case it is necessary to act swiftly to reaffirm our support of the clear intent of title IX of the Education Amendments of 1972. Presently, title IX is the only Federal statute prohibiting sex discrimination in education. Prior to the Supreme Court ruling, title IX was interpreted broadly so that discrimination on the basis of sex was prohibited throughout any educational institution that was a recipient of Federal assistance. Although the House of Representatives passed a resolution in support of the broadest interpretation of title IX by a vote of 414 to 8, the Supreme Court chose to misread congressional intent by narrowly interpreting the statute. This ruling reverses what had been a broad statutory interpretation of title IX since 1972.

Furthermore, the language of the title IX amendments was taken from title VI of the Civil Rights Act of 1964. The Supreme Court's narrower interpretation of title IX could conceivably be carried over to affect other cases of discrimination in regard to race, national origin, age, or physical handicap. In fact, we have begun to see the effect of changes in enforcement procedures of current civil rights laws. In the months since the decision, the Department of Education has closed a number of complaint cases or narrowed the scope of their investigations.

It is crucial that we pass H.R. 5490 today. As the gentleman in the well has noted, this bill is urgently needed to make clear—once and for all time—the intent of Congress in regard to discrimination in education. Simply stated, no private or public school that takes Federal money should be permitted to discriminate on the basis of age, race, sex, or physical handicap.

This bill is merely a reaffirmation of congressional intent; its sole purpose is to overturn the Supreme Court's narrow interpretation in the Grove City case and return to all four civil rights statutes the impact Congress intended them to have.

I urge my colleagues to support H.R. 5490.

Mr. PERKINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to compliment that distinguished gentleman from Illinois [Mr. SIMON] and the gentleman from California [Mr. EDWARDS] who were the principal sponsors of this legislation, along with about 150 others.

Mr. Chairman, over the past 20 years the Congress has enacted legislation barring discrimination on the basis of race, national origin, sex, age, or handicapping condition. This landmark legislation includes title VI of the Civil Rights Act, title IX of the Education Amendment of 1972, the Age Discrimination Act, and section 504 of the Rehabilitation Act of 1973.

Compliance with these statutes has frequently been difficult, but there are few today who would not agree that we are a more just and more humane society because of these efforts.

On February 28, 1984, the U.S. Supreme Court held that title IX, which bars sex discrimination, does not cause institution-wide coverage, but rather only bars discrimination in the particular portion of the institution which receives Federal aid. This means that a college could discriminate on the basis of sex in any part of the institution as long as there was no discrimination in the student financial aid office which processes Federal student aid.

Prior to this decision, the entire institution was considered as being covered by title IX. Since the other Federal antidiscrimination statutes are written in the same way as title IX, eventually all of them will be similarly narrowed in coverage.

Consequently, Congressmen PAUL SIMON and DON EDWARDS, and many others, introduced H.R. 5490 to overturn the Supreme Court's decision and instead to reinstitute broad institution-wide coverage for title IX and all of the other Federal antidiscrimination laws.

Broad coverage means that, when an institution or other entity receives Federal aid, that institution or entity is not to discriminate thoughout the entire institution or entity. However, if discrimination is found, Federal funds would be cut off only in the particular part of the institution or entity where discrimination actually exists. For instance, if a college discriminates in its science department and in no other area, Federal funding would be cut off for that department, but not for the arts department or the engineering department.

This bill restores this institutional broad coverage and the specific enforcement by deleting "program or activity" and by inserting instead the word "recipient" and by providing a definition of "recipient." These changes are not meant to include more institutions or entities under these laws than were included before. They are only meant to restore these laws to their commonly accepted interpretations prior to the Supreme Court decision of February 28, 1984.

I urge the adoption of the bill in order to restore these laws to their prior effectiveness. Otherwise, we will have a hollow shell of a national policy barring discrimination.

Mr. BARTLETT. Mr. Chairman, I move to strike the requisite number of words.

I would like to engage in a colloquy with the chief sponsor of the bill.

It is my understanding that H.R. 5490 would substitute the word "recipient" for "program or activity" in four civil rights statutes—title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973 as amended, and the Age Discrimination Act of 1975. Will this substitution result in an increase in private right of action suits and referrals to the Department of Justice?

Mr. SIMON. Will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from Illinois.

Mr. SIMON. The substitution of the word "recipient" for the phrase "program or activity" is meant to clarify the extent of coverage, as understood prior to the Supreme Court decision in Grove City against Bell. The substitution is not to be construed as an expansion of coverage; therefore, we do not anticipate that the number of private right of action suits or referrals to the Department of Justice which could occur will increase beyond the pre-Grove City situation as the result of the substitution, or for that matter, the enactment of H.R. 5490 in its entirety.

Mr. BARTLETT. I also understand that the remedy of fund termination when applied by an agency is pinpointed to the Federal financial assistance that supports the discrimination found. Do private right of action claims and referrals to Justice typically result in fund termination? Is such termination, when used, pinpointed?

Mr. SIMON. The answer to your first question, Do private right of action claims and referrals to Justice typically result in fund termination, is "No." In successful private right of action suits and cases initiated by the Department of Justice, the typical outcome is relief to stop and cure the discrimination rather than fund termination. Moreover, whenever fund termination is used, pinpointing is required.

Mr. BARTLETT. I notice the gentleman from California [Mr. EDWARDS] is on the floor. I apologize, but the gentleman was to be a part of the colloquy and I would yield to the gentleman just to inquire as to whether he concurs with the conclusion shared by the sponsor of the bill, the gentleman from Illinois.

Mr. EDWARDS of California. Will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from California.

Mr. EDWARDS of California. I have listened carefully to the colloquy and to the responses of the gentleman from Illinois [Mr. SIMON] and I agree with Mr. SIMON's answers.

Mr. BARTLETT. I thank the gentleman from California.

We must be very clear about our understanding of how H.R. 5490 will affect remedies other than agency initiated fund termination. During hearings on H.R. 5490 and in the committee report, considerable attention was given to the other two remedies—private right of action and referral to the Department of Justice. Moreover, no attention was given to the relationship of these two remedies to fund termination.

Mr. SIMON. Would the gentleman yield?

I would like to offer the following points of clarification:

First, current statutes and H.R. 5490 require a nexus between the proven discrimination and the Federal financial assistance to be terminated, but the laws only mention this in the context of agency-initiated fund termination proceedings.

Second, neither current statutes nor H.R. 5490 addresses that same nexus requirement in relation to the phrase "other means authorized by law" in the statutes. This phrase has been interpreted by courts and agencies to means private right of action or referral to the Department of Justice.

Third, H.R. 5490 does not change the availability of fund termination as the outcome of private right of action suits or cases referred to the Department of Justice.

Fourth, by enacting H.R. 5490, Congress does not intend to show fund termination in such cases to any greater or lesser extent than before the Supreme Court decision in Grove City against Bell. Furthermore, Congress anticipates that relief to stop and cure the discrimination will continue to be the most likely remedy sought and applied in private right of action suits and Department of Justice cases.

Fifth, under these four statutes the Justice Department receives referrals from other funding agencies, if and when conciliation fails, the Department of Justice determines whether to proceed in court. However, when the Department of Justice is the funding agency, which is true with certain criminal justice and law enforcement funding, it serves both as the agency conducting the investigation and handling the administrative aspects of the matter, and also as the lawyer for any court case that any result if conciliations fails.

Let me, while I have the floor, also commend my colleague, which I should have done earlier, the gentleman from California [Mr. EDWARDS] for his leadership and his exceptional help in all of this, as well as my colleague from Missouri [Mr. COLEMAN] and my colleague from Wisconsin [Mr. SENSENBRENNER] who is not able to be with us.

The CHAIRMAN. The time of the gentleman from Texas [Mr. BARTLETT] has expired.

(On request of Mr. SIMON and by unanimous consent, Mr. BARTLETT was allowed to proceed for 1 additional minute.)

Mr. BARTLETT. I thank the gentleman from Illinois for this colloquy and yield back the balance of my time.

The CHAIRMAN. Are there any amendments to section 1?

Mr. HAYES. Mr. Chairman, I rise to strike the last word.

□ 1800

Mr. Chairman, it is with reserved happiness that I rise today to speak in support of H.R. 5490, the Civil Rights Act of 1984, introduced as a result of the U.S. Supreme Court decision in Grove City College against Bell. I say reserved Mr. Chairman because I think it is unfortunate at best, that in this day and age we have to take time to restate again, by law, the commitment of our Nation to its ideals of freedom, equality, justice, and opportunity.

While the Supreme Court exercised its proper constitutional role in deciding Grove City College against Bell, the result was an incorrect reading of what Congress intended the law to be, and in fact, it was a giant step backward. The Court not only misread the intent of Congress but it also disregarded 20 years of judicial and administrative recognition of the scope of the statutes involved. Mr. Chairman, given the judicial temperament of the Reagan administration Supreme Court, the issue that H.R. 5490 addresses, is, I fear, but one of many this body may be called upon to address in the coming years. It is my fear that we will have to take more time in the future to restate and clarify the rights of our citizens—rights which are part of the fundamental goals and ideals of our Nation—rights which Congress has already clearly and strongly enunciated in years past. Here it is 20 years after the passage of the Civil Rights Act of 1964 and we are still trying to do away with the very issue it was intended to address—discrimination by recipients of Federal funds—all because the Supreme Court evidently felt that Congress only wanted to do away with discrimination in certain instances and not others.

Fortunately, this body has the fortitude to stand up for those principles in a strong nonpartisan manner without undue hesitation or misleading signals. It was never the intent of Congress when it passed the civil rights statutes that H.R. 5490 clarifies—title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and title VI of the Civil Rights Act of 1964—that they would ban discrimination in certain situations and allow it in others. On the contrary, I believe, and the legislative history of those statutes will support that belief, that Congress intended them, when Federal funds were involved, to ban discrimination wherever and whenever it occurred, in the broadest sense possible. The concept is quite simple—the discriminatory use of Federal funds is prohibited period. By passing H.R. 5490 we reaffirm that concept and assure that Federal agencies charged with administering and distributing Federal assistance will do so in conformance with that intent.

H.R. 5490 does not break new ground in the fight against discrimination nor does it contain revolutionary ideas. Nevertheless, it is of vital importance in reaffirming our Nation's commitment to freedom, justice, and equal opportunity for all. I strongly urge my colleagues on both sides of the aisle to put aside partisan actions and renew that commitment by adopting H.R. 5490.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. HAYES. Yes, I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I want to commend my colleague from Illinois who has himself quite a role in the history of shaping the civil rights struggle in America.

You were one of the marchers, you were one of the sit-in'ers, you were one of the ones who encouraged the membership in your union to send in contributions. I think the reservation you express is merely directed at the fact that this is merely corrective legislation.

We are not moving forward to any new point; we are merely reaffirming a congressional intent that institutionwide discrimination is the focus upon which we are going to continue to make progress in our efforts against sex, race, and handicap discrimination. Clarifying original congressional mandate that the civil rights statutes are applicable institutionwide is an essential first step in our present fight against discrimination in all its forms.

I commend the gentleman in the well.

Mr. HAYES. The gentleman from Michigan is absolutely correct.

Mr. COLEMAN of Missouri. Mr. Chairman, I move to strike the requisite number of words.

If I may have the attention of the gentleman from Illinois [Mr. Simon].

A concern has been raised about the "reach" of the definition of recipient when applied to multicampus facilities or a single institution of higher education and to individual institutions within a statewide system or a series of statewide systems of higher education, for example, a university, community colleage, or vocational-technical institution. May I ask the gentleman from Illinois [Mr. Simon] to explain how this would work?

Mr. SIMON. I thank the gentleman from Missouri [Mr. Coleman] for his question and would be happy to address his concern on the reach of the definition of "recipient."

It should be mentioned that H.R. 5490 does nothing to change what the law was prior to Grove City College against Bell. So, if an educational institution was a recipient under the regulations before the Grove City ruling, it will be a recipient if this bill becomes law, as the definition of "recipient" contained in H.R. 5490 tracks current regulations.

Because each educational institution has its own unique system, or structure, including differing boards of governors, lines of adminstrative authority, and so forth, the question of whether all campuses comprising that educational institution—or just one—will be subject to coverage will depend largely on the facts surrounding the receipt of Federal financial assistance.

Coverage of multicampus facilities of the same institution or individual institutions which operate independently in a factual question under H.R. 5490. For example, in Kentucky the University of Kentucky is the funding mechanism through which all of the State's community colleges receive their appropriation, policy direction comes from the University of Kentucky's board of trustees. In California, the University of California system—UCLA, UC Berkeley, and so forth—is governed by a board of regents which oversees all nine University of California campuses. The California Legislature provides a single appropriation for the system and although each campus chancellor reports to the university president, the campus has considerable autonomy to implement systemwide policy and in the day-to-day administration of the campus. In Illinois, the University of Illinois and Southern Illinois University systems have one board of trustees, a single appropriation to each of the two systems and central administration from a president or chancellor, respectively. Systems in New York, Pennsylvania, Maryland, and other States reflect various modifications of the governance features outlined above. The basic question of who is the recipient in a multicampus system will in part determine whether one campus or all campuses would be covered.

It is difficult to respond specifically to the gentleman's question as all the facts in a particular situation must be known. In the words of the committee report:

> In general, the Committee believes that the relative independence of the grantee institution should be carefully scrutinized in determining which entity is the recipient.

Mr. COLEMAN of Missouri. To be more specific then I would ask the chairman, would you agree that in a multicampus situation, where a grant was awarded to only the biology department of one campus for research, and none of the funds were spent on administrative overhead for the whole university system, that campus which was awarded the grant would be the sole recipent? And in such a situation, if discrimination existed, the Government would only be able to cut off the funds that supported the discrimination?

Mr. SIMON. Under the facts as you outlined them that would be correct. However, I have to add that those facts would be in a sense theoretical, because it would be most unusual for a campus to receive funds only in the biology department.

Mr. COLEMAN of Missouri. I thank the gentleman for his congressional intent and opinion on these matters.

Mr. Chairman, I yield back the balance of my time.

Mr. FISH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, during yesterday's general debate, the gentleman from California raised several questions concerning coverage of H.R. 5490. I will attempt to clarify coverage in each of the fact patterns that were mentioned.

Question 1. The bill's definition of recipient includes States, instrumentalities of States, public agencies, including any subunit of such entities.

(a) If a State receives a categorical health grant for its health department, is the State government itself the recipient, thereby subjecting all of its activities to these four civil rights laws? Or is the recipient only the State Health Department?

Answer. H.R. 5490 provides that a subunit receipt of Federal financial assistance will trigger coverage for the parent entity of which it is a part, if the assurance to the subunit supports the larger entity as well. This provision does not mean there will be automatic coverage of the parent entity. This is known as trickle-up.

In the scenario described the State agency is a recipient—unless the funding goes to the State and the State may use it for a whole variety of purposes. The State agency receiving the categorical aid grant is covered in its entirety. Other agencies in the State government are not covered unless the grant funds are used to support the State government—parent entity—as a whole through assignment of some portion of the Federal grant fund to the Governor's office or for other central State services.

Question 1(b). If the physics department of a branch of a State university system received Federal education aid, is the entire State university system subject to the civil rights laws? Would the entire State government be subject to these laws if the physics department at one branch of the State university system received Federal aid?

Answer. H.R. 5490 provides that a subunit's receipt of Federal financial assistance will trigger coverage for the parent entity of which it is a part, if the assistance to the subunit of which it is a part supports the larger entity as well.

A State university institution has its own unique system, or structure, that is, a board of trustees who are not answerable to the Governor of the State.

In a multicampus situation, where a grant was awarded to only the physics department of one campus for research, and none of the funds were spent on administrative overhead for the whole university system, that campus which was awarded the grant would be the sole recipient. In such a situation, if discrimination existed, the Government would only be able to cut off the funds that supported the discrimination.

In the above scenario, the whole State would not be covered because the whole university system is not even covered.

If the Justice Department or the individual sued, only the campus that received the grant would be affected by any remedial action ordered by a court.

However, it is difficult to respond specifically, as not all the facts can be known, in the words of the committee report: In general, the committee believes that the relative independence of the grantee institution should be carefully scrutinized in determining which entity is the recipient.

Question 1(c). If a State receives a social service block grant, are all of the activities of the State government covered under the bill?

Answer. H.R. 5490 provides that a subunits receipt of Federal financial assistance will trigger coverage for the parent entity of which it is a part, if the assistance to the subunit supports the larger entity as well. This provision does not mean there will be automatic coverage of all the States activities.

In the social services block grant scenario it is assumed that such a grant is for multiple purposes. Under H.R. 5490, any part of the State government that takes a cut for administrative costs as the Federal funds move along and each agency receiving Federal funds are covered by the four statutes as are all those governmental units which receive support from Federal grants obtained by their subunits.

Question 4. A number of Federal funding statutes ban religious discrimination in programs or activities—not entire recipients—funded under the statutes. H.R. 5490 does nothing to reverse the effects of Grove City on the scope of the ban against religious discrimination in these statutes. (A) The Full Employment and Balanced Growth Act of 1978 forbids religious discrimination only in programs—not entire recipients—funded under the act. Does H.R. 5490 provide for institutionwide coverage of religious discrimination under this act? (N.B.: The answer is clearly "no.")

Answer. Title IX, title VI, section 504 and the Age Discrimination Act are the only statutes covered by H.R. 5490.

If the Supreme Court had handed down an opinion that narrowly defined program in the Full Employment and Balanced Growth Act, as it relates to religious discrimination, I would support a broad approach. Because this legislation was not modeled after the four statutes at hand, there is no need to change the law as it relates to religious discrimination.

Question 5. The revenue-sharing program, which provides unrestricted, general aid for localities, has a three-layered antidiscrimination scheme, as follows: (1) a program-specific ban, like title VI now, against discrimination on the basis of race, color, national origin, and sex; (2) it incorporates by reference, inter alia, the Age Discrimination Act and section 504; and (3) a proviso that the prohibitions against discrimination—that is, layers 1 and 2—"do not apply when the [local] government shows, by clear and convincing evidence, that a payment under this chapter is not used to pay for any part of the program or activity." Thus, if a locality spent its revenue-sharing funds only to build a swimming pool and could show that its revenue-sharing funds were spent nowhere else, even the broad approach prior to Grove City would only have covered the recognition department, and not all of the activities of the locality. If H.R. 5490 is adopted, would a locality receiving revenue-sharing funds have all of its activities covered, or would it be able to avoid such broad coverage if it could show, as in this example, that it only used the funds to build a swimming pool?

Answer. Entities, such as local governments, which receive funds under the Revenue Sharing Act (3 U.S.C. § 6701, et seq.) are unaffected by H.R. 5490. The Revenue Sharing Act has provisions in it prohibiting discrimination based on race, color, sex, national origin, and handicap. The committee report on H.R. 5490, at page 36, is very explicit that this act, as well as the other statutes prohibiting discrimination, are to remain intact and unchanged.

A locality receiving revenue funds would be covered by the provisions of the Revenue Sharing Act (3 U.S.C. 6701-6724) which prohibits discrimination based on the grounds of race, color, national origin, sex, handicap, and age. The committee report notes that it is not intended that these laws be changed by the passage of H.R. 5490, including the rebuttable funding presumption in the Revenue Sharing Act.

As the Revenue Sharing Act prohibits discrimination, one does not need to address coverage by the other statutes.

However, H.R. 5490 does not change the law prior to the Grove City College case. I am unaware of any recipient of revenue-sharing funds being sued for discriminatory activities using the theory that receipt of such funds brought the entity within one of the four civil rights statutes at issue.

Question 6. If a private religious school participates in the Federal Title I Education Program for disadvantaged children, is the entire school covered by the civil rights statutes, including section 504's accessibility requirements, if H.R. 5490 is adopted? (N.B.: the Department of Education's Office of Civil Rights has always tried to be minimally intrusive in the affairs of such private, religious schools receiving aid under title I. Under H.R. 5490, a Federal Agency's authority—as well as the ability of a private litigant to bring a lawsuit—will be greatly broadened.)

Answer. If a private religious school participates in the Federal Title I Education Program, the school would be construed to be a recipient under title IX and section 504. Title 20, section 1681(a)(3), of the United States Code provides an exemption from title IX.

> (3) Educational institutions of religious organizations with contrary religious tenets.
>
> This section shall not apply to an educational institution which is controlled by a religious organization if the application of this subsection would not be consistent with the religious tenets of such organization;
>
> (See also, title IX, 34 CFR 106.12)

However, there is no reason why a church-controlled school should be exempt from section 504 if it receives Federal funds. Handicap access would certainly not conflict with any religious tenets.

H.R. 5490 does not expand the ability or right of a private litigant to bring a lawsuit. This right has been recognized by the Supreme Court in the Guardians case relative to title VI. Lower Federal court decisions have recognized this right relative to title IX and section 504.

Question 7. What effect, if any, will H.R. 5490 have on traditionally black institutions, such as Lincoln University and Howard University?

Answer. H.R. 5490 will have no effect on traditionally black institutions. Such schools do not exclude other races or ethnic groups. There have been no problems with the Federal Government intruding on their activities prior to Grove City against Bell. H.R. 5490 does not change the law.

Question 8. Will a private undergraduate college such as Wellesley, which is now a single-sex institution, be required to admit members of the opposite sex if H.R. 5490 is adopted? (N.B.: The answer should be "no" because title IX currently exempts undergraduate admissions programs at private colleges.)

Answer. There is a specific exemption in title IX for single-sex schools—

> (5) Public educational institutions with traditional and continuing admissions policy.
>
> In regard to admissions this section shall not apply to any public institution of undergraduate higher education which is an institution that traditionally and continually from its establishment has had a policy of admitting only students of one sex;
>
> (20 U.S.C. section 1681(a)(5))

Question 9. Proponents of H.R. 5490 assert that the bill is not intended to change the scope of an agency's currently narrow fund termination power, (for example, in section 602 of title VI and section 902 of title IX). That termination power is currently "limited in its effect to the particular program, or part thereof, in which noncompliance has been * * * found." H.R. 5490 changes this language in the clause limiting the fund termination power. If H.R. 5490 is not intended to change the scope of the termination power, why doesn't it retain the language currently in the statute? (N.B.: The likely answer to this question is: "Because we want to remove the term 'program' anywhere it appears in the statute—that was the troublesome term in Grove City." The response to this answer is—it is unnecessary to remove the term "program" in the fund termination part of these statutes because there, it does not affect the scope of jurisdiction in the statues' operative provision which is already going to have the phrase "program or activity" deleted.)

Answer. The report of H.R. 5490 shows that the fund termination provisions remain unchanged:

> H.R. 5490 also retains the requirement that a nexus be established between the discrimination found and any federal funding that is to be terminated or suspended by the administrative agency enforcing the law. The nexus requirement, known as "pinpointing," applies to fund termination only.
>
> H.R. 5490 retains this pinpointing concept so that only those funds which actually support the discrimination are subject to termination. The operative fund termination clause in H.R. 5490 is "limited in its effect to the particular assistance which supports such noncompliance so found." This language will assure, for example, that when a school discriminates, the federal government has the authority to terminate the federal funds within the school district which support the discrimination at the school.
>
> This concept of "supports" in the enforcement section was first articulated in *Board of Public Instruction of Taylor County, Florida* v. *Finch*, 414 F. 2d 1068 (1969) and it is the rationale which this Committee adopts as the most appropriate articulation of this concept. *Taylor* notes that "if the funds provided by the grant are administered in a discriminatory manner, or if they support a program which is infected by a discriminatory environment, then termination of such funds is proper." (at 1078). Thus, for example, if it could be established that federal funds distributed to subunits of a state mental health department is some way supported the discrimination found in a subunit, not directly receiving federal funds, then those funds would be subject to termination as well.
>
> (House Report #98-829, Part I, at pages 33-34)

I think this is a very valuable exercise we are going through with these colloquies, and I would hope a number of issues could be resolved.

This is the reason why an open rule with 2 hours general debate was called for so that the concerns of different Members could be thoroughly examined and hopefully alleviated.

At this point I would like to address a question to Mr. Edwards, the chairman of the Subcommittee on Civil and Constitutional Rights.

□ 1810

I do so because a number of Members on my side have asked for clarification of the coverage that would result from a subunit's receipt of Federal financial assistance.

This question is often raised in relationship to a unit of government with its parent being the State, but my question applies to the coverage issue with respect to, not just units of government, but to institutions of higher learning and to private corporations and to nonprofit entities as well.

H.R. 5490 provides that a subunit's receipt of Federal financial assistance will trigger coverage of the parent entity of which it is a part if the assistance to the subunit supports the larger entity as well.

There are some who have claimed that this provision allows automatic coverage of the parent entity.

I ask, are those claims correct?

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from California.

Mr. EDWARDS of California. I thank the gentleman for yielding.

The answer is "no." A larger entity is not automatically covered simply because its subunit is a recipient of Federal financial assistance. Moreover, coverage of the larger entity does not result from the fact that Federal financial assistance to the subunit frees up funds to the parent entity. Rather, identifiable assistance from the actual Federal funds, such as a part of the overhead for the parent, is required for coverage to result under the concept of supports.

In other words, some tangible financial assistance must actually be received by the parent—not just a saving of funds the parent might otherwise expend.

Mr. FISH. I thank the gentleman very much.

Mr. BARTLETT. Mr. Chairman, I have an amendment at the desk. It is labeled amendment No. 2 by the Clerk and I would like to offer a series of amendments to H.R. 5490 which would have an identical effect.

The CHAIRMAN. Is this amendment to section 1?

Mr. BARTLETT. These are four amendments which have identical effects on all four sections, including section 1.

So, Mr. Chairman, I would ask unanimous consent to offer the amendments en bloc.

The CHAIRMAN. The Chair would rule that the gentleman's amendments appropriately go to section 2 which we will arrive at momentarily.

Mr. BARTLETT. I thank the Chair.

Mr. ANDERSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, first, I want to commend the gentleman from Illinois [Mr. Simon] and the gentleman from California [Mr. Edwards] for bringing this legislation before us.

Mr. Chairman, I rise in strong support of H.R. 5490, the Civil Rights Act of 1984. As reported from the Committees on Education and Labor and on the Judiciary, this legislation provides a clear resolution of the Supreme Court's ruling in Grove City College against Bell and the problems that decision poses for several important civil rights statutes.

In Grove, the Supreme Court held that title IX is program specific. At issue in Grove was the college's student financial aid program and whether or not Federal student aid received by students attending said college means the college itself is a recipient of Federal aid. To this day I still believe Congress intended to prohibit discrimination against women in all programs of an institution of higher education receiving Federal assistance.

The Supreme Court wisely reasoned that Federal student aid to students attending a particular college or university qualifies that college or university as a recipient of Federal assistance. But the Court then abruptly diverged from an otherwise well forged path, ruling that only those programs directly receiving Federal aid must be in compliance with title IX.

Before proceeding any further, I want to make very clear the fact that no one accused or brought charges against Grove City College for discriminating against women. The Supreme Court Justices state very plainly in their decision that Grove City College was not practicing discrimination. It should therefore be just as clear that the Civil Rights Act of 1984 is not a bill that was introduced as a vendetta against Grove City College. Rather this legislation seeks only to clarify congressional intent with respect to title IX; section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; and title VI of the Civil Rights Act of 1964.

The Civil Rights Act of 1964, which prohibits discrimination on the basis of race or national origin, has served as the model for the three other civil rights laws I mentioned above. Each of these statutes has been consistently enforced to prohibit discrimination at any institution which is a recipient of Federal funds. Each of these statutes has been consistently viewed as all inclusive, that all of such an institution's programs must be in compliance—until now.

Now the Supreme Court says title IX is program specific. If title IX is program specific, then it is not unreasonable to conclude that the other three also would be held program specific, since all were fashioned similarly. In order to avert a return to the days when the Federal Government condoned discrimination, we must clarify that Congress intends for these statutes to be inclusive of the entire institution, and not just the specific program which is receiving or disbursing Federal aid.

If the Supreme Court's ruling in Grove is allowed to stand uncorrected, we may soon be visited by widespread acts of discrimination. Left alone, the Supreme Court's twisted interpretation of title IX would enable a university or college, whose Federal assistance is limited to student financial aid for example, to admit women and award them financial aid but then exclude them from any or all of the college or university's other programs, because none of the other programs would have to comply with title IX.

Mr. Chairman, the legislation before us will prevent this from occurring. It has been carefully written to address only the ill-famed program specific ruling handed down by the Supreme Court in Grove. This legislation will achieve this goal of ensuring that these important civil rights statutes are not watered down by the courts, and so should be passed today by this House and hereafter by the Senate. This bill should be enacted into law this year.

The CHAIRMAN. Are there any amendments to section 1? If not, the Clerk will read.

The Clerk read as follows:

SEC. 2. (a) The matter preceding clause (1) of section 901(a) of the Education Amendments of 1972 (hereafter in this section referred to as the "Act") is amended—

(1) by striking out "in" the second time it appears;

(2) by striking out "the benefits of" and inserting in lieu thereof "benefits"; and

(3) by striking out "under any education program or activity receiving" and inserting in lieu thereof "by any education recipient of".

(b) Section 901(c) of the Act is amended by inserting "(1)" after the subsection designation and by adding at the end thereof the following new paragraph:

"(2) For the purpose of this title, the term 'recipient' means—

"(A) any State or political subdivision thereof, or any instrumentality of a State or political subdivision thereof, or any public or private agency, institution, or organization, or other entity (including any subunit of any such State, subdivision, instrumentality, agency, institution, organization, or entity), and

"(B) any successor, assignee, or transferee of any such State, subdivision, instrumentality, agency, institution, organization, or entity or of any such subunit,

to which Federal financial assistance is extended (directly or through another entity or a person), or which receives support from the extension of Federal financial assistance to any of its subunits.".

(c)(1) The first sentence of section 902 of the Act is amended—

(A) by striking out "to any education program or activity" and inserting in lieu thereof "for education"; and

(B) by striking out "such program or activity" and inserting in lieu thereof "recipients".

(2) The third sentence of section 902 of the Act is amended—

(A) by striking out "under such program or activity";

(B) by striking out "to whom" each time it appears in clause (1) and inserting in lieu thereof "to which" each such time;

(C) by striking out "program, or part thereof, in which" and inserting in lieu thereof "assistance which supports"; and

(D) by striking out "has been so found" and inserting in lieu thereof "so found".

(3) Section 903 is amended by striking out "1002" and inserting in lieu thereof "902".

Mr. SIMON (during the reading). Mr. Chairman, I ask unanimous consent that the section be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. Are there any amendments to section 2?

AMENDMENTS OFFERED BY MR. BARTLETT

Mr. BARTLETT. Mr. Chairman, I have a series of amendments that amends all sections in identical ways, and I ask unanimous consent to offer these amendments en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. BARTLETT:

Page 4, line 17, strike out "and" at the end thereof.

Page 4, line 19, strike out the period at the end thereof and insert in lieu thereof a semicolon.

Page 4, after line 19, insert the following:

(E) by striking out "any requirement adopted pursuant to this section" and inserting in lieu thereof "section 901, or with any requirement adopted pursuant to this section that a recipient cooperate with a department or agency in carrying out an investigation of any allegation or accusation that such recipient has not complied with Section 901,";

(F) in clause (1) by inserting "section 901 or" after "comply with"; and

(G) in the proviso by striking out "the requirement" and inserting in lieu thereof "section 901 or such requirement".

(3) The fourth sentence of section 902 of the Act is amended by striking out "a requirement imposed pursuant to this section" and inserting in lieu thereof "section 901 or such requirement".

Page 4, strike out lines 20 and 21, and insert in lieu thereof the following:

(4) Section 903 of the Act is amended—

(A) by striking out "section 1002" and inserting in lieu thereof "section 902"; and

(B) by striking out "any requirment imposed pursuant to section 902" and inserting in lieu thereof "section 901, or any requirement authorized to be enforced under section 902,".

Page 7, after line 13, insert the following:

(d)(1) The matter preceding clause (1) of section 305(a) of the Act is amended by striking out "any such regulation" and inserting in lieu thereof "section 303, or with any regulation adopted pursuant to section 304 requiring that a recipient cooperate with a department or agency in carrying out an investigation of any allegation or accusation that such recipient has not complied with section 303,".

(2) Section 305(a)(1) of the Act is amended—

(A) by striking out "any such regulation" and inserting in lieu thereof "section 303 or such regulation"; and

(B) by striking out "under the program or activity involved".

Page 7, strike out lines 14 and 15.

Page 7, line 16, strike out "(2)(A)" and insert in lieu thereof "(3)(A)".

Page 8, line 1, strike out "(3)" and insert in lieu thereof "(4)".

Page 10, line 3, strike out "and" at the end thereof.

Page 10, line 5, strike out the period at the end thereof and insert in lieu thereof a semicolon.

Page 10, after line 5, insert the following:

(E) by striking out "any requirement adopted pursuant to this section" and inserting in lieu thereof "section 601, or with any requirement adopted pursuant to this section that a recipient cooperate with a department or agency in carrying out an investigation of any allegation or accusation that such recipient has not complied with section 601,";

(F) in clause (1) by inserting "section 601 or" after "comply with"; and

(G) in the proviso by striking out "the requirement" and inserting in lieu thereof "section 601 or such requirement".

(3) The fourth sentence of section 602 of the Act is amended by striking out "a requirement imposed pursuant to this section" and inserting in lieu thereof "section 601 or such requirement".

(c) Section 603 of the Act is amended by striking out "any requirement imposed pursuant to section 602" and inserting in lieu thereof "section 601, or any requirement authorized to be enforced under section 602,".

Page 10, line 6, strike out "(c)" and insert in lieu thereof "(d)".

Mr. BARTLETT (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BARTLETT. Mr. Chairman, the amendments I am offering today en bloc would clarify congressional intent with regard to the fund termination provisions the remedies, the penalties, if you will, of H.R. 5490.

These amendments are in the form of a circuit breaker amendment so that fund termination would occur by institutions only in the case of either actual discrimination or at least in the case of alleged discrimination and the failure of that institution to cooperate with an investigation.

Now fund termination is available as a last resort in this bill to ensure compliance with the civil rights statutes included in the legislation. I support that provision. The threat of fund termination is an important provision, but it is one that has been used sparingly in the past.

Since 1970, in fact, there have been only six fund terminations under title VI of the Civil Rights Act, none under title IX of the education amendments, none under the age discrimination, and one cutoff of Federal funds, which is currently on appeal, under section 504 of the Rehabilitation Act.

So to insure that this sparing use of funds termination continues, I believe that what the House should do today is to put into law what so far has been established and accepted practice. This will insure its continuance. In that sense, these are merely clarifying amendments.

The amendment I am offering in bloc form would allow Federal agencies to terminate Federal financial assistance under one of two conditions. It makes no other changes other than to add these conditions.

No. 1, the first condition that would allow the cutoff of Federal funds is if there is an actual finding of discrimination.

No. 2, the second condition under which Federal funds could be terminated is if a recipient fails to cooperate in an investigation of an allegation or accusation of noncompliance with antidiscrimination provisions.

The point is that it would at the least require an actual investigation of alleged discrimination.

Mr. Chairman, this bloc amendment clarifies and limits the most severe penalty available under H.R. 5490, the cutoff of Federal funding. Therefore, the amendment improves the legislation and it strengthens the bill because it limits the most severe penalty to the most serious cases, cases of actual discrimination or cases in which discrimination itself is at issue.

The amendment makes commonsense. It implements the purpose of the law, the law which says an institution which receives Federal funding should have that funding cut off or terminated if it discriminates based on race, age, sex or handicap. That is fair. That is just. But to do more is not just. Justice would be served and fairness would be served by establishing a circuit breaker amendment which says that we should terminate Federal funding if the issue is discrimination but we should not terminate Federal funding under other circumstances.

Mr. SIMON. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I have great respect for my colleague from Texas, one of the abler Members of this body. But even able Members of this body can be wrong once in a while and he has demonstrated that that is possible here now.

I would point out that under title IX, for example, which caused all of this, not a single school in the Nation has lost funding. So what we are trying to do is to return to the status before the Grove City decision.

It is interesting also that the Grove City School would not have lost funding had the Bartlett amendment been in effect. I do not think that is what this body wants.

Next, he refers—and I am quoting the language now—"any requirement adopted pursuant to this section that a recipient cooperate"—what requirement are we talking about? There is no requirement referred to in the statute. So it would have to be done by regulation. There is no portion of this statute or this amendment requiring that the regulation be drafted. And, even if there were such a requirement, I would point out that under 504 it took the Department 6 long, long years to get the regulation drafted.

So I understand the intent of the gentleman from Texas, but there is no question, this weakens appreciably the law. It does not go back to pre-Grove City. It weakens something that I think most of us do not want to weaken.

I hope the amendment will be defeated.

□ 1820

Mr. FISH. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, this amendment on fund termination will narrow current law by limiting fund terminations to situations where discrimination has been determined.

Now, as written, fund termination can be triggered by, first, a failure to follow regulatory requirements, which includes the requirement not to discriminate; second, the requirement to file an assurance of compliance with the law; and, third, to cooperate with agency regulatory procedures.

A violation of any one of these three can trigger a fund termination or a referral to the Department of Justice for enforcement.

Now, the amendment before us would effectively take away the fund termination remedy when a covered entity refuses to sign an assurance form, as in Grove City College. Surely, the gentleman does not want to overrule this part of the Supreme Court's decision.

It would also require lengthy investigations, hearings and appeals to determine whether Federal funds are used for discriminatory purposes.

If schools cannot simply give assurances on which Government can rely, then intrusive and costly investigations will be necessary.

Finally, the amendment could lead to delays and uncertainty while new regulations are promulgated, often a lengthy process to finding when fund termination is available.

Mr. Chairman, at this time I yield to the gentlewoman from Rhode Island [Mrs. SCHNEIDER].

Mrs. SCHNEIDER. Mr. Chairman, I rise in opposition to this amendment. I think it is important to point out that under title IX, as we had experienced it prior to Grove City, the amendment of the gentleman from Texas [Mr. BARTLETT] is saying there will be a penalty only if there is a finding of discrimination. Prior to that there was voluntary compliance, essentially the honor system, which obviously is a less expensive and more efficient mode of monitoring and enforcement of discrimination.

If the Bartlett amendment were to pass, I could only anticipate that the Government would then have to play big brother and monitor and enforce compliance whether or not there is discrimination taking place.

For those reasons, I think that this could be a very costly proposal. The honor system or the voluntary compliance which has worked in the past should continue as is.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to my friend, the gentleman from Vermont [Mr. JEFFORDS], on behalf of the Committee on Education and Labor.

Mr. JEFFORDS. Mr. Chairman, I would only say that I agree with the very articulate and eloquent comments made by the gentleman from New York [Mr. FISH] and also by the gentlewoman from Rhode Island [Mrs. SCHNEIDER], and I would also oppose the amendment.

Mr. LUNGREN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I can hear the train coming down the track, so maybe I am just doing this for purposes of making a statement. It is unfortunate at times that we cannot address serious issues seriously. It is a fact that no amendment was adopted in subcommittee, no amendment was entertained or adopted in the full Judiciary Committee, and evidently the strategy here upon the part of some groups who want to support this legislation is to make sure that no amendment is seriously entertained at this point. And I think we do a disservice to ourselves and to our constituents to do so.

The fact of the matter is, if you look at the language that is contained in this bill—and I support the thrust of this bill—we do not adopt the exact language of the regulations in the pre-Grove City case.

So to argue now that this will be doing something a little differently than what was in existence pre-Grove City really does not hold water because the bill already does that.

We go beyond the definition of what the recipient is, and we have used some language, there is report language, there are colloquies that have taken place on the floor, to try to give an idea of what it is that we mean by that additional language that has been presented. And I understand that. We are trying to rerefine it here.

All the gentleman from Texas is suggesting is that the termination of funding is the ultimate sword to be used. And all the gentleman is suggesting here is that we treat these institutions, educational institutions, State institutions, and so forth, almost with the same dignity that we treat common criminals. You at least make a finding—make a finding that there is some discrimination or a finding that the recipient is not cooperating in an investigation of alleged discrimination.

And I ask you: What is so wrong about that?

It is true that if this language is adopted you could not terminate funds merely because an institution fails to sign a document that is an assurance of compliance, which is what we normally do in the course of every other relationship we have with individuals vis-a-vis the Government. You do not require them to sign a letter of assurance saying they are not going to break the criminal law and if they do so we provide some criminal sanction against them.

And here the gentleman is saying in two circumstances—a little different than was suggested by my colleague from Rhode Island a moment ago, when she said the funding shall only be cut off if there is a finding of discrimination.

The second part is: If the recipient does not cooperate in an investigation of alleged discrimination.

Now, I will grant you, that will require some regulatory language and for us to work it out over the years. But so I will suggest to my colleagues will the additional language in the finding what a recipient is that is contained in the bill.

We have language in the committee report, we have language on the floor in colloquy. But I would suggest we had that in the original language of the bill that has been the subject of regulation over the years and the ultimate decision in the Grove City case.

So let us not argue that there will not be some regulatory time to be taken to finally interpret what it is that we are doing here. That is going to happen in any circumstances.

And I just have to say that it is unfortunate that because there has been some strategy adopted that we cannot adopt any amendments that have not gone through the committee or subcommittee process that we cannot seriously discuss this bill.

Curtailing the discrimination is at the heart of this bill, and it seems to me that the severest of the penalties ought to be aimed at discrimination, not by saying that we are going to still allow a cutoff for funds because an institution fails to sign some document when there has been no allegation of discrimination.

How will investigations take place? I assume the way they take place in virtually every other instance in Government today. They arise from a complaint of some individual who has some evidence of discrimination, an allegation of discrimination. Why should we not proceed in the same fashion in this instance?

It is a serious matter we are here doing, and it is something that we have to deal with, all of us, because we do not want discrimination in these institutions. I would be the first one to suggest that we have improved our institutions with respect to the participation that is allowed women today that was not allowed a number of years ago because of some of these things. But in our quest to make sure that we still have that thrust, I would hope that we would not summarily toss this amendment aside.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I yield to the gentleman from Texas, the author of the amendment.

The CHAIRMAN. The time of the gentleman from California [Mr. LUNGREN] has expired.

(On the request of Mr. BARTLETT and by unanimous consent, Mr. LUNGREN was allowed to proceed for 3 additional minutes.)

Mr. BARTLETT. I thank the gentleman for his time. The gentleman does point out the ultimate irony of this legislation without the amendment, and the irony is that we have a law or a series of laws on discrimination through which in fact the penalty that is applied can be applied without any finding of discrimination or, in the Grove City case, without even any allegation of discrimination. So as the gentleman so eloquently said, this just simply puts some commonsense back into these laws. I believe the American public supports antidiscrimination laws, but they do support that you at least have to allege or discover discrimination before you apply the penalty.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I yield to the gentleman from New York.

Mr. FISH. It is nice to be back on the floor with my colleague, although I regret that we are on opposite sides of this issue.

Mr. LUNGREN. I regret also that the gentleman is not entertaining amendments as we did with the immigration bill.

Mr. FISH. I would like to say, first of all, that I think I am responsible for the fact that we had 2 hours of general debate in an open rule on this measure.

Mr. LUNGREN. Oh, I appreciate that.

Mr. FISH. Just so that we could fully discuss and elaborate on the gentleman's questions.

I would like to say, to begin with, that the gentleman is asking about investigations necessary to establish discrimination and how could you possibly move ahead without discrimination. Well, that is exactly what happened in the Grove City College case.

Mr. LUNGREN. I understand that.

Mr. FISH. We do not as a practice as a government investigate small colleges. All that college had to do and the Government would have believed them was to sign this certificate of assurance. They were not being investigated. There was no claim of discrimination.

Mr. LUNGREN. I understand that.

Mr. FISH. Nobody went on that campus looking for trouble. But they would be required to, under this amendment. That is the real irony of this amendment.

Mr. LUNGREN. If the gentleman will allow me to reclaim my time, if there were no complaint of discrimination whatsoever, why would there by an investigation?

Mr. FISH. Because you are knocking out the alternative of a mere certificate of compliance filed at regular intervals that avoid any——

Mr. LUNGREN. I understand that, but my question still is: Why would the authorities take the time to go after an institution against which there was absolutely zero allegation of discrimination?

Mr. FISH. Because they refused to sign the certificate that they were not discriminating.

Mr. LUNGREN. I understand that. That is the way it is now. But what does that get us?

Mr. FISH. What it gets us what this amendment gets us, is an enormously elaborate investigation, with hearings, appeals, a costly, intrusive policy.

□ 1830

Mr. LUNGREN. Mr. Chairman, if I may reclaim my time just for a second, there are some institutions in America and some individuals who, despite everything we do in the Congress, remain fiercely independent. We ought to grant that: That there are some institutions and some individuals who really do think of the Federal Government at times as big brother and, therefore, they resist not because they are fearful of being found discriminatory, but they resist because they think they ought not to be involved in the Federal Government unnecessarily.

The CHAIRMAN. The time of the gentleman from California [Mr. LUNGREN] has expired.

(On request of Mr. FISH and by unanimous consent, Mr. LUNGREN was allowed to proceed for 2 additional minutes.)

Mr. FISH. If the gentleman will yield further, I just want to close my part of this argument by reading the gentleman the statement of the American Association of State Colleges and Universities which appears on page 8 of the committee report:

> H.R. 5490 simply restores for these 4 statutes the broad scope and coverage intended by the Congress and consistently interpreted by the Executive branch since 1964. AASCU institutions have followed this broad coverage since these statutes were implemented. We are better institutions because of it, and H.R. 5490 will help us continue in that direction.

Mr. LUNGREN. Is that the State colleges and universities?

Mr. FISH. That is the American Association of State Colleges & Universities, of which you and I have numerous in our States.

Mr. LUNGREN. I understand that, but also there are private institutions that may not have quite the same ability to spend money as some of these other institutions.

Mr. FISH. There are a few.

Mr. SIMON. Mr. Chairman, will the gentleman yield.

Mr. LUNGREN. I yield to the gentleman from Illinois.

Mr. SIMON. I thank the gentleman for yielding.

Mr. Chairman, I think the gentleman's remarks, with all due respect, simply ignore the history of what has happened under Republican and Democratic administrations, and that is that the fund cutoff is there as an extreme penalty.

Mr. LUNGREN. I understand that.

Mr. SIMON. And it is rarely used.

Mr. LUNGREN. I understand that.

Mr. SIMON. So I think everyone else should be aware of that.

Mr. LUNGREN. May I ask the gentleman something on that. Does the gentleman think it should be used in a case where there is no allegation of discrimination whatsoever, but because of the independent mind of an institution and its leadership, they do not want to sign some sort of, as they would view it, bureaucratic document? Should a termination be the appropriate remedy under those circumstances?

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I would be happy to yield to the gentleman from Illinois because I would like the answer.

Mr. SIMON. If this Federal Government hands millions of dollars to an institution and we ask them to sign a piece of paper saying they are going to comply with the law and they refuse to sign that piece of paper, yes, I think we should cut off the funds.

Mr. LUNGREN. For the mere refusal to sign? That is the whole point. The gentleman believes that is necessary. I do not think that is necessary. I thought that was supposed to be the penalty for the most severe violation of the law.

The CHAIRMAN. The time of the gentleman from California [Mr. LUNGREN] has again expired.

(On request of Mr. BARTLETT and by unanimous consent, Mr. LUNGREN was allowed to proceed for 2 additional minutes.)

Mr. BARTLETT. Mr. Chairman, will the gentleman yield, and then we will wind it up.

Mr. LUNGREN. I would be happy to yield to the gentleman from Texas.

Mr. BARTLETT. I thank the gentleman for yielding.

Mr. Chairman, I would just clarify for the House that nothing in this amendment would delete the use of the assurance of compliance certificates or the form. Most institutions would continue, as they have in the past, to sign the assurance of compliance, First, because it is less trouble; and second, because it is a statement of public policy and a statement of policy which institutions around this country support.

All the amendment does is to say that there should be and will be no punishment unless there is some guilt. I think that is the fundamental fairness of it. I am surprised, frankly, that the amendment was not accepted by the other proponents of civil rights.

Mr. LUNGREN. If I might just mention to the gentleman, it seems to me that those who would not sign the letter of assurance would probably be subject to a greater scrutiny by the authorities, who would then make inquiries as to whether there was a discriminatory reason behind that and, therefore, they would go for an investigation. If I happened to be counseling an institution, I would probably counsel them that they ought to sign that letter. But on the other hand, if there are those institutions who, because of their independent spirit, they do not wish to, I would not want them to be so penalized.

Mr. BARTLETT. I thank the gentleman.

Mrs. SCHNEIDER. Mr. Chairman, would the gentleman yield for a clarification?

Mr. LUNGREN. Yes; I yield to the gentlewoman from Rhode Island.

Mrs. SCHNEIDER. I thank the gentleman for yielding.

Mr. Chairman, I am not sure that the two gentlemen are on the same wavelength insofar as agreement of compliance, because it appears to me that, on the one hand, Mr. BARTLETT is suggesting that we continue with the certificate of compliance, and on the other hand, the gentleman from California is arguing for those individuals or institutions who, according to their principle, do not choose to sign the certificate of compliance. That seems to be a conflict.

Mr. LUNGREN. Let me put the two together, then.

Mrs. SCHNEIDER. All right.

Mr. LUNGREN. What the gentleman says was that that particular method of achieving compliance, in a sense, would still be available to those institutions who wish to carry it out. To those who did not, it would not automatically result in the termination of funding. Termination of funding would not be allowed merely because they failed to sign the letter of compliance. That could be, I assume, taken into consideration with respect to the full investigation as to whether there was a discrimination pursued on the part of that institution, however.

Mrs. SCHNEIDER. I think it would be appropriate to inquire as to whether or not the Secretary of Education and the administration have indicated that they are supportive of the idea of calling for increased oversight monitoring and enforcement responsibilities for those universities who choose not to sign a certificate of compliance.

The CHAIRMAN. The time of the gentleman from California [Mr. Lungren] has again expired.

(By unanimous consent, Mr. Lungren was allowed to proceed for 2 additional minutes.)

Mr. LUNGREN. Mr. Chairman, if I might just respond to the gentlewoman from Rhode Island, there is no evidence whatsoever that this will require increased investigations.

Mrs. SCHNEIDER. If those universities do not sign a certificate of compliance, would it not, then, be more likely than not that the Federal Government would then say: "We must investigate these institutions to see if they are complying"?

Mr. LUNGREN. If I might respond to the gentlewoman, just because someone does not sign the letter is not proof of discrimination. Would the gentlewoman grant that?

Mrs. SCHNEIDER. That is true; yes.

Mr. LUNGREN. Therefore, forcing them to sign the letter of compliance or threatening a fund cutoff in those situations where they do fail to do that is, by definition, a waste of the time of the bureaucracy. They should be going after those in which there is at least a tiny bit, a sliver, just a miniscule element of evidence that there is discrimination.

I know that upsets some people, because some people truly do not believe in this institution that people can absolutely have a feeling that the Federal Government is overburdening and not have that feeling generated from any bad motives or discriminatory intent or effect. But, in fact, that is true. There are some people like that around this country and I do not think we ought to paint with such a broad brush to suggest that merely because they fail to get in step with the bureaucracy that they are, therefore, discriminatory.

All the gentleman's amendment suggests is that we cannot use the ultimate penalty for the lack of signing this assurance document. You can certainly continue to go forward with the rest of it. I do not see any evidence that that will require more people, more bureaucrats, more investigators, more investigations by the Government.

Mrs. SCHNEIDER. It appears to me that it is the intent of the amendment that unless there is voluntary compliance, the implications are such that it would then put the burden of proof on the Federal Government. Big brother would be watching you to make sure you are discriminating or not discriminating. I think it is really a practical matter, and I think the Bartlett proposal is impractical.

Mr. LUNGREN. I appreciate the gentlewoman's remarks. It is the first instance I have seen where we have said that because you do not have the greatest proof necessary to give someone the greatest penalty, you hurt that person.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Texas [Mr. Bartlett].

The amendments were rejected.

The CHAIRMAN. Are there further amendments to section 2?

AMENDMENT OFFERED BY MR. DANNEMEYER

Mr. DANNEMEYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Dannemeyer: On page 3, line 10, strike out "paragraph" and insert in lieu thereof "paragraphs".

On page 3, line 25, strike out the close quotation marks and the period at the end thereof.

On page 3, after line 25, insert the following:

"(3) For the purpose of this title, the term 'sex' does not include sexual preference or orientation.".

Mr. DANNEMEYER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SIMON. Mr. Chairman, I have not seen the amendment. I am reserving a point of order until I have had a chance to see the amendment.

The CHAIRMAN. The gentleman from Illinois [Mr. Simon] reserves a point of order.

Mr. DANNEMEYER. Mr. Chairman, the amendment that I am now asking the committee to consider clears up a possible ambiguity or one that may be argued with respect to the definition of "sex" in the Civil Rights Act by just making clear as a policy statement that the term "sex" does not include sexual preference or orientation.

□ 1840

The reason this amendment is offered at this time to this bill is, I think, quite obvious. In America today, in my home State of California and in other States around the Union, efforts are being made by the homosexual community to make what we call a frontal assault on the tradition of the family unit in America. The proponents of this alternative lifestyle—they have assumed the name "gay"—are saying to the people of our country that there is nothing abnormal about homosexuality, that the proscriptions on that alternative lifestyle, as set forth in the Bible, the basis of Western civilization, are no longer relevant in America, and that the people who choose to follow this alternative lifestyle may do so with the blessing and the approval of society. In fact, the current move by the proponents and the activists in the homosexual community in my State of California is to turn their quest for an alternative lifestyle blessed by our culture and our law into a civil right. So that when, for instance, a person stands up in our culture, in whatever calling may be involved, and says: "We do not choose to tolerate the modification of our culture and approve this assault on the basic family unit of our country and our civilization, such a person is told you may not do that. You may not call that into question because we have this alternative right." And they will argue almost predictably that the term "sex" in the Civil Rights Act is broad enough to include sexual preference or orientation.

So I am suggesting to the committee in this modest amendment that we are clarifying this as a policy statement. We in the House of Representatives are saying that for America we will choose the traditional family-value system of a man and a woman as God's plan for civilization, and if people want to practice a homosexual lifestyle, that is their privilege, but we will not designate or use the civil rights law of our society as a means of establishing society's respectability or tolerance for that alternative lifestyle.

Mr. Chairman, that is the very purpose of this amendment, and I ask for the Members' support.

POINT OF ORDER

Mr. SIMON. Mr. Chairman, I renew my point of order.

The point of order is that this is not germane to this bill. The classifications that historically have been considered and have been considered under this bill are race, national origin, sex, handicapped, and aged.

The gentleman from California is attempting to add a new clarification here that is not germane to the legislation pending before this body.

The CHAIRMAN. Does the gentleman from California [Mr. Danne-

MEYER] desire to be heard on the point of order?

Mr. DANNEMEYER. I do, Mr. Chairman.

With all due respect to my colleague, the gentleman from Illinois, Mr. Chairman, I am surprised at the statement that he has just made. I am not seeking to add a new term. The term "sex" is in the law.

All I am seeking to do by this amendment is to make clear that we do not, as the policymaking body of this country, in terms of law, choose to take our society down the road where someone sooner or later is going to argue that the term "sex" in the law includes sexual preference or orientation. I am not adding anything. I am just clarifying what that term means today as it is used in the law.

The CHAIRMAN [Mr. SWIFT]. The Chair is prepared to rule on the point of order.

The committee's report indicates that the purpose of this legislation is to reaffirm the scope and the application of four civil rights laws to an interpretation which was generally accepted before the Grove City College decision. It does not seek to define what is a discriminatory act.

In other words, the bill deals with the definition of "potential discriminators," in this instance, recipients of Federal financial assistance. It does not deal with the definition of "discrimination."

Because the gentleman's amendment would address the definition of what constitutes discrimination, his amendment would not be in order.

The Chair would cite Deschler's procedure, 28.2:

> To the proposition amending existing law in several particulars but relating to a single subject affected thereby, an amendment proposing to modify the law but not related to the subject of the pending proposition is not germane.

And in 28.4, Deschler continues:

> Similarly, if a bill seeks only to modify the penalty provisions of a law prescribing specific conduct, an amendment is not germane if it seeks to broaden the scope or alter the applicability of such law.

Therefore, the Chair finds the gentleman's amendment not in order.

PARLIAMENTARY INQUIRIES

Mr. WALKER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WALKER. Mr. Chairman, my parliamentary inquiry relates to the ruling of the Chair with regard to the amendment.

Is the amendment offered by the gentleman from California in any way changing the present interpretation of the law? If so, the Chair's ruling would be correct. But if the gentleman's amendment does not, in fact, go to the scope but simply clarifies precisely where the law now stands, then it seems to me that the Chair would not be able to cite that particular precedent.

Is the Chair saying that the present interpretation of the law is of a scope greater than what the gentleman is saying here?

The CHAIRMAN. The Chair is not going to pass on the interpretation of present law, but the Chair would say that the gentleman's amendment addresses the term "sex" as it is in the law.

Mr. WALKER. Mr. Chairman, I have a further parliamentary inquiry.

The Chair would have to tell us what that redefinition of the law is. As applied in the present law, the term "sex" refers to gender. That is what the gentleman, it seems to me, is clarifying here.

How is that different from what is in the law presently?

The CHAIRMAN. The amendment says that "sex shall not include" et cetera, which addresses current law in terms of the definition of what constitutes a discriminatory act.

Mr. WALKER. Mr. Chairman, I have a further parliamentary inquiry.

Then is the Chair saying that at the present time the term "sex" in the act does in fact include sexual preference or orientation, that that is an interpretation that can be given to the word "sex" in the bill at the present time?

The CHAIRMAN. The Chair does not construe law. That is a matter for the courts.

Does the gentleman from Illinois seek recognition?

Mr. SIMON. Mr. Chairman, I simply make a point of order that what the gentleman from Pennsylvania is asking is not a parliamentary inquiry. It is a question that should be directed to a court or somewhere else. The Chair has ruled, and, I think, properly ruled.

Mr. WALKER. Mr. Chairman, I have a further parliamentary inquiry.

This Chair has made a ruling based upon the precedents of the House. The substance of that ruling is based upon the fact that this was in fact an extension of the present interpretation of the law.

The gentleman is simply trying to clarify on what basis the Chair is making that particular interpretation of this language.

The CHAIRMAN. The Chair does not intend to debate with the gentleman, but the Chair would point out that what the Chair read in the precedents from Deschler's was an example—an instance where an amendment sought to address a different issue from that in the bill, and this amendment clearly addresses the issue of what is a discriminatory act.

Mr. WALKER. Mr. Chairman, I have a further parliamentary inquiry.

The point I am making is, if in fact the term presently means gender, does this in any way modify that or alter that in any way, shape or form? That is what I am trying to find out from the Chair, how that ruling does apply.

The CHAIRMAN. The Chair simply has found that the amendment seeks to amend a portion of the act that is not before the committee, and the amendment is found out of order.

Are there any other amendments to section 2?

AMENDMENTS OFFERED BY MR. NIELSON OF UTAH

Mr. NIELSON of Utah. Mr. Chairman, I offer a series of amendments, and I ask unanimous consent to consider these amendments en bloc because they refer to sections 2, 3, 4, and 5.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. NIELSON of Utah: Page 3, after line 7, insert the following:

(b) Section 901(a) of the Act is amended—

(1) in clause (8) by striking out "and" at the end thereof;

(2) in clause (9) by striking out the period at the end thereof and inserting in lieu thereof "; and", and

(3) by adding at the end thereof the following new clause:

"(10) this section shall not apply with respect to any Federal financial assistance distributed directly to an individual, or to the legal guardian of such individual, by any department or agency of the United States for the purpose of assisting such individual to attend an educational institution if such institution is an institution of higher education, as defined in section 1201(a) of the Higher Education Act of 1965, and is an organization described in section 501(c)(3) of the Internal Revenue Code of 1954 and exempt from taxation under subtitle A of such Code.".

Page 3, line 8, strike out "(b)" and insert in lieu thereof "(c)".

Page 4, line 1, strike out "(c)" and insert in lieu thereof "(d)".

Page 5, line 13, strike out "subsection" and insert in lieu thereof "subsections".

Page 6, line 4, strike out the close quotation marks and the period at the end thereof.

Page 6, after line 4, insert the following:

"(c) This section shall not apply with respect to any Federal financial assistance distributed directly to an individual, or to the legal guardian of such individual, by any department or agency of the United States for the purpose of assisting such individual to attend an educational institution if such institution is an institution of higher education, as defined in section 1201(a) of the Higher Education Act of 1965, and is an organization described in section 501(c)(3) of the Internal Revenue Code of 1954 and exempt from taxation under subtitle A of such Code.".

Page 6, line 25, strike out the period and insert in lieu thereof a semicolon.

Page 6, after line 25, insert the following:

(4) by inserting "(a)" after "SEC. 303."; and

(5) by adding at the end thereof the following new subsection:

"(b) Subsection (a) shall not apply with respect to any Federal financial assistance distributed directly to an individual, or to the legal guardian of such individual, by any department or agency of the United States for the purpose of assisting such individual to attend an educational institution if such institution is an institution of higher education, as defined in section 1201(a) of the Higher Education Act of 1965, and is an organization described in section 501(c)(3) of the Internal Revenue Code of 1954 and exempt from taxation under subtitle A of such Code.".

Page 9, line 9, strike out "and" at the end thereof.

Page 9, line 12, strike out the period at the end thereof and insert in lieu thereof a semicolon.

Page 9, after line 12, insert the following:

(4) by inserting "(a)" after "Sec. 601."; and

(5) by adding at the end thereof the following new subsection:

"(b) Subsection (a) shall not apply with respect to any Federal financial assistance distributed directly to an individual, or to the legal guardian of such individual, by any department or agency of the United States for the purpose of assisting such individual to attend an educational institution of higher education, as defined in section 1201(a) of the Higher Education Act of 1965, and is an organization described in section 501(c)(3) of the Internal Revenue Code of 1954 and exempt from taxation under subtitle A of such Code.".

Mr. NIELSON of Utah (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

The CHAIRMAN. The gentleman from Utah [Mr. NIELSON] is recognized for 5 minutes in support of his amendments.

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Mr. NIELSON of Utah. Mr. Chairman, Grove City is a private, coed, liberal arts school that has a policy of refusing State or Federal money. When the Department of Education tried to get them to file a compliance form for title IX they refused, claiming that they had never received Federal funds and thus should not be subjected to Federal regulation. While it is true that the college didn't receive any direct Federal aid, it did accept students who were getting BEOG's [basic educational opportunity grants] Pell grants through the alternate distribution system, in which case the funds go directly to the student, they do not go to the school at all. The Department claimed that student BEOG's constituted aid to the college they attended and that, therefore, the school had to file compliance forms for title IX.

When Grove City refused to file the appropriate forms, the Department moved to have the college and its students declared ineligible for BEOG's. The administrative law judge agreed with the Department so the college and four of its students filed suit in the U.S. district court.

The lower court decisions were appealed and the Supreme Court finally settled things. Basically they said that in light of the language and legislative history of the Education Amendments of 1972, student aid was aid to the school. They also said that the receipt of BEOG's by some students did not trigger institution wide coverage of title IX but program specific coverage.

We come now to this particular amendment. First of all, I might say for the record that the gentleman from Kentucky [Mr. SNYDER] had a bill, H.R. 5011, which would have replaced the language, program or activity, with the word "institution" and basically would have had the law say exactly what the 18 pages of single spaced type has implied. The original law was only 37 words, but it took 18 pages of single space to implement it.

My amendment addresses the question of: At what point can the Federal Government exercise control over a private institution? It simply states that Federal financial assistance that goes directly to an individual to assist that individual to attend a nonprofit, nonvocational school, that indirect Federal assistance does not engage the title IX requirement, section 504—handicapped—civil rights title VI, or the Age Discrimination Act. The point is not to exempt any schools that would facilitate discrimination—no schools would be exempt from any thing if they had any other form of Federal assistance. This just reverses the Supreme Court decision that indirect aid is financial assistance to the school.

Remember, with indirect financial assistance there is no quid pro quo, the only enforcement is to cut off the BEOG's and this punishes the students more than the school.

Remember this also in connection with the previous amendment, Grove City was never charged with discrimination. This is a question of at what point can the Federal Government exercise control over a private institution.

Also, if someone should ask if guaranteed student loans are included as exempt under your amendment the answer would be only if the loans go directly from the Federal Government to the student. Most that I know about come from a bank and are only guaranteed by the Government.

I would like to read just a couple things. This is from the NEA statement which basically says that no amendment shall be applied to this particular bill. Let me read the last sentence on their statement:

> If student aid were not considered to be federal financial assistance, it would affect large numbers of postsecondary institutions. There are approximately 4000 institutions—mainly proprietary schools but also some four year colleges—namely about 27 of them, with about 50,000 students total which receive only Pell Grants and/or GSL on which the court was silent. All of these schools would be free of federal intervention to discriminate if student aid were not considered federal assistance.

As I say, the words "free to discriminate" are themselves a very damning phrase. If they would rephrase it and say, "would be free of Federal intervention" I think it would be much more accurate, and as I say, no allegation of discrimination was ever charged.

Let me quote from Dr. Bruce Hafen, president of Ricks College, who testified to the group. He said——

The CHAIRMAN. The time of the gentleman from Utah has expired.

(By unanimous consent, Mr. NIELSON of Utah was allowed to proceed for an additional 5 minutes.)

Mr. NIELSON of Utah. Mr. Chairman, the testimony of Mr. Bruce C. Hafen is as follows:

TESTIMONY OF BRUCE C. HAFEN, PRESIDENT, RICKS COLLEGE, AND PRESIDENT, AMERICAN ASSOCIATION OF PRESIDENTS OF INDEPENDENT COLLEGES & UNIVERSITIES BEFORE THE HOUSE COMMITTEE ON EDUCATION AND LABOR AND THE SUBCOMMITTEE ON CIVIL AND CONSTITUTIONAL RIGHTS, MAY 17, 1984

Mr. Chairman, I am here in two capacities—as President of Ricks College in Rexburg, Idaho and as President of the American Association of Presidents of Independent Colleges and Universities. I appreciate the opportunity to be here.

Ricks College is a private two-year college enrolling about 6,500 students. AAPICU includes the presidents of some 165 private colleges and universities from all across the country, representing a total enrollment of about 350,000 students. Some of these universities are large, such as Baylor, Villanova, and Brigham Young. However, most are small colleges with enrollments under 2,500. Many of our schools are church-related. All are deeply committed as a matter of conscience to the goals of nondiscrimination and equal opportunity in higher education. AAPICU is also committed to high standards of academic excellence; several of our member schools were given high marks in the recently reported poll from U.S. college presidents in U.S. News & World Report.

Many AAPICU colleges receive no direct federal aid, though nearly all have, until now, admitted students who were receiving educational assistance. In general, the member institutions of AAPICU are distinguished from other private colleges and universities by their determined efforts over many years to finance their own operations from the private sector. A principal motivation for this self-reliance has been an intense desire to remain independent of governmental control, in order to pursue distinctive educational missions. How ironic it is for these college presidents to realize today that, if H.R. 5490 is passed, they will be as completely overwhelmed by the collective cloak of regulation as if they had applied for maximum possible federal aid over all these years.

Before the introduction of H.R. 5490 and before the Supreme Court handed down Grove City, I believed my own college was not subject to campus wide Title IX coverage. I had two bases for this view—the "recipient" and the "program specific" requirements of the Title IX statute. The college had always refused every form of federal aid, and my own legal training convinced me that student aid alone did not make the college a recipient of federal funds. The "benefit" an institution receives through aid to its students is more like such indirect benefits as tax credits and tax exemptions than it is like direct federal grants for which there is a quid pro quo. In Grove City, the Supreme Court held that enrollment of students receiving federal aid made the College a "recipient" of assistance, though it did also uphold the statute's program specific concept. Now H.R. 5490 would eliminate that concept as well. The Court's decision and this Bill thus combine to force an impossible choice on schools like mine.

We have only two options, neither of which is desirable. Option A is to refuse admission to students receiving any form of federal aid. One result of this option is that students from disadvantaged backgrounds could not afford to attend since they may require substantial aid. We could try to raise our own student aid funds, but our costs—because we bear them ourselves—have already priced many of us out of the market. Competing with increased governmental aid to students is simply impossible. Surely the members of your committee are aware that private higher education is, largely for financial reasons, already among the most endangered of species. The most serious potential result of Option A is that the ineligibility of all students receiving government aid would sharply reduce enrollments in an already declining market, thus forcing through lost tuition income the closure of some private colleges. It is not at all unrealistic, therefore, to suggest as a possible subtitle for H.R. 5490, "the bill to terminate private higher education."

Option B is to accept the full blown umbrella of federal regulations across the entire campus. This prospect would force some schools into an intolerable compromise with their very reasons for existing. But, some will say, "better fed than dead." Option B also portends serious national economic consequences, because major contributions from the private sector will regret the loss of private education's distinctive educational character and hence lose interest in supporting it. Moreover, private colleges will themselves have far less incentive to seek help from private sources. It will be all too easy to line up at the federal pay windows, since nothing is gained by staying away. The aggregate reduction of private sector support for the staggering costs of national higher education under these circumstances should not be taken lightly.

Consider now a few of the major specific problems with the assumptions and the broad language of H.R. 5490. First, the bill almost seems to assume there are no other civil rights laws in place to protect the interest of non-discrimination in the field of education. However, all private institutions are subject to Title VII of the Civil Rights Act, prohibiting discrimination in employment. These institutions are also subject to numerous other statutes affecting all employers. In addition, a variety of private legal remedies are arising to enforce non-discrimination rights.

Second, I stress that the occasion for your committee's current deliberations is not that new evidence of discrimination or lack of actual commitment to civil rights has been found on American campuses. There was no allegation or charge of discrimination in Grove City. The case dealt only with matters of statutory definition and congressional intent.

Third, while the expansive definition of "recipient" in H.R. 5490 reflects an understandable desire to eliminate all potential discrimination, the trouble with such limitless terms is that they become meaningless and impossible to enforce. Under this definition, would a social security beneficiary attending a private college cause the college to be a recipient of federal aid? How about a student who pays his tuition with earnings from a summer job on a federally funded highway construction project? These are not far fetched questions, since in both cases the school is as much a "transferee" of federal funds through an "entity or person" as is the case in explicit student aid programs.

Fourth, the broad sweep of both the "recipient" definition and the concept of following every federal dollar through numerous potential recyclings of economic ripple effects reflects a risky form of overkill. This Bill conveys little sensitivity to its potential impact on either federalism or the private sector. Actually, there is currently great need to clarify the limiting clauses of the original Title IX language. For example, federal regulatory authority under either the Commerce power or the spending power is limited as soon as it enters an area pervaded by critical First Amendment values such as religious liberty and academic freedom. Thus, there is a qualified but terribly important exemption in Title IX when application of the law "would not be consistent with the religious tenets" of "a religious organization" which "controls" an educational institution. However, many colleges and universities in our Association which have strong institutional commitments to religiously based moral values are not protected by this exemption, because they are not formally "controlled" by a religious organization.

Being more specific about inappropriate invasions of religious and moral values, current Title IX regulations require schools to be blind to the occurrence of abortion in decisions relating to school policies or student discipline. Yet many religiously oriented institutions believe abortion to be a serious moral wrong.

Also, the regulations establish an official orthodoxy about value questions relating to the roles of the sexes in society, matters of sexual morality, and attitudes about marriages and family life. It is not at all clear, for instance, whether Title IX permits college teachers and counselors to talk with students about ways in which marriage may be compared to career choices. It is unclear whether dress codes are allowed when they encourage gender-based appearance. Sex-segregated housing for single students is allowed up to the point of maintaining "separate living facilities." But the language is uncertain enough to make it difficult for institutions to know how to govern their affairs in a highly sensitive area.

Title IX does not recognize religious or moral principle as a basis for legitimate distinctions based on gender, unless the college is controlled by a church. And even then, the burden of proof seems to be on the college to convince the Department of Education that its religious interests are genuine. Because this procedure leaves doctrinal determinations in governmental hands, its constitutionality as well as its wisdom is questionable.

Fifth, the cause of higher education in this country is badly served by measures that destroy our system's few remaining vestiges of diversity and pluralism. As long ago as 1971, the distinguished Report on Higher Education prepared by the Newman Commission and distributed through the U.S. Office of Education observed as its basic criticism that our "system of higher education as a whole is now strikingly uniform." The Commission found that college students have a choice "not . . . between institutions which offer different modes of learning, but between institutions which differ in the extent to which they conform to the model of the prestige university. . . . If . . . one believes that an important function of the higher education system is to offer alternative models of careers and roles, including those which challenge and change society, then the homogenization of higher education is a serious problem." For students who will be frozen out of private colleges unable to admit anyone receiving personal federal aid, the message of this report is particularly unsettling.

A final reason for concern about the effects of the proposed bill on the predominately small and financially self-reliant schools of AAPICU is that their limited resources make it virtually impossible to add a new campus-wide layer of personnel and procedures to satisfy the extensive compliance burden thus placed upon them. Their only answer may be to ask for federal funding to cover compliance costs. Then not only do national educational costs increase, but the claim that these schools are truly independent of the federal government really is destroyed—not because the schools are dependent on government for educational purposes, but because they are dependent on government to satisfy the government's purposes.

For the foregoing reasons, Mr. Chairman, I urge the Committee not to move hastily on this far-reaching legislation. I also urge that a way be found to protect the imperiled interests of colleges receiving no direct federal assistance. Thank you.

By the way, he was speaking in addition to his own college as president of the American Association of Presidents of Independent Colleges & Universities.

My amendment would simply define "recipient" in such a way that aid to a student would not trigger Federal intervention in the entire college and I solicit your support.

Mr. SIMON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, let no one be under any delusion. This is a sweeping amendment. It goes far beyond what the Supreme Court even did.

I would point out that 96 percent of the Federal aid that is provided to higher education is in the form of student assistance and all the gentleman from Utah is doing is exempting that 96 percent from the discrimination requirements.

The gentleman mentions Ricks College in Idaho, $1.5 million in 1983-84 in Pell grant awards. Since roughly triple that amount would be involved in GSL's, you are talking that amount $6 million. Should we be handing $6 million in assistance which the Supreme Court recognizes is assistance to the college? Should be handing $6 million worth of assistance and saying to them, "You can go ahead and discriminate." I do not think we should.

In the State of the gentleman from Utah is one of the great universities of this country, Brigham Young University. I have had the privilege of visiting Brigham Young University. It has one of the great foreign language programs of the country. You can be proud of that university, and everyone who has anything to do with it can be; but Brigham Young University gets about $6 million in Pell grants, probably about $18 million in GSL's, $24 million. Do we just take Federal money and give it to colleges and universities and say, "We don't care whether you discriminate or not." I do not think that is what this body wants to do.

I have great respect for my colleague, the gentleman from Utah, but I think his amendment is a bad amendment.

Mr. NIELSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I would be pleased to yield.

Mr. NIELSON of Utah. First let me say that Brigham Young University, I am proud of that university, I served as a professor there for 25 years. I think I know their attitude toward Federal aid. They do Federal research projects on a quid pro quo basis, but they have consistently simply turned down Federal grants, except those which go to the students. Their position has been that to deny those students access to that university because they needed some Federal scholarship help was not the right thing to do; but I have it on good authority that if forced to do that by this Supreme Court decision, they, and Rice, and Baylor, and 27 other colleges may well do that and that would deprive individuals who happened to live in the communities where these colleges are located, it would deny them the opportunity to go to the school of their choice. That is the purpose of the amendment.

As I say, it is not a sweeping amendment, as the gentleman says, because all it does is look at the second part of the Supreme Court decision. The gentleman from Illinois is looking at the first part, concentrating on that part. There are two parts to this decision. We are looking at the other part as well.

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Mr. SIMON. I would simply respond to the gentleman. I am sure that Brigham Young University and the other schools will want to comply with the law, will not want to discriminate.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to my colleague from New York.

Mr. FISH. Very briefly. The amendment says aid to a student should not trigger coverage. As the chairman of the committee has so aptly said, this amendment would simply overturn Grove City College.

The only type of Federal assistance at issue in Grove City was aid given directly to students. But as a matter of policy, I believe these institutions should be covered. We are talking about millions and millions of dollars in student aid to individual institutions. This is nothing less than a subsidy to the institution.

Large amounts of Federal subsidies to these schools are recognized by them, too, as important.

Mr. SIMON. The gentleman from New York is absolutely correct. The schools recognize this, the Supreme Court recognized it in the Grove City case.

I think the point is well taken.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. Mr. Chairman, is it not true that actually this issue did not ripen in this Grove City case, but the lower courts and the other courts of appeal have in fact so interpreted the aid to students being aid to the institution. This is no real new revelation here in the Supreme Court decision, is it?

Mr. SIMON. The gentleman is absolutely correct. Of course, that is one of the reasons for student aid in the first place. We wanted to be of assistance to the higher education facilities of this Nation.

Mr. COLEMAN of Missouri. Just briefly, I reluctantly oppose the amendment because I think it is recognized, widely held and almost by judicial notice so done that any aid of this nature going to students is going to directly aid the institution involved.

The gentleman from Utah's amendment makes significant changes in law prior to the Grove City case. This is a big change from what we are trying to do. It is just changing as a result of Grove City.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(By unanimous consent, Mr. Simon was allowed to proceed for 3 additional minutes.)

Mr. SIMON. My colleague from Missouri is absolutely correct, as he is 90 percent of the time.

Mr. NIELSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to my colleague from Utah.

Mr. NIELSON of Utah. Two comments that you repeated again, Congressman. You said Brigham Young University should be free to discriminate. I defy anyone who has ever said they did discriminate. They simply want to be free of Federal law and Federal intervention. That is what they want to do; 4,000 institutions feel the same way, 27 of which are public institutions and the others are private institutions. I would like to indicate that on this basis, Mr. Coleman, this is not direct aid to the college, it is aid to individuals who otherwise would not go to college.

I admit there is some benefit there but that benefit would be applied to somewhere else. They would be denied the wide choice of places to go. That is the only point of the amendment.

I thank the gentleman for yielding.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Utah [Mr. Nielson].

The amendments were rejected.

The CHAIRMAN. Are there any further amendments to section 2?

Mr. COLEMAN of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, if I might enter into a colloquy with the gentleman from California at this time, Mr. Edwards.

May I ask the gentleman from California [Mr. Edwards] to explain the recipient definition which will be added to each statute as a result of enactment of H.R. 5490?

Mr. EDWARDS of California. If the gentleman will yield, I thank the gentleman, Mr. Coleman, for his question. My response will be lengthy and will address the key concerns which have been raised with regard to the breadth of coverage of these statutes.

Each of these statutes extends coverage of their antidiscrimination provisions to public and private recipients of Federal financial assistance. As I and other sponsors of this legislation have stated throughout the committee report and in correspondence and discussions with our colleagues, the recipient definition added to each statue is modeled after existing agency regulations under title VI, title IX, section 504 and the Age Discrimination Act.

Although these current regulations all adopt the same basic approach embodied in the definition of "recipient" under H.R. 5490, the regulatory definitions all differ in minor respects from agency to agency, and from statute to statute, and therefore it was not possible to select a definition of the term "recipient" in the statute which used the exact language in all of the agency regulations.

The definition of "recipient" used in H.R. 5490 uses as a starting point the title IX definition of "recipient" adopted by the Department of Education, because it was that definition which the Supreme Court interpreted in the Grove City College case. All of the key words of the H.R. 5490 definition are also in the title IX regulatory definition. To the extent there have been any departures from the exact wording of the current regulatory definitions of the term recipient, those departures have been designed to and do in fact assure that ambiguities in language are clarified to conform to past administrative practices, and to conform to the Grove City College case interpretation of the term "recipient."

The definition set forth in H.R. 5490 encompasses two concepts—First, trickle down: Receipt of Federal financial assistance means a recipient is covered throughout its operations; that is, covered in its entirety, including its subunits, and second, trickle up: A subunit will trigger coverage of its parent or larger entity if the Federal financial assistance to the subunit benefits or supports the parent entity.

A subunit refers to parts of a larger unit in which there is a direct reporting and fiscal relationship between the smaller component and the larger. For example, city departments and agencies are subunits of the city. The county police, fire, highway and health departments are subunits of the county.

Political subdivision, such as cities or counties, are not subunits of the State, nor are city or county agencies subunits of the State because such political subdivisions are separately incorporated and distinct entities which are independent. It is not the case that each and every political entity or unit in the State is a subunit of the State. Thus, the receipt by a State of Federal funds would not necessarily lead to the coverage of all political subdivisions, but it would lead to coverage of all State agencies and departments. A political subdivision must itself receive assistance in order to be covered. This may happen through the direct receipt of Federal funds, or through the receipt of Federal funds from a State or other recipient, but it is not the automatic result of a State's coverage. In summary, entire States may be covered and so may entire political subdivisions, but there is not automatic coverage from one to the other.

If a subunit of a State or political subdivision is the recipient, such as a State department of health or a city fire department, coverage of the parent entity and all of its operations is not automatic. A subunit's receipt of Federal financial assistance will trigger coverage for the parent entity of which it is a part, if the assistance to the subunit supports the larger entity as well. So, for example, administrative overhead from Federal assistance which a subunit gives to its parent entity will support the larger entity and thus lead to coverage, because the parent/larger entity receives support from the extension of Federal financial assistance to any of its subunits.

On the other hand, if a political subdivision such as a city extends some amount of its Federal financial assistance to the State, then the support extended to the State makes it a recipient under the definition in H.R. 5490, not as a subunit that supports, but as an entity receiving Federal financial assistance through another entity. The city is not a subunit of the State government nor is the county a subunit of the State government.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

(By unanimous consent, Mr. COLEMAN of Missouri was allowed to proceed for 5 additional minutes.)

Mr. COLEMAN of Missouri. I continue to yield to the gentleman from California.

Mr. EDWARDS of California. I appreciate the gentleman yielding further.

I know a number of my colleagues have heard concerns that Social Security or medicaid or food stamp recipients or farmers receiving crop subsidies or price supports or disaster loans will be covered by these laws and will transfer their coverage to others who may subsequently benefit from the assistance received. Under existing agency regulations and practices, such persons are not recipients within the meaning of these laws. They are more appropriately defined as ultimate beneficiaries.

This phase, "ultimate beneficiaries," unlike in title VI or section 504 regulations, is not found in title IX regulations. It is used in title VI and section 504 regulatory definitions of the term "recipient" to assure that individual students receiving Federal student aid funds, or individual patients receiving medicare or medicaid, for example, would not be considered recipients of Federal funds for purposes of these statutes. It is used in Department of Agriculture regulations to assure that farms—individual, partnership, or corporation—are not covered because of the receipt of the crop subsidies, price supports or disaster loans. It has always been clear, as it was in the Grove City holding, that such farms are not recipients under title IX regulations. Therefore, the exclusion of ultimate beneficiaries from the definition of recipient is not necessary to exclude such farms from coverage.

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Mr. COLEMAN of Missouri. Do I understand the gentleman to say that farms which receive Federal financial assistance in the form of crop subsidies, disaster loans and price supports are not considered recipients of Federal financial assistance under existing law or under the proposed law in H.R. 5490?

Mr. EDWARDS of California. The gentleman is correct. The gentleman understands me correctly.

Mr. COLEMAN of Missouri. Mr. Chairman, I continue to yield to the gentleman from California.

Mr. EDWARDS of California. Mr. Chairman, the definition in H.R. 5490 retains, for example, the distinctions drawn by the Grove City College case between coverage of educational entities through student Federal financial assistance, as opposed to food stamps, welfare benefits, and social security payments:

> *Grove City's attempt to analogize BEOGs to food stamps, Social Security benefits, welfare payments,and other forms of general-purpose governmental assistance to low-income families is unavailing.* First, there is no evidence that Congress intended the receipt of federal money in this manner to trigger coverage under Title IX. Second, these general assistance programs, were not designed to assist colleges and universities. Third, educational institutions have no control over, and indeed perhaps no knowledge of, whether they ultimately receive federal funds made available to individuals under general assistance programs, but they remain fee to opt out of federal student assistance programs. Fourth, individuals' eligibility for general assistance is not tied to attendance at an educational institution." (Emphasis added).

H.R. 5490 would not alter this section of the opinion. The legislation reflects the reasoning of the court in finding students assistance to be aid to the school. Under the bill, as has always been true, neither the landlord whos rent is paid with the proceeds of an AFDC of SSI check, nor the grocer who is paid for food from the proceeds of an SSI check, is covered as a result of that transaction.

It could be argued that the term "ultimate beneficiary" refers to institutions such as Grove City College, which ultimately receive Federal funds through students or other individuals. Since the Grove City College case found Grove City College to be a recipient under a regulatory definition of the term "recipient" which does not include the ultimate beneficiary exclusion, it could be confusing as to coverage of entities such as hospitals and schools receiving funds through students or patients if the term were inserted.

However, because it is important to also make clear that the absence of the term "ultimate beneficiary" does not mean that individuals such as students or patients are covered, the definition of H.R. 5490 omits the word "person" currently in the regulatory definition of those considered recipients.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. COLEMAN] has expired.

(By unanimous consent, Mr. COLEMAN of Missouri was allowed to proceed for 5 additional minutes.)

Mr. EDWARDS of California. Mr. Chairman, this omission leaves in effect current interpretations which exclude, for example, individual recipients who might be considered ultimate beneficiaries of Social Security insurance, medicaid/medicare and food stamps from compliance with these provisions. It is intended that existing agency regulations which trigger coverage would remain in effect. The following example is offered to illustrate this point:

> A nursing home licensed, by the state as eligible to receive Medicaid patients, has clients/patients whose medical needs are paid for by Medicaid. Current agency interpretations would trigger coverage of Title VI. Such coverage would continue under H.R. 5490. Thus, the nursing home is a recipient because it is a private entity to which federal financial assistance is given. Like the veterans' education benefits in *Bob Jones University* v. *Johnson*, 396 F. Supp. 597 (D. S.C. 1974), *aff'd.*, 529 F. 2d 514 (4th Cir. 1975) and student financial aid in *Grove City College* v. *Bell*, supra, this indirect aid constitutes federal financial assistance to the recipient, in this case the service provider.

Therefore, under H.R. 5490, the ambiguity in some of the regulatory definitions is eliminated, and coverage of entities such as colleges and hospitals is maintained while protection against coverage of individual students or patients is assured.

As we stated in the committee report and have emphasized in these debates, agency and judicial interpretations of this legislation should be guided by the concept of broad rather than narrow application of the coverage of these provisions. As a general rule of thumb, if a recipient of Federal funds was covered before the Grove City ruling, it will be covered following enactment of this legislation; conversely, if it was not covered pre-Grove City it will not be covered after passage of H.R. 5490.

We believe, above all, that the enforcement record to date has been guided by a commonsense approach. That is why we should look to prior agency regulations and practices for guidance in the future enforcement of these laws. It is for this reason that major changes in agency regulations will not be required. Any changes in the regulations should conform to the broad coverage clarification intended by this bill.

Mr. COLEMAN of Missouri. Mr. Chairman, if I might continue with time remaining, earlier the gentleman from California [Mr. DANNEMEYER] attempted to offer an amendment which was ruled out of order.

The gentleman raises a legitimate question. At this time I would like to ask the gentleman from Illinois for purposes of clarification in dealing with this subject matter and for the purpose of this title, does the term "sex" include sexual preference or orientation?

Mr. SIMON. If the gentleman will yield, it does not.

Mr. COLEMAN of Missouri. I thank the gentleman.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from New York.

Mr. FISH. I thank the gentleman for yielding.

Inasmuch as the point of order was sustained, I did not get a chance to address this issue.

The language in the proposed amendment was that the term "sex" does not include sexual preference or orientation.

The amendment applies only to title IX, to universities and colleges. What it really says is that colleges can expel homosexual students and fire homosexual faculty without violating title IX, any discrimination provisions, or for that matter any other civil rights provisions.

My point is this is true today even without this amendment.

Mr. COLEMAN of Missouri. Mr. Chairman, if I might yield to the gentleman from California. The gentleman just heard my question to the gentleman from Illinois. Does he have the same response?

Mr. EDWARDS of California. If the gentleman would yield, I would give exactly the same response as the gentleman from Illinois [Mr. SIMON].

Mr. COLEMAN of Missouri. I thank the gentleman.

Mrs. SCHNEIDER. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentlewoman from Rhode Island.

Mrs. SCHNEIDER. I thank the gentleman for yielding.

Mr. Chairman, I think that it is only appropriate that we cover one more concern that has been raised throughout the debate on this particular bill and that has to do with questions that have been raised dealing with when a State receives a block grant from the Federal Government, as to whether all departments and agencies of the State or other subunits within the State—even those who do not receive any of these block grant funds—are covered.

The answer is very clearly no, based on previous legislative history.

If the State is merely a conduit for the funds the subunits that do not receive the funds will not be covered, as the whole State is not covered. If, however some of the funds are then put back into the State, the State would be covered.

The same analogy can be made to certain block grants given directly to a city or county government with regard to its subunits.

It should be emphasized that H.R 5490 does nothing to change what the law was prior to Grove City College against Bell. So, if an entity was a recipient under the regulations before the Grove City ruling it will be a recipient if this bill becomes law, as the definition of recipient contained in H.R. 5490 tracks current law.

Mr. WILLIAMS of Montana. Mr. Chairman, I move to strike the last word, and I rise in support of the legislation before us.

Mr. Chairman, 20 years ago the Congress passed the first of a series of civil rights bills to clearly communicate this Nation's commitment to protecting the rights of all, including minorities, women, the elderly, and the handicapped. With the Civil Rights Act of 1984 we restate that commitment.

It would be wrong to retreat from that commitment. The Civil Rights Act of 1964, the Education Amendments of 1972, the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975 have all been responsible for significant progress in educational and employment opportunities for disadvantaged groups in our society. We have seen the doors of quality education open for minorities, and the disadvantaged, for the handicapped and women. However, in the first few months following the Grove City decision, at least 23 educational complaints involving large institutions covered by title IX were dropped. The alleged discrimination in those institutions occurred in the areas of admissions, student services, and student support services. Quick action is necessary to prevent the erosion of our Nation's civil rights enforcement. The Supreme Court's decision represents a tragic retreat from the progress we have made.

One of this country's founding principles is equal opportunity for all; it is the principle upon which we have the greatest consensus. Eliminating discrimination in education is the cornerstone of providing meaningful equal opportunity for each individual.

Our national concern with the crisis in the quality of education becomes a mockery without providing nondiscriminatory access to our schools and facilities. We cannot have quality without equity. We waste our most precious resources and jeopardize our future when we deny equal educational opportunities to all. Missing out on the best education available creates a permanent second class citizenship for already disadvantaged groups.

Not only does H.R. 5490 reaffirm our commitment to equal opportunity for the individual, but it also remedies the absurd effects of the Grove City decision. The ludicrous result of that decision would be to have segregated pockets within desegregated schools. Schools, for example, could have race- and sex-segregated classrooms for English classes that receive no Federal assistance, but such segregation would be illegal in the science classes aided by Federal research grants. The Grove City decision creates a bureaucratic nightmare. The decision is impossible to implement even within schools much less across the country. Already a suit has been filed by the women's law center against the Department of Education because each region has gone off on their own implementing the court decision differently.

Because I know that none of my colleagues here believes that Federal dollars should be used to support bigotry, I am confident that we in the House will pass this legislation. Unfortunately, equality in the institution most basic to this democracy—our schools—is seriously jeopardized by the political machinations of the Senate and the attitudes of this administration. I strongly urge both houses of Congress to pass the legislation, as it has been presented here. I challenge this House, the Senate, and the President to recognize that to defeat this legislation, to side-line it with procedural games, or to burden this act with unnecessary amendments would be to move away from this Nation's long historic march toward equality for all our citizens.

AMENDMENT OFFERED BY MR. NIELSON OF UTAH

Mr. NIELSON of Utah. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Nielson of Utah:

Strike out Section 2(b) and insert in lieu thereof the following:

(b) Section 901(c) of the Act is amended by inserting "(1)" after the subsection designation and by adding at the end thereof the following:

"(2) for the purpose of this title, the term 'recipient' means any State or its political subdivision, any instrumentality of a State or its political subdivision, any public or private agency, institution, organization, or other entity, or any person to which Federal financial assistance is extended directly or through another recipient, including any successor or assignee of a recipient, but excluding the ultimate beneficiary of the assistance.

"(3) As to State and local governments:

"(i) Federal financial assistance received by a state shall be presumed to have been extended to all of the state's political subdivisions and instrumentalities unless, as to any one of them it can be shown, by clear and convincing evidence, that no federal financial assistance was in fact received; and

"(ii) Federal financial assistance received by a political subdivision of a state shall be presumed to be extended to all of the subdivisions' instrumentalities unless, as to any one of them it can be shown, by clear and convincing evidence, that no federal financial assistance was in fact received.".

Strike out Sec. 2(c)(2) (C) and (D), insert "and" at the end of Sec. 2(c)(2)(A), and change the semicolon at the end of Sec. 2(c)(2)(B) to a period.

Strike out Sec. 3(b) and insert in lieu thereof the following:

(b) Section 504 of the Act is further amended by inserting "(a)" after the section designation and by adding at the end thereof the following:

"(2) For the purpose of this section, the term 'recipient' means any State or its political subdivision, any instrumentality of a State or its political subdivision, any public or private agency, institution, organization, or other entity, or any person to which Federal financial assistance is extended directly or through another recipient, including any successor or assignee of a recipient, but excluding the ultimate beneficiary of the assistance.

"(3) As to State and local governments:

"(i) Federal financial assistance received by a state shall be presumed to have been extended to all of the state's political subdivisions and instrumentalities unless, as to any one of them it can be shown, by clear and convincing evidence, that no federal financial assistance was in fact received; and

"(ii) Federal financial assistance received by a political subdivision of a state shall be presumed to be extended to all of the subdivisions' instrumentalities unless, as to any one of them it can be shown, by clear and convincing evidence, that no federal financial assistance was in fact received."

Strike out Sec. 4(d)(2) (A) and (B), and redesignate Sec. 4(d)(3) as Sec. 4(d)(2).

Strike out Sec. 4(e)(3) and insert in lieu thereof the following:

"(a) the term 'recipient' means any State or its political subdivision, any instrumentality of a State or its political subdivision, any public or private agency, institution, organization, or other entity, or any person to which Federal financial assistance is extended directly or through another recipient, including any successor or assignee of a recipient, but excluding the ultimate beneficiary of the assistance.

"(b) As to State and local governments:

"(i) Federal financial assistance received by a State shall be presumed to have been extended to all of the state's political subdivisions and instrumentalities unless, as to any one of them it can be shown, by clear and convincing evidence, that no federal financial assistance was in fact received; and

"(ii) Federal financial assistance received by a political subdivision of a state shall be presumed to be extended to all of the subdivisions' instrumentalities unless, as to any one of them it can be shown, by clear and convincing evidence, that no federal financial assistance was in fact received.".

Strike out Sec. 5(b)(2) (C) and (D), insert "and" at the end of Sec. 5(b)(2)(A), and change the semicolon at the end of Sec. 5(b)(2)(B) to a period.

Strike out Sec. 5(c) and insert in lieu thereof the following:

(c) Title VI of the Act is amended by adding at the end thereof the following:

"Sec. 606. (a) For the purpose of this title, the term 'recipient' means any State or its political subdivision, any instrumentality of a State or its political subdivision, any public or private agency, institution, organization, or other entity, or any person to which Federal financial assistance is extended directly or through another recipient, including any successor or assignee of a recipient, but excluding the ultimate beneficiary of the assistance.

"(b) As to State and local governments:

"(i) Federal financial assistance received by a state shall be presumed to have been extended to all of the state's political subdivisions and instrumentalities unless, as to any one of them it can be shown, by clear and convincing evidence, that no federal financial assistance was in fact received; and

"(ii) Federal financial assistance received by a political subdivision of a state shall be presumed to be extended to all of the subdivision's instrumentalities unless, as to any one of them it can be shown, by clear and convincing evidence, that no federal financial assistance was in fact received.".

□ 1920

Mr. NIELSON of Utah (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

Mr. SIMON. Mr. Chairman, reserving the right to object, we have not seen the amendment here. There is just no way for this gentleman to know what is in it.

Mr. NIELSON of Utah. Mr. Chairman, I withdraw my unanimous-consent request.

The Clerk continued to read the amendment.

Mr. NIELSON of Utah (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. NIELSON of Utah. Mr. Chairman, I apologize to the gentleman from Illinois for not having provided him this amendment in advance.

Mr. Chairman, what this amendment does is what I suggested in a previous statement. It is basically to incorporate the Schneider bill, H.R. 5011, which changes the words from program or activity to institution. This proposal supports institutionwide coverage under Federal Government civil rights statutes, but does so without the ambiguities of H.R. 5490.

This proposal is fully congruent with the expressed intent of the sponsors of H.R. 5490. The proposed statutory language makes three substantive changes to H.R. 5490.

First, in lieu of the bill's vague and expansive definition of recipient, it substitutes the existing Federal regulatory definition of "recipient" found in the Department of Justice's regulation coordinating implementation of section 504 of the Rehabilitation Act of 1973, 28 CFR 41.3(d). This regulatory definition has been used as the basis for the definition of the term "recipient" in over 20 Federal regulations implementing section 504 and closely approximates the definition used in the regulations of Federal agencies implementing title VI of the Civil Rights Act of 1964. It has the distinct advantage of being well known by Federal agencies enforcing the civil rights statutes, as well as the recipients of Federal funds themselves.

This definition rectifies the problems created by the ambiguous definition of recipient in H.R. 5490. First, it makes it clear that the ultimate beneficiaries of Federal funds—the BEOG student, the farmer who receives crop subsidies, the medicaid patient, the retiree under Social Security, or other individuals who receive the benefits of Federal programs—are not recipients, and thus not subject to the nondiscrimination mandate of the statute. Second, it does not use new, vague terms. The ambiguous phrase "or which receives support from the extension of Federal financial assistance to any of its subunits" in H.R. 5490 is deleted. The coverage of the statute is less openended and much more reasonably related to the recipient of Federal funds.

As the second substantive change to H.R. 5490, the attached amendment adopts the rebuttable presumption approach that Congress adopted for State and local governments in the Revenue Sharing Act. 31 U.S.C. 6701-6724. The civil rights provisions of the State and Local Fiscal Assistance Act contain a presumption of statewide coverage. A State can, however, rebut this presumption by showing that Revenue Sharing funds were not used to pay for activities in one of its subdivisions.

Third and finally, the amendment would retain the existing "pinpoint" language for fund termination in title VI, title IX, and the Age Discrimination Act; that is, fund termination would continue to be limited to the particular program that had been discriminatorily conducted. The sponsors of H.R. 5490 have stated that the new language introduced by H.R. 5490 was not intended to change the scope of fund termination. This amendment accomplishes their objective without introducing the ambiguity created by the new legislative phrase calling for temination of "the particular assistance which supports the discrimination."

Let me indicate in a final rejoinder to those who have said that the Supreme Court erred in the Grove City case. It is puzzling to me how the court could be so right in one part of their ruling, and so wrong in the other part of the ruling. I simply think we should correct both at the same time.

Mr. SIMON. Mr. Chairman, I rise in opposition to the amendment.

If I may ask the gentleman from Utah. It is very difficult on a somewhat complex amendment to make a judgment very quickly. As the gentleman knows, we have not seen the amendment until just a couple of minutes ago. Are all four definitions identical, word for word?

Mr. NIELSON of Utah. That is the intent: to have the same definition for title VI, for the title IX, and for the Age Discrimination Act, and also the Handicapped Act.

Mr. SIMON. Then how do we change what is in the law in the proposal right now? I do not understand it, and as the gentleman from Utah knows, these definitions are fairly lengthy in his amendment.

Mr. NIELSON of Utah. We are trying to make it clear that the ultimate beneficiaries of Federal aid, of any type, social security, medicaid, survivor's benefits—none of those, would not be considered recipients under the basis of the act.

Mr. SIMON. Well, that is already clear, in the dialog here, in the committee report, in the language of the law. I do not see that your amendment adds anything.

Mr. NIELSON of Utah. We add the BEOG student to that list. I think that is the key item.

Mr. SIMON. I do not understand the answer of the gentleman. Do you mean you exclude the BEOG from triggering coverage under title IX?

Mr. NIELSON of Utah. The BEOG student would be excluded, as is the medicaid and the retiree; that is the difference. It is similar to the other amendment but it is a little more specific.

Mr. SIMON. OK. This amendment is equally as bad, or at least almost as bad as the previous amendment which was resoundingly defeated, a fate that it richly merited, and I hope this amendment receives the same fate.

Mr. NIELSON of Utah. As a final rejoinder, my previous amendment was not exactly resoundingly defeated; I counted six ayes and about eight noes, but we did not call for a division. I am sure it would have been defeated because the instructions have been let's pass this bill with no amendments. I know that. This amendment was drafted by legislative counsel with the input of Senators and other interested in this particular issue. It probably is more carefully drafted than the other, but I believe it does accomplish what I tried to do on the other amendment, namely, make BEOG a gift with no strings attached to the student and not to the institution.

I still feel that a school should not be subject to Federal restriction because one of its students happens to have Federal aid of some sort in order to attend that school. That was the purpose of both of these amendments.

Mr. SIMON. I understand clearly what the amendment does now. What the amendment does is simply offer over $6 billion of Federal money to schools and students whether they comply with the law or not. I think that is not the direction we want to go.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to my colleague from Missouri.

Mr. COLEMAN of Missouri. Just to clarify why the gentleman is opposed to it, is it not true that other than the student aid to the institution which we have already dealt with, have we not clarified these issues already and shown that it is unnecessary to offer this amendment, not that we think that any of these things will or will not happen, but it is unnecessary in light of and in view of the colloquies that have already transpired here this afternoon?

Mr. SIMON. The gentleman from Missouri is absolutely correct.

□ 1930

Mr. FISH. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment's definition of recipient is not as clear as the definition of recipient used in H.R. 5490. The amendment has several problems:

The amendment drops the word "transferee" from the definition of recipient now in the regulations. All of the definitions of recipient in the four statutes include coverage of assignees, successors, and transferees. These are classic legal terms used in Government contracts and grant documents to make sure that obligations are not avoided by passing the funds on to another entity.

Keeping the word "transferee" does not cause the problems. Taking it out could result in a loophole undermining legitimate enforcement of these four laws. However, it should be emphasized that the use of the word "transferee" in the definition of recipient in H.R. 5490 is not intended to cover those situations where individuals, organizations or entities, for example, cash Social Security checks, welfare checks, or a government employee's paycheck.

Dropping the word "transferee" raises the question of what happens to all of the current regulations which explain how coverage works for transferees. For example, the regulations clarify coverage of transferees of Government-financed buildings. H.R. 5490 adopts the same coverage, wherever the amendment would leave all of these questions unanswered.

As the committee report explained, the Grove City College case narrowed the meaning of the term "program, or part thereof" from its understood meaning in the past. Basic education opportunity grants, or Pell grants, support all of Grove City College's operations since the moneys go to the college's general fund. After Grove City College, not only is the student aid program the only part of the college which is covered, but fund termination is available only if the discrimination took place in the student aid activities. Prior to Grove City, all of the college was covered because it received Federal funds, and because of the particular kind of Federal funds it received—Pell grants which support all of the college's parts—fund termination was available if discrimination took place in any part of the college. Therefore, the term "program, or part thereof" had to be deleted to restore the fund-termination remedy to its contours prior to Grove City.

Mr. NIELSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. FISH. I would be happy to yield to the gentleman from Utah.

Mr. NIELSON of Utah. I thank the gentleman for yielding.

Mr. Chairman, was the statement that was made that the recipient in our amendment is the same as exists now in section 504 and in title VI and in title IX?

Mr. FISH. No; the statement is made that your amendment drops the word "transferee" from the definition now in all regulations.

Mr. NIELSON of Utah. That is one difference. The other part is exactly the same; is that correct?

Mr. FISH. I am not prepared to answer that. The burden of my remarks dealt with what would happen if that word were left out, if you want to go into the fact that you insert a new concept, such as rebuttable presumptions, a concept that never existed in either title VI or title IX.

Mr. NIELSON of Utah. If the gentleman will yield further, it is not true that the phrase in H.R. 5490 "or which receives support from the extension of Federal financial assistance to any of its subunits," is that not also added to the section 504 and title VI?

Mr. FISH. That is correct.

Mr. NIELSON of Utah. And is it all right to add words in H.R. 5490 but not to add words in this definition?

Mr. FISH. We do not think that it changes but, rather, clarifies our intent that the law be returned to what it was pre-Grove City; whereas, inserting rebuttable presumption for State and local government, the change in definition to drop a word like "transferee" that has been in the regulations under all these civil rights statutes would be a substantial change and end up in a lack of clarity as to what we intend to do.

Mr. NIELSON of Utah. It is my contention, if the gentleman will yield further, that the language in H.R. 5490 is not only ambiguous but it adds problems which will last for a long time unless we straighten them out.

Mr. FISH. I understand the gentleman's position.

Mr. Chairman, I ask for a "no" vote on this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Utah [Mr. NIELSON].

The amendment was rejected.

The CHAIRMAN. Are there any further amendments to section 2 of the bill?

If not, the Clerk will read.

The Clerk read as follows:

SEC. 3. (a) Section 504 of the Rehabilitation Act of 1973 (hereafter in this section referred to as the "Act") is amended—

(1) by striking out "his" and inserting in lieu thereof "such individual's";

(2) by striking out "in" the third time it appears;

(3) by striking out "the benefits of" and inserting in lieu thereof "benefits";

(4) by striking out "under any program or activity receiving" and inserting in lieu thereof "by any recipient of"; and

(5) by striking out "under any program or activity conducted".

(b) Section 504 of the Act is further amended by inserting "(a)" after the section designation and by adding at the end thereof the following new subsection:

"(b) For the purpose of this section, the term 'recipient' means—

"(1) any State or political subdivision thereof, or any instrumentality of a State or political subdivision thereof, or any public or private agency, institution, or organization, or other entity (including any subunit of any such State, subdivision, instrumentality, agency, institution, organization, or entity), and

"(2) any successor, assignee, or transferee of any such State, subdivision, instrumentality, agency, institution, organization, or entity or of any such subunit, to which Federal financial assistance is extended (directly or through another entity or a person), or which receives support from the extension of Federal financial assistance to any of its subunits.".

(c) Section 505(a)(2) of the Act is amended by inserting ", as amended," after "1964".

Mr. SIMON (during the reading). Mr. Chairman, I ask unanimous consent that the section be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. Are there amendments to section 3?

Mr. SIMON. Mr. Chairman, I move to strike the last word.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to my colleague, the gentleman from Texas, for purposes of a colloquy.

Mr. BARTLETT. I thank the gentleman for yielding.

Mr. Chairman, we have clarified through colloquies a number of provisions of this act. I think it is important to clarify for the record the effect of H.R. 5490 on various forms of general governmental assistance such as Social Security benefits, welfare payments, and food stamps. Specifically, I would inquire of the sponsor, the gentleman from Illinois, would a retailer who accepts payment for goods or services from funds derived from a welfare or Social Security check be considered a recipient of Federal financial assistance under H.R. 5490?

Mr. SIMON. Clearly, no. Justice White addressed this question within the context of an educational institution in the Grove City College against Bell decision. Justice White stated—

> Grove City's attempt to analogize BEOG's to food stamps, Social Security benefits, welfare payments, and other forms of general-purpose governmental assistance to low-income families is unavailing. First, there is no evidence that Congress intended the receipt of Federal money in this manner to trigger coverage under title IX. Second, these general assistance programs were not designed to assist colleges and universities. Third, educational institutions have no control over, and indeed perhaps no knowledge of, whether they ultimately receive Federal funds made available to individuals under general assistance programs, but they remain free to opt out of Federal student assistance programs. Fourth, individuals' eligibility for general assistance is not tied to attendance at an educational institution.

Mr. BARTLETT. If the gentleman would yield further, is this interpretation only valid if applied to educational recipients?

Mr. SIMON. No. The factors outlined in Justice White's interpretation may be applied more broadly to title VI and the other statutes. It is helpful in assessing what factors trigger coverage on other situations. Two such factors are control and knowledge of how the assistance is derived. For example, a grocer who accepts payment for groceries from money derived from a Social Security check has no way of knowing that the proceeds were derived from such a check; nor does the grocer have control in this situation. The grocer's indirect receipt of Federal funds does not trigger coverage under the civil rights laws.

Mr. BARTLETT. I thank the gentleman for his concise answer. I would like to raise one more question. What effect does H.R. 5490 have on a supermarket which accepts food stamps in exchange for goods?

Mr. SIMON. The food stamp example must be treated differently. Given the factors identified by Justice White, a supermarket which accepts food stamps is covered; that is, the market has knowledge of and control over whether it accepts food stamps. It must apply to participate in the Food Stamp Program, and it must meet certain requirements.

Mr. BARTLETT. If the gentleman would yield further, would H.R. 5490 create new problems for the small neighborhood grocery store that is not so accessible to the handicapped?

Mr. SIMON. In almost all cases, the answer is "no." For example, if a business has less than 15 employees, the regulations governing section 504 provide an exemption from structural modifications. Moreover, these regulations include a broadly constructed concept of program accessibility which would permit home deliveries as well as other alternative means to assist shopping by a handicapped individual. With the enactment of H.R. 5490, we do not anticipate any change in the regulations governing structural modifications or program accessibility.

Mr. BARTLETT. I thank the gentleman.

The CHAIRMAN. Are there any further amendments to section 3?

Mr. HANSEN of Utah. Mr. Chairman, I move to strike the last word.

I would like to, if I may, enter into a colloquy with the gentleman from New York [Mr. FISH] concerning the religious tenets of different organizations on church-run schools, if the gentleman would respond to my questions.

Mr. Chairman, I think the question we basically have is whether or not, if a particular organization such as St. John's, BYU, or ones such as that has a particular religious tenet, would this particular bill that we are working with now impose the sanctions of the Federal Government on that organization, or how would that be handled? Would the gentleman explain that, please?

Mr. FISH. Mr. Chairman, would the gentleman yield to me?

Mr. HANSEN of Utah. I would be happy to yield to the gentleman from New York.

Mr. FISH. I would be happy to try to respond, and I thank the gentleman for yielding.

Mr. Chairman, we think the language in the existing law with respect to educational institutions of religious organizations with contrary religious tenets, is quite clear and provides an exception in which it states:

> This section shall not apply to an educational institution which is controlled by a religious organization if the application of this subsection would not be consistent with the religious tenets of such organization.

I think the current law which we return to in this bill will meet the gentleman's problems.

□ 1940

Mr. HANSEN of Utah. Mr. Chairman, in the event that should occur, what would be the advice that the particular institution of higher education would follow? Would they ask for an exception or an exemption to it? How would they handle that?

Mr. FISH. Right. This is under title IX, so it would be the Department of Education. At the institution of their proceedings, the educational institution that is controlled by a religious organization would apply on the basis that its religious tenets are not consistent, so they would need and would apply for this exemption from the law.

Mr. HANSEN of Utah. The concern, I think, that some of these universities have is that, as I understand it, 218 have asked for this particular exemption, and as I understand it—and I surely could be wrong here and subject to correction—only 2 have been granted at this time. I wonder why that problem exists.

Mr. FISH. Mr. Chairman, I cannot speak for the Secretary of Education on this, but hopefully, because of the gentleman's inquiry, he will act more expeditiously, because the law is quite clear that where the religious tenets are such that they could not apply, they should be granted exemption.

Mr. HANSEN of Utah. The gentleman from New York in effect, if I am interpreting him correctly, is saying that possibly the Secretary of Education should take it upon himself to expedite some of these other requests at this particular time?

Mr. FISH. I would hope that our colloquy would cause him to do that.

Mr. HANSEN of Utah. Mr. Chairman, I hope it does, too, and I thank the gentleman.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Are there any further amendments to section 3?

If there are no further amendments to section 3, the Clerk will read.

The Clerk read as follows:

SEC. 4. (a) Section 302 of the Age Discrimination Act of 1975 (hereafter in this section referred to as the "Act") is amended—

(1) by striking out "in programs or activities receiving" and inserting in lieu thereof "by recipients of"; and

(2) by striking out "programs or activities receiving funds under the State and Local Fiscal Assistance Act of 1972 (31 U.S.C. 1221 et seq.)" and inserting in lieu thereof "recipients of funds under chapter 67 of title 31, United States Code".

(b) Section 303 of the Act is amended—

(1) by striking out "in" the second time it appears;

(2) by striking out "the benefits of" and inserting in lieu thereof "benefits";

(3) by striking out "under, any program or activity receiving" and inerting in lieu thereof "by any recipient of".

(c)(1) Section 304(a)(4) of the Act is amended by striking out "to any program or activity".

(2) Section 304(b)(1) of the Act is amended—

(A) by striking out ", in the program or activity involved";

(B) by striking out "operation" in clause (A) and inserting in lieu thereof "operations of the recipient"; and

(C) by striking out "of such program or activity" in clause (A) and inserting in lieu thereof "in furtherance of which the Federal financial assistance is used".

(3) Section 304(c)(1) of the Act is amended by striking out "any program or activity receiving".

(d)(1) Section 305(a)(1) of the Act is amended by striking out "under the program or activity involved".

(2)(A) The second sentence of section 305(b) of the Act is amended by striking out "the particular program or activity, or part of such program or activity, with respect to which such finding has been made" and inserting in lieu thereof "assistance which supports the noncompliance so found".

(B) The third sentence of such section is amended to read as follows: "No such termination or refusal shall be based in whole or in part on any finding with respect to any noncompliance which is not supported by such assistance.".

(3) Section 305(e)(1) of the Act is amended by striking out "Act by any program or activity receiving Federal financial assistance" and inserting in lieu thereof "title".

(e) Section 309 of the Act is amended—

(1) by striking out "and" at the end of clause (2);

(2) by striking out the period at the end of clause (3) and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding at the end thereof the following new clause:

"(4) the term 'recipient' means—

"(A) any State or political subdivision thereof, or any instrumentality of a State or political subdivision thereof, or any public or private agency, institution, or organization, or other entity (including any subunit of any such State, subdivision, instrumentality, agency, institution, organization, or entity), and

"(B) any successor, assignee, or transferee of any such State, subdivision, instrumentality, agency, institution, organization, or entity or of any such subunit,

to which Federal financial assistance is extended (directly or through another entity or a person), or which receives support from the extension of Federal financial assistance to any of its subunits.".

Mr. SIMON (during the reading). Mr. Chairman, I ask unanimous consent that the section be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. Are there amendments to section 4?

AMENDMENT OFFERED BY MR. SILJANDER

Mr. SILJANDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SILJANDER: Page 6, after line 18, insert the following:

(1) by inserting after "person": "(including unborn children, from the moment of conception)".

Page 6, line 19, strike out "(1)" and insert in lieu thereof "(2)".

Page 6, line 21, strike out "(2)" and insert in lieu thereof "(3)".

Page 6, line 23, strike out "(3)" and insert in lieu thereof "(4)".

POINT OF ORDER

Mr. SIMON. Mr. Chairman, I make a point of order against the amendment.

Again it is the same point of order that I made earlier. It is an attempt to add a totally new definition. Again we are dealing with the traditional definitions of race, national origin, sex, handicapped, and aged.

This is a very legitimate issue to be brought before this body, but this is not the vehicle by which to do it. This is not the intent of it, and it does not fall within the germaneness of this particular bill.

The CHAIRMAN. Does the gentleman from Michigan [Mr. SILJANDER] wish to be heard on the point of order?

Mr. SILJANDER. Mr. Chairman, one of the differences is that the word, "person," is mentioned in the bill several times, whereas in the other point of order the word, "sex," was not at all mentioned in the specific bill.

The CHAIRMAN (Mr. SWIFT). The Chair is prepared to rule on the point of order.

This amendment amends a part of the Age Discrimination Act of 1975 that is not before the committee. The bill has a very narrow purpose, and the gentleman's amendment does not fall within that purpose.

The Chair would refer the gentleman to clause 7, rule XVI, the annotation of which reads:

> To a bill amending a general law on a specific point an amendment relating to the terms of the law rather than to those of the bill was ruled not to be germane; thus a bill amending several sections of one title of the United States Code does not necessarily bring the entire title under consideration so as to permit an amendment to any portion thereof, and where a bill amends existing law in one narrow particular, an amendment proposing to modify such existing law in other particulars will generally be ruled out as not germane. Unless a bill so extensively amends existing law as to open up the entire law to amendment, the germaneness of an amendment to the bill depends on its relationship to the subject of the bill and not to the entire law being amended.

The Chair finds the amendment not germane and, therefore, not in order.

Are there any other amendments to section 4?

Mr. MILLER of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the Civil Rights Act of 1984. I think it is important for the House to realize as we debate this legislation that H.R. 5490 does not create any new rights. Rather, by reversing the Supreme Court's recent decision in Grove City against Bell, it restores to full force four of our major civil rights statutes.

We are all aware of the histories of the civil rights statutes before us—title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, title IX of the Education Amendments of 1972, and the Age Discrimination Act of 1975. The enactment of these laws established a firm commitment to the principle that Federal funds should not be allowed to support activities which discriminate on the basis of race, color, national origin, sex, disability, or age.

In 1961 President Kennedy stated this principle very clearly when he said:

> Simple justice requires that public funds to which all taxpayers of all races contributed not be spent in any fashion which encourages, entrenches, subsidizes, or results in racial discrimination.

The four laws affected by H.R. 5490 provide the foundation for the Federal Government's antidiscrimination efforts. They have served us well and enjoy broad support among the American public and within the Congress.

Yet in the aftermath of the Supreme Court's narrow holding in Grove City against Bell, we find the rights established by these statutes severely curtailed.

In the Grove City decision, the Supreme Court ruled that title IX of the Education Amendments of 1972 prohibits sex discrimination only in those education programs that receive direct Federal funds. The only form of Federal assistance received by Grove City College is in the form of student financial aid. Thus, based on the Court's ruling, only Grove City's student aid office is prohibited from discriminating on the basis of sex—the rest of the institution is no longer covered by the law.

In addition to limiting the scope of title IX's coverage, the Court's holding may create an enormous administrative burden. And it may thwart the Federal Government's mandate to investigate properly instances of alleged discrimination. After Grove City it is likely that Federal agencies interested in investigating a discrimination charge will first be required to trace the Federal financial assistance an institution is receiving and link it with the allegedly discriminatory activity. This kind of requirement would be costly and time consuming, if not prohibitively so.

Indeed, the Department of Education has announced already that it has suspended two dozen investigations and is currently reviewing dozens more in light of the Court's program-specific interpretation of title IX.

Title IX was patterned after title VI of the Civil Rights Act of 1964 and is similar in design to section 504 of the Rehabilitation Act and the Age Discrimination Act. The coverage and enforcement of these laws has also been thrown in question by the Court's decision.

The Civil Rights Act of 1984 restores these four civil rights laws by making three simple changes in the statutes.

First, the term "program or activity" has been eliminated and replaced by the term "recipient." In doing so, the Congress will clarify its intent that an entire institution or entity shall be prohibited from discriminating if any of its parts receives Federal funds.

Second, a definition of the term "recipient" has been included. This definition is derived from current regulations issued pursuant to these laws. Although some have raised the concern that the proposed definition of "recipient" is too broad and would grant the Federal Government new powers, I can assure my colleagues that a great deal of effort was put into fashioning this definition. The final language was intended to preclude the kind of coverage some fear would result from this legislation.

For example, ultimate beneficiaries of Federal financial assistance would not be covered by the affected statutes. A food stamp or Social Security recipient would not bring under coverage, for instance, institutions to which those funds are transferred—such as stores or apartment building owners. The interpretation of these statutes in such cases has been consistent through the years and will not be altered by H.R. 5490.

Third, the enforcement sections of the four statutes are modified to delete the term "program and activity." Instead, the notion of "pinpointing" is retained so that only Federal assistance found to have a nexus with noncompliance can be terminated.

Mr. Chairman, these modifications of our civil rights statutes are simple in design and purpose. They have been crafted to overturn the effects of the Grove City decision. They will restore the strength of the four statutes, yet will not extend the power of the Federal Government in ways that did not exist to Grove City.

In 6 days of hearings, the Committees on Education and Labor and the Judiciary heard from numerous witnesses who were responsible for the implementation and enforcement of these statutes under the Johnson, Nixon, Ford, and Carter, and current administrations. We also heard testimony from former Members of the Congress who described their intentions as the original drafters of these laws.

Based on this testimony, it is quite clear that H.R. 5490 is an appropriate response to the Grove City decision. Indeed, the witnesses I have just mentioned were unanimous in their support of this legislation.

So we are not here today to debate whether Federal funds should be allowed to support activities which discriminate. That debate ended long ago and we are a better Nation for it. Instead, we must decide whether the laws enacted to protect these basic civil rights will be upheld by Congress.

The Supreme Court's decision limits dramatically the force of these laws. In doing so, it threatens decades of social progress in America. I strongly urge my colleagues to vote in favor of the Civil Rights Act of 1984 in its present form.

The CHAIRMAN. Are there any further amendments to title IV?

If not, the Clerk will read.

The Clerk read as follows:

> SEC. 5. (a) Section 601 of the Civil Rights Act of 1964 (hereafter in this section referred to as the "Act") is amended—
>
> (1) by striking out "in" the second time it appears;
>
> (2) by striking out "the benefits of" and inserting in lieu thereof "benefits"; and
>
> (3) by striking out "under any program or activity receiving" and inserting in lieu thereof "by any recipient of".
>
> (b)(1) The first sentence of section 602 of the Act is amended by striking out "program or activity" each time it appears and inserting in lieu thereof "recipient" each such time.

(2) The third sentence of section 602 of the Act is amended—

(A) by striking out "under such program or activity" in clause (1);

(B) by striking out "to whom" each time it appears in clause (1) and inserting in lieu thereof "to which" each such time;

(C) by striking out "program, or part thereof, in which" in clause (1) and inserting in lieu thereof "assistance which supports"; and

(D) by striking out "has been so found" in clause (1) and inserting in lieu thereof "so found".

(c) Title VI of the Act is amended by adding at the end thereof the following new section:

"SEC. 606. For the purpose of this title, the term 'recipient' means—

"(1) any State or political subdivision thereof, or any instrumentality of a State or political subdivision thereof, or any public or private agency, institution, or organization, or other entity (including any subunit of any such State, subdivision, instrumentality, agency, institution, organization, or entity), and

"(2) any successor, assignee, or transferee of any such State, subdivision, instrumentality, agency, institution, organization, or entity or of any such subunit,

to which Federal financial assistance is extended (directly or through another entity or a person), or which receives support from the extension of Federal financial assistance to any of its subunits.".

Mr. FISH (during the reading). Mr. Chairman, I ask unanimous consent that this section be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. Are there any amendments to section 5?

PARLIAMENTARY INQUIRY

Mr. BARTLETT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BARTLETT. Mr. Chairman, I have an amendment which would create a section 6. Is now the appropriate time to offer it, or should I wait until the completion of section 5?

The CHAIRMAN. If there are no amendments to section 5 and when it is determined there are no amendments to section 5, the Chair will recognize the gentleman for his amendment.

Mr. BARTLETT. I thank the Chair.

The CHAIRMAN. Are there any amendments to section 5?

Hearing none, the Chair will recognize the gentleman from Texas [Mr. BARTLETT] for his amendment.

AMENDMENT OFFERED BY MR. BARTLETT

Mr. BARTLETT. Mr. Chairman, I have an amendment at the desk labeled amendment No. 1 which I offer at this time.

The Clerk read as follows:

Amendment offered by Mr. BARTLETT: Page 10, after line 22, insert the following:

SEC. 6. With respect to matters relating to the performance of their official duties, Members of Congress shall be deemed to be recipients of Federal financial assistance for purposes of section 901 of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, section 303 of the Age Discrimination Act of 1975, and section 601 of the Civil Rights Act of 1964.

Mr. SIMON. Mr. Chairman, I reserve a point of order on this amendment.

The CHAIRMAN. The gentleman from Illinois [Mr. SIMON] reserves a point of order on the amendment.

The gentleman from Texas [Mr. BARTLETT] is recognized for 5 minutes in support of his amendment.

Mr. BARTLETT. Mr. Chairman, Mark Twain once observed that to do good is noble, but to advise others to do good is also noble and much less trouble.

I would contend that advising others to do good but refusing to do it ourselves is not only less trouble but it is not very noble

H.R. 5490 in its present from clearly reflects such a lack of nobility. It is based on the principle, "Do as I say and not as I do."

So on this amendment, which would include Congress in the basic civil rights laws of this country, there are no nuances, there is no hiding behind assurances, and there is no way to hide behind saying, "Well, maybe we don't want any amendments." There is no way to justify a no vote on this amendment other than to say that somehow Congress is different and somehow we should have different standards apply to us than to the rest of the country.

Mr. Chairman, by conscious omission, if this amendment is not adopted, then Congress or this body has excluded itself and its 39,300 employees from the civil rights mandate which we impose on the rest of the Nation, and that is wrong.

This is an issue not for nuances, but it is an issue of right and wrong. Such a decision would be poor national policy. Indeed such a silent action would probably subvert the stated intent of the bill which is to ensure equal opportunity for handicapped persons, for the aged, for minorities, and for women. By excluding ourselves, we are signaling the classrooms, the hospitals, the factories, and the offices of America that H.R. 5490 is a mandate to be ignored, to be circumvented, or to be avoided.

□ 1950

If Congress chooses to exclude Congress from coverage, we not only signal the Nation that H.R. 5490 is not highly valued by this body, we also jeopardize our own credibility, institutionally, and individually.

Who would believe those who make the rules, but do not follow them? So this is not just a case of civil rights.

In addition to being exempted from coverage under the statutes included in H.R. 5490, Congress is currently exempt from other legislation, including the following and I will read the list of the honor roll of exemptions: The Equal Opportunities Act, the Equal Pay Act, the Fair Labor Standards Act, the National Labor Relations Act, the Occupational Safety and Health Act, the Freedom of Information Act, and the Privacy Act.

So when adopted, this amendment will make a start. It will not only put aside a few congressional exemptions, but it will also signal recipients of Federal financial assistance, those who are protected by civil rights laws, that Congress is willing to assume the same responsibilities, and the same obligations, and the same liabilities which we are willing to place on others who received Federal financial assistance.

H.R. 5490 would attempt to clarify congressional intent pertaining to the provisions of these four civil statutes. It would say that the U.S. Congress is not permitted to discriminate based on race, age, sex, or handicap, and it is about time that we be willing to say that.

Now, this amendment is not partisan. This amendment is not conservative nor liberal. This amendment is right.

The amendment during the committee received bipartisan support on a rollcall vote and during consideration of the rule.

The amendment was drafted to avoid a violation of the separation of powers. Since the executive branch does not dispense directly Federal financial assistance to Members of Congress, there is no basis for it to investigate or to seek voluntary compliance or to terminate funds allocated to Members of Congress.

Mr. Chairman, Congress should not be exempt from the laws of the land, especially those pertaining to civil rights.

In the final analysis, prohibition against discrimination is a moral principle to which we should make an unequivocal statement, the ultimate commitment being willingness to apply the same standard to ourselves.

Now, there has been a lot of debate on many other issues, but no Member of this body, no Member could conceivably be in favor of the civil rights statute, could conceivably be in favor of H.R. 5490 and then be in favor—who could be in favor of prohibiting discrimination by others, but then who would endorse discrimination by this body. If the civil rights laws mean anything at all, if they are just, if they are fair for the rest of the Nation, then they should be just and fair for this body and for this Congress.

The CHAIRMAN. Does the gentleman from Illinois [Mr. SIMON] insist on his point of order?

POINT OF ORDER

Mr. SIMON. Mr. Chairman, I renew my point of order, and let me say in renewing it that in theory I am in agreement with the gentleman from Texas. I am a cosponsor of a bill to cover Members of Congress under separate legislation.

This, however, this legislation covers Federal executive agencies. It does not cover the U.S. Congress. It covers the U.S. Congress only in that we reside in a Federal building, under which the Architectural Barriers Act is applicable.

What the gentleman is attempting to do is to go beyond the scope, beyond the germaneness of this particular legislation, and I believe the amendment is not in order, though again I will join the gentleman on the floor of this House in fighting for a separate piece of legislation that does precisely what the gentleman is trying to do, but I think—well, I will not go into the merits right now.

The CHAIRMAN. Does the gentleman from Texas [Mr. BARTLETT] want to be heard on the point of order?

Mr. BARTLETT. Mr. Chairman, this gentleman would like to be heard on the point of order.

The CHAIRMAN. The gentleman is recognized.

Mr. BARTLETT. Mr. Chairman, this amendment was offered in committee and, of course, the amendment was accepted in the committee and the gentleman from Illinois voted against the amendment in committee. We could have used the gentleman's support then.

Several points. No. 1, section 504 does apply to executive agencies, and that is the General Accounting Office.

Congress may already—and let us take it point by point—the Congress may already be covered in the bill's definition of recipient, which is, in part, "any public or private agency, institution, or organization to which Federal financial assistance is extended."

Clearly, the Congress would be covered under the first requirement, that is, we are a public agency, institution, or organization.

Congress is also, obviously, a recipient and, therefore, if Congress receives "Federal financial assistance" it would be covered under H.R. 5490. Nowhere in any of the covered acts is there a specific definition of "Federal financial assistance," but Mr. Chairman, Congress obviously must pay its bills from somewhere and that somewhere is the Federal Government, so that means that there is assistance, Federal financial assistance. The dollars that we spend are assistance. The dollars that we spend are financial and it is Federal from the Federal Government.

I have some more points, because I have researched this point of order very carefully, Mr. Chairman.

In January 1965, the U.S. Commission on Civil Rights issued Special Publication No. 1, entitled "Civil Rights Under Federal Programs," which specifies that Federal financial assistance includes grants and loans of Federal funds, donations of equipment and property, detail of Federal personnel, proceeds from Federal property, and any other arrangement, any other arrangement by which Federal funds are provided; because various Members, committees, and offices within the Congress accept personnel on detail from Federal agencies, at least those parts of Congress are covered and, arguably, under the provisions of H.R. 5490, then all of Congress would be covered; but even if only parts of Congress were covered by the acceptance of detailees from Federal agencies, an amendment to include the remainder of Congress would fall within the confines of extending benefits to an additional category of employees within the same class.

Mr. Chairman, No. 2, other Federal agencies are currently covered under various parts of the act being amended. In the 1978 amendments to the Rehabilitation Act, for example, Congressman JEFFORDS offered an amendment extending section 504 coverage to the Federal Government. That amendment was passed. In arguing for this amendment, Mr. JEFFORDS stated that the amendment simply extends the coverage of section 504 to include any function or activity of any department or agency of the Federal Government. So the statement of Mr. JEFFORDS indicates that section 504 applies to the entire Federal Government, without regard to whether or not the assistance is received. The language of his amendment extends the antidiscrimination provisions to any executive agency or by the U.S. Postal Service.

The definition of executive agency is derived from section 105 of title V, United States Code, and includes executive departments, Government corporations, and independent establishments.

Independent establishment is further defined to include the General Accounting Office, which is an arm of the executive branch and, therefore, under the precedents cited above, an amendment to include Congress within the provisions of section 504 would surely be germane to the underlying statute.

One more point, and that is that various Federal agencies give or receive funds under grant programs or other arrangements which when applied to the non-Federal sector fall under the definition of Federal financial assistance. Included in this category are HUD and Department of Transportation grants to the Advisory Commission on Intergovernmental Relations, to the National Science Foundation Studies or other agencies and to the Law Enforcement Assistance Administration, to Federal law enforcement agencies, as well as interagency personnel requirements.

So these Federal agencies clearly receive Federal financial assistance within the meaning of the four acts and because they are in no way excluded in the present definition of program or activity or in the proposed definition of recipient, those agencies fall under the provisions of the four acts.

Since H.R. 5490 clarifies that an entire institution receiving Federal financial assistance is covered, the entire department which receives this assistance would again be covered under H.R. 5490.

An amendment to extend the coverage of recipient to cover Members of Congress would merely be an extension of coverage to a different category within a class already included.

I urge the chairman to rule the amendment in order.

The CHAIRMAN. Does the gentleman from Arizona [Mr. MCCAIN] wish to be heard on the point of order?

Mr. McCAIN. Mr. Chairman, I would like to support my colleague, the gentleman from Texas, in this. We are talking about something very crucial here. We are talking about the intent of Congress, not a nuance that happens to do with some flimsy interpretation of the rules. We are talking about the fact that Congress should not be exempt from the laws of the land, especially those pertaining to civil rights. As a moral principle, we prohibit discrimination throughout this country and I believe that we should make that commitment to ourselves. Let us set an example here of moral leadership and not an exercise in craven hypocrisy.

The CHAIRMAN. Does the gentleman from Illinois [Mr. SIMON] wish to be heard any further on the point of order?

Mr. SIMON. Yes, Mr. Chairman, if I could be heard in response to the gentleman from Texas. I think the gentleman from Arizona, with all due respect, was making a political speech, rather than commenting on the point of order.

The question is whether the law up to this point has covered the legislative branch. The answer is clearly that it has not.

So what the gentleman from Texas is doing is going appreciably beyond the present law and the law has not covered Congress for a perfectly sound reason, and that is the separation of powers.

We do not want the executive branch coming in to examine congressional offices or congressional operations, for good reason.

□ 2000

I happen to agree with the gentleman from Arizona and the gentleman from Texas that Congress should set up its own system, its own machinery for enforcing these same regulations. Let me assure these two gentlemen, if they do not know it, that in my office we make clear that we do not practice such discrimination.

But the question is whether this is germane to what is before this body now and I make the point of order that it is not germane.

The CHAIRMAN. Does the gentleman from Texas wish to comment further on a point of order?

Mr. BARTLETT. Just briefly, Mr. Chairman, I would have a comment in response.

The CHAIRMAN. The gentleman is recognized to comment on the point of order.

Mr. BARTLETT. Mr. Chairman, H.R. 5490 would cover institutions which are not now covered at all. That is the purpose of H.R. 5490, to restore, as the gentleman has said, the pre-Grove City days, that is to cover things that are not covered now. So, therefore, it is clearly in order for Congress to choose to cover itself as it chooses to cover other agencies that are not now covered.

When the Congress of the United States cannot choose on this amendment and on the gentleman from Illinois' point of order, which I am amazed at, when the Congress of the United States cannot choose to cover itself under the civil rights statutes then it is a sad day in this body.

The CHAIRMAN. Does the gentlewoman from California [Ms. FIEDLER] wish to speak on the point of order?

Ms. FIEDLER. Yes, Mr. Chairman.

The CHAIRMAN. The Chair will be happy to recognize the gentlewoman from California [Ms. FIEDLER] to comment on the point of order.

Ms. FIEDLER. It seems to me that whenever we get involved in a debate of this kind we can always use technicalities to deny the rights of people. But the reality is what is the outcome of the use of that technicality.

I think that in this case it condones discrimination on the part of the Congress regardless of the rationale behind it. I have had the occasion to take a look at a number of civil rights cases and in each case they try to use the process in order to deny the rights of people in this country by ruling on technicalities.

So when we use technicalities as an excuse to deny Americans the rights of the Civil Rights Act or the rights of our Constitution, then it is clearly understood by the American people what the ramifications really are and what the purposes are. And it seems to me that if Congress is capable of standing up and making the same kinds of commitments to their employees as other areas of law that we impose upon the rest of the American people, it seems to me reasonable that we can impose that upon Congress itself.

The CHAIRMAN. Does the gentleman from Texas [Mr. WRIGHT] wish to be heard on the point of order?

Mr. WRIGHT. Yes, Mr. Chairman, I do.

The CHAIRMAN. The Chair recognizes the gentleman from Texas.

Mr. WRIGHT. It seems to me that the point of order rests upon the well-established rule that an amendment is not germane if it extends the law to cover an entirely separate and distinctly different class of people than those whom the law in its initial presentation in the bill would be made applicable.

It seems clear to me that the amendment offered by the gentleman would indeed extend the application of that statute to an entirely separate and different class of people.

There is one class of people under the law which constituting the Government of the United States determines the extent of Federal financial assistance and may administer that Federal financial assistance. There is an entirely different and separate class of people to whom Federal financial assistance is extended. That class of people to whom Federal financial assistance is extended is clearly indicated by the terms of subsection 1.

> Any State or political subdivision thereof, or any instrumentality of a State or political subdivision thereof, or any public or private agency, institution, or organization or other entity or; two, any successor, assignee or transferee of any State, subdivision, instrumentality, agency, institution, and so forth, to which Federal financial assistance is extended.

Now that is the class to which the bill in its present form would be applicable. Clearly there is an entirely different and separate group of people not intended under this coverage and they are the people who determine the extent of such Federal financial assistance. They are the people who administer such Federal financial assistance.

They are as separate and distinct from those who receive the Federal financial assistance as the officers of a bank are from those to whom credit is extended by that bank. They are as separate and distinct a class of people under the law as would be the officers of a church from those to whom the beneficence of the church would be extended in a financial manner.

It cannot be said that Congress or that a Member of Congress is an institution or a person to which or to whom Federal financial assistance is extended.

Under the meaning of the law it seems clear to me, therefore, that the amendment would not be germane.

The CHAIRMAN. Does the gentleman from Texas wish to be heard on the point of order?

Mr. BARTLETT. Mr. Chairman, I do wish to be heard on the point of order.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. BARTLETT. Even with the respect I have for the majority leader in my neighboring district, I think the majority leader is simply wrong on this. It is fairly obvious that Federal financial assistance with all three terms of the word, whether it is money or a detail of employees that the Congress does not operate its 39,300 employees with some sort of a barter system or voluntary contributions. We operate it with Federal financial assistance.

The purpose of the bill is to change the definition under this law, under these laws that used to be programs or activities, to change it to recipients in this and this Congress is a recipient under anyone's definition.

I would remind the Chairman that recipient is not defined under this act. The Congress is a recipient under anyone's definition of the word "receive."

I would also remind the Chair and remind the majority leader that the General Accounting Office, the General Accounting Office which is an agency of the Congress, is already covered by section 504 and therefore, Mr. Chairman, therefore we are not expanding the class but we are merely adding a new category within that class.

In addition, I have cited previously several other Federal agencies that do receive Federal financial assistance that are already covered by these four statutes. I will read them again, and this is only a partial list: The Advisory Commission on Intergovernmental Relations, the National Science Foundation studies for other agencies, the Law Enforcement Assistance Administration, the Appalachian Regional Commission.

Those agencies are covered because they are Federal agencies within the same class as Congress, and this Congress should have a right to vote on whether to cover itself under the Civil Rights Act of this land.

The CHAIRMAN. Does the gentlewoman from Colorado [Mrs. SCHROEDER] wish to be heard on the point of order?

Mrs. SCHROEDER. Mr. Chairman, I would wish to be heard on this point of order.

The CHAIRMAN. The gentlewoman is recognized.

Mrs. SCHROEDER. Mr. Chairman, I have some problems with the gentleman's amendment and worry about whether what he is trying to do really can be done.

First of all he says in there that he deems congressional employees to be recipients. If we are recipients, clearly under this bill it seems to me we would not have to deem it.

The other problem that I have is a constitutional one maybe and that is because I have a bill in on this and I have looked at this issue for many, many years and have been consistently told that under the Constitution we cannot have executive agencies enforcing the law in the Congress.

□ 2010

So the law that I have initiated, with many other Members, and has a whole grievance procedure put in it, run by the House, so that we do not get into the separation of powers doctrine, and, of course, as many people know, there is a House Fair Employment Practices Committee for those Members who sign up voluntarily to go under it. So many of us have signed up, are operating under that. But I have real questions as to whether or not the separation of powers doctrine does not also go to the germaneness, because we do not have the powers through the executive agency to do this; and, second, whether the "deeming" in there is an attempt to try and make sure that it is covered. I do not see why the word "deem" would not be needed in the amendment if we truly are under that provison that we are talking about when we deal with this bill.

The CHAIRMAN. Does the gentleman from Texas [Mr. BARTLETT] wish to be heard on the point of order again?

Mr. BARTLETT. Mr. Chairman, I do wish to be heard on the point of order again.

The CHAIRMAN. The Chair recognizes the gentleman from Texas for that purpose.

Mr. BARTLETT. The gentlewoman from Colorado would seem to say that we are either deemed to be recipients or we are not. I would point out to the Chairman that if we are already deemed under the bill to be recipients, well, then, this amendment is not necessary, or at least then this amendment would be in order, and if we are not deemed to be recipients, then this House should have the right to vote to deem us so as recipients. I think it is obvious that we are recipients of Federal financial assistance. Every House of Representatives check for all employees as well as Members are drawn on the U.S. Treasury. They are not drawn on the United Way, they are not drawn on our own personal accounts. They are drawn on the Treasury of the U.S. Government, the same as every other Federal check.

The CHAIRMAN. Does the gentleman from New York [Mr. FISH] wish to be heard on the point of order?

Mr. FISH. I would like to be heard briefly on the point of order, Mr. Chairman.

The term "Federal financial assistance" has been generally interpreted to refer to grants and loans and contracts and general purpose assistance provided by the Federal Government to either private parties or to State and local governments.

So I ask myself the question: Where does the Congress receive this kind of assistance?

Now, yes, we do appropriate. But does that make us a recipient?

I submit that when we appropriate money for the operations of this body we are acting in pursuance to article I of the Constitution, our responsibilities in that regard. This is part of our appropriation process. But it does not constitute what is generally considered to be Federal finanical assistance.

Therefore, we would not be a recipient under that analogy.

The CHAIRMAN. Does the gentleman from Michigan [Mr. CONYERS] wish to be heard on the point of order?

Mr. CONYERS. I would like to be heard on the point of order.

The CHAIRMAN. The gentleman from Michigan is recognized for that purpose.

Mr. CONYERS. Mr. Chairman, I would like to point out that as one who has supported civil rights legislation—and I think most of the Members on both sides of the aisle obviously have over the years—we are probably getting a little bit far afield.

The amendment is not germane. The separation of powers doctrine, if we do not recognize it even here in this sensitive area, we would be inviting the Department of Justice to come in to enforce the civil rights laws. We tried many times to deal with this problem in other ways. For example, the House fair employment practices agreement is one way of creating the mechanism. And I might point out that we have yet to get the gentleman from Texas [Mr. BARTLETT] to sign on to this.

We are going to have to somewhere along the line face the problem that this is an internally resolvable situation. I think what we are provoking here unnecessarily is the question that will ultimately be asked by people on both sides of this point of order and ultimately on the legislation: How many blacks do you have in your office? How many women do you have in your office?

And that is not what we are here to do right now. We are here to say that the House fair employment practices agreement and other internal mechanisms are appropriate in a separate piece of legislation. There can be great mischief accomplished if we do not adhere to the corrective attempts of the Grove City decision and nothing further. I would be the first to join with all the subsequent considerations of this measure, and I join in the argument that the amendment is not germane.

The CHAIRMAN [Mr. SWIFT]. The Chair is ready to rule.

In the bill the term "recipient" means those entities to which Federal assistance is extended.

The gentleman's amendment deems Congress to be a recipient of Federal financial assistance. That does not mean that there may not be some instances in which Congress may in fact receive Federal financial assistance, but it deems Congress to receive Federal financial assistance even without any showing whatever that in fact it has that financial assistance extended to it.

Doing that expands the bill from defined group in the legislation and in the law today to a much different group and in that sense goes beyond the scope of the legislation, and the gentleman's amendment is not in order.

Mr. DANNEMEYER. Mr. Chairman, I appeal the ruling of the Chair.

The CHAIRMAN. The question is, Shall the decision of the Chair be sustained as the judgment of the Committee?

PARLIAMENTARY INQUIRY

Mr. DANNEMEYER. I have a parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman is recognized for a parliamentary inquiry.

Mr. DANNEMEYER. So that we understand where we are, would the Chair explain what a yes vote and a no vote would mean on that?

The CHAIRMAN. The question is, Shall the decision of the Chair be sustained?

A yes vote would support the decision of the Chair; a no vote would not support the decision of the Chair.

Mr. DANNEMEYER. I thank the Chairman.

The CHAIRMAN. The question is, Shall the decision of the Chair be sustained?

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. DANNEMEYER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

□ 2020

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from California [Mr. DANNEMEYER] for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 277, noes 125, answered "present" 1, not voting 30, as follows:

[Roll No. 268]

AYES—277

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Applegate
Aspin
AuCoin
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Berman
Bevill
Biaggi
Boehlert
Boggs
Boland
Boner
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Brown (CA)
Broyhill
Bryant
Burton (CA)
Byron
Carper
Carr
Chappell
Clarke
Clay
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conable
Conte
Conyers
Cooper
Coughlin
Coyne
Crockett
D'Amours
Daniel
Darden
Daschle
Davis
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan
Dowdy
Downey
Durbin
Dwyer
Dyson
Early
Eckart
Edgar
Edwards (AL)
Edwards (CA)
English
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gore
Gray
Green
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hance
Harkin
Harrison
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hertel
Hightower
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kastenmeier
Kazen
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Leach
Leath
Lehman (CA)
Lehman (FL)
Leland
Levin
Levine
Levitas
Lipinski
Lloyd
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
MacKay
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McNulty
Mica
Michel
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Panetta
Patman
Patterson
Pease
Penny
Pepper
Perkins
Pickle
Pritchard
Quillen
Rahall
Rangel
Ratchford
Ray
Reid
Richardson
Rinaldo
Rodino
Roe
Roemer
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Savage
Scheuer
Schroeder
Schumer
Seiberling
Sharp
Shelby
Sikorski
Simon
Sisisky
Skelton
Slattery
Smith (FL)
Smith (IA)
Snowe
Snyder
Solarz
Spratt
St Germain
Staggers
Stark
Stenholm
Stokes
Stratton
Studds
Synar
Tallon
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traxler
Udall
Valentine
Vandergriff
Vento
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Williams (MT)
Wilson
Wirth
Wise
Wolpe
Wright
Wyden
Yatron
Young (MO)

NOES—125

Archer
Badham
Bartlett
Bereuter
Bethune
Bilirakis
Bliley
Broomfield
Brown (CO)
Burton (IN)
Carney
Chandler
Chappie
Cheney
Clinger
Coats
Courter
Craig
Crane, Daniel
Crane, Philip
Dannemeyer
Daub
DeWine
Dickinson
Dreier
Duncan
Edwards (OK)
Emerson
Evans (IA)
Fiedler
Fields
Franklin
Gekas
Gingrich
Goodling
Gradison
Gramm
Gregg
Hammerschmidt
Hansen (UT)
Hartnett
Hiler
Hillis
Holt
Hopkins
Hunter
Hyde
Jacobs
Jeffords
Johnson
Kasich
Kramer
Lagomarsino
Latta
Lewis (FL)
Livingston
Loeffler
Lott
Lowery (CA)
Lujan
Mack
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
McCain
McCandless
McCollum
McEwen
McKernan
Miller (OH)
Molinari
Moore
Moorhead
Morrison (WA)
Nielson
O'Brien
Oxley
Packard
Pashayan
Paul
Petri
Porter
Pursell
Regula
Ridge
Ritter
Roberts
Robinson
Rogers
Roth
Rudd
Sawyer
Schaefer
Schneider
Shaw
Shumway
Shuster
Siljander
Skeen
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Solomon
Spence
Stangeland
Stump
Sundquist
Tauke
Taylor
Vucanovich
Walker
Weber
Whitehurst
Whittaker
Williams (OH)
Winn
Wolf
Wylie
Young (AK)
Young (FL)
Zschau

ANSWERED "PRESENT"—1

Swift

NOT VOTING—30

Anthony
Barnard
Bonior
Campbell
Corcoran
Dymally
Erlenborn
Frenzel
Hansen (ID)
Ireland
Kemp
Kindness
Kogovsek
Lent
Lewis (CA)
Lungren
McDade
McGrath
McKinney
Mrazek
Parris
Price
Rose
Schulze
Sensenbrenner
Shannon
Towns
Vander Jagt
Wortley
Yates

□ 2040

Messrs. KRAMER, WILLIAMS of Ohio, McKERNAN and SAWYER changed their votes from "aye" to "no."

Messrs. QUILLEN, MURPHY, GIBBONS, and YOUNG of Missouri changed their votes from "no" to "aye."

So the decision of the Chair was sustained.

The result of the vote was announced as above recorded.

Mr. GOODLING. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just want to thank this august body. I do not know if I can speak for the trustees, the president, and the students of this fine college in Pennsylvania, but I do want to thank this august body because we are getting more applications to that fine college than we have ever had. Grove City College is on the map like it has never been before, thanks to all the references made to that college here today and yesterday.

It is free advertising. We appreciate it. We could never afford it. But then let me also say that Grove City College has never discriminated against anyone, Grove City College will never discriminate against anyone, and Grove City College has never brought discrimination up as an issue, nor has anyone else.

So, Mr. Chairman, again I say, thank you for the free advertisement. We appreciate it in Pennsylvania. It is a fine college, and we cannot afford this kind of advertisement, but this body is surely helping us with registrations and applications.

Mr. HOYER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, title IX of the Education Amendments of 1972, provides that "no person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance."

Before passage of title IX, no colleges or universities awarded athletic scholarships to women. In 1982 women recieved about 20 percent of all athletic scholarships. Then on February 28, 1984, the Supreme Court, in a decision remarkable for its disregard of congressional intent, rules that title IX prohibits sex discrimination only in the specific program that receives Federal aid, not in the entire institution. The practical result of the Court's decision is that women may be discriminated against and institutions that discriminate on the basis of sex may continue to receive Federal funds.

The ruling by the Supreme Court in the Grove City College case is truly a disappointment for those of us who support equal educational opportunities for women. It also shows the true colors of the Reagan administration on this issue, which strongly argued for the narrow reading of the law which the Court upheld.

Congress modeled title IX after title VI of the 1964 Civil Rights Act. Title VI, prohibiting race and national origin discrimination, also contains the phrase "program or activity receiving Federal financial assistance." Similarly, section 504 of the 1973 Rehabilitation Act, prohibiting discrimination on the basis of disability, and the Age Discrimination Act of 1975, adopt the same model and contain the same "program or activity" language. The Grove City College case contains grave implications for title VI, section 504 and the Age Discrimination Act. Because ever since 1964, when the first of the civil rights acts was passed, until 1980 when the present administration assumed office, every executive branch agency with civil rights responsibility interpreted the coverage of the statutes to be institutionwide. Now we are told at the urging of the Reagan administration that even though an institution may very well be a recipient of Federal funding, it is only that particular activity or program which is federally funded that is barred from practicing discrimination.

Mr. Chairman, I strongly support the Civil Rights Act of 1984, H.R. 5490. This legislation does no more and no less than assure that the Supreme Court decision in the Grove City College case does not result in diluting the effectiveness and scope of Federal statutes prohibiting discrimination against women and girls, against minorities, against handicapped persons, and against older Americans.

Unless we act now and reverse by legislative action the Grove City College decision, the scope of the Federal civil rights statutes will be significantly narrowed and those enforcement programs which assure civil rights protection will be weakened.

Mr. Chairman, the Federal civil rights statutes reflect a moral commitment to fairness and equity regardless of race, national origin, sex, disability, and age. How can we talk of compromising the principle of equality or speak of compartmentalizing discrimination. I think we cannot. The injustices of discrimination of 20 years ago have yet to be eradicated. We have yet to heal the bitterness and ease the frustrations. We need to move forward, not retreat; to reaffirm unequivocally our commitment to the equal dignity of all Americans, not waiver. Mr. Chairman, the Civil Rights Act of 1984 assures all Americans that the strides accomplished in access and opportunity shall not be sacrificed and that the social and economic justice won shall not be denied.

Mr. PACKARD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time only for the purpose of engaging in a colloquy with the distinguished chairman of my subcommittee, the gentleman from Illinois [Mr. SIMON].

Under H.R. 5490, would the receipt of Federal funds by an educational institution which is operated or sponsored by a church bring the church itself under the coverage of title IX?

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. PACKARD. I am happy to yield to the distinguished subcommittee chairman.

Mr. SIMON. Mr. Chairman, in response to my friend, the gentleman from California, no, the church itself would not be covered by title IX. We want to go strictly back to the pre-Grove City decision. It is not the intent of this legislation that title IX should apply to the religious activities of a religious organization if its application would be inconsistent with the religious tenets of that organization.

Mr. PACKARD. Mr. Chairman, I thank the gentleman very much for his clarification.

Mr. PICKLE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of H.R. 5490. I believe we must restate the intent of Congress in light of the Supreme Court's decision in Grove City College against Bell concerning the Federal Government's power to enforce Federal antidiscrimination bans on the basis of race, national origin, sex, handicap, or age.

Civil rights should not be a partisan matter, and in the past both Republican and Democratic administrations have interpreted the Federal antidiscrimination statutes broadly. And we know that when Congress enacted these statutes, it clearly intended to prohibit discrimination in any institution benefiting from public funds. It is regrettable that the Supreme Court decided to ignore this historical interpretation and to set off on its own course. Does anyone really believe that Congress intends to offer financial support to any institution that practices discrimination just because the Federal dollars are not directly contributing to the discriminatory activity?

In the Grove City College against Bell case, the Supreme Court reversed 20 years of civil rights law. But this ruling has to be considered in light of a larger revisionist movement concerning civil rights that has been openly encouraged and promoted by this administration. I think, however, this ruling is more than revision; it's a major rewrite. It would turn the clock back on civil rights to a time when local prejudices prevailed over Federal protections. Mr. Chairman, I submit that the Congress should reject this ruling and send a clear message that as far as the Federal Government is concerned there is only one standard in this country when it comes to civil rights.

As Dante said "the hottest places in hell are reserved for those who remain neutral in times of moral conflict." My colleagues, I do not believe that the Federal Government should remain neutral when it comes to civil rights. We cannot sit idly by, turn our backs, and hope discrimination goes away. We must eliminate it.

Now, we've come a long way in the last 20 years, and I believe that today most of our educational institutions are complying with the civil rights laws in good faith—not necessarily because we've forced them to, but because they realize it's the right thing to do. Still, there will always be those who are behind the times and must be forced to comply. I honestly wish we didn't have to threaten a cutoff of Federal funds to force compliance, but I'm not sure there is a better alternative. I urge each of my colleagues to join me and the many cosponsors of this legislation in the House and Senate in support of H.R. 5490.

Mr. DANNEMEYER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this Member from California earlier this evening offered an amendment to the bill which the Chair ruled out of order. This Member was of a mind to offer an amendment at this time which reached the same point and was believed to be in a germane way.

We have discussed this matter with the members of the committee, and I would like to engage them in a colloquy for the purpose of clarifying the thrust of that amendment so that it would result in this Member from California not offering the amendment at this time. For that reason I would just like to ask the gentleman from Illinois [Mr. SIMON] and the gentleman from New York [Mr. FISH] a few questions.

□ 2050

The amendment I sought to offer was to make clear that the use of the word "sex" in the Civil Rights Act was limited to gender only and that it did not make reference and should not be interpreted as meaning sexual preference or orientation.

Would the gentleman from Illinois care to comment on that?

Mr. SIMON. Mr. Chairman, if the gentleman will yield, I have checked with my colleague, the gentleman from California [Mr. EDWARDS], and there has never been any such suggestions within the civil rights laws.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I would be happy to yield to the gentleman from New York.

Mr. FISH. Mr. Chairman, I am happy to tell my colleague that the question of sexual preference or orientation has no relation to the word "sex" used in any one of the four civil rights laws. The existing law today would not bring an institution of higher learning into jeopardy were it to dismiss either a student or a faculty member for his sexual preference or orientation. It simply is not covered under these statutes and, therefore, an amendment clarifying that position is not necessary.

Mr. DANNEMEYER. Mr. Chairman, I thank my colleague, the gentleman from New York.

Mr. CONABLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was one of those who voted to support the ruling of the Chair recently on the issue of the application of this particular provision to the Congress. I did so because I believe in the separation of powers. I do not believe that is a technicality and I think there is a serious question there; however, I would like some assurance that this body is going forward on a separate track to provide the principles embodied in this law for enforcement by the legislative branch, so that we will not be in the position of appearing to be hypocritical.

I would like to ask any Member who is involved in this issue if there is a separate provision going foward and when we can expect to have it on the floor. I do not believe we have decided the issue by the technical position that we had to take relative to the separation or powers.

Does the gentleman from Illinois have an answer to this?

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. CONABLE. Yes, I yield.

Mr. SIMON. I cannot assure the gentleman that that will happen. Let me say, I join in his wish that it will happen.

I am going to accept another amendment offered by the gentleman from Texas [Mr. BARTLETT] that is, I think, within the rules of this body; but there are still some very difficult separation of powers questions that have to be worked out. I intend to work with the gentleman from Texas and would be pleased to work with the gentleman from New York and my colleague, the gentleman from California, on that.

Mr. CONABLE. Well, I would urge the acceptance of the principles of this bill within the legislative branch also. I think we should not consider ourselves above the law because of the problems of separation of powers.

Mr. SIMON. I concur completely.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Chairman, I just want to assure the gentleman for this Member, and knowing that I speak for the gentleman from Texas, that we intend to pursue this.

I would agree that leaving the record the way it is now and the way things are makes us look extremely hypocritical. I do not believe that is the intention of this body. I intend to pursue this matter to make sure that we live up to the same standards that we require of the rest of the country.

Mr. CONABLE. Mr. Chairman, I thank the gentleman.

AMENDMENT OFFERED BY MR. BARTLETT

Mr. BARTLETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARTLETT: Page 10, after line 22, insert the following:

SEC. 6. With respect to matters relating to the performance of their official duties, Members of Congress may be considered to be recipients of Federal financial assistance for purposes of section 901 of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, section 303 of the Age Discrimination Act of 1975, and section 601 of the Civil Rights Act of 1964 to the same extent that other federal entities are covered by those acts.

The CHAIRMAN. The gentleman from Texas [Mr. BARTLETT] is recognized for 5 minutes.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I will yield in just a moment. I am not going to take the entire 5 minutes, and I thank the gentleman for his indication of support.

Mr. Chairman, I would just point out that what this amendment does or accomplishes is the same thing as the first amendment. I listened carefully to the ruling of the Chair, who said that the word "deemed" was the problem, so this amendment tracks the words of the ruling of the Chair to allow that in some cases Congress may be covered.

No. 2, to rule this out of order would be to say that in no case would Congress be covered.

No. 3, this amendment does the same thing. Yet for the first time in the history of this Nation would include Members of Congress in the coverage of the four civil rights laws and include us in the same way to the same extent that other Federal entities are covered.

Mr. Chairman, I yield to the gentleman from Illinois.

Mr. SIMON. Mr. Chairman, for purposes of saving time, I just want to say very briefly that I think there is a general sense that we ought to be covered. I do have serious separation of powers problems that I think the gentleman from Texas, and I and the gentleman from California, and the gentleman from New York ought to try to work out; but I hope we can get something worked out, and for the purpose of moving in this direction, I accept the amendment.

AMENDMENT OFFERED BY MR. COLEMAN OF MISSOURI TO THE AMENDMENT OFFERED BY MR. BARTLETT

Mr. COLEMAN of Missouri. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. COLEMAN of Missouri to the amendment offered by Mr. BARTLETT: In line 2 after the word "Congress" add the following "and the Federal Judiciary."

Mr. COLEMAN of Missouri. Mr. Chairman, what I have done is if we are going to bring Members of Congress under these acts, then we might as well get the third branch involved, and that is the Federal judiciary. There is absolutely no reason why the other branch of government should not be included, just like Members of Congress and the legislative branch.

I would like to have somebody give me a rational basis why we should be included and they should not be. That is the purpose of the amendment. It is very clear and very straightforward. All the arguments that went to the basis of having Members of Congress involved and covered should be and can be made for members of the judiciary, just like the House of Representatives and the Members of Congress.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, I accept the gentleman's amendment and believe it is a good amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. COLEMAN] to the amendment offered by the gentleman from Texas [Mr. BARTLETT].

The amendment to the amendment was agreed to.

PARLIAMENTARY INQUIRY

Mr. COLEMAN of Missouri. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COLEMAN of Missouri. Mr. Chairman, what did we do? What just passed? The Chair said, "the gentleman from Texas."

The CHAIRMAN. The Chair would advise the gentleman from Missouri that what just passed was his amendment to the amendment of the gentleman from Texas.

Mr. COLEMAN of Missouri. Mr. Chairman, I thank the Chair.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BARTLETT], as amended.

The question was taken; and on a division [demanded by Mr. BARTLETT] there were—ayes 133; noes 54.

So the amendment, as amended, was agreed to.

☐ 2100

PARLIAMENTARY INQUIRY

Mr. BARTLETT. Mr. Chairman, I have a parliamentary inquiry.

The **CHAIRMAN.** The gentleman will state his parliamentary inquiry.

Mr. BARTLETT. Mr. Chairman, the gentleman did not hear the vote. Could the Chairman repeat the vote?

The **CHAIRMAN.** The Chair will repeat the vote.

The ayes were 133; the noes were 54, and the amendment is agreed to.

Mr. BARTLETT. I thank the Chair.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Walker: Page 10, after line 22, add the following new section:

Sec. 6 Nothing in this Act or the amendments made by this Act shall be construed as changing the status of historically black colleges and universities.

The **CHAIRMAN.** The Chair will state that it is the Chair's understanding that there are only two amendments remaining, one of which the committee is prepared to accept.

Mr. SIMON. Will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Illinois.

Mr. SIMON. I do not see that this amendment does any harm, frankly. I am going to insert a letter in the Record from the black colleges saying that it is not necessary. But I do not see that it does any harm and I will accept the amendment.

The letter follows:

National Association for Equal
Opportunity in Higher Education,
Washington, DC, June 26, 1984.

Hon. Paul Simon,
House of Representatives,
Washington, DC.

Dear Representative Simon: The National Association for Equal Opportunity in Higher Education (NAFEO) supports the Civil Rights Act of 1984. The Civil Rights Act of 1984 will guarantee equal educational access for students of color, sex, age, and/or physical condition throughout the country. The Nation's historically black colleges and universities have, since their establishment, upheld the belief in equal access. As a representative for the historically black colleges and universities, NAFEO, therefore, does not support any exception to the enforcement and/or applicability of the Civil Rights Act of 1984 to any sector of higher education including the historically black colleges and universities.

Cordially,

Samuel L. Myers,
President.

Mr. FISH. Will the gentleman yield?

Mr. WALKER. I yield to the gentleman from New York.

Mr. FISH. As I indicated to the gentleman, neither the charter nor the practices of the black colleges and universities of the United States have ever been criticized as being discriminatory but I will be happy to accept the amendment.

Mr. WALKER. The gentleman is absolutely correct.

This gentleman has offered this language because the president of Lincoln University in my district had some concerns about the provisions contained in the bill and this clarifies it.

I thank both gentlemen for accepting the amendment.

The **CHAIRMAN.** The question is on the amendment offered by the gentleman from Pennsylvania [Mr. Walker].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SILJANDER

Mr. SILJANDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Siljander: Page 10, after line 22, insert the following:

Sec. 6. For the purposes of this act, the term "person" shall include unborn children from the moment of conception.

POINT OF ORDER

Mr. SIMON. Mr. Chairman, I make a point of order against the amendment.

This is different in wording from the previous amendment but the same point of order rests against this amendment.

It is an attempt to expand with a new definition beyond the scope of this act. It is not germane as the previous amendment was not germane.

It is an extremely important issue that this body has debated many times and will debate many more. But this is not the place where it should go.

The **CHAIRMAN.** Does the gentleman from Michigan [Mr. Siljander] wish to be heard on the point of order?

Mr. SILJANDER. I do, Mr. Chairman.

The **CHAIRMAN.** The Chair recognizes the gentleman from Michigan.

Mr. SILJANDER. Chapter 28 of the procedures of the House, section 9.12, says "* * * to a bill containing definitions of several of the terms used therein, an amendment modifying one of the definitions and adding another may be germane."

On page 3, page 6, page 8, and page 10 the word "person" is used, which is substantially different from the former amendment.

I yield to the chairman.

The **CHAIRMAN.** The Chair is prepared to rule.

On page 8, line 24, the bill uses the term "person."

In the gentleman's amendment he says for the purposes of this bill the term "person" shall, and defines the term "person" and, therefore, the amendment is germane.

The gentleman is recognized for 5 minutes.

Mr. SILJANDER. Mr. Chairman, my amendment would deny Federal funds to any institution performing abortions, by defining the word person in the Civil Rights Act to include unborn children from the moment of conception.

This amendment is consistent with current Federal policy which prohibits the use of other Federal funds to directly or indirectly pay for abortions.

There is a notable exception, however, to current policy. If any abortion can be worse than another, and that is a little like saying hanging is worse than the firing squad, this amendment would cut off the most hideous and cruel of all abortions in taxpayer subsidized hospitals. The abortions I am talking about are those performed in the second and third trimester of pregnancy.

As most of my colleagues should know, the earliest abortions are done by private, profitmaking merchants in abortion clinics. What many of my colleagues don't know, but should, is that late-term abortions, frequently after 20 weeks of pregnancy are performed in those institutions subsidized by the taxpayers.

Since the issue of slavery, there has not been a greater civil rights issue than the slaughter of the unborn in the womb. There have been over 15 million abortions since the 1973 Roe against Wade decision. Perhaps some of my colleagues might draw a historical parallel to the original Constitution and say that an abortion done in the fifth month is done on a citizen who is only three-fifths human, as the slaves were considered. Mr. Speaker, there can be no issue more relevant to this bill than this issue.

Let me tell my colleagues about second and third trimester abortions. There are over 400 performed each and every day in this Nation. In each case, there is indisputable medical evidence that demonstrates that the unborn child feels pain, Mr. Chairman, I would like to insert following my remarks, a medical affidavit by Dr. Vincent J. Collins, the foremost expert on anesthesiology in this Nation, documenting the medical fact that these children feel pain after the 13th week of pregnancy. This pain can be excruciating and prolonged in the abortion process.

The saline abortion, burns the outer layer of the child's skin, until death and then spontaneous expulsion result. This process can last several hours. The baby fights this and reacts with self-defensive actions. In fact, according to the Atlanta Center for Disease Control, 500 children survive this method of abortion each year. Even Hitler's mad doctors would be embarrassed by this medical procedure.

According to an article in the New York Times of February 15, 1984, doctors are so concerned about these live births that they are changing to another procedure called a dilation and evacuation, which rips the child apart in the womb, thereby insuring it's death. One can only imagine the horrible pain the victim of this procedure must feel. It certainly exceeds any concept we have of cruel and unusual punishment.

If we chose to ignore the civil rights of a speechless and defenseless class of American citizens—those of the unborn—then the civil rights of all are in danger.

If we give the State the power to bequeath civil rights then the State has the same power to take those rights away.

Our rights are not a gift of the State or even of the Constitution—they are a birthright from God that no State, no court, and, yes, no Congress can take away.

There is no way to justify the Government's participation in this travesty of civil and human rights. There is no way that this Congress can justify making the public an accomplice in this.

If it is the right to privacy that some of my colleagues so dearly want to defend then let them keep abortion private. Don't ask the taxpayers to pay for the tools needed to destroy human life, whether it be buildings, supplies, scalpels, or the poisons used in the abortion process. The taxpayers should not be forced to pay for indirectly, as the entire recipient changes in this bill make clear, the discrimination that destroys the civil rights, the human rights, the very lives of 1½ million of our fellow human beings every year.

I urge adoption of the amendment

Mr. GUNDERSON. Will the gentleman yield?

Mr. SILJANDER. I will be happy to yield to the gentleman from Wisconsin.

□ 2110

Mr. GUNDERSON. I appreciate the gentleman yielding. I certainly commend his commitment to the concept of prolife and antiabortion. I share that commitment but I must tell you I have some questions about this amendment.

As this amendment is read, will it not prohibit any abortion at any university hospital or any other hospital regardless, even if that abortion is to save the life of the mother?

Mr. SILJANDER. No; that is not correct.

Mr. GUNDERSON. Why is that not correct? What prevents that interpretation?

Mr. SILJANDER. This bill clearly simply suggests that any hospital facilities——

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. GUNDERSON. I ask unanimous consent the gentleman be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. DICKS. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. SIMON. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment. I shall not take my 5 minutes.

The point made by the gentleman from Wisconsin is absolutely valid. Second, what we are trying to do in this bill is go back to the pre-Grove City situation; no more, no less.

We are not interested in amendments on abortions, MX missiles, or food stamps. We are simply trying to put the teeth back into the civil rights laws of this Nation. And I hope we will reject any amendment which in any way diverts us from fulfilling that purpose.

Mr. FISH. Mr. Chairman, I move to strike the requisite number of words.

I rise as one who is very sensitive to what an important position this is; one who by his statements and votes for many years in this body has demonstrated his prolife position. But I oppose this amendment because it is far too significant in its apparent purpose to be adopted as a floor amendment when we do not have an opportunity to assess what the full legal implications are.

It was not until today, my colleagues, that I learned this amendment was going to be offered. I had been assured earlier that the prolife sector in our society was not in favor of an amendment. This stemmed from the fact that the negotiations were carried on by the ranking member of the Subcommittee on the Judiciary that should be standing where I am today, our colleague JIM SENSENBRENNER. And after negotiating with the prolife and prochoice forces, language was agreed to by both which appears on page 36 in the committee report to make it absolutely clear that this bill is neutral on this issue.

The language states:

> This bill is not intended to convey either the approval or disapproval of Congress concerning the validity or appropriateness of regulations issued under title IX concerning health care insurance and/or services for employees and students with regard to abortion.

We sincerely thought that this issue had been put to rest. Our colleague, the gentleman from Wisconsin thought so, too. It was not overnight that he achieved this negotiated settlement that apparently was agreed to by both sides.

So, I submit that this is not an amendment brought to us with the agreement of the prolife forces.

Mr. WILLIAMS of Montana. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

Thank you, Mr. Chairman. If my information is correct, the term "person" appears four times in this act and each time it appears, it refers to a person receiving or distributing Federal funds.

Now, if I understand the gentleman's amendment, he is including children at the moment of conception as those receiving or distributing Federal funds. What is the purpose of the amendment? The amendment is moot. Unborn children do not receive or distribute Federal funds. The amendment has no meaning.

I yield back the balance of my time.

Mr. SMITH of New Jersey. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Siljander amendment and I would like to commend my friend from Michigan for his courage and compassion in offering this important amendment.

I know, Mr. Chairman, that many Members of this body are growing weary of abortion floor fights. But I would suggest that what we do here today may indeed result in some now nameless, voiceless child—perhaps many children—being given a chance to live.

That, in and of itself, makes any inconvenience wholly worthwhile.

I know the prochoice lobby here on the Hill gets mightly uncomfortable when faced with the horror of abortion, or with the humanity of the child in the womb, or with the increasingly apparent fact that abortion exploits women. But reality isn't changed or altered one iota because someone wishes it away or refuses to face it. I am reminded of an editorial that appeared in the Journal of the California State Medical Association in September 1970 that eloquently summed up this wishful thinking process:

> The reverence of each and every human life has been a keystone of western medicine, and is the ethic which has caused physicians to try to preserve, protect, repair, prolong, and enhance every human life.
>
> Since the old ethic has not yet been fully displaced, it has been necessary to separate the idea of abortion from the idea of killing which continues to be socially abhorrent. The result has been a curious avoidance of the scientific fact, which everyone really knows, that human life begins at conception, and is continuous, whether intra- or extra-uterine, until death. The very considerable semantic gymnastics which are required to rationalize abortion as anything but taking a human life would be ludicrous if they were not often put forth under socially impeccable auspices. It is suggested that this schizophrenic sort of subterfuge is necessary because, while a new ethic is being accepted, the old one has not yet been rejected.

Mr. Chairman, there is no question that the unborn child is human and alive, and is the victim of pernicious age discrimination. It seems to me that the advances in the science of fetology and medical care must necessarily cause many prochoicers to rethink their positions on abortion. After all we no longer live in the Dark Ages. Modern medicine tells us that at 12 weeks, all the body systems of the unborn child are formed and working. The heart has been beating since the 17th day. Brain waves can be recorded as early as 6 weeks. The unborn child wakes, sleeps, and vigorously sucks his or her thumb. The child responds to pain, cold, sound, and light. Properly viewed, birth is an event that happens to us all and is not the beginning of life as some would suggest.

One of the most respected doctors of our time, Dr. Albert Liley, the physician who developed the interuterine blood transfusion, has written extensively about the child in the womb. His writings should shatter any remaining illusions concerning the robust life of every unborn child. Dr. Liley writes:

> We know that (the unborn child) moves with a delightful easy grace in his buoyant world, that foetal comfort determines foetal position. He is responsive to pain and touch and cold and sound and light. He drinks his amniotic fluid, more if it is artificially sweetened, less if it is given an unpleasant taste. He gets hiccups and sucks his thumb. He wakes and sleeps. He gets bored with repetitive signals but can be taught to be alerted by a first signal for a second different one. And finally he determines his birthday, for unquestionably the onset of labour is a unilateral decision of the foetus.
>
> This then is the foetus we know and indeed we each once were. This is the foetus we look after in modern obstetrics, the same baby we are caring for before and after birth, who before birth can be ill and need diagnosis and treatment just like any other patient.

Mr. Chairman, the more we focus on the beauty, magnificence, order, and sheer splendor of the life of an unborn child, the more we recoil from the violence of abortion.

Mr. Chairman, abortion methods are gruesome and ugly to consider. Yet it is a sad fact, that there are some in this Chamber who have yet to carefully examine and scrutinize the methods of abortion. If we are being asked to pay for it, is it too much to ask what we are paying for?

Mr. Chairman, the carnage unleashed on American society by the 1973 Supreme Court abortion decisions is unparalleled in U.S. history.

Every 20 seconds of every day, little children at 8 weeks, 12 weeks, 16 weeks, 24 weeks gestation and beyond, right up until birth, are savagely decimated by the abortionist. The modern day abortionist has several highly efficient abortion methods at his disposal. The horror of the deed, however, has been mitigated by the clean, antiseptic environs in which abortions are procured.

For some, abortion is merely another medical procedure. But is it?

I suggest my colleagues look closer at just a few of these procedures. In many early abortions, a loop-shaped knife attached to a high powered suction device rips and shreds the unsuspecting child to pieces. The body parts are then vacuumed into a bottle and disposed of. This is euphemistically referred to as vacuum aspiration.

In the dilatation and curettage and dilatation and evacuation abortion, the child is cut, sliced, and carved by a surgeon's scalpel without even the benefit of anesthesia. One of the most frightening jobs required of assisting nurses is to make a full and thorough accounting of all body parts in a D&C and D&E abortion. I have seen documented pictures of children who have been killed this way—decapitated, ribcages split open, arms and legs a pathetic jumble—and I came away sick to my stomach. And believe me, I marveled then and now that some Members of this body could deny the homicidal nature of abortion and go on to even assert that the extermination of the unborn can somehow be portrayed and construed to be enlightened, progressive policy?

In saline abortions, Mr. Chairman, usually done in the second trimester, the unborn baby has his or her life purposely snuffed out by an overdose of injected saltwater.

A baby terminated this way dies a very slow, excruciatingly painful death. After the salt is injected by a hypodermic needle into the infant's amniotic sac, the child breathes in the fluid and gets sick. The salt burns the outer layer of skin on the child. Internally, the baby's blood stream carries the poison to his or her brain, nervous system, and vital organs. After a 1½- to 2-hour futile struggle, the baby usually dies. A day or two later, the mother goes into labor and gives birth to a baby whose appearance resembles a first degree burn victim.

Are saline abortions enlightened social policy that a prudent Congress wishes to fund? Hardly. Hardly, I say to my colleagues.

Still another method of abortion, Mr. Chairman, is the so-called hysterotomy abortion—a method not unlike a C-section. As a matter of fact the only difference between the hysterotomy and C-section is the fate of the child. In a C-section, the child is cared for, nurtured, fed, kept warm and, hopefully, loved. In a hysterotomy abortion, after the umbilical cord is cut, the baby is tossed in a bucket or pan—like garbage—left to die. There have been literally thousands of these abortions in the United States. A significant number of children who survive abortion were the results of this method.

Last year, the Associated Press carried a disturbing story of some of these late term survivors:

> The live births of six babies as the mothers were having abortions at Madison Hospitals in the past 10 months have shocked residents, becoming a rallying point for abortion foes and prompted one hospital to drastically curtail the procedure.
>
> All six babies died within 27 hours of birth, four at Madison General Hospital and two at the University of Wisconsin Hospital. The reasons they were born alive remains unclear, as does the question of how often such live births occur after abortions.
>
> All six pregnancies were in second trimester or the second three months of development in the womb.

A similar account appeared in the Chicago Tribune in a story written by Jeff Lyon entitled "Abortion Paradox: A Live Baby."

> It was a warm spring night in Madison, Wisconsin. Rain was playing cat and mouse with the city. In one of the rooms at the University of Wisconsin Medical Center a pregnant 16 year old girl reclined on one of the steel frame beds.
>
> She had come for an abortion . . . the child inside her had already "quickened," a term used to describe what should be a moment of joy—the first kick of life—but which to a frightened, unmarried 16 year old only heaped on more anxiety.
>
> The medical staff diagnosed her as 21 weeks pregnant. This is quite far along . . . Doctors could have confirmed their diagnosis with ultra-sound, a test that yields a "picture" of the fetus, from which its age can be determined, but it wasn't deemed necessary. In fact, they were wrong. The girl's pregnancy was much more advanced, as everyone was soon to learn.
>
> About an hour after midnight, responding to the injection of urea and prostaglandin received hours before, the mother's contracting uterus expelled the fetus. It came out larger than anyone had expected. But it had another more notable characteristic that threw the staff into sudden turmoil.
>
> It was alive. It was no longer a fetus but a breathing baby girl.
>
> The child, judged to be 26 weeks old, was rushed to the neonatal intensive care unit at Madison General Hospital.
>
> That was on May 4th. The next afternoon, defying all statistical odds, another abortion at the University of Wisconsin Medical Center went awry, resulting in a live birth. A 17-year old mother delivered a 23 week old female infant that was also transferred to Madison General . . .
>
> Then on May 22, a third child aged 23 weeks, was born alive during an abortion procedure, this time at Madison General . . . None of these babies lived beyond 27 hours. But their passage through this world, however brief, showered new publicity on what has become one of medicine's most haunting ethical quandaries: the live birth abortion.

Mr. Chairman, it seems increasingly absurd to this Member that Members of this body can unashamedly embrace and champion the right to mutilate and kill unborn children like this—and then demand that we pay for it.

It seems increasingly absurd to this Member that the opposition utterly fails to appreciate the marvelous breakthroughs in the diagnosis and treatment of the unborn. In every pregnancy, there are two patients to be cared for, mother and child. I prefer to think, Mr. Chairman, that it is out of ignorance of the facts rather than by design.

A few days ago, Mr. Chairman, I came across one of the most startling and enlightening statements I have ever read.

The words are those of Dr. Bernard Nathanson, a former abortionist and founder of the National Abortion Rights Action League—one of the leading proabortion lobbies on Capitol Hill.

Dr. Nathanson probably knows more about abortion than anyone in this Chamber. He personally performed over 6,000 abortions, was an outspoken proabortion leader and was director of the largest abortion clinic in the world. Dr. Nathanson now believes that abortion is a denial of human rights because it kills children.

Mr. Chairman, Dr. Nathanson has become one of the most knowledgeable medical doctors on the use of ultrasound to diagnose and treat unborn children. This is how he describes a 20-minute ultrasound film of an actual abortion of a 10-week-old unborn child:

> The film is about abortions. That sounds simple but it's not. About a year ago, I began to mull over why we were not progressing more rapidly than we are on this issue. It took me six months before the problems crystallized. The problem was that no one had ever seen the abortion from the victim's vantage point.

Dr. Nathanson, who personally performed over 6,000 abortions goes on to say:

> We have to know what abortion is to the human being, its personal effects. We have discussed endlessly, ad infinitum the effects of abortion on women but we have never truly, viscerally discussed the effects on the baby. This videotape is for the first time, a permanent, objective record of what abortion does to the child. In order for the discussion to broaden and deepen, to be made more intelligible to everyone who wishes to discuss the issue, they must understand abortion from the victim's vantage point.

Dr. Nathanson states:

> The film is of a complete abortion of a ten week child. I chose an early abortion because I did not want proponents of abortion to say this was an "exceptional" case, one of the one hundred thousand later-term abortions, not one of the 1.4 million abortions (done earlier in the pregnancy). This is one of those 1.4 million abortions.

In describing the film, Dr. Nathanson narrates what can be observed on the screen:

> Long before the instrument has touched the child, the child is aware that there has been an invasion of the sanctuary. When the suction tip hits the amniotic sac—the membrane surrounding the child (and there's a lot of fluid between the sac and the child)—the child jumps. Now as far as we know the amniotic sac has no nerve fibers, so clearly the child does not feel but senses that something aggressive is happening, and he jumps away.
>
> You can see this in the film; the moment the tip of the suction machine starts to move, the fetus knows it and starts to scuttle to the top of the uterus. You can see its mouth open in a silent scream.
>
> From there on you can see all the agitation: you can see the heart speeding up, you can see the limbs moving faster, you can see the child turning more rapidly. Even the breathing, which is difficult to see on these films, even the breathing process increases. So there is no question this child feels pain, it actually senses danger.

In describing the first 5 minutes of the film, Mr. Nathanson describes a child at peace and calm. Unsuspecting and tranquil.

> There is the view of the child during the first 5 minutes of the film. The child is at play, sucking his thumb, moving about, and so forth. From then on, there is the stalking of the victim and the victim's terror followed by the actual quartering, the dismemberment of the child before your eyes. You can see the spinal column slipping down the suction tube and the head is left with a piece of spine on it. And then you can see the abortionist searching for the head.

Bernard Nathanson goes on to say:

> I suppose I knew what to expect, after all I've done thousands and thousands of these. In my thinking about abortion when I changed my point of view, I was doing a great deal of ultrasound, but not of abortions. So I was prepared, but it still stunned me and nauseated me. But I was prepared to do what I had to do (film the abortion). The abortionist was not. When he was actually doing the abortion and watching the screen, he said he felt nauseated. He turned away. He didn't want to see the film again. He did at my urging when he edited the film to tell me exactly what was happening. I talked to him this morning. He said he never wanted to see that film again. He is an old friend of mine; I trained him as a resident. I had asked him since he was going to perform the abortion anyway, if I might please film it. He is a very decent person who is confused about abortion. He is less confused today.

Mr. Chairman, let it never be said of any of us—when faced with the truth we turned away. Let it never be said that when we looked we did not see. Let it never be said, that when confronted with a grave social injustice—the abuse of small children—we failed to act.

I urge support of the Siljander amendment.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Jersey. I yield to the gentleman from Illinois.

Mr. HYDE. I just want to say this is a civil rights issue. We are talking about a life that has begun. The question of personhood is a legal concept and this body of legislators has the right and the facility to determine personhood.

The unborn feels pain and if that is not something that civil libertarians ought to concern themselves about, then I do not know what is.

I commend the gentleman for his support for this amendment, and I commend the gentleman who offered it. This is a civil rights issue we ought to be sensitive to.

☐ 2120

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

I would like to ask the author of the amendment a question that was tried to be raised earlier and that is just a question of whether or not the implications of this amendment from time to time when we have dealt with this subject there have been exclusions. I just wonder what the implications of the gentleman's amendment are on those exclusions. Is this paramount to those other provisions that have been passed if those funds are used in one of these institutions.

Mr. SILJANDER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Michigan.

Mr. SILJANDER. I thank the gentleman for yielding.

The implications of the amendment are very simple. The intent is to build the cutoff discrimination at any level, cut off Federal funds, for discrimination in any aspect of an institution.

This simply follows suit, the discrimination against the unborn, the ultimate discrimination of death. If it is performed in any institution——

Mr. MILLER of California. I understand. Let me ask the gentleman is the act of providing an abortion, is that act, in and of itself, discrimination as the gentleman envisions it under the gentleman's provision. And that act, if that act is carried out, that act requires the cut off of funding under the legislation.

Mr. SILJANDER. That would be an accurate assessment.

Mr. MILLER of California. So if that act was carried out for the purposes of saving the mother's life——

Mr. SILJANDER. No.

Mr. MILLER of California. I do not understand.

Mr. SILJANDER. Obviously the definition of an unborn, the doctor's intent is not to take the life of the unborn purposely. Medical science is what it is today. In most all instances, almost never, is there a decision by the doctor to take the life of the fetus at the risk of the mother. It is a very rare instance.

Let me answer the question. If it were to be a choice between the two, and the intent of the doctor was to save the life of the mother, it certainly would be appropriate in that he is not performing—the principal approach of the amendment is to prohibit a woman from entering a hospital facility that receives any Federal funds in any respect whatsoever to be offered an abortion by a doctor.

Mr. MILLER of California. Not to be argumentative, but for the purpose of clarifying. Under any circumstances.

Mr. SILJANDER. Under any circumstances. If a woman were pregnant and she were to enter into a hospital and abortion was required to save the life of the mother, under the author's interpretation of my amendment that would not be prohibited under this language; is that clear enough for the gentleman?

Mr. MILLER of California. I appreciate that. But I do not understand how the language of the amendment provides for that. I am not here to be argumentative. I just think and I would like to know what I am voting on and I think others would. I appreciate the gentleman building a legislative history if that is the gentleman's intent.

But we have been told from time to time with the court what we could do with legislative history and they said that you read it within the confines of the law.

I think the issue that was raised earlier was the issue of whether or not there were any exceptions under which the institution could engage in an abortion and still not lose their funding. I do not see that that provision is here.

So the exclusions whether the medicaid funds or medicare funds or all of the other funds where traditionally we have provided an exclusion from time to time, it seems to me that this language is in fact paramount to that language, to those exclusions.

It may be the gentleman's intention, but I just do not see how you can get it from the reading of the law.

Mr. SILJANDER. If the gentleman would yield——

Mr. MILLER of California. Mr. Chairman, I cannot hear. I think this is a matter of some significance and some importance. The gentleman's amendment is a serious amendment. He has offered it as that. I think we are entitled to have an explanation of that amendment.

Mr. SILJANDER. Much as the colloquy settled a reintroduction of an amendment from the gentleman from California that was ruled nongermane at that time, that colloquy seemed to have settled the concerns on the gentleman's side of the aisle.

Now the gentleman has a concern regarding my amendment which was once ruled nongermane and now, through redrafting, it is germane. The gentleman has a concern. I think our colloquy has certainly resolved that concern as far as legislative intent. It seemed to be sufficient for that particular instance. Why should it not be sufficient in this one? Both amendments are certainly equally as important.

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. I thank the gentleman for yielding.

The problem is that that prior colloquy dealt with an interpretation of present law. There is nothing in the bill before us that changes the definition of sex.

What the gentleman is doing here, however, is something totally different. The gentleman is adding legislative language which deals with person from the point of conception onward.

The gentleman from California is absolutely correct. The gentleman has nowhere included in his amendment any exclusions. The gentleman's amendment is total, from conception onward is the definition of a person. Therefore, any abortion performed in any university hospital or institution, even to save the life of the mother, would be the reason to disclaim or allow any further Federal funds to that institution.

The CHAIRMAN. The time of the gentleman from California [Mr. Miller] has expired.

(By unanimous consent, Mr. Miller of California was allowed to proceed for 3 additional minutes.)

Mr. MILLER of California. Mr. Chairman, I appreciate that the hour is late. This is not a trivial amendment. This is a serious amendment for all of us involved no matter what your beliefs are about the issue of abortion. I assume if you favor abortion, this is a serious amendment; and if you oppose abortion, this is a serious amendment.

I think it is important that we understand what in fact this amendment does. It now appears that on the face of the amendment that it does not provide for exclusions that this House has found in its best judgment, from time to time, to provide in the cases of the health of the mother, rape and incest and other problems that we have struggled with, at least the 10 years I have been in Congress.

I would just like to take 2 or 3 minutes before the Members vote on this. This has ramifications for millions of unborn children, for millions of women and their spouses and their lovers and their families. Could we just possibly take 3 minutes of the Members' attention to try to determine what it is we are going to in fact vote on.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Illinois.

Mr. HYDE. I thank the gentleman for yielding.

Mr. Chairman, I think the gentleman has raised a very important point that we ought to understand and it is unfortunate that under these circumstances we have to do this, but if the gentleman will permit me.

The amendment offered by the gentleman from Michigan simply defines personhood. It really does not address abortion. But it is true the issue is implicit in the definition.

Now, if a woman is pregnant and her health is so jeopardized that an abortion is necessary to save her life, within a reasonable degree of medical and scientific certainty, the operation is not an abortion. It is the removal of a cancerous uterus. It is the removal of an ectopic pregnancy. It is whatever the problem is, the operation is directed toward that. The abortion which is the removal of the unborn fetus from the mother's womb, a secondary consequence, by definition, is the abortion. But it is a secondary consequence of the primary surgery.

Medical practice is always to save the life of the mother.

□ 2130

The claim to life is equal. A life and a life are at stake. If you cannot save both—and that should be the aim of the doctor—then you save the mother's life. That is medical practice, and that is perfectly ethical, legitimate, and correct and is in no way derogated by the gentleman's amendment. I would say that to the gentleman.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from California.

Mr. FAZIO. I appreciate the gentleman yielding.

I am not sure exactly how well drafted the amendment is, but it is on the surface the intent of the gentleman to include, I am sure, all hospitals that get any sort of Federal funding, and that would include Hill-Burton funds for construction, that would mean Medicare funds, that would mean Medicaid funds; if it is a county hospital, any funds the county receives from the Federal Government; if it is a university hospital, any funds the university receives from the Federal Government.

It seems that the intent and the language, at least as interpreted by the gentleman from Michigan, would include just about every hospital in this country.

Would the gentleman agree to that?

Mr. MILLER of California. It appears that that is the intent, and as it was explained by the gentleman from Michigan, we are talking about all funds and all institutions. I think it is a bad amendment to raise in this context.

The CHAIRMAN. The time of the gentleman from California [Mr. Miller] has expired.

(By unanimous consent, Mr. Miller of California was allowed to proceed for 2 additional minutes.)

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from New York.

Mr. GREEN. I thank my colleague for yielding.

Our friend from Illinois has given a very learned explanation of what he thinks this amendment would do. The only problem is that none of his explanation is in the amendment. The amendment does not do any of those things that the gentleman from Illinois suggests. It is a blanket amendment. It has none of the exceptions. I just have to say that we are imposing something far beyond where we have ever gone before if we adopt this amendment to this bill.

Mr. HYDE. May I just have one sentence?

Mr. MILLER of California. I yield to the gentleman from Illinois.

Mr. HYDE. We are sure relying on legislative history tonight on this whole bill. What is wrong with relying on legislative history here?

Mr. GREEN. If the gentleman will yield, when I went to Harvard Law School, Dean Griswold, later Solicitor General of the United States, used to say facetiously that if the regulations are unclear, look at the statute. And, in this case, the amendment itself is very plain and it does not include any of the language of the gentleman from Illinois. I think the gentleman from Illinois made a wonderful speech, but it is not in the amendment.

Mr. MILLER of California. I will say to the gentleman from New York that I think he is right, that legislative history as we try to create it from time to time is a convenient way of ducking the issue. The Court has spoken several times on legislative history and said the Congress should say what it means in the law, not in the reports, not in the conference reports, not in the legislative history, but in fact in the law.

I would hope that the Members would turn down this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. SILJANDER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SILJANDER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 186, noes 219, not voting 28, as follows:

[Roll No. 269]

AYES—186

Annunzio
Applegate
Archer
Badham
Bartlett
Bennett
Bereuter
Bethune
Bevill
Bilirakis
Billey
Boggs
Boland
Borski
Breaux
Broomfield
Burton (IN)
Byron
Carney
Chappie
Cheney
Clinger
Coats
Conte
Cooper
Corcoran
Courter
Craig
Crane, Daniel
Crane, Philip
Daniel
Dannemeyer
Daschle
Daub
Davis
de la Garza
DeWine
Donnelly
Dorgan
Dowdy
Dreier
Duncan
Durbin
Dyson
Early
Edwards (OK)
Emerson
English
Evans (IA)
Fields
Franklin
Fuqua
Gaydos
Gibbons
Gingrich
Goodling
Gore
Gradison
Gramm
Gregg
Hall, Ralph
Hall, Sam
Hamilton
Hansen (UT)
Harrison
Hartnett
Hertel
Hightower
Hiler
Hillis
Holt
Hopkins
Hunter
Hutto
Hyde
Kasich
Kazen
Kemp
Kildee
Kindness
Kleczka
Kolter
Lagomarsino
Latta
Leath
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Long (LA)
Lott
Lowery (CA)
Lujan
Luken
Mack
Madigan
Marlenee
Marriott
Martin (NY)
Mavroules
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McCain
McCollum
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Miller (OH)
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Moakley
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Mollohan
Montgomery
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Moorhead
Murphy
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Parris
Patman
Paul
Perkins
Petri
Quillen
Ray
Regula
Reid
Rinaldo
Ritter
Roberts
Robinson
Roe
Rogers
Rostenkowski
Roth
Rudd
Russo
Schaefer
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Skelton
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snyder
Solomon
Spence
St Germain
Staggers
Stangeland
Stenholm
Stump
Sundquist
Tauke
Tauzin
Taylor
Traxler
Volkmer
Vucanovich
Walker
Weber
Whitehurst
Whitten
Williams (OH)
Winn
Wolf
Wylie
Yatron
Young (AK)
Young (FL)
Young (MO)

NOES—219

Ackerman
Addabbo
Akaka
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Aspin
AuCoin
Barnes
Bateman
Bates
Bedell
Beilenson
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Biaggi
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Boner
Bonker
Bosco
Boucher
Boxer
Britt
Brooks
Brown (CA)
Brown (CO)
Broyhill
Bryant
Burton (CA)
Carper
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Chandler
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Clarke
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Coelho
Coleman (MO)
Coleman (TX)
Collins
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Conyers
Coughlin
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Crockett
D'Amours
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Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Downey
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Eckart
Edgar
Edwards (AL)
Edwards (CA)
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Fiedler
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Garcia
Gejdenson
Gekas
Gilman
Glickman
Gonzalez
Gray
Green
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hance
Harkin
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Hayes
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Heftel
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kastenmeier
Kennelly
Kostmayer
Kramer
LaFalce
Lantos
Leach
Lehman (CA)
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Leland
Levin
Levine
Levitas
Long (MD)
Lowry (WA)
Lundine
MacKay
Markey
Martin (IL)
Martin (NC)
Martinez
Matsui
McCandless
McCloskey
McCurdy
McHugh
McKernan
McNulty
Mikulski
Miller (CA)
Mineta
Mitchell
Moody
Morrison (CT)
Morrison (WA)
Neal
Nowak
Obey
Olin
Ottinger
Owens
Oxley
Panetta
Pashayan
Pease
Penny
Pepper
Pickle
Porter
Pritchard
Pursell
Rahall
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Ratchford
Richardson
Ridge
Rodino
Roemer
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Rowland
Roybal
Sabo
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sharp
Simon
Sisisky
Skeen
Slattery
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Udall
Valentine
Vandergriff
Vento
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Whittaker
Williams (MT)
Wilson
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Zschau

NOT VOTING—28

Albosta
Anthony
Barnard
Bonior
Campbell
Dymally
Erlenborn
Frenzel
Gephardt
Hammerschmidt
Hansen (ID)
Ireland
Kogovsek
Lent
Lungren
McDade
McGrath
McKinney
Mrazek
Patterson
Price
Rose
Schulze
Sensenbrenner
Shannon
Towns
Vander Jagt
Wortley

□ 2140

Messrs. LEWIS of California, CHAPPIE, REID, and HERTEL of Michigan changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there any other amendments to the bill?

● Mr. GILMAN. Mr. Chairman, I rise in support of the measure now before us, H.R. 5490, introduced by the gentleman from Illinois [Mr. SIMON]. I would like to take this opportunity to thank the gentleman for bringing this resolution before the House, as it is of paramount importance to millions of American citizens.

I was pleased to cosponsor this bill, which currently enjoys the support of over 150 national organizations, each one of whom I am certain will continue to unceasingly advocate the equality of representation and the denial of Federal funds to entities who practice discrimination.

The sole intent of this measure is to clarify that no recipient of Federal funds can discriminate in any way. H.R. 5490 was carefully drafted to address only the issue concerning the extent of Federal coverage on discrimination cases, and consequently the primary issue at hand intends to restore comprehensive Federal protection to citizens who suffer from discrimination.

The narrow interpretation by the Supreme Court of title IX's coverage provision in its recent Grove City College against Bell decision is a serious concern of many education, labor, and civil rights organizations. The Court's interpretation may serve to undermine the enforcement of other Federal civil rights statutes possessing similar language. Therefore, prompt action is needed to ensure comprehensive coverage of these civil rights laws. Without such legislation, the rights of millions of Americans may be threatened and total equity in the education field and all areas of employment may never be achieved.

In this light therefore, H.R. 5490 has been introduced to clarify the Education Amendments of 1972, the Civil Rights Act of 1964, the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975 to deny Federal funds to institutions or organizations that discriminate against certain individuals. It modifies the language of these statutes to clarify Congress' intent to ensure that funds to the recipient be terminated rather than merely to the program or activity exhibiting discrimination, thereby preventing confusion in future judicial decisions.

Accordingly, I urge my colleagues not only to support this measure fully, but to ensure that the rights of equal opportunity in all areas of education and employment are open to every American citizen.●

● Mr. RICHARDSON. Mr. Chairman, I rise in strong support of H.R. 5490, the Civil Rights Act of 1984.

This legislation is necessary as a result of the Grove City College, Supreme Court ruling earlier this year. In that case, the Court concluded that the application of title IX, which prohibits sex discrimination in an education program receiving Federal assistance, is limited to the particular program receiving assistance and not the entire institution. I firmly believe the Supreme Court's narrow reading of the law has the potential to open the door for increased discrimination on the basis of sex, race, color, or national origin.

The Federal Government must use every tool at its disposal to eliminate and discourage racism and discrimination whenever and wherever it is found. If an institution or entity endorses discriminatory practices within one of its programs, then the institution or entity as a whole must pay the price. It would be unconscionable for the Federal Government to provide financial assistance to an institution that did not permit Hispanics or blacks or women to participate in every program that institution had to offer.

Mr. Chairman, this legislation has strong bipartisan support. Civil rights groups are unanimously in favor of the bill. Nevertheless, the Reagan administration opposes the legislation. Their view is that this bill unfairly limits States rights with respect to education. They fear the legislation is too far-reaching and may result in Federal funding being withheld from State or local governments. While I feel the administration's fears are unfounded, it is time for President Reagan to recognize that long ago this Congress and the American public decided that no State has the right to discriminate against an individual on the basis of sex, color, or national origin.

I urge Members to support this important legislation.●

● Mr. ADDABBO. Mr. Chairman, the issue we are addressing in the 1984 Civil Rights Act is the same one we have been addressing in every other civil rights measure; we want to put an end to discrimination.

The Supreme Court's decision in the Grove City case must be addressed because it allows the principle of discrimination to be protected. We will not allow that noxious principle to exist in the United States.

Let it be clear to all, that the U.S. Congress will not finance the principles of discrimination; we will not finance programs that discriminate, nor will we not finance institutions that discriminate in any way, shape, or form.

Title IX must be interpreted in the broadest and most comprehensive manner to prevent sex discrimination. At the same time, it should be considered with the strictest and most forceful intent behind it. No institution should have the option of receiving Federal funds for some programs while discriminating against people in other areas. Discrimination is wrong and is not a pick and choose philosophy.

I urge my colleagues in this Chamber to endorse the spirit of the Civil Rights Acts that we have fully supported through the years, and advance justice by supporting this legislation today.●

● Mr. LOWRY of Washington. Mr. Chairman, I rise in strong support of H.R. 5490, the Civil Rights Act of 1984. Our consideration today of the Civil Rights Act of 1984 is not characterized by the drama and emotion which distinguished the debate on passage of the Civil Rights Act of 1866, the 13th, 14th, 15th, and 19th Amendments to the Constitution, or the Civil Rights Act of 1964.

The Civil Rights Act of 1984 does not outline a new direction for our national civil rights policy and its purposes are not opposed by large numbers of public officials and citizens. The Civil Rights Act of 1984 does not break new ground. This measure is simply a reaffirmation of our Nation's commitment to equality of opportunity and justice under the law.

H.R. 5490 was introduced in response to the recent Supreme Court decision on the Grove City against Bell case. This decision significantly narrowed the title IX prohibition against sex discrimination in any educational "program or activity receiving Federal financial assistance" which exists in the Educational Amendments Act of 1972.

Although its students received over $1.8 million in Basic Education Opportunity Grants [BEOG], Grove City College, a private, liberal arts college in Pennsylvania, contended that it did not receive any Federal financial assistance and therefore did not have to sign a letter indicating compliance with the title IX provisions. In its decision, the Supreme Court unanimously held that Grove City College was a recipient of Federal financial assistance because of its participation in a Federal student aid program, the BEOG grant program.

However, by a 6 to 3 majority, the Court reversed a lower court ruling and narrowed the application of title IX's "program or activity" language to cover only the college's student financial aid office, rather than all programs administered by, or associated with, the school. The practical result of this decision is that, except for student financial aid, Grove City College is legally free to discriminate on the basis of sex in all programs, services, and activities for which it does not receive Federal funds. The same is true for any other school whose only form of Federal financial assistance is student aid. The congressionally mandated, comprehensive Federal prohibition against sex discrimination in education was therefore set aside by the Grove City decision.

The Grove City decision brings into question other civil rights laws—those which prohibit discrimination on the basis of race, disability, and age. Congress purposefully modeled title IX of the 1972 Education Amendments Act after title VI of the 1964 Civil Rights Act, the primary Federal law prohibiting racial discrimination in federally funded programs. Title VI contains the same "program or activity" language as title IX. This language is also found in section 504 of the 1973 Rehabilitation Act, which prohibits discrimination on the basis of disability, and the 1975 Age Discrimination Act, which prohibits discrimination on the basis of age.

After the Grove City decision, Assistant Attorney General for Civil Rights, William Bradford Reynolds, stated publicly that he considered the Grove City College against Bell decision to be applicable to these other antidiscrimination laws. Since the Grove City decision, 28 education complaints have been closed and the investigational scope of 18 antidiscrimination complaints has been narrowed. Moreover, many educational institutions no longer view themselves as having to adhere to Federal laws prohibiting discrimination in these prescribed areas. These occurrences demonstrate the need for the passage of H.R. 5490.

Despite some pronouncements to the contrary, H.R. 5490 would not expand the scope of Federal antidiscriminatory laws beyond the pre-Grove City limits; it would simply clarify the intent of Congress when it adopted title IX of the 1972 Education Act, title VI of the 1964 Civil Rights Act, section 504 of the 1974 Rehabilitation Act, and the Age Discrimination Act. The measure would restore the broad jurisdiction and comprehensive coverage of these civil rights statutes as Congress originally intended and as they were administered until the Supreme Court's Grove City decision.

Federal funds should not be used to support discrimination against any person based on race, sex, disability, or age. This is the simple, unadorned reason why we must pass H.R. 5490. The Civil Rights Act of 1984 is not landmark legislation. However, its passage is essential if we are to continue our national commitment of expansive opportunity for all of our Nation's people and equality under the law. We must act promptly, and in a forceful bipartisan manner, to restore certainty to the enforcement of our Federal antidiscrimination laws.●

● Mr. GREEN. Mr. Chairman, today the House will consider H.R. 5490, the Civil Rights Act of 1984. It is vital that we, as a House, support this important piece of legislation in an unamended form. This legislation would effectively overrule the Supreme Court decision in Grove City College against Bell, which substantially narrows the reach of title IX of the Education Amendment of 1972, the Federal law prohibiting sex discrimination in education. As you will recall, the Court held that title IX's bar on sex discrimination applies only to the specific program or activity within an institution which receives Federal financial assistance, not the entire institution. Such a ruling threatens more than educational equity for women. Current laws outlawing discrimination based or race, handicap, and age are also in jeopardy of being narrowly applied. "Program or activity" language similar to that of title IX exists in title VI of the Civil Rights Act of 1964, the Age Discrimination Act, and section 504 of the Rehabilitation Act of 1973.

The Civil Rights Act of 1984 prohibits discrimination by any recipient of Federal financial assistance. The bill does not attempt to go beyond what the law was understood to be prior to the Grove City case. The measure simply amends title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, section 504 of the 1973 Rehabilitation Act, and the Age Discrimination Act of 1975 to overturn part of the Supreme Court's ruling in Grove City College against Bell. It does this by replacing the current discrimination prohibitive phrase "any program or activity receiving Federal financial assistance" with the phrase "any recipient of Federal financial assistance". H.R. 5490 then goes on to define "recipient" broadly to mean the entire institution.

As a cosponsor of this critical piece of civil rights legislation, I would like to call upon all of my colleagues to join me in supporting this bill without any weakening amendments.●

● Mr. LELAND. Mr. Chairman, I rise in support of H.R. 5490, the Civil Rights Act of 1984. However, I am also deeply saddened that we even must be here today to debate this issue. Discrimination in our Nation is a cancer; it continues to exist despite all attempts to eradicate it.

H.R. 5490 seeks to counteract the recent Supreme Court decision rendered in Grove City against Bell. This decision narrowed the application of title IX of the Education Amendments of 1972, prohibiting sex discrimination in any federally assisted education program or activity. Furthermore, the ruling threatens to deny equality on the basis of race, disability, or age. This is a categorical outrage. The Supreme Court decision was a slap in the face to minorities, women, disabled, and elderly, and contrary to this country's stated commitment to civil rights.

The Civil Rights Act of 1984 is not revolutionary. It does not expand the scope of the Education Amendments, title VI of the Civil Rights Act of 1964, the Age Discrimination Act, nor section 504 of the Rehabilitation Act. Quite frankly, I believe that it should. However, the purpose of H.R. 5490 is clear, necessary, and right. This legislation will merely clarify the intent of Congress that "no person in the United States shall, on the basis of race, sex, handicap, or age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under programs or activities receiving Federal financial assistance."

Mr. Chairman, a vote against this legislation is morally unconscionable. H.R. 5490 is a vital piece of legislation and I urge my colleagues to overwhelmingly support it. However, Mr. Speaker, it is also one of the great tragedies of this Nation, that this Congress must pass legislation to ensure the human dignity and livelihood of any citizen. The Civil Rights Act of 1984 is but a small step forward in the struggle for equality and justice for all citizens of the United States. We must continue to persevere; we must continue to fight; we must continue to stand united against the cancer that is discrimination. I have hope for the future.●

● Ms. FERRARO. Mr. Chairman, I support passage of the Civil Right Act of 1984 without amendments. This important legislation is intended to overturn the Supreme Court's Grove City against Bell decision limiting title IX anti-discrimination protection. The Supreme Court was mistaken when it decided to limit the application of title IX and it is time for us to reverse the impact of this Court decision.

Historically, education has been a major route for countless immigrants and other Americans to improve their quality of life and to broaden their opportunities in the United States. Title IX and the Civil Rights Acts have broadened these opportunities to include women, minorities, the aged, and the disabled. The Grove City decision undermines this national commitment. It has been barely a decade since title IX was enacted, barring sex discrimination in higher education. The women Members of this Congress know that sex discrimination is very recent history because many of us experienced it. We do not want to return to those days.

The Civil Right Act of 1984 is not expansive civil rights legislation. It simply restores title IX to the status it enjoyed prior to Grove City and clarifies that other civil rights legislation is also comprehensive. Prior to the Reagan administration, civil rights had bipartisan support. In past administrations every executive branch agency with civil rights responsibility interpreted the coverage of these civil rights laws to be institutionwide and not limited to the particular programs receiving Federal funds. In fact, during House hearings on the bill, Directors of the Office of Civil Rights and high-ranking Department of Justice officials from the Johnson, Nixon, Ford, and Carter administrations testified in favor of H.R. 5490 and stated that the measure would not make any substantive changes in the law.

Title IX has always covered the noneducational and commercial activities of educational institutions. The proposed legislation would not change the situation. In the bill, there must be a connection between the discrimination and the Federal assistance in order for Federal funding to be terminated. If a State university has violated title IX the proposed legislation will only affect funding for that university and not for the whole State.

Simply stated, civil rights and justice in this country require us to return to our Nation's women, minorities, aged and disabled the legal rights and remedies they had prior to the Grove City decision. The New York City Council has unanimously passed Resolution 996 supporting the total prohibition of discrimination through enactment of the Civil Rights Act of 1984. I am proud that my city has sent such a strong message to Congress, and I urge my colleagues to vote for H.R. 5490 without amendment.●

● Mr. WEISS. Mr. Chairman, I am in strong support of the Civil Rights Act of 1984 (H.R. 5490) and in opposition to any amendments that would broaden or narrow its purpose. The intent of this legislation is only to clarify the confusion arising from the Supreme Court's ruling in Grove City against Bell, thus restoring and reaffirming a broad interpretation of our Nation's civil rights laws.

There is a solid history of congressional support as well as judicial and executive branch interpretation and enforcement of the institutionwide coverage of title IX. Yet, the Supreme Court ruled that title IX should apply narrowly to the specific department receiving Federal aid and not to the entire institution. In the case of individual students receiving aid, for example, the law would apply only to the financial aid office, despite the fact that the aid supports other departments and activities throughout the university.

This ruling has endangered the civil rights of minorities, disabled persons, and older citizens as well as women, because other civil rights laws are based on the same concept and use the same language as title IX. These include title VI of the Civil Rights Act of 1964 section 504 of the 1973 Rehabilitation Act and the Age Discrimination Act of 1975.

H.R. 5490 simply modifies these laws with new language to prohibit discrimination by "any recipient of Federal financial assistance" rather than in "any program or activity receiving Federal financial assistance."

The effect of this change is to clarify that the institution itself must comply with Federal antidiscrimination requirements, not just individual programs within the institution.

Support for the H.R. 5490 is strong and broad based, cutting across partisan lines. Eight officials responsible for enforcing civil rights laws over the past two decades under both Republican and Democratic administrations have testified that this bill would simply restore the civil rights statutes to their previous scope and coverage and that the bill would make no changes in the law.

More than 200 groups representing minorities, religious groups, women, disabled people, education, labor, business and senior citizens have endorsed the legislation.

Last November the House overwhelming passed a resolution affirming a broad and comprehensive interpretation of title IX.

I urge my colleagues to vote for the Civil Rights Act of 1984.●

● Mr. PATTERSON. Mr. Chairman, I encourage my colleagues to support H.R. 5490, the Civil Rights Act of 1984. This bill clarifies and restates the original intent of Congress with respect to title VI of the 1964 Civil Rights Act, title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975.

In February 1984 the U.S. Supreme Court ruled in Grove City against Bell, that title IX applies only to specific educational programs or activities receiving Federal financial assistance. The Supreme Court ignored congressional intent and rejected a long history of executive branch enforcement of title IX. This not only set back educational opportunity for women and girls, but also placed in jeopardy statutes dealing with race, disability and age. H.R. 5490 restores institutional-wide coverage, thus assuring that the effectiveness of Federal statutes prohibiting discrimination are not diluted.

In November 1983, I joined 414 of my colleagues in passing House Joint Resolution 190 which reaffirms the broad interpretation of title IX. Educational opportunity will only be achieved if we challenge policy which on the surface appears nondiscriminatory but actually unfairly affects minorities. We must guarantee equality of opportunity to persons regardless of religion, race, cultural heritage, sex, physical ability, or economic status.

The Federal Government must provide an ardent example to States where civil rights laws may be challenged in the future. Mr. Speaker, I believe H.R. 5490 will provide the vehicle necessary to maintain strong national civil rights standards. I urge my colleagues to give their support to this legislation.●

● Ms. KAPTUR. Mr. Chairman, I rise in strong support for H.R. 5490, the Civil Rights Act of 1984. Today, 20 years after the adoption of the Civil Rights Act of 1964, there should not be any ambiguity about the intention of this House to prohibit the use of Federal funds to support institutions which breach duly passed legislation aimed at eradicating discrimination based on race, physical disability, sex, age, or national origin.

It is important to note that H.R. 5490 will not expand current civil rights legislation. High-ranking Department of Justice officials from the Johnson, Nixon, Ford, and Carter administrations have stated that the effect of H.R. 5490 would only be to restore the principal civil rights statutes to their previous scope. The measure makes no new expansion of civil rights law. Rather, this legislation simply restores title IX—the only Federal statute prohibiting sex discrimination in education—to the status it enjoyed prior to the Grove City College against Bell Supreme Court decision. Also, and quite importantly, H.R. 5490 makes clear the comprehensive nature of laws banning discrimination based on race and national origin—title VI of the Civil Rights Act of 1964—physical disability—section 504 of the Rehabilitation Act of 1973—and age—the Age Discrimination Act of 1975.

Much has been said of the possible effects of Grove City on equal opportunity for men and women in education. I agree with those who maintain that we may be in danger of losing many of the gains made by women in education should H.R. 5490 not pass.

Congress, original intent to treat women equally in education must be reinstated. American women deserve immediate action from this Congress. We will be accountable, just as this administration is now accountable to women throughout our country who seek to better their lives through quality education, the key route women have employed to improve their lot in American society.

Also, the potentially deleterious effects of Grove City on strides toward true racial equality must be of grave concern to us. I would also like to point out the possible effects of Grove City on the rights of two other vulnerable groups in our society: the handicapped and senior citizens.

The two least discussed statutes amended by H.R. 5490, section 504 of the Rehabilitation Act of 1973 and the Age Discrimination Act of 1975, have the same "program or activity" language that was narrowed in Grove City. Senior officials in the Department of Justice have said that this narrow decision would be applied to all civil rights laws. Section 504, as it had been interpreted before Grove City, has proven to be powerful and effective in ending discrimination against the handicapped. This act has opened the door to a wide range of educational, vocational, and professional opportunities for handicapped citizens. American citizens in their autumn years can continue to provide our society with their invaluable wisdom and knowhow partially because of the Age Discrimination Act of 1975. No one can deny that both these groups of citizens have been able to lead fuller lives because of these two statues the handicapped and elderly have inestimably added to the richness of our society.

In sum, Mr. Chairman, H.R. 5490 reaffirms this House's support for the civil rights of all citizens and abhorence of arbitrary discrimination. It deserves speedy enactment into law.●

● Mrs. BOGGS. Mr. Chairman, I am proud to rise in support of the Civil Rights Act of 1984.

This legislation is very straightforward. It makes no changes at all in the enforcement powers of the Federal Government with regard to civil rights law. It simply makes crystal clear the intent of Congress—in previous laws—that institutions receiving Federal funds may not discriminate on the basis of race, national origin, sex, handicap or age.

We were forced to consider the Civil Rights Act during this 98th Congress because the U.S. Supreme Court issued a ruling in February of this year that would dramatically limit the scope of one of the Nation's most important antidiscrimination laws. In the Court's Grove City ruling, it held that title IX of the 1972 Education Amendments applies only to the specific program or activity receiving those funds. The Court did not agree that the entire institution is subject to the antidiscrimination law.

Yet that is what Congress intended for educational programs when it passed title IX in 1972. And, surely, it is what Congress intended when it passed handicap discrimination legislation in 1973, and age discrimination legislation in 1975.

All of the gains we have made since then could be lost if the Congress does not ensure that key antidiscrimination laws are interpreted broadly and comprehensively.

As a member of the congressional caucus for women's issues, I urge my colleagues to vote for the Civil Rights Act. I believe that it is our responsibility as legislators to clarify our intent and safeguard civil rights.●

● Mr. LEVINE of California. Mr. Chairman, I rise in strong support of H.R. 5490, the Civil Rights Act of 1984. Since the Supreme Court handed down its ruling in the Grove City College case, there has been much uncertainty regarding the enforcement of Federal civil rights legislation. This bill clarifies congressional intent with respect to eliminating discrimination on the basis of race, color, national origin, sex, and disability.

I would first emphasize that the Court's Grove City decision marked an unprecedented interpretation of title IX of the 1972 Education Act amendments, and undermined Congress' basic intention to prohibit discrimination in all facets of federally funded institutions. In ruling that the application of title IX was limited to the particular program receiving Federal aid and not the entire institution, the Court rejected our Government's longheld policy of promoting equal access to and opportunity throughout our federally supported institutions.

The former Director of the Office for Civil Rights in the Department of Health, Education, and Welfare recently testified that prior to the Grove City decision, even if an educational institution's only form of Federal assistance consisted of student financial aid, his office would have investigated whether sex discrimination existed in any of that institution's programs. Since the Grove City dedision, it is becoming clear that the Federal Government will no longer bother to identify, let alone investigate, discriminatory practices in offices and institutions which are not fully funded by the Federal Government.

Congress modeled title IX after title IV of the Civil Rights Act which prohibits discrimination on the basis of race and national origin. If the Grove City ruling stands, then our Nation's attempt to eliminate discrimination in publicly supported institutions will be severely limited, and our greater hopes of equality and justice dashed.

Already, the Grove City decision has discouraged the Federal Government from enforcing existing civil rights laws. Earlier this month, the Reagan administration announced that it was closing 23 civil rights investigations. In several of these cases the Government had identified school programs which were in violation of antidiscrimination laws. However, in taking its lead from the Grove City ruling, the Reagan administration claimed that it no longer had the authority to investigate specific school programs which were not federally funded, even though Federal funds flowed to other programs within the same institution.

I am concerned that unless we alter the statutory language pertaining to the application of our civil rights laws, then the laws themselves will serve as nothing other than a reminder of the days when separated, segregated public institutions and facilities were considered fair and equal.

The Civil Rights Act of 1984 simply codifies existing law by stating that "any recipient of Federal financial assistance" is prohibited from discriminating on the basis of race, national origin, sex, and disability. H.R. 5490 will help ensure that federally supported institutions will fully protect and respect the rights of all Americans. Several former executive branch officials from both Democratic and Republican administrations have testified that H.R. 5490 would restore our civil rights statutes to their previous scope and coverage—prior to the Grove City decision.

Additionally, enactment of H.R. 5490 will allow for the smooth enforcement of civil rights laws. Rather than work to trace the flow of Federal funds to a particular program or activity, Government officials will instead concentrate on the important business of identifying institutions which are not in compliance with existing civil rights laws.

If the Gove City ruling stands, we will have to compromise our commitment to extending equal opportunity to all Americans. Passage of this significant measure, in its unamended form, allows us to rededicate ourselves to this fundamental principle of equality.●

● Mr. BROWN of California. Mr. Chairman, I rise in support of H.R. 5490, the Civil Rights Act of 1984. I am a cosponsor of this legislation, which responds to the Supreme Court decision in Grove City against Bell.

The Court held in the Grove City case that title IX's bar on sex discrimination applies only to the specific program or activity within an institution which receives Federal financial assistance, not the entire institution. The same program specificity would hold in title VI of the Civil Rights Act of 1964, the Age Discrimination Act, and section 504 of the Rehabilitation Act of 1973. All four major civil rights acts are written with program or activity language.

The Civil Rights Act of 1984 would simply restore the original scope of these laws. It would eliminate the program or activity language so narrowly interpreted in Grove City and define the term "recipient" in a broad manner. The effect of this change is that an entire institution—the recipient—would be barred from discriminating when any of its parts receives Federal funds. It also would ensure that if an institution discriminates, the Federal Government has the authority to terminate the Federal funds which support the discrimination.

This legislation has been endorsed by Directors of the Office of Civil Rights and high-ranking Department of Justice officials from the Johnson, Nixon, Ford, and Carter administrations. The Civil Rights Act of 1984 is neither a groundbreaking piece of legislation, or a revolutionary idea in civil rights. The bill merely returns to our Nation's women, minorities, disabled, and elderly the legal rights and remedies they had before the recent Supreme Court decision.

I have had the privilege of voting to authorize each of the four Civil Rights acts which we are restoring today. If we did not make it clear to the Supreme Court what we meant when these critical statutes were originally enacted, it is our obligation to make it clear now. I encourage my colleagues to support this measure.●

Mr. FOGLIETTA. Mr. Chairman, as an original cosponsor of H.R. 5490, the Civil Rights Act of 1984, I would like to speak briefly on the significance of this bill. By overturning the Supreme Court's decision in Grove City College against Bell, H.R. 5490 clearly demonstrates congressional commitment to fighting discrimination, wherever it may occur. The court's decision shows not only a misinterpretation, but a true ignorance of the original, laudable intent of Congress in passing civil rights legislation. Our goal is not to apply unwarranted, meddlesome restrictions to programs receiving Federal funds. We seek the eradication of institutional discrimination from our society, and one of the best ways to do that is to make sure that no institution receiving Federal funds participates in such discrimination, in any way.

As my colleagues will recall, the Court's narrow interpretation of the applicability of title IX of the Education Amendments of 1972 severely limits Federal efforts to combat sex discrimination. It is very clear that this decision, if left standing, would deliver a debilitating blow to equal education for women. Even more frightening, however, is the destruction this could bring to current laws prohibiting discrimination based on race, disability, or age. In fact, the Justice Department already has hinted that the Grove City College decision may require review of, and changes in, the application of title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, and section 504 of the Rehabilitation Act of 1973. Like title IX, these laws all contain the program or activity language the Supreme Court so narrowly interpreted.

Mr. Chairman, the task before us is quite simple. We must, with this legislation, set forth guidelines to ensure broad application of antidiscrimination legislation. This bill will restore the original scope of current civil rights laws by deleting the program or activity language, and by broadly defining recipient in the appropriate sections of the laws. This change will better prevent an entire institution from discriminating if any of its parts receive Federal funds. It also will give the Federal Government authority to stop funds that indirectly support violating institutions.

Opponents of H.R. 5490 would have us believe that the bill gives the Federal Government a mandate to enter every facet of American life. That is simply not true. What the bill does do is reaffirm the Federal Government's ability to guarantee all citizens the freedoms and rights to which they are entitled. Institutions which, either in part or as a whole, intentionally or unintentionally abridge these rights should, in no way, be assisted by Federal funds.

Let me say it again—our purpose here is not to randomly restrict educational institutions, but to send a clear message to the Supreme Court and the Justice Department that the Federal Government will continue to take a leadership role in protecting this Nation's civil rights laws. Mr. Chairman, I wholeheartedly support this bill, and I urge my colleagues to do the same.

Thank you.

● Mr. **RATCHFORD**. Mr. Chairman, today I wish to express my strong support for the only comprehensive Federal law protecting the rights of women and girls in schools and colleges. This law, title IX of the Education Amendments of 1972 states that an institution receiving Federal aid may not discriminate on the basis of sex.

These protections, however, are being seriously threatened. On February 28, the U.S. Supreme Court ignored congressional intent in its Grove City against Bell decision. The question facing the Court at that time was whether or not financial aid constituted Federal financial assistance to the college. The Court concluded it did. The Court went on to decide, however, that the "education program or activity" of the college that was receiving Federal assistance was the financial aid program, and therefore the only program subject to title IX; not the entire college.

The correctness of this interpretation can be debated. There is no question in my mind that this interpretation reaches much further than educational institutions. "Program or activity," a key phrase used in title IX is also used in other antidiscrimination statues: The Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and the Civil Rights Act of 1964, all contain this phrase. The Grove City decision, therefore, makes it likely that these statutes may receive the same type of interpretation from the Supreme Court. No doubt such interpretation could have a negative long-range impact on large segments of the population.

Title IX pertains specifically to educational institutions. ADA, the Rehabilitative Act, and the Civil Rights Act pertain to all federally assisted programs and activities. This "program specific" interpretation could seriously harm the protection the elderly, handicapped, and minorities currently receive from these statutes.

Congress must not allow this to happen. In response to the Grove City decision, Congress must clarify its intent in the 1972 Education Amendments. In doing so, Congress must seek to protect these important statutes.

H.R. 5490 would codify the broad coverage intended by Congress and enforced by the executive branch for over 20 years. Receipt of Federal aid must automatically mean adherence to these antidiscrimination statutes. Congress has consistently insisted that Federal funds not be used to support discrimination against Americans based on race, national origin, sex, disability, or age.

It is quite unfortunate that Congress must act to end the confusion surrounding its intent with regards to discrimination. Many of us thought these laws were intact. The Supreme Court decision, however, has left us no choice but to restate our goals. Discrimination must not be allowed to exist in any form in those institutions and activities receiving Federal funds. I urge my fellow colleagues to join me in supporting this important measure. As a nation we have made so much progress in eliminating the evil of discrimination. We must continue to be committed to this goal. The challenge before us today is upholding our intent in 1972 with the passage of title IX. If we fail to achieve this, I fear for the future of other statutes which have brought us so far in ending discrimination.●

● Mr. **FRENZEL**. Mr. Chairman, over the past years, title IX, with its broad application, has been instrumental in helping to achieve equity in our education system. It has provided many new opportunities for women and girls in education, athletics, and other areas. I believe that Congress strongly backs a broad title IX, and the encouraging results we have seen under this law.

Last November, we made our position clear on this issue by overwhelmingly passing a resolution in support of a more expansive interpretation of title IX. In light of the recent Supreme Court's decision in Grove City College against Bell, which severely narrows the application of coverage of title IX, further legislative action is imperative. It is anticipated that other provisions in the Civil Rights Act, specifically title VI, could also be subject to similarly narrowed application and must also be broadened.

If we fail to pass this bill, we will jeopardize much that has been accomplished in securing civil rights for our citizens. By passing this legislation, we will help protect the freedoms and opportunities of women, minorities, handicapped, and senior citizens, and reaffirm our commitment to fight discrimination in any form.

I shall vote for it, and hope it will be promptly passed.●

● Mr. **BONKER**. Mr. Chairman, I rise in strong support of H.R. 5490, the Civil Rights Act of 1984. I believe this bill will restore congressional intent and provide full protection against discrimination by federally supported institutions on the basis of age, gender, race, national origin, or physical handicap.

It is unfortunate that we must address this matter legislatively, but the recent Supreme Court decision has narrowed existing law far beyond congressional intent, and has undermined hard-won antidiscrimination protections.

That decision, Grove City College against Bell, said that any agency, institution, or organization receiving Federal funds in the form of grants need only show that the specific division which directly receives Federal moneys—in this case the financial aid division—does not discriminate. The rest of the agency, institution, or organization need not abide by any of the Nation's antidiscrimination laws. The Court's extremely narrow interpretation of these acts ignores 20 years of judicial and administrative history which shows that Congress did, indeed, intend broad coverage of these acts.

The precedents supporting this broad interpretation are visible in each of the three branches. In the legislative branch, testimony during the introduction of each of the acts in question made clear the notion that the purpose was "to end discrimination in institutions of higher education * * * across the board * * *" (117 CONGRESSIONAL RECORD 39256 (1971)).

The floor manager of title IX, Representative Edith Green, also stated that "discrimination would cut off all program funds within an institution." The language in our antidiscrimination bills was meant to be and should be interpreted as full and complete coverage.

The Federal courts time and again have acknowledged congressional intent, with such analogous cases as Bob Jones University against Johnson, where the fourth circuit court ruled that VA grants awarded to students are considered aid to the university as a whole. The examples of judicial precedent are both numerous and telling—until the Supreme Court decided otherwise. The entire Federal judicial system had accepted the language in each of the four acts to be institution-wide in coverage.

In addition, the previous four administrations and the agencies under their jurisdictions have consistently promulgated regulations which ensure broad coverage. The Department of Health and Human Services stated in its regulations for title VI that "benefits * * * shall be applicable to the entire institution * * *."

The intent of these antidiscrimination acts are clear, Mr. Chairman. Swift congressional action on this legislation will not only bring these acts back to their original scope, but will send a forceful message to the President and the Supreme Court that we will not accept any attempts to narrow our Nation's civil rights. Failure to act quickly would only encourage efforts to undermine 20 years of struggle to stop discriminatory practices.

Mr. Chairman, I urge support of H.R. 5490.●

● Mr. CONTE. Mr. Chairman, I rise in support of H.R. 5490, the Civil Rights Act of 1984. This legislation is the most important civil rights initiative of the past decade, and I am proud to serve as a cosponsor of this bill.

There is no need to spend a great deal of time in outlining the situation now confronting us. The Supreme Court, in Grove City College against Bell, narrowly construed title IX of the Education Amendments of 1972 to apply only to those specific programs or activities within an educational institution that receive Federal financial assistance. This program-specific interpretation of title IX seriously limits the scope of this law, and threatens to reverse the national benefits reaped from this hallmark statute. Since 1972, female enrollment in dental schools has increased by 101 percent, in veterinary schools by 120 percent, in medical schools 296 percent, and in law schools by 337 percent, to cite but a few examples of previously male-dominated academic domains.

The impact of the Court's ruling, however, is not limited to title IX. The language in title IX on which the Court based its decision was borrowed from the antidiscrimination provisions of title VI the Civil Rights Act of 1964. Identical language is also contained in section 504 of the Rehabilitation Act of 1973 and the Age Discrimination Act of 1975. The Grove City decision, therefore, necessarily narrows the applicability of each of these statutes as well.

The purpose of H.R. 5490 is simple and straightforward—to reaffirm pre-Grove City judicial and executive interpretations and enforcement practices which provided for broad coverage of these antidiscrimination provisions. I lend my unequivocal support to this legislation, Mr. Speaker, consistent with my longstanding support of efforts aimed at eliminating discrimination in any form.

Concern has been voiced that the remedy fashioned by H.R. 5490 is too broad and exceeds the stated purpose of the bill's sponsors. I think the committee report effectively responds to this concern. I would note, however, that there are those of us who feel that this bill falls far short of reaching what should be the ultimate goal—equal protection under the law and equality of opportunity for all Americans. Title IX remains restricted to educational funding, and the civil rights protections afforded to women are limited therefore to that domain. One of the greatest guarantors of our democratic government and quality of life is a free and open educational system, and the importance of title IX protections should not be underestimated. Nonetheless, it will not be until the equal rights amendment is finally adopted that the plank contained in the "Declaration of Sentiments" adopted at the First Woman's Rights Convention in 1884 can be truly realized: "We hold these truths to be self-evident, that all men and women are created equal."

George Orwell's "1984" has been the subject of considerable attention this year, but it is Orwell's "Animal Farm" that is especially appropriate for today's debate. I am reminded of the credo painted on the barn by the animals after taking over the farm—"All animals are created equal"—a credo later changed to read: "All animals are created equal, but some are more equal than others." Approval of H.R. 5490 will help ensure that, when Federal funding is involved, no one shall be treated as more equal than another. Tax dollars are solicited without respect to age, sex, race, or handicap, and they should never be used to subsidize or support discrimination based on these categories. H.R. 5490 is another step on the road to obliterating those artificial barriers which block the realization of true equality in this society, and will ensure that any entity receiving Federal financial assistance will be prohibited from treating certain individuals as more or less equal than others. I urge my colleagues to join me in supporting this vital legislation.●

● Mr. FEIGHAN. Mr. Chairman, I support H.R. 5490 because it will return the compliance provisions of the civil rights laws to their pre-Grove City status. In Grove City against Bell the Supreme Court threw out years of case law and page after page of legislative history, thereby perverting the intent of Congress.

If the Supreme Court's interpretation is allowed to stand, the civil rights laws will have been gutted. The Federal Government will only be able to investigate institutional discrimination in those programs receiving Federal funding.

Thus, if a college receives financial assistance from the Federal Government, that institution would only have to comply with the civil rights laws in the program that was federally funded. The impact of Federal funding on the recipient institution is ignored. Any time new Federal money is granted to a college or other institution that money replaces funds that the college or institution would have had to spend to achieve the same benefit whether that benefit is a program or a building. The institution as a whole benefits because funds are available to the institution for other purposes. It is preposterous to suggest that Congress ever intended to have the Civil Rights Act apply only to the specific federally funded program rather than to the benefiting institution as a whole. Yet it is precisely this preposterous contention which underlies the Grove City decision.

The bill before the House today reaffirms the only sensible compliance requirements and the only compliance requirements ever intended by the Congress. H.R. 5490 will not change the Federal Government's enforcement powers with respect to the civil rights laws. It is only an attempt to bring rationality back to the compliance provisions. We cannot stand idly by and watch as the civil rights compliance requirements, which have at long last begun to ensure equality and justice for all, are perverted to fit into the narrow notions of supply side morality.●

● Mr. COELHO. Mr. Speaker, Congress has the opportunity to reaffirm its commitment to protecting the rights of all of America's citizens by passing H.R. 5490, the Civil Rights Act of 1984. It is fitting for the Congress to recommit itself to the cause of civil rights during the year in which we celebrate the 20th anniversary of the passage of the Civil Rights Act of 1964. That landmark legislation guaranteed equal opportunities for this country's racial minorities and paved the way for an examination of discrimination against other minority groups.

The Civil Rights Act of 1964 served as the model for drafting future laws banning discrimination. Title IX of the 1972 education amendments, the 1975 Age Discrimination Act, and section 504 of the Rehabilitation Act of 1973 were based on title VI of the 1964 Civil Rights Act. This was no accident; Congress intentionally wanted to place each of these new laws in the general corpus of antidiscrimination law as embodied by title VI. As Congress made clear in 1964, it intended the reach of title VI to be broad and comprehensive. Subsequent congressional actions recognized the need to be just as comprehensive in addressing discrimination based on sex, disability, and age. As regards section 504, the Senate report states:

> Section 504 was patterned after, and is almost identical to, the antidiscrimination language of Section 601 of the Civil Rights Act of 1964 . . ., and Section 901 of the Education Amendments of 1972 . . . The section therefore constitutes the establishment of a broad government policy that programs receiving federal financial assistance shall be operated without discrimination on the basis of handicap. (S. Rept. No. 93-1297, 93rd Cong., 2nd Sess., reprinted in (1974) U.S. Code Cong. and Ad. News 6373, 6390)

The record is strong and clear in this regard; coverage had to be comprehensive in order to effectively bring down the barriers to equal opportunity.

I would like to focus the rest of my remarks on section 504 of the Rehabilitation Act. Congress, with the enactment of section 504, helped to open a new era in our society's attitudes toward disability. The passage of section 504, and other key laws designed to integrate disabled people into the mainstream of society, marked a crucial turning point in Federal policy regarding disability.

Congress first recognized the possibility of integrating disabled people into society with the passage of the Smith Fess Act, the forerunner of today's Rehabilitation Act. Congress acknowledged the individual, social, and financial benefits of rehabilitating the thousands of disabled World War I veterans as well as the victims of industrial accidents. The Smith Fess Act represented the first legislative challenge to the notion that disabled people were helpless and needed to be cared for. Instead the Smith Fess Act recognized that disabled people could work and care for themselves; indeed, that disabled people wanted to work and care for themselves just as much as their nondisabled peers.

By the midsixties, the explicit goal of rehabilitation policy was the integration of disabled people into the mainstream of American life. Congress was making a financial commitment to rehabilitate and integrate disabled people into society, and yet that was not enough to ensure equal opportunities for disabled people. As my colleague from California, Senator ALAN CRANSTON, noted in 1973 during reauthorization of the Rehabilitation Act:

> (D)iscrimination in placement, hiring and advancement continues to limit the vocational rehabilitation program's ability to effect successful rehabilitations . . . The expenditure of money on vocational rehabilitation programs is not well spent if we do not at the same time take meaningful steps to eliminate architectural barriers and provide substantial opportunities in employment for handicapped individuals. (119 Cong. Rec. S. 5882(1973))

Furthermore, as the Senate report on the 1973 act pointed out, employment was not the only area in which discrimination limited the accessibility of activities to disabled people.

> (T)he lack of action in areas related to rehabilitation which limit a handicapped individual's ability to function in society (include) employment discrimination, lack of housing and transportation services and architectural and transportational barriers. (S. Rep. No. 93-318, 93rd Cong., 2nd Sess. (1973), reprinted in U.S. Cong. and Ad. News at 2076)

Congress acknowledged that employment discrimination could not be isolated from other types of discrimination.

During the midsixties, Congress had begun examining discrimination against various minority groups. Discrimination against people with disabilities shares many similarities with discrimination against racial minorities or women. Stereotypical ideas and generalities based on immutable characteristics are the essence of discrimination. But, disabled people have been, and unfortunately continue to be, subjected to other forms of discrimination. Through benign neglect and thoughtlessness, disabled children were routinely denied an education. It was taken as obvious that these children, due to their disabilities, could not benefit from an education. Similarly, it was believed that disabled adults would not be able to handle a full-time job. Or if a disabled person could work then it could only be a menial task or dead end job with no chance of promotion.

Once these notions were accepted it followed that our society was physically designed to ensure that a disabled person could not be integrated, or at least have a most difficult time of it. Buildings had steps, not ramps. Our public transportation system was designed so it could not accommodate those with mobility impairments. Many jobs contained medical requirements which automatically excluded persons with certain disabilities, even though the requirements bore no relation to the successful performance of the job. After ensuring that only a very few disabled people could overcome such obstacles, the nondisabled took it for granted that the invisibility of disabled people was the consequence of the disability.

Section 504 acknowledges these obstacles and attitudes for what they are—discrimination. For the first time in this country's history, Congress recognized that many of the problems faced by disabled people were not inevitable, but instead were the result of discriminatory policies based on unfounded, outmoded stereotypes and perceptions and deeply embedded prejudices toward disabled people. The Federal Government recognized disabled Americans as a legitimate minority group subject to discrimination and worthy of basic civil rights protections.

The entire framework of the HEW regulations adopted to implement section 504 revolves around the underlying position that all recipients of Federal financial assistance from any source must assure nondiscrimination, access, and equal opportunity in all of their programs, activities, and operations. Repeatedly, the regulations refer to recipients of HEW assistance as being covered by section 504.

The development of the original HEW regulations received unprecedented input. HEW evaluated over 850 public comments and testimony from 32 public hearings. As the Supreme Court noted in Consolidated Rail Corporation against Darrone:

> The (HEW) regulations particularly merit deference . . . the responsible congressional committees participated in their formulation, and both these committees and Congress itself endorse the regulations in their final form.

Just as there have been many horror stories about the possible consequences of enacting H.R. 5490, so there were horror stories about the tremendous financial burden of accommodating the needs of disabled people in order to comply with section 504. But, the 10 years of experience with section 504 have proven that the financial costs are minimal. As the U.S. Civil Rights Commission noted in its study of handicap discrimination, "Accommodating the Spectrum of Individual Abilities":

> Practical experience has shown that the costs of legally required accommodations to allow handicapped people's participation are often nominal. Projected costs have frequently proven to be overestimated and contrary to common sense and practicality. ("Accommodating the Spectrum of Individ-

> ual Abilities," Clearinghouse Publication 81, September 1983, p. 70)

Moreover, as the Commission noted, it is necessary to judge the long-term costs of accommodation, not just the short-term costs.

> When viewed in this broader perspective the answer to concerns about the costs of full participation is that Congress, American business leaders, and other authorities have concluded that the costs of achieving full participation are more than offset by the resulting societal benefits. ("Accommodating," p. 71)

While the goal of section 504 is the integration of disabled people into our society, neither the statute, nor the regulations state how this must be achieved. Instead, the regulations leave it up to recipients to use flexibility and innovation to achieve accommodation. The regulations encourage common sense, especially in its explanation of the concept of program accessibility. This concept requires that all programs be accessible to disabled people but leaves maximum flexibility in achieving this goal. As the Overview to the HEW regulations, state,

> Every existing building need not be made physically accessible, but all recipients must ensure that programs conducted in those facilities are made accessible. * * * (S)tructural changes in such facilities must be undertaken *if no other means* of assuring program accessibility is available. (emphasis added)

Federal agencies are available to provide technical assistance in achieving program accessibility. To date, recipients of Federal financial assistance have made some significant strides toward eliminating discriminatory barriers, both physical and attitudinal.

Besides program accessibility, there is another concept that is crucial to section 504. If a recipient provides identical opportunities to a disabled and a nondisabled person, such a situation could result in discrimination against the disabled person. As explained in the appendix to the HEW regulations:

> (T)he term "equally effective," . . . is intended to encompass the concept of equivalent, as opposed to identical, services and to acknowledge the fact that in order to meet the individual needs of handicapped persons to the same extent that the corresponding needs of nonhandicapped persons are met, adjustments to regular programs or the provision of different programs may sometimes be necessary. For example, a welfare office that uses the telephone for communicating with its clients must provide alternative modes of communicating with its deaf clients.

The provision of reasonable accommodations in order to ensure equal opportunity to a disabled person is one of the fundamental tenets of section 504. What accommodations will constitute equal opportunity will depend on the capabilities of the people involved and the programs in which they wish to participate. Thus, section 504 requires that each disabled person be treated as an individual. Generalizations based on disability, or even a specific disability, preclude thoughtful review of an individual's situation and needs. And this is the crux of civil rights legislation—prohibiting discriminatory behavior based on immutable characteristics.

When I refer to disabled people it sounds as though I refer to a homogeneous group. That is far from the truth. Thirty-six million Americans have disabilities, but this breaks down as follows: 22 percent of the black population is disabled; 20.6 percent of the Hispanic population is disabled; 19 percent of the American Indian population is disabled; 16.6 percent of the white population is disabled; and 46 percent of the elderly have one or more disabilities.

While 16 percent of the working age male population and 18.3 percent of the working age female population is disabled, unemployment among disabled people has currently been estimated to be between 50 and 75 percent by the President's Committee on Employment of the Handicapped. Studies have found, however, that this unemployment has very little to do with the inability of a disabled person to perform a regular, full-time job. Instead numerous studies reach the conclusion that it is the persistence of discrimination that prevents disabled people from taking their rightful place in the job market.

Let me give you some examples which hit very close to home. In one study, employers were asked to rank various groups in terms of which ones they believed most employers would be more likely to hire. The study found that "physical disability groups were clustered together and ranked lower than all minority groups." (Colbert, Kalisch and Chang, "Two Psychological Portals of Entry for Disadvantaged Groups," 34:7 Rehab Literature 194 (1973).) This corresponds with the findings of another study which revealed that all disabled groups were subject to prejudice and that personnel directors ranked individuals with epilepsy very low in their preferences for hiring. (Triandis and Patterson, "Indices of Employer Prejudice Toward Disabled Applicants," 47 J. of Applied Psychology 52 (1963).)

In a recent survey of 23 California local government jurisdictions, it was learned that all cities and counties impose restrictions of various kinds regarding the hiring of persons with past or present epileptic conditions. ("Medical Standards Project: Final Report," Employment Law Center and Disability Rights Education and Defense Fund, Inc. (1982).) This ignores the fact that 80 percent of all people with epilepsy have their seizures either totally or partially under control. As the U.S. Civil Rights Commission concluded:

> Although open hostility is now rare, prejudice against handicapped people, manifested as discomfort, patronization, pity, stereotyping, and stigmatization, remains common. Such prejudice involves an overreaction to differing physical and mental abilities that imputes more difference to handicapped persons than actually exists. (*Accommodating*, p. 159)

For those persons able to get jobs, discrimination continues in the wide gap in earnings between disabled and nondisabled individuals. Disabled white men earn 52 cents on the dollar while disabled white women earn 24 cents on the dollar. A disabled minority male will earn only 24 cents on the dollar and the disabled minority female earns just 12 cents on the dollar.

In a major study commissioned by the Office of Civil Rights, HEW, it was estimated that eliminating discrimination against disabled peope in HEW-funded grant programs would yield $1 billion annually in increased employment and earnings for disabled people. (H. Rept. 98-829, p. 12)

In addition to increasing the gross national product, it has been estimated that such an earnings increase by disabled workers would result in some $58 million in additional tax revenues to Federal, State, and local governments. We in Congress spend a lot of time trying to bring down our national debt and to use our money wisely. It is a waste of this country's resources—both human and financial—to allow discrimination against disabled people to continue. If we want to decrease the deficit, and use our limited resources in the most cost-effective ways possible, then we must ensure that all of our citizens have the opportunity to work and support themselves and their families.

On the same day that the Supreme Court handed down its decision in the Grove City College case, it also ruled in the case of Consolidated Rail Corporation against Darrone. The Court unanimously ruled that section 504 covers employment discrimination regardless of the purpose for which Federal funds are used. The Court correctly noted the intent of Congress that section 504 be applied broadly in order to eradicate employment discrimination. This decision opened another door for disabled people to enter the mainstream of American life. Ironically and unfortunately, at the same time it opened this door, the Court simultaneously closed another door in the Grove City College case.

Discrimination does not begin, however, when the disabled adult seeks employment. Discrimination begins in childhood, when children receive less than an appropriate education based, not on their abilities, but their handicaps. And discrimination against the child will come back to haunt the adult, and our country. Studies have shown that equal educational opportunities yield substantial economic benefits by reducing the need for institutionalization, increasing future earnings, and decreasing the need for public assistance. For example, in 1976 HEW estimated that expansion of special education services pursuant to the requirements of section 504 would result in an annual increase of $1.5 billion in adulthood earnings of the additional handicapped children served.

The results of equal access to higher education is similar. One study estimated the rate of return on investments in higher education for disabled students to be between 14 and 17 percent, about the same or a little higher than the return for nondisabled students. However, the estimated rate of return for society was shown to be between 31 and 40 percent, more than twice the social return on investment in the education of the nondisabled. The reason for such a discrepancy is that a college education not only widens job opportunities but also often marks the difference between a life of unemployment and dependency and one of economic and social independence. In the past 10 years, section 504 has done much to increase the representation of disabled students at our colleges and universities. The number of disabled freshmen has more than doubled since 1977.

As a result of the Grove City College decision, the Department of Education has narrowed five complaint cases and one pending compliance review since the Grove City College decision was handed down. In addition, seven cases are being reviewed to determine whether the Department still has jurisdiction. This sends a signal to recipients of Federal financial assistance that there is now a loophole in our civil rights laws. If the House does not pass H.R. 5490, it will be signaling the country that it is retreating from the commitment it made to disabled citizens in 1973.

This country still has a long way to go before disabled people no longer have to fight societal attitudes that impede their entry into society. Section 504 has accomplished much in 10 years since its enactment. But hundreds of years of discrimination cannot be wiped out in a decade. Section 504 has provided us with an opportunity to include all of our citizens within the fabric of our society. And our country is richer for it. Congress must be a leader when it comes to ensuring the rights of all Americans. Our citizens look to us for that leadership. Congress must not abandon its commitment, but rather promise to remain vigilant in the pursuit of equality.●

● Mr. FIELDS. Mr. Speaker, H.R. 5490, the Civil Rights Act of 1984 may prove to be the most far-reaching expansion of Federal authority in this decade. This legislation has a most worthy goal—to ensure that no Federal funds are expended in a discriminatory manner. I join the supporters of H.R. 5490 in strongly opposing discrimination. I find discrimination both morally and ethically repugnant. However, I feel compelled to oppose the Civil Rights Act of 1984. The following explanation is a clarification of my position.

H.R. 5490 seeks to overturn a recent Supreme Court decision, Grove City College against Bell. Grove City College, a private, coed liberal arts school, refused to file a Government compliance form for title IX of the education amendments, which prohibits discrimination on the basis of sex, claiming that they receive no direct Federal aid and, hence, are not required to prove compliance. Grove City College was never charged with discrimination, but only with refusal to submit to Federal regulations and their corresponding administrative paperwork. The case reached the Supreme Court. In ruling, the Court held that: First, Federal financial assistance to students did constitute aid to the college, but, second, only the specific program or activity receiving Federal assistance would be required to comply with Federal regulations under title IX of the education amendments of 1972.

H.R. 5490 was introduced in the House to overturn the Supreme Court's second holding of limited coverage. According to the bill's sponsors, H.R. 5490 reinstates institution-wide coverage of antidiscrimination statutes; if any part of an institution receives Federal assistance, all parts must comply. While the author's intent may have been simply to return to the status quo of institution-wide coverage practiced prior to the Grove City decision, the actual language of the bill tells a different story.

H.R. 5490 amends four separate statutes: The Education Amendments of 1972, the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and the Rehabilitation Act of 1973. The two most fundamental changes made in the above statutes are: The words "program and activity" are deleted everywhere and replaced with the word "recipient," and, subsequently, the word "recipient" is defined.

My concern centers upon the broad, ambiguous definition of recipient. Under this bill, recipient means, not only the direct recipient of Federal aid, but also any subunit of an entity, any "successor, assignee, or transferee to which Federal financial assistance is extended—directly or through another entity or a person—or which receives support from the extension of Federal financial assistance to any of its subunits." Think about it! It is difficult to isolate any public or private entity or person which does not in some way, directly or indirectly, benefit from Federal largess. According to Assistant Attorney General William Bradford Reynolds, the legislation rewrites the four involved statutes to the point that "* * * the Federal Government would be involved in every facet of State and local activity."

Again, the sponsors of H.R. 5490 assure Congress and the U.S. public that such broad coverage is not their intent. But I, for one, am not willing to rely solely on the stated intent of the bill's sponsors. Plainly put, I feel Congress should "say what it means and mean what it says" in the bill, itself.

During House consideration of the Civil Rights Act of 1984, many questions surfaced regarding the scope of the bill. For instance: Will grocery stores which accept food stamps now be subject to Federal scrutiny? Federal architectural standards requiring expensive structural changes to provide access for the handicapped might well be a financial death blow to small grocers. If a local fire department accepts Federal assistance, will the entire city government be covered? The multiple compliance reviews and massive reporting requirements necessary merely to certify compliance with Federal regulations would place a tremendous financial burden on already financially strapped local governments. And, what about local hospitals which indirectly benefit from medicaid and medicare? The Federal Government has already tried to get New York City to reassign its teachers in violation of union contracts to achieve racial balance in the teaching staff of each school. Under H.R. 5490, a city could be required to reassign its hospital staff to achieve racial balance.

Would a business housed in a facility financed through the use of tax-exempt bonds be covered by this proposal? In the case Consolidated Rail Corp. against Darrone, a handicapped individual sued a railroad which refused to employ him. Darrone claimed that since the railroad received Federal funds, he couldn't be denied a job on the basis of his handicap. Presumably, the indirect aid of being housed in a facility built with tax-exempt bonds could force a business to hire a handicapped individual even if his or her handicap might require the purchase of expensive, special equipment to accommodate the disability or even if the job might present a risk to handicapped applicant's safety.

One of the most major questions in my mind involves whether the intent or the effects standard will be used to determine violations under this act. Must an entity be found guilty of intentional discrimination, or might an entity be found in violation of Federal law merely because a policy or practice has an unintentional disproportionate impact? In a recent Supreme Court case, Guardians Association, Inc.

against Civil Service Commission of New York, the Court said that even though a Federal law only prohibits intentional discrimination, agency regulations implementing the law may prohibit unintentional discrimination or disproportionate impact. Therefore, it appears that H.R. 5490 would, for example, extend to professional licensing and professional certification. If a greater percentage of minority than white students fail a bar exam or a medical exam or a teacher competency test, will a State be subject to private lawsuits because the tests have a disproportionate impact on minorities?

The only answers available to Members of Congress in response to these and numerous other questions were assurances of the sponsors' intent. In other words, the House of Representatives is depending, not upon carefully constructed language in the bill itself, but upon supplementary reports and statements of the bill's sponsors to clarify the bill's scope. I must concur with three of my colleagues who stated that in passing H.R. 5490, Congress is saying, in effect: "This new bill is too complicated to understand. We'll just have to pass it to find out what it means."

In conclusion, I oppose H.R. 5490, not because I support discrimination, but because I am opposed to broad, loosely structured legislative language which has the potential of vastly expanding the Federal Government's regulatory authority at the expense of State and local governments and private entities and citizens.●

● Mrs. COLLINS. Mr. Chairman, it is with pleasure that I rise today in support of H.R. 5490, the Civil Rights Act of 1984. As a Member of Congress committed to promoting fairness and equity for all people, I believe it is our explicit duty to move swiftly in passing this legislation without amendment.

The 1984 Grove City Supreme Court decision not only set back educational opportunity for women and girls, but equally damaging, placed in jeopardy statutes dealing with race, the disabled, and aging populations. It is incumbent upon us, therefore, to reverse the Court's narrowly defined decision and return title IX of the Education Amendments, along with three other major antidiscrimination statutes, to the broad scope and coverage originally intended by Congress. Without this clarifying legislation, acts of discrimination could run unimpeded, even while offending institutions benefit from taxpayer's money.

Passage of the Civil Rights Act of 1984 would ensure that if an institution discriminates, the Government has the authority to terminate the Federal funds which support the discrimination. Allowing the Supreme Court decision to stand unchallenged would place at risk the educational equity of a variety of our Nation's citizens.

H.R. 5490 would do nothing more than outline in more specific terms, the current authority of the Government to prohibit discrimination by recipients of Federal financial assistance. It does not broaden the title IX statute, it only specifies its original intent by defining the term "recipient" in a broad manner, such that it may inlcude an institution as a whole.

As a cosponsor of this measure, I consider it vital that Congress move to return to our Nation's minorities, women, disabled, and elderly, the legal rights and remedies they enjoyed prior to the Supreme Court's ruling. Clearly, the four most important statutes protecting civil rights were intended to be broadly interpreted and must be retained as such.

I urge my colleagues to vote for this crucial legislation.●

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. WRIGHT] having assumed the chair, Mr. SWIFT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5490) to clarify the application of title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and title VI of the Civil Rights Act of 1964, pursuant to House Resolution 528, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

□ 2150

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SIMON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 375, nays 32, not voting 26, as follows:

[Roll No. 270]

YEAS—375

Ackerman
Addabbo
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
AuCoin
Barnes
Bartlett
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Bethune
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bryant
Burton (CA)
Byron
Carney
Carper
Carr
Chandler
Chappell
Chappie
Cheney
Clarke
Clay
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conable
Conte
Conyers
Cooper
Corcoran
Coughlin
Courter
Coyne
Craig
Crockett
D'Amours
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dyson
Early
Eckart
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Fiedler
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gore
Gradison
Gramm
Gray
Green
Gregg
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hance
Harkin
Harrison
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hertel
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lehman (CA)
Leland
Levin
Levine
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Lloyd
Long (LA)
Long (MD)
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Mack
MacKay
Madigan
Markey
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McEwen
McHugh
McKernan
McNulty
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell
Moakley
Molinari
Mollohan
Moody
Moore
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Oxley
Panetta
Parris
Pashayan
Patman
Patterson
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Pritchard
Pursell
Quillen
Rahall
Rangel
Ratchford
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Rodino
Roe
Roemer
Rogers
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Savage
Sawyer
Schaefer
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sharp
Shaw
Shelby

Sikorski
Simon
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traxler
Udall
Valentine
Vandergriff
Vento
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wirth
Wise
Wolf
Wolpe
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NAYS—32

Archer
Badham
Bateman
Burton (IN)
Coats
Crane, Daniel
Crane, Philip
Daniel
Dannemeyer
Edwards (AL)
Fields
Hall, Sam
Hansen (UT)
Hartnett
Kindness
Livingston
Loeffler
Lott
Marlenee
Montgomery
Moorhead
Nielson
Packard
Paul
Roberts
Robinson
Rudd
Shumway
Shuster
Siljander
Smith, Denny
Stump

NOT VOTING—26

Akaka
Albosta
Barnard
Bonior
Campbell
Dymally
Erlenborn
Hansen (ID)
Hunter
Ireland
Kogovsek
Lehman (FL)
Lent
Lungren
McDade
McGrath
McKinney
Mrazek
Price
Rose
Schulze
Sensenbrenner
Shannon
Towns
Vander Jagt
Wortley

☐ 2200

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REQUEST FOR WITHDRAWAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 5490

Mr. SIMON. Mr. Speaker, I ask unanimous consent that the name of the gentleman from Texas [Mr. LEATH] be deleted as a cosponsor of H.R. 5490.

The SPEAKER pro tempore. The Chair will state to the gentleman that it is not in order to delete the name of a Member as a cosponsor of a bill which has been passed.

GENERAL LEAVE

Mr. SIMON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 5490, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AUTHORIZING CLERK TO CORRECT SECTION NUMBERS, PUNCTUATION, AND CROSS-REFERENCES IN ENGROSSMENT OF H.R. 5490

Mr. SIMON. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill (H.R. 5490) to clarify the application of title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and title VI of the Civil Rights Act of 1964, the Clerk be authorized to correct section numbers, punctuation, and cross-references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill, H.R. 5490.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON INVESTIGATIONS AND OVERSIGHT OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT TOMORROW, WEDNESDAY, JUNE 27, 1984, DURING THE 5-MINUTE RULE

Mr. LEVITAS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Investigations and Oversight of the Committee on Public Works and Transportation be permitted to sit tomorrow while the House is considering amendments under the 5-minute rule.

I will state that I have discussed this matter with the ranking minority member, the gentleman from New York [Mr. MOLINARI] and he fully concurs.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

Mr. McCANDLESS. Mr. Speaker, reserving the right to object, I would like to ask, has this been cleared with the minority members?

Mr. LEVITAS. Mr. Speaker, if the gentleman will yield, I discussed the matter with the ranking minority member, the gentleman from New York [Mr. MOLINARI], and he fully concurs.

This is for the purpose of completing our oversight hearing into the air traffic control system.

Mr. McCANDLESS. Mr. Speaker, I thank the gentleman from Georgia, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

COMMEMORATING 100TH ANNIVERSARY OF THE BUREAU OF LABOR STATISTICS

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 278) to commemorate the 100th anniversary of the Bureau of Labor Statistics, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

Mr. JEFFORDS. Reserving the right to object, Mr. Speaker, and I do not intend to object, but I do so for the purpose of allowing the chairman to explain what this is.

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Speaker, on June 27, 1884, legislation was signed into law by President Chester A. Arthur establishing the Federal Bureau of Labor, now known as the Bureau of Labor Statistics, with the responsibility to collect information upon the subject of labor, its relation to capital, the hours of labor, and the earnings of laboring men and women, and the means of promoting their material, social, intellectual, and moral prosperity.

During the coming week, a century of service will have been completed by the Federal Government's principal data-gathering agency in the field of labor economics. The Bureau has been a part of the Department of Labor since the Department was created in 1913.

The Bureau of Labor Statistics collects and analyzes data on labor requirements, labor force, employment, unemployment, hours of work, wages and employee compensation, prices, living conditions, labor-management relations, productivity and technological improvements, occupational safety and health, economic structure and growth, urban and socioeconomic conditions, and certain international economic data.

The Bureau's releases on employment and unemployment statistics and price index statistics are well recognized economic indicators having a major impact upon decisions by governmental and private policymakers. Wage increases are frequently based on the Consumer Price Index. Allocations of Federal appropriated funds for employment and training, public works and economic development, and other programs are generally based upon the local area unemployment statistics issued by the Bureau, as are designations of labor surplus areas for purposes of Government procurement preferences. New responsibilities for mass layoff and plant closing data have been imposed upon the Bureau by our recent legislative enactments.

This agency is entrusted with great responsibilities for unbiased information which has the highest attainable degree of reliability. It is indeed appropriate that the House of Representatives join the Senate in recognizing the centennial of the Bureau of Labor Statistics, by passing this joint resolution today.

Mr. JEFFORDS. Further reserving the right to object, Mr. Speaker, and I do not intend to object, I would just like to say that I concur in the offer of the gentleman. I cannot miss this opportunity to point out that while there are very few times when I can point back to President Chester A. Arthur, a household word which everyone I am sure remembers, but there were not too many things of note done during his administration. One of them was creating the Bureau of Labor Statistics, which was a plus.

Chester A. Arthur was a Vermonter.

□ 2210

He had a negative in the sense that he was the only President, incumbent President who was refused the nomination of his party when he was up for reelection. That is not quite so much of a negative since the fact that he did not get it was due to the fact that he had created the Civil Service, which was the other thing of merit, and doing away with all of the patronage did not give him very much favor in his party at that time.

But otherwise I certainly think that I would praise this resolution and point out that the Bureau of Labor Statistics has given us a great deal of important information, and starting way back when, which is relevant to the bill just passed, it started some of the movement to give statistics to women in order to better their rights and therefore I certainly agree with the gentleman that we ought to approve this.

● Mr. ERLENBORN. Mr. Speaker, it is not often that we can commemorate an effective Government agency on the 100th anniversary of its establishment. With the resolution before us today we have the opportunity to congratulate and nationally recognize the Bureau of Labor Statistics [BLS] of the U.S. Department of Labor for one century of service.

On June 27, 1984, BLS completes 100 years as the principal data-gathering agency of the Federal Government. This is a formidable responsibility which the Bureau has performed with consistent excellence. The BLS gathers, processes, analyzes and disseminates timely information about matters ranging from the economy to the labor force.

This organization enjoys a respect rarely given to such public programs. It functions in a nonpartisan manner and is responsive to the continuing need for new types of information. Bureau statistics provide the foundation for policymakers in many public programs and private transactions. For example, to offset the impact of inflation it is critical that objective and accurate data are available for the allocation of Federal funds and the adjustment of pensions, welfare payments, private contracts, and other payments.

Labor, industry, and other Government agencies rely on BLS data knowing that the Bureau adheres to rigorous guiding principles. Without this much-deserved trust BLS data would lack its credibility and lose its usefulness.

It is fitting that the Congress and the President recognize these efforts and salute the Bureau and its staff for their unfailing service. I am pleased to add my support to this measure and I encourage my colleagues to do the same.●

Mr. JEFFORDS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 278

Whereas legislation was enacted on June 27, 1884, to establish a bureau to "collect information upon the subject of labor, its relation to capital, the hours of labor, and the earnings of laboring men and women, and the means of promoting their material, social, intellectual, and moral prosperity";

Whereas the Bureau of Labor Statistics has completed a century of service to government, business, labor, and the public by producing indispensable data and special studies on prices, employment and unemployment, productivity, wages and other compensation, economic growth, industrial relations, and occupational safety and health;

Whereas many public programs and private transactions are dependent today on the quality of such Bureau statistics as the unemployment rate and the Consumer Price Index which play essential roles in the allocation of Federal funds and the adjustment of pensions, welfare payments, private contracts, and other payments to offset the impact of inflation;

Whereas the Bureau pursues these responsibilities with absolute integrity and has a reputation for being unfailingly responsive to the need for new types of information and indexes of change;

Whereas the Bureau has earned an international reputation as a leader in economic and social statistics;

Whereas the Bureau meets the public need for timely and accurate information by publishing data in the most appropriate printed form, including press releases, periodicals, bulletins, and special reports, and by making data available through microfiche and new electronic services;

Whereas the Bureau has pioneered in the development of computer applications to data gathering and statistical analyses; and

Whereas the Bureau has established the highest standards of professional competence and commitment: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That special recognition and commendation be given on the one hundredth anniversary of the establishment of the Bureau of Labor Statistics for the century of exemplary service provided by the administrators and employees of the Bureau in collecting and disseminating vital information to the Nation.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING APPROPRIATIONS FOR CERTAIN FISHERIES PROGRAMS

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2463) to authorize appropriations of funds for certain fisheries programs, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

Mr. PRITCHARD. Mr. Speaker, reserving the right to object, I shall not object, but I would like the gentleman from North Carolina to explain what is happening here.

Mr. JONES of North Carolina. Will the gentleman yield?

Mr. PRITCHARD. I yield to the gentleman from North Carolina.

Mr. JONES of North Carolina. I would ask the gentleman to yield to the gentleman from Louisiana [Mr. BREAUX] to explain the contents of the bill in question.

Mr. BREAUX. Will the gentleman yield?

Mr. PRITCHARD. I yield to the gentleman from Louisiana.

Mr. BREAUX. The bill we are taking from the Speaker's desk is the bill that has passed the other body which authorizes for 1 year all of the authorization programs for the National Marine Fisheries Service. The programs that they have authorized are all within the House-passed appropriation level which we have already adopted.

The National Marine Fisheries Service authorization is, I think, totally noncontroversial. We have taken that bill and added to it by the chairman's unanimous-consent request the bill that already passed the House in May 1983 and are substituting the House-passed version and asking for a conference with the other body.

The House-passed bill which we are adding is the offshore oil- and gas-revenue-sharing bill which passed the House by a substantial margin, as I said, in May 1983.

We are asking for a conference with the other body. The other body is having some time problems I think with the legislation and I think this is in an effort to try to be able to go to conference with the other body and then I think the differences will be worked out very quickly

Mr. PRITCHARD. Mr. Speaker, I think this makes sense. This is something that has passed the House and if we can get it into conference and see what can come out of it, I think it makes some sense.

Mr. YOUNG of Alaska. Will the gentleman yield?

Mr. PRITCHARD. Reserving the right to object, I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. I rise only in strong support of the action and I compliment the two chairmen and the ranking member of the committee.

Mr. PRITCHARD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2463

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the National Oceanic and Atmospheric Administration Marine Fisheries Program Authorization Act (Public Law 98-210; 97 Stat. 1409) is amended—

(1) in subsection (a), by inserting ", and $28,000,000 for fiscal year 1985" immediately after "1984"; and

(2) in subsection (b), by striking "of 1976".

Sec. 2. Section 3 of such Act is amended—

(1) in subsection (a), by inserting ", and $35,000,000 for fiscal year 1985" immedately after "1984"; and

(2) in subsection (b), by inserting "Magnuson" immediately before "Fishery", and by striking "of 1976".

Sec. 3. Section 4 of such Act is amended—

(1) in subsection (a)–

(A) by inserting ", and $12,000,000 for fiscal year 1985" immediately after "1984"; and

(B) by striking "boats" and inserting in lieu thereof "vessels"; and

(2) in subsection (b), by striking "of 1976".

Sec. 4. Sections 2, 3, and 4 of such Act are amended by adding at the end thereof the following:

"(c) The duties authorized in subsection (a) of this section shall be considered separate and distinct from duties and functions performed pursuant to moneys authorized in subsection (b) of this section. The total authorization for all such duties and functions shall be the sum of amounts specified in such subsections.".

Sec. 5. (a) Section 7(e) of the Fishermen's Protective Act of 1967 (22 U.S.C. 1977(e)) is amended—

(1) by striking "October 1, 1984" and inserting in lieu thereof "October 1, 1987"; and

(2) by inserting ", other than payments from fees collected or revenues accruing from deposits or investments of such fees pursuant to subsection (c) of this section," immediately after "payments".

(b) The amendment made by subsection (a)(2) of this section shall become effective on October 1, 1985.

Sec. 6. (a) Section 4(c) of the Fish and Wildlife Act of 1956 (16 U.S.C. 742c(c) is amended by striking "September 30, 1984" each place it appears and inserting in lieu thereof "September 30, 1985".

(b) Section 7(c)(6) of the Fish and Wildlife Act of 1956 (16 U.S.C. 742f(c)(6) is amended by striking "and 1984" and inserting in lieu thereof "1984, and 1985".

Sec. 7. Section 221 of the American Fisheries Promotion Act (16 U.S.C. 742c, note) is amended—

(1) in subsection (a), by striking "September 30, 1984" and inserting in lieu thereof "September 30, 1985";

(2)(A) in subsection (b)(2)(A), by striking "and 1984," and inserting in lieu thereof "1984, and 1985,"; and

(B) in subsection (b)(2)(C), by striking "and 1984" and inserting in lieu thereof "1984, and 1985"; and

(3) in subsection (c)(1), by striking "and 1984," and inserting in lieu thereof "1984, and 1985".

Sec. 8. Section 310 of the Deep Seabed Hard Mineral Resources Act (30 U.S.C. 1470) is amended—

(1) by striking "and" immediately after "1983,"; and

(2) by inserting ", and $1,500,000 for each of the fiscal years ending September 30, 1985 and September 30, 1986" immediately before the period at the end thereof.

Sec. 9. (a) Section 201(e)(1)(E)(i) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1821(e)(1)(E)(i)) is amended—

(1) by inserting "both" immediately before "United States";

(2) by striking "or fishery" and inserting in lieu thereof "and fishery"; and

(3) by inserting the following immediately before the semicolon at the end thereof: ", particularly fish and fishery products for which the foreign nation has requested an allocation".

(b) Section 201(e)(1)(E)(ii) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1821(e)(1)(E)(ii)) is amended to read as follows:

"(ii) whether, and to what extent, such nation is cooperating with the United States in both the advancement of existing and new opportunities for fisheries exports from the United States through the purchase of fishery products from United States processors, and the advancement of fisheries trade through the purchase of fish and fishery products from United States fishermen, particularly fish and fishery products for which the foreign nation has requested an allocation;".

(c)(1) Section 201(d)(4) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1821(d)(4)) is amended by striking "shall" the first time it appears and inserting in lieu thereof "may".

(2) Section 201(e)(1)(A) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1821(e)(1)(A)) is amended by striking "shall determine the allocation among foreign nations of" and inserting in lieu thereof "may make allocations to foreign nations from".

(3) Section 301(a)(1) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1851(a)(1)) is amended by inserting "for the United States fishing industry" immediately before the period at the end thereof.

Sec. 10. Section 10 of the National Aquaculture Act of 1980 (16 U.S.C. 2809) is amended—

(1) in paragraph (1)—

(A) by striking "and" at the end of subparagraph (B);

(B) by striking "1983;" and inserting in lieu thereof "1983, and"; and

(C) by adding at the end thereof the following:

"(D) $2,000,000 for each of fiscal years 1984 and 1985;";

(2) in paragraph (2)—

(A) by striking "and" at the end of subparagraph (B);

(B) by striking "1983; and" and inserting in lieu thereof "1983, and"; and

(C) by adding at the end thereof the following:

"(D) $2,000,000 for each of fiscal years 1984 and 1985; and"; and

(3) in paragraph (3)—

(A) by striking "and" at the end of subparagraph (B);

(B) by striking "1983." and inserting in lieu thereof "1983, and"; and

(C) by adding at the end thereof the following:

"(D) $1,000,000 for each of fiscal years 1984 and 1985.".

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF NORTH CAROLINA

Mr. JONES of North Carolina. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitue offered by Mr. Jones of North Carolina: Strike all after the enacting clause and substitute in lieu thereof the following:

SHORT TITLE

Section 1. This Act may be cited as the "Ocean and Coastal Resources Management and Development Block Grant Act".

DEFINITIONS

Sec. 2. For purposes of this Act—

(1) the term "coastal State" means any State of the United States in, or bordering on, the Atlantic Ocean, the Pacific Ocean, the Gulf of Mexico, Long Island Sound, or one or more of the Great Lakes, and includes the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and American Samoa;

(2) the term "outer Continental Shelf" means all submerged lands lying seaward and outside of the area of "lands beneath navigable waters" as that term is defined in section 2(a) of the Submerged Lands Act (43 U.S.C. 1301(a)), and of which the subsoil and seabed appertain to the United States and are subject to its jurisdiction and control, but whenever the extent of the rights acquired by a State under the Submerged Lands Act and the Outer Continental Shelf Lands Act has been determined by a final decree of the United States Supreme Court and fixed by coordinates, the line so fixed is immobilized as described in said decree and shall not be ambulatory in determining the seaward extent of the rights acquired by said State under the Submerged Lands Act and the landward extent of the rights acquired by the United States under the Outer Continental Shelf Lands Act;

(3) the term "Secretary" means the Secretary of Commerce; and

(4) the term "coastal related energy facilities" means any equipment or facility which, (A) is or will be used primarily in the exploration for, or the development, production, conversion, storage, transfer processing, or transportation of, any energy resource or for the manufacture, production, or assembly of equipment, machinery, products, or devices which are involved in any such energy-resource activity, and (B) is, or is likely to be, sited, constructed, expanded, or operated in or in close proximity to, the coastal zone of any coastal State because of technical requirements.

The term includes, but is not limited to (i) electric generating plants; (ii) facilities associated with the transportation, transfer, or storage of coal; (iii) petroleum refineries and associated facilities; (iv) gasification plants; (v) facilities associated with the transportation, conversion, treatment, transfer, or storage of liquefied natural gas; (vi) oil and gas facilities, including platforms, assembly plants, storage depots, tank farms, crew and supply bases, and refining complexes; (vii) facilities, including deepwater ports, for the transfer of petroleum; (viii) facilities used for alternative ocean energy activities, including those associated with ocean thermal energy conversion; and (ix) pipelines, transmission facilities, and terminals which are associated with any of the foregoing.

For the purposes of this paragraph, the siting, construction, expansion, or operation of any coastal related energy facilities shall be "in close proximity to the coastal zone of any coastal State" if such siting, construction, expansion, or operation has, or is likely to have, a significant effect on such coastal zone.

OCEAN AND COASTAL RESOURCES MANAGEMENT AND DEVELOPMENT FUND

SEC. 3. (a) There is established in the Treasury of the United States a fund to be known as the Ocean and Coastal Resources Management and Development Fund (hereafter in this Act referred to as the "Fund").

(b) Beginning in fiscal year 1983, the Secretary of the Treasury shall pay into the Fund not later than the end of each fiscal year the lesser of $300,000,000 or an amount equal to 10 per centum of the amount by which all sums deposited in the Treasury of the United States pursuant to section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338) during each fiscal year exceed all sums deposited in the Treasury of the United States pursuant to such section during fiscal year 1982.

(c)(1) As provided in advance by appropriation Acts, the Secretary shall use for fiscal year 1984, and for each subsequent fiscal year, an amount equal to not less than 10 per centum and not more than 20 per centum of the total amount appropriated from the Fund for the purposes of this Act to carry out the National Sea Grant College Program Act (33 U.S.C. 1121-1131).

(2) As provided in advance by appropriation Acts, the Secretary shall use the total amount of any sums paid into the Fund during each fiscal year which are not used to carry out the National Sea Grant College Program Act to provide block grants pursuant to section 4.

NATIONAL OCEAN AND COASTAL RESOURCES MANAGEMENT AND DEVELOPMENT BLOCK GRANTS

SEC. 4. (a) Subject to subsections (b), (c), and (d), for fiscal year 1984 and for each subsequent fiscal year, the Secretary shall provide to each coastal State a national ocean and coastal resources management and development block grant (hereafter in this Act referred to as a "block grant") from sums paid into the Fund during the prior fiscal year pursuant to section 3(b).

(b)(1) No coastal State may receive a block grant for a fiscal year unless such coastal State has submitted to the Secretary a report for such fiscal year which—

(A) specifies the allocation by such coastal State of the block grant among coastal zone management activities, coastal energy impact activities, living marine resource activities, and natural resources enhancement and management activities pursuant to section 5(a), and

(B) describes each activity receiving funds provided by the block grant.

(2) Before submitting each report required under paragraph (1), each coastal State shall provide opportunities for the public to review and comment on the report and shall hold at least one public hearing on such report.

(c) The amount of each block grant provided under subsection (a) for a fiscal year to a coastal State shall be determined by the Secretary under a formula established by the Secretary which gives equal consideration to each of the following criteria:

(1) For each coastal State, the equal combination of—

(A) the amount of actual leasing with respect to oil and gas which is carried out under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) during the previous fiscal year which occurs within the Outer Continental Shelf planning area to which such coastal State is adjacent; and

(B) the volume of oil and gas produced from Outer Continental Shelf acreage leased by the Federal Government which is first landed in such coastal State during the previous fiscal year.

(2) For each coastal State, any proposed oil and gas lease sales which are specified by the Outer Continental Shelf leasing program prepared pursuant to section 18(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1344(a)) and which are scheduled to occur within the Outer Continental Shelf planning area to which such coastal State is adjacent.

(3) The coastal related energy facilities (including coal facilities) located within each coastal State during the previous fiscal year.

(4) The shoreline mileage of each coastal State for which the Secretary has approved a management program under section 306 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455).

(5) The coastal population of each coastal State for which the Secretary has approved a management program under section 306 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455).

(d) No coastal State for which the Secretary has approved a management program under section 306 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455) shall receive less than one-half of 1 per centum of the total amount available for block grants pursuant to subsection (a) during any fiscal year.

(e) For the purposes of paragraphs (4) and (5) of subsection (c), the Secretary shall be presumed to have approved the management program of any coastal State if the Secretary determines that, in any fiscal year, such State is making satisfactory progress toward the development of a management program which will be approvable pursuant to section 306 of the Coastal Zone Management Act. Such presumption may be extended only once and for a period not to exceed one additional fiscal year if the Secretary makes such determination under this subsection for such additional fiscal year.

REQUIREMENTS ON THE USE OF BLOCK GRANTS

SEC. 5. Block grants provided to a coastal State pursuant to section 4(a) shall be used for the enhancement and management of renewable ocean and coastal resources and for the amelioration of any adverse impacts that result from coastal energy activity with respect to the development of non-renewable resources.

(a) Such block grants shall be used for each of the following activities:

(1) Activities of such coastal State authorized by the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.).

(2) Activities of such coastal State pursuant to the coastal energy impact program administered under section 308 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1457).

(3) Activities of such coastal State for the enhancement and management of living marine resources.

(4) Activities of such coastal State for the enhancement and management of its natural resources.

(b) The Secretary shall insure that any coastal State receiving a block grant under section 4(a) will use at least 25 per centum of the amount of each block grant for eligible activities authorized by paragraph (1) of subsection (a), excluding activities administered under section 308 of the Coastal Zone Management Act.

(c) Any coastal State which the Secretary determines uses any funds provided by a block grant under section 4(a) for an activity not specified in subsection (a), in an amount less than specified in subsection (a), in an amount less than specified in subsection (b), or in any other manner inconsistent with this Act, shall repay such funds to the Fund. If a coastal State does not repay any funds required to be repaid under this subsection, the Secretary may reduce the amount of any future block grant or grants provided under section 4(a) by the amount of such required repayment.

(d) Nothing in this Act shall be construed to repeal or modify, by implication or otherwise, section 312 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1461): *Provided, however,* That the Secretary shall reduce any block grant, provided under this Act to a coastal State that has an approved program under section 306 of the Coastal Zone Management Act (16 U.S.C. 1455), by no more than 30 per centum of the amount of such State's block grant, which is attributable to sections 4(c) (4) and (5) of this Act, if the Secretary makes the determination provided in section 312(c) of the Coastal Zone Management Act.

LOCAL GOVERNMENTS

SEC. 6. (a) Each State receiving a block grant in any fiscal year pursuant to section 4(a)—

(1) shall establish an effective mechanism for consultation and coordination with its local governments with respect to the allocation of such block grant within the State, and

(2) shall provide to its local governments allocations from such block grant commensurate with the responsibilities of the local governments in carrying out activities pursuant to section 5(a).

(b) In carrying out its responsibilities pursuant to subsection (a)(2) of this section, the State shall give particular emphasis to the activities of local governments in—

(1) providing public services and public facilities which are required as a result of coastal energy activity, and

(2) preventing, reducing, or ameliorating any unavoidable loss of valuable environmental or recreational resources if such loss results from coastal energy activity.

(c) In carrying out its responsibilities pursuant to this section, each State shall provide no less than 35 per centum of each such block grant to its local governments.

ASSESSMENT AND AUDIT

SEC. 7. (a) Any coastal State receiving a block grant for a fiscal year under section 4(a) must submit to the Secretary an assessment of the expenditure of funds provided by the block grant.

(b) Each assessment submitted by a coastal State for a fiscal year under subsection (a) shall contain a statement of all funds provided by the block grant received by such coastal State for such fiscal year and shall include an assessment of all financial assistance provided to such State's local governments pursuant to section 6.

(1) Such statement shall have been audited by an entity which is independent of any agency or official administering or using funds provided by such block grant.

(2) The audit shall be conducted in accordance with the financial and compliance element of the standards for audit of governmental organizations, activities, and functions established by the Comptroller General of the United States.

RULES AND REGULATIONS

SEC. 8. The Secretary shall promulgate, pursuant to section 553 of title 5, United States Code, after notice and opportunity for full participation by relevant Federal agencies, State agencies, local governments, regional organizations, port authorities, and other interested parties, both public and private, such rules and regulations as may be necessary to carry out the provisions of the Act.

DEFINITION OF BOUNDARY

SEC. 9. Section 2(b) of the Submerged Lands Act (43 U.S.C. 1301(b)) is amended by inserting ", except that any boundary between a State and the United States under this Act which has been fixed by coordinates under a final decree of the United States Supreme Court shall, for the purposes of this Act and the Outer Continental Shelf Lands Act, remain immobilized at the coordinates provided under such decree and shall not be ambulatory" before the semicolon.

Mr. JONES of North Carolina. Mr. Speaker, I think the bill has been pretty well explained by my colleague from Louisiana as well as the amendment. So therefore I yield back the balance of my time.

● Mr. D'AMOURS. Mr. Speaker, I rise today in strong support of the amendment to S. 2463. The amendment is identical to H.R. 5, the Ocean and Coastal Resources Management and Development Block Grant Act, otherwise known as the Jones-D'Amours Outer Continental Shelf [OCS] revenue sharing bill. H.R. 5 passed the House 301 to 98 on September 14, 1984.

The Jones-D'Amours OCS Revenue Sharing Act is one of the most important pieces of coastal legislation that Congress will consider this year. The bill would establish a fund based on a small percentage of the growth in OCS revenues from a base year—fiscal year 1982—up to a maximum of $300 million. These funds would go to coastal States to support activities authorized by the Coastal Zone Management Act, the Coastal Energy Impact Program, various living marine resource programs, the National Sea Grant College Program, as well as other coastal natural resource management programs of importance to the individual States. Great latitude and discretion are given to the coastal States in using these funds.

Mr. Speaker, Outer Continental Shelf mineral development is the only exception to a longstanding Federal policy of sharing with affected States a significant portion of receipts from resource development activities on Federal lands. Currently, we turn over to inland States a full 50 percent of all revenues derived from inland mineral resource development. In fiscal 1981, close to $1 billion in payments were made to these States. That same year, the OCS Oil and Gas Leasing Program generated over $10 billion in revenue for the Federal Government, but not one penny went to the coastal States. This is wrong.

It is doubly wrong because, at the same time that OCS oil and gas activities are accelerating, at no financial benefit to the coastal States, the current administration has sought to terminate funding for the crucial coastal programs that allow the States to manage their coastal zones. The very programs that this bill seeks to rescue.

Mr. Speaker, I believe it is imperative to enact revenue sharing legislation if we are to establish a working partnership between State governments and the Federal Government with regard to OCS development. The clear failure to establish such a relationship in the past has delayed the landing of vital domestic oil and gas supplies, caused a significant loss of revenues to the Federal Treasury and hampered effective coastal zone management. For these reasons, I urge the House to accept this amendment to S. 2463.●

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from North Carolina [Mr. JONES].

The amendment in the nature of a substitute was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON S. 2463, AUTHORIZING APPROPRIATIONS FOR CERTAIN FISHERIES PROGRAMS

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the House insist on its amendments to the Senate bill, S. 2463, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina? The Chair hears none, and without objection, appoints the following conferees: Messrs. JONES of North Carolina, BREAUX, STUDDS, D'AMOURS, PRITCHARD, YOUNG of Alaska, and CARNEY.

There was no objection.

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

AFRICAN REFUGEES RELIEF DAY

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from the further consideration of the joint resolution (H.J. Res. 604) to designate July 9, 1984, as "African Refugees Relief Day," and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

Mr. COURTER. Mr. Speaker, reserving the right to object, I rise to let everybody know that the minority has looked at this. We are very much in support of it.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 604

Whereas Africa is a continent in crisis torn by conflict, drought, and starvation, the causes of which urgently need to be addressed;

Whereas these conditions have produced four million refugees seeking relief in 24 countries across the continent;

Whereas these refugees are receiving some immediate assistance, but need long-term solutions to their plight so they may attain self-sufficiency and thereby regain their dignity;

Whereas Africa does not wish to lose its refugee sons and daughters to foreign communities, but requires support to help its impoverished nations whose development and fragile infrastructures have been burdened enormously by the continued presence of massive refugee populations; and

Whereas the Secretary General of the United Nations, in cooperation with the Organization of African Unity and the United Nations High Commissioner for Refugees, will convene an international conference, ICARA II, in Geneva, July 9-11, 1984, to launch a coordinated endeavor that will attempt to reach durable solutions to refugee problems, and to obtain a renewed focus on refugee-related developmental assistance: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 9, 1984, is designated as "African Refugees Relief Day". The President is requested to issue a proclamation calling upon the people of the United States to observe such day (1) by recognizing that the resolution of African refugee problems is not only an act of simple humanity, but, because it will enhance Africa's stability and progress, is in the national interest, and (2) by increasing their contributions to private voluntary agencies that provide emergency assistance to African refugees.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL DUCK STAMP WEEK AND GOLDEN ANNIVERSARY OF THE DUCK STAMP

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from the further consideration of the Senate joint resolution (S.J. Res. 270) designating the week of July 1 through July 8, 1984, as "National Duck Stamp Week" and 1984 as the "Golden Anniversary Year of the Duck Stamp," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

Mr. COURTER. Mr. Speaker, reserving the right to object, I do so to indicate that the minority has looked at this and is very much in favor of it.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. COURTER. Under my reservation, I would like to yield to the chief sponsor of the measure, the person who was the inspiration for this type of a commendation, the 50th anniversary of the Year of the Duck Stamp and National Duck Stamp Week, the distinguished gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Speaker, as the author of Senate Joint Resolution 270, I urge my colleagues to designate this year as the "Golden Anniversary Year of the Duck Stamp" and to designate the week of July 1-8, 1984 as "National Duck Stamp Week." I would like to thank Congresswoman KATIE HALL, chairwoman of the subcommittee, for her generous efforts in helping to bring this legislation to the floor, and also the ranking minority member from the great State of New Jersey [Mr. COURTER] for his cooperation.

Mr. Speaker, the preservation of this Nation's wetlands and waterfowl is an essential concern to all of us. Wetlands include different types of living communities such as salt marshes, alpine bogs, prairie potholes, bottomland hardwoods, and tundra. These areas serve as breeding, nesting, and wintering areas for millions of waterfowl and other migratory birds. These same areas, of course, are also valuable for commercial and recreational users. Wetlands protection helps many nongame species as well as the animals that are hunted. The key to funding such wetland protection has been migratory bird and conservation stamps, commonly known as duck stamps.

Congress enacted the Migratory Bird Hunting Stamp Act in 1934 in response to the draining away of millions of acres of prime waterfowl habitat. At that time, the future for ducks and geese was questionable. As the marshes vanished, indiscriminate shooting and hunting increased the demise of the great flocks. Even nature, through a great drought, joined the onslaught against waterfowl.

Under the Migratory Bird Hunting and Conservation Stamp Act, any person who hunts ducks, geese, swans, or brant and is 16 years or older must buy and carry a current duck stamp on which he has written his signature in ink. In 1976, the Department of the Interior was authorized to sell duck stamps through other facilities to encourage nonhunters interested in and concerned with conservation to buy duck stamps.

Through the migratory bird conservation fund, the Duck Stamp Act has been the only sure source of funding for Federal wetlands acquisition. I am proud to report that with more than $16 million received annually from the purchase of duck stamps by both hunters and conservationists, the act has placed $270 million in the migratory bird conservation fund for the acquisition of migratory bird refuge and waterfowl production areas. In the last 50 years, these funds have been used to help acquire over 3.5 million acres of refuge land for migratory birds.

Clearly then, American sportsmen and conservationists have played a key role in preserving the Nation's ducks and geese—one of our Nation's most precious resources. Many migratory bird refuges serve as a center for conservation education where visitors can view tens of thousands of graceful, colorful waterfowl along with many other forms of wildlife. I have seen these places and they are beautiful.

However, as Americans concerned with the future of the environment, we must realize that the task of preserving our wetlands is far from complete. An estimated 450,000 acres of wetland habitat continue to disappear as a result of the pressure of human development. The goal of the U.S. Fish and Wildlife Service is to preserve another 1.6 million acres by 1986. Unfortunately, less than 20 percent of this goals has been achieved thus far.

This resolution is designed to enhance public recognition of the role of the Federal Duck Stamp Program, and I hope duck stamp revenues will increase as we observe the 50th anniversary of this private sector Wetland Preservation Program. The resolution benefits not only hunters and conservationists, but all people, by recharging groundwater supplies, reducing the severity of floods, filtering sediment and chemicals from agricultural runoff, and contributing to water quality. The fact is, before we can achieve our goals, we must increase public awareness of the need for wetlands preservation.

This resolution enjoys the support of numerous environmental groups, executive agencies, and more than 200 of my colleagues. I will be submitting letters from these groups and agencies, including Secretary of the Interior William Clark, for the RECORD. I now strongly encourage the rest of my colleagues to join me in reaffirming the goals of preserving our precious waterfowl and their wetlands.

THE SECRETARY OF THE INTERIOR,
Washington, DC, March 26, 1984.

Hon. SILVIO O. CONTE,
House of Representatives,
Washington, DC.

DEAR MR. CONTE: Thank you for your recognition of the importance of the Federal "Duck Stamp" program.

Through your introduction of H.J. Res. 418, designating July 1 through 8 as "National Duck Stamp Week" and 1984 as the "Golden Anniversary Year of the Duck Stamp," you have shown once again your concern for the future of America's waterfowl and wetlands. We strongly support the resolution, which will help gain needed public attention for this vital conservation program.

The Department of the Interior is moving ahead with plans for the observance of the "Duck Stamp's" 50th year. Already 50 private corporations and conservation organizations have pledged to support this effort. Their participation is evidence that the "Duck Stamp" program appeals to a broad range of conservation-minded citizens. A growing number of Americans now recognize that the wetlands preserved through the "Duck Stamp" program provide habitat not only for waterfowl but also for song birds, small mammals, and many other kinds of fish and wildlife including endangered species. However, as you said when you introduced this resolution, the task of conserving America's wetlands is far from complete. We applaud your efforts on behalf of wildlife conservation, and stand ready to assist you in any way we can.

The Office of Management and Budget has advised that there is no objection to the presentation of this position from the standpoint of the Administration's program.

Sincerely,

William Clark.

National Wildlife Federation,
Washington, DC, March 13, 1984.

Hon. —— ——,
House Office Building,
Washington, DC.

Dear ——: March 16, 1984 is the 50th Anniversary of the Migratory Bird Hunting and Conservation Stamp (Duck Stamp). To commemorate the Duck Stamp program for the important role it has played in the conservation of our natural resources, Representative Silvio Conte has introduced House Joint Resolution #418. H.J. Res. 418 provides recognition of the Duck Stamp program by proclaiming 1984 as the "Golden Anniversary Year of the Duck Stamp" and the week of July 1 through July 8, 1984 as "National Duck Stamp Week."

I urge you to join Mr. Conte and over 115 of your colleagues by co-sponsoring H.J. Res. 418. The joint resolution will draw attention and increase support for our nation's most effective wetlands acquisition program.

The Duck Stamp has provided our most consistent source of funding for federal wetlands acquisition. Federal Duck Stamp receipts have generated over $271 million for the purchase of 3.5 million acres of wetland habitats that are vital to our waterfowl populations. Acquisition of these wetland areas also benefits numerous fish, wildlife and endangered species that are dependent on wetlands for some aspect of their survival. The U.S. Fish and Wildlife Service, responsible for administering the Duck Stamp program, estimates that today over $16 million annually is received from the purchase of Duck Stamps by hunters and non-hunters alike.

Unfortunately, this program alone is not sufficient to slow the rate of wetlands destruction in this country, now estimated at over 450,000 acres a year with over 9 million acres lost in just the last 20 years. Moreover, the U.S. Fish and Wildlife Service has acheived less than 20 percent of its goal to acquire 1.9 million acres of additional wetland habitat from 1976 to 1986. This goal represents the Service's best estimate of the amount of federally owned habitat necessary to maintain our migratory waterfowl populations.

Recognition of the role of the federal Duck Stamp program in acquiring wetlands will help increase the revenues generated from the sale of Duck Stamps to meet our federal wetlands acquisition goals. H.J. Res. 418 also will reaffirm Congressional recognition of the value of preserving wetland habitat in this country.

Your support of this resolution will help ensure that future generations can enjoy our nation's wetlands and the wildlife associated with these valuable resource areas.

Sincerely,

Jay D. Hair.

Friends of the Earth,
Washington, DC, February 27, 1984.

Dear Representative: We at Friends of the Earth are writing to urge your cosponsorship of H.J. Res. 418, introduced by Representatives Silvio Conte and John Dingell, to designate 1984 as the "Golden Anniversary Year of the Duck Stamp" and to designate the week of July 1 through July 8, 1984, as "National Duck Stamp Week."

Since its enactment in March of 1934, the Migratory Bird Hunting Stamp Act, which authorizes the sale of duck stamps to hunters and conservationists, has contributed more than $270,000,000 toward the purchase of 3,500,000 acres of waterfowl habitat. The program has been a productive source of revenues for habitat-preservation, and has actively promoted a sense of personal responsibility among hunters and conservationists to preserve our nation's wetlands. This is a vital function since our natural wetlands have already been reduced by various kinds of development to half the acreage occupied when our nation was founded.

We feel the designation of a National Duck Stamp Week, as well as the declaration of its golden anniversary, will bring added national attention to the far-reaching effects of such wetlands depletion. Our nation's wetlands serve as habitats not only for game waterfowl, but also non-game waterfowl and are vital to the survival of many forms of wildlife in areas along our coasts, rivers, prairie potholes, and marshes.

According to the U.S. Fish and Wildlife Service, the nation's duck hunters purchase 90% of all duck stamps sold. The Duck Stamp Program serves to increase public awareness that wetlands are a tremendously valuable resource, not only as habitats supporting wildlife that produce a significant revenue for our national economy, but also that serve many other purposes that would be extremely costly to replace with alternative facilities, such as flood control, water filtration, groundwater recharge, and erosion control.

Continued funding for further wetland acquisition and also the restoration of existing areas is key to the preservation of these valuable natural resources. We feel H.J. Res. 418 would make a valuable contribution to our National Duck Stamp Program and wetland protection, and urge both your cosponsorship and the resolution's speedy consideration.

Sincerely yours,

David Conrad,
Washington Representative.

Wildlife Management Institute,
Washington, DC, February 23, 1984.

House of Representatives,
Washington, DC.

Dear U.S. Representatives: Congressman Silvio Conte has introduced H.J. Res. 418 commemorating the fiftieth anniversary of the Duck Stamp. Initiated by the Migratory Bird Hunting Stamp Act of 1934, Duck Stamp sales have been the backbone of wetland conservation in the U.S. for half a century. More than $270 million have been collected and consequently 3.5 million acres of wetlands vital to all migratory birds have been protected under this program.

Every American benefits from this effort even though the revenues come primarily from sportsmen and women who are required to purchase Duck Stamps in order to hunt waterfowl. Wetlands protection helps many nongame species as well as the animals that are hunted. Wetlands also contribute to the public good by recharging groundwater supplies, reducing the severity of floods, filtering sediment and chemicals from agricultural runoff, and contributing to water quality.

The Wildlife Management Institute strongly supports Mr. Conte's proposal to declare July 1 through July 8, 1984 as "National Duck Stamp Week" and 1984 as the "Golden Anniversary Year of the Duck Stamp." We hope that every Member of Congress will cosponsor H.J. Res. 418 and support its early enactment.

Sincerely,

Lonnie L. Williamson,
Secretary.

National Audubon Society,
Washington, DC, February 22, 1984.

Dear Representative: On behalf of the National Audubon Society, I urge you to support H.J. Res. 418, Representative Silvio Conte's joint resolution to provide for the designation of the year 1984 as the "Golden Anniversary Year of the Duck Stamp," and the designation of the week of July 1 through July 8, 1984 as "National Duck Stamp Week."

The Migratory Bird Hunting Stamp Act was enacted by Congress on March 16, 1934 in response to the draining of millions of acres of prime waterfowl habitat. In the last 50 years, the funds collected through the duck stamp program have been used to acquire over 3.5 million acres of land for migratory bird refuges and waterfowl production areas.

This program has provided the means to slow the destruction of wetlands. An estimated 450,000 acres of wetlands are lost each year to development and agricultural land alterations. Approximately 40 percent of the nation's original wetlands have been destroyed. With their destruction we lose water purification, flood control, groundwater recharge and, of course, life support for a productive community of plants, waterfowl and nongame wildlife species.

It is National Audubon's hope that commemoration of the duck stamp program will encourage the sale of Duck Stamps in 1984 and increase public awareness of the Fish and Wildlife Service's goal to preserve another 1.6 million acres by 1986. Please support Congressman Conte's H.J. Res. 418 so that this effort in preservation may continue.

Sincerely,

William A. Butler,
Vice President for Governmental Affairs and Counsel.

Environmental Defense Fund,
Washington, DC, February 14, 1984.

Dear Representative: The Environmental Defense Fund urges you to cosponsor H.J. Res. 418, introduced by Mr. Conte on November 14, 1983. This Resolution, which would designate July 1 through July 8, 1984 as "National Duck Stamp Week" and 1984 as the "Golden Anniversary Year of the Duck Stamp," would highlight the critical importance of the duck stamp to preservation of our nation's increasingly scarce wetlands and stimulate the sale of duck stamps for 1984 and beyond.

"Wetlands" encompass many different types of living communities such as salt marshes, alpine bogs, prairie potholes, bottomland hardwoods, and tundra. These areas, which are at least periodically saturated with or covered by water, serve as breeding, nesting, and wintering areas for millions of waterfowl and other migratory birds, and are critical nursery areas for fish and shellfish valued by both recreational and commercial users. Indeed, the very qualities that give wetlands their major biological importance also often make them of considerable interest to recreationists, including canoeists, birdwatchers, hunters, fishermen, and wilderness enthusiasts.

Unfortunately, wetlands are being rapidly lost to agriculture, public works projects, suburban sprawl, and other types of development. Approximately half of the wetlands originally in the lower 48 states have been destroyed, and an additional 458,000 acres of wetlands are lost each year. Historic losses of wetlands may be even more dramatic in certain areas. Four and half million acres of the bottomland hardwoods in Louisiana, Mississippi, and Arkansas have been destroyed in the last twenty years. More than half of the country's prairie potholes have been converted for agriculture, and only one tenth of California's original 5 million acres of wetlands remain.

In recognition of this increasingly severe problem, the U.S. Fish and Wildlife Service and its state counterparts in the late 1950's determined that just to maintain a constant waterfowl population it would be necessary to acquire an additional 7 million acres of wetlands. The Fish and Wildlife Service undertook to acquire 4.5 million of these and the states the remainder. Escalating land costs and wetland conversion soon outpaced the planned acquisition effort. Today, more than two decades later, the federal share of the lands to be acquired still exceeds 1.6 million acres and is likely to cost at least $1.5 billion.

The only sure source of money for federal wetlands acquisition has been the Migratory Bird Conservation Fund, comprised principally of receipts from the sale of migratory bird and conservation stamps. Under the Migratory Bird Hunting and Conservation Stamp Act, any person who hunts ducks, geese, swans, or brant and is 16 years or older must possess a current duck stamp. The sale of these stamps currently generates about $15 million annually, a figure which will be reduced by 75 percent when the obligation to repay monies advanced under the Wetlands Loan Act begins next year.

The importance of the duck stamp to the increasingly severe problem of wetlands conversion is therefore clear. Passage of H.J. Res. 418 would make all citizens realize that duck stamps are a significant and effective investment toward preservation of our nation's important wetlands. For that reason, we urge you to support this Resolution.

Sincerely,

William Y. Brown,
Acting Executive Director.

Mr. COURTER. Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Indiana?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 270

Whereas on March 16, 1934, Congress enacted the Migratory Bird Hunting Stamp Act authorizing the sale of Migratory Bird Hunting and Conservation Stamps, commonly referred to as duck stamps;

Whereas under that Act any person sixteen years of age or older, who hunts ducks, geese, swans, or brant is required to carry a current duck stamp, and duck stamps may also be purchased by nonhunters interested in conservation;

Whereas the funds generated from the sale of duck stamps under that Act are placed in a migratory bird conservation fund to be used for the acquisition of migratory bird refuge and waterfowl production areas;

Whereas the Migratory Bird Hunting Stamp Act has created a continuing source of funds for waterfowl habitat acquisition and restoration;

Whereas waterfowl hunters and others interested in the conservation of our Nation's wildlife resources have contributed more than $270,000,000 toward the acquisition of three million five hundred thousand acres of waterfowl habitat through the purchase of duck stamps;

Whereas an estimated four hundred fifty thousand acres of wetland habitat continue to disappear each year under the pressure of human development;

Whereas wetlands are vital not only for waterfowl, but also for a multitude of wildlife species, commercial and recreational fisheries, water purification, groundwater recharge, and flood control;

Whereas the current goal of the Fish and Wildlife Service is to preserve another one million six hundred acres of key wetland habitat by 1986 to help maintain waterfowl populations; and

Whereas celebration of the "Golden Anniversary Year of the Duck Stamp" and "National Duck Stamp Week" will serve to increase awareness of the significant contribution a duck stamp purchaser makes to the conservation of wetland resources, and to encourage participation of other concerned Americans: Now, therefore, be it.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of July 1 through July 8, 1984, is hereby designated as "National Duck Stamp Week" and that 1984 is designated as the "Golden Anniversary Year of the Duck Stamp". The President is authorized and requested to issue a proclamation—

(1) commemorating the fiftieth anniversary of the Migratory Bird Hunting Stamp Act;

(2) commending the many American sportsmen and conservationists who have played such an important part in the preservation of our Nation's ducks and geese through the purchase of the duck stamp;

(3) commemorating the efforts of the United States Fish and Wildlife Service to conserve wetland habitat;

(4) highlighting the annual loss of thousands of acres of wetlands that threatens the valuable waterfowl and othe natural resources that depend upon this habitat; and

(5) calling upon the people of the United States to observe such year and such week and to participate in the duck stamp program.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

YEAR OF THE OCEAN

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from the further consideration of the Senate joint resolution (S.J. Res. 257) to designate the period July 1, 1984, through July 1, 1985, as the "Year of the Ocean," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

□ 2220

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Indiana?

Mr. COURTER. Reserving the right to object, Mr. Speaker, and I will not object, the minority feels very strongly that this measure should pass.

Mr. Speaker, I rise in support of House Joint Resolution 511, proclaiming July 1, 1984 through 1985 as "Year of the Ocean" and July 1 as "Ocean Day."

I would like to take this opportunity to remember our deceased colleague, Ed Forsythe. Ed, who was the ranking minority member of the Merchant Marines and Fisheries Committee worked diligently to achieve improvements of our National Oceans and Coastal Policy Programs.

Mr. Speaker, the United States is surrounded by oceans which serve as an abundant natural resource and therefore is a source of great economic wealth. However, our oceans are not unlimited. We must not allow our increased use of the oceans to diminish their value. The ocean provides us with various minerals, foods and drugs. The ocean also serves as a vehicle for commercial transportation and national defense. The discovery of the ocean as an energy source has proven to be of great importance to our Nation. Our increased use of the ocean as a resource demands that we increase the vigilance of maintaining and safeguarding this enormous natural wealth.

Ed Forsythe who was the dean of the New Jersey Republican delegation was a man of many accomplishments. Among these many achievements was the creation of the 200 mile fishing limit off the U.S. coastline as well as legislating both the Endangered Species Act and the National Environmental Policy Act.

With the proclamation of July 1, 1984 through 1985, as the "Year of the Ocean" and July 1 as "Ocean Day" we could begin today "on a nationwide marine education effort" thereby making one of Ed Forsythe's dreams a reality.

I urge my colleagues to join with me in support of this legislation which I feel pays tribute and acknowledges Ed for his accomplishments.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Indiana?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 257

Whereas the oceans are the major source of the waters on planet Earth providing an essential link in the chain of human existence;

Whereas the ocean environment provides us with a wealth of products and services but is increasingly subject to stress caused by population growth, economic development, placement of energy-related facilities, extraction of mineral resources and fossil fuels, transportation and navigation, waste disposal, and harvesting of living marine resources;

Whereas America is the steward of the resources of the ocean and coastal regions that border our Nation and this stewardship entails a responsibility to match our increased uses of marine resources with an increased vigilance of the well-being of the marine environment;

Whereas it is important to educate Americans as the users of ocean products and the beneficiaries of our ocean heritage, to the role the world ocean plays in our lives;

Whereas a "Year of the Ocean" will be used to expand public awareness and knowledge of the importance of the ocean and its resources; and

Whereas it is fitting and proper that "Ocean Day" be the first day of celebration during the "Year of the Ocean": Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 1, 1984, to July 1, 1985, be designated "Year of the Ocean", and the President is requested to issue a proclamation calling upon the people of the United States to observe such celebration with appropriate activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL BIRDS OF PREY CONSERVATION WEEK

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 230) to designate the week of October 7, 1984, through October 13, 1984, as "National Birds of Prey Conservation Week", and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

Mr. COURTER. Reserving the right to object, Mr. Speaker, under my reservation I yield to the chief sponsor of the resolution, the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Speaker, I thank my colleague from New Jersey for yielding.

Mr. Speaker, I want to thank the gentlewoman from Indiana and the gentleman from New Jersey for bringing House Joint Resolution 485 to the floor today. This resolution will designate the week of October 7 to 13 as "National Birds of Prey Conservation Week."

Birds of prey such as the bald eagle, our national symbol, hawks, falcons, owls, and various other birds-of-prey species play an important role in our environment. In the past the public has not recognized the significance of these birds; and in 1982, 40 of the 53 birds of prey species were listed by one or more State conservation agencies as endangered, extirpated, threatened, or of concern. The creation of National Birds of Prey Conservation Week would direct the public toward esthetic appreciation of these splendid birds and encourage people to understand why the protection of these birds is so vital.

Last week I stood on the Capitol steps beside Migisiwa, a bald eagle which has been in captivity for some 14 years because it was maimed. Many of the 223 cosponsors of this resolution joined me on the Capitol steps to have their pictures taken with the eagle; and officials from the National Wildlife Federation and the National Audubon Society, major supporters of the legislation, were on hand to answer questions that my colleagues had about Migisiwa and other birds-of-prey species. I would like to thank my colleagues for supporting this resolution—a resolution which should help to promote the protection and conservation of these beautiful birds.

The impetus for this legislation was one of my constituents from the Lehigh Valley of Pennsylvania, Mr. Don Heintzelman, an ornithologist, who interested me in birds of prey and a conservation week because of the Hawk Mountain Bird Sanctuary in our area of Pennsylvania. This sanctuary is one of the finest locations in the country for sighting the American bald eagle, hawks, and other large birds of prey. Every autumn, over 1 million birdwatchers observe these birds of prey on major raptor flyways across the country, and Hawk Mountain, one of the finest raptor sights, features the north-south migratory party of the bald eagle.

The other body already has passed a resolution designating a "National Birds of Prey Conservation Week" for the same week in October. House passage of House Joint Resolution 485 will send this worthwhile resolution to the President for his signature. Once again, I thank those concerned bringing this resolution before the House and yield back the balance of my time.

Mr. COURTER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 230

Whereas hawks, owls, and other birds of prey are vital ecological components of the wildlife communities in which they live, and are important environmental indicators of ecosystem quality;

Whereas forty of the fifty-three species of birds of prey that occur regularly in the United States have been listed by one or more State conservation agencies as endangered, extirpated, threatened, or of concern;

Whereas public attitudes regarding birds of prey are changing to one of appreciation and understanding; and

Whereas over a million Americans are birdwatchers who regularly observe hawks and other birds of prey every autumn at migration outlooks located on major raptor flyways scattered from California to Maine, and from Minnesota to Florida and Texas: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of American in Congress assembled, That the week of October 7, 1984, through October 13, 1984, is designated as "National Birds of Prey Conservation Week", and the President of the United States is authorized and requested to issue a proclamation calling upon individuals to observe such a week by considering the importance of birds of prey in wildlife communities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

POLISH AMERICAN HERITAGE MONTH

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 577) designating August 1984 as "Polish American Heritage Month" and ask for its immediate consideration in the House.

The Clerk read the title of the House joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

Mr. COURTER. Reserving the right to object, Mr. Speaker, I do so to let the Speaker and the body know that the minority is very much in favor of the passage of the resolution and under my reservation I would like to yield to my good friend, the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding. Mr. Speaker, the Polish people share a rich national heritage and since the first settlers in Jamestown in the 17th century touched foot on American soil—the Poles among them—there has been a deep, perhaps unique association with this great Nation.

The Polish people have certainly distinguished themselves in military service, education, athletics, government, and the arts and the sciences.

Names like Pulaski and Kosciuszko are as American as American can be. These heroes were with our great Nation from the very beginning.

While many people recognize these two names as leaders in our war for independence, most people do not know that the Polish Constitution of May 3, 1791, was directly modeled after the Constitution of the United States.

I marvel at the Polish spirit. Through many years of oppression on their own soil, they have remained committed to Polish ideals of a free and independent Poland. They have given the world a Pope of unparallelled popularity.

The Polish American Congress is observing its 40th anniversary this year and I am proud to be among those in the House of Representatives who are seeking designation of the month of August 1984 as Polish American Heritage Month.

● Mr. BORSKI. Mr. Speaker, I am very proud to have sponsored House Joint Resolution 577 designating August 1984 as Polish American Heritage Month. I want to thank my good friend from Chicago [Mr. LIPINSKI] who also sponsored this resolution, and all of my colleagues who joined as cosponsors.

Mr. Speaker, this is an important recognition by Congress of the many contributions of the Polish American community throughout the history of the United States.

It is fitting that this resolution be adopted this year. August 1984 marks the 40th anniversary of the founding of the Polish American Congress. During these 40 years, the Polish American Congress has distinguished itself as an organization dedicated to the best interests of the United States, devoted to the right of the Polish people to rule their land, and determined to provide assistance to those in need.

August will also be the fourth anniversary of the founding of the Solidarity Labor Federation. Nobel Peace Laureate Lech Walesa and the other leaders and supporters of Solidarity continue their struggle against the oppression of the Polish Govenment. We in America who are sympathetic to their struggle remain committed to a free and independent Polish nation.

Mr. Speaker, this resolution also recognizes the shared beliefs of the Polish and American people in the rights of all individuals and nations, in the freedoms of expression and belief, and in the laws that protect these rights and freedoms. The Polish Constitution of May 3, 1791, one of the greatest documents known to man, was directly modeled after the Constitution of the United States and is recognized as the second written constitution in history. The American Constitution and the Polish Constitution remind us that our two peoples are bound together by a deep respect for the rights of men. Polish Americans are the children of a great common heritage.

These bonds were made strong by the contributions of Kazimierz Pulaski, Tadeusz Kosciuszko, and other sons of Poland who came to our shores to fight in the American War for Independence and who gave their lives and fortunes for the creation of the United States. The bonds were also made strong by the courage of the Polish soldiers in the battles of Britain and Monte Cassino, and the Warsaw Uprising.

Mr. Speaker, our Nation is enriched by the values and accomplishments of Polish Americans who have contributed to the development of the United States in the arts, sciences, government, military service, athletics, and education. We thank this community for their commitment to the United States and share their hope that Poland will soon be free.

Poland's greatest native son, His Holiness Pope John Paul II, stated in Nowy Targ, Poland in June 1979:

> This beautiful land is . . . a difficult land, rocky and mountainous . . . where there was . . . sometimes great poverty, people emigrated far away . . . beyond the ocean . . . May they not forget their own native land, family, church, prayer, and all that they brought from here.

Polish Americans have not forgotten. For this, America is truly grateful.●

Mr. COURTER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 577

Whereas since the first immigration of Polish settlers to Jamestown in the seventeenth century, Poles and Americans of Polish descent have distinguished themselves by contributing to the development of the United States America in the arts, sciences, government, military service, athletics, and education;

Whereas Kazimierz Pulaski, Tadeusz Kosciuszko, and other sons of Poland came to our shores to fight in the American War for Independence and to give their lives and fortunes for the creation of the United States;

Whereas the Polish Constitution of May 3, 1791, was directly modeled after the Constitution of the United States, is recognized as the second written constitution in history, and is revered by Poles and Americans of Polish descent;

Whereas Americans of Polish descent and Americans sympathetic to the struggle of the Polish nation to regain its freedom remain committed to a free and independent Polish nation;

Whereas Poles and Americans of Polish descent take great pride in and honor Poland's greatest native son, His Holiness Pope John Paul II;

Whereas Poles and Americans of Polish descent take great pride in and honor Nobel Peace Laureate, Lech Walesa, the founder of the Solidarity Labor Federation;

Whereas the Solidarity Labor Federation was founded in August of 1980 and is continuing its struggle against the oppression of the Polish Government; and

Whereas the Polish American Congress is observing its fortieth anniversary this year and is celebrating August 1984 as Polish American Heritage Month: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That August 1984 is designated "Polish American Heritage Month". The President is requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VETERANS' PREFERENCE MONTH

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 297) to designate the month of June 1984 as "Veterans' Preference Month", and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

Mr. COURTER. Reserving the right to object, Mr. Speaker, under my reservation it gives me a great deal of pleasure to yield to the Member of this body who probably has done more for veterans in this country than any other, my good fellow member of the Committee on Armed Services, the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Speaker, I certainly thank the gentleman for those kind remarks and thank the gentlewoman from Indiana and also the gentleman from New Jersey for bringing this resolution to the floor.

Mr. Speaker, June 27, 1984, will mark the 40th anniversary of the signing by President Franklin D. Roosevelt of Public Law 73-359, the Veterans' Preference Act of 1944.

Because the enactment of the Veterans' Preference Act of 1944 was a landmark in establishing our national policy of veterans preference in civil service employment, I introduced on February 28, 1984, House Joint Resolution 497, to designate the month of June 1984 as "Veterans Preference Month."

Actually, veterans preference in Federal employment has been a veterans benefit since a congressional resolution granting disabled veterans employment preference in Federal employment was passed in 1865. Through the years that followed, a variety of legislation, Presidential Executive orders, legal opinions, and administrative rules expanded upon the limited veterans' preference benefits granted in 1865. The passage of the Veterans' Preference Act of 1944 was the culmination of a developing policy on veterans' preference. It took the spirit and much of the letter of previous legislation, Executive Orders, and administrative rules and incorporated them into a legislatively and Presidentially sanctioned national policy. The Veterans' Preference Act symbolizes the value we have placed on service rendered by our Nation's veterans by giving them employment preference for Federal civil service. That commitment has withstood many tests and, hopefully, will endure for many years to come.

In recommending the legislation, President Roosevelt stated in a letter to the Congress:

> I believe that the Federal Government, functioning in its capacity as an employer, should take the lead in assuring those who are in the Armed Forces that when they return special consideration will be given to them in their efforts to obtain employment.

The Veterans' Preference Act has been a resounding success, for example, today, 40 years after the end of World War II, 30 years after the end of the Korean conflict, and more than 10 years after the end of the Vietnam conflict, 39 percent of the Federal workforce, other than the U.S. Postal Service, are veterans preference eligibles; 52 percent of those who are employed by the Postal Service are veterans preference eligibles.

In commemoration of the historic act, on June 27, 1984, the Office of Personnel Management will have a commemorative cancellation stamp ceremony, an art exhibit in the OPM lobby by Mr. George Skypeck, a noted Vietnam-era veteran, receptions for the commanders of national veterans organizations, and a ceremony recognizing OPM's own veteran employees.

I am sure that passage of Senate Joint Resolution 297 will provide a fitting climax to this historic month with the approval of this resolution.

I want to thank the distinguished minority leader of the Veterans' Affairs Committee, Mr. Hammerschmidt, and the chairman of the Subcommittee on Education, Training and Employment, Mr. Leath, and the ranking minority member of that subcommittee, Mr. Solomon for their cooperation and assistance in helping to bring this resolution to the floor today. I commend and thank all Members who cosponsored House Joint Resolution 497, which made it possible to bring S.J. Res. 297 to the floor tonight. Lastly, I want to thank the chairwoman of the Subcommittee on Census and Population, Mrs. Hall, for her support and leadership in bringing this resolution to the floor today.

Mr. COURTER. Mr. Speaker, I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, it was on June 27, 1944, that President Franklin D. Roosevelt signed the Veterans' Preference Act of 1944. It became Public Law 73-359 at a critically important time in our history.

June 27, 1984, marks the 40th anniversary of this important legislation and tomorrow, June 27 the full Post Office and Civil Service Committee will be voting on similar veterans' preference legislation.

While 1944 was a landmark year in granting veterans' preference in civil service hiring, I do want to point out that it has long been our national policy. The record shows that as early as 1865, there was a congressional resolution, bestowing preference for those Civil War veterans who were disabled.

President Roosevelt, in recommending to the 73d Congress veterans' preference legislation, stated that the United States, as an employer should "take the lead" in assuring those who are in the Armed Forces, that when they return home, "special consideration will be given to them in their efforts to obtain employment."

Also 1944 was a memorable year. Forty years ago D-day was an accomplished fact. The President participated in a touching observance some days ago on Omaha Beach. On July 8, residents of Louxembourg will gather at a U.S. cemetery to observe the 40th anniversary of the Battle of the Bulge.

How fitting it is then that the full Post Office and Civil Service Committee will be voting tomorrow on further legislation granting further veterans preference.

Accordingly, I urge my colleagues to vote in the affirmative on the resolution before us, a resolution which designates the entire month of June 1984, as Veterans' Preference Month.

Mr. Speaker, I thank the gentleman for yielding.

Mr. COURTER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 297

Whereas the principle of providing preference in Federal civilian employment for veterans of the Armed Forces was first established in law in 1865 when Congress provided such a preference for Civil War veterans with service-connected disabilities;

Whereas the enactment of the Veterans' Preference Act of 1944 on June 27, 1944, was a landmark in the national policy of veterans' preference in civil service employment and has been strengthened since by law, Executive orders, and regulations providing such preference for veterans and the spouses, surviving spouses, and parents of certain veterans;

Whereas veterans' preference and career merit principles are inseparable and integral parts of the Federal civil service personnel system;

Whereas veterans' preference is a partial recognition of the great debt of gratitude that the Nation owes to its veterans of service in the Armed Forces; and

Whereas it is appropriate to establish the month of June 1984, the fortieth anniversary of the enactment of the Veterans' Preference Act of 1944, as Veterans' Preference Month to honor the men and women who have served the United States in the Armed Forces: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of June 1984 is hereby designated as "Veterans' Preference Month". The President is authorized and requested to issue a proclamation calling upon the departments and agencies of the United States and interested organizations and groups to observe such month with appropriate programs, ceremonies, and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL SCHOOL-AGE CHILD CARE AWARENESS WEEK

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 544) to designate the week beginning September 2, 1984, as "National School-Age Child Care Awareness Week," and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

Mr. COURTER. Reserving the right to object, Mr. Speaker, it gives me great pleasure to yield to the gentleman from Maine [Mr. McKernan], the sponsor of this legislation.

Mr. McKERNAN. Mr. Speaker, I thank the gentleman for yielding. I thank the gentlewoman from Indiana for making it possible for us to consider this legislation here tonight.

Those of us on the Select Committee on Children, Youth, and Families have become increasingly concerned about a problem which faces our society. We live in a changing society. There are between 3 and 6 million children who return home from school to an empty house every afternoon.

□ 1030

This Congress in earlier legislation has passed legislation to establish programs within the Department of Health and Human Services to begin to address the problem of so-called latch key children.

This legislation will also call attention to the problem by creating an Awareness Week beginning September

2, which would hopefully create the kind of impetus that is necessary not only at the Federal level, but especially in the communities where we try to address a problem. We have single parent families. We have two working parent families that are a reality in this country. We need to have programs that are going to address the needs that come out of that reality.

I think that this Awareness Week is a step in the right direction.

I again want to thank the Members involved on the committees who have made this legislation possible.

Mr. COURTER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana [Mrs. HALL]?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 544

Whereas more than half of the children in the United States are in families in which both parents are in the work force;

Whereas more than one in five children in the United States are in a one-parent family;

Whereas changes in the composition of American families and the American work force have resulted in an increased demand for child care for children of all ages;

Whereas the demand for child care for school-age children has increased at a greater rate than the availability of school-age child care;

Whereas estimates show that millions of school-age children between the ages of six and thirteen, often referred to as latchkey children, may return alone after school to an empty house or in the supervision of a slightly older brother or sister;

Whereas research studies have indicated that children in self and sibling care run greater physical and psychological risks, including accidents and feelings of fear and loneliness, than children who are cared for by an adult;

Whereas the Congress has begun to examine the issue of child care and the role of Federal and State Government, the private sector, and parents in providing child care;

Whereas the parents, communities, employers, and agencies serving youth that have recognized the shortage of adequate and affordable school-age child care have developed after school programs for children in their communities; and

Whereas many more parents, communities, employers, and agencies serving youth need to address the problems facing these children and to maximize the use of State and Federal resources in collaboration with these efforts: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning September 2, 1984, is hereby designated as "National School-Age Child Care Awareness Week" and the President is hereby authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL ICE CREAM MONTH AND NATIONAL ICE CREAM DAY

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 298) to proclaim the month of July 1984 as "National Ice Cream Month" and July 15, 1984, as "National Ice Cream Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 298

Whereas ice cream is a nutritious and wholesome food enjoyed by over 90 per centum of the people of the United States;

Whereas the ice cream industry with approximately $3,500,000,000 in annual sales provides jobs for thousands of citizens and uses nearly 10 per centum of the milk produced by United States dairy farmers, thereby contributing substantially to the economic well-being of the Nation's dairy industry; and

Whereas ice cream enjoys a reputation as the perfect dessert and snack food, and over eight hundred and eighty-seven million gallons of ice cream were consumed in the United States in 1983: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 1984, is hereby proclaimed as "National Ice Cream Month", and July 15, 1984, as "National Ice Cream Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe ice cream month and ice cream day with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

NATIONAL NEIGHBORHOOD HOUSING SERVICES WEEK

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 566) to designate the week beginning on October 7, 1984, as "National Neighborhood Housing Services Week," and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

Mr. COURTER. Reserving the right to object, Mr. Speaker, I simply do so to indicate that the minority has reviewed the legislation and we are very much in favor of its passage.

Mr. Speaker, I withdraw my reservation of objection.

● Mr. MINETA. Mr. Speaker, I thank and commend my colleagues who joined as cosponsors of House Joint Resolution 566 designating the week of October 7, 1984, as "National Neighborhood Housing Services Week." This resolution commemorates the largest neighorhood-based network of public-private partnerships at work in our country.

From San Diego to Tacoma, from Dallas to Green Bay, from south Portland to Miami; Neighborhood Housing Services [NHS] programs are at work rebuilding nearly 200 neighborhoods, turning them into sound healthy places in which to live and do business for the benefit of almost 2 million people.

I have known this program for over 10 years both here and in California where they have had a track record of success which is most impressive. Both in direct and indirect ways, NHS programs have saved hundreds of neighborhoods and stimulated about $2.4 billion of reinvestment in areas which previously had been written off as unsafe and undesirable. Through NHS's work, homes in these neighborhoods have been repaired, modernized and painted; business districts have been revitalized; vacant lots have sprouted the first new construction in more than a generation and blighted properties have been converted into comfortable homes. In addition to the almost 200 neighborhoods currently receiving NHS services, 10 neighborhoods have reached a level of self-reliance and virtually turned themselves into neighborhoods of choice.

It is important, Mr. Speaker, to understand that at the heart of each of these programs is a NHS Board of Directors composed of residents, business leaders and local government officials. Over the years, these NHS partners have contributed resources that build vibrant communities: Time and hard work; credibility with neighbors; loans and other business services; financial contributions, city services and capital improvements. Traditionally, these programs' operations have been supported by contributions from savings and loan, banking, and insurance institutions. Their contributions to NHS, both through support for NHS operating budgets and to the secondary market for rehabilitation loans for the NHS nonbankable client, have been critical to the ability of each NHS to carry out its mission. Today, in order for Neighborhood Housing Services programs to expand their services, broader corporate sector awareness of and support for their work is essential. the national NHS network is reaching out to the corporate community for support. The private sector leaders of this country which have lined up to help the NHS network in responding to this challenge are to be honored and commended.

Mr. Speaker, I wish to thank my colleagues for joining me in recognizing the efforts and contributions made by NHS volunteers, business and community leaders to revitalizing America's neighborhoods—a priceless national resource. I am certain that the "National Neighborhood Housing Services Week" will strengthen the efforts of all those involved with NHS programs and will help to increase awareness and support for NHS's work.●

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Indiana [Mrs. Hall]?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 566

Whereas America's neighborhoods contain the ethnic, social, and economic relationships which are fundamental to a strong and diverse nation;

Whereas, when the physical structure of a neighborhood deteriorates, its economic and social structures also deteriorate, causing great harm to the homes, businesses, and residents of the neighborhood;

Whereas the reversal of such deterioration is essential to the strength of America's families, neighborhoods, and businesses;

Whereas, throughout the United States, Neighborhood Housing Services programs, which are partnerships of local residents, business leaders, and government officials, are working to revitalize more than 200 neighborhoods;

Whereas Neighborhood Housing Services programs have generated over two billion dollars in reinvestment funds to revitalize America's neighborhoods; and

Whereas, to accomplish their aims, such programs utilize primarily local and private resources and the assistance of hundreds of volunteers who contribute countless hours of volunteer work: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on October 7, 1984, is hereby designated as "National Neighborhood Housing Services Week", and the President is authorized and requested to issue a proclamation calling upon local and State jurisdictions, appropriate Federal agencies, and the people of the United States to observe such week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COAST GUARD DAY

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 150) to designate August 4, 1984, as "Coast Guard Day," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Indiana?

Mr. **COURTER**. Mr. Speaker, reserving the right to object, I do so to simply indicate that the Republican Party, the minority, has no objection to the passage of the legislation.

S.J. Res. 150

Whereas the United States Coast Guard is the oldest continuous seagoing service, its history tracing back to 1790;

Whereas the United States Coast Guard has made valuable contributions to our Nation in the areas of boating safety, search and rescue, aids to navigation, merchant marine safety, environmental protection, maritime law enforcement and port safety;

Whereas the military and civilian personnel of the United States Coast Guard and its predecessors have displayed enthusiasm, excellence and courage since 1790 in serving the people of this Nation; and

Whereas the Nation relies on the readiness of the nearly one hundred thousand active duty and reserve military officers and enlisted personnel, cadets, civilian employees, and auxiliary volunteers of the United States Coast Guard to rescue victims, protect our environment, and defend our Nation if the need arises: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating August 4, 1984, as "Coast Guard Day", and calling upon all Federal, State and local government agencies and people of the United States to observe the day with appropriate programs, ceremonies, and activities.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Indiana [Mrs. Hall]?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL DRUNK AND DRUGGED DRIVING AWARENESS WEEK

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 303) to designate the week of December 9, 1984, through December 15, 1984, as "National Drunk and Drugged Driving Awareness Week," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Indiana?

Mr. **COURTER**. Reserving the right to object, Mr. Speaker, I do not intend obviously to object to the passage of the resolution.

I would just like to point out the fact that it is indeed very appropriate and proper I think for this body to bring to the national attention a week for the importance of pointing out the dangers of drunk driving, driving while under the influence of either alcohol or drugs.

We urge the passage of the resolution.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Indiana.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 303

Whereas traffic accidents cause more violent deaths in the United States than any other cause, approximately forty-two thousand in 1983;

Whereas traffic accidents cause thousands of serious injuries in the United States each year;

Whereas more than 65 per centum of drivers killed in single vehicle collisions and over 50 per centum of all drivers fatally injured have blood alcohol concentrations above the legal limit;

Whereas the United States Surgeon General has reported that life expectancy has risen for every age group over the past seventy-five years except for Americans fifteen to twenty-four years old, whose death rate, the leading cause of which is drunk driving, is higher now than it was twenty years ago;

Whereas the total societal cost of drunk driving has been estimated at over $24,000,000,000 per year, which does not include the human suffering that can never be measured;

Whereas there are increasing reports of driving after drug use and accidents involving drivers who have used marihuana or other illegal drugs;

Whereas driving after the use of therapeutic drugs, either alone or in combination with alcohol, contrary to the advice of physician, pharmacist, or manufacturer, may create a safety hazard on the roads;

Whereas more research is needed on the effect of drugs either alone or in combination with alcohol, on driving ability and the incidence of traffic accidents;

Whereas an increased public awareness of the gravity of the problem of drugged driving may warn drug users to refrain from driving and may stimulate interest in increasing necessary research on the effect of drugs on driving ability and the incidence of traffic accidents;

Whereas the public, particularly through the work of citizens groups, is demanding a solution to the problem of drunk and drugged driving;

Whereas the Presidential Commission on Drunk Driving, appointed to heighten public awareness and stimulate the pursuit of solutions, has provided vital recommendations for remedies for the problem of drunk driving;

Whereas many States have appointed task forces to examine existing drunk driving programs and make recommendations for a renewed, comprehensive approach, and in many cases their recommendations are leading to enactment of new laws, along with stricter enforcement;

Whereas the best defense against the drunk or drugged driver is the use of safety belts and greater safety belt usage would increase the number of survivors of traffic accidents;

Whereas an increase in the public awareness of the problem of drunk and drugged driving may contribute to a change in society's attitude toward the drunk or drugged driver and help to sustain current efforts to develop comprehensive solutions at the State and local levels;

Whereas the Christmas and New Year holiday period, with more drivers on the roads and an increased number of social functions, is a particularly appropriate time to focus national attention on this critical problem;

Whereas designation of National Drunk and Drugged Driving Awareness Week in 1982 and 1983 stimulated many activities and programs by groups in both the private and public sectors aimed at curbing drunk and drugged driving in the high-risk Christmas and New Year holiday period and thereafter;

Whereas over the last three years the number of traffic fatalities over each of the three-day New Year holidays has decreased from three hundred and thirty-eight deaths in 1981, to two hundred and eighty-two deaths in 1982, to two hundred and seventy-four deaths in 1983, the lowest number since 1949; and

Whereas the activities and programs during National Drunk and Drugged Driving Awareness Week in 1982 and 1983 heightened the awareness of the American public to the danger of drunk and drugged driving and contributed to the decrease in traffic fatalities: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of December 9, 1984, through December 15, 1984, is designated as "National Drunk and Drugged Driving Awareness Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that week with appropriate activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL ADOPTION WEEK

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 238) to designate the week beginning November 19, 1984, as "National Adoption Week," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

Mr. COURTER. Reserving the right to object, Mr. Speaker, I do not intend to object.

I yield to the gentleman from Indiana [Mr. COATS].

Mr. COATS. I thank the gentleman for yielding.

Mr. Speaker, I want to take this occasion to thank the more than 220 Members of the House who cosponsored my legislation, House Joint Resolution 542, designating the week of November 19, 1984, as National Adoption Week. I am very grateful for their support in making Thanksgiving week a truly special holiday for adoptive families and children.

This special observance is necessary because the need for adoptive families—especially for the adoption of children with special needs—is so great. There are approximately 50,000 special-needs children alone—children with handicaps, minority children, schoolage children—waiting for families. I believe promoting adoption and drawing public attention to the adoption option will help these children find loving, caring homes where they can begin building long-term relationships.

I also believe adoption is a workable, practical alternative to abortion. In many cases, a young woman who would consider carrying a baby to term and placing him for adoption is deterred by an inability to afford or find a safe emotional haven during the pregnancy. Adoption agencies often cannot help these girls because of Government ceilings on adoption fees. These often are set so low that only minimal service can be provided for the expectant mother. Faced with these prospects, many young women choose to have an abortion or to raise the child themselves.

Steps need to be taken to promote the adoption option in counseling sessions with unwed, pregnant teenagers and other women at counseling centers receiving Federal moneys. Encouragement of maternity residences; development of national data on adoption; and elimination of Government regulatory and policy barriers and deterrents to adoption are other measures that should be examined.

Another area which must be considered involves special-needs children. While there are 40 waiting couples for every eligible infant, there are now approximately 50,000 children with special needs who are waiting to be adopted. These are older children, minority children, children with handicaps, or children who are to be adopted along with their siblings. Traditionally these children were thought to be unadoptable so little effort was made to find homes for them. Recent Federal efforts and efforts by some adoption groups have found homes for these children. On the Federal level, Public Law 96-272 provides subsidies for families who adopt children with special needs. With the incentives of this public law, the number of special-needs children who have been adopted has increased dramatically. In 1981, 289 children were adopted and 2 years later, the number increased to 4,672. The local ABC affiliate, WPTA-TV, in my district, has promoted special-needs adoption for several years through a televised program known as "Wednesday's Child." Their efforts have led to several children finding loving and supportive homes and parents.

I am pleased to have introduced this legislation because I believe the family's contribution to our national life is immeasurable. It is in the family that we learn to relate to each other, to recognize that others' needs can be more important than our own desires, and that there is a special joy in helping and serving others. Children without natural families deserve this experience, too.

Mr. COURTER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana [Mrs. HALL]?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 238

Whereas the week of November 19 has been privately commemorated as National Adoption Week for the past nine years;

Whereas we in Congress recognize the essential value of belonging to a secure, loving, permanent family as every child's basic right;

Whereas approximately one hundred thousand children who have special needs—school age, in sibling groups, members of minorities or children with physical, mental and emotional handicaps—are now in foster care or institutions financed at public expense and are legally free for adoption;

Whereas the adoption by capable parents of these institutionalized or foster care children into permanent, adoptive homes would insure the opportunity for their continued happiness and long-range well-being;

Whereas public and private barriers inhibiting the placement of these special needs children must be reviewed and removed where possible to assure these children's adoption;

Whereas the public and prospective parents must be informed of the availability of adoptable children;

Whereas a variety of media, agencies, adoptive parent and advocacy groups, civic and church groups, businesses and industries will feature publicity and information to heighten community awareness of the crucial needs of waiting children; and

Whereas the recognition of Thanksgiving week as National Adoption Week is in the best interest of adoptable children and the public in general: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America *in Congress assembled,* That the week of November 19 through November 25, 1984, hereby is designated "National Adoption Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

HUGO LAFAYETTE BLACK DAY

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from the further consideration of the Senate joint resolution (S.J. Res. 59) to authorize and request the President to designate February 27, 1986, as "Hugo LaFayette Black Day," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Indiana?

Mr. COURTER. Reserving the right to object, Mr. Speaker, I do so simply to state that the minority has reviewed the legislation and it is very much in favor of its passage.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Indiana?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 59

Whereas Hugo LaFayette Black's reverence for the Constitution of the United States and the freedoms it guarantees led him to a career of dedicated public service in the State of Alabama, the United States Senate, and the United States Supreme Court, spanning over fifty years;

Whereas Hugo LaFayette Black's courageous leadership, devotion to wisdom and scholarship, and dedication to the cause of justice brought meaning to the concept of democracy and has had a far-reaching influence on the development of American jurisprudence;

Whereas Hugo LaFayette Black stood firm and unwavering in protecting and defending our cherished constitutional rights and freedoms, and contributed greatly to the strength and vitality of our Nation;

Whereas future generations will continue to benefit from Hugo LaFayette Black's devotion to the common good and sense of compassion for all;

Whereas February 27, 1986, is the one hundredth anniversary of the birth of Hugo LaFayette Black; and

Whereas it is fitting and proper to honor Hugo LaFayette Black as a defender of freedom, a patriot, and a dedicated public servant: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating February 27, 1986, as "Hugo LaFayette Black Day", and calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPACE EXPLORATION DAY

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 555) to designate July 20, 1984, as "Space Exploration Day," and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Indiana?

Mr. COURTER. Mr. Speaker, reserving the right to object, I simply would like to point out that the minority has reviewed the legislation and is very much in favor of its passage.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Indiana [Mrs. HALL]?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 555

Whereas on July 20, 1969, the people of the World were brought closer together by the first manned exploration of the Moon;

Whereas the purpose of the United States space program is the peaceful exploration of space for the benefit of all mankind;

Whereas the United States space program has provided scientific and technological benefits affecting many areas of concern to mankind;

Whereas the United States space program, through the Project Apollo, Viking and Voyager Missions to the planets, the space shuttle and other space efforts, has provided our Nation with scientific and technological leadership in space;

Whereas the National Aeronautics and Space Administration, the United States aerospace industry and educational institutions throughout the Nation contribute much research and development to the United States space program, and to the strength of the Nation's economy;

Whereas the space program reflects the technological skill of the highest order and the best in the American character—sacrifice, ingenuity, and our unrelenting spirit of adventure;

Whereas the spirit that put man on the Moon may be applied to all noble pursuits involving peace, brotherhood, courage, unity of the human spirit and the exploration of new frontiers; and

Whereas the human race will continue to explore space for the benefit of future generations; Now, therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 20, 1984, is hereby designated as "Space Exploration Day," a nonpaid commemorative holiday. The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe "Space Exploration Day" with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 2240

GENERAL LEAVE

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the several resolutions just considered and passed.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Indiana?

There was no objection.

SPACE EXPLORATION DAY

(Mr. AKAKA asked and was given permission to address the House for 1 minute.)

Mr. AKAKA. Mr. Speaker, I wish to speak on one of the resolutions that was passed tonight, and that is the resolution to designate July 20, 1984, as "Space Exploration Day."

As you know, the purpose of the U.S. space program is peaceful exploration of space for the benefit of all mankind. This we have done, and with great success since the creation of the National Aeronautics and Space Administration almost 26 years ago to the day.

Or accomplishments in the field of space exploration have provided our Nation with significant scientific and technological leadership in space. On July 20, 1969, the people of the world stood transfixed before television screens and video monitors as man walked on the Moon for the first time in history.

In recent years we have explored the planets with the Viking and Voyager missions. One of our probes, Pioneer 10, has even left the solar system on its journey through the universe.

The human race through the space program will continue to explore space for the benefit of future generations, will continue to probe the frontier of space.

In short, in the 26 years since the creation of NASA, more information has been gathered about the cosmos than has been gleaned in all of the centuries before.

Once again, the time has come for us to celebrate and to commemorate these efforts, and we do this by designating July 20, 1984, as "Space Exploration Day."

OUR ECONOMIC HOUSE FALLING AROUND US

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PEASE. Mr. Speaker, with these remarks, I insert in the Congressional Record an article from today's New York Times calling the attention of the Nation to the fact that the prime interest rate has gone up a half point, to 13 percent. This ought to be a development of great concern to all of us.

Of even more concern is the estimate of one economist quoted in the story that interest rates are likely to rise to 15½ percent by the second quarter of next year. No assurances from President Reagan that this is not important will really solve the economic problems of our Nation. Clearly, the strategy of this administration is to try to squeeze by November 6 without our economic house falling around us.

I repeat, and say to my colleagues, we have great danger for 1985. We would be much better off if we took action now to deal with those problems.

The New York Times article follows:

[From the New York Times, June 26, 1984]

Prime Rate Raised Half Point, to 13 Percent; Reagan Cites "Fear"

(By Robert A. Bennett)

The nation's major banks increased their prime lending rate to 13 percent yesterday, from 12½ percent.

The action, which was led by the First National Bank of Chicago and quickly followed by all the other major banks, was the third increase in the key lending rate since March. It brought the prime rate to its highest level since October 1982, and some economists predicted that it would go still higher.

The increase could aggravate the international debt crisis and renew the problems of the domestic savings industry, as well as slow the growth of the domestic economy.

In Washington, President Reagan said that there was no excuse for the rise in the prime rate other than a baseless "fear of the future." A White House statement avoided criticizing the Federal Reserve and said the increase was "difficult to explain" in light of the low inflation rate. Interest rates generally climb in periods of high inflation, or when inflation is expected to rise steeply.

The prime plays a crucial role because it establishes the base for interest rates charged on many loans throughout the economy. Yesterday's move will mean immediately higher interest costs for many medium-sized and small businesses, for foreign borrowers, and for a growing number of individuals whose borrowing costs are tied to the prime. For example, interest rates on many loans—whether to a country, a business or an individual—are stated as so many percentage points above the prime.

Economists at the World Bank estimated that because of this linkage, yesterday's action will cost developing countries about $1.25 billion a year. Many of these countries already have been having difficulty meeting their interest payments.

Indeed, it was last March's increase in the prime rate that led the leading Latin American countries to hold a ministerial meeting in Cartagena, Colombia, last week to seek a joint approach to the debt problem. The meeting ended on a moderate tone, and some analysts said yesterday that they thought the banks postponed the prime rate increase until that meeting had ended to avoid provoking resentments while the Latin American diplomats were gathered there.

Mexico's Finance Minister, Jesus Silva Herzog, one of those who has cooperated most closely with the banks, said that "the rise is a negative response to the demands of the Latin American debtor nations and seems like a reprisal for having held the Cartagena meeting." Mexico is the second-largest debtor nation in Latin America, following Brazil.

Venezuela's Finance Minister, Manuel Azpurua, said the rise in the prime rate was "extremely worrying; this increase implies a major additional burden for all Latin American countries in servicing their debts, and great sacrifice for the region."

In Peru, Rodrigo Cepeda Yzaga, head of the country's external debt committee, said the prime rate increase was "disastrous for Latin America; it affects us all enormously, it is something over which we have no control."

Many economists believe that a major effect of the increase in the prime rate will be to slow the economic expansion. At some point, high borrowing costs discourage purchases by both businesses and individuals, and this has a ripple effect, reducing demand for goods throughout the economy.

Bankers said the increase was necessary because they have been having to pay more for their money. "Our cost of funds has climbed steadily," said William J. McDonough, executive vice president and chief financial officer of the First National Bank of Chicago.

"It's simple arithmetic, it's tough to make a decent profit on a loan," said Thomas F. Donovan, senior executive vice president of the Marine Midland Bank.

"We expect the prime rate to increase once more before the end of the year, to 13½ percent," said Bernard M. Markstein 3d, senior money market economist of Chase Econometrics. "Then we look for several more increases in early 1985, with the peak to be hit at 16½ percent in next year's second quarter."

Some bankers attributed the rise in the prime to the Federal Reserve System, saying that the central bank was not creating enough money to finance the economic expansion. Usually such reluctance is because the Federal Reserve fears that creating excessive money will lead to inflation. But inflation has been quite low compared with recent years.

Many of those economists who attribute the unusually high interest rates to the large Federal budget deficit said upward pressure on the rates may be reduced as a result of last week's agreement in Congress to reduce the deficit by $50 billion.

Referring to that package, Senator Bob Dole, the Kansas Republican who is chairman of the Senate Finance Committee, said that "I think this ought to be the right signal to keep" interest rates "from going up any more."

The rate increase provoked fears about its impact on the heavily indebted countries of Latin America. Economists estimate, for example, that each percentage point increase in interest rates costs Brazil about $800 million a year.

This quarter most of the major United States banks are likely to report significantly lower earnings because of the expected failure of Argentina to bring its interest payments up to date. To offset the effects of Argentina, the banks have to earn more elsewhere, and that means they must pass increases in their costs of funds along to their customers. But that makes it even more difficult for their problem clients to pay their debts.

"We're caught in a Catch-22 situation," said Mr. Donovan of Marine Midland.

POLITICAL CONSEQUENCES CITED

Some analysts, however, such as William R. Cline of the Institute of International Economics in Washington, said that the political consequences of the increase will be more significant than its economic impact. Mr. Cline said that the strength of the United States economy, which makes it easy for the debtor countries to sell their exports here, more than offsets the higher interest rates.

In a telephone interview from Caracas, Venezuela, yesterday, Mr. Cline said that Mexico and Brazil, the two biggest Latin American debtors, have been doing extremely well in straightening out their international financial problems.

But, he added, for the leaders of many of the Latin American countries the rate increase will add to their "political frustration, a sense that the problem is not manageable; that's especially insidious at this time because the economic reality is that these countries are over-achieving."

EFFECT ON SAVINGS INSTITUTIONS

The other major concern is the effect on the nation's savings and loan associations and its savings banks, which are seriously hurt when interest rates rise because they must pay more to attract and keep deposits, while the interest they collect on their fixed-rate, long-term mortgages remains basically unchanged.

"If interest rates remain at present levels we'll see an imminent re-emergence of crisis conditions among the weaker savings institutions," said Jonathan E. Gray, analyst for Sanford C. Bernstein & Company, a New York securities firm.

"On an operating basis, the nation's savings and loan industry probably lost about $700 million last year, down from a record $4.6 billion loss in 1981, and $4.3 billion in 1982," he said.

"If rates stay where they are, the industry's operating losses will be running between $2.4 billion and $3.2 billion within six months," Mr. Gray predicted.

The head of a major savings bank, who asked not to be identified, said the increase in interest rates "is an unmitigated disaster for savings institutions across the country; these institutions are starting from a weak base, they're badly wounded."

INTRODUCTION OF NATIONAL HOUSING WEEK RESOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. AuCoin] is recognized for 5 minutes.

● Mr. AuCOIN. Mr. Speaker, it is my pleasure today to introduce a resolution designating the week of October 14-21, 1984, "National Housing Week."

A strong housing industry is critical to our Nation's economy. Last year, America's housing industry led the Nation out of one of the deepest recessions in history.

In 1984, the housing industry continues to infuse our recovering economy with new jobs, new wages, and increased Federal, State, and local tax revenues. The health of this industry is tied to the health of other industries as well. Its tremendous ripple effects are felt in thousands of businesses across the country—from lumber mills and appliance dealers to real estate and furniture makers.

But the enormous value of housing does not end with the contribution it makes to the economy. It extends to the average man and woman in this country and helps determine how a family sees itself and its function in the community.

Home ownership gives the average man and woman in this country the opportunity to become a part of our economic system. It has always been one of the few ways a family can get a piece of the rock.

When housing prospers, America prospers. It is as simple as that. Yet, the strong national housing recovery we've seen and the economic activity it has spawned is threatened by the specter of uncontrolled Federal budget deficits. These deficits sap the underlying strength of our economy, stifle investment and damage housing.

In recent weeks, the deficits have begun to take their toll on the housing industry. The pace of new production fell 10 percent during May and yesterday interest rates continued to climb as the prime rate jumped to 13 percent—the highest level since October 1982. The rate of home ownership is declining for the first time in two decades, and homebuilders are growing less confident about market conditions for new home sales so long as deficits remain in the $200 billion range for the foreseeable future.

My own State of Oregon has not recovered from the last recession and already we have begun to see the unmistakable signs of another downturn. Last month, one of Oregon's largest wood products mills, Publishers Paper, was forced to lay off nealy 2,800 Oregonians.

Clearly we cannot continue on this course. The housing industry and America's home buyers have shared my concern about the need for immediate action to reduce the Federal budget deficit. The deficit downpayment that is being pieced together in negotiations with the Senate is a step in the right direction, but we have only scratched the surface. We must act by early 1985 to put together a substantial package of deficit reduction that will ease interest rates and encourage economic growth. As I have suggested for the past year, a bipartisan commission on reducing the deficit may be the best way to forge a consensus on a bipartisan plan to bring deficits under control. Slashing the deficit is the most productive thing we can do to recognize housing and all it stands for.

Mr. Speaker, a future without housing does not merely spell doom for a key industry, but it also spells doom for the American dream of home ownership.

I urge my colleagues to recognize the importance of the housing industry by supporting this resolution which would declare October 14-21 "National Housing Week." A text of the resolution follows.

H.J. Res. 606

Joint resolution to designate the week of October 14, 1984, through October 21, 1984, as "National Housing Week"

Whereas the opportunity to own a home and live in decent housing is the foundation for family life and a source of national economic, social, and political strength;

Whereas the housing industry has led the Nation to economic recovery following every recession since World War II by creating millions of productive jobs for the unemployed, generating billions of dollars worth of tax revenue, and creating demand for goods and services;

Whereas the housing industry in 1983, although accounting for only 3.4 percent of the real gross national product, was responsible for 30 percent of the total economic growth, a $15,000,000 real increase in gross national product during the year;

Whereas a sustained and strong housing recovery is essential for a long-term economic recovery;

Whereas it is appropriate to reaffirm the national historic commitment to housing and homeownership and to recognize the economic opportunities created by the present housing recovery; and

Whereas the housing industry epitomizes the principle of free enterprise in the economic system of the Nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 14, 1984, through October 21, 1984, is designated as "National Housing Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate activities.●

REMARKS OF HON. E (KIKA) DE LA GARZA TO U.S. AGRICULTURAL EXPORT DEVELOPMENT COUNCIL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. DE LA GARZA] is recognized for 5 minutes.

● Mr. DE LA GARZA. Mr. Speaker, one of the major issues facing American agriculture is the question of Government policy affecting exports. The House has dealt with many phases of this issue in the past, and if there is any such thing as a certainty in Congress, it is the fact that we are going to have to deal with the issue again when we work on the 1985 farm bill.

For this reason, I would like to lay before our colleagues in the House some remarks on the subject I prepared recently as the basis for a speech before a meeting of the U.S. Agricultural Export Development Council on June 21 here in Washington.

The text of the prepared remarks follows:

REMARKS BY HON. E (KIKA) DE LA GARZA, TEX., CHAIRMAN, HOUSE AGRICULTURE COMMITTEE TO THE U.S. AGRICULTURAL EXPORT DEVELOPMENT COUNCIL, J.W. MARRIOTT HOTEL, WASHINGTON, JUNE 21, 1984

Ladies and Gentlemen: I am grateful for the invitation to meet with you today. The issues you are dealing with in your program this week are of prime importance to American agriculture and to the total American economy, and they are very high priority issues for Congress.

I am especially glad that some of our agricultural attaches are attending this conference. They do a fine job of representing the interests of agriculture in markets and potential markets around the world. Private industry is the front-line force in our export business, but I have been convinced for many years that if we want a healthy export trade, we also need a sound working partnership between private industry and Government. And the attaches are a key part of that partnership on the Government end. The producer export promotion groups which make up the Agricultural Export Development Council also have played—and will continue to play—a vital role. I have done all I can to cooperate with these groups in the past, and I assure you that this cooperation will continue in the future.

When Ken Bader first wrote to me about this meeting, he told me that the theme of this year's export development council seminar would be—how do we maintain our competitive edge?

That theme is something to be concerned about. But before I talk about it directly, I want to underline the fact that we are not talking about whether or not export development is important to agriculture and to our entire national economy. Your seminar theme begins by assuming that export development is a high national priority, and I agree. We must begin, not by asking whether to promote exports, but how we can do it best.

Nobody who knows American agriculture has any doubt about the fact that exports are one of the basic elements in our farm economy.

Other groups in our national economy talk about exports and about the need for finding foreign buyers. But agriculture is one segment that has really done something about it. And most of you in this room know very well that this is not a new development.

We depend on the American farmer to produce the foreign exchange to pay for the billions of dollars worth of products our country imports. The hard fact is that the world out there doesn't buy nearly as much of our manufactured goods as it used to. It does, however, buy the products of our farms and ranches, and the American consumer ought to be saying thank you to the agricultural industry for this fact.

Without the billions of dollars that our agricultural exorts bring home, who knows how bad our balance of trade would be? I don't think anybody would want to be faced with the problem of paying for this country's imports if our agricultural export market collapsed.

Just this week, the Commerce Department reported that our national balance of trade deficit rose to another new record in the first quarter of 1984. That's not good, certainly. But the situation would be even worse if agricultural exports had not shown some improvement. It's true that farm exports are still below the levels of a couple of years ago. But the most recent USDA report shows that in spite of all our problems, in spite of another decline in the volume of exports, the dollar value of exports in the first 7 months of this fiscal year was up 13 percent from a year ago.

Within the agricultural economy, the future of our export markets can mean the difference between profit and loss in some areas. American farmers these days depend on foreign markets to buy 60 percent of the wheat we produce. About 45 percent of our soybeans and about the same proportion of our rice goes to foreign markets. More than half of our cotton goes to mills in other countries.

So the lesson is clear. Without an export market, farmers might have to choose between a huge cut in production or a price level which would guarantee bankruptcy.

That's why Congress has recognized for many years that export promotion is a key ingredient in any national farm and food policy. Government programs in this area go back for many years, and I predict they will continue for many years into the future.

Thirty years ago, in 1954, Congress passed the Agriculture Trade Development and Assistance Act—the Food for Peace Act. The market development authority included in that law spurred the cooperative programs represented by many of the organizations in this council. In addition to market development, Congress has authorized a wide range of other steps designed to promote exports—everything from the export subsidies of earlier years to the credit programs of the more recent past. And Congress has been pushing continuously on a wide range of other efforts to help assure a fair chance for the American farmer and rancher to compete on the world market.

We have adopted a number of credit programs. We have used our influence to urge action against unfair trade barriers. And we have adopted legislation which we hope will discourage the use of export embargoes under peacetime conditions.

Even after all this, we still have not reached the point at which I think we can satisfied. The problems that have kept our export sales from reaching the levels we'd like to see are not simple—and they cannot be corrected by simple, one-shot answers.

Because the problem is a complex one, I and other Members of Congress have been discussing a proposed joint resolution to create an Agricultural Trade and Export Policy Commission.

The idea behind the Commission is the hope that it could make a thorough study of the issues and come up with workable recommendations for improvements.

I think a study commission could be valuable if it can be set up in a way that gives Congress some help in a timely way next year.

I believe also that we must take a careful, balanced approach to one of the most difficult of the trade issues we face in agriculture. That is the question of our relations with friendly countries which buy many of our agricultural products, but which also compete with us in some cases on the world market.

All of us favor fair trade in agriculture, and we oppose unfair competition which may hamper our export sales. But at the same time, we must remember that the country which gives us serious problems on one commodity may be one of our biggest customers for other agricultural products. The fact is that in cases like this, we don't help American agriculture in the long run by getting into angry shouting matches with our friends abroad.

We need frank talk about problems. We need to stand up for the American farmer and protect his interests. And we need to make our position clear both here and abroad. But we should be doing this in a framework that makes it clear we are interested in settling problems among friends, not creating trade wars.

The issue of exports is not the only important farm policy question that will be facing Congress and the country during the coming year. In 1985, Congress will have to develop—if we can—a new long-term farm bill. The House Agriculture Committee, as many of you know, has already begun the process of developing that bill. We have held a number of hearings both here in Washington and around the country, and we are going to hold more.

Nobody can tell you at this point what the result will be when we sit down to draft legislation next year. At this point, we are still in the stage of listening to all the voices in the chorus . . . and looking for a consensus.

There is one thing I can tell you with some assurance. It will not be easy to put the next Food and Agriculture Act together. It is going to be very hard to get a package that urban Members of Congress will accept unless we can get some consensus among groups which are closer to rural America and the great industry of agriculture. And it is going to be very hard to pass a good bill unless we can make more progress in giving the non-farm public a better understanding of how agriculture works and how well a healthy agriculture serves the overall national and consumer interest.

One of the factors in putting the next farm bill together will be the issue of export promotion and agricultural trade. I am sure that Congress will be offered a number of ideas in this area. And I am sure that some people will be saying that we can solve most of our export problems if we only reduce price supports to low enough levels.

We hear repeatedly that American agriculture has lost export markets because we have support programs for our producers. I am not going to get into that argument today except to point out a couple of things that we should also keep in mind.

One is the fact that we had farm support programs in effect when export markets were booming in the 1970's. Also, there's the growing recognition that much of the weakness in the export market in recent years has been due, not to our support programs, but to the strength of the dollar, and to the recession that has been depressing the economies of many of our foreign customers.

If the dollar problem can be eased and if prosperity returns abroad, we may get a better reading on the basic ability of our agriculture to compete on world markets.

Finally, there's one other fact I think we should keep in mind.

Exports are important to American agriculture. But we should not fall into the trap of thinking that increased effort on export programs can be a one-shot solution to all of our agricultural problems.

Exports are a key part of the overall policy we're searching for, but they are not the entire solution.

Work on an export policy does not mean we can soft-pedal or downgrade other phases of agricultural policy.

For one thing, many experts have told us that while our exports can grow in the years ahead, they are not likely to repeat the enormous boom of the 1970's during the rest of this decade. And we must recognize the fact that some of our potential customers are having a lot of trouble right now with the debts they piled up in earlier years.

This is an issue we will all be hearing more about. No matter what the arguments are, however, I believe we all agree that American agriculture must be able to compete on fair terms on the world market. And I salute all of you who are working to help move us in that direction.●

TAX REFORM: THE TIME IS NOW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PATTERSON] is recognized for 5 minutes.

● Mr. PATTERSON. Mr. Speaker, I would like to take this opportunity to draw the attention of my colleagues to the Bradley-Gephardt Fair Tax Act. I have been a consistent supporter of legislation to equalize the burden of Federal taxation. It is my strong belief that our existing Tax Code by including hundreds of obscure deductions generally available only to the wealthy and powerful has resulted in a shift of the tax burden from those of high income to those individuals of moderate income.

Every year, our income tax system becomes increasingly complex and often discourages productive investments. Today, nearly 40 percent of all taxpayers are forced to seek professional help in order to fill out their tax returns. Something is wrong when ordinary Americans cannot fill out tax forms without hiring an accountant.

In addition to its complexity, our existing tax system is inequitable. Only 15 percent of American taxpayers are able to take advantage of the deductions that are allowed under the current law. Because many lower- and middle-income individuals do not itemize deductions on their returns, tax loopholes are essentially of no benefit to them. Something is wrong when people in the same income bracket pay widely varying amounts of taxes. Americans are right to be angry about the unfair tax procedures. We cannot allow corporations to pay only $35 billion or just 6 percent of Federal receipts as they did last year.

I feel that the present tax system is beyond repair, and must be replaced with a more efficient, progressive, and equitable way to raise revenue. For this reason I am an original cosponsor of the Bradley-Gephardt Fair Tax Act.

The Bradley-Gephardt proposal will restore public trust in the tax system and will help revitalize the economy. Under this plan, approximately 80 percent of U.S. taxpayers would pay the basic rate of 14 percent of their total income. The maximum rate for all taxpayers would be reduced from 50 to 30 percent. Most existing tax loopholes would be repealed. However, Bradley-Gephardt would keep several basic deductions which benefit a majority of taxpayers, including home mortgage interest, State and local income and property taxes, social security benefits, medical expenses, and deductions for charitable contributions.

The Fair Tax Act combines the virtues of simplicity and fairness with efficient administration. By eliminating most of the loopholes and deductions this system will be easier for the taxpayers to understand than the present system. The current tax code consists of more than 2,000 pages of rules and regulations of bureaucratic jibberish which makes no sense to most Americans. In order for our society to function smoothly, we must have fair and efficient taxation, and a simple system would require a smaller IRS bureaucracy to enforce the Tax Code.

Mr. Speaker, I wholeheartedly support the goals of the Bradley-Gephardt bill. I believe this tax reform proposal would simplify and restore equity in our tax system, as well as ensure that sufficient resources are generated to finance legitimate public projects. I urge my colleagues to support fair and workable tax reform by supporting the Bradley-Gephardt Fair Tax Act.●

NATHAN SHEVITZ—OUTSTANDING CITIZEN, BUSINESSMAN, DEMOCRAT

● Mr. PANETTA. Mr. Speaker, I would like to bring to the attention of my colleagues the retirement of Nathan Shevitz as president of the Monterey County Democratic Central Committee. The committee will be holding a Fourth of July barbecue next week and will honor Nat on that occasion. I look forward to being a part of that event and want to tell my colleagues a little about Nat's many accomplishments and interests.

Born in New York, Nat attended grammar school in Connecticut, high school in New Jersey, and Syracuse University's School of Journalism. After a brief career in journalism, he went into retailing, specializing in merchandising and management. His business career took him from Syracuse to Milwaukee to Detroit. Nat retired from business in 1977.

Nat has a great interest in intellectual and artistic endeavors. He has been a great books discussion group leader, has had his poetry published, and has had a one-man art show. His other activities have included the vice presidency of the Jewish Vocational Service in both Milwaukee and Detroit and the presidency of the World Affairs Council of the Monterey Bay area, a post which he holds today.

But the position in which I have come to know Nat and for which he is being honored next week is as chair of the Democratic Central Committee of Monterey County. Nat was first appointed to the committee in July 1982, and was elected as chair a year later. He has given strong direction to the committee, particularly through his encouragement of active membership among local citizens and communitywide voter registration drives. In addition, he has engaged in vital fundraising activities on behalf of the central committee. The central committee owes much of its present strength to Nat's hard work and dedication, and it owes him a great debt of gratitude.

Mr. Speaker, Nat Shevitz' family—his wife, Judith, and their son and daughter—can be very proud of his accomplishments. I am sure that they look forward to having Nat all to themselves for many years of retirement. I know my colleagues join me in extending to Nat's best wishes for the years ahead.●

JOINT COMMITTEE ON PRINTING GUIDELINES

Mr. HAWKINS. Mr. Speaker, as Members know, the Joint Committee on Printing has for decades issued regulations governing the Federal Government's printing, binding, and publications distribution policies and practices. These regulations are issued pursuant to Title 44, United States Code, which empowers the committee to "remedy neglect, delay, duplication or waste" in these activities. On November 11, 1983, on behalf of the Joint Committee on Printing, I placed in the CONGRESSIONAL RECORD the text of a proposed revision of those regulations, which were last revised in April of 1977. The purpose of publishing the draft was to solicit commentary and suggestions from departments and agencies, and from the general public as to how they might be modified or improved. Since that publication date in November, the committee has received hundreds of submissions, making a multitude of recommendations. At the direction of the committee, our staff has sifted through this mass of information. As a result of the many constructive suggestions, we have made a number of changes in the draft.

It is my purpose today to make public this revised draft and once again solicit commentary. After a period of 30 days, it is our intention to convene an open meeting at which questions on the draft may be raised by all interested parties.

Following the 30-day commentary period and the open meeting exchange, I expect that there may be some further possible modifications in the draft. Once that has been accomplished, the committee will meet at the earliest possible date to discuss and consider the formal adoption of the revision.

As explained in my November 11, 1983, RECORD statement, the new "Government Printing, Binding, and Distribution Policies and Guidelines"—not "Regulations"—are needed for two primary reasons. First of all, since the current regulations were issued in 1977, there has been a revolution in printing technology and procedures. As such, the current regulations are severely out of date in many respects. Provisions that address conventional or traditional printing practices simply are inadequate to handle modern printing systems. Second, the new policies and guidelines present a better scheme and framework under which the committee can perform its statutorily imposed role of oversight and review. Under the proposed policies and guidelines, the committee will no longer review and consider for approval specific pieces of equipment or specific installations. Rather, the committee will request annual submissions from departments and agencies that outline the broad scope of policies, procedures, and activities. In that way the committee will be far better situated to oversee printing for the entire Government, to promote efficiency through coordination of efforts of various departments and agencies, and to make appropriate recommendations to the various authorizing and appropriating committees of Congress that oversee all department activities.

Mr. Speaker, I request that the text of revision be included in the RECORD at this point.

GOVERNMENT PRINTING, BINDING, AND DISTRIBUTION POLICIES AND GUIDELINES (PUBLISHED BY THE JOINT COMMITTEE ON PRINTING, CONGRESS OF THE UNITED STATES)

No. 25

INTRODUCTION

These Policies and Guidelines are derived from, and are supplemental to, Title 44, United States Code. All who print, publish, or distribute Government publications for the Federal Government are advised to familiarize themselves with the provisions of Title 44 and with these Policies and Guidelines. The Joint Committee on Printing realizes that circumstances will occur that will necessitate variances from these provisions. When such occasions arise, the Joint Committee should be notified as far in advance as possible. For the convenience and easy reference of users of these Policies and Guidelines, the provisions of Title 44 are reproduced in Appendix I (not printed in the RECORD).

TITLE I: DEFINITIONS

1. *Department.*—The term "department," as used in this document, means each unit of the Government that is so designated; including any permanent or temporary, independent agency, administration, board, commission, committee, conference, council, endowment, foundation, office, service or other such unit of the three Branches of Government.

2. *Senior Official.*—The term "Senior Official," as used in this document, is the official designated by the department head responsible for carrying out the department's information management activities as defined in the Paperwork Reduction Act (Public Law 96-511). Departments that are exempt from the provisions of the Paperwork Reduction Act must designate a senior official for the purpose of fulfilling responsibilities under these policies and guidelines.

3. *Printing.*—The term "printing," as used in this document, means all systems, processes and equipment used to plan and to develop the form and style of an original reproducible image; and all systems, processes and equipment used to create an original reproducible image when they are capable of reproducing multiple copies of that image. This term includes all processes and equipment related to composition, platemaking, reproduction, and binding.

4. *Printing environment.*—The term "printing environment," as used in this document, means any Federal Government location where printing is performed including government-owned contractor-operated facilities. Printing environments may include, but are not limited to, departmental printing plants, duplicating centers, copier centers, graphics facilities, computer centers, distribution centers and offices.

5. *Distribution.*—The term "distribution," as used in this document, means the systematic dissemination of Government publications, including the electronic transfer of an original reproducible image, to users (Government and non-Government) through sales, or free dissemination programs.

6. *Government publication.*—The term "Government publication," as used in this document, means information to which printing processes have been applied, created by employees or officers of the United States Government in the course of their official duties, or created by contractors of the United States Government where the Government has retained control or rights to the information, for distribution to departments or to the public.

7. *Microform.*—The term "microform," as used in this document, applies to any product which is produced in miniaturized image format.

TITLE II: CONTACT AND PLANNING WITH THE JCP

1. *Responsibilities of the Senior Official.*—The Senior Official, as defined in the Paperwork Reduction Act of 1980 (Public Law 96-511) is responsible for all major printing functions performed within each department including:

(a) Planning and designing of Government publications;

(b) Coordinating printing policies and programs with related information programs such as information collection, statistics, automatic data processing, telecommunications, and similar activities;

(c) Establishing a schedule and a management control system to ensure that practices and programs of the printing disciplines are appropriately integrated with the information policies mandated by Public Law 96-511;

(d) Management and inspection of printing environments, including monitoring of printing procurement and the submission of all required reports to the Joint Committee on Printing;

(e) The conduct of and accountability for any computerized printing equipment acquisitions made pursuant to a delegation of authority under Section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759).

(1) All such acquisitions shall be identified in the annual plan submitted to the Joint Committee on Printing.

(2) Those acquisitions not identified in the annual plan may be authorized by the Senior Official, provided notification is received by the Joint Committee no less than thirty days prior to taking the action.

(f) Development of the overall departmental plans for publishing, printing and distribution, to be submitted to the Joint Committee on Printing (see Title II, paragraph 4). Such a plan will also be incorporated into the agency's annual IRM plan, pursuant to the Paperwork Reduction Act;

(g) Consultation and guidance on matters involving changes in technology or processes for printing environments;

(h) Coordination and control of distribution and indexing of Government publications, including fulfillment of statutory requirements, e.g., Depository Library and International Exchange Program; and

(i) Participation in interdepartmental working groups established by the Joint Committee on Printing to address common printing and distribution issues.

2. *Correspondence with the Joint Committee on Printing.*—

(a) All official correspondence for the consideration of the Joint Committee on Printing shall be signed by the head of the department or the Senior Official designated by the head of the department with the responsibility to implement these policies and guidelines. The head of the department shall notify the Joint Committee on Printing of the official so designated, including position title, office address, and telephone number.

(b) In order to ensure prompt delivery, all official correspondence to the Joint Committee on Printing shall be addressed to:

CHAIRMAN,
Joint Committee on Printing,
U.S. Senate Post Office,
Washington, DC 20510.

3. *Liaison with the Joint Committee on Printing.*—All technical matters pertaining to printing and distribution shall be referred to the Joint Committee on Printing through specifically designated sources in each department. The head of the department shall notify the Joint Committee on Printing of the officials so designated, including position titles, office addresses, and telephone numbers.

4. *Departmental planning and Joint Committee on Printing review.*—

(a) Each department shall submit annually to the Joint Committee on Printing a plan outlining the full range of printing and distribution activities anticipated for the fiscal year and projections for the following two years. Plans should be submitted no later than the date of submission to Congress of departmental requests for authorization and appropriation. Each department's narrative submission should contain:

(1) A brief statement of the department's mission and the role that printing and distribution play in meeting that mission;

(2) A statement of the policies that are followed in fulfillment of printing and distribution requirements;

(3) A discussion of management strategies and tactical planning to be employed in fulfillment of specific goals;

(4) An assessment of prior years' performance and accomplishments in achieving the department's goals; and

(5) Any other information considered necessary to provide a full understanding of the department's management and planning of printing and distribution activities.

(b) In drafting the plan, the following information should be included:

(1) A description of the numbers and types of printing environments at specific locations, keyed to existing departmental organizations;

(2) The volume of production anticipated, both in departmental printing environments and through the Government Printing Office;

(3) The new equipment required to meet departmental needs with appropriate justification, including purpose, location and cost;

(4) Plans for implementation of new processes and research and development projects that affect printing;

(5) The number and types of Government publications to be published and the anticipated distribution methods to be used;

(6) The number and titles of all Government publications, e.g., monographs and journals, for which the department intends to seek a private sector publisher;

(7) The number of articles which the department intends to publish in privately published journals or compilations; including the names of the journals and compilations, the number of articles to be published in each, and the total dollar amount of page charges;

(8) A description of all Government publication user fee programs; and

(9) The procedures used to notify the Superintendent of Documents of intent to publish and the procedures used to provide all required copies of Government publications to the Superintendent of Documents.

(c) The Joint Committee on Printing will review each plan to determine its conformance with the objectives of the Federal printing program. The efficiency, cost effectiveness of the plan, and the printing and distribution requirements of the department will be evaluated.

(d) Departments shall continue to report annually on actual levels of printing and distribution activities in order that adherence to annual plans may be assessed. The Joint Committee on Printing will provide departments with the appropriate reporting procedures.

TITLE III: PRINTING OF PUBLICATIONS

1. *Procurement of printed products and distribution services.*—The Government Printing Office shall procure, pursuant to Joint Committee on Printing authorization, all Federal printing products and distribution services that the Government Printing Office is unable to perform and that are determined to be commercially procurable. Except for orders submitted to the Government Printing Office Central Office and those placed by departments on direct-deal contracts authorized by the Government Printing Office, all orders must be forwarded to the assigned Government Printing Office Regional Printing Procurement Office (GPO-RPPO). The GPO-RPPO will determine the area of bid competition, considering all factors, including quality, lead-

time, inspection costs and transportation costs.

2. *Procurement of items costing $500 or less.*—Individual printing items costing $500 or less may be procured without reference to the Government Printing Office or its Regional Printing Procurement Office, provided that:

(a) they are not of a continuing repetitive nature, and

(b) are not conducive to the establishment of an open-end indefinite-quantity-type contract, and

(c) cannot be ordered against existing GPO contracts.

3. *Private or commercial work.*—No work of a private or commercial nature shall be printed in any printing environment.

4. *Publications by private entities.*—

(a) When any department uses appropriated funds to create information, the information shall not be offered for initial publication to private parties.

(b) A department shall not expend appropriated funds, nor enter into contractual agreements with a private party, for the purpose of publishing or facilitating the publishing of publicly funded information.

(c) Camera-ready copy, printing driver tapes, publishing data bases, or other information to which printing processes have been applied shall not be made available to private parties by departments.

5. *Printing requirements resulting from contracts for equipment and services.*—

(a) With the exception of contracts that specifically require the delivery of printing pursuant to 44 U.S.C. 501, contractors shall not be prime or substantial sources of printing for departments. Therefore, the inclusion of printing within contracts for manufacture or operation of equipment and for services, e.g., architectural, engineering, and research, shall be prohibited.

(b) This policy does not prohibit:

(1) The procurement of writing, editing, preparation of manuscript copy, or preparation of related illustrative material as a part of contracts; or administrative printing necessary to be used by the contractor to respond to the terms of a contract (e.g., forms and instructional material).

(2) Recording manuscript copy in digital form to create a publishing data base, provided that coding instructions have been approved by the Senior Official. However, the printing of such material for the Government must be accomplished in accordance with printing laws and policies.

(3) The printing of up to 50 copies of a publication, in response to a contract requirement, for the use of a department.

6. *Printing requirements resulting from grants.*—

(a) The Joint Committee on Printing does not intend that grantees shall become prime or substantial sources of printing for the use of departments.

(b) This policy does not prohibit:

(1) The issuance of grants by a department for the support of non-Government publications, provided that such grants are issued pursuant to an authorization of law and not made primarily or substantially for the purpose of having material printed for the use of any department.

(2) The publication of findings by grantees within the terms of their grants provided that such publication is not primarily or substantially for the purpose of having such findings printed for the use of any department.

(3) The initiation by departments of the procurement of writing, editing, preparation of manuscript copy, or preparation of related illustrative material from grantees; or the administrative printing requirements of the grantee required to respond to the terms of the grant.

(4) Recording manuscript copy in digital form to create a publishing data base provided that coding instructions have been approved by the Senior Official. However, the printing of such material for the Government must be accomplished in accordance with printing laws and policies.

(5) The printing of up to 50 copies of a publication, in response to a grant requirement, for the use of a department.

TITLE IV: FORMAT, STYLE, AND CONTENT OF PUBLICATIONS

1. *Style for publications.*—All Government publications shall follow the "Style Manual" issued by the U.S. Government Printing Office.

2. *Identifying information for Government publications.*—Identifying elements shall be printed on all Government publications in accordance with the Government Printing Office "Style Manual" and the standards of the American National Standards Institute (ANSI).

(a) Books, pamphlets and other general publications shall contain, when appropriate: (1) title and other title information; (2) name of the department issuing or creating the Government publication; (3) name of author and editor (department or individual); (4) date of issuance; (5) availability (address of publisher or printer); (6) Superintendent of Documents' classification and stock numbers; and (7) the International Standard Book Number. See ANSI standard Z39.15, "Title Leaves of a Book."

(b) Scientific, technical and contract reports shall contain, when appropriate: (1) title and other title information; (2) report number; (3) author(s); (4) performing organization; (5) sponsoring department; (6) date of issuance; (7) type of report and period covered; (8) availability (address of publisher or printer); and (9) Superintendent of Document's classification and stock numbers. See ANSI standard Z39.18, "Guidelines for Format and Production of Scientific and Technical Reports."

(c) Journals, magazines, periodicals and similar publications shall contain, when appropriate: (1) title and other title information; (2) volume and issue numbers; (3) date of issue; (4) publishing or sponsoring department; (5) availability (address of publisher or printer); (6) International Standard Serial Number; and (7) Superintendent of Documents' classification and stock number. See ANSI standard Z39.1, "Periodicals: Format and Arrangement."

3. *Illustrations.*—Illustrations shall be used in Government publications only when they—

(a) relate entirely to the transaction of public business and are in the public interest;

(b) relate directly to the subject matter and are necessary to explain the text;

(c) do not serve to aggrandize any individual; or

(d) are restricted to the minimum size necessary to accomplish their purpose.

4. *Credit lines.*—Courtesy credit lines are permissible only for materials contributed or loaned by non-Governmental parties. When all materials in a Government publication have come from a single non-Governmental source, credit lines shall be given only in a single paragraph located at the beginning or the end of such publication. Credit lines shall be subordinated in size of type to that of both text and legends for illustrations.

5. *Publication by-lines.*—By-lines of Government employees in Government publications shall be permitted for authors, photographers and illustrators. These by-lines shall be printed in juxtaposition to the written work or photograph, and they may also be contained in a table of contents.

6. *Signatures.*—The signatures of technical illustrators, designers, layout artists, and typographers shall not accompany the work product of such individuals in Government publications. Signatures of artists may accompany freehand art, but only when the size and location of the signature are in proper proportion and relation to the design. Oversize or otherwise overly conspicuous art signatures shall not be printed.

7. *Copyright notice.*—When privately copyrighted material is reprinted in a Government publication, notice of copyright shall accompany the copyrighted matter. Copyright notices shall be subordinated in size of type to that of both text and legends for illustrations.

8. *Embossed stationery.*—The Public Printer shall furnish, upon requisition, to the President of the United States, members of his Cabinet and the Department of State (for diplomatic correspondence exclusively), such quantities of embossed stationery as may be necessary for official use. The Comptroller General, the Librarian of Congress, the Public Printer, the Architect of the Capitol, the head of each permanent commission, independent establishment or board, and the judges of the United States Courts may requisition embossed noteheads or letterheads not to exceed 5,000 copies in the aggregate, and a corresponding number of envelopes, in any one fiscal year. The Public Printer shall not honor requests from any Government activity for embossing second sheets or other than standard-size envelopes. No embossed stationery other than listed above shall be produced or procured at Government expense.

This provision also applies to engraved and thermographic printing.

9. *Personalized stationery.*—The inclusion of names of officers or officials of the executive or judicial branches of the Government on official stationery and preprinted mastheads is generally not permitted. The inclusion of names as well as gender-specific titles, addresses and telephone numbers should be omitted in order to permit the greatest flexibility and to prevent the wasteful creation of frozen stocks. No personalized second sheets shall be produced or procured at Government expense.

10. *Advertising.*—No Government publication prepared or produced with either appropriated or nonappropriated funds, or identified with an activity of the Government, shall contain any advertisement inserted by or for any individual, firm, corporation or organization; or contain material which implies in any manner that the Government endorses or favors any specific commercial product, commodity, or service. Advertising for Government programs where it fosters or promotes a specific Government activity is permitted.

11. *Multicolor printing.*—Multicolor printing is permissible only where it contributes demonstrably to a Government publication.

(a) Examples of multicolor printing that are permissible:

(1) Maps and technical diagrams where additional color is necessary for clarity.

(2) Object identification (medical specimens, diseases, plants, flags, uniforms, etc.).

(3) Safety programs, fire prevention, savings bonds programs, and competitive areas of personnel recruiting.

(4) Areas wherein clearly identifiable savings in costs can be soundly predicated on multicolor use.

(5) Printing for programs required by law, whose relative success or failure is in direct ratio to the degree of public response, and where that response can be logically attributable to the number of colors planned and the manner in which they are proposed to be used.

(6) Color for promotional or motivational purposes such as programs concerning public health, safety, and consumer benefits; or to encourage utilization of Government facilities such as programs for social security, medicare, and certain areas of need for veterans.

(b) Examples of multicolor printing which are not permissible:

(1) Where an additional color is used primarily for decorative effect.

(2) Where additional color is used primarily in lieu of effective layout and design.

(3) Where additional color is used excessively, i.e., four colors when two or three will fulfill the need; three colors when two are adequate; two colors when one is adequate.

TITLE V: DISTRIBUTION AND ARCHIVES

1. *Preservation of Government publications.*—The Government Printing Office, or the originating department, when a publication was produced or procured from sources other than the Government Printing Office, shall provide a copy of each Government publication, in an archival format if available, to the Library of the Superintendent of Documents, the Library of Congress, and the National Archives' Library. This archival format may vary according to the technology used to produce such publications. The Superintendent of Documents shall store and preserve all Government publications indexed in the Government Printing Office Monthly Catalog of United States Government Publications until such time as these publications are delivered to the National Archives for posterity.

2. *Distribution of Government publications by the Superintendent of Documents.*—Departments shall use the services of the Superintendent of Documents, or contracts established by the Superintendent of Documents, on a reimbursable basis, to distribute all Government publications outside of a department. Whenever feasible, departments shall use the services of the Superintendent of Documents to distribute all Government publications within a department. Distribution of press releases, internal administrative matter and publications distributed in response to ad hoc individual requests are excluded from this provision.

3. *Sale of reproducibles.*—Offset negatives, printing plates and final proofs are considered to be reproducibles and can be offered for sale at cost plus 10 percent by the Public Printer after initial publication. Printing driver tapes, publishing data base tapes, microforms, and on-line access to Government information are not considered reproducibles and may be sold by the Superintendent of Documents in accordance with the pricing formula for publications offered for sale.

4. *Sale of Government publications by the Superintendent of Documents.*—The Superintendent of Documents shall sell all Government publications listed in the Monthly Catalog of United States Government Publications. The media of publications for sale shall be determined by the Superintendent of Documents. Each department shall make every effort to notify the Superintendent of Documents at least 30 days before such publications are published.

5. *Distribution of publications to Federal depository libraries.*—

(a) All Government publications shall be made available to depository libraries, in accordance with 44 U.S.C. 1902, in a medium to be determined by the Superintendent of Documents in consultation with the originating Department.

(b) The Superintendent of Documents shall secure additional copies of titles produced in the main Government Printing Office, in the Government Printing Office Regional Printing and Procurement Offices and through Government Printing Office contracts for distribution to depository libraries.

(c) Each department shall make every effort to notify the Superintendent of Documents, 30 days in advance, of Government publications to be produced or procured through sources other than the Government Printing Office. The Superintendent of Documents will inform each department of the number of copies needed for depository library distribution, which shall be paid for by funds appropriated to the department.

6. *Notice of public access and service for depository libraries.*—

(a) Depository libraries shall post a sign in a prominent location indicating that the library is a Federal depository and that Government publications can be used by the general public at no charge.

(b) Depository libraries shall provide service to the general public that is comparable to the service provided to the library's primary clientele, e.g., faculty, students, community residents and Government employees.

7. *Sharing collections of a regional depository library.*—A regional depository library may keep all the Government publications in its own facility, or may house certain publications in other libraries. When the collection is shared, the cooperating libraries must agree in writing to provide sufficient service and access comparable to that provided by the regional depository library. Such agreement must be approved in writing by the Superintendent of Documents.

8. *Comprehensive index and catalog of Government publications.*—In order to assist the Superintendent of Documents in publishing a monthly catalog of Government publications, the Public Printer and each Senior Official shall deliver two copies of every Government publication issued or published by the departments, and not confidential in nature, to:

DIRECTOR,
Library Program Services,
Government Printing Office,
Washington, DC 20401.

Departments are urged to cooperate with the Superintendent of Documents in cataloging, indexing and publishing the catalog.

9. *Distribution list management.*—Each department shall revise all distribution lists at least once a year. All periodicals shall carry a notice in each issue of where to send a change of address. Such notices will be designed jointly by the Government Printing Office and the department.

TITLE VI: PAPER

1. *Standardization of paper.*—The Joint Committee on Printing sets the standards for paper for the Federal Government for printing and binding. The "Government Paper Specification Standards" are mandatory for use by departments in specifying paper stocks to be used in printing. Use of types, grades or weights of paper, other than those contained in these standards, is prohibited. Departments seeking revisions, additions or deletions of paper standards are encouraged to contact the Joint Committee on Printing.

The Public Printer is directed to furnish copies of these standards, and standard samples, to departments at cost. Other users of these standards may purchase the publication by contacting:

SUPERINTENDENT OF DOCUMENTS,
Government Printing Office,
Washington, DC 20402.

2. *Stationery sizes, grades, weights, and color of ink and paper.*—The Joint Committee on Printing directs attention to the Federal Acquisition Regulations which prescribe standards (sizes, grades and weights of paper, and colors of ink and paper) to be used for blank and printed stationery and envelopes for official Government correspondence.

3. *Purchase of paper and envelopes.*—Under the direction of the Joint Committee on Printing, the Public Printer shall procure and furnish on requisition all printing paper and envelopes (not including envelopes printed in the course of manufacture) in common use by departments of the Government in the District of Columbia National Capital Region. Purchase of such paper and envelopes from the Public Printer is mandatory.

4. *Contracts for paper and envelopes.*—Semiannual and annual contracts for paper, in general, are not in the best interests of the Government. Such procurement practices should be used only when savings in costs are clearly demonstrable.

5. *Quarterly and semiannual requirements for paper and envelopes.*—Every department in the District of Columbia National Capital Region shall furnish to the Public Printer quarterly estimates of paper and semiannual estimates of envelopes necessary for the conduct of public business. The Public Printer shall apprise departments of the timetable for these projections so that paper of the quality and quantity necessary can be competitively procured as provided by statute.

TITLE VII: MISCELLANEOUS

1. *Microform standards.*—All microform Government publications produced by departments, shall follow standards established by the Government Printing Office for production quality and header information. Microforms created for internal administrative purposes are excluded from this provision.

2. *Business and calling cards.*—Printing or engraving of business and calling cards is considered to be personal rather than official and shall not be done at Government expense.

3. *Blank books.*—Blank books not available through the General Services Administration, but regularly carried in stock by commercial dealers and that require no printing or binding operation after receipt of order, may be procured without obtaining a waiver from the Government Printing Office, except that no order or orders for each type of blank book may exceed $500 in any one year.

CONFERENCE REPORT ON H.R. 5653

Mr. BEVILL submitted the following conference report and statement on the bill (H.R. 5653) "making appropriations for energy and water development for the fiscal year ending September 30, 1985, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 98-866)

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5653) "making appropriations for energy and water development for the fiscal year ending September 30, 1985, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 7, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 26, 27, 29, 30, 31, 39, 42, 46, 47, 48, 51, 52, 53, 54, 56, 60, and 62.

That the House recede from its disagreement to the amendments of the Senate numbered 6, 12, 25, 35, 40, 41, and 63, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$138,000,000*; and the Senate agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$864,500,000*; and the Senate agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$3,000,000*; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$15,000,000*; and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$25,000,000*; and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$321,000,000*; and the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$112,000,000*; and the Senate agree to the same.

Amendment numbered 33:

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$740,000,000*; and the Senate agree to the same.

Amendment numbered 36:

That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$142,250,000*; and the Senate agree to the same.

Amendment numbered 45:

That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted, insert the following: *$2,018,165,000, to remain available until expended*; and the Senate agree to the same.

Amendment numbered 49:

That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$7,333,701,000*; and the Senate agree to the same.

Amendment numbered 50:

That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted, insert the following: *Toppenish Creek/Satus Unit Diversion, Prosser Dam Passage, and Roza Dam Passage*; and the Senate agree to the same.

Amendment numbered 58:

That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$2,300,000*; and the Senate agree to the same.

Amendment numbered 59:

That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$149,000,000*; and the Senate agree to the same.

Amendment numbered 61:

That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$448,200,000*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 10, 28, 32, 34, 37, 38, 43, 44, 55, 57 and 64.

TOM BEVILL,
LINDY (MRS. HALE) BOGGS,
BILL CHAPPELL,
VIC FAZIO,
WES WATKINS,
BILL BONER,
JAMIE L. WHITTEN,
JOHN T. MYERS,
VIRGINIA SMITH,
ELDON RUDD,
SILVIO O. CONTE,
Managers on the Part of the House.

MARK O. HATFIELD,
JAMES A. MCCLURE,
JAKE GARN,
THAD COCHRAN,
JAMES ABDNOR,
BOB KASTEN,
MACK MATTINGLY,
PETE V. DOMENICI,
J. BENNETT JOHNSTON,
JOHN C. STENNIS,
ROBERT C. BYRD,
FRITZ HOLLINGS,
WALTER D. HUDDLESTON,
QUENTIN BURDICK,
JIM SASSER,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5653) making appropriations for energy and water development for fiscal year ending September 30, 1985, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effects of the action agreed upon by the managers and recommended in the accompanying conference report.

Report language included by the House which is not changed by the report of the Senate, and Senate language which is not changed by the conference is approved by the committee of conference. The statement of the managers, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein.

TITLE I—DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

General Investigations

Amendment No. 1: Appropriates $138,00,000 for general investigations instead of $151,851,000 as proposed by the House and $125,639,000 as proposed by the Senate.

The conferees direct that no upfront financing or cost sharing of studies or projects be implemented pending enactment of the required legislation.

The conference agreement includes $250,000 under Research and Development for technology transfer to allow the Corps of Engineers to continue and extend its existing demonstration program; $150,000 for a demonstration of economic development planning technology in Southeastern Oklahoma; and $200,000 for research into tick eradication at Corps of Engineers recreation facilities.

The conference allowance includes a total of $200,000 for Section 22 studies in the States of Oklahoma and Kansas and $500,000 under the authority of Section 55 of P.L. 93-251 to develop flood control and bank stabilization measures along the Platte River and its tributaries in Nebraska, Wyoming, and Colorado, and at a minimum to assist non-Federal public-interest groups in developing a demonstration project for flood control and bank stabilization within a 46-mile reach of the Platte River from Hershey, Nebraska, eastward to the Lincoln/Dawson County line in Nebraska, an area of increasingly frequent and intensifying chronic flooding and streambank erosion.

The funds appropriated are to be allocated as shown in the following table:

TYPE OF PROJECT	GENERAL INVESTIGATIONS - STATE AND PROJECT	BUDGET ESTIMATES		CONFERENCE ALLOWANCE	
		INVESTIGATIONS	PLANNING	INVESTIGATIONS	PLANNING
	ALABAMA				
(N)	ALABAMA-COOSA RIVER BELOW CLAIBORNE L&D	250,000	---	250,000	---
(N)	BAYOU LA BATRE	---	---	75,000	---
(N)	MOBILE HARBOR (DEEPENING) (CP&E)	1,000,000	---	1,800,000	---
(FC)	THREEMILE CREEK, MOBILE (CP&E)	260,000	---	260,000	---
(FC)	VILLAGE CREEK, JEFFERSON COUNTY (CP&E)	115,000	---	115,000	---
(N)	WILLIAM BACON OLIVER LOCK AND DAM (CP&E)	---	---	2,850,000	---
	ALASKA				
(FC)	BETHEL BANK STABILIZATION (CP&E)	250,000	---	250,000	---
(FDP)	GALENA BANK STABILIZATION	90,000	---	90,000	---
(FDP)	RIVERS AND HARBORS	845,000	---	845,000	---
(FDP)	SMALL HYDROPOWER	621,000	---	621,000	---
(N)	SOUTHCENTRAL DEEP-DRAFT NAVIGATION	196,000	---	196,000	---
	ARIZONA				
(FDP)	GILA RIVER AND TRIBUTARIES, AZ & NM	200,000	---	400,000	---
(FC)	HOLBROOK, LITTLE COLORADO RIVER (CP&E)	55,000	---	100,000	---
(FDP)	NOGALES WASH - GILA RIVER	150,000	---	150,000	---
(FDP)	PHOENIX METROPOLITAN AREA	---	---	100,000	---
	ARKANSAS				
(COMP)	ARKANSAS RIVER BASIN	---	---	150,000	---
(FDP)	CLARKSVILLE	50,000	---	50,000	---
(FC)	FOURCHE BAYOU IN THE VICINTY OF LITTLE ROCK (CP&E)	700,000	---	700,000	---
(FDP)	OUACHITA RIVER BASIN, AR & LA	715,000	---	715,000	---
(COMP)	RED RIVER BELOW DENISON DAM, AR, LA, OK, & TX (AUTH RPTS)	335,000	---	335,000	---
(COMP)	RED RIV BASIN, AR, TX, LA & OK	200,000	---	400,000	---
(COMP)	WHITE RIVER BASIN AUTHORIZATION REPORT AR AND MO	100,000	---	100,000	---
	CALIFORNIA				
(FDP)	ANTELOPE VALLEY	140,000	---	140,000	---
(FC)	CACHE CREEK BASIN (CP&E)	450,000	---	450,000	---
(FDP)	CALLEGUAS CREEK	320,000	---	320,000	---
(SPEC)	COAST OF CALIFORNIA, STORMS AND TIDAL WAVES	700,000	---	700,000	---
(FC)	COTTONWOOD CREEK	---	2,500,000	---	2,500,000
(FC)	GOLETA AND VICINITY	---	325,000	---	325,000
(FDP)	GUADALUPE RIVER	---	---	145,000	---
(N)	LOS ANGELES AND LONG BEACH HARBORS (CP&E)	---	---	250,000	---
(FDP)	LOS ANGELES COUNTY DRAINAGE AREA REVIEW	450,000	---	450,000	---
(FDP)	MORRISON CREEK STREAM GROUP (PHASE I)	500,000	---	500,000	---
(FDP)	NORTHERN CA STREAMS (DRY CREEK INTERIM)	150,000	---	150,000	---
(FC)	REDBANK AND FANCHER CREEKS (CP&E)	900,000	---	900,000	---
(N)	REDONDO BEACH HARBOR	---	---	240,000	---

(N)	RICHMOND HARBOR (DEEPENING) (CP&E)	---	---	100,000	---
(FDP)	SAN LUIS OBISPO COUNTY	150,000	---	150,000	---
(FDP)	SAN JOAQUIN RIVER BASIN	445,000	---	445,000	---
(FDP)	SAN JOAQUIN RIVER BASIN CALIENTE CREEK	---	---	200,000	---
(FDP)	SAN FRANCISCO BAY SHORELINE	420,000	---	420,000	---
(N)	SAN FRANCISCO BAY AREA (IN-DEPTH)	147,000	---	147,000	---
(FDP)	SANTA ANA RIVER BASIN & ORANGE COUNTY	300,000	---	700,000	---
(SP)	SANTA BARBARA COUNTY	---	---	150,000	---
(FDP)	SANTA BARBARA COUNTY STREAMS	242,000	---	242,000	---
(FC)	SANTA ANA RIVER (PHASE I) (CP&E)	2,500,000	---	3,000,000	---
(N)	SUNSET HARBOR	---	---	100,000	---
(N)	VENTURA MARINA	---	---	125,000	---
(FDP)	WALNUT CREEK BASIN	---	---	200,000	---

COLORADO

(FDP)	ARKANSAS RIVER AND TRIBUTARIES ABOVE JOHN MARTIN DAM (PHASE I)	206,000	---	206,000	---
(FDP)	FOUNTAIN CREEK AND TRIBS - NORTH OF PUEBLO	100,000	---	100,000	---

CONNECTICUT

(COMP)	LONG ISLAND SOUND-THAMESVILLE TIDAL FLOODING STUDY	100,000	---	100,000	---
(SPEC)	LONG ISLAND SOUND - DREDGED MATERIAL CONTAINMENT STUDY	66,000	---	66,000	---

FLORIDA

(N)	BISCAYNE BAY	---	---	100,000	---
(FDP)	CENTRAL & SOUTHERN FLORIDA WATER SUPPLY	140,000	---	140,000	---
(N)	CLEARWATER SPOIL DISPOSAL	---	---	60,000	---
(N)	ESCAMBIA RIVER	---	---	100,000	---
(FDP)	FLORIDA COMPREHENSIVE COASTLINE STUDY	---	---	250,000	---
(N)	FT. PIERCE HARBOR (CP&E)	---	---	125,000	---
(FDP)	GOLDEN GATE ESTATES	---	---	402,000	---
(N)	JACKSONVILLE HARBOR, MILL COVE (CP&E)	---	---	75,000	---
(N)	JUPITER INLET	---	---	50,000	---
(N)	MEXICO BEACH INLET	---	---	133,000	---
(N)	MIAMI HARBOR CHANNEL	---	---	200,000	---
(N)	MIAMI HARBOR	---	---	100,000	---
(BE)	MONROE COUNTY (CP&E)	---	---	100,000	---
(BE)	PANAMA CITY BEACHES (CP&E)	400,000	---	400,000	---
(N)	PORT SUTTON CHANNEL	123,000	---	123,000	---
(FDP)	SIX MILE CYPRESS CREEK	---	---	194,000	---
(FDP)	ST. MARY'S RIVER BASIN, FL & GA	---	---	200,000	---
(FDP)	SUWANEE RIVER	---	---	500,000	---
(FDP)	TAMPA BAY HURRICANE EVACUATION	---	---	100,000	---
(N)	TAMPA HARBOR, BRANCH CHANNELS	---	460,000	---	460,000

GEORGIA

(N)	APALACHICOLA, CHATTAHOOCHEE, FLINT RIVERS, GA, AL & FL	250,000	---	250,000	---
(FDP)	BRUNSWICK AREA	---	---	100,000	---
(N)	BRUNSWICK HARBOR	---	---	450,000	---
(FDP)	DALTON LAKE (PHASE I)	700,000	---	600,000	---
(MP)	LAKE LANIER REREGULATION, METRO ATLANTA (CP&E)	700,000	---	700,000	---
(FDP)	NORTHEAST GEORGIA REGION	300,000	---	300,000	---
(FC)	SAVANNAH RIVER BASIN AT DATES CREEK (CP&E)	325,000	---	325,000	---
(FDP)	SOUTH METROPOLITAN ATLANTA REGION	130,000	---	330,000	---

GUAM

(FC)	AGANA RIVER (CP&E)	280,000	---	280,000	---
(N)	HARBORS & RIVERS IN THE TERRITORY OF GUAM	180,000	---	180,000	---

HAWAII

(FDP)	HARBORS & RIVERS IN HAWAII	235,000	---	235,000	---
(FDP)	HARBORS & RIVERS IN HAWAII, HI-SO. KOHALA WATER SUPPLY INTERIM	65,000	---	65,000	---

IDAHO

(FDP)	COLUMBIA RIVER AND TRIBUTARIES, ID, MT, OR, & WA	1,649,000	---	1,649,000	---
(FDP)	UPPER SNAKE RIVER AND TRIBUTARIES (PARENT)	457,000	---	457,000	---

ILLINOIS

(FDP)	ALEXANDER AND PULASKI COUNTIES	350,000	---	---	---
(FDP)	CHICAGO-SOUTH END OF LAKE MICHIGAN, IL & IN	230,000	---	230,000	---
(FDP)	CHICAGOLAND UNDERFLOW PLAN (PHASE I)	810,000	---	810,000	---
(FDP)	ILLINOIS RIVER - HENRY TO NAPLES	---	---	250,000	---
(FC)	LOVES PARK (CP&E)	---	---	200,000	---
(FDP)	MACKINAW RIVER	125,000	---	125,000	---
(FDP)	MISS RVR COON RAPIDS	1,012,000	---	500,000	---
(FC)	NORTH BRANCH CHICAGO RIVER (CP&E)	---	---	300,000	---
(FDP)	QUINCY BAY	---	---	100,000	---
(FC)	SOUTH QUINCY (CP&E)	---	---	75,000	---
(FDP)	VERMILION RIVER	110,000	---	110,000	---

INDIANA

(FDP)	FORT WAYNE METROPOLITAN AREA	225,000	---	225,000	---
(COMP)	WABASH RIVER BASIN COMPREHENSIVE (AUTHORIZATION REPORTS), IN & IL	295,000	---	295,000	---

IOWA

(FC)	FERRY CREEK (CP&E)	185,000	---	185,000	---
	KANSAS				
(FDP)	ARK RIV AND TRIBS GREAT BEND KS TO TULSA OK	183,000	---	183,000	---
(FC)	DOUGLASS LAKE	---	---	---	100,000
(FC)	GREAT BEND	---	300,000	---	300,000
(FDP)	KANSAS AND OSAGE RIVERS	318,000	---	318,000	---
(FDP)	VERDIGRIS RIVER KS AND OK	80,000	---	80,000	---
(FDP)	VERDIGRIS RIVER KS AND OK, CANEY RIVER	250,000	---	250,000	---
(FC)	VERDIGRIS RIVER, KANSAS AND OKLAHOMA, MINGO CREEK (CP&E)	400,000	---	400,000	---
	KENTUCKY				
(N)	CUMBERLAND-TENNESSEE RIVERS, KY, AL, GA, MS, NC, TN, & VA	655,000	---	655,000	---
(FC)	FALMOUTH LAKE	---	---	---	300,000
(FC)	FRANKFORT (SOUTH FRANKFORT)	---	---	---	120,000
(FDP)	KENTUCKY RIVER AND TRIBUTARIES	400,000	---	400,000	---
(FDP)	TRADEWATER RIVER BASIN	---	---	50,000	---
(FDP)	UPPER CUMBERLAND RIVER BASIN, KY & TN	---	---	150,000	---
	LOUISIANA				
(FDP)	ALOHA - RIGOLETTE AREA	---	---	300,000	---
(FDP)	AMITE RIVER AND TRIBUTARIES	150,000	---	150,000	---
(N)	GULF INTRACOASTAL WATERWAY, LA & TX SECTION	395,000	---	395,000	---
(FDP)	LAKE PONTCHARTRAIN-WEST SHORE	120,000	---	120,000	---
(FDP)	LOUISIANA COASTAL AREA	385,000	---	385,000	---
(FDP)	MERMENTAU, VERMILION, & CALCASIEU RVS & BAYOU TECHE	540,000	---	540,000	---
(N)	MISS RIVER SHIP CHANNEL, GULF TO BATON ROUGE (CP&E)	1,000,000	---	1,000,000	---
(FC)	RED RIVER WATERWAY, SHREVEPORT LA TO VICINITY OF INDEX AR	---	---	---	520,000
	MAINE				
(N)	FORE RIVER CHANNEL PORTLAND HARBOR	75,000	---	75,000	---
(FDP)	SAINT JOHN RIVER	430,000	---	430,000	---
	MARYLAND				
(SP)	CHESAPEAKE BAY SHORELINE EROSION, MD & VA	---	---	100,000	---
	MASSACHUSETTS				
(COMP)	CONN R. BASIN AUTH REPORTS, MA, CT, VT & NH	200,000	---	200,000	---
(FC)	ROUGHANS POINT, REVERE (CP&E)	150,000	---	150,000	---
(COMP)	S.E. NEW ENGLAND - AUTH. REPORTS, MA, RI, & CT	180,000	---	180,000	---
(FC)	TOWN BROOK, QUINCY (CP&E)	100,000	---	100,000	---

MICHIGAN

(FDP)	GREAT LAKES, PARTIC LAKES ONTARIO & ERIE..............	530,000	---	530,000	---
(N)	GREAT LAKES CONNECTING CHANNELS AND HARBORS...........	1,039,000	---	1,039,000	---
(N)	MONROE HARBOR (CP&E)..................................	---	---	400,000	---
(FDP)	SAGINAW RIVER BASIN STUDY.............................	225,000	---	225,000	---

MINNESOTA

(FC)	CHASKA..	---	291,000	---	291,000
(FC)	EAST GRAND FORKS......................................	---	255,000	---	255,000
(FC)	HOUSTON (ROOT RIVER) (CP&E)...........................	150,000	---	---	---
(FDP)	MINNESOTA RIVER VALLEY................................	680,000	---	680,000	---
(FDP)	RED RIVER OF THE NORTH, MN & ND.......................	1,079,000	---	1,079,000	---
(FC)	REDWOOD RIVER AT MARSHALL (CP&E)......................	160,000	---	160,000	---
(FC)	SOUTH FORK, ZUMBRO RIVER, ROCHESTER...................	---	---	---	400,000
(FDP)	ST CROIX RIVER MN & WI................................	300,000	---	300,000	---

MISSISSIPPI

(FDP)	MISSISSIPPI GULF COAST AREA...........................	---	---	300,000	---
(FDP)	PASCAGOULA RIVER BASIN, MS & AL.......................	312,000	---	312,000	---
(FDP)	PEARL RIVER BASIN, MS & LA............................	813,000	---	813,000	---
(SPEC)	TENNESSEE-TOMBIGBEE WATERWAY SPECIAL STUDY, MS, AL, TN & KY..	112,000	---	112,000	---
(N)	YAZOO RIVER...	---	100,000	---	100,000

MISSOURI

(FC)	HANNIBAL..	---	150,000	---	150,000
(FC)	MALINE CREEK (CP&E)...................................	---	---	250,000	---
(FC)	MERAMEC RIVER BASIN (FLOOD CONTROL)...................	---	---	---	400,000
(SPEC)	MERAMEC RIVER BASIC (WATER SUPPLY)....................	---	---	200,000	---
(FDP)	OSAGE RIVER BASIN, MO, ABOVE HARRY S TRUMAN DAM.......	200,000	---	200,000	---
(N)	ST LOUIS HARBOR, MO & IL (CP&E).......................	---	---	600,000	---
(FDP)	ST LOUIS METRO AREA, MO & IL..........................	1,170,000	---	1,170,000	---
(FDP)	WEARS CREEK, JEFFERSON CITY (PHASE I)................	110,000	---	110,000	---
(FDP)	WHITE RIVER BASIN COUNTY LINE LAKE....................	120,000	---	120,000	---

NEBRASKA

(FDP)	REPUBLICAN RIVER, NE & KS.............................	---	---	200,000	---

NEVADA

(FDP)	LAS VEGAS WASH & TRIBUTARIES..........................	200,000	---	200,000	---
(FDP)	VIRGIN RIVER AND TRIBUTARIES (MOAPA VALLEY)...........	100,000	---	100,000	---

NEW JERSEY

(N)	DELAWARE RIVER COMPREHENSIVE NAVIGATION STUDY, PA, NJ, * DE..	610,000	---	610,000	---
(FDP)	HACKENSACK RIVER BASIN, NJ&NY.......................	100,000	---	100,000	---
(N)	KILL VAN KULL, NEWARK BAY CHANNELS....................	---	---	600,000	---
(FC)	MAHWAH & SUFFERN (CP&E)..............................	---	---	50,000	---
(FDP)	PASSAIC RIVER BASIN STUDY, NJ & NY (PHASE I)..........	1,513,000	---	2,000,000	---
(FC)	PASSAIC & PEQUANNOCK RIVER (CP&E).....................	---	---	500,000	---
(FC)	RAHWAY RIVER BASIN, ROBINSONS BRANCH, CITY OF RAHWAY (CP&E)..	105,000	---	105,000	---
(FC)	RAHWAY RIVER BASIN AT SPRINGFIELD (CP&E)...............	105,000	---	---	---
(FDP)	RARITAN RIVER BASIN.................................. .	200,000	---	200,000	---

NEW MEXICO

(FDP)	PECOS RIVER AND TRIBUTARIES...........................	---	---	100,000	---
(FC)	PUERCO RIVER & TRIBUTARIES, GALLUP, N.MEX (CP&E)......	---	---	340,000	---
(FDP)	RIO GRANDE AND TRIBUTARIES, NM & CO...................	425,000	---	425,000	---
(FC)	RIO GRANDE & TRIBS - MID RIO GRANDE BERNALILLO TO BELEN (CP&E)..	600,000	---	600,000	---
(FC)	RIO GRANDE FLOODWAY TRUTH OR CONSEQUENCES UNIT........	---	300,000	---	300,000

NEW YORK

(N)	ARTHUR KILL CHANNEL, HOWLAND HOOK MARINE TERMINAL.....	43,000	---	43,000	---
(N)	BUFFALO HARBOR..	120,000	---	120,000	---
(FDP)	CATTARAUGUS CREEK.....................................	75,000	---	75,000	---
(FDP)	DELAWARE RIVER BASIN, NY, PA (ICE JAMS)...............	120,000	---	120,000	---
(FC)	SAW MILL RIVER, ELMSFORD & GREENBURGH.................	---	---	100,000	---
(COMP)	GENESEE RIVER BASIN AUTH REPORT.......................	100,000	---	100,000	---
(N)	GREAT LAKES TO HUDSON RIVER WW........................	---	---	75,000	---
(N)	NY HARBOR AND ADJACENT CHANNELS, NY & NJ..............	870,000	---	870,000	---
(N)	REYNOLDS CHANNEL, JAMAICA BAY.........................	---	---	150,000	---
(N)	SHINNECOCK INLET......................................	---	100,000	---	350,000
(N)	ST. LAWRENCE SEAWAY ADDDITIONAL LOCKS.................	470,000	---	470,000	---
(FC)	WESTCHESTER CTY STREAMS-MAMARONECK AND SHELDRAKE RIVERS (CP&E).......................................	300,000	---	300,000	---

NORTH CAROLINA

(FDP)	EASTERN NORTH CAROLINA ABOVE CAPE LOOKOUT.............	160,000	---	160,000	---
(FDP)	NEUSE RIVER...	300,000	---	300,000	---
(FDP)	ROANOKE RIVER SOUTH BOSTON AND VICINITY, NC & VA......	360,000	---	360,000	---

NORTH DAKOTA

(FDP)	SOURIS RIVER BASIN....................................	---	---	200,000	---
(FC)	SHEYENNE RIVER..	---	---	---	250,000

OHIO

(FC)	CENTRAL OHIO AT NELSONVILLE LPP (CP&E)................	200,000	---	200,000	---
(FDP)	CENTRAL OHIO SURVEY.....................................	450,000	---	450,000	---
(FDP)	CUYAHOGA RIVER BASIN....................................	185,000	---	185,000	---
(FC)	FAIRFIELD (CP&E)..	250,000	---	250,000	---
(N)	GALLIPOLIS LOCK & DAM, OH & WV (CP&E)...................	---	---	---	2,000,000
(BE)	MAUMEE BAY STATE PARK (CP&E)............................	---	---	200,000	---
(FDP)	MIAMI RIVER LITTLE MIAMI RIVER AND MILL CREEK BASINS..	150,000	---	150,000	---
(FDP)	MUSKINGUM RIVER BASIN...................................	---	---	100,000	---
(FC)	RENO BEACH..	---	101,000	---	101,000

OKLAHOMA

(COMP)	ARK RIV & TRIBS, SOUTH CENTRAL & SOUTHEAST AREAS OF OK..	100,000	---	100,000	---
(FDP)	CANADIAN RIVER AND TRIBS, OK, TX & NM...................	100,000	---	200,000	---
(FC)	PARKER LAKE (CP&E)......................................	300,000	---	750,000	---
(SPEC)	ARKANSAS - RED RIVER BASINS SOLAR ENERGY				

OREGON

(FDP)	MALHEUR LAKE (RECON)....................................	---	---	330,000	---
(N)	BONNEVILLE NAVIGATION LOCK, OR & WA (CP&E)............	---	---	---	2,000,000
(N)	COLUMBIA R COAL EXPORT ASTORIA..........................	147,000	---	147,000	---
(FDP)	UMPQUA RIVER & TRIBS....................................	300,000	---	300,000	---
(COMP)	WILLAMETTE RIVER BASIN..................................	340,000	---	340,000	---

PENNSYLVANIA

(FDP)	ALLEGHENY RIVER BASIN...................................	100,000	---	100,000	---
(FC)	FRANCIS E. WALTER DAM,PENNSYLVANIA-MODIFICATION.......	---	850,000	--	850,000
(FDP)	KISKIMINETAS RIVER BASIN................................	200,000	---	200,000	---
(FDP)	LEHIGH RIVER BASIN (HYDROPOWER) STUDY.................	411,000	---	411,000	---
(N)	LOCKS & DAMS 7 AND 8, PA & WV (MONOGAHELA RIVER)(CP&E)	---	---	1,600,000	---
(FC)	LOCK HAVEN (PHASE I) (CP&E).............................	800,000	---	800,000	---
(FDP)	MONONGAHELA-YOUGHIOGHENY RIVER BASIN PA, MD & WV......	955,000	---	955,000	---
(FDP)	OHIO RIVER MAIN STEM, PA,IL,IN,OH, & WV...............	2,700,000	---	2,700,000	---
(BE)	PRESQUE ISLE (CP&E).....................................	---	---	300,000	---
(MP)	PROMPTON LAKE (MODIFICATION)............................	---	400,000	---	---
(FC)	SUSQUEHANNA BASIN AT HARRISBURG (CP&E)................	930,000	---	930,000	---

PUERTO RICO

(FDP)	GUANAJIBO RIVER...	---	---	100,000	---
(FDP)	LA PLATA RIVER AND TRIBUTARIES..........................	112,000	---	112,000	---
(FDP)	RIO GRANDE DE LOIZA.....................................	360,000	---	360,000	---

SOUTH CAROLINA

(N)	CHARLESTON HARBOR (CP&E)................................	---	---	550,000	---
(FDP)	GILLS CREEK...	370,000	---	370,000	---

(FDP)	LITTLE PEE DEE - PEE DEE RIVERS, SC & NC	470,000	---	470,000	---
(SP)	MYRTLE BEACH	52,000	---	52,000	---
	SOUTH DAKOTA				
(FDP)	EASTERN SD AND UPPER BIG SIOUX RIVER SD AND IA	240,000	---	340,000	---
(MP)	GREGORY COUNTY HYDROELECTRIC PUMPED STORAGE FACILITY (CP&E)	2,400,000	---	1,000,000	---
(FDP)	MISSOURI RIVER, SD, NE, ND, & MT	900,000	---	900,000	---
(FDP)	WESTERN DAKOTAS REGION OF SD	165,000	---	165,000	---
	TENNESSEE				
(FDP)	METROPOLITAN REGION OF NASHVILLE	335,000	---	560,000	---
	TEXAS				
(MP)	BELTON LAKE HYDROPOWER	---	200,000	---	200,000
(FDP)	BUFFALO BAYOU & TRIBUTARIES	900,000	---	900,000	---
(FDP)	COLORADO RIVER AND TRIBUTARIES	600,000	---	600,000	---
(FDP)	DICKINSON BAYOU	225,000	---	300,000	---
(FDP)	JOHNSON CREEK, ARLINGTON	175,000	---	175,000	---
(FC)	LAKE WICHITA, HOLLIDAY CREEK AT WICHITA FALLS (CP&E)	340,000	---	340,000	---
(FDP)	LITTLE CYPRESS CREEK, TX & LA	300,000	---	300,000	---
(FDP)	PINE ISLAND BAYOU WATERSHED	100,000	---	250,000	---
(FDP)	RED RIVER AND TRIBS ABOVE DENISON DAM TX OK AND NM	100,000	---	400,000	---
(FDP)	SAN JACINTO RIVER & TRIBUTARIES	300,000	---	300,000	---
(MP)	TOWN BLUFF HYDROPOWER	---	340,000	---	340,000
(MP)	TRINITY RIVER PROJECT	---	---	---	350,000
(FC)	UPPER WHITE OAK BAYOU & TRIBS., VICINITY OF HOUSTON (CP&E)	550,000	---	550,000	---
	UTAH				
(FDP)	COLORADO RIVER & TRIBS, ABOVE LEE FERRY, UT, AZ, CO, NM & WY	225,000	---	225,000	---
(FDP)	JORDAN RIVER BASIN	340,000	---	340,000	---
	VIRGINIA				
(N)	NORFOLK HARBOR AND CHANNELS (DEEPENING) (CP&E)	2,000,000	---	2,000,000	---
(FC)	RICHMOND (LOCAL PROTECTION) (PHASE I) (CP&E)	700,000	---	1,000,000	---
(FDP)	ROANOKE RIVER UPPER BASIN	150,000	---	150,000	---
(N)	YORK AND PAMUNKEY RIVERS	320,000	---	320,000	---
	WASHINGTON				
(N)	BLAIR & SITCUM WATERWAYS, TACOMA HARBOR (CP&E)	---	---	326,000	---
(FC)	CHEHALIS RIVER AT SOUTH ABERDEEN AND COSMOPOLIS (CP&E)	300,000	---	300,000	---
(FDP)	CHEHALIS RIVER AND TRIBUTARIES	100,000	---	100,000	---

(N)	EAST, WEST, AND DUWAMISH WATERWAYS, SEATTLE HARBOR (CP&E)	---	---	400,000	---
(N)	GRAYS HARBOR CHEHALIS & HOQUIAM RIVERS (CP&E)	---	---	1,900,000	---
(FDP)	MILL CREEK	225,000	---	225,000	---
(COMP)	PUGET SOUND AND ADJACENT WATERS	420,000	---	420,000	---
(N)	SEATTLE HARBOR - DUWAMISH WATERWAY	150,000	---	150,000	---
(N)	SNOHOMISH RIVER (NAVIGATION)	140,000	---	140,000	---
(FC)	YAKIMA RIVER AT UNION GAP (CP&E)	250,000	---	250,000	---
	WEST VIRGINIA				
(N)	BIG SANDY RIVER, WV, KY & VA	180,000	---	180,000	---
(FDP)	GUYANDOTTE RIVER BASIN, VIC LOGAN & MULLENS	150,000	---	150,000	---
(N)	KANAWHA RIVER	100,000	---	225,000	---
(COMP)	KANAWHA BASIN COMPREHENSIVE (AUTHORIZATION REPORTS), WV, VA & NC	300,000	---	300,000	---
	WISCONSIN				
(N)	GREEN BAY HBR (1962 MODIFICATION)	---	95,000	---	95,000
(FC)	STATE ROAD AND EBNER COULEES	---	285,000	---	285,000
	REVIEW OF AUTHORIZED PROJECTS				
	RESTUDY OF DEFERRED PROJECTS	330,000	---	330,000	---
	REVIEW OF COMPLETED PROJECTS	5,755,000	---	7,755,000	---
	HUGO LAKE, OK (HYDROPOWER STUDY)	(100,000)	---	(200,000)	---
	REVIEW FOR DEAUTHORIZATION	180,000	---	180,000	---
	TOTAL	6,265,000	---	8,265,000	---
	COORDINATION STUDIES WITH OTHER AGENCIES	5,585,000	---	5,585,000	---
	COLLECTION AND STUDY OF BASIC DATA				
	STREAM GAGING (U.S. GEOLOGICAL SURVEY)	500,000	---	500,000	---
	PRECIPITATION STUDIES (NATIONAL WEATHER SERVICE)	300,000	---	300,000	---
	INTERNATIONAL WATERS STUDIES	100,000	---	100,000	---
	FLOOD PLAIN MANAGEMENT SERVICES	7,300,000	---	6,900,000	---
	HYDROLOGIC STUDIES	235,000	---	235,000	---
	SCIENTIFIC AND TECHNICAL INFORMATION CENTERS	120,000	---	120,000	---
	COASTAL FIELD DATA COLLECTION	1,600,000	---	1,400,000	---
	TRANSPORTATION SYSTEMS	500,000	---	500,000	---
	ENVIRONMENTAL DATA STUDIES	200,000	---	200,000	---
	TOTAL	10,855,000	---	10,255,000	---

RESEARCH AND DEVELOPMENT...............................	21,000,000	---	21,000,000	---
SUBTOTAL..	110,948,000	7,052,000	133,708,000	13,342,000
REDUCTION FOR ANTICIPATED SAVINGS AND SLIPPAGE AND PRIOR YEAR UNOBLIGATED BALANCES.....................	0		-9,050,000	
TOTAL GENERAL INVESTIGATIONS....................	118,000,000		138,000,000	

TYPE OF PROJECT:

(N)	NAVIGATION
(FC)	FLOOD CONTROL
(BE)	BEACH EROSION CONTROL
(MP)	MULTIPLE-PURPOSE, INCLUDING POWER
(FDP)	FLOOD DAMAGE PREVENTION
(SP)	SHORELINE PROTECTION
(SPEC)	SPECIAL
(COMP)	COMPREHENSIVE
(PHASE I)	AUTHORIZED FOR PHASE I STAGE OF ADVANCE ENGINEERING AND DESIGN IN THE WATER RESOURCES DEVELOPMENT ACT OF 1974 OR 1976
(CP&E)	CONTINUATION OF PLANNING AND ENGINEERING

Construction, general

Amendment No. 2: Appropriates $864,500,000 for construction, general instead of $913,014,000 as proposed by the House and $856,280,000 as proposed by the Senate.

Amendment No. 3: Restores language proposed by the House and stricken by the Senate earmarking $1,300,000 for the Ocean Township to Sandy Hook reach of the Sandy Hook to Barnegat Inlet, New Jersey project.

Amendment No. 4: Earmarks $3,000,000 for construction of the West Turning Basin extension of the Canaveral Harbor, Florida project instead of $4,000,000 as proposed by the House and $2,000,000 as proposed by the Senate.

Amendment No. 5: Appropriates $15,000,000 for construction of the Yatesville Lake, Kentucky project instead of $20,000,000 as proposed by the House and $5,000,000 as proposed by the Senate.

Amendment No. 6: Appropriates $10,000,000 for construction of the Elk Creek Lake, Oregon project and appropriates $500,000 for construction of Lock and Dam 3, Red River Waterway, Louisiana project as proposed by the Senate.

Amendment No. 7: Deletes language proposed by the Senate relating to Charleston Harbor, South Carolina.

In March of this year, a severe storm again caused extensive erosion and damage to the seawall and airfield runway at Tangier Island, Virginia. To date, more than $4,000,000 of taxpayer funds has been spent on public facilities which are currently in danger of being lost. An extension to the existing inadequate seawall has already been designed and with some updating it is ready for implementation. In light of the emergency situation, the conferees direct the Corps of Engineers to use available funds to bring project design and cost estimates up to date so that construction can begin at the earliest possible time. Further, the Committee directs the Corps to use its emergency authority to protect the Island's airport runway from further damage.

The conferees have included $1,800,000 under the Willamette River Bank Protection project and direct the Corps to use these funds to undertake such measures that are necessary to prevent further erosion and to protect the Federal investment at Minto-Brown Island Park in Oregon.

The conferees have reviewed the Sowashee Creek, Mississippi flood control problem. This problem continues to seriously inhibit economic development in the area. The Corps of Engineers constructed in 1955, a project under the authority of Section 205. This project has functioned very well, but is deficient in terms of meeting the flood control needs of the area. Therefore, the conferees direct the Corps of Engineers to correct the project deficiency in accordance with the plan recommended by the district engineer in a report dated February 1984. Within available funds, $1,000,000 is included for remedial work on the existing project.

The conference agreement includes funding for the projects contained under the various continuing authorities programs as shown in the House Report.

Subject to authorization, the conference agreement provides $5,750,000 for the Sardis Lake, Oklahoma project.

The conference agreement includes $3,500,000 for the Ouachita and Black Rivers project, including $2,500,000 to continue the construction of access sites and recreational areas at the Felsenthal National Wildlife Refuge, Arkansas.

The funds appropriated are to be allocated as shown in the following table:

Type of Project	Construction, General - State and project	Budget estimate	Conference allowance
	ALASKA		
(FC)	CHENA RIVER LAKES	9,700,000	9,700,000
(N)	KAKE HARBOR	25,000	25,000
(MP)	SNETTISHAM	10,000,000	10,000,000
	ARIZONA		
(FC)	PHOENIX AND VICINITY (STAGE 2 AND REMAINING WORK)	7,500,000	7,500,000
	ARKANSAS		
(N)	MCCLELLAN-KERR ARK RIVER NAVIGATION SYSTEM LOCKS AND DAMS, AR & OK	2,800,000	2,800,000
(N)	OUACHITA & BLACK RIVERS, AR & LA	2,000,000	3,500,000
	CALIFORNIA		
(FC)	CORTE MADERA CREEK	---	250,000
(FC)	CUCAMONGA CREEK	1,453,000	1,453,000
(FC)	DRY CREEK(WARM SPRINGS) LAKE AND CHANNEL	14,000,000	14,000,000
(FC)	FAIRFIELD VICINITY STREAMS	1,200,000	---
(N)	FISHERMAN'S WHARF AREA	3,000,000	3,000,000
(BE)	IMPERIAL BEACH, SAN DIEGO COUNTY	493,000	493,000
(FC)	LACDA (LOS ANGELES RIVER) (REHAB)	10,000,000	10,000,000
(FC)	LOWER SAN JOAQUIN RIVER	---	2,000,000
(FC)	LYTLE AND WARM CREEKS	200,000	200,000
(FC)	MERCED COUNTY STREAMS	4,000,000	---
(MP)	NEW MELONES LAKE	4,500,000	6,000,000
(FC)	PAJARO RIVER	1,300,000	---
(N)	PORT SAN LUIS, SAN LUIS OBISPO HARBOR	---	600,000
(FC)	SACRAMENTO RIVER CHICO LANDING TO RED BLUFF	2,000,000	2,500,000
(FC)	SACRAMENTO RIVER FLOOD CONTROL PROJECT (DEF CORR)	250,000	250,000
(FC)	SACRAMENTO RIVER & MAJOR AND MINOR TRIBUTARIES	200,000	200,000
(FC)	SACRAMENTO RIVER BANK PROTECTION PROJECT	2,500,000	3,500,000
(N)	SAN FRANCISCO BAY TO STOCKTON	18,400,000	18,400,000
(FC)	SAN LUIS REY RIVER	5,000,000	---
(FC)	SWEETWATER RIVER	4,000,000	4,000,000
(FC)	WALNUT CREEK	11,400,000	11,400,000
(FC)	WILDCAT & SAN PABLO CREEKS	500,000	500,000
	COLORADO		
(FC)	CHATFIELD LAKE	2,000,000	2,000,000
	FLORIDA		
(N)	CANAVERAL HARBOR	---	3,000,000
(FC)	CENTRAL & SOUTHERN FLORIDA	11,500,000	11,500,000
(FC)	DADE COUNTY	1,400,000	1,400,000
(BE)	DUVAL COUNTY	3,900,000	3,900,000
(FC)	EAST EVERGLADES	---	1,000,000
(FC)	FOUR RIVER BASINS	2,000,000	2,000,000
(BE)	PALM BEACH COUNTY (REIMB)	2,100,000	2,100,000
(BE)	PINELLAS COUNTY	400,000	400,000
(N)	TAMPA HARBOR-MAIN CHANNEL	13,000,000	13,000,000
	GEORGIA		
(MP)	RICHARD B. RUSSELL DAM AND LAKE, GA AND SC	27,000,000	27,000,000
	HAWAII		
(N)	BARBERS POINT HARBOR, OAHU	11,827,000	11,827,000
(FC)	KAHOMA STREAM	3,400,000	---
	IDAHO		
(MP)	DWORSHAK DAM AND RESERVOIR	2,746,000	2,746,000

Type of Project	Construction, General - State and project	Budget estimate	Conference allowance
	ILLINOIS		
(N)	BRANDON ROAD LOCK AND DAM (REHAB)......................	10,800,000	10,800,000
(FC)	EAST ST. LOUIS AND VICINITY...........................	3,100,000	3,100,000
(FC)	KASKASKIA ISLAND DRAINAGE AND LEVEE DISTRICT..........	3,600,000	3,600,000
(N)	KASKASKIA RIVER NAVIGATION............................	5,300,000	5,300,000
(N)	LOCK AND DAM NO 26, MISSISSIPPI RIVER ALTON, IL AND MO	89,500,000	89,500,000
(N)	LOCKPORT LOCK (REHAB).................................	11,800,000	11,800,000
(N)	LOCKS AND DAM 53, IL & KY (REHAB)......................	1,240,000	1,240,000
(FC)	MAUVAISE TERRE LEVEE, NAPLES..........................	---	600,000
(FC)	MCGEE CREEK DRAINAGE AND LEVEE DISTRICT...............	2,180,000	2,180,000
(FC)	MILAN...	2,500,000	2,500,000
(FC)	ROCKFORD..	1,100,000	1,100,000
(N)	SMITHLAND LOCKS AND DAM, IL, IN, & KY.................	1,800,000	1,800,000
	INDIANA		
(FC)	EVANSVILLE..	3,000,000	3,000,000
	IOWA		
(FC)	AMES LAKE...	---	250,000
(FC)	BETTENDORF..	3,900,000	3,900,000
(FC)	CORALVILLE LAKE.......................................	3,037,000	3,037,000
(FC)	DAVENPORT...	2,300,000	---
(FC)	LITTLE SIOUX RIVER (DEF CORR).........................	3,267,000	3,267,000
(FC)	MISSOURI RIVER LEVEE SYSTEM, IA, NE, KS, & MO.........	650,000	900,000
(FC)	SAYLORVILLE LAKE......................................	---	5,000,000
(FC)	WATERLOO..	2,500,000	2,500,000
	KANSAS		
(FC)	EL DORADO LAKE..	2,391,000	2,391,000
	KENTUCKY		
(FC)	BIG SOUTH FORK NATIONAL RIVER & RECREATION AREA, KY&TN	10,000,000	10,000,000
(FC)	PAINTSVILLE LAKE......................................	1,300,000	1,300,000
(FC)	SOUTHWESTERN JEFFERSON COUNTY.........................	4,500,000	4,500,000
(FC)	TAYLORSVILLE LAKE.....................................	3,100,000	3,100,000
(FC)	YATESVILLE LAKE.......................................	---	15,000,000
	LOUISIANA		
(FC)	BAYOU BODCAU AND TRIBUTARIES..........................	300,000	300,000
(FC)	LAKE PONTCHARTRAIN AND VICINITY (HURRICANE PROTECTION)	17,500,000	17,500,000
(FC)	LAROSE TO GOLDEN MEADOW (HURRICANE PROTECTION)........	5,100,000	5,100,000
(N)	MISSISSIPPI RIVER, BATON ROUGE TO THE GULF OF MEXICO..	2,000,000	2,000,000
(N)	MISSISSIPPI RIVER-GULF OUTLET.........................	2,000,000	2,000,000
(FC)	MORGAN CITY AND VICINITY (HURRICANE PROTECTION).......	280,000	280,000
(FC)	NEW ORLEANS TO VENICE (HURRICANE PROTECTION)..........	4,800,000	4,800,000
(N)	RED RIVER EMERGENCY BANK PROTECTION, LA, AR, OK & TX..	3,254,000	7,000,000
(N)	RED RIVER WATERWAY-MS RIVER TO SHREVEPORT.............	80,100,000	93,990,000
	MAINE		
(N)	JONESPORT HARBOR......................................	25,000	25,000
	MARYLAND		
(N)	BALTIMORE HARBOR & CHANNELS, MD & VA..................	200,000	200,000
(N)	OCEAN CITY HARBOR & INLET & SINEPUXENT BAY (SO JETTY) (REHAB)...	1,600,000	1,600,000
	MINNESOTA		
(FC)	BASSETT CREEK...	6,000,000	---
(FC)	BIG STONE LAKE AND WHETSTONE RIVER, MN & SD...........	460,000	460,000
(FC)	MANKATO AND NORTH MANKATO.............................	9,300,000	9,500,000
(FC)	WINONA..	2,053,000	2,053,000

Type of Project	Construction, General - State and project	Budget estimate	Conference allowance
	MISSISSIPPI		
(FC)	TOMBIGBEE RIVER & TRIBUTARIES, MS & AL	2,000,000	2,000,000
	MISSOURI		
(FC)	BLUE RIVER CHANNEL, KANSAS CITY	2,800,000	2,800,000
(MP)	CLARENCE CANNON DAM AND MARK TWAIN LAKE	7,600,000	7,600,000
(MP)	HARRY S TRUMAN DAM AND RESERVOIR	7,400,000	7,400,000
(FC)	LITTLE BLUE RIVER CHANNEL	1,400,000	1,400,000
(FC)	LITTLE BLUE RIVER LAKES	13,000,000	13,000,000
(FC)	LONG BRANCH LAKE	300,000	300,000
(N)	MISS RIVER BTWN THE OHIO AND MO RIVERS (REG WORKS) MO & IL	3,700,000	3,700,000
	NEBRASKA		
(FC)	PAPILLION CREEK AND TRIBUTARIES LAKES	2,300,000	2,300,000
	NEW JERSEY		
(N)	BARNEGAT INLET (DEF CORR)	---	4,000,000
(FC)	ELIZABETH RIVER FLOOD CONTROL PROJECT	4,200,000	4,200,000
(BE)	SEABRIGHT TO OCEAN TOWNSHIP	---	1,300,000
	NEW YORK		
(BE)	EAST ROCKAWAY INLET TO ROCKAWAY INLET AND JAMAICA BAY.	2,250,000	2,250,000
(FC)	ELLICOTT CREEK	2,700,000	---
(FC)	HERKIMER (DEF CORR)	---	250,000
(N)	IRONDEQUOIT BAY	2,250,000	2,250,000
(N)	NY HARBOR COLLECTION & REMOVAL OF DRIFT PROJECT, NY & NJ	4,500,000	4,500,000
	NORTH CAROLINA		
(N)	AIWW-REPLACEMENT OF FEDERAL HIGHWAY BRIDGES	4,800,000	4,800,000
(FC)	B. EVERETT JORDAN DAM AND LAKE	7,800,000	7,800,000
(FC)	CAROLINA BEACH AND VICINITY	520,000	520,000
(FC)	FALLS LAKE	7,000,000	7,000,000
(FC)	RANDLEMAN LAKE	3,000,000	---
	NORTH DAKOTA		
(FC)	LAKE DARLING, SOURIS RIVER	1,000,000	3,000,000
	OHIO		
(FC)	MILL CREEK	9,600,000	9,600,000
(FC)	MUSKINGUM RIVER LAKES (DAM SAFETY ASSURANCE)	900,000	900,000
(FC)	MUSKINGUM RIVER LAKES (REHAB)	2,200,000	2,200,000
(FC)	NEWARK	85,000	85,000
(FC)	POINT PLACE	1,850,000	1,850,000
	OKLAHOMA		
(FC)	ARCADIA LAKE	11,500,000	10,500,000
(FC)	COPAN LAKE	---	2,300,000
(MP)	EUFAULA LAKE (BRIDGE REPLACEMENT)	---	850,000
(FC)	SARDIS LAKE	---	5,750,000
(FC)	SKIATOOK LAKE	2,375,000	2,375,000
	OREGON		
(MP)	BONNEVILLE SECOND POWERHOUSE, OREGON & WASHINGTON	9,000,000	9,000,000
(FC)	ELK CREEK LAKE (RESUMPTION)	---	10,000,000
(MP)	JOHN DAY LOCK AND DAM, LAKE UMATILLA, OR & WA	5,700,000	10,700,000
(FC)	LOWER COLUMBIA RIVER BASIN BANK PROTECTION, OR & WA	2,200,000	2,200,000
(N)	SIUSLAW RIVER AND BAR	8,600,000	8,600,000
(FC)	WILLAMETTE RIVER BASIN BANK PROTECTION	1,050,000	2,850,000
	PENNSYLVANIA		
(FC)	COWANESQUE LAKE (MODIFICATION)	1,300,000	---
(N)	EMSWORTH LOCKS AND DAMS OHIO RIVER (REHAB)	985,000	985,000

Type of Project	Construction, General - State and project	Budget estimate	Conference allowance
(N)	MONTGOMERY LOCKS AND DAM OHIO RIVER (REHAB)	7,100,000	7,100,000
(BE)	PRESQUE ISLE	1,160,000	1,160,000
(FC)	WYOMING VALLEY (REMEDIAL WORK) (DEF CORR)	7,600,000	7,600,000
	PUERTO RICO		
(N)	PONCE HARBOR	25,000	25,000
(FC)	PORTUGUES & BUCANA RIVERS	27,000,000	27,000,000
	SOUTH CAROLINA		
(N)	COOPER RIVER, CHARLESTON HARBOR	1,997,000	3,000,000
	TEXAS		
(N)	CORPUS CHRISTI SHIP CHANNEL (1968 ACT)	10,100,000	10,100,000
(FC)	EL PASO	7,000,000	7,000,000
(N)	FREEPORT HARBOR (1970 ACT)	100,000	100,000
(N)	FREEPORT HARBOR (1970 ACT) (RELOC OF NORTH JETTY)	2,350,000	---
(FC)	GRAPEVINE LAKE (REHAB)	4,200,000	4,200,000
(FC)	JOE POOL LAKE	18,100,000	18,100,000
(N)	MOUTH OF COLORADO RIVER	4,800,000	4,800,000
(FC)	RAY ROBERTS LAKE	58,000,000	58,000,000
(FC)	RED RIVER LEVEES & BANK STABILIZATION BELOW DENISON DAM, TX, AR & LA	---	1,000,000
(FC)	SAN ANTONIO CHANNEL IMPROVEMENT	5,000,000	5,000,000
(FC)	SAN GABRIEL RIVER	200,000	200,000
(FC)	TAYLORS BAYOU	4,000,000	4,000,000
(FC)	VINCE AND LITTLE VINCE BAYOUS	4,000,000	4,000,000
	VIRGINIA		
(FC)	HAYSI LAKE	---	600,000
(FC)	VIRGINIA BEACH STREAMS, CANAL NO. TWO	2,210,000	---
	WASHINGTON		
(MP)	CHIEF JOSEPH ADDITIONAL UNITS	13,000,000	13,000,000
(N)	LAKE WASHINGTON SHIP CANAL (REHAB)	1,005,000	1,005,000
(MP)	LOWER SNAKE RIVER FISH & WILDLIFE COMPENSATION, WA, OR & ID	17,700,000	17,700,000
(FC)	MILL CREEK LAKE (REHAB)	2,100,000	2,100,000
	WEST VIRGINIA		
(FC)	BEECH FORK LAKE	1,800,000	1,800,000
(FC)	LEVISA & TUG FORKS OF THE BIG SANDY & CUMBERLAND RIVERS, WV, VA & KY	10,000,000	12,000,000
(FC)	STONEWALL JACKSON LAKE	27,000,000	27,000,000
	MISCELLANEOUS		
	SMALL NAVIGATION PROJECTS (SECTION 107)	9,875,000	11,191,000
	MITIGATION OF SHORE DAMAGES ATTRIBUTABLE TO NAV PROJ (SECTION 111)	275,000	375,000
	SMALL BEACH EROSION CONTROL PROJECTS (SECTION 103)	975,000	1,298,000
	SMALL PROJECTS FOR FLOOD CONTROL & RELATED PURPOSES (SECTION 205)	19,700,000	27,770,000
	EMERGENCY STREAMBANK & SHORELINE PROTECTION (SECTION 14)	5,300,000	5,428,000
	SMALL SNAGGING & CLEARING PROJECTS (SECTION 208)	600,000	600,000
	AQUATIC PLANT CONTROL (1965 ACT)	7,000,000	8,551,000
	EMPLOYEES COMPENSATION	10,386,000	10,386,000
	REDUCTION FOR ANTICIPATED SAVINGS AND SLIPPAGE AND UNOBLIGATED BALANCES PRIOR YEAR	-61,254,000	-108,921,000
	TOTAL CONSTRUCTION, GENERAL	874,000,000	890,000,000

TYPE OF PROJECT:

(N)	NAVIGATION
(FC)	FLOOD CONTROL
(BE)	BEACH EROSION CONTROL
(MP)	MULTIPLE-PURPOSE, INCLUDING POWER

Flood control and coastal emergencies

Amendment No. 8: Appropriates $25,000,000 for flood control and coastal emergencies instead of $10,000,000 as proposed by the House and $30,000,000 as proposed by the Senate.

Flood control, Mississippi River and tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee

Amendment No. 9: Appropriates $321,000,000 for flood control, Mississippi River and tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri and Tennessee instead of $326,309,000 as proposed by the House and $310,300,000 as proposed by the Senate.

Yazoo Basin—demonstration erosion control.—On April 21, 1984, a devastating tornado struck the counties of Laflore, Tallahatchie, Lafayette and Yalobusha, with most of the damage occurring in Water Valley, Mississippi. There were 15 deaths, with many homes, churches and businesses totally destroyed or suffering major damage. It is reported that 4 to 5 inches of rain fell in a three hour period adding flood waters to an already tragic situation in the area. The tornado struck in the heart of the area which has suffered three "hundred-year" floods in the last ten years.

In FY 1983, Public Law 98-8 providing for enhancement of water resource benefits and for emergency disaster work was enacted into law. That legislation addressed the need for vital flood control and soil conservation work caused by disastrous hurricanes and rains which covered much of the United States, including the Lower Mississippi Valley, which drains over 40 percent of the United States. The legislation provided for cooperative work between the Corps and the Soil Conservation Service in an effort to hold back the water in the watershed areas to prevent disastrous flooding.

Public Law 98-50, the Energy and Water Development Appropriation Act for FY 1984 also directed the Corps and SCS to work jointly to preclude, to the maximum extent possible, drainage problems which result in massive flooding, especially in the Upper Yazoo Basin foothill area.

The conferees have included $6.2 million for the continuation of the erosion control work program, together with repair of flood damage on Ascalmore Creek and other areas following the tornado. Following is a brief description of the areas included in the demonstration erosion control program:

Batupan Bogue.—The Batupan Bogue watershed is located in Grenada, Carroll, Montgomery, and Webster Counties. The City of Grenada is located in the lower end of the watershed at the point where Batupan Bogue enters the Yalobusha River just downstream from Grenada Dam. The watershed area is about 163,000 acres including some 25,000 acres in row crops and 30,000 acres in pasture.

The watershed problems include periodic major urban flooding in portions of the city of Grenada, agricultural flooding, erosion of hill lands, streambank erosion and sedimentation damages. Devastating record floods occurred in 1982 and 1983.

The joint plan developed to reduce flooding, erosion, and sedimentation problems includes 15 major grade control structures and about 200 minor grade control structures, streambank stabilization, 10 floodwater retarding structures, land treatment, and channel cleanout.

Otoucalofa Creek.—The Otoucalofa Creek Watershed is located in Yalobusha, Lafayette, and Calhoun Counties. The creek flows into Yocona River within the boundary of Enid Lake. The town of Water Valley is the major population center in the watershed. There are about 71,000 acres in the drainage area including 15,000 acres in row crops and 12,000 acres in pasture.

The problems in the watershed include severe erosion of hill lands and erosion of streambanks. Agricultural land is flooded and extensive urban flooding occurs in Water Valley during major storms. At the lower end of the watershed, channel filling occurs and deposition of sediments on agricultural land. Devastating flooding occurred in 1983 and 1984 as described above.

The joint plan developed to reduce flooding, erosion and sedimentation problems includes a major grade control structure and about 75 minor grade control structures, streambank stabilization, 15 floodwater retarding structures, channel cleanout, and land treatment measures.

Hotophia Creek.—The Hotophia Creek watershed is located in Panola County about 3 miles east of Batesville. The creek enters the Little Tallahatchie River downsteam from Sardis Lake. The watershed area is 21,000 acres including 5,000 acres in row crops and 3,000 acres in pasture.

Hotophia Creek has extreme channel instability resulting in channel degradation and extensive bank erosion. Huge sediment loads from the bank and bed erosion are dumped into the Little Tallahatchie River, thereby reducing the capacity of the river channel and impairing the ability to release stored floodwaters from Sardis Lake.

The joint plan developed to reduce erosion and degradation problems includes 3 major grade control structures and 20 minor grade control structures, streambank stabilization and land treatment measures.

Hickahala and Senatobia Creeks.—The watershed of Hickahala and Senatobia Creeks lies in Tate, Marshall and Panola Counties. The Town of Senatobia is the largest population center in the watershed. Hickahala Creek flows into Coldwater River just above Arkabutla Lake. The watershed area is about 135,000 acres which includes about 40,000 acres in row crops and 50,000 acres in pasture.

Bank caving and channel degradation are major problems in the watershed with extensive channel filling and drift accumulations in the downstream portion of the channel system. Flooding problems include agricultural lands and the sewage lagoon at Senatobia. Local levee breaks are also a problem.

The joint plan developed to reduce flooding, erosion and sedimentation problems includes 6 major grade control structures and 40 minor grade controls, channel bank stabilization, extensive channel cleanout in the lower end of the watershed and land treatment measures.

In addition to the above items, the Corps should review the water-related problems being experienced in the Tuscumbia River Basin with the objective of finding solutions to problems in the Basin.

The conference recommendation is to complete the land acquisition program during fiscal year 1985 as authorized by law for the Tensas River National Wildlife Refuge. In carrying out this recommendation, the conferees direct the Corps of Engineers to acquire the remaining mitigation lands, estimated to cost approximately $16,000,000, using funds provided by this bill together with unobligated balances and savings from other projects available for use in fiscal year 1985 for the necessary remaining amount.

The funds appropriated are to be allocated as shown in the following table:

Type of Project	Flood Control, Mississippi River and Tributaries	Budget estimate	Conference allowance
	GENERAL INVESTIGATIONS		
	SURVEYS:		
	GENERAL STUDIES:		
(FDP)	BOEUF-TENSAS BASIN, AR & LA	225,000	225,000
(FDP)	ST. FRANCIS RIVER BASIN BELOW WAPPAPELLO LAKE, AR & MO	340,000	340,000
(FDP)	BAYOU DU CHIEN, KY	200,000	200,000
(FDP)	MAYFIELD CREEK AND TRIBUTARIES, KY	155,000	155,000
(FDP)	LARTO LAKE-SALINE LAKE AREA, LA	---	240,000
(FDP)	ATCHAFALAYA BASIN (WATER & LAND RESOURCES), LA	500,000	500,000
(FC)	MISSISSIPPI & LOUISIANA ESTUARINE AREAS, LA & MS (CPSE)	---	300,000
(FDP)	SOUTHWEST MISSISSIPPI TRIBUTARIES BASIN, MS	100,000	100,000
(FDP)	YAZOO RIVER BASIN, MS	530,000	730,000
(FDP)	EASTERN ARKANSAS REGION COMPREHENSIVE STUDY, AR	575,000	575,000
(FDP)	COLLECTION AND STUDY OF BASIC DATA	260,000	260,000
	ADVANCE ENGINEERING AND DESIGN:		
(FC)	L'ANGUILLE RIVER BASIN, AR	100,000	100,000
(FC)	MISSISSIPPI DELTA REGION SALINITY CONTROL STRUCTURE, LA	700,000	700,000
(FC)	HARRIS FORK CREEK, TN & KY	130,000	130,000
	SUBTOTAL, GENERAL INVESTIGATIONS	3,815,000	4,555,000
	CONSTRUCTION		
(FC)	CHANNEL IMPROVEMENT, AR, IL, KY, LA, MS, MO & TN	55,000,000	55,000,000
(FC)	MISSISSIPPI RIVER LEVEES, AR, IL, KY, LA, MS, MO & TN	32,000,000	32,000,000
(FC)	ST. FRANCIS BASIN, AR & MO	6,300,000	6,300,000
(FC)	TENSAS BASIN, AR & LA:	(12,100,000)	(12,100,000)
	BOEUF AND TENSAS RIVERS, EXCEPT LAKE CHICOT PUMPING PLANT	210,000	210,000
	BOEUF AND TENSAS RIVERS, LAKE CHICOT PUMPING PLANT	3,514,000	3,514,000
	RED RIVER BACKWATER AREA, EXCEPT TENSAS COCODRIE PUMPING PLANT	2,885,000	2,885,000
	RED RIVER BACKWATER AREA, TENSAS COCODRIE PUMPING PLANT	5,491,000	5,491,000
(FC)	TENSAS RIVER NATIONAL WILDLIFE REFUGE, LA	---	12,500,000
(FC)	REELFOOT LAKE-LAKE NO 9, KY & TN	100,000	100,000
(FC)	ATCHAFALAYA BASIN, LA	23,000,000	28,394,000
(FC)	BAYOU COCODRIE AND TRIBUTARIES, LA	200,000	200,000
(FC)	OLD RIVER, LA	67,300,000	67,300,000
(FC)	SARDIS LAKE, MS (DAM SAFETY ASSURANCE)	100,000	100,000
(FC)	YAZOO BASIN, MS:	(16,370,000)	(29,870,000)
	BIG SUNFLOWER RIVER	1,092,000	1,092,000
	GREENWOOD	375,000	375,000
	MAIN STEM	575,000	575,000
	TRIBUTARIES:		
	EXCEPT ASCALMORE-TIPPO AND OPPOSSUM BAYOUS	4,208,000	6,308,000
	ASCALMORE-TIPPO AND OPPOSSUM BAYOUS	3,882,000	3,882,000
	UPPER YAZOO PROJECTS (FORMERLY AUXILIARY CHANNEL)	3,560,000	6,760,000
	YAZOO BACKWATER	2,678,000	4,678,000
	DEMONSTRATION EROSION CONTROL	---	6,200,000
(FC)	WEST TENNESSEE TRIBUTARIES, TN	2,400,000	2,400,000
	SUBTOTAL, CONSTRUCTION	214,870,000	246,264,000
	MAINTENANCE		
(FC)	BOEUF-TENSAS BASIN, AR AND LA	1,387,000	1,387,000
(FC)	WHITE RIVER BACKWATER, AR	640,000	640,000
(FC)	MAPPING, AR, IL, KY, LA, MS, MO & TN	524,000	524,000
(FC)	MISSISSIPPI RIVER LEVEES, AR, IL, KY, LA, MS, MO & TN	8,492,000	8,492,000
(FC)	NORTH BANK, ARKANSAS RIVER, AR	287,000	287,000
(FC)	SOUTH BANK, ARKANSAS RIVER, AR	300,000	300,000
(FC)	ST. FRANCIS RIVER AND TRIBUTARIES, AR & MO	4,115,000	4,115,000
(FC)	ATCHAFALAYA BASIN, LA	9,429,000	9,429,000
(FC)	BAYOU COCODRIE & TRIBUTARIES, LA	98,000	98,000
(FC)	BONNET CARRE SPILLWAY, LA	435,000	435,000
(FC)	LOWER RED RIVER, SOUTH BANK LEVEES, LA	290,000	290,000
(FC)	OLD RIVER, LA	5,194,000	5,194,000
(FC)	RED RIVER BACKWATER AREA, LA	436,000	436,000

Type of Project	Flood Control, Mississippi River and Tributaries	Budget estimate	Conference allowance
(FC)	ARKABUTLA LAKE, MS	2,051,000	2,051,000
(FC)	BIG SUNFLOWER RIVER, MS	182,000	182,000
(FC)	ENID LAKE, MS	2,075,000	2,075,000
(FC)	GREENWOOD, MS	419,000	419,000
(FC)	GRENADA LAKE, MS	3,826,000	3,927,000
(FC)	YAZOO BASIN, MAIN STEM, MS	1,207,000	1,207,000
(FC)	SARDIS LAKE, MS	2,637,000	2,911,000
(FC)	YAZOO BASIN, TRIBUTARIES, MS	1,953,000	1,953,000
(FC)	WHITTINGTON AUXILIARY CHANNEL, MS	328,000	328,000
(FC)	YAZOO BACKWATER, MS	287,000	287,000
(FC)	YAZOO CITY, MS	260,000	260,000
(FC)	WAPPAPELLO LAKE, MO	2,580,000	2,580,000
(FC)	REVETMENT AND DIKES	28,191,000	28,191,000
(FC)	DREDGING	21,541,000	21,541,000
(FC)	INSPECTION OF COMPLETED WORKS	1,015,000	1,015,000
	SUBTOTAL, MAINTENANCE	100,179,000	100,554,000
	REDUCTION FOR ANTICIPATED SAVINGS, SLIPPAGE, AND PRIOR YEAR UNOBLIGATED BALANCES	-14,864,000	-30,373,000
	TOTAL, FLOOD CONTROL, MISSISSIPPI RIVER & TRIBUTARIES.	304,000,000	321,000,000

TYPE OF STUDY OR PROJECT:
(FC) FLOOD CONTROL
(FDP) FLOOD DAMAGE PREVENTION

Operation and Maintenance, General

Amendment No. 10: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, with an amendment appropriating $1,305,000,000 for operation and maintenance, general instead of $1,339,683,000 as proposed by the House and $1,317,557,000 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The funds appropriated are to be allocated as shown in the following table:

Type of Project	Operation and Maintenance - State and project	Budget estimate	Conference allowance
	ALABAMA		
(N)	ALABAMA-COOSA RIVER	7,769,000	9,653,000
(N)	BAYOU CODEN	---	417,000
(N)	BAYOU LA BATRE	---	424,000
(N)	BLACK WARRIOR & TOMBIGBEE RIVERS	12,853,000	18,507,000
(N)	BON SECOUR RIVER	---	435,000
(N)	DAUPHIN ISLAND BAY	82,000	82,000
(N)	DOG & FOWL RIVERS	---	466,000
(N)	FLY CREEK	---	159,000
(N)	GULF INTRACOASTAL WATERWAY (MOBILE DISTRICT)	2,488,000	5,000,000
(MP)	MILLERS FERRY LOCK & DAM - WILLIAM 'BILL' DANNELLY LAKE	3,054,000	3,054,000
(N)	MOBILE HARBOR	4,578,000	8,000,000
(N)	PERDIDO PASS	41,000	500,000
(MP)	ROBERT F. HENRY LOCK & DAM	2,479,000	2,479,000
(N)	TENNESSEE TOMBIGBEE WATERWAY, AL & MS	11,063,000	11,063,000
(MP)	WALTER F. GEORGE LOCK AND DAM, AL & GA	3,921,000	3,921,000
	ALASKA		
(N)	ANCHORAGE HARBOR	1,836,000	1,836,000
(FC)	CHENA RIVER LAKES	928,000	928,000
(N)	DILLINGHAM SMALL BOAT HARBOR	571,000	571,000
(N)	HOMER HARBOR	290,000	290,000
(N)	NINILCHIK SMALL BOAT HARBOR	268,000	268,000
(N)	NOME HARBOR	716,000	716,000
(N)	STIKINE RIVER SNAGGING	18,000	18,000
	ARIZONA		
(FC)	ALAMO LAKE	746,000	746,000
(FC)	PAINTED ROCK DAM	662,000	662,000
(FC)	WHITLOW RANCH DAM	82,000	82,000
	ARKANSAS		
(MP)	BEAVER LAKE	2,341,000	2,341,000
(MP)	BLAKELY MOUNTAIN DAM, LAKE OUACHITA	3,485,000	3,485,000
(FC)	BLUE MOUNTAIN LAKE	723,090	723,000
(MP)	BULL SHOALS LAKE	3,394,000	3,394,000
(MP)	DARDANELLE LOCK & DAM	3,350,000	3,350,000
(MP)	DEGRAY LAKE	2,693,000	2,693,000
(FC)	DEQUEEN LAKE	623,000	623,000
(FC)	DIERKS LAKE	611,000	611,000
(FC)	GILLHAM LAKE	540,000	540,000
(MP)	GREERS FERRY LAKE	3,112,000	3,112,000
(N)	HELENA HARBOR	360,000	360,000
(N)	MCCLELLAN-KERR ARKANSAS RIVER NAV SYSTEM LOCKS AND DAMS, AR & OK	11,466,000	11,466,000

Type of Project	Operation and Maintenance - State and project	Budget estimate	Conference allowance
(FC)	MILLWOOD LAKE	1,454,000	1,454,000
(MP)	NARROWS DAM - LAKE GREESON	2,559,000	2,559,000
(FC)	NIMROD LAKE	849,000	849,000
(MP)	NORFORK LAKE	2,223,000	2,223,000
(N)	OSCEOLA HARBOR	462,000	462,000
(N)	OUACHITA & BLACK RIVERS, AR & LA	5,357,000	5,357,000
(MP)	OZARK-JETA TAYLOR LOCK & DAM	2,643,000	2,643,000
(N)	WHITE RIVER	2,058,000	2,058,000
	CALIFORNIA		
(FC)	BLACK BUTTE LAKE	1,119,000	1,119,000
(FC)	BUCHANAN DAM - H. V. EASTMAN LAKE	1,119,000	1,119,000
(FC)	COYOTE VALLEY DAM (LAKE MENDOCINO)	1,626,000	1,626,000
(N)	CRESCENT CITY HARBOR	1,750,000	1,750,000
(N)	DRIFT REMOVAL (SF HARBOR & BAY)	1,198,000	1,198,000
(FC)	DRY CREEK (WARM SPRINGS) LAKE & CHANNEL	1,608,000	1,608,000
(FC)	FARMINGTON DAM	128,000	128,000
(FC)	HIDDEN DAM - HENSLEY LAKE	1,069,000	1,069,000
(N)	HUMBOLDT HARBOR & BAY	3,296,000	3,296,000
(FC)	ISABELLA LAKE	1,726,000	1,726,000
(FC)	LOS ANGELES COUNTY DRAINAGE AREA	2,884,000	2,884,000
(N)	LOS ANGELES-LONG BEACH HARBORS	600,000	600,000
(N)	LOS ANGELES - LONG BEACH HARBOR MODEL	130,000	130,000
(FC)	MERCED COUNTY STREAM GROUP	130,000	130,000
(FC)	MOJAVE RIVER DAM	215,000	215,000
(MP)	NEW MELONES LAKE	567,000	567,000
(FC)	NEW HOGAN LAKE	1,310,000	1,310,000
(N)	OAKLAND HARBOR	1,534,000	1,534,000
(N)	OCEANSIDE HARBOR	800,000	800,000
(N)	OCEANSIDE SAND BYPASS SYSTEM	---	1,000,000
(FC)	PINE FLAT LAKE	1,448,000	1,448,000
(N)	REDWOOD CITY HARBOR	3,130,000	3,130,000
(N)	RICHMOND HARBOR	2,080,000	2,080,000
(N)	SACRAMENTO RIVER & TRIBS (DEBRIS CONTROL)	654,000	654,000
(N)	SACRAMENTO RIVER SHALLOW DRAFT CHANNEL	105,000	105,000
(N)	SACRAMENTO RIVER (30 FT PROJECT)	3,037,000	3,037,000
(N)	SAN PABLO BAY & MARE ISLAND STRAIT	6,077,000	6,077,000
(N)	SAN FRANCISCO BAY-DELTA MODEL STRUCTURE	940,000	940,000
(N)	SAN FRANCISCO HARBOR	1,363,000	1,363,000
(N)	SAN JOAQUIN RIVER	2,260,000	2,260,000
(FC)	SANTA ANA RIVER BASIN	1,974,000	1,974,000
(N)	SANTA CRUZ HARBOR	---	1,500,000
(FC)	SUCCESS LAKE	1,063,000	1,063,000
(N)	SUISUN BAY CHANNEL	711,000	711,000
(FC)	TERMINUS DAM (LAKE KAWEAH)	1,089,000	1,089,000
(N)	VENTURA MARINA	2,500,000	2,500,000
(N)	YUBA RIVER	24,000	24,000
	COLORADO		
(FC)	BEAR CREEK LAKE	237,000	237,000
(FC)	CHATFIELD LAKE	403,000	403,000
(FC)	CHERRY CREEK LAKE	609,000	609,000
(FC)	JOHN MARTIN RESERVOIR	848,000	848,000
(FC)	TRINIDAD LAKE	540,000	540,000
	CONNECTICUT		
(FC)	BLACK ROCK LAKE	158,000	158,000
(N)	CLINTON HARBOR	283,000	283,000
(FC)	COLEBROOK RIVER LAKE	179,000	179,000
(N)	CONNECTICUT RIVER BELOW HARTFORD	1,166,000	1,166,000
(FC)	HANCOCK BROOK LAKE	88,000	88,000
(FC)	HOP BROOK LAKE	350,000	350,000
(FC)	MANSFIELD HOLLOW LAKE	287,000	287,000
(FC)	NORTHFIELD BROOK LAKE	167,000	167,000
(FC)	STAMFORD HURRICANE BARRIER	186,000	186,000
(FC)	THOMASTON DAM	296,000	296,000
(FC)	WEST THOMPSON LAKE	603,000	603,000

Type of Project	Operation and Maintenance - State and project	Budget estimate	Conference allowance
	DELAWARE		
(N)	INTRACOASTAL WATERWAY, DELAWARE RIVER TO CHESAPEAKE BAY, DE & MD	12,651,000	12,651,000
(N)	IWW REHOBOTH BAY TO DELAWARE BAY	30,000	30,000
(N)	IWW CHINCOTEAGUE BAY TO DELAWARE BAY	3,000	3,000
(N)	WILMINGTON HARBOR	3,068,000	3,068,000
	DIST OF COLUMBIA		
(N)	POTOMAC & ANACOSTIA RIVERS (DRIFT REMOVAL)	550,000	550,000
(N)	POTOMAC RIVER BELOW WASHINGTON	2,605,000	2,605,000
(N)	WASHINGTON HARBOR	1,056,000	1,056,000
	FLORIDA		
(N)	APALACHICOLA BAY	265,000	265,000
(N)	BLACKWATER RIVER	86,000	86,000
(N)	CANAVERAL HARBOR	2,976,000	2,976,000
(FC)	CENTRAL & SOUTHERN FLORIDA	3,878,000	3,878,000
(N)	CHARLOTTE HARBOR	1,089,000	1,089,000
(N)	CROSS-FLORIDA BARGE CANAL	1,184,000	1,530,000
(N)	EAST PASS CHANNEL	---	525,000
(N)	ESCAMBIA-CONECUH RIVERS	520,000	520,000
(N)	FERNANDINA HARBOR	2,000,000	2,000,000
(N)	FORT PIERCE HARBOR	850,000	850,000
(N)	FORT MYERS BEACH	440,000	440,000
(N)	INTRACOASTAL WATERWAY, JACKSONVILLE TO MIAMI	2,060,000	2,060,000
(N)	INTRACOASTAL WATER, CALOOSAHATCHEE RIVER TO ANCLOTE RIVER	800,000	800,000
(N)	JACKSONVILLE HARBOR	2,000,000	2,000,000
(MP)	JIM WOODRUFF LOCK & DAM, FL & GA	3,730,000	3,730,000
(N)	JOHNS PASS	---	500,000
(N)	LA GRANDE BAYOU	77,000	77,000
(N)	MIAMI HARBOR	920,000	920,000
(N)	OKEECHOBEE WATERWAY	1,997,000	1,997,000
(N)	OKLAWAHA RIVER	4,000	4,000
(N)	PALM BEACH HARBOR	696,000	696,000
(N)	PANAMA CITY HARBOR	685,000	685,000
(N)	PENSACOLA HARBOR	747,000	747,000
(N)	PORT EVERGLADES HARBOR	920,000	920,000
(N)	REMOVAL OF AQUATIC GROWTH	2,252,000	2,415,000
(N)	ST LUCIE INLET	860,000	860,000
(N)	ST. JOHNS RIVER, JACKSONVILLE TO LAKE HARNEY	875,000	875,000
(N)	TAMPA HARBOR	2,885,000	2,885,000
	GEORGIA		
(MP)	ALLATOONA LAKE	4,399,000	4,399,000
(N)	ALTAMAHA OCONEE OCMULGEE RIVERS	4,000	4,000
(N)	APALACHICOLA, CHATTAHOOCHEE AND FLINT RIVERS, GA, AL & FL	4,060,000	4,060,000
(N)	ATLANTIC INTRACOASTAL WATERWAY (SAVANNAH DISTRICT)	1,043,000	1,043,000
(N)	BRUNSWICK HARBOR	4,000,000	4,000,000
(MP)	BUFORD DAM & LAKE SIDNEY LANIER	4,706,000	4,706,000
(MP)	CARTERS LAKE	2,180,000	2,180,000
(MP)	CLARKS HILL LAKE GA & SC	5,216,000	5,216,000
(MP)	HARTWELL LAKE, GA & SC	5,413,000	5,413,000
(MP)	RICHARD B. RUSSELL DAM & LAKE, GA & SC	3,070,000	3,070,000
(N)	SAVANNAH RIVER BELOW AUGUSTA	239,000	239,000
(N)	SAVANNAH HARBOR	9,150,000	9,750,000
(MP)	WEST POINT LAKE, GA & AL	3,249,000	3,249,000
	HAWAII		
(N)	BARBERS POINT HARBOR, OAHU	60,000	60,000
(N)	MANELE SMALL BOAT HARBOR	400,000	400,000
	IDAHO		
(MP)	ALBENI FALLS DAM	2,216,000	2,216,000
(MP)	DWORSHAK DAM & RESERVOIR	5,761,000	5,761,000
(FC)	LUCKY PEAK LAKE	636,000	636,000

Type of Project	Operation and Maintenance - State and project	Budget estimate	Conference allowance
	ILLINOIS		
(N)	CALUMET HARBOR & RIVER, IL & IN	1,470,000	1,470,000
(FC)	CARLYLE LAKE	3,160,000	3,160,000
(N)	CHICAGO HARBOR	686,000	686,000
(N)	CHICAGO RIVER, (DIKED DISPOSAL)	110,000	110,000
(N)	CHICAGO RIVER	396,000	396,000
(FC)	FARM CREEK RESERVOIRS	115,000	115,000
(N)	ILLINOIS AND MISSISSIPPI CANAL	469,000	469,000
(N)	ILLINOIS WATERWAY (LMVD PORTION)	1,272,000	1,272,000
(N)	ILLINOIS WATERWAY	11,789,000	11,789,000
(N)	KASKASKIA RIVER NAVIGATION	2,582,000	2,582,000
(FC)	LAKE SHELBYVILLE	4,249,000	4,249,000
(N)	MILL CREEK & SOUTH SLOUGH	64,000	64,000
(N)	MISSISSIPPI RIV BTWN OHIO & MO RIVERS	12,282,000	12,282,000
(N)	MISS RIV BTWN MISSOURI RIV & MINNEAPOLIS, IL, MN, WI, & IA (MCD)	39,900,000	39,900,000
(N)	MISS RIV BTWN MO RIVER & MINNEAPOLIS (LMVD)	7,776,000	7,776,000
(FC)	MOUTH OF SANGAMON RIVER	24,000	24,000
(FC)	NORTH BRANCH OF CHICAGO RIVER	---	150,000
(FC)	REND LAKE	2,733,000	2,733,000
(N)	WAUKEGAN HARBOR	521,000	521,000
(N)	WAUKEGAN HARBOR (DIKED DISPOSAL)	512,000	512,000
	INDIANA		
(FC)	BROOKVILLE LAKE	392,000	392,000
(FC)	CAGLES MILL LAKE	298,000	298,000
(FC)	CECIL M. HARDEN LAKE	353,000	353,000
(FC)	HUNTINGTON LAKE	445,000	445,000
(N)	INDIANA HARBOR (DIKED DISPOSAL)	6,660,000	6,660,000
(FC)	MISSISSINEWA LAKE	373,000	373,000
(FC)	MONROE LAKE	415,000	415,000
(FC)	PATOKA LAKE	357,000	357,000
(FC)	SALAMONIE LAKE	392,000	392,000
	IOWA		
(FC)	CORALVILLE LAKE	2,223,000	2,223,000
(N)	MISSOURI RIVER - SIOUX CITY TO MOUTH, IA & NE	9,335,000	9,335,000
(FC)	MISSOURI RIVER, KENSLERS BEND, NE TO SIOUX CITY, IA & NE	43,000	43,000
(FC)	RATHBUN LAKE	2,790,000	2,790,000
(FC)	RED ROCK DAM - LAKE RED ROCK	2,275,000	2,275,000
(FC)	SAYLORVILLE LAKE	2,685,000	2,835,000
	KANSAS		
(FC)	CLINTON LAKE	1,181,000	1,181,000
(FC)	COUNCIL GROVE LAKE	622,000	622,000
(FC)	EL DORADO LAKE	424,000	424,000
(FC)	ELK CITY LAKE	583,000	583,000
(FC)	FALL RIVER LAKE	583,000	583,000
(FC)	HILLSDALE LAKE	482,000	482,000
(FC)	JOHN REDMOND DAM & RESERVOIR	722,000	722,000
(FC)	KANOPOLIS LAKE	1,665,000	1,665,000
(FC)	MARION LAKE	646,000	646,000
(FC)	MELVERN LAKE	1,231,000	1,231,000
(FC)	MILFORD LAKE	1,151,000	1,151,000
(FC)	PEARSON - SKUBITZ BIG HILL LAKE	556,000	556,000
(FC)	PERRY LAKE	1,792,000	1,792,000
(FC)	POMONA LAKE	970,000	970,000
(FC)	TORONTO LAKE	239,000	239,000
(FC)	TUTTLE CREEK LAKE	991,000	991,000
(FC)	WILSON LAKE	982,000	982,000
	KENTUCKY		
(MP)	BARKLEY DAM - LAKE BARKLEY, KY & TN	3,707,000	3,707,000
(FC)	BARREN RIVER LAKE	1,060,000	1,060,000
(FC)	BUCKHORN LAKE	643,000	643,000
(FC)	CARR FORK LAKE	848,000	848,000
(FC)	CAVE RUN LAKE	503,000	503,000
(FC)	DEWEY LAKE	809,000	809,000

Type of Project	Operation and Maintenance - State and project	Budget estimate	Conference allowance
(FC)	FISHTRAP LAKE	669,000	669,000
(FC)	GRAYSON LAKE	481,000	481,000
(FC)	GREEN RIVER LAKE	935,000	935,000
(N)	GREEN & BARREN RIVERS	1,822,000	1,822,000
(N)	HICKMAN HARBOR	363,000	363,000
(N)	KENTUCKY RIVER	1,627,000	1,627,000
(MP)	LAUREL RIVER LAKE	778,000	778,000
(FC)	MARTINS FORK LAKE	511,000	511,000
(FC)	MIDDLESBORO	33,000	33,000
(FC)	NOLIN LAKE	1,063,000	1,063,000
(N)	OHIO RIVER OPEN CHANNEL WORK, KY, PA, WV, OH, IN, & IL	9,740,000	9,740,000
(N)	OHIO RIVER LOCKS AND DAMS, KY, PA, WV, OH, IN, & IL...	34,763,000	34,763,000
(FC)	PAINTSVILLE LAKE	363,000	363,000
(FC)	ROUGH RIVER LAKE	1,256,000	1,256,000
(FC)	TAYLORSVILLE LAKE	433,000	433,006
(MP)	WOLF CREEK DAM - LAKE CUMBERLAND	4,076,000	4,076,000
	LOUISIANA		
(N)	ATCHAFALAYA RIVER & BAYOUS CHENE, BOEUF & BLACK	2,970,000	2,970,000
(N)	BARATARIA BAY WATERWAY	2,480,000	2,480,000
(N)	BAYOU BONFOUCA	390,000	390,000
(FC)	BAYOU BODCAU RESERVOIR	580,000	580,000
(N)	BAYOU TECHE	350,000	350,000
(FC)	BAYOU PIERRE	35,000	35,000
(FC)	CADDO LAKE	177,000	177,000
(N)	CALCASIEU RIVER & PASS	11,240,000	11,240,000
(N)	CHEFUNCTE RIV & BOGUE FALIA	190,000	190,000
(N)	FRESHWATER BAYOU	1,930,000	1,930,000
(N)	GULF INTRACOASTAL WATERWAY	12,360,000	13,260,000
(N)	HOUMA NAVIGATION CANAL	2,040,000	2,040,000
(N)	LAKE PROVIDENCE HARBOR	200,000	200,000
(N)	MADISON PARISH PORT	215,000	215,000
(N)	MERMENTAU RIVER	990,000	990,000
(N)	MISSISSIPPI RIVER-GULF OUTLET	5,505,000	9,505,000
(N)	MISS RIVER, BATON ROUGE TO THE GULF	31,588,000	45,468,000
(N)	MISS RIVER OUTLETS AT VENICE	1,110,000	1,110,000
(N)	RED RIVER WATERWAY MISSISSIPPI RIVER TO SHREVEPORT	1,614,000	2,464,000
(N)	REMOVAL OF AQUATIC GROWTH	1,201,000	1,201,000
(FC)	WALLACE LAKE	155,000	155,000
	MAINE		
(N)	KENNEBUCK RIVER	269,000	269,000
(N)	PENOBSCOT RIVER	659,000	659,000
(N)	PORTLAND HARBOR	630,000	630,000
	MARYLAND		
(N)	BALTIMORE HARBOR (DRIFT REMOVAL)	250,000	250,000
(N)	BALTIMORE HARBOR (PREVENTION OF OBSTRUCTIVE DEPOSITS).	51,000	51,000
(N)	BALTIMORE HARBOR & CHANNELS	14,593,000	14,593,000
(FC)	BLOOMINGTON LAKE, MD & WV	996,000	996,000
(FC)	CUMBERLAND, MD AND RIDGELEY, WV, MD & WV	64,000	64,000
(N)	FISHING BAY	804,000	804,000
(N)	FISHING CREEK	100,000	100,000
(N)	HONGA RIVER & TAR BAY	995,000	995,000
(N)	KNAPP NARROWS	476,000	476,000
(N)	OCEAN CITY HARBOR & INLET AND SINEPUXENT BAY	400,000	400,000
(N)	POCOMOKE RIVER	680,000	680,000
(N)	SUSQUEHANNA RIVER ABOVE AND BELOW HAVRE DE GRACE	1,696,000	1,696,000
(N)	TRED AVON RIVER	827,000	827,000
(N)	WICOMICO RIVER	1,000,000	1,000,000
	MASSACHUSETTS		
(FC)	BARRE FALLS DAM	369,000	369,000
(FC)	BIRCH HILL DAM	295,000	295,000
(FC)	BUFFUMVILLE LAKE	334,000	334,000
(N)	CAPE COD CANAL	7,069,000	7,069,000
(FC)	CHARLES RIVER NATURAL RIVER VALLEY STORAGE AREAS	162,000	162,000
(FC)	CONANT BROOK DAM	119,000	119,000
(FC)	EAST BRIMFIELD LAKE	244,000	244,000
(N)	GREEN HARBOR	528,000	528,000

Type of Project	Operation and Maintenance - State and project	Budget estimate	Conference allowance
(FC)	HODGES VILLAGE DAM	287,000	287,000
(N)	HYANNIS HARBOR	285,000	285,000
(FC)	KNIGHTVILLE DAM	698,000	698,000
(FC)	LITTLEVILLE LAKE	307,000	307,000
(FC)	NEW BEDFORD, FAIRHAVEN & ACUSHNET HURRICANE BARRIER	142,000	142,000
(FC)	TULLY LAKE	363,000	363,000
(FC)	WEST HILL DAM	201,000	201,000
(FC)	WESTVILLE LAKE	360,000	360,000
	MICHIGAN		
(N)	ALPENA HARBOR	160,000	160,000
(N)	AU SABLE HARBOR	13,000	13,000
(N)	BLACK RIVER HARBOR	183,000	183,000
(N)	CHANNELS IN LAKE ST. CLAIR	387,000	387,000
(N)	CHARLEVOIX HARBOR	13,000	13,000
(N)	DETROIT RIVER	8,620,000	8,620,000
(N)	FRANKFORT HARBOR	263,000	263,000
(N)	GRAND HAVEN HARBOR & GRAND RIVER	720,000	720,000
(N)	GRAND TRAVERSE BAY HARBOR	8,000	8,000
(N)	HARBOR BEACH HARBOR	16,000	466,000
(N)	HOLLAND HARBOR	510,000	510,000
(N)	INLAND ROUTE	35,000	95,000
(N)	KEWEENAW WATERWAY	2,203,000	2,203,000
(N)	KEWEENAW WATERWAY (DIKED DISPOSAL)	76,000	76,000
(N)	LELAND HARBOR	141,000	141,000
(N)	LEXINGTON HARBOR	269,000	269,000
(N)	LUDINGTON HARBOR	1,155,000	1,155,000
(N)	MANISTEE HARBOR	23,000	23,000
(N)	MANISTIQUE HARBOR	23,000	23,000
(N)	MENOMINEE HARBOR, MI & WI (DIKED DISPOSAL)	115,000	115,000
(N)	MONROE HARBOR	1,033,000	1,033,000
(N)	MONROE HARBOR (DIKED DISPOSAL)	2,120,000	2,120,000
(N)	MUSKEGON HARBOR	189,000	189,000
(N)	NEW BUFFALO HARBOR	24,000	24,000
(N)	ONTONAGON HARBOR	136,000	136,000
(N)	PENTWATER HARBOR	184,000	184,000
(N)	POINT LOOKOUT HARBOR	1,801,000	1,801,000
(N)	PORT AUSTIN HARBOR	---	500,000
(N)	PORT SANILAC HARBOR	199,000	199,000
(N)	PORTAGE LAKE HARBOR MICHIGAN	152,000	152,000
(N)	ROUGE RIVER	1,825,000	1,825,000
(N)	SAGINAW RIVER (DIKED DISPOSAL)	1,078,000	1,078,000
(N)	SAGINAW RIVER	3,608,000	3,608,000
(N)	SAUGATUCK HARBOR	189,000	189,000
(FC)	SEBEWAING RIVER	24,000	24,000
(N)	ST. CLAIR RIVER	2,155,000	2,155,000
(N)	ST. JOSEPH HARBOR	919,000	919,000
(N)	ST. JOSEPH HARBOR (DIKED DISPOSAL)	206,000	206,000
(N)	ST. MARYS RIVER	11,047,000	11,047,000
(N)	WHITE LAKE HARBOR	528,000	528,000
	MINNESOTA		
(FC)	BIG STONE LAKE AND WHETSTONE RIVER, MN & SD	201,000	201,000
(N)	DULUTH-SUPERIOR HARBOR, MN & WI	4,354,000	4,354,000
(N)	GRAND MARAIS HARBOR	578,000	578,000
(FC)	LAC QUI PARLE LAKE	306,000	306,000
(N)	MINNESOTA RIVER	353,000	353,000
(FC)	ORWELL LAKE	830,000	830,000
(FC)	RED LAKE RESERVOIR	63,000	63,000
(N)	RESERVOIRS AT HEADWATERS OF MISSISSIPPI RIVER	1,845,000	1,845,000
(N)	ST. CROIX RIVER, MN & WI	146,000	146,000
	MISSISSIPPI		
(FC)	ARKABUTLA LAKE	53,000	53,000
(N)	BILOXI HARBOR	70,000	70,000
(N)	CLAIBORNE COUNTY PORT	105,000	105,000
(FC)	EAST FORK, TOMBIGBEE RIVER	509,000	509,000
(FC)	ENID LAKE	53,000	53,000
(FC)	GRENADA LAKE	15,000	15,000
(N)	GULFPORT HARBOR	185,000	185,000

Type of Project	Operation and Maintenance - State and project	Budget estimate	Conference allowance
(FC)	OKATIBBEE LAKE	714,000	714,000
(N)	PASCAGOULA HARBOR	3,011,000	3,011,000
(N)	PEARL RIVER	190,000	190,000
(N)	ROSEDALE HARBOR	240,000	240,000
(FC)	SARDIS LAKE	15,000	15,000
(N)	YAZOO RIVER	60,000	60,000
	MISSOURI		
(N)	CARUTHERSVILLE HARBOR	252,000	252,000
(MP)	CLARENCE CANNON DAM & RESERVOIR	3,451,000	3,451,000
(FC)	CLEARWATER LAKE	1,254,000	1,254,000
(MP)	HARRY S. TRUMAN DAM AND RESERVOIR	5,045,000	5,045,000
(FC)	LONG BRANCH LAKE	519,000	519,000
(FC)	MERAMEC PARK LAKE	609,000	609,000
(FC)	POMME DE TERRE LAKE	1,017,000	1,017,000
(FC)	SMITHVILLE LAKE	700,000	700,000
(MP)	STOCKTON LAKE	1,982,000	1,982,000
(MP)	TABLE ROCK LAKE	2,974,000	2,974,000
(FC)	WAPPAPELLO LAKE	66,000	66,000
	MONTANA		
(MP)	FORT PECK LAKE	2,879,000	2,879,000
(MP)	LIBBY DAM (LAKE KOOCANUSA)	3,190,000	3,190,000
	NEBRASKA		
(FC)	HARLAN COUNTY LAKE	1,246,000	1,246,000
(FC)	MISSOURI NATIONAL RECREATION RIVER, NEB & SD	---	200,000
(FC)	PAPILLION CREEK & TRIBUTARIES LAKES	403,000	403,000
(FC)	SALT CREEK AND TRIBUTARIES LAKES	685,000	685,000
	NEVADA		
(FC)	MARTIS CREEK LAKE, NV & CA	2,274,000	2,274,000
(FC)	PINE & MATHEWS CANYONS LAKES	103,000	103,000
	NEW HAMPSHIRE		
(FC)	BLACKWATER DAM	215,000	215,000
(FC)	EDWARD MACDOWELL LAKE	269,000	269,000
(FC)	FRANKLIN FALLS DAM	594,000	594,000
(N)	HAMPTON HARBOR	317,000	317,000
(FC)	HOPKINTON-EVERETT LAKES	907,000	907,000
(FC)	OTTER BROOK LAKE	478,000	478,000
(N)	PORTSMOUTH HARBOR & PISCATAQUA RIVER	467,000	467,000
(FC)	SURRY MOUNTAIN LAKE	414,000	414,000
	NEW JERSEY		
(N)	BARNEGAT INLET	515,000	515,000
(N)	COHANSEY RIVER	700,000	700,000
(N)	DELAWARE RIVER, PHILADELPHIA TO THE SEA, NJ & PA	19,885,000	19,885,000
(N)	DELAWARE RIVER, PHILADELPHIA TO TRENTON, NJ & PA	3,815,000	3,815,000
(N)	NEW JERSEY IWW	1,244,000	1,244,000
(N)	NEWARK BAY, HACKENSACK & PASSAIC RIVERS	1,160,000	1,160,000
(N)	SHREWSBURY RIVER	---	1,036,000
	NEW MEXICO		
(FC)	ABIQUIU DAM	2,171,000	2,171,000
(FC)	COCHITI LAKE	923,000	923,000
(FC)	CONCHAS LAKE	660,000	660,000
(FC)	GALISTEO DAM	144,000	144,000
(FC)	JEMEZ CANYON DAM	235,000	235,000
(FC)	SANTA ROSA DAM & LAKE	463,000	463,000
(FC)	TWO RIVERS DAM	272,000	272,000
	NEW YORK		
(FC)	ALMOND LAKE	270,000	270,000
(FC)	ARKPORT DAM	160,000	160,000
(N)	BAY RIDGE & RED HOOK CHANNELS	3,335,000	3,335,000

Type of Project	Operation and Maintenance - State and project	Budget estimate	Conference allowance
(N)	BLACK ROCK CHANNEL & TONAWANDA HARBOR	1,463,000	1,463,000
(N)	BUFFALO HARBOR	2,132,000	2,132,000
(N)	BUTTERMILK CHANNEL	1,093,000	1,093,000
(N)	DUNKIRK HARBOR	251,000	251,000
(N)	EAST ROCKAWAY INLET	1,104,000	1,104,000
(N)	EAST RIVER	690,000	690,000
(N)	EAST CHESTER CREEK	1,495,000	1,495,000
(FC)	EAST SIDNEY LAKE	268,000	268,000
(N)	FIRE ISLAND INLET	1,380,000	1,380,000
(N)	HUDSON RIVER	4,575,000	4,575,000
(FC)	MT. MORRIS LAKE	1,026,000	1,026,000
(N)	NARROWS OF LAKE CHAMPLAIN	1,046,000	1,046,000
(N)	NEW YORK HARBOR DRIFT REMOVAL	2,600,000	2,600,000
(N)	NEW YORK & NEW JERSEY CHANNEL	830,000	830,000
(N)	NEW YORK HARBOR	5,967,000	5,967,000
(N)	NEWTOWN CREEK	1,459,000	1,459,000
(N)	OGDENSBURG HARBOR	10,000	10,000
(N)	OSWEGO HARBOR	452,000	452,000
(N)	PORT CHESTER HARBOR	932,000	932,000
(N)	PREVENTION OF OBSTRUCTIVE DEPOSITS	440,000	440,000
(N)	ROCHESTER HARBOR	793,000	793,000
(FC)	SOUTHERN NEW YORK FLOOD CONTROL PROJECTS	466,000	466,000
(FC)	WHITNEY POINT LAKE	277,000	277,000
	NORTH CAROLINA		
(N)	ATLANTIC INTRACOASTAL WATERWAY (WILMINGTON DISTRICT)	5,300,000	5,300,000
(FC)	B. EVERETT JORDAN DAM & LAKE	895,000	895,000
(N)	BEAUFORT HARBOR	323,000	323,000
(N)	CAPE FEAR RIVER ABOVE WILMINGTON	453,000	453,000
(N)	CHANNEL FROM BACK SOUND TO LOOKOUT BIGHT	207,000	207,000
(FC)	FALLS LAKE	833,000	833,000
(N)	LOCKWOODS FOLLY RIVER	591,000	591,000
(N)	MANTEO (SHALLOWBAG) BAY	2,676,000	2,676,000
(N)	MOREHEAD CITY HARBOR	4,205,000	4,205,000
(N)	OCRACOKE INLET	10,000	10,000
(N)	SILVER LAKE HARBOR	475,000	475,000
(FC)	W. KERR SCOTT DAM & RESERVOIR	1,005,000	1,005,000
(N)	WILMINGTON HARBOR	3,975,000	3,975,000
	NORTH DAKOTA		
(FC)	BOWMAN - HALEY LAKE	219,000	219,000
(MP)	GARRISON DAM, LAKE SAKAKAWEA	6,767,000	6,767,000
(FC)	HOMME LAKE AND DAM	318,000	318,000
(FC)	LAKE ASHTABULA & BALDHILL DAM	1,139,000	1,139,000
(FC)	PIPESTEM LAKE	292,000	292,000
	OHIO		
(FC)	ALUM CREEK LAKE	452,000	452,000
(N)	ASHTABULA HARBOR	80,000	80,000
(N)	ASHTABULA HARBOR	99,000	99,000
(FC)	BERLIN LAKE	1,177,000	1,177,000
(FC)	CAESAR CREEK LAKE	534,000	534,000
(FC)	CLARENCE J. BROWN DAM AND RESERVOIR	370,000	370,000
(N)	CLEVELAND HARBOR	9,692,000	9,692,000
(N)	CONNEAUT HARBOR	989,000	969,000
(FC)	DEER CREEK LAKE	432,000	432,000
(FC)	DELAWARE LAKE	413,000	413,000
(FC)	DILLON LAKE	280,000	280,000
(N)	FAIRPORT HARBOR	1,043,000	1,043,000
(N)	HURON HARBOR	1,017,000	1,017,000
(N)	LORAIN HARBOR	1,551,000	1,551,000
(FC)	MASSILLON	15,000	15,000
(FC)	MICHAEL J. KIRWAN DAM & RESERVOIR	513,000	513,000
(FC)	MOSQUITO CREEK LAKE	498,000	498,000
(FC)	MUSKINGUM RIVER RESERVOIRS	3,768,000	3,768,000
(FC)	NEWARK	15,000	15,000
(FC)	NORTH BRANCH OF KOKOSING RIVER LAKE	185,000	185,000
(FC)	PAINT CREEK LAKE	483,000	483,000
(FC)	ROSEVILLE	15,000	15,000
(N)	SANDUSKY HARBOR	1,191,000	1,191,000
(N)	TOLEDO HARBOR	4,769,000	4,769,000

Type of Project	Operation and Maintenance - State and project	Budget estimate	Conference allowance
(FC)	TOM JENKINS DAM	318,000	318,000
(FC)	WEST FORK MILL CREEK LAKE	318,000	318,000
(FC)	WILLIAM M. MARSHA LAKE	429,000	429,000
	OKLAHOMA		
(FC)	BIRCH LAKE	555,000	555,000
(MP)	BROKEN BOW LAKE	1,272,000	1,272,000
(FC)	CANTON LAKE	2,423,000	2,423,000
(FC)	COPAN LAKE	571,000	571,000
(MP)	EUFAULA LAKE	2,740,000	2,740,000
(MP)	FORT GIBSON LAKE	2,573,000	2,573,000
(FC)	FORT SUPPLY LAKE	582,000	582,000
(FC)	GREAT SALT PLAINS LAKE	345,000	345,000
(FC)	HEYBURN LAKE	534,000	534,600
(FC)	HUGO LAKE	1,018,000	1,018,000
(FC)	HULAH LAKE	584,000	584,000
(FC)	KAW LAKE	1,248,000	1,248,000
(MP)	KEYSTONE LAKE	2,320,000	2,320,000
(N)	MCCLELLAN-KERR ARKANSAS RIVER NAVIGATION SYSTEM	2,791,000	2,791,000
(FC)	OOLOGAH LAKE	1,153,000	1,153,000
(FC)	OPTIMA LAKE	568,000	568,000
(FC)	PENSACOLA RESERVOIR - LAKE OF THE CHEROKEES	6,000	6,000
(FC)	PINE CREEK LAKE	687,000	687,000
(MP)	ROBERT S. KERR LOCK, DAM & RESERVOIR	2,320,000	2,320,000
(FC)	SARDIS LAKE	534,000	534,000
(FC)	SKIATOOK LAKE	673,000	673,000
(MP)	TENKILLER FERRY LAKE	2,624,000	2,624,000
(FC)	WAURIKA LAKE	779,000	779,000
(MP)	WEBBERS FALLS LOCK & DAM	1,889,000	1,889,000
(FC)	WISTER LAKE	608,000	608,000
	OREGON		
(FC)	APPLEGATE LAKE	524,000	524,000
(FC)	BLUE RIVER LAKE	188,000	188,000
(FC)	BONNEVILLE LOCK & DAM	11,568,000	11,568,000
(N)	CHETCO RIVER	866,000	866,000
(N)	COLUMBIA AND LWR WILLAMETTE RIVS BELOW VANCVR & PORT, OR & WA	14,736,000	14,736,000
(N)	COLUMBIA RIVER AT THE MOUTH, OR & WA	4,197,000	4,197,000
(N)	COLUMBIA RIVER BETWEEN VANCOUVER, WA & THE DALLES, OR & WA	327,000	327,000
(N)	COOS BAY	5,230,000	5,230,000
(N)	COOS & MILLICOMA RIVERS	194,000	194,000
(N)	COQUILLE RIVER	666,000	666,000
(FC)	COTTAGE GROVE LAKE	772,000	772,000
(MP)	COUGAR LAKE	686,000	686,000
(N)	DEPOE BAY	50,000	50,000
(MP)	DETROIT LAKE	1,411,000	1,411,000
(FC)	DORENA LAKE	445,000	445,000
(FC)	FALL CREEK LAKE	272,000	272,000
(FC)	FERN RIDGE DAM & LAKE	647,000	647,000
(MP)	GREEN PETER-FOSTER LAKES	2,141,000	2,141,000
(MP)	HILLS CREEK LAKE	865,000	865,000
(MP)	JOHN DAY POWERHOUSE (MAJOR REHAB), OR & WA	6,000,000	6,000,000
(FC)	JOHN DAY LOCK AND DAM, LAKE UMATILLA, OR & WA	7,497,000	7,497,000
(MP)	LOOKOUT POINT LAKE	2,427,000	2,427,000
(MP)	LOST CREEK LAKE	2,423,000	2,423,000
(MP)	MCNARY LOCK & DAM, LAKE WALLULA, OR & WA	11,338,000	13,338,000
(N)	PORT ORFORD	162,000	162,000
(N)	ROGUE RIVER HARBOR AT GOLD BEACH	1,003,000	1,003,000
(N)	SIUSLAW RIVER	1,879,000	1,879,000
(N)	SKIPANON CHANNEL	286,000	286,000
(N)	TILLAMOOK BAY & BAR	242,000	242,000
(N)	UMPQUA RIVER	898,000	898,000
(FC)	WILLOW CREEK LAKE	168,000	168,000
(FC)	WILLAMETTE RIVER ABOVE PORTLAND & YAMHILL RIVER	173,000	173,000
(N)	WILLAMETTE RIVER AND WILLAMETTE FALLS	526,000	526,000
(N)	YAQUINA BAY AND HARBOR	816,000	816,000

Type of Project	Operation and Maintenance - State and project	Budget estimate	Conference allowance
	PENNSYLVANIA		
(N)	ALLEGHENY RIVER	5,509,000	5,509,000
(FC)	ALVIN R. BUSH DAM	374,000	374,000
(FC)	AYLESWORTH CREEK LAKE	159,000	159,000
(FC)	BELTZVILLE LAKE	668,000	668,000
(FC)	BLUE MARSH LAKE	1,240,000	1,240,000
(FC)	CONEMAUGH RIVER LAKE	525,000	525,000
(FC)	COWANESQUE LAKE	838,000	838,000
(FC)	CROOKED CREEK LAKE	876,000	876,000
(FC)	CURWENSVILLE LAKE	379,000	379,000
(FC)	EAST BRANCH, CLARION RIVER LAKE	505,000	505,000
(FC)	FOSTER JOSEPH SAYERS DAM & RESERVOIR	423,000	423,000
(FC)	FRANCIS E. WALTER DAM	630,000	630,000
(FC)	GENERAL EDGAR JADWIN DAM & RESERVOIR	295,000	295,000
(FC)	JOHNSTOWN	7,000	7,000
(FC)	KINZUA DAM & ALLEGHENY RESERVOIR, PA & NY	724,000	724,000
(FC)	LOYALHANNA LAKE	757,000	757,000
(FC)	MAHONING CREEK LAKE	508,000	508,000
(N)	MONONGAHELA RIVER, PA & WV	9,905,000	9,905,000
(FC)	PROMPTON LAKE	254,000	254,000
(FC)	PUNXSUTAWNEY	22,000	22,000
(FC)	RAYSTOWN LAKE	2,012,000	2,012,000
(N)	SCHUYLKILL RIVER	1,835,000	1,835,000
(FC)	SHENANGO RIVER LAKE, PA & OH	1,258,000	1,258,000
(FC)	STILLWATER LAKE	180,000	180,000
(FC)	TIOGA HAMMOND LAKES	1,196,000	1,196,000
(FC)	TIONESTA LAKE	864,000	864,000
(FC)	UNION CITY LAKE	309,000	309,000
(FC)	WOODCOCK CREEK LAKE	567,000	567,000
(FC)	YORK, INDIAN ROCK DAM	381,000	581,000
(FC)	YOUGHIOGHENY RIVER LAKE, PA & MD	1,038,000	1,038,000
	PUERTO RICO		
(N)	ARECIBO HARBOR	500,000	500,000
(N)	MAYAGUEZ HARBOR	494,000	494,000
(N)	PONCE HARBOR (E&D AND O&M)	400,000	400,000
(N)	SAN JUAN HARBOR	1,200,000	1,200,000
	SOUTH CAROLINA		
(N)	ATLANTIC INTRACOASTAL WATERWAY (CHARLESTON DISTRICT)	2,532,000	2,532,000
(N)	CHARLESTON HARBOR	4,505,000	4,505,000
(N)	COOPER RIVER, CHARLESTON HARBOR	3,556,000	3,556,000
(N)	FOLLY RIVER	41,000	41,000
(N)	GEORGETOWN HARBOR	2,431,000	2,431,000
(N)	LITTLE RIVER INLET, SC & NC	143,000	143,000
(N)	MURRELLS INLET	85,000	85,000
(N)	PORT ROYAL HARBOR	4,000	4,000
(N)	SHIPYARD RIVER	632,000	632,000
(N)	TOWN CREEK	28,000	28,000
	SOUTH DAKOTA		
(MP)	BIG BEND DAM - LAKE SHARPE	3,356,000	3,356,000
(FC)	COLD BROOK LAKE	137,000	137,000
(FC)	COTTONWOOD SPRINGS LAKE	120,000	120,000
(MP)	FORT RANDALL DAM, LAKE FRANCIS CASE	6,110,000	6,110,000
(MP)	GAVINS POINT DAM LEWIS & CLARK LAKE, NE & SD	4,117,000	4,117,000
(FC)	LAKE TRAVERSE AND BOIS DE SIOUX, SD & MN	203,000	203,000
(MP)	OAHE DAM, LAKE OAHE, SD & ND	7,349,000	7,349,000
	TENNESSEE		
(MP)	CENTER HILL LAKE	2,591,000	2,591,000
(MP)	CHEATHAM LOCK & DAM	2,746,000	2,746,000
(MP)	CORDELL HULL DAM & RESERVOIR	2,555,000	2,555,000
(MP)	DALE HOLLOW LAKE, TN & KY	2,465,000	2,465,000
(MP)	J. PERCY PRIEST DAM & RESERVOIR	1,732,000	1,882,000
(MP)	OLD HICKORY LOCK & DAM	3,040,000	3,040,000
(N)	TENNESSEE RIVER, TN, AL, & KY	8,266,000	8,266,000
(N)	WOLF RIVER HARBOR	522,000	522,000

Type of Project	Operation and Maintenance - State and project	Budget estimate	Conference allowance
	TEXAS		
(FC)	AQUILLA LAKE	492,000	492,000
(FC)	ARKANSAS-RED RIVER BASINS CHLORIDE CONTROL (AREA 8)	373,000	373,000
(FC)	BARDWELL LAKE	923,000	923,000
(FC)	BELTON LAKE	1,345,000	1,345,000
(FC)	BENBROOK LAKE	1,046,000	1,046,000
(N)	BRAZOS ISLAND HARBOR	2,440,000	2,440,000
(FC)	BUFFALO BAYOU & TRIBUTARIES	1,020,000	1,020,000
(FC)	CANYON LAKE	923,000	923,000
(N)	CORPUS CHRISTI SHIP CHANNEL (1968 ACT)	6,670,000	6,670,000
(MP)	DENISON DAM - LAKE TEXOMA, TX & OK	4,044,000	4,044,000
(FC)	FERRELLS BRIDGE DAM - LAKE O' THE PINES	1,433,000	1,433,000
(N)	FREEPORT HARBOR	2,370,000	2,370,000
(N)	GALVESTON HARBOR & CHANNEL	5,260,000	5,260,000
(FC)	GRANGER LAKE	698,000	698,000
(FC)	GRAPEVINE LAKE	1,470,000	1,470,000
(N)	GULF INTRACOASTAL WATERWAY	14,120,000	14,120,000
(FC)	HORDS CREEK LAKE	580,000	580,000
(N)	HOUSTON SHIP CHANNEL	7,920,000	7,920,000
(FC)	LAKE KEMP	145,000	145,000
(FC)	LAVON LAKE	1,654,000	1,654,000
(FC)	LEWISVILLE DAM	2,175,000	2,175,000
(N)	MATAGORDA SHIP CHANNEL	3,020,000	3,020,000
(FC)	NAVARRO MILLS LAKE	710,000	710,000
(FC)	NORTH SAN GABRIEL DAM AND LAKE GEORGETOWN	744,000	744,000
(FC)	O. C. FISHER DAM & LAKE	662,000	662,000
(FC)	PAT MAYSE LAKE	728,000	728,000
(FC)	PROCTOR LAKE	1,190,000	1,190,000
(N)	SABINE-NECHES WATERWAY	7,520,000	8,220,000
(MP)	SAM RAYBURN DAM & RESERVOIR	2,398,000	2,398,000
(FC)	SOMERVILLE LAKE	1,520,000	1,520,000
(FC)	STILLHOUSE HOLLOW DAM	861,000	861,000
(N)	TEXAS CITY CHANNEL	2,000,000	2,000,000
(MP)	TOWN BLUFF DAM & B.A. STEINHAGEN LAKE	739,000	739,000
(N)	TRINITY RIVER AND TRIBS - CHANNEL TO LIBERTY	---	1,000,000
(FC)	WACO LAKE	1,300,000	1,300,000
(FC)	WALLISVILLE LAKE - TRINITY RIVER	150,000	150,000
(MP)	WHITNEY LAKE	2,655,000	2,655,000
(FC)	WRIGHT PATMAN DAM & LAKE	1,239,000	1,239,000
	VERMONT		
(FC)	BALL MOUNTAIN LAKE	504,000	504,000
(FC)	NORTH SPRINGFIELD LAKE	313,000	313,000
(FC)	NORTH HARTLAND LAKE	324,000	324,000
(FC)	TOWNSHEND LAKE	384,000	384,000
(FC)	UNION VILLAGE DAM	276,000	276,000
	VIRGINIA		
(N)	ATLANTIC INTRACOASTAL WATERWAY	1,705,000	2,126,000
(N)	CHINCOTEAGUE INLET	251,000	251,000
(N)	CHINCOTEAGUE INLET	1,191,000	1,191,000
(FC)	GATHRIGHT DAM AND LAKE MOOMAW	943,000	943,000
(N)	HAMPTON ROADS, NORFOLK & NEWPORT NEW HARBOR (DRIFT REMOVAL)	180,000	180,000
(N)	HOSKINS CREEK	680,000	680,000
(N)	JAMES RIVER	1,647,000	1,647,000
(MP)	JOHN H. KERR DAM & RESERVOIR, VA & NC	6,234,000	6,234,000
(FC)	JOHN W. FLANNAGAN DAM & RESERVOIR	621,000	621,000
(N)	LITTLE WICOMIC RIVER	100,000	100,000
(N)	LITTLE MACHIPONGO	300,000	300,000
(N)	LYNNHAVEN INLET	665,000	665,000
(N)	NEWPORT NEWS CHANNEL	1,456,000	1,456,000
(N)	NORFOLK HARBOR	6,015,000	6,015,000
(FC)	NORTH FORK OF POUND LAKE	270,000	270,000
(MP)	PHILPOTT LAKE	1,351,000	1,351,000
(N)	PREVENTION OF OBSTRUCTIVE DEPOSITS	256,000	256,000
(N)	THIMBLE SHOAL CHANNEL	665,000	665,000
(N)	WATERWAY ON THE COAST OF VIRGINIA	1,273,000	1,273,000
(N)	YORK RIVER	100,000	100,000

Type of Project	Operation and Maintenance - State and project	Budget estimate	Conference allowance
	WASHINGTON		
(N)	BELLINGHAM HARBOR I & J WATERWAY	45,000	45,000
(MP)	CHIEF JOSEPH DAM	6,752,000	6,752,000
(N)	COLUMBIA RIVER BETWEEN CHINOOK & SAND ISLAND	303,000	303,000
(N)	COLUMBIA RIVER AT BAKER BAY, WA & OR	207,000	207,000
(N)	EDIZ HOOK	1,635,000	1,635,000
(N)	GRAYS HARBOR & CHEHALIS RIVER	3,390,000	3,390,000
(FC)	HOWARD A. HANSON RESERVOIR	711,000	711,000
(MP)	ICE HARBOR LOCK & DAM	4,620,000	4,620,000
(N)	LAKE WASHINGTON SHIP CANAL	2,993,000	2,993,000
(MP)	LITTLE GOOSE LOCK & DAM, LAKE BRYAN	3,569,000	3,569,000
(MP)	LOWER GRANITE LOCK AND DAM, WA & ID	5,375,000	5,375,000
(MP)	LOWER MONUMENTAL LOCK & DAM	3,998,000	3,998,000
(FC)	MILL CREEK LAKE	350,000	350,000
(FC)	MUD MOUNTAIN DAM	975,000	975,000
(N)	PUGET SOUND & ITS TRIBUTARY WATERS	785,000	785,000
(N)	QUILLAYUTE RIVER	2,125,000	2,125,000
(N)	SEATTLE HARBOR	490,000	490,000
(FC)	STILLAGUAMISH RIVER	100,000	100,000
(FC)	TACOMA - PUYALLUP RIVER	50,000	50,000
(FC)	THE DALLES LOCK & DAM, LAKE CELILO, WA & OR	8,191,000	8,191,000
(N)	WILLAPA RIVER & HARBOR & NASELLE RIVER	20,000	20,000
(FC)	WYNOOCHEE LAKE	1,127,000	1,127,000
	WEST VIRGINIA		
(FC)	BEECH FORK LAKE	484,000	484,000
(FC)	BLUESTONE LAKE	628,000	628,000
(FC)	BURNSVILLE LAKE	704,000	704,000
(FC)	EAST LYNN LAKE	737,000	737,000
(FC)	ELKINS	6,000	6,000
(N)	KANAWHA RIVER	6,581,000	6,581,000
(FC)	R. D. BAILEY LAKE	734,000	734,000
(FC)	SUMMERSVILLE LAKE	851,000	851,000
(FC)	SUTTON LAKE	1,315,000	1,315,000
(N)	TYGART RIVER LAKE	760,000	760,000
	WISCONSIN		
(FC)	EAU GALLE RIVER LAKE	373,000	373,000
(N)	FOX RIVER	928,000	928,000
(N)	GREEN BAY HARBOR	1,948,000	1,948,000
(N)	GREEN BAY HARBOR	672,000	672,000
(N)	KEWAUNEE HARBOR	117,000	117,000
(FC)	LAFARGE LAKE	51,000	51,000
(N)	MANITOWAC HARBOR	216,000	216,000
(N)	MILWAUKEE HARBOR	1,574,000	1,574,000
(N)	RACINE HARBOR	41,000	41,000
(N)	SHEBOYGAN HARBOR (DIKED DISPOSAL)	120,000	120,000
(N)	SHEBOYGAN HARBOR	1,059,000	1,059,000
(N)	STURGEON BAY & LAKE MICHIGAN SHIP CANAL	29,000	29,000
(N)	STURGEON BAY & LAKE MICHIGAN SHIP CANAL (DIKED DISPOSAL)	130,000	130,000
(N)	TWO RIVERS HARBOR	189,000	189,000
	MISCELLANEOUS		
	ENVIRONMENTAL AND WATER QUALITY OPERATIONAL STUDIES	1,000,000	1,000,000
	INSPECTION OF COMPLETED WORKS	4,789,000	5,009,000
	INSPECTION OF NON-FEDERAL LEVEES	897,000	897,000
	SCHEDULING FLOOD CONTROL RESERVOIR OPERATIONS	1,836,000	1,836,000
	MONITOR COMPLETED COASTAL PROJECTS	900,000	900,000
	RIVER ICE MANAGEMENT	3,000,000	3,000,000
	REPAIR, EVALUATION, MAINTENANCE AND REHABILITATION RESEARCH (REMR)	7,325,000	7,325,000
	MOBILIZATION PLANNING	9,900,000	9,900,000
	RECREATION FACILITIES AT COMPLETED PROJECTS	10,000,000	10,050,000
	COMMERCIAL STATISTICS	3,200,000	3,200,000

Type of Project	Operation and Maintenance - State and project	Budget estimate	Conference allowance
	PROTECTION OF NAVIGATION		
	REMOVAL OF SUNKEN VESSELS AND OBSTRUCTIONS............	2,200,000	2,200,000
	PROTECTION, CLEARING AND STRAIGHTENING CHANNELS (SECTION 3)..	50,000	50,000
	GENERAL REGULATORY FUNCTIONS..............................	49,500,000	49,500,000
	PROJECT CONDITION SURVEYS.................................	7,697,000	7,697,000
	SURVEILLANCE OF NORTHERN BOUNDARY WATERS..............	1,900,000	1,900,000
	REDUCTION FOR ANTICIPATED SAVINGS AND SLIPPAGE AND PRIOR YEAR UNOBLIGATED BALANCES......................	---	-39,383,000
	TOTAL..	1,297,000,000	1,305,000,000

TYPE OF PROJECT:

(N)	NAVIGATION
(FC)	FLOOD CONTROL
(BE)	BEACH EROSION CONTROL
(MP)	MULTIPLE-PURPOSE, INCLUDING POWER

General expenses

Amendment No. 11: Appropriates $112,000,000 for General Expenses instead of $113,000,000 as proposed by the House and $108,150,000 as proposed by the Senate.

General provisions

Amendment No. 12: Deletes language proposed by the House and stricken by the Senate relating to the Sardis Lake, Oklahoma project.

Amendment No. 13: Restores language proposed by the House and stricken by the Senate relating to the Eufaula Lake, Oklahoma project.

Amendment No. 14: Restores Section number as proposed by the House.

Amendment No. 15: Restores language proposed by the House and stricken by the Senate relating to the Harbor Beach Harbor, Michigan project.

Amendment No. 16: Restores language proposed by the House and stricken by the Senate relating to the Port Austin Harbor, Michigan project.

Amendment No. 17: Restores Section number as proposed by the House.

Amendment No. 18: Restores language proposed by the House and stricken by the Senate relating to the Mauvaise Terre Levee, Illinois.

Amendment No. 19: Restores language proposed by the House and stricken by the Senate relating to Peoria Lake, Illinois.

Amendment No. 20: Restores Section number as proposed by the House.

Amendment No. 21: Restores Section number as proposed by the House.

Amendment No. 22: Restores Section number as proposed by the House.

Amendment No. 23: Restores Section number as proposed by the House.

Amendment No. 24: Restores Section number as proposed by the House.

Amendment No. 25: Deletes language proposed by the House relating to emergency relocation sites for the Corps of Engineers.

The conferees direct the Corps of Engineers to prepare a detailed plan outlining the purpose, number, and costs of emergency relocation sites proposed in connection with its National Emergency Preparedness Program.

Amendment No. 26: Restores language proposed by the House and stricken by the Senate relating to residences for Corps of Engineers Division Commanders.

Amendment No. 27: Restores Section number as proposed by the House.

Amendment No. 28: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate limiting the cost of the repairs to the existing levee at York, Pennsylvania, to $200,000.

Amendment No. 29: Deletes language proposed by the Senate relating to the Lowndesville Recreation area at the Richard B. Russell Dam and Lake Project, South Carolina and Georgia.

Amendment No. 30: Deletes language proposed by the Senate relating to the Arkansas River Basin study.

TITLE II—DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

General investigations

Amendment No. 31: Appropriates $35,566,000 for general investigations as proposed by the House instead of $31,023,000 as proposed by the Senate.

Amendment No. 32: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing $100,000 to study the feasibility of a hydroelectric powerplant at Yellowtail Afterbay Dam, Montana.

The funds appropriated are to be allocated as shown in the following table:

GENERAL INVESTIGATIONS PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
ARIZONA		
LOWER COLORADO RIVER WATER CONSV.&EFFICIENT USE PROG.	180,000	180,000
CALIFORNIA		
ALL AMERICAN CANAL RELOCATION	409,000	409,000
CENTRAL VALLEY:		
DELTA DIVISION, KELLOGG UNIT REFORMULATION	283,000	283,000
FISH AND WILDLIFE MANAGEMENT STUDY	444,000	444,000
NEW MELONES CONVEYANCE SYSTEM	550,000	550,000
SAN JOAQUIN VALLEY CONVEYANCE STUDY	357,000	357,000
IMPERIAL IRRIGATION DISTRICT CANAL LINING AND SYSTEM IMPROVEMENT	150,000	150,000
LOWER COLORADO WATER SUPPLY PROJECT	50,000	50,000
LOWER COLORADO WATER SUPPLY PROJECT	200,000	200,000
COLORADO		
COLORADO-BIG THOMPSON POWERPLANT	50,000	50,000
CRUGIP, LOWER GUNNISON WATER SYSTEMS	500,000	500,000
MESA-DELTA M&I GROUNDWATER STUDY	205,000	205,000
PROGRAM RELATED ENGINEERING AND SCIENTIFIC STUDIES	5,767,000	5,767,000
IDAHO		
BOISE PROJECT POWER AND MODIFICATION STUDY	130,000	130,000
MINIDOKA PROJECT,NORTH SIDE PUMPING DIVISION EXTEN.	100,000	100,000
MONTANA		
HUNGRY HORSE POWERPLANT ENLARGE.& REREGULATING RESV.	135,000	135,000
MARIAS-MILK UNIT (P-SMBP)	400,000	400,000
NEBRASKA		
PLATTE RIVER WATER USE OPTIONS (P-SMBP)	150,000	150,000
PRAIRIE BEND UNIT (P-SMBP)	255,000	255,000
NEVADA		
DEEP-CARBONATE AQUIFER	300,000	300,000
NEW MEXICO		
ALAMOGORDO M&I WATER SUPPLY	---	150,000
LAKE MEREDITH SALINITY CONTROL	240,000	240,000
TAOS COMMUNTIY DITCH EVALUATION	---	50,000
NORTH DAKOTA		
KIDDER COUNTY GROUNDWATER STUDY	100,000	100,000
OKLAHOMA		
EAST CENTRAL OKLAHOMA WATER SUPPLY STUDY	---	200,000
KIAMICHI HYDROPOWER STUDY	---	200,000
NORTHWEST OKLAHOMA WATER STUDY	85,000	185,000
SEWARD PROJECT	700,000	---
SOUTHEAST OKLAHOMA WATER SUPPLY AND DISTRIBUTION SYSTEM	250,000	250,000
OREGON		
FARMERS IRRIGATION DISTRICT	100,000	100,000
SILETZ RIVER BASIN	215,000	215,000
UMATILLA RIVER BASIN	100,000	100,000

WESTSIDE IRRIGATION PROJECT............................	25,000	25,000
VARIOUS		
COLORADO RIVER WATER QUALITY IMPROVEMENT PROGRAM......	5,635,000	5,375,000
GENERAL ENGINEERING AND RESEARCH:		
ATMOSPHERIC WATER RESOURCES MANAGEMENT PROGRAM......	5,471,000	6,771,000
SPECIAL INVESTIGATIONS:		
ENVIRONMENTAL AND INTERAGENCY COORD. ACTIVITIES.....	3,621,000	3,260,000
GENERAL PLANNING STUDIES............................	300,000	300,000
INVESTIGATIONS OF EXISTING PROJECTS.................	126,000	126,000
MINOR WORK IN CONNECTION WITH COMPLETED PROJ.INVEST.	430,000	430,000
TECHNICAL ASSISTANCE TO STATES......................	1,465,000	1,465,000
PAY RAISE ALLOWANCE..................................	633,000	633,000
REDUCTION FOR ANTICIPATED SAVINGS AND SLIPPAGE AND PRIOR YEAR UNOBLIGATED BALANCES.....................	-1,670,000	-2,234,000
TOTAL, GENERAL INVESTIGATIONS....................	35,651,000	35,566,000
SOUTH DAKOTA		
CENTRAL SOUTH DAKOTA WATER SUPPLY SYSTEM(CENDAK)......	1,950,000	1,950,000
CENTRAL SOUTH DAKOTA WATER SUPPLY SYSTEM (P-SMBP).....	50,000	50,000
LAKE ANDES-WAGNER UNIT (P-SMBP).........................	140,000	140,000
SOUTH DAKOTA WATER DELIVERY............................	200,000	200,000
TEXAS		
TEXAS BASIN, BEDIAS RESERVOIR..........................	275,000	275,000
TEXAS BASIN, TEXAS BIG SANDY...........................	250,000	250,000
TEXAS BASIN, COLORADO COASTAL PLAINS (FORMERLY COLUMBUS BEND M&I WATER SUPPLY STUDY)................	75,000	75,000
TEXAS BASIN, COLORADO COASTAL PLAINS...................	600,000	600,000
TEXAS BASIN, SAN JACINTO PROJECT.......................	275,000	275,000
UTAH		
CRSP POWER PEAKING CAPACITY............................	50,000	50,000
WASATCH FRONT TOTAL WATER MANAGEMENT...................	350,000	350,000
WASHINGTON		
YAKIMA RIVER BASIN WATER ENHANCEMENT, YAKIMA FISH PASSAGE AND PROTECTIVE FACILITIES..............	175,000	675,000
YAKIMA RIVER BASIN WATER ENHANCEMENT...................	900,000	900,000
WYOMING		
BLUE HOLES RESERVOIR...................................	420,000	420,000
CRWSIP, BIG SANDY RIVER UNIT...........................	1,300,000	600,000

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Construction program

Amendment No. 33: Appropriates $740,000,000 for the construction program instead of $707,817,000 as proposed by the House and $752,397,000 as proposed by the Senate.

Amendment No. 34: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate earmarking $4,800,000 for fish passage facilities at Prosser and Roza Dam Passages.

Amendment No. 35: Provides that $163,503,000 shall be available for transfer to the Upper Colorado River Basin Development Fund as proposed by the Senate instead of $166,503,000 as proposed by the House.

Amendment No. 36: Provides that $142,250,000 shall be available for transfer to the Lower Colorado River Basin Development Fund instead of $146,950,000 as proposed by the House and $137,550,000 as proposed by the Senate.

Amendment No. 37: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate restricting the construction of the Garrison Diversion Unit, North Dakota, as it impacts on the waters flowing into Canada.

Amendment No. 38: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that not to exceed $20,000 shall be available to continue a rehabilitation and betterment program with the Twin Falls Canal Company.

Amendment No. 39: Deletes language proposed by the Senate relating to Hooker Dam and Reservoir.

The funds appropriated are to be allocated as shown in the following table:

CONSTRUCTION PROGRAM PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
ARIZONA		
HEADGATE ROCK HYDROELECTRIC PROJECT (BIA)	9,100,000	---
CALIFORNIA		
CENTRAL VALLEY PROJECT:		
SACRAMENTO RIVER DIVISION	11,553,000	10,553,000
SAN LUIS UNIT	3,338,000	3,338,000
AUBURN-FOLSOM SOUTH UNIT	3,500,000	3,500,000
GRASS VALLEY CREEK DEBRIS DAM	500,000	500,000
MISCELLANEOUS PROJECT PROGRAMS	381,000	381,000
SAN FELIPE DIVISION	74,763,000	70,763,000
SANTA MARGARITA PROJECT	1,500,000	---
COLORADO		
FRYINGPAN-ARKANSAS PROJECT	7,654,000	7,654,000
GRAND VALLEY UNIT, TITLE II, CRBSCP	3,950,000	3,950,000
PARADOX VALLEY UNIT, TITLE II, CRBSCP	12,985,000	12,985,000
SAN LUIS VALLEY PROJECT, CLOSED BASIN DIVISION	16,883,000	16,883,000
IDAHO		
PALISADES PROJECT, PALISADES POWERPLANT ENLARGEMENT	200,000	---
NEBRASKA		
NORTH LOUP DIVISION, P-SMBP	30,497,000	30,497,000
O'NEILL UNIT, P-SMBP	600,000	---
NEVADA		
LAS VEGAS WASH UNIT, TITLE II, CRBSCP	3,075,000	3,075,000
NEW MEXICO		
BRANTLEY PROJECT	45,037,000	45,037,000
VELARDE COMMUNITY DITCH PROJECT	1,580,000	1,580,000
NORTH DAKOTA		
GARRISON DIVERSION UNIT, P-SMBP	53,580,000	53,580,000
OKLAHOMA		
MCGEE CREEK PROJECT	19,000,000	19,000,000
SOUTH DAKOTA		
BELLE FOURCHE UNIT, P-SMBP	---	710,000
WEB RURAL WATER DEVELOPMENT PROJECT	5,000,000	10,000,000
TEXAS		
NUECES RIVER PROJECT	5,318,000	5,318,000
RIO GRANDE PROJECT, AMERICAN CANAL EXTENSION	950,000	950,000
WASHINGTON		
CHIEF JOSEPH DAM PROJECT, OROVILLE-TONASKET UNIT	14,780,000	14,780,000
COLUMBIA BASIN PROJECT:		
IRRIGATION FACILITIES	12,600,000	12,600,000
THIRD POWERPLANT	40,570,000	40,570,000
WYOMING		
BUFFALO BILL DAM MODIFICATION, P-SMBP	5,000,000	---
RIVERTON UNIT, P-SMBP	4,230,000	4,230,000
VARIOUS		
BOULDER CANYON PROJECT IMPROVEMENTS	4,600,000	2,600,000
MEASURES BELOW IMPERIAL DAM, TITLE I, CRBSCP	30,463,000	26,463,000

PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
DRAINAGE AND MINOR CONSTRUCTION:		
ARBUCKLE PROJECT, OKLAHOMA	500,000	500,000
BOISE PROJECT, ARROWROCK DIVISION, IDAHO	400,000	400,000
BOISE PROJECT, PAYETTE DIVISION, IDAHO	960,000	960,000
COLORADO RIVER FRONT WORK&LEVEE SYSTEM,AR.,CO.,NV	16,500,000	16,500,000
EDEN PROJECT, WYOMING	650,000	650,000
GILA PROJECT, ARIZONA	1,100,000	1,100,000
KLAMATH PROJECT, OREGON-CALIFORNIA	1,589,000	1,589,000
LEADVILLE MINE DRAINAGE TUNNEL, COLORADO	200,000	200,000
MISCELLANEOUS ENGINEERING SERVICES, COLORADO	10,000	10,000
MOUNTAIN PARK PROJECT, OKLAHOMA	300,000	300,000
NEWLANDS PROJECT, NEVADA	1,185,000	1,185,000
PALMETTO BEND PROJECT, TEXAS	100,000	100,000
UNITS OR DIVISIONS, PICK-SLOAN MISSOURI BASIN PROGRAM:		
BOSTWICK DIVISION, NEBRASKA	20,000	20,000
CANYON FERRY UNIT, MONTANA	140,000	140,000
EAST BENCH UNIT, MONTANA	50,000	50,000
FARWELL UNIT, NEBRASKA	320,000	320,000
OAHE UNIT, SOUTH DAKOTA	90,000	90,000
OWL CREEK UNIT, WYOMING	50,000	50,000
ROBERT C.GRIFFITH WATER PROJECT, NEVADA	500,000	500,000
SAN ANGELO PROJECT, TWIN BUTTES DAM, TEXAS	1,142,000	1,142,000
TUALATIN PROJECT, OREGON	45,000	45,000
WASHITA BASIN PROJECT, FOSS DAM, OKLAHOMA	932,000	932,000
WASHOE PROJECT, CALIFORNIA-NEVADA	2,331,000	2,331,000
WEBER BASIN PROJECT, UTAH	600,000	600,000
SUBTOTAL, DRAINAGE AND MINOR CONSTRUCTION	29,714,000	29,714,000
SAFETY OF DAMS PROGRAMS:		
BOISE PROJECT, BLACK CANYON DAM, IDAHO	600,000	600,000
COLO-BIG THOMPSON PROJECT,HORSETOOTH DAM,COLORADO	1,760,000	1,760,000
FRUITGROWERS DAM PROJECT, COLORADO	200,000	200,000
HEART BUTTE UNIT, HEART BUTTE DAM,N.DAKOTA(P-SMBP)	100,000	100,000
MINIDOKA PROJECT, ISLAND PARK DAM, IDAHO	1,850,000	1,850,000
MINIDOKA PROJECT, JACKSON LAKE DAM, WYOMING	2,500,000	2,500,000
NEWTON PROJECT, NEWTON DAM, UTAH	700,000	700,000
ORLAND PROJECT, STONY GORGE DAM, CALIFORNIA	956,000	956,000
RAPID VALLEY UNIT,PACTOLA DAM,SOUTH DAKOTA(P-SMBP)	1,550,000	1,550,000
SALT RIVER PROJECT, STEWART MTN. DAM, ARIZONA	100,000	100,000
W.C. AUSTIN PROJECT, ALTUS DAM, OKLAHOMA	700,000	700,000
DEPARTMENT DAM SAFETY PROGRAM.	450,000	450,000
MODIFICATION REPORTS AND PRECONSTRUCTION ACTIVITY	2,500,000	2,500,000
SUBTOTAL, SAFETY OF DAMS	13,966,000	13,966,000
REHABILITATION AND BETTERMENT:		
CARLSBAD PROJECT, NEW MEXICO	500,000	500,000
HARLINGEN IRRIGATION DISTRICT, TEXAS	500,000	500,000
MILK RIVER, GLASGOW DIVISION, MONTANA	150,000	150,000
OKANOGAN PROJECT, OKANOGAN IRRIGATION DISTRICT, WA	4,800,000	4,800,000
P-SMBP, FRENCHMAN-CAMBRIDGE DIVISION, NEBRASKA	491,000	491,000
P-SMBP, HELENA VALLEY UNIT, MONTANA	350,000	350,000
SALT RIVER PROJECT,ROOSEVELT WTR. CONSV. DIST.,AR	1,200,000	1,200,000
SHOSHONE PROJECT, HEART MOUNTAIN DIVISION, WYOMING	1,000,000	1,000,000
STRAWBERRY VALLEY PROJECT, UTAH	3,150,000	3,150,000
SUN RIVER PROJECT, FT. SHAW DIVISION, MONTANA	200,000	200,000
SUN RIVER PROJECT, GREENFIELDS DIVISION, MONTANA	583,000	583,000
UNCOMPAHGRE PROJECT, COLORADO	660,000	660,000
YAKIMA PROJECT, GRANDVIEW IRRIGATION DISTRICT, WA	600,000	600,000
YAKIMA PROJECT, GRANGER IRRIGATION DISTRICT, WA	1,034,000	1,034,000
YAKIMA PROJECT, OUTLOOK IRRIGATION DISTRICT, WA	1,061,000	1,061,000
YAKIMA PROJECT, YAKIMA-TIETON IRRIG. DIST.,WA	18,300,000	18,300,000
SUBTOTAL, REHABILITATION AND BETTERMENT OF EXISTING PROJECTS	34,579,000	34,579,000
TOTAL, CONSTRUCTION AND REHABILITATION AND COLORADO RIVER BASIN SALINITY CONTROL PROJECTS	501,446,000	479,756,000

PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
COLORADO RIVER STORAGE PROJECT		
UPPER COLORADO RIVER BASIN FUND		
PARTICIPATING PROJECTS		
COLORADO		
DALLAS CREEK PROJECT	13,580,000	13,580,000
DOLORES PROJECT	39,123,000	36,123,000
UTAH		
CENTRAL UTAH PROJECT, BONNEVILLE UNIT	104,780,000	104,780,000
CENTRAL UTAH PROJECT, JENSEN UNIT	2,418,000	2,418,000
CENTRAL UTAH PROJECT, UINTAH UNIT	300,000	300,000
CENTRAL UTAH PROJECT, UPALCO UNIT	3,215,000	3,215,000
VARIOUS		
DRAINAGE AND MINOR CONSTRUCTION:		
UNITS:		
MODIFICATIONS & ADDITIONS TO COMPLETED FACILITIES.	2,087,000	2,087,000
PARTICIPATING PROJECTS:		
SEEDSKADEE PROJECT, WYOMING	1,000,000	1,000,000
RECREATIONAL AND FISH AND WILDLIFE FACILITIES:		
RECREATIONAL FACILITIES	5,991,000	5,991,000
FISH AND WILDLIFE FACILITIES	1,960,000	1,960,000
TOTAL, COLORADO RIVER STORAGE PROJECT	174,454,000	171,454,000
COLORADO RIVER BASIN PROJECT CENTRAL ARIZONA PROJECT		
ARIZONA		
CENTRAL ARIZONA-PROJECT-WATER DEVELOPMENT (LCRBDF)	132,550,000	142,250,000
CENTRAL ARIZONA PROJECT, NON-INDIAN DISTR. SYSTEMS	55,050,000	55,050,000
VARIOUS		
PAY RAISE ALLOWANCE	4,029,000	4,029,000
REDUCTION FOR ANTICIPATED SAVINGS AND SLIPPAGE AND PRIOR YEAR UNOBLIGATED BALANCES	-103,392,000	-112,539,000
TOTAL, CONSTRUCTION PROGRAM	764,137,000	740,000,000

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Loan Program

Amendment No. 40: Appropriates $67,537,000 for the loan program as proposed by the Senate instead of $72,037,000 as proposed by the House.

Amendment No. 41: Provides a limitation of $68,500,000 for gross obligations for the principal amount of direct loans as proposed by the Senate instead of $70,500,000 as proposed by the House.

The funds appropriated are to be allocated as shown in the following table:

LOAN PROGRAM PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
ARIZONA		
AK-CHIN FARMS-EAST	7,500,000	7,500,000
ROOSEVELT IRRIGATION DISTRICT	4,532,000	4,532,000
CALIFORNIA		
COLUSA COUNTY WATER DISTRICT	5,196,000	5,196,000
EASTERN MUNICIPAL WATER DISTRICT NO. 2	9,000	9,000
FALLBROOK PUBLIC UTILITY DISTRICT	6,405,000	6,405,000
GLIDE IRRIGATION DISTRICT	3,781,000	3,781,000
OAKDALE IRRIGATION DISTRICT	6,500,000	6,500,000
RAINBOW MUNICIPAL WATER DISTRICT	2,760,000	2,760,000
RAMONA MUNICIPAL WATER DISTRICT	8,500,000	8,500,000
SAN BENITO CO. WATER CONSERV.& FLOOD CONTROL DIST	3,012,000	3,012,000
NEBRASKA		
CENTRAL NEBR.PUBLIC POWER & I.D.-PHELPS SYSTEM IMPROV.	498,000	498,000
OREGON		
GALESVILLE PROJECT	14,000,000	14,000,000
TEXAS		
HIDALGO COUNTY IRRIGATION DISTRICT NO.2,(SAN JUAN)	2,500,000	2,500,000
DELTA LAKE IRRIGATION DISTRICT	1,500,000	1,500,000
VARIOUS		
CONSTRUCTION COST INCREASES	4,000,000	4,000,000
ADMINISTRATION OF LOAN PROGRAM	807,000	807,000
PAY RAISE ALLOWANCE	37,000	37,000
REDUCTION FOR ANTICIPATED SAVINGS AND SLIPPAGE AND PRIOR YEAR UNOBLIGATED BALANCES	-4,000,000	-4,000,000
TOTAL, LOAN PROGRAM	67,537,000	67,537,000

General administrative expenses

Amendment No. 42: Appropriates $58,917,000 for general administrative expenses as proposed by the House instead of $56,350,000 as proposed by the Senate.

General provisions

Amendment No. 43: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that the cost of foundation treatment, drainage, and instrumentation work at Foss Dam, Oklahoma, shall be nonreimbursable under Federal reclamation law.

Amendment No. 44: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which reads as follows:

Sec. 207. (a) It is the sense of Congress that—

(1) the Garrison Diversion Unit was authorized by Congress and reflects the entitlement of the State of North Dakota to a federally funded water development program as compensation for North Dakota's contributions to the Pick-Sloan Missouri Basin program;

(2) there is a need to put to beneficial use water from the Missouri River within the State of North Dakota;

(3) there are municipal and industrial water resource problems in North Dakota that are presently unmet;

(4) there are irrigation and agricultural water needs in areas which cannot be met by the Garrison Diversion Unit as presently authorized;

(5) the Garrison Diversion Unit, as presently authorized, raises significant issues of economic, environmental, and international concern;

(6) the water needs of the State of North Dakota should be resolved by contemporary water development alternatives; and

(7) a Secretarial commission should be established to examine the water needs of North Dakota and propose development alternatives which will lead to the early resolution of the problems identified.

(b) No funds appropriated under this title for the Garrison Diversion Unit, Pick-Sloan Missouri Basin program, shall be expended or committed for expenditure on construction contracts prior to December 31, 1984. Notwithstanding the preceding sentence, funds appropriated may be expended or committed for expenditure for the work associated with the Commission established by this section. Funds may be expended or committed for expenditure after such date for construction of the Garrison Diversion Unit—

(1) in accordance with the recommendations of the Secretarial commission established under subsection (c); or

(2) if the commission fails to make such recommendations, as presently authorized.

(c)(1) The Secretary of the Interior shall, within thirty days after the date of enactment of this section, appoint a commission, composed of 12 individuals, to review the contemporary water development needs of the State of North Dakota and propose modifications to the Garrison Diversion Unit consistent with the existing authorization. The Secretary shall designate one member who shall serve as chairman of the commission who shall set the dates of hearings, meetings, and other official commission functions in carrying out the purposes of this section. The commission, in developing its recommendations, shall hold no fewer than three public hearings, at least two of which shall be in the State of North Dakota. Any recommendations of the commission shall be agreed to by at least 8 members. The commission shall cease to exist on December 31, 1984.

(2) The commission is directed to examine, review, evaluate, and make recommendations with regard to the contemporary water development needs of the State of North Dakota, taking into consideration—

(A) the costs and benefits incurred and opportunities foregone by the State of North Dakota between 1944 and 1984 as a result of the establishment and implementation of the Pick-Sloan Missouri Basin program;

(B) the need and potential for North Dakota to put to beneficial use within the State water from the Missouri River;

(C) the need for construction of additional facilities to put to beneficial use water from the Missouri River;

(D) the municipal and industrial water needs and development potential within the State of North Dakota, including such matters as—

(i) quality of water supply,

(ii) the ability of existing systems to meet present and future demand,

(iii) related groundwater problems,

(iv) water treatment,

(v) water delivery by pipeline, and

(vi) instream flow needs,

(E) the possible use of groundwater recharge for municipal and industrial uses, as well as irrigation;

(F) the current North Dakota water plan, including proposed projects, to determine if elements of the plan (such as the southwest pipeline project) should be recommended for Federal funding;

(G) whether or not the Garrison Diversion Unit can be redesigned and reformulated;

(H) the institutional and tax equity issues in the State of North Dakota as they relate to the authorized project and alternative water development proposals;

(I) the fiscal and economic impacts of the Garrison Diversion Unit, as compared with alternative proposals for irrigation and municipal and industrial water supply;

(J) the environmental impacts of the water development alternatives mentioned in this section, compared with those of the Garrison Diversion Unit, including impacts on wildlife refuges, wetlands, wildlife habitat, waterfowl, and other environmental impacts as well as make recommendations to reduce and minimize those impacts; and

(K) the international impacts of the water development alternatives described in this section compared with those of the Garrison Diversion Unit and make recommendations to reduce and minimize those impacts.

All recommendations of the commission shall retain the originally authorized discount rate.

The conferees intend that the Bureau of Reclamation shall use available funds appropriated to the Bureau of Reclamation for fiscal year 1984 for the establishment and support of the Commission authorized above.

TITLE III—DEPARTMENT OF ENERGY

The summary table at the end of this title sets forth the conference agreement with respect to individual appropriations, programs and activities for the Department.

Energy supply, research and development activities

Amendment No. 45: Appropriates $2,018,165,000 for Energy Supply, Research and Development Activities, to remain available until expended, instead of $1,986,149,000 as proposed by the House and $2,050,168,000 as proposed by the Senate and deletes language proposed by the Senate referring to the Light Water Reactor Improvement Program.

Solar energy

Photovoltaic energy systems.—The conferees agree to provide $9,500,000 for continuation of the SMUD project. House report language guidance pertaining to systems research shall apply.

Biofuels.—The conferees expect the Department to maintain a regionally balanced biomas program with each region funded at no less than the FY 1984 program levels, and agree with the need to establish a centerpiece for the biomass research program such as that proposed by the House.

Wind energy systems.—The conferees agree with the House report language concerning the Mod-5 program. The conferees also agree that DOE/NASA should enter into an agreement with Hawaiian Electric for sale of long-term lease of the Mod-5B wind turbine after completion of agreed upon acceptance tests.

Ocean energy systems.—The conferees agree with the Senate report language in regard to the ocean energy systems program.

Program direction.—The conferees agree to provide $4,864,000 for program direction, as proposed by the Senate and direct that reductions in FTEs be made in program activities where portions of the work are done by other Federal agencies, such as the wind program where NASA handles much of the substantive workload.

Electric energy storage

The conferees agree with the Senate report language in regard to high temperature phase change thermal storage for industrial application and House language on zinc-bromide batteries and winter-chilled water air conditioning and direct the Department to fund these from available funds.

Nuclear fission

Breeder reactor systems.—The conferees agree to provide $14,000,000 for concepts and requirements development activities, under the guidance of the Senate report language. The conferees agree that no funds be used for development of FFTF as a test bed. A total of $1,500,000 is provided for thorium fuel cycle research in support of the HTGR.

Uranium Mill Tailings Program.—The conferees agree to provide an additional $8,000,000 for acceleration by approximately one year the one-time relocation of uranium mill tailings from Salt Lake City to a suitable relocation site within the State of Utah; provided that the State of Utah and the Department of Energy are able to negotiate a fixed upper limit in the existing cooperative agreement for those matters under the control of the State and included in the remedial action plan in accordance with applicable Federal and State regulations or statutes. In the case of the Salt Lake Vitro tailings, the cost sharing agreement shall be 90% Federal/10% State up to $42 million (the cost estimated to stabilize the tailings in place) and 75% Federal/25% State for incremental costs above the cost of stabilization. The conferees also note that the separate cost of cleaning up vicinity properties associated with the Salt Lake pile will continue to be a 90% Federal/10% State share. The Department is directed to keep the Committees on Appropriations informed on progress.

Environment

The conferees agree with the House report language directing that research activities at three university research programs be continued at the FY 1984 program levels and that an additional $1,500,000 shall be made available for nuclear safety activities.

Magnetic fusion

The conferees agree to provide $440,138,000 for magnetic fusion research activities. The conferees direct that the Department seek international collaboration and financial participation in future large-scale research devices. The conferees concur in the Senate report language requiring a new comprehensive program management plan and direct that no funds be available for other than conceptual analysis activities related to fusion concepts not currently funded in the magnetic fusion program.

Supporting research and technical analysis

The conferees direct the Department to comply with the Senate report language regarding a $2,300,000 grant for design and related activities for a science facility at the University of Oregon. The Department is to include funding to initiate construction of this facility in the FY 1986 budget request.

University research support.—The conferees agree to provide $2,000,000 for low-enriched uranium at university research reactors and to comply with the House report requirement in this program.

General and ADP reductions

The conferees have agreed to various ADP and other general reductions where it was apparent that available or deferred funds, savings, program slippage or other sources would be available to offset the requirement for new appropriations. The Department may, to the extent necessary, offset reductions proposed in the ADP program with other program reductions subject to prior approval of the Committees on Appropriations.

Amendment No. 46: Restores language proposed by the House relating to a supercomputer center at Florida State University.

The conferees expect the Department to use standard Federal competitive procurement practices in the acquisition of supercomputers and to apply principals of efficiency and cost effectiveness in selection of systems and locations for Departmental supercomputers.

Uranium supply and enrichment activities

Amendment No. 47: Appropriates $1,650,300,000 as proposed by the House instead of $1,675,300,000 as proposed by the Senate.

Amendment No. 48: Provides estimated revenues of $1,650,300,000 as proposed by the House, instead of estimated revenues of $1,675,300,000 as proposed by the State.

Because of the apparent confusion within the executive branch on the correct interpretation of Uranium Enrichment Appropriation language, the conferees are clarifying their intent. The enrichment appropriation is for a defined level of program activity. The conferees intend that the executive branch obligate each year the full amount as contained in the annual Appropriation Act in order to operate the enrichment enterprise at the level and in the manner provided for in the appropriation. The conferees recognize that actual revenues will often differ from the estimates made at the time the appropriations are arrived at. In the event revenues fall short of estimates, the conferees intend that obligations not be constrained to match revised estimates. Rather obligations are to be consistent with the levels contained in the annual Appropriations Acts. The conferees agree with the House report language in regard to procurement of module modification kits and related materials. Procurement of Set III machines should be done in the most economically cost-effective manner. The conferees agree with the Senate in regard to demand charges levied by TVA.

General science and research activities

The conferees agree to defer, without prejudice, the construction of project 85-R-203, the Continuous Electron Beam Accelerator Facility (CEBAF). The conference allowance includes $3,500,000 in operating expenses to continue research and development and A/E activities to better define the project's scope, schedule and total cost, and for other necessary activities in support of the project. The conferees also agree to increase the funding for High Energy Physics as proposed by the Senate and from within the available funds in fiscal year 1985, the funding for the Argonne Tandem/Linac Accelerator System should be increased by $1,600,000 as proposed by the House.

The conferees agree that the Department shall conduct a workshop on the future of the High Energy Physics programs, and prepare a five-year Nuclear Physics plan as described in the Senate report on the Energy and Water Development Appropriation Bill for 1985.

Atomic energy defense activities

Amendment No. 49: Appropriates $7,333,701,000 for Atomic Energy Defense Activities instead of $7,404,901,000 as proposed by the House and $7,272,925,000 as proposed by the Senate.

Research, development and testing

The conference allowance for research, development and testing operating funds includes $6,000,000 for the Marshall Islands and environmental programs as proposed by the Senate.

Inertial confinement fusion

The conference allowance provides $154,750,000 for operating expenses. Within the glass laser program, $68,200,000 is provided for the program at LLNL, $13,000,000 for the program at KMSF, $7,800,000 for the program at the University of Rochester and $2,700,000 for the program at the Naval Research Laboratory. The conference allowance also includes $41,500,000 for the gas laser program at LANL, $20,800,000 for the Pulsed Power Research at Sandia and $750,000 for supporting research.

Production and surveillance

The conference allowance includes $1,810,900,000 for operating expenses which represents an increase of $145,175,000 over 1984 and is consistent with action taken on individual weapons systems.

Materials production

The conference allowance includes $30,000,000 over the buget request to expedite the development of Special Isotope Separation at LLNL and $10,000,000 to continue construction of the Process Facility Modifications at Richland, Washington.

Defense waste and byproducts management

The conference allowance includes $2,000,000 for the beneficial use of defense waste by-products as proposed by the House.

POWER MARKETING ADMINISTRATIONS

Bonneville Power Administration fund

Amendment No. 50: Restores House language deleted by the Senate allowing the Bonneville Power Administration to transfer to the Bureau of Reclamation funds for fish passage facilities at Prosser and Roza Dams in the Yakima River Basin. In addition, $4,800,000 was provided to the Bureau of Reclamation for construction of the Prosser and Roza Dam Passages. The equitable distribution of funding between BPA and the Bureau of Reclamation will be developed by future authorizing legislation. The conferees agree to increase BPA borrowing authority for fish enhancement facilities as proposed in the Senate report.

Western Area Power Administration

Amendment No. 51: Appropriates $218,230,000 for WAPA as proposed by the House, instead of $248,230,000 as proposed by the Senate.

Amendment No. 52: Provides that $217,380,000 as proposed by the House shall be derived from the Department of the Interior Reclamation fund instead of $221,821,000 as proposed by the Senate.

Amendment No. 53: Deletes language proposed by the Senate.

Amendment No. 54: Deletes language proposed by the Senate.

The bill authorizes the Secretary of Energy to construct or participate in the construction of such additional facilities as he deems necessary to allow mutually beneficial power sales between the Pacific Northwest and California. The bill further authorizes the Secretary to accept and use funds contributed by non-Federal entities, including investor owned and publicly owned utilities, for that purpose.

The conferees find that there is substantial benefit to be derived from the financing of additional intertie capacity with funds contributed from non-Federal entities. Therefore the Secretary is directed to enter into negotiations with all interested non-Federal entities, including publicly owned utilities, privately owned utilities, the California Department of Water Resources and irrigation districts, for the financing, planning, and construction of a new 500 kV AC line and associated facilities.

The investor owned and publicly owned utilities in California have assured Congress that they will enter into good faith negotiations concerning their participation in the development of a new 500 kV AC line. The conferees interpret these assurances to mean necessarily that all parties will cooperate in the distribution of power to the ultimate consumers. The Secretary shall participate with these non-Federal entities both in their negotiations and in the development of the new line.

Congress expects that the new 500 kV AC line will be built promptly. Accordingly, should any of the participating entities refuse to cooperate or otherwise act to delay construction of the new line, the Secretary is directed to proceed promptly with those remaining interested entities to develop the line. The Secretary is directed to proceed immediately with planning and environmental activities and shall within 120 days of enactment submit to the Congress a conceptual plan for construction of this line. The plan should be designed to maximize the reliability of the total interconnection.

To assure his ability to continue to meet existing obligations, the Secretary may reserve on any portion of any modified and upgraded facilities an amount of transmission capacity the equivalent of the actual transmission capability displaced by such modification and upgrading. To recompense the Federal taxpayer for the value of the contributed Federal facilities the Secretary shall obtain fair compensation from the non-Federal participants. Such compensation may be in the form of transmission capacity on the new 500 kV AC line, monetary payment, or other benefit which the Secretary may determine a fair equivalent. Transmission capacity reserved as compensation shall be used to serve the needs of Federal Government installations. In any event, sufficient capacity shall be reserved to serve the needs of Department of Energy Laboratories and wildlife refuges in California. However, in no event shall the Secretary reserve more than 50 percent of the total uprated transfer capability of any modified and upgraded Federal facilities, or more than 12.5 percent of the transfer capability of the non-Federal segment of the line.

The conferees intend that the Secretary shall have the flexibility to take actions he deems necessary or appropriate to carry out cooperative agreements between Federal and non-Federal entities related to the purposes of this Act. This flexibility includes, but is not limited to, contractual arrangements where non-Federal funds would be deposited in a commercial financial institution, with any interest accumulating on such deposits prior to usage by the Secretary accruing to the benefit of the contributing entity. The Secretary, when assured that such contributed funds would be available for expenditure in a timely manner, shall enter into construction contracts and take other associated actions based upon sound business principles.

Amendment No. 55: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides for the establishment of a revolving fund to cover those costs incurred by WAPA as a result of its involvement in the Department of the Navy's geothermal resource project at Fallon, Nevada.

Amendment No. 56: Deletes language proposed by the Senate relating to salary increases for Commissioners of the Federal Energy Regulatory Commission.

Amendment No. 57: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following:

Sec. 307. For carrying out activities authorized by title II of Public Law 93-410 the Department of Energy is authorized to transfer no more than $25,000,000 to the Geothermal Resources Development Fund from unobligated balances within the Uranium Supply and Enrichment Activities account: Provided, That such transfer shall be reported promptly to the Committees on Appropriations of the House and Senate. The amount authorized to be transferred by this provision is in addition to the authority provided in section 302 of this Act.

Sec. 308. Of the funds appropriated for Energy Supply, Research and Development Activities under this Act, $2,000,000 shall be available until expended to further domestic technology transfer by facilitating access to data within the national laboratories, including the use of supercomputers.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The funds appropriated are to be allocated as shown in the following table:

	Budget estimate	Conference allowance
ENERGY SUPPLY RESEARCH AND DEVELOPMENT		
SOLAR ENERGY		
I. Solar applications		
A. Solar building energy systems		
Operating expenses	11,685,000	9,685,000
Capital equipment	200,000	200,000
Subtotal, Solar building energy systems	11,885,000	9,885,000
B. Photovoltaic energy systems		
Operating expenses	46,500,000	46,500,000
Capital equipment	1,000,000	1,000,000
Construction - (84-CE-001)	---	9,500,000
Subtotal, Photovoltaic energy systems	47,500,000	57,000,000
C. Solar thermal energy systems		
Operating expenses	37,000,000	35,000,000
Capital equipment	500,000	500,000
Subtotal, Solar thermal energy system	37,500,000	35,500,000
D. Biofuels energy systems		
Operating expenses	27,100,000	30,050,000
Capital equipment	1,000,000	1,000,000
Subtotal, Biofuels energy systems	28,100,000	31,050,000
E. Wind energy systems		
Operating expenses	18,900,000	15,900,000
MOD-5 Wind turbine	4,200,000	13,000,000
Capital equipment	200,000	200,000
Subtotal, Wind energy systems	23,300,000	29,100,000
F. Ocean energy systems		
Operating expenses	3,500,000	4,500,000
Subtotal, Solar applications	151,785,000	167,035,000
(Operating expenses)	(148,885,000)	(154,635,000)
(Plant and Capital)	(2,900,000)	(12,400,000)
II. Other solar energy		
A. International solar energy program - OE	500,000	500,000
B. Solar technology transfer - OE	6,000,000	6,000,000
F. Program support - OE	500,000	1,000,000
G. Program direction - OE	4,864,000	4,864,000
Subtotal, Other solar energy	11,864,000	12,364,000
TOTAL, SOLAR ENERGY	163,649,000	179,399,000
(Operating expenses)	(160,749,000)	(166,999,000)
(Plant and Capital)	(2,900,000)	(12,400,000)

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	Budget estimate	Conference allowance
GEOTHERMAL		
I. Hydrothermal industrialization		
Operating expenses	---	1,000,000
II. Geopressured resources		
Operating expenses	3,500,000	5,500,000
III. Geothermal technology development		
Operating expenses	22,156,000	24,156,000
Capital equipment	400,000	400,000
Subtotal, Geothermal technology development	22,556,000	24,556,000
V. Program direction - OE	1,031,000	1,031,000
TOTAL, GEOTHERMAL	27,087,000	32,087,000
(Operating expenses)	(26,687,000)	(31,687,000)
(Plant and Capital)	(400,000)	(400,000)
HYDROPOWER		
I. Small scale hydropower development - OE	375,000	375,000
III. Program direction - OE	72,000	72,000
TOTAL, HYDROPOWER	447,000	447,000
ELECTRIC ENERGY SYSTEMS AND STORAGE		
I. Electric energy systems		
A. Electric field effects research		
Operating expenses	3,700,000	4,700,000
B. Reliability research		
Operating expenses	4,500,000	4,500,000
C. System technology		
Operating expenses	9,300,000	10,800,000
Capital equipment	300,000	300,000
Subtotal, System technology	9,600,000	11,100,000
D. Program direction - OE	432,000	432,000
Subtotal, Electric energy systems	18,232,000	20,732,000
II. Energy Storage Systems		
A. Battery storage		
Operating expenses	14,850,000	16,350,000
Capital equipment	500,000	500,000
Subtotal, Battery storage	15,350,000	16,850,000
B. Thermal and mechanical storage		
Operating expenses	1,300,000	2,300,000
C. Program direction - OE	453,000	453,000
Subtotal, Energy storage systems	17,103,000	19,603,000

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	Budget estimate	Conference allowance
TOTAL, ELECTRIC ENERGY SYSTEMS AND STORAGE	35,335,000	40,335,000
(Operating expenses)	(34,535,000)	(39,535,000)
(Plant and Capital)	(800,000)	(800,000)
NUCLEAR		
I. Converter reactor		
A. High temperature reactor technology		
Operating expenses	33,109,000	33,109,000
Capital equipment	1,500,000	1,500,000
Subtotal, High temperature reactor technology	34,609,000	34,609,000
B. Light water reactor systems		
Operating expenses	16,000,000	20,000,000
C. Three Mile Island activities		
Operating expenses	30,700,000	30,700,000
Capital equipment	1,500,000	1,500,000
Subtotal, Three Mile Island activities	32,200,000	32,200,000
D. Advanced reactor systems		
Operating expenses	4,932,000	4,932,000
E. Program direction - OE	725,000	725,000
Subtotal, Converter reactor	88,466,000	92,466,000
II. Nuclear waste technology		
1. Low level waste		
Operating expenses	6,365,000	6,365,000
Capital equipment	150,000	150,000
Subtotal, Low level waste	6,515,000	6,515,000
2. Waste treatment technology		
Operating expenses	6,000,000	6,000,000
Capital equipment	300,000	300,000
Subtotal, Waste treatment technology	6,300,000	6,300,000
4. Program direction - OE	490,000	490,000
Subtotal, Nuclear waste technology	13,305,000	13,305,000
III. Civilian waste R&D		
A. Spent Fuel Storage R & D		
Operating expenses	12,200,000	12,200,000
Capital equipment	1,000,000	1,000,000
Subtotal, Spent fuel storage R & D	13,200,000	13,200,000
B. Alternative disposal concepts		
Operating expenses	10,500,000	10,500,000
Capital equipment	1,500,000	1,500,000
Subtotal, Alternative disposal concepts	12,000,000	12,000,000

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	Budget estimate	Conference allowance
C. Generic methods & supporting studies		
Operating expenses	2,174,000	2,174,000
D. Program direction	266,000	266,000
Subtotal, Civilian waste R&D	27,640,000	27,640,000
V. Advanced nuclear systems		
A. Space and special applications		
Operating expenses	25,750,000	30,550,000
Capital equipment	2,200,000	2,200,000
Subtotal, Space and special applications	27,950,000	32,750,000
B. Advanced systems evaluations		
Operating expenses	4,300,000	4,300,000
Capital equipment	200,000	200,000
Subtotal, Advanced systems evaluations	4,500,000	4,500,000
C. Program direction - OE	1,050,000	1,050,000
Subtotal, Advanced nuclear systems	33,500,000	38,300,000
VI. Breeder reactor systems		
A. Liquid metal fast breeder reactor		
Operating expenses	236,905,000	231,905,000
Capital equipment	16,375,000	16,375,000
Construction:		
85-N-600 General plant projects	5,700,000	5,700,000
85-N-601 Mods to reactors, var. loc.	1,000,000	1,000,000
85-N-602 ANAL, INEL, ID, security upgrades	500,000	500,000
83-N-334 Safeguards & sec. Assess, imp., ANL,INEL,Id	600,000	600,000
Subtotal, Construction	7,800,000	7,800,000
Subtotal, Liquid metal fast breeder reactor	261,080,000	256,080,000
C. Water cooled breeder reactor		
Operating expenses	26,300,000	26,300,000
E. Nuclear fuel cycle		
1. Fuel cycle R&D		
Operating expenses	10,922,000	12,422,000
Capital equipment	1,000,000	1,000,000
Subtotal, Fuel cycle R&D	11,922,000	13,422,000
2. Program direction - OE	495,000	495,000
Subtotal, Nuclear fuel cycle	12,417,000	13,917,000
F. Program direction - OE	8,285,000	8,285,000
Subtotal, breeder reactor systems	308,082,000	304,582,000

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	Budget estimate	Conference allowance
VII. Remedial action		
1. Management of surplus radioactivity contaminated DOE facilities		
Operating expenses	29,880,000	29,880,000
Capital equipment	120,000	120,000
Subtotal, Management, of surplus radioactivity contaminated DOE facilities	30,000,000	30,000,000
2. Formerly utilized sites remedial action program		
Operating expenses	15,800,000	18,800,000
Capital equipment	200,000	200,000
Subtotal, Formerly utilized sites remedial action program	16,000,000	19,000,000
3. Grand Junction remedial action OE	1,500,000	1,500,000
4. Uranium program mill tailings remedial action program		
Operating expenses	53,760,000	63,760,000
Capital equipment	250,000	250,000
Subtotal, Uranium program mill tailings remedial action program	54,010,000	64,010,000
5. West Valley		
Operating expenses	49,400,000	49,400,000
6. Program direction - OE	1,100,000	1,100,000
Subtotal, Remedial action	152,010,000	165,010,000
General reduction	---	-15,000,000
TOTAL, NUCLEAR	623,003,000	626,303,000
(Operating expenses)	(588,908,000)	(592,208,000)
(Plant and Capital)	(34,095,000)	(34,095,000)
ENVIRONMENT, SAFETY AND HEALTH		
I. Environment, safety and health		
Operating expenses	35,588,000	37,088,000
Capital equipment	1,500,000	1,500,000
Total, Environment safety and health	37,088,000	38,588,000
ENVIRONMENT R & D		
I. Biological and Environment Research		
Operating expenses	174,641,000	176,641,000
Capital equipment	8,000,000	8,000,000
Construction: 85-R-800 GPP	3,000,000	3,000,000
Subtotal, Biological and environ. research	185,641,000	187,641,000
II. Program direction - OE		
A. Bio and env. research - PD	3,475,000	3,475,000
Total, Environment R & D	189,116,000	191,116,000
(Operating expenses)	(178,116,000)	(180,116,000)
(Plant and Capital)	(11,000,000)	(11,000,000)

	Budget estimate	Conference allowance
LIQUIFIED GASEOUS SPILL TEST FACILITY		
I. Spill test facility		
Operating expenses	2,000,000	2,000,000
FUSION		
I. Magnetic fusion		
A. Confinement systems		
Operating expenses	196,225,000	196,225,000
Capital equipment	17,600,000	17,600,000
Subtotal, Confinement systems	213,825,000	213,825,000
B. Development and technology		
Operating expenses	79,600,000	79,600,000
Capital equipment	7,100,000	7,100,000
Subtotal, Development and technology	86,700,000	86,700,000
C. Applied plasma physics		
Operating expenses	84,463,000	84,463,000
Capital equipment	4,900,000	4,900,000
Subtotal, Applied plasma physics	89,363,000	89,363,000
D. Planning and projects		
Operating expenses	52,800,000	52,800,000
Capital equipment	3,800,000	3,800,000
Construction:		
85-GPP	9,400,000	9,400,000
78-3-A Mirror fusion test facility	20,100,000	20,100,000
78-3-B Fusion materials irradiation test facility, Hanford engineering lab,WA	3,000,000	3,000,000
Subtotal, Construction	32,500,000	32,500,000
Subtotal, Planning and projects	89,100,000	89,100,000
F. Program direction - OE	4,150,000	4,150,000
G. General reduction	---	-43,000,000
Total, Fusion	483,138,000	440,138,000
(Operating expenses)	(417,238,000)	(374,238,000)
(Plant and Capital)	(65,900,000)	(65,900,000)
SUPPORTING RESEARCH AND TECHNICAL ANALYSIS		
I. Basic energy sciences		
A. Nuclear sciences		
Operating expenses	49,755,000	40,755,000
Capital equipment	2,950,000	2,950,000
Construction:		
85-ER-401 AIP	300,000	300,000
Subtotal, Nuclear sciences	53,005,000	44,005,000

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	Budget estimate	Conference allowance
B. Materials sciences		
Operating expenses	141,480,000	134,480,000
Capital equipment	15,450,000	15,450,000
Construction:		
85-ER-401	1,800,000	1,800,000
84-ER-111 N S L S	10,000,000	10,000,000
84-ER-112 Center for advanced material	10,790,000	10,790,000
84-ER-113 SSRL enhancement	9,130,000	9,130,000
84-ER-114 Vitreous state laboratory	---	8,900,000
84-ER-115 Natl center for chemical research	---	3,000,000
Subtotal, Construction	31,720,000	43,620,000
Subtotal, Materials sciences	188,650,000	193,550,000
C. Chemical sciences		
Operating expenses	80,930,000	80,230,000
Capital equipment	8,840,000	8,840,000
Construction:		
85-ER-AIP	300,000	300,000
85-ER-400 BPP	5,750,000	3,750,000
85-ER-403 Kansas State Univ	2,000,000	2,000,000
Subtotal, Construction	8,050,000	6,050,000
Subtotal, Chemical sciences	97,820,000	95,120,000
D. Applied mathematical sciences		
Operating expenses	28,250,000	35,250,000
Capital equipment	1,500,000	1,500,000
Subtotal, Applied mathematical sciences	29,750,000	36,750,000
E. Engineering, mathematical, and geosciences		
Operating expenses	20,795,000	26,795,000
Capital equipment	1,500,000	1,500,000
Subtotal, Engineering, math., and geosciences	22,295,000	28,295,000
F. Advanced energy projects		
Operating expenses	10,810,000	10,810,000
Capital equipment	320,000	320,000
Subtotal, Advanced energy projects	11,130,000	11,130,000

	Budget estimate	Conference allowance
G. Biological energy research		
Operating expenses	12,490,000	12,490,000
Capital equipment	560,000	560,000
Subtotal, Biological energy research	13,050,000	13,050,000
H. Program direction - OE	3,830,000	3,830,000
Subtotal, Basic energy sciences	419,530,000	425,730,000
(Operating expenses)	(348,340,000)	(344,640,000)
(Plant and Capital)	(71,190,000)	(81,090,000)
II. Energy oversight, research analy. & Univ support		
A. Energy research analysis - OE		
1. Assessment projects	3,000,000	3,000,000
B. University research support - OE		
2. University reactor fuel assistance	1,900,000	3,900,000
3. University laboratory coop. program	6,550,000	6,550,000
5. Energy manpower assessment program	450,000	450,000
6. Education and training	300,000	300,000
Subtotal, University research support - OE	9,200,000	11,200,000
C. Advisory and oversight - OE	2,900,000	2,900,000
D. University research instrumentation	6,000,000	5,000,000
Subtotal, Energy oversight, res analy, & Univ sup	21,100,000	22,100,000
III. Multi-program facilities		
Construction:		
85-R-701 Central chilled water facility (BNL)	3,500,000	3,500,000
85-R-702 Replace laboratory roofs (ANL)	3,508,000	3,508,000
85-R-703 Electrical dist. system restoration	1,100,000	1,100,000
85-R-704 Rehabilitate underground steam syste	3,000,000	3,000,000
85-R-706 Medical facility (LLNL)	1,600,000	1,600,000
85-R-707 Hanford site fire alarm system upgra	1,300,000	1,300,000
85-R-709 Central chilled water plant (ANL)	1,000,000	1,000,000
85-R-711 Upgrade envir. monitoring system (OR	1,000,000	1,000,000
85-R-712 Central chilled water system restor	1,000,000	1,000,000
84-ER-101 Rehab. old utilities (LBL)	3,750,000	3,750,000
84-ER-102 Cooling water facility, Restor. (ORNL)	3,400,000	3,400,000
84-ER-103 Road repair (various locations)	4,500,000	4,500,000
83-E-308 Rep power sys,INEL,LLNL,ORNL,RL	2,842,000	2,842,000
83-E-309 Electronics fac., ANL	3,150,000	3,150,000
83-E-310 Utility replacements	3,200,000	3,200,000

	Budget estimate	Conference allowance
82-E-302 Security facility (ANL)	1,100,000	1,100,000
80-ES-11 Idaho Lab Facility (INEL)	---	750,000
General reduction	---	-6,500,000
Subtotal, Multi-program facilities	38,950,000	33,200,000
Total, Supporting research and tech. analysis	479,580,000	481,030,000
(Operating expenses)	(369,440,000)	(366,740,000)
(Plant and Capital)	(110,140,000)	(114,290,000)
POLICY AND MANAGEMENT		
I. Policy and Management		
A. Policy and management - OE - ER	530,000	530,000
B. Policy and management - OE - NE	1,523,000	1,523,000
C. Policy and management - OE - EP	1,000,000	1,000,000
D. Policy and management - CRE	1,527,000	1,527,000
Subtotal, Policy and management	4,580,000	4,580,000
ENERGY APPLICATIONS		
Technical Information & Management Program		
Operating expenses	14,642,000	12,642,000
Capital equipment	800,000	800,000
Subtotal, Technical Information & Management Prog	15,442,000	13,442,000
II. In-house energy management		
Operating expenses	2,000,000	2,000,000
Construction!		
85-A-601 Mods for energy mgmt, various loc	10,000,000	10,000,000
85-A-602 Fuel storage facility, BNL	1,000,000	1,000,000
85-A-604 Combustion air preheaters, energy te	3,300,000	3,300,000
85-A-606 Cogeneration facility, BNL	3,000,000	3,000,000
82-A-603 LASL Hot water distribution	4,700,000	4,700,000
General reduction	---	-8,000,000
Subtotal, Construction	22,000,000	14,000,000
Subtotal, In-house energy management	24,000,000	16,000,000
(Operating expenses)	(2,000,000)	(2,000,000)
(Construction)	---	---
Subtotal, Energy applications	39,442,000	29,442,000
(Operating expenses)	(16,642,000)	(14,642,000)
(Plant and Capital)	(22,800,000)	(14,800,000)
ADP General Reduction	---	-10,000,000
SUBTOTAL, ENERGY SUPPLY RESEARCH AND DEVELOPMENT	2,084,465,000	2,055,465,000
(Operating expenses)	(1,834,930,000)	(1,800,280,000)
(Plant and Capital)	(249,535,000)	(255,185,000)

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	Budget estimate	Conference allowance
Adjustments:		
Savings from management initiatives	-32,300,000	-37,300,000
Use of prior year balances	-10,052,000	---
Use of prior year balances (by transfer)	---	-60,000,000
TOTAL, ENERGY SUPPLY RESEARCH AND DEVELOPMENT	2,042,113,000	1,958,165,000
(Operating expenses)	(1,792,578,000)	(1,702,980,000)
(Plant and Capital)	(249,535,000)	(255,185,000)
URANIUM ENRICHMENT		
I. Uranium enrichment activities		
A. Gaseous diffusion and operations support		
Operating expenses	1,081,300,000	1,040,300,000
Capital equipment	15,000,000	11,000,000
Construction:		
85-N-501 General plant projects, var. locs	14,500,000	10,500,000
84-N-403 Intermediate gas removal	3,000,000	3,000,000
84-N-404 Power systems protection impr	9,000,000	9,000,000
84-N-405 Utilities upgrading, Phase III	16,000,000	12,000,000
83-N-402 Compli. with toxic sub. Control act, gas dif. plants	17,000,000	17,000,000
83-N-405 Utilities upgrading, Phase II, gas. dif. plant	700,000	700,000
81-R-506 Environmental protection and safety improvements, Phase I GDP's	14,800,000	12,800,000
Subtotal, Construction	75,000,000	65,000,000
Subtotal, Gaseous diffusion operations and supp	1,171,300,000	1,136,300,000
B. Enrichment research and development		
1. Gas centrifuge operations and support		
Operating expenses	71,000,000	71,000,000
Capital equipment	1,000,000	1,000,000
Subtotal, Gas Centrifuge	72,000,000	72,000,000
2. Atomic vapor laser isotope separation		
Operating expenses	69,800,000	69,800,000
Capital equipment	7,700,000	7,700,000
Construction:		
85-N-501 General plant projects, var. locs	500,000	500,000
Subtotal, Atomic vapor laser isotope separation	78,000,000	78,000,000
Total, Enrichment R&D	150,000,000	150,000,000

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	Budget estimate	Conference allowance
C. Gas centrifuge enrichment plant		
Operating expenses	39,800,000	39,800,000
Capital equipment	200,000	200,000
Construction:		
76-8-8 Enriched Uranium production facility, Portsmouth, OH	310,000,000	310,000,000
Total, Gas centrifuge enrichment plant	350,000,000	350,000,000
D. Program direction - OE	4,000,000	4,000,000
Advanced technology activities reserve	---	10,000,000
Subtotal, Uranium enrichment activities	1,675,300,000	1,650,300,000
(Operating expenses)	(1,265,900,000)	(1,254,900,000)
(Plant and Capital)	(409,400,000)	(395,400,000)
III. Offsetting revenues		
Operating expenses	-1,265,900,000	-1,240,900,000
Capital equipment	-23,900,000	-23,900,000
Construction	-385,500,000	-385,500,000
Subtotal, Total revenues	-1,675,300,000	-1,650,300,000
TOTAL, URANIUM ENRICHMENT	---	---
(Operating expenses)	(1,265,900,000)	(1,254,900,000)
(Plant and Capital)	(409,400,000)	(395,400,000)
(Gross revenues)	(-1,675,300,000)	(-1,650,300,000)
GENERAL SCIENCE AND RESEARCH		
I. High energy physics		
A. Physics research		
Operating expenses	107,700,000	107,700,000
B. Facility operations		
Operating expenses	182,100,000	177,100,000
Capital equipment	61,500,000	54,800,000
Construction:		
85-R-100 AIP	10,000,000	10,000,000
85-R-101 GPP	10,200,000	10,200,000
84-ER-133 SLAC linear collider (SLC)	60,500,000	60,500,000
82-E-204 Tevatron II	12,000,000	12,000,000
81-E-210 Tevatron I	21,300,000	21,300,000
Subtotal, Construction	114,000,000	114,000,000
Subtotal, Facility operations	357,600,000	345,900,000

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	Budget estimate	Conference allowance
C. High energy technology		
Operating expenses	91,800,000	90,300,000
D. Other capital equipment - CE	3,900,000	3,900,000
Subtotal, High energy physics	561,000,000	547,800,000
(Operating expenses)	(381,600,000)	(375,100,000)
(Plant and Capital)	(179,400,000)	(172,700,000)
II. Nuclear physics		
A. Medium energy physics		
Operating expenses	72,000,000	72,000,000
B. Heavy ion physics		
Operating expenses	49,800,000	49,800,000
C. Low energy nuclear physics		
Operating expenses	13,500,000	13,500,000
D. Nuclear theory		
Operating expenses	9,300,000	9,300,000
Capital equipment	12,900,000	11,900,000
Construction:		
85-R-200 AIP	3,500,000	3,500,000
85-R-201 GPP	3,500,000	3,500,000
85-R-203 Continuous elect. beam accelerator	2,000,000	---
84-ER-110 Univ Accel upgrade	11,000,000	11,000,000
884-R-123 Tandem/AGS Heavy Ion transfer lines	5,300,000	5,300,000
E. Other capital equipment - CE	800,000	800,000
Subtotal, Nuclear physics	183,600,000	180,600,000
(Operating expenses)	(144,600,000)	(144,600,000)
(Plant and Capital)	(39,000,000)	(36,000,000)
III. General Science program direction - OE	2,205,000	2,205,000
ADP General Reduction	---	-3,000,000
SUBTOTAL, GENERAL SCIENCE AND RESEARCH	746,805,000	727,605,000
(Operating expenses)	(528,405,000)	(518,905,000)
(Plant and Capital)	(218,400,000)	(208,700,000)
Adjustments:		
Savings from FY84 initiatives	-700,000	-700,000
TOTAL, GENERAL SCIENCE AND RESEARCH	746,105,000	726,905,000
(Operating expenses)	(527,705,000)	(518,205,000)
(Plant and Capital)	(218,400,000)	(208,700,000)

	Budget estimate	Conference allowance
ATOMIC ENERGY DEFENSE ACTIVITIES		
I. Weapons activities		
A. Research, development and testing		
1. Research and development		
Operating expenses	815,625,000	805,625,000
Capital equipment	83,660,000	78,660,000
Construction:		
85-D-101 General plant projects, various locations	24,100,000	19,000,000
85-D-102 Nuclear weapons research, development, and testing facs revitalization, various locations	56,600,000	35,400,000
85-D-103 Safeguards and security enhancements, LLNL and SNLL	4,700,000	4,700,000
85-D-106 Hardened radiography fac site 300, LLNL, CA	800,000	---
85-D-106 Hardened engineering test bldg, LLNL	---	800,000
84-D-102 Radiation hardened integrated circuit lab, SNLA	20,000,000	20,000,000
84-D-103 Hardened central guard force facility, LANL, NM	5,600,000	5,600,000
84-D-104 Nuclear materials storage facility, LANL, NM	6,500,000	6,500,000
84-D-105 Safeguards and security upgrades, Phase I, LANL, NM	10,100,000	7,600,000
84-D-106 Security system upgrade, SNLA, NM	2,300,000	1,900,000
83-D-199 Buffer land acquisition, LLNL	17,000,000	17,000,000
82-D-144 Simulation technology laboratory, SNLA	16,500,000	11,500,000
82-D-150 Weapons materials research and development facility, LLNL	16,800,000	16,800,000
81-D-134 Earthquake damage restoration, SNLL, CA	4,900,000	4,900,000
Subtotal, Construction	185,900,000	151,700,000
Subtotal, Research and development	1,085,185,000	1,035,985,000
2. Testing		
Operating expenses	548,000,000	532,000,000
Capital equipment	43,790,000	43,790,000
Construction:		
85-D-101 General plant projects, various locations	7,500,000	7,500,000
85-D-104 Test device assembly building, LANL	800,000	800,000
85-D-105 Combined assembly fac, NTS, NV	3,000,000	3,000,000
84-D-108 Safeguards and site security upgrade, NTS, NV	---	5,400,000

	Budget estimate	Conference allowance
84-D-107 Nuclear test facilities revitalization, various locations	34,900,000	21,900,000
Subtotal Construction	46,200,000	38,600,000
Subtotal, Testing	637,990,000	614,390,000
Subtotal, Research, development and testing	1,723,175,000	1,650,375,000
B. Inertial confinement fusion		
Operating expenses	125,000,000	154,750,000
Capital equipment	9,500,000	11,000,000
Construction:		
81-D-101 Particle beam fusion accelerator-II SNL, NM	3,500,000	3,500,000
Subtotal, Construction	3,500,000	3,500,000
Subtotal, Inertial confinement fusion	138,000,000	169,250,000
C. Production and surveillance		
Operating expenses	1,947,900,000	1,810,900,000
Capital equipment	134,400,000	119,400,000
Construction:		
85-D-111 General plant projects, various locations	32,200,000	27,100,000
85-D-112 Enriched uranium recovery improvements, Y-12 Plant, Oak Ridge, TN	4,500,000	4,500,000
85-D-113 Plant power and steam dist system, Pantex Plant, Amarillo, TX	4,300,000	4,300,000
85-D-114 Safeguards vaults, Y-12 Plant, Oak Ridge, TN	3,100,000	3,100,000
85-D-115 Renovate plutonium building utility systems, Rocky Flats, CO	5,800,000	2,900,000
85-D-121 Air and water pollution control facs, Y-12 Plant, Oak Ridge, TN	5,000,000	5,000,000
85-D-122 Safeguards and site security upgrade, Mound Facility, Miamisburg, OH	2,700,000	2,700,000
85-D-123 Safeguards and site security upgrade, Pantex Plant, Amarillo, TX	1,000,000	1,000,000
85-D-124 Safeguards and site security upgrade, Rocky Flats Plant, Golden, CO	1,000,000	1,000,000
85-D-125 Tactical bomb production facility, various locations	10,000,000	5,000,000
84-D-112 TRIDENT II warhead production facilities, various locations	60,700,000	60,700,000
84-D-113 Antisubmarine warfare/standoff weapon warhead prod facs, var locations	15,000,000	---
84-D-114 Consolidated nonnuclear manufacturing facility, Rocky Flats, CO	21,100,000	18,100,000
84-D-115 Electrical system expansion, Pantex Plant, Amarillo, TX	10,000,000	7,000,000

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	Budget estimate	Conference allowance
84-D-117 Inert assembly & test facility Pantex Plant, Amarillo, TX	11,700,000	6,700,000
84-D-118 High explosive subassembly facility, Pantex Plant, Amarillo, TX	40,000,000	---
84-D-119 Railroad track replacement and upgrade, Pantex Plant, Amarillo, TX	6,800,000	6,800,000
84-D-120 Explosive component test facility, Mound Laboratory, Miamisburg, OH	16,900,000	10,000,000
84-D-121 Safeguards and security upgrade, Rocky Flats, CO	11,200,000	11,200,000
84-D-124 Environmental improvements, Y-12 Plant, Oak Ridge, TN	21,400,000	17,000,000
84-D-211 Safeguards and site security upgrading, Y-12 Plant, Oak Ridge, TN	8,000,000	8,000,000
84-D-212 Safeguards and site security upgrade, Pinellas Plant, FL	2,700,000	1,850,000
83-D-124 Standard missile-2 (SM-2) warhead production facilities, various locations.....	9,000,000	---
82-D-107 Utilities & equip restoration, replace & upgrade, Phase III, var locations..	175,100,000	165,000,000
82-D-108 Nuclear weapons stockpile improvement, various locations	5,500,000	---
82-D-111 Interactive graphics system, various locations	6,800,000	2,900,000
82-D-146 Weapons prod & prod support facs, various locations..................................	10,000,000	---
81-D-115 MX warhead prod facs, various locations..	20,900,000	20,900,000
81-D-120 Control of effluents & pollutants, Y-12 Plant, Oak Ridge, TN..........................	1,400,000	1,400,000
79-7-D Universal pilot plant, Pantex Plant, Amarillo, TX..	15,400,000	3,800,000
Subtotal, Construction..............................	539,400,000	398,150,000
Subtotal, Production and surveillance............	2,621,700,000	2,328,450,000
D. Program direction		
Operating expenses		
1. Weapons program	47,589,000	47,589,000
3. Community assistance...........................	12,640,000	13,266,000
Subtotal, Program direction........................	60,229,000	60,855,000
Subtotal, Weapons activities........................	4,543,104,000	4,208,930,000
(Operating expenses)..................................	(3,496,754,000)	(3,364,130,000)
(Plant and Capital)...................................	(1,046,350,000)	(944,800,000)

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	Budget estimate	Conference allowance
II. Verification and control technology		
A. Verification and control technology		
Operating expenses	70,500,000	70,500,000
Capital equipment	2,000,000	2,000,000
Construction:		
85-D-171 Space science laboratory, LANL, NM	1,000,000	1,000,000
Subtotal, Verification and control technology	73,500,000	73,500,000
B. Program direction	3,200,000	3,200,000
Subtotal, Verification and control technology	76,700,000	76,700,000
(Operating expenses)	(73,700,000)	(73,700,000)
(Plant and Capital)	(3,000,000)	(3,000,000)
III. Materials production		
A. Reactor operations		
Operating expenses	557,235,000	551,235,000
Construction:		
85-D-136 Components protection system, 100-N area, Richland, WA	3,300,000	3,300,000
85-D-142 U308 fuel tube facilities, fuel preparation area, Savannah River, SC	8,000,000	4,000,000
85-D-145 Uranyl nitrate to oxide conversion facility, Savannah River, SC	1,800,000	1,800,000
84-D-136 Enriched uranium conversion facility modifications, Y-12 Plant, Oak Ridge, TN	8,000,000	4,400,000
83-D-180 Facility storage modifications, various locations	6,500,000	6,500,000
83-D-146 Water pollution control, FMPC, Fernald, Ohio	4,100,000	4,100,000
82-D-126 Reactor safety and reliability, various locations	11,300,000	11,300,000
Subtotal, Construction	43,000,000	35,400,000
Subtotal, Reactor operations	600,235,000	586,635,000
B. Processing of nuclear materials		
Operating expenses	412,770,000	439,770,000
Construction:		
85-D-137 Vault safety SNM inventory system, Richland, WA	2,500,000	2,500,000
84-D-130 Modification processing facility substations, Savannah River, SC	200,000	200,000
84-D-135 Process facility modifications, Richland, WA	---	10,000,000
82-D-201 Special plutonium recovery facs, JB Line, Savannah River, SC	28,800,000	24,400,000
Subtotal, Construction	31,500,000	37,100,000
Subtotal, Processing of nuclear materials	444,270,000	476,870,000

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	Budget estimate	Conference allowance
C. Supporting services		
Operating expenses	257,985,000	232,985,000
Construction:		
85-D-131 General plant projects, various locations	32,000,000	29,500,000
85-D-132 Plant engineering and design	2,000,000	2,000,000
84-D-137 Facility security systems upgrade, IFPF, INEL, ID	8,000,000	5,000,000
85-D-139 Fuel processing restoration, IFPF, INEL, ID	10,000,000	10,000,000
85-D-140 Productivity and radiological improvements, FMPC, Fernald, OH	6,000,000	3,000,000
84-D-134 Safeguards and security improvements Plant-wide, Savannah River, SC	14,900,000	13,450,000
83-D-147 Pollution discharge elimination, Savannah River, SC	2,150,000	2,150,000
83-D-148 Non-radioactive hazardous waste management, Savannah River, SC	11,500,000	9,500,000
82-D-124 Restoration of production capabilities, Phases II, III, IV & V var locs	72,800,000	72,800,000
82-D-127 Safeguards improvements, Savannah River Plant, SC	6,700,000	6,700,000
82-D-128 Plant perimeter security systems upgrade, IFPF, INEL, IDAHO	400,000	400,000
82-D-136 Fuel processing facilities upgrade, IFPF, INEL, Idaho	1,000,000	1,000,000
Subtotal, Construction	167,450,000	155,500,000
Subtotal, Supporting services	425,435,000	408,485,000
D. Enriched material	245,300,000	142,800,000
E. Capital equipment	120,660,000	117,660,000
F. Program direction	29,300,000	20,300,000
Subtotal, Materials production	1,864,200,000	1,752,750,000
(Operating expenses)	(1,493,590,000)	(1,407,090,000)
(Plant and Capital)	(370,610,000)	(345,660,000)
IV. Defense waste and by-products management		
A. Interim waste management		
Operating expenses	240,400,000	240,400,000
Construction:		
85-D-156 General plant projects, various locations	25,645,000	23,645,000
85-D-157 7th calcined solids storage facility, INEL, ID	7,000,000	7,000,000
85-D-158 Central warehouse upgrade, Richland, WA	700,000	700,000

	Budget estimate	Conference allowance
85-D-159 New waste transfer facilities H-Area, Savannah River, SC	11,000,000	11,000,000
85-D-160 TRA security system upgrade, INEL, ID	2,000,000	2,000,000
83-D-157 Additional radioactive waste storage facilities, Richland, WA	3,155,000	3,155,000
82-N-103 Waste handling & isolation facs, Richland, WA	9,760,000	9,700,000
Subtotal, Construction	59,200,000	57,200,000
Subtotal, Interim waste management	299,600,000	297,600,000
B. Long-term waste management technology		
Operating expenses	90,400,000	90,400,000
Construction:		
81-T-105 Defense waste processing facility, Savannah River, SC	238,000,000	230,500,000
Subtotal, Long-term waste management technology	328,400,000	320,900,000
C. Terminal storage		
Operating expenses	25,800,000	25,800,000
Construction:		
77-13-F Waste isolation pilot plant, Delaware Basin, Southeast, NM	61,100,000	51,100,000
Subtotal, Terminal storage	86,900,000	76,900,000
D. Capital equipment	35,771,000	35,771,000
E. Program direction	2,100,000	2,100,000
Subtotal, Defense waste & by-products management	752,771,000	733,271,000
(Operating expenses)	(358,700,000)	(358,700,000)
(Plant and Capital)	(394,071,000)	(374,571,000)
V. Nuclear safeguards and security		
A. Nuclear safeguards and security		
Operating expenses	50,400,000	50,400,000
Capital equipment	4,700,000	4,700,000
B. Program direction	7,600,000	7,600,000
Subtotal Nuclear safeguards and security	62,700,000	62,700,000
(Operating expenses)	(58,000,000)	(58,000,000)
(Plant and Capital)	(4,700,000)	(4,700,000)
VI. Security investigations - DE	34,000,000	34,000,000

	Budget estimate	Conference allowance
VII. Naval reactors development		
A. Plant development		
Operating expenses	63,900,000	63,900,000
B. Reactor development		
Operating expenses	229,300,000	229,300,000
Construction:		
85-N-101 General plant projects	2,000,000	2,000,000
82-N-111 Materials facility, Savannah River, SC	40,000,000	40,000,000
81-T-112 Mods. and additions to prototype facs, various locations	6,000,000	6,000,000
Subtotal, Construction	48,000,000	48,000,000
Subtotal, Reactor development	277,300,000	277,300,000
C. Reactor operation and evaluation		
Operating expenses	122,000,000	122,000,000
E. Capital equipment	22,500,000	22,500,000
F. Program direction	11,200,000	11,200,000
Subtotal, Naval reactors development	496,900,000	496,900,000
(Operating expenses)	(426,400,000)	(426,400,000)
(Plant and Capital)	(70,500,000)	(70,500,000)
ADP General Reduction	---	-7,000,000
SUBTOTAL, ATOMIC ENERGY DEFENSE ACTIVITIES	7,830,375,000	7,358,251,000
(Operating expenses)	(5,941,144,000)	(5,715,020,000)
(Plant and Capital)	(1,889,231,000)	(1,643,231,000)
Adjustments:		
Unoblig bal brought forward		
Operating expenses	-1,050,000	-1,050,000
Savings from management initiatives:		
Savings from management initiatives - AEDA (OE)	-23,500,000	-23,500,000
Total, Adjustments	-24,550,000	-24,550,000
TOTAL, ATOMIC ENERGY DEFENSE ACTIVITIES	7,805,825,000	7,333,701,000
(Operating expenses)	(5,916,594,000)	(5,690,470,000)
(Plant and Capital)	(1,889,231,000)	(1,643,231,000)
DEPARTMENTAL ADMINISTRATION		
I. Office of the Secretary - Salaries and expenses		
A. Office of the Secretary	1,051,000	1,051,000
C. Other expenses	579,000	579,000
Subtotal, Office of the Secretary - OE	1,630,000	1,630,000

	Budget estimate	Conference allowance
II. General management - salaries		
A. Board of Contract Appeals	273,000	273,000
B. General Counsel	8,910,000	8,910,000
C. Inspector General	7,184,000	7,184,000
D. A/S Management & Administration	36,647,000	36,647,000
E. A/S Cons., Intergov. & Public Affairs	2,872,000	2,872,000
F. Operations Offices	54,250,000	54,250,000
G. Policy, Planning & Analysis	2,030,000	2,030,000
H. A/S International Affairs	2,000,000	2,000,000
I. Office of Minority Economic Impact	450,000	450,000
Subtotal, Salaries	114,616,000	114,616,000
III. General management - other expenses		
A. Other salary expenses - OE	6,333,000	6,333,000
B. Benefits	13,917,000	13,917,000
C. Travel	5,354,000	5,354,000
D. Services	121,049,000	121,049,000
E. Workmens compensation	1,582,000	1,582,000
G. Minority Economic Impact studies	1,850,000	1,850,000
H. Capital equipment	4,877,000	4,877,000
Subtotal, Other expenses	154,962,000	154,962,000
(Operating expenses)	(150,085,000)	(150,085,000)
(Plant and Capital)	(4,877,000)	(4,877,000)
IV. Program Support		
A. Policy analysis and system studies - OE	4,500,000	4,500,000
B. Intergovernmental and Institutional Relations		
1. Indian Affairs - OE	500,000	500,000
2. Consumer Affairs - OE	100,000	100,000
3. Public Affairs - Operating expenses	100,000	100,000
4. Competition - OE	100,000	100,000
Subtotal, Intergov, & Institutional Relations	800,000	800,000
C. International Policy Studies - OE	1,250,000	1,250,000
E. Cost of work for others	115,704,000	115,704,000
Subtotal, Program support	122,254,000	122,254,000
V. Miscellaneous revenues	-219,459,000	-219,459,000
ADP General Reduction	---	-2,000,000
Savings from management initiatives-(MSA) DA	-6,000,000	-6,000,000
Savings from FY84 initiatives	-375,000	-375,000
FY 1984 deferred balances carried forward	-29,053,000	-29,053,000
TOTAL, DEPARTMENTAL ADMINISTRATION	138,575,000	136,575,000
(Operating expenses)	(353,157,000)	(351,157,000)
(Plant and Capital)	(4,877,000)	(4,877,000)
(Miscellaneous revenues)	(-219,459,000)	(-219,459,000)

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	Budget estimate	Conference allowance
ALASKA POWER ADMINISTRATION - OPERATION AND MAINTENANCE		
I. Power marketing - Alaska Power Administration		
A. Operating expenses..............................	3,233,000	3,233,000
BONNEVILLE POWER ADMINISTRATION		
I. Power marketing - Bonneville Administration.........	---	---
(Limitation on direct loans)........................	(40,000,000)	(40,000,000)
SOUTHEASTERN POWER ADMINISTRATION - OPERATION AND MAINTENANCE		
I. Power marketing - Southeastern power administration		
A. Operating and maintenance........................	1,904,000	1,904,000
B. Purchase power and wheeling......................	33,840,000	33,840,000
TOTAL SOUTHEASTERN POWER ADMINISTRATION...............	35,744,000	35,744,000
SOUTHWESTERN POWER ADMINISTRATION - OPERATION AND MAINTENANCE		
I. Power marketing - Southwestern Power Administration		
A. Operation and maintenance	10,168,000	12,168,000
B. Purchase power and wheeling......................	22,400,000	22,400,000
C. Construction....................................	3,700,000	3,700,000
Savings from management initiatives.............	-60,000	-60,000
Use of prior year balances......................	-7,000,000	-7,000,000
TOTAL SOUTHWESTERN POWER ADMINISTRATION...............	29,208,000	31,208,000
WESTERN AREA POWER ADMINISTRATION - CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE		
I. Power marketing - Western Area Power Administration		
A. Construction and rehabilitation.................	83,330,000	83,330,000
B. System operation and maintenance................	75,000,000	75,000,000
C. Purchase power and wheeling......................	90,000,000	90,000,000
Unobligated balances............................	---	-30,000,000
Savings from management initiatives-(WAPA)......	-100,000	-100,000
TOTAL WESTERN AREA POWER ADMINISTRATION...............	248,230,000	218,230,000
FEDERAL ENERGY REGULATORY COMMISSION		
I. Oil pipeline regulation..........................	5,825,000	5,825,000
II. Natural gas regulation		
A. Pipeline certificate regulation................	16,789,000	16,789,000
B. Pipeline rate regulation.......................	19,073,000	19,073,000
C. Producer certificate regulation................	2,433,000	2,433,000
D. Producer rate regulation.......................	2,607,000	2,607,000
E. Wellhead pricing...............................	7,734,000	7,734,000
Subtotal, Natural gas regulation.................	48,636,000	48,636,000
III. Hydropower licensing............................	26,120,000	26,120,000

	Budget estimate	Conference allowance
IV. Electric power regulation	20,096,000	20,096,000
General Reduction	---	-5,000,000
SUBTOTAL, FEDERAL ENERGY REGULATORY COMMISSION	100,677,000	95,677,000
Adjustments:		
Less offsetting revenues	-60,000,000	-60,000,000
TOTAL, FERC AFTER REVENUES	40,677,000	35,677,000
NUCLEAR WASTE DISPOSAL FUND		
I. Nuclear waste disposal fund	327,669,000	327,669,000
TOTAL NUCLEAR WASTE DISPOSAL FUND	327,669,000	327,669,000
GEOTHERMAL RESOURCES DEVELOPMENT FUND		
II. Program direction	121,000	121,000
TOTAL GEOTHERMAL RESOURCES DEVELOPMENT FUND	121,000	121,000

TITLE IV—INDEPENDENT AGENCIES

APPALACHIAN REGIONAL COMMISSION

SALARIES AND EXPENSES

Amendment No. 58: Appropriates $2,300,000 for salaries and expenses of the Appalachian Regional Commission instead of $2,700,000 as proposed by the House and $1,700,000 as proposed by the Senate.

FUNDS APPROPRIATED TO THE PRESIDENT

Appalachian regional development programs

Amendment No. 59: Appropriates $149,000,000 for Appalachian Regional Development Programs instead of $157,300,000 as proposed by the House and $118,000,000 as proposed by the Senate.

Amendment No. 60: Earmarks $100,000,000 for the Appalachian Development Highway System as proposed by the House instead of $80,000,000 as proposed by the Senate.

The conferees agree with the Senate report language designating $15,000,000 of area development funds to be spent on projects in distressed counties as previously proposed by the region's Governors. The conferees also concur in the State report language cautioning the States that prefinancing of highway projects is undertaken with no formal commitment of future reimbursement.

The conferees also agree to provide an additional $4,500,000 for highway projects specified in the House report, $500,000 is provided for projects and activities which can be reviewed and accelerated to achieve early delivery of benefits. The conferees agree that $1,000,000 is available for construction of a nurses/medical technician training facility in the Appalachian region where a need exists and shortages of trained medical personnel are prevalent. Up to $300,000 is to be available for the Berry Dam and $1,000,000 is provided for the Hamilton County Riverport in Chattanooga, Tennessee. Funds previously appropriated for the Goodman Road project shall remain available only for that project.

NUCLEAR REGULATORY COMMISSION

SALARIES AND EXPENSES

Amendment No. 61: Appropriates $448,200,000 instead of $438,200,000 as proposed by the House and $458,200,000 as proposed by the Senate.

The conference allowance provides for a $20,000,000, general reduction to the NRC budget to be equitably distributed among all programs. From within the allowance, NRC should assure that sufficient funding is provided for completion of phase I activities at the Power Burst Facility (PBF), and for dismantlement and disassembly of the PBF facility, following completion of all future anticipated experimentation within this facility. The conference allowance also provides for a High Temperature Gas Reactor research program at the FY 1985 budget level of $1,600,000.

Amendment No. 62: Deletes language proposed by the Senate requiring a study of the need for an independent organization responsible for conducting investigations of significant safety events.

The conferees agree that the Nuclear Regulatory Commission shall conduct a study to be submitted to the Congress within six months of the date of enactment of this Act, of the need for and feasibility of an independent organization responsible for conducting investigations of significant safety events, including significant operational incidents, at facilities licensed by the Commission and for making reports of such investigations, and that such study shall include a discussion of, (1) the need for and feasibility of an independent organization to investigate significant safety events, including significant operational incidents, at facilities licensed by the Commission, and further including the types of events for which such an organization would be responsible, (2) alternative approaches to the composition of such an organization and the functions it might perform, (3) the various powers and authorities, including administrative authorities, that might be exercised by such an organization, (4) the relationship of such an organization to the Commission's existing offices, including, but not limited to, the Office of Investigations, the Office of Inspection and Enforcement, and the Office for Analysis and Evaluation of Operational Data, further including a discussion of the functions that such an organization might perform beyond those currently carried out by any such existing offices, (5) the cost of setting up and operating such an organization, (6) the need for additional legislative authority to establish such an organization, (7) the advisability of separating determinations with respect to nuclear safety from all other issues to be considered by the Commission in issuing or reviewing licenses and the alternative procedural approaches both formal and informal, to include non-adjudicatory processes, that might be employed for the collection of facts and the resolution of safety issues, and (8) the advantages and disadvantages of the present organization of the Commission for the determination of matters of safety, including an analysis of all existing procedural constraints on the Commission's abilities to carry out those functions effectively and efficiently, to include, but not limited to, the Commission's ex parte and separation of functions rules and the Commission's statutory responsibilities under the Government in the Sunshine Act.

TENNESSEE VALLEY AUTHORITY

TENNESSEE VALLEY AUTHORITY FUND

Amendment No. 63: Appropriates $129,547,000 as proposed by the Senate instead of $126,308,000 as proposed by the House.

Amendment No. 64: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, with an amendment, as follows:

In lieu of the matter proposed in said amendment, insert: *, of which $9,547,000 shall be derived from prior year unobligated balances in the Tennessee Valley Authority Fund*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree that $1,500,000 is provided for development of international trade opportunities and assistance along the waterways in the Valley; an additional $75,000 is available for the home garden program; $400,000 from within available funds for Economic Development and Analysis is for continuation of economic and community development assistance in a region of the country similar to the Tennessee Valley; sufficient funds are to be made available to complete the Industrial Training Center in North Nashville; an additional $500,000 is provided for the Tennessee Valley Center for Minority Economic Development and the conferees agree this is the last year of funding for this activity.

The conferees agree that TVA should continue activities and pursue discussions with the Synthetic Fuels Corporation relating to the North Alabama Coal Gasification Project.

The following table summarizes the conference agreement on the TVA program:

Conference agreement

[In thousands of dollars]	*Conference allowance*
Capital investment:	
Water resources:	
New lock at Pickwick Landing Dam	[1] 7,000
Dam safety modifications	5,000
Additions and improvements	2,619
Land and forest resources	110
Land Between the Lakes	90
Community resources: Local flood damage prevention facilities	180
National fertilizer development, chemical facilities:	
Water pollution control facilities	407
Fluid fertilizer storage facilities	1,500
Energy-efficient fertilizer process	1,760
Granular urea-urea phosphate	400
Optimize ammonia plant	863
Replacements, improvements, and pollution abatement and support facilities	1,024
Ammonia-from-coal facilities	316
General services facilities	2,691
Subtotal, capital investment	23,960
Expenses:	
Natural resources:	
Water resources	6,165
Reservoir system operations	21,465
Land and forest resources	4,555
Resource management and development support	2,645
Land Between the Lakes	7,160
Economic and community resources:	
Economic resources	15,865
Community resources	5,000
Agriculture resources development	5,600
National fertilizer development	27,528
Ammonia from coal	6,417
Hardwood fuels research	4,060
Fort Payne, AL, transmission line	500
General services	650
Subtotal, expenses	107,610
Total program	131,570
General reduction	−2,023
Total program financed from appropriations	129,547
Financing summary:	
Appropriations (new budget authority)	120,000
Deferred appropriations	9,192
Application of anticipated unobligated balances	355
Total appropriations	129,547

[1] Deferred to 1985 from prior-year appropriations, will complete construction of the new lock at Pickwick Landing Dam in fiscal year 1985.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1985 recommended by the Committee of Conference, with comparisons to the fiscal year 1984 amount, the 1985 budget estimates, and the House and Senate bills for 1985 follow:

New budget (obligational) authority, fiscal year 1984	$14,496,055,000
Budget estimates of new (obligational) authority, fiscal year 1985	15,874,791,000
House bill, fiscal year 1985	15,470,725,000
Senate bill, fiscal year 1985	15,324,007,000
Conference agreement, fiscal year 1985	15,371,359,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1984	+875,304,000
Budget estimates of new (obligational) authority, fiscal year 1985	−503,432,000
House bill, fiscal year 1985	−99,366,000
Senate bill, fiscal year 1985	+47,352,000

TOM BEVILL,
LINDY (MRS. HALE) BOGGS,
BILL CHAPPELL,
VIC FAZIO,
WES WATKINS,
BILL BONER,
JAMIE L. WHITTEN,
JOHN T. MYERS,
VIRGINIA SMITH,
ELDON RUDD,
SILVIO O. CONTE,
Managers on the Part of the House.

MARK O. HATFIELD,
JAMES A. MCCLURE,
JAKE GARN,
THAD COCHRAN,
JAMES ABDNOR,
BOB KASTEN,
MACK MATTINGLY,
PETE V. DOMENICI,
J. BENNETT JOHNSTON,
JOHN C. STENNIS,
ROBERT C. BYRD,
FRITZ HOLLINGS,
WALTER D. HUDDLESTON,
QUENTIN N. BURDICK,
JIM SASSER,
Managers on the Part of the Senate.

CONFERENCE REPORT

Mr. BOLAND submitted the following conference report and statement on the bill (H.R. 5713) "making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1985, and for other purposes:

CONFERENCE REPORT (H. REPT NO. 98-867)

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5713) "making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1985, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 15, 16, 18, 19, 21, 22, 23, 27, 35, 44, 51, 60, and 61.

That the House recede from its disagreement to the amendments of the Senate numbered 6, 28, 31, 37, 45, 49, 50, 54, 57, and 58, and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$600,000,000*; and the Senate agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,138,500,000*; and the Senate agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment amended as follows:

In lieu of the sum named in said amendment, insert: *$15,000,000*; and the Senate agree to the same.

Amendment numbered 13:

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$16,900,000*; and the Senate agree to the same.

Amendment numbered 17:

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$656,275,000*; and the Senate agree to the same.

Amendment numbered 20:

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$447,500,000*; and the Senate agree to the same.

Amendment numbered 24:

That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$12,000,000*; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$620,000,000*; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$130,149,000*; and the Senate agree to the same.

Amendment numbered 33:

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended as follows:

In lieu of the first sum named in said amendment, insert: *$1,510,600,000*; and the Senate agree to the same.

Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$3,601,000,000*; and the Senate agree to the same.

Amendment numbered 41:

That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,301,912,000*; and the Senate agree to the same.

Amendment numbered 42:

That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$70,302,000*; and the Senate agree to the same.

Amendment numbered 46:

That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$87,000,000*; and the Senate agree to the same.

Amendment numbered 52:

That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$70,000,000*; and the Senate agree to the same.

Amendment numbered 62:

That the House recede from its disagreement to the amendment of the Senate number 62, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

No part of any sum appropriated or otherwise made available in this Act for the Veterans Administration may be obligated or expended for the purchase of any site for, or toward the construction of, any new hospital to replace the Allen Park Veterans Administration Hospital, prior to the receipt by the Administrator of Veterans Affairs on the ongoing General Accounting Office study of such replacement project, except that such funds may be obligated or expended for design and engineering studies for such replacement project without regard to the limitation under this paragraph.

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 3, 5, 8, 9, 10, 11, 12, 14, 28, 30, 32, 36, 38, 39, 40, 43, 47, 48, 53, 55, 56, 59, and 63.

Edward P. Boland,
Bob Traxler,
Louis Stokes,
Lindy Boggs,
Martin Olav Sabo,
Bill Boner,
Jamie L. Whitten,
Bill Green,
Lawrence Coughlin,
Jerry Lewis,
Silvio O. Conte,
Managers on the Part of the House.

Jake Garn,
Lowell P. Weicker, Jr.,
Paul Laxalt,
Alfonse M. D'Amato,
James Abdnor,
Pete V. Domenici,
Mark O. Hatfield,
Walter D. Huddleston,
John C. Stennis,
Pat Leahy,
Jim Sasser,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference of the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5713) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1985, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Title I—Department of Housing and Urban Development

Amendment No. 1: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

The amount of contracts for annual contributions, not otherwise provided for, as authorized by section 5 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437c), and heretofore approved in appropriations Acts, is increased by $847,524,808: Provided, That $11,215,073 of such contract authority shall be available only for contracts using contract authority released by Acts of Congress prior to 1976: Provided further, That the budget authority obligated under contracts for annual contributions shall be increased above amounts heretofore provided in appropriation Acts by $10,759,482,775: Provided further, That of the budget authority provided herein, $312,760,000 shall be for assistance in financing the development or acquisition cost of public housing for Indian families; $1,725,000,000 shall be for modernization of existing public housing projects pursuant to section 14 of such Act (42 U.S.C. 14731), of which (a) $75,000,000 shall be for the modernization of vacant uninhabitable dwelling units in vacant buildings located in public housing projects, pursuant to section 14 of such Act, other than section 14(f) of such Act and other than projects for which budget authority for this purpose was reserved or obligated during fiscal years 1983 or 1984, and (b) $100,000,000 shall be made available for modernization under such section 14, other than section 14(f) of such Act, through June 30, 1985, and any balances of such authority remaining unreserved after such date shall only be available for the section 8 existing housing program utilizing a term of one hundred and eighty months (42 U.S.C. 1437f); $774,287,500 shall be for assistance payments in the housing voucher program under section 8(o) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437f); $1,709,040,000 shall be for assistance for projects developed for the elderly or handicapped under section 202 of the Housing Act of 1959, as amended (12 U.S.C. 1701q); and, $2,620,687,500 shall be for the section 8 existing housing program (42 U.S.C. 1437f); $419,250,000 shall be for the section 8 moderate rehabilitation program (42 U.S.C. 1437f); and $945,000,000 shall be used other than for low-income housing for Indian families for public housing new construction, notwithstanding sections 6(h) and (i) of the United States Housing Act of 1937, as amended, or may be used for acquisition with or without rehabilitation for use as public housing if the public housing authority certifies to the Secretary of Housing and Urban Development before a reservation is made, that comparable dwelling units exist which may be used for its public housing program: Provided further, That the Secretary shall not approve the use of any of the budget authority provided herein, (except such amounts as are provided for in the third provision of this paragraph), or reserved and obligated in years prior to fiscal year 1985, for assistance under the housing voucher program authorized under section 8(o) of the United States Housing Act of 1937, as amended: Provided further, That any balances of authorities made available prior to the enactment of this Act which are or become available for obligation in fiscal year 1985 shall be added to and merged with the authority approved herein, and such merged amounts shall be made subject only to terms and conditions of law applicable to authorizations becoming available in fiscal year 1985: Provided further, That none of the merged amounts available for obligation *in 1985 shall be subject to the provisions of section 213(d) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 1439): Provided further, That all amounts of budget authority equal to the amounts of such budget authority which are recaptured during fiscal year 1985 shall be rescinded.*

The paragraph under the heading "ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING" in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1984 (Public Law 98-45, 97 Stat. 219, 220), as amended by section 127 of Public Law 98-151, making further continuing appropriations for fiscal year 1984 (97 Stat. 964, 980), is further amended by (a) deleting "$1,550,000,000" in the second proviso and inserting in lieu thereof "$1,612,982,000"; (b) striking out in the seventh proviso therof the second citation to section 1437f of title 42, United States Code (including the parenthesis), and inserting in lieu thereof the following: ", $261,675,000 of budget authority shall only be made available for the section 8 voucher program (section 8(o) of the United States Housing Act of 1937, as added by section 207 of the Housing and Urban-Rural Recovery Act of 1983, Public Law 98-181, 97 Stat. 1153, 1181), including payment of fees to Public Housing Agencies"; (c) deleting, in the clause numbered (1) in the ninth proviso, "shall not become available until March 31, 1984, and at such time", and in that clause deleting "such heading" and inserting in lieu thereof "this heading"; (d) deleting "$2,217,150,000" in the seventh and ninth provisos, and inserting in each such proviso in lieu thereof "$3,820,320,000"; and (e) deleting the period at the end thereof and inserting a colon in lieu thereof and the following: "provided further, That, notwithstanding any proviso hereof, any amounts of budget authority recaptured and becoming available for obligation in fiscal year 1984 in excess of $2,500,000,000 shall be made available only for use under section 14 of the United States Housing Act of 1937, as amended: Provided further, That the amount of contracts for annual contributions, not otherwise provided for, as authorized by section 5 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437c), and heretofore approved in appropriation Acts, is increased by $69,490,893, of which $6,160,000 shall be available for contracts using contract authority released by Acts of Congress prior to 1976: Provided further, That budget authority in the amount of $300,000,000 shall be available as an appropriation of funds only for rental rehabilitation grants to authorized grantees pursuant to section 17(a)(1)(A) of the United States Housing Act of 1937, as amended, as authorized in section 17(a)(3)(A) of that Act, to remain available until September 30, 1986: Provided further, That $150,000,000 of such budget authority shall not be available until October 1, 1984: Provided further, That notwithstanding the provisions of section 17(b)(4) of such Act, any rental rehabilitation grant amounts not obligated at the end of fiscal year 1984 shall not be added to the amount available for allocation for such grants for fiscal year 1985 but shall remain available for obligation according to the fiscal year 1984 allocation and consistent with the terms and conditions of law applicable as of September 30, 1984: Provided further, That budget authority in the amount of $315,000,000 shall as an appropriation of funds only for development grants to authorized grantees pursuant to section 17(a)(1)(B) of the United States Housing Act of 1937, as authorized in section 17(a)(3)(B) of that Act, to remain available until September 30, 1986, Provided further, That $115,000,000 of such budget authority shall not be available until October 1, 1984.".

Notwithstanding any other provision of this Act, the immediately preceding paragraphs shall become effective upon enactment of this Act.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have included House Joint Resolution 517 as passed the House on March 29, 1984.

The committee of conference is concerned about the critical need for rehabilitating vacant units in public housing in response to the long waiting lists throughout the country. To achieve this objective, Congress has appropriated nearly $8 billion in CIAP funds during fiscal years 1981 through 1984 for the modernization of public housing, and has earmarked set-asides of modernization funding in both fiscal year 1983 and fiscal year 1984 for the rehabilitation of selected vacant public housing projects.

Congress intends that adequate operating subsidies be provided to PHAs for vacant units, so that the units can be adequately secured, a basic level of maintenance can be provided to the vacant units, and each entire project can be adequately managed. However, we do not intend that operating subsidies for units vacant for over 90 days be paid above and beyond the amount required to maintain these vacant units.

Proposals to revise the Performance Funding System (PFS) should be developed by HUD in close consultation with PHAs to require that PHAs with chronically high vacancy rates develop plans in cooperation with HUD aimed at restoring as many vacant units as feasible to the occupied stock. Continued provision of operating subsidies should be coordinated with these plans in such manner that an incentive is created for PHAs to rehabilitate vacant units.

However, by a November 16, 1983 letter the Administration has assured Congress that it would seek authorizing legislation for any fundamental changes or structural program reforms it might wish to make for those programs in 1985. Therefore, HUD must refrain from implementing such proposals without seeking the approval of the authorizing committees or enacting enabling legislation.

In reference to public housing new construction, the conference agreement provides for local flexibility in determining whether housing units should be constructed or acquired. In taking this action, the conferees recognize that in many housing markets adequate housing units do not exist and that new construction is the only alternative. In some instances, however, existing units that could provide comparable housing may be available at a cost less than new construction. In such circumstances, the bill would provide the public housing directors with the ability to acquire and rehabilitate, when necessary, such units in lieu of new construction.

The conferees expect the Department and the Office of Management and Budget to adhere to the 1985 and 1984 programs detailed in the following tables. The Department is expected to utilize the regular reprogramming procedure if any changes are required to the agreed upon program contained in the tables.

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING, FISCAL YEAR 1985—GROSS RESERVATIONS

	Units	Cost	Contract authority	Term	Budget authority
Carryover	NA	NA	NA	NA	$850,000,000
Recaptures	NA	NA	$108,385,000	NA	2,754,713,000
Rescission of recaptures	NA	NA	−108,385,000	NA	−2,754,713,000
Permanent authority	NA	NA	22,300,000	NA	22,300,000
Budget authority restored	NA	NA	NA	NA	209,871,258
New authority	NA	NA	739,139,808	NA	8,004,769,775
New authority in lieu of recaptures	NA	NA	108,385,000	NA	2,754,713,000
Total available	NA		869,824,808		11,841,654,033
Public housing:					
New construction	5,000	$6,300	31,500,000	30	945,000,000
Indian housing	2,000	5,585	11,170,000	28	312,760,000
Amendments	NA	NA	10,000,000	NA	300,000,000
Lease adjustments	NA	NA	20,800,000	1	20,800,000
Accounting adjustments	NA	NA	[1] 14,464,023	NA	333,297,258
Modernization	NA	NA	77,500,000	20	1,550,000,000
Development to mod swaps	NA	NA	5,000,000	20	100,000,000
Vacant building set-aside	(3,000)	1,250	3,750,000	20	75,000,000
Subtotal, public housing	7,000		174,184,023		3,636,857,258
Section 8:					
Housing vouchers:					
Incremental vouchers	38,500	[2] 3,404	131,054,000	5	655,270,000
Section 8 opt outs	1,000	[3] 3,357	3,357,000	5	16,785,000
Public housing demolitions	2,500	[3] 3,357	8,392,500	5	41,962,500
Voucher PHA fees	NA	287	12,054,000	5	60,270,000
Subtotal, vouchers	42,000		154,857,500		774,287,500

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING, FISCAL YEAR 1985—GROSS RESERVATIONS—Continued

	Units	Cost	Contract authority	Term	Budget authority
Existing	37,500	4,659	174,712,500	15	2,620,687,500
Section 202	12,000	7,121	85,452,000	20	1,709,040,000
Moderate rehabilitation	5,000	5,590	27,950,000	15	419,250,000
Loan management	5,000	3,250	16,250,000	5	81,250,000
Property disposition	4,715	5,058	23,849,185	15	357,737,775
Conversions	37,094	3,326	123,369,600	15	1,850,544,000
Amendments	NA	NA	89,200,000		392,000,000
Subtotal, section 8	143,309		695,640,785		8,204,796,775
Total, public housing and section 8	150,309		869,824,808		11,841,654,033

[1] Includes $11,215,073 of new authority to be released for accounting adjustments related to pre-1976 authority.

[2] Assumes Rent Payment Standard of $4,700, tenant payment of $1,740, and Voucher subsidy of $3,404 ($2,960 @ 115%). Average Rent Payment Standard is skewed higher as a result of use with Rental Rehabilitation Grant Program.

[3] Assumes Rent Payment Standard of $4,659, tenant payment of $1,740 and Voucher subsidy of $3,357 ($2,919 @ 115%).

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING FISCAL YEAR 1984—GROSS RESERVATIONS

	Conference report			Administration proposal			Committee recommendation		
	Units	Annual contract authority	Budget authority	Units	Annual contract authority	Budget authority	Units	Annual contract authority	Budget authority
Recaptures	NA	$102,393,000	$2,500,000,000	NA	$100,042,000	$2,500,000,000	NA	$100,042,000	$2,500,000,000
Recaptures—accounting adjustments	NA		NA	NA	4,248,450	192,090,000	NA	4,248,450	192,090,000
Carryover	NA	56,989,998	1,464,822,394	NA	56,989,998	1,464,822,394	NA	56,989,998	1,464,822,394
Permanent authority	NA	19,397,609	19,397,609	NA	19,397,609	19,397,609	NA	19,397,609	19,397,609
Budget authority restored	NA			NA	NA	213,633,997	NA	NA	213,633,997
New authority	NA	636,336,000	9,912,928,000	NA	636,336,000	9,912,928,000	NA	636,336,000	9,912,928,000
Total available	NA	815,116,607	13,897,148,000	NA	817,014,057	14,302,872,000	NA	817,014,057	14,302,872,000
USE OF AUTHORITY									
Public housing:									
Public housing	5,000	30,000,000	900,000,000	5,000	30,000,000	900,000,000	5,000	30,000,000	900,000,000
Indian housing	2,500	13,912,000	389,550,000	2,500	13,912,000	389,550,000	2,500	13,912,000	389,550,000
Amendments	NA	6,666,000	200,000,000	NA	6,666,000	200,000,000	NA	6,666,000	200,000,000
Accounting adjustments	NA			NA	10,408,950	375,242,000	NA	10,408,950	375,242,000
Section 23 (EHAP owners)	(4,200)	6,000,000	30,000,000	(4,200)	6,000,000	30,000,000	(4,200)	6,000,000	30,000,000
Lease adjustments	NA	22,300,000	22,300,000	NA	22,300,000	22,300,000	NA	22,300,000	22,300,000
Interest rate adjustments	NA	6,666,000	200,000,000	NA	6,666,000	200,000,000	NA	6,566,000	200,000,000
Modernization	NA	77,500,000	1,550,000,000	NA	77,500,000	1,550,000,000	NA	80,649,000	1,612,982,000
Total, public housing	7,500	163,044,000	3,291,850,000	7,500	173,452,950	3,667,092,000	7,500	176,601,950	3,730,074,000
Section 8:									
New/sub. rehabilitation: Section 202	14,000	96,320,000	1,926,400,000	14,000	96,320,000	1,926,400,000	14,000	96,320,000	1,926,400,000
Existing housing:									
Regular existing housing program	32,500	147,810,000	2,217,150,000	56,000	254,688,000	3,820,320,000	56,000	254,688,000	3,820,320,000
Moderate rehabilitation	7,500	36,000,000	540,000,000	7,500	36,000,000	540,000,000	7,500	36,000,000	540,000,000
Property disposition	10,000	49,000,000	735,000,000	10,000	49,000,000	735,000,000	10,000	49,000,000	735,000,000
Loan management	5,000	18,000,000	90,000,000	5,000	18,000,000	90,000,000	5,000	18,000,000	90,000,000
Conversions:									
EHAP	5,200	22,000,000	110,000,000	5,200	22,000,000	110,000,000	5,200	22,000,000	110,000,000
Section 23	3,000	8,550,000	128,250,000	3,000	8,550,000	128,250,000	3,000	8,550,000	128,250,000
Rent sup/RAP	40,000	129,010,000	1,935,153,000	40,000	129,010,000	1,935,153,000	40,000	129,010,000	1,935,153,000
Subtotal, conversions	48,200	159,560,000	2,173,403,000	48,200	159,560,000	2,173,403,000	48,200	159,560,000	2,173,403,000
Housing vouchers				15,000	44,295,000	221,490,000	15,000	48,210,000	241,050,000
PHA fees				NA	4,125,000	20,625,000	NA	4,125,000	20,625,000
Subtotal, vouchers	NA			15,000	48,420,000	242,115,000	15,000	52,335,000	261,675,000
Deferred authority	NA	100,000,000	1,500,000,000	NA	NA	NA	NA	NA	NA
Amendments:									
New/sub. rehabilitation:									
Preconstruction	NA	10,000,000	230,000,000	NA	10,000,000	230,000,000	NA	10,000,000	230,000,000
Project reserves	NA	15,000,000	75,000,000	NA	15,000,000	75,000,000	NA	15,000,000	75,000,000
Existing housing	NA	12,000,090	36,000,000	NA	12,000,000	36,000,000	NA	12,000,000	36,000,000
Loan management	NA	5,000,000	50,000,000	NA	5,000,000	50,000,000	NA	5,000,000	50,000,000
Moderate rehabilitation	NA	2,000,000	20,000,000	NA	2,000,000	20,000,000	NA	2,000,000	20,000,000
Subtotal, amendments	NA	44,000,000	411,000,000	NA	44,000,000	411,000,000	NA	44,000,000	411,000,000
Total, section 8	117,200	650,690,000	9,592,953,000	155,700	705,988,000	9,938,238,000	155,700	709,903,000	9,957,798,000
Total, PH and section 8	124,700	813,734,000	12,884,803,000	163,200	879,440,950	13,605,330,000	163,200	886,504,950	13,687,872,000
Section 17 development				NA	NA	315,000,000	NA	NA	315,000,000
Section 17 rehabilitation				NA	NA	300,000,000	NA	NA	300,000,000
Subtotal				NA	NA	615,000,000	NA	NA	615,000,000
Unutilized	NA	1,382,607	1,012,345,003	NA	NA	82,542,000	NA	NA	NA
Additional contract authority required	NA	NA	NA	NA	−62,426,893	NA	NA	−69,490,893	NA
Total, all programs	124,700	815,116,607	13,897,148,003	163,200	817,014,057	14,302,872,000	163,200	817,014,057	14,302,872,000

Amendment No. 2: Establishes the loan limitation for the housing for the elderly or handicapped at $600,000,000, instead of $500,000,000 as proposed by the House and $700,000,000 as proposed by the Senate.

Amendment No. 3: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

CONGREGATE SERVICES

For contracts with and payments to public housing agencies and nonprofit corporations for congregate services programs in accordance with the provisions of the Congregate Housing Services Act of 1978, $4,144,000, to remain available until September 30, 1986.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 4: Appropriates $1,138,500,000 for payments for operation of low-income housing projects, instead of $1,123,500,000 as proposed by the House and $1,148,500,000 as proposed by the Senate.

Amendment No. 5: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment earmarking not more than $15,000 000 for public housing agencies' advanced planning costs for modernization improvements, instead of $25,000,000 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 6: Appropriates $3,500,000 for housing counseling assistance as proposed by the Senate, instead of $4,000,000 as proposed by the House.

Amendment No. 7: Restores language proposed by the House and stricken by the Senate amended to appropriate $15,000,000 for assistance for solar and conservation improvements, instead of $25,000,000 as proposed by the House.

Amendment No. 8: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $3,472,000,000 for community development grants, instead of $3,468,000,000 as proposed by the House.

The committee of conference agrees that $2,000,000 of the Secretary's discretionary fund allocation be utilized to fund the special projects account for infrastructure purposes. The conferees agree that the $2,000,000 is available for all qualified projects. The committee of conference also agrees to the Senate report language directing HUD to reinstate the section 108 loan guarantee "demonstration program" by extending the normal 6-year maturity of section 108 loans to 20 years in those cases where economic development projects meet the special conditions applicable for funding approval under previous administration of such program.

Amendment No. 9: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate earmarking $2,500,000 of urban development action grants for technical assistance to cities and urban counties which have not previously received UDAG funds.

Amendment Nos. 10 and 11: Reported in technical disagreement. The managers on the part of the House will offer motions to recede and concur in the amendments of the Senate adding language that sets aside section 312(h) of the Housing Act of 1964 and makes clear the availability of rehabilitation loan funds in fiscal year 1985.

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

COMMUNITY DEVELOPMENT GRANTS

(Fiscal Year 1984)

Of the funds appropriated under this heading in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1984 (Public Law 98-45), not more than $2,000,000 shall be available immediately to carry out a neighborhood development demonstration pursuant to section 123 of the Housing and Urban-Rural Recovery Act of 1983.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 13: Appropriates $16,900,000 for research and technology, instead of $15,900,000 as proposed by the House and $20,000,000 as proposed by the Senate. The conferees are concerned about the quality and relevance of several policy development and research studies. The Department is directed to take steps to improve the caliber and justification of these extramural research studies and submit a report to the Congress on the reforms being made to strengthen its selection and award procedures. Upon receipt of this report, the Committees on Appropriations will consider additional funding needs.

Amendment No. 14: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: *: Provided, That of the funds provided herein $500,000 shall be used in addition to the $4,000,000 provided for the modernization study in Public Law 98-45 (97 Stat. 223, 224): Provided further, That not more than a total of $500,000 of the funds available for use on the modernization study shall be used for the energy analysis and program evaluation component of the study: Provided further, That $500,000 of the funds provided herein shall be for the design and implementation of the housing voucher demonstration evaluation, including a comparison of the housing voucher program with fifteen year assistance contracts under the section 8 existing housing program*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 15: Appropriates $577,320,000 for salaries and expenses as proposed by the House, instead of $580,220,000 as proposed by the Senate. The conferees understand that HUD believes it can take sufficient efforts to solve the service delivery problems within the request level of funding.

TITLE II—INDEPENDENT AGENCIES

CONSUMER PRODUCT SAFETY COMMISSION

Amendment No. 16: Appropriates $36,000,000 for salaries and expenses as proposed by the House, instead of $35,000,000 as proposed by the Senate. The conferees agree that the increase be used primarily for emerging hazards. In addition, the conferees are aware that legislation addressing cigarette fire safety may be enacted soon. If CPSC is vested with additional responsibilities related to cigarette fire safety, the conferees agree that up to $250,000 may be used in 1985 for such purposes. The Commission should keep the Committees on Appropriations advise as more detailed study plans, funding estimates and cost sharing arrangements concerning cigarette fire safety are developed.

ENVIRONMENTAL PROTECTION AGENCY

Amendment No. 17: Appropriates $656,275,000 for salaries and expenses, instead of $672,275,000 as proposed by the House and $639,275,000 as proposed by the Senate. This funding increase is intended to support an additional 278 full-time equivalent positions. The committee of conference directs that in allocating these increased resources, EPA give priority to the additional positions identified for specific programs and activities in the House and Senate reports.

Amendment No. 18: Appropriates $193,000,000 for research and development as proposed by the House, instead of $184,437,000 as proposed by the Senate. The conferees agree on the following changes to the budget request: +$6,563,000 for tangentially-fired LIMB. The conferees believe that LIMB research should be assigned a high priority and intend to monitor progress and consider the need for additional funding in the future; +$5,000,000 for health effects; +$3,500,000 for exploratory research grants and centers; +$4,000,000 for hazardous waste control technology; +$4,000,000 for water quality research, sampling, monitoring and assessment with equal attention to be given to Long Island Sound, Narragansett Bay, Buzzards Bay and Puget Sound; +$2,000,000 for indoor air pollution; +$1,000,000 for pesticide research; +$1,100,000 for acid rain atmospheric research; +$1,000,000 for groundwater research; +$1,000,000 as the final installment of Federal funding for matching grants for the American Water Works Association Research Foundation; and +$400,000 for a study on the efficacy of land treatment and disposal of creosote and pentachlorophenols.

Amendment No. 19: Deletes language proposed by the Senate earmarking $4,000,000 for estuarine pollution monitoring and assessment. The conference agreement includes $4,000,000 for such activities in Long Island Sound, Narragansett Bay, Buzzards Bay and Puget Sound. The conferees expect EPA to coordinate with other Federal and State agencies involved in this estuarine research using the usual financing mechanisms and procedures.

Amendment No. 20: Appropriates $447,500,000 for abatement, control, and compliance, instead of $436,000,000 as proposed by the House and $462,142,000 as proposed by he Senate. The conferees are in agreement that grants and other assistance to the States be increased by a total of $35,000,000. First, the State grant programs are increased by no less than the following amounts above the budget request: +$7,000,000 for water; +$5,000,000 for hazardous waste; +$3,000,000 for air; +$1,000,000 for drinking water; +$1,000,000 for underground injection control; +$1,000,000 for pesticide enforcement; and +$500,000 for pesticide certification and training.

The House report language, where applicable, shall govern the specific program areas and functions to be augmented by these increases.

An additional $16,500,000 is also provided for assistance to States to be allocated at the Administrator's discretion specifically for improving environmental compliance, through increased enforcement, training, permitting and technical assistance. These funds are to be made available only upon application to EPA under the applicable grant regulations. The conferees expect these funds to substantially expand State activities in the special priority areas of NPDES administrative orders, POTW enforcement, and RCRA permitting and enforcement. The conferees believe that this approach will create stronger incentives to States to improve environmental compliance and increase the cost effectiveness of Federal assistance. The Agency should submit to the Congress an evaluation of this grant assistance, including the specific activities and outputs funded—such as increased enforcement actions—and the comparative cost effectiveness of this type of State assistance.

The committee of conference also agrees to the following increases above the budget request: +$200,000 for clean lakes;

+$2,100,00 for the Rural Water Association; +$2,600,000 for operator training; +$2,000,000 for academic training; +$3,000,000 for the Great Lakes program; +$2,858,000 for hazardous waste regulations; +$1,000,000 for asbestos-in-schools inspections; +$2,000,000 for developing a groundwater compliance policy; and +$200,000 for a pesticide exposure survey.

In addition, the conferees direct that as a part of the national dioxin monitoring study, EPA should include water quality sampling and chemical analysis of the water column at drinking water intakes on the Saginaw River and its tributaries.

Amendment No. 21: Restores language proposed by the House and stricken by the Senate prohibiting the use of funds for subtitle D activities, instead of the language proposed by the Senate making activities under subtitle D eligible for funding. By February 1, 1985, EPA should submit to the Committees on Appropriations an assessment of funding needs for subtitle D activities and their relative priority.

Amendment No. 22: Deletes language proposed by the Senate earmarking $32,100,000 for EPA State grant enforcement and training activities, to be eligible only on application to EPA with each grant program receiving an increase of at least $1,500,000, and no less than $2,500,000 additional for the clean lakes program. The Statement of the Managers specifies that EPA State grants be increased by a total of $35,000,000 above the budget request, with the minimum increases specified above for seven grant programs and an additional $16,500,000 to be made available only upon application to EPA for State activities to increase environmental compliance and enforcement. In addition, an increase of $2,500,000 is earmarked for clean lakes in the Statement of the Managers.

Amendment No. 23: Deletes language proposed by the Senate earmarking $6,000,000 for grants to States and interstate agencies for interstate pollution management and abatement programs.

The conferees are also aware that the House and Senate reports differ in their instructions to EPA on asbestos regulations and program initiatives. The committee of conference believes EPA should carry out the research studies and other steps outlined in the House report—but that such activities should in no way delay other regulatory or program efforts related to asbestos minerals. In particular, the Agency should continue to assure that all schools meet the regulatory requirements concerning inspection and notification. At the same time, the conferees believe it is essential for EPA to give school officials more practical guidance for making rational, informed decisions concerning appropriate abatement responses. As a first step, EPA is urged to develop detailed standards and procedures for post-removal certification to assure that poorly executed abatement projects do not cause higher asbestos exposures. In addition, EPA should conduct an evaluation of completed abatement projects in a sample of schools to assess the effectiveness of various control and removal techniques and to identify problems encountered by school officials.

Finally, the conferees believe that to put to rest public apprehension over the presence of asbestos minerals in many drinking water supplies, EPA should release completed research studies and issue a definitive public statement concerning the negligible risks of *ingesting* asbestos.

Amendment No. 24: Appropriates $12,000,000 for buildings and facilities, instead of $13,000,000 as proposed by the House and $10,500,000 as proposed by the Senate.

Amendment No. 25: Appropriates $620,000,000 for the Hazardous Substance Response Trust Fund, instead of $600,000,000 as proposed by the House and $640,000,000 as proposed by the Senate. The Superfund budget request has been reduced by $20,000,000 because the conferees believe that delays in many Superfund site cleanups will prevent EPA from fully obligating the funds requested for construction work in 1985. The conferees want to emphasize their strong support for the Superfund program and urge EPA to expedite cleanups at hazardous waste dumps by streamlining decision-making and management procedures. In particular, the conferees expect EPA to maintain the 115 new remedial investigation feasibility studies agreed to for 1985 and to increase this level as management capabilities permit.

Amendment No. 26: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate earmarking $14,620,000 for transfer to the Department of Health and Human Services from the Hazardous Substance Response Trust Fund, of which at least $5,125,000 shall be available for toxicological testing.

EXECUTIVE OFFICE OF THE PRESIDENT

Amendment No. 27: Restores language proposed by the House and stricken by the Senate requiring the Office of Science and Technology Policy to reimburse other agencies for at least one-half of the cost of individuals detailed to it.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Amendment No. 28: Establishes the limitation for official reception and representation expenses at $2,000 as proposed by the Senate, instead of $1,000 as proposed by the House.

Amendment No. 29: Appropriates $130,149,000 for salaries and expenses, instead of $129,316,000 as proposed by the House and $130,649,000 as proposed by the Senate.

The committee of conference is in agreement with the following changes from the budget request: -$3,365,000 from the $4,359,000 increase requested for the civil defense program. The $30,113,000 available for civil defense activities will support 661 staff years, the same level as in fiscal year 1984; and -$500,000 from the $4,197,000 increase requested for management and administration.

The conference agreement does not include the $361,000 for eight staff years to administer the emergency food and shelter program. These administrative funds will be provided with the emergency food and shelter money in the Second Supplemental Appropriations Bill, 1984.

Amendment No. 30: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $331,219,000 for emergency management planning and assistance, instead of $325,593,000 as proposed by the House and $329,219,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The committee of conference is in agreement with the following changes from the budget request: -$67,689,000 from the $76,915,000 increase requested for the civil defense program. The $151,311,000 available for civil defense activities includes (a) $58,800,000 for emergency management assistance, (b) not to exceed $10,300,000 for radiological defense, (c) $34,411,000 for telecommunications and warning, and (d) a general reduction of $9,943,000 to be applied at the Agency's discretion to programs other than emergency management assistance and telecommunications and warning; +$1,000,000 for fire prevention and community-based antiarson programs. The conferees do not expect the federal commitment to the national community volunteer fire prevention program to become institutionalized. Rather, it is expected that FEMA will make the $1,000,000 add-on available through the states to community-based groups, organizations that provide technical assistance and service groups to leverage private funds and develop a working public-private partnership to combat arson and promote fire prevention; +$1,000,000 for fire programs to be distributed at FEMA's discretion for activities such as firefighter health and safety. The conferees agree that FEMA should target funding within training and fire programs for the production of fire safety public service announcements; +$450,000 to continue the hurricane program at the 1984 level of $900,000; and +$400,000 to continue the dam safety program at the 1984 level of $482,000.

Amendment No. 31: Deletes provisions proposed by the House and stricken by the Senate prohibiting the use of appropriations for the establishment of a western extension of the National Emergency Training Center in 1985.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Amendment No. 32: Reported in technical disagreement. The managers on the part of the House will offer a motion recede and concur in the amendment of the Senate with an amendment as follows:

For necessary expenses, not otherwise provided for, including research, development, operations, services, minor construction, maintenance, repair, rehabilitation and modification of real and personal property; purchase, hire, maintenance, and operation of other than administrative aircraft, necessary for the conduct and support of aeronautical and space research and development activities of the National Aeronautics and Space Administration; including not to exceed (1) $155,500,000 for a space station; (2) $195,000,000 for space telescope development; (3) $120,200,000 for the gamma ray observatory; (4) $92,400,000 for upper stages; (5) $92,500,000 for the Venus radar mapper mission; and (6) $56,100,000 for Galileo, without the approval of the Committees on Appropriations; $2,422,600,000, to remain available until September 30, 1986; including $155,500,000 for a space station, of which $5,500,000 shall be made available from prior year appropriations: Provided, That of this amount, $63,800,000 is available for space station systems definition and integration studies, including $6,300,000 for systems engineering and integration support activities: Provided further, That within this amount, NASA shall conduct a study of an option which "phases-in" the permanently manned features of the station, as one of the reference configurations to be examined in the definition studies: Provided further, That the result of this study shall be reported to the House and Senate Committees on Appropriations prior to the selection by the Administrator of a configuration for *the permanently manned space station: Provided further, That of this amount, $57,500,000 shall be withheld from obligation or expenditure until April 1, 1985: Provided further, That the recommendations contained in the report required under the head "Research and Program Management" be incorporated in any contract entered into as part of the systems definition and integration studies.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The above amounts include the following changes from the budget: +$10,000,000 for research and analysis of which not less than $7,000,000 shall be for planetary research and analysis; +$40,000,000 for development of the advanced communications technology satellite (ACTS). These funds are intended to restore the flight demonstration element of this experimental program; +$6,000,000 for advanced work on a "shuttle derived" expendable launch vehicle; +$10,000,000 for continued work on the advanced turbo-prop program; -$10,000,000 from the aeronautics research and technology base; +$4,000,000 for the sensor systems and automation programs under the space research and technology program; and -$37,500,000 as a general unspecified reduction to be applied by the agency in areas other than those augmented above.

The conferees have melded the man-tended and automation provisions of the House and Senate into a workable package which supports the goals of both proposals. It is expected that NASA will commit to funding science and applications at the same rate to total NASA funding as approximately the 1985 level and that the agency retain the man-tended platforms as part of the overall space station program. The conferees agree with the Senate proposal that NASA integrate the recommendations of the Advanced Technology Advisory Committee concerning advanced automation and robotics into the overall system definition effort. It is expected that NASA will also recognize the value of an on-going role for the Committee in assessing progress in the automation effort.

The conferees support the concerns articulated in the House report regarding the lack of a space station option which "phases in" the permanently manned features of the station. Therefore, it is directed that NASA include a man-tended option as one of the reference configurations to be examined in the definition studies. This portion of the study will define how the various elements of the station would change if the introduction of the manned habitat were delayed from three to five years following initial deployment of the basic space station. The phased configuration will be studied and analyzed in the same manner and to the same schedule as the other reference configurations, and the result will be used by the study contractors and NASA during the systematic process of narrowing the range of configuration options under consideration during the course of the definition studies.

As the language incorporated in the bill indicates, NASA will submit the definition study of various reference configurations, including the man-tended option, to the House and Senate Committee for review. It is expected that the Committees may make use of other resources to undertake such a review.

The conferees do not intend that this additional reference configuration delay the schedule for the Request for Proposal, the initiation of the studies or the planned narrowing of options during the definition effort. It is expected that the man-tended option will require at least 10 to 15 percent of definition study funding. The conferees also recognize that the introduction of this additional reference configuration may necessitate the use of additional resources in the definition studies and will consider providing a modest increase if so requested by NASA.

Amendment No. 33: Restores language proposed by the House and stricken by the Senate amended to "cap" space shuttle production and operational capability at $1,510,600,000 instead of $1,505,600,000 as proposed by the House.

Amendment No. 34: Appropriates $3,601,800,000 for space flight, control and data communications instead of $3,602,800,000 as proposed by the House and $3,600,300,000 as proposed by the Senate.

The above amount includes the following changes from the budget: +$40,000,000 for orbiter structural spares; +$5,000,000 for shuttle main engine spares; and -$43,500,000 as a general unspecified reduction to be applied by the agency in areas other than those augmented above.

Amendment No 35: Deletes language proposed by the Senate permitting a five percent transfer between "Research and Development" and "Space Flight, Control and Data Communications".

Amendment No. 36: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate permitting a long-term contractual arrangement for constructing a Central Engineering Building at the Jet Propulsion Laboratory.

Amendment No. 37: Appropriates $1,317,000,000 for research and program management as proposed by the Senate, instead of $1,316,000,000 as proposed by the House.

Amendment No. 38: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate modifying language concerning a per diem travel experiment.

Amendment No. 39: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate establishing an Advanced Technology Advisory Committee in conjunction with the Space Station program.

The Space Station program offers an opportunity to stimulate the development of advanced technologies in the fields of automation and robotics. To this end, the conferees adopted the Senate provision establishing an Advanced Technology Advisory Committee mandated to identify specific space station systems which advance those technologies that are not in use in existing spacecraft. Examples of such technologies include advanced vision sensors, computers that can serve as expert systems, and manipulator systems with advanced multiple degrees of freedom. The conferees intend that, where appropriate, the Committee may as a secondary task also identify systems currently in use whose potential for enhancing automation and robotics technologies appears promising. The conferees both intend and expect that the technologies of Space Station automation and robotics will be identified and developed not only to increase the efficiency of the station itself but also to enhance the Nation's technical and scientific base leading to more productive industries here on earth.

Amendment No. 40: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing authority for transferring or selling Class VI NASA computers to the National Science Foundation.

NATIONAL SCIENCE FOUNDATION

Amendment No. 41: Appropriates $1,301,912,000 for research and related activities, instead of $1,293,212,000 as proposed by the House and $1,307,512,000 as proposed by the Senate. The above amount includes the following changes from the budget: +$20,000,000 for advanced scientific computing (supercomputers); +$1,000,000 for the experimental program to stimulate comparative research (EPSCOR); +$2,500,000 for research improvement in minority institutions; +$3,000,000 for information sciences; +$1,500,000 for intelligent systems computer research; +$2,000,000 for automation of instrumentation and sensing; and -$36,300,000 as a general unspecified reduction to be applied by the agency in areas other than those augmented above and no reductions are to be applied to the biological, behavioral and social sciences directorate.

Amendment No. 42: Earmarks $70,302,000 for program development and management, instead of $69,902,000 as proposed by the House and $70,902,000 as proposed by the Senate.

Amendment No. 43: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: : *Provided further, That not to exceed $9,000,000 shall be available for the very long baseline array and such funds shall not be obligated before April 1, 1985.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree that no Request for Proposal for the VLBA project shall be issued before the allowable date of obligation of funds.

The conferees strongly endorse the need for the Foundation to utilize merit-based peer review in determining all awards including those relating to centers or facilities. Furthermore, the conferees agree that no supercomputers be leased or centers initiated unless reviewed competitively under the program's solicitation.

Amendment No. 44: Deletes language proposed by the Senate requiring that no fewer than 13,000 grants be made during fiscal year 1985.

The conferees note the NSF Director's letter of June 22, 1984 concerning the number of grant awards expected during fiscal year 1985. That letter commits the Foundation to funding no fewer than 13,000 awards from within the funds provided in this bill. The conferees consider this the minimum number of awards appropriate for fiscal year 1985.

Amendment No. 45: Appropriates $110,080,000 for the United States Antarctic program as proposed by the Senate, instead of $115,080,000 as proposed by the House.

Amendment No. 46: Appropriates $87,000,000 for science education activities, instead of $88,700,000 as proposed by the House and $81,400,000 as proposed by the Senate. The conferees recognize the importance of the NSF graduate fellowship program which enables the most talented students to pursue graduate study in science and engineering. The conferees have included sufficient resources to restore the number of new fellows to the 1984 level of 600 while at the same time increasing the annual stipend to $11,000 and the cost-of-education allowance to $6,000. This action will help close the gap between NSF fellowships and those fellowships offered by the Department of Defense and other public and private sources.

Amendment No. 47: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate transferring $5,000,000 of science education funds to the research and related activity for teaching and learning research.

Amendment No. 48: Report in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate earmarking $2,000,000 to develop a science education plan and management structure for the Foundation.

Amendment No. 49: Appropriates $15,512,000 for payment to the Neighborhood Reinvestment Corporation as proposed by the Senate, instead of $15,271,000 as proposed by the House.

VETERANS' ADMINISTRATION

Amendment No. 50: Appropriates $8,792,165,000 for medical care as proposed by the Senate, instead of $8,807,435,000 as proposed by the House. The conference agreement adds $24,730,000 above the budget estimate and redirects (a) $3,200,000 of the $11,200,000 assumed for the contract component of the Vet Center program and (b) $1,000,000 of the $4,031,000 increase requested for employee travel for various medical activities. Of the $28,930,000 available, $3,930,000 is for an increase of approximately 200 in the number of community nursing home care beds. The remaining $25,000,000 is to provide for an additional 620 staff years. The Veterans Administration is directed to allocate 220 of the additional 620 staff years to expand the in-house Vet Center program, principally to augment staff at existing centers and to establish new or satellite centers at those locations where the greatest need exists. The conferees intend that no more than 55 of the 220 additional staff years be for career personnel. The VA is also directed to submit a report to the Committees on Appropriations with the 1985 operating plan indicating where and on what basis it plans to allocate the additional 220 staff years. The balance of 400 additional staff years is to be used at the discretion of the VA in such high-priority areas as outpatient services, gerontology, psychological services and unit dose.

The conferees agree with the language in the Senate report regarding purchase of equipment. It is intended that the Committees on Appropriations will review definitional or programmatic problems that might arise in implementation of the limitations on the purchases of replacement and additional equipment.

This amount of funding is specifically intended to support 193,941 full-time equivalent employees (FTEEs) with the understanding that, in accordance with established Congressional practice, any additional pay costs necessary to support that FTE level will be borne by the VA, using funds made available by this measure, funds made available through the enactment of supplemental appropriations, or through absorption of the costs, or some combination thereof. This FTEE level does not include common services FTEEs.

Amendment No. 51: Appropriates $192,695,000 for medical and prosthetic research as proposed by the House, instead of $193,695,000 as proposed by the Senate.

The conferees agree that $3,224,000 of the $8,650,000 requested for the Agent Orange study being conducted by the Centers for Disease Control is not required in 1985. The VA is directed to utilize those funds for other research, including $1,000,000 for prosthetic research into voice-actuated robotic devices.

This amount of funding is specifically intended to support 4,625 full-time equivalent employees (FTEEs) with the understanding that, in accordance with established Congressional practice, any additional pay costs necessary to support that FTEE level will be borne by the VA, using funds made available by this measure, funds made available through the enactment of supplemental appropriations, or through absorption of the costs, or some combination thereof. This FTEE level does not include common services FTEEs.

Amendment No. 52: Appropriates $70,000,000 for medical administration and miscellaneous operating expenses, instead of $69,013,000 as proposed by the House and $72,213,000 as proposed by the Senate. The conference agreement does not include $800,000 of the $1,742,000 increase requested for employee travel or the requested increase of 16 staff years. Any high priority additional personnel requirements can be offset by reductions in existing staff. The balance of the decrease is to be applied at the discretion of the VA to activities other than the health professional scholarship program.

This amount of funding is specifically intended to support not more than 860 full-time equivalent employees (FTEEs) with the understanding that, in accordance with established Congressional practice, any additional pay costs necessary to support that FTEE level will be borne by the VA, using funds made available by this measure, funds made available through the enactment of supplemental appropriations, or through absorption of the costs, or some combination thereof. This FTEE level does not include common services FTEEs.

Amendment No. 53: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: : *Provided, That the total FTEE for the following offices within the Department of Medicine and Surgery not exceed 106 FTEE during fiscal year 1985: (1) Program Analysis and Development; (2) Health Systems Planning Service; (3) Planning Methods and Systems Development Service; (4) Facilities Planning Service; and (5) MEDIPP field personnel, without the approval of the Committees on Appropriations*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 54: Appropriates $568,194,000 for construction, major projects, as proposed by the Senate, instead of $619,594,000 as proposed by the House.

The conferees agree that in addition to the appropriated dollars, the major construction program level assumes $145,000,000 to be derived from savings on completed projects. Thus, the total 1985 major construction program level is $713,194,000.

In consonance with the House and Senate reports, the committee of conference has not included a table identifying individual construction projects in the statement of the managers. The VA is directed to review and reconsider all projects and submit a revised list of such projects to the Committees on Appropriations by September 1, 1984. It is not intended that the VA resubmit only the currently listed projects. In undertaking this additional review of projects ready for construction, the conferees urge that the VA take into consideration the possibility of using additional funds from the working reserve. The conferees also strongly urge the Veterans Administration to reexamine the Philadelphia and Baltimore projects and consider them for its revised list.

In this connection, the conferees want to make clear that the VA is expected to undertake preparing the revised list so that priorities, as defined by the VA, without specific budget constraints, be forthcoming. Such priorities should be based on medical care requirements rather than other tangential issues, such as employee parking availability. As such, the Committee cannot be expected to entertain funding increases for VA medical administrative positions without some indication that the Agency views the health care priority issue seriously.

The conferees are in agreement with the following changes from the budget request: -$5,200,000 for the 60-bed nursing home care unit at Providence; -$9,000,000 for the 120-bed nursing home care unit at San Juan; -$5,000,000 from the $20,000,000 requested for the design fund in 1985; -$3,000,000 for the two additional decks for the planned parking garage at San Francisco; -$4,200,000 for decreasing the contingency reserve to five percent; and $25,000,000 due to increasing the funds from the working reserve from $120,000,000 to $145,000,000.

The conference agreement deletes funding fot these projects without prejudice. The Committees on Appropriations will consider funding any project, including the three deleted, requested in the revised list.

Amendment No. 55: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: : *Provided, That, notwithstanding any other provision of law, no funding provided in this or any other Act shall be available in fiscal year 1984 for the Design Fund and not to exceed $15,000,000 in fiscal year 1985 shall be available for the Design Fund.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement prohibits the use of the Design Fund in fiscal year 1984 and provides $15,000,000 for the pilot test in fiscal year 1985. Because of the lateness in the fiscal year, it is likely that little, if any, of the savings envisioned in the Design Fund concept will materialize. Greater savings will be realized by conducting the pilot test in fiscal year 1985.

The conferees agree that this fund be available only for projects for which construction funds will be requested in the following year and in the chronological order the projects complete the advance planning process. The conferees also agree that the funding of projects in chronological order does not prejudice using another method of determining the use of the Design Fund if the concept is continued beyond fiscal year 1985.

Amendment No. 56: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate prohibiting the use of funds from other accounts for a major construction project until one year after final acceptance of the project.

Amendment No. 57: Deletes language proposed by the House and stricken by the Senate making the provision apply to a project or any part thereof.

Amendment No. 58: Deletes language proposed by the House and stricken by the Senate repealing the provision in the 1984 Appropriation Act prohibiting the use of funds for a construction project until one year after final acceptance of the project.

Amendment No. 59: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate requiring that prior to the issuance of a bidding document for any construction contract, the local medical center director must certify that the design of the project is acceptable from a patient care standpoint.

Amendment No. 60: Appropriates $200,200,000 for construction, minor projects, as proposed by the House, instead of $201,619,000 as proposed by the Senate.

Amendment No. 61: Establishes the limitation on expenses of the Office of Construction at not more than $39,104,000 as proposed by the House, instead of $40,523,000 as proposed by the Senate.

The conferees agree that the VA is to delegate the authority for certain categories of construction projects to the medical center directors. The categories for delegating projects are: nursing home care, domiciliaries, research and education, electrical improvements, fire and safety improvements, and general projects. The delegation is to include preliminary planning, design and construction. The VA should approve the project, but, once approved, the medical center director should be charged with the responsibility of constructing the facility: The VA is to provide a resident engineer and necessary technical assistance for each of these projects under the direct supervision of the medical center director. The VA is to determine those instances where, for one reason or another, major construction project in the aforementioned categories should not be administered by the medical center director.

Amendment No. 62: Restores language proposed by the House and stricken by the Senate prohibiting the use of funds for site acquisition or construction of a hospital to replace the Allen Park VA Medical Center prior to receipt and consideration of a GAO study, amended to delete the consideration condition.

The conferees have agreed to include language, with a technical modification, requiring the General Accounting Office to undertake a study in connection with the siting of the replacement Allen Park VA hospital. The conferees direct the General Accounting Office to submit its report before December 1, 1984.

In accepting this language, the conferees want to make clear that this is an exception which should not be construed as a precedent. The conferees agree that the siting of a VA hospital or medical facility should be a decision reserved for the VA. In no way should siting requirements or decisions be determined by the Congress.

Amendment No. 63: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate requiring one or more pilot programs be conducted to determine the effectiveness of utilizing private contractors to assist in the administrative collection of various types of delinquent debts or other funds due the Government.

The conferees agree that the VA should not dedicate any additional FTEE above the budget request level for any VA debt collection activities until the completion of the pilot test studies.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1985 recommended by the Committee of Conference, with comparisons to the fiscal year 1984 amount, the 1985 budget estimates, and the House and Senate bills for 1985 follow:

New budget (obligational) authority, fiscal year 1984	$56,111,731,000
Budget estimates of new (obligational) authority, fiscal year 1985	54,668,498,000
House bill, fiscal year 1985	58,436,496,500
Senate bill, fiscal year 1985	56,289,923,000
Conference agreement, fiscal year 1985	56,543,299,775
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1984	+431,568,775
Budget estimates of new (obligational) authority, fiscal year 1985	+1,874,801,775
House bill, fiscal year 1985	-1,893,196,725
Senate bill, fiscal year 1985	+253,376,775

EDWARD P. BOLAND,
BOB TRAXLER,
LOUIS STOKES,
LINDY BOGGS,
MARTIN OLAV SABO,
BILL BONER,
JAMIE L. WHITTEN,
BILL GREEN,
LAWRENCE COUGHLIN,
JERRY LEWIS,
SILVIO O. CONTE,
Managers on the Part of the House.

JAKE GARN,
LOWELL P. WEICKER, JR.,
PAUL LAXALT,
ALFONSE M. D'AMATO,
JAMES ABDNOR,
PETE V. DOMENICI,
MARK O. HATFIELD,
WALTER D. HUDDLESTON,
JOHN C. STENNIS,
PAT LEAHY,
JIM SASSER,
Managers on the Part of the Senate.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. AKAKA) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. AUCOIN, for 5 minutes, today.

Mr. DE LA GARZA, for 5 minutes, today.

Mr. PATTERSON, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. PANETTA, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. HAWKINS, and to include extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,775.10.

Mr. SCHUMER, to revise and extend his remarks prior to the vote on the Ferraro amendment, today.

(The following Members (at the request of Mr. MCCANDLESS) and to include extraneous matter:)

Mr. YOUNG of Alaska in two instances.
Mr. BROOMFIELD.
Mr. DANNEMEYER.
Mr. MARLENEE.
Mr. HYDE.
Mr. LOWERY of California.
Mr. LAGOMARSINO.
Mr. DENNY SMITH.
Mr. MICHEL.
Mr. MADIGAN.
Mr. GREEN.
Mr. DAUB.
Mr. WOLF in two instances.
Mr. GILMAN.

(The following Members (at the request of Mr. AKAKA) and to include extraneous matter:)

Mr. YATES.
Mr. DINGELL.
Mr. LUNDINE.
Mr. LANTOS in four instances.
Mr. LIPINSKI.
Mr. DOWNEY of New York.
Mr. ADDABBO.
Mr. RAHALL.
Mr. MATSUI in two instances.
Mr. BREAUX.
Mr. LEVINE of California in two instances.
Mr. HARRISON.
Ms. MIKULSKI.
Mr. MAZZOLI.
Mr. WIRTH.
Mr. TRAXLER.
Mr. EVANS of Illinois.
Mr. LAFALCE.
Mr. GEJDENSON.
Mr. BARNES.
Mr. ACKERMAN in two instances.
Mr. DARDEN.
Mr. GARCIA.
Mr. VALENTINE.
Mr. MACKAY.
Mr. MINISH.
Mr. ROYBAL.
Mr. ECKART.
Ms. FERRARO.
Mr. DASCHLE in five instances.
Mr. PEASE.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. HAWKINS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 5565. An act to direct the Architect of the Capitol and the District of Columbia to enter into an agreement for the conveyance of certain real property, to direct the Secretary of the Interior to permit the District of Columbia and the Washington Metropolitan Area Transit Authority to construct, maintain, and operate certain transportation improvements on Federal property, and to direct the Architect of the Capitol to provide the Washington Metropolitan Area Transit Authority access to certain real property; and

H.J. Res. 492. Joint resolution making an urgent supplemental appropriation for the fiscal year ending September 30, 1984, for the Department of Agriculture.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2403. An act to declare that the United States holds certain lands in trust for the Pueblo de Cochiti.

ADJOURNMENT

Mr. AKAKA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 45 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, June 27, 1984, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3620. A communication from the President of the United States, transmitting requests for supplemental appropriations for fiscal year 1984 and amendments reducing the request for appropriations for fiscal year 1985, pursuant to 31 U.S.C. 1107 (H. Doc. No. 98-236); to the Committee on Appropriations and ordered to be printed.

3621. A letter from the Secretary of Defense, transmitting notification of three reports of violations of the regulations governing administrative control of appropriations, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

3622. A letter from the Secretary of Education, transmitting the proposed final priorities for special projects and demonstration for providing vocational rehabilitative services to severely disabled persons program, pursuant to GEPA, section 431(d)(1), (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

3623. A letter from the Secretary of Education, transmitting the proposed final regulations for the recruitment and information program, pursuant to GEPA, section 431(d)(1); (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

3624. A letter from the Secretary of Education, transmitting the proposed final priorities for educational media research, production, distribution, and training program, pursuant to GEPA, section 431(d)(1), (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

3625. A letter from the Secretary of Education, transmitting the proposed final regulations for the postsecondary education programs for handicapped persons, pursuant to GEPA, section 431(d)(1), (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

3626. A letter from the Secretary of Education, transmitting the proposed final regulations for the regional resource centers program, pursuant to GEPA, section 431(d)(1), (88 Stat 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

3627. A letter from the Secretary of Education, transmitting notification of the application notice and interpretations for the emergency immigrant education assistance program document that has been submitted for publication in the Federal Register, pursuant to GEPA, section 431(d)(1), (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

3628. A letter from the General Counsel, Department of Energy, transmitting notification of meetings to be held in June relating to the international energy program; to the Committee on Energy and Commerce.

3629. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a copy of the President's determination that emergency conditions warrant extending to 120 days the payment deadline for a sale from defense stocks to the Government of El Salvador, pursuant to AECA, section 21(d) (90 Stat. 736); to the Committee on Foreign Affairs.

3630. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a copy of the original report of political contributions for Robert J. Ryan, Jr. Ambassador-designate to the Republic of Mali, pursuant to Public Law 96-465, section 304(b)(2); to the Committee on Foreign Affairs.

3631. A letter from the Associate Director, Bureau of Educational and Cultural Affairs, U.S. Information Agency, transmitting notification of a proposed waiver of the limitation on foreign travel by citizens who are financed by grants from the private sector program, pursuant to 22 U.S.C. 2460 (Pub. L. 98-164, section 207(a) (Fiscal year 1984-85)); to the Committee on Foreign Affairs.

3632. A letter from the Director, NOAA Corps, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting a copy of the 1982 annual NOAA Corps pension plan, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3633. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Magnuson Fishery Conservation and Management Act, as amended, to authorize certain actions with regard to foreign fishing vessel permits for unsafe conditions, and for other purposes; to the Committee on Merchant Marine and Fisheries.

3634. A letter from the Chairman, Board of Governors, U.S. Postal Service, transmitting the first semiannual report on certain investigative activities of the Postal Service, pursuant to 39 U.S.C. 3013 (97 Stat. 1317); to the Committee on Post Office and Civil Service.

3635. A letter from the Deputy Chief for Natural Resource Projects, Soil Conservation Service, Department of Agriculture, transmitting a copy of the Turkey Creek watershed plan, Oklahoma, pursuant to the act of August 4, 1954, ch. 656, section 5 (76 Stat. 609; 95 Stat. 1338); to the Committee on Public Works and Transportation.

3636. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend the Panama Canal Act of 1979 to authorize payment of a living quarters allowance to certain employees of the Department of Defense in the Republic of Panama; jointly, to the Committees on Merchant Marine and Fisheries and Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BEILENSON: Committee on Rules. House Resolution 534. Resolution providing for the consideration of H.R. 3987, a bill to improve the preservation and management of Federal records, and for other purposes. (Rept. No. 98-862). Referred to the House Calendar.

Mr. DERRICK: Committee on Rules. House Resolution 535. Resolution providing for the consideration of H.R. 5468, a bill to authorize appropriations to carry out the activities of the Department of Justice for fiscal year 1985, and for other purposes. (Rept. No. 98-863). Referred to the House Calendar.

Mr. WHEAT: Committee on Rules. House Resolution 536. Resolution providing for the consideration of H.R. 5602, a bill to amend titles VII and VIII of the Public Health Service Act to extend the programs of assistance for the training of health professions personnel, to revise and extend the National Health Service Corps program under that Act, and to revise and extend the programs of assistance under that Act for health maintenance organizations and migrant and community health centers. (Rept. No. 98-864). Referred to the House Calendar.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 5927. A bill to increase the statutory limit on the public debt. (Rept. No. 98-865). Referred to the Committee of the Whole House on the State of the Union.

Mr. BEVILL: Committee of Conference. Conference report on H.R. 5653 (Rept. No. 98-866) and ordered to be printed.

Mr. BOLAND: Committee of Conference. Conference report on H.R. 5713 (Rept. No. 98-867) and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PEASE:

H.R. 5925. A bill to extend until the close of June 30, 1988, the existing suspension of duties on flat knitting machines; to the Committee on Ways and Means.

By Mr. PEASE (for himself, Mr. Downey of New York, Mr. English, Mr. Guarini, and Mr. Heftel of Hawaii):

H.R. 5926. A bill to amend the Tariff Act of 1930 regarding the public disclosure of certain manifest information; to the Committee on Ways and Means

By Mr. ROSTENKOWSKI (for himself and Mr. Conable):

H.R. 5927. A bill to increase the statutory limit on the public debt; to the Committee on Ways and Means

By Mr. BROOMFIELD:

H.R. 5928. A bill to protect the internal security of the United States against international terrorism by making the use of a firearm to commit a felony by foreign diplomats in the United States a Federal felony; to the Committee on the Judiciary

By Mr. FLORIO (for himself, Mr. Dingell, and Mr. Broyhill):

H.R. 5929. A bill to amend the Federal Trade Commission Act to make the sale of distribution in or affecting commerce or the production for sale or distribution in or affecting commerce of counterfeit goods or services an unfair or deceptive act or practice and an unfair method of competition and to authorize the Federal Trade Commission to initiate seizure actions in such cases, and for other purposes; to the Committee on Energy and Commerce

By Mr. JEFFORDS (for himself, Mr. Conte, Mr. D'Amours, Mr. Glickman, Ms. Snowe, Mr. Tauke, and Mr. Walgren):

H.R. 5930. A bill to establish a program for replacing, by 1992, 10 percent or more of the gasoline consumed in the United States with alcohol and other replacement fuels derived from coal and renewable resources, and for other purposes; to the Committee on Energy and Commerce.

By Mr. LANTOS (for himself, Mr. Lent, Mr. Vandergriff, Mr. Kolter, Mr. Bonior of Michigan, Mr. Coelho, Mr. Dymally, Mr. Levin of Michigan, Mr. Martinez, Mr. Mitchell, Mr. Reid, Mr. Sunia, and Mr. Weiss):

H.R. 5931. A bill to establish a commission to conduct a study of the problems of suicide in the United States for the purpose of providing guidance in developing national policy based on research and effective models of community response; to the Committee on Energy and Commerce.

By Mr. LEVITAS:

H.R. 5932. A bill to provide that the Federal Aviation Administration shall only perform functions relating to aviation safety, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. SEIBERLING (for himself and Mr. Hall of Ohio):

H.R. 5933. A bill to amend the Internal Revenue Code of 1954 to clarify the definition of geothermal energy, and for other purposes; to the Committee on Ways and Means.

By Mr. STARK:

H.R. 5934. A bill to revise the basis for issuing notices of deficiency and determining the judicial review of "oil item" issues under the Crude Oil Windfall Profit Tax Act of 1980; to the Committee on Ways and Means.

By Mr. WOLF:

H.R. 5935. A bill to amend section 8332 of title 5, United States Code, to allow periods of certain service performed as an employee of a State or an instrumentality of a State to be creditable for civil service retirement; to the Committee on Post Office and Civil Service.

By Mr. DASCHLE:

H.R. 5936. A bill to amend the Act of April 24, 1950; to the Committee on Agriculture.

By Mr. FASCELL (for himself, Mr. Hamilton, Mr. Yatron, Mr. Solarz, Mr. Bonker, Mr. Studds, Mr. Ireland, Mr. Mica, Mr. Barnes, Mr. Wolpe, Mr. Crockett, Mr. Gejdenson, Mr. Dymally, Mr. Lantos, Mr. Kostmayer, Mr. Torricelli, Mr. Smith of Florida, Mr. Berman, Mr. Reid, Mr. Feighan, Mr. Weiss, Mr. Ackerman, Mr. Garcia, Mr. Broomfield, Mr. Winn, Mr. Gilman, Mr. Lagomarsino, Mr. Pritchard, Mr. Leach of Iowa, Mr. Roth, Mr. Hyde, Mr. Solomon, Mr. Bereuter, Mr. Siljander, Mr. Zschau, Mr. Patterson, Mr. Markey, Mr. Wirth, Mr. Leland, Mr. Harkin, Mr. McKay, Mrs. Schroeder, Mr. Miller of California, Ms. Oakar, Mr. Panetta, and Mr. Porter):

H.J. Res. 605. Joint resolution regarding the implementation of the policy of the U.S. Government in opposition to the practice of torture by any foreign government; to the Committee on Foreign Affairs.

By Mr. AuCOIN (for himself, Mr. St Germain, Mr. Gonzalez, Mr. Boland, Mr. Wylie, Mr. Foley, Mr. Anthony, Mr. Bartlett, Mr. Borski, Mr. Campbell, Mr. Carper, Mr. Coelho, Mr. Coughlin, Mr. Craig, Mr. D'Amours, Mr. Daub, Mr. Dreier of California, Mr. Erdreich, Mr. Fauntroy, Mr. Frank, Mr. Garcia, Mr. Green, Mr. Harkin, Mr. Hiler, Mr. Hoyer, Mr. Hubbard, Mr. Kemp, Mr. Kolter, Mr. LaFalce, Mr. Leach of Iowa, Mr. Lehman of California, Mr. Levin of Michigan, Mr. Loeffler, Mr. Lowery of California, Mr. Lowry of Washington, Mr. Lundine, Mr. McCollum, Mr. McDade, Mr. McKinney, Mr. Mica, Mr. Mitchell, Mr. Morrison of Connecticut, Mr. Morrison of Washington, Ms. Oakar, Mr. Oxley, Mr. Patterson, Mr. Roemer, Mr. Sikorski, Mr. Vander Jagt, Mr. Vento, Mr. Watkins, Mr. Winn, Mr. Wortley, and Mr. Wyden):

H.J. Res. 606. Joint resolution to designate the week of October 14, 1984, through October 21, 1984, as "National Housing Week"; to the Committee on Post Office and Civil Service.

By Mr. FAUNTROY (for himself, Mr. Bliley, Mr. Hoyer, Mr. Barnes, Mrs. Holt, and Mr. Wolf):

H.J. Res. 607. Joint resolution designating July 4, 1984 as "July 4th Family Celebration Day"; to the Committee on Post Office and Civil Service.

By Mr. LUNDINE:

H.J. Res. 608. Joint resolution designating the month of October 1984 as "National Quality Month"; to the Committee on Post Office and Civil Service.

By Mr. OWENS:

H. Con. Res. 326. Concurrent resolution expressing the sense of Congress regarding the use of Federal funds to purchase a portrait or any other artwork depicting any Federal officers or employees; to the Committee on Government Operations.

By Mr. BEREUTER (for himself, Mr. Barnes, Mr. Lagomarsino, Mr. Hyde, Mr. Moody, Mr. Kostmayer, Mr. Dicks, and Mr. Reid):

H. Con. Res. 327. Concurrent resolution expressing the concern of the Congress on the imminent lapsing of phase III of the land reform program in El Salvador; to the Committee on Foreign Affairs.

By Mr. SAWYER:

H. Res. 537. Resolution urging the U.S. Postal Service to issue a postage stamp honoring astronauts Roger B. Chaffee, Virgil I. Grissom, and Edward H. White; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

424. By the SPEAKER: Memorial of the legislature of the State of California, relative to a redesignation of Federal surplus property for the Riverside Community College District; to the Committee on Government Operations.

425. Also, memorial of the Legislature of the State of Kansas, relative to empowering the President to use line item vetoes on appropriation bills; to the Committee on the Judiciary.

426. Also, memorial of the Legislature of the State of Kansas, relative to the enforcement of the Federal antitrust laws with respect to vertical price fixing; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. BROWN of Colorado introduced a resolution (H. Res. 538) to refer H.R. 5895 to the chief commissioner of the U.S. Court of Claims; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 898: Mr. Stump.
H.R. 1706: Mr. Dellums.
H.R. 1742: Mrs. Schneider.
H.R. 1942: Mrs. Boxer and Mr. Hughes.
H.R. 2272: Ms. Fiedler, Mr. Paul, and Mr. Harrison.
H.R. 2380: Mr. Carr.
H.R. 2474: Mr. Hunter and Mr. Vento.
H.R. 2837: Mr. Bateman.
H.R. 2852: Mrs. Martin of Illinois and Mr. Nielson of Utah.
H.R. 4126: Mr. Gekas.
H.R. 4402: Mr. Ritter.
H.R. 4518: Mr. Goodling.
H.R. 4566: Mr. Richardson and Mr. Clarke.
H.R. 4571: Mr. Goodling.
H.R. 4731: Mr. Guarini, Mr. Frank, Mr. Wilson, Mr. Howard, Mr. Roe, and Mr. McNulty.
H.R. 4962: Mr. Mollohan.
H.R. 4966: Mr. Guarini.
H.R. 5169: Mrs. Boxer.
H.R. 5186: Mr. Richardson.
H.R. 5227: Mr. Downey of New York.
H.R. 5265: Mr. Ackerman, Mr. Hayes, and Mr. Wyden.
H.R. 5305: Mr. Patman.
H.R. 5374: Mr. Williams of Ohio and Mr. Crockett.

H.R. 5377: Mr. Morrison of Connecticut, Mr. Oberstar, Mr. Murtha, and Mr. Williams of Ohio.

H.R. 5396: Mr. Gekas and Mr. Williams of Ohio.

H.R. 5529: Mr. Mazzoli, Mr Evans of Iowa, and Mr. Moore.

H.R. 5569: Mr. Martinez, Mr. Bates, Mrs. Boxer, Mrs. Johnson, Mr. Gradison, and Mr. Rinaldo.

H.R. 5627: Mr. Scheuer.

H.R. 5638: Mr. Rogers, Mr. Rinaldo, Mr. Corrada, Mr. Chappie, Mr. Traxler, Mr. Simon, Mr. Towns, Mr. Pashayan, and Mr. Horton.

H.R. 5640: Mr. Wirth, Mr. Horton, and Mr. Foglietta.

H.R. 5675: Mr. Leland, Mr. de Lugo, Mr. Bonior of Michigan, Mr. Howard, Mrs. Hall of Indiana, Mr. Mitchell, Mr. Hawkins, Mr. Downey of New York, Mr. Roe, Mr. Ackerman, Mr. Brown of California, Mr. Fazio, Mr. Ratchford, Ms. Kaptur, Mr. Smith of Florida, Mr. Florio, Mr. Waxman, Mr. Reid, Mrs. Boxer, Mr. Levin of Michigan, Mr. Richardson, Mr. Madigan, Mr. Eckart, Mr. Torricelli, Mr. Wilson, Mr. Kolter, Mr. Simon, Mr. Martinez, Mr. Corrada, and Ms. Mikulski.

H.R. 5721: Mr. Wylie, Mr. Paul, Mr. Oxley, Mr. Weber, Mr. Corcoran, Mr. Whitehurst, Mr. Rogers, Mr. Philip M. Crane, Mr. Solomon, Mr. Sawyer, Mr. Edwards of Oklahoma, and Mrs. Holt.

H.R. 5749: Mr. Guarini, Mr. Sunia, Mr. Brown of California, Mr. Studds, Mr. Frost, Mr. Martinez, Mr. Mitchell, and Mr. Fazio.

H.R. 5874: Mr. Garcia.

H.R. 5885: Mr. Kostmayer, Mr. Murphy, Mr. Owens, Mr. Sisisky, Mr. Fauntroy, Mr. Solarz, Mr. Corrada, Mr. Hoyer, Mr. Swift, Mr. Andrews of Texas, Mr. Hamilton, Mr. Bonior of Michigan, Mr. Guarini, Mr. Dymally, Mr. Regula, Mr. Gray, Mr. Downey of New York, Mr. Frank, Mr. Rahall, Mr. Ratchford, Mr. Mitchell, Mr. Olin, Mr. Lowery of California, Mrs. Kennelly, Mr. Roe, Mr. Chandler, Mrs. Boggs, Mr. Levin of Michigan, Mr. Ottinger, Mrs. Johnson, Mr. Brown of California, and Mr. Lagomarsino.

H.R. 5890: Mr. Crockett, Mr. Stratton, Mr. Sabo, Mr. Leland, Mr. Lantos, Mr. Britt, Mr. Levin of Michigan, Mr. Corrada, and Mr. Ford of Tennessee.

H.J. Res. 205: Mr. Bryant and Mr. Ritter.

H.J. Res. 342: Mr. Beilenson, Mr. Boner of Tennessee, Mr. Bonior of Michigan, Mr. Brown of California, Mr. Boucher, Mrs. Byron, Mr. Chappie, Mr. Coelho, Mr. Coughlin, Mr. Crockett, Mr. Daschle, Mr. Dellums, Mr. Dreier of California, Mr. Durbin, Mr. Evans of Illinois, Mr. Fields, Mr. Florio, Mr. Foley, Mr. Hansen of Idaho, Mr. Hansen of Utah, Mr. Hartnett, Mr. Kasich, Mr. Kastenmeier, Mr. Lantos, Mr. Latta, Mr. Long of Maryland, Mr. Lott, Mr. Mineta, Mr. Moakley, Mr. Murphy, Mr. Ortiz, Mr. Pepper, Mr. Perkins, Mr. Price, Mr. Pritchard, Mr. Pursell, Mr. Rahall, Mr. Ray, Mr. Ritter, Mr. Robinson, Mr. Rodino, Mr. Rudd, Ms. Snowe, Mr. Snyder, Mr. Taylor, Mr. Walgren, Mr. Williams of Ohio, Mr. Whitley, Mr. Winn, and Mr. Yatron.

H.J. Res. 485: Mr. Hefner, Mr. Pashayan, Mr. Emerson, Mr. Gingrich, and Mr. Shannon.

H.J. Res. 491: Mr. Dowdy of Mississippi, Mr. Foglietta, Mr. Howard, Mr. Levin of Michigan, Mr. Nichols, Mr. Patterson, and Mr. Whitley.

H.J. Res. 495: Mr. Horton, Mr. Britt, Mr. Torricelli, Ms. Mikulski, Mr. Kasich, Mr. Rahall, Mr. Cooper, Mr. Frost, Mr. Carney, Mr. Rangel, Mr. Rose, Mr. Olin, Mr. Goodling, and Mr. Regula.

H.J. Res. 499: Mr. Oberstar, Mr. McCurdy, Mr. Mazzoli, and Mr. Regula.

H.J. Res. 507: Mr. Fazio, Mr. Beilenson, Mr. Boner of Tennessee, Mrs. Boxer, Mr. Brown of California, Mr. Chappie, Mr. Coelho, Mr. Downey of New York, Mr. Durbin, Mr. Dellums, Mr. Foley, Mr. Gunderson, Mrs. Hall of Indiana, Mr. Hansen of Idaho, Mr. Harrison, Mr. Fauntroy, Mr. Foglietta, Mr. Hance, and Mr. Hatcher.

H.J. Res. 529: Mr. Florio, Mr. Hertel of Michigan, Mr. Price, Mr. Pepper, Mr. Conable, Mr. Yatron, Mrs. Holt, Mr. Rodino, Mr. Hansen of Idaho, Mr. Martinez, Mr. Denny Smith, Mr. Sawyer, Mr. DeWine, Mr. Ralph M. Hall, Mr. Roemer, Mr. Loeffler, Mr. Won Pat, Mr. Udall, Mr. Snyder, Mr. Fuqua, Mr. Mavroules, Mr. Wirth, Mr. Long of Louisiana, Mr. Mazzoli, and Mr. Shaw.

H.J. Res. 535: Mr. McNulty and Mr. Williams of Ohio.

H.J. Res. 555: Mr. Richardson, Mr. Fascell, Mr. Mack, Mr. Bartlett, Mr. Hoyer, Mr. Berman, Mr. Solarz, Mr. Fauntroy, Mr. Kemp, Mr. Wortley, Mr. Wirth, Mr. Won Pat, Mr. Mica, Mr. Lujan, Mr. Lungren, Mr. Moorhead, Mr. Conyers, Mr. Zschau, Mr. Dowdy of Mississippi, Mr. Erdreich, Mr. Gray, Mr. Jenkins, Mr. Kolter, Mr. McDade, Mr. Gunderson, Mr. Kostmayer, Mr. Stangeland, Mr. Stokes, Mr. Tauke, Mr. Hyde, Mr. Roemer, Mr. Weber, Mr. Rose, Mr. Siljander, Mr. Martinez, Mr. Martin of New York, Mr. Fauntroy, Mr. Livingston, Mr. Hansen of Idaho, Mr. Annunzio, Mr. Foglietta, Mrs. Burton of California, Mr. Gramm, Mr. Hefner, Mr. Hertel of Michigan, Mr. Harrison, Mr. Moody, Mr. Andrews of North Carolina, Mr. Ratchford, Mr. Applegate, Mr. Biaggi, Mr. Borski, Mr. Breaux, Mr. Swift, Mr. Broomfield, Mr. Rogers, Mr. Carr, Mr. Daschle, Mr. Sunia, Mr. Dorgan, Mr. McCain, Ms. Mikulski, Mr. Robinson, Mr. Shaw, Mr. Pashayan, Mr. Mrazek, Mr. Sisisky, Mr. Hatcher, Mr. Gore, Mr. Stratton, Mr. Tauzin, Mr. Stump, Mr. McCollum, Mr. Downey of New York, Mr. Panetta, Mr. Simon, Mrs. Byron, Mr. Loeffler, Mr. Russo, Mr. Miller of Ohio, Mr. Brown of Colorado, Mr. Sam B. Hall, Jr., Mr. McCloskey, Mr. Florio, Mr. Foley, Mr. Albosta, Mr. Savage, Mr. Whitley, Mr. Lipiniski, Mr. Gephardt, Mr. Pepper, Mr. Porter, Mr. Price, Mr. Jones of Tennessee, Mr. Young of Alaska, Mrs. Schneider, Mr. Wolf, Mrs. Boggs, and Mr. Synar.

H.J. Res. 560: Mr. Luken, Mr. Sam B. Hall, Jr., and Ms. Mikulski.

H.J. Res. 566: Mr. Roth, Mr. Luken, and Mr. Lewis of Florida.

H.J. Res. 577: Mr. Clinger, Mr. Coleman of Texas, Mr. Philip M. Crane, Mr. Gephardt, Mr. Gore, Mr. Hartnett, Mr. Kazen, Mr. Mineta, and Mr. Ridge.

H.J. Res. 581: Mr. Dicks, Mr. Kasich, Mr. Britt, Mr. Brown of California, Mr. Akaka, Mr. Applegate, Mr. Duncan, Mr. Wilson, Mr. McGrath, Mr. Daub, Mr. Ratchford, Mr. LaFalce, Mr. Smith of Florida, Mr. Rangel, Mr. Gunderson, Mr. Dymally, Mr. Fields, Mr. Young of Alaska, Mr. Harrison, Mr. Rodino, Mr. Pepper, Mr. Hefner, Mr. Hammerschmidt, Mr. Bilirakis, Mr. Hansen of Idaho, Mr. Hayes, Mr. Fish, Mr. Sisisky, Mr. Snyder, Mr. Latta, Mr. Lent, Mr. Leach of Iowa, Mr. Lundine, Mr. Hansen of Utah, Mr. Florio, Mr. Robinson, Mr. McCurdy, Mr. Hance, Mr. McCloskey, Mr. Matsui, Mr. Stangeland, Mr. Moorhead, Mr. Martin of New York, Mr. Murphy, Mr. Ritter, Mr. Hiler, Mr. Weaver, Mr. Livingston, Mr. McDade, Mr. Williams of Ohio, Mr. Winn, Mr. Won Pat, Mr. Frenzel, Mr. Natcher, Ms. Kaptur, Mr. Wortley, Mr. Evans of Illinois, Mr. Levin of Michigan, Mr. Bryant, and Mr. Rowland.

H.J. Res. 590: Mr. Mineta.

H.J. Res. 599: Mr. Addabbo, Mr. Annunzio, Mr. Berman, Mr. Dwyer of New Jersey, Mr. Edgar, Mr. Frank, Mr. Green, Mrs. Johnson, Mr. Lehman of Florida, Mr. Levin of Michigan, Mr. Lewis of California, Mr. Madigan, Mr. Moore, Mr. Pepper, Mr. Roe, Mr. Sawyer, Mr. Weaver, Mr. Williams of Ohio, and Mr. Young of Missouri.

H. Con. Res. 271: Mr. Martin of New York, Mr. Stangeland, Mr. D'Amours, Mr. Hughes, Mr. Rahall, Mr. Lowry of Washington, Mr. Dixon, Mr. Britt, Mr. Lagomarsino, Mr. Towns, Mr. Oberstar, Mr. Skelton, Mr. Dymally, Mr. Campbell, Mr. Daschle, Mr. Won Pat, Mr. Williams of Ohio, Mrs. Boggs, Mr. Bateman, Mr. Smith of Florida, Mr. Walker, and Mr. Lantos.

H. Con. Res. 293: Mr. Vento, Mr. Savage, Mr. Leland, Mr. Hayes, Mrs. Collins, Mr. Addabbo, Mr. MacKay, Mr. Rangel, Mr. Kogovsek, and Mr. Won Pat.

H. Con. Res. 302: Mr. Berman, Mr. Harrison, Mr. Hunter, and Mr. Hutto.

H. Con. Res. 312: Mr. Pashayan, Mrs. Smith of Nebraska, and Mr. Patterson.

H. Con. Res. 320: Mr. Leland, Ms. Kaptur, Mrs. Collins, Mr. Morrison of Connecticut, Mr. Rangel, Mr. Bonior of Michigan, and Mr. Mitchell.

H. Con. Res. 322: Mr. Stark, Mrs. Smith of Nebraska, Mr. Walgren, Mr. Reid, Mr. Regula, Mr. Horton, Mr. Brown of Colorado, Mr. Glickman, Mr. Clarke, Mr. Roe, and Mr. Hutto.

H. Res. 518: Mr. Young of Alaska.

PETITIONS, ETC.

Under clause 1 of rule XXII,

395. The SPEAKER presented a petition of the Baltic Nations Committee of Michigan, Inc., Oak Park, MI, relative to the occupation of the Baltic States by the Soviet Union; which was referred to the Committee on Foreign Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3678

By Mr. ACKERMAN:

(Amendments to the amendment in the nature of a substitute.)

—Page 5, line 20, after the period insert the following: "No disposal of dredged material from construction, operation, and maintenance of such features of such project shall take place at Bowery Bay, Flushing Bay, Powell's Cove, Little Bay, or Little Neck Bay, Queens, New York.".

Page 11, line 18, after the period insert the following: "No disposal of dredged material from construction, operation, and maintenance of such project shall take place at Bowery Bay, Flushing Bay, Powell's Cove, Little Bay, or Little Neck Bay, Queens, New York.".

By Mr. ENGLISH:

—Beginning on page 296, line 24, strike out all of section 1169 and insert in lieu thereof the following new section:

Sec. 1169. (a) The first sentence of the paragraph under the center heading "ARKANSAS AND RED RIVERS" in section 203 of the Flood Control Act of 1966, as amended, is amended by striking out "$46,400,000" and inserting in lieu thereof "$177,600,000".

(b) Section 201 of the Flood Control Act of 1970, as amended by section 153 of the Water Resources Development Act of 1976, is amended by striking out the last sentence under the center heading "ARKANSAS-RED RIVER BASIN" and adding the following: "No funds shall be appropriated or expended under authority granted in the Flood Control Act of 1966, as amended, for construction of chloride control projects within the Arkansas River Basin. The chloride control projects for the Red River Basin and the Arkansas River Basin shall be considered to be separate projects, with separate authority."

(c) The Secretary is authorized to conduct a restudy of the Arkansas River chloride control project to determine its economic feasibility and report the findings of such study to Congress.

—On page 164, line 2, strike out "Arkansas".

By Mr. ROE:

—(1) On the first page, line 10, after "design)" insert "from October 1982".

(Amendments to title I of the amendment in the nature of a substitute.)

—(2) Page 3, line 24, before the semicolon, insert the following: ", including such modifications as may be recommended in a plan transmitted under this paragraph".

Page 4, after the period on line 7, insert the following: "For reasons of environmental quality, not later than one year after the date of enactment of this Act, the Secretary, the United States Fish and Wildlife Service, the Administrator of the Environmental Protection Agency, and appropriate non-Federal interests shall develop, and transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate, a plan to dispose of dredged material from such project in the Brookley disposal area, referred to in such report of the Chief of Engineers, and a plan to mitigate damages to fish and wildlife from disposal of such material in the Brookley disposal area. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project unless such plans have been approved by resolution adopted by each such committee or unless the non-Federal sponsor of such project transmits, in the one-year period beginning on the date of enactment of this Act, a letter to each such committee indicating that the Secretary, the United States Fish and Wildlife Service, the Administrator of the Environmental Protection Agency, and the non-Federal interests are not able to develop such plans.".

Page 4, before the period on line 9, insert the following: "unless such plans have been approved by resolution adopted by each such committee".

Page 4, after the period on line 24, insert the following: "Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, any portion of the project (other than reaches six, seven, eight, and nine of the Common Entrance Channel) if such acquisition and actual construction have not been approved by resolution adopted by the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.".

Page 5, line 9, before the period insert ", including such modifications as may be recommended by the Secretary with respect to such project under section 103".

Page 5, line 9, strike out "Any" and all that follows through the period on line 16.

Page 5, line 20, strike out "The" and all that follows through the period on line 6 of page 6.

Page 9, line 14, strike out the comma and all that follows through the period on line 8 of page 10 and insert in lieu thereof a period.

Page 11, line 11, before the period insert ", including such modifications as may be recommended by the Secretary with respect to such project under section 103".

Page 11, line 11, strike out "Any" and all that follows through the period on line 3 of page 12.

Page 16, strike out line 9 and insert in lieu thereof the following: "Ohio (deepening and widening the east and west harbor entrances) as described in".

Page 16, line 12, strike out "$6,000,000" and insert in lieu thereof "$36,000,000".

Page 19, strike out line 10 and insert in lieu thereof the following: "Oakland Outer Harbor and Oakland Inner Harbor, California".

Page 19, after line 21, insert the following:

"The project for navigation, Oakland Inner Harbor, California, as described in the Report of the District Engineer, San Francisco District, dated April 1984, at an estimated cost of $28,000,000, including such modifications as may be recommended by the Secretary with respect to such project under section 103.".

Page 20, line 22, strike out "and" the second place it appears.

Page 20, line 24, strike out the period and insert in lieu thereof a comma and the following: "and (3) the bypass road is approved through adoption of resolutions by both the Tacoma City Council and the Tacoma Port Commission.".

Page 38, after line 6, insert the following new section:

Sec. 112. (a) It is the policy of the Congress that, in order to protect the public health and safety, use of the disposal site known as the "Mud Dump" (as defined in subsection (g)) for the disposal of any materials (other than acceptable dredged material as defined by subsection (f) of this section) shall be terminated.

(b) Not later than four years after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall designate one or more sites in accordance with the Marine Protection, Research, and Sanctuaries Act of 1972 for the disposal of dredged material which, without such designation, would be disposed of at the Mud Dump. The designated site or sites shall be located not less than 20 miles nor more than 40 miles from the shoreline. The Administrator, in determining sites for possible designation under this subsection, shall consult with the Secretary and appropriate Federal, State, interstate, and local agencies.

(c) Beginning on the 30th day following the date on which the Administrator of the Environmental Protection Agency makes the designation required by subsection (b), any ocean disposal of dredged material (other than acceptable dredged material) by any person or governmental entity authorized pursuant to the Marine Protection, Research, and Sanctuaries Act of 1972 to dispose of dredged material at the Mud Dump on or before the date of such designation shall take place at the newly designated ocean disposal site or sites under subsection (b) in lieu of the Mud Dump.

(d) Not later than one year after the date of enactment of this Act and annually thereafter until the designation of one or more sites under subsection (b), the Administrator of the Environmental Protection Agency shall submit a report to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate describing the status of such designation.

(e) Notwithstanding any other provision of law, including any regulation, the Secretary shall ensure that, not later than the 30th day following the date on which the Administrator of the Environmental Protection Agency makes the designation required by subsection (b), all existing and future Department of the Army permits and authorizations for disposal of dredged material at the Mud Dump shall be modified, revoked, and issued (as appropriate) to ensure that only acceptable dredged material will be disposed of at such site and that all other dredged material determined to be suitable for ocean disposal will be disposed of at the site or sites designated pursuant to subsection (a) of this section.

(f) For purposes of this section, the term "acceptable dredged material" means rock, beach quality sand, material excluded from testing under the ocean dumping regulations promulgated by the Administrator of the Environmental Protection Agency pursuant to the Marine Protection, Research, and Sanctuaries Act of 1972, and any other dredged material (including that from new work) determined by the Secretary, in consultation with the Administrator, to be substantially free of pollutants.

(g) For purposes of this section, the term "Mud Dump" means the area located approximately 5¾ miles east of Sandy Hook, New Jersey, with boundary coordinates of 40 degrees 23 minutes 48 seconds N, 73 degrees 51 minutes 28 seconds W; 40 degrees 21 minutes 48 seconds N, 73 degrees 50 minutes 00 seconds W; 40 degrees 21 minutes 48 seconds N, 73 degrees 51 minutes 28 seconds W; and 40 degrees 23 minutes 48 seconds N, 73 degrees 50 minutes 00 seconds W.

Sec. 113. (a) The Secretary is authorized to make grants to any non-Federal interest operating a project for a port for provision of emergency response services in such port (including the provision of necessary personnel training and the procurement of equipment and facilities either by the non-Federal interest, by a local agency or municipality, or by a combination of local agencies or municipalities on a cost-reimbursable basis, either by a cooperative agreement, mutual aid plan, or mutual assistance plan entered into between one or more non-Federal interests, public agencies, or local municipalities).

(b) There is authorized to be appropriated from the Port Infrastructure Development and Improvement Trust Fund for fiscal years beginning after September 30, 1984, such sums as may be necessary to carry out subsection (a) of this section.

Sec. 114. (a) For reasons of navigation safety, the Secretary is authorized to make a grant to the non-Federal interest operating Morro Bay Harbor, California, for construction of a new port office at such harbor.

(b) There is authorized to be appropriated from the Port Infrastructure Development and Improvement Trust Fund for fiscal years beginning after September 30, 1984, such sums as may be necessary to carry out subsection (a) of this section.

Page 38, line 7, strike out "Sec. 112." and insert in lieu thereof "Sec. 115.".

Page 39, line 10, strike out "Sec. 113." and insert in lieu thereof "Sec. 116.".

(Amendment to title II of the amendment in the nature of a substitute.)

—(3) Page 43, line 9, insert after "Ross Island" the following: ", and such other sites as the Secretary considers appropriate,".

(Amendments to title III of the amendment in the nature of a substitute)

—(4) Page 50, line 3, before the comma insert "and St. Johns Creek".

Page 50, after the period on line 7, insert the following: "The improvements for Johns Creek and tributaries shall be included as a separate part of the project and shall be constructed by the United States Department of Agriculture Soil Conservation Service, at an estimated cost of $19,500,000 in accordance with the recommendations of the State Conservationist as contained in the report, Nonconnah Creek, and Tributaries, Tennessee and Mississippi, dated September 1981. Subsection (f) of this section shall not apply to such improvements.".

Page 56, line 11, strike out "$7,020,000." and insert in lieu thereof the following: "$32,020,000, including construction of the portion of the Saw Mill run Relief sewer in the city in Pittsburgh, Pennsylvania, beginning at the northern boundary of Woodruff Street and ending at the point where Saw Mill Run Creek crosses the southern boundary of such city.".

Page 58, line 25, before the period insert the following: "and except that lands acquired by the State of Missouri after January 1, 1982, for mitigation of damage to fish and wildlife within the Ten Mile Pond mitigation area shall be counted as part of the total quantity of mitigation lands required for the project and shall be maintained by such State for such purpose".

Page 58, after line 25, insert the following:

STE. GENEVIEVE, MISSOURI

The project for flood control, Ste. Genevieve, Missouri, as described in the feasibility report of the District Engineer, St. Louis district, dated March 1984, at an estimated cost of $31,350,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section.

Page 59, line 5, after "include" insert the following: ", at an estimated additional cost of $700,000,".

Page 62, line 25, after "River" insert the following: "and by the Mid Fork Pumping Station constructed by non-Federal interests on the Middle Fork of the North Branch of the Chicago River".

Page 63, line 3, after "reservoirs" insert "and pumping station".

Page 63, lines 5 and 6, after "Indiana" insert the following: "(designated as Plan 3A)".

Page 72, after the period on line 15, insert the following: "The Secretary shall study (1) the feasibility and environmental impact of including conservation storage at the end of the winter storm season at Prado Dam as a project purpose, (2) the effects of such storage on recreation and leasehold interests at Prado Reservoir and on riparian rights downstream of such dam, and (3) any water supply benefits associated with such storage. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study.".

Page 73, after the period on line 3, insert the following: "Any relocation of the Talbert Valley Channel undertaken in connection with the project shall be constructed with a channel capacity sufficient to accommodate a 100-year flood.".

Page 79, line 3, strike out "$20,000,000 and inserting in lieu thereof "$40,000,000".

Page 79, after line 9, insert the following:

(j) The Secretary is authorized to undertake the following elements of the overall project for flood damage protection and allied purposes in the Passaic River Basin, New Jersey and New York, as described in the report of the Chief of Engineers, dated February 18, 1976, with such modifications as the Chief of Engineers deems advisable, which modifications shall include, but are not limited to, plans being developed by the District Engineer:

(1) Molly Ann's Brook Subbasin, New Jersey, at an estimated cost of $6,600,000;

(2) Lower Saddle River Basin, New Jersey, at an estimated cost of $55,000,000;

(3) plan 6B of the Ramapo River at Oakland, Pompton Lakes and Wayne, New Jersey at a cost of $8,500,000;

(4) Upper Rockaway River Basin, New Jersey, at an estimated cost of $25,000,000;

(5) Nakoma Brook Sloatsburg, New York, at an estimated cost of $4,500,000;

(6) Ramapo and Mahwah Rivers at Mahwah, New Jersey, and Suffern, New York, at an estimated cost of $5,900,000; and

(7) the project for flood protection in the Third River, Passaic Basin, New Jersey, at an estimated cost of $12,000,000.

The provisions of section 302 of this title shall apply to such projects.

(k)(1) The Secretary is authorized to design and contruct flood control works for the protection of Meredosia, Illinois, at an estimated cost of $80,000. Such project shall include, but not be limited to, a levee which is approximately one-fifth of a mile long. The provisions of section 302 of this title shall apply to such project.

(2) For purposes of analyzing the costs and benefits of any project recommended by the Secretary as a result of any study on the Illinois River, authorized by resolution of the Committee on Environment and Public Works of the Senate or the Committee on Public Works and Transportation of the House of Representatives, the Secretary shall take into account the costs and benefits of any measures undertaken by the Secretary pursuant to paragraph (1) in the interest of preventing flood damages along the Illinois River in the vicinity of Meredosia, Illinois.

(l) The Secretary is authorized to undertake a project for flood control works along Mission Zanja Creek within the city of Redlands, California, in accordance with the plan developed by the District Engineer based on studies pursuant to section 205 of the Flood Control Act of 1948, at an estimated cost of $13,209,000. The provisions of section 302 of this title shall apply to such project.

(m)(1) The Secretary is authorized and directed to study the nature and scope of flood problems resulting from Rio Puerto Nuevo, Puerto Rico. Such study shall take into account the objectives described in section 1101 of this Act and the benefits and costs attributable to any project considered to minimize such flood problems. Not later than 18 months after date of the enactment of this Act, the Secretary shall submit to Congress a report on the results of such study including recommendations on measures necessary to minimize such flood problems.

(2) The Secretary is authorized and directed to undertake, on an emergency basis, such structural and nonstructural measures as the Secretary deems necessary to prevent flood damage in the city of San Juan, Puerto Rico, from Rio Puerto Nuevo, Puerto Rico, at an estimated cost of $25,000,000.

(n) The Secretary is authorized to undertake such measures, including silt removal and channel modification, in the vicinity of the confluence of the Salt and Eel Rivers, California, as the Secretary determines necessary to prevent recurring floods along the Eel River and its tributaries, at an estimated cost of $800,000. The provisions of section 302 of this title shall apply to such project.

(o) The Secretary is authorized and directed to undertake such structural and nonstructural measures as the Secretary determines necessary to prevent flood damage resulting from rising lake levels at Malhauer and Harney Lakes, Oregon, at an estimated cost of $15,000,000. The provisions of section 302 of this title shall apply to such project.

(p) The Secretary is authorized to construct the project for flood control, O'Hare System of the Chicagoland Underflow Plan, Illinois, substantially in accordance with the Draft Report of the District Engineer, Chicago District, dated April 1984, at an estimated cost of $17,200,000, except that the capacity of the flood control reservoir shall be at least 1,050 acre-feet in order to provide optimum storage capacity for flood control purposes.

(q)(1) The Secretary shall undertake such measures as he deems necessary to correct flooding problems in the south end of Louisville, Kentucky, within an area bounded by New Cut Road west to the city limits and Palatka Road south to the city limits at an estimated cost of $1,200,000. The provisions of section 302 of this title shall apply to such project.

(2) The Secretary is authorized to provide technical assistance to the city of Louisville, Kentucky, to assist such city in the correction of flooding caused by drainage problems in such city.

(r) The Secretary is authorized to construct a project for flood control for Poplar Brook, New Jersey, including reconstruction of the brook through the Borough of Deal, New Jersey, to accommodate the runoff from a storm having an average frequency of occurence of once every 15 years, replacement of the culvert through the Conrail railroad embankment with a new culvert designed to pass a maximum flow equivalent to the peak flow from a storm having an average frequency of occurence of once every 15 years, use of the area upstream of the embankment as an on-stream detention basin, and Gabion or other lining as determined appropriate by the Secretary, at an estimated cost of $2,300,000. The provisions of section 302 of this title shall apply to such project.

(s)(1) The Secretary is authorized and directed, at an estimated cost of $81,225,000, to design and construct for the purpose of providing flood control for the Pearl River Basin in Mississippi, including, but not limited to, Carthage, Jackson, Monticello, and Columbia, Mississippi—

(A) a flood retarding dam on the Pearl River, upstream of the Ross Barnett Dam, in the vicinity of Shoccoe, Mississippi;

(B) a combination roadway crossing of the Pearl River and floodwater detention and storage facility in east central Leake County, Mississippi;

(C) a levee system in the south part of Carthage, Mississippi, which will upgrade, extend, and improve the protective levee system on the south side of Highway 16 in Leake County and the city of Carthage;

(D) appropriate drainage structure and bridge modifications to expand and improve the stormwater conduits under Mississippi Highway 35, south of Carthage, Mississippi, for the purpose of reducing backwater influence for areas upstream of such highway;

(E) upstream reservoirs on the Pearl River;

(F) such other structures as may be necessary to alleviate unforeseen flooding in the Leake County area as a result of the construction of the Shoccoe Dry Dam; and

(G) channel improvements on the upstream Pearl River.

(2) Prior to initiation of construction of the projects authorized by paragraph (1), non-Federal interests shall agree (A) to hold and save the United States free from damages due to the construction and operation of such projects, and (B) to operate and maintain such projects in accordance with regulations prescribed by the Secretary. The provisions of section 302 of this title shall apply to such projects.

Page 79, line 10, strike out "(j)" and insert in lieu thereof "(l)".

Page 79, line 23, strike out "For" and all that follows through the period on line 2 of page 80.

Page 81, line 23, after the period insert the following: "Payments under the preceding sentence shall not be subject to the limitation contained in the last sentence of section 215(a) of the Flood Control Act of 1968.".

Page 84, line 2, after the period insert the following: "Any local flood protection work included as part of the non-Federal contribution of a project for flood control under this paragraph shall not be subject to the limitation contained in the last sentence of section 215(a) of the Flood Control Act of 1968.".

Page 84, after line 6, insert the following:

SEC. 301. Section 2 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved December 22, 1944 (58 Stat. 889; 33 U.S.C. 701a-1), is amended by inserting after "drainage improvements" the following: "and flood prevention improvements for protection from groundwater-induced damages".

(Amendments to title IV of the amendment in the nature of a substitute.)

—(5) Page 88, line 3, after "project" insert the following: "(other than the portion of the project consisting of Smathers Beach)".

Page 88, line 17 after "project" insert the following: "(other than the portion of the project consisting of Smathers Beach)".

Page 88, after the period on line 19, insert the following: "The portion of the project consisting of Smathers Beach shall include any measures which the Secretary determines, in consultation with the United States Fish and Wildlife Service, the Environmental Protection Agency, and the National Marine Fisheries Service, are appropriate to minimize adverse effects from carrying out such portion on the seagrass community.".

Page 88, after line 23, inserting the following:

Casino Beach, Chicago, Illinois

The project for shoreline protection, Interim II, Casino Beach, Chicago, Illinois: Report of the Board of Engineers for Rivers and Harbors, dated December 1, 1983, at an estimated cost of $4,155,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section.

ILLINOIS BEACH STATE PARK, ILLINOIS

The project for shoreline protection, Illinois Beach State Park, Illinois described as alternative 3A in Interim Report 1, Illinois-Wisconsin Stateline to Waukegan of the District Engineer, Chicago District, dated June 1982, at an estimated cost of $11,890,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section.

Page 91, after line 12, insert the following:

(e) The Secretary is authorized to carry out the project for shore protection at Coconut Point, Tutuila Island, American Samoa, including a 3,600-foot long rock revetment to protect communal lands and public facilities, at an estimated cost of $1,500,000.

(f) The Secretary is authorized to construct a project for shoreline protection in flood control at Union Beach, Monmouth County, New Jersey, at an estimated cost of $1,500,000. Such project shall consist of (1) a seawall or bulkhead from Flat Creek extending north along the shoreline approximately 4,000 feet and at an elevation of 10 feet above mean sea level, (2) a stone groin at the north terminus of the bulkhead for the purpose of beach protection, and (3) installation of beach fill along the shoreline extending 1,000 feet north of the stone groin to an elevation of 10 feet above mean sea level and periodic nourishment of such beach. The non-Federal share of the project authorized for this subsection shall be 50 per centum.

Page 91, line 13, strike out "(e)" and insert in lieu thereof "(g)".

(Amendments to title V of the amendment in the nature of a substitute.)

—(6) Page 95, line 13, strike out "$32,036,000" and insert in lieu thereof "$34,300,000".

Page 97, line 23, before the period, insert "and the potential of such disposal areas for recreational development".

Page 98, line 7, before the period, insert "and recommendations for a recreational master plan".

Page 99, line 2, after the period insert the following: "A portion of such 40,000 acres which the Secretary, in consultation with the United States Fish and Wildlife Service and the Governors of the States of Mississippi and Arkansas, may determine may be acquired from willing sellers in the State of Arkansas.".

Page 101, after line 9, insert the following:

Red River Waterway, Louisiana

The project for mitigation of fish and wildlife losses, Red River Waterway, Louisiana: Report of the Board of Engineers for Rivers and Harbors, dated March 21, 1984, at an estimated cost of $10,495,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section.

Page 103, line 25, strike out "Board" and all that follows through "1982," on line 2 of page 104, and insert in lieu thereof "Chief of Engineers, dated April 24, 1984,".

Page 104, line 2, strike out ", including" and all that follows through the period on line 5 and insert in lieu thereof a period.

Page 107, line 25, strike out the period and insert in lieu thereof the following: ", except that the non-Federal share of any portion of the costs of mitigation of fish and wildlife losses attributable to water supply features of the project shall be repaid in accordance with the Water Supply Act of 1958 and the non-Federal share of any portion of the costs of mitigation of fish and wildlife losses attributable to recreation features of the project shall be repaid in accordance with the Federal Water Project Recreation Act.".

Page 108, after line 17, insert the following:

Wailua Falls, Wailua River, Kauai, Hawaii

The project for hydroelectric power generation at Wailua Falls, Wailua River, Kauai, Hawaii: Report of the Board of Engineers for Rivers and Harbors, dated July 18, 1983, at an estimated cost of $11,243,000.

Page 109, strike out lines 8 through 13 and insert in lieu thereof the following:

The project for bank stabilization, Bethel, Alaska: Report of the Chief of Engineers, dated July 30, 1983, at an estimated cost of $13,800,000, including such modifications as may be necessary to accommodate related work undertaken and carried out by non-Federal interests.

Page 110, lines 20 and 21, strike out "subsection (a)" and insert in lieu thereof "this title".

Page 115, lines 5 and 6, strike out "at an estimated cost of $35,800,000" and insert in lieu thereof "except that such project shall also include construction of a fisherman walkway on top of a jetty as described in the report of the Chief of Engineers dated January 20, 1983, at an estimated total cost of $57,200,000".

Page 117, line 15, strike out "and" the second place it appears.

Page 117, line 16, strike out the period and insert in lieu thereof "; and".

Page 117, after line 16, insert the following:

(3) the Kanawha River in the vicinity of St. Albans, West Virginia.

Page 118, lines 5 and 6, strike out "and Pequannock" and insert in lieu thereof ", Pompton, Pequannock, and Ramapo".

Page 118, strike out lines 7 through 9, and insert in lieu thereof the following: "on the Passaic River upstream to the confluence of the Pompton River at Two Bridges, upstream along the Pompton River to and including the Pompton Feeder on the Pequannock and Ramapo Rivers, and upstream along the Ramapo River to the Pompton Lakes Dam, and along".

Page 118, line 9, after "River" insert "and Ramapo River".

Page 118, line 9, strike out "Plains Feeder Dam" and insert in lieu thereof "Lake Dam on the Ramapo River".

Page 123, line 3, strike out "the southern portion of Sauk Lake" and insert in lieu thereof the following: "Sauk Lake and its tributary streams".

Page 123, line 5, strike out "$1,400,000" and insert in lieu thereof "$2,000,000".

Page 123, after line 11, insert the following:

Sec. 520. The Secretary shall repair and rehabilitate the Muck Levee, Salt Creek, Logan County, Illinois, at an estimated cost of $12,000,000.

Sec. 521. (a) The Secretary shall, after consultation with the Passaic River Restoration Steering Committee, carry out a demonstration project for bank stabilization and development, operation, and maintenance of a recreation and greenbelt area on public properties on, and along the east bank of the Passaic River, New Jersey, from Dundee Dam to Kearney point. Such project shall include, but not be limited to—

(1) the construction, operation, and maintenance of recreational facilities (including, but not limited to, a multipurpose pathway described in the Passaic River Restoration Master Plan) and streambank stabilization structures;

(2) terraforming; and

(3) such tree plantings, vegetation and wildlife protection and development, and other activities as will enhance the natural environment for recreational purposes.

(b) The construction and maintenance of structures and plant and husbandry activities referred to in subsection (a) of this section shall be conditioned upon the ownership by the public of the land or interest therein necessary for such purposes. The operation and maintenance of such structures and activities shall be undertaken by the counties or cities owning the lands on which such structures are to be located or on which such activities are to be carried out.

(c) In carrying out the project described in subsection (a) of this section, the Secretary may acquire by purchase, donation, exchange, or otherwise, lands and interests therein as the Secretary and the Passaic River Restoration Steering Committee determine are necessary to carry out such project. No lands or interests therein may be acquired by the United States or any State or local government to carry out such project without the consent of the owner, and nothing herein shall constitute an additional restriction on the use of any lands or interests therein which is not owned by the United States or a State or local government.

(d) Notwithstanding any other provision of law, the Federal share of the project to be carried out pursuant to this section shall be 100 percent of the cost of the project. There is authorized to be appropriated to carry out this section $10,000,000 for fiscal years beginning after September 30, 1984.

Sec. 522. The Secretary is authorized and directed to undertake a project for bank erosion control on the Rillito River in the vicinity of Tucson, Arizona, for the purpose of providing protection against the level of flooding that occurred in October 1983, at an estimated cost of $41,900,000.

Sec. 523. The Secretary is authorized to undertake such measures as the Secretary determines necessary to reduce or prevent erosion of bluffs along Pebble Beach Drive, Crescent City, California, at an estimated cost of $2,000,000.

Sec. 524. The Secretary is authorized and directed to provide protection against stream bank erosion on the Little River in the vicinity of the Highway 41 bridge, Horatio, Arkansas, at an estimated cost of $500,000.

Sec. 525. The Secretary is authorized to take such measures as may be necessary to maintain a harbor of refuge in Swan Creek, Newport, Michigan. Non-Federal interests shall provide a public wharf and such other facilities as may be necessary for a harbor of refuge which shall be open to all on equal terms and such other requirements as the Secretary deems necessary.

Sec. 526. (a) The Secretary is authorized to construct such bank stabilization measures as the Secretary determines necessary for flood damage prevention and erosion control along approximately 3,000 feet of Caney Creek in the vicinity of Jackson, Mississippi, between McDowell Road and Raymond Road, at an estimated cost of $1,250,000.

(b) The Secretary shall complete his study of flood and soil erosion problems along Caney Creek and its tributaries in the vicinity of Jackson, Mississippi. For purposes of analyzing cost and benefits of any project recommended by the Secretary as a result of such study, the Secretary shall take into account the cost and benefits of measures undertaken pursuant to subsection (a).

Sec. 527. The Secretary shall undertake a demonstration project for the removal of silt and stumps from, and the control of pollution from nonpoint sources in, Deal Lake, Monmouth County, New Jersey, at an estimated cost of $8,000,000. Upon completion of the demonstration project, the Secretary shall submit a report of such project, along with recommendations for further measures to improve the water quality of Deal Lake, to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works in the Senate.

Sec. 528. Notwithstanding any other provision of law, the Secretary shall transfer to New Hanover County, North Carolina, its successors or assigns, without consideration, all right, title, and interest of the United States to a surplus dredging vessel (known as the "Hyde hopper dredge") in Wilmington, North Carolina, if such county agrees in writing to utilize such vessel only for the purpose of establishing an artificial fish habitat at no cost to the United States.

Sec. 529. The Secretary is authorized to lease, at a fair market rental rate, approximately 109 acres in tracts I-908 and I-909 in Wilson County, Tennessee, acquired by the United States for the Old Hickory Lock and Reservoir project, Tennessee, to the Wilson County Youth Ranch, a nonprofit organization in Wilson County, Tennessee, for use in providing residential and other facilities for orphans.

Sec. 530. (a) The Secretary is authorized and directed to establish and conduct for a period of five years at multiple sites on the Platte River and its tributaries in Nebraska a demonstration program consisting of projects for flood control and streambank erosion prevention. The program shall have as its objectives the protection of property, environmental enhancement, and social well-being.

(b) Flood control projects carried out under this section shall include projects for the construction, operation, and maintenance of flood damage reduction measures, including but not limited to bank protection and stabilization works, embankments, clearing, snagging, dredging, and all other appropriate flood control measures, and shall also include recreational facilities deemed appropriate by the Secretary. Such projects shall be carried out substantially in accordance with the plan of action of the Chief of Engineers dated February 6, 1984, and with the Platte River and Tributaries, Nebraska, Study of 1978 and the Platte River Basin, Nebraska, Level B Study of 1976.

(c) In carrying out any streambank erosion prevention project under this section, the Secretary shall—

(1) identify streambank erosion measures likely to provide the highest degree of protection technically and economically feasible for both high and low flow conditions;

(2) conduct necessary research on the interaction of erodible boundaries with flowing water in order to more accurately predict the behavior and optimum design of protective works;

(3) define and test optimum designs of bed slope and grade control structures for a wide range of soil and flow conditions;

(4) develop, field test, and evaluate new erosion protection products or methods, including but not limited to earth or rock-filled grids, reinforced earth bulkheads, stabilized mattings for vegetation seeding, patterned schemes using manufactured blocks in loose, matted, or interconnected configurations, and any other appropriate techniques recommended under section 32 of the Water Resources Development Act of 1974;

(5) develop and evaluate engineering techniques to control overbank drainage; and

(6) identify and quantify economic losses occurring along the Platte River and its tributaries due to streambank erosion.

(d) For each demonstration project under this section, the Secretary shall evaluate the environmental impacts of such project with respect to both riverine and adjacent land-use values, with the view of enhancing wildlife and wildlife habitat as a major purpose coequal with all other purposes and objectives, and with the view of minimizing environmental losses.

(e) Demonstration projects authorized by this section shall be undertaken to reflect a variety of geographical and environmental conditions, including naturally occurring erosion problems and erosion caused or incurred by man-made structures or activities. At a minimum, demonstration projects shall be conducted at sites on—

(1) that reach of the Platte River between Hershey, Nebraska, and the boundary between Lincoln and Dawson Counties, Nebraska; and

(2) that reach of the Platte River from the boundary between Colfax and Dodge Counties, Nebraska, to its confluence with the Missouri River and that portion of the Elkhorn River from the boundary between Antelope and Madison Counties, Nebraska, to its confluence with the Platte River.

(f) The Secretary shall condition the construction, operation, and maintenance of any project under this section upon the availability to the United States of such land and interests in land as he deems necessary to carry out such project and to protect and enhance the river in accordance with the purposes of this section. Lands and interests in land or any project under this section shall not be acquired without the consent of the owner, except that not to exceed five percent of the lands acquired for such a project may be acquired in less than fee title without the consent of the owner if determined necessary by the Secretary because of flooding or streambank erosion problems causing or threatening to cause serious damage in the Platte River Basin.

(g) The Secretary shall establish a Platte River Advisory Group consisting of representatives of the State of Nebraska and political subdivisions thereof, affected Federal agencies, and such private organizations as the Secretary deems desirable. Projects under this section shall be carried out in coordination and consultation with such Advisory Group.

(h)(1) Except as provided in paragraph (2), projects carried out under this section shall be at full Federal expense.

(2) Prior to construction of any project under this section, non-Federal interests shall agree that they will provide without cost to the United States lands, easements, and rights-of-way necessary for construction, operation, and maintenance of such project; hold and save the United States free from damages due to construction, operation, and maintenance of such project; and share equally in the costs required to operate and maintain such project.

(i) There is authorized to be appropriated for fiscal years beginning after September 30, 1984, not to exceed $25,000,000 to carry out this section.

(j) The Secretary shall report to Congress each year of the demonstration program under this section on work undertaken pursuant to such program.

(k) The Congress finds that the benefits for national economic development, regional development, social well-being, and environmental quality exceed the costs of the projects authorized by this section.

Sec. 531. (a) The Secretary, in consultation with the Soil Conservation Service of the Department of Agriculture, the United States Geological Survey and the Office of Surface Mining of the Department of the Interior, the State of Ohio, and other appropriate Federal and non-Federal agencies, shall study the flooding problems in the Wheeling Creek Watershed, Ohio, and measures to prevent or reduce such flooding, including control of erosion of coal mine areas to reduce deposition of sediments in Wheeling Creek, removal of sediment deposits in Wheeling Creek, and other measures deemed appropriate by the Secretary. Not later than two years after the date of enactment of this Act, the Secretary shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study together with recommendations taking into consideration the objectives set forth in section 1101 of this Act.

(b) The Secretary is authorized to undertake interim emergency flood control measures, including the removal of sediment deposits from Wheeling Creek and other measures deemed appropriate by the Secretary, to reduce flood damage in the vicinity of Goosetown, Wolfhurst, Barton, Crescent, Maynard, Blainsville, Fairpointe, Crabapple, and Lafferty, Ohio. For purposes of analyzing the costs and benefits of any project recommended by the Secretary as a result of the study authorized by subsection (a) of this section, the Secretary shall take into account the costs and benefits of measures undertaken pursuant to this subsection.

(c) There is authorized to be appropriated to carry out the provisions of subsection (b) of this section not to exceed $7,000,000.

Sec. 532. The Secretary shall maintain the navigation project for Wilson Harbor, Wilson, New York, to its authorized dimensions.

Sec. 533. The Secretary shall maintain the navigation project for Oak Orchard Harbor, Carlton, New York, to its authorized dimensions.

Sec. 534. The Secretary is authorized to construct a project for flood protection along Five Mile Creek, Dallas, Texas, including dredging of a channel at the lower end of such creek and developing a retention structure at the upper end of such creek, at an estimated cost of $7,100,000.

(Amendments to title VI of the amendment in the nature of a substitute.)

—(7) Page 126, line 17, strike out the period and insert in lieu thereof the following: ", one of such projects shall be the construction of a reef for fish habitat in the Atlantic Ocean in the vicinity of Fort Lauderdale, Flordia, and one of such projects shall be the construction of a reef for fish habitat in Lake Ontario in the vicinity of the town of Newfane, New York.".

Page 133, after line 16, insert the following:

Sec. 620. The Secretary is authorized to undertake a study of the feasibility of opening a channel between Jamaica Bay and Reynolds Channel, Long Island, New York, for the purpose of water quality improvement. The Secretary shall report the results of such study to Congress not later than one year after the date of enactment of this Act.

Sec. 621. The Secretary shall study land acquisition policies applicable to water resources projects carried out by the Secretary, including, among other things, an analysis of the acquisition policies of mineral rights in connection with such projects. Such study shall also include a complete detailed report on (1) the acquisition policies and procedures utilized by the Secretary in the acquisition of mineral rights at the water resources project for Lake Sommerville, Texas, authorized by the Flood Control Act of June 28, 1938, and (2) the acquisition policies and procedures followed in permitting reservoir lands to be used for mineral exploration and development subsequent to construction of such project. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study along with such recommendations as the Secretary may have for modifications of such land acquisition policies.

Sec. 622. No Federal agency shall study or participate in the study of any regional or river basin plan or any plan for any Federal water and related land resource project which has as its objective the transfer of water from the Columbia River Basin, or the Arkansas River Basin, to any other region or any other major river basin of the United States.

Sec. 623. The Secretary shall immediately investigate erosion problems on the southern bank of the Black Warrior-Tombigbee River from river mile 253 to river mile 255. Not later than six months after the date of enactment of this Act, the Secretary shall report to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate on the results of such investigation along with recommendations for measures to alleviate such erosion problems.

Sec. 624. The Secretary is authorized to conduct a study of the feasibility of developing measures to control storm water runoff on a watershed basis. Such study shall include, among other things, a review of existing drainage codes, State statutes, and Federal programs relating to prevention of drainage soil erosion and flooding. Not later than two years after the date of enactment of this Act, the Secretary shall submit a report to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate on the results of such investigation along with recommendations concerning development of such measures.

Sec. 625. The Secretary, in consultation with the Administrator of the Environmental Protection Agency is authorized to conduct a study of the feasibility of reallocating water quality storage space in the Blue Marsh Reservoir, Pennsylvania, in order to provide needed industrial and municipal water supply for the eastern Pennsylvania region. Such study shall include, among other things, an analysis of the use of such reservoir for water quality purposes, the extent to which the Environmental Protection Agency or the State of Pennsylvania has planned for the use of such reservoir for water quality purposes in areawide waste treatment planning, and the need for the use of the reservoir for water quality and water supply purposes. Not later than one year after the date of enactment of this Act, the Secretary shall submit a report to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate on the results of such study along with recommendations.

Sec. 626. The Secretary is authorized and directed to conduct a study (1) to analyze the differences among Corps districts and Corps divisions regarding boundary delineation and fencing practices, (2) to analyze the cost of fencing activities and the relationship of such cost to the benefits derived from such activities, and (3) to analyze the need for providing, to the greatest extent practicable and consistent with authorized project purposes, access of the project area to the general public for recreational purposes. The Secretary shall submit a report on the results of such study to Congress not later than one year after the date of the enactment of this Act.

(Amendments to title VII of the amendment in the nature of a substitute.)

—(8) Page 138, strike out line 20 and all that follows through line 5 on page 139 and insert in lieu thereof the following:

Sec. 712. (a) The navigation project for Santa Cruz Harbor, Santa Cruz, California, authorized in section 101 of the River and Harbor Act of 1958 (Public Law 85-500) is hereby modified to provide that the United States shall reimburse the non-Federal interests for 80 percent of the cost of acquiring and installing the sand bypassing facility authorized as part of such project, at an estimated cost of $36,000,000, and that none of the costs of operating and maintaining such facility or of any maintenance dredging in such harbor shall be paid by the United States. Such project is also modified to authorize the Secretary to seal the East jetty of such harbor to prevent sand from passing through.

(b) The Secretary shall study the long-term solutions to the shoaling problems in Santa Cruz Harbor and shall report the results of such study, along with recommendations, to the Congress upon completion of such study. There is authorized to be appropriated $600,000 for fiscal years beginning after September 30, 1984, to carry out this subsection.

Page 139, lines 1 and 2, after "authorize" insert the following: "and direct the Secretary to perform such dredging as may be necessary, but not less than four times a year, to maintain the project and to authorize".

Page 139, line 5, after the period insert the following: "The Secretary shall perform a comprehensive study to evaluate and make recommendations with respect to long-term solutions to the shoaling problems in the harbor and shall report the results of such study to Congress not later than two years after the date of enactment of this Act. There is authorized to be appropriated $750,000 to carry out such study.".

Page 152, after the period on line 17, insert the following: "The Secretary is authorized to reimburse any non-Federal interest for any remedial measure (1) carried out by such interest, after January 1, 1983, and before the date of enactment of this Act, to assure structural integrity and flood control capacity of the Trilby Wash Detention Basin (McMicken Dam) at a level of flood protection equal to the level of flood protection provided by such dam before January 1, 1977, and (2) approved by the Dam Safety Agency of the State of Arizona.".

Page 158, line 2, strike out "75,000" and all that follows through the period on line 7 of page 158 and insert in lieu thereof the following: "50,000 acre-feet with the Greater Texoma Utility Authority and 100,000 acre-feet with the North Texas Municipal Water District.".

Page 158, line 10, after the period, insert the following: "No payment shall be required from and no interest shall be charged to users in the States of Oklahoma or Texas for the reallocation authorized by this section until such time as the water supply storage reserved under such reallocation is actually first used. Any contract entered into for the use of the water received under this section shall require the contracting entity to begin principal and interest payments on that portion of the water allocated under the contract at the time the entity begins the use of such water. Until such time, storage for which reallocation is authorized in this section may be used for hydropower production.".

Page 158, line 25, strike out "to ensure" and all that follows through the comma on line 2 of page 159 and insert in lieu thereof the following: "to construct a high-lift span bridge in the vicinity of the Coast Guard station, approximately 3,600 feet north of South Michigan Avenue, over the ship channel, at full Federal expense.".

Page 163, after line 21, insert the following:

Sec. 762. (a) The Hansen Dam project authorized as part of the flood control project for the Los Angeles and San Gabriel Rivers, California, by section 5 of the Flood Control Act approved June 2, 1936 (49 Stat. 1589), is hereby modified to authorize the Secretary to contract for the removal and sale of dredged material from the flood control basin for Hansen Dam, Los Angeles County, California, for the purposes of facilitating flood control, recreation, and water conservation. All funds received by the Secretary from the sale of such dredged material shall be deposited in the general fund of the Treasury.

(b) There is authorized to be appropriated for fiscal years beginning after September 30, 1984, an amount not to exceed the amount of funds received by the Secretary from the sale of dredged material under subsection (a). Amounts appropriated under this subsection shall be available to the Secretary—

(1) to construct, operate, and maintain recreational facilities at the Hansen Dam project; and

(2) to the extent consistent with other authorized project purposes, to facilitate water conservation and ground water recharge measures at the Hansen Dam project in coordination with the city of Los Angeles, California, and the Los Angeles County Flood Control District;

at full Federal expense.

Sec. 763. The project for navigation, Newport News Creek, Virginia, authorized by the River and Harbor Act of 1946, is hereby modified to authorize the relocation and reconstruction by the State of Virginia of the project upon approval of plans for such relocation and reconstruction by the Secretary.

Sec. 764. The project for flood protection, Turtle Creek, Pennsylvania, authorized by the Flood Control Act of 1958, is hereby modified to authorize and direct the Secretary to repair and restore such project so that such project serves its project purposes. Such repairs and restoration shall not be commenced until each non-Federal interest has entered into a written agreement with the Secretary to furnish its required cooperation for such repairs and restoration in accordance with the project agreement and to comply with section 221 of the Flood Control Act of 1970 and the non-Federal share requirements of section 302 of this Act.

Sec. 765. The project for navigation, Dunkirk Harbor, New York, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution of the Committee on Public Works of the House of Representatives, dated December 15, 1970, and resolution of the Committee on Public Works of the Senate, dated June 22, 1971, is modified to authorize the Secretary to include dredging and maintenance of the eastern inner harbor of such project in accordance with such plans as the Secretary, in consultation with appropriate non-Federal interests, may develop, at an estimated cost of $2,300,000.

Sec. 766. The project for navigation at Houston Ship Channel (Bayport Ship Channel), Texas, authorized by section 101 of the River and Harbor Act of 1958 (72 Stat. 298), is modified to authorize and direct the Secretary to perform such dredging operations as are necessary to maintain a 40-foot project depth in the Bayport Ship Channel.

Sec. 767. (a) The project for navigation for Honolulu Harbor, Hawaii, authorized by section 101 of the River and Harbor Act of 1954, is modified to authorize and direct the Secretary to maintain a 23-foot project depth in the Kakihi Channel portion of such project.

(b) The consent of Congress is hereby given to the State of Hawaii to construct, operate, and maintain a fixed-span bridge in and over the water of the Kalihi Channel, Honolulu Harbor, Hawaii.

Sec. 768. The project for navigation, Bayou Lafourche and Lafourche-Jump Waterway, Louisiana, authorized by the River and Harbor Act of August 30, 1935, is hereby modified to provide for the maintenance by the Secretary of a channel 30 feet deep from mile minus 2 to mile 0 in Belle Pass and of a channel 24 feet deep from mile 0 to mile 4 in Bayou Lafourche. The Secretary is authorized and directed to study the feasibility of deepening the channel from mile 0 to mile 4 in Bayou Lafourche to 30 feet. The Secretary shall report the results of such study with recommendations to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

Sec. 769. (a) The project for harbor improvement at Noyo, Mendocino County, California, authorized by the River and Harbor Act of 1962 (76 Stat. 1173), is hereby modified to provide that the non-Federal interests shall contribute 25 per centum of the cost of areas required for initial and subsequent disposal of dredged material, and of necessary retaining dikes, bulkheads, embankments, and movement of materials therefor.

(b) The requirements for appropriate non-Federal interests to contribute 25 per centum of the construction costs as set forth in subsection (a) shall be waived by the Secretary upon a finding by the Administrator of the Environmental Protection Agency (1) that for the area to which such construction applies, the State of California, municipalities, and other appropriate political subdivisions of the State and industrial concerns are participating in, and in compliance with, an approved plan for the general geographical area of the dredging activity for construction, modification, expansion, or rehabilitation of waste treatment facilities, and (2) that applicable water quality standards are not being violated.

(c) If, in lieu of diked disposal, the Secretary determines ocean disposal is necessary to carry out the project, the Federal share of the cost of such ocean disposal shall be 100 per centum.

(Amendments to title VIII of the amendment in the nature of a substitute.)

—(9) Page 172, line 10, strike out the period and insert in lieu thereof the following: ", except that the Secretary may not provide planning, design, or construction-related services to applicants for loans under this subtitle.".

Page 174, after line 21 insert the following new paragraphs:

(17) Conveyance, pumping, distribution, and storage facilities for Cook County, Illinois (Northwest Suburban Municipal Joint Action Water Agency), at an estimated cost of $154,400,000.

(18) Treatment, conveyance, pumping, distribution, production, and storage facilities for Brockton, Massachusetts, at an estimated cost of $9,500,000.

(19) Treatment, conveyance, pumping, distribution, production, and storage facilities for Hesperia, California, at an estimated cost of $32,000,000.

(20) Treatment, conveyance, distribution, and pumping facilities for Philadelphia, Pennsylvania, at an estimated cost of $66,000,000.

(21) Intake, pumping, and distribution facilities for Huntington, West Virginia, at an estimated cost of $2,400,000.

(22) Treatment, conveyance, distribution, and pumping facilities for Grand Haven, Michigan, at an estimated cost of $6,900,000.

(23) Treatment, conveyance, pumping, distribution, production, and storage facilities for Battle Creek, Michigan, including identification and development of alternative sources of water and necessary relocation of wells, at an estimated cost of $3,000,000.

(24) Storage facilities consisting of a water tank in Tafuna County, Western Tutuila Island, American Samoa, at an estimated costs of $450,000.

(25) Storage facilities consisting of a water tank in the Village of Leona, Lealataua County, Western Tutuila Island, American Samoa, at an estimated cost of $425,000.

(26) Treatment, conveyance, pumping, distribution, and storage facilities for the Bec-

caria-Houtzdale area, Pennsylvania, at an estimated cost of $2,000,000.

(27) Conveyance, pumping, distribution, and storage facilities for the community of Blue Creek, Ohio (Northwest Water System, Inc.), at an estimated cost of $2,200,000

(28) Treatment, conveyance, pumping, distribution, production, and storage facilities for Morris County, New Jersey (Morris County Municipal Utilities Authority), at an estimated cost of $26,300,000.

Page 177, line 14, strike out "The" and insert in lieu thereof "(a) Except as provided in subsection (b), the".

Page 177, after line 18, insert the following:

(b) The authority of the Secretary to provide technical assistance under subsection (a) is limited to providing technical assistance for reconnaissance reports and prefeasibility studies except in any case in which the Secretary determines that the public water supply operator cannot utilize the services of the private sector for economic or other reasons.

(Amendments to title IX.)

—(10) Page 184, after line 11, insert the following:

SEC. 911. The Visitor center at the powerhouse at the Richard B. Russell Dam and Lake project, South Carolina and Georgia, shall hereafter be known and designated as the "Peyton S. Hawes Visitor Center". Any reference in any law, map, regulation, document, record, or other paper of the United States to such visitor center shall be deemed to be a reference to the "Peyton S. Hawes Visitor Center".

SEC. 912. The lock and dam on the Warrior River in Hale County, Alabama, commonly known as the Worrior Lock and Dam, shall hereafter be known and designated as the "Armistead I. Selden Lock and Dam". Any reference in a law, map, regulation, document, or paper of the United States to such lock and dam shall be held to be a reference to the "Armistead I. Selden Lock and Dam".

SEC. 913. Calion Lock and Dam located on the Cuachita River near Calion, Arkansas, shall hereafter be known and designated as the "H. K. Thatcher Lock and Dam". Any reference in a law, map, regulation, document, record, or other paper of the United States to such lock and dam shall be held to be a reference to the "H. K. Thatcher Lock and Dam".

(Amendments to title X of the amendment in the nature of a substitute.)

—(11) Page 187, strike out lines 4 through 6.

Page 190, strike out lines 8 through 10.

Page 192, after line 17, insert the following:

The uncompleted portions of the project for navigation, New Haven Harbor, Connecticut, authorized by the River and Harbor Act of 1946, which portions consist of deepening the lower end of the Quinnipiac River Channel to 22 feet up to a point 1,000 feet above Ferry Street.

The project for navigation, New Haven Harbor, Connecticut, authorized by the River and Harbor Act of June 25, 1910, Public Law 261, Sixty-first Congress.

The uncomplete portions of the project for navigation, Milford Harbor, Connecticut, authorized by the River and Harbor Act of June 13, 1902, and the River and Harbor Act of August 26, 1937, Public Law 392, Seventy-fifth Congress, which portions consist of a five-acre anchorage, ten feet deep, behind the east jetty at the east side of such jetty.

Page 207, strike out lines 10 through 12.

Page 207, strike out lines 21 through 25.

Page 208, strike out lines 7 through 9.

Page 212, strike out line 21 and all that follows through line 2 on page 213.

Page 215, after line 6, insert the following:

The feature of the project for navigation, Alpena Harbor, Michigan, authorized by the River and Harbor Act of 1965, which feature consists of the proposed turning basin and breakwater reconfiguration.

Page 215, strike out lines 17 through 19.

Page 219, strike out lines 15 through 18.

Page 233, after line 25, insert the following:

The Dallas Floodway Extension feature of the Trinity River project for flood control, Trinity River and tributaries, Texas, authorized by the Flood Control Act of 1965.

The Liberty Local Protection feature of the project for flood control, Trinity River and tributaries, Texas, authorized by the Flood Control Act of 1965.

Page 234, strike out lines 22 through 24.

Page 240, strike out lines 17 through 24.

Page 241, before line 1, insert the following:

SEC. 1003. (a) The project for flood control, Lakeport Lake, California, authorized by the Flood Control Act of 1965, is not authorized after the date of enactment of this Act.

(b) Notwithstanding section 203 of the Federal Property and Administrative Services Act of 1949 and any other provision of law, the Secretary shall, during the five-year period beginning on the date of enactment of this Act, make all lands acquired by the United States for the Lakeport Lake project available for purchase by the Lake County Flood and Water Conservation District at the price at which such lands were acquired by the United States. Such District may waive the right to purchase any lands under the preceding sentence at any time during such period.

(c) Any conveyance of land under subsection (b) shall be made on the condition that the Lake County Flood and Water Conservation District administer such land for flood control and related purposes. If, at any time after such conveyance, such land is not so administered, all right, title, and interest in such land shall revert to the United States which shall have immediate right of reentry thereon.

(Amendments to title XI of the amendment in the nature of a substitute.)

—(12) Page 242, line 2, after "Sec. 1101." insert "(a)".

Page 242, line 5, after "life," insert "preservation of cultural and historical values,".

Page 242, after line 10, insert the following new subsection:

(b) Notwithstanding any other provision of law, for purposes of analyzing in accordance with the first section of the Flood Control Act of June 22, 1936 (49 Stat. 1570; 33 U.S.C. 701a), the costs and benefits of a water resources project which includes any element which provides flood protection to any distressed low-income area, as determined by the Secretary, the benefits to be derived from carrying out such element shall be deemed to exceed the costs of carrying out such element.

Page 248, line 19, after "undertake" insert the following: ", at full Federal expense,".

Page 248, line 25, after the first period insert the following: "Such structural measures shall not include the construction of any dam or reservoir on the Meramec River.".

Page 249, line 11, after "Act" insert the following: "or under the authority of any other Federal law."

Page 250, after line 23, insert the following new subsection:

(d) The Secretary, in accordance with such section 4 shall make necessary repairs to the Milton Dam in Mahoning County, Ohio, in accordance with the remedial measures described in the report of the District Engineer, Pittsburgh District, entitled "Milton Dam, Mahoning County, Ohio, Investigation to Determine the Adequacy of Structural and Hydraulics Components", dated February 1980.

Page 250, line 24, strike out "(d)" and insert in lieu thereof "(e)".

Page 251, line 7, after the first period insert the following: "In conducting such update, the Secretary shall take into account any other review of dams which the Secretary has conducted under the authority of any other law.".

Page 277, lines 3, 9, 17, and 21, strike out "January 1, 1990" and insert in lieu thereof "December 31, 1989".

Page 278, line 3, insert "substantially" after "leaseholder".

Page 278, line 5, strike out "This section applies" and insert in lieu thereof "Subsections (a) and (b) of this section apply".

Page 278, line 11, strike out "January 1, 1990" and insert in lieu thereof "December 31,1989".

Page 278, after line 12, insert the following:

(d) On and after December 31, 1989, no houseboat, floating cabin, marina (including any with sleeping facilities), or lawfully installed dock or cabin and appurtenant structures shall be required to be removed from any Federal water resources reservoir or lake project administered by the Secretary on which it was located on the date of enactment of this Act, if such property is maintained in usable condition, and, in the judgment of the Secretary, does not occasion a threat to life or property, except where necessary for immediate use for public purposes or other higher public use or for a navigation or flood control project.

Page 280, strike out line 5 and all that follows through the period on line 20 and insert in lieu thereof the following:

SEC. 1136. (a)(1) The Secretary is authorized to reimburse the State of New York for 50 percent of the costs of maintaining and operating the New York State Barge Canal, if the work involved is in accordance with an agreement between the Secretary and the State of New York. The State of New York shall continue to own and operate such canal.

(2) The Secretary is authorized to reimburse the State of New York for 50 percent of the cost of reconstructing and rehabilitating the New York State Barge Canal for navigation, flood control, water supply, irrigation, power, recreational, historic, and environmental purposes in accordance with the recommendations of the Secretary in the report transmitted under subsection (b) and in accordance with an agreement between the Secretary and the State of New York.

(b) The Secretary shall, in cooperation with the State of New York, study the need for reconstruction and rehabilitation of the New York State Barge Canal for navigation, flood control, water supply, irrigation, power, recreational, historic, and environmental purposes.

Page 301, after line 2, insert the following new sections:

SEC. 1174. Section 22(b) of the Water Resources Development Act of 1974 is amended—

(1) by striking out "$4,000,000" and inserting in lieu thereof "$10,000,000"; and

(2) by striking out "$200,000" and inserting in lieu thereof "$500,000".

SEC. 1175. The Secretary is authorized and directed to remove the Berkeley Pier, which extends into San Francisco Bay, California, approximately 12,000 feet, at an estimated cost of $1,050,000.

SEC. 1176. (a) The Secretary is authorized to implement a program of research in order to demonstrate the cropland irrigation and conservation techniques described in the report issued by the New England Divison Engineer, dated May 1980, for the Saint John River Basin, Maine.

(b) For the purpose of this section, there is authorized to be appropriated to the Secretary the sums of $1,825,000 for the fiscal year ending September 30, 1985, $820,000 for the fiscal year ending September 30, 1986, and $785,000 for the fiscal year ending September 30, 1987, such sums to remain available until expended.

SEC. 1177. The Secretary is authorized to construct a seawall from the canneries in the village of Atu'u Ma'oputasi County, to Breakers Point near the village of Tafananai, Sua County, Western Tutuila Island, American Samoa, at an estimated cost of $1,200,000.

SEC. 1178. The Secretary is authorized to rehabilitate the fuel dock adjacent to the Rainmaker Hotel between the villages of Utulei and Fagatogo in Ma'oputasi County, Eastern Tutuila Island, American Samoa, at an estimated cost of $350,000.

SEC. 1179. Section 215(a) of the Flood Control Act of 1968 is amended by striking out "$1,000,000" and inserting in lieu thereof "$5,000,000".

SEC. 1180. Notwithstanding any other provision of law, in any case in which the use of fill material for beach erosion and beach nourishment is authorized as a purpose of an authorized water resources project, the Secretary is authorized to acquire by purchase, exchange, or otherwise from nondomestic sources and utilize such material for such purposes if such materials are not available from domestic sources for environmental or economic reasons.

SEC. 1181. The Secretary, the Director of the Federal Emergency Management Agency, and the Administrator of the Soil Conservation Service shall take necessary actions, including the posting and distribution of information and the preparation and distribution of educational materials and programs, to ensure that information relating to flood hazard areas is generally available to the public.

SEC. 1182. The Secretary is authorized to accept funds from any entity, public or private, in accordance with the Pacific Northwest Electric Power Planning and Conservation Act to be used to protect, mitigate, and enhance fish and wildlife in connection with projects constructed or operated by the Secretary. The Secretary may accept and use funds for such purposes without regard to any limitation established under any other provision of law or rule of law.

SEC. 1183. (a) The Secretary may require compliance with any requirements pertaining to cooperation by non-Federal interests in carrying out any water resources project authorized before, on, or after the date of enactment of this Act.

(b) Whenever on the basis of any information available to the Secretary, the Secretary finds that any non-Federal interest is not providing any cooperation required under subsection (a), the Secretary shall issue an order requiring such non-Federal interest to provide such cooperation. After notice and opportunity for a hearing, if the Secretary finds that any person is violating an order issued under this section, such person shall be subject to a civil penalty not to exceed $10,000 per day of such violation, except that the total amount of civil penalties for any violation shall not exceed $50,000.

(c) The Secretary may request the Attorney General to bring a civil action for appropriate relief, including permanent or temporary injunction, for any violation of an order issued under this section, to collect a civil penalty imposed under this section, or to recover any cost incurred by the Secretary in undertaking performance of any item of cooperation under section 221(d) of the Flood Control Act of 1970. Any action under this subsection may be brought in the district court of the United States for the district in which the defendant is located or resides, or is doing business, and such court shall have jurisdiction to restrain such violation, to require compliance, to require payment of any civil penalty imposed under this section, and to require payment of any costs incurred by the Secretary in undertaking performance of any such item.

SEC. 1184. (a) In recognization of the serious impacts that are expected to occur to the Great Lakes environment as a result of a projected fivefold increase in consumption of Great Lakes water, including loss of wetlands and reduction of fish spawning and habitat areas, as well as serious economic losses to vital Great Lakes industries, and in recognition of the national goal to provide environmental protection and preservation of our natural resources while allowing for continued economic growth, the Administrator of the Environmental Protection Agency, in cooperation with other interested departments, agencies and instrumentalities of the United States and the eight Great Lakes States and their political subdivisions, is authorized to conduct a study of control measures which can be implemented to reduce the quantity of Great Lakes water consumed without adversely affecting projected economic growth of the Great Lakes region.

(b) The study authorized by this section shall include an analysis of both existing and new techology which is likely to be feasible in the foreseeable future and shall at a minimum include the following:

(1) a review of the methodologies used to forecast Great Lakes consumptive uses, including an analysis of the sensitivity of key variables affecting such uses;

(2) an analysis of the effect that enforcement of provisions of the Federal Water Pollution Control Act relating to thermal discharges has had on consumption of Great Lakes water;

(3) an analysis of the effect of laws, regulations, and national policy objectives on consumptive uses of Great Lakes water used in manufacturing;

(4) an analysis of the economic effects on a consuming industry and other Great Lakes interests associated with a particular consumptive use control strategy;

(5) an analysis of associated environmental impacts, both singularly and in combination with other consumptive use control strategies; and

(6) a summary discussion containing recommendations for methods of controlling consumptive uses which methods maximize benefits to the Great Lakes ecosystem and also provide for continued full economic growth for consuming industries as well as other industries which depend on the use of Great Lakes water.

(c) There is authorized to be appropriated for fiscal years beginning after September 30, 1984, $4,500,000 to carry out this section. Sums appropriated under this section shall remain available until expended.

(d) For purposes of this section, the term "Great Lakes States" means Minnesota, Wisconsin, Illinois, Ohio, Michigan, Indiana, Pennsylvania, and New York.

SEC. 1185. (a) The Congress finds and declares that—

(1) the Great Lakes are a most important natural resource to the eight Great Lakes States and two Canadian provinces, providing water supply for domestic and industrial use, clean energy through hydropower production, an efficient transportation mode for moving products into and out of the Great Lakes region, and recreational use for millions of United States and Canadian citizens;

(2) the Great Lakes need to be carefully managed and protected to meet current and future needs within the Great Lakes States and Canadian provinces;

(3) any new diversions of Great Lakes water for use outside of a Great Lakes State will have significant economic and environmental impacts, adversely affecting the use of this resource by the Great Lakes States and Canadian provinces; and

(4) the Great Lakes are international waters and are defined as boundary waters in the Boundary Waters Treaty of 1909 between the United States and Canada, and as such any new diversion of Great Lakes water in the United States would affect the relations of the Government of the United States with the Government of Canada.

(b) it is therefore declared to be the purpose and policy of the Congress in this section—

(1) to take immediate action to protect the limited quantity of water available from the Great Lakes system for use by the Great Lakes States and in accordance with the Boundary Waters Treaty of 1909;

(2) to prohibit any diversion of Great Lakes water by any State, Federal agency, or private entity for use outside of a Great Lakes State unless such diversion is approved by all the Great Lakes States and the International Joint Commission; and

(3) to prohibit any Federal agency from undertaking any studies that would involve the transfer of Great Lakes water for any purpose for use outside of a Great Lakes State.

(c) As used in this section, the term "Great Lakes State" means each of the States of Illinois, Indiana, Michigan, Minnesota, Ohio, Pennsylvania, New York, and Wisconsin.

(d) No water shall be diverted from any portion of the Great Lakes within the United States, or from any tributary within the United States of any of the Great Lakes, for use outside of a Great Lakes State unless such diversion is approved by all eight Great Lakes States and the International Joint Commission established by the treaty between the United States and Great Britain relating to boundary waters between the United States and Canada, signed at Washington, January 11, 1909 (36 Stat. 2448) (referred to in this section as the "Boundary Waters Treaty of 1909").

(e) No Federal agency may undertake any study, or expend any Federal funds to contract for any study, of the feasibility of diverting water from any portion of the Great Lakes within the United States, or from any tributary within the United States of any of the Great Lakes, for use outside of a Great Lakes State. The prohibition of the preceding sentence shall not apply to any study or data collection effort performed by the Corps of Engineers or other Federal agency under the direction of the International Joint Commission in accordance with the Boundary Waters Treaty of 1909.

SEC. 1186. (a) Subject to the provisions of this section, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, is authorized to take such action as may be necessary to remove and dispose of toxic pollutants from areas of the Buffalo River, New York, which contain high levels of such pollutants.

(b) No appropriation shall be made for the removal and disposal of toxic pollutants from the Buffalo River, New York, under this section if such removal and disposal have not been approved by resolution adopted by the Committee of Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

(c)(1) The Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall conduct a study of the Buffalo River to determine which areas of such river contain high levels of toxic pollutants, to determine whether or not removal and disposal of such pollutants from such areas is economically and environmentally feasible, and to determine the most efficient and effective methods of removing such pollutants from such areas and of disposing of such pollutants after their removal.

(2) Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee of Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of the study conducted under this subsection (including a list of areas identified as containing high levels of toxic pollutants), along with recommendations concerning whether or not removal and disposal of toxic pollutants from identified areas is economically and environmentally feasible and concerning methods of removing and disposing of such pollutants.

(3) There is authorized to be appropriated such sums as may be necessary to conduct the study under subsection (c) of this section for fiscal years beginning after September 30, 1984.

SEC. 1187. (a) Bayou Lafourche, in the State of Louisiana, between Canal Boulevard, city of Thibodaux, Parish of Lafourche, and the Southern Pacific Railroad bridge crossing the bayou, city of Thibodaux, Parish of Lafourche, is hereby declared to be a nonnavigable waterway of the United States within the meaning of the laws of the United States relating to the construction of bridges across navigable waters.

(b) The right to alter, amend, or repeal this section is hereby expressly reserved.

SEC. 1188. Section 14 of the Act of March 3, 1899 (33 U.S.C. 408), is amended by inserting "(1)" after "grant permission for" and by striking out the period at the end thereof and inserting in lieu thereof ", and (2) the alteration or permanent occupation or use of any of the aforementioned public works when in his judgment such occupation or use will not be injurious to the public interest and will not impair the usefulness of such works.".

SEC. 1189. The Secretary is authorized to acquire from willing sellers lands on which residential structures are located, which lands are subject to frequent and recurring flood damage, within the area being studied pursuant to the Passaic River Basin flood control study authorized by section 101 of the Water Resources Development Act of 1976. Lands acquired by the Secretary under this section shall be retained by the Secretary for future use in conjunction with flood protection and flood management in the Passaic River Basin. There is authorized to be appropriated $50,000,000 to carry out this section.

SEC. 1190. (a) In order to assure a fair and reasonable distribution of civil works contracts set aside for small and disadvantaged business, the Secretary shall, on a quarterly basis, transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate, a report describing the number and dollar amount of contracts awarded in each industry category or subcategory broken down by Engineer District of the Army Corps of Engineers. Such report shall include the number and dollar amount of contracts (1) set aside for small business concerns; (2) awarded to small business or small disadvantaged business concerns; (3) available for competition by qualified firms of all sizes; and (4) awarded to other than small business or small disadvantaged business concerns.

(b) For purposes of this section, the term—

(1) "contract" means any contract, or any subcontract in connection with a subcontracting plan entered into pursuant to section 8(d) of the Small Business Act, as amended (15 U.S.C. 637(d)), which is funded through appropriations made available to the Corps of Engineers-Civil; and

(2) "industry category or subcategory" means the four digit SIC category or subcategory defined by the Small Business Administration.

(Amendment to the amendment in the nature of substitute.)

—(13) Page 314, line 17, strike out "and".

Page 314, line 20, before the period insert a comma and the following: "and (E) for grants under sections 113 and 114 of this Act".

Page 316, line 15, strike out "112" and insert in lieu thereof "115".

H.R. 5680

By Mr. DANIEL B. CRANE:

—Page 28, line 22, strike out "If" and all that follows thereafter through line 24.

(Amendment to the amendment offered by Ms. Oakar.)

—Page 1, line 18, (in section 101(4)) strike out "comparable duties," and insert in lieu thereof "substantially equal duties,".

Page 1, line 20, (in section 101([illegible])) strike out "comparable working conditions" and insert in lieu thereof "substantially equal working conditions".

Page 2, line 8, (in section 101(6)) strike out "comparative".

H.R. 5921

By Mr. COUGHLIN:

—On page 28, line 22, after the word "request", insert the following: "for an operable segment".

By Mrs. VUCANOVICH:

—Page 8, line 22, strike out "$2,622,600,000" and insert in lieu thereof "$2,602,600,000".

Page 9, line 20, strike out "$1,500,000,000" and insert in lieu thereof "$1,460,000,000".

EXTENSIONS OF REMARKS

SONS OF THE AMERICAN REVOLUTION ELECTS PRESIDENT

HON. CHARLES McC. MATHIAS, JR.

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Tuesday, June 26, 1984

● Mr. MATHIAS. Mr. President, I am pleased to note for the record that Carl Bessent of Baltimore has been elected the 81st president general of the National Society of the Sons of the American Revolution. He is the sixth Marylander to hold this office.

As president of the SAR, Mr. Bessent will guide the society's programs commemorating the men and events of the Revolution, including traditional Flag Day and Constitution Day celebrations. The new president will be aided in his efforts by the more than 22,000 members of the SAR organized in 358 chapters throughout the United States, the District of Columbia, France, Germany, and Switzerland.

Mr. Bessent is well-known in Baltimore for his distinguished professional and community service. During his 42-year career with Bethlehem Steel, he twice won the Iron and Steel Kelly Award for the technical paper of greatest value to the advancement of engineering in the iron and steel industry. He has served as national director and district chairman of the Association of Iron and Steel Engineers. In addition to many years of service to the SAR, he has served on the executive boards of the Baltimore Area Council of the Boy Scouts and the Baltimore YMCA and has been an active member of Emmanuel Episcopal Church.

I would like to join with all the Members of the Congress, including the 20 who are members of the SAR, in congratulating the society's new president and sending him best wishes for a successful term of office.●

AMBASSADOR MIDDENDORF REMARKS ON NICARAGUA'S BROKEN PROMISES

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. HYDE. Mr. Speaker, the Organization of American States is nearing a very important anniversary, namely July 12, 1984, when it will have been 5 years since Nicaragua's Sandinista junta promised the OAS Secretary General that the human rights of Nicaraguans would be respected, that civil justice would operate normally, and that free elections would be held. As we know, none of these promises have been kept.

Some of my colleagues seem to believe that if we leave the Sandinistas alone everything will turn out all right. On June 20, Ambassador J. William Middendorf II, Permanent Representative to the Organization of American States, spoke at the White House in detail on the fact that these promises have not been kept. I wish to share his remarks with my colleagues:

NICARAGUA'S BROKEN PROMISES—5 YEARS OF A REVOLUTION BETRAYED

(By Ambassador J. William Middendorf II)

As we approach a very significant day, the fifth anniversary of the day when the Sandinista government made three famous promises, I wish to discuss the failure of Nicaragua's Sandinista government to carry out these three promises which it made to the Organization of American States' Secretary General in a letter dated July 12, 1979.

This letter was the Sandinista response to the resolution of the Seventeenth Meeting of Consultation of the Ministers of Foreign Affairs of member countries of the OAS. This resolution, dated June 23, 1979—five years ago this week—for the first time in the history of the OAS deprived an incumbent member government of legitimacy, when it asked that the Somoza government be—quote—immediately and definitively—unquote—replaced. Subsequent events, as we shall see, have brought into serious question the wisdom of that decision.

The resolution in question said that a solution to Nicaragua's problems was exclusively within the jurisdiction of the Nicaraguan people, but then proceeded to dictate how the problems should be settled. In addition to demanding Somoza's ouster, the resolution:

(1) Said that a—quote—democratic—unquote—government was to replace the Somoza government. Its composition was to include—quote—the principal representative groups which oppose the Somoza regime and which reflect the free will of the people of Nicaragua—unquote

(2) Said that the human rights of all Nicaraguans, without exception, should be respected, and

(3) Called for the holding of free elections as soon as possible, leading to the establishment of a—quote—truly democratic government that guarantees peace, freedom, and justice—unquote.

The Ministers of Foreign Affairs went on to urge the member states to take steps that were within their reach to facilitate an enduring and peaceful solution of the Nicaraguan problem based on these points—quote—scrupulously respecting the principle of non-intervention—unquote.

They also asked that member states promote humanitarian assistance to Nicaragua and contribute to the social and economic recovery of the country.

On July 12, 1979, as I have said, the Sandinista junta, in a letter to the OAS Secretary General, replied to the Foreign Affairs Ministers' consultative group. It is this document which contains the famous promises which have not been kept.

Here are those promises:

(1) — Quote — . . . Our firm intention to establish full respect for human rights . . . unquote.

(2) — Quote — our decision to enforce civil justice in our country . . . to let justice prevail for the first time in half a century . . . unquote.

(3) — Quote — Call Nicaraguans to the first free elections that our country will have in this century . . . unquote.

To do justice to the full historical record, there were two other promises contained in the same letter, one which spoke of a peaceful and orderly transition from the Somoza government to the Sandinista junta, and another permitting so-called collaborators of the Somoza regime, except those responsible for so-called "genocide," to leave the country. But, I will concentrate here on the matters of human rights, civil justice, and elections.

It should be noted that those who signed for the Sandinista junta were Violeta de Chamorro, Sergio Ramirez, Alfonso Robelo, Daniel Ortega, and Moises Hassan. Violeta de Chamorro is no longer a member of the junta, and Alfonso Robelo is in exile in Costa Rica, where he is an outspoken critic of the junta of which he was once a member.

PROMISE NO. 1—HUMAN RIGHTS

Let's first take up the matter of human rights.

Nothing had demonstrated the callous disregard of human rights by the Sandinista regime so much as their treatment of the Miskito Indians. Approximately twenty thousands Miskitos have crossed the border into neighboring Honduras thus far—one third of the entire Miskito population—where they live in refugee camps. They have been victims of the Sandinistas' constant campaigns against them.

It all began with efforts by the Sandinista government to try to force the Miskitos into adapting their way of life to a pre-conceived Sandinista model. Many of these human rights offenses are detailed in a report just released by the OAS General Assembly on June 4 transmitting a report by the Inter-American Human Rights Commission dated November 29, 1983.

Miskitos have been forcibly relocated from their traditional villages. In a few cases where they resisted, they were killed. Many were force-marched to the new area and not allowed to take their belongings with them. In other instances, the government appropriated their farm animals for itself. On February 18, 1982, the Episcopal Conference of Nicaragua, headed by Managua's Archbishop, directed a message to the people and government of Nicaragua denouncing the human rights violations against the Miskitos.

The Miskito Indians long ago adopted the Moravian church as their primary religious institution. The Sandinistas have harassed the Moravian Church, calling some of its ministers—quote—counter-revolutionaries—unquote. They have been asked to change their sermons into vehicles of support for the Sandinista revolution. Church services have been interrupted by Sandinista troops looking for so-called counter-revolutionaries. A Moravian hospital, the only one serv-

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

ing a wide area of Eastern Nicaragua, was confiscated by the government and turned into a military headquarters, according to the Miskitos. Many Moravian pastors, out of fear, frustration or both, have taken refuge in Honduras. Amnesty International, an organization which was highly critical of the previous regime, denounced the Sandinistas in September, 1983 for this sort of behavior.

Miskito organizations say their villages have occasionally been bombed by Sandinista planes. Efforts have been made to force them to join the Sandinista militia.

Presumably for security reasons, some Miskitos who were ocean fishermen have been prohibited from fishing, cutting off their livelihood and their principal source of food.

The Miskitos had always maintained their land as communal property of the tribe. The Sandinistas have tended to try to break these communal holdings up, make them property of the state, and then—quote—give—unquote—small plots back to the individual tribe members.

Instead of maintaining instruction in their native languages as well as Spanish, the Sandinista literacy campaign has limited instruction to Spanish only, thus attempting to exterminate the cultural traditions that only a language can convey from generation to generation.

Smaller tribes, such as the Sumo and the Rama, have also suffered similar violations of their human rights at the hands of this so-called peoples' government.

But by no means have human rights violations been limited to indigenous peoples.

As you will recall, the Pope, on his visit to Managua, was treated with unheard-of rudeness. Sandinista militants set up a parallel loudspeaker system over which they heckled the Pope and attempted to drown out his sermon. Most of the areas close to the Pope were assigned to these militants, and ordinary Catholics who turned out to receive the Pope's blessings were kept at a distance.

This is a fitting illustration of how the Sandinistas government has treated the Catholic Church.

In recent years, the Archbishop of Managua, Monsignor Obando y Bravo, has not been able to have the traditional holy week services broadcast on radio and television, because the government wanted to subject the process to prior censorship, a demand to which the Archbishop understandably refused to accede. In a crude ploy, a priest, who is the spokesman for the Archbishop and Director of the Catholic radio station, was accused of having sexual relations with the wife of another man, stripped naked and paraded in public where Sandinista mobs jeered at him while government press photographers and television crews which "just happened" to be on the scene took pictures. The programming of the Catholic Church's radio station has been severely restricted. The government, of course, as is the case with all Communist governments, is atheist—even though a few misguided priests hold high government positions—and the government uses its institutions to promote atheism.

The Sandinistas have attempted to infiltrate Catholic youth groups, and when this largely failed, they set up their own so-called "peoples' church" whose priests are mostly foreigners. In November of 1983, all Nicaraguan churches closed for a day in protest against a government proposal to review the texts of all sermons before allowing them to be read at mass. Harassment of the church continues right up to this moment. On June 16, youth from the alternative church set up by the government shouted slogans and catcalls during the traditional closing ceremony for the holy year of reconciliation and the feast of the Trinity at the remote town of El Sauce (Sow-say).

The Nicaraguan Permanent Committee on Human Rights has itself been the victim of Sandinista government excesses. The former President of the Commission, Jose Esteban Gonzalez, made a trip to Italy in 1981 where he denounced the existence of political prisoners in Nicaragua. On his return to Managua, a number of supporters and colleagues came to the airport to receive him. They were never allowed to get near him, but instead were roughed up and spat upon by Sandinista mobs. Only the presence of the Venezuelan Ambassador prevented Gonzalez himself from getting roughed up, but he was arrested a week later anyway.

The current President of the Nicaraguan human rights group, Marta Patricia Baltodano, told the Inter-American Human Rights Commission in May of this year that Sandinista laws have institutionalized the violation of human rights. The setting up of so-called Neighborhood Committees for the Defense of the Revolution are really attempts to limit the freedom of the individual Nicaraguan by instituting a control system over the population at the neighborhood level.

Freedom of the press also suffers in Nicaragua. The only independent newspaper, La Prensa, has had its publication suspended by the government on numerous occasions, and is subject to prior censorship. On countless days, the latest June 18, the paper has been so heavily censored that its editors decided not to publish.

The lack of the right for families to determine how their children be educated, which we in the United States consider a fundamental human right, has been denounced by the Nicaraguan Parents' Association. The Sandinista government tries to use education to brain-wash the young against the ideals of their parents, and even to get them to denounce their parents' lack of revolutionary zeal to the authorities in some cases. Intellectual freedom and the freedom to belong to independent labor unions are also restricted in today's Nicaragua.

The human rights of farmers have suffered from Sandinista agricultural policies. The so-called "Economic and Social Emergency Law" decreed in late 1981 has made the state the only purchaser of farm products. Thus, the farmer can only sell his produce to the government, and only at the government's price. Many small farmers have been ruined by this policy, and Nicaragua must now import some foods in which it was previously self-sufficient. At the same time, a large bureaucracy has been established in order to control all activities of the populace, soaking up money which would normally be available for investment in agriculture. Even the government newspaper Nuevo Diario has complained about the amount of money used to support the bloated Sandinista bureaucracy.

PROMISE NO. 2—CIVIL JUSTICE

Let us turn our attention to the second Sandinista promise: to quote—let justice prevail for the first time in half a century—unquote.

Presumably, the Nicaraguan Supreme Court, under the original Sandinista plans, was supposed to have complete automony in the judicial area, and lower courts would be dependencies of it. The Inter-American Human Rights Commission in 1981, as well as an international commission of jurists, said that the judicial branch in Nicaragua should be independent from the legislative and executive branches of the government, not to mention the Sandinista party.

But, in reality, other courts have been established which have nothing to do with the concept of judicial independence as we know it. The Supreme Court has no authority over them. One of them is the so-called Peoples' Court at the neighborhood level. These courts spend their time ferreting out so-called counter-revolutionaries in the neighborhood. For example, a neighbor who does not show up for a meeting to promote the Sandinista cause may find himself labelled a counter-revolutionary by one of these courts.

The right of Habeus Corpus in Nicaragua must be questioned. People who have been jailed for so-called political crimes are sometimes not released when their sentences have been served out. New judges owe their jobs to the Sandinistas and are not about to show any independence on the bench.

There exists no constitution, as such. There was the Economic and Social Emergency law of 1981 which in 1982 became the State of Emergency. This State of Emergency has been routinely extended every time it was about to expire. Under this system, all laws are issued by government decree. The State of Emergency does not provide for the right of the individual to a defense in a court of law in some cases, and in others suspends the civil rights of the individual. This has been denounced by Amnesty International.

PROMISE NO. 3—ELECTIONS

So much for Sandinista justice. Let's turn now to promise number three, dealing with elections.

We see that elections have been scheduled by the Sandinista government for November 4 of this year, two days before our own.

Ladies and gentlemen, that is only five months away, but the decree determining how the campaigning should operate has yet to be promulgated. As I noted in an article in the Washington Times on April 9, Commander Humberto Ortega has said elections will be not to contest power, but to strengthen the revolution. He said this on August 25, 1981. Does anyone really believe he has changed his mind?

The opposition parties in Nicaragua are not enthusiastic about the upcoming election process. For one thing, they have been gradually worn down over the past five years by Sandinista harassment. The Sandinista party is a political party, and will surely be a contender in the elections—if they are held. Yet, some government spokesmen have said in the past: quote—there are only two types of Nicaraguans, Sandinistas and counter-revolutionaries—unquote. Does that mean that candidates and voters for other parties will automatically be labelled counter-revolutionaries? And what kind of treatment will that cause them to receive on the part of the government?

The neighoorhood control committees are called Sandinista Defense Committees. They have the power to deprive a citizen of his ration card, for example—a card, by the way, which was never needed in Nicaragua until this government came along. These Sandinista defense committees also control access to schools, medicine, and health care

It is also worrisome that the Army is called the Sandinista Army, and other branches of the armed forces are similarly named. Thus, the security forces are in effect intimately linked with one of the political parties which will be running in the elections.

The electoral council which has been set up is made up exclusively of prominent members of the Sandinista party. Will they be fair to the opposition parties?

And will the state of emergency be lifted for the elections?

Will the opposition parties be able to campaign without interference by authorities or by Sandinista youth mobs?

Will opposition parties have equal access to radio and television as compared with the Sandinista party? Will they be able to have party representatives at the polls?

Will the Sandinistas allow international observers to move freely about the country during the election process? How will the ballots be counted and how will results be relayed to election headquarters?

It should be noted that Commander Daniel Ortega, on August 24, 1980, told the newspaper Barricada that the junta would have to remain in power into 1985 in order to guarantee the success of the revolution. Does this mean that there is no chance for opposition party success?

We also note that, as time has gone on, the government has arbitrarily concentrated more and more power in the hands of the Sandinista Party. What was once the Government of National Reconstruction is now the Sandinista Peoples' Revolutionary Government. Will the Sandinistas allow this process to be reversed or are we in for a sham election in November?

Ladies and gentlemen, we have seen how the Sandinistas of Nicaragua have thus far failed to live up to their major promises of five years ago. It is a shame that the people of Nicaragua, so hopeful in 1979 that their situation would improve, have seen their revolution betrayed by a group of leaders who have aligned themselves with International Communism and whose principal concern has been to maintain themselves in power, and indeed, to export Communism to their neighbors virtually from the day they took over. I may be wrong, but I find it difficult to believe that, having come this far, they will now allow democratic change to go forward. As a matter of fact, the Associated Press has lately reported rumors circulating in Managua about the possible cancellation of the elections. I remain to be convinced that they will really take place.

I would like to note my concern here for the difficulty the Reagan administration's legislative package on Nicaragua is receiving on the hill. It reminds me of a similar situation I went through in 1975 trying to get aid for Cambodia through the Congress. The aid was voted down and, two weeks later, Cambodia fell to the Khmer Rouge. The current situation on the hill gives me a strong sense of deja vu.

In June 1979, my friend Constantine Menges prophetically wrote: quote the defeat of the Somoza Army by the Sandinistas will be followed by a Cuban-type process from which the pro-Castro guerrilla leaders will emerge as the only group with real power—unqote. Five years after he wrote this, it developed that he was exactly right.

Thank you very much.●

"FOREIGN POLICY BY EMILY POST" OR "SLAYING THE BUTTERFLY OF DEMOCRACY"

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. LAGOMARSINO. Mr. Speaker, last year the Congress approved a modest but important new bipartisan initiative: the National Endowment for Democracy. The purpose of this fledgling institution is to promote democracy overseas through the AFL-CIO, the U.S. Chamber of Commerce, and the two major U.S. political parties.

Although this creative new organization has been in operation barely 6 months, already there are those who are trying to slay this butterfly of democracy by dark hints about its intentions and activities. Perhaps they feel threatened by the possibility that the United States has finally established a mechanism for fighting the Soviet Union with democratic ideals as well as guns. Or perhaps they have nothing better to do in the "dog days of summer." In any case, I commend to my colleagues George Will's insightful column on this subject, and urge them to read it carefully:

IT'S NOT AN "ENDOWMENT FOR MISCHIEF"

(By George F. Will)

Perhaps certain congresspersons hold the truth in such high regard that they do not want it promiscuously displayed. Perhaps. But the attempt to kill in the cradle the National Endowment for Democracy looks like yet another instance of moral posing at the expense of a moral undertaking.

Some conservatives, eager to combine ostentation and frugality, want to be seen saving $31 million (a sum spent every two and a half hours on interest on the national debt). Some liberals, eager for heroism without risk or exertion, want to slay this butterfly on the pretext that it is a cleverly disguished dragon. They say NED will be an instrument for U.S. "intervention" in the internal affairs of despotism, and we all know that would be wrong. Don't we?

You might think that persons who are strenuously opposed to the use of force to advance U.S. interests, as with aid to Nicaraguan freedom fighters, and who condemn U.S. collaboration with autocrats, such as Marcos of the Philippines, would welcome NED. It is, after all, an act of creative plagiarism: the Reagan administration took the idea from two liberal Democratic congressmen, Dante Fascell of Florida and Don Fraser, now mayor of Minneapolis.

But a lot of latent hostility to the idea was brought down, like summer lightning, by reports that the AFL-CIO—this nation's most diligent private force for freedom—spent $20,000 of NED money on behalf of the moderate who won Panama's presidential election. Such assistance to friendly persons in elections may be problematic; certainly it will not be a part of Ned's future agenda. NED's board has now forbidden the use of funds to finance campaigns of candidates for public office.

With federal and corporate funding, NED can do such things as: aid political prisoners and their families in places like Poland; assist harassed and fragile embodiments of democratic values, such as the "flying universities" (maintained by dissident intellectuals) in Poland; assist the organization of Cuba Committees in Europe, where there are many Cuban democrats in exile; support a magazine run by and for the thousands of Chinese students studying abroad, a magazine devoted to discussion of peaceful liberalization of China; send to places like South Africa and Chile law students skilled at litigation on behalf of human rights; assist the Democratic and Republican parties in sharing the skills of democracy. (Democracy is, after all, a learning art—with parties trying to take root in the stony soil of less fortunate countries.)

Now, what is there about such activities that causes a congressman—a conservative Republican—to describe NED as an "endowment for mischief"? If the U.S. government is to be forbidden, in the name of moral fastidiousness, from lending aid and comfort to freedom's brave and isolated friends, the U.S. policy amounts to unilateral moral disarmament.

The effectiveness of some things NED may do would be reduced by publicity. One advantage of its independent status is that it would not come under the Freedom of Information Act. This displeases those legislators who are eager to please those journalists who think that if Aristotle had been a clear thinker he would have said that the great goal of government is not justice but happy journalists.

NED has brought about another outburst of philistine moralizing of the "Grenada-was-as-bad-as-Afghanistan" sort. The anti-NED argument is: we would disapprove of foreign interventions in our democracy, therefore . . .

Therefore nothing. The moral status of an action is conditioned by the actor's intentions and results. We are a good nation interested in nurturing good things in nations afflicted with bad regimes. Besides, we tolerate all sorts of foreign attempts to shape opinion in our open society.

But in Washington in the sleepy summer season, occasions for indignation are distressingly scarce. Hence they are valued almost as much as air conditioning, the other necessary comfort. Many opponents have used NED's little appropriation as an excuse for preemptive indignation about imaginable violations of the everstricter rules of political hygiene that are binding only on the United States.

There is a moral failing that theologians call "scrupulosity." It involves seeing moral fault where there is none, or fanatically seeking perfect purity when that is not desirable or even possible. The assault on NED is, in part, another excuse of scrupulosity regarding foreign policy.

Congress, it sometimes seems, would like a foreign policy conducted by Emily Post with the Warran Court squinting over her shoulder lest there be any violation of procedural niceties. NED is not perfect. The controversy about it illustrates how pursuit of the perfect injures the good.●

MATTER OF VIOLATIONS OF RULE XXI

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. HOWARD. Mr. Speaker, under leave to extend my remarks and with reference to my comments made on the transportation appropriation bill during the 1-minute speeches this morning in the House, I introduce for information of the Members a detailed statement of my position on the entire matter of violations of rules XXI– legislation in an appropriation bill and the more important question—the role of the authorizing committees vis-a-vis the Appropriations Committee. This is a major issue. It is fundamental to the legislative process. If not corrected it will lead to the erosion and the eventual dissolution of the committee system as we know it.

STATEMENT OF HON. JAMES J. HOWARD

Mr. Chairman and Members of the Committee, I again welcome the opportunity to testify on the Department of Transportation and Related Agencies Appropriation Bill, 1985.

When I first addressed this matter two weeks ago, I emphasized the widespread practice of legislating through the appropriation process.

I pointed out that the Appropriations Committee, acting through various devices, establishes legislative policy and decides substance matters. By so doing, it oftentimes upsets the delicate balance between the authorization-appropriation process.

This was the case with H.R. 5813, the first Transportation Appropriations Bill. It is also the case with respect to H.R. 5921.

As reported, H.R. 5921 contains a significant number of provisions which intrude on the jurisdiction of the Committee on Public Works and Transportation. These provisions were included either without consultation with our Committee or over our strong objections.

Accordingly, I urge that the Rules Committee not support a waiver of Rules XXI with respect to consideration of this bill.

Without going into detail about the items at issue, I would refer you to my statement of June 12. In that statement, specific examples are given of those matters within the legislative and spending jurisdiction of the Committee on Public Works and Transportation, the most egregious of which is the imposition of obligation ceilings on contract authority programs.

In 1982, Congress enacted the Surface Transportation Assistance Act. One of the primary purposes of that landmark legislation was to provide program continuity and financing stability with respect to our nation's highway and transit needs. It did so by creating a four-year program supported by contract authority based upon a 5-cent gas tax increase.

As you know, the Federal-Aid Highway and Mass Transit Trust Funds are financed by a Federal excise tax on motor fuels paid by highway users. Historically, revenues are earmarked for a dedicated purpose with contract authority spending not subject to prior appropriation approval.

Contract authority has been a part of the Federal highway program since its inception in the 1920s. It has been an essential means of providing long-term security to state highway departments. As it provides a greater degree of certainty than appropriated authority, it is a vital mechanism for funding major capital projects.

However, through technical gimmicks which are really legislation in the guise of a limitation, the Appropriations Committee, in H.R. 5921, has undermined the letter and spirit of the 1982 law.

By limiting a small amount of the salaries of some DOT employees, it has used this bill to set policy on multi-billion dollar programs that Congress never intended to be subjected to the appropriation process.

The net effect of the action taken by the Appropriations Committee is to reduce these user fee supported programs to simple authorizations subject to annual scrutiny. They are trying to run the highway and transit programs as if they were funded out of general revenues, and that certainly is not the case.

With respect to mass transit funding, this very issue was resolved when the House considered the 1982 legislation. It began funding the section 3 capital program out of a trust fund, that, too was made a contract authority program. I would point out, as a matter of fact, that a floor amendment was offered by a senior Member of the Appropriations Committee to delete the program's contract authority. After a complete discussion on the meaning and implication of contract authority, the amendment was defeated by a vote of 305 to 96.

Lastly, the gimmick is also used to earmark funds in the accompanying committee report, witnessed by the earmarking of the mass transit section 3 new start money to the penny and allocating all of it for use among its eligible purposes. In fact, there are at least 12 pages of earmarking in the Committee Report for programs which are not funded by this bill.

Notwithstanding this, Mr. Chairman, the real issue involved goes far beyond the proposed rule, the Transportation Appropriations Bill or the interests of a single committee. It goes to the very integrity and credibility of the legislative process; more specifically, to how Congress and its committee system function.

Over the years protected, as a matter of routine, by waivers of points of order from the Rules Committee, the Committee on Apropriations has been able to legislate in disregard of the jurisdiction of the authorizing committees of the House until we have now reached a point where, if some positive action is not taken, the committee structure as we know it will be so eroded that we will end up in the Congress with a handful of "super" committees in de facto control.

This is not overreaction. This is not over simplification. This bill is a culmination of a long series of actions which has affected the authorizing committees, and which has left many of us disappointed and frustrated.

Let me recount, for a few minutes, my experience this year.

When our Committee first introduced H.R. 5504, the Surface Transportation and Uniform Relocation Assistance Act of 1984, we included an "anti-earmarking" provision which would have prohibited the kind of thing the Appropriations Committee has done in this bill and its accompanying report. We did this because we believed it to be good legislative policy. But, this was not to be.

At the request of the Leadership, with urging from the Appropriations Committee, we agreed to drop this provision in return for the opportunity to raise points of order of the Floor against legislating in the appropriation bill.

This was not to be either. Last week, the Rules Committee reported a rule waiving Rule XXI against the critical provisions at issue, thus denying me, other Members and the House the opportunity to resolve these matters.

Last Friday, I requested on behalf of the Public Works Committee sequential referral of H.R. 5921. That was denied on the grounds that when a Rule XXI situation exists, the proper recourse for remedy is the Rules Committee.

Mr. Chairman, enough is enough.

If it is not Rule XXI, it has been the congressional budget process which, as Members of this Committee know well, has raised much concern among the authorizing committees. What is at stake is the viability of the legislative process. Unfortunately for the Rules Committee and the House, the very survival of that process might require nothing less than a revolt by the authorizing committees.

Mr. Chairman, I'd like to read some of what you said during closing consideration of the first Transportation Appropriations Bill.

"I do think that we should have concern for the growing tension that we observe between the legislative committees and the appropriations committees.

"I think the legislative committees, in a good many instances, are deeply resentful about violations of the rules which require waivers on our part that give the Appropriations Committee more power than the Rules contemplated."

You stated further: "This committee of all committees, it seems to me, is entrusted with the enforcement of the rules of the House. We are the author in general of the rules of the House.

"For us continually to encourage, by granting almost at request, waivers that justify their having violated the rules, is, I think, a question for this committee to pursue.

"I think we ought to perhaps increase the circumspection with which we regard the waivers that are requested to see whether or not it is good policy on the part of this committee for us to be maybe as generous as we have always been in the past, or generally been in the past."

Mr. Chairman, I assume that when Rule XXI was conceived, it was done on the basis that there are extraordinary circumstances that occasionally arise which require of necessity prompt treatment in the appropriation process. Yet, that is not the type of situation that exists in this year's Transportation Appropriation Bill.

Recognizing this, and with special emphasis on the importance of the principle to which you alluded, I believe it is time to stop this deliberate evasion of the proper way to legislate.

You have the opportunity. The time is ripe. A vote to not waive Rule XXI is, in my judgement, a vote to protect the integrity of the House of Representatives.

Thank you.●

A BETTER WAY TO FOSTER DEMOCRACY

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● **Mr. BARNES.** Mr. Speaker, I have been a strong supporter of the National Endowment for Democracy since its inception. In light of recent attacks on the NED, which is just now beginning its work, I would like to bring to my colleagues' attention an article in today's Baltimore Sun by Morton Kondracke.

As Mr. Kondracke points out, new organizations may make mistakes, but that does not mean that they should not take risks—especially when the risks are taken to promote democratic movements overseas.

The article follows:

STRAIGHTFORWARD PROPAGANDA

(By Morton Kondracke)

WASHINGTON.—In late July and early August 1975, President Ford visited Eastern Europe, but the crisis on his mind was in Portugal, where a fledgling revolutionary government was in danger of going communist.

As the American president's entourage made its way from Poland to Helsinki to Yugoslavia, the word from Secretary of State Henry Kissinger to reporters on the trip was that democracy's cause had been lost, that Portugal was "going down the tubes."

When Ford, Kissinger and Co. headed back home, I went to Portugal and found that what they'd said just wasn't so. True, the military junta that had taken over from right-wing civilians in 1974 was split. There was danger that the country would be taken over by far-left officers and Communist Party boss Alvaro Cunhal, who were receiving massive funding from the Soviet Union.

But Portugal's democrats were fighting back and the U.S. ambassador to Lisbon at the time, Frank Carlucci, knew better than his bosses in Washington that they could win.

And they did win, thanks to a $10 million infusion to Portugal's Socialist party from the Friedrich Ebert Foundation, the international political arm of the West German Social Democratic Party.

West Germany has three political foundations—funded by the government—which foster democracy around the world, training trade unionists, journalists, businessmen, judges and politicians, and occasionally providing discreet funding to democrats in trouble, as in Portugal and also in Spain, where the Socialist Party (now in power) was sustained for years by the Ebert Foundation.

America ought to have a counterpart to the German foundations. In fact, we do have one—the brand new National Endowment for Democracy—but it is in danger of being killed in its infancy by Congress.

In a money-saving frenzy, a coalition of conservatives and liberals voted on May 31 to cut off NED's $31 million funding for next year. The Senate is supposed to take up the issue soon.

President Reagan favors the Endowment. In fact, he gave it birth in one of the best speeches of his presidency—the one he delivered to the British Parliament in June 1982, calling for a long-term "global campaign for democracy . . . which will leave Marxism-Leninism on the ash heap of history as it has left other tyrannies which stifle freedom." It's time for the president to get to work to save his creation from destruction.

The Endowment made one embrassing mistake in its early months. One of its four subordinate organizations, the AFL-CIO's American Institute for Free Labor Development, was found to have given money to a candidate in the spring elections in Panama. The Endowment board has since banned interference in elections.

Mistakes do get made in fledgling organizations, especially when they are entering into an experiment. But the experiment is certainly worth embarking upon.

The basic conception behind the NED is for private American organizations—the Democratic and Republican parties, the AFL-CIO and the U.S. Chamber of Commerce—to use federally supplied funds to openly assist democratic forces in the world.

According to NED executive director Carl Gershman, these are some of the projects the Endowment has initiated or is considering:

Institution-building in the third world. The AFL-CIO has the most practice in this field and is scheduled to receive the bulk of NED money to expand its training of peasant union organizers and democratic politicans. Mr. Gershman said that the union, the parties and Chamber of Commerce also could work with Third-World newspaper editors, religious groups and business to press for democratic change in their countries.

Aid to dissidents in communist countries. The AFL-CIO assisted the Polish trade union, Solidarity on its own. Other NED ideas included publication of dissident books in the West (in hopes they would filter back behind the Iron Curtain) and provision of medical and financial assistance to dissidents and their families.

A Congress of Cultural Freedom composed of democratic movements in various countries that would collaborate in challenging totalitarian movements in the worldwide "war of ideas." The Soviet Union spends vastly more money than Western countries to send representatives to peace, youth and cultural conferences around the world. A NED-backed Congress could strive to correct the balance. The Congress also would arrange meetings of democrats to discuss how to foster freedom in various countries.

A publication in Chinese directed at the thousands of students from the People's Republic of China who are attending colleges in the United States and Europe. The publication would be a forum for discussing the future of China and for inculcating democratic values.

A project to train and exchange lawyers and law students in human rights watchdog groups in Africa, Asia and Latin America.

Projects such as these could be financed by the CIA and often have been in the past. NED is a far better way to foster democracy—an open and aboveboard way in keeping with American values.●

A TRIBUTE TO LINDA ANNE DOUGHERTY

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● **Mr. LIPINSKI.** Mr. Speaker, it is with great pride that I call attention to a respected citizen from Illinois' Fifth Congressional District, which I am privileged to represent, and she is Linda Anne Dougherty. Linda has worked on the southwest side of Chicago for her professional career and has also been active in community affairs. Working at the Scottsdale Library, Linda has been a strong believer in providing service to the library's patrons. She has consistently used her energies to make a positive difference in her work.

Participation and involvement are two words best used to describe Linda Dougherty. She has been the recipient of numerous awards and honors for her unselfish community assistance.

I join with the residents of the Fifth Congressional District in paying tribute to Linda Anne Dougherty for her work in our behalf, and I would like to introduce into today's CONGRESSIONAL RECORD a newspaper article honoring Linda Anne Dougherty upon her receipt of the Ray McDonald Community Achievement Award.

MCDONALD AWARD TO DOUGHERTY

The Midway Sentinel proudly salutes area librarian Linda Anne Dougherty as this month's recipient of the Ray McDonald Community Achievement Award.

Linda Dougherty has worked on the southwest side of Chicago for her professional carreer. She has been a librarian at Scottsdale, Clearing, and most recently Brighton Park. She is also active in community affairs.

"I have a personal commitment to public service which is why I'm involved with community concerns beyond my '9-5' obligations," she said. "I believe in the groups of which I'm a member. I try to use my energies to make a positive difference."

"The other day," she continued, "a library patron thanked me for the reference work I had done for him the week before. He said that he didn't expect much from public agencies and I had surprised him. While I acknowledge his thanks with a smile, I felt very badly inside. I think that most 'city workers' and other public employees are striving for respect and dignity in their work. Working with the public is demanding and we try to do our best. I think that working with the public is the most rewarding employment I have ever had."

Participation and involvement are recurring themes in most conversations with Linda Dougherty. "Back in grade school a teacher must have really impressed me with her lessons on Greek participatory government and how it influenced our American form of democracy," she said. "The concepts of participation and involvement stuck with me. My college major at Indiana University was history and I chose library science as my field of study for my Masters. I guess you could call me a 'professional generalist.' Being a reference librarian is a daily challenge."

"I'm usually asked where I get the energy to do so much after working a full day and handling my home responsibilities, too. I just think it is important to do what I can. I believe that sometimes it is the effort of one person that is crucial to the success of a project. I think that the greatest advantage we have as Americans is the right to participate."

Linda Dougherty is the immediate past president of the Clearing Civic League and is currently the second vice president. She is secretary of the Midway Business Association, secretary of Lech Walesa Triangle and a member of the Have a Heart for Keith Committee. She is an active member in the American Library Association where she is president of the 1,000 member Library Instruction Round Table, and is also chairman of the Friends, Volunteers, and Advocates committee of the ALA. In addition she is a member of Local 1215 AFSCME. She has received many citations for her community activities in the past. She has received an achievement award from Congressman William O. Lipinski. In 1981 she received the humanitarianism award for the Greater Midway Economic and Community Development Committee. In 1980 she was Co-Sentinel of the Month, as awarded by the Midway Sentinel. In 1980 she also received a citation from the Greater Midway Economic Development Committee for her achievement in educational matters.

Linda's desire to participate and the dedication she has shown to so many of our community programs and organizations clearly epitomizes the true meaning of the Ray McDonald Award.●

ELMCOR YOUTH AND ADULT ACTIVITIES

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. ACKERMAN. Mr. Speaker, I rise today to inform my House colleagues of an extraordinary organization, Elmcor Youth and Adult Activities, in east Elmhurst, Queens County, NY. On Sunday, June 29, the organization will hold its 8th Annual Miller High Life Awards Dinner Dance in recognition and admiration of 14 citizens who have worked extremely hard to help improve the quality of life for the young and old alike in Queens.

Elmcor was begun 18 years ago as a summer baseball program. Today, the nonprofit organization is governed by an executive board, and provides extensive recreational and human services for the residents of Lefrak City, Jamaica, Corona, Rego Park, and East Elmhurst, all communities in Queens, NY.

The group's youth program is truly remarkable. One of its most popular attractions is the summer youth employment program, which placed more than 435 youngsters in jobs at nonprofit agencies throughout Queens this season. The organization also sponsors an employment program for 18- to 21-year-olds, including classes in word processing, computers, and secretarial skills. Three times a year, Elmcor offers preparatory classes for high school dropouts who want to earn a general equivalency diploma. As many as 65 young people attend each of these sessions. Elmcor also offers after-school tutorial classes for junior high school students.

Sponsoring recreational activities for young people remains one of Elmcor's most important functions. The staff organizes year-around basketball leagues for 9- to 21-year-olds. In addition, Elmcor runs after-school dance and drama classes for students in grades 7 through 12.

Elmcor has recently expanded its youth services to include drug prevention and awareness counseling at its rehabilitation day care.

Mr. Speaker, this community-based organization has an equally impressive series of adult programs. It established a testing assessment and placement center to help people determine their individual aptitude and skills for a particular job. In addition, Elmcor maintains a multiservice center which provides assistance and information to beneficiaries of entitlement programs. A housing consultant is also on hand at the center to assist community residents with home improvement loans, new weatherization programs and other energy efficient tips.

Elmcor also sponsors two free lunch programs in Lefrak City and Astoria, NY, for senior citizens and other need people. To help subsidize these programs and other senior activities, Elmcor receives assistance from the New York City Department of Aging and the New York State Office of Aging.

Mr. Speaker, I commend the members of the board of directors of Elmcor Youth and Adult Activities, for their outstanding efforts on behalf of the community and Queens. They include Bill Smith, chairman; Peter Dabbs, vice chairman; Derek A. Pinnock, treasurer; Venetta Jarvis, secretary; and the Rev. Marvin J. Bentley John Booker, James A. Bullard, Arthur Butts, Felix Hagood, Randolph Latimer, Jr., Ivor McKinley, Frank Rankin, Brenda Ray and Barbara A. Wingate.

At this time, I ask the Speaker and my colleagues in the Congress of the United States to join me in paying special tribute to the hall of fame honorees Benjamin Dabbs, Jacob G. Govan, Donald Marshall and Fred Pinnock, all of whom are being honored by Elmcor this year for their many years of dedicated service to the people of Queens. I also ask my House colleagues to join me in saluting this year's community service honorees including, Mae R. Hardeman, Isabella S. Ince, Lawrence A. Miller, Ethelyn N. Nelson, Thelma F. Prince, Marjorie G. Riley, Rudolph Sablo, Harry Simmons, Jr., Fannye Watson and Mona Furnari, for their good works on behalf of needy people in the Queens community.●

IS THE UNITED STATES ON THE BRINK OF A CHAPTER 11?

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. TRAXLER. Mr. Speaker, later this week the administration will ask the Congress to once again vote to increase the national debt limit. We also may take final action on the deficit-reducing compromises on taxes and spending that House and Senate conferees have struggled with for so long this year. In the meantime, interest rates have gone up again and all of this struggle may be for nothing.

The deficit reductions, over 3 years, amount to about $50 billion in the tax bill and about $11 billion in spending savings, mostly from the medicare program. I appreciate the difficult job our colleagues had to hammer out these reductions, but yesterday's rise in the prime interest rate 13 percent may mean that all of the hard work of our conferees will be wiped out by increased debt service costs.

Mr. Speaker, the rapidly rising cost of servicing the national debt is already a national disaster. The climb in market interest rates since last January has already increased the interest that we are going to have to pay in fiscal 1985 by $12 billion—more than we are saving in the medicare cuts and more than the total annual budgets of the food stamp program and the FBI combined.

The trend is even more frightening. Projections are that by 1989 debt-service costs will amount to $219 billion. To put that in perspective, both corporate and personal Federal income taxes will bring in only $563 billion that year. To quote Budget Director David Stockman: "We are in the same position that many companies are in when they are on the eve of Chapter 11."

Mr. Speaker, the following article which appeared in Monday's Wall Street Journal details this crisis far more dramatically than I can. Everyone in this Congress who is concerned about the legacy that we are leaving future generations should read this article. Then we should act.

[From the Wall Street Journal, June 25, 1984]

HEAVIER LOAD: CLIMBING FEDERAL DEBT IS INEXORABLY RAISING U.S. INTEREST BURDEN; AND EVERY INCREASE IN RATES AGGRAVATES THE PROBLEM; RATIO TO GNP IS SURGING

A WAY OUT: MORE INFLATION

(By Paul Blustein)

WASHINGTON.—Like any overextended borrower, the U.S. government is scrambling just to keep up with rising finance charges.

The climb in market interest rates that started last January has already increased the prospective cost of servicing the government's debt by more than $12 billion in the fiscal year beginning Oct. 1. That amount—the added expense if rates stay at current levels instead of falling, as the Reagan administration's budget projects—equals the annual budget of the food-stamp program plus that of the Federal Bureau of Investigation.

As the publicly held national debt, currently $1.3 trillion, balloons ever larger to finance continuing budget deficits, the interest burden grows inexorably. In addition, every rise in interest rates increases the burden as the Treasury Department keeps borrowing to roll over maturing securities and to raise new cash.

RAPID ESCALATION

Even if interest rates remain where they are now, the projected deficits and the rollover of earlier, cheaper borrowings will lift the interest expenditure in fiscal 1986 some $24 billion higher than the Office of Management and Budget predicted as recently as last February. In fiscal 1987, the outlay would be $35 billion higher. And over the next three years, the combined increase of $71 billion would wipe out nearly half of the approximately $150 billion in deficit-reduction measures for fiscal 1985 87 that Congress has been painfully negotiating for months. If interest rates rise further, as many economists expect, so will the government's financing costs.

"It's both frustrating and mind-boggling," says Sen. Slade Gorton, a Washington Republican on the Budget Committee.

It is frustrating because soaring interest costs are making the budget problem even more intractable than it already is. "You can get quite different budget estimates for 1987, and 1988, simply depending on what interest-rate assumption you make," Federal Reserve Board Chairman Paul Volcker says. "With a slightly higher rate, it begins to explode on you."

And the problem is mind-boggling because in their worst nightmares, economists see the U.S. ultimately facing the same predicament that France did in the 1920s—a debt-service burden so crushing to taxpayers that it forces the government into the inflationary solution: printing money.

"This is the one thing that has made me the most concerned about the whole budget deficit problem," says Herbert Stein, who was the chairman of the Council of Economic Advisers in the Nixon administration and who sometimes advises President Reagan.

BIG FUTURE BURDEN

The problem boils down to an encumbrance in the living standards of future generations, says Denis Karnosky, a former Reagan administration official currently with ContiCommodity Services Inc. in Chicago. If present budget trends continue, "there's no way the economy can generate the real income required to make the interest payments on the debt," he says. If you're borrowing that much money, but not creating anything that's going to generate principal and interest payments, it's unsustainable. In that sense, we're no different from Argentina, Peru and Ecuador."

The people who will end up footing the bill "aren't the ones making the decisions," Mr. Karnosky adds. "My kids aren't old enough to vote. But somewhere out in the future, something has to give—either taxes are going to have to be raised a hell of a lot, or we're going to get inflation."

The U.S. debt burden is still years away from resembling Argentina's but long before it becomes that devastating, foreign investors are likely to lose confidence in America, warns Tim Congdon, an economist at the London investment firm of L. Messel & Co. "Then there would be a real problem," he says, because a drying up of foreign-capital inflows would sharply depress the dollar and push up inflation and interest rates.

Even in the absence of apocalyptic disasters, the debt-service issue is troublesome because it means that a large and rising portion of federal spending lies beyond congressional control and forces enactment of ever more painful spending cuts or tax increases if the budget is to be balanced. In recent decades, debt service represented a relatively small share of federal outlays, but over the past four years it has grown faster than any other major budget category, including defense. At an estimated $109.5 billion in the current fiscal year, debt service will absorb close to 13% of the $850 billion that the federal government is expected to spend.

With interest rates rising since January, the annual debt-service bill has been growing at a rate of $1 billion to $2 billion per month. This is making a "mockery" of the modest package of deficit-reduction measures that Congress has been struggling to enact, complains Sen. William Proxmire, a Wisconsin Democrat. "The exploding national debt is forcing the federal government to run harder and harder merely to stay in the same place," he says.

All of this has a "debilitating" political effect, says Lawrence Kudlow, a Washington consultant who until last year served as the chief economist in the Office of Management and Budget. "Congressmen and White House people sweat bullets to get minor reductions in the deficit, and when you point out to them that the interest expense will offset it, they just throw up their hands," Mr. Kudlow says. At the same time, the surge in debt-service costs "is going to be a significant factor in preventing any new initiatives in the budget during the mid 1980s," Mr. Kudlow predicts.

The big worry, though, is that growth in debt-service costs could overwhelm the government's political will to cut spending or raise taxes. It is difficult to determine just when that point would arise, in part because unforeseen swings in interest rates throw budget projections off by tens of billions of dollars. Meanwhile, forecasters do the best they can. The nonpartisan Congressional Budget Office projects that under current budget and tax law, debt-service costs will double by 1989 to $219 billion. (To put that figure in perspective, the entire federal income tax personal and corporate is likely to rise $563 billion in 1989, the CBO predicts.)

In testimony before the Senate Budget Committee last February, Budget Director David Stockman stated the problem in dramatic terms. If the interest bill is allowed to balloon to its projected end-of-the-decade level, he said, "I do not think there is anybody on this committee who could think of enough taxes to raise or enough spending to cut to even offset that explosion of debt-service cost. We are in the same position that many companies are in when they are on the eve of Chapter 11."

VARIOUS ASSUMPTIONS

Mr. Stockman's warning, like other dire predictions about government debt and interest costs, is based, of course, on a number of "ifs"—the most important being the assumption that the U.S. will fail to deal with deficits projected to exceed $200 billion annually from now until the end of the decade.

Whoever is elected president in November is expected to try hard to push a major deficit-reduction package through Congress next spring. If Congress enacts such a package, most economists say, the projected growth in the national debt and its attendant interest costs will shrink to digestible proportions.

Even this year's proposed deficit "down payment" legislation would help to contain the problem, according to CBO Director Rudolph Penner. The "miracle of compounding," he notes, works in both directions: Just as every dollar the government has to borrow is compounded by additional interest payments, so does every dollar of deficit reduction reduce deficits by an additional amount of prospective interest that the government won't have to pay.

But there isn't any guarantee that Congress will reduce the deficit sufficiently, given the painful political and economic choices involved in cutting spending or raising taxes. Almost certainly, however, the longer such choices are put off, the more difficult they become largely because of the debt service problem.

SCARY PROJECTIONS

Consider some round numbers, says Charles Schultze, the chairman of the Council of Economic Advisers under President Carter. If the government borrows to cover a $200 billion deficit (an amount that is a bit larger than the $178 billion forecast by the administration for the current fiscal year), then, with interest rates at 10%, the government has to pay $20 billion annually to service the additional debt.

"After two years, you've added $400 billion to the national debt, so that's $40 billion in annual interest payments. Three years, it's $600 billion and $60 billion and I haven't even done the compounding," Mr. Schultze says. "So, if you wait three years, you've thrown away the first $60 billion of the tax increase you need to solve the deficit."

Paul Volcker shares the same concern. "I don't know of any other time when one worried in an important way about the compounding effects of interest on deficits," the Fed chairman said at a recent Senate hearing. "These deficits are so big, running in the neighborhood of $200 billion, that the payment of interest on that $200 billion the following year becomes an important factor in the next year's deficit. You go out three or four years, and that becomes a very large factor."

At one time, many mainstream economists scoffed at people who worried about the deficits, the national debt and the attendant interest costs. Fred Ribe, a CBO staffer, observes: "Economists had always been able to persuade themselves that federal debt wasn't too bad a problem because the ordinary growth of gross national product would produce enough revenue that we'd be able to cover the interest bill without really noticing it." But with projected interest payments rising much faster than projected taxes, that no longer is true, he adds.

TWO MAJOR CHANGES

Two things have changed. First, interest rates have risen sharply, and with about half of the debt being refinanced every 15 months, the debt-service portion of the debt has swollen accordingly. Second, budget deficits have become so huge, even relative to the rest of the economy, that the national debt is rising faster than gross national product, the nation's total output of goods and services. As a result, the debt burden is claiming an ever-increasing share of taxpayers' dollars and of the nation's economic resources.

The federal debt-to-GNP ratio, which economists watch closely, peaked at 108% shortly after World War II and then fell sharply in subsequent decades as the economy grew and the deficits remained manageable. By 1974, the ratio was down to 25%. The declining share of the nation's credit absorbed by Washington "made room for private-sector debt to rise; we financed a lot of home building and capital formation in those years," says Benjamin Friedman, a Harvard University economist.

But now the trend has been reversed, and government borrowing is threatening to squeeze out private borrowing. In the 1980s, the publicly held national debt—that held by individuals and institutions (American and foreign) and Federal Reserve banks but excluding that held in federal-agency accounts—has skyrocketed. Now, it totals $1.3 trillion, or 37% of GNP, up from $715 billion, or 28% of GNP, in 1980.

Moreover, the real crunch lies ahead. If nothing is done to cut spending or raise taxes, the CBO says, the debt will reach $2.66 trillion, or 49% of GNP, in fiscal 1989. Interest payments on that debt would absorb 16% of the federal budget and more than 4% of GNP.

BRITISH COMPARISON

The U.S. ratios still compare favorably to those of many countries, including Britain, L. Messel's Mr. Congdon notes. "But in the U.K.," he says, "our deficit is under control, broadly speaking; so national debt isn't rising faster than national income, and the burden of paying interest on the debt is declining. In America, the debt is rising much faster than national income, so the interest burden is rising each year and it compounds itself."

Eventually, warns David Hale, vice president and chief economist at Kemper Financial Services, Inc., "interest claims will rise to the point where society won't be willing to satisfy then in real terms. So they'll be devalued—through inflation."

One harbinger of that trend surfaced during last month's chorus of criticism by administration officials of the Federal Reserve's tight grip on credit conditions. The administration's beef against the Fed was legitimate, one Treasury Department official contended. "After all," he said, "look how much higher interest rates are costing us." ●

HELPING THE POOR HELP THEMSELVES

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Ms. MIKULSKI. Mr. Speaker, I would like to share with my colleagues a wonderful article, written by Carl W. Struever, that appeared in the Baltimore Evening Sun. Mr. Struever, a Baltimore building and renovation contractor, offers fresh insight into the idea of self-help. His concept of bringing concerned citizens together with Government resources to provide housing for the poor is truly inspiring and resourceful. It is not surprising that Mr. Struever is an innovative leader in redevelopment within the city of Baltimore. Hopefully, with people like Mr. Struever working to provide housing for the poor, communities will really be able to help themselves.

The article follows:

SELF HELP RENOVATORS ARE EFFICIENT, BUT THEY STILL NEED U.S. CASH

(By Carl W. Struever)

Efficiency in getting the job done does not beget efficiency in raising the money to pay for getting the job done. This conflict is a much neglected shortcoming of one of the President Reagan's favorite themes: taking the provision of social services out of the hands of the federal government and giving the control to the folks back at home.

For Reagan, step one is giving federal responsibilities to state and local governments. Step two is getting all levels of government out of the picture entirely, and responsibility into the hand of the private sector. Step three, the ultimate in the delivery of social service, is self help—non profit organizations and the poor themselves banding together in a new energy of self sufficiency.

Given a specific job—trash collection or housing construction for example—the local folks can in many instances do a better, more efficient job (imagine the federal government in the trash business). Direct accountability and clear lines of authority can bring improved action. Unfortunately the flip side of the local folks getting the job done efficiently is a corresponding inefficiency in raising the money to pay for the service.

The farther from the federal government the more difficult the fundraising job gets. Thus, states can collect resources (tax) more easily then cities. Since the private sector (business) must rely on voluntary contributions, the collection job grows immensely. Then the self-help folks have the roughest time of all because not only must they rely on voluntary support, but they don't have much cash themselves to "volunteer."

To illustrate the problems, let's look at our society's responsibility of providing decent shelter for the poor. Here's a clearly established track record demonstrating that local folks can create housing at a far lower cost than Washington.

For the Feds, low income housing carries a high price tag—as expensive as $100,000 for a Section 8 unit, if you add up front-end production subsidies and ongoing rent subsidies. States tend to stick to the financing of housing and stay away from direct development and operating responsibilities. Localities like Baltimore have become adept at adapting these state and federal programs to the capabilities of local builders and the condition of the city's housing stock. But even Baltimore's sophistication in housing development hasn't translated into cost efficiency: An average "dollar house" costs the homesteader $60,000 to renovate and a city-sponsored rehab runs about $50,000.

As the President loves to point out, freed from federal, state, and local government participation, a private builder can achieve substantial economies from the increased flexibility. However, the big savings come from the efforts of small non-profit neighborhood groups that energize the poor to help themselves. By getting housing sponsorship away from government and into the community itself, expectations are dramatically transformed; instead of sitting back and expecting a rose garden the poor learn to work hard for modest, decent housing. As necessity is the mother of invention, scarce cash drives community groups to creat innovative methods and materials to cut costs, making effect use of volunteer labor and sweat equity.

Anyone doubting the efficiency of non-profits should watch the inspiring self-help action of the Concerned Citizens for North Camden. In a community decimated by poverty and housing abandonment, a ragtag group of residents banded together to attack the spread of vacant, boarded-up houses. To protect a house from further vandalism a homesteader family will move in without heat or running water. Using a $1,500 Community Development Block Grant to help pay for wiring and plumbing, the homesteader will scrimp and save, using second-hand and scavenged materials. A network of unemployed construction workers will trade and barter for services, while the homesteader himself works alongside doing whatever he can himself. The end result: 110 vacant hulks renovated into decent liveable houses at an average cost of $3,000.

On a larger scale in New York City, the Urban Homesteaders Assistance Board has helped 10,000 families renovate 375 apartment buildings in the worst parts of Harlem and the South Bronx at an average cost of $2,000 per unit under the Tenant Interim Lease Program. Faced with accelerating deterioration of building services and decrepit and failing mechanical systems, the tenants organize themselves, take over management from the New York City, collect their own rents and pay their own bills. With all rents going directly into building improvements, rent collections jump from an average of 30 percent with the city as landlord to at times better than 100 percent as tenant enthusiasm takes hold. Tenants patrol the lobby to keep out the crooks and recruit friends to rent vacant apartments as soon as they are renovated.

The tragedy is the pitiful shortage of funds that frustrates all this positive energy. The Concerned Citizens in Camden lost their funding to federal budget cuts and in New York lack of rehab funds has slowed the Tenant Interim Lease Program to a standstill. This is where the efficiency of the local folks gives way to inefficiency in fundraising.

Locked in a fierce competition to attract business, the state legislatures are reluctant to raise taxes to pay for extra services. Mayors are in even worse shape. With huge numbers of poor families needing help and only one-third of its residents able to pay for those services, Baltimore is about to raise a tax rate that is already double that of any other subdivision in the state.

Private business, for all its entrepreneurial creativity, is limited by the painful economics of the poor not being able to pay the freight without a subsidy. Even with the $100 billion increase in corporate profits there is no way charitable giving by business will replace federal budget cuts. Despite all the fanfare of the President's Task Force on Private Sectors Initiative, business still only gives less than 2 percent of its profits.

For the folks of North Camden who are valiantly resurrecting vacant hulks at $3,000 a throw, the job of finding that $3,000 is the toughest of all. The leaders of the Concerned Citizens and many other non-profit groups must spend the greater part of their time scrambling after ever-diminishing resources. Fifty percent of the time of the most talented and inspiring community leaders and 50 percent of the dollars they collect go right into fundraising.

This preoccupation with fund raising is the problem and calls attention to the main job at hand: helping the poor help themselves. Private fundraising for a small part of the need can be a useful validation of the community groups' effectiveness. The group that raises 10 percent of its budget from its friends and business benefactors builds a partnership with the community in purpose and action. To ask those groups to raise 100 percent of their budget is wasteful.

In this bitter irony, the President's heroes of self help, the homesteaders he held up in his campaign as the salvation of our urban slums, go homeless for the want of a few bucks.

For all his distaste of government intervention, the unfortunate fact is that only Washington can equitably and efficienty raise the money to deal with the nation's problems. The IRS spends pennies to collect dollars without having to worry about chasing taxpayers from one state or city to another.

If it is shared over the broadest constituency in our wealthy society, the necessary funding ceases to be an obstacle to progress. So let's truly free the self-help vigor of poor communities by giving them the cash they need to get the job done quickly, economically, and right. Let government set the goals and provide the resources and incentives to achieve those goals, then let the folks back home take charge.●

A TRIBUTE TO DR. DAVID CUSACK

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. WIRTH. Mr. Speaker, I would like to call the House's attention to a sad incident for my hometown of Boulder, CO, and an even sadder incident for many of the world's hungry people. I refer to the murder in Bolivia of Dr. David Cusack, a gifted international development specialist who based his research efforts in Boulder. Dr. Cusack was shot dead, apparently by a hoodlum, at a Bolivian tourist site. At present, his assailant has not been apprehended, nor has any motive for his murder been determined.

The deep tragedy of Dr. Cusack's death is highlighted by the fact that he was killed in a country whose poor and hungry people he was so fervently trying to help. The focus of his efforts was the development of a nutritious and hardy grain called quinoa. Quinoa only grows in high altitude ecosystems, such as those found in the Andes and the Rockies. Dr. Cusack's familiarity and enchantment with these two regions, combined with his expertise in agricultural development, gave him the perfect background to investigate the potential of quinoa to be a major staple of diets in Andean countries, as well as in the Rockies and other high altitude regions.

His studies showed why quinoa has been a frequently important food source in the Andean region since as early as 3000 B.C. It is an extraordinarily hardy plant that can grow in nutrient-poor soils, without much rain or sunshine. Even during the altiplano drought of 1982-83 in the Andes, one of the worst in the region's history, quinoa production was barely affected, and in Peru, bumper crops of the grain were achieved.

Despite the harsh conditions in which it usually grows, quinoa is a phenomenally nutritious grain. Unlike cereals, which store energy mainly as starch and protein, and oilseeds, which store energy mainly as fat and starch, quinoa combines all three sources of energy in its nutritional structure. More importantly, the quality of its protein is uniquely excellent. In making the crucial comparison between the amino acid structures of quinoa and other major grains—for humans, not being able to synthesize important amino acids internally, must obtain many of these acids through the foods they consume, quinoa clearly prevails over its cereal and grain competitors. Quinoa contains higher levels of lysine than any other cereal or grain, and even competes with soy, which has the highest lysine content among vegetables and grains. Quinoa also contains high levels of essential sulphur-bearing amino acids, methionine and cystine, as well as phosphorus, calcium and iron.

Given quinoa's significant vitamin E- and B-complex vitamin levels and its superb nutritional structure, it is clear that this grain could provide the solution to many of the problems faced by nutritionally-deficient developing countries. Even the promotion of quinoa would not be a major problem—boiling the grain yields a dish with a taste and texture similar to wild rice. Quinoa is used in the Andes in all types of food preparations, including soups, compotes, biscuits, and a popular drink called chicha blanca.

Dr. Cusack recognized the many virtues of quinoa in aiding the malnutrition-plagued peoples of the Andes region. He also realized that although quinoa is an agriculturally and nutritionally superb grain, it was being ignored by a number of Andean farmers, primarily because of the agricultural development emphasis on cash crops throughout the 1960's and 1970's. These crops failed to improve the prospects of Andean farmers and consumers, because most cash crops, such as sugar cane, were not easily consumable by local populations, were subject to the price fluctuations of far-flung international markets, and required impoverished farmers to invest large sums of capital in intensive agricultural technologies. Together, these restraints made it impossible for the Andean people to live off their own land and Andean farmers to turn a profit.

As a result, many people have begun to turn to Dr. Cusack and his colleagues who saw, in the revival of quinoa and other grains like it, the potential for restoring the health and prosperity of the Andean region. On an extremely modest foundation-supplied 2-year budget of $40,000, supplemented by whatever personal resources he could muster, Dr. Cusack sought to accelerate this revival. His death in Bolivia is a tragedy for the region.

Mr. Speaker, several weeks ago, the House finished consideration of a massive foreign aid authorization bill for fiscal year 1985. In that legislation, the House authorized $1.89 billion to finance projects to assist the poorest people in developing countries. Mr. Speaker, I can think of no better way to use the subsequent foreign aid appropriations process than to seek out and finance the small projects, such as Dr. Cusack's, which promise the effective and rational development of resources in developing countries.

I am aware that U.S. development agencies, in particular the Agency for International Development, have funneled significant quantities of aid to small projects. But I believe that it bears repeating, especially in light of Dr. Cusack's devoted yet unfinished work, that the United States cannot find a more effective means of helping developing countries and achieving world peace and prosperity than by exporting its expertise to help cultivate the innate talents and resources of these countries. By pursuing such an aid policy, we can fittingly honor, and perhaps extend, Dr. Cusack's unselfish and tireless efforts on behalf of the Andean peoples.●

LET'S PUNISH DIPLOMATS WHO USE FIREARMS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. BROOMFIELD. Mr. Speaker, diplomats should not be allowed to get away with murder. Today, I am introducing legislation to make the use of a firearm to commit a felony by foreign diplomats in the United States a Federal felony. Similar legislation has already been introduced in the Senate by Senator SPECTER and Senator DENTON as S. 2771. Now is the time to protect the security of the United States against international terrorism.

Although I regret the fact that this legislation is even necessary, I have been deeply concerned in recent years about the routine abuse of diplomatic privileges by some foreign countries.

While our Department of State sends Americans of integrity overseas to represent our Nation, foreign diplomats of certain nations are all to often involved in illegal and embarrassing activities here in the United States. Unfortunately, some foreign governments no longer want their diplomats to conduct themselves in accordance with the traditional responsibilities, privileges and immunities provided by the Vienna Convention. While our Government scrupulously conforms to the letter and spirit of the convention, some other nations make a mockery of that accord.

Let's look at the record. While a foreign embassy has never been attacked and violated here in America, the Iranians sacked our Embassy in Tehran and held our diplomats captive for 444 days. Many of our Embassies and personnel abroad have been the target of state-sponsored terrorist attacks.

A recent act which called the world's attention to this problem was the tragic murder of a British policewoman in London by a hit man posing as a Libyan diplomat. Because he was protected by diplomatic immunity, he left the country and got away with blood on his hands.

I agree with Prime Minister Thatcher's call for revisions in the Vienna Convention. The United States should take the lead in this undertaking and stop this nonsense.

The legislation which I am introducing is designed to protect Americans against violent acts committed by so-called diplomats. In particular, the bill would change title 18, United States Code, and make it unlawful for a member of a foreign diplomatic mission or consular post in the United States entitled to immunity from criminal jurisdiction in the United States to use a firearm to commit any felony. The violator of this proposed new law would be punishable by a fine, or imprisonment.

My bill is a step in the right direction and merits your support.●

IN SUPPORT OF H.R. 1250—VOTING ACCESSIBILITY FOR THE ELDERLY AND HANDICAPPED

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. ROYBAL. Mr. Speaker, I wish to take this opportunity to commend my colleagues and express my strong support of H.R. 1250 voting accessibility for the elderly and handicapped which was swiftly passed by the House yesterday by voice vote under suspension of the rules.

The right to vote is one of the most fundamental rights guaranteed by the Constitution. However, for the Nation's 35 million elderly and disabled Americans exercising their right to vote can be difficult if not impossible.

While all States permit physically handicapped voters to vote by absentee ballot this in and of itself does not eliminate obstacles which discourage these citizens from participating, at the most basic level, in the political process. State procedures for absentee voting vary and often present difficulties for the handicapped and elderly by requiring notarization or medical certification in order to obtain an absentee ballot.

The elderly and handicapped need greater accessibility to registration and polling facilities. For this reason, I support H.R. 1250 which includes provisions to enhance access to polling facilities for them.

Each State would be required to make available registration and voting aids for handicapped and elderly individuals, including instructions printed in large type at each registration and polling facility and information by telecommunications devices for the deaf.

Also, the bill provides that absentee ballots be available for the handicapped, of which many are elderly, with no requirement for notarization or medical certification. Medical certification may be required to receive absentee ballots on a continuing basis or after an application deadline has passed.

H.R. 1250 is a workable and realistic piece of legislation and has attracted strong bipartisan support by maximizing protection of Federal civil rights while maximizing flexibility and discretion for the States.

In conclusion, Mr. Speaker, I wish to commend the coalition on voter accessibility, along with our distinguished colleagues, Representatives SWIFT and FISH for their hard work and dedication in the development of this bill. And, as chairman of the Select Committee on Aging I commend my fellow members for their support of this most necessary and important legislation.●

THE FIRST ANNUAL CONFERENCE OF THE CHALDEAN FEDERATION OF AMERICA

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. LEVIN of Michigan. Mr. Speaker, this Friday, June 29, the Chaldean Federation of America will hold its first annual convention in Southfield, MI, to discuss the "future of Chaldeans in America." This association has provided countless hours of service to people in the 17th District of Michigan and across the United States and is deserving of special recognition as its members meet to discuss their future role in our society.

The Chaldean Federation of America was founded in 1981. Through a federation of parish councils, youth and family clubs, the Chaldean-American Ladies of Charity and the Chaldean-Iraqi Association of Michigan the CFA has dedicated itself to service all people of Chaldean heritage in the United States. In the 3 years since its founding the CFA has made great strides in accomplishing its organizational objectives; offering counseling and assistance to the small business community; sponsoring cultural and educational programs for adults and children, establishing harmony and cooperation among Chaldean Parishes, related groups and institutions; and providing employment, immigration, citizenship and counseling assistance to individuals. This first annual convention is further evidence of the vitality and viability of this organization.

I expect the Chaldean Federation of America to flourish just as the Chaldean community of metropolitan Detroit has flourished. There are approximately 500,000 Chaldeans in the world today; nearly 10 percent live in the United States and nearly three-quarters of the Chaldean-American community live in Metropolitan Detroit. The first Chaldean immigrants arrived in the United States during the first decade of this century. The small Detroit Chaldean community was started around 1912 by men from the town of Telkaipe in northern Iraq near Mossoul in Nineveh province. A few of them bought a small grocery store; being hard workers and dedicated to their jobs, they soon became successful in their enterprise. Many later returned to their native town to marry and bring their families back to this country. This pattern has been largely followed to date. Today the more than 35,000 Chaldeans in Metropolitan Detroit have distinguished themselves as productive, creative, and valued members of our community. They are devoted to family values, strongly attached to their church and spiritual heritage and very active in social and education affairs.

The Chaldean-American community has enriched our society and has offered a fine model to other immigrants in the United States. They have integrated American civic values with their own strong cultural tradition. I am confident that the Chaldean community will continue to make unique contributions to our society. Let these remarks excerpted from a recent article in the Chaldean-Iraqi Association News Bulletin remind all Americans of our common aspirations and responsibilities:

> We have become an integral part of this great Country. We have made, and continue to make, our contributions to the American way of life. We have also enjoyed the so many blessings this society has offered us. The right and duty to vote are the strength of the American system. Let us never forget that, and let us be a part of that system and participate in it as good, loyal, and concerned citizens.●

RESOLUTION NO. 996

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. OWENS. Mr. Speaker, the New York City Council unanimously passed a resolution on June 19, 1984, in support of the Civil Rights Act of 1984—H.R. 5490. The strong support of New York's City Council which represents one of the most diverse populations in the Nation is indicative of the widespread support which H.R. 5490 enjoys.

Resolution 996 of the City Council of New York City is included below.

RESOLUTION NO. 996

Resolution calling upon the Council of the City of New York to support total prohibition of discrimination in education by urging the United States Congress to enact "The Civil Rights Act of 1984" (S. 2568 and H.R. 5490) overturning the Supreme Court's Grove City v. Bell Decision limiting Title IX Anti-Discrimination Protection.

By Council Member Friedlander; also Council Members Albanese, Alter, Dryfoos, Ferrer, Eisland, Greitzer, Katzman, Leffler, Maloney, Messinger, Michels, Pinkett, Williams and Wooten—

Whereas, On February 28, 1984, the United States Supreme Court ruled in Grove City v. Bell (No. 82-792) that Title IX of the Education Amendments of 1972, which prohibits sex discrimination by schools that receive federal assistance, does not bar discrimination in an entire college but only in those parts which receive federal funds; and

Whereas, This decision misread Congressional intent in enacting Title IX which was to "prohibit gender discrimination in all aspects of the American educational system" as evidenced by the Friend of the Court Brief filed in the Grove City case by forty-nine members of Congress and by the passage (414 to 8) last November of a Resolution expressing the sense of the House of Representatives that Title IX should be given broad scope; and

Whereas, The Reagan Administration reversed the interpretation of Title IX as covering an entire institution once any program received federal funds held by the three previous Presidential Administrations; and

Whereas, As a result of the Supreme Court's ruling, college officials were immediately quoted in the press as saying the Grove City case would reduce the pressure on them to combat sex discrimination, especially in athletics; and

Whereas, This Court decision also effectively removes Title IX protection for women students against sexual harassment, against discrimination in non-federally sponsored research and programs, among other areas; and

Whereas, The Grove City ruling could be applied to limit the protection offered by other key civil rights laws, including Title VI of the 1964 Civil Rights Act which protects against race discrimination, Sec. 504 of the 1973 Rehabilitation Act which protects against disability discrimination and the Age Discrimination Act of 1975; and

Whereas, Following the Grove City decision, William Bradford Reynolds, Justice Department Assistant Attorney General for Civil Rights, stated his belief that the ruling would apply to other civil rights statutes; and

Whereas, Senators Kennedy and Packwood, Representatives Schneider and Edwards with a broad coalition of their Congressional colleagues have introduced comprehensive legislation (S. 2568 and H.R. 5490) to restore Title IX enforcement efforts and to strengthen other civil rights statutes; now, therefore, be it

Resolved, That the Council of the City of New York supports total prohibition of discrimination in education and urges the United States Congress to enact "The Civil Rights Act of 1984" (S. 2568 and H.R. 5490) overturning the Supreme Court's Grove City v. Bell decision limiting Title IX anti-discrimination protection.

Referred to the Committee on Women.●

A GREAT CENTENNIAL IN GREAT FALLS, MT

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. MARLENEE. Mr. Speaker, July 4 is a special day for America, but July 4 of this year is especially special, because it is the culminating day of the Centennial Celebration of Great Falls, MT.

Great Falls, named for the spectacular waterfalls encountered by the Lewis and Clark Expedition on the Missouri River in June of 1805, will soon start celebrating Centennial Focus Week. This treasured week starts June 29 with a merchants extravaganza and ends July 8 with an ethnic and cultural heritage day.

In paying tribute to Great Falls, which he visited in 1982, President Reagan said:

> Great Falls is a shining example of enterprise and optimism * * * the spirit which has built your community is a reflection of the energy which has forged America into a land of wonder.

"Shining" and "energy" are indeed appropriate words in describing the "Electric City," Great Falls. Located in the middle of "Big Sky" country, Great Falls is surrounded by shining golden fields of crested, bearded wheat, barley, hay, and other crops. In fact, Great Falls is one of the end points of the Golden Triangle, perhaps the richest grain producing area in the country.

Energy abounds in and around Great Falls. Coal, natural gas, and mineral mining dot the landscape in all directions from Great Falls.

Great Falls and the area surrounding it, Mr. Speaker, feed the Nation, and help provide the energy to keep the country running.

But there's more, much more, to Great Falls.

Since 1805, when Capt. Meriwether Lewis first heard what he termed, "the agreeable sound of a fall of water" and beheld what he described as a scene "singuarly beautiful, since without any of the wild, irregular sublimity of the lower falls, it combined all the regular elegances which the fancy of a painter would select to form a beautiful waterfall," Great Falls has blossomed and prospered.

The falls themselves are gone, and the city has experienced growing pains during its first 10 decades, but Great Falls has rebounded stronger than ever, and during this Centennial Week is proudly honoring its past and anxiously looking toward the future.

And that future is bright. Why? Because the people of Great Falls will make it so. When Great Falls has suffered setbacks, the city has come back stronger than ever. When the farm homestead boom collapsed in the 1920's, Great Falls responded by propelling the Anaconda Copper Mining Co. and Malmstrom Air Force Base into the mainstream of the local economy to fuse a period of prosperity. By 1950, Great Falls was the largest city in Montana.

The recent Anaconda pullout in Great Falls put a strain on the local economy. And low farm commodity prices have tightened purse strings in Great Falls.

But Great Falls isn't down. The reason why has something to do with the people themselves. A recent essay written by Michael Malone, a respected Montana State University history professor, stated:

> Only one city in Montana, Great Falls, combined all the separate urban personalities of the State's frontier cities to become the most traditional, western city in Montana.

Later in his essay, Mr. Malone writes:

> Like Sante Fe, Denver and Cheyenne, Great Falls embodies the unpretentious, friendly, individualistic and open way of life which we think of as "western."

Finally, Mr. Malone concludes:

> The future of Great Falls lies in the preservations of those traditions, and lies in the hands of those impressive citizens of the city who are doing exactly that.

Mr. Speaker, Great Falls is a city blessed with an abundance of impressive citizens. I honor them, and their past generations who formed and shaped Great Falls, and pay tribute to all of Great Falls during this special Fourth of July.

A city steeped with tradition, a city blessed with a unique heritage and endowed with creative, dedicated, and talented citizens, a city rich in culture and spiritual preservation—a city turning 100 but with its eyes aimed squarely at the future, ready to not only meet, but conquer what obstacles destiny throws in its path.

Mr. Speaker, I urge my colleagues to join me in recognizing this city, in saluting its people, in acknowledging its heritage, on this day, July 4, a Great Centennial in Great Falls, MT.●

NATIONAL QUALITY MONTH

HON. STAN LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. LUNDINE. Mr. Speaker, today I am introducing legislation that will establish the month of October, 1984, as the first National Quality Month in the United States.

Quality is an American idea. For many years "Made in America" was a pledge of high quality to customers around the world. Armed with a reputation for high quality, American goods dominated world markets.

The entire country benefited from our commitment to making the best products in the world. Despite their differences, management, and labor worked toward that common objective. As a result, American industries flourished and supported a thriving economy that provided more and more jobs every year.

But in the last decade or so, the balance has shifted. As foreign manufacturers have dedicated themselves to quality, they have begun to erode America's position in the marketplace.

Mr. Speaker, as we all know, the United States is today faced with unprecedented competition in international markets. Foreign competition, particularly in the labor intensive industries, has had a tremendous impact on our economy and has forced business, industry, labor and government to reevaluate our production and marketing strategies. That process continues today and is evident in the deliberations of this body.

W. Edwards Deming, the renowed statistician who introduced American quality methods to Japan in the 1950's, claims that the fundamental reason for the U.S. loss of competitive position is not due to cultural nuances, automation, Government subsidies or unfair market practices, but rather is due to a loss of commitment to high quality in manufacturing and services.

By any yardstick, whether it be productivity or profits, high quality brings enormous rewards. It is integral to their accomplishment.

Doing things right the first time means we don't have to do them over and that reduces costs and boosts paychecks and profits. Doing things right the first time means we have time to do more, and that means more productivity for the same amount of effort. These then are the messages of quality: not greater costs, but increased savings; not time wasted, but time saved.

None of this is new.

Mr. Speaker, the principles of high quality were developed in this Nation. From colonial days when our forefathers practiced their trades in small, backyard shops, American-made goods have enjoyed a reputation for high quality and precision crafting. Those same practices carried us through World War II and enabled our factories to turn out the munitions and materials that changed the course of history.

Out of this continuing need to standardize these practices came the American Society for Quality Control, a nonprofit professional society for managers, engineers, and scientists dedicated to the advancement of quality in America and around the world. After the war, members of that group spread the message of quality. And through their efforts, the quality of American products and services continued to rise. At the same time, however, the quality of products made abroad rose even faster. Men like W. Edwards Deming and J.M. Juran went to countries like Japan with the idea of quality and found a receptive audience in post-war reconstruction. Much of Japan's strength today can be traced to that nation's simple dedication to quality.

Perhaps we were spoiled by our success. Too often we fell into the error of thinking that high quality was somehow a detriment to productivity as consumer demands for products rose. We began to see high quality as a cause of delay rather than as a means of improving performance. As a result of our misplaced emphasis, we have seen our vaunted industrial giants battered and our economic powerhouses weakened in recent years.

Is the competition really smarter than we are? The answer is a resounding "No." We have simply lost the commitment to high quality that we taught others was essential for productivity and profits.

Mr. Speaker, this has all begun to change here in America. There is a revival of concern for high quality that is evident all over this country. It is evident in the strategies of our major corporations. It is evident in the small shops on Main Street. Top executives have realized that high quality means customer satisfaction and that customer satisfaction means sales. Labor has realized that high quality means jobs.

The message is spreading. From the assembly line to the board room, from the inspector to the chairman, there is a recommitment to high quality. And we in Congress can help keep the momentum going. That is why it is important that we show our support for the first National Quality Month which will give us an opportunity to rededicate ourselves to quality first.

During the month of October 1984, the American Society for Quality Control and other professional, business, labor, and consumer organizations all across America will sponsor a variety of events to help educate everyone about quality. There will be conferences, seminars, local meetings, quality exhibits, training sessions, and an opportunity for each of us to rededicate ourselves to quality first. The energy generated from these activities will carry us forward to new initiatives on quality and help reestablish America's preeminence for high quality in the marketplace.●

YEAR OF THE OCEAN HONORS ED FORSYTHE

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. YOUNG of Alaska. Mr. Speaker, the House will today consider Senate Joint Resolution 257, which designates the period of July 1, 1984 to June 30, 1985, as the "Year of the Ocean." In doing so, the House will not only recognize an important natural resource, but will also honor a dear friend and colleague, the late Ed Forsythe.

Representative Forsythe had a long and distinguished career as a member of the Merchant Marine and Fisheries Committee, which has jurisdiction over all nondefense activities involving the oceans, including fisheries, the Outer Continental Shelf, the Coast

Guard, and the merchant marine. As the representative of our largest coastal State, I always appreciated and respected Mr. Forsythe's leadership and support of legislation that promoted the wise use of our resources. His death was a loss to all of us and it is only fitting that we today approve one of the last legislative measures he introduced.

The oceans have played an important role in the history and economic development of the United States. The isolation imposed by the Atlantic Ocean allowed New World colonists to develop a free society, unfettered with the bonds of an Old World society based on elitism. The oceans fed our new country with their bountiful supply of fish. During the 19th century, the whaling fleets based in New England were a major economic factor in our Nation's growth. The shipbuilding tradition that developed there led to the United States becoming a world leader in maritime trade and enhanced our international status and reputation. During both World Wars, the ocean served as the only open avenue of commerce and supply for ourselves and our allies.

More recently, the oceans have again been recognized for the resources they contain. Our domestic fishing industry is growing because we have access to 15 to 20 percent of the world's marine protein resources within 200 miles of our shore. The oil and gas deposits located on the Outer Continental Shelf have helped decrease our dependence on foreign supplies of fossil fuel. We are now finding rich mineral deposits on the ocean floor which will meet our critical mineral needs.

I also must congratulate President Reagan for the important actions he has taken to ensure that those resources will be available to the United States. At the urging of myself and a number of other members, President Reagan agreed not to sign the Law of the Sea Treaty, thus ensuring that this dangerous document would not be to prevent us from obtaining access to mineral resources and to continue foreign fishing off our shores at the expense of U.S. fishermen.

In March 1983, the President signed an Executive order establishing a 200-mile U.S. exclusive economic zone, thereby reinforcing our rights in the oceans. While the President has been criticized by those who would rather see our resources given away, no matter what the cost, I believe that President Reagan deserves to be congratulated for his actions in this regard.

Again, Mr. Speaker, this resolution is an important tribute to the oceans that have served us well and to a beloved colleague that served with us for so many years.●

THE GI BILL OF RIGHTS ON ITS 40TH ANNIVERSARY

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 22, 1984

● Mr. ADDABBO. Mr. Speaker, on June 22, America marked the 40th anniversary of the GI bill of rights.

When President Roosevelt signed Public Law 78-346 four decades ago, this country made one of the greatest commitments to the men who serve in our Armed Forces that we have ever made. It was a commitment that took stock in men, and guaranteed them funds for training and education after they completed their military duty. We, as a people, were proud to invest in our veterans and were willing to help them in any way we could after they had served so bravely.

It is necessary to look back today and recall where we focused our commitment. Although the present administration frequently takes light of President Roosevelt's words, their commitment to our serviceman is seriously lacking. President Roosevelt believed that improving the quality of life for our Armed Forces personnel and giving veterans new opportunities was the utmost concern. The present administration has prioritized nuclear weapons and been rather lax in its care for our GI's.

As a result of President Roosevelt's commitment approximately 18 million veterans have been trained under the three GI bills. The cost of our investment was about $55 million, of which the Treasury Department has said we have replenished in higher income taxes. Due to better education and training, our Nation's pool of veterans command higher incomes, and subsequently must pay higher income taxes.

Higher incomes and a more advanced industrial complex are substantial gains we have seen from the GI bill. They are indications that we once had a great commitment to manpower, to insuring the quality of our soldiers lives.

After four decades of investing in manpower, the evidence in support of continuing to prioritize this investment is clear. The GI bill has brought in returns greater than any other military expenditure of modern times. Why then do we continue to cut funds for our serviceman and increase funds for nuclear weapons. This is a question we must ask the administration as we reaffirm our support for the GI bill and the American GI today.●

THE NEW YORK BELT LAW: RESPONSIBLE ACTION LONG OVERDUE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. DINGELL. Mr. Speaker, the New York State Legislature should be commended for its courageous action in approving the Nation's first comprehensive mandatory seatbelt use law. It is a bold step which is not without public controversy, but in the long run will save countless lives and millions of dollars. In fact, the Highway Users Federation, which has been in the forefront of promoting seatbelt use laws, indicates that if New York seatbelt law achieves a belt use rate of 80 percent, an estimated 600 lives will be saved and over 16,000 injuries forestalled. Some $258 million will be saved in accident, medical, insurance, work, and other related costs. Hopefully, New York's leadership in this most important lifesaving legislation will inspire other States to make similar efforts. In fact, if all States enacted and fully enforced mandatory seatbelt use laws, the Highway Users Federation indicates that over 12,000 lives would be saved each year at a savings of $5.2 billion.

The Motor Vehicle Passenger Safety Act (H.R. 4175), which I introduced last year, would help provide States with an incentive to pass seatbelt use laws similar to New York's legislation. H.R. 4175 directs the Department of Transportation to develop and implement a broad program to promote the use of safety belts and to educate the public on the safety and economic benefits of increased belt use. More importantly, H.R. 4175 provides a grant program for States to promote increased use of safety belts and to develop laws and regulations requiring the use of safety belts. The bill authorizes $15 million for fiscal year 1985, $30 million for each of the fiscal years 1986 through 1990, and $20 million for each of the fiscal years 1991 through 1996. Funds would be allocated to the States by a formula which insures that all States would get a proportionate share. Under the provisions of the legislation, New York would receive incentive grants to implement its seatbelt use law. The legislation also provides that occupants of all motor vehicles operating on streets, roads, or highways in national conservation areas—that is, parks, wildlife refuges, forests—be required to buckle up with existing seatbelt systems.

I believe that the New York Legislature has demonstrated responsible leadership in dealing with the thorny problem of saving thousands of lives and dollars with a minimum of cost.

The Nation must now take notice of New York's bold action and follow the lead of this responsible and progressive legislative mandate to buckle up to keep traffic deaths down, with a tremendous saving of social costs.●

THE ARTS AND PUBLIC POLICY IN THE UNITED STATES

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. YATES. Mr. Speaker, earlier this month I was privileged to present a paper at the 67th American Assembly, on "The Arts and Public Policy in the United States," at Arden House, Harriman, NY. Under the leadership of my distinguished friend and nationally known arts leader, W. McNeil Lowry, the assembly made the following findings and recommendations:

First, we view with admiration the European traditions of funding in which governments have historically made strong public commitments to the arts, but as the arts in the United States have matured we find that the dynamic relationship between public and private funding sources is more suited for the development of creativity and talent throughout our own diverse and plural society.

Second, one of the keys to public policy in the arts is in the hands of the daily and periodical press and particularly the large urban newspapers widely syndicated across the country. The growing tendency for even the most noted of these to treat the arts predominantly as entertainment, leisure, or style often inhibits any real insight into the primary questions of private or public policy or even questions of the development of careers of artists.

Third, appreciation of the arts is by and large developed through the educational system. The beginnings of attitudes and opinions about the importance of the arts have the same focus. We cannot hope to establish the centrality of the arts to this society or their value to the individual without a clear recognition of this fact. More support for the arts in education is needed, especially at the local level.

Fourth, the goal of universal access to and availability of the arts is an essential component of a public policy in the arts. We recommend that, whenever feasible, lower admission prices, more even distribution of arts facilities, and greater recognition of minority art forms all be encouraged.

Fifth, the mechanism of the nonprofit corporation remains today, as it has for seven decades, inseparable from the institutional life of the arts in this country. It is grounded in the recognition by Federal and State governments that art as an exercise in esthetic inquiry, performance, and exhibition is inherently deserving of tax exemption. In the life of nonprofit arts organizations, the bottom line should be defined as the value placed on the quality of the artistic experience.

Sixth, we have recognized that the artist must be more central in the formulation of public policy in the arts. To equip the artist and other spokespersons with information for this increased role, the arts service organizations should be encouraged to provide facts, figures, and information about government, foundation, and corporate programs.

Seventh, the Federal Government has expressed its commitment to the arts in the law establishing the National Foundation on the Arts and the Humanities. It is recommended that the ideas contained in that document be extended to a broad range of Federal agencies for valuable social, educational, and economic programs involving the arts.

Eighth, while recognizing the critical importance of autonomy and diversity in the philanthropic programs of private and corporate foundations, we are hopeful that more systematic exchanges of information can help to guide their actions.

Ninth, the efficient management of the nonprofit organization must not divert its artistic objective, which must remain the province of the artistic director. An understanding of the fiduciary responsibilities of the trustees is essential for the director and artistic personnel, while genuine sensitivity to the creative goals of the artists on the part of the trustees is absolutely vital. It is urgent that each element of the organization guard against the erosion of high quality of performance and the integrity of the artistic process. A collaborative relationship in the structure allows for growth and development of the art to which the institution as a whole is devoted.

Tenth, we are only beginning to experience the range of forms and shapes in which sight and sound can be electronically delivered. We hope that artists, managers, and other sources of policy in the arts will take the utmost advantage of the radical changes in the media and in new information systems. But of equal importance is the imperative need to support the primacy of direct access to live performing and exhibiting spaces.

Eleventh, public television and radio are prime sources of dissemination of the arts. They also advance the art of the media themselves. If they are to survive, the Government must assist in their support. We recommended speedy restoration of Federal funding for the Corporation for Public Broadcasting [CPB] and Public Broadcasting Service [PBS]. We also encourage an emphasis on regional programing.

Twelfth, a fairly common deficiency of arts groups is the absence of a clear statement of purpose and a long view, both artistically and financially. Planning is an important function, but too often financial planning by trustees and managers extends only to the annual rush to close the earnings gap. A more appropriate focus would be multiyear budgets and long-range plans for both arts organizations and funding sources.

Thirteenth, the record of the National Endowment for the Arts and of State arts agencies in avoiding political interference in funding decisions has been good. Recent incidents, however, remind us that constant vigilance on this point is necessary to discourage any interference, especially in the support of artists and of artistic groups presenting art with social or political content.●

THE SMALL BUSINESS SECONDARY MARKET IMPROVEMENT ACT OF 1984

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. LAFALCE. Mr. Speaker, I am pleased to support the Small Business Secondary Market Improvement Act of 1984 introduced by my colleague from New York, Congressman HENRY NOWAK, and approved yesterday by the House. I am a cosponosor of this legislation, and have from the beginning supported Representative NOWAK in his efforts to provide for the credit needs of smaller businesses.

The bill is designed to improve the operation of the Small Business Administration's 7A Loan Guarantee Program by developing a more active secondary market for the loans backed by the 7A guarantee. At present, 7A-backed loans are sold individually, and the proposed bill would make it possible for the SBA to pool a number of loans into a single security for sale to private investors. By perfecting a secondary market for small business loans, the attractiveness of the 7A Program to lenders should increase, and the costs of borrowing by small businesses should be reduced.

But while I am an active supporter of the legislation, I believe it is also necessary to extend the concept of an active secondary market for small business loans beyond the confines of the SBA 7A Program.

The 7A Program generally requires a review of each loan by the SBA before a guarantee is issued, and then the SBA extends a guarantee to the lender for 90 percent of the value fo the loan. These programmatic features set severe limits to the volume of financing which can be managed through the 7A Program, and decrease the attractiveness of the program to lenders. The 90 percent Government exposure sets an effective dollar limit to the program, and the requirement of loan-by-loan SBA review makes the program less attractive to financial institutions. Finally, SBA size regulations also require the inability to obtain financing elsewhere as a requirement for a 7A guarantee, which further limits the pool of eligible borrowers.

In order to extend access for small- to medium-sized businesses to needed financing for industrial modernization, I have introduced, and the Banking Committee has reported this year, legislation which would create a Federal Industrial Mortgage Association [FIMA] to establish an active secondary market for loans made to both small- and medium-sized businesses. Unlike the SBA 7A Program, the FIMA proposal would not require loan-by-loan review by a Government agency, and should therefore be attractive to financial institutions who would have complete autonomy to make loan underwriting decisions. Borrowers would not be required to demonstrate inability to obtain financing elsewhere, and there would be no dollar limit on the volume of loans which FIMA could handle, since the main activity of the Association would be the resale of loans to institutional investors through the issuance of a passthrough security backed by a pool of loans.

In effect, the FIMA proposal represents an extension of the principles contained in Representative NOWAK's bill to a larger class of borrowers and extends it beyond the confines of the SBA. I welcome Representative NOWAK's efforts to improve the SBA program, and hope that the President will now act favorably on this important legislation. I also hope for a favorable action on the Federal Industrial Mortgage Association proposal when that measure comes before the House.●

PLIGHT OF IRENA PRIAKHINA

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. GEJDENSON. Mr. Speaker, I rise today as part of the 1984 congressional call to conscience for Soviet Jews, to remind my colleagues of the plight of Irena Priakhina.

Ms. Priakhina wishes to leave the Soviet Union with her 14-year-old daughter in order to be reunited with her husband, Leonid Zuber, who is currently living in California. Mr. Zuber was able to secure an exit visa in 1976—a complicated process, which the couple expedited by divorcing. Ms. Priakhina was not able to leave at that time because her mother was extremely ill.

In 1979, Ms. Priakhina applied for an exit visa and was refused on the grounds that an invitation had to be received from Israel and that there was a possibility that her husband had remarried. Accordingly, an invitation from Israel and a statement that Mr. Zuber had not remarried were sent. Nonetheless, the visa was again refused. Ms. Priakhina has recently been pressured by Soviet authorities to stop her husband's activities in this country on her behalf.

Ms. Priakhina is a musician—even the Soviet authorities have not suggested that she is a security risk. The request of Ms. Priakhina and her daughter to emigrate for purposes of family reunification is clearly covered by the provisions of the Helsinki Final Act to which the Soviet Union is a signatory. Despite this, humanitarian considerations and international obligations have been ignored, and a family is being kept apart at the whim of the state. I urge the appropriate authorities to reconsider their decision, and allow Irena Priakhina and her daughter to emigrate.●

PERSONAL EXPLANATION

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. ACKERMAN. Mr. Speaker, due to official business in my district, I was unable to be present on the floor during three recent rollcall votes. Had I been present, I would have voted as follows:

On June 15, "Yes" on rollcall 243, House Resolution 515, the rule on H.R. 3678, Water Resources Development Act.

On June 22, "Yes" on rollcall 261, approving the journal of June 21; and "No" on rollcall 262, final passage of H.R. 5604, Military Construction Authorization Act for fiscal year 1985.●

TRIBUTE TO JAMES O'BRIEN

HON. FRANK HARRISON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. HARRISON. Mr. Speaker, I rise today, Mr. Speaker, to pay tribute to an old friend and a great American who is no longer with us. James P. O'Brien died on December 27, 1983. For 76 years, he had represented the highest ideals of private integrity and public service.

Jim, as we all knew him, was born in Wilkes-Barre on May 14, 1907, the son of the late Michael and Ellen Rogan O'Brien. He was a graduate of St. Mary's High School, Wilkes-Barre, and Seton Hall University, New Jersey.

He lived in Wilkes-Barre all his life and was an active and dedicated parishioner of Holy Savior Church. He was past president—both of its Holy Name Society and of the Vincent de Paul Society, famous in the east end section of the city for its many works of charity. He was a member, also, of the Knights of Columbus, fourth degree, Council 302, in Wilkes-Barre.

Most of all, Jim O'Brien was a public servant. He was active in the Democratic Party of Luzerne County for more than 40 years and served, a great deal of his time, as its treasurer. He was employed with the auditor general's office of the Commonwealth of Pennsylvania before his retirement in 1974.

And beyond that, Jim O'Brien was a citizen of the community. He had a listening ear and a helping hand. He had sage advice and, most of all, an uncommon instinct that led him to seek out those in need. He often said that his favorite hobby was "doing favors for people" and he did them not only well but with compassion and a genuine humanity that many of us will never forget.

And so my purpose today, Mr. Speaker, is both to pay tribute to the memory of Jim O'Brien and to extend my deep condolences to his wife, the former Mary O'Donnell; his daughter, Mary Frances; his sons, Patrick and James; his grandchildren; and his brothers, Bernie, Joseph, and Michael, whose grief we share.

But, Mr. Speaker, all of the O'Briens know, as do I, that the memory of Jim O'Brien and all that he did—in public and in private life—will live long on after and be a blessing to us all.●

PERSONAL EXPLANATION

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. MAZZOLI. Mr. Speaker, I was unavoidably absent on Friday, June 22, 1984. Had I been present, I would have voted:

"Aye" on rollcall No. 261, approving the Journal of Thursday, June 21, 1984.

"Aye" on rollcall No. 262, pasage of H.R. 5604, military construction authorization for fiscal year 1985; and

"Aye" on rollcall No. 263, House Resolution 526, the rule providing for the consideration of H.R. 5680, Federal pay equity legislation.●

IN HONOR OF MICHAEL W. SWEENEY

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. LEVINE of California. Mr. Speaker, I rise today on behalf of Michael W. Sweeney, a resident of Manhattan Beach, CA, who will be honored for his years of community service at a testimonial dinner on Tuesday, July 10, 1984.

In honor of Mr. Sweeney's work on behalf of the Manhattan Beach community, I would like to share some of his accomplishments with my colleagues.

Mr. Sweeney has been a resident of Manhattan Beach since 1945. He attended Belmont High School in Los Angeles, El Camino College and the Los Angeles Police Academy.

Mr. Sweeney retired from the Los Angeles Police Department after 23 years of service, and is currently the owner of Sweeney's Hardware in Manhattan Beach.

He was first elected to the Manhattan Beach City Council in 1968. He was reelected in 1972, 1976, and 1980, and has served as mayor three times during his tenure.

Mr. Sweeney has served as a member of the Manhattan Beach City School District Board, West Basin Municipal Water District Board, Manhattan Beach Planning Commission and Sand Dune Park Committee. He has served as vice president of the chamber of commerce, president of the Manhattan Beach Coordinating Council and president of the Grandveiw PTA. In addition, Mr. Sweeney has served as chairman of the Los Angeles County Laws for Youth Committee and the Youth Facilities Steering Committee.

Mr. Sweeney is the recipient of several awards including: the Manhattan Beach Chamber of Commerce "Rose & Scroll" in 1962, the Manhattan Beach Jaycee's "Citizen of the Year" in 1963, and the Los Angeles County Recreation and Youth Service "Golden Goblet" in 1972.

Mr. Sweeney and his wife Anita have two children, Gail and Gary.

It is a pleasure to share Mr. Sweeney's record of public service with my colleagues and I wish him much success in his future endeavors.●

UNITED STATES-SOVIET RELATIONS

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. YOUNG of Alaska. Mr. Speaker, Soviet apologists and opponents of President Reagan continually blame him for the current chill in United States-Soviet relations. There is no question that the President has been tough in dealing with the Soviets, evident in his plan to strengthen America's defenses which were allowed to deteriorate during the 1970's. Yet, this assessment of Mr. Reagan along with its ominous warnings that this is a President who is actually searching for an excuse to start a war somewhere in the world ignores the record of United States-Soviet relations.

Those who blame the President for the current state of superpower relations overlook the fact that it is the Soviet Union, not the United States, that continues to try to subjugate the Afghan people by waging migratory genocide against villages and innocent civilians. Furthermore, it is the Soviets that are trying to choke off any expression of free will in Poland. It is the Soviets that shot a civilian airliner out of the sky killing 269 people. And it is the Soviets that walked away from the nuclear arms talks in Geneva when they failed to intimidate Western European nations by aiming hundreds of SS-20's at their capitals. These facts are indisputable though some choose not to see them.

In spite of Soviet behavior, however, critics berate the President for not having met in person with his counterpart in the Kremlin. In response to the complaint that he is dragging his feet on a possible summit, Mr. Reagan began by pointing out that since he has been in office, there have been three different Soviet leaders. A system based on a rigid, internal order such as the Soviets' is not accustomed to dealing with such a rapid succession in its leadership. The health of even the present Soviet leader is in doubt and thus, there is good reason to believe that a degree of turmoil has beset the Kremlin making a summit all the more difficult. Nevertheless, last week, President Reagan cautiously indicated his willingness to meet with Mr. Chernenko. It was right for the President to open the door for talks given the poor state of relations with the Soviets. It was also right for him to be cautious.

Since the first meeting in 1943, there have been 13 United States-Soviet summits, the results of which have been mixed. While the 1955 Geneva summit between President Eisenhower and Khrushchev produced an agreement for the occupying forces to withdraw from Austria, other summits such as that at Yalta in 1945 and Vienna in 1961 were outright disasters for the United States. At Yalta, President Roosevelt in effect surrendered Eastern Europe to the Communists. And the Vienna debacle, which led to the construction of the Berlin Wall and the Cuban missile crisis, prompted then-Secretary of State Dean Rusk to write:

> Such experience as we have had with summit diplomacy does not encourage the view that it contributes to the advancement of American interests.

The author, Burton Pines, has written the following about summits:

> The desire to see Ronald Reagan sit down for a chat with Soviet leader Konstantin Chernenko is one of the most admirable American impulses. It reflects a folksy faith that policy can be affected by personality and that U.S.-Soviet tensions are in part a misunderstanding which can be dissolved if the two superpower chieftans powwow and convince each other of their desire for peace.

While not discounting the value of summits, Mr. Pines cautions that:

> History teaches not only that summits are no sure thing for improving relations, but that they can increase tensions and almost always serve Soviet interests much more than American.

I applaud Mr. Reagan both for opening the door to talks and for doing so cautiously. If an agenda can be constructed which addresses areas of mutual concern, then it is important that a summit be held. Yet, we should not delude ourselves about the nature of the Soviets or about what a summit will achieve. Soviet-American relations will improve over time not overnight.●

A TRIBUTE TO THE U.S. OLYMPIC VOLLEYBALL TEAM

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. LOWERY of California. Mr. Speaker, in 1895, volleyball was invented in a Massachusetts YMCA. The year 1964 finally brought volleyball to the Olympic games. Our American team was there, as well as at the 1968 games in Mexico City. During the 1968 games the American team beat the eventual gold medalist Soviet Union. It would be 16 years before this fete would happen again.

The American team did not qualify for the 1972, 1976, or 1980 games. But, this Nation should stand up and cheer for our 1984 American team. We all look forward to the moment when Old Glory is waving proudly during the presentation of the Olympic volleyball medals.

No other American national team in history will be playing with greater unity. Our American National Volleyball Team is the only national team to train year round. You can thank San Diego, Dom Sammis, and the men's volleyball board of directors.

Of course, the boycott is a bitter pill to swallow. Yet the world volleyball community knows which team reigns supreme after the dramatic tour of the Soviet Union.

To the coaches, staff, and most certainly the players, our country salutes you. No matter what the outcome of the Olympic games, we are proud of you and your splendid program.

Thank you, Head Coach Doug Beal, Assistant Coach Bill Neville, Assistant Coach Tony Crabb, General Manager Kerry Klostermann, Program Director Bob Garrett, and all the dedicated players: Paul Sunderland, Steve Timmons, Mike Blanchard, Rich Duwelius, Marc Waldie, Steve Salmons, Craig Buck, Pat Powers, Dusty Dvorak, Chris Marlowe, Rod Wilde, Dave Saunders, Karch Kiraly, and Aldis Berzins.

All of America is with you.●

FEAR OF THE FUTURE?

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. DOWNEY of New York. Mr. Speaker, yesterday, leading banks announced an increase in the prime interest rate to 13 percent. This is not good news for any of us, but it certainly is not unexpected. For the past year Members have been working to bring down the Federal deficit. We have been warning the administration that unless the deficit is brought under control, the markets will react adversely and interest rates will rise. Ever since the House passed the first budget resolution, we have been met with stonewalling and a refusal by the other body to sit down and discuss a meaningful deficit reduction package that we have assembled, which makes a $182 billion downpayment on the deficit.

Why have the conferees from the other body been so reluctant to sit down with us and work out a budget? Is it because they are restrained from seriously addressing the rapidly increasing Defense Department budget? Surely, they must realize that without a real effort to slow down the growth in defense spending no real deficit reduction is possible in the near future.

All of us have worked too hard to try to bring the Federal budget into line to let real progress slip away at this time. Millions of poor- and middle-class Americans have made enormous sacrifices in the past 3 years—sacrifices that were necessary because of severe cutbacks in Federal programs that served their needs. Have those sacrifices been made in vain? If we cannot bring defense spending into line, the massive cuts in domestic programs will achieve little in terms of deficit reduction.

Yesterday, the President attributed the increase in interest rates to a fear of the future. A fear of the future, yes—but the increase in interest rates also represents a rational reading of the record. A record which shows that the administration refuses to countenance any cuts in its defense buildup. A record which shows that the other body is held hostage to an unreasonable 8.3-percent increase in defense spending. A record which shows that the budget conferees from the other body are unwilling to discuss the remaining real issue of deficit reduction—the Defense budget.

I hope, Mr. Speaker, that when the conferees on the budget meet today we are able to face the future without fear and deal with the one hard issue which remains.●

PERSONAL EXPLANATION

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. RAHALL. Mr. Speaker, during the proceedings of Thursday, June 21, 1984, I was absent for rollcall votes 256 to 260 in order to attend the 10th Annual Dinner of the Region I Planning and Developing Council along with our colleague from the other body, Senator JENNINGS RANDOLPH, in my district in Ripestem, WV.

Had I been present I would have voted "present" on rollcall 256, "no" on rollcall 257, "yes" on rollcall 258, "yea" on rollcall 259, and "yea" on rollcall 260.●

PERSONAL EXPLANATION

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. EVANS of Illinois. Mr. Speaker, due to a clerical error, my name was inadvertently omitted from the list of cosponsors of H.R. 5490, the Civil Rights Act of 1984. I wholeheartedly support this legislation as reported and wish to indicate my strong support for it.●

THE CONFERENCE REPORT ON TAX/BUDGET RECONCILIATION

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. DANNEMEYER. Mr. Speaker, while I am pleased to see that the conferees on H.R. 4170 were able to agree to spending reductions in the Medicare Program totaling an estimated $6.75 billion, the inability of the conferees to agree upon any spending reductions at all in the Medicaid Program prevents me from signing the conference report. To increase medicaid spending by $260 million as part of a bill that is supposed to produce a downpayment on the deficit is not only ironic but tragic. We can never hope to bring spending under control if we insist upon adding new programs—such as the $270 million CHAP Program written into this bill—every time a legislative vehicle for cutting spending is presented.

I also might add that, while a $6.75 billion reduction in medicare is a start, an opportunity is being lost for making additional reductions that would help stave off the fiscal crisis medicare is facing. There were several proposals in the Senate bill—such as the 1-month delay in the start of medicare eligibility and the rounding down of medicare payments to the next lowest dollar—that would have cost beneficiaries relatively little individually but would have benefited medicare quite a bit cumulatively. It is a shame that those proposals were not adopted.

Finally, a procedural point needs to be made with respect to the CHAP provisions the conferees have agreed to which are almost entirely responsible for the medicaid portion of H.R. 4170 adding to, rather than subtracting from, Federal spending. By including these provisions, the conference is effectively circumventing the House of Representatives which, in this Congress at least, has not had the opportunity of voting on CHAP and CHAP alone. The CHAP provisions were included in the budget reconciliation bill which was debated under a rule which precluded the offering of more than a few amendments, none of which dealt with CHAP exclusively. As a member of the minority on the Energy and Commerce Committee I must protest this procedural finesse, the very existence of which helps explain why I felt obligated to withhold my signature from the conference report on H.R. 4170.●

IN HONOR OF WILLIAM H. SWITZER

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. LEVINE of California. Mr. Speaker, I rise today on behalf of William H. Switzer, a resident of Manhattan Beach, CA, who will be honored for his years of community service at a testimonial dinner on Tuesday, July 10, 1984.

In honor of Mr. Switzer's work on behalf of the Manhattan Beach community, I would like to share some of his accomplishments with my colleagues.

Mr. Switzer has been a resident of Manhattan Beach since 1932. He attended Redondo Union High School, Santa Monica City College and the U.S. Armed Forces Institute.

Mr. Switzer was elected to the Manhattan Beach City Council in 1976 and 1980. He served as mayor from July 1979 to April 1980, and from September 1982 to June 1983.

Mr. Switzer's public service includes membership in the Manhattan Beach Historical Society, Friends of the Library, South Bay Cities Association, inter-city transportation committee and district attorney's community advisory council. He was a member of the Manhattan Planning Commission from 1968 to 1975, serving as chairman from 1971 to 1972. He has also served as director of the county sanitation district, president of the Manhattan Beach Chamber of Commerce and president of the Manhattan Beach Coordinating Council.

Mr. Switzer and his wife Jean have three children, Steve, Scott and Shelly.

It is a pleasure to share Mr. Switzer's record of public service with my colleagues and I wish him much success in his future endeavors.●

HOW THE ACCOUNTING PROFESSION IS VIEWED BY THOSE IT SERVES

HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. FLIPPO. Mr. Speaker, in this period of powerful economic changes affecting our entire corporate world, sometimes in new and drastic ways, I feel, as a certified public accountant, it is important that the public service role of independent accountants and auditors be understood by those they serve directly and those who indirectly rely on their judgments.

In recent years, some in the accounting profession have been concerned about the public's perception of the independent auditor's responsibilities and role. Among them is Thomas L. Holton, chairman of Peat, Marwick, Mitchell & Co., who has stated that:

> No matter how competent independent auditors may be, no matter what technical talent, interpretative ability or professional skills they may possess, such attributes are of little value without the underpinnings of credibility—based on integrity and competence—that independence bestows and requires.

Mr. Holton was determined to find out how well the public understands the role of auditors and how the public rates their performance. In late 1983, Peat, Marwick commissioned Opinion Research Corp. and the Research Strategies Corp. to make the assessments. The survey, which used a sample size greater than usual in national opinion polls, sought the views not only of business leaders but also members of the financial community, the media, the legal profession, regulatory officials, corporate stockholders, congressional aides, and professors of accounting.

Mr. Holton has said that the results showed:

> That the auditing role is better understood than we had anticipated and that the profession continues to receive generally high marks for its effectiveness and the independence of its judgments.

But he does not overlook the need for greater public understanding. He has said that there are:

> Ample indications in the survey data that among some groups—most notably stockholders—the understanding of what we do and the perception of how well we do it falls short of what we feel to be acceptable. Therein lies a challenge for the entire profession.

Mr. Speaker, because of the current high level public interest in the role of independent auditors, I am including the following summary and highlights of the national survey conducted by Opinion Research Corp. and Research Strategies Corp.

The following material was submitted for the RECORD:

PERCEPTIONS OF A PROFESSION

THE RESEARCH

The accounting profession is mandated by state boards of accounting, state and national professional societies, and the Securities and Exchange Commission to examine financial statements objectively and express opinions as to whether they are fairly presented by management.

But do the various publics the profession directly or indirectly serves—including stockholders, corporate executives, and security analysts—have an adequate understanding of the profession's auditing role? And how do these various publics rate the quality of auditors' work—are they doing their job well and maintaining their independence and objectivity? Finally, how do these publics perceive auditors in terms of educational requirements, ethics, and morality?

To assess the overall reputation of independent auditors and to determine how the profession's role and responsibilities are understood, the survey summarized in the following pages was undertaken as a joint project by Research Strategies Corporation and Opinion Research Corporation. The former designed the project and undertook the basic analysis; the latter was responsible for all sampling plans, field work, and data processing, but the entire survey has been a collaborative effort.

A total of 2,024 persons participated in the survey, 1,573 by mail and 451 by telephone. Interviewing was conducted in late November and early December of 1983. Responding by mail were: 713 chief executive officers or those designated by the CEO (a 30 percent response rate), 145 security analysts (29 percent), 124 portfolio managers (26 percent), 162 lawyers (33 percent), 100 regulatory officials (26 percent), 65 congressional administrative assistants (12 percent), and 246 accounting professors (62 percent).

Telephone interviews were conducted with 151 news media staff and 300 stockholders.

In summary, we found:

There was a generally good understanding of the role played by independent auditors in examining a company's financial statements. The level of understanding was lower, however, with respect to the extent of auditor's responsibilities in specific situations, such as when there is fraud or dishonesty involved in a company's operations. As would be expected, knowledge of the profession and its duties was greatest among those who work most closely with it.

The great majority of survey participants believed that public accounting firms exercised independent and objective judgment in performing audits of financial statements, that the quality of their work was very good, and that the profession was performing today better than ever before.

Independent auditors were considered to have a high degree of ethics, and it was widely recognized that members of the profession must be well trained and educated to earn the CPA designation.

UNDERSTANDING THE PROFESSION'S ROLE AND RESPONSIBILITIES

PARTICIPANTS' KNOWLEDGE OF THE PROFESSION

While most of the people in each of the survey groups indicated that they had some knowledge of the profession, only corporate executives and accounting professors said that they felt they had any depth of knowledge about the profession. Based on a combination of the "very well" and "fairly well" responses, 98 percent and 96 percent, respectively, of these two groups thought they had a good understanding of the profession. Least certain about their knowledge of the profession were media professionals, stockholders, congressional administrative assistants, and regulatory officials.

As will be seen in later sections of this report, respondents who said they understood well the role of the profession tended to be the most positive in their views on the quality of the profession's performance. Of those who said their knowledge was high, 82 percent were favorable in their evaluation of the profession's performance; the corresponding percentage for those whose knowledge level was low was markedly less—56 percent.

PREPARATION OF FINANCIAL STATEMENTS

While survey participants understood by whom financial statements were prepared, there were some differences of opinion on the meaning of an unqualified opinion and what should be done if material misrepresentations were found in client financial statements.

It was well understood—by 84 percent of survey respondents—that company management had the basic responsibility for preparing the financial statements to be adulted. Practically all corporate executives and accounting professors placed the responsibility there.

TO WHOM ARE AUDITORS RESPONSIBLE?

Some respondents were uncertain about to which group auditors are most responsible when auditing a company's financial statements. Among all participants, six in ten said that the public accounting firm is primarily responsible to the stockholders when it audits a company's financial statements. Most of the remainder believed that the responsibility was to the board of directors.

HOW FLEXIBLE CAN AUDITORS BE?

Less flexibility in auditing financial statements was assumed to exist than is actually the case. Survey participants were asked to choose between two alternatives regarding the procedures an accounting firm follows in auditing a company's financial statements. The choice was between a standard set of accepted auditing procedures, on the one hand, and procedures developed by the accounting firm on a case-by-case basis depending on the specific circumstance and the type of company being audited, on the other.

Standard procedures were followed, according to 51 percent of respondents, while 13 percent believed audited procedures were determined on a case-by-case basis. However, 31 percent volunteered that both practices were followed. "Both" was most frequent among accounting professors (53 percent). Responses from the other groups ranged from 42 percent for corporate executives to only 5 percent for stockholders.

SIGNIFICANCE OF AN UNQUALIFIED OPINION

There was a generally uniform understanding of the meaning of an unqualified opinion on financial statements. On an overall basis, 73 percent characterized a "clean opinion" as meaning that the financial statements were determined by the auditors to be reasonably reliable. Nineteen percent believed that it meant the auditors had verified all figures in the statement as completely accurate. Overall, no one believed that it certified the company as a good investment.

"Reasonably reliable" was the most frequent selection of each group, with 89 percent of corporate executives, 86 percent of accounting professors, and 80 percent of portfolio managers giving this response. Percentages for other groups were in the 50 percent range.

What a "clean opinion" means—1

	Percent[1]
Total survey	73
Corporate executives	89
Accounting professors	86
Portfolio managers	80
Security analysts	77
Lawyers	61
Regulatory officials	53
Congressional administrative assistants	52
Media representatives	52
Stockholders	45

[1] Those stating a "clean opinion" means "reasonably reliable" financial statements.

A third of each of five groups—lawyers, regulatory officials, congressional administrative assistants, media professionals, and stockholders—believed that a "clean opinion" meant that the auditing firm had verified that all figures were completely accurate.

What a "clean opinion" means—2

	Percent[1]
Total survey	19
Congressional administrative assistants	37
Lawyers	36
Regulatory officials	36
Media representatives	38
Stockholders	34
Security analysts	16
Portfolio managers	14
Corporate executives	9
Accounting professors	0

[1] Those stating a "clean-opinion" means all figures are completely accurate.

MISREPRESENTATION—WHAT SHOULD BE DONE?

What should an auditing firm do when it has reason to believe that a company's financial statements contain material misrepresentations? Survey participants were given six possible courses of action for the auditors and were asked to designate the "most important" and then the "next most important." The six choices included: Reporting their findings to the government, reporting to the board of directors, rendering a qualified opinion on the statements, refusing to sign the statements, demanding that management take corrective action, and resigning their relationship with the company.

The top preference overall and for each of the individual groups of respondents was to report the findings to the company's board. A total of 78 percent considered this the most appropriate or the next most appropriate course of action.

The next most favored alternative in the overall results was to render a qualified opinion. Here, 50 percent said that a qualified opinion was one of the two most important courses of action open to an auditor discovering material misrepresentation in a client's financial statements.

SHOULD AUDITORS DETECT FRAUD?

When asked how responsible the independent auditors are for detecting fraud or dishonesty in a company's operations, it was the prevailing opinion of all groups (71 percent overall, 75 percent among corporate executives and generally large majorities of the other groups surveyed) that the independent auditors had a responsibility only insofar as the financial statements contained material misrepresentations. Those giving other opinions split between the two extremes: 13 percent said that auditors were completely responsible for detecting fraud as a part of their job while another 13 percent said they were not at all responsible for detecting fraud.

PERCEPTIONS OF PERFORMANCE AND INDEPENDENCE

THE QUALITY OF WORK RANKS HIGH

Auditors ranked high in the quality of the work they performed. Outright criticism was slight.

Among all respondents, 72 percent thought auditors did a "very good" or "good" job, and 21 percent thought they did an "average" job. While some groups were more laudatory than others, approval predominated. As might be expected, accounting professors gave accounting professionals a favorable rating. Lawyers and corporate executives gave the next highest ratings. Although regulatory officials, portfolio managers, and stockholders gave the lowest ratings, nearly 60 percent of each category still gave positive ratings. Negative appraisals were at less than 10 percent in all groups.

IS THE PROFESSION PERFORMING BETTER NOW THAN IN THE PAST?

Three-quarters of the survey participants indicated that they believed that the profession is performing better today than ever before. The positive responses were highest among accounting professors (85 percent) and corporate executives (78 percent). Positive opinions were also at a creditable level among all but one of the other groups, the exception being regulatory officials. For that group the "performing better" response was 47 percent. Even there, however, the net balance was favorable by a two-to-one margin. While 24 percent of regulatory officials indicated disagreement with a statement that the profession was performing better, a sizable segment (29 percent) had no opinion on the matter.

AUDITORS ARE VIEWED AS OBJECTIVE AND INDEPENDENT

Accounting firms were recognized for their independence and objectivity in auditing the financial statements of their clients. Of those surveyed, 90 percent gave favorable ratings on this point.

The news media and corporate executives rated auditors highest for independence. However, those who gave auditors the least credit for being objective and independent still gave them high overall ratings.

Auditors are independent and objective

	Percent[1]
Total survey	90
Media representatives	96
Corporate executives	93
Accounting professors	90
Congressional administrative assistants	89
Lawyers	88
Stockholders	88
Portfolio managers	84
Regulatory officials	83
Security analysts	79

[1] Percent agreeing "strongly/somewhat."

DO AUDITORS SOMETIMES "BEND THE RULES"?

The severest criticism of the profession came in response to a question asking whether accounting firms give in too easily to pressure to "bend the rules" in their clients' favor. Overall, 39 percent agreed either "strongly" or "somewhat" that the profession yielded too easily to client pressure. Criticism was in the general area of 35 percent among five of the groups surveyed—executives, lawyers, stockholders, congressional aides, and the media. For example, 34 percent of corporate executives surveyed thought auditors possibly "bent the rules." This belief was strongest among security analysts (64 percent), and substantial among portfolio managers (49 percent), regulatory officials (48 percent), and accounting professors (43 percent).

PROBLEMS THE PROFESSION FACES

Survey participants were asked to list any serious problems that they believe the profession faces today, and here, too, there was a recognition that avoiding or minimizing client pressures or conflicts is an important issue. A total of 14 percent of the respondents cited client pressure as a serious problem, making it the problem named most frequently by those responding.

Among the other problems listed were: legal demands and lawsuits (11 percent); maintaining high professional and ethical standards (10 percent); keeping up with new laws and the complexity of information (9 percent); increasing or maintaining the credibility of the profession (6 percent); high cost of services or high fees (5 percent); poor public image or lack of public understanding (5 percent); keeping up with new technology (4 percent); and a need for more training or continuing education (1 percent).

ETHICS AND EDUCATIONAL REQUIREMENTS

AUDITORS ARE ESTEEMED FOR THEIR ETHICS

Independent certified public accountants have a very high standing when evaluated on their ethical and moral practices.

Among survey participants, 87 percent said they believed that auditors were ethical and moral, a positive rating of about nine to one and a strong overall vote of confidence.

As a result, auditors received a larger percentage of "excellent" and "good" ratings on ethical/moral practices than other professional groups selected for the survey. They were followed by college/university professors, bankers, doctors, corporate executives, and business editors. Those who received more criticism than praise were lawyers, stockbrokers, insurance agents, TV newscasters, and U.S. senators and congressmen.

When the nine groups participating in the study were considered individually, auditors also were rated highly. With only one exception—stockholders—the favorable scores varied only slightly around the combined total of 87 percent. Corporate executives gave the highest rating to auditors, with 95 percent rating auditors "excellent" or "good." They were followed by congressional administrative assistants and portfolio managers, with 91 percent. Only 64 percent of stockholders gave auditors "excellent/good" ratings, the lowest rating of auditors by any group.

The favorable vote stockholders gave to auditors on ethical and moral practices was, indeed, smaller than the corresponding vote by the other classifications and their critical appraisals were larger. Even so, auditors scored one of the highest ratings (64 percent) among stockholders and were in a virtual first-place tie with professors (65 percent) and bankers (64 percent). Stockholders were among the groups that felt relatively less well informed about the role of the auditing profession.

Overall reputation for ethical and moral practices

	Percent[1]
Auditors (independent certified public accountants)	87
College/university professors	75
Bankers	75
Doctors	71
Corporate executives	66
Business editors	57
Lawyers	47
Stockbrokers	44
Insurance agents	39
TV newscasters	34
U.S. Senators/Congressmen	29

[1] Total "excellent/good" rating on ethical/moral practices.

AWARENESS OF AN ETHICAL CODE

The respondents also indicated a high awareness of the existence of a code of ethics in the profession, though they were somewhat uncertain about how it is administered. Overall, 79 percent believed there was such a code, while 16 percent said they were not sure or didn't know. Recognition of the code was highest among accounting professors (97 percent) and corporate executives (88 percent) and lowest among congressional administrative assistants (61 percent) and stockholders (61 percent).

ENFORCEMENT AND EFFECTIVENESS OF THE CODE

The majority also believed that the enforcement of the code of ethics was effective. Eight in ten of those aware of the code rated its enforcement as succeeding "very well" or "moderately well."

The effectiveness of the profession's code of ethics and self-regulation was also underscored by the fact that 75 percent of participants believed that stricter government regulation of the profession is not needed today. Tighter governmental regulation was thought necessary by 10 percent of the respondents, while 15 percent had no opinion.

TRAINING AND EDUCATION

Survey participants also were almost unanimous (93 percent) in agreeing with the statement. "A certified public accountant has to be well trained and educated before he/she can earn that designation."

The recognition ran at a high level through all groups. It was at 92 percent among corporate executives and dropped only as low as 86 percent among regulatory officials.●

YEAR OF THE OCEAN

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. BREAUX. Mr. Speaker, I would like to rise in strong support for House Joint Resolution 511 which proclaims July 1, 1984 through June 1985 as the "Year of the Ocean" and July 1, 1984, as "Ocean Day."

As chairman of the Subcommittee on Fisheries and Wildlife Conservation and Environment, I personally am presented on a daily basis with a wide range of ocean-related issues, however, if my colleagues all would reflect for a moment I think every one of us would realize the tremendous significance of the oceans in all of our lives and in this Nation's development. Many of the most critical and fundamental aspects of this Nation's economy and security have their roots in the sea; as a source of food, energy, and mineral production, as a means of transportation supporting our commerce, trade and defense, and as a very important place of recreation.

In my experience, it appears certain to me that the future will bring only greater emphasis on an even greater diversity of ocean uses. With such emphasis, however, must necessarily come even greater environmental impacts and more difficult user conflicts which will require the careful development of responsible and equitable management regimes. I would like to note that it is in this arena that my colleague, Ed Forsythe, the author of this important legislation, made very notable and substantial contributions. As a close friend and ranking member of the subcommittee, Ed and I worked hard together to find the proper balance between the diverse interests in the oceans and I sorely miss that partnership. The Year of the Ocean program is just an example of Ed's constant effort to promote the wise use of the ocean environment and resources; something which he obviously recognized starts back home with an educated public. The Year of the Ocean program stresses public recognition and understanding of the benefits and realities of using our oceans. A well-informed public will lead to well informed decisionmakers and, ultimately, well-informed decisions. The schedule of activities and events for the Year of the Ocean, I believe, will contribute to an education in the oceans for all the Nation. I applaud the Year of the Ocean concept and urge my colleagues to join me in this recognition of the future of our oceans and the efforts of Ed Forsythe.●

FLORIDA GOVERNOR IN WASHINGTON TO URGE SUPPORT FOR MACKAY AMENDMENT TO DEAUTHORIZE THE CROSS-FLORIDA BARGE CANAL

HON. BUDDY MacKAY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. MACKAY. Mr. Speaker, I am most grateful that Florida's Governor, Bob Graham has come to Washington to convey the support of the State of Florida for my amendment to deauthorize the Cross-Florida Barge Canal.

At a press conference earlier today, Governor Graham joined with me, Senator Chiles of Florida, and with my colleagues from the Florida House Delegation Messrs. Bill Young, Bill Nelson, Clay Shaw, Connie Mack, and Mike Bilirakis, in a bipartisan press conference in support of the MacKay amendment.

Governor Graham made a strong statement of support on behalf of the State of Florida and I am pleased to share it with my colleagues at this point in the Record.

The text follows.

The State of Florida Strongly Supports the MacKay Amendment to Deauthorize the Cross-Florida Barge Canal

I have come to Washington today to personally convey the very strong support of the State of Florida for the MacKay Amendment to deauthorize the Cross-Florida Barge Canal.

The State of Florida has vigorously opposed this severe threat to the environment of its fragile peninsula since 1970. This project is without justification on either economic or environmental grounds.

The State of Florida has taken every step it can take to terminate this project. The State of Florida will strenuously oppose any effort to complete this tragic environmental mistake.

Already, over 20 miles of the once beautiful semi-tropical stream, the Oklawaha River, has been laid waste by the giant earth movers and tree crushers of the canal builders. Fortunately, President Nixon halted the destruction before another thirty miles of the river were converted into man-made avenue for industrial barges. Thankfully, the Oklawaha is still traversed by canoes, not barges.

Yet as disasterous as the further destruction of the Oklawaha would be, the greatest horror of all is the plan to float industrial barges on much of Florida's drinking water. The canal would carve a 12-foot deep, 150-foot wide gash into the Floridan Aquifer for a distance of 28 miles!

Just last week, I signed into law a bill passed by the Florida Legislature to conform state statutes to the MacKay Amendment. So eager is Florida to kill this project that the bill passed both houses of the Florida Legislature by unanimous recorded votes! Just last year, the Governor and elected Cabinet—which serve as the Canal Authority under state law—passed a second resolution withdrawing the State's sponsorship for this project and urging the Congress to terminate it once and for all.

Some canal supporters in the Congress have asked what harm is done by doing nothing? Why not leave well enough alone? After all, they are not now seeking money from Congress to complete the canal.

As the Governor of the State which has been forced by an ancient agreement to defend suits against the right-of-way for the canal, I can tell you that great harm may very well be done by doing nothing. The right-of-way is owned by the State of Florida. Already almost twenty lawsuits filed against the State have been won by plaintiffs seeking to reclaim their land arguing the canal has been "abandoned" by the Federal Government. Due to the extensive legal efforts of Florida's Attorney General, those rulings have been overturned by appellate courts. But as you can see, the State of Florida finds itself in a legal quagmire which it is powerless to end and cannot avoid—all over a project which it strongly opposes but cannot terminate!

I come to Washington today to personally ask the Congress to end our expensive legal entanglement, end the threat that $500 million taxpayers dollars will be spent in our state on a project we vigorously oppose, and end—once and for all—this tragic threat to our delicate environment.

This is an environmental issue. It is a federal spending issue. And, importantly, it is a state's rights issue. Give us back the right to protect our environment.

On behalf of the Florida Cabinet, Florida's Departments of Natural Resources and Environmental Regulation, and all Floridians, I strongly urge the House of Representatives to support the MacKay Amendment to deauthorize the Cross-Florida Barge Canal.●

LOW-TEMPERATURE GEOTHERMAL TAX CREDITS

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. SEIBERLING. Mr. Speaker, today I am introducing legislation to provide tax credits for the purchase and installation of equipment to tap low-temperature geothermal energy. The bill would also excuse any tax or interest due from those taxpayers who during the last several years mistakenly took the geothermal tax credit for low-temperature geothermal equipment based on erroneous advice from the IRS.

In 1978, Congress enacted the Energy Tax Act, which included a tax credit for the purchase of geothermal energy equipment. That legislation did not include any wellhead-temperature-threshold requirement for the tax credit. However, in 1980, the IRS issued regulations prohibiting the use of the credit for equipment drawing on geothermal deposits below 50 °C (122 °F). Geothermal deposits of this temperature are only found in a very few areas of the Far West. While Congress enacted the tax credit to encourage the nationwide use of renewable energy sources, the IRS regulations limit the use of the credit to a very small area of the country.

To make matters worse, IRS field agents seemed unaware of their own regulations and advised taxpayers for several years that low-temperature geothermal equipment qualified for the credit. Now IRS is demanding that these taxpayers repay the credit plus interest. I am told that some taxpayers in my area called IRS in February of this year and were informed incorrectly that low-temperature geothermal-energy equipment qualified for the credit. Some of my constituents are now being forced to pay as much as $4,000 in tax deficiencies plus interest because they relied on incorrect advice from IRS agents.

I think that the IRS regulations are contrary to the intent of Congress when we enacted the Energy Tax Act of 1978. Congress intended that taxpayers around the country should be able to take advantage of the geothermal and other renewable energy tax credits. In addition, it is outrageous for IRS agents to be giving incorrect advice 4 years after the Service issued its regulations on this matter.

My bill would remove this arbitrary and unwarranted temperature threshold established by IRS. Thus, ground water heat pumps, which extract energy from shallow underground streams to heat buildings, would be eligible for the credit. The bill would also excuse those who incorrectly took the tax credit for these devices after relying on advice from the IRS.

Ground water is particularly plentiful in the Northeast and Midwest, and can be found in streams 50 to 200 feet below the Earth's surface. It ranges in temperature from about 77 °F in Florida to 40 °F at the Canadian border. The temperature remains constant thoughout the year.

Ground water heat pump systems are considered to be 3 to 5 times as efficient as fossil-fuel heating systems in terms of heat output per unit of energy put in. By one estimate, ground water has the capacity to replace fossil fuel heating and electrical cooling in 85 percent of the domestic dwellings in the Northeast-Midwest region alone. Surely, this is the very kind of energy-conserving system the 1978 act was aimed at encouraging.

A number of States have already enacted their own energy tax credit for gound water heat pump systems. I urge my colleagues to carefully consider this important piece of legislation.●

INTER-AMERICAN FOUNDATION

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. GARCIA. Mr. Speaker, I have been an ardent supporter of the Inter-American Foundation for the past few years. Unfortunately, the leadership of that nonpolitical organization has become highly politicized over the past year. What most disturbs me about this turn of events is that it was entirely unnecessary. The Foundation's work, its past president, Mr. Peter Bell, and its capable staff were too busy trying to live up to the Foundation's mandate to become involved in politics.

I am submitting an article by Scott Olesen on the Foundation for my colleague's perusal. It will, I trust, give them an important update on the current status of the IAF:

THE INTER-AMERICAN FOUNDATION: GOLDEN DOOR CLOSING ON LATIN AMERICA—A COUNCIL ON HEMISPHERIC AFFAIRS

(By Scott Olesen)

On June 15, the Reagan-stacked Board of Directors of the Inter-American Foundation—a 14-year-old non-partisan government development agency that works directly with grass-roots organizations in Latin America—nominated Deborah Szekely, founder and director of Golden Door spas in California, as the new Foundation president.

The nomination follows a three-year war waged by the Reagan administration to gain control over the ostensibly apolitical agency, and if carried through would effectively squash the independence of the United States' most successful development group.

Szekely is not yet president. The 4-2 Board vote in her favor started a 30-day period in which the Board is to come up with a solution satisfying all of its members. At the end of this period the Board will reconvene and cast a final vote under majority rule, although IAF-watchers do not anticipate that the Board will reach a compromise on the naming of Szekely.

If the vote remains the same, the Board will break a non-binding pledge made to members of Congress that the presidential choice would be reached unanimously, as had been done on all previous occasions. It also would violate past Board minutes requiring unanimous consent.

The ouster last Dec. 5 of the highly regarded Peter Bell necessitated the search for a new president. Rep. Dante Fascell (D-Fla.), chairman of the House Foreign Affairs Committee, charged that the ouster was "the culmination of a three-year effort by the administration to recast the IAF in its own ideological mold." Fascell was the presiding figure behind the IAF's founding. Latin American leaders, development organizations and members of Congress—including moderate Republicans and Rep. Robert Garcia (D-NY)—angrily criticized the move, and three members of the Foundation's advisory council resigned in protest.

Fascell and Michael Barnes (D-Md.), head of the Western Hemisphere Affairs Subcommittee, held joint hearings on January 25 and 31, where they extracted promises from Board members that the institutional independence of the IAF—mandated by Congress when it set up the agency in 1969—would be maintained. The Foundation receives half of its funds from Congress (the other half from the Inter-American Development Bank) and in recent years disbursed an average of $20 million annually to projects throughout Latin America. Fascell and Barnes also urged that a new president be chosen unanimously, as had been done on previous occasions and is now required in the Board's own minutes, and that they be consulted throughout the selection process.

The Board named a three-member search committee that included: Victor Blanco, a conservative Cuban-American California businessman selected by President Reagan in 1982 as IAF Board chairman, and O.A.S. Ambassador J. William Middendorf II, another Reagan appointee to the Board. The third member of the search committee was William Doherty, recently appointed to the IAF's advisory council, who is executive director of the American Institute for Free Labor Development (AIFLD), which has played a key role in El Salvador's land reform program. Doherty, a nominal Democrat, has been extremely supportive of most of the White House's regional initiatives, and is widely viewed as the binding figure between the administration's foreign policy interests and other U.S. international aid organizations, including AIFLD and the Agency for International Development (AID).

In turn, the committee hired the New York firm of Hydrick and Struggles to help in the initial search for a new IAF president. The firm, however, always operated under the strict instructions of the Board search committee, and for the first time in the agency's history, no reference checks were made on presidential candidates. According to COHA sources, the White House staff passed on three resumes to the search committee, although none of these persons are among the final candidates.

Initially, a field of 14 candidates was assembled, which the search committee reduced to six. Reportedly, Fascell and Barnes, as well as other figures close to the IAF, were disgruntled when the best-qualified among the original 14 did not survive the first cut. Three of the final candidates later dropped out, including White House-favorite Jose Sorzano, a conservative Cuban-American and long-time aided to U.N. Ambassador Jeane Kirkpatrick, who withdrew after a press report labelled him the leading candidate.

DEARTH OF CREDENTIALS

The three candidates exhibited a complete lack of grass-roots development credentials, and none of them could match the experience and commitment to "development at the ground level" of Bell, or William Dyal, who was the only other president in the organization's history.

Donald Powell, vice-president of Champion International, a paper and forest products multinational corporation based in Stamford, Conn., who served as head of Champion's Brazilian subsidiary during the 1960's, has management qualifications, but no record exists of any experience or knowledge in ground level development.

Frank Gannon, a moderate Democrat and experienced Latin Americanist does not have extensive administrative experience.

Szekely, 62, well known for her considerable volunteer work within the Republican party as well as for her slimming spas, was educated in Mexico, started a Golden Door Spa in Mexico City with her husband 20 years ago, but has no developmental experience whatsoever. She has said that she would make a good IAF president because "Hispanics are wonderful with older women," and that as president, she hopes to give the poor "their dreams."

POWER-HUNGRY BOARD MEMBERS

Even if a compromise president-elect can be found, an ideological cloud will continue to rain over the Foundation, cast by the Reagan-era Board members. Currently, there are five Reagan-appointed panel members: Peter McPherson, administrator of AID; Langhorne Motley, assistant secretary of state for interAmerican affairs; Middendorf; Harold K. Phillips, a car salesman from Los Angeles with long fund-raising and recruitment record for the California Republican Party; and Blanco. The Reaganite Board appointees, under Blanco, have displayed a tendency to promote greater direct Board supervision over the agency, as was evidenced by Bell's firing. Since his appointment in the fall of 1982, chairman Blanco has been intent on cleaning house at the Foundation. An internal Senate Foreign Relations Committee memorandum, revealed in early January, described Blanco as an "unguided missile" whose actions would be sure to cause "unnecessary embarrassment" to the administration. The memo urged the White House that Blanco be reined in.

In a private paper authored by Blanco last summer, whose contents were revealed to COHA, he stated that the Board must integrate "our contacts within the Latin American business community" into its grant-review process to help end "waste." Blanco observed that "through the years," the Board's "key role" in staffing and reviewing grant proposals gradually has been delegated to the professional Foundation staff. "I propose to reverse this," he states. The new president, be it Szekely or someone else, will be hard pressed to withstand Blanco's designs, backed by his fellow Reagan appointees.

FAVORABLE REPORT URGES NONPOLITICALIZATION

Unheeded so far by the Board members is an independent evaluation of the agency, commissioned by the Board of the IAF last year, that was released in March of this year. The highly laudatory report, compiled by Sidney Weintraub, William Stedman, Jr., and Peter Szanton, states: "Our conviction is that the IAF does well precisely what the Congress told it to do, and that its performance reflects well on the United States." The report notes that the "product of 13 years of active IAF operation can be characterized under three headings: development; learning; and good will."

But the evaluators felt compelled "to make one final comment," where they warn: "The uniqueness of the Foundation rests on two pillars, one that it is an agency of the U.S. government, and the other that it is nonpolitical. . . . If the IAF were to lose its double nonpolitical character—at home and abroad—we believe it would have no reason for existing. By having lost its uniqueness, it would be redundant. If the Foundation is to remain in being—as we strongly believe it should—it must retain its distinctive character," said the report's three highly regarded authors.

Unfortunately, regardless of whoever is the final choice, there is little cause for optimism that the Foundation will continue to be the vital and independent agency that it was during the Dyal and Bell eras, at least as long as the current administration is in office.●

JUDGE HENRY RAMSEY, JR.

HON. TIM VALENTINE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. VALENTINE. Mr. Speaker, I rise today to pay tribute to a brilliant judge, attorney and humanitarian, Henry Ramsey, Jr., whose reputation was made in northern California but whose roots are in North Carolina.

Judge Ramsey was raised by his aunt and uncle in Rocky Mount, NC, and left home at a young age to make good in a big way. After 4 years in the Air Force, he attended Howard University, the University of California at Riverside, and received his law degree in 1963 from the University of California's Boult Hall in Berkeley. Since then he has assumed ever-increasing professional responsibilities as deputy district attorney for Contra Costa County, CA, in private practice, as law professor at several major universities, and presently as California superior court judge, county of Alameda, a post he has held with distinction since 1980.

His understanding of the importance of law in a just society is reflected in a statement he made when he was appointed to the bench:

> I will do my utmost to be an impartial fact finder, to be fair and principled in my legal rulings, and to conduct all trials and hearings I am assigned responsibility for with patience—and an awareness that even as a Judge, I am still no more than a human being. To this I would only add that I have a deep and abiding commitment to the value and essentially of the Bill of Rights and the Fourteenth Amendment as a means of securing our individual liberties and I intend to always do what is within my power to insure that the standards set forth in those provisions are conformed to.

By his words and deeds, Judge Ramsey has demonstrated that the values he gained in his humble beginnings in Rocky Mount served to make him the outstanding, compassionate leader so respected in the legal profession today.

I am very thankful to my good friend, Arcenia Hines, of Rocky Mount for bringing to my attention the accomplishments of my esteemed legal colleague and former neighbor, Judge Henry Ramsey, Jr. Through the sweat of his brow, he has shown that the American dream can be a reality.

CREDIT UNIONS MARK 50TH YEAR

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. MINISH. Mr. Speaker, today is the 50th anniversary of the signing of the Federal Credit Union Act. That legislation gave birth to a national movement which today is comprised of a community of over 11,000 member institutions. For 50 years now, Federal credit unions have offered cooperative savings opportunities to individuals of all financial means. This has been their principal mission and I am convinced it is the characteristic which will distinguish them from all other types of financial institutions in the future.

I believe it is important to recognize the achievements of those institutions which truly are the people's bank—Federal credit unions. As they have in the past, Federal credit unions will continue serving their members in a manner consistent with their tradition of cooperation and democratic participation. To mark this significant event, the President has declared this entire week Federal Credit Union Week. I commend Federal credit unions for their dedicated service to their members over these 50 years, and I ask that this body take note of this anniversary by allowing the President's proclamation to be entered into the RECORD.

FEDERAL CREDIT UNION WEEK, 1984

By the President of the United States of America

A PROCLAMATION

This year marks the fiftieth anniversary of the passage of the Federal Credit Union Act of 1934 which enabled credit unions to be organized throughout the United States under charters approved by the Federal government.

Credit unions are uniquely democratic economic organizations, founded on the principle that persons of good character and modest means, joining together in cooperative spirit and action, can promote thrift, create a source of credit for productive purposes, and build a better standard of living for themselves. Because credit unions exemplify the traditional American values of thrift, self-help and voluntarism, they have carved a special place for themselves among the Nation's financial institutions.

Today, Federal credit unions are at their strongest point in history. They enter this, their 50th anniversary year, as the Nation's fastest-growing financial institutions. As member-owned cooperatives, credit unions operate with the credo, "Not for profit, not for charity—but for service." Credit unions have maintained allegiance to this ideal and as a result have consistently reflected the philosophical tradition and the cooperative spirit of people helping people that prompted passage of the Federal Credit Union Act.

The Congress, by House Joint Resolution 139, has designated the week beginning June 24, 1984 as "Federal Credit Union Week" and has authorized and requested the President to issue a proclamation calling for the observance of this occasion.

Now, therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning June 24, 1984, as Federal Credit Union Week. I call upon the people of the United States to celebrate this week with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this eighteenth day of June, in the year of our Lord nineteen hundred and eighty-four, and of the Independence of the United States of America the two hundred and eighth.

RONALD REAGAN.●

HOUSE OF REPRESENTATIVES—*Wednesday, June 27, 1984*

The House met at 11 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

The Lord is merciful and gracious, slow to anger and abounding in steadfast love. As far as the east is from the west, so far does He remove our transgressions from us.—Psalm 103:8,12.

We thank You, O God, that You do not judge us by our faults, but Your compassion is overwhelming and Your grace is sufficient. We express our praise that we can be forgiven of all our past shortcomings and errors, ready to be filled by Your loving spirit and abiding presence. Be with us this day and every day. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. McKERNAN. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. McKERNAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 358, nays 35, answered "present" 2, not voting 38, as follows:

[Roll No. 271]

YEAS—358

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Aspin
Badham
Barnard
Barnes
Bartlett
Bateman
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Bethune
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Broomfield
Broyhill
Burton (CA)
Burton (IN)
Byron
Campbell
Carney
Carper
Carr
Chandler
Cheney
Clarke
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conable
Conte
Conyers
Cooper
Corcoran
Courter
Coyne
Craig
Crane, Daniel
Crane, Philip
Crockett
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dicks
Dixon
Donnelly
Dorgan
Dowdy
Downey
Dreier
Duncan
Dwyer
Dyson
Early
Eckart
Edgar
Edwards (CA)
Edwards (OK)
English
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Fiedler
Fish
Flippo
Florio
Foglietta
Foley
Fowler
Franklin
Frost
Fuqua
Garcia
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gore
Gradison
Gramm
Gray
Green
Gregg
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (UT)
Hartnett
Hatcher
Hayes
Hefner
Hertel
Hightower
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Lewis (FL)
Livingston
Lloyd
Loeffler
Long (LA)
Long (MD)
Lott
Lowry (WA)
Lujan
Luken
Lungren
MacKay
Madigan
Markey
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McNulty
Mica
Michel
Mikulski
Miller (CA)
Mineta
Minish
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nowak
O'Brien
Oakar
Obey
Olin
Ortiz
Owens
Packard
Panetta
Pashayan
Patman
Paul
Pease
Pepper
Perkins
Petri
Pickle
Porter
Price
Pritchard
Quillen
Rahall
Rangel
Ratchford
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Rudd
Russo
Savage
Sawyer
Schaefer
Scheuer
Schneider
Schulze
Schumer
Seiberling
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Simon
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert
Snowe
Snyder
Solarz
Spence
Spratt
Staggers
Stangeland
Stokes
Stratton
Studds
Stump
Sundquist
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torricelli
Traxler
Udall
Valentine
Vander Jagt
Vandergriff
Vento
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weiss
Wheat
Whitley
Whittaker
Williams (OH)
Winn
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (FL)
Young (MO)
Zschau

NAYS—35

Brown (CO)
Chappie
Coughlin
D'Amours
Dickinson
Durbin
Emerson
Evans (IA)
Fields
Frenzel
Gejdenson
Gekas
Goodling
Harkin
Hiler
Jacobs
Lipinski
Mack
Miller (OH)
Mitchell
Nielson
Oxley
Parris
Penny
Roberts
Roemer
Sabo
Schroeder
Sikorski
Smith, Denny
Solomon
Stenholm
Torres
Walker
Weber

ANSWERED "PRESENT"—2

Oberstar
St Germain

NOT VOTING—38

AuCoin
Brown (CA)
Bryant
Chappell
Clay
Dingell
Dymally
Edwards (AL)
Erlenborn
Ford (MI)
Ford (TN)
Frank
Gaydos
Gingrich
Hansen (ID)
Harrison
Hawkins
Heftel
Ireland
Kogovsek
Lewis (CA)
Lowery (CA)
Lundine
Martin (NY)
McKinney
Ottinger
Patterson
Pursell
Sensenbrenner
Shannon
Stark
Towns
Weaver
Whitehurst
Whitten
Williams (MT)
Wilson
Young (AK)

☐ 1120

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4616. An act to amend the Surface Transportation Assistance Act of 1982 to require States to use at least 8 per centum of their highway safety apportionments for developing and implementing comprehensive programs concerning the use of child restraint systems in motor vehicles, and for other purposes.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1330) entitled "An act to authorize the United States Army Corps of Engineers to provide grants to the several States to encourage and foster the

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.
● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

construction of necessary public capital investment projects, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. STAFFORD, Mr. DOMENICI, Mr. DURENBERGER, Mr. RANDOLPH, and Mr. MOYNIHAN to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1967. An act to compensate the Gros Ventre and Assiniboine Tribes of the Fort Belknap Indian Community for irrigation construction expenditures.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF HOUSE AMENDMENTS TO H.R. 3282, WATER QUALITY RENEWAL ACT OF 1984

Mr. ROE. Mr. Speaker, I ask unanimous consent that, in the engrossment of the bill (H.R. 3282) to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's waters, and for other purposes, the Clerk of the House of Representatives shall make the following corrections:

(1) In section 402(1)(2) of the Federal Water Pollution Control Act, as proposed to be added by section 25(b) of the bill, strike out "in excess of reportable quantities as determined by the Administrator".

(2) In section 45(a) of the bill, insert after paragraph (2) the following:

(3) Notwithstanding any other provision of this section, the Administrator shall not convene a management conference with respect to an estuary if he determines that there exists a management program for the estuarine zone of such estuary with sufficient authority to achieve the purposes of this section.

In section 45(e) of the bill, after "shall also", insert the following:

include those portions of tributaries draining into the estuary up to the historic height of migration of anadromous fish or the historic head of tidal influence, whichever is higher.

(4) In section 53 of the bill, strike out "Seattle Metropolitan Sewerage Agency," and insert in lieu thereof "municipality of metropolitan Seattle,", and strike out "$198,000,000" and insert in lieu thereof "$250,000,000".

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PERMISSION FOR RESCHEDULING OF DISTRICT DAY FROM AUGUST 13 TO JULY 30, 1984

Mr. DELLUMS. Mr. Speaker, under rule XXIV, section 8, I ask unanimous consent that the District of Columbia Day be scheduled on July 30, as opposed to August 13, 1984.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 5753, LEGISLATIVE BRANCH APPROPRIATIONS, 1985

Mr. FAZIO. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 5753) making appropriations for the legislative branch for the fiscal year ending September 30, 1985, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON ADMINISTRATIVE LAW AND GOVERNMENTAL RELATIONS OF COMMITTEE ON THE JUDICIARY TO SIT TODAY DURING 5-MINUTE RULE

Mr. SAM B. HALL, JR. Mr. Speaker, I ask unanimous consent that the Subcommittee on Administrative Law and Governmental Relations of the Committee on the Judiciary be permitted to sit today during consideration of bills under the 5-minute rule. We are considering the Japanese relocation bill. I have cleared it with the opposide side.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The leadership hopes to complete the calendar today; the House will work until 10 o'clock at least.

AMERICAN PASSBOOK SAVINGS ACT

(Mr. TAUZIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAUZIN. Mr. Speaker, what if every taxpayer in America had a chance to earn a little tax-free interest—not in some complex and difficult to understand special financial instrument—but in the traditional passbook savings account we used to know and enjoy.

What if Americans were encouraged to save in those interest tax-free passbooks—to save like we used to through the payroll savings plan—to save—not the paltry 4.8 percent we saved last year but maybe 10 percent of like West Germans—15 percent or like the Japanese 19.5 percent of our income.

What if, by saving more in our traditional passbook accounts, we made low-cost money available to our savings and loans, credit unions, and banks, instead of their current high cost money market funds.

Maybe prime rates would be coming down instead of going up. Maybe we could have home mortgage rates below 10 percent again. H.R. 5678, the American Passbook Savings Act, is designed to do just that.

Maybe if more Members would agree to join the nearly 100 cosponsors of the American Passbook Savings Act—we could be reading about falling interest rates instead of rising interest rates—and wouldn't that be nice.

NOT THE WAY TO TREAT VETERANS

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, on April 4, I wrote the Administrator of the Veterans' Administration, Harry Walters, regarding a recent decision which was made by the VA. For a number of years, the Veterans' Administration had been treating non-service-connected disorders on an outpatient basis. This included dispensing needed medications. In an apparent effort to administer cost-saving measures, the VA recently reversed this policy and told veterans who had been receiving this medication that it would no longer be available.

Approximately 50 veterans contacted my office, many upset and discouraged because they were service-connected disabled, but had been receiving medications for non-service-connected needs such as serious high blood pressure, heart disorders, and diabetes. Few thought they would be able to afford their life-sustaining medications if this program for our veterans were stopped.

On their behalf, I contacted Mr. Walters for a thorough explanation of the facts the VA used to make this decision; 12 weeks and at least 5 phone calls from my staff later, no explanation has been received other than a form letter, in essence saying, "the check is in the mail."

My request was relatively simple. I asked for the number of veterans this decision would affect; the amount of money proposed saved; other cost-saving measures which the VA has implemented; and the future of the medication program. The Veterans' Administration obviously has not fully thought out its policies before implementing them, nor seems to care what the consequences may bring to those affected. This is not the way to treat those who have served us so satisfactorily and so well.

A MINIMAL DOWNPAYMENT IS NOT ENOUGH

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, interest rates are going up again and the American people are worried that they will not be able to buy cars and homes. They are concerned that business will go on the downslide and the fragile recovery will be aborted. I again call on this Nation's leaders to honestly face the cause of these interest rates.

Treasury Secretary Regan apparently does not believe that $200 billion deficits mean high interest rates. But I do. The White House claims to be baffled by the recent increase, and blames it on fear of the future.

Mr. Speaker, given the size of the deficit, there is ample ground for concern in the marketplace, as well as here in the House. It it time to acknowledge that massive deficits do mean high interest rates. It is time our leaders faced this fact and addressed the seriousness of the deficit. A minimal downpayment is not enough.

☐ 1130

NEW COSPONSORS OF THE MIA-POW RESOLUTION

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. APPLEGATE. Mr. Speaker, today, I am pleased to add 37 more cosponsors to House Joint Resolution 489, the MIA-POW resolution, which calls upon the President to secure a full accounting of the 2,489 Americans missing and unaccounted for in Indochina.

This is important, Mr. Speaker, because these additional cosponsors bring the support for resolving this haunting issue to a majority of the House of Representatives. We now have 225 Members of Congress.

I am also encouraged by the growing support for companion legislation in the Senate. To date, Senator EXON from Nebraska has the support of 33 Senators for his Senate Joint Resolution 246.

We cannot delay consideration of this issue any longer, Mr. Speaker. The fate of 2,489 POW-MIA's rests in our hands. It is time Congress goes on record and sends a clear message to the Governments of Indochina that we, the American people, want our boys back home.

I also encourage the remaining Members of the House to join me in cosponsoring and supporting this worthwhile and timely resolution.

BREAD FOR THE WORLD'S 10TH ANNIVERSARY

(Mr. DICKS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DICKS. Mr. Speaker, today, on the Continent of Africa, millions of people are suffering from the effects of a devastating drought that has caused a famine of historic dimensions. It is this famine, probably more than any other international tragedy, that exemplifies the significance of the Bread for the World organization. For the past 10 years, Bread for the World has diligently worked to eliminate long-term hunger problems and rapidly alleviate critical food shortages.

As it celebrates its 10th anniversary, Bread for the World continues to center its work around informing and educating Americans about the food needs of the world. The organization has also devised initiatives that go beyond its valuable efforts to educate the public. Bread for the World has committed itself to long-term solutions by supporting aid programs that help developing countries become agriculturally self-sufficient, and by urging the highest possible nutritional standards for the food aid that is distributed by the United States.

It is the grassroots effort of the organization's 45,000 members that truly merits commendation. For the past 10 years, these compassionate Bread for the World members have diligently urged public support for the food assistance programs passed by this Congress. At the same time, these individuals have informed their friends and neighbors of the even greater hunger needs that still exist. It is for this 10-year commitment to the vital task of ending world hunger that I rise and offer my grateful commendation to Bread for the World.

CONGRESS SHOULD RECTIFY INJUSTICE TO PUERTO RICO

(Mr. CORRADA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CORRADA. Mr. Speaker, in the conference report on H.R. 4170 to be considered shortly, the Congress will eliminate the cane neutral spirit program for Puerto Rico and will also place a cap on the rebate of excise taxes on rum to Puerto Rico.

I believe these provisions to be a violation of the Puerto Rican Federal Relations Act, our Organic Act, and they do an injustice to the basic relationship between the United States and the island of Puerto Rico. If this becomes law, I intend to introduce a bill to undo what I consider an injustice, and I hope that, looking separately into the problem of rebate of excise taxes to Puerto Rico, the Committee on Ways and Means and the House will be more careful and rectify a wrong that we will be doing today.

THE LOUISIANA WORLD EXPOSITION

(Mrs. BOGGS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOGGS. Mr. Speaker, I rise to thank all of our colleagues for their confidence in the Louisiana World Exposition and to urge all of them their family members, and their constituents to come to New Orleans this summer to enjoy the fruits of their generosity.

The fair, dedicated to Water as the Source of Life, celebrates the great rivers of the world displaying their economic, historic, and cultural benefits. You can experience water in many ways—at the scientifically sophisticated U.S. Pavilion, by crossing over the vast Mississippi River in a gondola, visiting a Caribbean rain forest, viewing a giant aquarium, seeing a beautiful Chinese pond alive with carp, learning about American and Louisiana waterways, and even cooling off your children in the popular "Kid Wash."

In between exhibits, you can rest in air-conditioned facilities and sample marvelous cuisine from Louisiana and around the world.

And, while in New Orleans, you will drink our local water, recently judged to be best-tasting in a national contest sponsored by the American Water Works Foundation.

The fair, too, is a celebration of the arts, both visual and performing, with magnificent exhibits at the Vatican and Louisiana pavilions and among the 24 international pavilions, and with a star-studded roster of performers enchanting audiences daily and nightly in the river front 5,600-seat amphitheater, the jazz and gospel tent and the dozens of restaurants and cabarets.

As a frequent fair goer, I can personally guarantee that you will have a meaningful experience and a grand time.

Mr. Speaker, all of us deserve a break. So, I urge you, to come and join us at the fair.

GRANTING A VISA TO ROBERTO D'AUBUISSON IS REPREHENSIBLE

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, I think that it is incredible that at the same time Secretary of

State George Shultz is speaking of the need to increase the fight against international terrorism, the Reagan administration issues a visa to Roberto D'Aubuisson to enter this country.

Over the weekend, press reports indicated that D'Aubuisson may have been involved in a plot to assassinate U.S. Ambassador to El Salvador Thomas Pickering. And even if he wasn't directly involved in the plotting, he is implicated to the degree that he was in a position to stop it until U.S. officials talked to him.

Granting of a visa to Mr. D'Aubuisson is especially outrageous because just last December, Vice President GEORGE BUSH assured me:

> * * * we have no intention of knowingly admitting anyone to the United States, either on a temporary or permanent basis, who would pose a threat to you or to any other American.

BUSH went on to say that

> * * * the State Department is working with the El Salvador Government to come up with lists of individuals suspected of being tied in with death squad activity. These lists will be sent to INS to ensure that these people do not gain entry to the United States.

Mr. Speaker, in June 1980, Mr. D'Aubuisson's visa to the United States was revoked because he was declared a danger "to the welfare, safety, or security of the United States."

Last November, this administration denied Roberto D'Aubuisson a visa to enter this country because it was contrary to "the national interest," an apparent reference to D'Aubuisson's extreme rightist views and activities.

And 3 years ago, a Reagan appointee in El Salvador said that a machinegun attack on the U.S. Embassy in El Salvador "had all the hallmarks of a D'Aubuisson operation."

Mr. Speaker, the attempt by this administration to convey legitimacy on Roberto D'Aubuisson by granting him a visa is reprehensible. I believe this action hurts the efforts to bring about peaceful reconciliation in El Salvador.

LET US ACHIEVE OUR EXPORT POTENTIAL

(Mr. BONKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONKER. Mr. Speaker, the Export Administration Act expired last September and while it has been extended on several occasions, for the last 4 months, we have been without an operative law. Time is running out for Congress if we are to send a bill to the President this year to revise and extend the act for another 3 years.

I would like to report that the conferees have been meeting on a regular basis and we are very close to reconciling the differences between the two sides. I would hope that those who are interested in the national security, foreign policy, and the South Africa sections of the bill, would take a realistic approach to this measure so that we can get something reported out this year.

Our trade deficit is now projected to be $120 billion this year.

The Export Administration Act is a major impediment to our exporters. We must remove these restrictions and make it possible for us to achieve our export potential and bring down that staggering trade deficit.

REVOLVING DOOR SYNDROME IN THE PENTAGON

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, many have questioned the claims of this administration that reductions in its unprecedented defense budget would endanger our national security.

Recent events have served to strengthen those suspicions. On Monday, Ernest Fitzgerald, a management systems analyst for the Air Force, testified that his superiors had drawn a "blue curtain" around him to prevent him from identifying waste, fraud, and abuse in Air Force programs.

He went on to say that he had yet to see "any weapon which could not be cut by 30 percent."

He cited the "revolving door" through which personnel shuttle between the Pentagon and defense contractors as a primary reason for the inflated costs and poor performance of our weapons.

On Monday, my colleague from California, BARBARA BOXER, and I introduced legislation which would help put an end to the revolving door syndrome which has had such a damaging effect on our military.

Lest anyone doubt the seriousness of problems of inept administration in the Pentagon, I will close by once again quoting Mr. Fitzgerald:

> Bad management has shot down more airplanes, sunk more ships, and immobilized more soldiers than all our enemies in history put together.

I urge my colleagues to join with Congresswoman BOXER and me and cosponsor our bill.

□ 1140

JACKSON CALLED UPON TO REPUDIATE FARRAKHAN

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute.)

Mr. LEVIN of Michigan. Mr. Speaker, Louis Farrakhan in a speech on Sunday called Judaism a "gutter religion" and characterized supporters of Israel as "part of a criminal conspiracy."

Yesterday Reverend Jackson said:

> I don't understand what Mr. Farrakhan said. I don't understand the context of it. I feel no obligation to respond to it. In America people have freedom of speech to say what they want about whom they want to. Don't keep putting me in the middle of that.

Mr. Speaker, I call upon Reverend Jackson to repudiate Mr. Farrakhan, immediately. Mr. Speaker, nothing else will do.

IS THERE HUNGER IN AMERICA?

(Mr. LELAND asked and was given permission to address the House for 1 minute.)

Mr. LELAND. Mr. Speaker, on Monday of this week I had the occasion to go to Greenwood, MI, as the chairman of the Select Committee on Hunger. There we saw some very difficult hunger problems.

On the following day, yesterday, I was invited to appear as chairman of the House Select Committee on Hunger on a popular national news talk show. During the course of that show I was asked whether there was hunger in America. I responded, "Yes," and when I related the fact that we had been to Greenwood, MI, I used the term, "distended stomachs," in describing the appearance of some of the children that I had seen.

I find that that description was offensive to some of my colleagues who were on the trip, Mr. Speaker, and it was probably an exaggeration of what I had seen. I would like to apologize to my colleagues. I was only trying to dramatize the need for us to do something about hunger in America.

Mr. Speaker, while I do maintain that there is evidence of extreme hunger, I must apologize to my colleagues for inadvertently exaggerating the extent of hunger.

LEADERSHIP NEEDED TO ATTACK PROBLEMS OF THE DEFICIT AND HIGH INTEREST RATES

(Mr. ROEMER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, there are two facts in yesterday's news. The first fact: The prime rate is at 13 percent, up 20 percent in 6 months and headed higher, and at some point the rising rate will crush economic activity in the interest-sensitive industries like autos and housing.

Now, the President and some Members of Congress seem confused about what is causing the rising rates.

Fact No. 2: April's deficit of $34 billion is up nearly 20 percent from a year ago. Now, that is after a year of strong growth, dropping unemployment, and so-called deficit reduction actions by Congress.

Are the two facts connected? You bet. The huge deficit, with no end in sight, increases the competition for and the cost of a limited real commodity—money—and exponentially increases uncertainty in the money marketplace, which increases real interest rates.

There is no mystery here. We do not need nickel and dime actions. We tried that last year. We need Presidential leadership and the congressional courage to lower the deficit dramatically and timely, asking sacrifice of all Americans.

Mr. Speaker, I am ashamed to report that I do not think we will get either before the upcoming election. I just hope that November is not too late.

SUGGESTED NEW OPTIONS FOR THE SALE OF CONRAIL

(Mr. FEIGHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FEIGHAN. Mr. Speaker, I was pleased to see that 14 bids have been submitted on behalf of individuals and companies seeking to buy Conrail. The enthusiastic response will give the Department many different companies from which to choose; but only one option—sale of the entire company. Therefore, I rise today to express my concerns about the sale and its possible consequences—not only in Greater Cleveland—but in the entire Midwest-Northeast region which Conrail presently serves. Specifically, the Department should at least examine alternatives to sale of Conrail as a single entity. Therefore, I urge the Secretary to hold a section 401 hearing to determine if there are other options to the proposed sale of the entire entity, and if these options would provide more jobs, job security, and improved service to shippers.

Conrail is important to the Greater Cleveland community both because of the jobs it provides directly, and because it provides competition for the two major railroads serving Greater Cleveland, CSX and Norfolk-Southern. Thus, the sale of the railroad could have a serious impact upon my district in two ways. First, any sale raises the spectre of lost jobs and services. Second, any sale may lead to a reduction of competition and an overall rise in prices.

The sale also raises many questions about the direction that transportation in the Northeast-Midwest area will take over the next decade. I am afraid that not enough thought has been given to this question in the apparent rush to sell Conrail. For example, I have not heard a word from the Transportation Department about possible anticompetitive effects. Yet, in the Cleveland area, where any price increase has an impact on the steel and automobile industries' ability to compete effectively, questions of continued competition among the railroads is extremely important. At the present time, Conrail, CSX, and Norfolk-Southern each control roughly equal amounts of the railroad shipping in and out of the Cleveland market. If either CSX or Norfolk-Southern were permitted to buy Conrail, there would be tremendous antitrust problems.

For example, if Norfolk-Southern bought Conrail, then Norfolk-Southern would control approximately 70 percent of all commodities shipped to or by the Cleveland auto industry; if CSX bought Conrail, the Chessie System would control 72 percent of all shipments to or by the steel industry.

Since this is just one of many potential problems, I urge the Secretary to open the process up, and consider alternative proposals to the single entity bid. It might not be as simple—but it might provide better service, less disruption in employment, lower prices, and more competition.

THE 40TH ANNIVERSARY OF THE GI BILL

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, 40 years ago, President Franklin Roosevelt signed into law a program that improved the lives of millions in this country, including myself. It is with pride that I rise to recognize the 40th anniversary of the GI bill.

Since 1944, 18.2 million veterans have received $55 billion in educational aid under the GI Program, and another 11 million vets have received home loans totaling $225 billion. But that's only half the story. The real success of the GI bill is that veterans have returned in taxes about three times the total amount of aid they received, according to estimates prepared by the American Legion. Now that's a successful investment. It's an investment that helps guarantee our security in wartime, and our vitality in peacetime.

Mr. Speaker, when I speak in support of the GI bill, I speak from experience. I know what a GI bill can mean to a veteran and to our country—I was educated under the first GI bill approved by Congress. This is an anniversary that means a great deal to me personally, as well as to our country—I only wish that all our public investments could yield such high returns.

Mr. Speaker, when I speak in support of the GI bill of rights, I speak from experience. I came from a very, very poor family in Pittsfield, MA. I never had an opportunity for financing to go to college, and it was only through the GI bill of rights that I was able to get a college and a law school education. If it were not for the GI bill of rights, I would not be here in the well today.

A REPORT ON THE PROBLEMS OF HUNGER

(Mrs. ROUKEMA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, on Monday, the House Select Committee on Hunger visited Greenwood, MS, to evaluate what progress had been made in the 20 years since the Delta area first became the focus of attention on the issue of hunger, and to judge what problems persist.

Clearly, there have been significant strides made. No longer are there symptoms of severe hunger. In the words of Dr. Maxine Hayes, a local pediatrician, "Hunger can be very difficult to see on the outside. If I am going to be quoted I want to say I see people who look as if they are impoverished."

Indeed, the vicious cycle of poverty continues, not only in Mississippi, but in many other areas of our great Nation.

The basic challenge I am left with, and the one that should engage us all, is while we have made tremendous headway against rampant hunger because of effective food assistance programs, we are not doing what needs to be done in education and job creation and family planning to break the vicious cycle of the impoverished.

Mr. Speaker, I also wish to thank our chairman, Mr. Leland and our colleague Mr. Franklin for making this hearing possible.

NATURAL GAS BILL AWAITS ACTION BY THE HOUSE

(Mr. TAUKE asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. TAUKE. Well, Mr. Speaker, June has busted out all over, and the corn is almost knee high, but we still do not have a natural gas bill on the floor.

The bill has been ready for 2 months. The Committee on Energy and Commerce passed it on Arpil 12, but it is languishing in the Rules Committee, waiting for the leadership to find the courage to take up this consumer issue.

I think it is time that we stand up for natural gas consumers and end the stall on gas legislation. Delay only serves the interests of the large gas producers. If we wait much longer, we will have virtually no chance of enacting natural gas legislation this year.

Here in the heat of a Washington summer, it is easy to forget the cold days and the high heating bills of January. But our consumers remember those cold days, and they expect us to act.

So, Mr. Speaker, let us get the show on the road and consider the natural gas bill before it is too late to help consumers this coming winter.

☐ 1150

MISSING CHILDREN

(Mr. EDWARDS of Oklahoma asked and was given permission to address the House for 1 minute.)

Mr. EDWARDS of Oklahoma. Mr. Speaker, we in the Congress have made the problem of missing children a national priority and we have passed various pieces of legislation to make it easier for parents and law enforcement agencies to help find these missing children. But our job will not be completed until all of the 160,000 children who are reported kidnaped each year are located, accounted for, and returned home.

Take, for example, the case of Charlotte June Kinsey of Oklahoma City. She was reported missing from the State Fair of Oklahoma on September 26, 1981. When she disappeared she was 13 years old; today she is nearly 15. She was then 5 feet tall and weighed 95 pounds, with blue/gray eyes and blond shoulder-length hair.

We hope that anybody who has any information about Charlotte Kinsey's whereabouts will contact the Oklahoma City Police Department.

Mr. Speaker, more than 45 of my colleagues have agreed to join me in this effort to use special orders and 1 minute speeches to help locate America's missing children. Together maybe we can help bring these children and their parents back together again.

REPORT OF WEDNESDAY GROUP ON DISCRIMINATION TO WOMEN

(Mr. CONABLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONABLE. Mr. Speaker, one of the essential tasks facing this legislative body is that we sensitize ourselves to issues of particular concern to women—not only where these issues are obvious, as in the case of the ERA, but where they may seem inconspicuous to many of us: lying unseen in tax bills or in employment training bills, for example. We must constantly make the effort to perceive where the interests of women lie in the issues that come before us.

The recent release of a women's issues report by 23 members of the Wednesday Group provides an occasion for us to remind ourselves of this necessary task. The Wednesday Group report does not propose large symbolic gestures. It is instead a thoughtful and detailed document whose carefully designed proposals will be a seedbed for future legislative action.

For instance, this report recommends that we extend protection against discrimination in credit to women in business. Twenty-five percent of small business owners today are women, and these business owners surely deserve the same degree of credit protection in their business dealings that they are entitled to as consumers. Yet today women business owners do not have that protection.

Mr. Speaker, as the report notes: "we need to move beyond piecemeal or occasional action on women's issues, to fully integrate women and women's concerns into the planning and policymaking of our Nation." I commend this report to your attention and to the attention of all our colleagues.

LET THE HOUSE CONSIDER A COMPREHENSIVE CRIME CONTROL BILL

(Mr. BILIRAKIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BILIRAKIS. Mr. Speaker, 2 months ago, I held a town meeting to discuss the problem of crime and the status of crime control legislation in the House. I had to tell my constituents that although an omnibus crime control bill had been introduced—little progress had been made in approving the measure.

Just last week, I again addressed the issue of crime in a speech to the Fraternal Order of Police in Tampa. Again, I was forced to cite the lack of progress on a comprehensive crime control bill.

In both of these forums, people indicated that Congress should stop talking about crime—and, instead, do something about it. Both my constituents, who live under the threat of crime, and police officers, who daily fight crime, want Congress to act.

Therefore, today, I am calling on the House Judiciary Committee to act, and to report a comprehensive crime control bill to the floor of the House. Let us listen to those who enforce our laws and to those who live under them. Let this House at least consider a comprehensive crime control bill.

PRESIDENT GETTING BAD ADVICE TO OPPOSE VOLUNTARY FAMILY PLANNING

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER Mr. Speaker, the President is getting some incredibly bad advice to reverse our country's long-time commitment to help fund voluntary family planning programs in developing countries.

The advice is that private enterprise economic incentives should be employed to encourage development instead of voluntary family planning.

That's about like saying I'd rather walk to school than carry my lunch. Voluntary family planning is not opposed to free enterprise development. Most Americans correctly believe that LDC's need a healthy dose of both.

Opposition to abortion is the real engine pushing this antifamily planning effort. But no U.S. family planning funds can by law be spent for abortion, a stipulation I strongly agree with.

Mr. Speaker, anyone with a lick of common sense understands that if you don't provide people in developing countries with the means—if they wish—to prevent unwanted pregnancies, you end up either with abortion being substituted as a birth control device—exactly what we all oppose—or rampant population growth that practically ensures that free enterprise will have no chance.

LAND REFORM IN EL SALVADOR

(Mr. BEREUTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEREUTER. Mr. Speaker, the subject is land reform in El Salvador, and I hope the Members will listen to me, because we have an urgent deadline coming up and I need the assistance of Members of this body.

While there are some questions about phase I and phase II in the land reform program in El Salvador, there is no doubt whatsoever for those of us who have seen it that the phase III, the land for the tiller program, is the key element in the democratization of El Salvador. It puts in the hands of individual campesinos and their families a plot of land—land for the tiller.

Unexpectedly, some have learned that constitutional changes did not extend the deadline for applicants under phase III land for the tiller program. The deadline is this Friday. Unless there is an extension of the deadline by the Constituent Assembly of El Salvador, the campesinos in "conflicted areas" will not pragmatically have an opportunity for the land for the tiller program.

All my colleagues on the Western Hemisphere Subcommittee have joined me in a resolution asking the Constituent Assembly of El Salvador to extend this program.

I urge, therefore, that you may want to join us on House Concurrent Resolution 327.

LOUIS FARRAKHAN: NO REPUDIATION FROM JESSE JACKSON

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, when racism rears its ugly head in American politics, it is necessary for our political leadership to repudiate it. All of us must repudiate the violent, racist comments of Louis Farrakhan.

After returning from a meeting with one of the world's foremost terrorists, Mu'ammar Qadhafi, Farrakhan called the existence of Israel "an outlaw act." That statement flies in the face of the U.N. decision. It flies in the face of 35 years of bipartisan American foreign policy.

He said nations supporting Israel have engaged in a criminal conspiracy, linking the United States and England to that comment.

He has called Judaism "a gutter religion."

Jesse Jackson has thus far refused to repudiate Farrakhan's rank anti-Semitism, saying just the other morning, "I don't understand what he said, I don't understand the context of it. I feel no obligation to respond."

CALENDAR WEDNESDAY

The SPEAKER pro tempore. This is Calendar Wednesday. The Clerk will call the committees.

The Clerk called the committees.

□ 1200

CONFERENCE REPORT ON H.R. 4170, DEFICIT REDUCTION ACT OF 1984

Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to the unanimous-consent agreement of June 18, 1984, I call up the conference report on the bill (H.R. 4170) to provide for tax reform, and for other purposes.

This bill, Mr. Speaker, includes both the Tax Reform Act of 1984 and the Spending Reduction Act of 1984.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the order of the House of June 18, 1984, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of Friday, June 22, 1984, No. 87, part II).

The SPEAKER pro tempore [Mr. MINISH]. The gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 30 minutes, and the gentleman from New York [Mr. CONABLE] will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that the time for consideration of this report be extended from 1 hour to 2 hours, so that the various committees which have an interest in the specific titles will have the opportunity to discuss them.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois.

Mr. CONABLE. Mr. Speaker, reserving the right to object, I do not object, but I would like to know what division of this time will be made.

Mr. ROSTENKOWSKI. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Illinois.

Mr. ROSTENKOWSKI. Mr. Speaker, I expect to yield the gentleman from New York [Mr. CONABLE], my colleague on the Ways and Means Committee, half the time.

Mr. CONABLE. Half the time? And presumably it will be up to us to allocate it out to the other committee interested in this conference report.

Mr. ROSTENKOWSKI. The gentleman is correct.

Mr. CONABLE. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 1 hour and the gentleman from New York [Mr. CONABLE] will be recognized for 1 hour.

The Chair now recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to ask the support of the House for the conference report on H.R. 4170, which contains both the Tax Reform Act of 1984 and the Spending Reduction Act of 1984. The act increases revenue, principally through tax reform and the postponement of future tax cuts, by $50.6 billion over fiscal years 1984 through 1987. The expenditure portion of the act, which cuts spending by $11 billion over the period, significantly amends the Medicare Program, and to a lesser extent the AFDC, SSI, Social Security, and Trade Adjustment Assistance Programs. The conference agreement is the result of hard work and hard bargaining, and it meets three national needs.

One need is to fix particular parts of the Internal Revenue Code that are in disrepair. Significant portions of the tax law were devised when low interest rates and low inflation rates were taken for granted. Business arrangements and financial institutions were less intricate. Tax rules, which worked well enough then, need to be adjusted to the new realities, otherwise they become unfair to taxpayers or open up large possibilities for tax avoidance. Moreover, numerous tax incentives have been added to the tax law over time. Some of these have proven ineffectual or much too expensive for the results achieved. These should be made to work well where that is possible, or eliminated or held in check where it is not. If this act is considered piece by piece, it will be judged as promising legislation for correcting or at least lessening many problems of this kind.

A second need is to assure that the tax system raises sufficient revenue to pay for what the people want done by the Federal Government, and to raise it in a manner that the people believe is equitable. It is obvious to us all, and the administration as well, that annual budget deficits over $200 billion mean that the Federal Government has not yet found the right mixture of revenue and expenditure. We need more revenue and less spending, not only because of the widely recognized economic harm of large deficits, but also because I sense that our constituents want us to move in that direction.

Equity requires that the additional necessary revenue must come first from those who underpay, due to clever exploitation of the tax law or the use of ineffectual incentives, and last from those who overpay. The act has been structured under this general philosophy. This makes for detailed legislation, because the tax law is complex and the tax preferences are difficult to eliminate in an instant. No doubt a simpler approach would have been merely to increase tax rates on those who already overpay, while ignoring the complicated problems and practices that need to be addressed. But this would not be right. If we look beyond the details and the act is considered in its entirety, it will be judged as a promising step toward equitable deficit reduction.

The third need is to demonstrate to the Nation that Congress is willing and able to confront such problems. The act bears the stamp of neither political party, but rather reflects a common economic purpose. Obviously, more remains to be done. But we have made a start—a downpayment—that not only hews to the House position, but also clearly sets forth the priorities of the future.

Let me now turn to a summary of the major provisions of the conference agreement which are within the jurisdiction of the Committee on Ways and Means, starting with revenue measures.

SUMMARY OF REVENUE PROVISIONS

TAX FREEZE

The conference agreement includes a House-sponsored freeze of several tax reductions scheduled to take effect this year and in the future. That these were enacted in prior years but not made effective until 1984 or later indicates that they were not high-priority measures. None of these items was in the President's original tax reduction program, nor is any needed to relieve a hardship or repair a fundamental defect in the tax law. Thus, the legislation postpones until 1988 scheduled reductions in the windfall profit tax rate on newly discovered oil and the maximum estate and gift tax rate. Liberalized leasing rules that would have facilitated the sale of tax benefits are also deferred, and a new exclusion for net interest earnings, which would have sacrificed much revenue for little additional saving, is repealed. The reduced excise tax on cigarettes scheduled for October 1985 is not affected at the insistence of the Senate, but time remains to reconsider the issue next year.

CAPITAL COST RECOVERY

The conference agreement makes important changes in the area of capital cost recovery.

First, repairing an oversight that occurred when the Accelerated Cost Recovery system was adopted in 1981, the conference agreement limits depreciation deductions for property leased to tax-exempt entities, which could otherwise obtain through leasing tax benefits that they cannot qualify for directly.

Second, depreciation deductions and the investment credit are cut back for luxury automobiles and other property that serves personal as well as business purposes. The conferees restricted these benefits so that taxpayers will not subsidize personal consumption that is represented as a business expense, while at the same time giving due recognition to the economic durability of expensive cars. Instead of limiting the investment credit and depreciation deductions to a fixed amount of cost and denying them completely thereafter, the conference agreement limits the investment credit to $1,000 and depreciation deductions generally to $6,000 per year, for however long the car is used in business.

Third, the conference agreement does not include Senate provisions that would have reduced rehabilitation investment tax credits and temporarily lengthened the depreciation period for real estate to 20 years. Rather, the conferees decided for a more modest increase to an 18-year writeoff period for real estate, with no effect on low-income housing, for which the depreciation period stays at 15 years.

CAPITAL GAINS HOLDING PERIOD

The holding period for a capital gains is shortened from 1 year to 6 months on a trial basis for 3 years. I opposed this proposal in the past, when presented to Congress at the last moment (as in 1981) and when brought up (as in 1982) as a tax reduction for high-income people at the time we were raising taxes for ordinary Americans. In this legislation the situation is somewhat different. The conference agreement contains a variety of tax reforms that will eliminate tax-avoidance devices used by the securities industry and their customers, and the revenue gains from these reforms will greatly exceed the revenue loss from shortening the holding period. Therefore, I think it is appropriate to give the shortened holding period a chance for a limited period and to see how it works—whether it promotes an increase in investment as promised, and whether it really will gain or lose revenue.

TAX-EXEMPT BONDS

The conference agreement closely follows the House position subjecting most industrial development bonds to statewide volume limitations of $150 per capita unitl 1987, when the cap is reduced to $100 to reflect the expiration of small issue IDB's. This limitation is absolutely necessary to promote greater selectively in the use of tax-exempt bonds for private purposes and to control the Federal revenue impact. It was necessary to have liberal transition rules to accommodate most concerns of individual members when making so significant a change, and these rules are provided. The conference agreement also contains additional measures to assure the appropriate use of tax-exempt bonds and to protect against the double benefit of tax-exempt bond financing and accelerated cost recovery. Authority to issue tax-exempt bonds for low and moderate income homeowners mortgages is extended through 1987.

CORPORATE PREFERENCE CUTBACK

The conferees took another measure to guard against the result that taxpayers with large economic incomes might escape tax altogether by the heavy use of tax preferences. Under present law, certain corporate tax preferences are reduced by 15 percent. The conference agreement accepted a Senate amendment that generally increases the preference cutback to 20 percent.

DOMESTIC RELATIONS

The conference agreement generally follows the House position for simplifying and reforming domestic relations tax law. For example, under present law, gain is recognized on certain transfers of property between spouses or incident to divorce. This interposes the tax system where it should not be. The legislation provides that such transfers will not result in the recognition of gain or loss. The conference agreement also expands the earned income credit, which benefits low income individuals or couples with children. The credit rate is increased from 10 percent to 11 percent, which raises the maximum amount of the credit from $500 to $550 per year, beginning in 1985.

ACCOUNTING CHANGES

The conference agreement remedies the problem of taxpayers' claiming current deductions for expenses that will not be incurred until far in the future by establishing the general principle that deductions are not allowed until economic performance of the obligation occurs. The problem has been heightened by the growth of employer-paid employee benefits which are not actually provided until later years, but for which employers take current deductions. The conference agreement generally limits the ability of taxpayers to accelerate deductions in this manner. However, in the course of dealing with this issue, it was necessary to make special provisions to account for the reclamation and site closing costs of mining operations and the decommissioning costs of nuclear power facilities. For example, under the general rule, large deductions for decommissioning costs could occur at the very time the taxpayer has diminished revenues against which the deductions can be applied. A unique trust fund approach is established in this case to achieve the purpose of the general rule, while assisting the adjustment of taxpayers to it.

FRINGE BENEFITS

The conference agreement generally follows the House position in making progress toward the proper tax treatment of fringe benefits. Progress had been arrested by a legislative moratorium on issuance of Treasury regulations relating to nonstatutory fringe benefits. The conferees decided not to extend this moratorium. Instead, the conference agreement sets forth statutory provisions under which certain employer-provided fringe benefits are excluded from the employee's gross taxable income and the wage base for withholding purposes, while fringe benefits not so excluded or otherwise excluded by other fringe benefit provisions in the Internal Revenue Code generally would be included at the excess of fair market value over amounts paid by the employee. The conferees intend, however, that the Treasury will follow present practice in this area until the new provisions become effective on January 1, 1985 (or July 1, 1985, for the provisions affecting the treatment of tuition reduction).

FOREIGN PROVISIONS

In the foreign area, the conference agreement replaces DISC with the administration's proposal for foreign sales corporations. This will eliminate what has proved to be an irritant to our trading partners and a source of dispute under GATT. The conference agreement also eliminates with respect to newly issued bonds the current 30-percent U.S. withholding tax on payments of interest to foreign investors, the effect of which had already been weakened or in some cases eliminated by tax treaties.

ENERGY CREDITS AND REMAINING ITEMS

Many major items in conference were not agreed to. The Senate amendment would have extended the current 40-percent investment tax credit on expenditures for residential solar, wind or geothermal property, which is due to expire at the end of 1985. Similarly, it would have extended business energy tax credits and provided a new 10-percent credit for soil and water conservation expenditures. The conferees agreed that there is no urgent reason for extending such credits well before their expiration dates, and that the renewal of existing credits or approval of new ones should occur only after careful study of their effectiveness, especially in periods of high deficits. The conference agreement does provide for a one-year extension of the expiring targeted jobs credit for wages paid to individuals who are economically disadvantaged or handicapped or who receive public assistance.

Likewise, the conferees decided not to expand the scope of individual retirement accounts. Enormous amounts of money have flowed into these accounts, and the conferees believe that it is extremely important to assess how successfully they have stimulated overall savings before expanding them and incurring the consequent revenue loss.

Finally, the conference agreement does not include a provision that would have granted special tax preferences for certain activities occurring in areas to be known as enterprise zones. There is too much uncertainty at this point about how such a program would function. More fundamentally, there is too much uncertainty whether, in a highly open and mobile economy, an enterprise zone system could succeed other than by draining resources from other uses, thus producing no overall economic gain but a potentially large and unrestricted revenue loss.

Let me now turn to the bill's spending provisions.

SUMMARY OF SPENDING PROVISIONS

MEDICARE

The House conferees agreed to significantly larger medicare spending reductions than were contained in the House bill, but were careful in doing so to minimize effects on beneficiaries. The medicare spending reductions, amounting to $6.8 billion from fiscal year 1984 through fiscal year 1987, are achieved largely through reimbursement limitations affecting providers. The major provisions include the following:

There is a 15-month freeze on medicare-recognized physician fee increases, with protection for beneficiaries. Under this provision, doctors who become medicare "participating physicians" would accept the medicare fee allowance as payment in full. Other physicians would be prohibited from raising their medicare fees. Thus, beneficiaries would have full protection against the possibility that they, rather than physicians, might bear the effect of the fee freeze. The fee freeze provisions are intended to work in concert with the efforts—which are to be commended—of the American Medical Association and many individual medical societies which have urged their members voluntarily to freeze their fees.

The conference agreement modifies the limitation on the rate of increase in hospital rate. Instead of assuming a medicare increase equal to the hospital "marketbasket" increase plus 1 percentage point, an increase equal to marketbasket plus ¼ percentage point would be assumed for fiscal year 1985 and fiscal year 1986.

Rural hospitals with urban characteristics would be authorized to apply for status as "rural referral centers." Hospitals that were recently reclassified from urban to rural would be protected through a phased transition to rural payment rates. Hospital payment rates would be standardized in metropolitan areas where there are currently two or more payment rates because the hospitals are in different census divisions.

A revaluation of assets provision would protect medicare and medicaid against unwarranted cost increases where providers change ownership through merger or acquisition.

A medicare part B premium provision would extend for only two years the current policy under which the medicare part B premium equals 25% of program cost. A temporary extension rather than a permanent provision assures that the long-run policy regarding premiums will be reexamined.

A new fixed fee schedule for medicare reimbursement of outpatient clinical laboratory services was contained in both House and Senate versions of the legislation and is included in the conference agreement.

The TEFRA "working aged" provision would be expanded to include spouses aged 65-69 of employees below age 65. They will have primary health benefits protection under an employer plan unless they reject it in favor of medicare.

The conference agreement does not include several Senate provisions that House conferees refused to accept because these provisions would have increased costs to beneficiaries. These rejected Senate provisions include a one month's delay in medicare eligibility, rounding down of medicare part B benefit payments, and indexing the part B deductible.

AFDC AND SSI

The conference agreement also contains a number of amendments to the SSI and AFDC programs that will improve these programs. The amendments include increasing the resource limits in the SSI program; providing greater work incentives in the AFDC program through increased income disregards; providing 9 months of Medicaid coverage for certain families that lose AFDC eligibility; and improving the administration of the AFDC program by giving States greater flexibility in the use of monthly reporting and retrospective budgeting procedures.

The agreement also facilitates the identification of the financial assets of SSI and AFDC recipients by allowing the IRS to share with the States tax information on the unearned income of these recipients. This provision will reduce outlays in these programs by identifying those individuals who are ineligible for assistance because their assets exceed the allowable limits set by the programs.

Mr. Speaker, this conference report represents a significant contribution to solving the Nation's overwhelming deficit crisis. Without this down payment, there is no reason for the financial markets to assume that we will ever act responsibly on the budget. Many of the measures in the bill will be unpopular with some of our constituents, but failure to act will be even more unpopular. I urge the House to support the conference report.

□ 1220

Mr. **CONABLE**. Mr. Speaker, I yield myself 13 minutes.

Mr. Speaker, the deficit buck stops here.

For many, many months both Democrats and Republicans have been telling the country that big deficits are going to kill us. I should note parenthetically that I went around saying the same thing for many years, but no one paid attention. Recently, however, the deficit scare has caught on, and people finally seem to be concerned—genuinely so, and rightly so.

Now we finally have a chance to do something about it. We really can cut those deficits, by voting in favor of the conference report.

We cannot completely erase the deficits today, but we can cut them down to more manageable size over the next 3 years. The international community, as well as our domestic financial institutions, will be watching us raptly. We may be assured of that.

It is important, of course, that this modest effort toward fiscal responsibility succeed. But I suggest that far more significant than success would be failure.

If we cannot make even a downpayment on our deficits, that very absence of action will send a devastating signal to the financial markets at home and abroad.

As a consequence, we could expect interest rates to rise more and faster than they otherwise would, Government borrowing to continue crowding out the private sector, and—ultimately—inflation to start another upward spiral.

The people of this country deserve better, and this conference report can give it to them.

The report is in two parts. The first, division A, consists of a complex combination of provisions addressing perceived tax abuses or loopholes, postponements of some scheduled tax decreases, and structural reforms of the Tax Code. The second, division B, consists of a variety of important spending modifications.

DIVISION A—THE TAX REFORM ACT OF 1984

Title I of the conference report has three components. First, a so-called tax freeze portion generally postpones for several years a number of provisions which would reduce revenues if they went into effect as scheduled under current law. Second, it contains the Tax-Exempt Leasing Act of 1984. Third, it has a number of reform provisions, most of which were suggested by the Treasury and included in the President's budget package of February 1, 1984. Fourth, it contains a number of provisions which were originated in the other body.

THE TAX FREEZE

Elements of the freeze which are identical to the House-passed bill include a delay in the increase in the amount of property which is eligible for expensing and the amount of used property eligible for the investment tax credit; a delay in the effective date of the finance lease provisions enacted as part of the Tax Equity and Fiscal Responsibility Act of 1982 [TEFRA]; a delay until 1988 of the indexing of the limits that were placed on contributions and benefits under qualified pension plans as part of TEFRA; a delayed liberalization of the foreign earned income exclusion for 4 years; and a repeal of the net interest exclusion which is scheduled to take effect in 1985.

Several provisions of the House freeze were modified by the conferees. The first postpones the increase in the employee stock ownership, or ESOP credit. Under existing law, the tax credit for employer contributions to an employee stock ownership plan is scheduled to rise from one-half of 1 percent of payroll in 1983 and 1984 to three-fourths of 1 percent in 1985. The conference agreement freezes the credit permanently at the current rate. In addition, the conferees agreed to a number of liberalizations of existing ESOP provisions, over the objection of at least this conferee, at a revenue cost of several hundred million dollars. I strongly urge the Congress to revisit these changes in the near future.

The next provision of the freeze delays the reduction in the top estate and gift tax rate from 55 percent to 50 percent. Under current law, the top rate is declining from 70 percent in 1981 to 50 percent for persons dying in years after 1984. Under the conference agreement, the rate is frozen at its 1984 level of 55 percent until 1988, when it declines to 50 percent. This is a considerable improvement over the House bill which would have frozen the rate at 60 percent through 1987.

Another part of the freeze would have prevented the excise tax on cigarettes from returning to its pre-TEFRA level of 8 cents per pack, but would have set the rate at 12 cents beginning in October 1985. This was not agreed to by the conferees. As a result, the rate will return to 8 cents per pack October 1, 1985, unless the Congress acts to change the rate before that time.

The final provision of the freeze delays the reduction of the windfall profits tax on newly discovered oil. Under current law, the windfall profits tax rate on newly discovered oil is being reduced over 5 years, starting in 1982, from 30 percent to 15 percent by 1986. Under the conference agreement, the rate of windfall profits tax on newly discovered oil would remain at 22.5 percent through 1987, and then would be phased down as under current law. This represents a modification of the House bill which would have frozen the rate at 25 percent through 1987.

TAX-EXEMPT LEASING

The second portion of title I of the conference agreement is the Tax-Exempt Leasing Act of 1984. The House version of these provisions and that of the other body essentially were directed at the same abuses. As a result, the conference agreement does not drastically differ from the original House version. Thus, rules are provided to deny certain tax benefits to those who lease personal or real property to tax-exempt entities—Federal, State and local governments, and others. The underlying theory of these provisions is that these benefits generally should be available to a lessor only if the lessee could have obtained the same benefit through ownership. There are significant exemptions for short-term leases, and generous transition rules to exempt from the bill most transactions wherein the parties had expended significant sums in reliance on current law. The importance of these provisions cannot, I think, be overstated. The growth of such transactions over the past year has been most dramatic. A classic case was the sale/leaseback of ships by the Navy, and many communities across the country have wanted to sell and then lease back their city halls and other public facilities in order to save themselves some money at the expense of all the Nation's taxpayers. In the absence of these important changes, the Treasury stands to lose an open-ended amount of revenue.

TREASURY REFORM PACKAGE

A third part of title I essentially is a Treasury reform package that formed a key tax component of the President's 1985 budget. The provisions in both bills, going to conference, were very similar. As a result, the conference agreement does not differ significantly from the House bill. The package generally is intended to address loopholes and structural defects. There are modifications with respect to the treatment of bonds and other debt instruments. The tax treatment of corporations and their shareholders are adjusted in certain respects. There are several provisions with respect to the taxation of partnerships and trusts, to eliminate unintended uses of those entities. There are a number of important changes, relative to the so-called time value of money, intended to prevent taxpayers from artificially reducing taxable income by taking deductions with respect to payments that will not be made until far into the future, or by prepaying expenses that are not actually necessary on a current basis.

PROVISIONS ORIGINATED IN THE OTHER BODY

Part IV of title I contains a number of items originated in the other body. The principal corporate provisions include a modification of the corporate preference reduction, enacted in TEFRA, under which the corporate preference reduction is generally increased from 15 to 20 percent; a phase-out of the benefits of the graduated corporate income tax rates for large corporations; and significant modifications in the computation of earnings and profits for corporations.

Also included in this section is a modification in the accelerated cost recovery system for real estate. The agreement of the conferees with repect to this provision was less than satisfying. Under the agreement, the conferees extended the recovery period for depreciation from 15 to 18 years. While this is something of an improvement over the other body's bill, which contained a rather bizarre phase in of the change to 18 years, it fails to address the basic criticism which has been leveled against the 15-year recovery period; that is, that it encourages churning of property to take advantage of the available tax benefits. I had hoped that the House conferees would be more steadfast against the changes requested by the other body, particularly in light of the overwhelming vote instructing the House conferees to resist any change in the depreciation structure. Moreover, I wanted the House conferees to spend more time examining this issue with a mind to addressing directly the churning problem. On the positive side, however, the House conferees were successful in opposing suggested changes in the rehabilitation tax credits which were a part of the other body's bill.

This part also contains a number of important foreign provisions. In particular, the repeal of withholding on foreign investment is an important change which should eliminate the need for corporate borrowers to utilize corporations in the Netherlands Antilles as a way of tapping the Euro-dollar market. There is also a continuation of the moratorium with respect to the section 861 regulations for allocation of research and development expenditures. This continued moratorium is important so as not to significantly modify current practices with respect to R&D carried on in the United States by many corporations. The 2-year moratorium will provide more time in which to develop permanent rules for computing these allocations. An additional provision repeals the reporting requirements with respect to the Foreign Investors in Real Property Tax Act and replaces the reporting system with a withholding system. This modification is a considerable improvement over current law because it eliminates the burdensome reporting and recordkeeping that was required under the original statute. While I would have preferred to repeal it in its entirety, this compromise is certainly desirable.

LIFE INSURANCE

Title II, the Life Insurance Tax Act of 1984, represents the culmination of an intense and comprehensive review of Internal Revenue Code provisions governing the tax treatment of life insurance companies and their products. Because the cosponsors in the other body introduced the identical version of the bill developed by the House authors, Messrs. **STARK** and **MOORE**, the House version and the version of the other body differed only in several aspects. As a result, the conference agreement differs from the House bill relatively slightly.

PRIVATE FOUNDATIONS

Title III, relating to private foundations, stands as a milestone in the development of foundation law. Fortunately, the conferees adopted most aspects of the House bill. These provisions represent the end of a lengthy process of study and consideration. Last year, I chaired a committee of the President's Task Force on Private Sector Initiatives. My job was to review legal and regulatory impediments to private philanthropy. A substantial portion of our final report is reflected in the conference agreement.

SIMPLIFICATION

Title IV, the Tax Simplification and Improvement Act of 1984, also represents a comprehensive effort, initiated at the request of Chairman ROSTENKOWSKI and myself, by the House tax staffs, and the Treasury to identify unnecessarily complicated areas of the Internal Revenue Code. Working closely with members of the American Bar Association and other professionals groups, the combined staffs recommended a number of significant improvements in the code which should help many taxpayers.

Among these improvements are: a significant liberalization and simplification of provisions governing division of property between separating or divorcing spouses; a simplification of the estimated tax payment rules; a liberalization of the at-risk rules restricting use of the investment tax credit, and losses, so as to more fairly place limitations on closely held operating businesses, while at the same time preserving the limits necessary to discourage abusive tax shelter type transactions; new rules for sequential use of various tax credits available under the code, and a liberalization of rules governing the deductibility of lodging expenses incurred in connection with obtaining medical treatment while away from home. These provisions are substantially similar to those which were in the House-passed bill.

FRINGE BENEFITS

Under title V, the conferees agreed substantially to the entire House version of the bill providing uniform rules for the tax treatment of various nonstatutory fringe benefits. As a result, Congress will for the first time directly confront the troublesome question of which elements of employees' compensation should be subject to Federal income and employment taxes. The provisions generally codify as nontaxable the current practices with respect to many forms of fringe benefits for which there is currently a lack of statutory guidance, provided these benefits are made available on a nondiscriminatory basis. At the same time, and most importantly in view of the dramatic growth of the use of noncash forms of compensation, the provisions reaffirm the general rule of taxability of all forms of compensation in the absence of a specific statutory exception, thus preventing, I hope, the further erosion of our tax base through the future growth of noncash compensation which restricts the freedom of individuals to choose how their compensation should be utilized.

In addition to the guidance provided for fringe benefits, the conferees also agreed to certain relief for companies with cafeteria plan arrangements whereby employees are allowed to select from an array of benefits. These plans were somewhat disrupted by an IRS announcement earlier this year prohibiting a cash out feature which many companies believed was permitted under the law. Under the provision adopted by the conferees, plans in existence and plans with respect to which significant implementation costs had been incurred by the time of the IRS announcement would be permitted to operate generally in their present form, without penalty, until July 1, 1985.

TAX-EXEMPT BONDS

Title VI, the Tax-Exempt Bond Limitation Act of 1984, contains the conference agreement with respect to the treatment of tax-exempt bonds. It has three subtitles. The first provides for a 4-year extension of the mortgage subsidy bond program. It also offers a new option to give local issuers the ability to exchange bond authority for the authority to issue tax credits to qualifying homebuyers. These credits are equivalent to the benefit available through borrowing money raised under the bond program at reduced interest rates. Because the credit is a more efficient way of providing benefits to homebuyers, it is possible to provide the same total level of benefits at a lower cost to the Federal Government.

The second subtitle contains the IDB cap which was a part of the House-passed bill, with certain liberalizations and other provisions affecting the use of IDB's which generally were included in the House-passed bill. Under the cap, a limitation of $150 per person is imposed on the amount of certain private purpose tax-exempt bonds which may be issued in a State. Under the conference agreement, each State is entitled to the greater of $150 per person or $200 million. General obligation bonds of State and local governments are not subject to the cap. Bonds for tax-exempt charitable organizations, such as hospitals and universities, also are not subject to the cap. Other private purpose tax-exempt bonds, including student loan bonds, are subject to the cap. Moreover, the cap has been significantly modified from the form in which it originally was proposed. Bonds for low income, multifamily housing have been completely removed from the cap as have certain publicly owned facilities like airports, docks, wharves, and convention centers.

The need for some effective limitation on the growth of private purpose tax-exempt bonds was discussed at length at the time the House considered the bill. As a result, I will not restate those arguments other than to say that I believe the per person limit is a fair and logical method of controlling private purpose bonds, for several reasons: First, the level of the cap is fairly generous at $150. The national average for 1983 actually was only $113. Second, responsibility for allocating the cap is placed at the State and local levels where officials should be better able to evaluate the relative merits of projects.

In addition to the cap, there are certain additional IDB provisions which were recommended by either the Treasury or Members. Included are the following: The depreciation available with respect to property financed with tax-exempt financing is made the same for all types of property, except for low-to-moderate income multifamily housing which continues to receive a more generous method; a $40 million limit on the amount of IDB's per individual user is imposed; the tax-exempt status for bonds is denied if the borrowing of the proceeds is federally guaranteed; the use of IDB's to acquire existing facilities and land is limited; and the arbitrage limitations currently applicable to mortgage subsidy bonds are extended to other tax-exempt bonds. The conference agreement did not include the provisions of the other body's bill which would have prohibited the use of IDB's for various projects including nursing homes and parking garages, although it does include the other body's prohibition on their use to finance health clubs. In addition, the current law provision permitting small issue IDB's, which is scheduled to expire at the end of 1986, is extended for 2 additional years, but for manufacturing facilities only.

The third subtitle contains a number of provisions intended to benefit taxpayers. As a general proposition, all of the transition rules are extremely liberal, both with respect to the IDB cap and the other restrictions of the bill. To the extent an inducement resolution was in effect on June 19, 1984, and the bonds are issued by the end of 1984, issuances will not be affected by the legislation.

The IDB legislation probably has been the most controversial aspect of this bill, and the Congress probably will want to return to this area of the law in the near future. Nevertheless, I would encourage a consideration of whether the credit certificate approach which has been adopted as an alternative to issuing mortgage subsidy bonds should be extended to the entire private purpose tax-exempt bond area. It would seem that the use of credits as a general proposition would be more efficient by reducing the overall cost to the Federal Government and reducing the amount of transaction costs attributable to the issuance of bonds, while providing an equivalent amount of benefit to the users.

TECHNICAL CORRECTIONS

Title VII makes a series of necessary corections in the Tax Equity and Fiscal Responsibility Act [TEFRA], the Subchapter S Revision Act of 1982, the Highway Revenue Act of 1982, and the Social Security Amendments of 1983. These changes all are technical, clerical, conforming, or clarifying in nature.

TITLE VIII—FOREIGN SALES CORPORATIONS

Title VIII of the conference agreement repeals the Domestic International Sales Corporation [DISC] provisions and replaces them with Foreign Sales Corporation [FSC] provisions which have been developed through significant negotiations among affected industries, the Treasury Department, and the U.S. Special Trade Representative's Office. The replacement of DISC is necessitated by the finding that it violates the General Agreements on Tariffs and Trade [GATT]. We are relatively confident that the replacement provisions will not be in violation under GATT. The legislation forgives the existing deferral of income tax which has been permitted under the DISC provisions since their enactment in 1971. While this forgiveness has attracted some adverse criticism, I believe that forgiveness is consisent with the original intent of the DISC legislation and, therefore, should not cause great concern. The importance of eliminating the DISC controversy from the international trade arena probably cannot be understated. It has represented a considerable obstacle for the United States in pursuing other trade objectives in negotiations with our trading partners.

TITLE IX

Title IX represents a compromise reached by the conferees on the tax treatment of heavy trucks. The language on this subject in the gasoline tax bill enacted late in 1982 proved extremely controversial. The conferees, therefore, acting before the effective dates for those particular provisions, agreed on an amendment more broadly acceptable to interested parties. Essentially, the change provides a so-called diesel differential of 6 cents per gallon on that type of fuel to replace the heavy truck use taxes scheduled to take effect in July. As far as I know, no controversy on the issue remains.

TITLE X—MISCELLANEOUS

Title X, the miscellaneous revenue portion, incorporates a number of provisions intended to address inequities in the code or to liberalize the treament of certain transactions. Of particular note is a provision reducing the long-term capital gain holding period from 1 year to 6 months. Also included are provisions exempting taxpayers making net gifts prior to March 4, 1981, from the unfavorable tax impact of a U.S. Supreme Court decision subsequently rendered concerning such gifts; extending casualty loss treatment to those taxpayers who are required to raze their homes as a result of a storm, flood, or other natural disaster; liberalizing the tax-free reinvestment of amounts received prior to retirement for certain types of retirement plans; and clarifying as the administration recommended the tax-exempt status of dependent care organizations. Another part of this title consists essentially of provisions of H.R. 2163, the Federal Boat and Safety Act Amendments previously passed by the House as a separate bill. Finally, but by no means of least importance, this section includes a 1-year extension of the targeted jobs tax credit and a significant enhancement of the earned income tax credit which is necessary to offset the effects of inflation on this important credit.

In summary, Mr. Speaker, this conference report is truly important legislation. It represents an enormous amount of developmental work, spanning many months and, in the case of a few provisions, several years. Members and staff have labored with executive personnel, and with affected private sector groups, in a cooperative effort to solve a series of longstanding problems of concern to all parties.

The result is not precisely what I hoped it would be. I regret very much that it does not include the administration's enterprise zone legislation. I believe this should have been included, and I did my best to state the case for it. Unfortunately, the give and take of the conference did not allow for its inclusion, and enterprise zones will have to wait for another and better day to dawn.

I also am sorry, personally, that the conferees declined to take a tougher stance on cigarette taxation, but I am confident this will be a short-lived condition. The Congress undoubtedly will be looking in that direction next year.

The other body had provided for the extension of numerous energy credits, and while I am sympathetic to the goals they would reach, I am mindful that the credits do not expire this year. There is plenty of time for more thorough examination of them before they expire.

On balance, Mr. Speaker, the conference report on H.R. 4170 is a collection of diverse provisions designed in large part to raise revenues without raising individual tax rates. And I do not think we should lose sight of this fact.

As a result of this legislation, revenues will rise by about $50 billion over the next several years while Americans still can enjoy their 3-year, 25-percent rate reduction and still can look forward to indexing next year. It's not a bad result.

In division B of this report, with respect to programs generally within the jurisdiction of the Committee on Ways and Means, we were able to agree on a $10.5 billion spending reduction package which consists of a combination of Medicare and Grace Commission proposals, along with a limitation on certain excise tax rebates.

The compromise would save $7 billion in our ailing Medicare Program. While this amount is considerably higher than the original House offer of $1 billion, I would point out that the lion's share of the increase is attributed to providers and practitioners, not Medicare patients.

Nearly $6 billion of those $7 billion in savings comes from changes in hospital, laboratory and physician payments, coupled with a modification of the so-called working aged provision of current law.

Nearly all of the remaining savings comes from a 2-year continuation of a temporary provision which fixes the proportion of Medicare part B costs paid by enrollees at 25 percent of program costs. As originally designed, the costs were to be shared 50-50, but the enrollee's share has decreased over time due to a special formula enacted into law in 1972.

The extension of this temporary provision is projected to produce a modest premium increase for enrollees of $1.40 per month in 1986, and $2.70 per month in 1987. For the elderly poor, the impact of this proposal will be minimized because of their Medicaid coverage.

The key to the spending reduction compromise was the ability of the chairman of the Health Subcommittee, ANDY JACOBS, and the ranking minority member, HENSON MOORE, to develop a workable freeze on physician fees that would provide protection to Medicare beneficiaries without the blatant coercion of mandatory assignment that most of us found unacceptable.

Mr. Speaker, these spending cuts, coupled with the revenue raisers, will produce a net deficit reduction of $60 billion through 1987. Frankly, I do not see how we can turn this package down.

I, for one, really believe that deficits are important, and potentially dangerous. We should not lose this golden opportunity to deal with them directly. If we cannot do this, we face a bleak fiscal future.

□ 1230

Mr. DAUB. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Nebraska.

Mr. DAUB. Mr. Speaker, I rise in strong support of this measure today.

Mr. Speaker, I am going to vote for the tax bill today because I believe that we must do whatever is necessary today to make clear this body's concern over the deficit and rising interest rates. However, there are two matters that I believe were wrongly addressed by the conference and must be reviewed as quickly as possible.

First of all, there is no rationale that I can understand for refusing to extend the exemption for employer paid education benefits. This allowed many individuals to continue their educations and the end of the program will not mean a single additional dollar of revenue for this Government. Moreover many educational institutions will be losing many students whose tuition was paid in full by their employer. This is going to place a severe hardship on many colleges and universities. I have always believed that this exemption allowed corporations to assist education in a most productive manner with payments to the schools encouraging their most useful and productive programs.

The end of this exemption is a sorry day for those who care about higher education.

Second, I regret that the conference failed to include any expansion of IRA participation for housewives. What this House is doing is saying that the work done by women in the home is not as important as work done outside the home. Because of this action we will continue to have a large number of senior women without pensions or other retirement resource to rely upon. This will work to the advantage of those who want everyone to be wholly dependent on the Government but it will entail a great deal of suffering in the process.

Additional contributions to IRA accounts are the only real hope we have in this country to increase the pool of long-term savings that we must have to fund the purchase of new homes, cars, and capital explansion. To frustrate savings in this fashion—in addition to the other ways our Tax Code interferes with savings—is a shortsighted action that will cause great harm to our economy.

In partial response to this action I am introducing today legislation to increase in four steps the maximum annual dollar amount limitation on deductions for contributions to an individual retirement account of a spouse. This is what the other body proposed and I think would provide the required hesitance that some in this body seem to believe is necessary in establishing retirement equality for women.

The legislation provides that every 2 years there would be a $500 increase in the allowable contribution until such time as the deduction generally available for women would be equal to the deduction generally available to men. The difference that exists today is especially disturbing in the way that it affects young, working women who may leave the job market for a certain time in order to care for young children. For these women leaving the workplace for 2 or 3 years means that they will be unable to fund their accounts for that period and lose the potential income those contributions would generate.

I invite all those who joined together yesterday to invigorate a weakened title IX to join with me today to address the far more important issue of the economic status of women, particularly retired women.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland [Mr. MITCHELL].

Mr. MITCHELL. Mr. Speaker, title VII of the conference report on H.R. 4170 contains extensive revisions to the Federal acquisition system. I have carefully reviewed the text of title VII as well as the joint explanatory statement of the conferees. In this regard, I wish to take this opportunity to advise the House of my understanding of the impact and effect of these measures.

First of all, it is very clear that no contract awarded pursuant to section 8(a) of the Small Business Act is subject to the provisions of this bill. Second, awards under the Small Business Innovative Research Program and the Small Business Set Aside and Reserve Programs authorized by sections 9 and 15 of the Small Business Act, respectively, are considered competitive procurement methods so that the extensive administrative approval process for contracts awarded noncompetitively is not required for these types of set-asides. Finally, as the conference report plainly states, the new authorities given the GAO to resolve protests filed by interested parties does not include any grant of jurisdication to review decisions made by the Administrator of the Small Business Administration pursuant to his exclusive authorities under the Small Business Act. Such decisions include determining the size status of business concerns; the standard industrial code designation for awards to be made under sections 8, 9, and 15 of the Small Business Act; the selection of contract requirements for the 8(a) program or the small business set-aside and reserve programs; the issuance or nonissuance of a certificate of competency or any other matter now decided under the Small Business Act.

Without this clear understanding as to the meaning of title VII, it would be my intent to vigorously oppose this conference report.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr PANETTA].

Mr. PANETTA. Mr. Speaker, as chairman of the task force that has guided reconciliation through the Congress over the last few years, I want to thank all of the chairmen and all of the committees that were involved in this effort and in particular Chairman ROSTENKOWSKI and BARBER CONABLE and all of the members of the Ways and Means Committee who had to put together approximately 90 percent of the package that is before you.

This is the fifth year of reconciliation; the fifth year that we have been dealing with that particular tool of the budget process. In the previous 4 years we have enacted in the Congress some $300 billion in deficit-reductions as a result of reconciliation, some $200 billion in actual savings, and approximately $100 billion in additional revenues.

This year the budget resolution that was adopted by the House called for reductions over the next 3 years of $182 billion. It directed in reconciliation some $61 billion to be reconciled, $49 billion in revenues, approximately $12 billion largely in entitlement savings. The balance of that $182 billion is to be achieved through defense savings in the appropriations process as well as savings in nondefense discretionary. That remains to be achieved. The balance also includes about $21 billion in interest savings.

As a result of the 12 subconferences involved in this bill and some 120 conferees and some 16 Senate and House committees, we have achieved in the legislation before you $12.9 billion in spending reductions, $9.6 billion described by the Ways and Means Committee, $1.5 billion in delay in retirement pay, approximately $1 billion in a special deposit to the credit union insurance fund, and approximately $1 billion in small business and veterans' savings.

□ 1240

There is $49.6 billion in revenues included here. If we add the $6 billion that has already been enacted by the Congress and signed by the President in agricultural savings and in the delay of the cost of living increases, that total about $6 billion, we have enacted with this package, if we pass it, some $68.5 in reconciliation savings of the goal of $61 billion included in the budget resolution.

Today we are dealing with that $62.5 billion over the next 3 years. I recognize as always, the concerns of all Members regarding particulars; whether it deals with revenues or spending or the achievement and the need to achieve other savings. But as of now, let me tell you, this is the only action in town. This is it.

We can give a lot of speeches here about the need to reduce deficits, and we can talk about the rising concern over interest rates that have reached 13 percent, but this is one of the key opportunities for the Congress to take action on this issue. This is a centerpiece of the deficit reduction package.

The reconciliation effort deals with permanent legislation that will achieve savings not only over the next 3 years, but into the future as well. If we fail, if we fail, all of the excuses and all of the speeches will mean very little compared to the economic havoc that will result.

If we succeed, I think we will have taken one small but very important step in telling the American people that we do care about protecting the economic recovery in this country.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I want to take a moment to address my colleagues who serve on the Committee on Education and Labor. A provision of keen importance to that committee, which dealt with the effective date for imposing liability on employers withdrawing from multiemployer pension plans, was adopted by the conferees. This provision, which our colleagues on Education and Labor opposed was hard fought and one of the most difficult items dealt with in this conference. In the end, it was the intransigence of the conferees from the other body and their absolute refusal to compromise in a realistic fashion which led us to reluctantly accept this provision.

Understandably, our colleagues are disappointed in this result. I think I can say with assurance, and I believe the gentleman from Missouri would agree with this based on his visit with the conferees, that the presence of conferees from the Committee on Education and Labor would probably not have altered this result. I want to express my personal regret that we were not able to be more successful in the difficult negotiations on this matter.

Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. I want to thank the chairman of the committee for yielding me this time.

Mr. Speaker, I rise in opposition to the conference report on H.R. 4170. In particular, I object to section 558 of the bill, which eliminates the retroactive application of the 1980 amendment to ERISA which affect multiemployer plans.

I intend to vote against this conference report because I strenuously object to this provision on both jurisdictional and substantive grounds.

This section, which appeared only in the Senate bill, involves matters under ERISA which are solely within the jurisdiction of the Committee on Education and Labor. I chair the subcommittee of jurisdiction within that committee. After the Senate adopted those amendments, Chairman PERKINS and I wrote to the Speaker requesting that members of the Committee on Education and Labor be appointed sole conferees on that section of the bill. Among other things, we pointed out that had the Senate language been introduced in this body as an original bill, it would have been referred solely to the Committee on Education and Labor. Our letter appears at the end of this statement.

Shortly after our letter was sent, we were contacted by the Ways and Means Committee about our request. In return for our agreement to not press our request to be sole conferees on the multiemployer retroactive effective date issue, we were assured by the chairman of the conference committee that the House conferees would fully represent our interests in the conference by insisting that the Senate amendment be dropped. That oral agreement was confirmed in writing on June 7, 1984, as follows:

> We understand your concerns with respect to the Senate amendment to move forward the effective date of the withdrawal liability provisions of the Multiemployer Pension Plan Amendments Act of 1980. Since that involves a matter within the jurisdiction of your committee, you can be assured that the House conferees will insist on the House position in this matter. [A copy of this letter appears at the end of this statement.]

I was shocked and angered to learn from my staff on Friday night that the House conferees had in fact receded on this issue in spite of the oral and written assurances we had received from the chairman of the conference committee that the House conferees would uphold the position of the Committee on Education and Labor. We had received such assurances as recently as that very afternoon in the public session of the conference committee.

I believe the action of the House conferees constitutes a serious breach of faith with respect to the interests of the Committee on Education and Labor. In an effort to accommodate the House conferees from the Ways and Means Committee, our committee was willing to accept an alternate method of assuring that the House position would prevail. Yet in return for our willingness to accommodate our colleagues on the Tax Committee, our well known and publicly expressed position on the Senate amendment was compromised by the House conferees. In my opinion, there is no excuse for such an action.

The Committee on Education and Labor continues to believe that the tax bill is an inappropriate vehicle for consideration of the repeal of the retroactive effective date of the 1980 Multiemployer Act amendments to ERISA. No issue of tax policy is involved; the issue is rather one of labor policy and national pension policy. It is in that context that this issue should have been decided, not in a hurried conference on an unrelated and complex revenue bill.

Moreover, in this body, the Committee on Education and Labor has sole jurisdiction over the provisions in title IV involved in the Senate amendment. Yet our committee was neither involved in the decisionmaking process with respect to this amendment, nor consulted as to the substance or technical aspects of the amendment. That the House conferees should have allowed the orderly jurisdictional procedures of this body to be ignored is both astonishing and disheartening.

We believe that the legislative history of the retroactive effective date for withdrawal liability clearly demonstrates that this process is totally inappropriate to consider the issue of whether a change in the law is necessary. The current retroactive effective date for withdrawal liability was established through careful discussion and deliberate accommodation of competing interests.

Because the effective date was of great concern, we agreed to permit the normal jurisdictional lines to be set aside temporarily so that the issue would be thoroughly considered. As a result, the effective date was moved forward as the bill moved through each of the committees. This was done, however, only after careful consideration and consultation between this body and the other body and among the four committees which were considering the whole package of amendments.

The legislative history of this amendment flies in the face of established procedure. The Senate amendment was considered by only one of the four committees which looked at the issue before. Not even one instant of House consideration has been given to the Senate amendment, either by the Committee of Jurisdiction, the Committee on Education and Labor, or by the House conferees. I believe this is a dreadful way to legislate.

Although the case has yet to be made in this body that Congress ought to change the current retroactive effective date, such a change should at the very least follow the same pattern as was followed in setting the current date since that process was unanimously held by the Supreme Court of the United States to meet constitutional muster under the due process clause of the fifth amendment recently in *Pension Benefit Guaranty Corporation* v. *R.A. Gray & Company;* U.S. SupCt. No. 83-245 and 83-291, June 18, 1984. [A copy of the decision appears at the end of this statement.] We see no justification for proceeding in a different manner.

In addition to the jurisdictional and process objections we have to the adoption of section 558 of the bill, we believe that eliminating the retroactive effective date in the manner proposed by section 558 is inequitable and will result in substantial administrative burdens and costs for multiemployer plans. By and large, these costs are ones which multiemployer plans can ill afford to bear.

Most multiemployer plans have made substantial good-faith efforts to comply with the law as amended in 1980. Adoption of the Senate amendment would require plans to refund the amounts which have been collected from employers who are described in subsections (a) or (d) of section 558. The plan may deduct a reasonable amount for administrative expenses incurred by the plan sponsor—other than legal expenses incurred with respect to the plan—in calculating, assessing, and refunding such amounts.

Thus under the Senate amendment, plans are not only being told to go back and undo what Congress told them to do 4 years ago, to add insult to injury, plans are being penalized for complying with the current law. That the other body should have approved such an amendment is most distressing and that the House conferees should acquiesce in such an ill-advised and ill-conceived provision is deeply troubling.

The conferees have apparently forgotten that under ERISA's title I fiduciary provisions, the trustees were under a legal obligation to assess and vigorously collect withdrawal liability from every employer whom they determined had withdrawn from the plan under circumstances in which liability attached. That fiduciary duty obviously drove many trustees to pursue the withdrawal liability claims in court. In the case of the Oregon-Washington carpenters-employers pension trust fund, its trustees believed that their fiduciary obligations required them to press the plan's claim as far as the Supreme Court of the United States. And they won in the Supreme Court in a unanimous decision. Yet the Senate amendment penalizes that plan and those trustees for their actions by barring the plan from deducting the legal costs incurred in complying with the law.

In effect, the Senate amendment rewards plans which did not fully pursue their claims against employers in court, since those plans can fully reduce the amount of the refund required under section 558 by their total administrative expenses. Not only is that an inequitable result and bad public policy, it serves to undermine the basic fiduciary responsibility provisions of ERISA which are critical to the safeguarding of plan participants' pensions.

There is no such thing as a free lunch. The Senate amendment excuses certain employers from withdrawal liability. But that liability does not simply disappear.

The Senate amendment does not cure injustice; it compounds it. It once again pits one group of employers against the other. It helps the employers who withdrew during the retroactive period, but will most likely increase the liability of those who withdrew after September 26, 1980, over and above what they would be required to pay under current law.

The clearest losers of all are the plans and the plan participants. Because the Senate conferees informed me in a private meeting that my substantive concerns about their proposal were unfounded since their amendment affected only a handful of plans, I directed the subcommittee staff to determine what the effect of the Senate amendment might be on multiemployer plans. Four phone calls yielded the following results which I reported to the conferees in a public session on Friday, June 22, 1984.

First, Martin E. Segal Co., surveyed 16 of their largest plans—their sample does not include the two largest multiemployer plans in the country—and found that adoption of the Senate language would result in the elimination of liability for 116 companies with $34 million to be refunded. One plan in their survey is likely to become insolvent as a result of the adoption of the Senate amendment.

Second, the Western Conference of Teamsters plan identified at least 42 employers who withdrew during the retroactive period with liability totaling $5.4 million.

Third, the United Mine Workers preliminary report indicated that the amount of excused liability under the Senate provision would be $15 million.

Fouth, according to the Pension Benefit Guaranty Corporation [PBGC], at the time its brief was filed in the Supreme Court in the Gray case—cited above, they had identified 74 cases contesting the retroactive effective date in which the PBGC was a party. The liability involved was $70 million. These figures apply only to cases in which the agency was a party, not to the more common case in which the lawsuit involved merely the employer and the plan.

In summary, the staff's cursory and unscientific sample of multiemployer plans revealed that, at a minimum, the Senate amendment would affect more than 150 employers having a total amount of liability of more than $100 million. While that may not seem like a great deal of money to tax conferees accustomed to dealing in tens and hundreds of billions, for multiemployer plans, the impact will be a significant.

That is why we continue to insist this is far too important an issue for the Congress to move on without the input of the committee of jurisdiction in the House and without the opportunity for this body to openly debate the issue.

While it is clear compliance with the Senate amendment will result in substantial administrative burdens and costs to the plan, enough unanswered questions remain about the language that we are most concerned a new round of litigation will ensue over its meaning.

Since the bill provides for refunds and abatement of liability for certain employers and does not provide any clear guidance as to what this means in relationship to the liability of other employers who may have withdrawn, the extent, if any, to which the liability of other employers must be adjusted under section 558 of the bill should be promptly clarified by the Pension Benefit Guaranty Corporation, under its general title IV authority. Any required adjustments should be simple and readily administrable.

In addition, in enacting this change, Congress intends that the relief accorded under section 558 be extended only to those employers who clearly and unambiguously fall within the definitions embodied in subsections (a) and (d). To the extent that any ambiguities remain with respect to the rest of the section, Congress intends that they be resolved in favor of the plan in a manner which is most protective of the financial interests of the plan.

I deeply regret that the House conferees ignored the jurisdictional and substantive concerns of the Committee on Education and Labor and accepted the Senate amendment. I intend to vote against the conference report to demonstrate my opposition to the actions of the House conferees on this matter as well as my general dissatisfaction with the many other changes affecting employee benefit plans found in title V of the bill.

The criticisms I have voiced concerning the process by which section 558 was adopted are in many ways applicable to the employee benefit sections in general. While most of them do involve some issues of tax policy, they also involve issues of labor policy and pension policy. They are important issues of great concern to workers, employers, unions, and retirees which deserve to be discussed and debated in the open before all committees of jurisdiction and the legislative language carefully reviewed before it is enacted into public law. It is regrettable that that has not happened with the tax bill before us today.

COMMITTEE ON EDUCATION AND LABOR
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, April 30, 1984.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House,
U.S. House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: On April 11, 1984, the House adopted H.R. 4170, the Tax Reform Act of 1984. The bill contains several provisions which are of great substantive and jurisdictional concern to the Committee on Education and Labor. I respectfully request that if conferees are appointed on this bill, or any other bill involving the subject matter described below, members of the committee on Education and Labor should be designated as joint conferees with members of the Committee on Ways and Means with respect to the issues described below.

The provisions in H.R. 4170 to which we refer are generally those relating to employee benefit plans contained in Subtitle I (sections 111 through 115) of H.R. 4170. Taken together, these provisions have the effect of reducing the availability of certain types of employee benefits through the imposition of significant new restrictions on the prefunding of benefits of welfare benefit plans. Welfare benefit plans have been used for many years to provide life, sickness, accident, and other types of employee benefits.

H.R. 4170 would dramatically restrict the funding of these welfare benefit plans to 75% of the average annual qualified direct costs for a two year period consisting of the current and previous tax years. While we understand that the rationale for inclusion by the Committee on Ways and Means of such a provision in their reported bill was to curb a perceived tax abuse, we believe that these restrictions would lead to a serious diminution of current employee protections and adversely affect the likelihood of the formation of new welfare benefit plans.

We are particularly concerned about the effect of these restrictions on collectively bargained plans. As you know, the Committee on Education and Labor has jurisdiction over both the Employee Retirement Income Security Act of 1974 (ERISA), which covers pension and welfare benefit plans, and the Taft-Hartley Act, which governs certain aspects of the collective bargaining process.

This country has a long-standing policy of encouraging labor-management decision-making through collective bargaining. Congress has encouraged that policy through the development of various labor laws. Section 302(c) of the Taft-Hartley Act requires that any payments made by employers to provide medical or hospital care, pensions, unemployment benefits, life insurance, disability and sickness insurance or accident insurance must be held in trust for employees. It further requires that the payment of those benefits must be administered by a joint board of trustees composed of equal numbers of representatives of labor and management.

Bargaining over the wage package for employees is an integral part of the collective bargaining process. A major component of any wage package is the pension and welfare benefit plan contribution. Over the years, parties to collective bargaining agreements have paid special attention to the need to prefund the trusts from which the pension and welfare benefits are paid in order to provide benefit security for their employees and their dependents. Were the provisions of H.R. 4170 restricting the prefunding of funded welfare benefit plans to be enacted, severe disruption of the collective bargaining process might occur and the further benefit security of plan participants might be called into question.

The perceived tax abuses which led the Committee on Ways and Means, and ultimately the House, to adopt the provisions of H.R. 4170 restricting the prefunding of welfare benefit plans have little relevance or applicability to collectively bargained plans. Yet these plans will be adversely affected were those provisions to become law. With all due deference to the expertise in the tax area of our colleagues on the Committee on Ways and Means who will be appointed as conferees on H.R. 4170, we respectfully suggest that resolution of these issues requires participation in the conference of members of the Committee on Education and Labor who have expertise in matters related to collective bargaining.

In addition, the Senate has currently under consideration a bill, H.R. 2163, containing amendments to the Federal Boat Safety Act of 1971. Several amendments (described below) have been adopted to that bill which contain matters within the jurisdiction of the Committee on Education and Labor.

The amendments to H.R. 2163 to which we refer are contained in the Dole-Long Amendment, No. 2902, as amended, which was adopted by the Senate on April 12, 1984. The specific provisions of concern to this Committee appear in the Dole-Long amendment as Parts II and V of Subtitle I.

Part II contains matters related to funded welfare benefit plans. While different in approach than the provisions of H.R. 4170 discussed above, this Committee's jurisdictional and substantive concerns with respect to this issue are the same. Therefore were these provisions to be included in a bill for which a conference is requested, we would request that members of the Committee on Education and Labor be named as conferees with members of the Committee on Ways and Means with respect to this issue.

Part V contains matters related to the effective date of the Multiemployer Pension Plan Amendments Act of 1980, partial plan termination of certain pension plans, and pension portability involving telecommunications divestiture.

Section 111 of Part V, relating to the effective date of certain provisions of the 1980 Multiemployer Amendments to ERISA, amends sections of ERISA which are within the sole jurisdiction of the Committee on Education and Labor. Were this section to be introduced as a separate bill in the House, it would be referred solely to the Committee on Education and Labor. We must insist that if this provision is contained in a bill for which a conference is requested, the members of the Committee on Education and Labor be named as sole conferees with respect to this issue.

Section 112 of Part V excuses from treatment as a partial termination of a pension plan, certain events which meet specified criteria. While this provision is drafted as an amendment to the Internal Revenue Code only, the consequences which flow to pension plan participants as a result of any decision to treat or not to treat a certain series of events as a partial termination are not merely tax consequences. Rather, they involve questions of vesting and benefit entitlement which are matters over which this Committee shares jurisdiction with the Committee on Ways and Means. Therefore, were this provision to be included in a bill for which a conference is requested, we request that members of the Committee on Education and Labor be included with the members of the Committee on Ways and Means as conferees with respect to this issue.

Section 116 of Part V requires portability of pension benefits for qualifying employees of entities subject to the modified final judgment in the case of *United States* v. *Western Electric, et alia*. The subject matter of that provision has been introduced in the House as H.R. 5391, which was referred jointly to the Committee on Education and Labor and the Committee on Energy and Commerce. Under separate cover, a joint letter with respect to the jurisdiction over this section will be sent to you.

The Committee on Education and Labor has viewed with increasing concern over the past three years the practice of making substantial changes in matters relating to employee benefits in bills which are drafted in a way which seeks to avoid the jurisdiction of this Committee. We are more than willing to cooperate with other Committees which have an interest in these same matters, as evidenced by the introduction H.R. 5391, which was drafted by the staffs of the two Committees of jurisdiction. But we wish to make it quite clear that this Committee does not intend to continue to ignore the practice of legislating on matters within the substantive jurisdiction of this Committee without consultation with this Committee. We intend to object loudly and frequently whenever this occurs and as you know, our objections will be voiced in a bipartisan manner.

Mr. Speaker, for all these reasons we strongly believe that members of the Committee on Education and Labor should be appointed as conferees as described above with respect to these issues.

Always my best,

Sincerely,

CARL D. PERKINS,
Chairman.
WILLIAM L. CLAY,
Chairman, Subcommittee on Labor-Management Relations.

COMMITTEE ON WAYS AND MEANS,
Washington, DC, June 7, 1984.

Hon. CARL D. PERKINS,
Chairman, Committee on Education and Labor, Rayburn Building, Washington, DC.

DEAR MR. CHAIRMAN: I appreciate the concern you have expressed with respect to the several employee benefit provisions in the tax area which soon will be in conference with the Senate on H.R. 4170, the Tax Reform Act of 1984.

As you know, the tax-writing committees have a genuine interest in the use of certain tax and accounting rules associated with funded employee welfare benefit plans where the principal motivation is the avoidance or deferral of taxable income. Since the enactment of the Tax Equity and Fiscal Responsibility Act of 1982 (P.L. 97-248), we have seen significant growth in employee welfare benefit plans as a means for circumventing the limits on deferred compensation under qualified pension plans. The House and Senate bills took different approaches in attacking this serious problem. I am persuaded that the House bill needs modifications that will permit reasonable and appropriate deductible additions to reserves for nonabusive welfare plans while, at the same time, curtailing the use of those plans in cases where the true interests of the plan sponsors is the shifting of the recognition of income to some later period. Please be assured that the amendments we develop in conference with the Senate will be guided by these considerations and will be cognizant of the legitimate, non-tax motivated welfare role of traditional employee benefit plans.

Let me further assure you that the House tax conferees are most willing to seek as conference report statutory language those provisions of H.R. 5391, as reported by your Committee and the Committee on Energy and Commerce, in the matter of the American Telephone & Telegraph Company divestiture.

We understand your concerns with respect to the proposed Senate amendment to move forward the effective date of the withdrawal liability provisions of the Multiemployer

Pension Plan Amendments Act of 1980. Since that involves a matter within the jurisdiction of your Committee, you can be assured that the House conferees will insist on the House position in this matter.

Further, with respect to the Senate amendment involving the treatment of certain multiemployer pension plans associated with the TransAlaskan Oil Pipeline construction project, the views of our two committees are fully consonant and we are favorably disposed toward accepting the Senate amendment.

I am confident that the House tax conferees will make every effort to accommodate your policy interests in these miscellaneous, but important, employee benefit items. I hope that we can draw upon the mutually constructive and productive legislative cooperation that led to the recent successful passage in the House of H.R. 4280. I look forward to building upon that relationship with consultation and cooperation throughout this Congress.

With warm personal regards, I am

Sincerely yours,

DAN ROSTENKOWSKI,
Chairman.

SUPREME COURT DECISION IN PENSION BENEFIT GUARANTY CORP. V. R.A. GRAY & CO. (TEXT)

[Nos. 83-245 and 83-291]

Pension Benefit Guaranty Corporation, 83-245, *v.* R. A. Gray & Company; Oregon-Washington Carpenters-Employers Pension Trust Fund, 83-291, *v.* R. A. Gray & Company; on appeals from the United States Court of Appeals for the Ninth Circuit; Syllabus, No. 83-245. Argued April 16, 1984—Decided June 18, 1984.[*]

The Employee Retirement Income Security Act (ERISA), enacted in 1974, created a pension plan termination insurance program whereby the Pension Benefit Guaranty Corporation (PBGC), a wholly owned Government corporation, collects insurance premiums from covered private retirement pension plans and provides benefits to participants if their plan terminates with insufficient assets to support its guaranteed benefits. For multiemployer pension plans, the PBGC's payment of guaranteed benefits was not to become mandatory until January 1, 1978. During the intervening period, the PBGC had discretionary authority to pay benefits upon the termination of such plans. If the PBGC exercised its discretion to pay such benefits, employers who had contributed to the plan during the five years preceding its termination were liable to PBGC in amounts proportional to their share of the plan's contributions during that period. As the mandatory coverage date approached, Congress became concerned that a significant number of multiemployer pension plans were experiencing extreme financial hardship that would result in termination of numerous plans, forcing the PBGC to assume obligations in excess of its capacity. Ultimately, after deferring the mandatory coverage until August 1, 1980, and extensively debating the issue of withdrawal liability in 1979 and 1980, Congress enacted the Multiemployer Pension Plan Amendments Act of 1980 (MPPAA), requiring an employer withdrawing from a multiemployer pension plan to pay a fixed and certain debt to the plan amounting to the employer's proportionate share of the plan's "unfunded vested benefits." These withdrawal liability provisions were made to take effect approximately five months before the statute was enacted into law. When appellee building and construction firm, within this 5-month period, withdrew from a multiemployer pension plan that it had been contributing to under collective-bargaining agreements with a labor union, the pension plan notified appellee that it had incurred a withdrawal liability and demanded payment. Appellee then filed suit in Federal District Court, seeking declaratory and injunctive relief against the pension plan and the PBGC and claiming, *inter alia*, that the retroactive application of the MPPAA violated the Due Process Clause of the Fifth Amendment. The District Court rejected this claim and granted summary judgment in favor of the pension plan and the PBGC. The Court of Appeals reversed, holding that retroactive application of withdrawal liability violated the Due Process Clause because employers had reasonably relied on the contingent withdrawal liability provisions included in ERISA prior to passage of the MPPAA and because the equities generally favored appellee over the pension plan.

Held: Application of the withdrawal liability provisions of the MPPAA during the 5-month period prior to the statute's enactment does not violate the Due Process Clause of the Fifth Amendment.

(a) The burden of showing that retroactive legislation complies with due process is met by showing that retroactive application of the legislation is justified by a rational legislative purpose. Here, it was rational for Congress to conclude that the MPPAA's purposes could be more fully effectuated if its withdrawal liability provisions were applied retroactively. One of the primary problems that Congress identified under ERISA was that the statute encouraged employer withdrawals from multiemployer pension plans, and Congress was properly concerned that employers would have an even greater incentive to withdraw if they knew that legislation to impose more burdensome liability on withdrawing employers was being considered. Congress therefore utilized retroactive application of the statute to prevent employers from taking advantage of the lengthy legislative process and withdrawing while Congress debated necessary revisions in the statute.

(b) It is doubtful that retroactive application of the MPPAA would be invalid under the Due Process Clause even if it was suddenly enacted without any period of deliberate consideration. But even assuming that advance notice of retroactive legislation is constitutionally compelled, employers had ample notice of the withdrawal liability imposed by the MPPAA. Not only did ERISA impose contingent liability, but the various legislative proposals debated by Congress before the MPPAA was enacted uniformly included retroactive effective dates.

(c) The principles embodied in the Fifth Amendment's Due Process Clause have never been held coextensive with prohibitions existing against state impairments of pre-existing contracts. Rather, the limitations imposed on States by the Contract Clause have been contrasted with the less searching standards imposed on economic legislation by the Due Process Clauses.

(d) Unlike the statute invalidated in *Railroad Retirement Board v. Alton R. Co.*, 295 U.S. 330, which required employers to finance pensions for former employees who had already been fully compensated while employed, the MPPAA merely requires a withdawing employer to compensate a pension plan for benefits that have already vested with the employees at the time of the employer's withdrawal.

705 F. 2d 1502, reversed and remanded.

BRENNAN, J., delivered the opinion for a unanimous Court

JUSTICE BRENNAN delivered the opinion of the Court.

The question presented by these cases is whether application of the withdrawal liability provisions of the Multiemployer Pension Plan Amendments Act of 1980 to employers withdrawing from pension plans during a five-month period prior to the statute's enactment violates the Due Process Clause of the Fifth Amendment. We hold that it does not.

I-A

In 1974, after careful study of private retirement pension plans, Congress enacted the Employee Retirement Income Security Act (ERISA), 88 Stat. 829, 29 U.S.C. § 1001-1381 (1976). Among the principal purposes of this "comprehensive and reticulated statute" was to ensure that employees and their beneficiaries would not be deprived of anticipated retirement benefits by the termination of pension plans before sufficient funds have been accumulated in the plans. *Nachman Corp.* v. *Pension Benefit Guaranty Corp.*, 446 U.S. 359, 361-362, 374-375 (1980). See *Alessi* v. *Raybestos-Manhattan, Inc.*, 451 U.S. 504, 510-511 (1981). Congress wanted to guarantee that "if a worker has been promised a defined pension benefit upon retirement—and if he has fulfilled whatever conditions are required to obtain a vested benefit—he actually will receive it." *Nachman, supra*, at 375; *Alessi, supra*, at 510.

Toward this end, Title IV of ERISA, 29 U.S.C. §§ 1301-1381 (1976), created a plan termination insurance program, administered by the Pension Benefit Guaranty Corporation (PBGC), a wholly-owned government corporation within the Department of Labor, § 1302. The PBGC collects insurance premiums from covered pension plans and provides benefits to participants in those plans if their plan terminates with insufficient assets to support its guaranteed benefits. See §§ 1322, 1361. For pension plans maintained by single employers, the PBGC's obligation to pay benefits took effect immediately upon enactment of ERISA in 1974. § 1381(a)-(b). For multiemployer pension plans, however, the payment of guaranteed benefits by the PBGC was not to become mandatory until January 1, 1978. § 1381(c)(1).

During the intervening period, the PBGC had discretionary authority to pay benefits upon the termination of multiemployer pension plans. § 1381(c)(2)-(4). If the PBGC exercised its discretion to pay such benefits, employers who had contributed to the plan during the five years preceding its termination were liable to the PBGC in amounts proportional to their share of the plan's contributions during that period. § 1364. In other words, any employer withdrawing from a multiemployer plan was subject to a contingent liability that was dependent upon the plan's termination in the next five years and the PBGC's decision to exercise its discretion and pay guaranteed benefits. In addition, any individual employer's liability was not to exceed 30 percent of the employer's net worth. § 1362(b)(2).

As the date for mandatory coverage of multiemployer pension plans approached, Congress became concerned that a significant number of plans were experiencing extreme financial hardship. This, in turn, could have resulted in the termination of numerous plans, forcing the PBGC to assume obligations in excess of its capacity. To avoid this potential collapse of the plan termination insurance program, Congress deferred mandatory insurance coverage for mulitemployer plans for 18 months—until July 1, 1979—extending the PBGC's discretionary authority to insure plans terminating during the interim. Pub. L. No. 95-214, 91 Stat. 1501 (1977).[1] The PBGC was also directed to prepare a comprehensive report analyzing the problems faced by multiemployer plans and recommending appropriate legislative action. See S. Rep. No. 95-570, pp. 1-4 (1977); H.R. Rep. No. 95-706, p. 1 (1977). In this way, Congress created "time to legislate, if necessary, before the mandatory coverage comes into effect." 123 Cong. Rec. 36800 (1977) (statement of Sen. Williams); *Id.*, at 36800-36802.

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[*] Together with No. 83-291, *Oregon-Washington Carpenters-Employers Pension Trust Fund v. R. A. Gray & Co.*, also on appeal from the same court.

The PBGC issued its report on July 1, 1978. Pension Benefit Guaranty Corporation, Multiemployer Study Required by P.L. 95-214 (1978) (PBGC Report). Among its principal findings was that ERISA did not adequately protect plans from the adverse consequences that resulted when individual employers terminate their participation in, or withdraw from, multiemployer plans. As the report summarized:

"The basic problem with the withdrawal rules is that they are designed primarily to protect PBGC. They do not provide an efficient mechanism for reducing the burden of withdrawal on the plan and remaining employers. They may even encourage withdrawals in some instances (*e.g.*, where termination may be imminent). Changes in the withdrawal rules should be considered:

"(1) to provide relief to plans without increasing the burden on the insurance system,

"(2) to provide a disincentive to voluntary employer withdrawals,

"(3) to reduce or remove disincentives to plan entry, and

"(4) to work with, instead of against, the termination liability provisions." PBGC Report, *supra*, at 96-97.[2]

To alleviate the problem of employer withdrawals, the PBGC suggested new rules under which a withdrawing employer would be required to pay whatever share of the plan's unfunded vested liabilities was attributable to that employer's participation. *Id.*, at 97-114.[3] These tentative proposals were included in policy recommendations submitted to Congress on February 27, 1979, and were incorporated in proposed legislation that the executive branch formally sent to Congress three months later, S. 1076, 96th Cong., 1st Sess. (1979). Most significantly for present purposes, the bill included an effective date for withdrawal liability of February 27, 1979—the date on which the PBGC had initially submitted its recommendations to Congress. *Id.*, § 108. This date was chosen to prevent employers from avoiding the adverse consequences of withdrawal liability by withdrawing from plans while such liability was being considered by Congress. As one Senator noted, the retroactive effective date was designed "to prevent . . . the withdrawal of these opportunistic employers with out imposition of liability" and was serve "as a deterrent to hasty employer withdrawal." 126 Cong. Rec. S10156 (July 29, 1980) (remarks of Sen. Matsunaga).

Congress debated the issue of wihdrawal liability for the remainder of 1979 and much of 1980. By April 1980, two committees in the House and one in the Senate had approved substantially similar versions of the bill, each containing the February 27, 1979 effective date for withdrawal liability. The Senate Finance Committee had not yet completed its work on the bill, however, and sought more time for consideration of the legislation. See *supra*, at 3, and n. 1. At the same time, the Senate advanced the effective date for imposing withdrawal liability to April 29, 1980. As Senator Javits later explained:

"The committees decided in part to move up the date from February 27, 1979, the date contained in earlier versions of the bill, because the original purpose of a retroactive effective date—namely, to avoid encouragement of employer withdrawals while the bill was being considered—has been achieved. It should also be noted that the April 29 effective date is the product of strong political pressures by certain withdrawing employers who were caught by the earlier date. I realize that permitting these employers to avoid liability only increases the burdens of those employers remaining with the plans in question, but it appears necessary to accept the April 29 date in order to enact the bill before the August 1 deadline for action." 126 Cong. Rec. S10101 (July 29, 1980) (statement of Sen. Javits).

See also *id.*, at S4302-4303 (April 29, 1980) (statement of Sen. Bentsen).

The House unanimously passed its version of the bill, including the February 27, 1979 effective date, in May 1980. *Id.*, at H4170 (May 22, 1980). The Senate version, adopting an effective date of April 29, 1980, was endorsed by a vote of 85-1. *Id.*, at S10169 (July 29, 1980). The Conference Committee accepted the Senate's effective date, and the legislation was signed into law by the President on September 26, 1980. Multiemployer Pension Plan Amendments Act of 1980 (MPPAA or Act), Pub. L. No. 96-364, 94 Stat. 1208. As enacted, the Act requires that an employer withdrawing from a multiemployer pension plan pay a fixed and certain debt to the pension plan. This withdrawal liability is the employer's proportionate share of the plan's "unfunded vested benefits," calculated as the difference between the present value of vested benefits and the current value of the plan's assets. 29 U.S.C. §§ 1381, 1391. Pursuant to 29 U.S.C. § 1461(e), these withdrawal liability provisions took effect on April 29, 1980, approximately five months before the staute was enacted into law.

I-B

Appellee R.A. Gray & Co. (Gray) is a building and construction firm doing business in Oregon. Under a series of collective bargaining agreements with the Oregon State Council of Carpenters (Council), Gray contributed to the Oregon-Washington Carpenters-Employers Pension Trust Fund (Pension Plan), a multiemployer pension plan under 29 U.S.C. § 1301(a)(3). During February 1980, Gray advised the Council that it would be terminating their collective bargaining agreement when it expired on June 1, 1980. Gray continued to engage in the building and construction industry, however, and therefore was deemed to have completely withdrawn from the Pension Plan pursuant to § 1383(b).

The Pension Plan subsequently notified Gray that, by completely withdrawing from the plan on June 1, 1980, it had incurred a withdrawal liability of $201,359. The notice set forth a schedule of quarterly payments and demanded payment in accordance with that schedule. After some preliminary correspondence between Gray and the plan's trustees, the Pension Plan informed Gray that it was delinquent in its payments. Gray thereafter field suit in the United States Distirct Court for the District of Oregon, seeking declaratory and injunctive relief against the Pension Plan and the PBGC.[4]

Gray's complaint raised several constitutional claims, including a challenge to the retroactive application of the MPPAA under the Due Process Clause of the Fifth Amendment.[5] In particular, Gray noted that its

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[1] The effective date for mandatory insurance coverage of multiemployer plans was subsequently deferred to May 1, 1980, Pub. L. No. 96-24, 93 Stat. 70 (1979), to July 1, 1980, Pub. L. No. 96-239, 94 Stat. 341 (1980), and finally to August 1, 1980, Pub. L. No. 96-293, 94 Stat. 610 (1980). On each occasion, Congress was providing more time for thorough consideration of the complex issues posed by the termination of multiemployer pension plans. Ultimately, mandatory insurance coverage was superseded by the Multiemployer Pension Plan Amendments Act of 1980, Pub. L. No. 96-364, 94 Stat. 1208 (1980).

[2] Congressional testimony by the Executive Director of the PBGC further explained the problems caused by employers withdrawing from multiemployer plans:

"A key problem of ongoing mulitemployer plans, especially in declining industries, is the problem of employer withdrawal. Employer withdrawals reduce a plan's contribution base. This pushes the contribution rate for remaining employers to higher and higher levels in order to fund past service liabilities, including liabilities generated by employers no longer participating in the plan, so-called inherited liabilities. The rising costs may encourage—or force—further withdrawals, thereby increasing the inherited liabilities to be funded by an ever-decreasing contribution base. This vicious downward spiral may continue until it is no longer reasonable or possible for the pension plan to continue." Pension Plan Termination Insurance Issues: Hearings Before the Subcommittee on Oversight of the House Committee on Ways and Means, 95th Cong., 2nd Sess., 22 (1978) (statement of Matthew M. Lind) (hereinafter 1978 Hearings).

[3] Again, the PBGC's Executive Director provided a more elaborate explanation:

"To deal with this problem, our report considers an approach under which an employer withdrawing from a multiemployer plan would be required to complete funding its fair share of the plan's unfunded liabilities. In other words, the plan would have a claim against the employer for the inherited liabilities which would otherwise fall upon the remaining employers as a result of the withdrawal. . . .

"We think that such withdrawal liability would, first of all, discourage volunatry withdrawals and curtail the current incentives to flee the plan. Where such withdrawals nonetheless occur, we think that withdrawal liability would cushion the financial impact on the plan." 1978 Hearings, *supra*, at 23 (statement of Matthew M. Lind).

[4] Gray also moved for a preliminary injunction to restrain the Pension Plan from taking any further steps to collect the withdrawal liability it assessed. The District Court denied that motion. App. 50-57.

At the same time, Gray requested that the Pension Plan review its determination of withdrawal liability. See 29 U.S.C. § 1399(b)(2). In response, the Pension Plan issued a "Decision on Review," concluding that it had "accurately determined: (1) the method for allocating the unfunded vested benefits to Gray, (2) the amount of the Plan's unfunded vested benefits, (3) the schedule of payments offered to Gray, and (4) the date of Gray's complete withdrawal." 549 F. Supp. 531, 534 (Or. 1982). Although Gray could have initiated arbitration with the Pension Plan on these issues, 29 U.S.C. § 1401(a), it accepted these findings and waived its right to arbitration, 549 F. Supp., at 534.

[5] Gray also contended, *inter alia*, that the different treatment afforded employers participating in

June 1, 1980 withdrawal from the Pension Plan occurred during the five-month period preceding enactment of the MPPAA, and therefore was directly affected by the retroactivity provision included in the Act. Moreover, Gray contended, retroactive application of withdrawal liability could not be sustained under the Due Process Clause because it was arbitrary and irrational, and because it impaired the collective bargaining agreements that Gray had signed with the Council.

The District Court rejected Gray's due process claim, and granted summary judgment in favor of the Pension Plan and the PBGC. 549 F. Supp. 531 (Or. 1982). Specifically, the court analyzed the constitutionality of retroactively imposing withdrawal liability on employers by applying a four-part test established by the Court of Appeals for the Seventh Circuit in *Nachman Corp.* v. *Pension Benefit Guaranty Corp.*, 592 F. 2d 947 (1979), aff'd on statutory grounds, 446 U.S. 359 (1980). As that test requires, the court examined (1) the reliance interest of the affected parties, (2) whether the interest impaired is in an area previously subjected to regulatory control, (3) the equities of imposing the legislative burdens, and (4) the statutory provisions that limit and moderate the impact of the burdens imposed.[6] Under these criteria, the court concluded that Gray had not satisfied the heavy burden faced by parties attempting to demonstrate that Congress has acted arbitrarily and irrationally when enacting socioeconomic legislation.

The Court of Appeals for the Ninth Circuit reversed, although it too believed that the four-factor *Nachman* test was the appropriate standard to use when analyzing the constitutionality of retroactive legislation enacted by Congress. *Shelter Framing Corp.* v. *Pension Benefit Guaranty Corp.*, 705 F. 2d 1502 (1983). In particular, the court concluded that retroactive application of withdrawal liability violated the Due Process Clause because employers had reasonably relied on the contingent withdrawal liability provisions included in ERISA prior to passage of the MPPAA, *id.*, at 1511-1512, and because the equities in this action generally favored Gray over the Pension Plan, *id.*, at 1512-1514.

Both the Pension Plan and the PBGC invoked the appellate jurisdiction of this Court under 28 U.S.C. §1252. We noted probable jurisdiction, 464 U.S. —— (1983),[7] and now reverse.

II

The starting point for analysis is our decision in *Usery* v. *Turner Elkhorn Mining Co.*, 428 U.S. 1 (1976). In *Turner Elkhorn*, we considered a constitutional challenge to the retroactive effects of the Federal Coal Mine Health and Safety Act of 1969 as amended by the Black Lung Benefits Act of 1972. Under Title IV of that Act, coal mine operators were required to compensate former employees disabled by pneumoconiosis even though those employees had terminated their work in the industry before the statute was enacted. We nonetheless had little difficulty in upholding the statute against constitutional attack under the Due Process Clause. As we initially noted:

"It is by now well established that legislative Acts adjusting the burdens and benefits of economic life come to the Court with a presumption of constitutionality, and that the burden is on one complaining of a due process violation to establish that the legislature has acted in an arbitrary and irrational way. See, *e.g.*, *Ferguson* v. *Skrupa*, 372 U.S. 726 (1963); *Williamson* v. *Lee Optical Co.*, 348 U.S. 483, 487-488 (1955)." 428 U.S., at 15.

We further explained that the strong deference accorded legislation in the field of national economic policy is no less applicable when that legislation is applied retroactively. Provided that the retroactive application of a statute is supported by a legitimate legislative purpose furthered by rational means, judgments about the wisdom of such legislation remain within the exclusive province of the legislative and executive branches:

"[I]nsofar as the Act requires compensation for disabilities bred during employment terminated before the date of enactment, the Act has some retrospective effect—although, as we have noted, the Act imposed no liability on operators until [after its enactment]. And it may be that the liability imposed by the Act for disabilities suffered by former employees was not anticipated at the time of actual employment. But our cases are clear that legislation readjusting rights and burdens is not unlawful solely because it upsets otherwise settled expectations. See *Fleming* v. *Rhodes*, 331 U.S. 100 (1947); *Carpenter* v. *Wabash R. Co.*, 309 U.S. 23 (1940); *Norman* v. *Baltimore & Ohio R. Co.*, 294 U.S. 240 (1935); *Home Bldg. & Loan Assn.* v. *Blaisdell*, 290 U.S. 398 (1934); *Louisville & Nashville R. Co.* v. *Mottley*, 219 U.S. 467 (1911). This is true even though the effect of the legislation is to impose a new duty or liability based on past acts. See *Lichter* v. *United States*, 334 U.S. 742 (1948); *Welch* v. *Henry*, 305 U.S. (1938); *Funkhouser* v. *Preston Co.*, 290 U.S. 163 (1933)." 428 U.S., at 15-16 (footnotes omitted).

To be sure, we went on to recognize that retroactive legislation does have to meet a burden not faced by legislation that has only future effects. "It does not follow . . . that what Congress can legislate prospectively it can legislate retrospectively. The retroactive aspects of legislation, as well as the prospective aspects, must meet the test of due process, and the justifications for the latter may not suffice for the former." *Id.*, at 16-17. But that burden is met simply by showing that the retroactive application of the legislation is itself justified by a rational legislative purpose.

For example, in *Turner Elkhorn* we found that "the imposition of liability for the effects of disabilities bred in the past is justified as a rational measure to spread the costs of the employees' disabilities to those who have profited from the fruits of their labor—the operators and the coal consumers." *Id.*, at 18. Similarly, in these cases, a rational legislative purpose supporting the retroactive application of the MPPAA's withdrawal liability provisions is easily identified. Indeed, Congress was quite explicit when explaining the reason for the statute's retroactivity.

In particular, we believe it was eminently rational for Congress to conclude that the purposes of the MPPAA could be more fully effectuated if its withdrawal liability provisions were applied retroactively. One of the primary problems Congress identified under ERISA was that the statute encouraged employer withdrawals from multiemployer plans. And Congress was properly concerned that employers would have an even greater incentive to withdraw if they knew that legislation to impose more burdensome liability on withdrawing employers was being considered. See 126 Cong. Rec. S10101 (July 29, 1980) (statement of Sen. Javits); *id.*, at S10156 (remarks of Sen. Matsunaga). See also *supra*, at 5-6. Withdrawals occurring during the legislative process not only would have required that remaining employers increase their contributions to existing pension plans, but also could have ultimately affected the stability of the plans themselves. Congress therefore utilized retroactive application of the statute to prevent employers from taking advantage of a lengthy legislative process and withdrawing while Congress debated necessary revisions in the statute. Indeed, as the amendments progressed through the legislative process, Congress advanced the effective date chosen so that it would encompass only that retroactive time period that Congress believed would be necessary to accomplish its purposes. As we recently noted when upholding the retroactive application of an income tax statute in *United States* v. *Darusmont*, 449 U.S. 292, 296-297 (1981) (*per curiam*), the enactment of retroactive statutes "confined to short and limited periods required by the practicalities of producing national legislation . . . is a customary congressional prac-

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multiemployer pension plans as opposed to employers participating in single-employer pension plans violates the equal protection component of the Fifth Amendment, that retroactive application of the MPPAA violates the *ex Post Facto* Clause included in Article I, Section 9 of the Constitution, and that the Act's arbitration provisions violated Gray's rights to procedural due process and trial by jury. The District Court rejected the first two claims, see 549 F. Supp., at 538-539, and refused to reach the last claim because Gray had waived its right to arbitration, *id.*, at 539: *supra*, n. 4. These issues were not reached by the Court of Appeals. *Shelter Framing Corp.* v. *Pension Benefit Guaranty Corp.*, 705 F. 2d 1502, 1515 (CA9 1983), and are not now pressed before this Court.

[6] The court in *Nachman* developed this four-part test for reviewing the constitutionality of retroactive legislation under the Fifth Amendment's Due Process Clause primarily by relying upon this Court's decisions in *Allied Structural Steel Co.* v. *Spannaus*, 438 U.S. 234 (1978), and *Railroad Retirement Board* v. *Alton Railroad Co.*, 295 U.S. 330 (1935). For reasons explained below, however, we do not believe that these cases control judicial review of retroactive federal legislation affecting economic benefits and burdens. See *infra*, at 14-15. We therefore reject the constitutional underpinnings of the analysis employed by the Court of Appeals in *Nachman*, although we have no occasion to consider whether the factors mentioned by that court might in some circumstances be relevant in determining whether retroactive legislation is rational. Cf. *Nachman Corp.* v. *Pension Benefit Guaranty Corp.*, 446 U.S. 359, 367-368, and n. 12 (1980) (explicitly limiting our review to the statutory question presented).

[7] At least three Courts of Appeals, as well as numerous District Courts, have concluded that retroactive application of the MPPAA's withdrawal liability provisions satisfies constitutional standards. See, *e.g.*, *Textile Workers Pension Fund* v. *Standard Dye & Finishing Co.*, 725 F. 2d 843 (CA2 1984); *Peick* v. *Pension Benefit Guaranty Corp.*, 724 F. 2d 1247 (CA7 1983), cert. pending, No. 83-1246; *Republic Industries, Inc.* v. *Teamsters Joint Council*, 718 F. 2d 628 (CA4 1983), cert. pending, No. 83-541.

The prospective application of the MPPAA's withdrawal liability provisions has also been the subject of extensive nationwide litigation. All of the Courts of Appeals addressing the various constitutional challenges raised in those cases, however, have upheld the statute. See, *e.g.*, *The Washington Star Co.* v. *International Typographical Union Negotiated Pension Plan*, —— U.S. App. D.C. ——, 729 F. 2d 1502 (1984); *Peick* v. *Pension Benefit Guaranty Corp.*, *supra*; *Republic Industries, Inc.* v. *Teamsters Joint Council*, *supra*. Because these issues were not addressed by the Court of Appeals, cf. *supra*, n. 5, and are not actively pursued by the parties before this Court, we assume for purposes of our decision in these cases that the prospective effects of the Act satisfy constitutional standards.

tice." We are loathe to reject such a common practice when conducting the limited judicial review accorded economic legislation under the Fifth Amendment's Due Process clause.

III

Gray and its supporting *amici* offer several reasons for subjecting the retroactive application of the MPPAA to some form of heightened judicial scrutiny. We are not persuaded, however, by any of their arguments.

First, Gray contends that retroactive legislation does not satisfy due process requirements unless persons affected by the legislation had "notice" of changing legal circumstances and "an opportunity to conform their conduct to the requirements of [the] new legislation." Brief for Appellee 20. We have doubts, however, that retroactive application of the MPPAA would be invalid under the Due Process Clause for lack of notice even if it was suddenly enacted by Congress without any period of deliberate consideration, as often occurs with floor amendments or "riders" added at the last minute to pending legislation. But even assuming that advance notice of legislative action with retrospective effects is constitutionally compelled, cf. *Darusmont, supra*, at 299 (similarly assuming that notice is a relevant consideration), we believe that employers had ample notice of the withdrawal liability imposed by the MPPAA. Not only did ERISA itself impose contingent liability on withdrawing employers, but the various legislative proposals debated by Congress before enactment of the MPPAA uniformly included retroactive effective dates among their provisions. See *supra*, at 2-3, 5-6.[3]

Second, it is suggested that we apply constitutional principles that have been developed under the Contract Clause, Art. I, § 10, cl. 1 ("No State shall . . . pass any . . . Law impairing the Obligation of Contracts . . ."), when reviewing this federal legislation.[4] See, e.g., *Energy Resources Group, Inc.* v. *Kansas Power & Light Co.*, 459 U.S. 400 (1983); *Allied Structural Steel Co.* v. *Spannaus*, 438 U.S. 234 (1978). We have never held, however, that the principles embodied in the Fifth Amendment's Due Process Clause are coextensive with prohibitions existing against state impairments of pre-existing contracts. See, e.g., *Philadelphia, Baltimore & Washington Railroad* v. *Schubert*, 224 U.S. 603 (1912). Indeed, to the extent that recent decisions of the Court have addressed the issue, we have contrasted the limitations imposed on States by the Contract Clause with the less searching standards imposed on economic legislation by the Due Process Clauses. See *United States Trust Co.* v. *New Jersey*, 431 U.S. 1, 17, n. 13 (1977). And, although we have noted that retrospective civil legislation may offend due process if it is "particularly 'harsh and oppressive,'" *ibid.* (quoting *Welch* v. *Henry*, 305 U.S. 134, 147 (1938), and citing *Turner Elkhorn, supra*, at 14-20), that standard does not differ from the prohibition against arbitrary and irrational legislation that we clearly enunciated in *Turner Elkhorn*.

Finally, Gray urges that we resuscitate the Court's 1935 decision in *Railroad Retirement Board* v. *Alton Railroad Co.*, 295 U.S. 330, which invalidated provisions of the Railroad Retirement Act of 1934 that required employers to finance pensions for former railroad employees. Assuming, as we did in *Turner Elkhorn, supra*, at 19, that this aspect of *Alton* "retains vitality" despite the changes in judicial review of economic legislation that have occurred in the ensuing years, we again find it distinguishable from the present litigation. Unlike the statute in *Alton*, which created pensions for employees who had been fully compensated while working for the railroads, the MPPAA merely requires a withdrawing employer to compensate a pension plan for benefits that have already vested with the employees at the time of the employer's withdrawal.

IV

We conclude that Congress' decision to apply the withdrawal liability provisions of the Multiemployer Pension Plan Amendment Act to employers withdrawing from pension plans during the five-month period preceding enactment of the Act is supported by a rational legislative purpose, and therefore withstands attack under the Due Process Clause of the Fifth Amendment. Accordingly, the judgment of the Court of Appeals is reversed and the cases are remanded for further proceedings consistent with this opinion.

It is so ordered.

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, DC, June 27, 1984.

DEAR REPRESENTATIVE: The AFL-CIO recognizes that the tax package about to be considered as part of the conference report of H.R. 4170 corrects many abuses in our current tax structure. The tax portion of the bill would raise about $50 billion in needed revenues by the end of FY '87 that in many ways correct some of the 1981 tax act inequities and revenue losses. Unfortunately, the conferees—despite strong dissent—have exhibited a callous disregard for many hard fought gains of workers—several of which were achieved at the collective bargaining table. These gains will now be jeopardized or wiped out.

While we have no illusions as to the final outcome inasmuch as separate floor votes on specific issues will not be allowed, we would be remiss if we did not comment on some of the glaring inequities that have become part of the final version of this wide-ranging legislation.

American workers will suffer as a result of the provisions regarding voluntary employees' beneficiary associations (VEBAs), supplemental unemployment compensation benefit trusts (SUBs), and group legal services organizations. Previously an employer's contribution to a fund that is part of a welfare benefit plan was deductible in the year it was made rather than at the time the benefit was provided. It is generally recognized that professional corporations—used mainly by doctors and lawyers—have abused the tax treatment of contributions to these plans. At the same time it was conceded that there has not been any evidence of abuses related to plans collectively bargained by unions. Despite the absence of any demonstrated abuses in collectively bargained plans, the final version of the tax package contains a modified House provision that would limit the ability of employers to deduct sums paid to fund such plans. This provision could jeopardize the stability of programs that provide such important benefits as health and welfare, long and short-term disability, medical, SUBs, severance pay, etc.

American workers will suffer as a result of termination of the statutory exclusion from income of benefits provided employees under an educational assistance program. This statutory fringe benefit expired on December 31, 1983. The conferees rejected a Senate proposal that would have retroactively extended prior law until January 1, 1986. These programs provided significant opportunities to women, minorities and other workers to upgrade and maintain their skills as part of training and re-training provided by employers, often as a result of collective bargaining. An extension of this statutory fringe benefit would not have resulted in any significant revenue loss to the Treasury.

American workers will suffer as a result of elimination of retroactive application of amendments made by the Multiemployer Pension Plan Amendments Act of 1980. The MPPAA was enacted on September 26, 1980. Generally, it imposes liability on an employer who withdraws from a multiemployer defined benefit pension plan. The withdrawal liability provisions of the MPPAA basically apply retroactively to withdrawals after April 28, 1980. The conference agreement includes a Senate provision that wipes out any employer liability prior to September 26, 1980. During this five month period many employers moved to withdraw from multiemployer programs in the hope of escaping their responsibilities to their employees. Thus the purpose of the April 28 date. By rewarding employers who withdrew during this period the pension plans and the responsible employers who did not take such action will face additional funding burdens. If these added costs cannot be met, benefits may be reduced and liability increased for the Pension Benefit Guaranty Corporation.

American workers will suffer as a result of excise taxes on distilled spirits and continuation of the telephone excise tax. These excise tax increases add up to about $4.5 billion by the end of FY 1987 that unfairly fall heaviest on workers. Excise taxes are the unfairest taxes, falling heaviest on those least able to pay. The conferees could easily have reached the necessary budgetary targets through other means.

American workers will suffer as a result of adoption of the dollar limits on benefits under qualified pension plans for airline pilots. The Tax Equity and Fiscal Responsiblitiy Act of 1982 required that if benefits begin before age 62, the dollar limit on ben-fits under a qualified pension plan be actuarially reduced to reflect the value of early payment. However, federal regulations require that commercial airline pilots retire at age 60. The conferees rejected a House provision that would have limited reduction for early retirement only to those commercial airline pilots whose benefits begin before age 60.

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[3] See, *e.g.*, *Textile Workers Pension Fund v. Standard Dye & Finishing Co.*, *supra*, at 852 ("Notice was everywhere . . . [Employers] withdrew from their funds not only when pervasive regulation, including withdrawal liability under ERISA, existed in the pension field, but also when the advent of the MPPAA was imminent."); *Peick v. Pension Benefit Guaranty Corp.*, *supra*, at 1269 ("[T]he intent of Congress to provide for the retrospective imposition of liability was quite clear from the very beginning of the legislative process . . . [E]mployers who withdrew during [the retrospective] period cannot argue that they are now being required to pay wholly unanticipated liabilities.") (footnote omitted).

[4] It could not justifiably be claimed that the Contract Clause applies, either by its own terms or by convincing historical evidence, to actions of the National Government. Indeed, records from the debates at the Constitutional Convention leave no doubt that the Framers explicitly refused to subject federal legislation impairing private contracts to the literal requirements of the Contract Clause:

"MR. GERRY entered into observations inculcating the importance of public faith, and the propriety of the restraint put on the states from impairing the obligation of contracts; alleging that Congress ought to be laid under the like prohibitions. He made a motion to that effect. He was not seconded." 5 Elliot's Debates 546 (2nd ed. 1876).

See 2 The Records of the Federal Convention of 1787, at 619 (M. Farrand 1911).

American taxpayers will suffer as a result of adoption of the Senate's so-called "Foreign Sales Corporation" (FSC) provisions which would replace the existing "Domestic International Sales Corporation" (DISC) program and forgive the tax on income that firms through their DISCs have been deferring for years. The AFL-CIO believes there is no need for export promotion through tax preferences. Experience with the current DISC program demonstrates that such tax gimmicks cost the Treasury billions of dollars but have no perceptible positive influence on the nation's trade balance. We believe that the tax deferral gimmick provided by DISCs should be terminated, and not replaced by the FSC proposal which will cost the Treasury many billions of dollars. It has been reported that a $12 billion windfall will accrue to a handful of major U.S. corporations.

American taxpayers will suffer as a result of extension for one year of the so-called Targeted Jobs Tax Credit which would otherwise have expired on December 31, 1984. There is no evidence that this program has generated any new jobs or has been of particular benefit to the target groups. Rather, evidence shows that employers received windfall tax benefits for doing what they would have done anyway, and there is considerable potential for job substitution and displacement. It has been estimated by Treasury that adoption of this Senate proposal by the conferees will result in a total revenue loss of $1.2 billion based on a one-year extension.

American taxpayer will suffer as a result of a phase out of the 30 percent withholding tax on interest paid to foreign portfolio investors. The type of investments that will be encouraged by acceptance by the conferees of the Senate proposal to phase out the 30 percent withholding tax will, in the main, be speculative "hot" money that can and does move quickly and freely from country to country. Speculative capital that comes into the U.S. temporarily as a result of tax preferences is not the kind of capital that creates jobs, increases productivity or contributes to the health of the economy. To the contrary, such flows merely add to instability and uncertainty. This provision will cost the Treasury hundreds of millions of dollars by the end of FY 1987.

American taxpayers will suffer as a result of a decrease in the holding period for long-term capital gains from one year to six months. At a time when Congress is scrambling to meet budgetary targets, there is no justification for the conferees adopting this Senate provision which widens the existing capital gains tax loophole at a revenue loss to the Treasury of over one-half billion dollars by the end of FY 1987.

If separate floor votes on the above provisions were in order, equity and fairness would require that the above changes in the tax code be revised or stricken. It is most unfortuate that Congress will now make these unfair and harmful incursions into existing workers rights—many of which were won at the bargaining table. However, as stated earlier, the AFL-CIO is well aware of the procedural strait-jacket that encases the tax package and thus prevents it from being reshaped in a fair and equitable manner.

Sincerely,

RAY DENISON,
Director, Department of Legislation.

Mr. CONABLE. Mr. Speaker, I yield 3 minutes to a valued member of the committee, the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. I thank the gentleman for yielding me this time.

Mr. Speaker, like virtually all conference reports, this one is imperfect; no one is likely to be completely satisfied with it, because it is a product of compromise. It is the result of give-and-take by managers of both Houses; thus it contains something for each of us to like as well as something for each of us to hate.

This conference report has one attribute of overriding importance: It is an essential part of deficit downpayment this country so badly needs. That is reason enough for me to support the report, and I urge my colleagues to join me. If signed into law, the provisions of this report would reduce the deficit by about $60 billion over the next 3 years. That certainly will not solve our deficit problems, but it will help a great deal.

Mr. Speaker, I would like to engage in a colloquy with the chairman, if I may, for the balance of my time.

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I would like to clarify one aspect of the transition rules relating to the treatment of unfunded deferred benefits. It is my understanding that a taxpayer who has a plan which qualifies for the transition rule relating to certain collectively bargained extended vacation pay plans, section 512(c)(2) of the bill, may for the period of that transition rule make an election under section 463 with respect to its other vacation plans without jeopardizing treatment of its collectively bargained extended vacation pay plans under the transition rule.

Mr. ROSTENKOWSKI. The gentleman is correct.

Mr. DUNCAN. I thank the chairman.

Mr. CONABLE. Mr. Speaker, may I inquire as to how much time we have remaining?

The **SPEAKER** pro tempore. The gentleman from New York [Mr. CONABLE] has 45 minutes remaining and the gentleman from Illinois [Mr. ROSTENKOWSKI] has 26 minutes remaining.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 5 minutes to the gentleman from Oklahoma [Mr. JONES].

Mr. JONES of Oklahoma. I thank the gentleman for yielding this time to me.

Mr. Speaker, we take one first step in a long march to fiscal responsibility today, and perhaps it is true that the first step is the hardest, but in this case I really doubt it.

By approving this bill, we will reduce the deficits by $62 billion in the next 3 years. Of course, that is admirable and useful, it is also beneficial, but it simply is not enough. On April 5 this House, after a hard and contentious debate, passed a budget resolution calling for $182 billion in deficit reduction. In that budget, the House called for revenue increases of about $49 billion, and the Committee on Ways and Means had brought us back a revenue bill which meets that target.

This House called for reductions in spending in mandatory programs of $10 billion, and the package before us today cuts entitlement spending by nearly $13 billion.

So far, so good. But where, some may ask, is the other $120 billion?

I will tell my colleagues where it is. It is locked up in the conference on the budget resolution because the other body, perhaps under directions of the administration, will not seriously negotiate a further deficit reduction package. There have been many smokescreens thrown up as to why the budget resolution conference cannot be concluded, but after all the smokescreens have been put up and the smoke has blown away, the simple fact is that the other body and the administration are unwilling to negotiate on the level of defense spending increases.

There is a difference in the growth of military spending between the House and the other body of $55 billion. When we include the lower interest payments that a deficit reduction of that size would bring, then you get the full $182 billion in deficit reduction that the House promised the American people we would achieve in this year.

So it seems to me that we do have to pass the package before us, but if anyone thinks they can go home and have completed their mission to the American people to seriously reduce the projected deficit, they should think again. Until we complete the budget resolution, until we put some effective limitations on the growth of military spending, our job will not have been done.

In the meantime, the financial markets, which are already showing a great deal of tension and concern and unease about our ability to do what we say we will do, those financial markets will remain tense, uneasy, and in turmoil.

So it seems to me that we have to put maximum pressure on the other body to seriously agree to a budget resolution and to complete the final promise we made to the American people. That conference started today with the Senate giving us an offer which is not an acceptable offer in terms of the way we normally do business on the budget resolutions. We will meet this afternoon to continue that conference, but it is my judgment that if we fail to reach agreement this afternoon with some serious negotiations by the Senate, then it seems to me we have no obligation to try to extend the debt limit. In fact, we would be foolish to extend the debt limit increase at a time when we are unwilling to actually reduce the spending that will reduce that ultimate debt.

So I support this legislation today, but I want to put the House on notice that if we fail to do our job on the budget resolution, at least this Member has no intention of voting to extend and increase the debt limit of the United States.

Mr. CONABLE. Mr. Speaker, I now yield 3 minutes to the distinguished gentleman from Illinois [Mr. PHILIP M. CRANE], a member of the committee.

Mr. PHILIP M. CRANE. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in opposition to the conference report and simultaneously want to salute my colleagues who have labored long and hard, especially in this conference, to produce this tax measure, which is an important ingredient of what the administration asked in the form of a deficit downpayment. However, it seems to me that this is deja vu.

We passed in 1981 the administration's ERTA bill, the largest tax cut in the history of this country, and I think it contributed mightily to the economic recovery that we have been enjoying since that time. But, in 1982, I remember the assurances we got. We were going to get a $3 reduction in spending for every dollar increase in taxes. That was the TEFRA bill. What we got was anywhere from $1.14 to $1.67 increase in spending for every dollar increase in taxes at that time.

Then, in 1983, we passed the gasoline tax, and, in 1984, here we have another tax bill before us and we are being promised the prospect, in 1985, of another major tax increase. It seems to me that this is kind of like our repeated votes on hiking the debt ceiling. The practical consequence of today's action is to put more burdens on our already overtaxed citizens, especially those in the middle income and lower income brackets.

Paul Craig Roberts had an interesting article in the Wall Street Journal last fall. He pointed out that ERTA was a $900 billion tax cut over a 5-year period, but he noted that we could subtract $600 billion from that as a result of social security tax increases over that period, and bracket creep until we get indexation. Now we are down to a $300 billion tax cut.

TEFRA was $229 billion over a 5-year period. That brings us down to $71 billion. The gas tax increase was $16 billion. That brings us down to $55 billion.

This is a $50 billion tax increase over 3 years, but if we add the next 2 years, we can add roughly another $40 billion in tax increases, and that is before the Social Security increases that are mandated for 1988 and 1990.

The problem is not addressing spending with tax increases. It is, instead, getting this Chamber to recognize that we have engaged in massive overspending and we still are not addressing that problem with the action that we have taken to date, notwithstanding the commendable work of the Committee on Ways and Means in addressing what was considered an ingredient of it. What we have, in effect, is $12 billion in reduced spending right now and $50 billion in increased taxes.

I submit to my colleagues that I did not come to Congress to raise taxes and yet, sad to say, that becomes an increasing preoccupation of this Chamber. We are yet to face up to the real problem confronting this country. I have not seen the deficits go down with tax increases.

Mr. CONABLE. Mr. Speaker, I now yield 2 minutes to the distinguished Member from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. I thank the gentleman for yielding this time to me.

Mr. Speaker, as the ranking Republican on the Labor-Management Subcommittee, I rise in concurrence with what our chairman, the gentleman from Missouri [Mr. CLAY] has stated in his objections as to the methods used in circumventing the jurisdiction of the Committee on Education and Labor in devising the MEPPA, Multiemployer Pension Plan considerations. I would also like to add to his remarks this additional point of view.

Mr. Speaker, the conference report on H.R. 4170 contains several provisions which are solely within the jurisdiction of the Committee on Education and Labor but which were taken up by the House conferees because of their inclusion solely in the Senate passed version of the bill.

The provision amending ERISA in section 558 of the conference report eliminates the retroactive application of withdrawal liability with respect to employers who withdrew from multiemployer pension plans prior to the enactment on September 26, 1980, of the Multiemployer Pension Plan Amendments Act of 1980. While I do not take issue with the principle advanced by the adoption of this section, I do express my concern that this provision was drafted without the benefit of consideration by the committee of jurisdiction—in this case the Committee on Education and Labor and the Subcommittee on Labor-Management Relations on which I serve as the ranking member. I am informed that the implementation of section 558 may result in considerable administrative recomputation and expense for multiemployer plans and may possibly even result in increased withdrawal liability for employers that have withdrawn from such plans since the passage of MEPPA. Clearly section 558 is left wanting as a result of the conference bypassing the House committee having the expertise and original jurisdiction over MEPPA, in this case the Committee on Education and Labor. The shortcomings and problems connected with MEPPA, including the amendments contained in this conference report, should be taken up in regular order by the Committee on Education and Labor.

Under section 560 of the conference report the Secretary of Treasury is to make a study of the problems relating to the use of employee welfare benefit plans for the provision of benefits to current and retired employees. The study is to include recommendations as to the need for participation, vesting, and funding standards. The report is to be made to the Congress by February 1, 1985. As is the case with MEPPA, I should like to point out that the Committee on Education and Labor and its Subcommittee on Labor-Management Relations has original jurisdiction over the setting of minimum standards in connection with employee welfare benefit plans. Subcommittee Chairman BILL CLAY and I will be most interested in the progress made by the Secretary of the Treasury in connection with this study and would encourage the Secretary to work closely with us in formulating the scope and specifics connected with this study.

Section 559 of the conference report creates a freestanding provision in law extending portability of benefits to certain employees in connection with the divestiture of AT&T. This provision is identical to the provisions of H.R. 5391 as reported by the Committee on Education and Labor on May 23, 1984. As a committee of original jurisdiction on this provision it can be expected that our Subcommittee on Labor-Management Relations will provide the necessary continued oversight in connection with this portability provision. The following is an explanation of this provision which was included in the record at the markup of H.R. 5391 on May 23, 1984.

EXPLANATION OF H.R. 5391 (SECTION 559 OF H.R. 4170)

This bill would provide for continued portability of service credit for eligible employees who move between AT&T, the companies which were divested by AT&T or which were newly created as a result of the January 1, 1984, reorganization and which said companies entered into as of January 1, 1984. Specifically excluded from coverage are subsidiaries of above companies which were not established as of January 1, 1984, or those which do not participate in a defined benefit pension plan maintained by any such company. Persons eligible for service credit portability are all nonsupervisory employees and employees whose incomes are not more than $50,000, which amount shall be adjusted by the percentage increase in the consumer price index and who were employed by a covered company as of December 31, 1983, or who are rehired in accordance with recall rights which existed as of that date.

For purposes of this bill, service credit would be portable with respect to all employee benefit plans and employment-related entitlements, such as any rights relative to seniority and vacation rights.

The bill provides that portability of service credit shall continue to be governed in the same manner as provided by the divestiture interchange agreement which was operative in 1984. However, the bill is not intended to require a company to maintain a particular benefit plan or type of benefit plan, or to grant employment preference to persons from other covered entities solely on account of their eligibility under this bill.

□ 1300

Mr. CONABLE. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. LOEFFLER].

Mr. LOEFFLER. Mr. Speaker, I thank the distinguished ranking minority member for yielding this time to me.

Mr. Speaker, once again we have legislation on the House floor which purports to address the critical issue of unacceptably large Federal budget deficits. In reality, what we have before us is another TEFRA-like wolf in sheep's clothing—tax increases disguised as a deficit reduction measure.

As a conferee on the reconciliation portions of this legislation, there are several problems with this conference report. First of all, the ratio of tax increases to spending reductions is little better than 4 to 1, not even close to the understanding Members were assured would be the guiding process, namely, a deficit reduction effort that would at the very least distribute equally the share of tax increases coupled with reductions in domestic and defense spending.

This measure increases taxes by $50 billion and contains only $13 billion in spending reductions, $10 billion of which came solely from within the jurisdiction of the Committee on Ways and Means and the Senate Finance Committee. A token effort at spending reductions was made by other committees of the House and Senate in the amount of a little over $3 billion.

Furthermore, Mr. Speaker, the House conferees refused to accept the appropriations cap language which consisted of 3-year ceilings on defense and nondefense discretionary levels of spending. The language which remains in the conference report is mere rhetoric, simply a hoax.

This process does little or nothing to fulfill the mandate I believe we have from the American taxpayer to reduce Federal spending. It is wholly unrealistic to imagine that next year we can sufficiently reduce the Federal deficit by tax increases alone. Yet the efforts of the Congress this year have offered no assurances to the U.S. taxpayer that the Congress has any resolve whatsoever to address the spending side of the equation.

This so-called downpayment effort in the beginning was intended to achieve several objectives: First, to enact a deficit-reduction package which would not completely solve the deficit problem but which would make credible progress in that direction; and, second, to delineate the focus and direction our efforts should take next year in order to fairly and effectively reduce Federal deficits.

In my judgment, Mr. Speaker, this package has accomplished neither of these objectives. Rather, it merely reminds us once again that Washington's propensity to spend far exceeds the taxpayer's ability to pay.

The SPEAKER pro tempore. The Chair will state that the gentleman from New York [Mr. CONABLE] has 37 minutes remaining, and the gentleman from Illinois [Mr. ROSTENKOWSKI] has 22 minutes remaining.

Mr. CONABLE. Mr. Speaker, I now yield 3 minutes to the gentleman from Connecticut [Mr. MCKINNEY].

Mr. McKINNEY. Mr. Speaker, I rise in strong support of the conference report, and I strongly commend the chairman of the committee and the ranking minority member of the committee for a job well done.

In times like these it is almost impossible to achieve any type of a savings in the budget. It is especially difficult to increase taxes. I think, considering the pressure that both the chairman and the ranking minority member and the entire committee have been under, they have done a job that deserves our support and should have our support if we are to move ahead. I do not believe there is anyone in this body who would not find some fault with this compromise, but I think in all, Mr. Speaker, that our conferees have done the House proud.

Mr. Speaker, I would like to engage the chairman of the Committee on Ways and Means in a brief colloquy, if I may.

As the committee chairman knows, the tax bill conference made certain changes in the transition rule governing the tax-exempt entity leasing provisions of the conference report we have before us. As I understand that section of the sale-leaseback transition rule dealing with govermental actions, a city in my district will be able to complete a long-planned sale-leaseback arrangement if a lease is entered into before January 1, 1985.

In connection with this project, the city of Norwalk took the following actions prior to November 1, 1983 to create a maritime center. The city carried out the purchase of a building and site in 1979 and 1980 for $805,000 pursuant to a city council resolution that contemplated that the structure would be used for the Norwalk Maritime Center for use as a maritime center, and appropriated and spent funds in excess of $450,000 on feasibility studies, design, fundraising, and miscellaneous expenses.

It is my understanding that these actions qualify as significant official governmental action under the transition rule, and that, therefore, the project qualified to be exempted from the tax bill's leaseback provisions if a lease is entered into prior to January 1, 1985.

Mr. Speaker, it is my understanding the status of this project under this bill is consistent with the actions and the intent of the conference committee.

Mr. ROSTENKOWSKI. Mr. Speaker, will the gentleman yield?

Mr. McKINNEY. I yield to the chairman of the committee.

Mr. ROSTENKOWSKI. Mr. Speaker, is this the matter that was submitted to us earlier this morning and cleared by the Treasury?

Mr. McKINNEY. This is one, Mr. Speaker, that I think was submitted to the gentleman several weeks ago or days ago.

Mr. ROSTENKOWSKI. And nothing in the provision has changed?

Mr. McKINNEY. No, sir, not on this one.

Mr. ROSTENKOWSKI. Then the chairman agrees with the gentleman.

Mr. McKINNEY. Mr. Speaker, I have one other which was, I believe, submitted today.

Is my understanding correct that amendments made by amendment 67 of the act would apply to payments made under employees' benefit or fringe benefit plans such as severance pay, bonus, retirement, and stock options or stock appreciation rights plans, only if arrangements involving payments contingent on a change of ownership or control are adopted by the sponsoring corporation or amended in significant relevant aspects after June 14, 1984?

I believe, Mr. Speaker, this has been cleared by both sides.

Mr. ROSTENKOWSKI. Mr. Speaker, I would like to have further time to look at this. I am not going to agree to this until I have an opportunity to look at it.

Mr. McKINNEY. All right. Mr. Speaker, I thank the gentleman.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. STARK].

Mr. STARK. Mr. Speaker, I intend to support this conference report, and I want to thank the committee chairman, the gentleman from Illinois [Mr. ROSTENKOWSKI], the staff on the majority and minority side, the distinguished ranking minority member, the gentleman from New York [Mr. CONABLE], for their work.

There are several significant tax reforms in this bill, and I would be remiss in not thanking and calling attention to the outstanding work done by my colleague on the minority side, the gentleman from Louisiana [Mr. MOORE], on what is known as the Stark-Moore insurance bill. I would also like to thank the gentleman from New York [Mr. CONABLE] for his outstanding patience and work on the fringe benefit section of this bill which satisfies a longstanding legislative need.

The bill goes a long way in a bipartisan step toward reducing the deficit and toward making some tax reform, but there is some bipartisan blame that we are all going to have to share. There are a lot of American people, the elderly and middle-class people, who are going to pay a lot in this bill. They are going to pay $7 billion more one way or another in Medicare and medicaid. It is interesting to note that with one sweep of the pen early Saturday morning, we gave $12 billion to the major corporations in this country tax free, as a gift. It was never asked for. They were willing to pay about $4 billion of that in taxes without even fighting.

□ 1310

So on the one hand we gave, and let us say that $1 billion of that went to General Electric; 28 million people in this country are going to have $8 or $9 billion in cuts in benefits while we gave billions away to General Electric, TRW, Allied Chemical, Exxon, and the like.

We cut $35 million out of the poor people in California for a fine they did not deserve. At the same time we gave Boeing Aircraft $35 million for one plane that had already been sold at a profit. We gave Boeing $35 million and we were arguing whether we would give them seven, or eight, or nine extra planes at $35 million a tax credit apiece. In the end Boeing got $630 million as a gift and the American public get to pay for it.

We are caving in today to the "Realtors" who are complaining about going from 15 to 18 years of depreciation. The real estate industry, in fact, pays no income tax at all. In 1982, the net income from real estate in this country was a negative $8 billion. Had we made real estate income tax free, we would have had $4 billion a year in revenue to add to deficit reduction.

It is interesting to note that not one of you on the Republican side or on the Democratic side came to me and said, "I need some help for the people in my district," yet literally hundreds of you came to me and said, "I have a corporation or a rich family that needs a little loophole in this bill." We sure took care of them; but I am not sure we did anything to be proud of in our job of taking care of the middle class or the poor.

This is not a deficit-reduction bill. It is a dignity-destruction bill.

I want to warn Boeing and General Electric, which made $2½ billion and got a $500 million refund not so long ago, I do not think the American public, which is footing the bill, is going to put up with this type of reverse Robin Hood for very long.

Mr. CONABLE. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from South Carolina [Mr. CAMPBELL].

Mr. CAMPBELL. Mr. Speaker, I would like to commend the distinguished chairman of the Ways and Means Committee and the ranking member, Mr. CONABLE, for their leadership and their work on the effort to reduce the deficit. Reducing the deficit requires painful decisions on both spending and tax items. This bill could be considered as the needed first step in the form of a deficit downpayment. However, I must inform my colleagues that there are several onerous provisions in this bill with long-term spending and policy implications.

As a spending conferee I cannot believe that in a so-called deficit reduction bill we are increasing spending for welfare programs. Some provisions were needed, such as the work transition allowance which gives health insurance to women who have left the AFDC rolls recently to go to work. However, when we went to conference under the public assistance bill the Senate had $177 million worth of savings and the House had $460 million worth of spending. By the conclusion of the conference we had spent $482 million in new public assistance spending.

Let me explain a provision that adds $660 million of new Federal and State spending over a 3-year period. In the heat of negotiations we added a $50 disregard to a family's AFDC grant when child support is collected. While it is generous to give a family an additional $50 per month what we were told at the time was the amount that this change in the law would cost was little. Later, after the spending conference had concluded, we were told that over the 3-year period it will cost the Federal Government $195 million and the States $450 to $500 million.

This must be revisited. The way the bill is written we are encouraging States not to collect child support for welfare families.

Further, most State legislatures have recessed for the year and do not yet realize that they are charged with the responsibility of finding a way to finance this change in the law. In addition, States may decrease their efforts to collect child support because currently States retain a portion of this $50 to offset welfare costs.

It's obvious that $660 million is a drop in the bucket when you are talking about a $50 billion tax bill. However, I am concerned about the long-term cost as well as the policy implications for the program's future.

As the distinguished senior Senator from Louisiana stated so eloquently during the conference, "I've seen these provisions that are relatively inexpensive increase a hundredfold down the road." He should know!

I know the chairman tried very hard in the area of medicare to protect the beneficiaries. However, there are several provisions that I oppose.

On the tax side, there are many provisions that I support. The life insurance provision, extension of mortgage revenue bonds, shortening the capital gains holding period, extension of the targeted jobs credit, changing the heavy use tax, and many of the tax reform and compliance provisions.

But once again, we adopted several provisions that will adversely affect my district and the national economy. The foundation provision will force the sale of a newspaper in my district, the cap on IDB's will slow development and growth, and the ACRS change will hinder investment and burden the economic recovery, not to mention the imputed interest.

I hope my colleagues will carefully weigh the pluses and minuses of this legislation. The bill has good and bad, the call is close as to which outweighs the other.

Obviously, the overriding concern must be the deficit. But, even here the Members should note that we do not yet have the necessary spending cuts agreed to. We should, as a body, insist on a balanced deficit-reduction package of which approximately one-third should come from domestic spending cuts.

So, each Member must weigh the whole against the parts. If I vote for the bill, it will be for the whole as I am adamantly opposed to some of the parts. However, no matter how I vote, I will constantly try in the future to change the provisions I find onerous.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Speaker, I rise in support of H.R. 4170, the Deficit

Reduction Act of 1984, and urge its support by all of my colleagues.

Under the circumstances in which it was crafted, I would say that this is a good bill. It reduces the growth of the Medicare Program by $6.8 billion over the next 4 years. Most importantly, it distributes this reduction equitably among hospitals, physicians, and other providers, and minimizes shifting the burden of this reduction to the pockets of the beneficiaries.

It is regrettable that we had to make any cuts at all in the Medicare Program. However, the Senate and the administration were insistent that there be spending cuts, as a condition for agreement on tax cuts.

The bill includes several important and innovative Medicare proposals, including the creation of a fee schedule for clinical laboratory services, an improved methodology for reimbursing teaching physicians, and laying the groundwork for comprehensive reform in the payment for physician services during our next session. It also extends the opportunity to choose coverage under employee health plans to certain Medicare-eligible individuals, makes refinements in the prospective payment system, and improves the efficiency of the program through a variety of specific and targeted proposals. It does not include the most objectionable proposals in the Senate bill that would have increased beneficiary cost sharing, such as indexing the part B deductible and delaying eligibility by 1 month. Regrettably, we did agree to a 2-year extension of the current rule holding the part B premium at 25 percent of estimated program costs. However, while the Senate and administration would have made this change permanent, the House insisted on only a temporary increase.

In medicaid, the conference report makes some important improvements. Coverage for poor pregnant women and children up to age 5 is expanded. Coverage for working poor women who lose their AFDC benefits due to earnings is extended. And the current Federal matching penalty, which has put so much fiscal pressure on the States and the poor, will not be extended when it expires at the end of this fiscal year. Finally, there are a number of provisions that will bring significant savings to the program without hurting the poor, including the use of IRS data to verify income and a limitation on the revaluation of assets for hospitals and nursing homes upon sale. The total increase in medicaid outlays as a result of all of the medicaid and AFDC improvements is only $159 million over the next 3 years—a very, very reasonable price to pay for reduced infant mortality rates and strengthened work incentives.

The most highly publicized item in the bill is the medicare physician fee freeze. I have no doubt that the physician community will object to this provision. However, given our twin goals of reducing medicare expenditures and protecting the beneficiaries against cost shifting, this seems to be a fair and workable solution. It asks physicians, who account for approximately 20 percent of Medicare expenditures, to share in the cost reductions that, over the last few years, have been borne primarily by hospitals and beneficiaries. It does little more than recognize the pledge which the physicians have already made to voluntarily hold their fees constant for a year, and add enforcement measures to protect the beneficiaries against increased out-of-pocket expenses. It also seeks to protect beneficiaries by offering physicians inducements—in the form of long-run financial incentives, administrative conveniences, and favorable publicity—to voluntarily accept assignment for all Medicare patients.

The physician fee freeze is a temporary measure. It does not solve the long-term problem of rising Medicare costs. However, it does achieve substantial short-run savings—while avoiding the imposition of mandatory assignment—and it relieves the pressure for a more comprehensive, but premature reform. It gives us the opportunity to study the complex issues involved in a more thoughtful manner before undertaking a major change in the way Medicare pays for physician services.

□ 1320

Mr. CONABLE. Mr. Speaker, I now yield 3 minutes to the fine ranking member of the Government Operations Committee, my friend, the gentleman from New York [Mr. HORTON].

Mr. HORTON. Mr. Speaker, I rise in support of the conference report on H.R. 4170. Two subjects raised by this bill are of special importance to me, and I want to say a few words about each of them.

Tucked away in title VII of division B of the bill is the most far-reaching procurement reform legislation which has been considered by the Congress in my 22 years in this body. This measure, called the Competition in Contracting Act of 1984, is designed to make competitive the system used by Government agencies for the purchase and lease of goods and services. I am proud to be, along with Chairman BROOKS, one of the principal cosponsors of the House bill on which much of this title is based.

Competition in procurement has several virtues. By opening the Federal marketplace to all responsible vendors, private companies, Government agencies, and taxpayers all benefit. Businesses have greater opportunities for developing their products and marketing them. Agencies can take advantage of the innovative ideas of the private sector to secure items which are best suited to program needs. Taxpayers spend less money for goods and services of equal or better quality.

Title VII of the bill achieves competition through three principal means. First, it limits the kinds of situations in which sole-source buys may be made, by reducing by more than half the number of categories of permissible exceptions from competitive procurement, and redefining those categories in narrow, tightly drawn ways. Second, it ensures that high-level agency officials take personal responsibility for noncompetitive purchases, by establishing a system of justifications and approvals for those procurements. Third, title VII encourages contractors who believe that procurements are not being conducted properly to stimulate corrective action through the filing of bid protests, by strengthening the General Accounting Office protest system—and creating, for computer procurements, an alternative forum in the General Services Administration's Board of Contract Appeals.

How much is this reform going to save? Pinpointing an exact number is impossible, but let me mention a few numbers to give an idea of the magnitude of the amounts involved. The General Accounting Office has found that Federal agencies are spending about $100 billion each year on contracts which are awarded noncompetitively. Studies by GAO and others have indicated that savings of 10 to 50 percent can sometimes be achieved by making sole-source procurements competitive. If all the contracts now being sole-sourced were converted to competition, $10 to $50 billion could be saved annually. While we know that actual savings will be much less because some of the contracts will legitimately continue to be noncompetitive, hefty savings will clearly result from enactment of this title.

These savings have been available to the Government in the past, but the structure of procurement laws and administration has encouraged noncompetitive purchases. By mandating full and open competition as the rule in contracting, establishing procedures which discourage sole-sourcing, and strengthening the bid protest process, this title ensures that strong incentives for competition will act throughout the executive branch to provide savings in the future.

Mr. Speaker, the second item of concern to me is the failure of House and Senate conferees to extend the residential and business energy tax credits that are scheduled to expire next year and were included in the Senate bill. These tax credits have represented a very important Federal effort in the area of energy, and I believe they should be extended.

Ten years ago, the United States was under the gun of the Arab oil-producing states. The embargo imposed on oil to the United States, and the subsequent increases in oil prices, sent shock waves through our and the international economy—shock waves that are only now subsiding.

The United States responded to the embargo with what I, and many of my colleagues, believe to be an outstanding Federal effort to achieve energy independence. We have cut our oil imports by more than 50 percent because of the emphasis placed by the Federal Government on energy production and conservation. The energy tax credits remain essential to our national energy program. Failure to extend these credits this year will, I believe, be a serious mistake, both as to our overall national energy policy and to the Federal Treasury financially. Without the certainty that these credits will be extended, we can't expect industries involved with the production of conservation technologies to make capital investments. We can, however, expect pressure for increased grant programs in the area of conservation—programs the cost of which may far exceed losses to the Treasury if these credits are continued.

Mr. Speaker, let us not be lulled into a false sense of energy security. We need only look at the Middle East today to see the dangers of neglecting this important area of Federal investment. We must fund these credits and continue the move toward national energy independence. This makes sense for us economically and for national security reasons as well. I am very disappointed that the credits aren't included in this conference report; I do hope, however, that the Ways and Means Committee will consider the important policy implications of extending these energy tax credits as separate legislation.

Mr. CONABLE. Mr. Speaker, I now yield 30 seconds to the gentleman from Connecticut [Mr. McKinney] to complete his colloquy.

Mr. McKINNEY. Mr. Speaker, I thank the gentleman. I think we have reached an agreement on what I was trying to state previously.

Is my understanding correct that the amendments made by section 67 of the act would apply to payments made under employee benefit or fringe benefit plans, such as severance pay, bonus, retirement and stock options or stock appreciation rights plans adopted before June 15, 1984, only if arrangements involving payments contingent on a change of ownership or control are adopted by the sponsoring corporation, or amended in significant relevant aspect, after June 14, 1984?

Mr. ROSTENKOWSKI. Mr. Speaker, will the gentleman yield?

Mr. McKINNEY. I yield to the chairman of the committee.

Mr. ROSTENKOWSKI. The gentleman is correct.

Mr. CONABLE. Mr. Speaker, I now yield 1 minute to the distinguished gentleman from Pennsylvania [Mr. Walker].

Mr. WALKER. Mr. Speaker, if you look at division B of this bill in title II, you will find a number of interesting things discussed, such as election retirement, salary adjustments for judges, retirement, cost-of-living adjustments during the fiscal years of 1986 and 1987.

One thing you will not find in here is anything prohibiting the congressional pay increase scheduled to go into place in October.

I bring that up because a lot of people are expressing surprise every year when, all of a sudden, the congressional pay increase arrives and they say, where did this come from? Mr. Speaker, I want to tell you it comes from this bill and the reconciliation package. Under the standards we now have, you cannot stop a congressional pay increase unless you stop it in the reconciliation bill.

By not prohibiting it in this package, we are in fact allowing ourselves the cost-of-living increase in October. So when it arrives a few weeks before your election and there is a lot of talk about it in the newspapers and we get kind of outraged expressions by the other body as we did earlier this year, then you will know where it comes from. It is right in here.

Mr. ROSTENKOWSKI. Mr. Speaker, I have several requests more than I anticipated. I ask unanimous consent that our time be extended an additonal 20 minutes to be divided, 10 minutes to the gentleman from New York [Mr. Conable] and 10 minutes to the gentleman from Illinois.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. Pease].

Mr. PEASE. Mr. Speaker, I rise in strong support of this legislation. I would like to begin by commending the chairman of the committee, Mr. Rostenkowski, and the ranking member, Mr. Conable, for what I consider to be an outstanding job of managing the conference.

The title of this bill is the Deficit Reduction Act of 1984 and the focus of the efforts of the conferees has been on deficit reduction.

This is not a perfect product. No conference report ever is. But we have made in this bill significant progress toward deficit reduction.

In revenue we have raised $50.6 billion, more than was raised in either the House bill or the Senate bill originally. In spending cuts we achieved $12.9 billion, more than was in the House bill. The combined deficit reduction is more than was possible in either the House package or the Senate package as originally passed.

The House conferees were outstanding in keeping the focus on deficit reduction. The other body had roughly $12 billion of spending cuts, but they would not have reduced the deficit because they also had nearly $12 billion in revenue losers.

The House conferees insisted that if the other body were going to ask us to accept the spending cuts, it would have to drop its revenue losers. The House conferees were largely successful in this effort. The other body did offer to drop most of its revenue losers if we would accede to the spending cuts in the Senate bill.

Almost all of the tax expenditures were dropped. One not dropped was the reduction of the holding period on capital gains to 6 months. I do not like the presence in the bill of that provision. Many of my colleagues do not like it.

But I ask my colleagues to focus on the total package. Of the some $12 billion in proposed revenue losers only about $1 billion remains. That is a good record on the part of the House conferees.

□ 1330

For that reason, it seems to me that this conference report is worthy of support and I do strongly urge my colleagues to support the conference report.

Mr. Speaker, having commented generally on this conference report, let me mention one specific provision of great concern to me. I am concerned about the interpretations and definitions that will be applied relating to the exclusion of certain reductions in tuition from gross income. This section has been included under fringe benefits but the primary purpose has been to establish tuition reduction programs as scholarships under section 117 of the Internal Revenue Code.

The Subcommittee on Select Revenue Measures received testimony on the subject of tuition reduction plans currently in effect at over 1,000 colleges and universities. These plans have been in effect for many years, including one at Vanderbilt University since 1875 and at the University of Chicago since 1901. Many such plans predate the income tax amendment and are consistent with prior congressional action, a Supreme Court decision, and Internal Revenue Service rulings. Our purpose in this legislation is to resolve the question that arose in the mid-1970's abut the tax status of tuition reduction programs. The legislation establishes that qualified tuition reduction programs, including tuition remission, tuition grants, and tuition exchanges, the amount of qualified tuition reduction, including tuition remission, tuition grants, and tuition exchanges, provided to an employee of an educational institution may be excluded for income and employment tax purposes.

I am also interested in the interpretation of the nondiscrimination provision. Tuition reduction programs exist in many different forms on the campuses. This is not surprising in view of the pluralistic nature of American higher education. While the programs that were established early provided primarily for faculty dependents, an increasing number of programs broadened coverage to include administrators and nonfaculty staff. Some programs, including those covering all employees, require a waiting period. Thus, the program at Cornell University, which awarded 1,372 tuition scholarships in 1982-83, is available to all employees after a 7-year waiting period. However, there are institutions with programs that include some faculty, all faculty, faculty and administrators, all employees after a stated waiting period, and all employees. As we move to implement the nondiscrimination provision, I urge the Internal Revenue Service to recognize that current classifications are not in and of themselves discriminatory but rather the result of the growth of these programs over a long period of time. Since 1978, when the first moratorium on regulations was approved by Congress, there has been no hint given to colleges and universities that they would be required to substantially change their programs in order to comply with the newly established provision of nondiscrimination. Thus, the legislation implements the new provision as of July 1, 1985, but leaves to the Internal Revenue Service the definitions of "qualified tuition reduction" and "a reasonable classification." I would urge the Internal Revenue Service to look carefully at existing tuition reduction plans as it attempts to apply those definitions.

A second concern applies to the desirability of tuition reduction programs as an alternative to direct Federal student assistance. The average faculty salary at baccalaureate institutions in academic year 1983-84 was $24,240. An instructor at such institution received an average salary of $17,440. It is clear that the dependents of faculty at such institutions, where the majority of tuition reduction programs are in effect, would be eligible for Federal student assistance programs. Tuition remission is treated by colleges as student financial aid, as is the case of other scholarship programs, and it is taken into account in the awarding of Federal, State, and institutional need-based scholarships. However, where an institution would have to eliminate its tuition reduction program, the amount of direct Federal assistance would increase. In 1975, the American Association of University Professors said that the value of direct Federal aid to replace tuition remission programs for faculty dependents alone would be $45 million. Obviously, that cost has risen sharply since 1975. Again, as the Internal Revenue Service looks at the tuition reduction programs currently in effect, I would recommend that it take into consideration the alternative costs to the Federal Government if faculty and other employees of institutions must turn to the Federal student assistance programs for funds to send their dependents to college.

Finally, there are many instances, particularly at State institutions, at which different classifications of employees are determined separately, where there may be some difficulty in implementing the nondiscrimination provision. At those institutions, faculty and some administrators are employees of the board of trustees while all others are employees of the State. I would not want to see tuition reduction programs terminated in those situations.

I yield back the balance of my time.

Mr. CONABLE. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Texas [Mr. ARCHER], a member of the committee.

Mr. ARCHER. Mr. Speaker, initially I want to compliment our chairman, the gentleman from Illinois [Mr. ROSTENKOWSKI], and our minority ranking Republican, Mr. CONABLE of New York for an excellent job in working on this conference report.

It is never easy to resolve tough tax matters and I personnally believe that the very best job was done on this bill by the House conferees that was possible under the circumstances. I particularly want to applaud and compliment my colleague, Mr. CONABLE, of New York, inasmuch as this is going to be his last major tax bill with which he will deal before he goes on to bigger and better things in the private sector next year.

Not only have his efforts been extremely productive in this arena but in many, many other bills over the years and we will sorely miss you in the years to come, BARBER.

I would like to engage the chairman, if I might, in a colloquy, actually two short colloquies.

First, relative to the provision on prepaid expenses as it relates to moneys that are spent for intangible drilling costs.

Mr. Speaker, I would like to inquire of the gentleman from Illinois, the chairman of the conference committee, whether he shares my understanding of the intention of the conferee with respect to the application of the prepayment rules to intangible drilling costs paid in 1 year for a well that is commenced in that year but not completed until the next year.

Under the conference agreement, if an amount is paid for the drilling of a well in advance of the actual drilling, there is a prepayment potentially subject to the prepayment rules. I understand the conference agreement to provide however, and exception for prepayments in the case of wells that are begun before the end of 90 days after the close of the taxable year in which the payment was made. Is that the understanding of the gentleman from Illinois?

Mr. ROSTENKOWSKI. If the gentleman will yield, the gentleman is correct.

Mr. ARCHER. I would also like to enter into a colloquy with the chairman relative to section 131 of the bill, which modifies the taxation of certain transfers of property outside the United States for a period after December 31, 1984. The conferees agreed to a special rule which would presume that transfers of intangibles outside the United States after June 6, 1984—the date of conference action—but before January 1, 1985, are for tax avoidance purposes, except that the Secretary may waive that presumption. The statement of managers clarifies that the Secretary should carefully examine such transfers, but may waive application of the rule under existing ruling guidelines. For example, the rule does not apply to transfers for which a ruling was obtained prior to June 6, 1984. Is it your understanding that if the Secretary issues a favorable ruling after June 6, 1984, ordinarily that will evidence the Secretary's willingness to waive the special rule?

Mr. ROSTENKOWSKI. The gentleman is correct.

Mr. ARCHER. I thank the chairman.

And I would like to add in summary that we are faced with a tremendous deficit problem in this country.

This bill was hammered out as a compromise between competing ideas. I feel that the conference committee did an excellent job. I still have many concerns about the bill. I hope the chairman will, at least, before completion of this debate discuss the imputed interest rule, and I would ask the chairman if it would be appropriate to do that at this time?

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. ARCHER. I thank the Speaker.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY of New York. Mr. Speaker, I rise in strong support of this legislation. It is clear that the overriding domestic economic concern of this Congress and of future Congresses will be what to do about the deficit. This is a small step in the right direction toward bringing it down both by making some very painful cuts in important programs as well as by raising revenue.

But I am particularly happy to endorse this conference report because it includes a provision I sponsored, a 4-year extension of the mortgage revenue bond program. As most of my colleagues know, this popular and effective homeownership program expired on the last day of 1983 and since then the housing finance agencies around the country have been unable to issue bonds.

There were more than 330 of us who joined as cosponsors of my bill to extend the program and there were several others who signed onto discharge petitions. I would like to point out to all of you that the only way to provide for a continuation of the mortgage subsidy program is to pass this conference report. Then, we can join in celebration and relief that the State housing agencies are back in business and go call them to let them know.

For those few of my colleagues who may not know, let me say that the primary goal of this program is to make homeowners out of families who otherwise could not have afforded to buy a home from private sources.

In my own area of New York, more than 1,000 mortgages were made available to Long Islanders in 1983 under the State of New York Mortgage Agency's affordable housing program. Statewide, $376 million was raised through the issuance of bonds and then was reloaned to New Yorkers of relatively modest means. The average household income of recipients of this subsidy last year was $33,192 for example. The average sales price of a home was $57,000 which includes many homes in specially targeted or depressed areas.

The Mortgage Revenue Bond Program is a perfect example of how government can work with private business to help people. It is very difficult for low- and middle-income families to find affordable housing. This program has helped thousands of New Yorkers and millions of Americans do so.

If interest rates and housing prices rise, more and more people are going to be pushed out of the market. In 1981, when interest rates were 21 percent, the new construction provided under this program was the only new construction in many States. Many businesses were kept afloat until the housing slump was over. There is a chance that this could again happen in the years ahead and that the mortgage bond program will again provide that countercyclical buffer against bankruptcy.

Population experts anticipate an unprecedented level of housing demand during the 1980's from the maturing of the baby boom generation. Yet the prospect of a severe shortfall of mortgage loan money in this country casts an ominous shadow over their chances for home ownership.

With the targeting provisions we enacted in 1980, I am confident we have a worthwhile program. The conference report we are voting on today provides for a 4-year extension of current law with a new, broader option for State housing agencies to issue mortgage credit certificates. After 1987, we will again have oversight of the program to assess its cost effectiveness in this era of tremendous deficits. It is my hope that we can avoid the disruption that was caused this time by the expiration for 6 months of the Federal bond authority.

I know the realtors are upset about a number of provisions in this bill, for example, the question of lengthening useful lives for buildings and the imputed interest. But as interest rates go up, and I hope this bill will stanch part of that flow in interest rates, but if they continue to climb, it is the Mortgage Revenue Bond Program which can help.

In this way we can all be assured that this bill does something for individuals in your district—at least those wanting to own a home.

As to the question of whether or not we need to raise or lower taxes to stimulate this economy, I would urge the Members to imagine what the markets will do if this bill does not pass.

My own imagination tells me that interest rates will rise a lot faster if we don't pass this bill than they would if we do pass this bill.

Mr. CONABLE. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from New York [Mr. KEMP].

Mr. KEMP. Everyone has his or her mind made up, everybody is going to vote yes or no based upon information they have at their disposal prior to the discussion here on the floor, so let me just add my perspective on this issue of deficits, taxes, and interest rates.

I do want to say, if you vote for the tax increase do not make the mistake of voting for it because you think it is going to bring down interest rates. Interest rates have nothing to do with this bill.

I had to chuckle a little bit at some of the previous statements about the idea that this deficit-reduction package is going to calm the markets and lower the interest rates. You really think it is going to bring lower interest rates? There is no way it is going to calm the markets, particularly in view of the fact that the Federal Reserve Board has been raising interest rates irrespective of what we do on this so-called deficit-reduction package.

Witness the fact that John Berry, in the Washington Post, May 2, announced what the Fed had done in its March 21 meeting. He said, and I quote:

> The Federal Reserve Board last March tightened monetary policy in order to slow down the overly rapid growth of the economy, according to Frank E. Morris, president of the Boston Federal Reserve Bank.

Mr. Speaker, the Fed believes that if the growth of the economy is above their own target, they must slow it down by raising interest rates. They voted in March in the Federal Open Market Committee in a secret meeting, the minutes of which were not released for 6 weeks, to tighten the credit conditions for the American people and for every Third-World-debtor nation, in order to slow down the U.S. economy, on the theory that if this economy grows too fast and unemployment comes down too quickly, I repeat, if unemployment comes down too quickly, it will engender inflation.

Notwithstanding the fact that no market indicators of inflation say that inflation is rising—in fact, the latest numbers show inflation and prices falling—our central bank has raised interest rates irrespective of what we do.

Now let me ask you a question. Is there a faster way to get the deficit down than by continuing and accelerating this economic recovery and getting people back to work? I am for cutting spending, but not, predictably, for raising taxes; however, beyond cutting just spending, we should be continuing and expanding this recovery and creating the climate for more jobs and lower unemployment.

David Stockman, Director of OMB, and Rudy Penner, Director of CBO, said 1 year ago last January that the deficit in this year would be in the range of $230 billion. Right now it is running at a level of about $170 billion. There is an offsetting $60 billion surplus at the State and local government level. The recovery has reduced the deficit in 1 year alone by $60 or so billions.

The deficit is not good, but it is not so bad that we ought to panic and allow the Fed to drive us into a tax policy that might slow down the recovery and we certainly shouldn't let the folks at OMB or CBO, who widely missed the recovery in the first place, to scare us into a tax package that is antilabor and anticapital.

Ladies and gentlemen, our colleague, CONNIE MACK of Florida, pointed out on the floor of this House recently that a 1-percent higher growth rate in the economy over 5 years will reduce the 1985 to 1988 cumulative deficit by $370 billion.

What a dilemma, the Fed says less growth is important to fight inflation but lower rates of growth put deficits up higher than necessary and then the Fed says they must raise interest rates because deficits crowd out private investment. Wow.

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Yet now the Fed is also saying: "We are going to slow down the economy by raising interest rates to reduce the demand on the credit markets. If the economy slows, people and businesses will demand less credit, and interest rates can come down, so we can grow faster." This is equally absurd.

What a dilemma they put us in. Growth is essential. Putting men and women back to work is essential. So what did the tax conference do? They cut out enterprise zones and slammed the door on Americans in the inner city. What did they do? They raised taxes on savings and investments. What did they do? They outlawed home mortgages of less than 15 percent. They put off the day in which we can direct attention where it should be directed, at the U.S. central bank that believes that too much growth, too many men and women working, is inflationary.

They are operating on a theory that our economy should not be growing so fast, when in reality, the fastest way to get this deficit down is to reduce spending and allow this economy to expand. The Fed should be accommodating a noninflationary recovery, not tightening while prices are falling. They should be allowing enough credit to keep this recovery going in a noninflationary environment and to extend it on into 1985 and beyond till we reach full employment and no inflation. What do you think that would do to deficits?

There is no futures market, there is no spot market, there is no forward-looking market anywhere in the world that says that inflation is on the horizon.

I just ask the question: How can we, as Members of the U.S. Congress, on both sides of the aisle, let our central bank get away with tightening up on the credit of this country and raising interest rates which imposes such a burden on the American people and on the Third World? The 200 basis points that interest rates have risen in the last year have cost Mexico $2½ billion, wiped out Argentina's bridge loan, and just about bankrupted our Caribbean friends and allies. There is the problem.

Let us keep this economy going. Let us not raise taxes.

Let's tell the Fed to help keep this economy going and let's not raise taxes again for the fourth time in 2 years.

Just for the record, let's look at the major provisions of the tax bill, one by one, and see if the economic expansion will be any stronger or stable after we pass this bill. Let's see whether any of the measures will expand capital formation, enhance work incentives, or bolster the enterprise and economic growth we need to balance the budget. This package fails, and fails miserably, on all these counts. Although the tax package contains hundreds of provisions even a tax attorney would have difficulty understanding, the following provisions either will hurt the little guy or impose significant disincentives to business investment and saving:

First, extends to 18 years from the current 15 years the depreciation period for new and used structures.

Effective tax rates are already higher on structures than on equipment. So why raise taxes on investment in structures and other long-lived assets by stretching out the depreciation period by 3 more years? Reducing the writeoff for structures will hurt the construction industry, significantly increase rents of average and lower income Americans, and slow the replacement of the aging American housing stock.

Second, a phasing out of the graduated corporate tax rate on the first $100,000 of income for corporations with income over $1 million, up to a maximum $20,000 tax increases per corporation.

This is essentially a corporate tax rate increase which discourages corporate investment, increases the double taxation of dividends, and hurts medium-sized fast-growing companies. What difference does it make whether corporate investment is crowded out by deficits or by higher corporate tax rates?

Third, a repeal of the 15 percent net interest exclusion.

This provision increases the tax rate on savings by up to 15 percent, compared to current law. The repeal of this exclusion increases the current antitax bias against saving, hurts the small saver, and will reduce saving from what it otherwise might be. Does it make sense to reduce budget deficits through measure which shrink the savings pool?

Fourth, a delay of the scheduled decline in the estate and gift tax.

The bill imposes a 10-percent increase in estate and gift tax rates over current law, hurting the small businessman, the family farmer, and those who toiled, saved, and invested in order to pass their wealth on to their children. Estate and gift taxes are a major disincentive to capital formation.

Fifth, a sharp reduction in income averaging tax breaks for individuals.

Income averaging is crucial for those with widely fluctuating or growing incomes. Without the option of averaging their income over periods of lower income, many middle-income taxpayers will pay steeply higher taxes than if their income had been more steady or had increased more evenly. The $6.1 billion tax increase will hit the most enterprising and productive taxpayers, further encouraging them to choose leisure or the underground economy over hard work.

Sixth, a delay in the reduction in windfall-profits tax on newly discovered oil.

This will penalize exploration and production of new oil in the United States to the benefit of OPEC and other foreign oil producers. This will add to our oil-import needs. And the increased cost of oil and petroleum products will reverberate through the economy in higher prices.

Seventh, a delay in the liberalization of the foreign-earned-income exclusion.

This will effectively put a tax on hiring Americans rather than foreign nationals to work abroad. This not only penalizes U.S. employees, but also raises a counterproductive impediment to U.S. foreign investment.

Eighth, a delay in the expensing of business personal property.

This penalizes small business for their capital investment in the name of encouraging investment.

The conferees also knocked out some very positive provisions like enterprise zones and the spousal IRA because they said they lost too much revenue. That's right. The conferees took a provision that could do a lot of good for the disadvantaged, for workers, and for business entrepreneurs in the inner cities, at little cost, and threw it out. They slammed the door on opportunity in the cities. They saw fit, however, to include in the bill a number of special-interest provisions, including special tax breaks for commodity tax straddles, which more than make up for the tiny cost of these provisions.

We must have an economic agenda for full employment and price stability, without further tax increases. First, we should keep the recovery going. Second, we should enact all the spending cuts which have been promised, but which we probably won't see. Third, we should move toward a comprehensive tax reform proposal which lowers tax rates and simplifies the Tax Code. Then, we can talk about the conference bill. Let's reform the Fed by establishing a price rule so we can lower interest rates—these are the things we can do to bring down deficits and move this Nation to full employment and no inflation.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. MATSUI].

Mr. MATSUI. Mr. Speaker, I would like to enter into a colloquy.

Mr. Speaker, a provision was added to the conference bill which requires that a State student loan program not discriminate among loan applicants on the basis of the location of the educational institution which the student attends or plans to attend. We understand that this requirement is intended to apply only to residents of the State in which the loan is made or by which the loan is guaranteed. Is our understanding correct that, notwithstanding the language of the bill, State programs may require a student or prospective student applying for a guaranteed student loan who is not a resident of the State to attend an educational institution within the State in order to obtain the loan?

Mr. ROSTENKOWSKI. Mr. Speaker, will the gentleman yield?

Mr. MATSUI. I yield to the gentleman from Illinois.

Mr. ROSTENKOWSKI. Yes. The gentleman's understanding is correct. The provision is intended only to assure that residents of each State may obtain guaranteed student loans from their State program, regardless of where those residents attend school. The provision is not intended to require a State issuing tax-exempt student loan bonds to use the proceeds thereof to make or guarantee a loan to a student who is neither a resident of that State nor attending school in that State.

Mr. MATSUI. Mr Speaker, I thank the gentleman.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 4 minutes to the gentleman from Texas [Mr. Brooks], the chairman of the Committee on Government Operations.

Mr. BROOKS. Mr. Speaker, I rise in support of H.R. 4170, the Deficit Reduction Act of 1984. Everybody knows that Congress has often been criticized for not dealing with sensitive matters like tax increases and spending cuts during an election year. Nonetheless, Chairmen Rostenkowski and Jones and the other members of the House and Senate conference have worked hard to form a consensus on a measure that deals with these issues, despite the political realities involved. It is a good first step toward reducing the massive Federal deficits which are plaguing our economy. Equally important, I believe it lays a foundation upon which even more significant actions can be taken next year.

I am particularly pleased with the provisions of title VII of this legislation—the Competition in Contracting Act of 1984. This title represents a marriage between S. 338 and H.R. 5184. The Senate version, which was introduced by Senator Cohen, passed the Senate last November. H.R. 5184 was introduced by Congressman Horton and myself and was recently voted out of the Government Operations Committee. While both measures were aimed at increasing the use of competition in Government procurements, there were differences between the bills. These differences were worked out in conference. The result is legislation which represents the culmination of over 10 years of effort on the part of Congress to enact badly needed Federal procurement reform legislation.

There is no question that the lack of competition in the Federal Government's purchase of goods and services is costing the taxpayers billions of dollars annually. In hearings held over a year ago, the Government Operations Committee found that spare parts costs decreased drastically when competition was used—by as much as 80 percent. For example, a seal used in aircraft engines when acquired on a sole-source basis cost $2,020. When acquired competitively, the same item cost $474. Reports of the Defense Department paying $500 for a 60-cent light bulb and $37 for a $1 screw underscore the magnitude of the abuses that are occurring. These types of abuses are just the tip of the iceberg. In fact, these practices are occurring daily throughout the Government. Almost two-thirds of all Federal procurements are awarded noncompetitively to a few favored vendors.

We can no longer afford such sweetheart arrangements and it is time to put a stop to them. The Competition in Contracting Act will accomplish this by, first, forcing agencies to use full and open competition in their procurements, second, mandating justification, approval, and notice requirements to safeguard against unnecessary sole-source contracts, third, establishing competition advocates in each procuring activity to enhance accountability, and fourth, codifying and strengthening the GAO bid protest process to provide a remedy to vendors wrongly excluded from the Federal marketplace. These measures lay the foundation for the Government to clean up its procurement system.

The legislation also recognizes the longstanding policy of Congress in helping small businesses. It authorizes the set-aside of Government contracts exclusively for small businesses as long as all such businesses are allowed to fully compete. Further, the procurements conducted under section 8(a) of the Small Business Act are exempt from this measure. While promoting full and open competition, the legislation also recognizes those legitimate circumstances when noncompetitive procedures can be used. These include: emergency situations, the maintenance of an essential research capability, mobilization in the event of a war of crisis, if national security would otherwise be compromised, when authorized by existing statute, or the head of the agency determines it is in the public interest.

Notwithstanding, executive agency officials continue to assert that Congress should leave things the way they are now. We must all recognize, however, that the system they are trying to defend is plagued with waste and abuse of outrageous proportions and that can no longer be tolerated. With its requirements for full and open competition, the Competition Act will put a stop to these practices and restore integrity to the Government's procurement process.

Mr. Speaker, members of the Government Operations Committee also served as conferees on several miscellaneous provisions to H.R. 4170 which had been added by the Senate and which had no House counterpart. These provisions were aimed at achieving cost savings through administrative actions. The conferees felt that these provisions, while well-intentioned, were unworkable in their original form.

As agreed to by the conferees, section 2901 of the conference report requires the administration to come up with baseline figures on various types of administrative activities, such as travel and transportation, consultant services, and publishing and printing activities. OMB will be required to say what savings can reasonably be achieved in these areas.

Section 2903 of the conference report requires the President to review recommendations for management improvement and cost control opportunities and to submit a report on what he is going to do or has done about these recommendations.

Conferees also agreed on a provision dealing with the disposal of lands at Montauk Air Force Base in New York which had been added by the Senate. Regardless of the merits of the underlying transaction, Mr. Speaker, I must express my concern about ad hoc disposals of Federal property of this type. The Federal Property Act was established to provide a systematized structure for such disposals, and if the administration implemented that act as it was written, we wouldn't need provisions such as the Montauk amendment.

In summary, Mr. Speaker, the conference report on H.R. 4170 is worthwhile and valuable, and I urge all Members to support this legislation.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. Stratton].

Mr. STRATTON. Mr. Speaker, this bill, the Tax Reform Act, includes a bill which was attacked in the Senate and became a conference issue. That bill, S. 338, the competition in contracting bill, has nothing to do with the budget or deficit reduction, and had been passed by the Senate and referred to several committees in the House for examination.

However, that opportunity to review the impact of the provisions of that bill was foreclosed by the Senate in placing this bill on the deficit reduction package.

As a result, we have had less than 3 weeks to examine a provision which fundamentally alters the statutory foundation for all Government contracting. We all agree that changes were needed, and that significant steps were needed to ensure increased competition for all items the Government buys.

However, in the conference process provisions were incorporated in the bill which do not pertain to the Senate language and are clearly out of scope. Because points of order and scope were waived, the Members of this body have no opportunity to object to these new provisions. Thus, we not only had no opportunity to fully examine this compromise language or to hold hearings on it, we also lost the opportunity to have provisions stricken which are clearly not within the scope of the conference.

Let me reiterate that we firmly support efforts to increase competition for Government contracts, and would support any conference agreement which had been within the scope of the language added by the other body. I cannot, however, support a so-called compromise which includes so many provisions extraneous to the bill before the conferees.

This process is clearly in violation of House rules which were adopted to ensure that legislation is subject to thorough examination before it is adopted, and I fear that the ramifications of this bill will be felt for a long time.

Mr. GARCIA. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from New York.

Mr. GARCIA. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the legislation.

Mr. Speaker, the enactment by Congress of the Tax Reform Act of 1984 should not be interpreted as a commentary on the enduring relationship freely established between the Commonwealth of Puerto Rico and the United States of America. In this legislation Congress focused on the difficult task of raising sufficient revenues to bring our substantial national deficit under control. The provisions relating to Puerto Rico were among hundreds covered in this Tax Reform Act of 1984. It was neither the purpose, nor indeed possible in the course of this mammoth enactment, for Congress to focus on all the potential ramifications of these changes in the economic and political relations of the United States with the people of Puerto Rico. While approving this conference report today we express the willingness to look at the question of cover over of Federal excise taxes to Puerto Rico for articles produced in the island transported to the U.S. mainland separately and to carefully consider any legislation to rectify, if necessary, some of the provisions we are enacting in this bill.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. Gibbons].

Mr. GIBBONS. Mr. Speaker, I support this conference report. I think it is an essential first step in the downpayment that we are making on this deficit reduction.

The deficit reduction is an essential part of the plan for sound recovery in this country. The high fiscal deficit that we are running now is not only affecting our ability to recover in this country, but it is affecting the ability of our farms and factories to compete on a worldwide basis because of the excessively high overvalued dollar that flows out of the high interest rates that we have.

So to bring all of those down, the overvalued dollar, the excessively high interest rates, we need this tax package and this spending cut package. I hope more spending cuts will follow. I trust that more of it will follow. That is the reason for supporting it here today.

There are a number of interesting provisions in this legislation. One of them I would like to call the Members' attention to is the fact that we have vastly expanded the credit markets that are available to the U.S. Government and to U.S. industry by repealing what I call the 30-percent tariff on capital. I do not have time, in the limited time we have here, to fully explain that provision, but I want to say that the gentleman from New York [Mr. Conable] and I were proud to support and be the sponsors of that in the House and we are glad that it passed. It will substantially expand the amount of capital that is available to the U.S. Government and to American business. Therefore, it should by itself bring down interest rates.

I was privileged during this last year to work with certain of the fine charities of the United States. I refer specifically to the Shriners and the work they do with crippled children.

I am happy to report to my colleagues that there is language in the conference report that will substantially increase the opportunity and incentive to give to this very worthwhile cause.

So far that reason and for many other reasons, Mr. Speaker, I support this conference report.

I want to commend my very fine chairman, Mr. Rostenkowski, and Mr. Conable for the great work that they did. I also want to say that without the excellent work of the staff we never could have accomplished nearly so much as we did.

Mr. Speaker, as the principal sponsor of a bill for making permanent a provision under the estate tax charitable contribution laws, now part of H.R. 4170, it is necessary for me to amplify several considerations which neither the House report (98-432, part 2, pp. 1516-1520) nor the Senate report (98-169, pp. 731-735) deal with. By way of background, during the 98th Congress I introduced H.R. 3252 as a permanent effort to permit the reformation of unqualified charitable transfers. This bill was introduced on behalf of the Shriners Hospitals for Crippled Children, which is being built in my district, and numerous other charities, colleges, hospitals, and other institutions adversely affected by the partial interest rules contained in our income, estate, and gift tax laws. A staff version of permanent relief was contained in section 401 of H.R. 3475 and testimony was taken by the Committee on Ways and Means in connection with that bill on July 25, 1983. As a result of meetings between staff and interested charities, and with the approval of the Treasury representatives, a compromise version of the legislation has found its way into the conference version of H.R. 4170.

It is recognized by the affected charities and staff, that not every unqualified transfer to charity is susceptible of reformation. Indeed, certain conditions in the permanent relief statute will bar a very few reformation attempts by reason of the specific language of 2055(e)(3). Nevertheless, it is my hope and expectation that both the Internal Revenue Service and the courts of the United States, if they are called upon to construe this language, will treat this provision as one attempting to enhance the value of charitable transfers and therefore construe it in a most liberal fashion.

Permanent section 2055(e)(3) is a relief provision aimed at reducing the hardship caused by the 1969 enactment of the very complex partial interest rules governing transfers to charitable remainder trusts, charitable lead trusts, pooled income funds and transfers of remainders in farms, residences, and other partial interests in property. Its fundamental premise is that an unqualified transfer, if amendable or conformable within timeframes prescribed by law, whether effectuated through judicial proceeding or agreement between all interested parties, is treated for tax purposes as if the amended transfer was actually in the decedent's will—or other governing instrument—as of the original transfer date. The amendment to the governing instrument is to be treated not merely for estate, income, or gift tax charitable deduction purposes, but for all purposes including, for example, the income tax exemption contained in section 664(c) (as to reformed charitable remainder trusts) but also as to the application of chapter 42 excise taxes pursuant to section 4947(a)(2).

I wish to make the following points about the new provision.

First, the Congress has not had the opportunity to study or evaluate each and every decision applicable to prior law. Therefore, no inference should be drawn from the enactment of this legislation that any particular revenue ruling, or private ruling, or judicial decision, is either approved or disapproved by our efforts. We desire to resolve this problem of unqualified transfers by creating new standards for permanent relief.

Second, a reformed charitable remainder trust will be described in section 4947(a)(2). That means that the Treasury Department's authority to write legislative regulations is necessary to assure that certain transactions which are necessary to and an integral part of the reformation process, are not subject to penalty taxes. These legislative regulations, authorized by section 2055(e)(3)(H), are an appropriate way to deal with a possible application of penalty taxes to transfers which become governed by section 4947(a)(2). For example, we recognize that a charity may have to strike a bargain with a disqualified person—such as a spouse of the decedent—as an inducement to obtaining agreement for the reformation. If the reformed trust meets the 5-percent actuarial test contained in section 2055(e)(3)(B) and the value of the actuarially reformed private interest is greater than the value of the unreformed interest, but still within the 5-percent ceiling, the reformation providing for payment of any additional unitrust or annuity amount, from the trust, is not treated as a taxable transaction. All taxable acts between disqualified persons, and a reformed trust are not forgiven, only those, if they occur, which are an integral and necessary part of the reformation process.

Third, reformation is to be recognized by whatever means achieved under local law so long as that means binds all relevant parties having an interest in the bequest or transfer. In this regard, I wish to express my approval of the principle stated in Rev. Rul. 74-283, C.B. 1974-1, 157, which recognizes that an effective reformation may occur through a judicial proceeding or without judicial supervision if local law so permits.

Fourth, section 2055(e)(3) will not apply to situations governing the deductibility of a charitable contribution if other provisions of law are invoked such as provisions dealing with disclaimers, spousal elections and such. Thus, for example, if a decedent creates an unqualified charitable remainder trust and the private beneficiary timely disclaims his interest in the trust, the charitable deduction is allowable for the value of the property passing outright to charity. Likewise, if a decedent creates an unqualified charitable remainder trust with his spouse as the sole income beneficiary, and the spouse elects against the will, and takes, for example, the widow's share of one-third of the net estate, the remaining amount which passes outright to the charity is deductible without regard to section 2055(e)(3). Next, if a decedent created an unqualified charitable remainder trust with a child as the sole income beneficiary, and the child challenges the will and a settlement is approved by the probate court which terminates the trust and gives the child a part of the estate outright and the charity the remaining part outright, such settlement, under the doctrine established by *Lyeth* v. *Hoey*, 305 U.S. 188 (1938), would permit the estate to deduct the value of the property passing outright to the charity.

Fifth, in dealing with the actuarial computations contained in section 2055(e)(3)(A), I perceive the statute to work as follows: A computation is made, before reformation, of the present interest of the charity in the transfer. The value of that charitable interest is thereupon multiplied by 5 percent and the result is the amount of swing allowable when the reformation is being negotiated respecting the annuity or unitrust percentage. Under section 2055(e)(3)(B), the term of the trust is generally not negotiable. For example, a decedent creates an unqualified charitable remainder trust for his son's life, and he was entitled to receive the trust's entire income. The decedent's estate after the payment of debts—without reduction to State or Federal death taxes—approximates $2 million. Based upon the life expectancy computations for the son, the present value of the interest passing to charity is $900,000, using the applicable tables. Thus, $45,000 is the actuarial variant permitted so that the present value of the reformed interest passing to charity—before taxes—may range from $945,000 to $855,000. Upon the application of section 2055 (e)(3)(D), no charitable deduction is allowable in excess of present value of the original transfer, had it been deductible but for section 2055(e)(2), for the value of the reformed interest since such excess is deemed to pass to charity from a person other than the decedent.

Let me offer a second example. A decedent's net estate approximates $6 million and under his will he created an unqualified charitable remainder annuity trust providing his wife with an annuity of $75,000 per year and his son with an annuity of $20,000 per year. His widow elected against the will and took her statutory share of approximately $2 million. The son—age 60—agrees to reformation of the trust but only if his annuity is increased to $30,000 per year which the charity agrees to. The reformed annuity trust provides for a 5-percent annuity trust less the $30,000 annual payment to the son, with the charity receiving the difference between the two annuity amounts as its income interest. Although the present value of the son's annuity is increased by almost 50 percent, the reformation is still allowable since the present value of the charity's entire interest in the trust before and after reformation remained within the 5-percent test.

Sixth, the fact that Congress enacted permanent relief under the terms and conditions set forth herein, should not be regarded as any limit upon the Treasury Department's inherent administrative power to deal with any unqualified transfer of a charitable contribution such as it did when it promulgated reformation regulations (1.664-1(f)(3) in 1970) or (Rev. Proc. 74-6, C.B. 1974-1, 789).

Seventh, I would like to stress that the existence of the reformation legislation should not be a signal to the Internal Revenue Service to narrowly construe the terms and provisions contained in section 664, or other related partial interest laws, to insist that every single aspect of their regulations be obeyed in the most literal form to qualify a partial interest transfer for a charitable deduction. Reformation legislation is a remedy caused in part by the difficulty in good-faith compliance with original law, and in part by technical readings of existing regulations. Original law and regulations should not be enforced in an illiberal manner by the Internal Revenue Service requiring taxpayers to invoke provisions of the reformation statute where a reasonable construction of the regulations would suffice to protect the interests of the Treasury. Perhaps this legislation will act to motivate the Internal Revenue Service to publish a new procedure to permit administrative agreements between itself and the taxpayers when the unitrust or annuity trust problems can be resolved without the new reformation law. Deferred giving to charity is a perilous undertaking and it should not be made more difficult by examining agents, and other Internal Revenue Service personnel, who insist on finding holes in governing instruments where none truly exist. It does not serve the best interests of the Treasury, the charities affected, or the general public whose respect for our tax laws is so important is our self-assessment system.

Mr. CONABLE. Mr. Speaker, I yield 4½ minutes to the gentleman from Louisiana [Mr. MOORE]. The gentleman was extremely active in this conference and made a major contribution to both the insurance and the doctors' freeze provisions.

□ 1350

Mr. MOORE. My colleagues, part of the conference report before you is a $10.2 billion reduction in spending.

That is an improvement over the House bill with which we went to conference. It only cut $2.4 billion in spending. So we bring you back a conference report that does a great deal more to cut spending to bring down deficits than this House passed earlier this spring. No solution to the deficit crisis is ever going to be accomplished without cuts in spending. We know that. The same thing is true for increasing revenue. This bill brings you both.

But some Members have been coming to me and talking to me that they are a little bit nervous about some of the cuts in spending. I think it is time we take some time to take a look at it closer.

The first point of concern that has been brought to my attention is that of the medicare savings and what impact this may have on the elderly; $7 billion of the $10.2 billion savings in this bill comes out of Medicare, that is true. But $6.5 billion of that $7 billion does not come from the elderly but comes from other savings provisions; $6.5 billion of the $7 billion savings in Medicare does not come from the elderly. The $6.5 billion that does not come from the elderly comes from these changes: We established a fee schedule for clinical laboratory services; we limit increases in hospital costs; we limit the increase in capital related cost reimbursement to hospitals resulting from mergers and acquisitions; we provide for competition in contracting and improvements in claims processing; we modify the so-called working aged provision to make medicare the secondary payor where the Medicare beneficiary chooses to be covered under his or her working spouse's group health care plan, even though the working spouse has not yet reached 65; and, finally, we place a 15-month freeze beginning July 1, 1984, on physicians' fees.

Therefore, this $6.5 billion of the $7 billion will not be paid by the elderly, and further, much of that $6.5 billion goes into the Medicare trust fund to shore up and secure it to see to it that this failing trust fund will be able to continue to pay the bills of our medicare beneficiaries. This legislation helps a little bit in that regard.

The remaining one-half billion dollars or $500 million will be paid by Medicare beneficiaries but only by extending existing policy, not by doing anything new, just extending existing policy for 2 more years.

What that policy is, is simply this: They now are paying 25 percent of the cost of their premiums for part B of Medicare. They have been doing that in 1983, they did it in 1984, they are going to do it next year. This bill simply continues that for 2 more years.

Now, a little bit of history is in order to understand that. When Medicare was passed in 1965, the split by law was 50-50, the beneficiary paid 50 percent, the Government would pay the other 50 percent. Due to some changes along the way and the fact that medical costs had been going up faster than inflation, that got down to just barely below 25 percent a few years ago, and the Congress moved in 1982 to set a floor of 25 percent so it will not go any lower. All we are doing is continuing that floor for 2 more years.

The result of this is going to amount, if inflation goes up and hospital costs go up like the Congressional Budget Office predicts—and it may be less—but if it goes up like they say, this will cost a Medicare beneficiary in 1986 70 cents a month more. Seventy cents a month more. That is what we are talking about. Their premium will only go up from $17.70 a month to $18.40 when you take into account the savings to the beneficiary we pass in this legislation in the physician fee freeze and the other parts of this conference report. I wish that was not necessary, but it is, to bring down the deficits, and this is a smaller increase by far than the average American will pay for their health insurance.

The other problem that has been called attention to is the physician fee freeze. There should not be a problem there either. All we have done is asked the doctors to live up to their own voluntary fee freeze, and they should be complimented for that; and we have done so without mandatory assignment that caused them the greatest disagreement.

I say to my colleagues, if you cannot support these modest changes now, then what are you going to do next year when we have to come back and try to save a failing Medicare system and really try to balance the budget?

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Speaker, I will support this tax bill because of the overwhelming need to reduce the deficit and because of the immediate need to convince the country that the Congress realizes the problems these deficits will cause us.

However, I must express acute disappointment that the conferees did not see fit to adopt Senate provisions extending renewable energy tax credits, a position supported and explicitly communicated to the conferees by 237 Members of the House who cosponsored House Resolution 513.

The renewable credits were lost in the late hours one night as part of a package of credits. I recognize that the energy credits, like others such as research and development credits, were not due to actually expire immediately. Energy credits will not expire until next year. However, it is hardly necessary to point out that after 3 years of severe battering from the current administration our Nation's energy policy is virtually dead, and that our Nation's energy problems are still very much with us. The 237 Members of the House who expressed interest in supporting extention of the renewable credits cannot help but feel that these significant points were lost on the conferees, who were focused evidently on other values to the exclusion of those reflected in House Resolution 513.

We must point out also that after years of severe battering our nascent renewable energy industries have received a distinct negative signal from this tax bill. They cannot take much encouragement from it, and encouragement is what they need if they are to carry on. At the least, they are being asked to tread water for another very difficult year, waiting to know whether the credits will be extended. They cannot really do much this year until they know what the future has in store. A year's continuation by itself is largely 1 year spent waiting, and wasting time, and perhaps going out of business.

I have received assurances from the chairman of the Ways and Means Committee and other members that the House will consider the case for the renewable credits this year. I think that is a very positive development, and should weigh heavily on the minds of the 236 other House Members who hoped this bill would contain the credits' extension. I appreciate the committees expression of interest in our point of view, and I think that we will be able to place before it a convincing case that the development of major renewable energy initiatives can be advanced with a tax credit extension.

We should be able to establish that it has not been until recently that the several billions in Federal research and development expenditures have yielded large scale wind technologies, solar thermal technologies, photovoltaic technologies, biomass technologies, and other heating and cooling technologies are now at a point of technical feasibility. What they need now—at a time when the credits are due to expire—are economic incentives to introduce them into the marketplace.

We should be able to convince the tax conferees that the tax expenditures are quickly converted into tax gains from economic activities that would not have taken place otherwise. We should be able to convince the conferees that the national energy security is a legitimate objective of the Tax Code, and that the Tax Code can be written to encourage legitimate contributions to the national energy security.

I look forward to this opportunity for the renewable community to make its case before the Ways and Means Committee. Meanwhile, I would support this bill because of the overall benefit that our economy should derive.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. Pickle].

Mr. PICKLE. Mr. Speaker, when we first began work on this bill, it was known as the Tax Reform Act of 1983. We all know it has had its trials and tribulations—so much so that we had to rename it the Tax Reform Act of 1984. Now it is more appropriately called the Deficit Reduction Act of 1984, and that is what it remains—an honest attempt to stem our ever-growing Federal deficit. It is not a perfect bill and there will be those left on the sidelines who wanted either more or less than what we gave them. But this conference report is the compilation of over a year's work and it should be supported.

I am particularly pleased that the tax-writing committees and the conferees acted upon and accepted two reform measures that I sponsored during the 98th Congress. These provisions, not so fondly deemed the "Pickle bills," will stop or slow down financing schemes that have proved enormously attractive to all but the Federal Treasury.

The most ingenious of the transactions that will be curbed by H.R. 4170 is the so-called sale-lease-back. Most Members are by now familiar with how these deals work so I will not belabor the issue except to say that this legislation will help put an end to these abuses and restore some sanity to what had become an unchecked and highly inefficient method of public finance. Congress never intended tax-exempt entities to receive the tax benefits that result from these deals and it is appropriate that we have closed this backdoor subsidy.

Mr. Speaker, the other reform measure that I have pushed for over the past year is the curtailment of the use of tax-exempt bonds. Although I personally would have preferred a different approach than that taken by the conferees, I have no quarrel with the bottom line—Congress has recognized the dangerous explosion in the use of tax-exempt bonds and attempted to deal with it. The volume cap will set boundaries on the growth of IDB's, but we should continue to press for making this means of financing less attractive, such as granting straight line depreciation over extended lives.

With regard to depreciation of real property, I would have preferred that we not make the changes we did. In talking to real estate representatives, I know that going to 18 years depreciation will not be the end of the world, but we should remember that we only changed this law in 1981. Perhaps we were rather generous then, but there needs to be certainty in this area and we simply won't have it if we change the law every 3 years. During the conference, when the decision was reached to extend the depreciation to 18 years, I urged that it be understood that it would be "18 years for 18 years." I hope their schedule will not be raised again for at least 18 years—or more.

My other regret, Mr. Speaker, is that we hit the liquor industry with a sizable tax increase but left the tobacco industry untouched. As we all know, the liquor excise tax was proposed as a means of balancing the burden on tobacco caused by the freeze proposal. Now we find ourselves left with the opposite result. I would predict, however, that we will revisit the tobacco area again between now and next October. A few tobacco Senators may have caused the tobacco industry much harm in the long term.

Mr. Speaker, it is never easy to vote for a tax reform or a tax increase. But we have tried very hard to fashion a bill that will not hit the average taxpayer too much. This bill closes loopholes and stems the loss of Federal revenue and should be supported.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. Rangel].

Mr. RANGEL. Mr. Speaker, I suspect that all of us came to the conference with a variety of concerns, but all with one interest, and that was in our own way to try to make some type of downpayment to the deficit. It is unfortunate that we also had a mandate—at least, in my opinion, unfortunate—from the President's office that we try to bring up the same types of cuts. So I stand here in the well today to thank the chairman of the Ways and Means Committee, as well as the ranking minority member, Barber Conable, to know that we had to raise these funds but to make certain we would do it not at the expense of the working poor folks of our country but to close the shelters and perhaps to delay some of the tax cuts that have been projected in earlier tax bills.

In addition to this, the leadership of the conference had to make certain that where cuts had to be made, especially in the area of medicare, that they were not carried fully by the aged poor and the sick, but that indeed that we would strike out for the first time historically and included the doctors to share some of this expense.

There are a lot of reasons why people would object to the bill, but I think there are some very fine provisions here, especially as it relates to private foundations, which gives us an opportunity to see that more of the money that is contributed to these foundations reach the people that they are designed to serve.

In addition to that, while there was strong objections to the employment stock options plan, this bill makes it easier for working people to become a part of management and indeed to become a part of ownership.

The targeted jobs credit provisions that we have enjoyed in the tax law expired. We were able to get support to make certain that they were extended for a year. And as Mr. Downey pointed out with the mortgage revenue bonds programs, not only were they given a new life, but we were able to make certain that the multifamily housing provisions were exempt from the industrial development bond restrictions.

I think, too, that Chairman Rostenkowski has to be lauded for the fact in which he represented not only the Ways and Means Committee in conference, but he also did represent the interests of the Commerce Committee's provisions in the bill. And I think that all of us are very happy that we have a provision in there that provides for assistance for postnatal medical care for pregnant women, to assist the poor in getting adequate medical attention, and in addition to that, Chairman Ford was able to make certain that mothers who had been on welfare would not lose the Medicaid for their youngsters when they got a job, and so we have a 9-month provision in the law for that.

□ 1400

I would like to say in closing, however, that each time we try to find funds, what we do sometimes is to see where we can do it where it causes the least amount of political pain. I have seen, as relates to the tax structure of the Virgin Islands and Puerto Rico, and perhaps other possessions, that somehow we are able to change the rules in the middle of the game, and to have these governments who have relied on a tax system which we have gone in contract with them, to find out that excise taxes, which they have collected, no longer can they rely on having those as a part of their budget.

I submit to Members of this House that I think the time has come for us to review the laws which established a relationship between the United States, Puerto Rico and the possessions and to review what they should be able to expect from us in terms of tax relief, and that each time we come to raise taxes, that we should not do it at the expense of those people who do not have a vote in the House of Representatives.

To that extent, I will be supporting all efforts to have the Ways and Means Committee to review the fiscal relationship between the mainland, Puerto Rico, and the possessions, and hopefully, they will be included when we start our next tax bill.

I urge the Members' support for the bill.

Mr. CONABLE. Mr. Speaker, I yield 4 minutes to the gentleman from Minnesota [Mr. Frenzel].

Mr. FRENZEL. I thank the gentleman for yielding me this time.

Mr. Speaker, H.R. 4170, the Deficit Reduction Act of 1984, contains two major divisions; the Tax Reform Act of 1984, and the Deficit Reduction Act of 1984. These two divisions combined represent a major portion of deficit downpayment plan negotiated between the White House and congressional leaders earlier this year.

Over the next 3 years, the Tax Reform Act will generate over $50 billion in new revenues. Spending reduction provisions will save approximately $13 billion over the next 3 years.

The fact this is an integral and essential part of the President's downpayment deficit reduction program cannot be overstated. The administration supports this bill and believes that its downpayment will be achieved through it and through control, perhaps by veto, of appropriations.

The Tax Reform Act of 1984 represents over a year of hard work to develop a bill which raises the revenues ordered in the fiscal year 1985 budget resolution without adversely impacting the economic recovery.

No tax bill is ever all good or all bad. This one is mostly good.

First, it is good because of what it did not do. It did not raise individual tax rates; it did not cut back on 1981 rate reductions; it did not defer 1985 income tax indexing; and, it did not raise corporate taxes in general.

Second, it's good because it did many necessary things which had general approval:

It rewrote the insurance tax laws in a rational manner generally approved by the industry, so that the tax laws will more accurately reflect modern insurance practices;

It made technical corrections in the 1981 and 1982 Tax Acts, as well as the Social Security Amendments and other miscellaneous tax bills;

It improved the foundation laws, making it easier to contribute to private foundations and helping private foundations to better achieve their charitable purposes;

It extended the mortgage revenue bond program for 4 more years, helping hundreds of thousands of first-time homebuyers to realize the American dream of homeownership;

It provided truckers with a more reasonable means of paying the highway taxes imposed under the Surface Transportation Assistance Act of 1982, without any loss of revenue;

It replaces the current GATT illegal DISC with a new, revenue-neutral, GATT-legal export program known as FSC;

It eliminated numerous alleged abusive tax provisions in the Tax Code, mostly relating to so-called tax-shelter abuses;

It provided new reporting requirements designed to increase tax compliance with our current tax laws, lessening the need to impose new taxes;

It shortened the holding period for long-term capital gains from 1 year to 6 months;

It resolved the long-running dispute as to the tax status of fringe benefits, providing permanent tax-free status to most normal employee fringe benefits; and

It extended the moratorium on the enforcement of regulations which would hurt our competitiveness in the area of research and development.

The bill also contains some more controversial items, most of which were included in the bill to help raise the $50 billion in new revenues over 3 years required by the budget resolution:

It extended excise taxes on telephones and increased them on liquor—but not beer or wine;

It deferred certain tax benefits for several years, such as the increase in the foreign-earned income exclusion, the increase in the amount of equipment which may be expensed, the increase in the amount of used equipment eligible for the investment tax credit, and the decrease in the maximum estate tax rate;

It tightened up on certain lease transactions which were being used by tax-exempt entities as a means of transferring unusable tax benefits to other, taxable entities;

It lengthened the minimum depreciation period on real property from 15 years to 18 years;

It placed significant limitations on the use of tax-exempt bonds, imposing per capita limits, but at the same time providing the transitional rules necessary to allow almost all currently planned projects to proceed.

As with any extremely complicated tax bill, no one supports all of the provisions. Indeed I do not. However, overall this is a good package, and one which should be enacted without delay.

I know that there are many Members, especially in my own party, who hate to vote for any bills that increase taxes. I am not thrilled by the prospect myself. However, in general, the revenue increases are not bad. Some of them are necessary prevention of abuse, or protection of the tax base. More important than the tax component is the achievement of the downpayment. Voting for this bill is the only way I know to make President Reagan's deficit reduction plan a reality.

Now a word about the Deficit Reduction Act of 1984. As a conferee on the reconciliation portion of this bill, I refused to sign the conference report. I did so because the conference did not meet the obligations I believe were implicit in each House's budget resolution.

It did fall short. Two-thirds of its savings come from the Ways and Means portion alone. That committee exceeded its scheduled cuts by nearly 300 percent. Other committees did less well. One, the Post Office and Civil Service Committee, saved nothing. Its subconference merely moved a payment date for a paper savings, and reduced our total expenditures not one penny.

Performances like that of the Post Office and Civil Service Committee were the reason I did not sign the report. The conferees should have done much better. Their work does not deserve my imprimatur.

However, because some modest savings, in addition to Ways and Means cuts, were achieved, I will vote for it. I, of course, prefer reconciliation savings to current law.

Those who vote against it are voting against deficit reduction. In my judgment, that's a very dangerous position.

It is time that we are compelled to rely on the President for vetoes to achieve the rest of the downpayment. I would rather get it here, but the administration has made its choice. There is no other way to cut deficits except to follow. I recommend, as strongly as I can, that this bill be passed.

Mr. ROSTENKOWSKI. Mr. Speaker, I have several clarifications of the conference report and the statement of managers which I have discussed both with the Treasury Department and the chairman of the Committee on Finance, Senator Dole, and my ranking member, Barber Conable, which I would like to ask unanimous consent to make as part of the official Record at this point.

I understand that Senator Dole will be making these same clarifications in the Senate debate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Pursuant to the unanimous-consent request, the following material is included:

Clarifications of Technical Issues

FRINGE BENEFITS

H.R. 4170 provides new rules governing the tax treatment of employee fringe benefits, including qualified tuition reductions provided by colleges and universities to their employees and families. These new rules are generally effective on January 1, 1985, and in the case of tuition reductions, apply to education provided after June 30, 1985. It is the conferees' intention that present administrative practices with respect to the tax treatment of tuition remission programs be continued until July 1, 1985.

ADVANCE REFUNDING OF MORTGAGE BONDS

The mortgage subsidy bond program is extended under the conference agreement through 1987. The prior law method of State-by-State limitations on the volume of mortgage subsidy bonds is retained. Under this method, if an issuing authority has issued bonds and interest rates fall, it may renegotiate the terms of that issue with bondholders to achieve a lower interest rate without that renegotiated issue being separately counted toward the volume limitation.

RURAL HOUSING

The Farmers Home Administration administers a low income rental housing program for small towns (the section 515 program) that is the rural counterpart of HUD's section 236 program for subsidized urban low income rental housing.

The FmHA rural housing program provides loans to participating developers at a market rate of interest. However, at the same time the market rate loan is negotiated, FmHA and the borrower enter into an "Interest Credit and Rental Assistance Agreement," under which the borrower is provided a level monthly subsidy.

The subsidy is determined by the difference between the "market" rent and the "basic" rent. The "market rent" is the rent that would have to be charged to assure an adequate rate of return assuming market interest rates. The "basic rent" is the rent that could be charged assuming a loan at a one-percent rate of interest.

The subsidy is reduced to the extent that the borrower receives rents in excess of the "basic" rent amount.

The IRS has asserted in News Release IR 83-115 that the FmHA monthly subsidy amounts to an interest rate subsidy, so that the borrower should be permitted to deduct only one percentage point of the mortgage interest paid.

The supporters of this program believe the IRS is in error and that the payments should be viewed as a rent subsidy that is income to the borrower when received. It would seem to make no difference whether the subsidy payment is viewed as a reduction in the interest rate or rental income. Nevertheless, if the IRS treats the subsidy as a reduction in the interest payment, it has a substantial effect on the amount of accrued interest that would be deductible under normal compounding principles.

The IRS position results in a lower overall interest deduction and may threaten the continued economic viability of the FmHA rural housing program. This result is directly contrary to the published position of the IRS with respect to similar HUD subsidy payments under the section 236 program.

The conferees understand that beginning October 1, 1984, the FmHA will account for the loans and loans bearing 12 percent interest. In order to clarify the tax treatment of loans treated by the FmHA in this manner, the conferees agreed that loans under Federal rural low-income housing programs (e.g., the FmHA section 515 program) that provide for a market rate of interest, and a reduction in loan payments to compensate the borrower for the lower rents charged, are not to be considered below-market interest rate loans, provided the principal balance of the loan is amortized in accordance with the market rate of interest.

TAX-EXEMPT DEBT

Current law disallows a deduction for interest incurred or continued to purchase or carry tax-exempt obligations. A provision of the bill is designed to prohibit taxpayers from avoiding the disallowance rule by incurring debt to finance the purchase of or carrying of tax-exempt obligations by related parties.

Many affiliated corporate groups include banks and insurance companies as well as other commercial corporations. The bank or insurance company may have substantial investments in tax-exempt obligations, and the other corporations may incur indebtedness in the ordinary course of their business operations. My understanding is that the related party rule in the bill is not intended to operate to disallow an interest-paid deduction merely because one corporation borrows in the ordinary course of business and an affiliated insurance company or bank holds tax-exempt obligations.

DEFERRED RENT

The bill contains rules limiting the use of deferred rent agreements where there is a tax avoidance purpose. I want to clarify that in determining whether a tax avoidance purpose exists in connection with step rents, a significant factor is whether the taxpayers are in approximately the same marginal tax brackets (and are reasonably expected to be in approximately the same marginal tax brackets) during the entire term of the lease so that the combined taxes of the two parties are not materially reduced by the stepping of rents. The Statement of Managers so states, and I want to confirm that the Statement accurately reflects the intention of the conferees.

DISTRICT OF COLUMBIA BONDS

I want to clarify a point raised by subsection 2 of Section 647 of the bill relating to the authority of the District of Columbia Housing Finance Agency to issue obligations described in section 103(b)(4)(A) of the Internal Revenue Code and to issue mortgage subsidy bonds as defined in section 103A of the Code. It is my understanding that, due to the recent decision of the United States Supreme Court in *Immigration and Naturalization Service* v. *Chadha*, questions have been raised concerning the status of the Housing Finance Agency as a validly created and constituted agency authorized to issue bonds pursuant to sections 103(b)(4) and 103A of the Code. It is my understanding that the purpose of this subsection of the bill is to resolve these questions by confirming and validating the creation and lawful existence of the Housing Finance Agency as an authorized issuer of such bonds.

SERVICE CONTRACTS

I want to clarify the special rule for solid waste disposal contained in the leasing provisions of H.R. 4170 in section 31(e) of the bill, new section 7701(e) of the Internal Revenue Code. This rule for certain solid waste disposal facilities provides that, with certain exemptions, a contract or arrangement between a service provider and a service recipient with respect to the operation of a qualified solid waste disposal facility which purports to be a service contract will be treated as a service contract. In order for a facility to be a qualified solid waste disposal facility, the service recipient (or a related entity) must, among other things, bear no significant financial burden if there is nonperformance under the contract or arrangement (other than for reasons beyond the control of the service provider).

As I understand it, under the following circumstances, the service recipient has not borne a significant financial burden under the bill:

The service provider fails to process the amount of solid waste required to be processed under the service contract or to generate the amount of steam or electricity required to be generated under the service contract. However, the service provider must adequately compensate the service recipient for such shortfalls by, for example, paying amounts equal to the energy revenue lost by the service recipient and all costs of disposing of waste incurred by the service recipient, so that the service recipient is in the same economic position as if the facility had performed as designed.

BUFFALO LEASING PROJECT

The conference bill provides an exception from the tax-exempt leasing restrictions for property leased to a tax-exempt entity under conditions one of which is that on or before November 1, 1983, there was "significant official governmental action with respect to the project or its design." It is my understanding that the Federal enabling legislation, which Congress enacted on March 24, 1983, specifically to enable the City of Buffalo to enter a sale-leaseback transaction with respect to the Shea's Buffalo Theatre and Kleinhans Music Hall without affecting prior Federal grants for these facilities, would constitute "significant governmental action with respect to" these projects.

MAC ARTHUR FOUNDATION

Section 307 of the conference agreement amends the divestiture requirement in the case of certain excess business holdings acquired after 1969 through gift or bequest. Current law requires divestiture of such post-1969 gifts or bequests within five years (Code sec. 4943).

Under the conference agreement, the IRS is given discretionary authority to extend that period for an additional five years in cases where the gift or bequest is unusually large or complex, and where the Foundation can show that it made diligent efforts to dispose of the excess holdings during the original five-year period, but that divestiture had not been possible because of the size and complexity or diversity of the holdings. The particular situation that gave rise to this provision involves the John D. and Catherine T. MacArthur Foundation of Chicago, Illinois.

Section 307 of the conference agreement is intended to authorize an additional five-year divestiture period in cases where there has been an unusually large gift or bequest after 1969 of diverse or complex business holdings (as was the case with the MacArthur Foundation), where divestiture in the initial period was not possible because of the size and complexity or diversity of the holdings, and where the IRS also determines that the foundation can reasonably be expected to accomplish divestiture within the extended period.

This provision is meant to apply to any interest in a business enterprise that constitutes an excess business holding subject to divestiture under section 4943(c)(6). In the particular situation involving the MacArthur Foundation, where one or more business enterprises owned by Bankers Life and Casualty Company at the time of the bequest were distributed to the Foundation as part of a plan intended to achieve overall divestiture of all excess business holdings within the required period, such enterprises are to be treated as excess business holdings which are eligible for the five-year additional divestiture period under the Conference Agreement. This treatment would not apply to any business enterprises acquired by purchase after the Foundation received the bequest.

DETROIT RESOURCE RECOVERY PROJECT

I want to clarify the meaning of the words "if there was an inducement resolution or other comparable preliminary approval for the issue before June 19, 1984," which appear in section 631(a)(2)(A) of the bill.

There is a resource recovery project in Detroit which has been actively planned for eight years. The bonds to finance this project are industrial development bonds under the Internal Revenue Code because the energy user and project operator are private companies. Under State law, however, no inducement resolution is required.

However, the City Council has repeatedly approved each preliminary step leading to a resource recovery project financed by tax-exempt bonds. The City has spent $2,000,000 on these project activities with City Council approval.

It may be necessary for the bonds to be issued by a public authority created by Detroit and a neighboring city. On May 21, 1984, the Mayor and City Council of this neighboring city, Highland Park, approved the incorporation of this authority.

Given all the actions taken by the Mayor and City Council of Detroit and the Mayor and City Council of Highland Park, these actions constitute "other comparable preliminary approval" for bonds issued by either Detroit or the authority within the meaning of section 631(a)(2)(A) of H.R. 4170.

CONSOLIDATED RETURNS

Section 60 of the bill redefines "affiliated groups" for all Federal income tax purposes. The bill grants the Treasury broad regulations authority to prescribe anti-abuse regulations. In general, it is not intended that those regulations are to adversely affect transactions which occurred prior to June 22, 1984.

LIKE-KIND EXCHANGES

The Conference Report provides a general rule in Section 1031(a) of the Code that like-kind property may be exchanged without current recognition of income, but new Section 77 provides that exchanges of partnership interest will not qualify as like-kind property, and therefore would be a taxable exchange. The conferees intend that this exception not apply to organizations which have elected out of subchapter K as provided by Section 761(a) and that such organizations would not fall within the partnership exception. Therefore, an organization that had elected under section 761(a) to be excluded from subchapter K would still be subject to the general rule of section 1031(a).

Basically, in a case such as that, there would be an exchange of interests in the assets of the one organization for a share of the assets of the other organization and the applicability of section 1031 would be determined on the basis of those exchanges.

TRANSFERS OUTSIDE THE UNITED STATES

Section 131 of the Bill modifies the taxation of certain transfers of property outside the United states for a period after December 31, 1984. The conferees agreed to a special rule which would presume that transfers of intangibles outside the United states after June 6, 1984 (the date of conference action) but before January 1, 1985, are for tax avoidance purposes, except that the Secretary may waive that presumption. The Statement of Managers clarifies that the Secretary should carefully examine such transfers, but may waive application of the rule under existing ruling guidelines. (For example, the rule does not apply to transfers for which a ruling was obtained prior to June 6, 1984.) If the Secretary issues a favorable ruling after June 6, 1984, ordinarily that will evidence the Secretary's willingness to waive the special rule.

Mr. CONABLE. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Speaker, I rise in support of adoption of the conference report.

Mr. Speaker, I can think of a dozen excuses, especially during this political season, for Members to use in running from this legislation.

But there's one overriding valid reason for mustering our courage to support it: we must—we must—demonstrate to the American people our determination to get our Federal fiscal house in order.

This measure, by itself, won't even come close to doing the complete job. However, it's a long overdue step in the right direction.

It's mind boggling to think in terms of a national debt in the $1½ trillion range. That's what we've got. And it's almost sinful to think about our present situation in which we are spending more each year just for the annual interest on our national debt than we are for all of our federally aided job training and education programs combined. Talk about priorities being out of whack.

On top of all this, we have projected deficits—absent any definitive action on our part to the contrary—that will find us at the end of this decade with a national debt approaching $2½ trillion.

Clearly, something has to be done to reverse this trend. It used to be that talk of deficits, prime interest rates, the national debt and other supposedly esoteric subjects like the interrelationship between fiscal policy and monetary policy was heard only on Wall Street or in oak paneled board rooms. No more.

Now, and I have the evidence to prove it, these subjects are also discussed on Main Street as well as Wall Street.

Invariably, one of the first questions asked at one of my frequent citizen forums—others might call them town meetings—same thing—back home in the real world goes something like this: "When are you people in Washington going to do something about this fiscal mess we're in?"

Today we have an opportunity to provide an answer to that most serious and very meaningful question.

And, we have an opportunity, by casting what can legitimately be described as a "tough" vote, to send a clear signal to all who are concerned and are watching, not just back home, but in the community beyond, here and aboard, that we intend to back up our words with deeds in coming to grips with the aptly described "fiscal mess."

The measure before us is but one piece of the overall puzzle that we are attempting to put together, one that involves an overall—House version—3-year $182 billion deficit reduction program. It is an integral part of the whole.

Through a combination of spending cuts and revenue raisers, we have a change to make a $60 billion-plus contribution to the kitty.

We're doing it, I think, in the proper and prudent way. Perhaps a better way to approach it is by describing what we're not doing. We're not raising individual tax rates. That's good. We're not abandoning income tax indexing, a system under which the big gainer from inflation is Government and the big loser is the taxpayer. Maintaining our commitment to indexing is also good. What we are doing is implementing reforms to our Tax Code and closing many of the loopholes which are being taken advantage of by only the most advantaged in our society. No need to recount them all, they have been more than adequately addressed during this debate.

Another important aspect of what we are about falls under the heading of what I refer to as the "spreading the pain" concept. No one segment of our society is singled out for particularly harsh treatment, yet many segments are being asked to give a little. That's reasonable. That's fair.

The conferees haven't come up with a perfect plan. Far from it. There are a number of provisions, taken by themselves, which probably could not and would not survive an up or down vote. They, too, have been thoroughly discussed here this afternoon. I've got my pet peeves with the overall measure, but upon sober reflection, I'm resisting the temptation to dwell on the individual parts rather than concentrate on the overall package. I guess that's called realism. Or perhaps pragmatism.

We need to be realistic and pragmatic as we get on with the job that needs to be done. And this is just the beginning. Before concluding, Mr. Speaker, I think it very much in order to pay tribute to the leadership of the committee which painstakingly fashioned this compromise measure. They have been superb in advancing the national interest in a truly bipartisan manner.

Particularly do I wish to praise the work and leadership, not just on this measure, but on so many that have preceded it during his very distinguished 20-year career in the House, of the ranking minority member of the Ways and Means Committee, my colleague from New York, Mr. CONABLE.

Sadly for us, but apparently happily for him, Mr. CONABLE will be retiring at the end of this session so this is probably the last tax measure that will have his imprint as a Member of Congress. BARBER CONABLE will be missed.

In this town, in this Chamber, we have often heard the phrase "Let's win one for the Gipper."

Those of us who have paid attention to our departing colleague's offerings on so many controversial subjects over the years know he is fond of referring to Congress as a crisis-driven institution. Well we have a fiscal crisis on our hands. Let's take a couple of steps forward toward a solution by supporting the adoption of this conference report.

Let's win one for the BARBER.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon [Mr. WYDEN].

Mr. WYDEN. Mr. Speaker, I rise in support of the conference report.

Mr. Speaker, I rise in support of the efforts of the conference committee on H.R. 4170. I commend the members of the conference committee, all of whom labored long and hard to strike the delicate balance we have before us now.

Mr. Speaker, we are walking a tightrope. We will only be able to keep from falling by balancing spending cuts and closing tax loopholes that drain the Treasury but do little to increase productivity and jobs. This conference report moves us closer to this balance.

Unfortunately, as we walk this tightrope, we are burdened by the weight of continued unacceptably high Federal deficits—a weight so strong it threatens to snap the tightrope that we are trying so hard to stay on.

I am deeply concerned about the projected string of Federal deficits we face, despite the downpayment we have come up with in this package. Obviously much more needs to be done. We must make the smart and fair spending cuts now and in the future to set ourselves on the road to long-term economic recovery.

I am particularly pleased about several provisions in the tax bill. All Oregon veterans will be happy to know that Veterans' Home Loan Program is saved under the provisions contained in the conference report. I want to express my deep appreciation to my House colleagues on the conference committee who responded to the concerns raised by me and my colleagues in the Oregon delegation. The veterans mortgage bond provisions in the original House bill would have essentially gutted the Oregon Veterans' Home Loan Program, and I am extremely pleased that the House conferees realized the importance of this successful program to Oregon veterans and the State's housing-based economy.

In the area of Medicare, Mr. Speaker, I think we've made a number of constructive reforms. Reforms that protect the health care needs of seniors and reforms that improve the medicare system as well.

H.R. 4170 sets us on our way to finding creative, effective ways of keeping medicare costs down—not by making seniors pay more for fewer services, but by eliminating the waste built into the medicare system.

I am very pleased that three provisions in the bill, the clinical labs, the footcare, and the pacemaker sections incorporate legislation I have introduced earlier in this Congress. These provisions produce almost $1.3 billion in savings, without limiting needed health care services to seniors in any way.

I found that independent labs routinely charge Medicare more for services than they charge to anyone else for the same services. This is clearly wrong. My bill requires that labs not charge Medicare any more than they charge other purchasers. The Congressional Budget Office has estimated that this simple bill would save Medicare almost $1 billion in 4 years.

I also found that some podiatrists charge Medicare for footcare services that they have not performed. This provision of the bill will get this practice under control while still guaranteeing adequate footcare services for seniors. This section would save over $200 million by 1988.

A third provision I introduced to the bill sets limits on surgical fees for pacemaker implantations. Technology has so improved that implantation of a pacemaker is now a very simple and short operation.

Medicare reimbursement for this service reflects the earlier level of technology, however, and is much higher than it should be. This provision asks the Secretary of Health and Human Services to consider appropriate reimbursement reductions in surgeon's fees for this very routine operation and set limits against unnecessary for pacemaker monitoring, while insuring that needed services are not cut in any way. This provision will save Medicare more than $27 million in 1 year.

I believe that the Medicare system has other potential savings like these. Making the system work more efficiently is our principal challenge.

Senior citizens are paying more in out-of-pocket costs today than they did before the medicare program began. The House, in its commitment to save medicare beneficiaries from higher copayments and deductibles, successfully held off attempts to increase beneficiary cost-sharing, such as indexing the part B deductible and delaying Medicare eligibility by 1 month. I am 100 percent behind keeping these cost increases off the backs of already financially burdened seniors.

Mr. Speaker, I think H.R. 4170 puts us in the perfect position to get even more done in the next legislative session and I commend my colleagues for their excellent efforts.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN. I thank the gentleman for yielding me this time.

Mr. Speaker, I will vote for the conference report on H.R. 4170. The bill's many restrictions on tax shelter activity are necessary in and of themselves to try to stem the explosion in tax shelters that followed enactment of the 1981 tax loophole bill. Most important, H.R. 4170 is an important, albeit small, first step toward reducing the bloated long-term Federal budget deficits that "supply-side" economics has created—and H.R. 4170's reforms are a fair way to raise needed revenues without adding to the tax burden on most Americans.

The long-term imbalance between Federal spending and Federal revenues embodied in current policy has created a number of very real problems for our country. Not only do those deficits mean that we are bequeathing a crushing debt burden to our children, but they also mean that real interest rates are far higher than they should be. Those extremely high interest rates in turn threaten the current economic expansion and have led to an extremely high exchange value on the dollar. With our exports overpriced and imports cheap, the result has been record trade deficits—estimated to reach $120 billion this year—and the loss of millions of American jobs.

It is ironic, therefore, that one of the provisions included in H.R. 4170 may exacerbate the harmful impact that the budget deficits are having on our trade imbalance.

Last weekend, as the conference on H.R. 4170 ground to an end, one of the final items agreed to by the conferees was a version of a Senate-passed amendment repealing the 30-percent withholding tax on interest earned by foreigners on U.S. investments. The provision was designed to make it easier for American companies and the U.S. Government to borrow in the so-called Eurobond market, by allowing foreign investors to earn interest free of U.S. tax—and free of any tax, if, as is apparently common, they fail to report the interest income to their home governments.

In approving this change, the conferees apparently did not give careful consideration to the impact it might have on our trade deficit. There was considerable debate over whether repeal should be complete, so that the U.S. Treasury could participate in the foreign tax-free market, or whether the privilege of issuing tax-free Eurobonds should be limited to private corporations. There was some discussion about the potential impact of repeal on the economy of the Netherlands Antilles, a Caribbean tax haven off the coast of Venezuela that has been used by many U.S. corporations to avoid the imposition of the withholding tax under existing law. But the possibility that repeal would lead foreign investors to bid up the exchange value of the dollar—and cost American jobs—was not given adequate attention.

In fact, the dollar has already begun to be bid up in response to the conference action. When financial markets opened on Monday, June 25, the dollar immediately shot up. United Press International, for example, reported in a June 25 release:

> The dollar, propelled by repeal of withholding taxes on foreign investment and a hike in the prime rate, soared to near-record levels today and drove the British pound below $1.35 for the first time in history.
>
> The Canadian dollar also hit a record low. Dealers said repeal of the U.S. withholding tax could depress it further, since many foreigners who invested in Canada to take advantage of high interest rates could switch to U.S. securities on which there will be lower taxes on equally high rates of return.

The Ways and Means Committee never held a markup on repeal of the withholding tax. Had we done so, the question of how such a change could affect our trade balance would surely have been raised. We also would have paid closer attention to whether it is really good policy for the United States to become, in effect, an international tax haven, and on potential tax avoidance problems that many critics say repeal creates.

I, therefore, call on the committee and the Congress to reconsider the withholding tax issue as soon as possible after we have completed action on H.R. 4170. If we have made a serious mistake in repealing the tax, we should correct it before the damage to our trade balance, our economy, and our tax system becomes too severe.

I attach the following statement, from Robert S. McIntyre of Citizens for Tax Justice, which explores these issues at greater length:

STATEMENT OF ROBERT S. MCINTYRE, DIRECTOR, FEDERAL TAX POLICY, CITIZENS FOR TAX JUSTICE, BEFORE THE HOUSE COMMITTEE ON WAYS AND MEANS, CONCERNING THE TAX TREATMENT OF INTEREST PAID TO FOREIGN PERSONS, MAY 1, 1984

I appreciate the opportunity to appear before the Committee today on behalf of Citizens for Tax Justice. Our coalition of national public interest organizations, labor unions, and grassroots citizens groups represents tens of millions of average American taxpayers who have a vital stake in fair, economically sensible tax laws. We are opposed to proposals to repeal, in whole or in part, the U.S. withholding tax on interest paid to foreign lenders. Instead, we urge the Committee to take steps to strengthen the tax.

Over the past few years, we have seen a troubling shift in the U.S. international investment position. Foreigners are now investing far more in the United States than Americans are investing abroad. From the middle of 1982 through the end of 1983, net foreign investment flowed into the United States at an average annual rate of $31 billion—equal to about one percent of our gross national product. In the second half of last year, the net inflow of foreign investment accelerated to an annual rate of more than $50 billion—or 1½ percent of the GNP. It is expected that sometime next year the United States will join most of the world's developing countries as an overall international debtor—the first time we will have been in that situation since before World War I.[1]

This dramatic reversal in the U.S. investment balance from the historical pattern[2] is producing major, and to some degree conflicting, impacts on our economy. On the one hand, the sharp increase in foreign lending to U.S. borrowers has served as a helpful buffer against the harmful effects of the giant federal budget deficits on interest rates and inflation. But the large net inflow of foreign investment funds also has been part of a process that has driven up the exchange rate on the dollar to an unhealthy level. On balance, we believe that the serious damage to the economy that has resulted from the increase in the dollar's exchange rate substantially outweighs any advantages that may also have accompanied the recent surge in foreign investment here.

From 1980 to the end of 1983, the trade-weighted real exchange value of the dollar against major foreign currencies increased by 45 percent. As a direct result, goods produced in America have been made uncompetitive with foreign goods, thereby driving up our imports, reducing our exports, and costing many thousands of Americans their jobs. This problem is reflected in our record merchandise trade deficit, which amounted to $65 billion last year and is expected to reach $110 billion this. Moreover, a longer run consequence of the high exchange value of the dollar has been to give some foreign competitors a beachhead in the American marketplace and to destroy export markets that took American firms many years to develop.

The link between the recent surge of foreign investment into the United States and the high exchange rate on the dollar is a straightforward one. Currently, the foreign exchange market is dominated by investment transactions, not by trade. As the 1983 Economic Report of the President explains: "What the rise of the dollar seems clearly to reflect is a rise not in demand for U.S. goods, but in the demand for U.S. assets. . . . In order to buy U.S. assets, foreigners must first acquire dollars. The increased demand for dollars drives up the exchange rate."[3]

Why are foreigners so keen to buy U.S. assets, that is, to lend money to U.S. borrowers? "The major cause," says the 1984 Economic Report of the President, "is the increase in the U.S. real interest rate. . . . Because U.S. assets now pay a higher expected real rate of return than foreign assets, they have become more attractive to hold."[4]

And why have real U.S. interest rates risen so high? Again, the 1984 Economic Report points to the most significant reason: "a large decline in government saving, i.e., a large increase in the Federal budget deficit."[5] We agree with this analysis, and we continue to emphasize that reducing the long-term federal deficits and getting the government's fiscal house in order is imperative.[6] There is an additional reason, however, why foreign demand for investment dollars is so high. Current U.S. tax law artificially increases the after-tax yield foreigners can earn on U.S. investments by exempting from taxation many types of U.S.-paid interest, notably the interest paid on corporate "Eurobonds" issued through tax-haven finance subsidiaries.

The current federal tax rules governing interest earned by foreign investors on U.S. corporate bonds stem from the 1960s. In an explicit effort to protect the price of gold and to boost the exchange value of the dollar, the United States adopted a policy designed to discourage capital outflows from the United States and to encourage capital inflows into our country. The two-pronged strategy involved an "interest-equalization tax" on interest earned on loans from the United States to foreign borrowers and a tax exemption for interest paid on loans from foreigners into the United States.[7] The key element of the second prong of the policy was an IRS ruling authorizing the use of Netherlands Antilles finance subsidiaries to avoid the U.S. statutory 30 percent withholding tax.

Following the move to floating exchange rates in 1973, the interest-equalization tax was abandoned. But, although the IRS no longer grants favorable rulings on the utilization of Netherlands Antilles finance subsidiaries. American companies have continued to use that now questionable tax-haven strategy to avoid the U.S. withholding tax on their foreign borrowings and the Eurobond market has flourished.

Thus, the very purpose of allowing American companies to sell tax-exempt Eurobonds through Netherlands Antilles finance subsidiaries was to boost the exchange value of the dollar. Whatever the merits of that policy in the 1960s, its clear result today is to damage our trade balance and cost American jobs in import-sensitive and export sectors. We, therefore, believe that Congress should take immediate steps to close this tax-free "window" to the Eurobond market and to curb the artifical incentive for foreign investment in the United States.[8] Certainly, Congress should not want to enact legislation that might further stimulate the unhealthy inflow of foreign capital into the United States, as many of the witnesses today will suggest should be done.

In conjunction with an end to the Netherlands Antilles tax treaty, the Committee may want to consider legislation reducing the statutory withholding rate. We suggest that such a reduction be limited to the Eurobond market, and that the rate be set at a level consistent with the need to curb the current incentive for excessive foreign investment into this country without imposing artificial disincentives. A rate between 10 and 20 percent might be appropriate.[9] We also suggest extending the withholding tax to interest on U.S. bank deposits and other currently exempted short-term investments.

Beyond the economic issues involved here, there are other very important reasons why we favor strengthening rather than repealing the withholding tax on U.S. interest earned by foreigners. First of all, it should be noted that, for most foreign investors in U.S securities, the withholding tax has little or no significance—assuming the investors are not engaged in tax evasion in their home countries. By treaty, U.S. interest is exempt for citizens of Austria, Denmark, Finland, Germany, Greece, Hungary, Iceland, Ireland, the Netherlands, Norway, Poland, Sweden, and the United Kingdom, among other countries. Reciprocal rate reductions under other treaties include a 15 percent rate for Canada and Belgium, a 10 percent rate for France and Japan, and a 5 percent rate for Switzerland. And, even where a withholding tax is due it generally results in an offset against home country income taxes under standard foreign tax credit rules. Thus, to a large degree, outright repeal of the withholding tax would amount to a windfall to foreign governments, particularly Canada, whose citizens pay about 40 percent of the currently collected withholding taxes and a country that has shown great reluctance in negotiating mutual reductions in the withholding rate.

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[1] Footnotes are at the end of article.

To benefit from treaty exemptions or home country foreign tax credits, however, foreign investors, must, directly or indirectly, make their U.S. interest income known to their own country's tax administrators. As a result, the withholding tax is chiefly an issue for foreigners seeking to make investments in the United States without disclosing their income to their home governments. In fact, it is common knowledge that many of these "tax avoiders"—as they are politely but inaccurately known—are common cheats. As the March 1980 issue of Euromoney noted, U.S. banks and investment firms which advocate repeal of the withholding tax hope that repeal will enable them to earn commissions selling bonds to "foreign buyers anxious to shelter themselves from their own tax burdens at home." [10]

Unless the United States imposes a significant tax on investment income earned within its borders—subject to reduction or waiver under treaty and with disclosure to the country of residence—the United States will become a tax haven that foreigners can employ to avoid taxes in their home countries. In effect, simple repeal of the withholding tax would entail replacing one tax haven—the Netherlands Antilles—with another—the United States of America.[11] As a responsible member of the community of nations, the United States should not let itself be used in this fashion.

In addition, fairness requires that foreigners earning income from U.S. sources should not enjoy a tax benefit that is—quite properly—denied to Americans. The United States cannot guarantee that foreigners will pay taxes according to their ability to pay them, as we try to do with regard to our own citizens. But we can at least guarantee that foreign persons pay some reasonable amount of tax on their U.S.-source income.[12]

Finally, the statutory withholding tax plays an important role in our tax treaty negotiation strategy. Our basic treaty policy has three general goals. First, we want to ensure that taxpayers engaged in international transactions pay taxes roughly comparable to the taxes paid by purely domestic taxpayers. Second, we want the revenue collected from taxpayers engaged in international transactions to be shared on some reasonable basis between the country where the income originates and the country where the taxpayer resides. And, third, we want to use the treaty process to obtain information about our own citizens' transactions abroad, so that we can penetrate illegal attempts to shelter income. To achieve these goals, we need the cooperation of foreign tax jurisdictions. Without the leverage provided by our statutory withholding tax, that cooperation will not be forthcoming in many instances.[13]

In conclusion, we believe that repeal of the 30 percent withholding tax, whether completely or in limited fashion, would be a serious mistake. To the extent that repeal would further encourage inflows of foreign capital into the United States, it would increase the exchange rate on the already overvalued dollar, thereby exacerbating an already serious economic problem. Moreover, repeal would turn the United States into a tax haven, a disreputable step that would undermine our ability to get cooperation from other jurisdictions to curtail already existing tax haven abuses.

Proponents of repeal of the withholding tax have brought their case to the Ways and Means Committee before. In 1980, the Committee—wisely, we believe—rebuffed them. This time, we urge the Committee to go further, by directing the Treasury to end the back-door tax-haven route around the withholding tax that is currently being utilized and by setting the withholding rate on Eurobonds at a reasonable level—steps that would both benefit the fairness and integrity of the U.S. tax laws and enhance the vitality of the American economy.

FOOTNOTES

[1] *See* U.S Dept. of Commerce, Bureau of Economic Analysis, *Survey of Current Business* (Jan. 1984), NIPA Tables 1.1 and 1.4; the 1984 *Economic Report of the President*, at 57.

[2] In the 1960-66 period, for example, U.S. net investment abroad averaged $4.2 billion a year—or about $\frac{7}{10}$ of one percent of the GNP. By the 1974-80 period, our net investment situation was still roughly in balance (with a small net capital outflow, averaging .06 percent of the GNP). *See* the 1983 *Economic Report of the President*, at 55; U.S. Dept. of Commerce, Bureau of Economic Analysis, *The National Income and Product Accounts of the United States, 1929-76 Statistical Tables*, Table 4.1 (Sept. 1981).

[3] The 1983 *Economic Report of the President*, at 62.

[4] The 1984 *Economic Report of the President* at 52-53.

[5] *Id.*, at 54.

[6] We enthusiastically support, for example, this Committee's contribution to the "down-payment" on reducing the long-term deficit, in the House-passed tax bill now pending in conference with the Senate.

[7] In addition, rules were established to encourage foreign subsidiaries of American companies to fund their investments overseas with foreign-generated capital and to discourage them from using funds borrowed in the United States.

[8] If increased *direct* foreign aid to the Netherlands Antilles becomes appropriate as a result of ending our treaty with that country, it would be a small price to pay for the benefits to our international trade position from curbing the artificial incentives for foreign investment in the United States that the current treaty creates.

[9] In this regard, it might be noted that the Japanese impose a 20-percent withholding tax on interest earned by foreigners on yen-denominated assets for the explicit purpose of keeping the yen from appreciating to the disadvantage of Japanese exports. In recent negotiations, the Japanese were adamant about keeping the tax in place.

It might also be noted that, in effect, what we are suggesting here is a version of Rep. Barnard's bill, with the critical difference that we would not repeal the tax for Eurobonds, but simply reduce it.

[10] At a 1980 hearing before the Subcommittee on Select Revenue Measures on a proposal to repeal the withholding tax, proponents of the measure made clear that non-disclosure was critical to them. If the tax were ended, but foreign governments were notified of interest payments to their citizens, said one pro-repeal witness, the sought-after foreign investors "simply . . . would not buy the bonds." *Hearings on Minor Tax Bills*, Before the Subcomm. on Select Revenue Measures of the House Comm. on Ways and Means, 96th Cong., 2d Sess. 136 (June 1980). The Subcommittee did not report the measure.

[11] Testifying before the Ways and Means Oversight Subcommittee in 1979, Assistant Attorney General M. Carl Ferguson defined a "tax haven" as "a nation which affords secrecy to investors and permits the accumulation of wealth without any significant tax burden." *Hearings on Off-shore Tax Havens*, Before the Subcomm. on Oversight of the House Comm. on Ways and Means, 96th Cong., 1st Sess. 164 (April 1979). With no withholding tax and no disclosure requirements with regard to interest income earned by foreigners, the United States would come squarely within this definition

[12] Although the provision of the pending Senate tax bill which phases out the withholding tax entirely attempts to restrict the sale of withholding-exempt bonds to bona fide foreigners, it seems likely that American tax evaders would be able to avoid these restrictions and engage in purchases of tax-exempt bearer bonds through foreign nominees in tax havens. The Senate bill may, therefore, increase opportunities for tax evasion by Americans as well as foreigners. (Such a result appears to be far less likely to occur under Rep. Barnard's proposal.)

[13] The Treasury Department, which we are sorry to see supporting repeal of the withholding tax, has frequently testifed about the value of using negotiated reductions in withholding taxes as a bargaining chip in treaty negotiations to obtain better information exchanges with foreign countries, as well as reciprocal reductions in foreign taxes on American citizens. *See. e.g.*, Statement of David Rosenbloom, International Tax Counsel, *Hearings on Off-shore Tax Havens*, Before the Subcomm. on Oversight of the House Comm. on Ways and Means, 98th Cong., 1st Sess. 272, 314-15 (April 1979).

Mr. CONABLE. Mr. Speaker, at the time earlier in the day when the distinguished chairman asked unanimous consent for an additional 20 minutes, it was my understanding that he expected me to yield 10 of those 20 minutes to him, because of the pressure on his time. I agreed to do that, and I now yield those 10 minutes to him.

May I ask how much time I have remaining; is it 9 minutes?

The SPEAKER pro tempore. The gentleman is correct; 9 minutes. With the gentleman's yielding 10 minutes, the gentleman from Illinois [Mr. ROSTENKOWSKI] now has 13 minutes remaining.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. SEIBERLING].

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Mr. SEIBERLING. I thank the gentleman for yielding this time to me.

Mr. Speaker, as I understand it, the House conferees accepted the Senate amendment regarding the special tax credit against Federal estate tax liability on the estates of Nell Redfield and Elizabeth Rabe, both located in Nevada. The credit would apply to the transfer of land in the estates to the U.S. Forest Service for addition to the Toiyabe National Forest. Is that correct?

Mr. ROSTENKOWSKI. Mr. Chairman, if the gentleman will yield. The gentleman is correct.

Mr. SEIBERLING. As chairman of the Subcommittee on Public Lands and National Parks, and as a member of the House Judiciary Committee, I certainly applaud the action of the House conferees in accepting this amendment. The House Judiciary Committee favorably considered and reported separate bills for these purposes last fall and the full House passed the bills on November 1, 1983. The acquisition of these environmentally sensitive lands in this manner would actually constitute a net savings for the Government.

However, in approving this exchange, I think the Congress should indicate its desire that the Forest Service obtain input from the public as to which specific lands in the Redfield estate should be acquired through the transfer, and as to the selection criteria by which certain parcels are given priority. This does not require a formal, lengthy hearing process, and, indeed the time limit in the bill does not allow for that. But an informal, expedited process, such as a workshop or meeting between the Forest Service and interested groups, should take place. I understand that the Forest Service does plan to undertake such an effort, and I believe we should make it clear that such effort is in keeping with congressional intent.

Mr. ROSTENKOWSKI. I agree with the gentleman from Ohio and assure him that those wishes underlie the acceptance of this amendment.

Mr. SEIBERLING. I thank the gentleman.

Mr. CONABLE. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in opposition to the conference report on H.R. 4170, the tax/budget reconciliation bill. While I would be the first to agree that the Federal deficit needs to be reduced, this bill is not the way to do it. In the long run, it will make the Nation's economic situation worse, not better.

A little history helps put this measure into perspective. Back in 1982, there was a big hue and cry about the widening budget deficit, so Congress adopted what was euphemistically called the Tax Equity and Fiscal Responsibility Act [TEFRA]. Among the arguments offered in behalf of the measure was the promise of future spending reductions. In fact, $3 in spending cuts—$280 billion in all—were promised for every $1 in tax increases adopted. But the spending cuts have never materialized; if anything, the basic thrust of the majority party in this House since 1982 has been to repeal the spending reductions contained in the Gramm-Latta budget package of 1981. So now we are being asked to go down the same path again—almost $50 billion in tax increases but less than $13 billion in spending cuts—in order to make a downpayment on the deficit. Once again, the promise of future spending cuts is being held out—but will they ever materialize if they are not tied firmly to the tax increases some of my colleagues seem to want so badly? If history is any guide, the answer has to be "no" and if the answer is "yes," it is obvious that the spending cuts will not come from the area of the budget which is the largest and has had the greatest growth rate in recent years, but from another area—national defense—that is vital to our future as a nation.

More than anything else, this conference report brings to mind the old adage "once burned, twice wary" the sequel to which is the equally old maxim "once burned, the pox on you; twice burned, the pox on me." If the result of TEFRA I was $1.14 in tax increases for every dollar in spending cuts, as it was, what reason is there to believe that TEFRA II, which is what this bill is, will have any different result? In other words, why shouldn't we be wary of this bill? Is it not the responsibility of those who would impose even more in the way of taxes on the American people to make a "good faith" demonstration that the promised spending cuts will really materialize? After the experience of TEFRA I, isn't it incumbent on them to produce the spending cuts, if not before the tax increases are adopted, at least at the same time? I certainly think so, but that is not what this bill does. Instead, as I mentioned before, this bill imposes almost $4 in tax increases for every dollar in spending cuts. More worrisome yet, the measure even adds new spending in some areas—a $270 million CHAP program being the best example—to the extent that Federal spending for medicaid is actually projected to increase as a result of this bill.

Speaking of CHAP, I should also note that adoption of this program as part of this bill effectively denies this House the opportunity to pass judgment on that particular program or to condition its operation. A CHAP bill has never come before the House in this Congress—or in the last Congress even. The last time a CHAP program was adopted by this House was back in 1979 and then the House attached a number of amendments to it, including one intended to assure that it wasn't used to fund abortions except in cases where the life of the mother was endanged. This year, CHAP language was included in the House version of the reconciliation package which, in turn, was governed by a rule that permitted the offering of only a few amendments none of which dealt with CHAP directly. So the House couldn't pass judgment on the merits of CHAP and CHAP alone before this any more than it can pass judgment on CHAP and CHAP alone during the consideration of this conference report. In short, CHAP is being finessed through, the price we have to pay I guess, for the dubious honor of increasing taxes on our constituents in the name of fiscal responsibility. How unfortunate.

Mr. Speaker, let me close with this thought. Never before in our history have tax increases been a cure for our economic woes. Admittedly, they can reduce the deficit so long as we resist the temptation to increase spending still further—a temptation I might add that Congress has had difficulty resisting—but they still represent money taken out of the potential pool of savings and investment on which our economic recovery depends. Individuals and firms who have to pay more taxes will have less to spend on the consumption or production of goods, the consequence of which will be lower sales, less production, and ultimately fewer jobs. Spending cuts, on the other hand, free up money for investment and aquisition, which in turn, increase consumption, production and jobs. In short, what we are doing, in the name of economic recovery, is sowing the seeds for economic decline. Worse yet, there is no good reason—other than a lack of political courage to do what is necessary rather than what is expedient—why we should be going down this path.

Mr. Speaker, as the appropriations bills continue to come up, I will be offering amendments designed to deliver the kinds of spending cuts we should be adopting instead of the tax increases called for in H.R. 4170. I urge my colleagues to support them instead of this bill.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2½ minutes to the gentleman from Louisiana [Mr. BREAUX].

Mr. BREAUX. I thank the gentleman for yielding this time to me.

Mr. Speaker, I want to say that this tax bill has some good news for the sportsmen of America, and I want to personally thank the chairman of the full Committee on Ways and Means, the gentleman from Illinois [Mr. ROSTENKOWSKI], and the members of the minority for all of the work that they did on being able to adopt in this legislation for the first time something that we in the House have been working on for about 6 years.

Mr. Speaker, I rise in support of the conference report and to speak to a section of this bill which will mean a great deal to the approximately 54 million Americans who take at least some time each year to go fishing. The provisions of H.R. 2163, the Boating Safety and Sport Fish Restoration Act, which passed the House unanimously in the last session, have been incorporated into this legislation.

These provisions are based squarely on the equitable concept that persons paying a "user tax" derive some benefit from the tax they are paying. Recreational boaters and fishermen pay two such taxes. Fishermen, when they purchase rods and reels and certain other fishing tackle items, are paying extra because of a 10-percent excise tax placed on some fishing tackle items at the manufacturers' level. The proceeds of this tax go to the State natural resource agencies for projects to improve recreational fishing. This program, known as Dingell-Johnson or D-J after its original cosponsors, has been the cornerstone of State recreational fishing programs for almost 30 years. Its only problem is that the receipts from the excise tax have failed to keep up with the increased pressure on fishery resources and the increased needs of State fishery agencies.

Recreational boaters, including fishermen who use power boats, pay another user tax for which they receive very little benefit. This is the 9 cents a gallon tax on gas that everyone pays. When we raised the gas tax from 4 cents to 9 cents in 1982, all of us in Congress were very careful not to label the increase a new tax, but a "user fee" that would provide direct benefits in the form of better roads and other benefits to people paying the tax. However, the people paying the tax on gas for their recreational boats were not getting much of a benefit. Theoretically, that portion of the gas tax attributable to motorboat fuels is fixed by the Secretary of the Treasury and placed into two funds; the boating fund and the land and water conservation fund. However, both the boating fund and the land and water conservation fund have received only token appropriations. Of the $45 million authorized annually for the boating fund, only $5 million has even been appropriated. The land and water conservation fund receives funds from other sources, such as OCS revenues. While the appropriations under the land and water conservation fund have been higher, they have rarely been for projects that provided any benefit for recreational boaters.

This legislation will rectify this situation. It will establish a special fund, known as the Wallop-Breaux fund. It will direct the proceeds from the motorboat fuels tax into the programs that most benefit fishermen and recreational boaters. It would leave the boating fund intact; up to $45 million could be used for State boating safety programs. In addition, $1 million will be placed in the land and water conservation fund. Any amount that is not appropriated for these purposes would go to the Sport Fish Restoration Program. This would ensure that all of the motorboat fuels tax is used for purposes that benefit boaters and fishermen.

This legislation will also expand the current tax on fishing tackle to include virtually all fishing tackle items. It makes no sense to require people who make fishing rods to pay a tax but not to require fish hook manufacturers to pay the same tax.

Money going to the program will be allocated among the States under the same formula under which current funds are allocated; that is, based on the number of paid fishing licenses sold and the area of the State. In addition, we have made a number of changes in the legislation to insure that, in coastal States, new funds will be divided equitably between fresh- and salt-water projects and that at least 10 percent of the D-J money will be used to provide for access projects that will benefit motorboat users.

Mr. Speaker, the sport fish restoration legislation is something we have been working on for almost 6 years and something a number of sport fishing groups have been working on for an even longer period of time. I believe it will do much to improve the quality of sport fishing in this country. I want to inform the Fish and Wildlife Service, which will administer the expanded program, and the State fisheries agencies that will benefit from the program that we will continue to monitor the program carefully. The additional funds are to be used to expand sport fishery programs and not as a substitute for State funds currently going to those programs.

There are a number of people who should be commended for their work on this legislation on behalf of boaters and sport fishermen. They are really too numerous to mention here but they know who they are and they should be proud of the passage of this legislation. One person, however, deserves special recognition for his long-term efforts. That person is Carl Sullivan, director of the American Fisheries Society, who chaired the sport fisheries coordinating committee and was the constant champion of this legislation over the years.

Mr. Speaker, I would like to thank Chairman ROSTENKOWSKI and the members of the Ways and Means Committee for their efforts on behalf of this legislation. They have been supportive all of the way and have helped us to perfect this legislation. I would also like to commend the chairman for the work of his staff and that of the Joint Tax Committee, in particular Janice Mays and Ben Hartley. They have not only been competent, but also unfailingly courteous during some very difficult times.

Mr. Speaker, the boating safety and sport fish restoration section of this legislation is complex but it accomplishes two simple and worthwhile goals: Returning the benefits of a user tax to the users and improving the quality of fishing and boating in this country. As such, it represents good fishing, good boating and good public policy.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. MRAZEK].

Mr. MRAZEK. I thank the gentleman for yielding this time to me.

Mr. Speaker, I would like to commend the chairman of the House Committee on Ways and Means, who has labored long and hard to fashion an agreement which is obviously very complicated and very controversial in trying to close the deficit in as fair a manner as possible.

I would further like to support the specific language in section 644 which allows a troubled utility on Long Island, the Long Island Lighting Co., to refinance some of its debt obligations using industrial development bonds. However, this troubled utility currently owes $52 million in property taxes to the county of Suffolk, which is a matter of major concern to the taxpayers in Suffolk County. I would strongly urge that no benefit under this act be advanced to Lilco to refinance its debt unless and until they are current in all taxes owed to State and local municipalities.

I thank the gentleman.

Mr. FRENZEL. Mr. Speaker, I yield 5 minutes to the distinguished minority leader, the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. I thank the gentleman for yielding this time to me.

Mr. Speaker, may I begin certainly by commending members on both sides of the aisle on the Committee on Ways and Means for the long hours they put in on this package. As Members will recall, it was one leg of a three-legged stool, so to speak, on deficit reduction, and all of the Members have contributed in fine fashion.

Mr. Speaker, I guess something or nothing, by way of deficit reduction, is the big question before us today.

Just last week, Mr. Speaker, we had an immigration bill on the floor which passed by a very narrow margin. It passed by a narrow margin because many Members had problems with individual provisions of the bill, but there was recognition of the fact that reform was needed and could not be put off any longer.

I think we have somewhat of a similar kind of situation here today. In the last several days, I have had many conversations with my colleagues about this conference report. They have expressed their frustrations, their misgivings, and even their anxiety. I can appreciate those feelings because I feel some of them myself.

But I have weighed the arguments pro and con. I have heard the debate, practically all of it, and some on the side. I think I have a pretty good feel for the politics of the situation.

I suppose if you asked any Member they could say there is just about as much wrong with this bill as there is right about it, but like the bill we had up on the floor last week, there remains one compelling reason to support it.

The question was, it is, and it remains, not so much what happens if we adopt this report, but what happens if we don't adopt it?

We have a set of economic conditions today, I think, that defy common sense. We have an economy growing at a sturdy and stable rate. We are creating more jobs in weeks and months than our counterparts across the ocean are creating in years. There is no inflation to speak of.

We can look into the future and see prosperity—real prosperity—not the kind we used to fabricate with misguided and almost tragic fiscal policies.

The problem is nobody believes it. Too few in the financial markets, in the press, in government, and over at the Federal Reserve are willing to stick their necks out and gamble that what you see is what you're going to keep getting

I am not pessimistic about the future of this country. But I don't make those all-important decisions that some people do.

Those who influence interest rates and those who have it in their grasp to direct the economy of this country seem to see it some other way.

What I have to be today is a realist.

What I know is that if we don't take steps to make a downpayment on the deficit we will be contributing to that negative psychology out there, define it as you will. We will be defeating our own purpose.

Our personal beliefs about the future of the economy and our commitments to a course of action patterned after those beliefs dont' carry a lot of weight today.

Today we must do what the political and economic facts of life dictate. We have no alternative, in my judgment, but to enact this conference report today. There is no right or wrong about it and I would urge Members to support the good work of the conferees.

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Mr. CONABLE. Mr. Speaker, may I inquire, how much time remains for me?

The SPEAKER pro tempore. The gentleman from New York [Mr. CONABLE] has 6½ minutes remaining.

Mr. CONABLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I take this time for the purpose of entering into a colloquy with the chairman of the committee.

There is one matter that remains to be cleared up, and I believe it is a matter of concern to this body. It has to do with the imputing of interest to the self-financing sellers of real property, particularly residences. There is a provision in the bill that has caused considerable concern to the realtors and the homebuilders. My understanding is that an arrangement has been made whereby, following the passage of this measure, we will have the usual concurrent resolution for the purpose of clearing up technical corrections.

My understanding also is that at that time, for clarification purposes, this general rule will be stated with respect to principal residences or farms. In such cases, the seller who self-finances will not be subject to the section 483 required interest rate if the sale specifies an interest rate of 90 percent of the applicable Treasury note rate. If the stated rate of interest is below the safe harbor, then the imputed interest rate will be 100 percent of the Treasury note rate applicable, depending on whether it is a long-term or a short-term obligation. The rule would apply to the first $250,000 of the principal amount of a debt instrument, which would include both notes and mortgages.

My understanding is that the realtors have accepted this as dealing with the problem about which they were considerably concerned. It does bring us back very close to the present law which does involve some imputation of interest, but nowhere near as onerous as that that would have been imposed by the bill as originally drawn.

Mr. ROSTENKOWSKI. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the chairman of the committee.

Mr. ROSTENKOWSKI. Mr. Speaker, the gentleman is correct. I have a communication from the realtors that states that the association will not oppose the conference report should this language be adopted.

Mr. CONABLE. This will be taken care of, then. Is it the understanding of the chairman of the committee and myself that it will be included in the concurrent resolution which will be used for clarifying and technical correction purposes immediately following passage?

Mr. ROSTENKOWSKI. The gentleman is correct.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, it is my understanding that the realtors were also a little bit unhappy about the accelerated depreciation allowance.

Mr. CONABLE. Yes, they are.

Mr. WYLIE. And that goes from 15 years to 18 years?

Mr. CONABLE. Yes, that is correct.

Mr. WYLIE. I have been asked the question how I could justifiably vote for this in view of that and in view of the fact that the excise tax on cigarettes is allowed to fall from 16 cents a pack to 8 cents a pack.

Mr. CONABLE. Not until September 1985, however.

Mr. WYLIE. I understand that, but at that time if it is not increased to 16 cents, it could be a reduction of about $1 billion a year.

Mr. CONABLE. That is correct.

Mr. WYLIE. And there is no increase in the tax on beer and wine.

Mr. CONABLE. Not on beer and wine, but on spiritous liquor. It is raised by $2 a gallon.

Mr. WYLIE. But if we had allowed the excise tax on cigarettes to remain and allowed for an increase in the tax on beer and wine, we probably could have taken care of the realtors at a time when they really need some help.

Mr. CONABLE. Yes, and I am sure there are a lot of other wonderful things we could have done as well.

Mr. WYLIE. All right.

Mr. CONABLE. As the gentleman knows, I was originally in favor of a 10-5-3 accelerated depreciation bill.

Mr. WYLIE. I know that.

Mr. CONABLE. We went to 15-5-3 in 1981, and I regret that we are now backing off to 18. However, it is considerably better than the Senate version of the bill, which was 20-19-18 over the next 3 years and also eroded the preservation tax credit which is of considerable interest to the Northeast and other places where used buildings are being rehabilitated.

So, Mr. Speaker, I must acknowledge that while it is not what we would have liked, we did have to compromise, and we finally settled at the 18-year level.

Mr. WYLIE. Mr. Speaker, I thank the gentleman for yielding to me for a question and giving me the opportunity to express my concern.

Mr. CONABLE. Mr. Speaker, I do believe the greatest concern of the realtors has been the imputed interest provisions as drawn in the bill, and these will be corrected, as indicated in the colloquy between the chairman of the committee and myself, at the time of the concurrent resolution.

Mr. BOEHLERT. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Speaker, for those of us who have not had the Berlitz course, the total immersion course, in tax language, could the gentleman give us a specific example of how the imputed interest rate will now work? I'm particularly concerned about the individual home and family farm sale.

Mr. CONABLE. Mr. Speaker, I will do that if I have time. Obviously I have a limited amount left.

This is how it happens: If there is a sale of a small residence or farm, frequently to bring about the conclusion of the sale, the seller will say, "Well, I will give you a second mortgage of $20,000 at 6 percent." In fact, that would require under the existing law a restatement of exactly what his capital gain is, simply because he is converting a portion of his sales price into a low interest rate for the seller. It is an inducement, but it also can become a tax avoidance scheme for him because it converts ordinary income into long-term capital gain in effect by giving the low interest rate rather than charging the full price for the farm or the house.

Mr. BOEHLERT. And this also applies to farms? It applies to principal residences and farms?

Mr. CONABLE. Yes. Principal residences and farms will now have a cap of $250,000 below which the more lenient imputation of interest rates will apply.

Mr. BOEHLERT. Mr. Speaker, I thank the gentleman for the clarification.

Mr. MOORE. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Louisiana.

Mr. MOORE. Mr. Speaker, I thank the gentleman for yielding.

A moment ago the gentleman from Ohio [Mr. WYLIE] was asking the distinguished ranking minority member about the 18-year ACRS period. I think none of us like that. But let us think back for a moment, before the gentleman's work in 1981, to where the rule was 40 years depreciation on the average.

Mr. CONABLE. Yes, that is what it was, 40 years.

Mr. MOORE. It was 40 years until we changed it in 1981 to 15 years.

Mr. CONABLE. Mr. Speaker, I thank the gentleman for pointing that out. It does represent a remarkable improvement over the years.

The SPEAKER pro tempore. All time of the gentleman from New York [Mr. CONABLE] has expired.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. SIMON].

Mr. SIMON. Mr. Speaker, I rise today in support of the conference report of the Deficit Reduction Act. I am voting for the bill because the security of the Nation in the future hinges on our ability to control runaway deficits.

Already, real interest rates are reaching record levels because of the deficits, depriving young Americans of the ability to buy homes, pushing farmers and small business owners to the brink of bankruptcy.

The deficits also have caused the overvaluing of the dollar on foreign markets, allowing foreign manufacturers to undercut American products which has cost States like Illinois, hundreds of thousands of jobs.

This is just a small step toward solving the deficit crisis. As I and others have warned repeatedly, we owe it to our children who will pay for our extravagance to do much more. We are engaged in intergenerational theft.

But my feelings are mixed in casting this vote today. There remain critical questions of equity in the Tax Code that we have yet to address and must address as we continue to confront reducing Federal deficits.

It is clear that there are many positive provisions in this bill, including some that begin to reverse the administration's ill conceived tax relief program for the rich. What troubles me, however, is that we are asking senior citizens to pay more for their health care today while at the same time we are knuckling under to the tobacco lobby by eliminating some taxes on their products, which pose a national health hazard. That is a shame.

But I recognize that compromise is part of the process. I commend my colleague from Illinois [Mr. ROSTENKOWSKI] and the conferees for working out a package that does reduce the deficit.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. NELSON].

Mr. NELSON of Florida. Mr. Speaker, I rise today in support of the conference report on H.R. 4170, a deficit reduction package.

This conference agreement represents a start to reduce the spiraling Federal Government deficits our Nation faces. By combining tax and spending provisions, this package is a first step in putting our fiscal house in order.

My constituents in Florida, as well as citizens across the country, are calling for substantive action to reduce the Federal budget deficit. I believe approving this measure is an important step in the right direction.

As a conferee on H.R. 4170, I encourage my colleagues to support this package.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. OTTINGER].

Mr. OTTINGER. Mr. Speaker, I rise in strong opposition to the conference report on H.R. 4170, the Tax Reform and Deficit Reduction Act of 1984, and I urge its defeat because of the number of special interest giveaways that it includes and the failure to observe the expression of support by the majority of the House for solar and conservation tax credits.

Mr. Speaker, I am distressed by what our representatives in the tax conference have presented to this body for approval. It is being touted as a downpayment on the budget, but from all I can tell it appears to be a mortgage on the backs of lower- and middle-class taxpayers to assure continued tax breaks to special interests.

Let me give you some examples of what I mean:

High income speculators and their brokers are helped by the provision to cut the period for long-term capital gains from 1 year to 6 months.

The cigarette industry is helped by a reduction in the Federal tax on cigarettes.

The trucking industry, which is tearing up our roads faster than we can repair and rebuild them, is helped by tax reductions on heavy trucks.

The insurance industry is given multimillion dollars of special treatment.

The Nation's biggest corporations are given tax breaks to shelter profits made through sales abroad, yet, ironically, the conferees repealed the 30-percent withholding tax on interest payments to foreign investors which overnight made the value of the dollar rise, thereby making our goods more expensive overseas.

A few extraordinarily wealthy families, such as the Hunts of Texas, that own businesses through holding companies are given the same estate tax payment flexibility as ongoing businesses that are passed on to heirs that directly own and operate the business.

It is vital we stop this kind of practice giving over billions of dollars to those who need it least tacked onto a so-called tax reform measure.

Mr. Speaker, as if these special interest giveaways were not enough, our representatives on the conference apparently were not satisfied to set tax policy, they also took it upon themselves to set energy policy as well. I find these provisions most distressing.

For the past 4 years, as chairman of the Energy Conservation and Power Subcommittee, I have worked with my colleagues in this body to counter the Reagan administration's systematic attempt to disrupt and undermine the balanced energy policies crafted by Congress in the last decade.

We have had some notable successes. Year after year Congress has rejected Reagan budget proposals to virtually eliminate many worthwhile and cost-effective solar energy, energy conservation and fossil energy programs. Just this year the administration again proposed a budget that would have cut solar programs by 75 percent from when Reagan took office. It also would have cut conservation programs by 50 percent and fossil programs by 82 percent from fiscal year 1982. At the same time nuclear programs have remained at roughly the same levels with the exception of the administration-backed Clinch River breeder reactor which the Senate terminated last year.

In the past, the administration has tried to eliminate the low-income weatherization program, the residential conservation program, the solar and conservation bank and many other important energy programs, but Congress beat back these efforts. Yet after all of these years of establishing a balanced energy policy, our representatives on the conference decided to unbalance an already skewed Tax Code by granting tax favors to the nuclear industry and denying tax benefits to renewable energy and energy conservation projects. They did this without hearings on the impact of their actions and without the benefit of the years of analysis and research that this committee and others with energy jurisdiction have put into energy policy decisions.

Our Representatives were well aware of the language that had been inserted last week into the Democratic policy platform that stated "The Democratic Party supports extension of the existing tax credits for business and residential conservation and energy use, and expansion of those tax credits to include incorporation of passive solar design in new housing." They were also well aware of the platform language that stated "The Democratic Party strongly opposes the Reagan administration's policy of aggressively promoting and further subsidizing nuclear power." Nonetheless, the actions they took run counter to these platform planks.

They also received numerous letters from myself and other energy policymakers. They received hundreds of letters and telegrams from renewable energy entrepreneurs and 237 Members of the House sponsored a resolution by Congressman FAZIO to accept Senate language to extend the solar energy tax credits. Still, tax benefits for solar energy and conservation were rejected and tax breaks for nuclear power were approved.

Let me deal with the important solar energy tax credits first. The Senate passed an extension of the residential credits through 1987 and the business tax credits through 1988 for solar energy that expire at the end of 1985. The cost of extending these credits for the period covered by H.R. 4170 would amount to $455 million for residential credits and $238 million for the business credits. This is about the same revenue loss that would occur under the 6-month, long-term capital gains tax break for high-income speculators. It is nothing when compared to the total estimated tax break to the nuclear industry of what some experts estimate may be as much as $30 billion annually.

By denying the extension of these credits, we put the fledgling renewable energy industry in jeopardy. These tax credits are vital to the renewable energy industry as it gets established and tries to compete against heavily subsidized conventional energy resources. Without the tax credits, we risk losing not only our technological lead in the renewable energy field, but also lucrative future world markets for these technologies.

Foreign nations, like Japan and Germany, subsidize and finance just about any renewable energy project and this aggressive competition has already begun to take its toll on our domestic industry. For instance, the U.S. market share of world photovoltaic sales has dropped by 20 percent since 1980, according to the Solar Energy Industries Association. In 1980, the United States controlled 70 percent of the market. Today it is 50 percent.

Reagan administration-promoted cuts to photovoltaic R&D has reduced spending by approximately 70 percent since 1981; however, the Japanese Government R&D budget for photovoltaics has quintupled between 1980 and 1982. Foreign competitor nations often provide liberal financing through export subsidies and mixed financing packages which gives their products an edge over ours. Germany, for example, jointly develops and tests photovoltaic power systems, with developing countries, including Egypt, Argentina, Brazil, China, Indonesia, and the Philippines. Often donations of equipment by countries such as Germany lead to future sales.

Our failure to match foreign financing packages has led to rapid consolidation of solar firms. Now with the prospect of extending the tax credits past 1985 all but wiped out, the industry is going to face an even more difficult future. At the Renewable Energy Technologies Symposium held earlier this month, one industry expert predicted that if the tax credits expire at the end of next year, a majority of the Nation's 200 solar collector manufacturers will go under.

The bill also makes changes that will chill efforts to save energy in public buildings and other tax-exempt entities. In the process, it creates yet another unjustified bias in favor of energy production versus energy conservation.

This arises out of changes made in the rules for determining whether a transaction involving a tax-exempt building or facility should be treated as a service contract or a lease. The investment tax credit and other Federal tax benefits available to investors in service contracts would be denied if the transaction is treated as a lease.

Many of the most innovative and productive methods of achieving cost-effective energy conservation were being developed through these service contracts. For example, under current law, capital can be raised from third-party investors for energy management systems to serve tax-exempt facilities like municipal buildings or nonprofit hospitals. The contractor keeps ownership of and maintains the equipment. This type of transaction has made energy conservation investment possible in public buildings where, in the past, budget constraints had prevented such investment regardless of their cost effectiveness.

But under the bill, such transactions will be subject to much stricter rules regarding service contracts, removing most if not all of the tax advantages that attract third-party investors to this activity in the first place. Energy production, meanwhile, is subject to a less restrictive set of rules.

Clearly, it is wrong to increase further the extreme disparity between incentives for energy conservation versus energy production. It is worse to do it in an area where private investors are finally showing interest in conservation technologies to control the energy budgets of our schools, hospitals, and cities.

The conferees had the opportunity to put the solar and conservation industry on a solid footing by giving it the stability it needs through the end of this decade. They choose to give the breaks to the utility and nuclear industry instead.

The Senate tax bill would have repealed the utility dividends reinvestment scam which allows shareholders to reinvest up to $750 worth of dividends without any tax bite until the newly issued shares are sold. This raises more than $3 billion for the electric utility industry each year and encourages them to build new large powerplants—exactly the wrong incentive at a time when investments ought to be made in cost-effective alternative energy resources.

The two provisions which are the most offensive unfairly benefit two New York nuclear power projects. These come under sections 629 and 644.

Section 629, an amendment offered by Senator MOYNIHAN to the Senate tax bill, would redefine New York investor-owned utilities to be "exempt persons" under section 103(b)(3) of the Internal Revenue Code. Currently such utilities are "nonexempt persons." This would allow the New York Power Authority to issue tax-exempt bonds to finance construction projects, the output of which will be sold to the private utilities, relieving the utilities from the burden of going into the marketplace to finance new generation facilities through traditional methods, including taxable bonds.

These bonds would be subject to the cap on the amount of industrial revenue bonds which a State can issue and are otherwise limited to a total of $625 million. Since these bonds are subject to the industrial development bond cap, there is no independent estimate of the cost to the Treasury.

The Power Authority is currently prohibited by State law from issuing taxable bonds, and Federal law requires bonds to be taxed if more than 25 percent of the power from the project is sold to nonexempt persons such as private utilities. Therefore, the Power Authority is currently prohibited from acting as a financing agency for New York's private utilities.

Section 644, offered by Senator D'AMATO, authorizes the issuance of tax-exempt industrial development bonds on behalf of the Long Island Lighting Co. [LILCO]. LILCO is the hapless owner of one of the most expensive nuclear powerplants in the world. This plant may never become operational due to a dispute with the State and county regarding the ability to evacuate Long Island in the event of an accident. State or county approvals are required to issue these bonds.

If the LILCO bonds are issued, the conference report allows the State to, in essence, borrow against future years, to avoid the cap on the amount of IDB's which can be issued. In this manner, the report authorizes a maximum of $6.25 billion of IDB's so long as these bonds are issued during 1984. This amount is sufficient to completely refinance the plant with tax-exempt financing, assuming buyers could be found. Tax analysts have estimated that if $4 billion of bonds were issued, the cost to the Treasury would be $500 million.

As the report of the Ways and Means Committee accompanying its original action on H.R. 4170 points out, there are four good reasons to resist expanding the use of tax-exempt financing for private corporate purposes as is done by the two provisions I have mentioned. In summary, these reasons for not providing this authority are: Increased revenue loss by increasing the use of tax-exempt IDB's; economic inefficiency of this form of subsidy since the major portion of the benefits flow to the investor; inflated tax-exempt interest rates because of the competition for scarce capital, thereby increasing the cost of State and local borrowing for traditional public purposes; and economically inefficient investment since the availability of tax-exempt financing tends to encourage investment regardless of its merit.

Although the committee conferees did not follow their own advice, the advice remains accurate and is applicable to both of these provisions. In addition, since these bonds would fall under caps placed on the State's bonding authority, they would compete for financing for more worthwhile projects, such as urban development. Why should the taxpayer subsidize the financing of nuclear white elephants when a new downtown development that would breathe life into the city is edged out because the State has reached its bonding cap? It doesn't make sense.

Finally, aside from the merits of the two provisions, New York is not the only State with difficult financial problems caused by nuclear plant construction. Congress has already been requested and has refused to provide financial help to the Three Mile Island nuclear plant, to the Washington Public Power Supply System and to guarantee private investment in the Clinch River breeder reactor. At least four other utilities are similarly overwhelmed by the costs of nuclear power plant construction. Federal assistance to an individual utility in one State, on an ad hoc basis, without hearings to probe the costs and effects of this assistance is unjustified in view of the vast sums of money involved and the failure to provide for other utilities or States similarly situated.

Although other utilities in other States are in a similar financial situation as the New York utilities, they could not benefit from either section 629 or 644. This can only result in the other States lining up in the future for their share of Federal munificence. Both sections were adopted by the Senate in the absence of public hearings on the effect and equity of each provision. These provisions raise many more questions than they answer, and would fundamentally alter the complexion of the tax-exempt bond market. These effects need to be thoroughly explored and should have been rejected by the House conferees.

I intend to pursue answers to these and other questions in hearings I have scheduled when Congress returns in late July.

Mr. Speaker, in summary, I urge my colleagues to defeat the conference report. Send the tax bill back to conference so that those energy provisions which promote uneconomic energy resource investment can be removed and those provisions which encourage productive and cost-effective investments in renewable energy and energy conservation can be restored and to send a message once and for all to the Ways and Means Committee that the House will not stand for including special interest giveaways in each tax bill claiming to accomplish tax reform.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia [Mr. ROWLAND].

Mr. ROWLAND. Mr. Speaker, I rise in support of the conference report.

Mr. Speaker, while I certainly commend Members of this House who were involved in the extraordinary effort of working out a deficit-reduction package, I am concerned over a change that was made during the last stages of the conference on H.R. 4170.

This section which I am speaking of involves the higher interest rate that would be imputed by the IRS on someone who sells a home or farm and holds the mortgage at a rate less than 110 percent of the current Treasury bill rate. My involvement with real estate has been fairly limited, but I know enough to see that this section would severely restrain home or farm owners who find it necessary to sell them in this fashion.

My understanding is that if this provision is retained, a seller who holds a mortgage for a rate lower than that specified in the bill would be taxed on the higher interest rate computed by the IRS based on this formula.

Knowing of these effects of the imputed interest provisions, I am especially pleased to learn that the conferees have agreed to make necessary technical corrections in the conference report so that a burden of this magnitude is not placed on sellers who are financing their own home or farm sales. This method of financing has been essential during periods of high interest rates. With the stage being set for escalating interests rates in light of the increases in each of the last 4 months, we certainly do not need to make it even more difficult for the American people to buy and sell homes or farms.

Thank you.

● Mr. GREEN. Mr. Speaker, I rise in support of H.R. 4170, the Deficit Reduction Act, and I commend the Ways and Means Committee and the committee chairman for all their hard work on achieving a fiscally responsible package of cost savings. I do wish, however, to voice my serious concerns regarding some of the cost-savings provisions, namely the Medicare cuts. One of the most particularly objectionable provisions is the increase in the medicare part B premium for seniors. Roughly one-fifth of the spending reductions would come from measures directly affecting the beneficiary—primarily from the above mentioned premium increase.

The part B premium increase is not a simple extension of current law. The law, which sets the premium at 25-percent of program costs was to revert after 3 years to the previous premium schedule under which the rate of increase would be lower. By further extending the 25-percent program cost provision, we are in effect breaking our earlier agreement under the Tax Equity and Fiscal Responsibility Act of 1982 [TEFRA]. I find this provision extremely unpalatable when I note the conference committee's action on a comparable provision concerning the tax levied on cigarettes. Yesterday, the conference committee receded to a Senate amendment which required the tax on cigarettes to decline by one-half as was scheduled under TEFRA. The conference committee has agreed to follow TEFRA's mandate with regard to cigarette taxation and yet has chosen to ignore a similar mandate concerning Medicare. I find this situation incongruous; that we would assure reduced cigarette taxation and at the same time penalize our Medicare beneficiaries.

As we all know, the health care cost containment issue is a monumental issue which is going to be before us throughout the next few Congresses. We must learn to deal with this controversial and painful problem of controlling costs in a more equitable manner. We cannot continue to insure cost savings at the expense of the beneficiary.

Nevertheless, I must rise in support of H.R. 4170 as it constitutes an overall equitable package of savings upon which there must be either an up or down vote. Like the Social Security Amendments of last spring, this bill represents a bipartisan compromise package which must be approved as a whole. Although I do reserve objection on some of the Medicare provisions, my objections do not justify a "no" vote on the entire package. The tax bill, as approved by the conference committee, makes an honest attempt to address the pressing deficit concerns before us. As such, it has been supported by the State of New York and the American Association for Retired Persons.●

● Mr. BEDELL. Mr. Speaker, today I intend to support final passage of the conference report on H.R. 4170, the Deficit Reduction Act of 1984. I intend to do so because of the imperative need to reduce the massive deficits now facing us, and in spite of the misgivings I have about several provisions contained in the legislation.

Tax bills, perhaps more than most other measures, are known for being mixed bags containing both good and bad. Certainly this bill is no exception. Certain of its provisions relating to medicare, depreciation of real property, concessions to large corporations, and a few others, are not what I would have included in the measure. And if we had the opportunity to vote separately on these items, I would oppose them. However, we do not have that opportunity today.

The conference report, on balance, is acceptable because it includes some closing of loopholes, some tax reform, essential increases in tax revenue, and reductions in spending.

I believe it is important to point out that this measure is part I of our major effort this year to reduce our unprecedented Federal deficits. Part II, the budget reconciliation legislation still in conference, will provide well over $100 billion in additional spending reductions over the next 3 years, and it, hopefully, will come before the House for final approval yet this week.

The conference agreement before us today, in addition to its tax increases, includes cuts in medicare spending expected to total $6.7 billion over the period fiscal year 1984 through fiscal year 1987. These cuts in Medicare spending affect all groups involved in Medicare: Beneficiaries, hospitals, and physicians. I must say that I have reservations about many of these provisions, because we already made some very difficult changes in the Medicare Program in 1982 and 1983.

However, with regard to medicare we are facing two overwhelming facts about the future of the program. First, the spiraling cost of health care threatens the survival of the entire health care system nationwide. Second, the Medicare system itself may confront bankruptcy in the next 15 years unless savings are found.

Mr. Speaker, we must begin today to take the action necessary to curb runaway Federal deficits. If we do not act, then the American people will lose any remaining faith they have in our ability to come to grips with the deficit crisis. Furthermore, the farmers, small business people, home owners, and others who are bearing the burden of intolerable interest rates will continue to suffer crippling borrowing costs. We must begin to relieve this pressure through adoption of deficit reduction steps.●

● Mr. ANDERSON. Mr. Speaker, I rise in opposition to the increase in Medicare part B premiums provided for in H.R. 4170, the Deficit Reduction Act of 1984. Let no one be mistaken, reducing the Reagan administration's record budget deficits is one of my most important goals as a legislator; but balancing the budget on the backs of older Americans is a heartless way to go about it.

Our senior citizens are the innocent victims of years of unacceptably high rates of health care cost inflation. Over the past 5 years, medicare beneficiaries' out-of-pocket costs have increased 200 percent, according to the American Association of Retired Persons. Rising health care costs continue to cut deeply into the fixed incomes of senior citizens, substantially lowering their quality of life.

The conference agreement on H.R. 4170 unfortunately extends for 2 additional years a requirement that premiums for Medicare part B, a program providing coverage for physicians' services, be set at a rate that will provide 25 percent of program costs. This provision was established in 1982 with enactment of the Tax Equity and Fiscal Responsibility Act [TEFRA], which I opposed. Requiring that premiums provide at least 25 percent of program costs is wrong and unfair, because such a stipulation does not take into consideration whether or not increases in part B premiums occur at a faster rate than increases in Social Security benefits.

I am pleased that the bill now before us will reduce patient costs for some lab services and attempts to freeze medicare reimbursements to physicians and the fees they in turn should charge their elderly patients. And even though the freeze provision will not accomplish what mandatory assignment would have, it does offer more than what either the House or the Senate originally approved.

Nevertheless, I cannot support H.R. 4170 because of the part B premium increase. For Medicare-dependent older Americans, this provision means that part B premiums will rise from $14.60 per month to approximately $21.30 monthly in 1987. This represents a 69-percent increase over 4 years, an increase which is unacceptable to me.●

● Mrs. SCHROEDER. Mr. Speaker, I rise in opposition to this conference report because it does not do enough to reduce the deficit and because it is poorly balanced.

The Federal deficit is the single greatest threat facing America today. Since President Reagan took office, we have had 4 years of deficits totaling $750 billion. At current interest rates of 13 percent, the uncompounded interest alone is nearly $100 billion a year. Almost half of the fiscal year 1986 deficit of $200 billion is attributable to interest on the deficits from 1981 through 1985. If we continue deficits of this level, interest payments will eat a larger and larger share of the Federal budget. And the share grows at a geometric rate. Something has to be done soon.

The budget reconciliation process held the promise of doing something about the deficit this year. What resulted is an embarassingly modest bill. The tax portion raises something short of $50 billion over 3 years. The rest of the bill cuts a scant $10 billion. Most of these cuts comes from Medicare. The gargantuan defense budget sits unscathed.

If we really wanted to do something about the deficit, we would develop a fair, yet serious, plan to reduce expenditures and increase revenues affecting everyone in America. Establishing the pay as you go concept for future spending could prevent us from returning to the economic swamp in which we are now sinking.

Last Sunday's New York Times reported that Senator ROBERT DOLE had to restrain tax conferees who found far more than $50 billion in justifiable new revenues and loophole closings. Senator DOLE reportedly felt that President Reagan would veto legislation with more tax increases. And, in the budget resolution conference, House conferees are being told that the "Rose Garden budget" will not permit any cuts whatever in the defense budget.

In other words, the conferees did less to reduce the deficit than was possible and justified because the White House opposed more deficit reduction.

Reading through this conference report, you have to wonder where there are any savings at all. Most of the provisions look like tax rollbacks. For example, the conference report reduces the tax on cigarettes in half, from 16 cents to 8 cents a pack. Quite apart from the immediate revenue loss, this provision will cost the taxpayers billions in public health costs. Further, section 1001 reduces the holding period of capital assets required for more favorable long-term capital gain treatment from 1 year to 6 months. I do not understand how this provision is going to help reduce the deficit.

Mr. Speaker, the enactment by Congress of the Tax Reform Act of 1984 should not be interpreted as a commentary on the enduring relationship freely established between the Commonwealth of Puerto Rico and the United States of America. In this legislation Congress focused on the difficult task of raising sufficient revenues to bring our substantial national deficit under control. The provisions relating to Puerto Rico were among hundreds covered in this Tax Reform Act of 1984. It was neither the purpose, nor indeed possible in the course of this mammoth enactment, for Congress to focus on all the potential ramifications of these changes in the economic and political relations of the United States with the people of Puerto Rico. While approving this conference report today we express the willingness to look at the question of cover over the Federal excise taxes to Puerto Rico for articles produced in the island transported to the United States mainland separately and to carefully consider any legislation to rectify, if necessary, some of the provisions we are enacting in this bill.

The spending side has some of the same problems. For example, section 2208 provides civil service retirement benefits for natives of the Pribilof Islands who harvested seals. We ought to be more concerned about reducing the size of the deficit than reducing the sizing of the seal population. Section 2207 gives a 4-percent pay hike to Federal judges. Section 2203 eliminates immediately the offset of civilian pay for cost-of-living adjustments of retired and retainer pay. In other words, this bill repeals the no double COLA provision added in 1982. How do any of these provisions save money? They do not. The main savings in the civil service area is accomplished through the neat trick of delaying the date of military retirement checks from the last day of the month to the first day of the next month, meaning that instead of paying out $1.5 billion on September 30, 1985, we will pay it out on October 1, 1985. This neat device saves $1.5 billion in the fiscal year 1985 budget.

Perhaps most striking about this downpayment on the deficit package is the fact that the single biggest target for deficit reduction—defense—is not in the bill at all. We are raising taxes by $50 billion over 3 years and cutting medicare and other domestic programs in this bill, but we are not touching defense. While I realize that there will be other opportunities to reduce the extravagant defense budget, I believe that a cap of no more than 3.5 percent real growth in defense should be contained in this legislation.

I am glad we are doing this little bit to reduce the deficit. Yet, I will vote "no" to indicate that I am not satisfied by the paltry savings in this conference report.●

● Mr. WOLPE. Mr. Speaker, I rise in support of the legislation before us, despite my very serious reservations about a number of the provisions included in the conference report.

Let's not kid ourselves. There are many aspects of this bill that are clearly objectionable:

Legitimate concerns have been raised about the provision increasing the depreciation period for real estate.

I have deep reservations about the State volume cap and other changes proposed to curb the use of industrial development bonds. At a time when our economic recovery is so tenuous, it makes little sense to choke off one vital tool for stimulating economic activity.

I am distressed at the inclusion of a completely unjustified subsidy for the nuclear power industry.

And I think the $850 million cut in the $14 billion Synthetic Fuels Corporation is woefully inadequate in light of the documented waste at the SFC and the need to reduce Federal deficits. At a very minimum, at least another $10 billion could be cut from the SFC without impeding the cost-effective development of synfuels technology. I hope the House will have the opportunity to address the need for deeper cuts in the SFC in the weeks ahead.

On the other hand, the bill does include sound provisions that make a great deal of sense, such as the 4-year extension of the mortgage revenue bond program.

The bottom line is that while all of us probably have problems with specific provisions of the bill, the overriding issue at stake today is reducing the Federal deficits. There are some good provisions in this bill and there are some bad provisions. This is not a perfect piece of legislation. But the overwhelming urgency of the need to reduce the deficit and bring down the crippling interest rates that threaten any sustained economic recovery, make it necessary for us to make very difficult choices. It is for this reason that I feel compelled to support the conference report.●

● Mr. MONTGOMERY. Mr. Speaker, title V of the conference agreement affects two veterans' programs, Nonservice-connected Pension and the VA Home Loan Guaranty Programs.

Under current law, pension is paid to veterans from the date their disability arose if a claim is filed within 1 year from that date. Death pension is also paid from the time of death if the widow's claim is made within 1 year. On February 27, 1984, the General Accounting Office issued a report [B-213750] stating that the Veterans' Administration could save several million dollars a year if the retroactive periods for these cases were eliminated.

The House bill would have eliminated all retroactive periods for veterans and would have reduced the time limit from 1 year to 60 days, for widows to file their claims.

In disability cases, we felt that the veteran, or his or her family, could contact the VA about their benefits. With widows, its a little different. We thought a reasonable period of time was in order for her to attend to this matter. We didn't think she should have to go see a service officer before her husband's funeral. A short but reasonable time was what we had in mind. That is why we allowed 60 days in our bill.

The Senate amendment had no similar provision for the pension program. In reaching agreement with the other body, we have provided a limited grace period for a veteran who is severely disabled and only then if that disability prevents him or her from timely filing a claim.

This will reduce somewhat the savings in the House bill. To comply with the wishes of the other body, we also agreed to reduce the time for a widow to file her claim from 60 to 45 days.

The agreement on the pension provisions accomplishes the same dollar savings as in the original House bill.

Mr. Speaker, I would now like to briefly explain sections 2511 and 2512 of the conference agreement which affect the VA housing program. After many years of successful operation, it became apparent after reviewing the Grace Commission report that there was a need to reexamine this program.

The Committee on Veterans' Affairs held hearings earlier this year on a proposal advanced by the administration which would fundamentally alter the way VA honors its guaranty. This proposal was based on recommendations from the Grace Commission.

The Office of Management and Budget instructed the VA to:

First, stop acquiring defaulted properties and pay the guaranty in every case. According to the Congressional Budget Office and the VA's Inspector General, this would have increased the average loss on defaulted loans by almost $10,000.

Second, stop offering any financing on properties in its inventory. Instead, the VA would have to sell each property for cash.

Third, stop selling loans it has made with full recourse, shifting the risk of default to the purchaser of the loan.

Mr. Speaker, had we allowed these recommendations to be implemented, it would have resulted in the termination of the program. The result would be a disaster for the home-buying veteran, many of whom are Vietnam veterans who are using this program for the first time.

The Congressional Budget Office testified at our hearing and proposed an alternative means of reforming this program that would in the long run save far more moneys than the Grace Commission recommendation. The CBO proposal would maintain a viable and beneficial program for veterans and also keep the program attractive to mortgage lenders. Acting pursuant to the instructions of the House budget resolution, our committee prepared a bill based on the CBO recommendation which would:

First, raise the loan origination fee payable by persons obtaining VA guaranteed loans, apply the fee to vendee loans made by the VA, and deposit the fee into the fund which is used to pay for this program;

Second, require the VA to examine its costs associated with acquiring defaulted properties more closely, thus reducing the ultimate cost to the United States; and

Third, set a limit on the number of vendee loans the VA could make each year.

The conference agreement retains these essential features of the House bill. The conference agreement also rejects ill-considered proposals to eliminate vendee loans and the sale of such loans with recourse.

Finally, it includes a provision to accommodate possible conflict between the House-passed bill and State laws which are designed to protect veteran borrowers.

The conferees determined that losses on defaulted properties could be reduced if the VA were to expedite action to protect the interests of the United States. I know in the State of Mississippi the VA uses fee attorneys to handle nonjudicial foreclosures and evictions, and they have found this to be very effective. Local officials cooperate with local attorneys who are protecting the Government's rights. This has also been shown to be cost effective.

It is believed that the use of private attorneys in other States where the courts must order the foreclosure or eviction makes good sense, unless there is an unusual legal issue involved that requires the Federal Government to use its own attorneys. I am confident that the Administrator and the Attorney General will see the advantages of using fee attorneys to handle uncomplicated matters in locations that are distant from Federal offices.

Mr. Speaker, the VA Home Loan Program has been a very good program for veterans. The steps we are proposing in this bill will save the Government money, but I believe that they will also keep this program going. That is our intention—to preserve the essential features of this program as it is presently operated.

The VA has a number of good managers who can exercise sound commercial judgment to reduce losses on defaulted loans. It is also our intention to encourage enthusiastic and widespread participation in the program by mortgage lenders so that veterans can continue to enjoy the benefits of home ownership. We understand that this participation by the lending community depends on the commitment of the United States to honor its guaranty and protect them against loss. There will be no change in this commitment if this legislation is enacted. The only exception will be where the estimated loss exceeds the guaranty. I think lenders will easily understand that the amount of the guaranty is the most that the VA will pay in the event of default. Incidentally, the House passed legislation last month raised the maximum amount of guaranty from $27,500 to $30,000.

As I said, we looked at the proposals of the administration regarding this program. We concluded that they were a prescription to kill this program in 2 or 3 years. We also heard criticisms of the VA's existing practices and we believe this legislation will go a long way toward correcting these problems and making the program self-supporting. We want to keep this program going and this legislation will do just that.

Mr. Speaker, I thank the very able chairman of the Senate committee, the distinguished gentleman from Wyoming [Mr. SIMPSON] for the strong leadership he provided in working out our differences. The Senator from Wyoming is one who is always willing to sit down and work out our problems. He was most reasonable in his negotiations and I think the agreement we have reached involving veterans' programs are fair. I am grateful for the support Senator SIMPSON gave us in working things out.

I'm also grateful for the support of the distinguished ranking minority member of the committee, the very able gentleman from California [Mr. CRANSTON]. The Senator offered many suggestions that, in my view, strengthened the House-passed bill considerably. As always, he was most cooperative and helpful. I'm grateful as well to my colleague and good friend, the ranking minority member of the committee, Mr. HAMMERSCHMIDT, for his leadership and help in resolving these issues in conference. I thank our other conferees, the senior Senator from South Carolina [Mr. THURMOND], Mr. EDWARDS of California, Mr. WYLIE, Mr. EDGAR, Mr. HILLIS, Mr. APPLEGATE, Mr. LEATH of Texas, and Mr. SHELBY.

Mr. Speaker, we have resolved the two veterans' provisions in a fair and equitable manner based on the wishes of the House.

I urge my colleagues to support these provisions.●

● Mr. BONKER. Mr. Speaker, the conference report on H.R. 4170, the Tax Reform Act of 1984, represents months of excruciating effort on the part of members and staff from both the House and the Senate. As with any complicated legislative package, this one is not perfect. But it is an important step toward closing the enormous budget deficits confronting the Federal Government in the remainder of this decade and beyond. I applaud the work of the conferees in concluding a successful conference.

There is one element of the package, however, that is of special concern to me: the treatment of Export Trading Companies [ETC's] under the bill's provision establishing Foreign Sales Corporations [FSC's]. I recognize that this issue is much less urgent than many others addressed by this bill. Nonetheless, I believe that it warrants comment.

H.R. 4170 proposes to replace Domestic International Sales Corporations [DISC's] with FSC's in order to quiet growing criticism from our trading partners that DISC is an illegal export subsidy under the rules of the General Agreement on Tariffs and Trade. It had been my hope that in replacing DISC, the Congress would also seek to fully include ETC's within any new tax-incentive program for exporters. Unfortunately, the conference report language on FSC does not take ETC's into account.

A principal shortcoming in the bill as now written is the limitation that is placed on "managerial services" to unrelated companies under the FSC title. Based on the conference report's proposed revisions, section 924(a)(5) of the Tax Code will prevent income derived from managerial services performed for unrelated companies from being treated as FSC income for tax purposes, unless at least 50 percent of a FSC's gross receipts come from exporting goods or providing export services to a FSC's shareholders. Since the primary business of many ETC's is providing services to unrelated exporters, this limitation will prohibit such ETC's from enjoying any tax incentive under the FSC.

It is my intention to hold hearings in the Subcommittee on International Economic Policy and Trade, which I chair, to examine possible revenues for including ETC's more fully in the new FSC program. Such hearings will also focus on the potential effects recent changes and proposed changes in the U.S. banking laws might have on bank participation in ETC's.

ETC's present an important new opportunity for American exporters. To ensure that the promise of the Export Trading Company Act is fulfilled, we in Congress must continue to expand its scope and actively monitor and promote its implementation.●

● Mr. DONNELLY. Mr. Speaker, I strongly support the reconciliation conference report on H.R. 4170. It represents a major portion of the $182 billion deficit reduction package contained in the fiscal year 1985 budget resolution the House passed in April. It is a much-needed deficit downpayment which reduces the deficit by approximately $63 billion over the next 4 fiscal years.

There is near unanimity among economists that the unprecedented deficits projected through the end of this decade are a grave threat to the future of the economy. While this legislation is in no way a solution to the deficit crisis, it is a necessary first step toward reducing the deficit. The taxing and spending policies in effect since 1981 have resulted in a fundamental imbalance between taxing and spending. This conference report, by ending certain abuses of the Tax Code, freezing some tax expenditures scheduled to go into effect in the future, and slowing the growth of non-means-tested entitlements, puts a hold on further growth of that fundamental imbalance.

Any conference report that is the result of the difficult negotiations that have occurred over the past few weeks will contain provisions that individual Members find objectionable. This one is no exception. I consider the liberalization of the capital gains tax rules contained in the bill to be a particularly undesirable addition to the Tax Code. The temporary reduction of the holding period required for an asset to qualify for long-term capital gains treatment is hardly a tax benefit designed for the poor, or the middle class. Rather, it will benefit large investors, stockbrokers, and market speculators. Not only will it cause a revenue loss of some $640 million, it will also contribute further to the current instability of the financial markets. This deficit reduction package is designed to bring stability to the financial markets; liberalizing the capital gains rules surely undermines that goal.

However, this provision is part of a much larger package addressing numerous tax and spending issues. Its passage is vitally necessary to the country's economic well-being. Despite my objections to individual provisions of this conference report, I support it as a whole. Now is the time for Congress to back up its rhetoric about the importance of reducing the deficit with responsible action. I welcome the opportunity to vote for this bill.●

● Mr. RICHARDSON. Mr. Speaker, I rise in support of the conference report on H.R. 4170 although I do so with mixed feelings.

Clearly, this legislation makes some long overdue and necessary changes in our tax and spending laws. The conference agreement provides for a comprehensive revision of antiquated rules governing the tax treatment of life insurance. A number of tax loopholes that cost the Government millions of dollars while encouraging unproductive investments have been eliminated or at least tightened. The increasing costs of the Medicare and Medicaid programs have been somewhat reigned in while coverage for children and pregnant women has been expanded. Over $3 billion will be saved by implementing some of the Grace Commission's cost-cutting recommendations.

As with any tax legislation, there are provisions in this bill that I find extremely distasteful. In my view, the single most damaging aspect of this bill is the cap on industrial development bonds. I think it is vital that IDBS be used only for projects that will benefit the general public. And in this sense, I think the Ways and Means Committee did a commendable job. But my home State of New Mexico is one of the poorest States in the Nation with respect to per capita income. The per capita cap on the volume of IDBS that a State may issue will place a severe and I believe an unwarranted limit on New Mexico's efforts to expand its economic base.

I am also deeply disturbed that the conference committee chose not to extend R&D tax credits. I believe that in the long run this move will cost us much more in the area of technological advancement than it will save the Treasury. Our future economic growth will rely heavily on our ability to develop new and innovative technologies.

But, Mr. Speaker, for all of its faults, I plan to vote for the deficit reduction package. I will do so because this legislation is successful in reducing next year's anticipated deficit by roughly 7 percent. While this is a small step, I think this bill makes it clear that the deficit problem must be addressed one step at a time.

For those who oppose this bill, for whatever the reason, I offer this thought: a deficit reduction package would not be necessary if the Federal deficit was not at a level that threatens our economic stability. And the root of this dangerous problem is not the economic policies of the past 30 years as some would have us believe. The cause of this problem is the policies of the Reagan administration over the past 3 years.

When Vice President Bush heard Presidential candidate Ronald Reagan claim he would cut taxes, dramatically increase military spending and balance the budget, all at the same time, Mr. Bush termed the plan "voodoo economics." But President Reagan was not dissuaded by his running mate's skepticism. While he possessed the magic to get his voodoo economic program enacted, he didn't have the magic to make it work. The President's supply side economic experiment brought us to the brink of economic collapse. Not since the Great Depression had so many Americans been without work. Businesses were faltering at unprecedented rates. According to the nonpartisan Congressional Budget Office, our huge Federal deficit is a direct result of President Reagan's tax and spending policies.

Mr. Speaker, the conference report on H.R. 4170 is tough medicine indeed. But if we are going to cure our deficit illness, we must swallow hard and vote yes.●

● Mr. KOSTMAYER. Mr. Speaker, I reluctantly support the conference report on H.R. 4170, the Deficit Reduction Act of 1984.

A little over 2 months ago, when the House passed H.R. 4170 and sent it to the Senate, I said on the floor that decisive action was needed to reduce the deficit. I noted at that time that the prime interest rate had just risen from 11.5 percent to 12 percent.

There is no doubt that the huge deficits projected in the President's budget are creating tremendous concern in the financial markets. The public is justifiably skeptical about our resolve in dealing with this problem. Just last week the prime rate rose agian, this time from 12.5 to 13 percent. It's clear that the Congress has to do something to demonstrate a willingness to get control of the budget.

The National Association of Home Builders, in a letter I received from their president this week in support of H.R. 4170, say:

> The current $200 billion deficit is triggering expectations of inflation and pushing up interest rates. . . . You must act or risk further increases in interest rates, which would lead to a housing recession and stifle the investment needed for a continuing strong economy.

I agree with this assessment of the interest rate picture, and for this reason, more than any other, support this package which will at least make a $63 billion cut in the projected deficit over the next 4 years.

When H.R. 4170 was before the House in April, I supported efforts at that time to delete from the bill those provisions relating to industrial development bonds. I continue to believe that IDB's are an effective way to encourage investment in projects which would otherwise perhaps not be able to raise needed capital. IDB's have brought jobs to my district, and to Pennsylvania, and for this reason I worked closely with my Governor, Dick Thornburgh, to try to delete the IDB cap in the bill. Unfortunately, the cap remains in the bill. The conferees did include numerous exemptions, including a general exemption for projects for which local governments have already passed inducement resolutions.

I also do not support the specific provisions of the conference report dealing with Medicare. I would have preferred the conferees to have adopted the House provisions, which were fairer to senior citizens. But the Senate obviously was very firm in its position, and the compromise achieved was the best that could be expected. The compromise does freeze all doctors fees under Medicare for 15 months, and this will be a significant help to seniors who are trying to contend with skyrocketing health care costs. I note that the American Association of Retired Persons [AARP], while taking exception—as I do—to some provisions of the package, also is supporting the entire conference report.

The bill has many merits. First, it does not raise individual tax rates for working men and women. Rather than raising taxes for working families, the bill focuses on tax shelters and loopholes. This is clearly an area that the American public has been demanding be reformed.

The bill also extends the Mortgage Subsidy Bond Program. I cosponsored this particular provision of the bill. Another section I enthusiastically support is that which codifies for the first time the favorable tax treatment of many fringe benefits for employees. The bill reduces the increases in the truck user taxes scheduled to take effect on July 1, 1984. I was an original cosponsor of the legislation introduced in 1983 which formed the basis for this provision. The bill also delays until 1988-89 reductions now scheduled for 1985-86 in the windfall profits tax on oil, and extends for 1 year the targeted jobs tax credit. Both these provisions I support as well.

So, Mr. Speaker, for these reasons I am voting in favor of the conference report on H.R. 4170. Action on the deficit cannot wait, and the enactment of this tax reform package is the quickest and surest way we can make some progress to reduce the deficit and, in turn, to reduce interest rates.●

● Mr. SHANNON. Mr. Speaker, I rise in support of the conference report on the bill H.R. 4170. I support this legislation because it is a reasonable and necessary compromise package which takes a critical first step toward restoring balance to our spending and tax policies, and because it does so primarily through tax reforms which avoid large tax hikes for low and middle income earners.

There are, however, several provisions in this package—particularly the extension of the law which sets the Medicare part B premium at 25 percent of program costs—which will increase health care expenses for older Americans. I believe these provisions are moving in the wrong direction, and I would vote against them if we were considering them separately.

The rising cost of health care poses a serious threat to the health and economic security of older Americans across this Nation. Projections show that—even if we hold the line against Medicare and Medicaid cutbacks—by the year 2000 the elderly could be spending one-fifth of their limited income on health care.

The original House version of H.R. 4170 did hold the line. In the Health Subcommittee and in the full Ways and Means Committee, we were successful in blocking President Reagan's proposals to increase Medicare premiums and deductibles and to delay Medicare eligibility.

Unfortunately, older Americans fared less well in the Senate, which adopted cutbacks in both Medicare and Medicaid. It is only because the House conferees held strong that the Senate provisions to increase the part B deductible, delay Medicare entitlement, and extend Medicaid payment reductions and offsets were rejected.

The conferees did agree to extend a law I strongly oppose which sets the Medicare part B premium at 25 percent of program costs. In short, what this means is that, in all likelihood, the Medicare part B premium is going to continue growing faster that the Social Security cost-of-living adjustment—at least through 1987.

I am also deeply concerned about the potential impact of a number of other provisions in the conference agreement, including the new copayments that will be required for durable medical equipment provided by home health agencies.

Finally, the provision containing physicians' fee schedules limitations and the imposition of penalties falls far short of the amendment we considered earlier this spring in the House which would have required physicians to accept Medicare hospital inpatient cases on assignment.

The crisis older Americans are now facing in trying to afford the health care they need is going to be compounded in the next few years as we reach a day of reckoning on the Medicare funding problem.

It cannot be solved by increasing the copayments and premiums and deductibles older Americans must pay under Medicare.

It can only be solved by adopting tough, comprehensive reforms which arrest the escalation of prices in the health care sector and introduce incentives which encourage the providers of health care to become more efficient.

Such an approach is contained in the Medicare Solvency and Health Care Reform Act of 1984 as introduced by Senator KENNEDY, Congressman GEPHARDT, Congresswoman MIKULSKI, myself, and others.

I urge all my colleagues to support this legislation as the only constructive solution to the Medicare funding problem and the health care inflation crisis facing the entire Nation.●

● Mr. BETHUNE. Mr. Speaker, nearly 2 years ago Members were asked to cast their votes on a $95 billion revenue enhancement measure, TEFRA, which was the largest tax increase in American history. This legislation was supposed to provide $3 in spending cuts for each $1 in tax increases. But that promise to the American people was not kept. What we gave them instead was $1.67 in spending increases for each $1 in tax hikes.

Today, we are asked to vote on yet another tax increase measure, the Deficit Reduction Act of 1984, which is supposed to provide $5 in new taxes for every $1 of spending cuts. What we are really doing if this measure passes is taking approximately $50 billion out of the economy—money that is critically needed for housing, automobiles, capital expansion, the creation of jobs—and putting it to a nonproductive use: feeding the Federal Government's insatiable appetite for hard-earned taxpayers' dollars.

Some of the provisions of this measure are needed, particularly those that close loopholes, but essentially what we are doing if we pass this legislation is to ask the American taxpayer to help pay for the past sins of annual increases in spending—spending that has increased at an alarming rate in recent years.

Mr. Speaker, we in Congress have a responsibility to the citizens of this country to provide an environment which will stimulate economic growth and provide incentives for the American wage earner. This tax measure does everything but accomplish these objections. Not only will taxes be increased for working Americans, but we are also eroding the ability of taxpayers to plan for their futures by changing many rules in the middle of the game. Passage of this legislation, which has over 200 provisions, will require countless regulations and make the Tax Code more complicated and more unfair.

Extremely disturbing are the provisions of the bill which affect the real estate industry. According to the National Association of Realtors, this deficit reduction measure could wipe out 500,000 home sales next year by making below-market, seller-financing impractical. It will require that mortgages held by sellers of homes, farms, and other property to carry an interest rate, for tax purposes, of 110 percent of the interest paid on 5-year Treasury notes, no matter what rate the seller charges the buyer.

Seller financing of homes has become a valuable tool to the housing industry and a good case can be made that it saved the housing industry during the last recession. By passing this bill, we are informing those Americans who want to finance the sale of their homes and other property that they can't offer rates which will permit them to sell during periods of high mortgage interest rates without being penalized by the IRS. If we discourage seller-financing and interest rates continue at their present rate, we will choke the housing industry, which provides thousands upon thousands of jobs.

Another disturbing provision of this legislation is the increase in the depreciation schedules for structures from 15 to 18 years. This will without question discourage investment needed to create jobs in the housing and construction industries—another blow to those who still hold the American dream of home ownership.

The tax cuts accomplished under the Economic Recovery Tax Act of 1981 are touted by some to be responsible for the current deficit crisis. And many see the revocation of these cuts, which have been offset by increases in Social Security, State, and local, and indirect taxes, in the form of significant tax increases this year and next as the solution to our problems. It just isn't fair to ask the American taxpayer to take on the burden for the past spending mistakes of Congress.

Mr. Speaker, one of the primary reasons given for increasing taxes this year is that doing so would be a signal to the American people and the financial markets that we in Congress are serious about solving the problems associated with a growing national deficit and debt. Money market managers have already signaled that they do not believe Congress will accomplish its noble objective of bringing stability to the economy. Interest rates are up and will go even higher unless something is done.

I'm afraid this measure will not accomplish its stated objectives and that we can expect a repeat of what happened under TEFRA—increased spending. Unless we enact significant spending and tax reductions during this Congress and continue to do so for the rest of this decade, we will ensure a return to double-digit inflation, high unemployment, and high interest rates.

I urge my colleagues to consider the destructive consequences of voting for this tax legislation and join me in voting against it.●

● Mr. YOUNG of Florida. Mr. Speaker, I rise in opposition to this tax bill because it fails to provide a level of spending reductions commensurate with the $50 million of tax increases we are being asked to approve.

Once again Congress has shown its inability to make the difficult choices needed to reduce the burdening Federal spending. Instead, we are presented with another omnibus tax bill that would raise revenue to cover increased spending.

The American people, businesses, industry, and financial markets are looking for assurances that Congress will deal with the serious problem of expanding Federal spending and rising deficits. They will not be reassured when Congress attempts again to increase taxes in lieu of spending reductions.

When Congress, 2 years ago, was presented with a similar tax bill, we were promised that for every $1 in tax increase, there would be $3 in spending cuts. What actually occurred when Congress completed action was that spending increased $1.67 for every $1 in new taxes.

Unfortunately, this legislation before us also fails to provide adequate spending cuts because it would result in only $1 spending reductions for every $5 in new taxes. Given the record of Congress in achieving budget goals, there is no guarantee that even this meager amount of reduction will be met.

Specifically the tax increases in this bill would have a serious impact on some of the major sectors of our economy. It would seriously affect the building industry by extending the current 15-year depreciation period to 18 years for new and used structures. The repeal of the 15-percent-net-interest exclusion included in the bill would discourage many Americans from saving and proposals that would have stimulated the economy and provided jobs, such as urban enterprise zones and tax credits for research and development, were eliminated from the legislation. A proposal to provide for increased IRA contributions by spouses also was eliminated. In addition, the tax bill provides special privileges for the tobacco industry and forgives an estimated $12 billion in taxes owed by American corporations on export income.

State, county, and local governments in Florida and throughout the United States will be adversely affected by sections of the legislation that would increase the public and private cost of many Government projects that are underway or in the planning stages. Of even greater concern to me is the inequity of this legislation which singles out certain projects that are exempt from these provisions of the bill.

This is what happens when legislation is drafted behind closed doors, as was the case here. Last April, when this legislation was first put before the House, we were asked to approve a 1,000-page tax bill without the benefit of amendment. Today we are being asked to approve a compromise agreement, again without amendment, that is even larger.

Throughout the entire process, hearings were not held on many controversial sections of the legislation. This is completely contrary to the standard procedures of Congress by which we seek information and vigorous debate from all sectors affected by proposed legislation.

Another of my major objections to the bill is that the bulk of the spending cuts affect health-care programs, especially the Medicare system.

Consistently, I have opposed any attempts to haphazardly make changes in the Social Security and Medicare systems as part of all-encompassing tax or legislative proposals. While there is widespread agreement that we soon will have to examine closely the financial integrity of the Medicare system, we must do so in an organized and responsible fashion. The best solution, I believe, is the establishment of a bipartisan commission to study all aspects of the Medicare system. This is the approach used by President Reagan 2 years ago to study the Social Security system. The commission's report formed the basis for the final Social Security legislation Congress approved last year that actuaries have assured us will guarantee the solvency of the program into the next century.

By providing for a commission review of the Medicare system, we can bring together representatives of Medicare recipients, doctors, hospitals, the health-care industry, and other medical experts. Together they can discuss the realm of possibilities and options that are open to us and reach a consensus agreement on how to ensure the financial solvency of the Medicare system, while continuing to provide the highest level of medical care. It is impossible to make such an intensive review of the Medicare system, and consider all of these factors, when drafting a $50 billion tax bill that involves House proposals, Senate proposals, and conference agreements, many of which have been agreed upon behind closed doors. Changing the Medicare system in this way is a disservice to all involved, especially older Americans who are most affected by these proposals.

As the Representative of Pinellas County, FL, which has more than 240,000 Social Security and Medicare recipients, I know of the severe anxiety that results from press reports of proposed changes in the Medicare system. The mere discussion or speculation of changes in the Medicare system causes many recipients to believe that changes have already taken place that will affect their health-care benefits. Our Nation's older Americans are too often needlessly frightened in this way.

Mr. Speaker, you know and I know that the Congress and the President are not going to jeopardize the health-care needs of our country's elderly by allowing the Medicare system to go bankrupt. If we are going to reassure these people that their health-care benefits are safe, let's get down to the serious business of solving the system's problems. We must do it, though, in an organized manner, not in a piecemeal fashion as we are being asked to do today in this tax bill. Let us act responsibly today and quit scaring older Americans to death with continued changes in their Medicare benefits.

Throughout my career, I have battled for restrained and conservative fiscal spending programs and I have maintained a consistent record in support of this objective. In fact, the most serious charges aimed at me in any of my elections have been those critical of my voting record against spending proposals I considered unnecessary or unaffordable.

The question of our growing national debt, now in excess of $1 trillion, is a serious problem and is the result of continued uncontrolled Federal spending. As I predicted for many years, our day of reckoning has finally come and Congress is being held accountable for years of uncontrolled Federal spending.

It is encouraging that a growing number of those Members who proposed and supported expanding and creating many Federal programs now realize the budget predicament caused by these expenditures and are now calling for fiscal restraint and spending reductions.

There is no doubt that Congress must regain control of Federal spending and reduce our budget deficit, and there are only two ways to achieve this goal—by reducing spending or by generating more revenue. The solution to our problem is not simply to raise taxes, as this bill proposes, but to provide a balanced program of spending reductions and new revenue. Congress has proven time and again that tax increases alone are not the answer. Instead of using new tax receipts to reduce our national debt, Congress always finds a way to spend that money either on new or existing programs. As I said earlier, Congress spent an additional $1.67 for every $1 generated from new taxes passed by Congress 2 years ago.

If Congress is going to act responsibly, we must commit ourselves to making difficult budget reducton decisions as well as tax reforms. Only in this way can we return our Nation to a program of fiscal sanity when our Government no longer is allowed to spend beyond its means.●

● Mrs. SCHNEIDER. Mr. Speaker, today the House is faced with the important task of voting on the 1984 tax conference report—the only major deficit-reduction package put before the Congress this year. I believe this measure provides a critical first step in ensuring that our economy continues its trend toward recovery. The $50 million in revenue increases and $13 billion in spending reductions sends the proper message to the markets and the American people that this Congress is concerned about the economic vitality of this country and is willing to take positive action.

Prior to my decision to support this deficit-reduction package, however, I very carefully reviewed each item to ensure that those constituents least able to afford any additional burden—namely the elderly and the poor—were not singled out to make sacrifices. In particular, I was concerned that the Medicare provisions designed to save some $6.7 billion over a 4-year period would adversely affect senior citizens who already pay far too many out-of-pocket cost for health care.

The tax conference report itself contains two separate Medicare provisions: One provision that I vigorously support would impose a 15-month freeze on the fees that physicians charge their patients. I have very serious reservations, however, about the other provision that will extend for 2 years a temporary requirement passed in the 1982 Tax Equity and Fiscal Responsibility Act [TEFRA] which requires beneficiaries to cover 25 percent of their part B Medicare—outpatient services—costs. While I have maintained throughout the year that all individuals and groups involved in health care—doctors, hospitals, nursing homeowners, and beneficiaries alike—must sacrifice for the good of the entire system, I do not want to unfairly burden low-income senior citizens.

Just today, prior to my decision on the tax vote, I learned that the American Association of Retired Persons [AARP] was supporting the Medicare provisions of the tax bill because reductions in the Federal deficit would in turn help to reduce health care cost for seniors.

I also took a close look at what seniors stood to gain through the imposition of a freeze on physician fees and balanced it against an extension of the increase in part B premiums that seniors would have to pay. I learned that on balance, seniors would substantially benefit from the 15-month physician fee freeze, the new toll free number that informs beneficiaries which physicians agree to accept mandatory assignment and the incentives to encourage doctors to accept the changes allowed by Medicare as payment in full.

While I am not happy that seniors have to pay any additional out-of-pocket costs in Medicare premiums, I believe the American Association of Retired Persons says it best:

> Failure to pass the conference report will further aggravate our deficit problem, and undermine the well-being of all Americans—including the elderly.

Thank you Mr. Speaker.●

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this conference report was hard fought and hard won. It is not a Democratic tax package. It is not a Republican tax package. It was shaped in harmony by both parties—a rare achievement in this period of political posturing and mistrust.

This conference report was born of the fact that America now understands the potential impact of the deficit and wants Congress to defuse it.

In the face of projected deficits on the order of $600 billion over the next 3 years, this $50 billion downpayment is but a modest response. But the Tax Reform Act is the first block of a major 1984 deficit reduction plan.

Its impact falls on the upper reaches of the income scale—not the broad middle. The revenue increases were evenly spead across the private sector. No one industry was harshly affected. No tax package has touched so many special interests at one time.

The President, in a letter delivered this morning, fully supports our effort. He writes: "* * * Let me reiterate my support for this major element of the deficit reduction package." He adds: "The tax provisions are consistent with the downpayment plan target."

If we fail to declare ourselves against deficits today, a fear will spread across this country. Those millions—from the most powerful corporate executive to the smallest shareholder—can only interpret our weakness as a clear warning of economic crisis.

Every Member in this Chamber can find fault with at least one section. Perhaps that is its strength. I ask each of you to recognize the larger stakes—to consider the sequence of failure—and to vote for this conference report today.

Mr. Speaker, at the conclusion of my remarks I am including a letter from the President endorsing the legislation and also a letter to the Speaker from the Secretary of the Treasury endorsing the conference report. The letters are as follows:

THE WHITE HOUSE,
Washington, June 27, 1984.

Hon. DAN ROSTENKOWSKI,
Chairman, Committee on Ways and Means, House of Representatives, Washington, DC.

DEAR DAN: As the House prepares to vote on the Conference Report on H.R. 4170, the Deficit Reduction Act of 1984, let me reiterate my support for this major element of the deficit reduction package.

This measure, which was fashioned in a bipartisan manner, contains both spending reductions and measures to close tax loopholes of questionable fairness. The tax provisions are consistent with the downpayment plan target, and many of the key provisions providing for structural reform and curtailing tax abuses were included in my Fiscal 1985 Budget.

Most importantly, the tax provisions of the downpayment package contain no increase in individual tax rates.

The adoption of this Conference Report, coupled with the remaining components of our downpayment package, will help ensure that the economic recovery now underway is sustained in the months and years ahead.

Sincerely,

RONALD REAGAN.

THE SECRETARY OF THE TREASURY,
Washington, DC, June 27, 1984.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: As the House of Representatives considers the Conference Report on H.R. 4170, the Deficit Reduction Act of 1984, I want to take this opportunity to express the Administration's support for its enactment as an integral part of our overall deficit reduction downpayment package.

The tax provisions in the Deficit Reduction Act are directed primarily to limiting tax shelters and accounting abuses and closing relatively minor loopholes. Many of these provisions are substantially similar to tax changes proposed in the Administration's Budget for Fiscal 1985. It is a fair and balanced package which focuses on tax abuses and unintended tax benefits and which will have little impact on the average taxpayer.

The adoption of these tax provisions must be combined with spending cuts, such as those included in the conference report, to achieve a balanced deficit reduction downpayment package as endorsed by the President.

This downpayment package will further ensure the continuation of the current economic recovery, and I urge its adoption.

With best wishes.

Sincerely,

DONALD T. REGAN.

□ 1430

Mr. Speaker, I yield 2 minutes to my colleague and a very able member of the committee, the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, I thank the gentleman for yielding.

I have requested this time that I might invite the attention of the House to the fact that this is the last major tax bill with which our distinguished and beloved colleague, BARBER CONABLE, will be associated.

I simply want to say that from the standpoint of the minority on the committee, it will be a terrible thing in the future that we will be required to do some of our own thinking on tax matters. We will miss BARBER's leadership, his wise counsel, and his good humor. I hope that the majority will miss him as much.

I would ask my colleagues to take note of his impending departure and show their appreciation for his work over the last 20 years.

Mr. MOORE. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Louisiana.

Mr. MOORE. Mr. Speaker, I thank my colleague for yielding.

I have had the pleasure of being in this body for 10 years, half of the time the gentleman from New York has been here. With all due respect for all the members of the tax writing Ways and Means Committee, in my opinion there is not one who knows more tax law or has a greater understanding of tax policy.

The thing I respect him for the most is the fact that I have yet to see in my 10 years this gentleman ever take a position that was provincial or self-serving, in each and every case the position he took was what was in the best interests of this country and maintaining its tax base.

I can think of no higher tribute than for one colleague to tell another that he has utmost respect for him. I have no greater respect for any Member of this House than this gentleman and I think his 20 years of service here is an example that all of us should try to emulate.

Mr. CONABLE. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from New York for a stunning valedictory.

Mr. CONABLE. Mr. Speaker, I thank the gentleman for his comments. My friends here in the body are, of course, much appreciated for the support they have given, not just on recent issues, but throughout my tenure here. It has been a great association, and I must say, the House of Representatives is an institution of which the Nation should indeed be proud.

Mr. FRENZEL. Mr. Speaker, I yield to the distinguished gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, I want to commend the gentleman in the well for taking this time and say how much we are going to miss BARBER CONABLE in the House. He is one of the great giants that ever served in the House of Representatives, hard working, conscientious, intelligent, a lot of wit, and just a beautiful human being.

We are going to miss him greatly.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. GIBBONS].

Mr. GIBBONS. Mr. Speaker, I just want to pay tribute to my friend, BARBER CONABLE.

When I came to the Ways and Means Committee, BARBER was there and I sat next to him because there were so few seats that I had to sit on the Republican side.

I learned a lot from him. He is a very brave, a very honest, a very decent individual, who has done much to contribute to his country in many, many ways. We will miss him.

I hope that his great talents will still be in the public service, and wherever they are, I know they are going to be a great contribution.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. Mr. Speaker, I observed to a group the other day that every once in a lifetime there walks among us a giant in these legislative Halls. Such a giant is BARBER CONABLE. If we were given a yellow pad and a No. 2 pencil, or a fast computer, and were asked to describe the perfect Congressman who had all the attributes of ability and fairness and statesmanship, the model that would be produced would be a man like BARBER CONABLE. Seldom have we known such an able legislator. Though we will miss him, we will remember him forever.

Mr. CONABLE. JAKE, that was truly a Texas-sized compliment and I would like to give you a Texas-sized expression of appreciation in return for it.

Mr. PICKLE. BARBER, I recognize that you are going to be here for another 6 months, so I still want to be that kind.

Mr. CONABLE. Great. I was beginning to feel as though I have to leave right away in response to such flattery.

Mr. ROSTENKOWSKI. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The gentleman still has 4 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, I can only echo what has been said. I do not know of anyone who has worked with BARBER CONABLE in a more friendly adversarial relationship. There were times certainly when we had to disagree, but in the end, we managed to write good law.

The members of the Ways and Means Committee have learned much from BARBER CONABLE over the years. He is one of the very few who are both tax expert and legislator. We will all feel the void on the committee next year.

I am looking forward to the day when BARBER will visit us with legislative guidance from beyond Capitol Hill. He is a man of rare balance and intellect.

BARBER, it has been a delight working with you. I know that you have mixed emotions about leaving this august body. I will miss you as a colleague and a friend.

Mr. CONABLE. I thank my friend. Let us get on with the business.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. FORD].

● Mr. FORD of Michigan. Mr. Speaker, I will vote for the conference report on H.R. 4170, but I will do so with extreme reluctance. My reservations concern section 558 of the bill which is the Senate amendment that removes the retroactive effective date of the Multiemployer Pension Plan Amendments Act of 1980 [MPPAA]. Section 558 was incorporated into the Senate bill without benefit of hearings, and accepted by the House conferees despite assurances to the contrary.

Through timely communications, the members of the Committee on Education and Labor sought to be the sole conferees on section 558 because it is within the exclusive jurisdiction of our committee. In lieu of conference participation, we were given assurances that the House position—in opposition to the Senate amendment—would be upheld. Instead the House conferees acquiesced and accepted the Senate amendment. During my many years of service in this House, rarely if ever have I seen such a flagrant breach of protocol. I join with the chairman of the Subcommittee on Labor-Management Relations, Mr. CLAY, in denouncing the action of the House conferees.

Mr. Speaker, section 558 clearly is not germane to this tax legislation. The amendment applies to title IV of the Employee Retirement Income Security Act [ERISA] which relates to the Plan Termination Insurance Program and its administration by the Pension Benefit Guaranty Corporation [PBGC]. The Senate amendment eliminates the retroactive effective date for withdrawal liability which was established after lengthy debate, careful consideration, and the balancing of interests. That deliberate process was affirmed recently by a unanimous Supreme Court. In *Pension Benefit Guaranty Corp.* v. *R.A. Gray & Co.*, U.S. Sup. Ct., No. 83-245 and 83-291, June 18, 1984, the Court held that the retroactive provision did not violate the due process clause of the fifth amendment. It is interesting to note that the Court determined that it was rational for the Congress to conclude that the purposes of the MPPAA would be better served if the effective date were made retroactive. It is regrettable that rationality did not prevail in the conference, for I fear that the amendment will have far-reaching and grave consequences.

The amendment will permit financially solvent employers to withdraw from multiemployer plans and shift their responsibility to the employers who remain in the plan. In addition, the PBGC will be obligated to pay the guaranteed benefits to beneficiaries of the withdrawing employer. The financial burden that will be imposed on the PBGC will outstrip its ability to pay. The amendment will also cause multiemployer plans to incur substantial administrative burdens and costs. It will help certain employers but could create additional liabilities for others. It penalizes the plan trustees who vigorously pursued their fiduciary responsibilities. It contains vague and ambiguous language that most likely will generate more legal challenges.

Mr. Speaker, the Senate amendment destroys the fragile balance between retirement income security and plan sponsor liability created by the 1980 act for multiemployer plans. The amendment was hastily considered and inappropriately adopted. Pension plan terminations affecting hundreds of plans and thousands of plan participants is not a matter to be passed over lightly during a conference on complex, unrelated issues. I strongly oppose the amendment because it is totally unnecessary and will create hardships and unjustly penalize many multiemployer plans.●

Mr. ROSTENKOWSKI. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. ARCHER

Mr. ARCHER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the conference report?

Mr. ARCHER. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. ARCHER moves to recommit the conference report on the bill, H.R. 4170, to the committee of conference.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. OTTINGER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 268, nays 155, answered "present" 1, not voting 9, as follows:

[Roll No. 272]

YEAS—268

Addabbo
Alexander
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Aspin
AuCoin
Barnes
Bartlett
Bateman
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Biaggi
Bliley
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Bosco
Boxer
Breaux
Britt
Brown (CA)
Broyhill
Bryant
Burton (CA)
Campbell
Carper
Chandler
Chappell
Cheney
Clarke
Coelho
Conable
Conte
Cooper
Corcoran
Coughlin
Coyne
Crockett
D'Amours
Daschle
Daub
Derrick
DeWine
Dicks
Dingell
Dixon
Donnelly
Dorgan
Dowdy
Downey
Duncan
Durbin
Dwyer
Edgar
Edwards (AL)
Edwards (CA)
Evans (IA)
Evans (IL)
Fascell
Fazio
Ferraro
Fish
Flippo
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Franklin
Frenzel
Frost
Fuqua
Garcia
Gejdenson
Gekas
Gephardt
Gibbons
Glickman
Gore
Gradison
Gray
Green
Gregg
Gunderson
Hamilton
Hance
Hansen (UT)
Harkin
Harrison
Hatcher
Hefner
Heftel
Hightower
Hillis
Holt
Horton
Howard
Hoyer
Huckaby
Hutto
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kastenmeier
Kennelly
Kindness
Kleczka
Kostmayer
LaFalce
Lantos
Leach
Leath
Lehman (CA)
Lehman (FL)
Lent
Levine
Lipinski
Lloyd
Long (LA)
Long (MD)
Lowery (CA)
Lowry (WA)
Luken
Lundine
MacKay
Madigan
Marriott
Martin (NC)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McKernan
McKinney
McNulty
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Mineta
Moakley
Mollohan
Montgomery
Moody
Moore
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Neal
Nelson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Oxley
Packard
Panetta
Patterson
Pease
Penny
Pepper
Perkins
Pickle
Porter
Price
Pritchard
Quillen
Rahall
Rangel
Ratchford
Ray
Regula
Reid
Richardson
Robinson
Roe
Roemer
Rose
Rostenkowski
Roukema
Rowland
Russo
Sabo
Sawyer
Scheuer
Schneider
Schulze
Seiberling
Shannon
Sharp
Shaw
Simon
Sisisky
Skelton
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Snowe
Snyder
Solarz
Spence
Spratt
St Germain
Staggers
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Tauke
Thomas (CA)
Thomas (GA)
Torres
Udall
Valentine

Vento
Walgren
Watkins
Waxman
Weaver
Wheat
Whitehurst
Whitley
Whittaker
Wilson
Winn
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Yates
Young (AK)
Young (MO)
Zschau

NAYS—155

Ackerman
Albosta
Anderson
Applegate
Archer
Badham
Barnard
Bethune
Bevill
Bilirakis
Boucher
Broomfield
Brown (CO)
Burton (IN)
Byron
Carney
Carr
Chappie
Clay
Clinger
Coats
Coleman (MO)
Coleman (TX)
Collins
Conyers
Courter
Craig
Crane, Daniel
Crane, Philip
Daniel
Dannemeyer
Darden
Davis
de la Garza
Dellums
Dickinson
Dreier
Dyson
Early
Eckart
Edwards (OK)
Emerson
English
Erdreich
Feighan
Fiedler
Fields
Florio
Gaydos
Gilman
Gonzalez
Goodling
Gramm
Guarini
Hall (IN)
Hall (OH)
Hall, Ralph
Hall, Sam
Hammerschmidt
Hartnett
Hawkins
Hayes
Hertel
Hiler
Hopkins
Hubbard
Hughes
Hunter
Hyde
Kaptur
Kasich
Kazen
Kemp
Kildee
Kolter
Kramer
Lagomarsino
Latta
Leland
Levitas
Lewis (CA)
Lewis (FL)
Livingston
Loeffler
Lott
Lujan
Lungren
Mack
Markey
Marlenee
Martin (IL)
McCain
McCandless
McCollum
McEwen
Minish
Mitchell
Molinari
Moorhead
Murphy
Myers
Natcher
Nichols
Nielson
Ottinger
Owens
Parris
Pashayan
Patman
Paul
Petri
Pursell
Ridge
Rinaldo
Ritter
Roberts
Rodino
Rogers
Roth
Roybal
Rudd
Savage
Schaefer
Schroeder
Schumer
Shelby
Shumway
Shuster
Sikorski
Siljander
Skeen
Slattery
Smith, Denny
Smith, Robert
Solomon
Stangeland
Stump
Tauzin
Taylor
Torricelli
Towns
Traxler
Vander Jagt
Vandergriff
Volkmer
Vucanovich
Walker
Weber
Weiss
Whitten
Williams (MT)
Williams (OH)
Wylie
Yatron
Young (FL)

ANSWERED "PRESENT"—1

Levin

NOT VOTING—9

Akaka
Brooks
Dymally
Erlenborn
Frank
Gingrich
Hansen (ID)
Kogovsek
Sensenbrenner

☐ 1450

The Clerk announced the following pair:

On this vote:

Mr. Akaka for, with Mr. Dymally against.

Messrs. NICHOLS, SAVAGE, BADHAM, and TORRICELLI, Mrs. COLLINS, and Messrs. CONYERS, HAYES, and SLATTERY changed their votes from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mrs. **COLLINS**. Mr. Speaker, I am recorded on rollcall No. 272 as voting "no" on the adoption of the conference report H.R. 4170, the Tax Reform Act of 1984.

Although I do not agree with the parts that deal with Medicare, I support the conference report as a whole and intended to vote "aye" in this instance.

CORRECTING TECHNICAL ERRORS IN ENROLLMENT OF H.R. 4170

Mr. **ROSTENKOWSKI**. Mr. Speaker, I send to the desk a concurrent resolution (H. Con. Res. 328) to correct technical errors in the enrollment of the bill, H.R. 4170, and ask unanimous consent for its immediate consideration.

The **SPEAKER** pro tempore. The Clerk will report the concurrent resolution.

The Clerk read the concurrent resolution, as follows:

H. Con. Res. 328

Resolved by the House of Representatives (the Senate concurring), That, in the enrollment of the bill (H.R. 4170) to provide for tax reform, and for other purposes, the Clerk of the House of Representatives shall make the following corrections:

DIVISION A—TAX REFORM ACT OF 1984

(1) In section 168(j) of the Code (as added by section 31(a) of the bill) strike out "15" and insert in lieu thereof "18" in each of the following provisions of section 168(j):

(A) Subclause (III) of paragraph (1)(B).

(B) Clause (i) of paragraph (2)(B) (including the heading thereof).

(C) Clause (ii) of paragraph (2)(B) (including the heading thereof).

(D) Paragraph (2)(D).

(E) Paragraph (3)(A) (including the heading thereof).

(F) The heading of paragraph (3)(B).

(G) Clause (i) of paragraph (3)(B).

(H) Clause (ii) of paragraph (3)(C).

(I) Paragraph (6)(C) (including the heading thereof).

(2) In clause (ii) of section 168(j)(2)(B) of the Code (as added by section 31(a) of the bill) insert "(using a mid-month convention)" after "months".

(3) In section 168(j)(2) of the Code (as added by section 31(a) of the bill) strike out subparagraph (F) and insert:

"(F) 18-year real property.—For purposes of this subsection, the term '18-year real property' includes—

"(i) low-income housing, and

"(ii) any property which was treated as 15-year real property under this section (as in effect before the amendments made by the Tax Reform Act of 1984)."

(4) In subclause (II) of section 168(j)(4)(E)(ii) of the Code (as added by section 31(a) of the bill) insert "under the lease" after "placed in service".

(5) In subclause (I) of section 48(a)(5)(B)(ii) of the Code (as added by section 31(b) of the bill) strike out "and" at the end thereof and insert in lieu thereof "or".

(6) In subclause (I) of section 48(a)(5)(B)(iii) (as added by section 31(b) of the bill), strike out "to which section 47(a)(7) applies" and insert in lieu thereof "used under a qualifying lease (as defined in section 47(a)(7)(C))".

(7) In subclause (II) 48(a)(5)(B)(iii) of the Code (as added by section 31(b) of the bill), strike out "the lease" and insert in lieu thereof "a lease".

(8) In section 7701(e)(3) of the Code (as added by section 31(e) of the bill), strike out the matter following subparagraph (B) thereof and preceding subparagraph (C) thereof.

(9) In each of subparagraphs (C), (D), and (E) of section 7701(e)(3) of the Code (as added by section 31(e) of the bill) strike out "The" and insert in lieu thereof "For purposes of subparagraph (A), the".

(10) In subparagraph (A) of section 7701(e)(4) of the Code (as added by section 31(e) of the bill), insert ", cogeneration facility, alternative energy facility, or water treatment works facility" after "qualified solid waste disposal facility" in the matter preceding caluse (i).

(11) In paragraph (5) of section 7701(e) of the Code (as added by section 31(e) of the bill), strike out "section 168" and insert in lieu thereof "section 168(c)(2)(F)".

(12) In subparagraph (A) of the bill, insert at the end thereof "For purposes of the preceding sentence, the term '15-year real property' includes 18-year real property."

(13) In caluse (i) of section 31(g)(11)(B) of the bill, strike out "maximum of units" and insert in lieu thereof "maximum number of units".

(14) In clause (i) of section 31(g)(15)(A) of the bill, insert "by the taxpayer" after "placed in service".

(15) In paragraph (17) of section 31(g) of the bill, strike out "section 168(c)(1)(D)" in the matter preceding subparagraph (A) and insert in lieu thereof "section 168(c)(2)(D)".

(16) In clause (ii) of section 31(g)(17)(J) of the bill, insert "written" before "commitment".

(17) In clause (ii) of section 31(g)(17)(L) of the bill—

(A) strike out "Internal Revenue Code" and insert in lieu thereof "Internal Revenue Code of 1954", and

(B) strike out "in existence".

(18) In subparagraph (M) of section 31(g)(17) of the bill, insert "and" after "center,".

(19) In subparagraph (D) of section 31(g)(20) of the bill—

(A) insert "to a tax-exempt entity" after "sublease", and

(B) insert ", 168(j)(8)(A)," after "sections 168(j)(6)(A)".

(20) In section 1274(c)(2) of the Code (as added by section 41(a) of the bill), strike out "is less than" and insert in lieu thereof "is less than or equal to".

(21) In the subpart heading for subpart B of part V of subchapter P of chapter 1 of the Code (as added by section 41(a) of the bill), strike out "on Bonds".

(22) In section 163(e)(2) of the Code (as added by section 42(a) of the bill), strike out subparagraph (C).

(23) In section 483 of the Code (as added by section 41(b) of the bill), redesignate subsections (e), (f), and (g) as subsections (f), (g), and (h), respectively, and insert after subsection (d) the following new subsection:

"(e) Reduced Rate of Interest in Case of Sales of Principal Residence or Farms.—

"(1) In general.—In the case of any debt instrument arising from a sale or exchange to which this subsection applies—

"(A) subsection (b) shall be applied by substituting '100 percent' for '120 percent', and

"(B) subsection (c)(1)(B) shall be applied by substituting '90 percent' for '110 percent'.

"(2) Sales or exchanges to which subsection applies.—This subsection shall apply—

"(A) to any sale or exchange by an individual of his principal residence (within the meaning of section 1034), and

"(B) to any sale or exchange of a farm (within the meaning of section 6420(c)(2)) by a person described in section 1274(c)(4)(A).

"(3) Limitation.—Paragraph (1) shall not apply to the portion of the stated principal amount of the debt instrument arising from the transaction which exceeds $250,000. For purposes of the preceding sentence, all debt instruments arising from any transaction shall be treated as 1 debt instrument. In the case of any qualified sale (as defined in subsection (f)(2)), the $250,000 amount contained in the first sentence of this paragraph shall be reduced by the amount of any debt instrument to which subsection (f)(1) applies."

(24) In paragraph (1) of section 53(b) of the bill, strike out "section 246(c)" and insert in lieu thereof "section 246".

(25) In section 301(e)(2) of the Code (as added by section 54(b) of the bill), strike out "section 1248(f)(2)" and insert in lieu thereof "section 1248".

(26) In the section heading for section 59 of the bill, strike out "EXCEPTIONS" and insert in lieu thereof "EXCEPTION" and amend the table of contents of the bill accordingly.

(27) Strike out paragraph (2) of section 67(e) of the bill and insert in lieu thereof the following:

(2) Special rule for contract amendments.—Any contract entered into before June 15, 1984, which is amended after June 14, 1984, in any significant relevant aspect shall be treated as a contract entered into after June 14, 1984.

(28) In section 291(a)(4) of the Code (as amended by section 68(b) of the bill), strike out subparagraphs (A) and (B) and insert the following:

"(A) '30 percent' for '32 percent' in paragraph (2), and

"(B) '15/23' for '16/23' in paragraph (3)."

(29) Strike out subparagraphs (C) and (D) of section 706(d)(2) of the Code (as added by section 72(a) of the bill) and insert in lieu thereof the following:

"(C) Items attributable to periods not within taxable year.—If any portion of any allocable cash basis item is attributable to—

"(i) any period before the beginning of the taxable year, such portion shall be assigned under subparagraph (A)(i) to the first day of such taxable year, or

"(ii) any period after the close of the taxable year, such portion shall be assigned under subparagraph (A)(i) to the last day of the taxable year.

"(D) Treatment of deductible items attributable to prior periods.—If any portion of a deductible cash basis item is assigned under subparagraph (C)(i) to the first day of any taxable year—

"(i) such portion shall be allocated among persons who are partners in the partnership during the period to which such portion is attributable in accordance with their varying interests in the partnership during such period, and

"(ii) any amount allocated under clause (i) to a person who is not a partner in the partnership on such first day shall be capitalized by the partnership and treated in the manner provided for in section 755."

(30) In paragraph (5) of section 77(b) of the bill, insert "and which was executed on or before March 31, 1984," after "March 29, 1984.".

(31) In section 77(b)(5) of the bill, strike out "on, or before" and insert in lieu thereof "on or before".

(32) In section 91(g) of the bill, strike out paragraphs (1) and (2) and insert the following:

(1) In general.—Except as provided in this subsection and subsections (h) and (i), the amendments made by this section shall apply to amounts with respect to which a deduction would be allowable under chapter 1 of the Internal Revenue Code of 1954 (determined without regard to such amendments) after—

(A) in the case of amounts to which section 461(h) of such Code (as added by such amendments) applies, the date of the enactment of this Act, and

(B) in the case of amounts to which section 461(i) of such Code (as so added) applies, after March 31, 1984.

(2) Taxpayer may elect earlier application.—

(A) In general.—In the case of amounts described in paragraph (1)(A), a taxpayer may elect to have the amendments made by this section apply to amounts which—

(i) are incurred before the date of the enactment of this Act (determined without regard to such amendments), and

(ii) are incurred on or after the date of the enactment of this Act (determined with regard to such amendments).

(B) Election treated as change in the method of accounting.—For purposes of section 481 of the Internal Revenue Code of 1954, if an election is made under subparagraph (A) with respect to any amount, the application of the amendments made by this section shall be treated as a change in method of accounting—

(i) initiated by the taxpayer,

(ii) made with the consent of the Secretary of the Treasury, and

(iii) with respect to which section 481 of such Code shall be applied by substituting a 3-year adjustment period for a 10-year adjustment period.

(33) In the table contained in section 467(e)(3)(A) of the Code (as added by section 92(a)), after the item relating to "10-year property", insert the following new item:

"Low-income housing .... 15 years."

(34) In clause (ii) of section 92(c)(2)(C) of the bill insert "(for purposes of this clause)" after "assuming" in the matter preceding subclause (I).

(35) Strike out the last two sentences of section 92(c)(2) of the bill and insert:

Paragraph (3)(B)(ii)(II) shall apply for purposes of clauses (ii) and (iii) of subparagraph (C), as if, as of the beginning of the last stage, the separate agreements were treated as 1 single agreement relating to all property covered by the agreements, including any property placed in service before the property to which the agreement for the last stage relates. If the lessor under the agreement described in subparagraph (C) leases the property from another person, this exception shall also apply to any agreement between the lessor and such person which is integrally related to, and entered into at the same time as, such agreement, and which calls for comparable payments of rent over the primary term of the agreement.

(36) In paragraph (2) of section 195(b) of the Code (as added by section 94(a)), insert "attributable to such trade or business" after "deferred expenses".

(37) In paragraph (2) of section 1092(f) of the Code (as added by section 101(c) of the bill), strike out "The holding period" and insert in lieu thereof "Except for purposes of section 851(b)(3), the holding period".

(38) Strike out subparagraph (C) of section 1256(g)(4) of the Code (as amended by section 102(a) of the bill) and insert in lieu thereof the following:

"(C) is listed on the qualified board or exchange on which such options dealer is registered.

(39) In subparagraph (A) of section 211(h)(1) of the Social Security Act, as added by section 102(c)(2) of the bill, insert "activity of" before "dealing in or trading".

(40) In subsection (d) of section 102 of the bill, strike out paragraph (3) and insert in lieu thereof the following:

(3) Subchapter selection.—If a commodities dealer or an options dealer—

(A) becomes a small business corporation (as defined in section 1361(b) of the Internal Revenue Code of 1954) at any time before the close of the 75th day after the date of the enactment of this Act, and

(B) makes the election under section 1362(a) of such Code before the close of such 75th day,

then such dealer shall be treated as having received approval for and adopted a taxable year beginning on the first day during 1984 on which it was a small business corporation (as so defined) and ending on the date determined under section 1378 of such Code and such election shall be effective for such taxable year.

(41) In the subsection heading to subsection (b) of section 106 of the bill, strike out "Business" and insert in lieu thereof "Dealer".

(42) In paragraph (2) of section 108(a) of the bill, strike out "such Act" and insert in lieu thereof "the Economic Recovery Tax Act of 1981".

(43) Strike out subsection (d) of section 111 of the bill and insert in lieu thereof the following:

(d) Use of Mid-Month Convention.—Subparagraphs (A) and (B) of section 168(b)(2) are each amended by inserting "(using a mid-month convention)" after "months".

(44) In paragraph (2) of section 111(g) of the bill, strike out "but only if property is not" and insert in lieu thereof "but only if the property is not".

(45) In subparagraph (B) of section 111(g)(3) of the bill, strike out "March 1984" and insert in lieu thereof "March 16, 1984".

(46) In paragraph (1) of section 48(r) of the Code (as added by section 113(a)(1) of the bill), strike out "commences with taxpayer" and insert in lieu thereof "commences with the taxpayer".

(47) In paragraph (1) of section 113(b) of the bill, strike out "Film" and insert in lieu thereof "Films".

(48) Strike out subsection (c) of section 113 of the bill and insert in lieu thereof the following:

(c) Effective Dates.—

(1) Sound recordings.—The amendments made by subsection (a) shall apply to property placed in service after March 15, 1984, in taxable years ending after such date.

(2) Films and other property.—

(A) The amendment made by paragraph (1) of subsection (b) shall apply to any motion picture film or video tape placed in service before, on, or after the date of the enactment of this Act, except that such amendment shall not apply to—

(i) any qualified film placed in service by the taxpayer before March 15, 1984, if the taxpayer treated such film as recovery property for purposes of section 168 of the Internal Revenue Code of 1954 on a return of tax under chapter 1 of such Code filed before March 16, 1984, or

(ii) any qualified film placed in service by the taxpayer before January 1, 1985, if—

(I) 20 percent or more of the production costs of such film were incurred before March 16, 1984, and

(II) the taxpayer treats such film as recovery property for purposes of section 168 of such Code.

No credit shall be allowable under section 38 of such Code with respect to any qualified film described in clause (ii), except to the extend provided in section 48(k) of such Code.

(B) The amendments made by paragraphs (2) and (3) of subsection (b) shall apply as if included in the amendments made by sections 201(a), 211(a)(1), and 211(f)(1) of the Economic Recovery Tax Act of 1981.

(C) The amendment made by paragraph (4) of subsection (b) shall take effect as if included in the amendments made by section 205(a)(1) of the Tax Equity and Fiscal Responsibility Act of 1982.

(D) For purposes of this paragraph, the terms "qualified film" and "production costs" have the same respective meanings as when used in section 48(k) of the Internal Revenue Code of 1954.

(49) In paragraph (1) of section 121(b) of the bill, strike out "the taxable year of any United States-owned foreign corporation in which occurs" and insert in lieu thereof "any taxable year of any United States-owned foreign corporation ending after".

(50) In subparagraph (D) of section 121(b)(2) of the bill, strike out "and the holding of short-term" and insert in lieu thereof "or the holding of short-term".

(51) In paragraph (5) of section 121(b) of the bill, strike out "paragraphs (2) or (3)" and insert in lieu thereof "paragraph (2) or (3)".

(52) In paragraph (6) of section 121(b) of the bill—

(A) strike out "issued obligations on" and insert in lieu thereof "issued certificates with respect to obligations on", and

(B) strike out "income received or accrued on such obligations" and insert in lieu thereof "the proceeds from relending such obligations or related capital".

(53) In clause (ii) of section 904(d)(3)(E) of the Code (as added by section 122(a) of the bill), strike out "the taxpayer" and insert in lieu thereof "a United States person".

(54) In subparagraph (J) of section 904(d)(3) of the Code (as added by section 122(a) of the bill), strike out "under such interest" and insert in lieu thereof "unless such interest".

(55) In subparagraph (B) of section 122(b)(2) of the bill, strike out "designated payor" each place it appears and insert in lieu thereof "designated payor corporation".

(56) In paragraph (3) of section 122(b) of the bill—

(A) strike out "corporations which are not" in the heading and insert in lieu thereof "corporation which is not", and

(B) strike out "section 131(b)(2)(D)" and insert in lieu thereof "section 121(b)(2)(D)".

(57) In paragraph (6) of section 864(d) of the Code (as added by section 123(a) of the bill)—

(A) strike out "other than a related person", and

(B) strike out "such related person" in subparagraphs (A) and (B) and insert in lieu thereof "a related person".

(58) In paragraph (2) of section 123(c) of the bill—

(A) strike out "March 1, 1984" the second place it appears and insert in lieu thereof "March 1, 1984".

(B) strike out "investment in United States property of such corporation" and insert in lieu thereof "amount includible in gross income by reason of section 956 of the Internal Revenue Code of 1954 with respect to such corporation", and

(C) strike out "investment on or before March 1, 1984" and insert in lieu thereof "adjusted basis on March 1, 1984".

(59) In paragraph (1) of section 127(a) of the bill, strike out "by redesignating subsection (i) as subsection (j) and by adding at the end thereof the following new subsection" and insert "by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection".

(60) Subsection (i) of section 871 of the Code (as added by section 127(a)) is redesignated as subsection (h).

(61) In subsection (h) of section 871 of the Code (as redesignated by the preceding paragraph and as added by section 127(a) of the bill)—

(A) strike out "who is, or would otherwise be," in paragraph (2)(B)(ii) and insert "who would otherwise be", and

(B) strike out "owner" in paragraph (3)(C)(ii) and insert "owning".

(62) In subsection (c) of section 881 of the Code (as added by section 127(b) of the bill)—

(A) Strike out "paragraph (1) of subsection (a)" in paragraph (1) and insert in lieu thereof "paragraph (1) or (3) of subsection (a)".

(B) Strike out "section 871(i)(2)(A)" in paragraph (2)(A) and insert in lieu thereof "section 871(h)(2)(A)".

(C) Strike out "who is, or would otherwise be," in paragraph (2)(B) and insert in lieu thereof "who would otherwise be".

((D) Strike out "section 871(i)(4)" in paragraph (2)(B) and insert in lieu thereof "section 871(h)(4)".

(E) Strike out "or" at the end of paragraph (3)(A).

(F) Strike out subparagraph (B) of paragraph (3) and insert in lieu thereof the following:

(B) is received by a 10-percent shareholder (within the meaning of section 871(h)(3)(B)), or

(C) is received by a controlled foreign corporation from a related person (within the meaning of section 864(d)(4)).

(G) Strike out "not found or avoided" in paragraph (4)(A)(ii) and insert in lieu thereof "not formed or availed".

(H) Strike out subparagraphs (B) and (C) of paragraph (4) and insert in lieu thereof the following:

"(B) Controlled foreign corporation.—For purposes of this subsection, the term 'contolled foreign corporation' has the meaning given to such term by section 957(a).

(I) Strike out "section 871(i)(5)" each place it appears in paragraph (5) and insert in lieu thereof "section 871(h)(5)".

(63) In subsection (c) of section 127 of the bill, strike out "section 871(i)" and insert in lieu thereof "section 871(h),".

(64) In section 2105(b) of the Code (as added by section 127(d) of the bill)—

(A) strike out "section 871(i)(4)" and insert in lieu thereof "section 871(h)(4)", and

(B) strike out "section 871(i)(1)" and insert in lieu thereof "section 871(h)(1)".

(65) In paragraph (9) of section 1441(c) of the Code (as added by section 127(e) of the bill)—

(A) strike out "section 871(i)(2)" and insert in lieu thereof "section 871(h)(2)", and

(B) strike out "section 871(i)(3)" and insert in lieu thereof "section 871(h)(3)".

(66) Strike out paragraph (2) of section 127(e) of the bill and insert the following:

(2) Foreign corporations.—The last sentence of section 1442(a) is amended—

(A) by striking out "and" after "section 881(a)(4)," and

(B) by inserting before the period at the end thereof the following: ", and the references in section 1449(c)(9) to sections 871(h)(2) and 871(h)(3) shall be treated as referring to sections 881(c)(2) and 881(c)(3)".

(67) In paragraph (3)(A) of section 127(g) of the bill, strike out "application" and insert in lieu thereof "applicable".

(68) In subparagraph (C) of section 127(g)(3) of the bill—

(A) strike out "131(b)(2)(D)" and insert in lieu thereof "121(b)(2)(D)", and

(B) strike out "section 131(b)(2)(F)" and insert in lieu thereof "section 121(b)(2)(F)".

(69) In section 1445(b)(2) of the Code (as added by section 129(a) of the bill), strike out "penalty or perjury" and insert in lieu thereof "penalty of perjury".

(70) Strike out subparagraph (B) of section 1445(d)(1) of the Code (as added by section 129(a) of the bill) and insert in lieu thereof the following:

"(B) in the case of—

"(i) any transferor's agent, the transferor is a foreign corporation or such agent has actual knowledge that such affidavit is false, or

"(ii) any transferee's agent, such agent has actual knowledge that such affidavit is false.

(71) In clause (ii) of section 367(a)(3)(B) of the Code (as added by section 131(a) of the bill), strike out "installment obligation" and insert in lieu thereof "installment obligations".

(72) In clause (i) of section 136(c)(7)(A) of the bill, strike out "before April 15, 1984" and insert in lieu thereof "on April 5, 1984".

(73) In section 879(a) of the Code (as amended by section 139(a) of the bill), strike out "community" and insert in lieu thereof "community income".

(74) In subsection (c) of section 111 of the Code (as added by section 171 of the bill), insert "or adjustment" after "the recovery".

(75) At the end of subparagraph (B) of section 179(d)(1) of the bill, add the following new sentence:

For purposes of the preceding sentence, the term "15-year real property" includes 18-year real property.

(76) In paragraph (6) of section 809(g) of the Code (as added by section 211 of the bill) insert "of a subsidiary" after "tax reserves".

(77) In paragraph (1) of section 817 of the Code (as added by section 211 of the bill) strike out "For purposes of the preceding sentence" and insert in lieu thereof "For

purposes of this paragraph and paragraph (2)".

(78) In section 219 of the bill—

(A) strike out "APPLICATION OF SECTION 6001" and insert in lieu thereof "AUTHORITY TO REQUIRE CERTAIN INFORMATION" and

(B) strike out "exercising his authority under section 6001 of the Internal Revenue Code of 1954 to require" and insert in lieu thereof "requiring".

(79) In the table of contents of the bill after the item relating to section 218, insert the following new item:

Sec. 219. Clarification of authority to require certain information

(80) In subclause (II) of section 465(c)(7)(D)(ii) of the Code (as added by section 432(a) of the bill), strike out "20 percent" and insert in lieu thereof "10 percent".

(81) In section 419(a)(2) of the Code (as added by section 511 of the bill), strike out "they testify" and insert in lieu thereof "they satisfy".

(82) In section 419(c)(3)(A) of the Code (as added by section 511 of the bill), strike out "the aggregate amount" and insert in lieu thereof "the aggregate amount (including administrative expenses)".

(83) In paragraph (4) of section 419A(a) of the Code (as added by section 511 of the bill), strike out "life insurance benefit" and insert in lieu thereof "life insurance benefits".

(84) Strike out paragraph (2) of section 419A(c) of the Code (as added by section 511 of the bill) and insert in lieu thereof the following:

"(2) ADDITIONAL RESERVE FOR POST-RETIREMENT MEDICAL AND LIFE INSURANCE BENEFITS.—The account limit for any taxable year may include a reserve funded over the working lives of the covered employees and actuarially determined on a level basis (using assumptions that are reasonable in the aggregate) as necessary for—

""(A) post-retirement medical benefits to be provided to covered employees (determined on the basis of current medical costs), or

"(B) post-retirement life insurance benefits to be provided to covered employees.

(85) Strike out subparagraph (A) of section 419A(c)(3) of the Code (as added by section 511 of the bill) and insert the following:

"(A) IN GENERAL.—The account limit for any taxable year with respect to SUB or severance pay benefits is 75 percent of the average annual qualified direct costs for SUB or severance pay benefits for any 2 of the immediately preceding 7 taxable years (as selected by the fund).

(86) Strike out clauses (i) and (ii) of section 419A(c)(5)(B) and insert in lieu thereof the following:

"(i) SHORT-TERM DISABILITY BENEFITS.—In the case of short-term disability benefits, the safe harbor limit for any taxable year is 17.5 percent of the qualified direct costs (other than insurance premiums) for the immediately preceding taxable year with respect to such benefits.

"(ii) MEDICAL BENEFITS.—In the case of medical benefits, the safe harbor limit for any taxable year is 35 percent of the qualified direct costs (other than insurance premiums) for the immediately preceding taxable year with respect to medical benefits.

(87) In paragraph (1) of section 419A(e) of the Code (as added by section 511 of the bill), strike out "medical benefits or life insurance benefits provided to retired employees" and insert in lieu thereof "post-retirement medical benefits or life insurance benefits to be provided to covered employees".

(88) In paragraph (2) of section 419A(g) of the Code (as added by section 511 of the bill), strike out "referred to in paragraph (1)".

(89) Strike out paragraph (5) of section 511(e) of the bill and insert in lieu thereof the following:

(5) BINDING CONTRACT EXCEPTIONS TO PARAGRAPH (4).—Paragraph (4) shall not apply to any facility placed in service before January 1, 1987—

(A) which is acquired by the fund (or contributed to the fund) pursuant to a binding contract in effect on June 22, 1984, and at all times thereafter, or

(B) the construction of which by or for the fund began before June 22, 1984.

(90) In clause (i) of section 512(a)(3)(E) of the Code (as added by section 511(b)(2) of the bill), strike out "any reserve for medical benefits provided to retired employees" and insert in lieu thereof "any reserve described in section 419A(c)(2)(A) for post-retirement medical benefits".

(91) Strike out clause (iii) of section 512(a)(3)(E) of the Code (as added by section 511(b)(2) of the bill) and insert the following:

"(iii) TREATMENT OF EXISTING RESERVES FOR POST-RETIREMENT MEDICAL OR LIFE INSURANCE BENEFITS.—

"(I) Clause (i) shall not apply to any income attributable to an existing reserve for post-retirement medical or life insurance benefits.

"(II) For purposes of subclause (I), the term 'existing reserve or post-retirement medical or life insurance benefit' means the amount of assets set aside as of the close of the last plan year ending before the date of the enactment of the Tax Reform Act of 1984 for purposes of post-retirement medical benefits or life insurance benefits to be provided to covered employees.

"(III) All payments during plan years ending on or after the date of the enactment of the Tax Reform Act of 1984 of post-retirement medical benefits of life insurance benefits shall be charged against the reserve referred to in subclause (II). Except to the extent provided in regulations prescribed by the Secretary, all plans of an employer shall be treated as 1 plan for purposes of the preceding sentence.

(92) Strike out paragraph (2) of section 4976(b) of the Code (as added by section 511(c)(1) of the bill) and insert the following:

"(2) any post-retirement medical or life insurance benefit unless the plan meets the requirements of section 505(b)(1) with respect to such benefit, and

(93) In the item added by section 511(c)(2) of the bill, strike out "4977" and insert in lieu thereof "4976".

(94) In paragraph (4) of section 511(e) of the bill, strike out "to be used to acquire" and insert lieu thereof "to be used to acquire or improve".

(95) In paragraph (5) of section 511(e) of the bill, strike out "acquired pursuant to" and insert in lieu thereof "acquired or improved pursuant to".

(96) In the subsection heading for subsection (a) of section 505 of the Code (as added by section 513(a) of the bill), strike out "(9), (17), OR (20)" and insert in lieu thereof "(9) OR (20)".

(97) Redesignate paragraph (3) of section 505(a) of the Code (as added by section 513 of the bill) as paragraph (2).

(98) In subparagraph (B) of section 505(b)(1) of the Code (as added by section 513(a) of the bill), strike out "benefits for not discriminate" and insert in lieu thereof "benefits do not discriminate".

(99) At the end of subtitle E of title V of the bill, insert the following new section:

SEC. 561. LIMITATION ON ACCRUAL OF VACATION PAY.

(a) GENERAL RULE.—Paragraph (1) of section 463(a) (relating to accrual of vacation pay) is amended by striking out "and payable during" and inserting lieu thereof "and expected to be paid during".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after March 31, 1984.

(100) In the table of contents of the bill, insert after the item relating to section 560 the following new item:

SEC. 561. Limitation on accrual of vacation pay.

(101) In section 403(b)(8)(B) of the Code (as added by section 522(d)(10) of the bill), strike out clause (iii) and insert closing quotation marks at the end of clause (ii).

(102) In paragraph (1) of section 219(f), as amended by section 529 of the bill, strike out "paragraph (1)" and all that follows and insert in lieu thereof "section 71 with respect to a divorce or separation instrument described in subparagraph (103)(A) of section 71(b)(2)."

(103) In paragraph (1) of section 125(h) of the Code (as added by section 531(b)(4)(A) of the bill), strike out "taxable" each place it appears.

(104) In section 4977 of the Code (as added by section 531(e)(1) of the bill), strike out subsection (e) and insert in lieu thereof the following new subsection:

"(e) TREATMENT OF CONTROLLED GROUPS.—All employees treated as employed by a single employer under subsection (b), (c), or (m) of section 414 shall be treated as employed by a single employer for purposes of this section."

(105) In subparagraph (A) of section 103A(j)(3) of the Code (as added by section 611(b)(1) of the bill), strike out "a statement concerning" and insert in lieu thereof "(or such later time as the Secretary may prescribe with respect to any portion of the statement) a statement concerning".

(106) In subparagraph (A) of section 103A(j)(4) of the Code (as added by section 611(b)(1) of the bill), strike out "certifies that" and insert in lieu thereof "certifies in the manner prescribed by regulations that".

(107) In subparagraph (B) of section 103A(j)(4) of the Code (as added by section 611(b)(1) of the bill), strike out "paragraph (3)" and insert in lieu thereof "paragraph (3) or such other time as the Secretary may prescribe".

(108) In subparagraph (C) of section 103A(j)(4) of the Code (as added by section 611(b)(1) of the bill), strike out "constitutional home rule cities" and insert in lieu thereof "any constitutional home rule city".

(109) In subparagraph (B) of section 103A(j)(5) of the Code (as added by section 611(b)(1) of the bill)—

(A) strike out clause (i) and insert in lieu thereof the following:

"(i) a statement of the policies with respect to housing, development, and low-income housing assistance which such governmental unit is to follow in issuing qualified mortgage bonds and mortgage credit certificates, and

(B) strike out "great extent feasible" in clause (ii)(II) and insert in lieu thereof "greatest extent feasible".

(110) Strike out subparagraph (B) of section 103A(o)(3) of the Code (as added by section 611(c)(2) of the bill) and insert in lieu thereof the following:

"(B) STATE VETERANS LIMIT.—A State veterans limit for any calendar year is the amount equal to—

"(i) the aggregate amount of qualified veterans bonds issued by such State during the period beginning on January 1, 1979, and ending on June 22, 1984 (not including the amount of any qualified veterans bond issued by such State during the calendar year (or portion thereof) in such period for which the amount of such bonds so issued was the lowest), divided by

"(ii) the number (not to exceed 5) of calendar years after 1979 and before 1985 during which the State issued qualified veterans bonds (determined by only taking into account bonds issued on or before June 22, 1984).

(111) In subparagraph (C) of section 611(d)(3) of the bill—

(A) strike out "section 103(o)(3)" and insert in lieu thereof "section 103A(o)(3)", and

(B) strike out "such bond is authorized" and insert in lieu thereof "such bond was authorized".

(112) In paragraph (7) of section 611(d) of the bill—

(A) strike out "Annual report" in the paragraph heading and insert in lieu thereof "Report", and

(B) strike out "shall submit an annual report" and insert in lieu thereof "shall, not later than January 1, 1987, submit a report".

(113) In section 25(d)(2)(A) of the Code (as added by section 612(a) of the bill), strike out "or, if lesser, the aggregate amount of certified indebtedness referred to in clause (i)".

(114) At the end of subsection (d) of section 25 of the Code (as added by section 612(a) of the bill), insert the following:

"(3) ADDITIONAL LIMIT IN CERTAIN CASES.—In the case of a qualified mortgage credit certificate program in a State which—

"(A) has a State ceiling (as added by section 103A(g)(4)) for the year an election is made that exceeds 20 percent of the average annual aggregate principal amount of mortgages executed during the immediately preceding 3 calendar years for single family owner-occupied residences located within the jurisdiction of such State, or

"(B) issued qualified mortgage bonds in an aggregate amount less than $150,000,000 for calendar year 1983.

the certificate credit rate for any mortgage credit certificate shall not exceed 20 percent unless the issuing authority submits a plan to the Secretary to ensure that the weighted average of the certificate credit rates in such mortgage credit certificate program does not exceed 20 percent and the Secretary approves such plan.

(115) In paragraph (2) of section 25(e) of the Code (as added by section 612(a) of the bill), strike out "(g) and (j) of section 103A" and insert in lieu thereof "and (j) of section 103A and clauses (iv), (v), and (vii) of subsection (c)(2)(A)".

(116) Strike out paragraph (4) of section 25(e) of the Code (as added by section 612(a) of the bill), and insert in lieu thereof the following:

"(4) REISSUANCE OF MORTGAGE CREDIT CERTIFICATES.—The Secretary may prescribe regulations which allow the administrator of a mortgage credit certificate program to reissue a mortgage credit certificate specifying a certified mortgage indebtedness that replaces the outstanding balance of the certified mortgage indebtedness specified on the original certificate to any taxpayer to whom the original certificate was issued, under such terms and conditions as the Secretary determines are necessary to ensure that the amount of the credit allowable under subsection (a) with respect to such reissued certificate is equal to or less than the amount of credit which would be allowable under subsection (a) with respect to the original certificate for any taxable year ending after such reissuance.

(117) In paragraph (1) of section 25(f) of the Code (as added by section 612(a) of the bill), strike out the first sentence and insert in lieu thereof the following: "If for any calendar year any mortgage credit certificate program which satisfies procedural requirements with respect to volume limitations prescribed by the Secretary fails to meet the requirements of paragraph (2) of subsection (d), such requirements shall be treated as satisfied with respect to any certified indebtedness of such program, but the applicable State ceiling under paragraph (4) of section 103A(g) for the State in which such program operates shall be reduced by 1.25 times the correction amount with respect to such failure."

(118) Strike out subparagraph (A) of section 25(f)(2) of the Code (as added by section 612(a) of the bill) and insert the following:

"(A) IN GENERAL.—For purposes of paragraph (1), the term 'correction amount' means an amount equal to the excess credit amount divided by 0.20.

(119) In subsection (h) of section 25 of the Code (as added by section 612(a) of the bill), strike out "1978" and insert in lieu thereof "1987".

(120) In paragraph (1) of section 6708(a) of the Code (as added by section 612(d) of the bill), strike out "a misstatement" and insert in lieu thereof "a material misstatement".

(121) Add at the end of subsection (c) of section 6708 of the Code (as added by section 612(d) of the bill) the following new sentence: "In the case of any report required under the second sentence of section 25(g), the aggregate amount of the penalty imposed by the preceding sentence shall not exceed $2,000."

(122) In the heading of subparagraph (C) of section 103(n)(4) of the Code (as added by section 621 of the bill), strike out "termination" and insert in lieu thereof "partial termination".

(123) In clause (i) of section 103(n)(7)(C) of the Code (as added by section 621 of the bill), strike out "section 103(b)(4)" and insert in lieu thereof "subsection (b)(4)".

(124) Strike out clause (ii) of section 103(n)(7)(C) of the Code (as added by section 621 of the bill) and insert in lieu thereof the following:

"(ii) EXCEPTION NOT TO APPLY TO CERTAIN PARKING FACILITIES.—For purposes of clause (i), subparagraph (D) of subsection (b)(4) shall be applied as if it did not contain the phrase 'parking facilities'.

(125) In section 622 of the bill, strike out "certain obligations must not be" and insert in lieu thereof "certain obligations which must not be".

(126) In clause (iv) of section 103(h)(3)(A) of the Code (as amended by section 622 of the bill), strike out "of 1984" and insert in lieu thereof "of 1984 with respect to any obligation issued before July 1, 1989".

(127) In clause (ii) of section 103(b)(15)(B) of the Code (as added by section 623 of the bill), strike out "for the later issue" and insert in lieu thereof "of the later issue".

(128) Strike out subparagraph (C) of section 103(b)(15) of the Code (as added by section 623 of the bill) and insert in lieu thereof the following:

"(C) ALLOCATION OF FACE AMOUNT OF AN ISSUE.—

"(i) IN GENERAL.—Except as otherwise provided in regulations, the portion of the face amount of an issue allocated to any test-period beneficiary of a facility financed by the proceeds of such issue (other than an owner of such facility) is an amount which bears the same relationship to the entire face amount of such issue as the portion of such facility used by such beneficiary bears to the entire facility.

"(ii) OWNERS.—Except as otherwise provided in regulations, the portion of the face amount of an issue allocated to any test-period beneficiary who is an owner of a facility financed by the proceeds of such issue is an amount which bears the same relationship to the entire face amount of such issue as the portion of such facility owned by such beneficiary bears to the entire facility.

(129) In subparagraph (D) of section 103(b)(15) of the Code (as added by section 623 of the bill), strike out "principal user of" and insert in lieu thereof "a principal user of".

(130) In clause (ii) of section 103(c)(6)(F) of the Code (as added by section 624 of the bill)—

(A) strike out "Notwithstanding subparagraph (D)" and insert in lieu thereof "Under regulations prescribed by the Secretary", and

(B) strike out "this paragraph only" and insert in lieu thereof "this clause only".

(131) In the heading of section 625 of the bill, strike out "BOND" and insert in lieu thereof "BONDS" and amend the table of contents accordingly.

(131A) In section 625(a)(3)(C) of the bill, strike out "section 625(c)(5)" and insert in lieu thereof "section 626(b)(4)".

(132) In the paragraph heading of paragraph (3) of section 103(o) of the Code (as added by section 626(a) of the bill), strike out "student loans" and insert in lieu thereof "student loan bonds".

(133) In subsection (b) of section 626 of the bill, redesignate paragraphs (4), (5), (6), and (7) as paragraphs (3), (4), (5), and (6), respectively.

(134) In section 626(b)(4) of the bill (as redesignated by this resolution), strike out "amounts made" and insert in lieu thereof "amendments made".

(135) In subparagraph (C) of section 103(b)(16) of the Code (as added by section 627(a) of the bill), strike out "port development project" and insert in lieu thereof "port development project which consists of facilities described in paragraph (4)(D)".

(136) In paragraph (17) of section 103(b) of the Code (as added by section 627(b) of the bill), strike out the quotation marks at the end of subparagraph (C)(iii) and add at the end thereof the following new subparagraph:

"(D) SPECIAL RULE FOR CERTAIN PROJECTS.—In the case of a project involving 2 or more buildings, this paragraph shall be applied on a project basis."

(137) Strike out paragraphs (2) and (3) of section 628(a) of the bill and insert in lieu thereof the following:

(2) Subparagraph (B) of section 103(m)(2) is amended to read as follows:

"(B) is exempt from tax under this title without regard to any provision of law which is not contained in this title and which is not contained in a revenue Act."

(3) Subsection (m) of section 103 is amended by adding at the end thereof the following new paragraph:

"(3) EXCEPTIONS.—The following obligations shall be treated as obligations described in paragraph (1) (without regard to the second sentence thereof):

"(A) Any obligation issued pursuant to the Northwest Power Act (16 U.S.C. 839d) as in effect on the date of the enactment of the Tax Reform Act of 1984.

"(B) Any obligation issued pursuant to section 608(6)(A) of Public Law 97-468.

"(C) Any obligation issued before June 19, 1984, under section 11(b) of the United States Housing Act of 1937."

(138) At the end of section 628 of the bill, add the following new subsection:

(h) SMALL ISSUE LIMIT IN CASE OF CERTAIN URBAN DEVELOPMENT ACTION GRANTS.—In the case of any obligation issued on December 11, 1981, section 103(b)(6)(I) of the Internal Revenue Code of 1954 shall be applied by substituting "$15,000,000" for "$10,000,000" if—

(1) such obligation is part of an issue,

(2) substantially all of the proceeds of such issue are used to provide facilities with respect to which an urban development action grant under section 119 of the Housing and Community Development Act of 1974 was preliminarily approved by the Secretary of Housing and Urban Development on January 10, 1980, and

(3) the Secretary of Housing and Urban Development determines, at the time such grant is approved, that the amount of such grant will equal or exceed 5 percent of the total capital expenditures incurred with respect to such facilities.

(139) In paragraph (1) of section 631(c) of the bill, strike out "this section" and insert in lieu thereof "this subtitle".

(140) In clause (ii) of section 631(c)(3)(A) of the bill, strike out "significant expenditure" and insert in lieu thereof "significant expenditures".

(141) In section 631(c)(4) of the bill, strike out "section 628(j)" and insert in lieu thereof "section 628(g)".

(142) Strike out paragraphs (1) and (2) of section 631(d) of the bill and insert in lieu thereof the following:

(1) Any property described in paragraph (5), (6), or (7) of section 31(g) of this Act.

(2) Any property described in paragraph (4), (8), or (17) of section 31(g) of this Act but only if the obligation is issued before January 1, 1985, and only if before June 19, 1984, the issuer had evidenced an intent to issue obligations exempt from taxation under the Internal Revenue Code of 1954 in connection with such property.

(143) In subsection (f) of section 631 of the bill—

(A) strike out "June 1, 1984" and insert in lieu thereof "June 19, 1984", and

(B) strike out "such issues" and insert in lieu thereof "such issue".

(144) In subsection (a) of section 632 of the bill, strike out "title" each place it appears and insert in lieu thereof "subtitle".

(145) In paragraph (6) of section 632(a) of the bill, strike out "November 23, 1983" and insert in lieu thereof "November 3, 1983".

(146) In paragraph (6) of section 632(a) of the bill, strike out "issued pursuant to" and insert in lieu thereof "issued in connection with".

(147) In subsection (d) of section 632 of the bill—

(A) strike out "were issued with respect to" and insert in lieu thereof "are issued with respect to", and

(B) strike out "or any facility related to such facility".

(148) In subsection (b) of section 644 of the bill, strike out "take into account in 1984" and insert in lieu thereof "use in 1984".

(149) In subsection (a) of section 646 of the bill, strike out "a hearing and".

(150) In section 647 of the bill, strike out "any other provision of law" and insert in lieu thereof "any other provision of law, in the case of obligations issued before July 1, 1987".

(151) In paragraph (3) of section 712(k) of the bill, strike our subparagraph (B) and insert in lieu thereof the following:

(B) by inserting "or" at the end of subparagraph (C), and

(152) In paragraph (2) of section 1362(e) of the Code, as amended by section 721(g)(2) of the bill, strike out "paragraphs (3) and (6) (C)" and insert in lieu thereof "paragraph (3) and subparagraphs (C) and (D) of paragraph (6)".

(153) In subsection (a) of section 518 of the Highway Revenue Act of 1982, as amended by section 734(i) of the bill, insert ", except as provided in regulations prescribed by the Secretary of the Treasury or his delegate," before "any Federal Reserve Bank".

(154) In paragraph (2) of section 921(d) of the Code (as added by section 801 of the bill), insert "or accrued" after "received".

(155) In paragraph (3) of section 921(d) of the Code (as added by section 801(a) of the bill), insert "or accrued" after "received".

(156) In section 921(d) of the Code (as added by section 801(a)) strike out "the conduct of" in the matter following paragraph (3).

(157) In clause (i) of section 922(a)(1)(D) (as added by section 801(a) of the bill), insert before the comma at the end thereof "or in any possession of the United States".

(158) In the last sentence of section 924(a) of the Code (as added by section 801(a) of the bill), insert "derived" before "from activities".

(159) In paragraph (3) of section 927(e) of the Code (as added by section 801(a) of the bill) strike out "credited or organized" and insert in lieu thereof "created or organized".

(160) In section 927(e) of the Code (as added by section 801(a) of the bill), strike out paragraph (5) and insert:

"(5) EXEMPTION FROM CERTAIN OTHER TAXES.—No tax shall be imposed by any jurisdiction described in subsection (d)(5) on any foreign trade income derived before January 1, 1987.

(161) In section 801(d) of the bill, add at the end thereof the following new paragraphs:

(11) Section 936(f) (relating to DISC or former DISC ineligible for credit) is amended to read as follows:

"(f) LIMITATION ON CREDIT FOR DISCs AND FSCs.—No credit shall be allowed under this section to a corporation for any taxable year—

"(1) for which it is a DISC or former DISC, or

"(2) in which it owns at any time stock in a—

"(A) DISC or former DISC, or

"(B) FSC or former FSC."

(12) Section 6011(c) (relating to returns of DISCs and former DISCs) is amended—

(A) by inserting "or a FSC or former FSC" after "former DISC" in paragraph (1), and

(B) by inserting "and FSCs and Former FSCs" after "Former DISCs" in the heading thereof.

(13) Section 6072(c) (relating to returns by nonresident alien individuals and foreign corporations) is amended by inserting "or a FSC or former FSC" after "United States".

(14) Section 6501(g)(3) (relating to income tax returns of DISCs) is amended by striking out "section 6011(e)(2)" and inserting in lieu thereof "section 6011(c)(2)".

(15)(A) Section 6686 (relating to failure of DISC to file returns) is amended—

(i) by striking out "section 6011(e)" and inserting in lieu thereof "section 6011(c)", and

(ii) by striking out the heading thereof and inserting in lieu thereof the following:

"SEC. 6686. FAILURE TO FILE RETURNS OR SUPPLY INFORMATION BY DISC OR FSC."

(B) The table of sections of subchapter B of chapter 68 is amended by striking out the item relating to section 6686 and inserting in lieu thereof the following new item:

"Sec. 6686. Failure to file returns or supply information by DISC or FSC."

(162) Section 995(f)(2)(B) (as added by section 802(a)(3)) is amended by striking out "and carrybacks of losses and credits".

(163) In section 805(b)(2)(A) of the bill, insert "with respect to which there had previously been a deemed distribution to which section 995(e)(1) of such Code applied" immediately before the period at the end thereof.

(164) In paragraph (2) of section 4051(d) of the Code, as amended by section 921 of the bill, strike out subparagraph (B) and insert in lieu thereof the following:

"(B)(i) both the seller and the purchaser of which are registered in a manner similar to registration under section 4222, and

"(ii) with respect to which the purchaser certifies (at such time and in such form and manner as the Secretary prescribes by regulations) to the seller that such trailer or semitrailer—

"(I) will be used, or resold for use, principally in connection with such service, or

"(II) will be incorporated into an article which will be so used or resold.

(165) Strike out section 1020 of the bill.

(166) Strike out the item relating to section 1020 in the table of contents of the bill.

(167) In clause (iii) of section 6166(b)(9)(B) of the Code, as added by section 1021 of the bill, insert before the period at the end of the first sentence "for purposes of clause (ii)".

(168) In clause (i) of section 1034(c)(2)(B) of the bill, strike out "account of interest" and insert in lieu thereof "number of units".

(169) In clause (iii) of section 1034(c)(2)(B) of the bill, strike out "amount of interests" and insert in lieu thereof "number of units".

(170) In subsection (j) of section 51 of the Code, as added by subsection (c) of section 1041 of the bill—

(A) strike out "allowable under section 44B" in paragraph (1) thereof and insert in lieu thereof "under this section", and

(B) strike out "allowed under section 44B" in paragraph (2) thereof and insert in lieu thereof "determined under this section".

(171) In paragraph (1) of section 1072(c) of the bill, strike out "section 6056(c)" and insert in lieu thereof "section 6053(c)".

(172) In section 1079 of the bill, strike out all that follows the parenthetical material and insert in lieu thereof ", as amended by section 2813 of the bill, is amended by striking out subparagraph (A) thereof and inserting in lieu thereof the following:

"(A) is exempt from Federal income taxes—

"(i) under such Act as amended and supplemented before the date of the enactment of the Tax Reform Act of 1984, or

"(ii) under this title without regard to any provision of law which is not contained in this title and which is not contained in a revenue Act, or

DIVISION B—SPENDING REDUCTION ACT OF 1984

(a) In title III of Division B of the bill—

(1) In the clause (D) amended by section 2303(a) of the bill, strike out the semicolon and insert in lieu thereof a comma.

(2) In section 2303(b)(1) of the bill, strike out "(c)" and insert in lieu thereof "(C)".

(3) In subsection (h) of section 1833 of the Social Security Act (as amended by section 2303(d) of the bill)—

(A) insert "of" in paragraph (5)(A)(ii) after "in the case",

(B) insert "in accordance with section 1842(b)(6)(B)," in paragraph (5)(C) after "1842(b)(3)(B)(ii),", and

(C) strike out "which is not paid" in paragraph (6) and insert in lieu thereof "payment for which is not made".

(4) In section 2303(i)(1)(A) of the bill, strike out "services" and insert in lieu thereof "tests".

(5) In section 2304(a)(1) of the bill, insert "of the Health and Human Services" after "Secretary".

(6) In section 1862(h)(4) of the Social Security Act (as added by section 2304(c) of the bill) insert "paragraphs (2) and (3) of" before "subsection (d)".

(7) In section 1842(b)(4)(D) of the Social Security Act (as added by section 2306(a) of the bill) strike out "who is not a participating physician" and all that follows through "October 1, 1984" and insert in lieu thereof "who at no time for any services furnished during the 12-month period beginning October 1, 1984, was a participating physician (as defined in subsection (h)(1))".

(8) In section 2306(c) of the bill, insert ", as amended by section 2303(e) of this title," after "Section 1842 of such Act".

(9) Redesignate subsections (j), (k), and (l) of section 1842 of the Social Security Act (added by section 2306(c) of the bill) as subsections (h), (i), and (j), respectively.

(10) In section 1842(i) of the Social Security Act (as added by inserting 2306(c) of the bill and as redesignated under the previous paragraph in this concurrent resolution)—

(A) strike out "subsection (j)(1)" in paragraph (2) and insert in lieu thereof "subsection (h)(1)", and

(B) insert "list and" before "directory" each place it appears in paragraphs (3) and (4).

(11) In section 1128(a)(2)(C) of the Social Security Act (as added by section 2306(f)(1) of the bill), strike out "1842(j)(1)" and insert in lieu thereof "1842(h)(1)".

(12) In section 1877(d) of the Social Security Act (as amended by section 2306(f)(2)(A) of the bill), strike out "1842(j)(1)" and insert in lieu thereof "1842(h)(1)".

(13) In section 2309(b) of the bill, strike out "and used by them in making the 1984 reasonable charge updates" and insert in lieu thereof "for charges in 1983".

(14) In the matter added at the end of section 1886(d)(5)(C)(i) of the Social Security Act by section 2311(a) of the bill, strike out "in case" and insert in lieu thereof "in the case".

(15) In the matter added at the end of section 1886(d)(2)(D) of the Social Security Act by section 2311(b) of the bill, strike out "majority" and insert in lieu thereof "the largest number".

(16) In section 2311(d)(2) of the bill, strike out "reclassified under" and insert in lieu thereof "the region of which is deemed to be changed pursuant to".

(17) In section 2312(b) of the bill, insert "costs of" before "anesthesia" in the matter proposed to be inserted and strike out "education" and insert in lieu thereof "educational".

(18) In the matter inserted by section 2313(b)(2) of the bill, strike out "U.S.C" and insert in lieu thereof "U.S.C.".

(19) In the matter added to section 1886(e)(6)(C) of the Social Security Act by section 2313(b)(3) of the bill, strike out "the" before "such meeting".

(20) In section 2313(c) of the bill, insert ", as amended by section 2304(c) of this title," after "1862 of such Act".

(21) In section 1861(v)(1)(O)(i) of the Social Security Act (added by section 2314(a) of the bill), strike out "the first owner of record on or after the date of the enactment of this subparagraph" and insert in lieu thereof "the owner of record as of the date of the enactment of this paragraph (or, in the case of an asset not in existence as of such date, the first owner of record of the asset after such date)".

(22) In sections 2314(c)(3)(B) and 2367(c)(2) of the bill, strike out "the additional requirements" and "these additional requirements" and insert in lieu thereof "the additional requirement" and "this additional requirement", respectively.

(23) In the matter proposed to be inserted in section 1886(c)(4)(A) of the Social Security Act by section 2315(a) of the bill, insert a comma after "D".

(24) In section 1315(c)(2), strike out the comma after "fiscal year".

(25) In section 2315(h)(1) of the bill, strike out "hospital that serves" and insert in lieu thereof "hospitals that serve".

(26) In section 2316(c) of the bill, insert "on" after "Congress".

(27) In section 2321(d)(4)(B) of the bill, strike out "1888" and insert in lieu thereof "1889".

(28) In section 2321(f)(1) of the bill, insert "subparagraphs" after "(B) and (C) as".

(29)(A) Move the alignment of the left margin of the subparagraph (B) added by section 2323(a)(3) of the bill so that the subparagraph is indented two ems from the left margin.

(B) In section 2323(b) of the bill, strike out paragraph (3) and redesignate paragraph (4) as paragraph (3).

(30) In section 2326(a) of the bill, strike out "1984 and 1985" and insert in lieu thereof "1985 and 1986".

(31) In section 2326(b) of the bill, strike out "such Act" and insert in lieu thereof "the Social Security Act".

(32) In section 2326(e)(1)(A) of the bill, strike out "Health Care Financing Administrator" and insert in lieu thereof "Administrator of the Health Care Financing Administration".

(33) In section 1861(dd)(5)(B) of the Social Security Act (as added by section 2343(b) of the bill), insert "the date" after "60 days after".

(34) In section 1876(g)(5) of the Social Security Act (as added by section 2350(b)(2) of the bill), insert "the" before "Federal Supplementary".

(35) In section 2350(b)(3) of the bill, strike out "use" and insert in lieu thereof "establishment" and insert "contract" after "Act for any".

(36) In the matter inserted by section 2350(c)(2) of the bill, strike out "another" and insert in lieu thereof "or other".

(37) In section 2354(b)(14) of the bill, strike out "ninth" and insert in lieu thereof "seventh".

(38) In section 2361(a) of the bill, strike out "1902(a)(10)(A)(i)" and insert in lieu thereof "1902(a)(10)(A)".

(39) In section 2363(b) of the bill, strike out "Such section" and insert in lieu thereof "Section 1903 of such Act".

(40) In section 2363(c) of the bill, strike out "this section" and insert in lieu thereof "such subsection".

(41) In section 1903(m)(2)(F)(ii)(I) of the Social Security Act (as added by section 2364(2) of the bill), strike out "or has received" and insert in lieu thereof "or is receiving (and has received during the previous two years)".

(42) In section 1902(a)(26) of the Social Security Act (as amended by section 2368(b) of the bill), insert a comma before "provide—".

(43) In section 1622(c)(2)(B)(iii) of the Public Health Service Act (as amended by section 2381(b) of the bill), strike out "changessation" and insert in lieu thereof "changes of use".

(b) In title VI of Division B of the bill—

(1) In the table of contents for such Division, strike out the item relating to section 2643 and insert in lieu thereof the following:

PART 2—GENERAL EFFECTIVE DATE

SEC. 2646. GENERAL EFFECTIVE DATE.

(2) In section 2316 of the bill—

(A) insert "(a)" after "SEC. 2616,"; and

(B) add at the end of the section the following new subsection:

(b) The amendment made by subsection (a) shall become effective on the date of the enactment of this Act.

(3) In section 2638(a)(3)(B) of the bill, strike out the colon after "thereof".

(4) In the heading of section 2640 of the bill, strike out "DISREGARD OF".

(5) In section 2651(a) of the bill (at the beginning of the new section being added to part A of title XI of the Social Security Act), strike out "SEC. 1136." and insert in lieu thereof "SEC. 1137.".

(6) In section 2661(1)(3) of the bill, strike out the parenthesis after "Act)".

(7) In section 2662(h) of the bill—

(A) insert "(1)" after "(h)";

(B) strike out "further"; and

(C) strike out "(3) The amendments" and insert in lieu thereof "(2) The amendment".

(8) In section 2681 of the bill—

(A) in subsection (a) (in subsection (d) of section 7652 of the Internal Revenue Code of 1954 as added by such subsection (a)), strike out "subsection (a)(3) and (b)(3)" and insert in lieu thereof "subsections (a)(3) and (b)(3)";

(B) in subsection (b)(2)(B), before the period at the end of clause (ii), insert ", and which would not meet the requirements of section 7652(c) of such Code"; and

(C) in subsection (b), strike out paragraphs (2)(C) and (3) and insert in lieu thereof the following:

(C) $75,000,000 LIMITATION.—The aggregate amount payable to Puerto Rico by reason of subparagraph (A) shall not exceed $75,000,000 in the case of articles—

(i) brought into the United States after June 30, 1984, and before January 1, 1985,

(ii) which would not meet the requirements of section 7652(c) of such Code,

(iii) which have been redistilled in Puerto Rico, and

(iv) which do not contain distilled spirits derived from cane.

(3) LIMITATION ON INCENTIVE PAYMENTS TO UNITED STATES DISTILLERS.—

(A) IN GENERAL.—In the case of articles to which this paragraph applies, the aggregate amount of incentive payments paid to any United States distiller with respect to such articles shall not exceed the limitation described in subparagraph (C).

(B) ARTICLES TO WHICH PARAGRAPH APPLIES.—This paragraph shall apply to any article containing distilled spirits described in clauses (i) through (iv) of paragraph (2)(C).

(C) LIMITATION.—

(i) IN GENERAL.—The limitation described in this subparagraph is $1,500,000.

(ii) SPECIAL RULE.—The limitation described in this subparagraph shall be zero with respect to any distiller who was not entitled to or receiving incentive payments as of March 1, 1984.

(D) PAYMENTS IN EXCESS OF LIMITATION.—If any United States distiller receives any incentive payment with respect to articles to which this paragraph applies in excess of the limitation described in subparagraph (C), such distiller shall pay to the United States the total amount of such incentive payments with respect to such articles in the same manner, and subject to the same penalties, as if such amount were tax due and payable under section 5001 of such Code on the date such payments were received.

(E) INCENTIVE PAYMENTS.—

(i) IN GENERAL.—For purposes of this paragraph, the term 'incentive payment' means any payment made directly or indirectly by the Commonwealth of Puerto Rico to any United States distiller as an incentive to engage in redistillation operations.

(ii) TRANSPORTATION PAYMENTS EXCLUDED.—Such term shall not include any payment of a direct cost of transportation to or from Puerto Rico with respect to any article to which this paragraph applies.

(c) In title VIII of Division B of the bill—

(1) In section 2813(b)(1) of the bill—

(A) strike out "is amended by redesignating" and all that follows down through the colon and insert in lieu thereof the following: ", as amended by section 1032(a) of this Act, is amended by redesignating subsection (l) as subsection (m) and by adding after subsection (k) the following new subsection: "; and

(B) strike out "(k)" at the beginning of the new subsection being added to section 501 of the Internal Revenue Code of 1954 and insert in lieu thereof "(l)".

(2) In section 2813(b)(2) of the bill, in the new paragraph (1) being added to section 501(c) of the Internal Revenue Code of 1954, strike out "subsection (k)" in subparagraph (B) of such paragraph and insert in lieu thereof "subsection (l)".

(d) In title IX of Division B of the bill—

(1) In section 2904 of the bill, strike out "section 1609" and insert in lieu thereof "section 2903".

(2) In section 2905(a)(3) of the bill, before the first period insert "would improve the accuracy of budget estimates used by the Congress".

SEC. 2. In the enrollment of the bill (H.R. 4170) to provide for tax reform, and for other purposes, the Clerk of the House of Representatives may correct spelling, punctuation, size type, indentions, margins, paragraphing, quotation marks, numbering and lettering, cross references, and similar typographical matters.

Mr. ROSTENKOWSKI (during the reading). Mr. Speaker, I ask unanimous consent that the concurrent resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois for immediate consideration of the concurrent resolution?

There was no objection.

The SPEAKER pro tempore. The question is on the concurrent resolution.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. LEVIN of Michigan. Mr. Speaker, I would like the record to indicate the reason for my voting "present" on H.R. 4170.

At various points during more than 8 years prior to my becoming a Member of Congress, I provided legal services in connection with a proposed redevelopment project in downtown Detroit, MI.

This proposed project could be affected by the provisions of H.R. 4170, and therefore, I have voted "present" rather than in favor of the bill.

SMALL BUSINESS COMPUTER CRIME PREVENTION ACT

Mr. MITCHELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3075) to amend the Small Business Act to establish a Small Business Computer Crime and Security Task Force, and for other purposes, with Senate amendments, and concur in the amendment to the title and concur in the amendment to the text with further amendments which I send to the desk.

The Clerk read the title of the bill.

The Clerk read the Senate amendments and the House amendments to the Senate amendments, as follows:

Strike out all after the enacting clause and insert:

SHORT TITLE

SECTION 1. This Act may be cited as the "Small Business Computer Security and Education Act of 1984".

FINDING AND PURPOSES

SEC. 2. (a) The Congress hereby finds that—

(1) there is increased dependency on, and proliferation of, information technology (including computers, data networks, and other communication devices) in the small business community;

(2) such technology has permitted an increase in criminal activity against small business;

(3) small businesses in particular frequently lack the education and awareness of computer security techniques and technologies which would enable them to protect their computer systems from unauthorized access and the manipulation or destruction of their computer hardware, software, and stored data;

(4) profitmaking organizations have substantial expertise in computer technology, communications, and management assistance that is not otherwise available; and

(5) the use of this expertise in the Small Business Administration's training delivery system would improve substantially the quantity and quality of the agency's management assistance programs.

(b) The purposes of this Act are—

(1) to improve the management by small businesses of their information technology,

(2) to educate and encourage small businesses to protect such technology from intentional or unintentional manipulation or destruction; and

(3) to encourage cooperation with profitmaking and nonprofitmaking organizations in providing management assistance to small business.

COMPUTER SECURITY AND EDUCATION ADVISORY COUNCIL

SEC. 3. Section 4(b) of the Small Business Act (15 U.S.C. 633(b)) is amended by adding at the end thereof the following:

"(3)(A) The Administrator shall, not later than ninety days after the effective date of the Small Business Computer Security and Education Act of 1984, establish an advisory council to be known as the Small Business Computer Security and Education Advisory Council (hereinafter referred to as the 'advisory council').

"(B) The advisory council shall consist of the following members:

"(i) an official of the Small Business Administration, appointed by the Administrator;

"(ii) an official of the Institute for Computer Sciences and Technology of the Department of Commerce, appointed by the Secretary of Commerce;

"(iii) an official of the Department of Justice, appointed by the Attorney General, who is knowledgeable about issues of computer security and its prosecution;

"(iv) an official of the Department of Defense, appointed by the Secretary of Defense, who is knowledgeable about issues of computer security;

"(v) one individual, appointed by the Administrator, who is representative of the interests of the manufacturers of computer hardware to small business concerns;

"(vi) one individual, appointed by the Administrator, who is representative of the interests of the manufacturers of computer software to small business concerns;

"(vii) one individual, appointed by the Administrator, who is representative of the interests of the providers of computer liability insurance to small business concerns;

"(viii) one individual, appointed by the Administrator, who is representative of the interests of the providers of computer security equipment and services to small business concerns;

"(ix) one individual, appointed by the Administrator, who is representative of the interests of associations of small business concerns, other than small business concerns engaging in any of the activities described in clauses (v) through (viii); and

"(x) such additional qualified individuals from the private sector, appointed by the

Administrator, as the Administrator determines to be appropriate.

"(C) It shall be the function of the advisory council to advise the Administration on—

"(i) the nature and scope of computer crimes committed against small business concerns;

"(ii) the effectiveness of Federal and State law in deterring computer-related criminal activity or prosecuting computer-related crimes;

"(iii) the effectiveness of computer technology and management techniques available to small business for increasing their computer security;

"(iv) the development of information and guidelines to be made available to the Administrator to assist small business concerns in evaluating the security of computer systems; and

"(v) such other appropriate functions of the small business computer security and education program.

"(D) The Administrator shall designate one of the non-Federal members of the advisory council as its chairperson. The advisory council shall meet at least annually and at such other times as requested by the Administrator. A majority of the members of the advisory council shall constitute a quorum. Vacancies on the council shall be filled in the same manner as the original appointment.

"(E) Each member of the advisory council shall serve without additional pay, allowances, or benefits by reason of such service. Each non-Federal member shall be reimbursed for actual expenses, including travel expenses, as authorized by section 5703 of title 5, United States Code.

"(F) Upon request of the chairperson of the advisory council, the Administrator may request directly from any Federal agency information necessary to enable the advisory council to carry out its functions under the Small Business Computer Security and Education Act of 1984. Upon the request of the Administrator, the head of such agency shall furnish to the Administrator such information, subject to the requirements of section 552 of title 5, United States Code.".

COMPUTER SECURITY AND EDUCATION PROGRAM

Sec. 4. Section 4(b) of the Small Business Act (15 U.S.C. 633(b)) is further amended by adding at the end thereof the following:

"(4)(A) The Administrator shall establish a small business computer security and education program to—

"(i) provide small business concerns information regarding—

"(I) utilization and management of computer technology;

"(II) computer crimes committed against small business concerns; and

"(III) security for computers owned or utilized by small business concerns;

"(ii) provide for periodic forums for small business concerns to improve their knowledge of the matters described in clause (i); and

"(iii) provide training opportunities to educate small business users on computer security techniques.

"(B) The Administrator, after consultation with the Director of the Institute of Computer Sciences and Technology within the Department of Commerce, shall develop information and materials to carry out the activities described in subparagraph (a) of this paragraph.".

PRIVATE SECTOR COOPERATION

Sec. 5. Section 8(b)(1)(A) of the Small Business Act is amended—

(1) by inserting "computer security," after "wage incentives,";

(2) by inserting ", with profitmaking concerns," after "associations, and institutions"; and

(3) by adding before the semicolon at the end thereof ": *Provided*, That the Administration shall take such actions as it determines to be necessary to ensure that the participation by a profitmaking concern does not constitute an endorsement by the Federal Government of the products or services of any such concern, and to avoid the undue promotion of the products or services of any such profitmaking concern, but the mere participation by such concern shall not, in itself, be considered a promotion or endorsement of its products or services".

COMPUTER CRIME DEFINITION

Sec. 6. Section 3 of the Small Business Act is amended by adding at the end thereof the following—

"(j) For purposes of this Act—

"(1) the term 'computer crime' means—

"(A) any crime committed against a small business concern by means of the use of a computer; and

"(B) any crime involving the illegal use of, or tampering with, a computer owned or utilized by a small business concern.".

EFFECTIVE DATES

Sec. 7. (a) This Act shall take effect on October 1, 1984.

(b) The amendments made to section 4(b)(3) of the Small Business Act by section 3 of this Act are repealed on October 1, 1987. Nothing in this section shall preclude the Administrator from continuing such committee under the authority of section 8(b)(3) of the Small Business Act and the Federal Advisory Committee Act.

Amended the title so as to read: "An Act to amend the Small Business Act to establish a small business computer security and education program, and for other purposes.".

House amendments to Senate amendments: Page 2, strike lines 17 through 19 and insert the following:

(3) to permit cooperation with profitmaking organizations in providing management assistance to small business.

Page 7, strike lines 5 through 21 and insert the following:

Sec. 5. (a) Section 8(b)(1)(A) of the Small Business Act is amended—

(1) by inserting "computer security," after "wage incentives,"; and

(2) by striking at the end thereof "Administration; and" and by inserting the following: "Administration. Such assistance also may be provided to small business concerns by the Administration through cooperation with a profit-making concern (hereafter in this paragraph referred to as a "co-sponsor") to provide training: *Provided*, That the Administration shall take such actions as it deems appropriate to ensure that the cooperation does not constitute or imply an endorsement by the Administration of the products or services of the cosponsor, to avoid unnecessary promotion of the products or services of the cosponsor, and to minimize utilization of any one cosponsor in a marketing area. Such actions shall include, but not be limited to: (i) developing an agreement which specifies the standard terms and conditions of the cooperation, the use of which shall be mandatory; (ii) prohibiting any fee or charge from being imposed upon any small business concern for receiving assistance in excess of a minimal amount to cover the direct costs of providing such assistance; (iii) prohibiting the release to the cosponsor of any of the Administration's lists of names and addresses of small business concerns; and (iv) requiring that all printed materials which contain the names of both the Administration and the cosponsor include a prominent disclaimer that the cooperation does not constitute or imply an endorsement by the Administration of the products or services of the cosponsor.".

(b) Not later than December 1, 1987 the Small Business Administration shall report to the Committees on Small Business of the Senate and the U.S. House of Representatives on the impact of the assistance provided in cooperation with profit-making concerns pursuant to the amendment made by section 5(a)(2) of the Small Business Computer Security and Education Act of 1984. The report shall include information on benefits provided to small business concerns assisted by the Administration's cooperation with profit-making concerns and any negative impact upon small businesses resulting from such cooperation with profit-making concerns.

Page 8, lines 12 and 13, strike "are repealed on October 1, 1987" and insert the following: "and the amendments made to section 8(b)(1)(A) of the Small Business Act by section 5(a)(2) of this Act are repealed on October 1, 1988".

Mr. MITCHELL (during the reading). Mr. Speaker, I ask unanimous consent the Senate amendments and also the House amendments to the Senate amendments be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

□ 1500

Mr. McDADE. Mr. Speaker, reserving the right to object, and I shall not do so, but I make this reservation in order to ask the gentleman from Maryland to explain the differences between the bill as passed by the House and the amendment we are agreeing to today.

Mr. MITCHELL. Mr. Speaker, will the gentleman yield?

Mr. McDADE. I yield to the gentleman from Maryland.

Mr. MITCHELL. I thank the gentleman for yielding.

Mr. Speaker the House bill would establish a Small Business Computer Crime and Security Task Force which would report to the President and the Congress on the nature and scope of computer crime committed against small business and what can be done to make computer systems more secure.

The Senate amendment, in lieu of establishing a task force, would establish a Small Business Computer Security and Education Advisory Council to provide advice and recommendations to the SBA Administrator. Also the Senate amendment would permit SBA to provide management assistance to small business concerns by allowing the agency to cosponsor training sessions with profitmaking concerns.

Basically my unanimous consent request would agree to the Senate amendments but would impose specific restrictions upon SBA cooperation with profitmaking concerns to provide training. Profitmaking concerns have never been permitted to cosponsor training sessions with SBA due to the possible conflict of interest problems and perception by the public of government endorsement of the profitmaking concern due to the cooperation. We believe that the restrictions will provide adequate safeguards. Also, the program would be sunset with a mandatory evaluation report from the agency in 4 years.

Mr. McDADE. Mr. Speaker, I thank the distinguished chairman for his explanation.

As the original sponsor of a bill here in the House which would allow SBA to cosponsor training sessions with profitmaking concerns, I wholeheartedly support this legislation. Using the expertise of successful businesses is a logical approach to providing management assistance to small businesses.

I would also like to commend Mr. Luken of Ohio, Mr. Wyden of Oregon, and Mr. Weber of Minnesota for the fine work they have done on Computer Crime and Small Business.

Mr. WEBER. Mr. Speaker, will the gentleman yield?

Mr. McDADE. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from Minnesota.

Mr. WEBER. I think the gentleman for yielding.

Mr. Speaker, I just rise to extend my support for the bill and also to commend the chairman of the subcommittee, the gentleman from Oregon [Mr. Wyden], the author of the bill, as well as the chairman of the full committee, and the ranking member of our committee as well, for their work on the bill. It has been a pleasure to work with them. I am in support of the bill.

Mr. LUKEN. Mr. Speaker, will the gentleman yield?

Mr. McDADE. I yield to the gentleman from Ohio.

Mr. LUKEN. Mr. Speaker, I am pleased that all parties have apparently been able to come to an agreement that will allow H.R. 3075 to be enacted quickly in order to get essential computer security information to the Nation's small businesses. The need for such informational legislation has been made clear by the headlines in the newspapers over the past year which have shown increasing abuse of computer technology.

Small businesses face substantial risks with their increasing dependence on computers. One family owned business was victimized by a computer assisted theft of more than $100,000 according to testimony presented to the Subcommittee on Antitrust and Restraint of Trade Activities Affecting Small Business. Had the owners of this business been aware of how to protect themselves, this theft could not have taken place.

The number of small businesses turning to computers has increased dramatically recently with a 50-percent growth rate predicted for this year. As more businesses begin to utilize this new technology, the incidents of crime will surely rise, even above the estimated current $1 billion loss.

This bill will provide information to our small businesses in order that they may protect themselves through management assistance and training programs conducted by SBA. It is a necessary and timely.

The passage of this bill is due to the efforts of Mr. Wyden who has persevered since he introduced the bill last year. It could not have been achieved without the cooperation and support of our chairman, Mr. Mitchell, or Congressman McDade, the ranking minority member of the Small Business Committee. Congressman Vin Weber, ranking member of my subcommittee, has been supportive throughout the process. I appreciate all the help.

Mr. WYDEN. Mr. Speaker, will the gentleman yield?

Mr. McDADE. I yield to the gentleman from Oregon.

Mr. WYDEN. I thank the gentleman for yielding.

Mr. Speaker, I want to thank the chairman and the ranking minority member and the gentleman from Minnesota [Mr. Weber] as well for their help in developing this legislation.

Mr. Speaker, I rise in support of this H.R. 3075, which I introduced last year, and the amendments we have before us. Once passed, this legislation will be the first bill directly addressing the critical issue of computer security to hit the President's desk.

Computer crime is growing problem and, as we learned in hearings on this legislation, the problem is going to get worse before it gets better. The other message that came through loud and clear in our hearings is that the knowledge in the small business community of computers in general—and their vulnerabilities in particular—is woefully small.

Computer crimes, ranging from mischievous pranks to serious cases of embezzlement and fraud, are being perpetrated against small businesses throughout the country. And they're unlikely to stop until these businesses become more aware of their vulnerability to these crimes.

Small businesses are particularly susceptible to computer theft. They usually have fewer and less specialized employees, reducing the division of departmental and employee duties—one of the main defenses against losses through crime or mistake.

In addition, small businesses tend to use smaller computer systems, which have fewer security features, and which reduce control over the bulk of the "information system."

H.R 3075 takes a positive, preventive and low-cost approach to the problem of computer crime. Rather than reacting to the problem after it happens, H.R. 3075 seeks to provide a method to get to small business owners the practical information they need to secure their systems so that a violation can not occur in the first place.

I support tougher computer crime laws and believe that our criminal code must be updated to respond to these new threats. However, we could pass a truckload of new laws dealing with abuse of computer systems and would not stop all computer crimes.

The way we are going to put a real dent in the unethical use of computers—from teenage hackers taking a joyride on their home computer to multimillion-dollar unauthorized fund transfers—is to make sure small business owners know what they are up against and what preventive measures they can take to avoid these trespasses.

I want to express my thanks and admiration to the chairman of the committee, my good friend, Parren Mitchell. He has skillfully helped negotiate an agreement that addresses the concerns of the small business community and the Small Business Administration.

I also want to compliment and thank the ranking minority member of the committee, Mr. McDade; the chairman of the Antitrust Subcommittee, Mr. Luken, and the gentleman from Minnesota [Mr. Weber]. They have all been extremely helpful in crafting this legislation in a true bipartisan spirit.

Mr. McDADE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore [Mr. Murtha]. Is there objection to the request of the gentleman from Maryland [Mr. Mitchell]?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Maryland?

There was no objection.

A motion to reconsider was laid on the table.

MAKING IN ORDER ON OR AFTER THURSDAY, JUNE 28, 1984, CONSIDERATION OF H.R. 5927, PROVIDING INCREASE IN TEMPORARY PUBLIC DEBT LIMIT

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that it shall be in order to consider H.R. 5927 in the House on Thursday, June 28, 1984, or any day thereafter, that the previous question be considered as ordered on the committee amendment and on the bill to final passage without intervening motion except one motion to recommit, and to waive all points of order against the committee amendment and against the bill.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. **CONABLE**. Mr. Speaker, reserving the right to object, this is the debt limit bill that the gentleman is talking about?

Mr. **ROSTENKOWSKI**. Mr. Speaker, will the gentleman yield?

Mr. **CONABLE**. I yield to the gentleman from Illinois.

Mr. **ROSTENKOWSKI**. I thank the gentleman for yielding.

The gentleman is correct.

Mr. **CONABLE**. We must do that before we leave, is that not correct?

Mr. **ROSTENKOWSKI**. The gentleman is correct.

Mr. **CONABLE**. Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. **WALKER**. Reserving the right to object, Mr. Speaker, could the gentleman give us some idea as to what is contained in this piece of legislation?

Mr. **ROSTENKOWSKI**. Mr. Speaker, will the gentleman yield?

Mr. **WALKER**. I yield to the gentleman from Illinois.

Mr. **ROSTENKOWSKI**. I thank the gentleman for yielding.

It is an increase in the debt of $53 billion to get through August, with an amendment provided for by the Committee on Ways and Means to increase the debt through June for $180 billion. The House naturally will have an opportunity to vote on both provisions.

Mr. **CONABLE**. Mr. Speaker, will the gentleman yield to me?

Mr. **WALKER**. I yield to the gentleman from New York.

Mr. **CONABLE**. I thank the gentleman for yielding.

The purpose of this is to have one bill, but to give the House first the opportunity to extend the debt limit if they would like through June 1985.

If they do not wish to do that, we wanted then to fall back on the shorter timeframe which would extend it only until some time in August.

Mr. **WALKER**. So we will really have two options before us under the unanimous-consent request.

Mr. **CONABLE**. We will vote first on the longer term debt increase. If that does not carry, then we will vote on the shorter term.

Mr. **WALKER**. Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. Rostenkowski]?

There was no objection.

PERSONAL EXPLANATION

(Mr. **BROOKS** asked and was given permission to address the House for 1 minute.)

Mr. **BROOKS**. Mr. Speaker, on rollcall No. 272, the vote to adopt the conference report on H.R. 4170, I regret to say that I was about 100 feet from the Chamber in a room that had a clock and the clock did not function. I did not hear the bells.

Had I been here, I would have certainly voted for that conference report with great pleasure.

REMOVAL OF NAME OF MEMBER AS SPONSOR OF H.R. 3420

Mr. **DAUB**. Mr. Speaker, I ask unanimous consent to remove my name from H.R. 3420 and to insert in the Record my reasoning for doing so.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. **DAUB**. Mr. Speaker, in removing my name from H.R. 3420 I am acknowledging that the purpose of my original support for the measure may be better pursued by other means.

I consider housing to be second only to agriculture in importance to this country. My initial support of H.R. 3420 was to enable FNMA and FHLMC to better meet the needs of all Americans particularly those in areas of the country where housing is most expensive. After studying the issue further I have come to the conclusion that the private sector is meeting the mortgage needs for homes in high-cost areas and that assumption of this responsibility by the Government-backed agencies would result in middle-income Americans subsidizing rates for homes that they could not afford. These agencies were created for the benefit of low- and moderate-income Americans and that is where their resources should be targeted.

Whenever possible the Government should defer to the private sector when the private sector has demonstrated that it can do the job without Government interference or assistance. This is such a case. The resources then of the Government can be better used to provide the kind of assistance that is necessary for the purchase of homes by lower and moderate-income Americans.

By removing my name as a sponsor of H.R. 3420 I am acknowledging the success of the private sector in meeting the needs of the consumer and reenforcing the responsibility of Government-backed agencies to assist those who truly need assistance.

GENERAL LEAVE

Mr. **BEVILL**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on the bill (H.R. 5653) making appropriations for energy and water development for the fiscal year ending September 30, 1985, and for other purposes, as well as the Senate amendments reported in disagreement, and that I may include extraneous matter, materials, and tables.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

CONFERENCE REPORT ON H.R. 5653, ENERGY AND WATER DEVELOPMENT APPROPRIATION, 1985

Mr. **BEVILL**. Mr. Speaker, pursuant to the unanimous-consent agreement of June 22, 1984, I call up the conference report on the bill [H.R. 5653] making appropriations for energy and water development for the fiscal year ending September 30, 1985, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of June 26, 1984, at page 18903.)

Mr. **BEVILL** (during the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The **SPEAKER** pro tempore. The gentleman from Alabama [Mr. Bevill] will be recognized for 30 minutes and the gentleman from Indiana [Mr. Myers] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Alabama [Mr. Bevill].

Mr. **BEVILL**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to present the conference report on the fiscal year 1985 energy and water development appropriation bill for your favorable consideration. Our colleagues will recall that debate on this bill occurred in the House on May 22. The bill was passed by substantial margins in both Houses: 349 to 46 in the House on May 22, and by voice vote in the other body on June 21.

Mr. Speaker, our conference committee meeting was held on Tuesday of this week. I wish to compliment our friends from the other body, particularly the Senator from Oregon, Mr. Hatfield, the chairman of the Senate Subcommittee, and the Senator from

Louisiana, Mr. JOHNSTON, the ranking minority member, for the fine spirit of compromise displayed in the conference meeting. I also wish to thank my colleagues, the House conferees, for their support and their valuable contributions during the conference deliberations.

Now I would like to comment on various aspects of the conference agreement.

Mr. Speaker, this bill is certainly not a budget buster. It is a bill that can be signed by the President and is a bill that reflects the priorities of the House and Senate as well as the administration.

Mr. Speaker, there were three specific legislative provisions added by the Senate that were opposed by House Authorizing Committees. I am pleased to advise you that these provisions were dropped from the bill in conference.

Mr. Speaker, the bill passed by the House contained $15,470,725,000 in new budget authority. That was $404,066,000 below the budget request. As the bill passed the Senate, it contained $15,324,007,000.

For the various agencies and programs under the jurisdiction of the Energy and Water Development Subcommittee, the committee on conference recommends $15,371,359,000 in new budget authority. This amount is $503,432,000 less than the budget request.

The conference agreement we present to you today is the culmination of 6 months of effort on the part of the House committee and the same review by the Senate committee. During this period we have heard testimony from hundreds of witnesses—contained in eight hearing volumes of thousands of pages.

The House considered the energy and water development bill on the floor in 1 day. The Senate had a total of 64 numbered amendments to the bill. But, within those 64 amendments, there were nearly 400 individual items in disagreement. The conference agreement represents the best efforts of the House and Senate conferees to achieve consensus of ths 400 items. Many items had to be reduced or changed to accomplish agreement with the Senate. In addition, we had to keep in mind the need to have a bill that was acceptable to the administration.

We think we have achieved an agreement that does all of this while maintaining most of the House position.

The Senate made more changes to the House bill than they had in many years. Your House conferees did their best to maintain the House position. However, to bring back a conference report that is within the budget target for the Energy and Water Development Programs, a great many items had to be compromised.

We would like more money for energy, for the weapons program, and for the water projects. But, if we have to stay close to the budget level, we could not provide all of the funds for all of the programs and projects to the extent we would have liked.

Mr. Speaker, I am pleased to advise the House that the conference agreement is under the assumed allocation under the resolution.

Mr. Speaker, the conference agreement contains $2,791,000,000 in title I for the Army Corps of Engineers. This is $82,857,000 less than the bill as passed by the House and $27,574,000 more than the Senate-passed bill. These funds will finance 189 water resources projects in the planning or construction phase, including 3 new planning starts.

For title II, the Bureau of Reclamation, the conferees recommend a total of $1,052,709,000 which is $27,683,000 more than the House-passed bill and $5,287,000 less than the Senate-passed bill.

This will fund 100 water resources projects in the planning or construction phase, including 5 new planning starts.

In my view, the conference agreement provides for a financially prudent and environmentally sound water resources development programs.

The conference agreement contains $10,807,228,000 for Department of Energy programs in title III. This includes $1,958,165,000 for Energy Supply, Research Activities; $288,415,000 for Power Marketing Administrations and $35,677,000 for the Federal Energy Regulatory Commission. The energy accounts include $179,000,000 for solar, geothermal, and renewable energy development; $626,000,000 for nuclear energy development; $327,669,000 for the nuclear waste disposal funds; and $440,000,000 for fusion energy development. The conference agreement contains no funds for the Clinch River breeder reactor project.

ATOMIC ENERGY DEFENSE ACTIVITIES

The conference agreement provides a total of $7,333,701,000 for atomic energy defense activities. This is an increase of $772,931,000 over the fiscal year 1983 level and $472,124,000 below the President's budget request.

The increase over fiscal year 1984 results from the production of new weapons systems, renovation and rehabilitation of existing production facilities, inflation increases and the employment of additional personnel in R&D, testing and production of warheads.

Mr. Speaker, the conference agreement includes $720,422,000 for seven independent agencies and commissions in title IV, including $151,300,000 for the Appalachian Regional Development Program, $448,200,000 for the Nuclear Regulatory Commission, and $120,000,000 for the Tennessee Valley Authority, of which $9,547,000 shall be derived from funds appropriated in fiscal year 1984.

I will insert a table in the RECORD at this point which summarizes the financial aspects of the conference agreement.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY

	Fiscal year 1984 enacted	Fiscal year 1985 estimates	House	Senate	Conference	Conference compared with			
						Enacted	Estimates	House	Senate
TITLE I—DEPARTMENT OF DEFENSE—CIVIL									
Department of the Army									
Corps of Engineers—Civil									
General investigations	133,810,000	118,000,000	151,851,000	125,639,000	138,000,000	+4,190,000	+20,000,000	13,851,000	+12,361,000
Constructions, general	894,104,000	874,000,000	933,014,000	871,780,000	890,000,000	4,104,000	+16,000,000	43,014,000	+18,220,000
Food control and coastal emergencies	10,000,000	10,000,000	10,000,000	30,000,000	25,000,000	+15,000,000	+15,000,000	+15,000,000	5,000,000
Revolving Fund	9,500,000					9,500,000			
Flood control, Mississippi River and tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee	300,480,000	304,000,000	326,309,000	310,300,000	321,000,000	+20,520,000	+17,000,000	5,309,000	+10,700,000
Operation and maintenance, general	1,184,492,000	1,297,000,000	1,339,683,000	1,317,557,000	1,305,000,000	+120,508,000	+8,000,000	34,683,000	12,557,000
General expenses	103,000,000	113,000,000	113,000,000	108,150,000	112,000,000	+9,000,000	1,000,000	1,000,000	+3,850,000
Special recreation use fees	6,000,000					6,000,000			
Administrative provisions (limitations on capital expenditures)	(78,000,000)					(78,000,000)			
Total, title I, Department of Defense—Civil									
New budget (obligational) authority	2,641,386,000	2,716,000,000	2,873,857,000	2,763,426,000	2,791,000,000	+149,614,000	+75,000,000	82,857,000	+27,574,000
(Limitation on capital expenditures)	(78,000,000)					(78,000,000)			

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued

	Fiscal year 1984 enacted	Fiscal year 1985 estimates	House	Senate	Conference	Conference compared with			
						Enacted	Estimates	House	Senate
TITLE II—DEPARTMENT OF THE INTERIOR									
Bureau of Reclamation									
General investigations	33,831,000	35,651,000	35,566,000	31,023,000	35,566,000	+1,735,000	-85,000		+4,543,000
Construction program	695,318,000	764,137,000	707,817,000	752,397,000	740,000,000	+44,682,000	-24,137,000	+32,183,000	-12,397,000
Operation and maintenance	134,291,000	149,689,000	149,689,000	149,689,000	149,689,000	+15,398,000			
Loan program	45,000,000	67,537,000	72,037,000	67,537,000	67,537,000	+22,537,000		-4,500,000	
(Limitation on direct loans)	(51,802,000)	(66,000,000)	(70,500,000)	(68,500,000)	(68,500,000)	(+16,698,000)	(+2,500,000)	(-2,000,000)	
General administrative expenses	53,750,000	58,917,000	58,917,000	56,350,000	58,917,000	+5,167,000			+2,567,000
Emergency Fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000				
Total, Bureau of Reclamation	963,190,000	1,076,931,000	1,025,026,000	1,057,996,000	1,052,709,000	+89,519,000	-24,222,000	+27,583,000	-5,287,000
Total, title II, Department of the Interior									
New budget (obligational) authority	963,190,000	1,076,931,000	1,025,026,000	1,057,996,000	1,052,709,000	+89,519,000	-24,222,000	+27,683,000	-5,287,000
(Limitation on direct loans)	(51,802,000)	(66,000,000)	(70,500,000)	(68,500,000)	(68,500,000)	(+16,698,000)	(+2,500,000)	(-2,000,000)	
TITLE III—DEPARTMENT OF ENERGY									
Energy Supply, Research and Development Activities									
Operating Expenses	1,744,989,000	1,792,578,000	1,664,914,000	1,744,633,000	1,702,980,000	-42,009,000	-89,598,000	+38,066,000	-41,653,000
Plant and Capital Equipment	245,947,000	249,535,000	261,235,000	245,535,000	255,185,000	+9,238,000	+5,650,000	-6,050,000	+9,650,000
Subtotal	1,990,936,000	2,042,113,000	1,926,149,000	1,990,168,000	1,958,165,000	-32,771,000	-83,948,000	+32,016,[illegible]	-32,003,000
Uranium Supply and Enrichment Activities									
Operating Expenses	1,573,038,000	1,265,900,000	1,254,900,000	1,265,900,000	1,254,900,000	-318,138,000	-11,000,000		-11,000,000
Plant and Capital Equipment	620,772,000	409,400,000	395,400,000	409,400,000	395,400,000	-225,372,000	-14,000,000		-14,000,000
Subtotal	2,193,810,000	1,675,300,000	1,650,300,000	1,675,300,000	1,650,300,000	-543,510,000	-25,000,000		-25,000,000
Gross revenues	-2,105,000,000	-1,675,300,000	-1,650,300,000	-1,675,300,000	-1,650,300,000	+454,700,000	+25,000,000		+25,000,000
Net appropriation	88,810,000					-88,810,000			
General Science and Research Activities									
Operating Expenses	478,750,000	527,705,000	518,205,000	518,205,000	518,205,000	+39,455,000	-9,500,000		
Plant and Capital Equipment	162,500,000	218,400,000	208,700,000	208,700,000	208,700,000	+46,200,000	-9,700,000		
Subtotal	641,250,000	746,105,000	726,905,000	726,905,000	726,905,000	+[illegible]	-19,200,000		
Nuclear Waste Disposal Fund	319,621,000	327,669,000	327,669,000	327,669,000	327,669,000	+8,048,000			
Atomic Energy Defense Activities									
Operating Expenses	5,094,720,000	5,916,594,000	5,757,470,000	5,632,094,000	5,690,470,000	+595,750,000	-226,124,000	-67,000,000	+58,376,000
Plant and Capital Equipment	1,466,050,000	1,889,231,000	1,647,431,000	1,640,831,000	1,643,231,000	+177,181,000	-246,000,000	-4,200,000	+2,400,000
Subtotal	6,560,770,000	7,805,825,000	7,404,901,000	7,272,925,000	7,333,701,000	+772,931,000	-472,124,000	-71,200,000	+60,776,000
Departmental Administration									
Operating Expenses	359,907,000	353,157,000	351,157,000	351,157,000	351,157,000	-8,750,000	-2,000,000		
Plant and Capital Equipment	4,981,000	4,877,000	4,877,000	4,877,000	4,877,000	-104,000			
Subtotal	364,888,000	358,034,000	356,034,000	356,034,000	356,034,000	-8,854,000	-2,000,000		
Miscellaneous revenues	-209,619,000	-219,459,000	-219,459,000	-219,459,000	-219,459,000	-9,840,000			
Net appropriation	155,269,000	138,575,000	136,575,000	136,575,000	136,575,000	-18,694,000	-2,000,000		
Power Marketing Administrations									
Operation and maintenance, Alaska Power Administration	3,410,000	3,233,000	3,233,000	3,233,000	3,233,000	-177,000			
Bonneville Power Administration Fund,									
Borrowing Authority	123,400,000					-123,400,000			
(Limitation on direct loans)	(40,000,000)	(40,000,000)	(40,000,000)	(40,000,000)	(40,000,000)				
(Limitation on guaranteed loans)	(20,000,000)					(-20,000,000)			
Operation and maintenance, Southeastern Power Administration	20,594,000	35,744,000	35,744,000	35,744,000	35,744,000	+15,150,000			
Operation and maintenance, Southwestern Power Administration	36,229,000	29,208,000	31,208,000	31,208,000	31,208,000	-5,021,000	+2,000,000		
Construction, rehabilitation, operation and maintenance, Western Area Power Administration	194,630,000	248,230,000	218,230,000	248,230,000	218,230,000	+23,600,000	-30,000,000		-30,000,000
Emergency Fund, Western Area Power Administration	500,000					-500,000			
Subtotal	378,763,000	316,415,000	288,415,000	318,415,000	288,415,000	-90,348,000	-28,000,000		-30,000,000
Federal Energy Regulatory Commission									
Salaries and expenses	89,582,000	100,677,000	95,677,000	95,677,000	95,677,000	+6,095,000	-5,000,000		
Revenues Applied	-45,100,000	-60,000,000	-60,000,000	-60,000,000	-60,000,000	-14,900,000			
Subtotal	44,482,000	40,677,000	35,677,000	35,677,000	35,677,000	-8,805,000	-5,000,000		
Geothermal Resources Development Fund									
Geothermal loan guarantee and interest assistance program	2,100,000	121,000	121,000	121,000	121,000	-1,797,000			
(Limitation on guaranteed loans	(500,000,000)	(500,000,000)	(500,000,000)	(500,000,000)	(500,000,000)				
Total, title III, Department of Energy									
New budget (obligational) authority	10,182,001,000	11,417,500,000	10,846,412,000	10,808,455,000	10,807,228,000	+625,227,000	-610,272,000	-39,184,000	-1,227,000
Operating Expenses	(7,681,751,000)	(8,646,057,000)	(8,328,769,000)	(8,299,112,000)	(8,299,835,000)	(+618,084,000)	(-346,222,000)	(-28,934,000)	(+723,000)
Plant and Capital Equipment	(2,500,250,000)	(2,771,443,000)	(2,517,643,000)	(2,509,343,000)	(2,507,393,000)	(+7,143,000)	(-264,050,000)	(-10,250,000)	(-1,950,000)
TITLE IV—INDEPENDENT AGENCIES									
Appalachian Regional Commission: Salaries and Expenses	2,700,000		2,700,000	1,700,000	2,300,000	-400,000	+2,300,000	-400,000	+600,000
Funds Appropriated to the President:									
Appalachian regional development programs	54,400,000		57,300,000	38,000,000	49,000,000	-5,400,000	+49,000,000	-8,300,000	+11,000,000
Appalachian highway system	100,000,000	80,000,000	100,000,000	80,000,000	100,000,000		+20,000,000		+20,000,000
Delaware River Basin Commission									
Salaries and expenses	191,000	172,000	172,000	172,000	172,000	-19,000			
Contribution to Delaware River Basin Commission	269,000	283,000	283,000	283,000	283,000	+14,000			
Total, Delaware River Basin Commission	460,000	455,000	455,000	455,000	455,000	-5,000			

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued

	Fiscal year 1984 enacted	Fiscal year 1985 estimates	House	Senate	Conference	Conference compared with			
						Enacted	Estimates	House	Senate
Interstate Commission on the Potomac River Basin: Contribution to Interstate Commission on the Potomac River Basin	58,000		70,000	70,000	70,000	+2,000	+70,000		
Nuclear Regulatory Commission: Salaries and expenses	465,800,000	468,200,000	438,200,000	458,200,000	448,200,000	−17,600,000	−20,000,000	+10,000,000	−10,000,000
Susquehanna River Basin Commission:									
Salaries and expenses	191,000	167,000	167,000	167,000	167,000	−24,000			
Contribution to Susquehanna River Basin Commission	230,000	230,000	230,000	230,000	230,000				
Total, Susquehanna River Basin Commission	421,000	397,000	397,000	397,000	397,000	−24,000			
Tennessee Valley Authority: Tennessee Valley Authority Fund	85,629,000	115,308,000	126,308,000	115,308,000	120,000,000	+34,371,000	+4,692,000	−6,308,000	+4,692,000
Total, title IV, Independent agencies: New budget (obligational) authority	709,478,000	664,360,000	725,430,000	694,130,000	720,422,000	+10,944,000	+56,062,000	−5,008,000	+26,292,000
Grand total, all titles:									
New budget (obligational) authority	14,496,055,000	15,874,791,000	15,470,725,000	15,324,007,000	15,371,359,000	+875,304,000	−503,432,000	−99,366,000	+47,352,000
(Limitation on direct loans)	(91,802,000)	(106,000,000)	(110,500,000)	(108,500,000)	(108,500,000)	(+16,698,000)	(+2,500,000)	(−2,000,000)	
(Limitation on guaranteed loans)	(520,000,000)	(500,000,000)	(500,000,000)	(500,000,000)	(500,000,000)	(−20,000,000)			
(Limitation on capital expenditures)	(78,000,000)					(−78,000,000)			

□ 1510

Mr. Speaker, I reserve the balance of my time.

Mr. MYERS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, conferences with the other body, especially this one, with so many differences in the two bills, are never an easy task, as most Members here who have served on conferences can relate. However, this one, as Chairman BEVILL has just said, was relatively easy because there was a spirit of compromise, there was a spirit that this is an important bill and yet what we were trying to accomplish was also very important, to hold spending down and to prioritize the limited dollar that we had to spend. We certainly want to thank each Member of our group here on the House side of the conferees, as well as the Senate side, under its distinguished and able committee chairman, and definitely our staff, who worked over the last weekend with their staff trying to work out some of the differences that it seemed last weekend, as we went into the preconference session, as almost insurmountable. But this is a good bill, as the chairman has said. It is under all the estimates. It is over half a billion dollars under the President's request.

The conference is about $100 million under the House version as it passed the House a few weeks ago.

So it is a good bill. There are some things that we could have made better. Some of us were wanting to cut just a little bit more out of Nuclear Regulatory Commission. Not that we are anti-NRC and its very important functions, but we have seen that the NRC is not doing the job that many of us think it should be doing. There are not the applications for licenses that there were 3 or 4 years ago, but in that intervening period between 3 and 4 years ago and now we have been adding people to the Nuclear Regulatory Commission, and they are doing less. We had cut a considerable amount from that request that the Nuclear Energy Commission made. The Senate added much of it back. The conference report we bring back has saved money, but it adds $20 million more than the House version.

Really, you could divide this bill into two bills, the defense portion of the conference report and the nondefense. Both took cuts. We took about a $72 million cut in the nondefense side and a little over $30 million in the defense cut below the House version that was passed. But we have not cut the security of our country and the nuclear weapons that this bill does provide, nor the research for it. We have been able, we think, to cut some corners and make some savings that are very necessary as we look at this budget year.

So this is a good conference report. If there is a record vote, and I do not know whether there will be or not, but I do not know why anyone would have to vote against this bill. It is one of the better bills that we have ever brought forth to this body. In the years past we have brought some very good conference reports and some good bills, but I recommend that everyone vote for this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. BEVILL. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. EDGAR].

Mr. EDGAR. I thank the gentleman for yielding, and I want to commend the gentleman for specifically mandating and accepting in the language of amendment No. 37 the provisions of the compromise on Garrison diversion. I wonder if the gentleman might just briefly explain what has been worked out in that particular language.

Mr. BEVILL. The Senate bill established a Commission that will make a study and determine what should be done. The fine people in the so-called environmental group and the Senate agreed and then we in the House agreed to that, and they will make a report. It is a 12-member Commission that is going to come up with a recommendation as to what should be done with that project, and we expect to comply with the recommendations contained in the report.

Mr. EDGAR. Well, I would like to commend the conferees for coming up with that kind of a solution. I think in policy areas where we have a difference of opinion—and clearly in the Garrison area there has been a lot of conflict and a lot of difference of opinion—that there are ways to come up with solutions, and I want to commend the chairman of the Appropriations Subcommittee for accepting that particular provision. The environmental community is pleased, I think the Senate and House Members from that region are pleased, and I think it does make sense to proceed in that way.

Mr. BEVILL. I thank the gentleman.

Mr. UDALL. Mr. Speaker, will the gentleman yield?

Mr. BEVILL. I yield such time as he may consume to the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. Mr. Speaker, I asked the gentleman to yield—and I appreciate it—for the purpose of asking the gentleman from California [Mr. FAZIO] a couple of questions about an amendment that he inserted on this side, which I understand was accepted by the conferees on the other side.

I have some brief questions to ask concerning the section of the bill and report dealing with WAPA and construction of added transmission capcity between California and the Pacific Northwest.

My first question is: Although the bill does not speak of a certain number of new intertie lines, the report focuses on a single new 500-kV ac line, a line that all parties agree should be built without delay. Am I correct that the committee envisions only one new 500-kV ac line at this time?

Mr. FAZIO. Mr. Speaker, if the gentleman will yield, my colleague is correct. The committee believes strongly that a new line should be planned and constructed just as soon as possible.

Mr. UDALL. My second question concerns use of the term "facilities" in the bill. Was that intended to relate only to facilities associated with a single 500-kV ac line, as the report language indicates?

Mr. FAZIO. Again, my colleague is correct. We obviously did not want to preclude forever all other options, should reasonable ones present themselves, but our immediate intentions go no further than the facilities associated with one 500-kV ac line.

Mr. UDALL. Finally, if we presume this new 500-kV ac line is built without delay, as we all hope it is, do the conferees envision circumstances where future added lines would be planned, financed, or constructed without oversight by appropriate congressional committees?

Mr. FAZIO. The bill and report are intended to ensure construction of the single line in question. We expect that the Secretary of Energy will work with the committees of Congress if sufficient interest is shown in another line at a later date.

Mr. UDALL. Mr. Speaker, I thank the gentleman.

Mr. BEVILL. I agree with each answer to each of your questions.

Mr. Speaker, I yield such time as he may consume to the gentleman from Louisiana [Mr. HUCKABY].

Mr. HUCKABY. Mr. Speaker, I just want to rise to commend the chairman and all of the members of the subcommittee for the outstanding work that they have done on this bill, and I would like to personally thank the chairman for helping us obtain the funding for the Tensas River National Wildlife Refuge. This is truly the hardwoods of the South. The bill provides an additional $60 million to complete this acquisition, and I thank the committee for its effort.

Mr. BEVILL. I thank the gentleman. Certainly the gentleman from Louisiana has taken a very leading role in that endeavor and we are glad to work with him.

Mr. PERKINS. Mr. Speaker, will the chairman of the subcommittee yield to me?

Mr. BEVILL. Mr. Speaker, I yield such time as he may consume to my good friend and colleague, the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Speaker, I likewise wish to compliment the distinguished gentleman from Alabama [Mr. BEVILL] and the gentleman from Indiana [Mr. MYERS], and all of the other conferees. I think they have brought back a bill that is very worthy.

□ 1520

I would like to ask the gentleman from Alabama a couple of questions in order to establish the legislative history of the provisions of H.R. 5653 concerning the Yatesville Lake construction project.

Is it the understanding of the gentleman from Alabama [Mr. BEVILL] that the statutory language concerning the Yatesville Lake construction project contained in this bill requires that the Secretary of the Army, acting through the chief of the engineers shall continue construction of the Yatesville Lake construction project, notwithstanding any statutory provision or provisions which may otherwise be construed to delay continued construction, and is it further the understanding of the gentleman from Alabama that the Corps of Engineers shall continue to expedite construction of the Yatesville Lake construction project?

Mr. BEVILL. The gentleman is correct.

Mr. PERKINS. I thank the gentleman from Alabama [Mr. BEVILL], the distinguished chairman of the Subcommittee on Energy and Water Development of the Committee on Appropriations, for explaining the explicit legislative intent of the provisions concerning the Yatesville Lake construction project.

Mr. BEVILL. Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon [Mr. WYDEN] for purposes of a colloquy.

Mr. WYDEN. I thank the gentleman for yielding to me, and I also want to thank the gentleman for the tremendous help that he has given in promoting the design and construction of several fish enhancement projects that are critical to our fish resources in the Columbia River Basin.

At this point I just wanted to address several questions to the distinguished chairman to clarify the intent of the conference committee with respect to the funding of these important projects.

Mr. Speaker, am I correct in understanding that the bill provides no less than $4.8 million in Bureau of Reclamation funds for construction improvements at Prosser and Roza Dams in fiscal year 1985?

Mr. BEVILL. That is correct.

Mr. WYDEN. Am I also correct in understanding that the committee has also approved the transfer of funds from the Bonneville Power Administration to the Bureau of Reclamation for the design and construction of the Prosser and Roza Dam improvement projects.

Mr. BEVILL. That is correct.

Mr. WYDEN. Am I correct in further understanding that it is the intent of the committee that the Bureau of Reclamation have the principal responsibility for using Bureau funds for the construction of Prosser and Roza Dam improvements. But that, notwithstanding any other provision of law, the BPA is to also share responsibility for ensuring that these projects are completed should the Bureau for any reason not have funds available either in fiscal year 1985 of subsequent fiscal years.

Mr. BEVILL. That is correct.

Mr. WYDEN. Finally, Mr. Speaker, the committee has also approved expenditures by the BPA for the full design and construction in fiscal year 1985 of a steelhead hatchery for the Umatilla River. Is that correct.

Mr. BEVILL. That is correct.

Mr. WYDEN. Thank you for clarifying the intent of the committee, Mr. Speaker. I also wish to express my sincere appreciation for the assistance the gentleman from Alabama and his most capable staff have provided in ensuring these high priority fish enhancement projects are funded in the coming fiscal year.

Mr. MYERS. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts [Mr. CONTE], the distinguished ranking member of the minority side on the Appropriations Committee.

Mr. CONTE. Mr. Speaker, I yield to the gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of the conference report and congratulate all those involved, and speak in strong support of the report.

Mr. CONTE. Mr. Speaker, I rise in support of this conference report for the fiscal year 1985 energy and water development appropriations bill. This is the first time in many years that I have been able to support the conference agreement on this measure, and I want to commend the chairman of the subcommittee, Mr. BEVILL, the ranking minority member, Mr. MYERS, and all the members of the conference committee for their hard work and willingness to compromise on the many difficult issues in this bill.

Mr. Speaker, the conference agreement provides $15.4 billion for energy and water development programs. This amount is almost $100 million below the House-passed bill, and about $47 million above the Senate-passed bill. Although I have not received official word from my friend at OMB, the "Young Slasher," every indication is that this is a bill that the President can sign.

Mr. Speaker, from my perspective perhaps the most significant item in this conference report deals with the Garrison diversion project in North Dakota. My colleagues are well aware of my longstanding opposition to this project as currently authorized.

On numerous occasions I have stood in this well and explained how the Garrison project will destroy some 60,000 acres of prime prairie potholes and harm 12 national wildlife refuges in North Dakota—all-important habitat in a State which produces more ducks each year than any other in the lower 48.

I have explained how the estimated project cost of $1.2 billion amounts to roughly $3,800 per acre so that some dryland farmers can switch to irrigated crops that are already in such surplus that North Dakota has the highest PIK program participation rate in the country.

And I have explained how the Province of Manitoba, and the Federal Government of Canada oppose this project because it would transfer harmful fish and biota from the Missouri River Basin to the Hudson Bay watershed, causing serious damage to the huge commercial and sport fisheries in Manitoba.

Mr. Speaker, I am pleased to say that we have had a breakthrough in our efforts to resolve these issues. As I indicated in my "Additional Views" on this bill, I believe that we must stop construction on the currently authorized project and develop alternatives to meet the very real water resource needs of North Dakota.

That is exactly what the language in this conference report will do. It provides for a moratorium on Garrison construction through the end of calendar year 1984. Between now and then, the Secretary of the Interior will appoint a 12-member Commission to review the water development needs of North Dakota and propose modifications to the Garrison diversion unit. Among the issues to be considered by this Commission are the municipal and industrial water needs of North Dakota; the economic impact of the Garrison diversion unit as compared to other alternatives for meeting North Dakota's water needs; and the environmental impacts of the water development alternatives developed by the Commission as compared with those of the Garrison diversion unit. Among the environmental aspects of the project to be evaluated are the impacts on wildlife refuges, wetlands, wildlife habitat, and waterfowl.

In addition, the Commission is to take into consideration the international impacts of the water development alternatives under discussion, and to make recommendations to reduce and minimize those impacts. My understanding and expectation is that this will result in a project consistent with the findings and conclusions of the IJC report. If the alternative arrived at succeeds in this regard, the United States will be in compliance with its obligations under the Boundary Water Treaties of 1909, and will have defused a constant irritant in Canadian-American relations.

Mr. Speaker, we are by no means out of the woods. Over the next 6 months, the "alternatives" Commission will have a difficult task before it, of resolving the competing interests concerned about the future of North Dakota's water resources and the Garrison diversion unit.

But I am very optimistic. I think that the fact that agreement could be reached to stop construction and create this Commission is a giant step forward. All of those who have been involved in the effort to reformulate the Garrison project—from the National Audubon Society, National Wildlife Federation, Environmental Policy Institute, Friends of the Earth, National Taxpayers Union, Sierra Club, Defenders of Wildlife, North Dakota Wildlife Society, Garrison Focus office, the Province of Manitoba, and the Federal Government of Canada to the hundreds of Members of Congress and the thousands of taxpayers who have supported this effort—should feel a sense of accomplishment.

Through our perserverence, we have demonstrated that the Congress will not accept pork barrel "business as usual." I am pleased by the compromise that has been reached, and look forward to the report of the study Commission.

Mr. Speaker, I urge the adoption of the conference report.

Mr. Speaker, I again want to compliment the chairman and the ranking minority member.

Mr. MYERS. Mr. Speaker, we thank the gentleman from Massachusetts for his remarks and his appreciation for a good bill, a good conference report.

Mr. Speaker, I yield 3 minutes to a very hard working member of the subcommittee, the gentlewoman from Nebraska [Mrs. SMITH].

□ 1530

Mrs. SMITH of Nebraska. I thank the gentleman for yielding this time to me.

Mr. Speaker, I commend my chairman, the gentleman from Alabama, and the ranking minority member, the gentleman from Indiana, and all my colleagues on the subcommittee for the work they have done in bringing this conference report accompanying H.R. 5653, making vital appropriations for energy and water development for the fiscal year ending September 30, 1985, and for other purposes.

For my State, this bill provides nearly $44 million directly benefiting water projects, and additional funding for projects on the Missouri River indirectly benefits Nebraska.

New money in this bill directly addresses the fact that, in contrast to some other years, Nebraska has far, far too much water in 1984.

So the committee has agreed to my request to resurrect the section 55 program authorized by Public Law 93-251, the Water Resources Development Act of 1974, by earmarking $500,000 for technical assistance in helping State and local jurisdictions design flood fighting and bank-stabilization measures along the Platte River and tributaries in Nebraska, Colorado, and Wyoming.

We are experiencing extremely high flows in the Platte River for the second year in a row. Indeed, some reports estimate that this region has suffered as much as $1 billion in 1984 from flooding.

I have goaded and prodded the Bureau of Reclamation and the Army Corps of Engineers to work hard to coordinate far more carefully and closely to manage the existing reservoirs, dams, and other facilities to hold down damage from this second consecutive year of very high flows in the Platte River. They have done so, and I believe the concerns expressed to me are much less because of that effort, compared to the previous year.

The section 55 funding, of course, is no panacea; coping with the Platte River is tough. If it were not so, we would have solved the river's chronic flooding problems long ago.

This conference report specifies that at a minimum the Army Corps is directed to assist non-Federal public-interest groups in developing a demonstration project for flood control and bank stabilization within a 46-mile reach of the Platte River from Hershey, NE, eastward to the Lincoln-Dawson County line, an area of increasingly frequent and intensifying chronic flooding and streambank erosion.

Additionally, the conference report and bill addresses another flood problem on another river basin, the Republican River. The bill provides $200,000, at my request, for a reconnaissance-level study of that reach of the Republican River from the Harlan County Dam, NE, to the Milford Lake in Kansas.

While the committee bill provides adequate funds for providing for emergency flooding situations all over the United States, these additions for technical assistance, a program dormant since 1981, and for the reconnaissance study are for seeking long-range solutions to chronic flooding problems that have so far defied conventional control.

These are important preliminary steps to more comprehensive solutions that can be fashioned under provisions of important new authorizing legislation that would affect the Platte River. This authorizing legislation will be offered tomorrow as part of H.R. 3678, the public works bill.

Supported by the Nebraska House delegation, the legislation would establish a 5-year, $25 million demonstration program of construction of conventional and innovative flood control, bank stabilization, and wildlife-enhancing demonstration projects.

The program could begin by utilizing the blueprints and plans generated by the Army Corps with the funding I have added to this appropriations bill in section 55 program, particularly in the 46-mile reach of the Platte River described in the bill before us today.

There are those who criticize expenditures for water-development funding, but the record proves over and over again that flood-control benefits far exceed costs. Our investment in irrigation projects has created economic wealth and tax revenues for Federal, State, and local governments beyond all expectation.

In its official report to the subcommittee, the Army Corps reported that flood-control projects prevented an estimated $23.2 billion in flood damages in fiscal year 1983, a new record high, up from the previous peak of $19.4 billion in prevented damages in fiscal year 1979.

Many estimates of benefits compared to costs have been made over the years. Our chairman [Mr. BEVILL] has told the House on many occasions that for every dollar invested in flood-control projects, the Nation gets $7 back.

Those who criticize the water-project investment do not understand the problems at all. What we have provided in this bill is a drop in the bucket compared to the need for investment in water conservation, development, and research.

Nebraska's water resources make our State the envy of the entire Western United States. The fabulous Ogallala aquifer alone makes Nebraska to water what Fort Knox is to gold. Indeed, there is no question that water is more valuable than gold, or oil, or any other mineral resource.

And we have it as a gift—to conserve, to develop, to use, to produce economic benefits for all and to enhance our wildlife and its habitat.

To me, the water issue in Nebraska transcends all other challenges we have before us. Yes, education is vital, farming and ranching are vital, jobs are vital. But nothing is more basic than water.

I urge my colleagues to vote for this crucial funding bill.

For the RECORD, I submit a table showing what the conference report provides for Nebraska, compared to funding in fiscal year 1984.

	Actual appropriated for fiscal year 1984	House passed bill for fiscal year 1985
Farwell (St. Paul unit)	$[illegible]	$[illegible]
Frenchman-Cambridge unit (rehabilitation)	[illegible]	[illegible]
Gavins Point Dam-Lewis & Clark Lake: O&M	[illegible]	[illegible]
Harlan County Lake: O&M	[illegible]	[illegible]
Missouri River bank stabilization: O&M		[illegible]
North loup division: Construction	[illegible]	[illegible]
Papillion Creek and tributaries:		
Construction	[illegible]	[illegible]
O&M	[illegible]	[illegible]
Platte River flood control (Nebraska [illegible])		[illegible]
Prairie Bend project (feasibility study)	306.000	350.000
Republican River flood control (reconstruction study)		200.000
Salt Creek and tributaries		
Construction		2.300.000
O&M	431.000	403.000
Tri-County project (rehabilitation)	3.194.223	498.000
Total	50.[illegible]77.223	43.825.000

Mr. BEVILL. Mr. Speaker, I yield such time as he may consume to a distinguished senior member of the Committee on Appropriations, the gentleman from Iowa, Mr. NEAL SMITH.

Mr. SMITH of Iowa. I thank the gentleman for yielding to me.

Mr. Speaker, I want to thank the gentleman from Alabama and the gentleman from Indiana and other members of the committee for this bill. My office happens to be just down the hall from where this committee holds their hearings, and most people do not realize the amount of work that goes into a bill like this. I see crowds down there, 50 to 100 people sometimes, waiting for hearings. The hearings start early in the year and it goes on and on and on.

It is a very important bill. I really thank the gentleman and all the subcommittee for the work they have done on it.

Another thing I want to say, in concert with what the gentlewoman from Nebraska said, it is easy for people who are enjoying the benefits of the public works improvements that their ancestors completed to sit there and say, "I love this extra good living I am having as a result of what they did, but I do not want to contribute anything for future generations." That is easy, you know; but that is borrowing from the future generations.

What previous generations did in this country have permitted us to have the standard of living we have. A lot of these floods would be worse than they are today. There happens to be high water in Des Moines, IA, right now. But, they are being saved millions and millions and millions of dollars, not only in damages but in loss of life, as a result of a project completed a few years ago protecting the Des Moines area from the worst flood in 112 years. The damages that would have occurred but for the dam would be probably half as much as the total cost of that multipurpose project and that is to say nothing of the tremendously increased environmental opportunities that result from one of these projects.

We have, I guess, 275 times as much shoreline now as we had before the project was completed. There is more wildlife. There are birds that people never saw in central Iowa before. They stop there and they stay, some of them, all summer long. The opportunities are great and people ought to appreciate more, than I am afraid they do, the work this subcommittee does, and I thank the gentleman.

Mr. BEVILL. I thank the gentleman very much for those kind remarks.

Mr. MYERS. Mr. Speaker, I yield such time as he may consume to a hard-working, contributing member of the subcommittee, the gentleman from Arizona [Mr. RUDD].

Mr. RUDD. I thank the gentleman for yielding to me.

Mr. Speaker, I would like to commend my chairman, my ranking member, the distinguished member from Alabama [Mr. BEVILL], the distinguished member from Indiana [Mr. MYERS] for their leadership, for their ability to coordinate, to cooperate, and to get along and to work in the same direction on this committee, as I also commend every member of the committee. It is a pleasure to work with them.

I think that I would be remiss if I did not indicate that the staff is a great staff, under the direction of Hunter Spillan, who always have the answers and who are always available to work on anything that has to do with this bill.

This conference report on H.R. 5653, which I strongly support, has to do with energy and water and I am very pleased to say that the mix on energy is one that will benefit our Nation for decades to come. Water, in my opinion, is probably the most valuable resource that our Nation has today.

Mr. Speaker, this bill strengthens America by providing adequate water and energy resources to ensure sustainable economic growth and development.

It is of particular importance to my home State of Arizona. The State's population is expected to double by the year 2000, and without proper planning today, adequate water supplies will not be made available to accommodate that growth. Fortunately however, we have had the wisdom and foresight to deal with this projected growth. This foresight has brought about the development of the central Arizona project to bring additional water into the State. It is well under construction and nearing completion.

This is a good bill. It is well within the administration's budget request—by more than $500 million. I urge my colleagues to support this legislation which is so vital to the Nation.

Mr. BEVILL. Mr. Speaker, I yield such time as he may consume to the chairman of our Committee on Appropriations, the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. I thank the gentleman for yielding to me.

Mr. Speaker, I wish to subscribe to the views that have been expressed here by our colleague, the gentleman from Iowa. It has been said that however serious a situation may be, the one thing we must do is look at the foundation of it all, and that is our land.

In this period when we are referring and giving attention to defense and military spending, in this time when we are disturbed about the debt and about our ability to pay it, certainly we must look after our own country. Our problems today would be much worse if we had not given some attention to it, as the gentleman from Iowa [Mr. Smith] mentioned.

Unfortunately, in recent years we have had three or four major floods in most sections of the United States. Part of that occurs because of the farm situation and the failure of those who actually have the land to have the funds with which to take proper care of it. Part of it comes because we build more and more shopping centers, more and more highways, and put more and more of our country under concrete.

I say unless we do as we do in this bill, take care of our land to enable the people of the Nation to help those who may have charge of the land, we could end up like China and India, where the land is eroding, or in ancient Rome where we can see the old ruins where the land is some 20 feet below the ruins that were there many years ago.

In this bill we have tried to take care of many sections, including my own. We had about 6 or 7 inches of rain in 3 hours, plus a tornado, and that is the third such occurrence that we have had in less than 12 months.

The details of program essential to my area appear in the conference report, as reported in Congressional Record of June 26, pages 18919, 18920, 18967, and 18968.

Other information of interest, House Joint Resolution 492, appears on page 18734 of the same Record.

I join with all of my colleagues, having been on this committee a long time myself, in paying tribute to the detailed hard work not only of the members of this committee, the chairman, the gentleman from Alabama [Mr. Bevill], the ranking member, the gentleman from Indiana [Mr. Myers], and the other members, as well as the staff, because there are thousands of items in this bill covering such a big country, and the problems in various sections differ from those in other areas. I just want to lend my voice to say that no one deserves more credit or no group deserves more credit in trying to look after our country than the members of this subcommittee, and I am proud to have served with them through the years.

□ 1540

Mr. MYERS. Mr. Speaker, those are nice words from our chairman.

I yield such time as he may consume to another valued member of the Appropriations Committee, the gentleman from Alabama [Mr. Edwards]. The gentleman from Alabama [Mr. Edwards] will be leaving us this year. We are certainly going to miss him.

Mr. EDWARDS of Alabama. Mr. Speaker, in my district we have three large navigable waterway systems emptying into Mobile Bay with all the channels involved there. We have the Interstate Intercoastal Canal. We have all the activity into the Gulf of Mexico.

The long and short of it is, Mr. Speaker, that my district for generations has depended upon the projects that come out of this committee for its lifeblood. As I prepare to leave this body, I just wanted to say to the gentleman from Alabama [Mr. Bevill], and the gentleman from Indiana [Mr. Myers], and the committee members, and their predecessors that this committee has had great wisdom and foresight in the way it has gone about its business. This committee has suffered much criticism over the years for some of the projects, but I am still convinced that the work of this committee in fact does build this great Nation of ours and we in southwest Alabama have been the beneficiary of that hard work that this committee has performed.

I may never get a chance to say this again to the members of this committee, but I want to tell you that we greatly appreciate down our way in Alabama the work that has been done and what it has meant to the people in our area.

Mr. BEVILL. Mr. Speaker, I would like to say at this point that my good friend, the gentleman from Alabama, Jack Edwards, has served his country as a statesman here, as a member of the House Appropriations Committee, and he and I have worked together for all these years. I am one that really hates to see him leave. He has done such a great job, not only for his State, but our entire Nation. I wish him well and appreciate the opportunity to have worked with the gentleman from Alabama [Mr. Edwards].

Mr. Speaker, I yield such time as she may consume to the ranking majority member of this subcommittee, the gentlewoman from Louisiana [Mrs. Boggs], a great lady.

Mrs. BOGGS. Mr. Speaker, I thank the gentleman for yielding.

I, too, rise to compliment the chairman and the ranking member of the committee, the gentleman from Indiana [Mr. Myers] and all the members of the committee and the staff for the great work that they have done in bringing about this conference report.

The projects that are vital to the navigation of this country, the construction, the rebuilding, the operation and maintenance that makes certain that the waters are navigable and that the trade and commerce, the goods and services, and yes, the culture of this country, can be transported within the country and throughout the world are indeed a great and wonderful asset to the United States.

To my area particularly, the operation and maintenance of the navigable waters, the flood protection and indeed the hurricane protection are absolutely vital.

Forty-one percent of all the waters of the United States drain through the lower Mississippi Valley and come right past the door of the Port of New Orleans, the largest port in the United States, so that the flood protection and the unimpeded flow of the navigable waters are very, very important to us.

In this bill I am very pleased to say is a study for the deepening to 55 feet of the waters of the Mississippi from Baton Rouge to the Gulf of Mexico outlet.

Also, in this bill there are the programs that enhance the environment and the wildlife of the Nation.

We are especially proud in Louisiana, as the gentleman from Louisiana has told us, about the Tensas Wildlife Refuge and about the magnificent Atchafalaya Basin that has some moneys in this bill for its protection and promotion.

In addition to the water projects, I think that we forget, many of us, about the goal of energy independence of our Nation and what this committee does in order to promote it. Within this bill there are many programs for alternative energy sources to the fossil fuel energies. Geothermal, wood, wind, solar, geopressure, methane, fusion, methods of creating energy are contained herein.

I would like also to remind all of us that the Nuclear Regulatory Commission and all of its safety features are a part of this conference report.

Perhaps we are the most unmindful of the crown jewels of our Nation, our national laboratories, and within this conference report they are funded in a very special manner.

So for all the work that has gone into the bill, I am very grateful and for all the projects that have been funded that are so vital to the people and to the commerce and trade of our Nation, I am grateful, but I am especially grateful for the projects and programs that directly affect my State of Louisiana and the Port of New Orleans.

Mr. MYERS. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. Carney].

Mr. CARNEY. Mr. Speaker, I would like to take this opportunity to commend the chairman of the subcommittee, the gentleman from Alabama [Mr. Bevill], and the ranking member, the gentleman from Indiana [Mr. MYERS], for their hard work, not only in this conference, but throughout the entire process of building a bill that is very, very necessary for our Nation.

I would like at this time to ask that my name be associated with the most eloquent words of the gentlewoman from Louisiana. I think she summed up the sum and substance of this and how important it is to our Nation. If I may, I would like to echo the words the gentlelady used when she called our national laboratories the crown jewels of our country. Indeed they are, and they are most important, crown jewels.

I can tell you from firsthand knowledge that when I traveled abroad and said, "I am from Long Island," people did not understand it, but when I said "I am from Long Island where Brookhaven national Laboratory is located," they knew where I was from. Indeed, all our national laboratories are the crown jewels.

Mr. Speaker, if I may, I would like to ask my colleague, the gentleman from Indiana, if he would answer a couple questions for me. I would appreciate it very much.

At one of our crown jewels, Brookhaven National Laboratories, we have the national synchrotron light source. I ask the gentleman could he tell me the conference report total on the new construction project at the light source.

Mr. MYERS. That is $10 million.

Mr. CARNEY. I thank the gentleman. And the cogeneration facility?

Mr. MYERS. That is $3 million.

Mr. CARNEY. And the central chilled water?

Mr. MYERS. That is $3½ million.

Mr. CARNEY. Well, I appreciate that very much.

I would like to ask one more question. I read today's Journal and want to be sure that I am correct in my understanding that the planning money for the Shinnecock Inlet is now $350,000 which will allow for the acceleration of the project to stabilize this most important navigational waterway.

Mr. MYERS. If the gentleman will yield, at the insistence of the gentleman from New York, the conferees kept those dollars in.

Mr. CARNEY. I thank the gentleman, my good friend from Indiana, and I thank the entire committee.

Mr. BEVILL. Mr. Speaker, I yield 1 minute to my good friend and a distinguished member of this Appropriations Subcommittee, the gentleman from Oklahoma [Mr. WATKINS]. I will have to make that 1 minute because we are running out of time.

Mr. WATKINS. That is OK. I say to our distinguished chairman.

Mr. Speaker, I want to stand here and commend Chairman BEVILL for his outstanding leadership, also the gentleman from Indiana, the minority leader on this particular subcommittee, the ranking member there, and all the members of the subcommittee, but especially the staff for their hard work. They spent long hours this entire past weekend getting this bill prepared for the conference. I want them to know that many of us recognize that and realize that those long hours have been there.

Mr. Speaker, back about the turn of the century in Oklahoma, coal, that great fossil fuel, was the crown king of that great State. Then as we moved along, agriculture became very prevalent in the economy of the State and also oil. I guess Oklahoma and oil today is kind of synonymous; but without question, by the turn of this next great century, just 16 years from now, water will be the key for Oklahoma.

□ 1550

Mr. MYERS. Mr. Speaker, I yield 1 minute to the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. Mr. Speaker, I wonder if I might ask the distinguished chairman of the subcommittee, the gentleman from Alabama [Mr. BEVILL], if he would be willing to assume the floor for the purposes of a colloquy that has been discussed.

First, may I commend the distinguished chairman of the subcommittee, the ranking minority member, the gentleman from Indiana and all of the members of the committee for the work they have done on the bill, and especially to commend them for their efforts on behalf of the continuous electron beam accelerator facility in the committee of conference.

I would ask the chairman does the language of the conference report explanatory statement on the continuous electron beam accelerator facility, Project 85-R-203, supersede the language on that project in the Senate report on H.R. 5653?

Mr. BEVILL. Will the gentleman yield?

Mr. BATEMAN. I am happy to yield.

Mr. BEVILL. The language in the statement of the managers represents the compromise reached by the conferees with regard to this project and the Department of Energy should be guided by the statement of the managers rather than by either the language of either the House or the Senate report on this matter.

Mr. BATEMAN. I thank the gentleman.

Mr. BEVILL. Mr. Speaker, I yield 2 minutes to my good friend and colleague, a very valued member of the Appropriations Subcommittee, the gentleman from California [Mr. FAZIO].

Mr. FAZIO. I simply would like to express my personal appreciation for the work the committee has done on behalf of my State. I know this is a national bill, and when the gentleman from Pennsylvania [Mr. EDGAR], and his Committee on Public Works are finished with the authorization bill that we all hope to support tomorrow, I think it will be even more clearly a national bill because I think we are going to be doing some very important things for the water systems of the Northeast.

But I am particularly impressed by the continual willingness of this committee to look at the regional power issues, and in this bill we have done a great deal to help California utilities, both municipal and investor owned up and down the State for the next 25 years. For less than $1 billion, funds that will be provided by the utilities, we will produce an additional 2,400 kilowatts of power, that is, by the way, 200 kilowatts of power in addition to what will be produced at the Diablo Canyon Plant, provided at a very inexpensive rate, probably one-third of the cost of new powerplant construction in California. The Bonneville Power Administration and other areas of the Central States, where we have federally developed power in abundance will be the source.

This is beneficial to the taxpayers in general and beneficial obviously to the people of my highly populated State which will be prevented from having to make other investments that will bring them far less in terms of new energy capacity.

The photovoltaic plant that the committee has supported that is being developed at SMUD in Sacramento is obviously going to provide a tremendous example of that mode of power generation for the county at large. Certainly peaking power needs across the Sun Belt can be readily met by photovoltaic power and this committee, occasionally going up against the administration, has stuck by this particular project on a bipartisan way.

I simply want to express my appreciation to the chairman and the ranking Republican, the gentleman from Indiana [Mr. MYERS], and my other good friends and colleagues on the committee for their contribution.

Simply in closing let me say our State has been tremendously benefited by reclamation projects and corps projects, the Central Valley project and coastal dredging that make our ports as competitive as any in the country. This could not happen without this strong bipartisanship that comes from this committee, and I am aware of the fact that my delegation sometimes takes this for granted. The gentleman from Indiana [Mr. MYERS], is smiling. He knows exactly what I am saying. I certainly take it very seriously and I appreciate the way in which year after year our efforts are sustained in this committee. I simply want to express my thanks to the committee for that.

Mr. **BEVILL.** Mr. Speaker, I yield 2 minutes to my good friend and colleague from North Dakota, Mr. BYRON DORGAN.

Mr. **DORGAN.** Mr. Speaker, this conference report contains language by the Senate that halts work on the Garrison diversion project effective October 1 and that directs the Secretary of the Interior to establish a 12-member commission to report by the end of the year on what changes might be necessary in the project to meet some of the objections raised by various opponents.

According to the CONGRESSIONAL RECORD, both the North Dakota Senators and North Dakota's Governor have endorsed this proposal, and for that reason, I am not going to raise objections to it as the House considers this conference report.

However, I think this compromise could be a risky proposal for North Dakota. I think there is at least some risk that this proposal could lead to the end of the Garrison diversion project.

The Secretary of the Interior who will be selecting the 12-member commission recently said in Michigan that this project has serious environmental problems and that it probably wouldn't be built as it is currently authorized. That statement came just days after the administration tried to defer the spending of money that had already been appropriated for Garrison in the fiscal year 1984 budget. What this suggests to me is that the Reagan administration seems to be backing away from support of North Dakota's water project. For the administration, then, to be allowed to name a commission to determine how the project ought to be modified, I think, puts that project in a very perilous position. It may be a plan to shoehorn the destiny of this project into a time frame after the election so that those in North Dakota who have not been aware of the administration's and the Interior Secretary's actions and statements in recent weeks would not know that they seem to be abandoning the Garrison project.

Those, Mr. Speaker, are my reservations.

In light of the two Senators' and the Governor's support for this approach, I do not intend to object to this conference agreement. But, if North Dakota is ultimately "taken for a ride" by this agreement, then I guarantee you will hear a storm of protests from me and other North Dakotans because our State deserves a water project, and I intend to continue to work hard to see that we get it. This water project is what the Federal Government promised us in exchange for our allowing a permanent flood to be built in North Dakota, and I intend to see that promise kept.

Mr. **MYERS.** Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. **BEVILL.** Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

I move the previous question on the conference report.

The previous question was ordered.

The **SPEAKER** pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. **EDGAR.** Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER** pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 400, nays 23, not voting 10, as follows:

[Roll No. 273]

YEAS—400

Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Aspin
AuCoin
Badham
Barnard
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Bethune
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bryant
Burton (CA)
Burton (IN)
Byron
Campbell
Carney
Carper
Carr
Chandler
Chappell
Chappie
Cheney
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Corcoran
Coughlin
Courter
Coyne
Craig
Crockett
D'Amours
Daniel
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
Donnelly
Dorgan
Dowdy
Downey
Duncan
Durbin
Dwyer
Dyson
Early
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Fiedler
Fields
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gore
Gradison
Gray
Green
Gregg
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (UT)
Harkin
Harrison
Hartnett
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hertel
Hightower
Hiler
Hillis
Holt
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leath
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Markey
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McNulty
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Moorhead
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Patman
Patterson
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Rahall
Rangel
Ratchford
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Rudd
Russo
Sabo
Savage
Sawyer
Schaefer
Scheuer
Schneider
Schroeder
Schulze
Schumer
Seiberling
Shannon
Sharp
Shelby
Shumway
Shuster
Siljander
Simon
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vander Jagt
Vandergriff
Vento
Volkmer
Vucanovich
Walgren
Walker
Watkins
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Wilson
Winn
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NAYS—23

Ackerman
Bartlett
Broyhill
Conable
Crane, Daniel
Crane, Philip
Dannemeyer
Dreier
Evans (IA)
Frenzel
Hopkins
Jacobs
Leach
McCandless
Morrison (CT)
Paul
Ritter
Sikorski
Smith, Denny
Tauke
Weaver
Weber
Weiss

NOT VOTING—10

Dixon
Dymally
Erlenborn
Gramm
Hansen (ID)
Kogovsek
Sensenbrenner
Shaw
Waxman
Williams (OH)

□ 1610

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. SHAW. Mr. Speaker, on rollcall No. 273, I was not recorded. I was tied up in traffic returning from the White House where the Williams family of Fort Lauderdale, FL, was being honored as the Great American Family.

Had I been present, I would have voted "aye."

AMENDMENTS IN DISAGREEMENT

The **SPEAKER** pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 10: Page 4, line 22, strike out "$1,339,683,000" and insert "$1,317,557,000".

Mr. **BEVILL**. Mr. Speaker, I ask unanimous consent that the Clerk designate each Senate amendment in disagreement by number as they are reached and that their reading be dispensed with.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

MOTION OFFERED BY MR. BEVILL

Mr. **BEVILL**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 10 and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment, insert "$1,305,000,000".

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 28: Page 10, lines 17 and 18, strike out "an estimated cost of $300,000" and insert "a cost not to exceed $200,000".

MOTION OFFERED BY MR. BEVILL

Mr. **BEVILL**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 28, and concur therein.

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 32: Page 11, line 14, after "construction" insert ": *Provided further*, That $100,000 shall be made available to study the feasibility of a hydroelectric powerplant at the existing Yellowtail Afterbay Dam (Montana)".

MOTION OFFERED BY MR. BEVILL

Mr. **BEVILL**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 32, and concur therein.

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 34: Page 11, line 20, after $707,817,000," insert "of which $4,800,000 shall be available for the construction of fish passage facilities at Prosser Dam Passage authorized by the Act of June 12, 1948 (Public Law 80-629, 62 Stat. 382) and Roza Dam Passage authorized by the Act of March 10, 1934 (Public Law 73-121, 48 Stat. 401),".

MOTION OFFERED BY MR. BEVILL

Mr. **BEVILL**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 34, and concur therein.

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 37: Page 13, lines 11 and 12, strike out "and that no construction potentially affecting waters flowing into Canada will be undertaken" and insert "and that no appropriation, fund, or authority under this heading shall be used for construction of features of the Garrison Diversion Unit in North Dakota affecting waters flowing into Canada".

MOTION OFFERED BY MR. BEVILL

Mr. **BEVILL**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 37, and concur therein.

The motion was agreed to.

□ 1420

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 38: Page 13, line 12, after "undertaken" insert ": *Provided further*, That of the amount herein appropriated not to exceed $20,000 shall be available to continue a rehabilitation and betterment program with the Twin Falls Canal Company, Twin Falls County, Idaho, to rehabilitate facilities under the Act of October 7, 1919 (63 Stat. 724), as amended, to be repaid in full by the lands served and under conditions satisfactory to the Secretary of the Interior".

MOTION OFFERED BY MR. BEVILL

Mr. **BEVILL**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 38, and concur therein.

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 43: Page 20, after line 7, insert:

SEC. 206. The cost of foundation treatment, drainage, and instrumentation work planned or underway at Foss Dam, Oklahoma, shall be nonreimbursable and nonreturnable under the Federal reclamation law.

MOTION OFFERED BY MR. BEVILL

Mr. **BEVILL**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 43, and concur therein.

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 44: Page 20, after line 7, insert:

SEC. 207. (a) It is the sense of Congress that—

(1) the Garrison Diversion Unit was authorized by Congress and reflects the entitlement of the State of North Dakota to a federally funded water development program as compensation for North Dakota's contributions to the Pick-Sloan Missouri Basin program;

(2) there is a need to put to beneficial use water from the Missouri River within the State of North Dakota;

(3) there are municipal and industrial water resource problems in North Dakota that are presently unmet;

(4) there are irrigation and agricultural water needs in areas which cannot be met by the Garrison Diversion Unit as presently authorized;

(5) the Garrison Diversion Unit, as presently authorized, raises significant issues of economic, environmental, and international concern;

(6) the water needs of the State of North Dakota should be resolved by contemporary water development alternatives; and

(7) a Secretarial commission should be established to examine the water needs of North Dakota and propose development alternatives which will lead to the early resolution of the problems identified.

(b) No funds appropriated under this title for the Garrison Diversion Unit, Pick-Sloan Missouri Basin program, shall be expended or committed for expenditure on construction contracts prior to December 31, 1984. Notwithstanding the preceding sentence, funds appropriated may be expended or committed for expenditure for the work associated with the Commission established by this section. Funds may be expended or committed for expenditure after such date for construction of the Garrison Diversion Unit—

(1) in accordance with the recommendations of the Secretarial commission established under subsection (c); or

(2) if the commission fails to make such recommendations, as presently authorized.

(c)(1) The Secretary of the Interior shall, within thirty days after the date of enactment of this section, appoint a commission, composed of 12 individuals, to review the contemporary water development needs of the State of North Dakota and propose modifications to the Garrison Diversion Unit consistent with the existing authorization. The Secretary shall designate one member who shall serve as chairman of the commission who shall set the dates of hearings, meetings, and other official commission functions in carrying out the purposes of this section. The commission, in developing its recommendations, shall hold no fewer than three public hearings, at least two of which shall be in the State of North Dakota. Any recommendations of the commission shall be agreed to by at least 8 members. The commission shall cease to exist on December 31, 1984.

(2) The commission is directed to examine, review, evaluate, and make recommendations with regard to the contemporary water development needs of the State of North Dakota, taking into consideration—

(A) the costs and benefits incurred and opportunities foregone by the State of North Dakota between 1944 and 1984 as a result of the establishment and implementation of the Pick-Sloan Missouri Basin program;

(B) the need and potential for North Dakota to put to beneficial use within the State water from the Missouri River;

(C) the need for construction of additional facilities to put to beneficial use water from the Missouri River;

(D) the municipal and industrial water needs and development potential within the State of North Dakota, including such matters as—

(i) quality of water supply,

(ii) the ability of existing systems to meet present and future demand,

(iii) related groundwater problems,

(iv) water treatment,

(v) water delivery by pipeline, and

(vi) instream flow needs;

(E) the possible use of groundwater recharge for municipal and industrial uses, as well as irrigation;

(F) the current North Dakota water plan, including proposed projects, to determine if elements of the plan (such as the southwest pipeline project) should be recommended for Federal funding;

(G) whether or not the Garrison Diversion Unit can be redesigned and reformulated;

(H) the institutional and tax equity issues in the State of North Dakota as they relate to the authorized project and alternative water development proposals;

(I) the fiscal and economic impacts of the Garrison Diversion Unit, as compared with alternative proposals for irrigation and municipal and industrial water supply;

(J) the environmental impacts of the water development alternatives mentioned in this section, compared with those of the Garrison Diversion Unit, including impacts on wildlife refuges, wetlands, wildlife habitat, waterfowl, and other environmental impacts as well as make recommendations to reduce and minimize those impacts; and

(K) the international impacts of the water development alternatives described in this section compared with those of the Garrison Diversion Unit and make recommendations to reduce and minimize those impacts.

All recommendations of the commission shall retain the originally authorized discount rate.

(3) The commission shall submit to the Secretary of the Interior, the chairmen of the Senate Committees on Energy and Natural Resources and Appropriations, and the House Committees on Interior and Insular Affairs and Appropriations, no later than December 31, 1984, a report which contains the conclusions and recommendations of the commission with regard to the items described in paragraph (2).

(d) The Secretary of the Interior is authorized and directed to implement the recommendations of the commission report consistent with existing authority.

(e) Nothing in this section shall affect any litigation initiated prior to June 1, 1984.

MOTION OFFERED BY MR. BEVILL

Mr. **BEVILL**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Bevill moves that the House recede from its disagreement to the amendment of the Senate numbered 44, and concur therein.

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 55: Page 27, line 8, strike out all after "That" down to and including line 17 and insert "all revenues collected in connection with the operation of Navy Geothermal projects at Fallon, Nevada, may be credited to a separate fund, to be established in the Treasury of the United States, and shall be available to the Secretary of Energy, without further appropriation, for payment of energy costs, contract administration costs, and the design, construction, operation, maintenance and replacement, and administrative costs of all required transmission facilities and power marketing activities directly associated with the Fallon, Nevada Navy Geothermal projects.".

MOTION OFFERED BY MR. BEVILL

Mr. **BEVILL**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Bevill moves that the House recede from its disagreement to the amendment of the Senate numbered 55, and concur therein.

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 57: Page 31, after line 7, insert:

Sec. 307. For carrying out activities authorized by title II of Public Law 93-410 the Department of Energy is authorized to transfer no more than $25,000,000 to the Geothermal Resources Development Fund from unobligated balances within the Uranium Supply and Enrichment Activities account: *Provided*, That such transfer shall be reported promptly to the Committees on Appropriations of the House and Senate. The amount authorized to be transferred by this provision is in addition to the authority provided in section 302 of this Act.

MOTION OFFERED BY MR. BEVILL.

Mr. **BEVILL**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Bevill moves that the House recede from its disagreement to the amendment of the Senate numbered 57, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

Sec. 307. For carrying out activities authorized by title II of Public Law 93-410 the Department of Energy is authorized to transfer no more than $25,000,000 to the Geothermal Resources Development Fund from unobligated balances within the Uranium Supply and Enrichment Activities account: *Provided*, That such transfer shall be reported promptly to the Committees on Appropriations of the House and Senate. The amount authorized to be transferred by this provision is in addition to the authority provided in section 302 of this Act.

Sec. 308. Of the funds appropriated for Energy Supply, Research and Development Activities under this Act, $2,000,000 shall be available until expended to further domestic technology transfer by facilitating access to data within the national laboratories, including the use of supercomputers.

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the last amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 64: Page 34, line 20, after "expended" insert ", of which $14,239,000 shall be derived from prior year unobligated balances in the Tennessee Valley Authority Fund".

MOTION OFFERED BY MR. BEVILL

Mr. **BEVILL**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Bevill moves that the House recede from its disagreement to the amendment of the Senate numbered 64 and concur therein with an amendment, as follows: In lieu of the matter proposed in said amendment, insert ", of which $9,547,000 shall be derived from prior year unobligated balances in the Tennessee Valley Authority Fund".

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

CONFERENCE REPORT ON H.R. 5713, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT-INDEPENDENT AGENCIES APPROPRIATION, 1985

Mr. **BOLAND**. Mr. Speaker, pursuant to the order of the House on June 22, 1984, I call up the conference report on the bill (H.R. 5713) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1985, and for other purposes, and I ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of Tuesday, June 26, 1984, at page 18968.)

Mr. BOLAND [during the reading]. Mr. Speaker, I ask unanimous consent that the statement be considered as read.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The **SPEAKER** pro tempore. The gentleman from Massachusetts [Mr. BOLAND] will be recognized for 30 minutes and the gentleman from New York [Mr. GREEN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. BOLAND].

GENERAL LEAVE

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on H.R. 5713, as well as the Senate amendments reported in disagreement, and that I may include tables, charts, and other extraneous material.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, we bring back to the House today the conference report on the 1985 HUD-independent agencies appropriation bill.

I want to begin by explaining to the Members that we reached agreement in conference on this bill yesterday and filed the conference report and the statement of the managers under a unanimous-consent agreement. Unfortunately, because of a backlog at the Government Printing Office—the "slip" copy of the conference report will not be available today. However, the conference report and the statement of the managers are printed in the RECORD on pages 18968 through 18976 and are available to the Members for review.

I also want to assure the House that if I felt that this conference report contained any seriously controversial items, we would not move to take it up today. But I believe that I can state to the House that, although we are on a fast track, this bill is essentially noncontroversial.

This is a responsible bill, and it is one that should have the support of this body. In fact, the official statement of administration policy, dated June 25, 1984, indicates that the "both House and Senate versions of this bill are generally acceptable to the administration." Of course, as in the case of any bill, there were provisions in both versions of the bill which the administration had a problem with. But in general, the administration and the Members on the other side of the aisle should be pleased with our efforts.

Before I get into a discussion of some of the specifics, I want to sum up the bottom line. The total amount recommended in this conference report is $56,543,299,775. That total is $1,874,801,775 above the President's 1985 budget and $1,893,196,725 below the House-passed bill.

For the subsidized housing programs, the conference report provides for 5,000 new public housing units: 12,000 section 202 housing for the elderly and handicapped units; 2,000 Indian housing units; 38,500 housing voucher units; 37,500 section 8 existing units, and 5,000 section 8 moderate rehabilitation units. That totals 100,000 incremental housing units in 1985.

One other problem that we took care of in this conference agreement concerns House Joint Resolution 517 which passed this body on March 29. You will recall that resolution released $1.5 billion for subsidized housing. Unfortunately, the other body has not taken up that resolution to date. However, we have included the entire text of House Joint Resolution 517 in this conference agreement, so that both the 1984 and 1985 housing programs are completed with the passage and enactment of this bill.

Let me stress again—as I did when it was on the floor—that House Joint Resolution 517 does not create any new budget authority. It simply releases budget authority held in reserve by the 1984 HUD appropriation bill, and makes available previously provided budget authority—approximately $1 billion—that could not be used without additional contract authority.

I believe that the subsidized housing recommendations contained in this bill are fair and represent an excellent compromise with the Senate. Of course, we didn't get everything we wanted and the Senate didn't get everything it wanted. But by and large, we have a housing program for both 1984 and 1985 that I believe is a good program. It will support 100,000 incremental units in both years, and it is a program that deserves your vote of approval.

Now let me take just an additional few minutes to summarize other actions in this bill. A total of approximately $5 billion is included for programs for the Department of Housing and Urban Development outside of the assisted housing activities I just discussed.

Within that total is $440,000,000 for the urban development action grant program; a loan limitation of $600,000,000 for housing for the elderly and handicapped; $3,472,000,000 for community development grants; $15,000,000 for the solar bank, and almost $17 million for research and technology.

With respect to the programs of the Environmental Protection Agency, the conference agreement includes a total of $4,372,775,000 in 1985. For the operating programs of EPA, the total is $1,308,775,000, an increase of $99,521,000 and 278 work years above the budget request.

This represents the second major step in rebuilding EPA—back to approximately its resource peak in 1981. State grants receive an additional $35,000,000 and research and development has increased by $29,563,000 above the budget.

Under the National Aeronautics and Space Administration, we have included a total of $7,491,400,000. That represents the budget request and is the same as the House and Senate versions of the bill. Within that total, of course, we have made some adjustments, including an add-on of $40 million for the advance communication technology satellite program and $50 million for shuttle Orbiter and engine spares.

We also reached agreement with the Senate on the space station. Basically, what we did was to meld the House man-tended and Senate automation approaches into a workable package that has NASA's support and commitment.

The conferees also provided the budget request of $1,501,792,000 for the National Science Foundation—but again we have made some adjustments within the total. The largest increase is $20 million for additional work on supercomputers. This $40 million compares with the $60 million contained in the House-passed authorization bill. Also, we added $11,300,000 to the science education program—including an additional $5 million for instrumentation at 4-year colleges and $6.3 million to increase the number and annual stipend of graduate scholarship grants.

In the area of the Veterans' Administration, we have provided a total of $25,755,408,000. Included within that amount is an increase of $24,730,000 above the budget for medical care. That increase will provide for an additional 400-patient-care FTEE in the VA hospitals and will ensure that a minimum of 220 additional staff are assigned to the vet center program.

In terms of the VA major construction program, the House and Senate versions of this bill were essentially the same. Both the House and Senate approach to the problem requires the Veterans' Administration to submit a revised list of 1985 major construction projects by September 1, 1984. I want to make clear to the Veterans' Administration that we expect them to undertake a serious and diligent effort to revise this list and restructure it in such a way that through the use of drawing down the working reserve it may be possible to add additional projects to the original list, or reorder the existing projects.

We do not expect the VA to simply resubmit the same list. And we particularly do not expect the VA to

prioritize the list on the basis of the highest priority being a parking garage. Again, we expect a sincere effort in this area and we will be watching the Veterans' Administration closely to insure that it takes our concerns seriously.

Mr. Speaker, I hope that we can all agree that this bill is a good bill. I think it is a bill that that administration will support, and I believe that the conferees have delivered a very responsible product to the House. I urge support for this conference report.

Mr. Speaker, I will include in the remarks a table comparing the conference agreement with the amounts for 1984 and the actions of the House and the Senate.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY

	Fiscal year—		House	Senate	Conference	Conference compared with—			
	1984 enacted	1985 estimates				Enacted	Estimates	House	Senate
TITLE I—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT									
Housing Programs									
Annual contributions for assisted housing (contract authority)	$9,912,928,000	$6,243,437,000	$9,969,127,500	$10,393,395,000	$10,759,482,775	+$846,554,775	+$4,516,045,775	+$790,355,275	+$366,087,775
(Rescission of assisted housing deobligations)				-2,754,713,000	-2,754,713,000	-2,754,713,000	-2,754,713,000	-2,754,713,000	
Annual contributions for assisted housing (net)	9,912,928,000	6,243,437,000	9,969,127,000	7,638,682,000	8,004,769,775	-1,908,158,225	+1,761,332,775	-1,964,357,725	+366,087,775
(Increased limitation for annual contract authority	(636,336,000)	(675,435,647)	(834,963,123)	(905,613,123)	(847,524,808)	(+211,188,808)	(+172,089,161)	(+12,561,685)	(-58,088,315)
Rescission of assisted housing deobligations annual contract authority)				(-108,385,000)	(-108,385,000)	(-108,385,000)	(-108,385,000)	(-108,385,000)	
(Increased limitation for annual contract authority (net))	(636,336,000)	(675,435,647)	(834,963,123)	(797,228,123)	(739,139,808)	(+102,803,808)	(+63,704,161)	(-95,823,315)	(-58,088,315)
Rent supplement (rescission of contract authority, indefinite)	-2,374,777,000	-1,834,074,000	-1,834,074,000	-1,834,074,000	-1,834,074,000	+540,703,000			
(Limitation on annual contract authority, indefinite)	(-93,326,000)	(-81,617,000)	(-81,617,000)	(-81,617,000)	(-81,617,000)	(+11,709,000)			
Rental housing assistance (rescission of contract authority, indefinite)	-483,120,000	-164,760,000	-164,760,000	-164,760,000	-164,760,000	+318,360,000			
(Limitation on annual contract authority, indefinite)	(-13,320,000)	(-7,631,000)	(-7,631,000)	(-7,631,000)	(-7,631,000)	(+5,689,000)			
Housing payment: (appropriation to liquidate contract authority)	(10,697,000,000)	(11,663,000,000)	(11,663,000,000)	(11,663,000,000)	(11,663,000,000)	(+966,000,000)			
Housing for the elderly or handicapped fund (authority to borrow, indefinite)	630,985,000	498,318,000	498,318,000	698,318,000	598,318,000	-32,667,000	+100,000,000	+100,000,000	-100,000,000
(Limitation on direct loans)	(666,400,000)	(500,000,000)	(500,000,000)	(700,000,000)	(600,000,000)	(-66,400,000)	(+100,000,000)	(+100,000,000)	(-100,000,000)
Congregate services				4,144,000	4,144,000	+4,144,000	+4,144,000	+4,144,000	
Payments for operation of low-income housing projects	1,362,200,000	1,123,500,000	1,123,500,000	1,148,500,000	1,138,500,000	-223,700,000	+15,000,000	+15,000,000	-10,000,000
Housing counseling assistance	3,500,000		4,000,000	3,500,000	3,500,000		+3,500,000	-500,000	
Federal Housing Administration Fund	252,974,000	387,683,000	387,683,000	387,683,000	387,683,000	+134,709,000			
Portion applied to debt reduction	-120,000,000	-215,000,000	-215,000,000	-215,000,000	-215,000,000	-95,000,000			
(Limitation on guaranteed loans)	(50,900,000,000)	(50,900,000,000)	(50,900,000,000)	(50,900,000,000)	(50,900,000,000)				
Temporary mortgage assistance payments (limitation on direct loans)	(56,390,000)	(65,448,000)	(65,448,000)	(65,448,000)	(65,448,000)	(+9,058,000)			
Total, Federal Housing Administration Fund	132,974,000	172,683,000	172,683,000	172,683,000	172,683,000	+39,709,000			
Nonprofit sponsor assistance (limitation on direct loans)	(2,632,000)	(1,880,000)	(1,880,000)	(1,880,000)	(1,880,000)	(-752,000)			
Government National Mortgage Association									
Payment of participation sales insufficiencies	1,997,000	745,000	745,000	745,000	745,000	-1,252,000			
Guarantees of mortgage-backed securities (limitation on guaranteed loans)	(68,250,000,000)	(68,250,000,000)	(68,250,000,000)	(68,250,000,000)	(68,250,000,000)				
Total, Housing Programs (net)	9,186,687,000	6,039,849,000	9,769,539,500	7,667,738,000	7,923,825,775	-1,262,861,225	+1,883,976,775	-1,845,713,725	+256,087,775
SOLAR ENERGY AND ENERGY CONSERVATION BANK									
Assistance for solar and conservation improvements	25,000,000		25,000,000		15,000,000	-10,000,000	+15,000,000	-10,000,000	+15,000,000
COMMUNITY PLANNING AND DEVELOPMENT									
Community development grants	3,468,000,000	3,468,000,000	3,468,000,000	3,472,000,000	3,472,000,000	+4,000,000	+4,000,000	+4,000,000	
(Limitation on guaranteed loans)	(225,000,000)		(225,000,000)	(225,000,000)	(225,000,000)		(+225,000,000)		
Urban development action grants	440,000,000	440,000,000	440,000,000	440,000,000	440,000,000				
Urban homesteading	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000				
Neighborhood development demonstration				7,000,000					-7,000,000
Total, Community Planning and Development	3,920,000,000	3,920,000,000	3,920,000,000	3,931,000,000	3,924,000,000	+4,000,000	+4,000,000	+4,000,000	-7,000,000
POLICY DEVELOPMENT AND RESEARCH									
Research and technology	19,000,000	20,900,000	15,900,000	20,000,000	16,900,000	-2,100,000	-4,000,000	+1,000,000	-3,100,000
FAIR HOUSING AND EQUAL OPPORTUNITY									
Fair housing assistance	4,700,000	6,700,000	6,700,000	6,700,000	6,700,000	+2,000,000			
MANAGEMENT AND ADMINISTRATION									
Salaries and expenses	300,950,000	295,235,000	295,235,000	298,135,000	295,235,000	-5,715,000			-2,900,000
(By transfer, limitation on FHA corporate funds)	(271,114,000)	(282,085,000)	(282,085,000)	(282,085,000)	(282,085,000)	(+10,971,000)			
Total, title I, Department of Housing and Urban Development:									
New budget (obligational) authority (net)	13,456,337,000	10,282,684,000	14,032,374,500	11,918,573,000	12,181,680,775	-1,274,676,225	+1,898,976,775	-1,850,713,725	+263,087,775
Appropriations	5,890,321,000	5,754,763,000	5,778,763,000	5,795,407,000	5,792,407,000	-97,914,000	+37,644,000	+13,644,000	-3,000,000
Portion applied to debt reduction	-120,000,000	-215,000,000	-215,000,000	-215,000,000	-215,000,000	-95,000,000			
Contract authority	9,912,928,000	6,243,437,000	9,969,127,500	10,393,395,000	10,759,482,775	+846,554,775	+4,516,045,775	+790,355,275	+366,087,775
Rescission of contract authority, indefinite	-2,857,897,000	-1,998,274,000	-1,998,834,000	-1,998,834,000	-1,998,834,000	+859,063,000			
Authority to borrow	630,985,000	498,318,000	498,318,000	698,318,000	598,318,000	-32,667,000	+100,000,000	+100,000,000	-100,000,000
(Appropriation to liquidate contract authority)	(10,697,000,000)	(11,663,000,000)	(11,663,000,000)	(11,663,000,000)	(11,663,000,000)	(+966,000,000)			
(Increased limitation for annual contract authority)	(636,336,000)	(675,435,647)	(834,963,123)	(905,613,123)	(847,524,808)	(+211,188,808)	(+172,089,161)	(+12,561,685)	(-58,088,315)
(Limitation on annual contract authority, indefinite)	(-106,646,000)	(-89,248,000)	(-89,248,000)	(-89,248,000)	(-89,248,000)	(+17,398,000)			
(Limitation on direct loans)	(775,422,000)	(567,328,000)	(567,328,000)	(767,328,000)	(667,328,000)	(-108,094,000)	(+100,000,000)	(+100,000,000)	(-100,000,000)
(Limitation on corporate funds to be expended)	(271,114,000)	(282,085,000)	(282,085,000)	(282,085,000)	(282,085,000)	(+10,971,000)			

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued

	Fiscal year—		House	Senate	Conference	Conference compared with—			
	1984 enacted	1985 estimates				Enacted	Estimates	House	Senate
TITLE II—INDEPENDENT AGENCIES									
AMERICAN BATTLE MONUMENTS COMMISSION									
Salaries and expenses	10,462,000	11,065,000	11,065,000	11,065,000	11,065,000	+603,000			
CONSUMER PRODUCT SAFETY COMMISSION									
Salaries and expenses	35,000,000	35,000,000	36,000,000	35,000,000	36,000,000	+1,000,000	+1,000,000		+1,000,000
DEPARTMENT OF DEFENSE—CIVIL									
Cemeterial Expenses, Army									
Salaries and expenses	8,203,000	7,759,000	7,759,000	7,759,000	7,759,000	-444,000			
ENVIRONMENTAL PROTECTION AGENCY									
Salaries and expenses	574,900,000	639,275,000	672,275,000	639,275,000	656,275,000	+81,375,000	+17,000,000	-16,000,000	+17,000,000
Research and development	142,700,000	163,437,000	193,000,000	184,437,000	193,000,000	+50,300,000	+29,563,000		+8,563,000
Abatement, control and compliance	393,900,000	396,042,000	436,000,000	462,142,000	447,500,000	+53,600,000	+51,458,000	+11,500,000	-14,642,000
Buildings and facilities	2,600,000	10,500,000	13,000,000	10,500,000	12,000,000	+9,400,000	+1,500,000	-1,000,000	+1,500,000
Payment to the hazardous substance response trust fund	44,000,000	44,000,000	44,000,000	44,000,000	44,000,000				
Hazardous substance response trust fund	410,000,000	640,000,000	600,000,000	640,000,000	620,000,000	+210,000,000	-20,000,000	+20,000,000	-20,000,000
Construction grants	2,430,000,000	2,400,000,000	2,400,000,000	2,400,000,000	2,400,000,000	-30,000,000			
Total, Environmental Protection Agency	3,998,100,000	4,293,254,000	4,358,275,000	4,380,354,000	4,372,775,000	+374,675,000	+79,521,000	+14,500,000	-7,579,000
EXECUTIVE OFFICE OF THE PRESIDENT									
Council on Environmental Quality and Office of Environmental Quality	1,300,000	700,000	700,000	700,000	700,000	-600,000			
Office of Science and Technology Policy	1,950,000	2,194,000	2,194,000	2,194,000	2,194,000	+244,000			
Total, Executive Office of the President	3,250,000	2,894,000	2,894,000	2,894,000	2,894,000	-356,000			
FEDERAL EMERGENCY MANAGEMENT AGENCY									
Funds appropriated to the President, disaster relief		100,000,000	100,000,000	100,000,000	100,000,000	+100,000,000			
Salaries and expenses	121,110,000	134,014,000	129,316,000	130,649,000	130,149,000	+9,039,000	-3,865,000	+833,000	-500,000
Emergency management planning and assistance		396,058,000	325,593,000	329,219,000	331,219,000	+331,219,000	-64,839,000	+5,626,000	+2,000,000
State and local assistance	169,176,000					-169,176,000			
Emergency planning and assistance	146,308,000					-146,308,000			
National flood insurance fund	37,521,000	200,205,000	200,205,000	200,205,000	200,205,000	+162,684,000			
Portion applied to debt reduction	-37,521,000	-200,205,000	-200,205,000	-200,205,000	-200,205,000	-162,684,000			
Emergency food and shelter program	40,000,000					-40,000,000			
Total, Federal Emergency Management Agency	476,594,000	630,072,000	554,909,000	559,868,000	561,368,000	+84,774,000	-68,704,000	+6,459,000	+1,500,000
GENERAL SERVICES ADMINISTRATION									
Consumer information center fund	1,349,000	349,000	1,149,000	1,149,000	1,149,000	-200,000	+800,000		
DEPARTMENT OF HEALTH AND HUMAN SERVICES									
Office of Consumer Affairs	2,011,000	2,096,000	2,096,000	2,096,000	2,096,000	+85,000			
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION									
Research and development	2,011,900,000	2,400,100,000	2,422,600,000	2,424,100,000	2,422,600,000	+410,700,000	+22,500,000		-1,500,000
Space flight, control and data communications	3,791,600,000	3,600,300,000	3,602,800,000	3,600,300,000	3,601,800,000	-189,800,000	+1,500,000	-1,000,000	+1,500,000
Construction of facilities	155,500,000	160,000,000	150,000,000	150,000,000	150,000,000	-5,500,000	-10,000,000		
Research and program management	1,238,500,000	1,331,000,000	1,316,000,000	1,317,000,000	1,317,000,000	+78,500,000	-14,000,000	+1,000,000	
Total, National Aeronautics and Space Administration	7,197,500,000	7,491,400,000	7,491,400,000	7,491,400,000	7,491,400,000	+293,900,000			
NATIONAL CREDIT UNION ADMINISTRATION									
Central liquidity facility									
(Limitation on direct loans)		(600,000,000)	(600,000,000)	(600,000,000)	(600,000,000)	(+600,000,000)			
(Limitation on borrowing authority)	(600,000,000)					(-600,000,000)			
(Limitation on administrative expenses, corporate funds)	(850,000)	(850,000)	(850,000)	(850,000)	(850,000)				
NATIONAL SCIENCE FOUNDATION									
Research and related activities	1,140,300,000	1,308,212,000	1,293,212,000	1,307,512,000	1,301,912,000	+161,612,000	-6,300,000	+8,700,000	-5,600,000
Program development and management (limitation on administrative expenses)	(65,000,000)	(70,902,000)	(69,902,000)	(69,902,000)	(69,902,000)	(+4,902,000)	(-1,000,000)		
United States Antarctic program activities	107,100,000	115,080,000	115,080,000	110,080,000	110,080,000	+7,980,000	-5,000,000	-5,000,000	
Science education activities	75,000,000	75,700,000	88,700,000	81,400,000	87,000,000	+12,000,000	+11,300,000	-1,700,000	+5,600,000
Scientific activities overseas (special foreign currency program)	2,900,000	2,800,000	2,800,000	2,800,000	2,800,000	-100,000			
Total, National Science Foundation	1,320,300,000	1,501,792,000	1,499,792,000	1,501,792,000	1,501,792,000	+181,492,000		+2,000,000	
NEIGHBORHOOD REINVESTMENT CORPORATION									
Payment to the Neighborhood Reinvestment Corporation	15,512,000	15,271,000	15,271,000	15,512,000	15,512,000		+241,000	+241,000	
SELECTIVE SERVICE SYSTEM									
Salaries and expenses	24,500,000	28,130,000	27,780,000	27,780,000	27,780,000	+3,280,000	-350,000		
DEPARTMENT OF THE TREASURY									
Payments to Local Government Fiscal Assistance Trust Fund	4,566,700,000	4,566,700,000	4,566,700,000	4,566,700,000	4,566,700,000				
Office of Revenue Sharing, salaries and expenses	7,278,000	7,941,000	7,941,000	7,941,000	7,941,000	+663,000			
Total, Department of the Treasury	4,573,978,000	4,574,641,000	4,574,641,000	4,574,641,000	4,574,641,000	+663,000			
VETERANS' ADMINISTRATION									
Compensation and pensions	13,842,000,000	13,992,900,000	13,992,900,000	13,992,900,000	13,992,900,000	+150,900,000			
(By transfer)	(41,000,000)					(-41,000,000)			
Readjustment benefits	1,371,000,000	1,137,800,000	1,137,800,000	1,137,800,000	1,137,800,000	-233,200,000			
Veterans job training	150,000,000					-150,000,000			
Veterans insurance and indemnities	7,400,000	11,000,000	11,000,000	11,000,000	11,000,000	+3,600,000			
Medical care	8,070,726,000	8,767,435,000	8,807,435,000	8,792,165,000	8,792,165,000	+721,439,000	+24,730,000	-15,270,000	
Medical and prosthetic research	216,299,000	192,695,000	192,695,000	193,695,000	192,695,000	-23,604,000			-1,000,000
Medical administration and miscellaneous operating expenses	56,552,000	73,013,000	69,013,000	72,213,000	70,000,000	+13,448,000	-3,013,000	+987,000	-2,213,000
General operating expenses	712,088,000	755,454,000	750,454,000	750,454,000	750,454,000	+38,366,000	-5,000,000		
Construction, major projects	345,692,000	619,594,000	619,594,000	568,194,000	568,194,000	+222,502,000	-51,400,000	-51,400,000	
Construction, minor projects	185,378,000	202,200,000	200,200,000	201,619,000	200,200,000	+14,822,000	-2,000,000		-1,419,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued

	Fiscal year—		House	Senate	Conference	Conference compared with—			
	1984 enacted	1985 estimates				Enacted	Estimates	House	Senate
(Limitation on administrative expenses)	(45,338,000)	(41,104,000)	(39,104,000)	(40,523,000)	(39,104,000)	(-6,234,000)	(-2,000,000)		(-1,419,000)
Grants for construction of State extended care facilities	18,000,000	34,500,000	34,500,000	34,500,000	34,500,000	+16,500,000			
Grants for construction of State veterans cemeteries	3,000,000	5,000,000	5,000,000	5,000,000	5,000,000	+2,000,000			
Grants to the Republic of the Philippines	500,000	500,000	500,000	500,000	500,000				
Direct loan revolving fund (limitation on direct loans)	(1,000,000)		(1,000,000)	(1,000,000)	(1,000,000)		(+1,000,000)		
Total, Veterans Administration	24,988,635,000	25,792,091,000	25,821,091,000	25,760,040,000	25,755,408,000	+766,773,000	-36,683,000	-65,683,000	-4,632,000
Total, title II, Independent Agencies									
New budget (obligational) authority	42,655,394,000	44,385,814,000	44,404,122,000	44,371,350,000	44,361,639,000	+1,706,245,000	-24,175,000	-42,483,000	-9,711,000
Appropriations	42,692,915,000	44,586,019,000	44,604,327,000	44,571,555,000	44,561,844,000	+1,868,929,000	-24,175,000	-42,483,000	-9,711,000
Portion applied to debt reduction	-37,521,000	-200,205,000	-200,205,000	-200,205,000	-200,205,000	-162,684,000			
(By transfer)	(41,000,000)					(-41,000,000)			
(Limitation on administrative expenses)	(110,338,000)	(112,006,000)	(109,006,000)	(110,425,000)	(109,006,000)	(-1,332,000)	(-3,000,000)		(-1,419,000)
(Limitation on borrowing authority)	(600,000,000)					(-600,000,000)			
(Limitation on direct loans)	(1,000,000)	(600,000,000)	(601,000,000)	(601,000,000)	(601,000,000)	(+600,000,000)	(+1,000,000)		
(Limitation on corporate funds to be expended)	(850,000)	(850,000)	(850,000)	(850,000)	(850,000)				
TITLE III—CORPORATIONS									
Federal Home Loan Bank Board									
(Limitation on non-administrative expenses, corporate funds)	(40,570,000)	(43,184,000)	(43,184,000)	(43,184,000)	(43,184,000)	(+2,614,000)			
(Limitation on administrative expenses, corporate funds)	(25,820,000)	(24,381,000)	(24,381,000)	(24,381,000)	(24,381,000)	(-1,439,000)			
Federal Savings and Loan Insurance Corporation, (limitation on administrative expenses, corporate funds)	(1,245,000)	(1,343,000)	(1,343,000)	(1,343,000)	(1,343,000)	(+98,000)			
Total, title III, Corporations	(67,635,000)	(68,908,000)	(68,908,000)	(68,908,000)	(68,908,000)				
RECAPITULATION									
Grand total									
New budget (obligational) authority (net)	56,111,731,000	54,668,498,000	58,436,496,500	56,289,923,000	56,543,299,775	+431,568,775	+1,874,801,775	-1,893,196,725	+253,376,775
Appropriations	48,583,236,000	50,340,782,000	50,783,090,000	50,366,962,000	50,354,251,000	+1,771,015,000	+13,469,000	-28,839,000	-12,711,000
Portion applied to debt reduction	-157,521,000	-415,205,000	-415,205,000	-415,205,000	-415,205,000	-257,684,000			
Contract authority	9,912,928,000	6,243,437,000	9,969,127,500	10,393,395,000	10,759,482,775	+846,554,775	+4,516,045,775	+790,355,275	+366,087,775
Recission of contract authority, indefinite	-2,857,897,000	-1,998,834,000	-1,938,834,000	-1,998,834,000	-1,998,834,000	+859,063,000			
Authority to borrow	630,985,000	498,318,000	498,318,000	698,318,000	598,318,000	-32,667,000	+100,000,000	+100,000,000	-100,000,000
(By transfer)	(41,000,000)					(-41,000,000)			
(Appropriations to liquidate contract authority)	(10,697,000,000)	(11,663,000,000)	(11,663,000,000)	(11,663,000,000)	(11,663,000,000)	(+966,000,000)			
(Increased limitation for annual contract authority)	(636,336,000)	(675,435,647)	(834,963,123)	(905,613,123)	(847,524,808)	(+211,188,808)	(+172,089,161)	(+12,561,685)	(-58,088,315)
(Limitation on administrative expenses)	(110,338,000)	(112,006,000)	(109,006,000)	(110,425,000)	(109,006,000)	(-1,332,000)	(-3,000,000)		(-1,419,000)
(Limitation on annual contract authority, indefinite)	(-106,646,000)	(-89,248,000)	(-89,248,000)	(-89,248,000)	(-89,248,000)	(+17,398,000)			
(Limitation on borrowing authority)	(600,000,000)					(-600,000,000)			
(Limitation on direct loans)	(726,422,000)	(1,167,328,000)	(1,168,328,000)	(1,368,328,000)	(1,268,328,000)	(+541,906,000)	(+101,000,000)	(+100,000,000)	(-100,000,000)
(Limitation on guaranteed loans)	(119,375,000,000)	(119,150,000,000)	(119,375,000,000)	(119,375,000,000)	(119,375,000,000)		(+225,000,000)		
(Limitation on corporate funds to be expended)	(339,599,000)	(351,843,000)	(351,843,000)	(351,843,000)	(351,843,000)	(+12,244,000)			

Mr. BOLAND. Mr. Speaker, I reserve the balance of my time.

Mr. GREEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join the distinguished chairman of the HUD-Independent Agencies Appropriations Subcommittee in urging the House to adopt this conference report.

As the gentleman from Massachusetts pointed out, the administration has been generally supportive of this legislation.

A letter which I received from our former colleague, David Stockman, before we began the conference yesterday, said:

> Both the House and the Senate version of the bill are generally acceptable and reflect the efforts being made by Congress to come to grips with the problems created by ever-increasing spending on discretionary programs.

In terms of the number of incremental housing units being placed under subsidy, the number called for in this conference report is 100,000, which is a number which is agreeable to the administration.

I do not want to go through what is a long and complicated report, but I would like to mention one other point that may be of some interest to the House, since we spent a good bit of time on it when we considered the original House version of the legislation, and that is the instructions to NASA with respect to the space station.

As the Members may remember, the House version of the bill instructed NASA to include as part of its work in defining options for the space station the option for a man-tended space station as well as for a manned space station.

The Senate version of the bill did not call for that, but the other body was concerned that opportunities that the space station might present for increased work in robotics be heavily emphasized by NASA, and that was the instruction that it sought to convey to NASA.

Essentially, what we have done as a result of the conference is to combine both ideas, which in my opinion are quite consistent with each other, since if one had a man-tended station, one would rely more on robotics in order to get its work done.

As a result, the conference report, in addition to emphasizing robotics, as the Senate had wanted, does specifically direct NASA to include a man-tended station as one of the reference configurations to be examined in the definition studies for the space station.

Before I conclude, Mr. Speaker, I do want to pay tribute to the distinguished chairman of the HUD-Independent Agencies Appropriations Subcommittee. The gentleman from Massachusetts manages what is certainly one of the more complicated appropriation bills that this House is called upon to pass. It is complicated because of the number and variety of the agencies that are involved and because of the very complicated financial arrangements that are involved in the housing segments of the bill. I think it is a tribute to the gentleman from Massachusetts that we have been able to produce a bill in such timely fashion, reach agreement quickly with the Senate, and bring back what I agree with him is an essentially noncontroversial report to the House.

Mr. BOLAND. Mr. Speaker, I yield myself such time as I may consume. I want the gentleman from New York to know that I appreciate his remarks, as do all of the Members who serve on this committee. I might also respond that I know of no one who spends more time and does a better job on any Subcommittee of the Appropriations Committee than does the gentleman from New York [Mr. GREEN]. He has had vast experience in the areas in which we operate, and his knowledge and expertise have been invaluable in coming to the conclusions on an appropriation bill that sometimes is controversial but is always difficult.

Mr. Speaker, I yield such time as she may require to the distinguished gentlewoman from Louisiana [Mrs. Boggs] who is a very valued member of this subcommittee.

□ 1630

Mrs. BOGGS. I thank the chairman for yielding.

Mr. Speaker, I, too, would like to commend the chairman and the ranking member and all the members of the committee, and all of the staff members for a job very well done in a very difficult and complicated situation.

With all of the various aspects of this conference report that is before us, I would like to focus in on one particular aspect that perhaps would go somewhat unnoticed in the great conglomeration that is within the bill, that is the remarkable work that has been done in the field of science education. I would like to commend the committee especially for the work that has been done in the various kinds of science education programs that have been fostered by the National Science Foundation.

We have worked in collaboration with the National Science Foundation and NASA and Veterans and EPA and the various other departments and agencies of the Government that have some part in providing education in science and in instrumentation for that education and in the kinds of leadership in research and development that would encourage it.

Finally, we see now this agreeableness in bringing science education down to the educational level of young children and to train the teachers in science and math to cooperate with all of the various agencies of the Government that promote education. For years we have had fellowships for the graduate students. Now $54 million dollars for undergraduate science education has been added this year; also there is a great deal more money included for instrumentation, particularly in the 4-year colleges. Then, comes the training of teachers for high school and junior high school students, and finally great collaboration with the educational television show, "Contact 3-2-1" for the very youngest children, to make certain that all of the children of this country are literate in science and technology and to especially engage young women and girls and minorities in science education so that they can contribute to this new age of information, of science, of technology that we have entered into, and to take their rightful place in the job and professional opportunities that are within these areas.

Mr. GREEN. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. Lewis].

Mr. LEWIS of California. Mr. Speaker, I thank my colleague for yielding.

I rise briefly, first to express my own great admiration and respect for the gentleman from Massachusetts, our chairman, Edward Boland. It is a great opportunity to work with Chairman Boland as well as the ranking member from New York, Mr. Green.

Mr. Speaker, this is a tough bill. We are talking about allocating budget authority for some $56 billion over an array of difficult subject areas, not the easiest of which is that maze of housing programs that impact every community in this country. To have this bill come to the floor with relatively little controversy, with the kind of cooperation across the aisle, is very significant evidence of the kind of work that the chairman, as well as the ranking member, do in this bill. It further pays tribute to a fine staff that does a lot of homework in many other areas that are of significance and great difficulty. Not the least of which to mention is the budget for the Environmental Protection Agency which is moving forward in a progressive way to develop programs that are so important to the preservation of our environment.

Of interest to me particularly is that budget that relates to NASA. As Bill Green mentioned, there was considerable discussion regarding our direction in connection with the programs at NASA, with specific interest being focused upon the future of the space station. I personally believe the language that has been developed says two things: It says, first of all that this committee is committed to supporting a program that will take us in a responsible manner down that path of our future that involves space. At the same time, it suggests very clearly that the committee wants to keep a handle on reviewing the options that are ahead of us.

We are not coming to any final conclusions, but are distinctly allowing for flexibility as NASA looks at those programs. Mr. Speaker, it is a tribute to the committee work of the Appropriations Committee; it is a pleasure to be a part of the subcommittee.

Mr. GREEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the gentleman from California for his fine words. As a member of the subcommittee, he participates actively and effectively in all of the work of our committee. I know of his particular interest in the field of science, and I very much value his participation in our subcommittee's work.

Mr. BOLAND. Mr. Speaker, let me echo the words that the gentleman from New York [Mr. Green] just had to say about the gentleman from California [Mr. Lewis]. He joined the committee a couple of years ago; he has given the committee a considerable amount of his technical ability and knowledge, and we appreciate that. He is a valued member of this subcommittee.

Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Pennsylvania [Mr. Edgar].

Mr. EDGAR. Mr. Speaker, I chair the Subcommittee on Hospitals and Health Care for the House authorizing Committee on Veterans' Affairs, and I really thank the gentleman from Massachusetts for yielding me some time, and I would like to enter into a colloquy with the gentleman.

Mr. Speaker, I would like to ask Chairman Boland of the Committee on Appropriations' Subcommittee on HUD-Independent Agencies for clarification of the conference report language concerning the Veterans' Administration construction appropriation. In the House report 98-803 on H.R. 5713 the committee, and I quote:

> * * * directs the Veterans' Administration to review and reconsider all projects and submit a revised list of such projects to the committee by September 1, 1984. In undertaking this additional review of projects ready for construction, the committee urges that the VA take into consideration the possibility of using an additional $50,000,000 available from the working reserve. The committee also strongly urges the VA to reexamine the Philadelphia Hospital medical requirements and include that project in its revised list.

I would like to ask Chairman Boland, is this language contained in the conference report we are considering today?

I yield to the chairman for his reply.

Mr. BOLAND. The language has been altered slightly. It is not as direct or as lengthy as in the House committee report. There was an effort made by the conferees to put the House language in the conference report, but we were not successful.

So, it has been altered slightly. Let me read on page 18975 of the Congressional Record the language we carry with respect to the Philadelphia and Baltimore projects:

> The conferees also strongly urge the Veterans' Administration to reexamine the Philadelphia and Baltimore projects and consider them for its revised list.

This gentleman and the other members of this committee are aware of the deep interest the gentleman from Pennsylvania has, not only in the Philadelphia VA hospital, but in other VA hospitals in which he has taken a very decisive position. For my own part, I could not agree more with the gentleman that perhaps the most needed VA facility in the Nation is Philadelphia. He has heard me express that opinion in the past. I share his belief that this project ought to enjoy the highest priority, and I have no objection to that. My own position would be to ask the VA to attach that kind of priority to this particular hospital, and this subcommittee will do whatever it can to assure that the VA follows that direction.

Mr. EDGAR. I thank the gentleman for his explanation. Mr. Speaker, as you know, our committee has expressed concern that this project remain on schedule due to a restrictive clause in the Philadelphia City Council land donation agreement with the Veterans' Administration. The city council, in donating 12 acres on the site of the old Philadelphia General Hospital, placed a restriction on the gift stating that the land would return to the control of the city if the VA had not proceeded with construction by December 1986. By terms of this agreement, the VA and the Congress would have to authorize the first part of the construction funding in the fiscal year 1985 budget—$18.3 million. I would like to ask you is it still your committee's position that the VA should include the Philadelphia hospital project, as originally proposed, in the revised list of major construction projects which they must send to the Congress by September 1, of this year?

□ 1640

Mr. BOLAND. If the gentleman would yield, my response would be that that is our hope and our expectation. The committee is aware of the fact that $18.3 million was originally scheduled for this hospital project, and we would hope that the VA would restore that priority.

Let me also say that one of the subcommittee members from the Pennsylvania area who has been serving on this subcommittee for some time [Mr. COUGHLIN] has a very specific interest in the Philadelphia hospital. He has been tracking this project, I think, as well as any one Member could.

Mr. EDGAR. I thank the gentleman.

Mr. GREEN. Mr. Speaker, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from New York.

Mr. GREEN. I thank the gentleman for yielding.

Mr. Speaker, let me say to the gentleman that I am aware of the long history of the project in which he is interested. Back when I was regional administrator of HUD and my area included New Jersey, I became aware, I guess in the early 1970's, that a VA hospital was scheduled for Camden, and I am aware of the subsequent termination of that plan and the obvious need that the gentleman faces.

Moreover, as the gentleman from Massachusetts suggested, if for a minute I should forget the problem of the gentleman in the well [Mr. EDGAR], the gentleman from Pennsylvania [Mr. COUGHLIN], a most valued member of our subcommittee, will be quick to remind me of it. So I think the gentleman can be assured that his interests are well protected on this subcommittee.

Mr. EDGAR. I thank the gentleman very much.

Mr. Speaker, I would just say two final things in conclusion. First of all, our committee is very interested in the quality and quantity of veterans' health care and we want to see the physical plant rehabilitated and reconstructed where possible, and we want to target the construction of projects where the need is.

I think the chairman and the ranking Republican member of this appropriations subcommittee really understand that process and know the needs that we are going to have with aging veterans and the problems we face in the future.

I also want to commend the chairman for including enough staffing increases of 220 individuals for the Vet Center program, which is very vital to many Members of the House.

Mr. BOLAND. Mr. Speaker, to keep this conference on track, I am delighted to yield such time as he may consume to the distinguished gentleman from Maryland [Mr. HOYER] who has a very deep interest in the Veterans' Administration system hospitals and a specific interest in the Baltimore hospital.

Mr. HOYER. I appreciate very much the distinguished chairman yielding to me. I appreciate his opinion and the opinion of the subcommittee on the importance of the Philadelphia facility, an opinion with which I agree.

In addition, however, I rise to thank the chairman and ranking member and the committee for their continuing attention to the Baltimore facility, which we in Maryland believe is of critical importance. The chairman has been very helpful to the Maryland delegation in bringing progress and movement on the Baltimore project during consideration of the fiscal year 1985 appropriation. I realize that we are not home at this point in time, but I do believe we are making progress toward securing the necessary funds to get the Baltimore project underway in the upcoming fiscal year. I want to thank, on behalf of the entire Maryland delegation, the chairman of the subcommittee for his leadership and assistance in this matter.

Mr. BOLAND. Mr Speaker, I yield such time as he might require to the distinguished gentleman from Michigan [Mr. TRAXLER] a very valued member of this Subcommittee on Appropriations.

Mr. TRAXLER. I thank the distinguished chairman for yielding and congratulate him and the ranking member, the gentleman from New York [Mr. GREEN] for their work on this conference committee. It was a pleasure to serve with them and to resolve the important matters, the differences between the House and Senate, and their respective views.

Mr. Speaker, I would like to clarify with the chairman just on point.

In the statement of the managers accompanying this matter, in the CONGRESSIONAL RECORD of yesterday, on page 18973 it stated that:

> In addition, the conferees direct that as a part of the national dioxin monitoring study, EPA should include water quality sampling and chemical analysis of the water column at drinking water intakes on the Saginaw River and its tributaries.

My recollection is that it was the intention of the conferees that that would be the Saginaw Bay and its tributaries.

Mr. BOLAND. The recollection of the gentleman from Michigan is correct.

Mr. TRAXLER. I thank the gentleman for that assistance and correction.

Mr. BOLAND. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. I thank my distinguished friend for his kindness.

Mr. Speaker, I have several questions that I would like to direct to my good friend.

At page 18976 of the CONGRESSIONAL RECORD, referring to amendment No. 62, the conferees restored the language of the House with regard to the Veterans' Administration hospital in Michigan, but two times were changed from the original understanding in the House. The first was the requirement that the Administrator of Veterans' Affairs would be compelled to consider the GAO study and the audit which would be made by GAO of construction costs, quality of care, and other matters relative to the construction of a replacement hospital.

I would like my good friend to inform me as to the deletion of the words "and consideration." Is the Administrator of the VA to consider the results of the study in connection with the reconstruction of the hospital, or simply to wait until the report is received from the GAO and then to proceed with whatever steps he chooses without regard to the content of the GAO audit?

Mr. BOLAND. The chair and the members of the subcommittee are aware of the intense interest the gentleman from Michigan has in the Allen Park VA Hospital. There was an effort made not to structure a particular date, if the gentleman is familiar with the language in the conference report.

Mr. DINGELL. I thank my dear friend, and I am appreciative of what has been done, but I am concerned. The words requiring the Administrator of Veterans' Affairs to "consider" the study which would be completed by the GAO have been stricken. What I am curious about is, What does that mean? Does he have to consider the recommendations and findings of the GAO with regard to cost and service to the veterans served, or may he simply proceed to disregard entirely the recommendations of the GAO on this matter?

Mr. BOLAND. My response to the gentleman from Michigan would be that he is not going to consider the recommendations of the GAO solely. The GAO recommendations, of course, will be considered. The VA will consider the recommendations of the GAO and the recommendations of any other parties who are interested in this particular project.

Mr. DINGELL. As long as he is compelled to consider them, in spite of the striking of those words, I have no great problem with the report. I am troubled that he might be able to just wantonly disregard the suggestions of the GAO which would be at wide variance with any practice I have ever observed on the part of the Committee on Appropriations, particularly concerning the saving of money.

Mr. BOLAND. My response to the gentleman from Michigan would be that they are not compelled to consider only one particular recommendation that is made; they have to consider all of the recommendations that may be made with reference to it, and whatever reports are filed with them by that particular date.

Mr. DINGELL. And that would include the findings and recommendations of the GAO.

Mr. BOLAND. Yes.

Mr. DINGELL. I thank my dear friend. There are two other items that are of concern to me. One is that the VA has been withholding documents not only from me and from my colleague, Mr. Ford of Michigan, but also from the GAO. Most specifically, one document which has been withheld has been the Construction Division study that is supposedly the basis of the proposed Detroit location. Despite a number of requests by me and by the GAO for that document, it has been withheld by the VA.

Does the Committee on Appropriations sanction this kind of behavior, and is this the kind of behavior that is sanctioned by the language in the report that we see before us?

Does the Committee on Appropriations sanction this kind of behavior, and is this the kind of behavior that is sanctioned by the language in the report that we see before us?

Mr. BOLAND. If the gentleman would yield, the gentleman well knows that this is not the kind of behavior that would be sanctioned by this chair or by any of the other members of this subcommittee. Any information that is being withheld would be objectional to us, to the members of this subcommittee, and we would instruct the Veterans' Administration to present to whomever is looking for particular information the information that is sought.

Mr. DINGELL. I am assuming, then, that this colloquy with my dear friend from Massachusetts is clear instruction to the people at VA that they are to make this document and other documents available to GAO forthwith; is that correct?

Mr. BOLAND. That is correct.

□ 1650

Mr. DINGELL. Mr. Speaker, there is just one last question.

The recommendation is in the report but not in the language of the statement of managers which sets forth the date of December first for the completion of the audit. I assume that is advisory, and I assume that it is not a date which would permit the Veterans' Administration to commence construction or land acquisitions on that date?

Mr. BOLAND. The gentleman is correct. The GAO report is to be submitted by December 1. I am informed that the site determination is to be made about January 1, 1985, and any land acquisition would be subsequent to that date.

Mr. DINGELL. Mr. Speaker, I thank my good friend, the gentleman from Massachusetts [Mr. Boland]. He is always a gentleman, and I appreciate his courtesy and his kindness to me in all particulars.

● Mr. MONTGOMERY. Mr. Speaker, I want to express my appreciation to the distinguished chairman of the subcommittee, Mr. Boland, for bringing to the House a good compromise which he has reached with the other body on the HUD-independent agencies appropriation for fiscal year 1985. In addition, I also want to thank the ranking minority member of the subcommittee, Mr. Green, who has worked closely with the chairman of the subcommittee in helping to resolve some major issues with the other body.

I am generally pleased with the agreement as it relates to the VA's Department of Medicine and Surgery. I am also pleased with the amounts contained in this bill for the VA's Medical Research Program. I continue to be disturbed, however, with the way the House and Senate Appropriations Committees have handled the major construction projects account in this bill. I will elaborate no further on my feelings about it, having already done so when the bill was before the House. I have problems appropriating the large sums of money contained in this bill without knowing the specific projects for which these moneys are to be used. The authorizing committee will insist that no funds be used by the VA for any project that has not been authorized by the House and Senate Veterans' Affairs Committees.

Mr. Speaker, I am also concerned about the reduction in the general operating expenses account. When the House passed H.R. 5713 on May 30, 1984, it included a reduction of $5 million in the Veterans' Administration account for general operating expenses. This reduction was to be applied at the discretion of the Administrator to offices funded by this account other than the Board of Contract Appeals and the Board of Veterans' Appeals. The Senate Appropriations Committee agreed with this reduction, but targeted $1.7 million of the amount appropriated to the Office of Data Management and Telecommunications [ODM&T] to develop data management systems for the Department of Medicine and Surgery. No request for these funds was made by the Veterans' Administration. The conference report makes no reference to the Senate initiative, and there is no language to indicate that the conferees agreed that the VA should undertake the project referred to in the Senate report.

Mr. Speaker, on Monday, June 25, the ranking minority member of the Committee on Veterans' Affairs, John Paul Hammerschmidt, and I wrote to the chairman of the Subcommittee on HUD-Independent Agencies, Mr. Boland, concerning this proposed project. We pointed out that it would be a serious mistake to direct the ODM&T to develop a new Department of Medicine and Surgery data management system. It is my understanding that this would be accomplished by contracting with the private sector. We don't think this is a wise choice, and we object to this proposal for two reasons: No. 1, we think the decentralized hospital computer system that is presently being installed in VA hospitals nationwide can do everything that this proposal would attempt to do. To undertake this type of proposal under the direction of ODM&T is a complete reversal of all of the decisions leading up to the installation of the decentralized system. This leads me to the second reason for objecting; if this development proposal is really necessary then the VA should undertake it using employees in the Department of Medicine and Surgery who know what the needs are and know how to get it done. Particularly in light of existing constraints on the provision of medical care to eligible veterans, we believe it would be tragic for the VA to spend funds for a new data management system that has not been shown to be necessary.

The VA is not bound by the language contained in the Senate report to undertake development of a new data management system by ODM&T. The conferees did not agree to the

Senate report language. Since the conference agreement reduced the administration is general operating expenses request by $5 million, I am certain that there are some planned activities for the next fiscal year which will now be postponed.

I will be addressing my concern on this matter directly to the Administrator of Veterans' Affairs. I know that the Administrator did not intend to develop a new data management system for the Department of Medicine and Surgery as proposed by the Senate Appropriations Committee when he made his budget request to the Congress. Since he now will be faced with a $5 million cut in the general operating expenses account during the next fiscal year, he should not compound his problem by using $1.7 million as proposed by the other body.

Mr. Speaker, I would like to point out that the general operating expenses account supports the activities of the Department of Veterans' Benefits. This Department took a substantial cut in the President's budget, including a reduction of 800 employees.

On top of this reduction, $5 million is cut from the President's request for this account by this measure. Further, some of the assumptions on which the President's budget was based were not realistic. Reductions in personnel in the VA's Loan Guaranty Program were premised on implementing some ill-advised recommendations of the Grace Commission which we rejected earlier today when we passed the conference agreement on H.R. 4170. I point this out to my colleagues because if the situation doesn't change, the people who process loan guaranty applications, as well as those who process compensation claims and claims under the Emergency Veterans' Job Training Act, are going to have more work than they can handle, and we're going to have some delays in processing these applications.

I hope the Appropriations Committee will proceed with caution in considering any further reductions in the GOE account in the future.●

Mr. **BOLAND**. Mr. Speaker, I have no further requests for time.

Mr. **GREEN**. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. **BOLAND**. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The **SPEAKER** pro tempore. The Clerk will report the first amendment in disagreement.

Mr. **BOLAND**. Mr. Speaker, I ask unanimous consent that all Senate amendments in disagreement be designated by number, considered as read, and printed in the RECORD.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The **SPEAKER** pro tempore. The Clerk will designate the first amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 1: Page 1, strike out all after line 12 over to and including line 8 on page 3 and insert:

The amount of contracts for annual contributions, not otherwise provided for, as authorized by section 5 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437c), and heretofore approved in appropriations Acts, is increased by $905,613,123: *Provided*, That $11,215,073 of such contract authority shall be available only for contracts using contract authority released by Acts of Congress prior to 1976: *Provided further*, That the budget authority obligated under contracts for annual contributions shall be increased above amounts heretofore provided in appropriation Acts by $10,393,395,000: *Provided further*, That of the budget authority provided herein, $390,950,000 shall be for assistance in financing the development or acquisition cost of public housing for Indian families; $1,900,000,000 shall be for modernization of existing public housing projects pursuant to section 14 of such Act (42 U.S.C. 1437l), of which (a) $100,000,000 shall be for the modernization of vacant uninhabitable dwelling units in vacant buildings located in public housing projects, pursuant to section 14 of such Act, other than section 14(f) of such Act, other than projects for which budget authority for this purpose was reserved or obligated during fiscal year 1983 or 1984, and (b) $250,000,000 shall be made available for modernization under such section 14, other than section 14(f) of such Act, through June 30, 1985, and any balances of such authority remaining unreserved after such date shall only be available for the section 8 existing housing program utilizing a term of one hundred and eighty months (42 U.S.C. 1437f); $710,517,500 shall be for assistance payments in the housing voucher program under section 8(o) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437f); $1,993,830,000 shall be for assistance for projects developed for the elderly or handicapped under section 202 of the Housing Act of 1959, as amended (12 U.S.C. 1701q); and, $2,294,557,500 shall be for the section 8 existing housing program (42 U.S.C. 1437f), of which (a) $815,325,000 shall be for assistance contracts having a sixty-month term, which shall be used to compare the effectiveness of such assistance to assistance in the housing voucher program, (b) up to $23,295,000 may be used for assistance for tenants who received assistance under the section 8 new construction or substantial rehabilitation programs until the owner decided not to continue participation in the respective programs upon expiration of a section 8 housing assistance payment contract, and (c) up to $58,237,500 may be used for assistance for tenants of public housing projects in which their units are demolished: *Provided further*, That the Secretary shall not approve the use of any of the budget authority provided herein, (except such amounts as are provided for in the third proviso of this paragraph), or reserved and obligated in years prior to fiscal year 1985, for assistance under the housing voucher program authorized under section 8(o) of the United States Housing Act of 1937, as amended: *Provided further*, That any balances of authorities made available prior to the enactment of this Act which are or become available for obligation in fiscal year 1985 shall be added to and merged with the authority approved herein, and such merged amounts shall be made subject only to terms and conditions of law applicable to authorizations becoming available in fiscal year 1985: *Provided further*, That none of the merged amounts available for obligation in 1985 shall be subject to the provisions of section 213(d) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 1439): *Provided further*, That all amounts of budget authority equal to the amounts of such budget authority which are recaptured during fiscal year 1985 shall be rescinded.

MOTION OFFERED BY MR. BOLAND

Mr. **BOLAND**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BOLAND moves that the House recede from its disagreement to the amendment of the Senate numbered 1 and concur therein with an amendment, as follows: In lieu of the matter stricken and proposed by said amendment, insert the following:

The amount of contracts for annual contributions, not otherwise provided for, as authorized by section 5 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437c), and heretofore approved in appropriations Acts, is increased by $847,524,808: *Provided*, That $11,215,073 of such contract authority shall be available only for contracts using contract authority released by Acts of Congress prior to 1976: *Provided further*, That the budget authority obligated under contracts for annual contributions shall be increased above amounts heretofore provided in appropriation Acts by $10,759,482,775: *Provided further*, That of the budget authority provided herein, $312,760,000 shall be for assistance in financing the development or acquisition cost of public housing for Indian families; $1,725,000,000 shall be for modernization of existing public housing projects pursuant to section 14 of such Act (42 U.S.C. 1437l), of which (a) $75,000,000 shall be for the modernization of vacant uninhabitable dwelling units in vacant buildings located in public housing projects, pursuant to section 14 of such Act, other than section 14(f) of such Act and other than projects for which budget authority for this purpose was reserved or obligated during fiscal years 1983 or 1984, and (b) $100,000,000 shall be made available for modernization under such section 14, other than section 14(f) of such Act, through June 30, 1985, and any balances of such authority remaining unreserved after such date shall only be available for the section 8 existing housing program utilizing a term of one hundred and eighty months (42 U.S.C. 1437f); $774,287,500 shall be for assistance payments in the housing voucher program under section 8(o) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437f); $1,709,040,000 shall be for assistance for projects developed for the elderly or handicapped under section 202 of the Housing Act of 1959, as amended (12 U.S.C. 1701q); and, $2,620,687,500 shall be for the section 8 existing housing program (42 U.S.C. 1437f); $419,250,000 shall be for the section 8 moderate rehabilitation program (42 U.S.C. 1437f); and $945,000,000 shall be used other than for low-income housing for

Indian families for public housing, new construction, notwithstanding sections (6)(h) and (i) of the United States Housing Act of 1937, as amended, or may be used for acquisition with or without rehabilitation for use as public housing if the public housing authority certifies to the Secretary of Housing and Urban Development before a reservation is made that comparable dwelling units exist which may be used for its public housing program: *Provided further*, That the Secretary shall not approve the use of any of the budget authority provided herein, (except such amounts as are provided for in the third proviso of this paragraph), or reserved and obligated in years prior to fiscal year 1985, for assistance under the housing voucher program authorized under section 8(o) of the United States Housing Act of 1937, as amended: *Provided further*, That any balances of authorities made available prior to the enactment of this Act which are or become available for obligation in fiscal year 1985 shall be added to and merged with the authority approved herein, and such merged amounts shall be made subject only to terms and conditions of law applicable to authorizations becoming available in fiscal year 1985: *Provided further*, That none of the merged amounts available for obligation in 1985 shall be subject to the provisions of section 213(d) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 1439): *Provided further*, That all amounts of budget authority equal to the amounts of such budget authority which are recaptured during fiscal year 1985 shall be rescinded.

The paragraph under the heading "ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING" in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1984 (Public Law 98-45, 97 Stat. 219, 220), as amended by section 127 of Public Law 98-151, making further continuing appropriations for fiscal year 1984 (97 Stat. 964, 980), is further amended by (a) deleting "$1,550,000,000" in the second proviso and inserting in lieu thereof "$1,612,982,000"; (b) striking out in the seventh proviso thereof the second citation to section 1437f of title 42, United States Code (including the parentheses), and inserting in lieu thereof the following: ", $261,675,000 of budget authority shall only be made available for the section 8 voucher program (section 8(o) of the United States Housing Act of 1937, as added by section 207 of the Housing and Urban-Rural Recovery Act of 1983, Public Law 98-181, 97 Stat. 1153, 1155, 1181), including payment of fees to Public Housing Agencies"; (c) deleting, in the clause numbered (1) in the ninth proviso, "shall not become available until March 31, 1984, and at such time", and in that clause deleting "such heading" and inserting in lieu thereof "this heading"; (d) deleting "$2,217,150,000" in the seventh and ninth provisos and inserting in each such proviso in lieu thereof "$3,820,320,000"; and (e) deleting the period at the end thereof and inserting a colon in lieu thereof and the following: "*Provided further*, That, notwithstanding any proviso hereof, any amounts of budget authority recaptured and becoming available for obligation in fiscal year 1984 in excess of $2,500,000,000 shall be made available only for use under section 14 of the United States Housing Act of 1937, as amended: *Provided further*, That the amount of contracts for annual contributions, not otherwise provided for, as authorized by section 5 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437c), and heretofore approved in appropriation Acts, is increased by $69,490,893, of which $6,160,000 shall be available for contracts using contract authority released by Acts of Congress prior to 1976: *Provided further*, That budget authority in the amount of $300,000,000 shall be available as an appropriation of funds only for rental rehabilitation grants to authorized grantees pursuant to section 17(a)(1)(A) of the United States Housing Act of 1937, as amended, as authorized in section 17(a)(3)(A) of that Act, to remain available until September 30, 1986: *Provided further*, That $150,000,000 of such budget authority shall not be available until October 1, 1984: *Provided further*, That, notwithstanding the provisions of section 17(b)(4) of such Act, any rental rehabilitation grant amounts not obligated at the end of fiscal year 1984 shall not be added to the amount available for allocation for such grants for fiscal year 1985 but shall remain available for obligation according to the fiscal year 1984 allocation and consistent with the terms and conditions of law applicable as of September 30, 1984: *Provided further*, That budget authority in the amount of $315,000,000 shall be available as an appropriation of funds only for development grants to authorized grantees pursuant to section 17(a)(1)(B) of the United States Housing Act of 1937, as authorized in section 17(a)(3)(B) of that Act, to remain available until September 30, 1986: *Provided further*, That $115,000,000 of such budget authority shall not be available until October 1, 1984.".

Notwithstanding any other provision of this Act, the immediately preceding paragraph shall become effective upon enactment of this Act.

Mr. BOLAND (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion be dispensed with, and that it be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts [Mr. BOLAND].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 3: Page 5, after line 2, insert:

CONGREGATE SERVICES

For contracts with and payments to public housing agencies and nonprofit corporations for congregate services programs in accordance with the provisions of the Congregate Housing Services Act of 1978, $4,144,000.

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BOLAND moves that the House recede from its disagreement to the amendment of the Senate numbered 3 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

CONGREGATE SERVICES

For contracts with and payments to public housing agencies and nonprofit corporations for congregate services programs in accordance with the provisions of the Congregate Housing Services Act of 1978, $4,144,000, to remain available until September 30, 1986.

Mr. BOLAND (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion be dispensed with, and that it be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts [Mr. BOLAND].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate Amendment No. 5: Page 5, line 8, after "$1,123,500,000" insert ": *Provided*, That of the authority provided herein, not more than $25,000,000 shall be obligated to public housing agencies by April 1, 1985, for planning costs associated with the preparation of applications submitted to the Secretary in fiscal year 1985 for modernization assistance under section 14 of such Act, without offset by any amount of operating subsidy payment to which a public housing agency may otherwise be entitled".

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BOLAND moves that the House recede from its disagreement to the amendment of the Senate numbered 5 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: ": *Provided*, That of the authority provided herein, not more than $15,000,000 shall be obligated to public housing agencies by April 1, 1985, for planning costs associated with the preparation of applications submitted to the Secretary in fiscal year 1985 for modernization assistance under section 14 of such Act, without offset by any amount of operating subsidy payment to which a public housing agency may otherwise be entitled".

Mr. BOLAND (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion be dispensed with, and that it be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts [Mr. BOLAND].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that the amendments of the Senate numbered 8, 9, 10, 11, 26, 36, 38, 39, 40, 47, 48, 56, 59, and 63 be considered en bloc and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The amendments referred to are considered en bloc.

The text of the Senate amendments referred to is as follows:

Senate amendment No. 8: Page 9, line 20, strike out "$3,468,000,000" and insert "$3,472,000,000".

Senate amendment No. 9: Page 10, line 10, after "1988" insert ": *Provided*, That $2,500,000 of such amount shall be made available for technical assistance grants under section 119(q) of such Act: *Provided further*, That not withstanding section 119(q) such $2,500,000 shall be made available for such grants only to cities and urban counties eligible for assistance under section 119 which have not been grantees before fiscal year 1985 for programs under section 119 of such Act: *Provided further*, That with respect to funds provided herein the provisions of section 119(i) shall be construed as not applying to such $2,500,000".

Senate amendment No. 10: Page 10, line 16, after "available" insert "and may be used".

Senate amendment No. 11: Page 19, after "loans" insert "notwithstanding section 312(h) of such Act".

Senate amendment No. 26: Page 17, line 17, after "96-510" insert ": *Provided further*, That for performance of specific activities in accordance with section 104(i) of Public Law 96-510, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, $14,620,000 shall be made available to the Department of Health and Human Services on October 1, 1984, to be derived by transfer from the Hazardous Substance Response Trust Fund, of which no less than $5,125,000 shall be available for toxicological testing of hazardous substances".

Senate amendment No. 36: Page 24, line 23, after "activities" insert ": *Provided further*, That with funds appropriated under the Research and Development account and the Space Flight, Control and Data Communications account to NASA in this Act, and subsequent appropriations acts, NASA may enter into a contract with the California Institute of Technology to amortize the Central Engineering Building over a twelve-year period for a total cost of not to exceed $17,000,000, plus applicable financing costs equal to the prime rate plus two percent, under the authority granted under Public Law 98-45. The building shall be built at the Jet Propulsion Laboratory with title to be vested initially in the California Institute of Technology, and to revert to NASA upon completion of payments.".

Senate amendment No. 38: Page 26, line 7, after "States" insert ", unless the statutory maximum rate of $75 per day is increased by the Congress and implemented by the Administrator of the General Services Administration".

Senate amendment No. 39: Page 26, line 11, after "first" insert ": *Provided further*, That the Administrator shall establish an Advanced Technology Advisory Committee in conjunction with NASA's Space Station program and that the Committee shall prepare a report by April 1, 1985, identifying specific space station systems which advance automation and robotic technologies, not in use in existing spacecraft, and that the development of such systems shall be estimated to cost no less than 10 per centum of the total Space Station costs.".

Senate amendment No. 40: Page 26, after line 11, insert:

GENERAL PROVISIONS

The National Aeronautics and Space Administration has authority, notwithstanding any other provision of law, to take such actions as the Administrator deems necessary to provide to the National Science Foundation, on a fully reimbursable basis, Class VI Computers, otherwise acquired for service at NASA installations under authorized acquisition procedures, with accompanying peripheral equipment, as requested by the Foundation: *Provided*, That the National Science Foundation is authorized to receive from the National Aeronautics and Space Administration, Class VI Computers, with such accompanying peripheral equipment as NASA makes available, and, upon receipt, to sell said computer and peripheral equipment to an institution of higher education under such terms as it deems appropriate notwithstanding any other provision of law.

Senate amendment No. 47: Page 29, line 18, after "proportionally" insert ": *Provided further*, That $5,000,000 shall be transferred from funds provided under this head to and merged with funds made available under 'Research and related activities' for the purpose of conducting research on teaching and learning".

Senate amendment No. 48: Page 29, line 18, after "proportionally" insert ": *Provided further*, That $2,000,000 shall be made available for a contract to develop a science education plan and management structure for the Foundation".

Senate amendment No. 56: Page 35, lines 7 and 8, strike out "substantial completion and beneficial occupancy" and insert "final acceptance".

Senate amendment No. 59: Page 35, line 13, after "repealed" insert ": *Provided further*, That prior to the issuance of a bidding document for any construction contract for a project approved under this heading (excluding completion items), the director of the affected Veterans Administration medical facility must certify that the design of such project is acceptable from a patient care standpoint

Senate amendment No. 63: Page 39, after line 9, insert: One or more pilot programs shall be conducted to determine the effectiveness of utilizing private contractual services to assist in the administrative collection of various types of delinquent debts or other funds due the Government.

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Boland moves that the House recede from its disagreement to the amendments of the Senate numbered 8, 9, 10, 11, 26, 36, 38, 39, 40, 47, 48, 56, 59, and 63, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts [Mr. Boland].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 12: Page 11, after line 9, insert:

NEIGHBORHOOD DEVELOPMENT DEMONSTRATION

For the Neighborhood Development Demonstration Program authorized by section 123 of the Housing and Urban-Rural Recovery Act of 1983, $2,000,000.

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Boland moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

COMMUNITY DEVELOPMENT GRANTS

(FISCAL YEAR 1984)

Of the funds appropriated under this heading in the Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1984 (Public Law 98-45), not more than $2,000,000 shall be available immediately to carry out a neighborhood development demonstration pursuant to section 123 of the Housing and Urban-Rural Recovery Act of 1983.

Mr. BOLAND (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion be dispensed with, and that it be printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts [Mr. Boland].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate Amendment No. 14: Page 11, line 19, after "1986" insert ": *Provided*, That of the funds provided herein $500,000 shall be used in addition to the $4,000,000 provided for the modernization study in Public Law 98-45 (97 Stat. 223, 224): *Provided further*, That not more than a total of $500,000 of the funds available for use on the modernization study shall be used for the energy analysis and program evaluation component of the study: *Provided further*, that $500,000 of the funds provided herein shall be for the design and implementation of the housing voucher demonstration evaluation, including a comparison of the housing voucher program with five year, and fifteen year assistance contracts under the section 8 existing housing program".

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Boland moves that the House recede from its disagreement to the amendment of the Senate numbered 14 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: ": *Provided*, That of the funds provided herein $500,000 shall be used in addition to the $4,000,000 provided for the modernization study in Public Law 98-45 (97 Stat. 223, 224): *Provided further*, That not more than a total of $500,000 of the funds available for use on the modernization study shall be used for the energy analysis and program evaluation component of the study: *Provided further*, That $500,000 of the funds provided herein shall be for the design and implementation of the housing voucher demonstration evaluation, including a comparison of the housing voucher program with fifteen year assistance contracts under the section 8 existing housing program.

Mr. BOLAND (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion be dispensed with, and that it be printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts [Mr. Boland].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 30: Page 20, line 10, strike out "$325,593,000" and insert "$329,219,000".

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Boland moves that the House recede from its disagreement to the amendment of the Senate numbered 30 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert the following: "$331,219,000".

Mr. BOLAND (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion be dispensed with, and that it be printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts [Mr. Boland].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 32: Page 22, strike out lines 3 to 25, inclusive, and insert:

For necessary expenses not otherwise provided for, including research, development, operations, services, minor construction, maintenance, repair, rehabilitation and modification of real and personal property; purchase, hire, maintenance, and operation of other than administrative aircraft necessary for the conduct and support of aeronautical and space research and development activities of the National Aeronautics and Space Administration; $2,424,100,000, to remain available until September 30, 1986: *Provided*, that none of the $58,300,000 proposed for space station systems definition and integration provided in this Act shall be obligated or expended before April 1, 1985: *Provided further*, That the recommendations contained in the report required in the seventh proviso under the head "Research and Program Management" be incorporated in any contract entered into as part of the systems definition and integration studies.

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Boland moves that the House recede from its disagreement to the amendment of the Senate numbered 32 and concur therein with an amendment, as follows: In lieu of the matter stricken and proposed by said amendment, insert the following:

For necessary expenses, not otherwise provided for, including research, development, operations, services, minor construction, maintenance, repair, rehabilitation and modification of real and personal property; purchase, hire, maintenance, and operation of other than administrative aircraft, necessary for the conduct and support of aeronautical and space research and development activities of the National Aeronautics and Space Administration; including not to exceed (1) $155,500,000 for a space station; (2) $195,000,000 for space telescope development; (3) $120,200,000 for the gamma ray observatory; (4) $92,400,000 for upper stages; (5) $92,500,000 for the Venus radar mapper mission; and (6) $56,100,000 for Galileo; without the approval of the Committee on Appropriations; $2,422,600,000, to remain available until September 30, 1986; including $155,500,000 for a space station, of which $5,500,000 shall be made available form prior year appropriations: *Provided*, That of this amount, $63,800,000 is available for space station systems definition and integration studies, including $6,300,000 for systems engineering and integration support activities: *Provided further*, That within this amount, NASA shall conduct a study of an option which "phases-in" the permanently manned features of the station, as one of the reference configurations to be examined in the definition studies: *Provided further*, That the result of this study shall be reported to the House and Senate Committees on Appropriations prior to the selection by the Administrator of a configuration for the permanently manned space station: *Provided further*, That of this amount, $57,500,000 shall be withheld from obligation or expenditure until April 1, 1985: *Provided further*, That the recommendations contained in the report required under the head "Research and Program Management" be incorporated in any contract entered into as part of the systems definition and integration studies.

Mr. BOLAND (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion be dispensed with, and that it be printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts [Mr. Boland].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate Amendment No. 43: Page 28, line 2, strike out all after "proportionally:" down to and including "request:" in line 8.

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Boland moves that the House recede from its disagreement to the amendment of the Senate numbered 43 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert the following: ": *Provided further*, That not to exceed $9,000,000 shall be available for the very long baseline array and such funds shall not be obligated before April 1, 1985:".

Mr. BOLAND (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion be dispensed with, and that it be printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There is no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts [Mr. Boland].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate Amendment No. 53: Page 33, line 12, after "reimbursements" insert ": *Provided*, That the total FTEE for the following offices within the Department of Medicine and Surgery not exceed 106 FTEE during fiscal year 1985: (1) Program Analysis and Development; (2) Health Systems Planning Service; (3) Planning Methods and Systems Development Service; (4) Facilities Planning Service; and (5) MEDIPP field personnel".

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Boland moves that the House recede from its disagreement to the amendment of the Senate numbered 53 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: ": *Provided*, That the total FTEE for the following offices within the Department of Medicine and Surgery not exceed 106 FTEE during fiscal year 1985: (1) Program Analysis and Development; (2) Health Systems Planning Service; (3) Planning Methods and Systems Development Service; (4) Facilities Planning Service; and (5) MEDIPP field personnel, without the approval of the Committees on Appropriations.

Mr. BOLAND (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion be dispensed with, and that it be printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts [Mr. BOLAND].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the last amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 55: Page 34, line 13, strike out all after "process:" down to and including "Fund:" in line 16.

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BOLAND moves that the House recede from its disagreement to the amendment of the Senate numbered 55 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert the following: ": *Provided*, That, notwithstanding any other provision of law, no funding provided in this or any other Act shall be available in fiscal year 1984 for the Design Fund and not to exceed $15,000,000 in fiscal year 1985 shall be available for the Design Fund:

Mr. BOLAND (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion be dispensed with, and that it be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts [Mr. BOLAND].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and the several motions was laid on the table.

TREASURY, POST OFFICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1985

Mr. ROYBAL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 5798) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1985, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. ROYBAL].

The motion was agreed to.

□ 1658

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 5798, with Mr. BEILENSON in the chair.

The Clerk read the title of the bill.

□ 1700

The CHAIRMAN. When the Committee of the Whole rose on Thursday, June 21, 1984, the Clerk had read through line 20 on page 18.

The Clerk will read.

The Clerk proceeded to read.

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the balance of title I be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Are there any points of order against the balance of the title? Are there any amendments to the balance of the title?

Mr. ROYBAL. Mr. Chairman, I would like to inquire, what title is to be considered as open?

Mr. WALKER. Mr. Chairman, I am sorry. It is title IV. That is what I should have said.

Mr. ROYBAL. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania that title IV be considered as read and open to amendment at any point.

There was no objection.

Mr. SHAW. Mr. Chairman, I rise in support of this provision which, if enacted, will provide the General Services Administration with a cost-effective alternative for converting leased space into Government-owned space.

This is a good provision and I commend the chairman and ranking minority member of the subcommittee for including it in the bill; but I would add that I think when changes of this nature are made there should be greater communication between the Appropriations and Authorizing Committee.

I know we are both concerned about the Government's sustained dependency on leased space and the shrinking amount of resources available for Federal construction and that we would all like to see additional reforms of this nature enacted.

Currently, roughly 90 million square feet of office and related space is leased nationwide which represents over 40 percent of the Government's total space inventory.

Not too long ago, leased space represented less than 20 percent of our total space inventory.

In Washington, DC, we lease over 30 million square feet of space or half of our agencies' total space requirements, and this space need is growing.

The General Service Administration testified last week that the Treasury Department has a pending expansion request for fiscal year 1984 for an additional 1.6 million square feet of space for 16,000 employees.

And it doesn't stop there—this bill adds another 858 employees to the Treasury Department who will need at least another 120,000 square feet of space.

Where will these employees go—with no funds available for construction? The only place they can go is into leased space.

Both the Congress and the administration need to make a greater commitment to providing the necessary resources for either construction or the purchase of buildings so that Federal employees can be housed in Government-owned space where long-term savings in space costs can be found.

If we are not going to provide these resources then at the very least we must provide positive alternatives such as that being provided by this provision.

Under this provision, as I read it, GSA would be able to lease Government land on which buildings could be constructed which we would in turn lease back and then acquire at the end of the lease term—20 years.

This lease, of course, would be subject to congressional review as required by the Public Buildings Act of 1959 as well as the normal solicitation procedures now set by regulation.

Aside from the primary benefit of owning the building at the end of the lease term, the lease itself should be cheaper since any potential developer should be able to accrue savings by financing the project at a lower interest rate and the cost of the land will not have to be included in the rental rate.

This authority could be utilized immediately here in the Washington area.

GSA owns 10.6 acres on which buildings could be constructed at the Federal Triangle, 60.5 acres at the Washington Navy Yard, and 241 acres in Suitland.

These combined sites could accommodate the construction of 14 million square feet of office and related space which, if built out, would reduce our leased inventory in the city by almost half.

In conclusion, Mr. Chairman, this provision provides the type of reforms which are necessary and is exactly what I and my colleagues are trying to accomplish with the legislation we have introduced to amend the Public Buildings Act of 1959.

Again, I would commend my colleagues on the Appropriations Committee for including this provision in the bill and I yield back the balance of my time.

The CHAIRMAN. Are there any points of order against title IV?

Are there any amendments to the remainder of title IV?

The Clerk will read.

The Clerk read as follows:

SEC. 507. No part of any appropriation contained in this Act shall be available for the procurement of, or for the payment of,

> the salary of any person engaged in the procurement of stainless steel flatware not produced in the United States or its possessions, except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of stainless steel flatware produced in the United States or its possessions, cannot be procured as and when needed from sources in the United States or its possessions, or except in accordance with procedures provided by section 6-104.4(b) of Armed Services Procurement Regulations, dated January 1, 1969. This section shall be applicable to all solicitations for bids issued after its enactment.

POINT OF ORDER

Mr. FRENZEL. Mr. Chairman, I make a point of order against section 507.

The CHAIRMAN. The gentleman will state his point of order.

Mr. FRENZEL. Mr. Chairman, I make a point of order against section 507 as constituting legislation on an appropriation bill and therefore violating rule XXI, clause 2.

Section 507 prohibits appropriated funds from being used for the procurement of any stainless steel flatware not produced in the United States, unless the Administrator of General Services makes a determination—and that is the governing language here—that a satisfactory quality and sufficient quantity of stainless steel flatware produced in the United States cannot be procured as and when needed from domestic sources.

Because it requires this determination, section 507 specifically imposes an additional duty on a Federal official to make a determination not presently required by law, thereby constituting legislation on an appropriation bill.

A point of order against similar language in the same bill last year was conceded.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained, and the paragraph is stricken.

The Clerk will read.

The Clerk proceeded to read.

Mr. MILLER of Ohio (during the reading). Mr. Chairman, I ask unanimous consent that the title be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. FRENZEL. Mr. Chairman, I reserve points of order against section 513 and section 515.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Chair will now entertain points of order against the sections at this time.

The Chair recognizes the gentleman from Minnesota [Mr. FRENZEL].

POINTS OF ORDER

Mr. FRENZEL. Mr. Chairman, I make a point of order against section 513 on page 38.

The portion of the bill to which the point of order relates is as follows:

> SEC. 513. None of the funds made available by this Act for the Department of Treasury may be used for the purpose of eliminating any existing requirement for sureties on customs bonds.

The CHAIRMAN. The gentleman will state his point of order.

Mr. FRENZEL. Mr. Chairman, again it violates rule XXI, clause 2. The section prohibits the use of funds for the continuation of customs rulemaking with respect to existing requirements for sureties on customs bonds.

The Customs Service has broad administrative authority to establish guidelines for posting bonds for the payment of customs duties.

The rulemaking process is now underway to determine whether existing requirements for sureties on customs bonds should be modified or replaced altogether.

Section 513 goes beyond the limitations of funds which are the subject of this appropriation and constitutes an effort to change existing law under the guise of a limitation.

I, therefore, make a point of order that the section violates rule XXI, clause 2.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point of order?

Mr. ROYBAL. Well, Mr. Chairman, I believe that this is a limitation and is clearly in order under the rules. I see no way that this can be anything else than a limitation.

The CHAIRMAN. The Chair is ready to rule, unless anyone else wishes to comment on the point of order.

The Chair would rule that in fact this section does constitute a proper limitation consistent with the existing law and overrules the gentleman's point of order.

Are there other points of order to be made?

Mr. FRENZEL. Mr. Chairman, I have a point of order against section 515 on page 39.

The portion of the bill to which the point of order relates is as follows:

> SEC. 515. None of the funds made available by this Act shall be available for any activity or for paying the salary of any government employee where funding an activity or paying a salary to a government employee would result in a decision, determination, rule, regulation, or policy that would prohibit or otherwise prevent the Customs Service from enforcing section 307 of the 1930 Tariff Act.

The CHAIRMAN. The gentleman will state his point of order.

Mr. FRENZEL. Mr. Chairman, I make a similar point of order against section 515 on page 39. That section prohibits the use of funds for salaries or activities of the Government that would result in a decision, determination, rule, regulation, or policy that would prohibit or otherwise prevent the Customs Service from enforcing section 307 of the 1930 Tariff Act.

This section seems to presume that one Government agency is preventing another Government agency from enforcing the law. In reality, the language restricts the enforcement of this section of the Tariff Act dealing with imports from the Soviet Union produced with forced labor to the Customs Service, even though the existing law permits the administration to assign the enforcement activity in the way that it deems most effective.

Section 515 goes beyond the limitation of funds which are the subject of this appropriation and constitutes an effort to change existing law under the guise of a limitation.

The CHAIRMAN. Does the gentleman from California desire to be heard on this point of order?

Mr. ROYBAL. Well, Mr. Chairman, section 515 is a simple limitation on an appropriation bill. It does not change the application of existing law. It merely prohibits the use of funds to pay for any Government employee who tries to prevent the law from being enforced.

Section 515 as it is written is intended only as a limitation. In my opinion, it is in order.

The CHAIRMAN. Does the gentleman from Minnesota wish to be heard further on the point of order?

If not, the Chair would rule that this is a proper limitation in a negative way requiring compliance with existing law and would draw attention to the language on page 65 in the committee report that suggests that that is in fact the case, and the Chair overrules the gentleman's point of order.

Are there other points of order against title V?

Mr. NELSON of Florida. Mr. Chairman, moments ago, since I was not here to offer an amendment on page 28, I ask unanimous consent that it be in order that I be able to offer my amendment on page 28 of the bill?

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. MILLER of Ohio. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Are there amendments to title V?

The Clerk will read title VI.

□ 1710

The Clerk read as follows:

> SEC. 617. None of the funds made available in this Act may be used to plan, implement, or administer (1) any reduction in the number of regions, districts or entry processing locations of the United States Cus-

toms Service; or (2) any consolidation or centralization of duty assessment or appraisement functions of any offices of the United States Customs Service.

POINT OF ORDER

Mr. **FRENZEL**. Mr. Chairman, I make a point of order against section 617.

The **CHAIRMAN**. The gentleman will state his point of order.

Mr. **FRENZEL**. Mr. Chairman, this is the same point of order, a violation of clause 2, rule XXI. Section 617 prohibits the use of funds in this appropriation for a reduction in the number of Customs entry processing points and any consolidation of duty assessment or appraisement functions in any of the offices of the Customs Service.

This negates Public Law 91-271 which gives the President the authority to rearrange or make consolidations at points of entry at the district offices or at headquarters.

In addition, in my judgment the language is so broad as to interfere with existing administrative authority to carry out its appraisement functions as required by law. Section 617 goes beyond the limitation of funds which are the subject of this appropriation and constitutes an effort to change existing law under the guise of a limitation. There seems to be in section 617 almost a complete prohibition of executive discretion to make any changes to help the Customs Service carry out its duties.

The gentleman from Massachusetts earlier in the debate last week indicated a need for it to do so and this particular section, which in fact imposes legislative restriction, would make it absolutely impossible.

I make a point of order that the section violates rule XXI, clause 2.

The **CHAIRMAN**. Does the gentleman from California desire to be heard on the point of order?

Mr. **ROYBAL**. Mr. Chairman, section 617 is a simple limitation again on an appropriation bill. It does not change the application of existing law. It merely prohibits the use of funds to pay for any Government employee who tries to prevent the law from being enforced.

I think this is exactly the same argument against this point of order that was used in previous points of order. I therefore ask for a ruling.

The **CHAIRMAN**. The Chair is prepared to rule.

It is the opinion of the Chair that the section does not mandate spending but rather limits the use of funds to consolidate customs regions and is as such a negative limitation on the use of funds. And the Chair would cite Mr. Cannons vol. 7 of Precedents, section 1694:

> While a limitation may not involve change of existing law or affirmatively restrict executive discretion, it may properly effect a change of administrative policy and still be in order.

Therefore it is the ruling of the Chair that the gentleman's point of order is overruled.

The Clerk will read.

The Clerk read as follows:

> SEC. 618. No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverages for abortions under such negotiated plans after the last day of the contracts currently in force.

AMENDMENT OFFERED BY MRS. BOXER

Mrs. **BOXER**. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mrs. BOXER: On page 50, strike out lines 24 and 25 and on page 51, strike out lines 1 through 4.

Mrs. **BOXER**. Mr. Chairman, I offer an amendment to strike the abortion restriction in section 618 of the Treasury-Postal appropriations bill we are now considering. This section prohibits the use of Federal employee health insurance for abortion.

Restriction on the ability of women to choose abortion has been endlessly debated in this House and the other body. I am not going to debate that issue. The issue here is singling out Federal employees and telling them they will be treated differently because we feel that they are different. Last year, for the first time, payment for abortion from the Federal Health Plan was prohibited. But in that same year, a proposed constitutional amendment to restrict abortions was defeated. We're tying knots with one hand, and untying them with the other.

It is important for us to understand just how many people are affected by this prohibition. Among the 10 million Federal workers and their dependents who participate in Federal health benefit plans are women who may choose to terminate their pregnancies. These women are prevented from having their health insurance cover the procedure. Similarly, Federal Employees Health Benefit Plan are prevented from providing comprehensive medical coverage for the employees who purchase health insurance. One year of this restricted coverage is enough.

There are two elements at work here: policy and money. On public policy grounds, adoption of this prohibition would make us guilty of the very sex discrimination we have said is against the law. And prohibiting coverage of the single medical procedure of abortion does discriminate against women, since they are the only ones affected by the prohibition. Further, my colleagues stand on very shaky ground when they try to impose their own moral views on the millions of Federal employees who participate in the Federal health insurance program. We weren't elected to be God, we were elected to be Members of Congress. Who are we, in Congress, to say that our judgment is superior to the judgment of individual Federal employees on the fundamentally personal matter of abortion? This prohibition places Congress right into the private lives of millions of American couples.

Now we come to the money. Health insurance is a fringe benefit of employment. The Federal Employee Health Benefit Program is an integral element of the entire employee compensation scheme of the Federal Government. The package of salary, health benefits, and retirement benefits is constructed to allow the Government to attract and retain qualified civil servants.

The important point here is that the Federal Employees Health Benefits Plan is paid for both by individual employees and the Government. On the average, employees pay 40 percent of the premiums and the Government pays 60 percent. So the restriction in section 618 affects not merely what the Government does with its money, but what the Federal employees can do with their money. Eliminating, by statute, a form of coverage of the Federal Employees Health Benefits Plan is no different than a cut in salary for Federal employees.

Further, the purpose of this restriction is not to prevent the Government from funding abortions, but rather to prevent Government employees from paying for abortions with their own health benefits. This is tantamount to passing a law to prevent Federal workers from using their own Government-paid wages for that purpose. The Supreme Court has said we can't do that.

The restriction in section 618 is broad in scope. It affects individual Federal employees and health insurance plans. Federal employee unions are permitted to offer their own plans to their members. The prohibition attacks these plans as well, thereby altering labor-management relations in the Federal Government.

The goal in Federal pay and benefits is comparability with the private sector. Most private sector health benefit plans provide coverage for abortions when they are medically necessary. The restriction in this bill places Federal employees in a different status, and runs counter to the goal of comparability. So, Federal pay is not comparable with the private sector, and we are saying that Federal health benefits will not be comparable either.

Finally, the language in this bill is inhumane. It does not permit coverage of abortions in the case of rape or incest—conditions where no reasonable human being could ask that the woman be forced to go through with the pregnancy.

I urge my colleagues to think carefully about the consequences of the abortion restriction in this bill. We now have the chance to overturn the limited health insurance coverage that was imposed on Federal employees last year. I urge adoption of the amendment.

□ 1720

The CHAIRMAN. The time of the gentlewoman from California has expired.

(On request of Mr. HOYER and by unanimous consent, Mrs. BOXER was allowed to proceed for 3 additional minutes.)

Mr. HOYER. Mr. Chairman, will the gentlewoman yield?

Mrs. BOXER. I would be happy to yield.

Mr. HOYER. I want to congratulate the gentlewoman from California for her statement which I think is well reasoned and well stated. I opposed this particular provision last year and opposed it in committee this year.

I believe it ought not to be in there. I agree 100 percent with the gentlewoman from California in that no other employees anywhere in the Nation are subject to a restriction not allowing them to purchase the kind of medical insurance that is legally available to them in this Nation.

So to that extent, the Federal employee by this provision is placed in a position of no other employee in the Nation and is arbitrarily and capriciously discriminated against in this particular provision.

So again I congratulate the lady for her statement and for her leadership on this issue.

Mrs. BOXER. I would like to respond to my friend from Maryland, that the gentleman has really hit the essence of this. It is not a debate over whether abortion is right or wrong; it is a debate about whether or not we can point to Federal employees and tell them they are different than any other employee in the private sector.

I resent that. I think that is inappropriate. That is why I have offered this amendment along with my good friend from Colorado, Mrs. SCHROEDER.

Mr. ROYBAL. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, I rise in support of the amendment and in opposition to the provision which prohibits abortion in Federal employees health benefit plans. As I have stated in previous debates on the issue, I firmly believe that the rights of the individual are paramount in the matter of abortion.

I do not believe, however, that this discussion should be perceived as a debate on whether abortion is or is not a morally or legally accepted procedure. It is clear that the language in the bill dictates to individuals what they can or cannot do with the money they have earned; based solely on their status as Federal employees.

The fact that the Government is the employer cannot justify cutting employees' wage package by eliminating abortion coverage.

Health insurance is a form of employee compensation similar to salary, and it is paid by the employee as well as the employer. The inclusion of the language in the bill would be an infringement on the rights of labor to engage in collective bargaining.

Both the Civil Service Reform Act and the Pregnancy Disability Act of 1978 assure labor protection, which this provision attempts to negate.

Under the present Supreme Court decisions relating to the abortion issue, it may or may not be constitutional for Congress to attempt a determination as to whether or not a Federal employee may, in accordance with her own decisions, and the recommendations of her physicians, use her own health compensation to pay for an abortion.

But I firmly believe that it is simply not fair to deny a woman this basic right. A great deal can be and has been said concerning the terrible injustice that legislation such as this prohibition inflicts on many women.

We have debated this issue over and over again, and year after year, every issue surrounding this provision has been discussed.

I firmly believe this amendment violates the Civil Service Reform Act and the Pregnancy Disability Act by infringing upon the rights of collective bargaining, by flagrantly ignoring the specifications we have made amending the Civil Rights Act that pregnancy could not be a basis for discrimination because of sex.

It has the effect of imposing one individual's moral and religious convictions on all Federal employees.

Mr. Chairman, I hope we will not include this provision in the amendment and that the amendment proposed by the gentlewoman from California is adopted.

Mr. SMITH of New Jersey. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong opposition to the Boxer amendment to gut language in the Treasury-Postal appropriations bill that prohibits funds for abortion under the Federal Employee Health Benefits Program.

Mr. Chairman, I would like to commend the Appropriations Committee for including the antiabortion rider—it was the right thing to do, and clearly reflects the majority sentiment of this body.

I would remind my colleagues that the language in H.R. 5798 as reported by the Appropriations Committee is current law. We are breaking no new ground by defeating the Boxer amendment, rather, we are letting stand, our current policy.

Last year, this body adopted the language in this bill by overwhelming majorities. On June 8, by a vote of 226 to 182. On October 27, the House overwhelmingly defeated a motion to rise which permitted me to offer the rider—which was passed by voice vote.

Mr. Chairman, the Federal Government currently contributes approximately 60 percent of the funds toward the purchase of health insurance for its employees. The remaining 40 percent is borne by the Federal employee himself or herself.

So I would suggest, Mr. Chairman, that it should be abundantly clear, that the Federal Government does provide a substantial sum of money—a majority share, in fact—toward the purchase of health insurance for its work force.

Mr. Chairman, according to the Office of Personnel Management in calendar year 1980, approximately 17,000 abortions were provided under the auspices of the Federal Employees Health Benefits Program at an estimated cost of $9 million. That type of expenditure ended last year.

So I believe, Mr. Chairman, that the issue before this body is simple and direct: Should the taxpayer be forced to underwrite the cost of abortions for Federal employees in fiscal year 1985? Should we reverse policy?

I believe we should not. The Appropriations Committee believes we should not. A clear majority of this body believe we should not; and I hope we will demonstrate that conviction by voting down the Boxer amendment.

Mr. Chairman, I have taken to the well of this House on several occasions in the past to try to shed some light on the reality of abortion, to encourage my colleagues to look beyond the rhetoric—at the methods of abortion. There seems to be so much confusion on this issue.

Those methods include bodily dismemberment, poison shots, and injections of salt water to kill the unborn child.

A few days ago Mr. Chairman, I came across one of the most startling and enlightening statements I have ever read.

The words are those of Dr. Bernard Nathanson, a former abortionist and founder of the National Abortion Rights Action League—one of the leading pro-abortion lobbies on Capitol Hill.

Dr. Nathanson probably knows more about abortion than anyone in this Chamber. He personally performed over 6,000 abortions, was an outspoken pro-abortion leader and was director of the largest abortion clinic in the world. Dr. Nathanson now believes that abortion is a denial of human rights because it kills children.

Mr. Chairman, Dr. Nathanson has become one of the most knowledgeable medical doctors on the use of ultrasound to diagnois and treat unborn children. This is how he describes a 20-

minute ultrasound film of an actual abortion of a 2½ month unborn child:

> The film is about abortions. That sounds simple but it's not. About a year ago, I began to mull over why we were not progressing more rapidly than we are on this issue. It took me 6 months before the problems crystallized. The problem was that no one had ever seen the abortion from the victim's vantage point.

Dr. Nathanson went on to say:

> We have to know what abortion is to the human being, its personal effects. We have discussed endlessly, and infinitum the effects of abortion on women but we have never truly, viscerally discussed the effects on the baby. This videotape is for the first time, a permanent, objective record of what abortion does to the child. In order for the discussion to broaden and deepen, to be made more intelligible to everyone who wishes to discuss the issue, they must understand abortion from the victim's vantage point.

Dr. Nathanson states:

> The film is of a complete abortion of a 10-week child. I chose an early abortion because I did not want proponents of abortion to say this was an "exceptional" case, one of the 100,000 later-term abortions, not one of the 1.4 million abortions (done earlier in the pregnancy). This is one of those 1.4 million abortions.

In describing the film, Dr. Nathanson narrates what can be observed on the screen:

> Long before the instrument has touched the child, the child is aware that there has been an invasion of the sanctuary. When the suction tip hits the amniotic sac—the membrane surrounding the child (and there's a lot of fluid between the sac and the child)—the child jumps. Now as far as we know the amniotic sac has no nerve fibers, so clearly the child does not feel but senses that something aggressive is happening, and he jumps away.
>
> You can see this on the film; the moment the tip of the suction machine starts to move, the fetus knows it and starts to scuttle to the top of the uterus. You can see his mouth open in a silent scream.
>
> From there on you can see all the agitation: you can see the heart speeding up, you can see the limbs moving faster, you can see the child turning more rapidly. Even the breathing, which is difficult to see on these films, even the breathing increases. So there is no question this child feels pain, it actually senses danger.

In describing the first 5 minutes of the film, Dr. Nathanson describes a child at peace and calm. Unsuspecting and tranquil.

> There is the view of the child during the first 5 minutes of the film. The child is at play, sucking his thumb, moving about, and so forth. From then on there is the stalking of the victim and the victim's terror followed by the actual quartering, the dismemberment of the child before your eyes. You can see the spinal column slipping down the suction tube and the head is left with a piece of spine on it. And then you can see the abortionist searching for the head.

Bernard Nathanson goes on to say—

> I suppose I knew what to expect, after all I've done thousands and thousands of these. In my thinking about abortion when I changed my point of view, I was doing a great deal of ultrasound, but not of abortions. So I was prepared, but it still stunned me and nauseated me. But I was prepared to do what I had to do (film the abortion). The abortionist was not. When he was actually doing the abortion and watching the screen, he said he felt nauseated. He turned away. He didn't want to see the film again. He did at my urging when we edited the film to tell me exactly what was happening.
>
> I talked to him this morning. He said he never wanted to see that film again. He is an old friend of mine; I trained him as a resident. I had asked him since he was going to perform the abortion anyway, if I might please film it. He is a very decent person who is confused about abortion. He is less confused today.

Let us be no less confused.

I urge defeat of the Boxer amendment.

□ 1730

Mrs. BOXER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Jersey. I yield to the gentlewomen from California.

Mrs. BOXER. I thank the gentleman for yielding.

I certainly understand his deeply held convictions. I heard the gentleman speak last night. The gentleman repeated some of those same things today. I trust that the gentleman respects my deeply held convictions, as the gentleman so stated, and I think that is very good for this Congress to have this mutual respect.

Does the gentleman believe that Federal employees have the right to freedom of religion?

Mr. SMITH of New Jersey. I certainly do.

Mrs. BOXER. Does the gentleman feel that a Member of Congress has the right to dictate religious beliefs, theology, to Federal employees?

Mr. SMITH of New Jersey. I would suggest that the issue of whether or not we are indeed talking about a human life and every abortion produces a corpse—in many cases that corpse is intact—is not a religious issue. It is an issue that deals with when does human life begin and it deals with an issue that is not religious, although people of various denominations can have views on this.

But I would suggest that it is not a religious issue.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. SMITH] has expired.

(At the request of Mrs. BOXER and by unanimous consent, Mr. SMITH of New Jersey was allowed to proceed for 1 additional minute.)

Mr. SMITH of New Jersey. And we are in no way dictating a religious precept.

This is a matter of life or death, as I said before. Again if you look at the methods you realize that we are using some very violent methods in order to destroy that child.

Mrs. BOXER. I believe the gentleman has gone into that.

What I would like to say to the gentleman is that I think the matter before use is a definite matter of individual freedom and individual religion. I greatly respect that because the whole issue of life itself is a deeply held moral and religious belief.

I would say that the matter of an abortion rests between the parents, their doctor, and their God. I would never presume to tell an individual, be he or she a Federal employee or person in the street, how to believe in God.

I would suggest to the gentleman that if he really looked into his soul he would find respect for that individual freedom.

Mrs. VUCANOVICH. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, we have all seen this amendment before. In fact, last year a similar amendment caused the House to recommit this bill. Under any circumstances, that must be considered an obstructionist tactic.

But, that is only part of the irritation many of us feel. Most of our concern comes from the fact that we are once again defending the right of the American people to deny the use of their tax dollars for the purposes of performing abortions and terminating the lives of innocent babies.

That right cannot be denied or usurped through inclusion of this amendment on this or any other bill. This Government must never fall so low as to pay for the termination of its own babies. I urge my colleagues to oppose this ill-conceived amendment, and I further urge my colleagues to join with me in dealing with abortion as an issue in and of itself, not as the subject of these numerous backdoor liberalization efforts.

Mr. FAZIO. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, yes, this is to some extent a replay of last year, but I think it is far more fundamental than that because it is an effort that I think is going to grow in this body to remove from a number of appropriation bills impediments to the right of the individual to make a choice about abortion, impediments that have been placed there under trying circumstances, where we are trying diligently to pass appropriations bills and therefore enact our budget, impediments that simply have become the refuge of people who have failed in their ultimate attempt to amend the Constitution and reverse the Court's decision in Roe against Wade which was rendered over a decade ago.

We are here today because in the Akron decision in 1983 the Court has sustained Roe against Wade. We are here today because the Senate in its wisdom has rejected the most modest effort to amend the Constitution to limit the individual's right to choose during this session of Congress.

The people who stand in opposition to this amendment and who have used the budgetary process to use the majority rule on occasion to impose their own personal views have in effect admitted that they cannot deal with the basic constitutional issue. They are going to use their power through the budgetary process to deprive 43 million Americans of the right that all other Americans continue to exercise.

□ 1740

And that is why I feel constrained, even though I intend to support this bill, regardless of the outcome of this debate, to speak in behalf of the amendment of the gentlewoman from California [Mrs. Boxer].

We have not only limited Federal employees in their exercise of their rights—and I remind the gentlewoman from Nevada that this is their compensation, they are paid this money, and they contribute 40 percent of the total cost of their health care themselves because they provide a service to the American people. This is a different situation than we have found in several other instances in the budget process. But let me list the other groups of people who, simply because they have fallen within the Federal budget, have had their rights restricted. Indians on our reservations, Medicaid recipients, people in the military and retired military personnel and their dependents, Peace Corpsmen, people who live in the District of Columbia—those people, simply because they are part, to some minor degree in some cases, of this Federal budget process have been roped in and had their rights restricted. And I think it is long past time that we put an end to this.

I am reminded of my colleague from California, no longer with us on this floor, Clair Burgener, who was a strong supporter of what is called occasionally the pro-life position, who continued to vote against any effort to limit Federal employees because he saw that it was a different question that we were debating; it was not a personal philosophical debate, it really was not a question of constitutional limitations, it was simply whether or not we use the power of the appropriations process to intrude on the rights of Federal workers.

And I want to remind my colleagues that this is a significant economic issue, 2 out of 3 women who work for the Federal Government make less than $20,000 a year. This is not an idle issue. For some of us who are more affluent, perhaps this cost does not accrue to us very much and does not trouble us; but if you are struggling to make ends meet in a household based on an income that comes all or in part from a clerical employee, this is a significant amount of money and should not be passed over lightly.

I hate to make the economic issue, but I have heard—not in this debate, but as Members attempt to defend this position at home—that this is a way of saving the taxpayers' money. Well, let me point out that it costs perhaps a $200 for a normal abortion in the first trimester; it costs $1,200 to go to term and have a child. And many who cannot afford on who delay an abortion often have complicated and expensive pregnancies.

So the issue should not be debated in any context, here or elsewhere in the campaigns that we are involved in this fall, on economic issues. This is not a way to save the taxpayers money. We are talking about individual rights, equal protection under the law. We are talking about 14th amendment. We are talking about a way in which we have used our power on this kind of legislation to impose our personal views on people who have simply decided—mostly for our benefit, I might add—to go to work for the Federal Government.

I think it would be a blow for the freedom of those 43 million individuals whom we have roped in through these appropriation riders—particulary the 10 million people who benefit from Federal plans—if we begin the process of rejecting this kind of legislative blackmail that occurs on these appropriation bills right here and now. This is our chance to begin to do it.

The CHAIRMAN. The time of the gentleman from California [Mr. Fazio] has expired.

(On request of Mr. Hunter and by unanimous consent, Mr. Fazio was allowed to proceed for 3 additional minutes.)

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentleman from California.

Mr. HUNTER. I appreciate the gentleman's argument that we should not be roping down appropriations bills with matter that would appear to be extraneous. On the other hand, the substantive issues, for example, the right to life amendment, have not been allowed a full and fair debate on this House floor. And I am reminded of yesterday when we had the debate on the civil rights bill and a number of people got up and said, "You can't do this to the civil rights bill," and I had a little trouble in my own mind wondering why we were railing against what I consider to be the most fundamental of civil rights, the right to life, being attached to a civil rights bill, but we seem to hear continually from our friends on the other side that this just is not the right forum. And I would submit that if this House would let go of some of the controversial issues and would allow issues like the right to life amendment to come up for a full and fair debate, perhaps the gentleman would not be in that position.

Mr. FAZIO. I have no fear of the outcome of the debate on this floor on the constitutional amendment issue. The Senate has spoken, I think very clearly. People who agree with you felt they were in their strongest position in the Senate, and I think the Senate, through its deliberations, has clearly made the issue of a constitutional amendment moot.

So I do not fear a debate on the issue on the floor. I am sure the people in this body would support the overwhelming views of the American people as measured by every public opinion poll and sustain the Constitution as currently interpreted in the Roe decision and reaffirmed recently in the Akron case.

Mr. HUNTER. Will the gentleman continue to yield?

Mr. FAZIO. I would be happy to yield to the gentleman.

Mr. HUNTER. I think the public opinion polls will also show that the American people do not want to see taxpayers' money being utilized to fund abortions. And yet if you consider this to be the right tack to take, or if you consider this to be the right position, you cannot blame those Members who would take this position for using every opportunity that they have to try to see that at least there is a vote on their position.

Mr. FAZIO. I think, if the gentleman would let me reclaim my time, the average American who is questioned in these public opinion polls about Federal funds being used does not understand that we are talking about compensation, for example, for Federal workers, or rights that treaties have granted native Americans, or responsibilities that we have to provide for our armed services personnel, who in some future time may even be required to serve.

So I certainly do not think we are talking about an analogous situation to the kind of public opinion poll that has been traditionally done on this subject.

Mr. SMITH of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. I just echo a point my friend from California Mr. Hunter just made, and that is that in my district some 73 percent of the people are against Federal funding for abortion. And I do think they do understand the issue. Our money, to the tune of some 60 percent, is being contributed into a system whereby abortions become a part of that system and I would suggest the folks back home are informed and intelligent enough to grasp that point.

But let me just make another point——

Mr. FAZIO. If the gentleman will yield on that point, I think most people have in mind welfare. And of course there are many people in this country who would like to think in terms of cutting welfare, not understanding that they do not avoid the cost of pregnancy.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Boxer amendment.

Mr. Chairman, first of all I want to thank the subcommittee chairman for backing the Boxer amendment because I know this is a man who is really standing here with moral courage. I know that while he personally may not support abortion, he still understands what this amendment is all about. This is not Federal money in a way that people normally think of Federal money. When you stop and think, every one of us, do we consider our salaries that we get Federal money? It comes from the Federal Government, but we tend to think of it as ours, because we have worked for it, is a deal that we made.

And let us not forget that this insurance package is a part of it, too. I think we feel that our insurance is part of our compensation, because they are not just giving it out to anybody who happens to be in the gallery. The insurance package is only available to people who are working here.

So that is very different from a gift. This is not a freebie, this is not a gift. This is what someone is earning, and this is their compensation package.

What we are saying, if this amendment does not pass, is that we are going to treat Federal employees entirely different than the private sector. We are going to discriminate against them and we are not going to consider their money their money; we are going to consider it someone else's money.

And not only that, if you carry this to its logical extreme, you could say that the people who work for the Federal Government cannot spend their money on alcohol, cannot spend their money on foreign cars, cannot spend their money on whatever the big issue happens to be at that moment. And I think that we really have to get back on track and understand what it is we do if this amendment does not pass. That is what we are saying. We are making two classes of citizens. We are saying the Federal employees do not have the same choices and do not have the same options.

Not only that, we are saying one more thing: We are saying female Federal employees are really going to get treated differently because while male Federal employees can buy an insurance package to cover their health costs and negotiate for that, like everybody else does in the private sector, women working for the Federal Government cannot get the same health package that anyone else in the private sector can get. We have laws that this country has stood for, we have constitutional decisions from the Supreme Court, we have the ground rules for what is supposed to be for the whole population, and instead we are pretending that we are going to have different ones for this group of people. That is wrong.

So we are discriminating against Federal employees as a class and women doubly so.

I think it is also important to point out that while you may have people that you can talk about who are for abortion or against abortion, and we can read testimony from both sides, and on and on and on, let us put this into why it is such a difficult issue. If it was dealing with one life, that is easy. It is dealing with two lives—two lives—over a spectrum of time, over all sorts of other complicating issues.

And we are not doctors in this area. We are legislators. So when we come down, boom, and say, "absolutely not, there are not changes for incest, no changes for rape, no changes for dangers to the health of the mother, no changes for anything else, this is it, this class gets nothing," we are really being very harsh. We are totally lining up on one side of the life scale. And I think that is also discriminatory.

Now, you may say I am biased because I am a woman. That is right. But I think this body ought to equally consider my rights to the fetus' right, and I think that is a problem.

I also think, religiously——

□ 1750

Mr. SILJANDER. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman.

Mr. SILJANDER. I am just curious. Have you ever worked in your committee on altering, restricting any type of pension funds for Federal Government employees? Did you not work on the recent changes in Social Security where the Federal Government, new employees as well as Congressmen go into Social Security?

Mrs. SCHROEDER. I voted against that. That was a package put together by the administration.

Mr. SILJANDER. Is that not your committee's purview of authority?

Mrs. SCHROEDER. No; that is Congresswoman OAKAR's committee; she is in charge of the compensation part of it. But I really want to point out that I did not think that was right; that was changing their contract, and that was treating Federal employees as second-class citizens. I do not think two wrongs make a right. It may be where you come from; but not where I come from.

Mr. SILJANDER. Will the gentlewoman further yield?

Mrs. SCHROEDER. I yield to the gentleman.

Mr. SILJANDER. I guess it seems fairly clear and obvious that Congress does have the authority, at least the way I read the law, to alter, to restrict, guidelines.

The CHAIRMAN. The time of the gentlewoman from Colorado [Mrs. SCHROEDER] has expired.

(On request of Mr. SILJANDER and by unanimous consent, Mrs. SCHROEDER was allowed to proceed for 1 additional minute.)

Mr. SILJANDER. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman.

Mr. SILJANDER. That we do have the authority to restrict, to establish guidelines, eliminations in all type of our pensions programs, insurance programs? The one question I ask: What is so different and so unique that we decide to restrict a certain program in the area of performing abortions?

Mrs. SCHROEDER. Because you are talking about the health of a specific class of American citizens that the Supreme Court says have a right to certain health benefits, and their health can be considered. You are saying, no, it cannot be. I think that is discriminatory, and I think this country is big enough for more than one opinion, and it is not that we can only have Federal employees who agree with your position or they pay a penalty. That is exactly what you are doing by this. You are doing very selective class discrimination imposed upon one class.

Mr. SILJANDER. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman.

Mr. SILJANDER. So what the gentlewoman is suggesting is that is all right for Congress to initiate these restrictions, but she happens to disagree with this particular restriction?

Mrs. SCHROEDER. Absolutely not. I am not saying that at all.

The CHAIRMAN. The time of the gentlewoman from Colorado [Mrs. SCHROEDER] has expired.

(On request of Mrs. BOXER and by unanimous consent, Mrs. SCHROEDER was allowed to proceed for 3 additional minutes.)

Mrs. SCHROEDER. I thank the gentlewoman from California.

Mr. Chairman, what I want to point out is that I think the gentleman has gotten himself into a box. I think the problem is you are painting these as Federal funds. They are money that comes out of the Federal Government, but they come out for pay and they transfer to the Federal employee because they have worked and done something to earn that. It is like the title changes. So you are treating them in a very different way, and you are also saying they cannot do certain things with what they have earned that other people on the outside can do with what they have earned.

That is very discriminatory, and I think that the gentleman does not want to face that.

Mrs. BOXER. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentlewoman.

Mrs. BOXER. I thank the gentlewoman for yielding and I want to compliment her on her remarks.

I would like to ask the gentlewoman if we could get into a specific case. Take the case of a Federal employee who has an 11-year-old daughter. The daughter is the victim of an incestuous rape by the father.

Is it not true if this amendment does not pass, that that child cannot use her mother's insurance to get an abortion and if the family is poor they may not get one. Is that the meaning of what we are doing here?

Mrs. SCHROEDER. That is exactly correct, and if the mother were working for a private employer with a private insurance plan, it is very likely that would be covered. That is exactly what we are talking about. I think everyone of those people feels that they earned that money and they should be entitled to purchase the same kind of coverage that anyone else does. I think that is very, very important.

I thank the gentlewoman for pointing that out. It is obvious, it is clear what this is about, and I do think that we must realize the very heavy-handedness of this measure. That is what we are trying to point out by this debate.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words and I rise to oppose the amendment.

Mr. Chairman, it is with great reluctance that I oppose this amendment, because I believe it is fundamentally wrong to treat Federal employees any differently than we treat other citizens of this country. I think it is fundamentally wrong not to allow for cases such as rape and incest in the limitations that have been placed on abortion by this Congress. I do not believe that life is that simple. I think that the existing limitations, insofar as they do not provide for those reasonable exceptions, are themselves defective.

If I thought this amendment would serve any constructive purpose if it were passed, I would not be speaking in opposition to it today. I speak simply on the institutional aspect of this amendment.

I do not know how many times we have voted on the abortion issue in this House. Many more I think than any other issue that we have dealt with in the 15 years that I have been in Congress. I think it has become quite clear what the majority opinion is in the House on this issue. I believe that unless we want to burden virtually every appropriation bill with this issue, and allow this issue to become virtually the only issue with which we deal in the appropriations process, then I think we ought to leave the language alone in the bill as it stands, much though I personally believe is wrong.

I am frustrated because I am convinced that even it this amendment were to pass, and I do not believe it will, I do not think any body really believes it will today, but even if this amendment were to pass, I think it would endanger the bill itself. I doubt very much that the bill would pass, and if the bill did pass, I doubt very much that the President would sign it with this language out.

So in the end we would have another portion of the Federal budget financed on a continuing resolution which further erodes respect for orderly process in this House, and which makes us look more and more like we do not know how to do our business.

I do not at all attack the motives of persons who offered the amendment, because I share their objections to the unfairness of this language. I do not think the House is better off having this issue raised time and time and time again, especially when there is no possibility of changing the outcome.

I am further distressed by the fact that these issues are continually raised on appropriation bills. That is not the fault of the people who are offering the amendment today, it is the fault of the people who attached the amendment in the first place. But I am further distressed by the fact that we always have to deal with this issue in the context of appropriation bills which means that we are procedurally prevented from drafting language which does contain the subtleties that would adequately reflect the complications of modern life. I am frustrated by that; I do not know what to do about it. I am distressed by the fact that on both sides of this issue, the persons who care most passionately about it seem never to be able to discuss a rational position with each other.

I personally would like to see the Judiciary Committee report out a constitutional amendment in its original form so that we can send it to the States and see whether or not the country really believes that we ought to pass an amendment which provides for virtually no exceptions to an abortion limitation.

I happen to believe that the country does not believe that that is what ought to happen. I do not fear that confrontation. I do believe we are better off to get it settled once and for all. I would like to see one understanding, however, before that took place. I would like to see an understanding that before State legislatures were to vote on the issue of whether they wanted to ratify congressional action, that the public itself would have an opportunity in those States to speak by referendum.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. OBEY] has expired.

(By unanimous consent, Mr. OBEY was allowed to proceed for 2 additional minutes.)

Mr. OBEY. Because I think this is an issue which is so intimate and so personal that legislators really have no business trying to assign to ourselves the determination about how you ought to handle each and every instance given the complicated nature of peoples' private lives in the 20th century.

But we are not going to see that, and so I really believe the thing to do is to leave this as is, because otherwise, even if you pass it, I deeply believe we simply are not going to have a bill, and this language will go nowhere, and this discussion will have served no purpose.

□ 1800

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from California.

Mr. FAZIO. Mr. Chairman, I appreciate the dilemma the gentleman finds himself in, and in many ways I share some of his concerns.

As I indicated, I am supporting this bill, but the gentleman is in effect indicating that we are victimized by the circumstances that constantly confront us. We have an appropriation rider, a majority vote, not an amendment to the Constitution, that is beyond the reach of the proponents of the bill as it currently reads.

So we use this kind of legislative blackmail, as I have termed it, because it means that all of us who want to proceed with our business and move on to other issues that really belong in the Treasury bill understand that we cannot do anything but eventually succumb, as the gentleman has indicated he is doing in his opposition to the amendment offered by the gentlewoman from California [Mrs. BOXER].

I regret that very much. I feel that we must fight when the opportunity comes to make a case on an issue that, while it has been debated once before, is not well understood on this floor.

This is not the issue of whether we want to amend the Constitution. I share the gentleman's belief that legislators should not be making this decision. I think it should be made by individuals. We should remain silent and allow the woman, her partner, and doctor to choose.

So I certainly understand the dilemma the gentleman faces, and that is why I hope he will cosponsor a bill that the gentleman from New York [Mr. GREEN] and I have introduced that will eliminate these riders on appropriation matters on the abortion issue. I think that would be the way to deal with this issue and deal with it up or down all across the board, affecting all Americans and not targeting in on some defenseless group who is caught in the budget of our Federal Government.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. OBEY] has expired.

(By unanimous consent, Mr. OBEY was allowed to proceed for 2 additional minutes.)

Mr. OBEY. Mr. Chairman, I realize what the gentleman is saying, but I would, frankly, have a piece of advice for both sides of this issue.

I think what is going to happen in this House in the next 10 years is that we will continue eventually to change this language from year to year based on what temporary majority exists in this Chamber in any given year and at any given moment, and I think that that is a terribly disastrous way to deal with people's sensitive human and personal rights.

I really believe that the responsible thing to do is to try to recognize that in a country this multifaceted there ought to be a way to—at least on the edges—compromise differences, even if we do not compromise values. And I deeply believe that we ought to find a way on legislation like this to provide for an exception for rape and incest, to provide for some exemptions on the health end, though not all, because I recognize the concerns that the other side has on this issue, so that we can find some responsible position of equilibrium and so that this issue does not——

Mr. FAZIO. Mr. Chairman, if the gentleman will yield, that would be an appropriate debate on a constitutional amendment affecting all Americans. We are talking now about something that affects only 43 million Americans or perhaps, as in this case, 9.5 million Federal workers, people who are being singled out because they are part of the budget process. That is a different issue than the way in which we might fashion a change that affects all our 240 million citizens.

Mr. OBEY. Mr. Chairman, I recognize that, and I agree with the gentleman that the language in this bill is unjust. My problem is that I do not believe this amendment, even if passed, will do anything to solve that problem for the people the gentleman is trying to help today. I think all it will do is bring down another portion of the budget and complicate our business.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. OBEY. Surely, I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, I really have a little problem with some of the gentleman's arguments.

Mr. OBEY. So do I.

Mrs. SCHROEDER. I understand the argument for expediting things, but I think the gentleman has joined us on many MX debates, and we have found that that has been educational and it has moved.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. OBEY] has again expired.

(On request of Mrs. SCHROEDER, and by unanimous consent, Mr. OBEY was allowed to proceed for 1 additional minute.)

Mrs. SCHROEDER. Mr. Chairman, if the gentleman will yield further, the arguments that the gentleman makes on this we could make on the MX or many other of the causes that the gentleman and I have fought together on. If we hang up our towel and become rubberstamps and only vote for things the President will sign, we may as well leave.

I think that when the gentleman talks about this windsock theory that goes through, it is critical, it is terrible, but we have to fight for the right.

Mr. OBEY. But the difference, I would point out, is that this gentleman does not care if the military authorization bill goes down in a heap, because the only thing that happens out of that, I think, is a reduced level for military appropriations. I do care whether appropriation bills go down in a heap because we wind up running the entire Government on a continuing resolution, and that is fundamentally unhealthy for every person in this country.

Mrs. SCHROEDER. But if the gentleman will yield further, no one is talking about taking it down, and it may be this type of thing that really is needed to agitate people. That is exactly what we are talking about and what the gentleman from California was pointing out. What we are talking about is creating two classes of citizens.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. OBEY] has again expired.

(On request of Mrs. SCHROEDER, and by unanimous consent, Mr. OBEY was allowed to proceed for 30 additional seconds.)

Mrs. SCHROEDER. Mr. Chairman, I think if we go back to John Kennedy's inaugural address, he pointed out that this Government had been incredibly strong and had moved forward, and so forth, because of the honor and the dignity and the way we had treated them, not as public servants but as employees and people who carried these things out. We are stopping that and doing all sorts of things to them.

It is terribly important that we point that out, and hopefully we can educate the President and educate David Stockman, and so forth. And that is only if we win.

So I would hope the gentleman would turn around his position and help us with this because it is educational. It is very similar to every other thing we are doing. No one is talking about taking the bill down, but no one wants to sell out other people's rights.

Mr. OBEY. That assumes that the President is educatable, and I doubt it on this and many other subjects.

Mr. DANNEMEYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the proposed amendment, and I want to thank my colleague, the gentleman from Wisconsin [Mr. OBEY] for his comments. I think he could not have spoken better on the issue of what we should be doing here in the 98th Congress.

Once again we are debating what sometimes on this issue sounds like whether or not Congress is going to permit abortions to take place in the country. For some reason, this debate sounds like that is what we are talking about, and we all know that is not the issue at all. The issue is not whether abortions are going to be permitted in American because we all know they are.

We have had abortion on demand since the decision of Roe against Wade in 1973. Some of us have been attempting to deal with that debate from nine unelected Justices of the U.S. Supreme Court altering basic social policy for America, because we believe if there is to be that change in this pluralistic country—and I admit it is pluralistic—it should come about as a result of actions of the State legislatures, not by nine unelected Justices of the U.S. Supreme Court.

We have had pending in the 98th Congress for over a year legislation that deals with the resolution of this issue. It is bottled up in committee because even though we have a majority of pro-life in the House of Representatives, the majority that controls that committee are proabortion. As a result, they do not permit that statutory language to come to the floor for a vote.

Mr. OBEY. Mr. Chairman, will the gentleman yield on that point?

Mr. DANNEMEYER. I am happy to yield to the gentleman from Wisconsin.

Mr. OBEY. I just have to say that I deeply resent an assertion that people who take the position the gentleman just described are proabortion. There are many people who believe that this is a fundamental right of choice who nonetheless are not proabortion. They recognize, as the gentleman just indicated, that even if a constitutional amendment passes, it will not stop abortions in this country; it will just see to it that they are handled in another way.

Mr. DANNEMEYER. Mr. Chairman, in response to my colleague, I choose to use the language that I have used. To me the people who support abortions I call proabortion. The people who support life I call prolife. That is the nomenclature I use, and the gentleman can use the one he chooses. I respect that.

But I would hope that we would have in this Congress the opportunity of voting on the basic statutory change. But as I was indicating when my colleague, the gentleman from Wisconsin, asked me to yield, the majority of the members of the policy committee do not share that persuasion. They have a proabortion philosophy, so they do not permit the bill to come on the floor so we can debate it.

So what do we do? We debate this issue time and time and time again as an adjunct of an appropriation bill, taking up the time of Members. This is the place to debate, but I raise the question as to whether or not we are properly using our time by again and again plowing the same ground.

I believe we should repeal Roe against Wade by a constitutional amendment and then let the State legislatures of the country representing the people of the States decide whether or not 38 States of the Union vote to establish a policy change by adopting that kind of an amendment.

Mr. OBEY. Mr. Chairman, will the gentleman yield on that point?

Mr. DANNEMEYER. I am happy to yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, let me pose a question to the gentleman.

If the gentleman says he believes that this issue ought to be handled by State legislators, not nine men in Washington, would the gentleman support the proposition that if we truly want to reflect public opinion on a matter this sensitive and this personal, before those State legislators would act, that the public should be allowed to vote up or down on a specific piece of language voicing what they believe their elected representatives ought to do in those State legislatures? Would you think that is legitimate?

□ 1810

Mr. DANNEMEYER. That may be something we can talk about. I have not made up my mind finally on that, but I have respect for the functioning of the State legislatures around this country and I think my initial response to my friend would be that I would be content to let the State legislatures decide how they would reflect the sense of their own constituents at that point.

Mr. OBEY. Would the gentleman be opposed to that, however?

The **CHAIRMAN.** The time of the gentleman from California [Mr. DANNEMEYER] has expired.

(By unanimous consent Mr. DANNEMEYER was allowed to proceed for 3 additional minutes.)

Mr. DANNEMEYER. Could the gentleman repeat his question?

Mr. OBEY. Would the gentleman be opposed to allowing individual citizens to speak their own views by referendums before the legislatures vote?

Mr. DANNEMEYER. On an issue this fundamental, I have no philosophical objection to permitting the citizens of the several States to speak as a direction of their legislatures as to which way they should go on this issue.

Mr. SMITH of New Jersey. Will the gentleman yield?

Mr. DANNEMEYER. I yield to my friend from New Jersey.

Mr. SMITH of New Jersey. I concur with my friend from California that a referendum, and I would like to gladly join in with my friend from Wisconsin, would be one of the best and most educational kinds of efforts we could embark on. And in the two referendums, statewide referendums that were ever held on this issue back in the early 1970's, the overwhelming sentiment was in favor of the prolife position.

So I would say yes, this is something that the people should decide and not the unelected people in the Supreme Court.

Mr. OBEY. Will the gentleman yield further?

Mr. DANNEMEYER. I yield to the gentleman

Mr. OBEY. I would be very interested to see whether if in fact the citizens of three-quarters of the States in this country would, in fact, support something such as the Helms amendment, and I would doubt very much if they would.

Mr. DANNEMEYER. Let me reclaim my time and respond to my friend from Wisconsin with this observation, that I consider myself a prolife advocate and I believe that philosophically. But I respect the fact that this is a pluralistic country and I would yearn for the day when we could hopefully resolve this issue in America by having State legislatures debate the consideration of a proposed constitutional amendment so we can frankly, hopefully, solve this issue for the people and then go on to other issues on our agenda.

Let me conclude my remarks by saying this: People here contend that it is not right that we impose this burden on employees of the Federal Government. We should never lose sight of the fact that we are dealing with Federal tax dollars for any person who works for the Federal Government. And one of the considerations that any employee of the Federal Government must recognize is that we have the responsibility as policymakers for Federal employees in America to attach such conditions that are reasonable and relevant to our time. I think this is a fundamental issue of our time, an issue of dealing with life and death. What is more basic than that? And I do not think it is unreasonable to suggest that a Federal employee working with taxpayers' dollars, that if they choose to have an abortion that they may have to pay some portion of it themselves unless it is under certain limited conditions.

Mr. HOYER. Will the gentleman yield?

Mr. DANNEMEYER. I am happy to yield.

Mr. HOYER. It seems to me that is really the issue of this debate. I agree with the gentleman's observation at the outset that this is not an issue of precluding abortions. This is a limited issue.

I agree with the gentlewoman from Nevada who said we ought not to go through the back door. This is a back door approach because what the gentleman said is the nub of the issue and has been referred to before.

What we are talking about is compensation paid to Federal employees.

The **CHAIRMAN.** The time of the gentleman from California [Mr. DANNEMEYER] has again expired.

(On request of Mr. HOYER and by unanimous consent Mr. DANNEMEYER was allowed to proceed for 2 additional minutes.)

Mr. HOYER. The language specifically says not only can we not pay for the insurance policy, but any of the administrative costs. In other words, any one employee whose salary is paid by the Federal Government who may administer the optional selection of insurance, health insurance by a Federal employee, if it was even that tenuous a relationship, that that employee, even if they paid the entire cost of the insurance themselves, could not purchase such insurance as to them seemed best and proper.

It seems to me that is the limited issue with which this language deals and it attempts to deal through the back door with a much more fundamental question. That is why I say I agree and I understand the argument of the gentlewoman from Nevada.

Mr. SILJANDER. Will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from Michigan.

Mr. SILJANDER. By the way, Michigan has consistently passed referendums opposing abortions. So I just want to stand and urge a referendum nationally.

I support the gentleman from Wisconsin's proposal, but in comment to our other friend, I think the issue has been so skewed and so overriden, any private health plan has a right to limit, to restrict, and to implement certain types of changes if they so desire. So why should not a public policy under the purview of the House plan under public employees, with the purview of the U.S. Congress, since we have the authority over it, why should we not be able as private programs certainly are able to do to restrict what we feel is the proper use of that element of the taxpayers' dollars; not the private citizen aspect, but the public aspect of the public taxpayers' dollars.

We are simply doing our job as Representatives.

Poll after poll indicates the American people as a whole do not support their dollars going to support in any respect abortions. So we are simply doing our jobs by overseeing a public health plan, by restricting it in a certain way we believe reflective of the people we represent.

The CHAIRMAN. The time of the gentleman from California [Mr. DANNEMEYER] has again expired.

(On request of Mr. SILJANDER and by unanimous consent Mr. DANNEMEYER was allowed to proceed for 1 additional minute.)

Mr. HOYER. Will the gentleman yield for me to make a comment?

Mr. DANNEMEYER. Let us yield to our friend from Maryland, Mr. HOYER.

Mr. HOYER. The gentleman from Michigan talks about a public policy. There are in fact over 130 health insurance policies available to Federal employees around the Nation. As the gentleman knows, in this particular area there are over some 15 individual policies provided by private sector insurance companies. They are qualified but they are no different. It is not a public policy. The Federal Government does not have an insurance policy that it offers to its employees for which they pay, which we have created, which we back up with capital.

There is not that kind of involvement that the gentleman seems to imply.

In point of fact, we pay our Federal employees, just as General Motors does, and we give to them an additional benefit as compensation, which is that they have the availability of Federal employee health benefits.

Mr. VOLKMER. Mr. Chairman, I ask unanimous consent that all debate on the Boxer amendment and all amendments thereto end at 6:25.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. VOLKMER. Mr. Chairman, I move to strike the requisite number of words.

I seek recognition to speak in opposition to the amendment. I will not take that long. I just wish to ask the Members to defeat the amendment and to speak in opposition to the amendment.

Mr. WEISS. Mr. Chairman, I strongly favor the amendment offered by my colleague from California, Representative BARBARA BOXER, which would strike the provision prohibiting payment for abortions by Federal employee health benefit plans. That provision was enacted as part of the Treasury-Postal Service appropriation last year for the first time.

Approval of this amendment would restore the right of female Federal employees to secure comprehensive medical care. To deny any workers access to full medical coverage is to take from them their right to decide how to spend their wages. To strip this right only from women is not only another attack on their freedom of reproductive choice but also an act of blatant sexual discrimination.

Health insurance plans are, in fact, benefits that have been earned by Federal employees. As an employer, the Federal Government contributes to these plans. Federal employees, however, have earned that contribution as compensation for their services.

Private sector employees bargain collectively for their own benefits and medical services, and I believe Federal workers should be accorded the same right. This measure undermines the right of labor organizations representing Federal employees to offer health plans to their members without governmental interference.

The amendment before us recognizes that by barring all abortions except those necessary to save the life of the women involved, the bill would prevent abortions that may be necessary to protect a woman's health. This unequivocal prohibition ignores the complexity of medical decisions that are made every day between doctor and patient for all kinds of medical care. Abortion is one part of that equation, and must remain so.

In the last few years we have seen repeated attempts in this Chamber to establish as Federal law the beliefs of a few highly organized interests in an area of private, moral concern. Is it not time we stopped imposing the will of a vocal minority on the personal decisions of women?

I strongly urge my colleagues to support this fair and just amendment.

● Mr. AuCOIN. Mr. Chairman, I rise in strong support of the amendment offered by Representative BOXER to strike the language in the Treasury/Postal appropriations bill prohibiting Federal employees from using the Federal Employee Health Benefit Program for abortion coverage.

I'm frankly frustrated that, again today, we're forced to fight off an attempt to restrict a woman's fundamental right to freedom of choice—a right guaranteed under the Constitution of the United States.

Let's be clear about this. We're not voting on Federal funding of abortions. Federal employee health benefits are not a handout, they are part of the overall compensation package bargained for and earned by the millions of men and women who work for the Federal Government.

The issue today is not whether abortion is morally right or wrong—the issue is whether this Congress will insure Federal employees the same freedoms and protections afforded all other citizens in the United States.

The language in this bill says that women who serve the Federal Government do not have the same legal rights as other women in the United States, and will not be allowed to use health benefits which they pay for to cover abortion.

The language in this bill, which makes an exception only where the life of the mother is in danger, says that women who work for the Federal Government have no protection against a rape that may result in an unwanted pregnancy.

The language in this bill says that Federal employees, fully one-third of whom earn less than $15,000 a year, will have to face emotional and financial hardships not faced by other women should they choose to have an abortion. This bill poses a direct health risk to these women who will be forced to delay having an abortion due to lack of funds. For each week past the eighth week of pregnancy an abortion is performed, the risk of complications increases approximately 20 percent and the risk of death increases approximately 40 percent.

This is an issue that concerns fundamental rights of privacy and freedom of choice.

I urge my colleagues to vote for the amendment.●

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from California [Mrs. BOXER].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mrs. BOXER. Mr. Chairman, I demand a recorded vote, and pending that I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently, a quorum is not present. Pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 274]

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
AuCoin
Badham
Barnard
Barnes
Bartlett
Bateman
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Bethune
Bevill
Biaggi
Bilirakis
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bryant
Burton (CA)
Burton (IN)
Byron
Campbell
Carney
Carper
Carr
Chandler
Chappell
Chappie
Cheney
Clarke
Clay
Clinger
Coats
Coleman (MO)
Coleman (TX)
Collins
Conable
Conte
Conyers
Cooper
Corcoran
Coughlin
Courter
Coyne
Craig
Crane, Daniel
Crane, Philip
Crockett
D'Amours
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dyson
Early
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fazio
Feighan
Ferraro
Fiedler
Fields
Flippo
Florio
Foglietta
Ford (TN)
Fowler
Frank
Frenzel
Fuqua
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gore
Gradison
Green
Gregg
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (UT)
Harkin
Harrison
Hartnett
Hatcher
Hayes
Hefner
Hertel
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kogovsek
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Markey
Marlenee
Marriott
Martin (IL)
Martin (NY)
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McNulty
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Ortiz
Ottinger
Oxley
Packard
Panetta
Parris
Pashayan
Patman
Patterson
Paul
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Rahall
Rangel
Ratchford
Ray
Regula
Reid
Richardson
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Rudd
Russo
Sabo
Savage
Sawyer
Schaefer
Schneider
Schroeder
Schulze
Schumer
Seiberling
Shannon
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spratt
St Germain
Staggers
Stangeland
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vander Jagt
Vandergriff
Vento
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

☐ 1830

The CHAIRMAN. 404 Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentlewoman from California [Mrs. BOXER] for a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. The Chair will remind the Members that this is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 156, noes 261, not voting 16, as follows:

[Roll No. 275]

AYES—156

Ackerman
Addabbo
Akaka
Anderson
Andrews (TX)
Anthony
AuCoin
Barnes
Bates
Beilenson
Berman
Biaggi
Boehlert
Bosco
Boucher
Boxer
Britt
Brooks
Brown (CA)
Brown (CO)
Bryant
Burton (CA)
Carper
Carr
Chandler
Clay
Coelho
Coleman (TX)
Collins
Conable
Conyers
Cooper
Crockett
Darden
Daschle
Dellums
Derrick
Dicks
Dingell
Dixon
Downey
Eckart
Edgar
Edwards (CA)
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Fiedler
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gejdenson
Gekas
Gilman
Gonzalez
Green
Hall (IN)
Hance
Hatcher
Hayes
Horton
Howard
Hoyer
Hughes
Jacobs
Jeffords
Johnson
Kastenmeier
Kennelly
Kogovsek
Kostmayer
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin
Levine
Levitas
Lowry (WA)
Lundine
MacKay
Markey
Martin (IL)
Matsui
McCurdy
McKernan
McKinney
McNulty
Mikulski
Miller (CA)
Mineta
Mitchell
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Neal
Ottinger
Panetta
Patterson
Pease
Pepper
Pickle
Pritchard
Pursell
Rangel
Ratchford
Rose
Roukema
Rowland
Roybal
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shannon
Sisisky
Smith (FL)
Snowe
Solarz
Spratt
Stark
Stokes
Studds
Swift
Synar
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Udall
Vandergriff
Vento
Walgren
Waxman
Weaver
Weiss
Wheat
Williams (MT)
Wilson
Wirth
Wise
Wolpe
Wyden
Yates
Zschau

NOES—261

Albosta
Alexander
Andrews (NC)
Annunzio
Applegate
Archer
Aspin
Badham
Barnard
Bartlett
Bateman
Bedell
Bennett
Bereuter
Bethune
Bevill
Bilirakis
Boggs
Boland
Boner
Bonior
Bonker
Borski
Breaux
Broomfield
Broyhill
Burton (IN)
Byron
Campbell
Carney
Chappell
Chappie
Cheney
Clarke
Clinger
Coats
Coleman (MO)
Conte
Corcoran
Coughlin
Courter
Coyne
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel
Dannemeyer
Daub
Davis
de la Garza
DeWine
Dickinson
Donnelly
Dorgan
Dowdy
Dreier
Duncan
Durbin
Dwyer
Dyson
Early
Edwards (AL)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Fields
Flippo
Florio
Fowler
Fuqua
Gaydos
Gephardt
Gibbons
Gingrich
Glickman
Goodling
Gore
Gradison
Gregg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hansen (UT)
Harkin
Harrison
Hartnett
Hefner
Heftel
Hertel
Hightower
Hiler
Hillis
Holt
Hopkins
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kazen
Kemp
Kildee
Kindness
Kleczka
Kolter
Kramer
LaFalce
Lagomarsino
Latta
Leach
Leath
Lent
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lujan
Luken
Lungren
Mack
Madigan
Marlenee
Marriott
Martin (NC)
Martin (NY)
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McDade
McEwen
McGrath
McHugh
Mica
Michel
Miller (OH)
Minish
Moakley
Molinari
Mollohan
Montgomery
Moore
Moorhead
Murphy
Murtha
Myers
Natcher
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Ortiz
Oxley
Packard
Parris
Pashayan
Patman
Paul
Penny
Perkins
Petri
Porter
Price
Quillen
Rahall
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter

Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rostenkowski
Roth
Rudd
Russo
Sawyer
Schaefer
Schulze
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Skeen
Skelton
Slattery
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snyder
Solomon
St Germain
Staggers
Stangeland
Stenholm
Stratton
Stump
Sundquist
Tallon
Tauke
Tauzin
Taylor
Traxler
Valentine
Vander Jagt
Volkmer
Vucanovich
Walker
Watkins
Weber
Whitehurst
Whitley
Whittaker
Whitten
Williams (OH)
Winn
Wolf
Wortley
Wright
Wylie
Yatron
Young (AK)
Young (FL)
Young (MO)

NOT VOTING—16

Bliley
Dymally
Erlenborn
Fish
Franklin
Garcia
Gramm
Gray
Hansen (ID)
Hawkins
Martinez
Olin
Owens
Sensenbrenner
Simon
Spence

The Clerk announced the following pair:

On this vote:

Mr. Dymally for, with Mr. Bliley against.

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 619. The provisions of section 618 shall not apply where the life of the mother would be endangered if the fetus were carried to term.

Mr. FRENZEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, when the Committee was meeting last week, I made a point of order against the section which funded the Customs Service. That section was striken from the bill when the point of order was sustained.

I said at the time that my objection to the bill was not necessarily the amount of money, although I had some modest objection to the sum. My real objection was to the fact that there were a number of instances of legislating within an appropriations bill. The Appropriations Committee was in effect reducing the jurisdiction of the authorizing committee.

Now, the fact that the committee wanted to appropriate was a good thing, because the authorization has not been passed. The Appropriations Committee was merely doing its duty.

When we complete the reading of the bill, I intend to move a new title, title VII, which will reinstate the amount of money which the committee appropriated to the Customs Service. My amendment also contains two of the provisions that the committee inserted, one relating to overtime, one relating to sureties. It also adds some language which is in the authorizing bill which passed this House relating to a restriction on Operation Exodus and giving the Director of the Customs Service the ability to waive section 617 of this bill for efficient and effective operation of the Service.

That amendment when it is raised will be subject to a point of order. I am told that there may be some Members who will choose to make such point. If so, the committee would have to go to conference without a customs number and do the best it can against the Senate version.

I raise this amendment only to indicate that my objection was not to the committee's appropriation but to the fact that it placed comprehensive authorization language within an appropriation bill.

☐ 1850

AMENDMENT OFFERED BY MRS. SCHROEDER

Mrs. SCHROEDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. SCHROEDER: On page 51, in line 6, delete "life" and insert in lieu thereof "health".

POINT OF ORDER

Mr. SMITH of New Jersey. Mr. Chairman, I raise a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. SMITH of New Jersey. Mr. Chairman, this is legislating on an appropriations bill, in violation of rule XXI, clause 2, and I ask that it be ruled in such a way by the Chair.

The CHAIRMAN. Does the gentlewoman from Colorado or the gentleman from California desire to be heard on the point of order?

Mrs. SCHROEDER. Mr. Chairman, I do wish to be heard on the point of order.

The CHAIRMAN. The Chair recognizes the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, clause 2(b) of rule XXI states, "No provision changing existing law shall be reported in any general appropriation bill. . . ." Out of this language comes the general restriction prohibiting the consideration of legislation as part of an appropriation bill. One way the Chair decides whether a limitation constitutes legislation is to determine whether the provision adds new affirmative directions for administrative officers.

Clearly, section 619 of H.R. 5798 would have been subject to a valid point of order, had any Member sought to raise one. The "life of the mother" exception to a limitation on funding for abortions on an appropriations measure has on numerous occasions been ruled out of order. This happened last year on this very legislation.

But no Member raised that point of order on section 619. My amendment seeks to amend section 619 by enlarging the exception to apply to the "health of the mother," rather than to the "life of the mother." The appropriate test is not whether section 619, as amended, would be subject to a point of order but, rather, the test is whether my amendment adds new or different affirmative directions to an administrative officer. The question is whether my amendment would change the nature of the legislation already on this bill.

To answer that question, we must refer to section 618 of the bill, which prohibits the use of funds appropriated by the bill to pay for an abortion or for administrative expenses in connection with any health plan under the Federal Employees Health Benefit Program [FEHBP] which provides benefits or coverages for abortions. Clearly, the first part of this section is a nullity, because there is no authorization to use one penny appropriated by the bill to pay directly for an abortion. The operative language is the second part.

The administrative burden imposed by section 619 is that the Director of the Office of Personnel Management is required to review contracts with health care providers to ensure that they provide no reimbursement for abortions, unless the life of the mother is at stake. Examining those same contracts to ensure that they provide no reimbursement for abortions unless the health of the mother is at stake is precisely the same administrative burden. Each involves reviewing 130 contracts to see whether certain language appears in them. There is no different administrative burden.

Arguably, section 619 creates another administrative burden which requires the Director of the Office of Personnel Managment to monitor the implementation of health benefit plans to ensure compliance with the restriction. In this role, section 619 asks the Director of the Office of Personnel Managment to second guess doctors and insurance carriers to decide whether the life of the mother would truly have been endangered if the fetus had been carried to term. Undoubtedly, this is an affirmative obligation which is nowhere authorized in law and which the Director of the Office of Personnel Management is uniquely unqualified to perform.

My amendment reduces this administrative obligation. If the Director of the Office of Personnel Management were obliged to ensure compliance with section 619, as amended, he would merely have to determine whether the health of the mother would have been endangered if the fetus were carried to term. This is a much smaller burden.

The life of the mother is a narrow subset of the health of the mother. Medical personnel can say with far greater assurance that the health of a patient might be impaired than that the life of the patient might be lost. To make a determination that the life of the mother would be endangered if the fetus were carried to term, one must make a prior determination that the health of the mother was also endangered. Hence, section 619, as amended by my amendment, would impose a part of the administrative burden imposed by section 619, as reported, but a substantially reduced part. If the policy of the rules of the House is to make it impossible to impose new administrative burdens through the appropriations process, my amendment to section 619 helps achieve that policy.

Furthermore, the insurers and providers who enter into these contracts for medical care when there is a medical necessity, they will no more fund a frivolous abortion as they will fund a frivolous heart bypass operations. Medical necessity is a key factor for insurers and providers to hold down their own costs. The medical necessity of the procedure is a determination already made by the insurer. Hence, my amendment to section 619 merely maintains the burden on the insurer which currently exists, rather than increasing the burden as section 619, as reported, does.

I, therefore, urge that the point of order be overruled.

The CHAIRMAN. Does the gentleman from New Jersey [Mr. SMITH] desire to be heard further on his point of order?

Mr. SMITH of New Jersey. If I may be heard further, I will be very brief.

Mr. Chairman, on at least two occasions last year a point of order was made against the life of the mother exception, on the Hyde amendment as well as an amendment that I had offered to the Treasury-Postal appropriations bill.

On both occasions, that objection was held and sustained by the Chair and it was ruled that it was legislating on an appropriation bill. Clearly, section 619 is vulnerable. Hopefully, nobody in this Chamber will object to its inclusion. It is the life of the mother exception, but adding this addition by providing for this health exception, we are clearly legislating on an appropriations bill, and I do not think the Chair, given its earlier precedents, can rule any other way.

The CHAIRMAN [Mr. BEILENSON]. The Chair is prepared to rule.

Under the precedents, a legislative provision permitted to remain in a general appropriations bill may be perfected by amendment so long as the amendment does not add further legislation. The Chair would refer to Mr. Deschler, chapter XXVI, section 2.3.

In the opinion of the Chair, the determinations required by section 619 of this bill, the present bill, as to whether the life of the mother is in danger necessarily subsume determinations as to whether the health of the mother is in danger and, for that reason, the amendment adds no different or more onerous requirements for medical determination to those already required and contained in section 619.

The Chair, therefore, would overrule the gentleman's point of order.

The Chair recognizes the gentlewoman for 5 minutes in support of her amendment.

Mrs. SCHROEDER. Mr. Chairman, I would hope that this amendment could be adopted because I think at that point it takes out the discrimination against a specific class of people, and that is women, women who are working for the Federal Government, and they are being treated very differently if this does not happen.

What we are looking at is, if we look at the history of it, insurance carriers and health providers negotiate contracts with the Office of Personnel Management to participate in the health care program and those contracts always say what is covered and what is not covered.

The problem that we have at this point is section 619, which says that abortions are not covered, and section 619 says, "Well, for the life of the mother they are covered."

As the language of the bill now stands, an insurance carrier or health care provider has to really try and figure out whether the life of the mother would be endangered if carried to term, and it is a very difficult burden to place on a health care provider.

My amendment makes the judgment the same as it is in any other issue, and that is the health of the patient, and whether the health of the patient is in danger. I point that out over and over and over again to make it very clear. Nobody is talking about abortion on demand. They are talking about only allowing these things when the health of the patient is in danger. That is why any other thing is allowed under health care provisions. You only do bypasses if the person needs it, not because they think they would like it. You only do any other kind of surgery because they need it and their health requires it.

This treats a class of recipients of these benefits, that is, women, in the same manner that every other class of recipients of health care benefits is treated, by putting "health" in as the qualifier, rather than putting in the most extreme, which is "life."

I think that is only fair because, again, I continue to point out to this body it is very difficult. This is really one of the most difficult decisions anybody has to make because it is a balancing act between two lives and two sets of health conditions, and on and on. It is the type of thing that is very hard to draw a bright line on, black and white, right and wrong. It is the type of thing which the Supreme Court and everyone else has held to be within the personal purview of someone's own home, their doctor, their religion, and their own problems.

Clearly, the health modifier makes it very important. I would hope that the Members of this body would accept this amendment an treat everybody the same. If you negotiate for a health policy, it should indeed be that. If we do not do that, then we are saying that women are negotiating for a life policy and the men are getting a health policy. That, I do not think, will hold up in a court and I just think that this is what is fair and this is where we should be moving.

□ 1900

Mr. HYDE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment does not, in my hopeful expectation, need an awful lot of debate. I think it is very clearcut.

The gentlewoman from Colorado has taken the qualifier, "except to save the life of the mother" or "except if the life of the mother would be endangered if the fetus were carried to term," as the sole exception to permitting abortion, and she has changed that to "the health of the mother."

So it is very simple. Do we trade an unborn life for a judgment by the doctor that the health of the mother is going to be affected, or do we leave the tradeoff where it is today, a life for a life? That is the tradeoff, an equal claim to life.

But the gentlewoman wishes to downgrade the tradeoff to "the health of the mother." Will she have migraine headaches? Will she get tired? Will she be debilitated? Will her circulation be affected? Will she be depressed? Does she have morning sickness?

Any of these conditions, which can go from "aardvark" to "zebra," affect her health, and that is the gentlelady from Colorado's tradeoff. We exterminate the unborn child because the claim is that the health of the mother is affected.

That is no tradeoff, Mr. Chairman. That is hardly a life for a life. So make no mistake about what you are being asked to do.

Now, when we make the health of the mother the exception, think about that. Why, there have been laws in California, as I recall, where two doctors had to certify, and it was serious health damage, but we here do not bother with that. It is just the health of the mother.

Mr. Chairman, I suggest to the Members if we want to open the barn door for abortion on demand, then we should vote for this amendment. But if we want to uphold the policy of this body and this Congress which has been the law since 1976, we will say, "if you want an abortion, you may have one if the life of the mother will be endangered." The tradeoff should be equal, a life for a life, not a life for a headache, not a life for morning sickness, because that is not much of a trade.

Now, if you believe the preborn is not a human life, if you prefer to protect endangered species and "save the whale" and baby harp seals and snail darters to an unborn child, then you are intellectually honest and you should support the gentlewoman's amendment.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. Surely, but in a moment.

But if human life is precious to you at every stage of development, if you are impressed by the medical facts that the preborn feels pain and feels cold, heat, sound, and light, if it concerns you that we have 1.5 million abortions, with its waste of human life if that bothers you, then you will resist the gentlewoman's amendment and you will support the policy of this House since 1976. A life for a life, and not a half an inch less, that ought to be the policy of this House.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to my friend, the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, I thank the gentleman for yielding.

I want to point out that I was not clear enough when I was talking about my amendment, and I want to assure the gentleman that there are more qualifiers in that section about health than I was talking about or the gentleman understands. What we are saying is where the health of the mother would be endangered if the fetus were carried to term. Endangering the health is something much more critical than a headache. I think there are all sorts of medical standards on that.

Mr. HYDE. Excuse me, but I have heard of endangering life, but endangering health? How do you endanger health? You affect it or you impair it. Is that how you endanger it? You either have it or you do not.

Mrs. SCHROEDER. Mr. Chairman, I think that the gentleman knows that the medical profession understands those terms. Those are words of art, endangering health. There are many women for whom a pregnancy is terribly dangerous, diabetics and all sorts of people who have certain symptoms of their health being endangered.

Mr. HYDE. Mr. Chairman, I reclaim my time, and I thank the gentlewoman for illustrating that she would authorize abortions for any ailment whatsoever as long as it endangers one's health.

That is a judgment call by the abortionist, and I, frankly, would not want to put my life in the hands of an abortionist to make that call. But I think we understand each other. I want life as the only exception, she wants health, and I hope that we reject this amendment.

Mr. SMITH of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Chairman, first of all, I want to commend the gentleman from Illinois for his very eloquent statement and his very clear definition of what we are talking about. The word, "health," used by the Supreme Court in their 1973 decision was so broadly construed to as to mean just about anything—even a headache, as the gentleman pointed out.

Mr. HYDE. Financial condition, distress.

Mr. SMITH of New Jersey. Financial condition, age, just about anything.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. Hyde] has expired.

The question is on the amendment offered by the gentlewoman from Colorado [Mrs. Schroeder].

The question was taken, and on a division (demanded by Mrs. Schroeder) there were—ayes 20, noes 28.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. RATCHFORD

Mr. RATCHFORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Ratchford: On page 51, after line 7, add the following new section.

"Sec. 620. Each dollar amount contained in this Act is hereby reduced by one per centum."

Mr. RATCHFORD. Mr. Chairman, anyone who has been on this floor over the past several weeks has to be sensitive to the concern of Members about a need to do something about the deficit. We have seen time after time after time a desire to tighten up, a desire to offer something that is better run, and a desire to present something that is more streamlined.

The committee, frankly, has attempted to do something about it. But what we have experienced—and I can relate this as a member of the Committee on Appropriations—is that there is always one more amendment that one Member has that obviously ought to be considered on the merits, and is an amendment that deserves support. But when we add up all those amendments, one amendment here, one amendment there, we end up with a bill which is higher in spending amount than was the original intent of the committee.

Recognizing that and knowing how very, very hard this subcommittee has worked, we have come in with an amendment that would provide a 1-percent, across-the-board cut. It is sensitive, therefore, to the concern of the Members who are desirous of showing restraint, who are showing again a sensitivity to the need to bring down the deficit.

But we are also trying to be sensitive to the work that has been done by the subcommittee, work in very critical areas: Treasury Department, Postal Service, Office of the President, for example, Federal Elections Commission, General Services Administration, Office of Personnel Management, and U.S. Tax Court.

Mr. Chairman, we think this amendment, a 1-percent amendment across the board, is sensitive both to the need for fiscal restraint and also the job done by the subcommittee. That being the case, the amendment is offered, and I urge the support of the Members in adopting this amendment.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. RATCHFORD. I am happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding.

I want to congratulate the gentleman on his amendment. I think it does achieve a good purpose of cutting across the board.

I just want to make certain on the gentleman's language that it does in fact include all items in the bill. Is that correct, that virtually everything in this bill would be covered by the 1-percent cut?

Mr. RATCHFORD. Mr. Chairman, the gentleman is correct.

Mr. WALKER. Mr. Chairman, I thank the gentleman very much, and I congratulate him on his amendment.

□ 1910

AMENDMENT OFFERED BY MR. MILLER OF OHIO TO THE AMENDMENT OFFERED BY MR. RATCHFORD

Mr. MILLER of Ohio. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. Miller of Ohio to the amendment offered by Mr. Ratchford: At the end of the amendment add the following:

This section shall not apply to the amounts on page 12 line 16, page 13 line 6, and page 15 line 5.

Mr. MILLER of Ohio. Mr. Chairman, as my colleagues know, I am a strong supporter of percentage cuts and have offered them on the House floor more often than any other Member. One of the points that I have always made in support of the percentage cuts is that they apply evenly across the board and no single activity or account is hurt unduly.

The amendment I am offering now seeks to apply that same evenhandedness to the accounts in this bill.

Three offices within the Executive Office of the President have already been cut between 5 and 9 percent, considerably more than the percentage cut that is being offered. They have already taken more than their share of reductions in this bill. Specifically, the White House office was cut 5 percent. The Office of Management and Budget was cut 5.3 percent and the Office of Administration within the Executive Office of the President was cut 9.4 percent.

The cuts these agencies have already experienced are going to have a serious adverse impact on their operations. It is only fair and equitable that they now be exempt from a further across-the-board cut.

Mr. ROYBAL. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. I yield to the gentleman.

Mr. ROYBAL. Mr. Chairman, I would like to inform the gentleman that I wholeheartedly agree with the intent of his amendment and do in fact support it. I thank him for bringing this amendment to the floor.

Mr. MILLER of Ohio. Mr. Chairman, I thank the gentleman.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. I yield to the gentleman.

Mr. OBEY. Mr. Chairman, I am trying to understand fully the effect of the gentleman's amendment. Does the gentleman's amendment do anything besides exempt the offices the gentleman has indicated from an additional 1-percent cut in addition to the cuts that were offered on the floor yesterday? Is that what it does, or does it in fact restore the cuts made the other day?

Mr. MILLER of Ohio. It does not restore the cuts made the other day. It only exempts those three items that were already cut from the 1 percent.

Mr. OBEY. From the additional 1-percent cut?

Mr. MILLER of Ohio. That is correct.

Mr. OBEY. Then I would have no objection to the gentleman's amendment.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. I yield to the gentleman from Washington.

Mr. DICKS. Is this line item by line item, account by account?

Mr. MILLER of Ohio. As I understand the amendment offered by the gentleman from Connecticut, it is across the board. In the case of my amendment it is line item because it exempts the three separate offices. My amendment says they shall not be reduced further.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. Miller] to the amendment offered by the gentleman from Connecticut [Mr. Ratchford].

The amendment to the amendment was agreed to.

AMENDMENT OFFERED BY MR. HOYER TO THE AMENDMENT OFFERED BY MR. RATCHFORD AS AMENDED

Mr. HOYER. Mr. Chairman, I offer an amendment to the amendment, as amended.

The Clerk read as follows:

Amendment offered by Mr. Hoyer to the amendment offered by Mr. Ratchford, as amended: On page 51, after line 7, add the following new section.

"Sec. 620. Except as otherwise provided in this section, each dollar amount contained in this Act is hereby reduced by one per centum. This section shall not apply to amounts on: page 31, line 16, Government Payment for Annuitants, Employees Health Benefits; and on page 31, line 23, Payment to Civil Service Retirement and Disability Fund."

Mr. HOYER (during the reading). Mr. Chairman, I ask unanimous consent to dispense with the further reading of the amendment, and that it be printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

Mr. FRENZEL. Reserving the right to object, Mr. Chairman, would the gentleman explain the amendment?

Mr. HOYER. Mr. Chairman, the gentleman from Ohio has now added two sections. I seek to add two additional sections which will be exempted from the 1-percent cut across the board, and I will explain it.

At page 31, line 23, the Government payment for annuities, would be exempted. That is the provision that is included by law for the payment to the civil service retirement and disability fund.

The next item that I seek to exempt from the across-the-board cut is the Government's contribution to employee health benefits.

Mr. FRENZEL. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland to dispense with the further reading of the amendment?

There was no objection.

The CHAIRMAN. The gentleman from Maryland [Mr. Hoyer] is recognized for 5 minutes.

Mr. HOYER. Mr. Chairman, I am not objecting to the amendment that has been offered, with the exception of those items which are included for the purposes of meeting our obligations to those retirees to meet the Federal Government's contribution under law. Hopefully, nobody else will have any objection. Obviously, we will include this sum in any event in conference or someplace. We are going to have to do that.

The second item, Dr. Devine in testimony indicated that the sum with respect to health benefits was that sum necessary to maintain health benefits at present levels; no increase, just at present levels.

I would suggest to the House that we do not want to inadvertently while cutting discretionary funds across the board also reduce those expenditures to maintain both our obligations to the retirees and the annuitant funds and also to maintain health benefits at present levels.

I do not think it is the intention of the gentleman from Connecticut [Mr. Ratchford] in offering the amendment nor do I think it is the intention of this House to reduce those two items, while at the same time reducing all discretionary funds across the board.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I think the gentleman has made a good contribution here. I think it would be a very serious mistake, particularly with the unfunded liability we already have, to cut the payments even further.

I strongly support this amendment. I am sure that the people representing Government employees around the country should support it as well.

Mr. HOYER. Mr. Chairman, I thank the gentleman for his comments.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would say that what we now are doing is whittling away rather substantially at the amendment originally offered by the gentleman from Connecticut [Mr. Ratchford]. If in fact we adopt this particular amendment, what we will have done is cut in half the amount of savings originally contemplated under the amendment of the gentleman from Connecticut [Mr. Ratchford]. His amendment would result in savings of about $120 million at a 1 percent across-the-board figure. With the changes contemplated by the gentleman from Maryland, you go to major sections of the bill, which will reduce the savings down to about $64 million; so this is not just a minor item. This is a very major item that you are now considering, because in fact it takes a 1-percent amendment and makes it a one-half of 1 percent amendment.

So I think it is extremely important that we understand that if we adopt this particular amendment, we are substantially changing the language originally offered in the 1 percent and reducing it by almost half.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I would be glad to yield to the gentleman from Maryland.

Mr. HOYER. I agree with the gentleman's point. Clearly this is a significant sum of money that we are talking about and the gentleman is correct in his observation.

The gentleman also knows, as was properly raised by the gentleman from Washington, that we now have a substantial unfunded liability which concerns us all. All we are going to do is either compound that unfunded liability or, in conference, or some other place before this bill becomes law, if it does, we are going to fully fund these items at the levels that the Office of Personnel Management has determined are appropriate.

I understand the gentleman's point, but is it not a fact that this was included by OPM for the purpose of meeting their legal obligations?

Mr. WALKER. I would say to the gentleman he is absolutely right. I think what we do with the 1 percent cut across the board amendments is that we establish aggregate figures in which we are working.

I would agree with the gentleman that probably in conference they are going to come back to the figures as represented in this bill, but what we will have done is set the level at which this House believes that the aggregate figure should be spent and we will therefore probably find other cuts in discretionary programs to make up this figure; so I think it is extremely important to have as a vehicle an amendment which cuts truly 1 percent of the entire bill and does not begin to nickel and dime out, or in the case of the gentleman, far more than nickel and dime out of the bill. We are now talking about real money and cut in half what I think was a very meritorious amendment at the beginning.

Mr. RATCHFORD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as reluctant as I am to do it, I rise to oppose the amendment to the amendment offered by the gentleman from Maryland.

□ 1920

I think the very real problem is that if we begin, to use the words of another gentleman on this floor, to whittle away, we are going to end up with an amendment which is not meaningful.

I can understand the concern of those who spoke. I am very sensitive to the needs of those who work in the public sector. But I would suggest that when we are talking 1 percent that there is enough in this bill, when it comes time for conference, to take care of those issues that have been raised both by the gentleman from Maryland [Mr. HOYER] and by the gentleman from Washington [Mr. DICKS].

It is my concern that if we cut below 1 percent that the intent of this amendment, which is something that has been worked on for a long period of time, recognizing as I said earlier the desires of the Members to show restraint, but also the work done by the committee, that we will have undone a balance that we have attempted to achieve and therefore, again, reluctantly I must oppose the amendment to the amendment offered by the gentleman from Maryland [Mr. HOYER].

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. HOYER] to the amendment offered by the gentleman from Connecticut [Mr. RATCHFORD], as amended.

The amendment to the amendment, as amended, was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut [Mr. RATCHFORD], as amended.

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. RATCHFORD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 345, noes 66, not voting 22, as follows:

[Roll No. 276]

AYES—345

Albosta
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Aspin
AuCoin
Badham
Barnard
Barnes
Bartlett
Bateman
Bates
Bedell
Beilenson
Bennett
Bereuter
Bethune
Bevill
Biaggi
Bilirakis
Boehlert
Boner
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bryant
Burton (CA)
Burton (IN)
Byron
Campbell
Carney
Carper
Carr
Chandler
Chappell
Chappie
Cheney
Clarke
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Conable
Cooper
Corcoran
Coughlin
Courter
Craig
Crane, Daniel
Crane, Philip
Crockett
D'Amours
Daniel
Dannemeyer
Darden
Daschle
Davis
de la Garza
Dellums
Derrick
DeWine
Dickinson
Dicks
Dowdy
Dreier
Duncan
Durbin
Dwyer
Dyson
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Feighan
Fiedler
Fields
Flippo
Foglietta
Foley
Ford (TN)
Fowler
Frank
Frenzel
Frost
Fuqua
Gaydos
Gekas
Gephardt
Gibbons
Gingrich
Glickman
Goodling
Gore
Gradison
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (UT)
Harkin
Hartnett
Hatcher
Hefner
Heftel
Hertel
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kasich
Kazen
Kemp
Kindness
Kleczka
Kogovsek
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lehman (CA)
Lehman (FL)
Lent
Levin
Levine
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Long (LA)
Long (MD)
Lott
Lujan
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Markey
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCollum
McCurdy
McDade
McEwen
McGrath
McKernan
McKinney
McNulty
Mica
Michel
Miller (OH)
Mineta
Minish
Mollohan
Montgomery
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Olin
Ortiz
Oxley
Packard
Panetta
Pashayan
Patman
Patterson
Paul
Pease
Penny
Perkins
Petri
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Rahall
Ratchford
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Rudd
Sawyer
Schaefer
Schneider
Schroeder
Schulze
Seiberling
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Skeen
Skelton
Slattery
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
Spratt
St Germain
Staggers
Stark
Stenholm
Stratton
Studds
Stump
Sundquist
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Towns
Traxler
Valentine
Vander Jagt
Vandergriff
Vento
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Wilson
Winn
Wirth
Wise
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NOES—66

Ackerman
Addabbo
Akaka
Alexander
Anderson
Berman
Boggs
Boland
Clay
Collins
Conte
Conyers
Coyne
Daub
Dingell
Dixon
Donnelly
Downey
Early
Fascell
Fazio
Ferraro
Florio
Ford (MI)
Garcia
Gejdenson
Gilman
Gonzalez
Hall (IN)
Harrison
Hayes
Hoyer
Kastenmeier
Kennelly
Kildee
Leland
Lowry (WA)
McHugh
Miller (CA)
Mitchell
Moakley
Moody
Oakar
Oberstar
Obey
Ottinger
Owens
Parris
Pepper
Rangel
Roe
Russo
Sabo
Savage
Scheuer
Schumer
Shannon
Sisisky
Smith (FL)
Smith (IA)
Solarz
Stokes
Torricelli
Weiss
Wheat
Wolf

NOT VOTING—22

Bliley
Bonior
Dorgan
Dymally
Erlenborn
Fish
Franklin
Gramm
Gray
Hansen (ID)
Hawkins
Kaptur
Lowery (CA)
McCloskey
Mikulski
Molinari
Murtha
Sensenbrenner
Simon
Stangeland
Udall
Williams (OH)

□ 1930

Mr. MOAKLEY, Mrs. COLLINS, and Messrs. HAYES, ALEXANDER, FLORIO, MOODY, SAVAGE, GARCIA, LELAND, LOWRY of Washington, KASTENMEIER, SISISKY, BERMAN, MILLER of California, and RUSSO changed their vote from "aye" to "no."

Mr. DWYER of New Jersey changed his vote from "no" to "aye."

□ 1940

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

Mr. BIAGGI. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I intended to offer an amendment that would prohibit the Office of Management and Budget from making any further revisions in the infamous A-122 circular that would restrict recipients of Federal funds from lobbying.

Mr. Chairman, we are all familiar with the attempts by the Office of Management and Budget over the past 2 years to place restrictions on recipients of Federal funds. In January of last year, OMB first published regulations that would amend this circular that would have had the net effect of stifling communications between local, nonprofit organizations and the Federal Government. As a result of the outcry from a host of organizations—from the Girl Scouts to the Chamber of Commerce—the original proposal was withdrawn and a new set of rules published in November 1983. In my opinion, those rules were essentially no different than the original proposals for their intent was the same—to keep Federal dollars out of the hands of those who do not share the views of this current administration.

I joined with the distinguished chairman of this committee—who is also the chairman of the House Select Committee on Aging—in sending a letter of comment to OMB to protest those November revisions.

As chairman of the House Select Committee on Aging's Subcommittee on Human Services, I have strongly opposed any A-122 revisions because I feel that such restrictions would have a significant—and negative impact upon our Nation's so-called aging network—State and area agencies around the country that receive funds under the Older Americans Act. Under the act, the network is charged with the responsibility to advocate on behalf of the elderly. This advocacy includes reporting to Congress—including my own committee which has jurisdiction over this legislation—on the impact of proposals which affect the elderly. It is clear that the intent of these regulations is to broaden the definition of "lobbying" to prohibit advocacy activities specifically authorized under sections 305 and 306 of the Older Americans Act. These sections provide that subgrantees will serve as community focal points for the elderly by monitoring, evaluating, and commenting upon all programs and policies which affect the elderly. Regulations, while they possess the force of law, cannot supersede the statute in this—or any other instance.

Mr. Chairman, the strength of the Older Americans Act over its 19-year history has been its ability to provide grassroots assistance to the elderly in their own communities. Our own Aging Committee has drawn much of its strength by our ability to interact with the network at the local, State, and National levels. To impose further restrictions on this dialog would be to hamper the effective administration of the act and the programs and services it provides.

Under the final rules which were published in the Federal Register on April 27 and which took effect on May 29 of this year, recipients of Federal funds would be required to tell the Government how much they spend on lobbying and identify those costs separately from other expenses. I contend that this added bookkeeping requirement is not only an invasion of privacy—but would also serious damage the effectiveness of our ability to learn about programs and policies at the local level—not only for the elderly serviced by the Older Americans Act—but also by a number of other, equally worthy nonprofit groups. These groups often operate on shoestring budgets and this added paperwork burden is not only time consuming—but contrary to the desire of I believe, all of us, would like to minimize the Federal paperwork burden.

It is my intent—with this amendment—to send a strong signal to the Office of Management and Budget that this House does not intend to accept any further attempts to tie the hands of recipients of Federal funds.

While I am aware that under the rules of the House, this amendment is not in order at this time, I wish to ask the distinguished chairman of the subcommittee, Mr. ROYBAL, if he is in agreement with this amendment and would be willing to incorporate the language of this amendment in any supplemental or continuing resolution funding measure for OMB in fiscal year 1985. I would also add that I intend to work with our colleagues in the Senate on this—in the hope that we might also be able to include this language in the regular fiscal year 1985 Treasury-Postal Service appropriations bill and work with the gentleman to retain such a provision in conference.

Mr. ROYBAL. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from California.

Mr. ROYBAL. I most certainly agree with the gentleman from New York, and understand fully his viewpoint. I wish to say also that I am in sympathy with it. I will look into the matter, and at some point in the future, we may be able to take some action to assist the gentleman in what he is trying to do.

I wish to assure the gentleman that I will do everything possible to cooperate with him in every respect.

Mr. BIAGGI. I thank the chairman.

Mr. Chairman, at this point, I would like to include in my remarks a letter that I sent to Mr. Stockman dated January 18, 1984.

HOUSE OF REPRESENTATIVES,
SELECT COMMITTEE ON AGING,
Washington, DC, January 18, 1984.

Mr. DAVID A. STOCKMAN,
Director, Office of Management and Budget,
Washington, DC.

DEAR MR. STOCKMAN: This letter is in response to the Proposed Rules of November 3, 1983 regarding "Lobbying and Related Activities", Office of Management and Budget, Circular A-122, Cost Principles for Non-Profit Organizations. As Chairman and Subcommittee Chairman of the Select Committee on Aging, we would like to register our strong opposition to the Proposed Rules and urge their withdrawal for the following reasons:

1. These rules attempt to prohibit the right of Congress to be informed on the impact of pending legislation by non-profit organizations and federal program grantees. The Proposed Rules have the impact of interfering with the free flow and exchange of ideas protected by the First Amendment under the guise of unprotected "lobbying and related activities". Presently, the federal grant recipients (non-profit organizations and State and local grantees) provide the Congress, State, and local bodies invaluable infomation regarding the effectiveness of existing social programs and programs that are a part of pending legislation. These advocacy activities have been incidential to the recipients' responsibilities in providing needed services to the poor and the elderly.

2. It is obvious that OMB is intending to broaden the definition of lobbying to prohibit advocacy activities that have been permitted under existing laws. As such, the Proposed Rules may be void for its overbreadth because it directly circumscribes advocacy activity that is protected by the Older Americans Act (the Act) of 1965, as amended. Sections 305(a)(1)(D) and 306(a)(6)(D) of the Act require federal grantees and subgrantees to serve as effective and visible advocates. The Act specifically provides that subgrantees will serve as advocates and focal points for the elderly within the community by monitoring, evaluating, and commenting upon *all* policies, programs, hearings, levies, and community actions which will effect the elderly. For the last 17 years, the type of advocacy activities which OMB now attempts to categorize as unallowable have been allowed as lawful activities. The aging network in carrying out the mandates of the Act has always been involved in advocacy and related activities at the Federal, State, and local levels as part of their statutory responsibility. OMB cannot now, by regulation, make activitiy permissable by the Act illegal per se. Regulations, though they possess the force of law, do not supersede legislation.

3. OMB's efforts to broaden the scope of unlawful lobbying to include protected advocacy is arbitrary and not well founded in fact. Despite allegations of illegal activities, OMB has never presented compelling evidence of abuses by recipients. As Congressman Brooks of the House Government Operations Committee said, "OMB had developed a solution in search of a problem".

4. As applied to the Act, the effect of the rules would bring about a result contrary to its intent, as stated in the Federal Register notice. The notice states, "... The intent is not to *discourage* or in any way *penalize* organizations for lobbying efforts conducted with their own funds..."(emphasis added). It must be remembered that many of these organizations are required by federal law to contribute a "match" of their *own* money or in kind services to qualify for federal funds. The Proposed Rules would penalize or discourage activities that are supported by these non-tax payer dollars. At the very least, the rules will have a chilling effect on legitimate educational and legislative liaison activities.

5. The Internal Revenue Laws already impose restrictions on lobbying activities by non-profit organizations. Creating more regulations, such as these rules, runs contrary to the Administrations stated objective of deregulating the public and private sectors. Thus, it would seem inconsistent that OMB would be advocating for more regulations when no factual basis exist to support such a decision.

It is a common fact that the Administration received many letters from ultra conservative organizations alledging that non-profit groups were lobbying against the Administration's programs, specifically the cutback in social program services. It is obvious that OMB, as an extension of the Executive Branch, is itself using tax payer dollars for political results by proposing these rules. These proposed rules carry out the Administration's objective to "gut" social programs for the poor and elderly, and to harness all opposition to these programs.

In summary, the revised rules of November 3, 1983 are essentially no different than those proposed in January of 1983, which we vigorously opposed. We urge you to halt your efforts to selectively stiffle public comment in this fashion and withdraw the proposed rules of November 3, 1983.

Thank you for your attention.

Sincerely,

Edward R. Royal,
Chairman,
Select Committee on Aging.
Mario Biaggi,
Chairman,
Subcommittee on Human Services.

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Obey: Page 51, after line 7, insert the following new section:

Sec. 620. All amounts appropriated by this Act not required to be appropriated by previously enacted law shall be reduced by 63 percent.

Mr. OBEY. Mr. Chairman, this amendment is very simple. It simply reduces every discretionary item in this bill by 64 percent including the last amendment just passed.

I offer this amendment for two reasons: No. 1, because as I said last week, the President has regularly gone on television, and told the American people that he is really for a balanced budget. In fact, he says he is so much for it that he wants a constitutional amendment to require it, but he only wants it in the hereafter. He does not want it to apply to this year, to this time. So he sends the Congress a budget which is $180 billion out of balance.

I offer it for a second reason: Because there is a tremendous urge in this body to pose for holy pictures on budget cutting. People like to propose 1 and 2 and 3 and 4-percent cuts and then gives speeches about balancing the budget and pretend there is some linkage between cutting 1 or 2 or 3 percent and actually balancing the budget.

This amendment will give Members an opportunity to really vote for an amendment which, if adopted, would balance the budget is spread over all 13 appropriation bills. I guess you could call it the put up or shut up amendment, or the Hypocrisy Reduction Act of 1984.

Now, why 64 percent? It is 64 percent simply because we do not have the authority in the appropriations process to reduce mandatory items. So if we really want to balance the budget solely through the appropriations process, it is necessary to reduce very discretionary account by 64 percent.

I offer this amendment in the spirit for what Otto Passman used to call, illustrative purposes, to illustrate how serious the budget situation really is and to illustrate how deeply we would have to cut each discretionary program if the White House, and if Congress continue to refuse to recognize that we have to put limits on the military budget and we have to deal with growth in entitlements if we really want to get the budget under control.

□ 1950

I also do it because I frankly believe that the approach of adopting 1, and 2, and 3 percent cuts does not, in the end, do anything at all. All it does is persuade and give incentive to committees around here to artificially increase their budgets by 2 and 3 percent so that we can then adopt these 2 and 3 percent nickel and dimers on the floor and pretend to the taxpayers that we have done something to really deal with the Federal budget.

This is the amount by which we have to reduce the budget on all discretionary items if we are not going to touch military, if we are not going to touch entitlement items. As I say, it is a put-up-or-shut-up amendment and I invite Members to do one of the two.

Mr. ROYBAL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, for a very brief moment, but only a very brief moment, I was inclined to accept this amendment because the arguments made by the gentleman from Wisconsin are most persuasive.

I do not think there is a single person in this Chamber who does not want to see a balanced budget. For that brief moment, I said, "Here comes the opportunity." But then I quickly started to think about the consequences of this amendment and then I asked, "Why was this proposal not made during the time that the budget resolution was being considered?" Perhaps that would have been the best time. It would have affected, then, all departments of the Federal Government. In this instance, it would affect only those departments under Treasury.

Very realistically, this amendment if adopted would be disastrous to the departments involved. I firmly believe Mr. Chairman that this amendment should not have been made even in jest. So, Mr. Chairman, I think the thing to do is to vote on this amendment without any further discussion.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. Obey].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. OBEY. Mr. Chairman, on that I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 10, noes 389, not voting 34, as follows:

[Roll No. 277]

AYES—10

Alexander
Bates
Brown (CO)
Kramer
Lowry (WA)
Murphy
Obey
Paul
Thomas (CA)
Weaver

NOES—389

Ackerman
Addabbo
Akaka
Albosta
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Aspin
AuCoin
Badham
Barnard
Barnes
Bartlett
Bateman
Bedell
Beilenson
Bennett
Bereuter
Bethune
Bevill
Biaggi
Bilirakis
Boehlert
Boggs
Boland
Boner
Bonker
Borski
Bosco
Boucher
Boxer
Britt
Brooks
Broomfield
Brown (CA)
Broyhill
Bryant
Burton (CA)
Burton (IN)
Byron
Campbell
Carney
Carper
Carr
Chandler
Chappell
Chappie
Cheney
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conable
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane, Daniel
Crane, Philip
Crockett
D'Amours
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dowdy
Dreier
Duncan
Durbin
Dwyer
Dyson
Early
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich

Evans (IA)
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Fiedler
Fields
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frenzel
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gradison
Green
Gregg
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (UT)
Harkin
Harrison
Hartnett
Hatcher
Hayes
Hefner
Heftel
Hertel
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kogovsek
Kolter
Kostmayer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Lewis (CA)
Lewis (FL)

Lipinski
Livingston
Lloyd
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lujan
Luken
Lundine
Lungren
MacKay
Madigan
Markey
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McNulty
Mica
Michel
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Olin
Ortiz
Ottinger
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Patman
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ratchford
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino

Roe
Roemer
Rogers
Rose
Rostenkowski
Roukema
Rowland
Roybal
Rudd
Russo
Sabo
Sawyer
Schaefer
Scheuer
Schneider
Schulze
Schumer
Seiberling
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (GA)
Torricelli
Towns
Traxler
Valentine
Vander Jagt
Vandergriff
Vento
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Wilson
Winn
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NOT VOTING—34

Berman
Bliley
Bonior
Breaux
Corcoran
Dorgan
Downey
Dymally
Erlenborn
Fish
Franklin
Gingrich

Gore
Gramm
Gray
Hansen (ID)
Hawkins
Howard
Ireland
Kleczka
Mack
McCloskey
Mikulski
Patterson

Pritchard
Roth
Savage
Schroeder
Sensenbrenner
Shannon
Simon
Torres
Udall
Williams (OH)

□ 2010

Mr. DUNCAN changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. HARTNETT

Mr. HARTNETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARTNETT: Page 51, after line 7, insert the following:

SEC. 620. No funds appropriated by this Act or any other Act shall be available for construction of an annex to the United States Post Office and Court House Building located at Broad and Meeting Streets, Charleston, South Carolina.

Mr. LEVITAS. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Georgia reserves a point of order on the amendment.

The gentleman from South Carolina [Mr. HARTNETT] is recognized for 5 minutes in support of his amendment.

Mr. HARTNETT. Mr. Chairman, I would beg the indulgence of my colleagues as I attempt to explain this amendment.

Mr. Chairman, this amendment would preclude GSA for 1 year from going ahead and building a proposed annex to a Federal courthouse building in Charleston, SC. This is an historic intersection, Mr. Chairman, in Charleston, that we refer to as the Four Corners of Law. On the four corners of this intersection are located the county courthouse, St. Michaels Protestant Episcopal Church, Charleston City Hall, and the Federal courthouse building.

The mayor of the city of Charleston and his council have gone on record as opposing the proposed plan, location, and construction that GSA has proposed. The Charleston Preservation Society, the Historic Charleston Foundation, and the National Advisory Council of Historic Preservation all have requested that the GSA withhold construction of this courthouse.

Mr. Chairman, the only ones pushing it really are the GSA and it seems to me they are the tail wagging the dog.

I have come to my colleagues here on the floor of the House and asked that along with a telegram from the mayor of the city of Charleston and the various organizations that I have mentioned, that they go along with me.

It is my understanding Mr. Chairman, and I have checked with the chairman of the committee and the ranking member, they have agreed to accept this amendment.

I realize, Mr. Chairman, that perhaps I am walking on very thin ice and on shallow ground in requesting that my colleagues adopt this amendment to the Treasury and postal appropriations bill, but I would urge that they do so. Knowing of the environmental purism of many of my colleagues, I would urge them to assist me in our preservational purism in the location of this Federal courthouse.

Mr. ROYBAL. Mr. Chairman, will the gentleman yield?

Mr. HARTNETT. I yield to the chairman.

Mr. ROYBAL. Mr. Chairman, I thank the gentleman for yielding.

I remember very well the discussion that went on during general debate. This matter was discussed, I think, quite thoroughly. At that particular time I agreed to assist the gentleman in every way and told the gentleman that I would accept that amendment that he would be proposing at this time.

There is, however, a point of order being reserved and, therefore, as of this moment while I again assure the gentleman that I am willing to accept his amendment, under the parliamentary situation, I cannot do so at this time.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. HARTNETT. I yield to my colleague, the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, I thank the gentleman for yielding.

I am not dealing with the substance of the gentleman's amendment and if he wants to offer the environmental purism amendment, I will support the gentleman in that effort; but this is a particular building that has been considered and authorized by the Committee on Public Works and Transportation because it is needed and I think this amendment is an inappropriate way of dealing with it in the amendment that the gentleman from South Carolina offers. While I want to see the court facilities built, perhaps at another site, it is the process which I do not think should be used. I do not want it to set a precedent that will be harmful to the legislative process.

Mr. HARTNETT. Well, throwing myself on the mercy of my colleague, the gentleman from Georgia, and realizing as I told you, that I am walking on thin ice, both Senators, both Members of the other body have also concurred in this as being one of the few means we have of expressing congressional will in regard to this issue.

I realize it is very fragile and probably subject to a point of order. I would just urge my colleagues if they could just withhold the point of order until about 11:30 tomorrow morning or something like that, it would probably be very much appreciated; but barring that, Mr. Chairman, I ask for support for the amendment.

Mr. SHAW. Mr. Chairman, will the gentleman yield?

Mr. HARTNETT. I yield to the gentleman from Georgia.

Mr. SHAW. Mr. Chairman, I would like to compliment the gentleman on what I think is a very fine amendment. The gentleman from South Carolina has talked to me as a ranking member of the Subcommittee on Public Buildings of the Committee on Public Works and Transportation about his building.

I also know of his concern for his city, which is actually more than just a hometown for the gentleman from South Carolina. Charleston, SC, is a national treasure. It is tremendously treasured by the people who have lived there, who have put their lives and efforts into the preservation of the historic values that we have here in America.

I would compliment the gentleman on his amendment and I fully intend to support it.

Mr. HARTNETT. Well, if I could reclaim my time just for a moment, Mr. Chairman, really, I am not precluding GSA from building this building nor withholding the funds. It is just a particular location. They can go ahead and build it elsewhere or elsewhere on this same location.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

(At the request of Mr. Levitas, and by unanimous consent, Mr. Hartnett was allowed to proceed for 3 additional minutes.)

Mr. HARTNETT. Mr. Chairman, I thank the gentleman.

If I might add, and then I will yield to the gentleman from Georgia, in this one building, I would say to the gentleman from Georgia, there are over 22 national historic landmarks and over 2,500 such buildings in Charleston.

This is really, I would say to the gentleman from Georgia, an attempt to keep what we call a very historic intersection somewhat historically authentic, I guess, and preserve it.

I know the building will be built. We just hope the GSA will not go ahead and build it at this precise location.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. HARTNETT. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, let me state again to the gentleman, I do not disagree with the effort the gentleman is trying to make in regard to this particular site although I strongly support the need for courthouse construction in Charleston. It is needed. Charleston is a beautiful and historic city. I have spent many happy days there in my youth and in recent years as well. It is a city that has been able to preserve its charm and its heritage and I do not want to see that ruined.

I would be happy to work with the gentleman. There are ways in which his purpose can be achieved without using this process, because if this process is used it will open up every single decision to an amendment of this sort and it is that precedent that I am concerned about; but I will be happy to work with the gentleman and help him achieve his purpose, which can be achieved within the context of the legislation, provided I have assurances that the important and desperately needed courthouse project in Charleston is built which it can be and not hurt the historic areas. I want to see the courthouse built.

Mr. HARTNETT. Mr. Chairman, I would just respond by saying that the gentleman is absolutely correct in everything he says. If other attempts of this type are made later on, we can prevent those; but the gentleman could be of great assistance to me and the greatest assistance possible perhaps by going to get a shoeshine or something right now or something like that and that would be the biggest help that it could be to me right now.

The gentleman does not want those preservations down around his neck like I have them around mine, believe me, and they will be there.

You know, Georgia has some very historic sites also.

Mr. MILLER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HARTNETT. I yield to the ranking member, the gentleman from Ohio.

Mr. MILLER of Ohio. Mr. Chairman, I thank the gentleman for yielding.

We have talked to the gentleman from South Carolina concerning this. We accept the amendment.

My only concern is that as slow as this bill is going and the amount of amendments that are being produced, that the GSA will have the building up before we tell them they cannot.

Mr. RUSSO. Mr. Chairman, will the gentleman yield?

Mr. HARTNETT. I think I will yield, Mr. Chairman, I am not sure; but I yield.

Mr. RUSSO. Mr. Chairman, I would certainly encourage my colleague, from Georgia, to make an exception in this particular case. As someone who serves on the Committee on Ways and Means and has fought hard for tax incentive for historic preservation, and also a member of the arts caucus, I want to make sure that we preserve the beauty of Charleston.

I realize that the gentleman is concerned about the procedure, but, I think in this particular case the gentleman from Georgia ought to wink a little bit so we can help the gentleman from South Carolina, because he is not asking for something that is outrageous, and I certainly hope the gentleman's amendment passes.

Mr. HARTNETT. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. Does the gentleman from Georgia insist on his point of order?

Mr. LEVITAS. Mr. Chairtman, I will withdraw my point of order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina [Mr. Hartnett].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. JACOBS

Mr. JACOBS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Jacobs: On page 51 after line 7, insert the following new section:

The provision appropriating funds for former Presidents is hereby reduced by $890,000.

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Mr. JACOBS. Mr. Chairman, I first express my gratitude to the gentleman from Florida [Mr. Nelson] for his work on this effort.

Mr. Chairman, the former Presidency has become big business. No longer do we have the spectacle of a President Grant writing his memoirs with arthritic hands, dying in abject poverty. Quite the reverse.

For no other reason than the fact that the American people have given a President the privilege of serving in the Presidency, each one of our three former Presidents now get $25,000 a speech. With all due respect to our former Presidents, I am trying to figure out which one can make a $25,000 speech.

The fact is that they are ornaments for conventions and that sort of thing. They make money from television contracts. They make an awful lot of money.

On top of that generosity by the American public, they receive nearly a third of a million dollars apiece over and above their generous $83,000 pensions, over and above their Secret Service protection for you name it, office space, assistants. And what does the office space boil down to with all of these $25,000 speeches? Booking agencies in a way.

There is a story about a man who shows his friend through his new house. "This is the living room, here is the dining room. This is the Florida room," he says, "and that is my wife" and there she is sitting on the loveseat just kissing up a storm with another man. And they go on into the kitchen and sit down and the host pours his guest a cup of coffee and then he pours himself a cup of coffee. And the guest cannot stand it any longer and he says, "What about the guy in the Florida room?" And the host says, "Let him get his own coffee."

That is the way I feel about this. These former Presidents are millionaires merely by the fact that they made it to the White House. Let them get their own coffee. If you are making $1 million a year you ought to at least be able to pay your secretary, you ought to at least be able to pay for your office rent.

I would not be opposed, and I do not think many of the American people would be opposed to some sort of appropriation for the first year, maybe even the first 2 years after a President leaves office to kind of wind it down and wind up his or her business in the White House. But there is not a one of our former Presidents in that category now. The most recent retiree has been out of office 3½ years, the others 10 and 12 years.

Now some people might say the amount is not great here. But the amount is enormous in the sense of the example it sets for Federal employees right down to the last, the lowest paid. It is an example to the American people. If the ones at the top who make such beautiful speeches about wasting public money can go out of office and then go right back into office at taxpayers' expense, what does that say to everybody else?

"Well, he is doing it so I think I will get mine, too."

A good example is the best way to cut the budget. And these former Presidents who have been treated so well by their fellow citizens should get off their fellow citizens' backs and give them a break.

I do not think the taxpayers are particularly crazy about paying all of the expenses of a given incumbent President, but they have to pay a tremendous amount of money after a President is out of office on top of his pension, on top of his Secret Service protection. You just tell me how many letters you have received from people, Republicans, Democrats, it does not make any difference. It is wrong. They know it and most of us know it, and they are outraged by it.

I urge an affirmative vote for the amendment.

Mr. ROYBAL. Will the gentleman yield?

Mr. JACOBS. I am glad to yield to the chairman.

Mr. ROYBAL. I would like to compliment the gentleman for the remarks he has just made. I remember the same remarks being made last year and remember also that when the vote was taken the House agreed with the gentleman.

The one thing that bothers me, however, is that this is being done at a time that is at the very end of the bill. It is my understanding that what the gentleman intends to do is to establish a new section, section 620.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. JACOBS] has expired.

(By unanimous consent Mr. JACOBS was allowed to proceed for 2 additional minutes.)

Mr. ROYBAL. If the gentleman will continue to yield, that section, however, is on page 28 of the bill which is something that the House has already passed. Now with the gentleman's amendment and we are going back to page 28 when we are now in fact at the very last page of the bill.

I am not going to go further than that and ask the gentleman how this has come about. But I do want to establish one thing, and that is that what the gentleman is doing does in fact establish a new section, section 620, and that in so doing he is amending a section near the beginning of the bill. Is that correct?

Mr. JACOBS. I do not think it is at the beginning of the bill. We waited for 6 hours for it last week so it could not possibly have been at the beginning.

Mr. ROYBAL. But it is on page 28 of the bill?

Mr. JACOBS. Yes; that is correct. I only tell the gentleman that my mother has told me "better late than never."

Mr. ROYBAL. If the gentleman will continue to yield, having said that I will reluctantly accept his amendment.

Mr. JACOBS. I appreciate the gentleman's acceptance and I simply say that for those who will argue about the dignity of the former Presidency, let me point out that a person is dignified not according to what he has at taxpayers' expense but according to what he is, in terms of his own character.

I yield back the balance of my time.

Mr. CONTE. Mr. Chairman, I rise in opposition to the amendment.

(By unanimous consent Mr. CONTE was allowed to proceed for 5 additional minutes.)

Mr. CONTE. Mr. Chairman, I rise in opposition to the amendment.

Allowances and staff for former Presidents is probably the most unpopular, one of the most controversial, and surely the most misunderstood program in this bill.

It makes sense that my good friend, the gentleman from Indiana [Mr. JACOBS], is offering this amendment again this year. Fighting for the little guy, toppling the kings of our day makes great press. The real issues, however, are often lost in the heap of rhetoric and cloaked by a veil of concern for the common man.

Let us face it. The constituency for this program is very small. Today, it primarily consists of three men. In 1958—when this allowance for pensions and office staff was first authorized—there were only two former Presidents. In fact, when the Post Office and Civil Service Committee held hearings on the legislation 26 years ago, no organization or private individual testified. However, there was, at the time, a bipartisan effort by the leadership of the House. Speaker Rayburn, the Majority Leader John McCormack, and the Minority Leader Joe Martin endorsed the program before the committee and on the floor. They recognized the importance of meeting the demands placed on former Presidents by the American people.

At that time, President Truman was receiving 400 letters a day and over 300 invitations a month. To answer these requests, he spent thousands of dollars of his own resources, his pension as a U.S. Senator. Likewise, former President Hoover served this country long after he was President. His most valuable work was as head of the Hoover Commission, a panel charged with reorganizing the executive branch.

Two unmet needs motivated the creation of this program and today justify its continued existence. First, many people in this country continue to place demands on our President after their term has expired. They receive thousands of letters and invitations, make hundreds of public appearances for charities and occasionally perform official duties. Our revered former Speaker, distinguished statesman from Massachusetts, John McCormack, testified before the House Committee and supported the legislation creating this program.

He said at the time: "* * * the interest of the American people in the President does not cease when his term of office has ended. The public demands speeches, conferences, advice, correspondence, and otherwise, after his service as President is over, continues."

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Mr. JACOBS. Mr. Chairman, will the gentleman yield at that point?

Mr. CONTE. I will be glad to yield.

Mr. JACOBS. The gentleman has said that the people will demand of the former Presidents the speeches and the conferences.

Let me point out that when the former Presidents make the speeches, the public gives them $25,000. When they go to conferences, there are members of boards of corporations that pay them hundreds of thousands of dollars, also. So they are being well taken care of for those demands.

Mr. CONTE. Oh, there is no doubt about it. And there are plenty of Congressmen here who make speeches and get sizable honorariums and receive many fringe benefits. I remember another gentleman offered this amendment in a previous year, and I checked his office account and listed the fringe benefits: the periodicals and publications. I am not talking about the gentleman from Indiana. I said another Member who offered this amendment. Even though they do receive honorariums for some public appearances, they do these things that I am mentioning.

Further, as former heads of state, their services continue to be solicited and they remain a valuable national resource during a time of crisis or great need. Speaker McCormack recognized that public demands on our former Presidents must be met with public support.

Another justification for this allowance can be found in the way our former Presidents were treated as compared to other public servants. Before this allowance was authorized, former Presidents were the only major office holders or public servants not receiving a pension and other benefits from the Government.

At the time, Supreme Court Justices could retire at full salary, at any time, no matter how long they served. An even better comparison was our treatment of five star generals. These retired military leaders, technically on active duty, not only received full salaries for a pension, but they were allowed a full military staff, a chauffeur and a secretary. The question at the time was rightfully asked: Should the Commander-in-Chief of our Armed Fores be treated less than his subordinates?

This program addressed many of these needs, but our priorities still seem mixed-up today, especially when there is a move to abolish this allowance. It's amazing that we are willing to spend millions of dollars on anyone who wants to be President, yet this House is hesitant to spend just over $1 million on former Presidents who have served this country with distinction.

Secret Service Director Simpson told me at the subcommittee hearings that over $23 million will be spent to protect Presidential candidates through the convention. The American taxpayer has paid for the protection of eight Democratic candidates campaigning across the country and around the world. Our Secret Service agents have traveled to Damascus, Managua, Havana, and El Salvador on the campaign trail for the Presidency of the United States. In addition, millions of dollars in matching Federal campaign expenses are given to the candidates each election season.

I hope, with so much spent on people who would be President, that we can provide the proper support for our former Presidents.

In closing, let me again give some advice to my good friend from Indiana [Mr. JACOBS] and the gentleman from Florida [Mr. NELSON].

Last year, Chairman ROYBAL and I suggested that you address this issue in the appropriate legislative committee, not in the appropriations process. Such a radical change in policy should only come after extensive hearings, close committee scrutiny and deliberative floor consideration.

I realize that the gentleman from Florida [Mr. NELSON] has introduced legislation to address this issue. However, there have been no hearings or public discussion of this proposal. In fact, I don't recall either gentleman, Mr. JACOBS or Mr. NELSON, testifying before the subcommittee on this subject.

I'm willing to take a close look at this program in the proper context and setting. If there is waste and abuse, it should be stopped. If there's excessive spending, it must be curtailed. However, the reality is that this recommendation is less than the amount appropriated last year.

For now, let's resist the temptation for easy publicity and grandstanding. For 26 years, there has been a Federal commitment to former Presidents of the United States.

I urge Members to maintain this commitment and vote against this amendment.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend, and gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding.

Mr. Chairman, I have a sense that since this amendment has been accepted on this side, it is going to pass very easily. I have respect for the intentions of the gentleman from Indiana and the gentleman from Florida in offering the amendment. But is seems to me that we have only a few living ex-Presidents in any one time in our history. What we are talking about here is providing far less staff assistance for them than for a new Member of the House of Representatives.

Some people have suggested that former Presidents should be allowed to serve in the Senate by constitutional amendment. That has not been undertaken, but these levels of staff support are far, far less than those provided for a Member of the other body.

And it seems to me that whether individual former Presidents have the ability to earn income or not, or however they may be financially in particular circumstances, the purpose is to honor and to regard the office from which they came. The alternative would be to apply a kind of means test, I would suggest to the sponsors of this amendment, that if a former President was not able to earn income, that he would be provided with some staff support.

It just seems to me that the office of the Presidency is one for which an honorable retirement of the kind that is provided by law is not excessive and that regardless of any individual circumstance of a former President, it should inure to the office and not to the individual person.

I join the gentleman in his opposition to the amendment.

Mr. CONTE. I want to thank the gentleman from Washington. As usual, he is right on mark.

Mr. ALBOSTA. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from Michigan.

Mr. ALBOSTA. I thank the gentleman from Massachusetts for yielding. I certainly appreciate the concern the gentleman has for our ex-Presidents. But let me tell the gentleman about an experience that I had. One of the ex-Presidents came into my district just recently and was campaigning against me. He brought along with him all the Secret Service people, his secretaries, all of these people who are paid by the taxpayers' money. And the question I have to the gentleman and to all of the people of this country is whether or not our ex-Presidents should be running around campaigning for opponents or incumbents in Congress, or one way or another, even if they are not incumbents they are working for, or whether they are working against somebody else. The question has to be, and it has to be very clearly described, whether or not they should be doing that.

Not only did he get paid through the taxpayers' money, the National Republican Campaign Committee, I understand, has given $200,000 to this particular President to travel around the country to campaign, to spread what I think is a distortion of a Congressman's record.

That, to me, is wrong, and I believe we ought to look very closely and we ought to have some advice for these ex-Presidents when they receive these taxpayers' funds.

I would appreciate if the gentleman could convey from his side of the aisle to that particular ex-President, to inform him that it might not be in the best interest to continue to do that.

I thank the gentleman for yielding.

Mr. CONTE. I can appreciate the gentleman's position.

I think the gentleman from Florida [Mr. NELSON] has legislation to address this issue, and maybe that bill is something we can work out in the authorization process. I certainly would not want an ex-President campaigning in my district, just as the gentleman does not want him coming into his district.

Mr. JACOBS. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Indiana.

Mr. JACOBS. I am grateful to the gentleman for yielding. I just want to comment on the remark of our party whip about a means test for the former Presidents. Let me point out that an $83,000 pension places a person above 98 percent of his or her fellow citizens in this country in terms of income. Only 2 percent of the American public receive as much as $83,000 a year. That is not even touched by this amendment.

So I do not think that we are on the way to the poorhouse with these fellows at all, on top of the millions they make from other sources.

Mr. CONTE. Oh, but you got former Congressmen—there was one hanging around here, and I do not know whether he is worth it or not, but he is making about twice as much because of COLA's. If you want to go after something, go after that.

Mr. MOLINARI. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from New York.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. CONTE] has expired.

(On request of Mr. MOLINARI and by unanimous consent, Mr. CONTE was allowed to proceed for 5 additional minutes.)

Mr. MOLINARI. I wish to commend the gentleman from Massachusetts for the position that he has taken.

To the gentleman from Michigan [Mr. ALBOSTA], let me say that the experience he had might not be a good one. But if Jimmy Carter wants to come into my district and campaign against me, I would love to have him do it.

But I think, in all seriousness, we really should separate the moneymaking abilities of our former Presidents for their own purposes for the resource value that the gentleman from Massachusetts touched upon. There is not one of these three Presidents who is not called upon to render service to this country on a daily basis.

I shared space in the same building with a former President. I had some idea of the demands that were placed on that President and any other former President. I think for us to stand here and say that we are going to cut those allowances, it is easy to do, politically, and it reads well back home, but we are not being fair to them and we are not being fair to this country. We should be encouraging that kind of thing. The amounts here I think are modest in return for what we expect of them. Every one of them is consulted on a daily basis by those who are serving today and those who are going to serve hereafter.

I thank the gentleman for yielding.

Mr. CONTE. Let me try to wind this thing up by saying that our priorities seem to be mixed up a bit today, especially when there is a move to abolish this particular allowance.

It is amazing that we are willing to spend millions of dollars on anyone who wants to be President, yet this House is hesitant to spend just over $1 million on former Presidents who have served their country.

Secret Service Director Simpson told me at the subcommittee hearings—listen to this, the gentleman from Florida and the gentleman from Indiana; I did not see you coming before my committee—we have spent over $23 million—take that back to Florida and Indiana—to protect Presidential candidates through the convention. The American taxpayer has paid for the protection of eight Presidential candidates campaigning across this country and around the world. They were down in Cuba this week. I did not hear any of you coming before this House to say that was wrong, especially you, the gentleman from Florida. Shame on you.

Mr. JACOBS. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Indiana.

Mr. JACOBS. Does the gentleman think two wrongs make a right?

Mr. CONTE. No.

Mr. JACOBS. Good.

Mr. CONTE. But I do not hear you offering an amendment to correct that problem.

Mr. JACOBS. That is not covered in this appropriation. I would be glad to.

Mr. CONTE. Yes, it is. The Secret Service is covered in this Treasury/Postal Service appropriations bill.

Mr. JACOBS. Yes, but you cannot find out which part is for that. Ask the Secret Service.

Mr. CONTE. Let me tell you where our Secret Service agents have traveled. They have traveled to Damascus, Managua, Havana, El Salvador, on the campaign for the Presidency of the United States.

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I'm not arguing that Presidential candidates should not be protected. I want them protected. They are good people, but you do not make fish out of one and fowl of the other; $1 million versus $23 million? No way. But you are going to grab a headline; that is fine and dandy. I think this is wrong. These Presidents have served our country, whether it was Jimmy Carter or Jerry Ford.

Mr. JACOBS. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman.

Mr. JACOBS. When this amendment passed last year, my name was not even mentioned in the Washington Post. It simply said the committee did it. I am going to grab a headline?

Mr. CONTE. Well, there is something wrong with your press secretary.

Mr. JACOBS. I do not have one.

Mr. . CONTE. I would hire one.

Mr. JACOBS. I do not have one; that is not one of the expenses of my office. I do not have one. The gentleman is really questioning my motives.

Mr. CONTE. Well, you better get rid of whoever is in charge there, because you deserve one.

Mr. JACOBS. Does the gentleman mean to question my motives; does the gentleman question whether I am sincere?

Mr. CONTE. No. We are old friends; But I do think this is the kind of an issue that people do not understand. Without an explanation, it looks bad that we are providing Federal support for the former Presidents. It doesn't matter whether he is a Democrat or a Republican; whether it is Jimmy Carter, whether it is Jerry Ford or anybody else. I think they deserve it. John McCormick said they deserved it; Sam Rayburn said they deserved it. Past leaders have said they deserve it, and I think we ought to provide this support.

Mr. JACOBS. Let me add that my affection for the gentleman in the well is equal to his for me. I admire him as much as I admire anyone who has ever served in the Congress.

Mr. CONTE. Well, thank you. I feel the same way about the gentleman, and I have always said it. I have left it right in the RECORD; I have said you are one of the great ones.

Mr. NELSON of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to speak in favor of this amendment. I expect it to pass. Should it not pass, I will offer an amendment that will merely strike $147,000 from the figure of $1.17 million. Why that figure? Because it would bring the amount for staff and office expenses in line with a gradual reduction of spending for office expenses in the bill that I have filed in this House and filed in the other body by my colleague, Senator CHILES.

This the Chiles and Nelson legislation provides $300,000 per year for office expenses and staff in the first 4 years after a President has left office, and reduces it to a figure of $200,000 per year after 9 years out of office.

Certainly we need to provide for the financial freedom of a former President so that he does not need to commercialize the Presidency. We certainly need, as has been pointed out here, to provide for the protection of our previous Presidents. This amendment of Mr. JACOBS, and if his does not pass, the amendment I will offer goes just to the heart of the question of the office and staff expenses.

We need to provide certain expenses, but we certainly do not need our former Presidents to live royally at taxpayers' expense.

Mr. RUSSO. Mr. Chairman, will the gentleman yield?

Mr. NELSON of Florida. I yield to the gentleman.

Mr. RUSSO. I certainly appreciate the comments of the gentleman from Florida and also those of my good colleague from Indiana, and I do not question the motives of either one of them. But I think one of the problems that we face in this country is we tend to demean the offices to which we are elected.

I think the Office of the Presidency is the highest office in the world today, and we ought not demean that office in any way, shape, or form. Obviously there are certain abuses, and I think we need to correct those abuses. But when you talk about Secret Service protection, and the responsibilities of being a former President, with the kind of situation we have in the world today, they are not safe traveling. I ask my colleagues to think about the kind of tensions that they live under; the hours that they work, the pressures that they have during their tenure as President. It is the greatest responsibility anybody in the world can have today.

It is easy for us to pick them apart when they are out of office, but believe me, we ought to be proud as a nation to have three former Presidents that we can call upon and ask for help and advice when we need it. I am sure their advice has been utilized on many occasions, whether it was Jimmy Carter getting advice from Ford and Nixon; whether it was President Reagan getting advice from all three past Presidents. I think sometimes we tend to demean the thing that is most important to us as an institution and as a country, and I know that is not the purpose of the gentleman's amendment.

Sometimes I think we have to put things in perspective. It is easy to criticize; it is easy to do the kind of things that we have done to ourselves, but I think the Office of the Presidency deserves better treatment than sometimes we give it.

Mr. NELSON of Florida. The reduction of $147,000 out of $30 million spent in 1984 for our former Presidents, is not demeaning of the Presidency.

In 1955, we spent $55,000 for former Presidents. In 1984, we will be spending $30 million. I suggest the Chiles approach in the other body. I suggest the Nelson bill in this body. This legislation offers a rational schedule for former Presidential expenses so that the taxpayers will not feel, as many of them do, that they are being ripped off.

I am suggesting a rational plan to this whole process.

Mr. RUSSO. Mr. Chairman, will the gentleman yield?

Mr. NELSON of Florida. Certainly.

Mr. RUSSO. Of the $30 million that the gentleman talks about, how much of that is for the Presidential libraries? Does anybody know what that amount is?

Mr. NELSON of Florida. I yield to the gentleman from Nevada.

Mr. REID. $14 million.

Mr. RUSSO. I think that is one of the problems that we face. Instead of cutting Secret Service protection, and staffing to answer the mail demand that past Presidents legitimately have, we might look into the question of Presidential libraries.

The CHAIRMAN. The time of the gentleman from Florida [Mr. NELSON] has expired.

(By unanimous consent, Mr. NELSON of Florida was allowed to proceed for 1 additional minute.)

Mr. NELSON of Florida. To the gentleman from Illinois, I would say that I do not have the opportunity to address the question of Presidential libraries in this appropriations bill. Had I had the opportunity or had Senator CHILES not had the White House kill his bill in the Senate, the legislation would reveal it addresses the question of Presidential libraries.

The legislation also says that if a President is to use his taxpayer-provided staff to write his memoirs, he must turn those memoirs over to the Government Printing Office for printing and the proceeds would go to the U.S. Treasury. It does not say that he cannot sell his memoirs for personal profit; he just cannot use the taxpayer-provided staff for memoirs that financially accrue to his benefit.

Those are comprehensive, rational approaches to this problem and I commend them to this body for their attention.

The CHAIRMAN. The time of the gentleman from Florida [Mr. NELSON] has expired.

(By unanimous consent, Mr. NELSON of Florida was allowed to proceed for 1 additional minute.)

Mr. REID. Mr. Chairman, will the gentleman yield?

Mr. NELSON of Florida. I yield to the gentleman.

Mr. REID. Mr. Chairman, I would state to the Members of the House that H.R. 5584 passed the House this week, which would apply directly to Presidential libraries. It is a bill that came out of Congressman ENGLISH's subcommittee; it is a bill that a number of us have worked on quite hard and it would make a significant contribution to lowering the cost of Presidential libraries.

Mr. Chairman, I rise in support of the amendment offered by my distinguished colleague from Indiana, ANDY JACOBS, to H.R. 5798, the Treasury and Postal appropriations bill for fiscal year 1985. This amendment reduces the amount provided for pensions and allowances for former Presidents.

My interest in the benefits provided to our former Presidents began at a townhall meeting I held with senior citizens in Overton, NV, last year. During the course of the meeting, I mentioned my support of Congressman JACOBS' amendment offered during consideration of this appropriations bill for fiscal year 1984. I was surprised by the vociferous and strong feelings expressed by the Overton senior citizens for the need to curb the costs associated with maintaining former Presidents. In fact, this topic of discussion caused quite a fevered outburst, and received more attention during the townhall meeting than foreign affairs, inflation, unemployment, medicare, or social security.

In 1983, approximately $27 million was spent on benefits to former Presidents and their widows. This cost, while small in relation to other discretionary expenditures, represents a tremendous increase from the mere $64,000 spent on former Presidents in 1955. Recent disclosures indicate that the taxpayers are footing the bill for services ranging from car washes to expensive oriental rugs.

On Monday, June 25 I had the opportunity to address this body on a related matter concerning benefits provided by the taxpayers to former Presidents. Besides pensions, office allowances, and Secret Service protection, the public must also carry the burden for operating and maintaining Presidential libraries. H.R. 5584 passed the House on June 25 and requires donors of Presidential libraries to also provide an endowment equal to at least 20 percent of the amount spent for acquiring the land, building, and equipment for the library. These endowments would be held in trust by the Federal Government, and income from the endowments would be used to help pay the costs of operating the library buildings. This requirement would apply to libraries of all Presidents taking office for the first time after May 9, 1984. H.R. 5584 will address this area of excessive Federal spending and still allow for the maintenance of these historical documents.

I believe that we have reached a point where we recognize the need for a change in policy and must address the skyrocketing costs associated with maintaining former Presidents.

For these reasons, Congressman JACOBS' amendment deserves our support. Thank you.

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Mr. LEVITAS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I understand fully the motivation and the concern of the gentleman from Indiana in offering his amendment. There are many people in this country who look with concern at the amount of the expenses and allowances provided to former Presidents who, themselves, have substantial pensions, and also have opportunities for earnings over and beyond those pensions. By any standard they are affluent.

With many people in this country struggling with limited incomes and expenses, and reduced Federal programs, there is a concern about this, but I have to associate myself with the remarks of the gentleman from Massachusetts [Mr. Conte] and the gentleman from Illinois [Mr. Russo].

The office of the Presidency of the United States is the highest office in the world today. That office deserves our respect and its holders have the right to ex officio respect as a result of having attained it. We will not demean that office by adopting the amendment offered by the gentleman from Indiana. I think we would, rather, demean ourselves by doing it. At a time when various factions chip away at our respect for our institutions, we should not join the howling pack, for in the end, the loss of respect for our institutions—and especially that of the President—will redound to our own diminishment.

The reality is that we should provide a staff for these few people who have held this high office, who have carried its unbelievable burdens, to discharge their continuing duties with dignity and respect. They are respected around the world by millions who will wonder why we respect them less than they do.

That does not mean a blank check has to be written, and it is for that reason that I support the amendment of the gentleman from Florida [Mr. Nelson] and the legislation that would implement the principle behind it. Excessive expenditures, extravagance, and opulence are not needed. The Nelson amendment limits expenditures on a rational basis. But for us to strike out entirely the necessary staff and office expenses of these former Presidents, who have held the highest office in the land, the highest office in the world, I think is a mistake. It is an affront to the dignity of that office and it demeans those of us who would do so.

We can strike a balance. We do not have to be extravagant. We can limit and cut the funds to proper levels, but I would urge a rejection of the pending amendment that strikes out the staff funds altogether, and I urge adoption of the Nelson amendment as a means to achieve this end.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. Jacobs].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. JACOBS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 180, noes 232, not voting 21, as follows:

[Roll No. 278]

AYES—180

Ackerman
Albosta
Anderson
Andrews (TX)
Anthony
Archer
Aspin
AuCoin
Bates
Bennett
Bethune
Bevill
Bilirakis
Boner
Borski
Boucher
Boxer
Breaux
Britt
Brown (CO)
Bryant
Burton (CA)
Burton (IN)
Carper
Carr
Chappie
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conyers
Crane, Daniel
Crane, Philip
Crockett
D'Amours
Dannemeyer
Daschle
Daub
Davis
Dellums
Derrick
Dickinson
Dingell
Donnelly
Dorgan
Dowdy
Dreier
Durbin
Dyson
Eckart
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Feighan
Fields
Flippo
Frank
Frost
Gingrich
Glickman
Gore
Gregg
Hall, Ralph
Hall, Sam
Hamilton
Hance
Hansen (UT)
Harkin
Hartnett
Hayes
Heftel
Hertel
Hubbard
Hughes
Hutto
Jacobs
Jenkins
Jones (NC)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kildee
Kleczka
Kogovsek
Kolter
Kramer
Lantos
Lehman (CA)
Levin
Levine
Lloyd
Long (LA)
Long (MD)
Lujan
Luken
Mack
MacKay
Markey
Martinez
McCain
McCollum
McCurdy
McEwen
McNulty
Mica
Miller (CA)
Mollohan
Montgomery
Moody
Morrison (CT)
Murphy
Nelson
Nichols
Nielson
Nowak
Oakar
Ottinger
Owens
Patman
Patterson
Paul
Pease
Penny
Petri
Ratchford
Reid
Richardson
Rinaldo
Ritter
Roberts
Roemer
Roth
Schaefer
Schneider
Seiberling
Sharp
Shelby
Shumway
Sikorski
Siljander
Sisisky
Skelton
Slattery
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Solomon
Staggers
Stangeland
Stark
Stenholm
Stokes
Studds
Tallon
Tauzin
Thomas (CA)
Torres
Torricelli
Towns
Valentine
Vandergriff
Vento
Volkmer
Walgren
Watkins
Weaver
Weber
Whittaker
Williams (OH)
Wise
Wolpe
Wyden
Yatron
Young (FL)
Zschau

NOES—232

Addabbo
Akaka
Alexander
Andrews (NC)
Annunzio
Applegate
Badham
Barnard
Barnes
Bartlett
Bateman
Bedell
Beilenson
Bereuter
Berman
Biaggi
Boehlert
Boland
Bonker
Bosco
Brooks
Broomfield
Brown (CA)
Broyhill
Byron
Campbell
Carney
Chandler
Chappell
Cheney
Clinger
Coats
Coleman (MO)
Comble
Conte
Corcoran
Coughlin
Courter
Coyne
Craig
Daniel
Darden
de la Garza
DeWine
Dixon
Downey
Duncan
Dwyer
Early
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
Fascell
Fazio
Ferraro
Fiedler
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frenzel
Fuqua
Garcia
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gonzalez
Goodling
Gradison
Gray
Green
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hammerschmidt
Harrison
Hatcher
Hawkins
Hefner
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Huckaby
Hunter
Hyde
Jeffords
Johnson
Jones (OK)
Kazen
Kemp
Kennelly
Kindness
Kostmayer
LaFalce
Lagomarsino
Latta
Leach
Leath
Lehman (FL)
Leland
Lent
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Loeffler
Lott
Lowery (CA)
Lowry (WA)
Lundine
Lungren
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Matsui
Mavroules
Mazzoli
McCandless
McDade
McGrath
McHugh
McKernan
McKinney
Michel
Miller (OH)
Mineta
Minish
Mitchell
Moakley
Molinari
Moore
Moorhead
Morrison (WA)
Mrazek
Murtha
Myers
Natcher
Neal
O'Brien
Oberstar
Obey
Olin
Ortiz
Oxley
Packard
Panetta
Parris
Pashayan
Pepper
Perkins
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Ridge
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland
Roybal
Rudd
Russo
Sabo
Savage
Sawyer
Scheuer
Schulze
Schumer
Shaw
Shuster
Skeen
Smith (IA)
Snowe
Snyder
Solarz
Spence
Spratt
St Germain
Stratton
Stump
Sundquist
Swift
Synar
Tauke
Taylor
Thomas (GA)
Traxler
Udall
Vucanovich
Walker
Waxman
Weiss
Wheat
Whitehurst
Whitley
Whitten
Williams (MT)
Wilson
Winn
Wirth
Wolf
Wortley
Wright
Wylie
Yates
Young (AK)
Young (MO)

NOT VOTING—21

Bliley
Boggs
Bonior
Cooper
Dicks
Dymally
Erlenborn
Fish
Franklin
Gaydos
Gramm
Hansen (ID)
Ireland
McCloskey
Mikulski
Schroeder
Sensenbrenner
Shannon
Simon
Smith (FL)
Vander Jagt

☐ 2100

Mr. RANGEL changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. NELSON OF FLORIDA

Mr. NELSON of Florida. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Nelson of Florida: Page 51, after line 7, insert the following new section:

Sec. 620. Notwithstanding any other provision of this Act, the amount available under this Act for the appropriation "ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS" for carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95-138 shall be reduced by $147,100.

☐ 2110

Mr. NELSON of Florida (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. NELSON of Florida. Mr. Chairman, we have debated this already. It will not take very long.

This is a $147,100 reduction in the amount for office expenses and staff for the three former Presidents. It brings this expenditure in line with a rational plan as submitted by the Chiles bill in the other body and by the Nelson bill in this body which provides for $300,000 a year for those office expenses and staff for the first 4 years after a President is out of office, which reduces to $200,000 a year after 9 years out of office.

Mr. ROYBAL. Will the gentleman yield?

Mr. NELSON of Florida. I yield to the gentleman from California, chairman of the committee [Mr. ROYBAL].

Mr. ROYBAL. I thank the gentleman for yielding. I have consulted members of the committee on both sides of the aisle and it is recommended that we accept your amendment.

Mr. MILLER of Ohio. Will the gentleman yield?

Mr. NELSON of Florida. I yield to the gentleman from Ohio.

Mr. MILLER of Ohio. We accept the amendment on this side.

Mr. NELSON of Florida. Mr. Chairman, I will ask for a recorded vote because I have been requested by a number of Members who want their vote to be recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. NELSON].

PARLIAMENTARY INQUIRY

Mr. LOTT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. LOTT. Mr. Chairman, would a motion asking unanimous consent that this be reduced to a 5-minute vote be in order?

The CHAIRMAN. The Chair would rather not entertain that request at this time. Some Members will be taken by surprise that are not close to the Chamber.

The question is on the amendment offered by the gentleman from Florida [Mr. NELSON].

The question was taken; and the Chair announced that the ayes appeared to have it.

RECORDED VOTE

Mr. NELSON of Florida. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 347, noes 59, not voting 27, as follows:

[Roll No. 279]

AYES—347

Ackerman
Addabbo
Akaka
Albosta
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Aspin
AuCoin
Barnard
Barnes
Bartlett
Bateman
Bates
Bedell
Bennett
Bereuter
Bethune
Bevill
Bilirakis
Boehlert
Boland
Boner
Bonker
Borski
Boucher
Boxer
Breaux
Britt
Brooks
Brown (CA)
Brown (CO)
Broyhill
Bryant
Burton (CA)
Burton (IN)
Byron
Campbell
Carney
Carper
Carr
Chandler
Chappell
Chappie
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conable
Conyers
Corcoran
Courter
Craig
Crane, Daniel
Crane, Philip
Crockett
D'Amours
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
Dickinson
Dicks
Dingell
Donnelly
Dorgan
Dowdy
Dreier
Duncan
Durbin
Dwyer
Dyson
Eckart
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fazio
Feighan
Ferraro
Fiedler
Fields
Flippo
Florio
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Fuqua
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Goodling
Gore
Gradison
Gramm
Gray
Gregg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (UT)
Harkin
Hartnett
Hayes
Hefner
Heftel
Hertel
Hightower
Hiler
Hillis
Hopkins
Howard
Hubbard
Huckaby
Hughes
Hunter
Hutto
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kazen
Kennelly
Kildee
Kogovsek
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lehman (CA)
Lent
Levin
Levine
Levitas
Lewis (FL)
Lipinski
Lloyd
Long (LA)
Long (MD)
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Markey
Marlenee
Martin (IL)
Martin (NC)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCollum
McCurdy
McDade
McEwen
McHugh
McKernan
McNulty
Mica
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell
Moakley
Mollohan
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Oxley
Packard
Panetta
Pashayan
Patman
Paul
Pease
Penny
Perkins
Petri
Pickle
Porter
Price
Pursell
Rangel
Ratchford
Ray
Reid
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Roukema
Rowland
Roybal
Rudd
Sabo
Savage
Schaefer
Scheuer
Schneider
Schumer
Seiberling
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stangeland
Stark
Stenholm
Stokes
Studds
Stump
Sundquist
Swift
Synar
Tallon
Tauke
Tauzin
Thomas (CA)
Thomas (GA)
Torricelli
Towns
Traxler
Udall
Valentine
Vandergriff
Vento
Volkmer
Walgren
Walker
Watkins
Weber
Weiss
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zschau

NOES—59

Alexander
Badham
Beilenson
Berman
Biaggi
Boggs
Broomfield
Cheney
Conte
Coughlin
Coyne
DeWine
Dixon
Downey
Early
Fascell
Foglietta
Foley
Fowler
Garcia
Gonzalez
Green
Hall (IN)
Harrison
Hatcher
Hawkins
Holt
Horton
Hoyer
Hyde
Kemp
Kindness
Lehman (FL)
Leland
Lewis (CA)
Livingston
Loeffler
Lott
Marriott
McGrath
McKinney
Michel
Molinari
Murtha
Parris
Pritchard
Rahall
Regula
Rostenkowski
Russo
Sawyer
Schulze
Smith (IA)
Stratton
Taylor
Vucanovich
Waxman
Wheat
Young (MO)

NOT VOTING—27

Bliley
Bonior
Bosco
Cooper
Dymally
Edwards (AL)
Erlenborn
Fish
Franklin
Hansen (ID)
Ireland
Kleczka
McCloskey
Mikulski
Patterson
Pepper
Quillen
Richardson
Roth
Schroeder
Sensenbrenner
Shannon
Simon
Smith (FL)
Torres
Vander Jagt
Weaver

☐ 2120

Mr. DOWNEY of New York changed his vote from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. ROTH. Mr. Speaker, this evening I was unavoidably detained. Had I been present on rollcall 279, I would have voted "yes."

☐ 2130

AMENDMENT OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FRENZEL: At the end of the bill, insert the following new title:

TITLE VII

For the necessary expenses of the United States Customs Service; not to exceed $682,405,000, of which (a) $28,070,000 is for the operation and maintenance, of the air interdiction program of the Service, and (b) not to exceed $11,000,000 is for the implementation of the "Operation EXODUS" program and any related program designed to enforce or monitor Export controls under the Export Administration Act of 1979: *Provided*, That none of the funds made available by this Act shall be used for administrative expenses to pay any employee overtime pay in an amount exceeding $25,000: *Provided further*, That the Commissioner of Customs or his designee may waive this limitation in individual cases in order to prevent excessive costs or to meet emergency requirements of the Service: *Provided further*, That notwithstanding any other provision of law, the Commissioner may waive section 617 of this Act if such waiver is necessary to provide for the efficient and effective operation of the responsibilities of the Customs Service, to prevent excessive costs or to meet essential personnel requirements in areas of temporary or permanent need: *Provided further*, That the Commissioner of Customs may not publish, nor take any other action to give force and effect to, any final rule that would revise any provision in 19 CFR part 113 or section 142.4 (as in effect on March 1, 1984) relating to the requirement for sureties on customs bonds—

(A) unless the Commissioner submits to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, on the same day, a report containing—

(i) the text of the draft final rule;

(ii) an analysis of the revenue impact of the rule;

(iii) a regulatory impact analysis;

(iv) the estimated cost benefit of the rule to the Customs Service and the importing community, and an explanation in support of those estimates; and

(v) a justification for each revision to be effected by the rule; and

(B) until the close of the first period of 90 calendar days of continuous session of Congress occuring after the date on which the report is submitted under subparagraph (A).

(2) For purposes of paragraph (1)—

(A) continuity of session of Congress is broken only by an adjournment of the Congress sine die; and

(B) the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of any period of time in which the Congress is in session.

Mr. FRENZEL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

POINT OF ORDER

Mr. ROYBAL. Mr. Chairman, I raise a point of order against the gentleman's amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. ROYBAL. Mr. Chairman, during the early part of this debate the gentleman from Minnesota, on a point of order, took out a very important section of this bill. This is the U.S. Customs Service.

At that particular time he argued that he was doing so because it was in violation of clause 2, rule XXI. At that time, I conceded that point of order.

Now, he is bringing back to the House almost the exact language, but if not the exact language, he is bringing back to the House that same section of the bill that he in fact excluded or took out under his original point of order.

Therefore, Mr. Chairman, I now raise a point of order that the gentleman's amendment does in fact violate clause 2, rule XXI.

The CHAIRMAN. If the Chair may inquire. The Chair is not sure he properly heard the gentleman.

Does the gentleman from California [Mr. ROYBAL] insist on his point of order?

Mr. ROYBAL. Yes, Mr. Chairman.

The CHAIRMAN. Does the gentleman from Minnesota [Mr. FRENZEL] wish to be heard?

Mr. FRENZEL. I do, Mr. Chairman.

Mr. Chairman, I stated earlier in the evening why I was offering this amendment and that it was imperiled by a point of order.

The chairman of the subcommittee, the gentleman from California, is correct. It is a violation of rule XXI, clause 2.

I was seeking to reinsert the money with some language that would follow the authorization rather than the extra legislative language within the appropriation.

However, since the point of order has been made, I have no choice but to concede the point of order.

The CHAIRMAN. The point of order is conceded and is sustained by the Chair.

The amendment is not in order.

Mr. LOTT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, because of the hour I will not take the full time, but I am taking this time now to explain an amendment which I will be offering shortly.

It is limitation language which says,

> No part of any appropriation contained in this or any other act may be obligated or expended until appropriate legislation is enacted which requires the Congress prior to each fiscal year to adopt a statement of receipts and outlays for such fiscal year in which total outlays are no greater than the total receipts.

Under the rules of the House, since this is limitation language, a motion to rise would be in order. I presume such a motion would be made and that is when the vote would occur, according to what the rules provide for and we assume that. So I wanted to explain under this time what my amendment would do so the Members will fully understand what we are voting on.

Mr. Chairman, this amendment would prohibit Congress from spending any of this money or any other appropriation until necessary legislation is passed which would call for a balanced budget. It does not specify a time limit. It does not specify what form or any particular named bill, but it does say that the Congress must deal with this issue at the beginning of the fiscal year so that we will have some process whereby the Congress will have sometime in the foreseeable future, a balanced budget.

So at the appropriate time I will offer that amendment.

● Mr. FORD of Michigan. Mr. Chairman, I wish to comment briefly on title II of the bill, the Postal Service provision. I fully support the bill's postal appropriation of $1,040,509,000. This amount is in accord with the recommendation made in March by the Committee on Post Office and Civil Service and is also in accord with the assumption contained in the House-passed Budget Resolution. To date, the House has firmly rejected the President's recommendation for cutting in half that portion of the appropriation which subsidizes the postal rates paid by nonprofit organizations—such as the Salvation Army, the Red Cross, and the Crippled Children's Society—schools, churches, libraries, and other preferred mailers.

Any reduction in the reported amount would be a retreat toward the administration's shortsighted and potentially disastrous position on these much-needed rate subsidies. Already, because of past subsidy reductions successfully advocated by the present administration, nonprofit mailers have incurred rate increases of up to 69 percent over their January 1, 1982, level. Even a 1-percent reduction in the reported postal appropriation would be significant, because of the direct tie between the postage rates paid by nonprofit organizations and the amount appropriated by Congress. The less Congress appropriates, the more the Salvation Army pays. And each penny these organizations pay in postage is a penny they cannot use to provide services. I don't think we should ask these organizations, and the people they serve, to bear any more of a burden than they already do.

The administration has done enough damage in this vital area of public policy. I urge full support for title II of the bill.●

Mr. SHAW. Mr. Chairman, I rise in support of this provision which, if enacted, will provide the General Services Administration with a cost-effective alternative for converting leased space into Government-owned space.

This is a good provision and I commend the chairman and ranking minority member of the subcommittee for including it in the bill; but I would add that I think when changes of this nature are made there should be greater communication between the appropriations and authorizing committee.

I know we are both concerned about the Government's sustained dependency on leased space and the shrinking amount of resources available for Federal construction and that we would all like to see additional reforms of this nature enacted.

Currently, roughly 90 million square feet of office and related space is leased nationwide which represents over 40 percent of the Government's total space inventory.

Not too long ago, leased space represented less than 20 percent of our total space inventory.

In Washington, DC, we lease over 30 million square feet of space or half of our agencies' total space requirements, and this space need is growing.

The General Services Administration testified last week that the Treasury Department has a pending expansion request for fiscal year 1984 for an additional 1.6 million square feet of space for 16,000 employees.

And it doesn't stop there—this bill adds another 858 employees to the Treasury Department who will need at least another 120,000 square feet of space.

Where will these employees go—with no funds available for construction? The only place they can go is into leased space.

Both the Congress and the administration need to make a greater commitment to providing the necessary resources for either construction or the purchase of buildings so that Federal employees can be housed in Government-owned space where long-term savings in space costs can be found.

If we are not going to provide these resources then at the very least we must provide positive alternatives such as that being provided by this provision.

Under this provision, as I read it, GSA would be able to lease Government land on which buildings could be constructed which we would in turn lease back and then acquire title to at the end of the lease term—20 years.

This lease, of course, would be subject to congressional review as required by the Public Buildings Act of 1959 as well as the normal solicitation procedures now set by regulation.

Aside from the primary benefit of owning the building at the end of the lease term, the lease itself should be cheaper since any potential developed should be able to accrue savings by financing the project at a lower interest rate and the cost of the land will not have to be included in the rental rate.

This authority could be utilized immediately here in the Washington area.

GSA owns 10.6 acres on which buildings could be constructed at the Federal Triangle, 60.5 acres at the Washington Navy Yard, and 241 acres in Suitland.

These combined sites could accommodate the construction of 14 million square feet of office and related space which, if built out, would reduce our leased inventory in the city by almost half.

In conclusion, Mr. Chairman, this provision provides the type of reforms which are necessary and is exactly what I and my colleagues are trying to accomplish with the legislation we have introduced to amend the Public Buildings Act of 1959.

Again, I would commend my colleagues on the Appropriations Committee for including this provision in the bill and I yield back the balance of my time.

● Mr. ERDREICH. Mr. Chairman, it is not my intent to deny benefits to former Presidents that they have earned as Chief Executives of our Nation. But clearly, there is a need to place realistic limits on the benefits former Presidents receive. As the Birmingham Post-Herald has so aptly put it, "The American people want their former Presidents to be treated with dignity. But dignity and opulence should not be confused."

The amendment contains some of the provisions included in a bill I sponsored to limit allowances for former Presidents.

A constitutent in Birmingham wrote complaining about the following: Former President Carter spent $1 million tax dollars to store his official documents until his library was built, as well as $16,000 for 28 Secret Service agents who accompanied him on a visit to England, and $3,700 for a pair of chandeliers.

Former President Ford spent $54,573 for a house next door to his home which he uses as an office, $2,000 a year to keep up a swimming pool at the house, $42,000 for phone calls, $900 for a silver coffee service for his office, $2,826 for newspapers, and $275 for cable TV.

By speechmaking for high fees, and bookwriting for handsome profits, Mr. Carter, Mr. Ford, and Mr. Nixon are earning tremendous incomes. Shouldn't they do this with their own money and not at the expense of the taxpayer?

As my constituent in Birmingham put it: "Why should we pay to support these men in such a fashion? Expenses within reason are fair, but extravagant luxury is not."

The House must take action to see that reasonable limits are placed on ex-Presidents' payments from the Public Treasury. That's why I support Mr. NELSON's amendment.●

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the bill.

Mr. ROYBAL. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BEILENSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5798) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1985, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was refused.

Mr. FRENZEL. Mr. Speaker, on that I demand the yeas and nays.

□ 2140

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 313, nays 98, not voting 22, as follows:

[Roll No. 280]

YEAS—313

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Barnard
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Berman
Bevill
Biaggi
Boehlert
Boggs
Boland
Boner
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Brown (CA)
Bryant
Burton (CA)
Byron
Carney
Carper
Carr
Chappell
Chappie
Clarke
Clay
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Corcoran
Coughlin
Courter
Coyne
Crockett

D'Amours
Daniel
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dicks
Dingell
Dixon
Donnelly
Dowdy
Downey
Duncan
Durbin
Dwyer
Dyson
Early
Eckart
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Evans (IL)
Fascell
Fazio
Ferraro
Fiedler
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gore
Gray
Green
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Harkin
Harrison
Hartnett
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hertel
Hightower
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hunter
Hutto
Hyde
Ireland
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (TN)
Kaptur
Kastenmeier
Kazen
Kennelly
Kildee
Kogovsek
Kolter
Kostmayer
LaFalce
Lantos
Leach
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Long (LA)
Long (MD)
Lowery (CA)
Lowry (WA)
Lujan
Lundine
MacKay
Madigan
Markey
Marriott
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McKernan
McKinney
McNulty
Mica
Michel
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Morrison (CT)
Mrazek
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Panetta
Parris
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Rahall
Rangel
Ratchford
Regula
Reid
Ridge
Rinaldo
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Rowland
Roybal
Rudd
Sabo
Savage
Sawyer
Scheuer
Schneider
Schulze
Schumer
Seiberling
Sikorski
Sisisky
Skeen
Skelton
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Snyder
Solarz
Spratt
St Germain
Staggers
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (GA)
Torricelli
Towns
Traxler
Udall
Valentine
Vander Jagt
Vento
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitehurst
Whitley
Whitten
Williams (MT)
Williams (OH)
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Yates
Yatron
Young (AK)
Young (MO)

NAYS—98

Archer
AuCoin
Badham
Bartlett
Bereuter
Bethune
Bilirakis
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Campbell
Chandler
Cheney
Coats
Conable
Craig
Crane, Daniel
Crane, Philip
Dannemeyer
Dickinson
Dorgan
Dreier
Erdreich
Evans (IA)
Feighan
Fields
Frenzel
Gingrich
Gradison
Gramm
Gregg
Hansen (UT)
Hiler
Hubbard
Huckaby
Hughes
Jacobs
Jones (OK)
Kasich
Kemp
Kindness
Kramer
Lagomarsino
Latta
Leath
Lott
Luken
Lungren
Mack
Marlenee
Martin (IL)
Martin (NC)
McCain
McCandless
McCollum
McEwen
Moorhead
Morrison (WA)
Murphy
Nielson
Oxley
Packard
Pashayan
Patman
Ray
Ritter
Roberts
Roemer
Roukema
Russo
Schaefer
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Slattery
Smith (NE)
Smith, Denny
Smith, Robert
Solomon
Spence
Stangeland
Stenholm
Stump
Tauke
Thomas (CA)
Vandergriff
Vucanovich
Walker
Weber
Whittaker
Winn
Wylie
Young (FL)
Zschau

NOT VOTING—22

Bliley
Bonior
Cooper
Dymally
Edwards (AL)
Erlenborn
Fish
Franklin
Hansen (ID)
Kleczka
Mikulski
Patterson
Paul
Richardson
Roth
Schroeder
Sensenbrenner
Shannon
Simon
Stark
Torres
Weaver

☐ 2150

Mr. THOMAS of California and Mr. KASICH changed their votes from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. ROTH. Mr. Speaker, this evening I was unavoidably detained. Had I been present on rollcall 280, I would have voted "yes."

PERSONAL EXPLANATION

Mr. GILMAN. Mr. Speaker, on June 21, 1984, during consideration of H.R. 5580, I was recorded as not voting on rollcall No. 253, the Dannemeyer substitute to the Organ Transplant Act. Had I been present, I would have voted "no" on this amendment.

GENERAL LEAVE

Mr. ROYBAL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

☐ 2100

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF SENATE AMENDMENTS TO H.R. 4616, REQUIRING STATES TO DEVELOP AND IMPLEMENT COMPREHENSIVE PROGRAMS FOR CHILD-RESTRAINT SYSTEMS IN MOTOR VEHICLES

Mr. DERRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 98-874) on the resolution (H. Res. 541) providing for consideration of Senate amendments to the bill (H.R. 4616) to amend the Surface Transportation Assistance Act of 1982 to require States to use at least 8 per centum of their highway safety apportionments for developing and implementing comprehensive programs concerning the use of child-restraint systems in motor vehicles, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 5281, AUTHORIZING APPROPRIATIONS FOR SERVICES NECESSARY TO NONPERFORMING ARTS FUNCTIONS OF THE JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

Mr. DERRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 98-875) on the resolution (H. Res. 542) providing for the consideration of the bill (H.R. 5281) authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes, which was referred to the House Calendar and ordered to be printed.

MILITARY CONSTRUCTION APPROPRIATIONS ACT, 1985

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 532 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 532

Resolved, That during the consideration of the bill (H.R. 5898) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1985, and for other purposes, all points of order against the following provisions in the bill for failure to comply with the provisions of clause 2 of rule XXI are hereby waived: beginning on page 2, line 1 through page 7, line 18.

The SPEAKER. The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, I yield the customary 30 minutes, for the purpose of debate only, to the gentleman from Tennessee [Mr. QUILLEN], and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 532 waives points of order against provisions in H.R. 5898, the Military Construction Appropriation Act for fiscal year 1985, for failure to comply with clause 2, rule XXI, against specified paragraphs of the bill.

It is necessary to waive points of order under clause 2, rule XXI, which prohibits unauthorized appropriations against the appropriating paragraphs of this bill since the military construction authorization for fiscal year 1985 has not yet been enacted. I would note, however, that while this authorization measure has not been enacted into law, it was considered and approved by the House on June 22, 1984, and is presently pending before the Senate.

Because clause 2, rule XXI, also prohibits legislation in an appropriations bill, this waiver will protect any legislative items contained in these paragraphs from a point of order.

H.R. 5898 appropriates more than $8.2 billion for fiscal year 1985 military construction and family housing. These funds provide for construction to increase the readiness and fighting capability of our regular forces at home and overseas and of our Reserve and National Guard units. The appropriations also provide for improvements in the quality of life and working conditions in the military which are necessary for the recruitment and retention of the skilled and dedicated personnel needed to make our modern, sophisticated Armed Forces effective.

Mr. Speaker, House Resolution 532 provides for timely and full consideration of H.R. 5898. I urge adoption of the rule.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, the rule has been ably explained.

The bill is $584 million below the President's recent request, which is most unusual. I would recommend the rule be adopted and the bill be passed without lengthy debate. I think it is time, at 10 p.m. this evening, that we get down to the business of acting on these appropriations bills without delay.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 366, nays 35, not voting 32, as follows:

[Roll No. 281]

YEAS—366

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Aspin
AuCoin
Barnard
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Bethune
Bevill
Biaggi
Bilirakis
Boehlert
Boggs
Boland
Boner
Bonker
Borski
Boucher
Boxer
Breaux
Britt
Brooks
Bryant
Burton (CA)
Byron
Campbell
Carney
Carper
Carr
Chandler
Chappell
Chappie
Cheney
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conable
Conte
Conyers
Corcoran
Coughlin
Courter
Coyne
D'Amours
Daniel
Darden
Daschle
Davis
de la Garza
Dellums
Derrick
DeWine
Dickinson
Dicks
Dixon
Donnelly
Dorgan
Dowdy
Downey
Duncan
Durbin
Dwyer
Dyson
Eckart
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Fiedler
Fields
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gore
Gradison
Gramm
Gray
Green
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (UT)
Harkin
Harrison
Hartnett
Hatcher
Hayes
Hefner
Heftel
Hertel
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kogovsek
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leath
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lungren
MacKay
Madigan
Markey
Marriott
Martin (NC)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McGrath
McHugh
McKernan
McKinney
McNulty
Mica
Michel
Miller (CA)
Miller (OH)
Mineta
Minish
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Patman
Patterson
Pease
Penny
Pepper
Perkins
Pickle
Porter
Price
Pritchard
Quillen
Rahall
Rangel
Ratchford
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Rowland
Roybal
Rudd
Russo
Sabo
Savage
Sawyer
Scheuer
Schneider
Schulze
Schumer
Seiberling
Sharp
Shaw
Shelby
Shumway
Sikorski
Sisisky
Skeen
Skelton
Slattery
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stangeland
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Synar
Tallon
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vander Jagt
Vandergriff
Vento
Volkmer
Walgren
Watkins
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams (OH)
Wilson
Winn
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)

NAYS—35

Bartlett
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Craig
Crane, Daniel
Crane, Philip
Dannemeyer
Daub
Dreier
Evans (IA)
Frenzel
Gekas
Gregg
Leach
Mack
Marlenee
Martin (IL)
McEwen
Ottinger
Petri
Pursell
Ritter
Roukema
Schaefer
Shuster
Siljander
Tauke
Thomas (CA)
Vucanovich
Walker
Weaver
Weber
Zschau

NOT VOTING—32

Badham
Bliley
Bonior
Bosco
Brown (CA)
Cooper
Crockett
Dingell
Dymally
Early
Edwards (AL)
Erlenborn
Fish
Franklin
Fuqua
Hansen (ID)
Hawkins
Lewis (CA)
Lundine
Mikulski
Mitchell
Paul
Roth
Schroeder
Sensenbrenner
Shannon
Simon
Smith (FL)
Stark
Swift
Waxman
Williams (MT)

□ 2220

Mr. HAMMERSCHMIDT changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. ROTH. Mr. Speaker, this evening I was unavoidably detained. Had I been present on rollcall 281, I would have voted "yes."

Mr. HEFNER. Mr. Speaker, I move that the House resolve itself into the

Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5898) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1985, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Ohio [Mr. REGULA] and myself.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from North Carolina [Mr. HEFNER].

The motion was agreed to.

☐ 2223

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5898) with Mr. MILLER of California in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from North Carolina [Mr. HEFNER] will be recognized for 30 minutes and the gentleman from Ohio [Mr. REGULA] will be recognized for 30 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to pay tribute today, before I begin my statement, to each of the members of the Military Construction Subcommittee. This is a good committee that works together in a nonpartisan way to bring a responsible bill to the floor. I thank all of them for their cooperation and participation in this bill.

Particularly, however, I want to thank our ranking Republican, RALPH REGULA, for his close personal attention and help in reviewing and recommending this legislation. Mr. REGULA has the rare talent of recognizing both the need for a strong defense and fiscal restraint. His spirit of cooperation and knowledge of the program are central factors in being able to bring this appropriations bill to the House today.

Mr. Chairman, it is my pleasure to present to you today the fiscal year 1985 military construction appropriations bill. The Appropriations Committee has labored hard over the past months in reviewing the Department's $10.3 billion request for military construction, a 45-percent increase over last year's appropriation. As a result, we have proposed a reduced but comprehensive program of $8 billion, $284 million for fiscal year 1985.

The appropriations we have recommended are $2 billion below the level requested by the Department of Defense but are still a $1.2 billion increase over the amount appropriated last year. So, I will point out that if you are for budget reductions, we have made a 20-percent reduction. If you are for defense spending, it is the largest amount ever recommended for military construction and a 17-percent increase over last year.

I believe that careful review and reductions to the military construction program are an important part of bringing to the House a bill that we can justify with full confidence. If we are to continue to spend more money for defense, we must have grassroots support. The best way to obtain that support is to be sure that the people we serve know that increased defense spending is going for justified and required purposes. The bill before you today meets that requirement.

EXPANSION OF MILITARY CONSTRUCTION SPENDING

The increase in military construction appropriations reflects the overall expansion of the defense budget. In the past 4 years, the United States has stepped up its overseas commitments by adding more than 20 new U.S. funded military sites. The Committee has made every possible effort to try to bring U.S. unilateral expansion under control by deleting or reducing funds and calling for increased participation by our NATO allies and Japan.

On the domestic side, the deployment of new and more weapons systems, ships, equipment, and personnel have greatly increased the need for military construction funding. Again, we have tried to carefully monitor this program to insure that construction has not preceded firm program and design decisions.

Additionally, in the midst of all of the increases in defense spending, we have tried to channel the Department into taking care of what we call the quality of life issues in the military. In essence, we expect that while billions are being spent for new weapons systems, the Services must also program funds to provide a decent place for men and women to live and work. This year's program includes more than 42,000 new or improved barracks, 2,400 new family housing units, $750 million to improve or maintain housing units, and $250 million in community support facilities.

VALUE OF CONSTRUCTION

Construction projects recommended in this bill for the United States account for more than $4 billion. This will help stimulate the U.S. construction and related industries by providing more than 250,000 jobs.

Although overseas construction funding has tripled in the past 5 years, little of this work is currently going to U.S. contractors. Therefore, we have tried to enhance U.S. construction contracting opportunities overseas through both bill and report language recommendations.

CALL FOR SUPPORT FROM OUR NATO ALLIES AND JAPAN

An important emphasis in this year's bill has been placed on the need for more direct and indirect funding support from our NATO allies and Japan. We have noted that very few of our allies have fulfilled the goal of a 3-percent defense spending growth, while our level of increase has more than doubled this amount. To help compensate for this, we have taken a number of steps to get the Department to increase its efforts to pursue burden sharing, including: First, proposing that the next 5-year NATO infrastructure program be increased to $10 billion; second, requiring U.S. design and equipment purchases in countries not meeting the 3-percent growth level; third, tightening requirements for American preference in the Pacific; fourth, requiring the advertisement of U.S. overseas contracts in the Commerce Business Daily; and fifth, requiring improvement of U.S. Army facilities in Germany in place unless the German Government funds the $1.2 billion master restationing plan.

ITEMS OF SPECIAL INTEREST

Without going into each of the recommendations included in the committee's report, I would like to point out several items of particular interest.

First, the committee has provided funds to support accompanied tours at ground-launched cruise missile bases in the United Kingdom and Italy. Accompanied tours at other GLCM bases will be reviewed on a base-by-base basis in future years.

Next, the committee has recommended $79 billion for MX-related construction. This is for facilities that are offsite to support training, testing, assembly, and storage. We deferred $29 million in silo-related projects because of the need to test silo modifications and missile assembly prior to construction.

In regard to MX projects approved, the committee has recommended that the funds not be obligated until the Secretary of Defense has verified that the fiscal year 1985 construction program is in accord with the congressionally approved MX procurement program. This was recommended to insure that the facility program does not precede or conflict with the procurement program.

Finally, in response to issues relating to construction that has taken place during training exercises in Honduras, the committee has recommended a new general provision to the bill. Congress had required in last year's military construction appropriations bill the submission of a regional Central American plan prior to proceeding with construction of an airfield in Honduras. However, the Department proceeded—without our knowledge or approval—to construct more than $2 million of semipermanent and temporary facilities during exercises in Honduras. The GAO has recently called the use of funds in this manner improper.

In order to eliminate the confusion on when the Department should notify the committee on construction activities, we have included a general provision in the bill requiring notification on all construction to take place during training exercises costing more than $100,000.

Construction funds requested for Honduras in fiscal year 1985 have not been recommended due to a lack of authorization.

SUMMARY

Mr. Chairman, the military construction program provided in this bill reflects current economic conditions by weighing the highest priority military requirements against the need for fiscal restraint. It is a bill that will strengthen our military readiness, improve the working and living conditions for men and women in the military, and strengthen the U.S. presence around the world.

I urge adoption of the fiscal year 1985 military construction appropriations bill.

At this time I yield to the ranking minority member of the committee, Mr. REGULA, and reserve the balance of my time.

PRESIDENT'S PROPOSED REVISIONS

On May 2, 1984, the President sent a communication to the Congress to make changes to domestic spending programs, revenues, and defense. The plan included a reduction of $1,500 million from funds requested for military construction and family housing. The committee has accepted the vast majority of these reductions but has funded several projects that are at a high design stage and would result in significant savings by proceeding with construction at this time.

INCREASING OUR UNILATERAL ROLE OVERSEAS

In the 1950's, the United States consolidated and reduced the number of our installations overseas. During the past 4 years, however, this trend has been reversed as more than 20 new U.S. funded sites overseas have been initiated overseas on a unilateral basis. The United States continues to initiate and invest in these new facilities despite modest increases in defense spending by our allies.

The committee is concerned that these initiatives are not the product of an overall strategy, but rather a series of isolated responses to separate emergent situations. Today 21 percent of our military forces are stationed overseas and further increases are planned. Also, the amount of U.S. aid to countries where this unilateral development is occurring has increased significantly.

The long-term cost implication of these initiatives is never known when construction is initiated. However, new bases result in a substantial dollar outflow from the United States and discourage our allies from increasing their own defense expenditures.

The committee, therefore, has approved funding requests only when facilities are underway or where some host nation participation has been obtained.

MX MISSILE PROGRAM

The committee has recommended funding in the amount of $79,100,000 for MX-related facilities instead of the $114,000,000 requested. The committee made reductions of $29,300,000 to silo-related construction at F.E. Warren Air Force Base, WY, because of the lack of testing of MX silo modifications. The committee's investigative staff reported that the development of many of the items necessary for successful deployment are still in their preliminary stages.

In regard to MX projects approved, the committee has recommended that the funds not be obligated until the Secretary of Defense has verified that the fiscal year 1985 construction program is in accord with the congressionally approved MX procurement program. This was recommended to insure that the facility program does not preceded the procurement program.

PERSIAN GULF/INDIAN OCEAN

Consistent with its overall policy on unilateral U.S. expansion overseas, the committee has recommended funding for facilities in the Persian Gulf only at sites where construction is underway or where some host nation participation has been obtained. Clearly the United States has assumed the leading role for maintaining the stability of this region as more than $1.1 billion has been provided in the last 4 years for development of facilities in Diego Garcia, Kenya, Oman, Somalia, and Portugal. The amount of $29,300,000 has been provided in fiscal year 1985. This overall program will provide access to seven separate airfields and three ports in the immediate Persian Gulf area as well as providing air and sea support from Diego Garcia and Lajes, Portugal.

The committee views the Persian Gulf construction program as essentially complete. The further development of an overall strategy to defend the region is to rely heavily on facilities at locations already under construction, not new locations.

CARIBBEAN BASIN

In the past 2 years a total of $21 million has been provided for permanent airfield improvement at two locations in Honduras. The $8,700,000 requested for various facilities this year has not been included in this bill due to lack of authorization.

During the past year, construction took place in Honduras as part of joint U.S. military exercises that resulted in the construction of five temporary airstrips, numerous sea huts and support facilities, two radar facilities, and tank traps. Also, foreign military assistance funds were used to construct a regional military training center in Honduras. The overall cost of the Big Pine II exercise was $77 million. The committee is very concerned that all this exercise construction took place despite a provision in last year's bill requiring a construction plan for the region. For this reason a new general provision has been included in this bill requiring the Secretary of Defense to inform the committee of the plans and scope of any military exercise in which the construction effort, either temporary or permanent, is expected to exceed $100,000.

EUROPEAN CONSTRUCTION PROGRAM

The committee has recommended almost $2 billion in military construction and family housing improvements for Europe. This includes approximately $900 million for military construction projects at U.S. installations, $132 million for the NATO infrastructure program, and nearly $1 billion for family housing construction, improvements, operations, and maintenance.

In the past there has not been enough attention paid to addressing the large backlog in necessary military construction and family housing projects in Europe. This year's program funds substantial improvements in areas from tank hard stands to major increases for the maintenance of family housing units. The program recommended is the largest ever provided for Europe.

The Defense Department testified this year that the Federal Republic of Germany has not been receptive to funding the $1.2 billion master restationing plan in Germany. The committee, therefore, has recommended that the Army initiate design for the improvement of facilities in place instead of moving forward to implement the master restationing plan in Germany.

The increases to fund facility improvements in Europe have been made this year in order not to deprive our own service members of decent living and working conditions.

GROUND-LAUNCHED CRUISE MISSILE

The committee has recommended ground-launched cruise missile [GLCM] support funding in the amount of $105 million for projects in the United Kingdom, Belgium, Italy, and Germany. Even though the GLCM program is a major issue in US/Soviet talks on theater nuclear weapons, the United States should proceed with its commitments to NATO to meet schedules for the construction of operational bases. To assure that only the most essential facilities are provided, the Department should proceed first with elements of the GLCM program that provide for the operational capabilities of the base. The committee has recommended facilities for dependent support at Comiso, Italy, and Greenham Common, United Kingdom. Dependent facilities at other GLCM bases will be considered in the future on a base-by-base basis.

Funds requested for GLCM facilities in the Netherlands in the amount of $79 million have been deferred pending final recommendations on deployment timing.

The Department is to continue to pursue the committee's direction to obtain more NATO infrastructure funding for base construction. The United States is already providing personnel, equipment, missiles, and all operational costs for GLCM basing.

NATO INFRASTRUCTURE

The committee has recommended $132 million for the NATO infrastructure program, which is $165 million less than the amount originally requested but is consistent with the President's proposed revisions to the budget. The reduction is possible because of the large unobligated balance in this program. The committee has called for a $10 billion expansion of this program during the next 5 years. The need for additional NATO construction exceeds by far the amounts currently programmed.

The committee has also included language in its report urging that appropriate steps be taken to encourage the use of U.S. contractors on NATO projects. The committee has also included language urging more attention to recouping previously prefinanced projects.

COLLOCATED OPERATING BASES

The collocated operating base program is an effective way of significantly expanding U.S. access to facilities in Europe. For several years the committee has stressed the need to accelerate the program through NATO infrastructure funding. This was done both because COB's are fully eligible for infrastructure funding and because it fulfilled the congressional call for more support from our NATO allies.

The Department this year requested that $16 million be prefinanced by the United States for minimum essential construction at collocated operating bases in five locations. The committee has not included funds for any prefinanced projects this year and urges the Department to continue its efforts to fund more collocated operating bases through the NATO infrastructure program.

QUALITY OF LIFE IN THE MILITARY

Improving the quality of living and working conditions in the military is an essential factor in the improvement of overall military readiness. It is important to provide the necessary facilities and amenities for individuals in the services and their families in order to create an environment that is conducive to professional and motivated work.

The committee has made a determined effort to fund quality of life projects that were requested, authorized, and fully justified. It appears that some projects of marginal value have been requested in the name of quality of life.

The committee continued this year with its special hearing concentrating on housing, working conditions, child-care centers, medical services, and other programs that relate to the quality of life in the military. The committee heard testimony from the top enlisted person in each service, officer women representatives, and the Deputy Assistant Secretary of Defense for Military Personnel Policy. Because of concern over living and working conditions in the services, the committee asked wives of enlisted and officer personnel to testify at our hearings. This was a valuable insight into the needs of families in our services.

The testimony presented indicates that military construction programs that address quality of life issues have a tremendous payoff in terms of both retention and improved working performance. The backlog in housing and working facilities is staggering, but the fiscal year 1985 request represents a significant step forward in decreasing quality of life facility deficiencies.

ACCURACY OF ESTIMATES

During the past 3 years, the actual costs of military construction projects have been consistently 20 to 30 percent less than budgeted amounts. This has resulted in savings totaling nearly $500 million from previously approved projects. The services claim to have made adjustments to the fiscal year 1985 request to incorporate the good bidding climate. The committee is pleased that some adjustments have been made but has seen no evidence of a coordinated effort on the part of the Secretary. Consequently, significant savings will occur again in fiscal year 1985. A factor of 4.5 percent for inflation was used for all fiscal year 1985 estimates despite actual increases at less than that rate in 1984. The existence of a large Federal deficit makes it imperative that the Department strive to accurately project its needs rather than "err on the high side" for the sake of "management flexibility." The committee has made reductions to account for current conditions.

MILITARY CONSTRUCTION, ARMY

The committee has approved a total of $1,606,350,000 for fiscal year 1985, which is $293,650,000 below the request and $422,210,000 above the amount provided in fiscal year 1984.

The major reductions include a host of projects failing authorization, $10 million in overscoped recreational facilities, $16 million to purchase a rug factory in Germany, $70 million from other projects in Germany, general reductions of $80 million, and the President's revised proposal reductions of $60 million.

The committee has added several authorized projects to provide new barracks and training ranges.

MILITARY CONSTRUCTION, NAVY

The committee has approved a total of $1,449,442,000, which is $353,858,000 below the budget estimate and $242,925,000 above the amount approved in fiscal year 1984. Major reductions include a host of projects failing authorization, $25 million reduced for overpricing certain projects, $80 million in a general reduction, $50 million for projects in Europe, and $200 million proposed in the President's revised package. A number of authorized projects have been added to provide new barracks spaces, maintenance shops, classroom spaces, and utility upgrades. No funds for the Santa Margarita water project have been included due to lack of authorization.

MILITARY CONSTRUCTION, AIR FORCE

The committee has approved $1,543,225,000 for fiscal year 1985, which is $622,175,000 below the request and $132,232,000 above the amount provided in fiscal year 1984.

Major reductions include a host of projects failing authorization, $29 million in MX construction funds, $16 million from the COB's program, $24 million from airbases in Turkey, $80 million from GLCM basing, a general reduction of $60 million, and $87 million from the President's revised proposal.

The committee has added several authorized projects for additional barracks spaces, dining halls, and several operational facilities.

MILITARY CONSTRUCTION, DEFENSE AGENCIES

The committee has approved a total of $310,008,000 for military construction for the Defense agencies, which is $149,492,000 below the request and $28,206,000 above the fiscal year 1984 appropriation.

Major decreases include a number of DOD school projects which failed authorization, $15 million from emergency construction, $12 million for GSA-held land projects, and a general reduction of $44 million.

NATO INFRASTRUCTURE

The committee has recommended appropriations totaling $131,700,000, which is $165,000,000 less than the amount requested. This reduction is possible because of the large unobligated balance in this account.

MILITARY CONSTRUCTION, RESERVE COMPONENTS

The committee has recommended $402,223,000 of military construction for the Reserve components, which is $11,423,000 above the amount requested. The committee has added several projects to accelerate replacement and modernization of needed facilities.

FAMILY HOUSING, ARMY

The committee recommends $1,338,752,000 for family housing, Army, which is $86,702,000 below the amount requested and $72,049,000 above the amount provided in fiscal year 1984.

The committee has made reductions to reflect more realistic costs for new construction, management, and utilities.

FAMILY HOUSING, NAVY

The committee has provided $674,368,000 for family housing, Navy, which is $53,518,000 below the amount requested and $35,742,000 above the fiscal year 1984 appropriation. The committee has made reductions to reflect more realistic costs for new construction, management, and utilities.

FAMILY HOUSING, AIR FORCE

The committee has provided $882,134,000 for family housing, Air Force, which is $176,498,000 below the budget request and $26,323,000 above the amount provided in fiscal year 1984. The committee has made reductions to reflect more realistic cost estimates for new construction, management, and utilities, and has made deletions of unauthorized or unjustified construction projects.

FAMILY HOUSING, DEFENSE AGENCIES

The committee recommends $17,291,000 for family housing, Defense Agencies, which is $2,509,000 below the amount requested and $550,000 below the amount provided in fiscal year 1984. Reductions have been made to reflect more realistic cost estimates for construction and leasing requirements.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY

	Fiscal year 1984 enacted	Fiscal year 1985 estimates	House	House bill compared with—	
				Enacted	Estimates
Military construction, Army	1,184,140,000	1,900,000,000	1,606,350,000	+422,210,000	−293,650,000
Military construction, Navy	1,206,517,000	1,803,300,000	1,449,442,000	+242,925,000	−353,858,000
Santa Margarita water project, Navy		142,000,000			−142,000,000
Military construction, Air Force	1,410,993,000	2,165,400,000	1,543,225,000	+132,232,000	−622,175,000
Military construction, Defense agencies	281,802,000	459,500,000	310,008,000	+28,206,000	−149,492,000
North Atlantic Treaty Organization infrastructure	50,000,000	296,700,000	131,700,000	+81,700,000	−165,000,000
Military construction, Army National Guard	67,620,000	88,900,000	92,117,000	+24,497,000	+3,217,000
Military construction, Air National Guard	108,888,000	102,900,000	+111,200,000	+2,312,000	+8,300,000
Military construction, Army Reserve	54,700,000	70,400,000	67,306,000	+12,606,000	−3,094,000
Military construction, Naval Reserve	30,605,000	60,800,000	63,800,000	+33,195,000	+3,000,000
Military construction, Air Force Reserve	41,200,000	67,800,000	67,800,000	+26,600,000	
Total, military construction	4,436,465,000	7,157,700,000	5,442,948,000	+1,006,483,000	−1,714,752,000
Family housing, Army	1,266,703,000	1,425,454,000	1,338,752,000	+72,049,000	−86,702,000
Portion applied to debt reduction	−31,700,000	−20,054,000	−20,054,000	+11,646,000	
Subtotal, family housing, Army	1,235,003,000	1,405,400,000	1,318,698,000	+83,695,000	−86,702,000
Family housing, Navy	638,626,000	727,886,000	674,368,000	+35,742,000	−53,518,000
Portion applied to debt reduction	−28,133,000	−23,286,000	−23,286,000	+4,847,000	
Subtotal, family housing, Navy	610,493,000	704,600,000	651,082,000	+40,589,000	−53,518,000
Family housing, Air Force	855,811,000	1,058,632,000	882,134,000	+26,323,000	−176,498,000
Portion applied to debt reduction	−51,376,000	−27,932,000	−27,932,000	+23,444,000	
Subtotal, family housing, Air Force	804,435,000	1,030,700,000	854,202,000	+49,767,000	−176,498,000
Family housing, Defense agencies	17,841,000	19,800,000	17,291,000	−550,000	−2,509,000
Total family housing (budget authority)	2,778,981,000	3,231,772,000	2,912,545,000	+133,564,000	−319,227,000
Total portion applied to debt reduction	−111,209,000	−71,272,000	−71,272,000	+39,937,000	
Total, family housing	2,667,772,000	3,160,500,000	2,841,273,000	+173,501,000	−319,227,000
Grand total, new budget (obligational) authority	7,104,237,000	10,318,200,000	8,284,221,000	+1,179,984,000	−2,033,979,000

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Mr. Chairman, I will reserve the balance of my time.

The **CHAIRMAN**. The gentleman from North Carolina has consumed 8 minutes.

Mr. **REGULA**. Mr. Chairman, I yield myself such time as I may consume.

Members of the House, the chairman has done an excellent job of giving you the details of the military construction appropriation. He has provided leadership along with a bipartisan effort on the part of the members of the subcommittee to bring a responsible bill on an important subject to this House tonight.

I would like to discuss briefly with you the policy issues at stake in military construction appropriations. That is a subject that does not ordinarily get a lot of attention.

But I would point out to all of the Members that there are three important elements to the military construction appropriations as well as authorization.

No. 1, we deal with the quality of life for those who serve our country. This becomes increasingly important as we hope to attract and retain good people to serve in our Armed Forces.

Second, the military construction bill contains elements of foreign policy because as we decide in this legislation as to where we will put bases overseas, we are, in effect, making an American foreign policy decision.

Any decision on base location is very important in the sense that the United States is saying, with its dollars, through construction, as to what is important to our national security as far as overseas locations are concerned.

The third element in this bill is the fact that any weapons system that we determine is necessary for the security of the United States must first have a place to be deployed. You can order all the weapons you choose, but before you can use those systems there must be places made available through construction of the necessary facilities.

For example, if we are to purchase B-1's, we must have bases to deploy those B-1's. So those are important elements of military construction. In this bill we have attempted to address those necessities.

One of the other things, and I think more and more it is evident in the Nunn amendment in the Senate recently, is a growing concern about the cost of our forces in Europe. One of the things we tried to do in this bill is to get more support from host nations. We are saying in effect that the United States historically has taken responsibility for free world security, but it is time for other nations to step up to the plate. It is time in 1984, that our allies in Europe, that our friends in the Pacific, take a greater responsibility.

For that reason we reduced the President's request for bases overseas and construction overseas. For that reason we put language in this bill that requires other nations to take a greater measure of responsibility.

We have said in effect to these countries, "You must put up more construction money, you must take a greater share of responsibility for the security of the free world."

And I think that as a general policy of the United States we need to continue that effort. The fact that the Nunn amendment was offered in the Senate, and even though it was defeated, it still reflects a growing concern on the part of all of us that other nations should take a greater share of the load.

Likewise in the quality of life amendments; this year under the leadership of Chairman HEFNER, we did something unique. We invited the wives of servicemen to come in and testify and tell us what impacted on their attitude toward life in the service.

It is a joint effort. Most of us realize that our spouses are involved in our service in the U.S. Congress. Likewise, this is true of the military. I think this gave us a better sense of what was important to our service people. This year again our committee had top enlisted men come in and testify as to what they felt was an important element for maintaining the quality of life.

Historically in past years the United States, in an effort to move ahead with NATO, has, in many instances, prefinanced projects in Europe. We have had great difficulty getting NATO to come up with the money.

So this time we said no more prefinancing. Either NATO puts up its share of the money or the project does not happen.

Let me just briefly finish with the issue of the quality of life, because I think that is one of the important elements and one of the reasons that the military construction bill has gone up rather sizably in the past few years.

The United States is unique; we made a policy decision as a Nation that we want to rely on volunteers.

To get volunteers, to keep good people in the service to maintain and operate sophisticated weapon systems requires that people have an attractive, decent place to live. It requires that they have a decent place to work.

In this committee, we have tried to address those problems. I would point out to you, my colleagues, that over 50 percent of this budget is directed toward the workplace and the home place; in other words, the quality of life issues.

Just to bring into focus how important this is, I would point out to you that if you look at the demographics of the birth rate we are facing reduced available recruits. This year I had the experience and I suspect that many of the rest of you did, that as I did commencements in every instance the principal said to me, "This is the smallest senior class we have had in recent times."

They said, "Our senior classes coming up will be small." What that means is that it is going to be more difficult over the next 5 or 6 years to attract young men and women to volunteer to serve in the Armed Forces of the United States.

And therefore the quality of life issue becomes even more important.

As a matter of fact, in 1991, over 50 percent of the noncollege young people will have to be recruited if we are to maintain the level of our armed services. Therefore, quality of life becomes extremely important as we look down the road. So that the young man or woman who is in boot camp at Great Lakes, or Orlando, or San Diego goes home and says, "I had a decent place for my training, I had a good experience. Why don't you enlist?"

That is how, as a practical matter, these things impact on the young people of our Nation.

So I suggest to all of you that this bill deserves your support.

As Chairman HEFNER pointed out we worked hard to cut back over $2 billion from the President's request.

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As a matter of fact, we received a letter, as members of the committee, from David Stockman, the Director of OMB, that says that we are not spending enough. This is the only subcommittee of appropriations that gets such a letter saying, "You are not spending enough." In fact, they would like to increase this budget about $550 million over what we have included.

However, it is the feeling of the members of the subcommittee that we kept as tight a rein on expenditures as possible and yet, address those three important issues, the quality of life, having the necessary facilities for weapons systems that this body has already authorized the money for the purchase of these systems, and, third, to have a responsible construction program overseas, but nothing excessive. And as part of that to say to our allies, "You must do more next year and the year after and the year after that."

I urge my colleagues to support this legislation. I hope that it will pass with an overwhelming vote.

Mr. HEFNER. Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, I would like to engage the chairman in a colloquy concerning a reference which the chairman made a minute ago about U.S. military construction activities in Honduras, a subject which is of great interest to those of us in the Congress and to the American people.

Will the chairman explain to us in the Congress and to the people what the committee has done this year in response to the various reports on construction taking place in Honduras during alleged training exercises conducted by U.S. military forces.

Mr. HEFNER. I thank the gentleman for asking that question about construction in Honduras.

The committee, during the past 4 months, has held one open hearing and two closed hearings on the matter of undertaking construction during the training exercises. We heard testimony from Under Secretary Taft, Assistant Secretary Sanchez, General Gorman, Commander in Chief of the Southern Command, and, as a result of these hearings, we have received assurances from these people that the committee will be informed in the future prior to the Department's undertaking any construction during the training exercises in that part of the world.

Mr. ALEXANDER. Mr. Chairman, last week the Comptroller General of the General Accounting Office released a report that indicates that the funds spent for construction during the training exercises in Honduras were used in an improper manner and, in fact, were unauthorized.

Is there anything that has been done by the committee or can be done in this bill to address this situation?

Mr. HEFNER. The funds used for construction during the training exercises are Defense appropriations which were not under the jurisdiction of this subcommittee. Therefore, that is a matter that should be addressed in the Defense bill.

I will say that the committee has instructed the Department to inform us on any construction to take place prior to conducting training exercises.

The CHAIRMAN pro tempore [Mr. MOODY]. The time of the gentleman from Arkansas [Mr. ALEXANDER] has expired.

Mr. HEFNER. Mr. Chairman, I yield 1 additional minute to the gentleman from Arkansas.

If the construction is to cost more than $100,000. None of the funds requested for Honduras have been included in this bill due to the lack of authorization for these funds.

Mr. ALEXANDER. Mr. Chairman, the Comptroller General found that the activities of the United States to build military construction in Honduras was mostly unauthorized, that all of the training conducted by U.S. forces for Hondurans was illegal, and that all activities by U.S. forces to provide civic and humanitarian services for Honduras were unauthorized and therefore illegal.

What does the gentleman feel about the conclusions reached in the GAO opinion?

Mr. HEFNER. Essentially the GAO has supported our opinion that the construction activities, whether they be permanent or temporary, did take place in Honduras without the knowledge of the Congress.

The CHAIRMAN pro tempore. The time of the gentleman from Arkansas [Mr. Alexander] has again expired.

Mr. HEFNER. Mr. Chairman, I yield 2 additional minutes to the gentleman from Arkansas [Mr. Alexander].

This is a situation that it hope to prevent in the future. And we have assurances that it will not happen in the future.

Mr. ALEXANDER. Mr. Chairman, I, too, am hopeful that the Department of Defense will comply with the law and will comply with the request of the committee. However, the Secretary of Defense, Mr. Weinberger, has stated this week in response to the decision of the Comptroller General that the Department of Defense was in compliance with the law and, in fact, Mr. Weinberger stated that all of the actions taken in Honduras were legal.

I replied to Mr. Weinberger's statement with a letter today and I will read the letter for the Record:

Congress of the United States,
June 27, 1984.

Re Comptroller General Decision B-213137, June 22, 1984.

Hon. Caspar W. Weinberger,
Secretary of Defense,
U.S. Department of Defense,
Washington, DC.

Dear Mr. Secretary: On Tuesday, June 26, 1984, the news media quoted you, correctly or incorrectly, in response to the above cited Comptroller General's decision which states:

". . . It is apparent to us that the majority of facilities constructed during Ahaus Tara II are substantially less "temporary" than many of those which we described in 42 Comp. Gen. 212 as requiring specific funding as public improvements. See 42 Comp. Gen. 212, 214 (1962). Consequently, it is our view that the majority of construction activities could not be funded out of O&M as ordinary operations expenses of joint exercises. . . ." (At page 14, Appendix to Comptroller General Decision B-213137, June 22, 1984.)

". . . Costs pertaining to training of Honduras armed forces during, or in preparation for, the Ahaus Tara II exercise should have been financed as security assistance to Honduras. Use of O&M funds for such activities was unauthorized. . . ." (At page 1, Comptroller General Decision B-213137.)

". . . DOD has no separate authority to conduct civic action or humanitarian assistance activities, except on behalf of other Federal agencies (such as AID) through the Economy Act 31 U.S.C. Sec. 1535, or (for minor projects) as incidental to the provision of security assistance. Such activities conducted in Honduras during the course of Ahaus Tara II were improperly charged to DOD's O&M appropriations. . . ." (At page 2, Comptroller General Decision B-213137.)

You were quoted as saying, "There is no question that we were authorized to do what we did" using operations and maintenance funds during Ahaus Tara (Big Pine) II military training exercises in Honduras. This comment apparently encompassed all the issues involved: construction of military facilities; the provision of basic and/or advanced training of Honduran military personnel on 105mm artillery, on mortars, and in combat medicine; and civic and humanitarian activities.

CONSTRUCTION OF MILITARY FACILITIES

You were also quoted as saying construction projects could be funded with operations and maintenace funding if such projects did not exceed a cost of $200,000. Such authority does exist within limits. In 42 Com. Gen. 214-215 (1962) the Comptroller General ruled that such construction must be "clearly of a temporary character". Other decisions of the Comptroller General have also addressed elements of the issue.

Even if it is assumed by the Department that no limits other than the $200,000 cost maximum are involved, the Department has acknowledged that construction at a number of sites during Ahaus Tara II exceeded the $200,000 maximum. For instances, such information is contained on pages 12-14 of the attachment to May 8, 1984, letter signed by William H. Taft, IV, Deputy Secretary of Defense, to the Honorable W. G. Hefner, Chairman of Subcommittee on Military Construction of the Committee on Appropriations, U.S. House of Representatives. Although the data in this document did not include all funded expenses chargeable to these projects under DOD regulations, the Department reported that construction during Ahaus Tara II at the following locations exceeded the $200,000 limits: Palemerola, $704,000; San Lorenzo (airstrip and base camp) $406,000, and Trujillo (airstrip), $260,000.

CIVIC AND HUMANITARIAN ACTIVITIES

With regard to DOD's funding of civic humanitarian activities with operations and maintenance funding, the DOD General Counsel, in response to the GAO's December 1, 1983, letter to DOD concerning DOD authority to conduct civil and humanitarian activities stated ". . . DOD has no separate statutory authority to perform humanitarian and civic action programs (except) under the authority of the Economy Act or their similar authority. . . ."

TRAINING

In connection with the basic and/or advanced classroom and/or field training provided to Honduran military personnel in such skills as combat medicine, the use of mortars, the use of 105mm artillery, and/or conterinsurgency, it is my understanding that DOD has not claimed statutory authority for use of operations and maintenance funds for financing such activities. If it is DOD's position that it has such authority, I would appreciate receiving from you the citations for the specific statutes which are considered by DOD to be the source of such authority.

In addition, if it is DOD's position that it has unlimited authority to use operations and maintenance funding for construction projects which do not exceed a cost of $200,000 and/or has separate authority for conducting civic and humanitarian activities, I would appreciate receiving the citations of the specific statutes which are considered by DOD to grant that authority.

With kindest regards, I am

Sincerely,

Bill Alexander,
Member of Congress.

Mr. Chairman, I thank the gentleman for yielding.

Mr. HEFNER. Mr. Chairman, I yield myself 2 additional minutes.

Mr. Chairman, I would hope from the testimony and letters that we received on this subject that we have the commitment necessary from the Department not to repeat the situation that has taken place in Honduras during the past year.

I would like to thank the gentleman for his contribution in bringing U.S. action in Honduras to light and in helping to keep Congress fully informed on what is happening in Central America.

Mr. ALEXANDER. I thank the gentleman.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. HEFNER. I yield to the gentleman from Ohio.

Mr. REGULA. I thank the gentleman for yielding.

Mr. Chairman, I was in Honduras and I would point out that it is true, our soldiers are doing humanitarian acts down there. But I think that is the American spirit. These young men and women who are there want to help. They see great needs, medical, and otherwise, and they reach out to the people. That is the history of the United States wherever our troops have gone. They have done a great deal of humanitarian work. I applaud them for it. I think that the morale and the spirit that I saw among those people down there was remarkably good. I just think that fact ought to be put on the record.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. REGULA. Mr. Chairman, I yield to the gentleman from Arkansas [Mr. Alexander].

Mr. ALEXANDER. I thank the gentleman for yielding.

Mr. Chairman, I will not take much time. I certainly agree and concur in every way with the gentleman's statement in that it is in the American tradition to provide civic and humanitarian assistance to foreigners which are our friends and allies.

It is also in the tradition of our country to follow the law. In this instance the law is very specific as to how that humanitarian assistance shall be provided. It shall be provided according to security assistance laws that we have enacted in this Congress. In the instance of our own U.S. forces in Honduras, humanitarian assistance, vaccinations for some 40,000 animals, the building of a school and so on, were provided by the U.S. military, which was not authorized by this Congress. Under our own laws these actions should have been authorized in order to have provided that assistance.

I certainly support providing assistance so long as it is done according to law and according to the regular procedure of this Congress.

□ 2250

Mr. REGULA. Obviously some of our soldiers, in their zeal to help others, probably did not, perhaps as the gentleman points out, stay within the letter of the law, but certainly they did it because they cared about others. I think they should be applauded.

Mr. ALEXANDER. They did it because they were ordered to do it, I will say to the gentleman from Ohio, and it was done in violation of the laws of this land according to a decision of the Comptroller General of the United States.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from New York.

Mr. KEMP. You know, I got to say to my friend from Arkansas, listening to him talk about this issue, I just wonder, I have been here, you know, for several military construction bills in the past. It looks to me like the language is fairly tightly drawn, and I just wonder, I have never heard him ever ask a question about any other area of the world other than Central America and Honduras. And I wonder, why is his challenge to the Pentagon and to the Defense and DOD and to those soldiers who are trying to help some folks in Honduras—we have bases all over the world. We have got soldiers in many parts of this world. We are anxious for friends and allies, to build bases in North Africa and in the Middle East and in Asia. What is it about Honduras that the gentleman—are they too friendly to us, I would ask the gentleman?

Mr. ALEXANDER. I would be pleased——

Mr. KEMP. Are they too anxious?

Mr. ALEXANDER. Is the gentleman asking me the question?

Mr. KEMP. Are they too friendly with the United States?

Mr. ALEXANDER. I would be pleased to respond to the gentleman.

Mr. KEMP. Are they too democratic for the gentleman from Arkansas? Is there something in Honduras that would make the gentleman spend all of this time challenging everybody about what they are doing?

Mr. ALEXANDER. Is the gentleman asking me a question, or is the gentleman making a speech?

Mr. KEMP. Well, the gentleman gets the drift of my question.

Mr. ALEXANDER. I would be pleased to answer the question if the gentleman will permit me.

Mr. REGULA. I yield to the chairman.

Mr. ALEXANDER. I would respond to the gentleman that as a member of the Appropriations Committee on Military Construction——

Mr. REGULA. I yield to the chairman and then to the gentleman from Arkansas.

Mr. ALEXANDER. The gentleman has asked me a question.

The **CHAIRMAN.** The Chair recognizes the gentleman from Ohio.

Mr. REGULA. I yield to the chairman and then to the gentleman from Arkansas to respond to the gentleman from New York.

Mr. HEFNER. I appreciate the colloquy we are having, and I think we have tried to answer the questions, of all concerned. I think we have tried to work very hard to put together a good bill for this House. The hour is late, and we have heard these arguments before. They go back and forth on several different bills. And I think, if we could, move ahead and get through with our debate—there are a lot of people who have been waiting a long time for this very important legislation.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. I ask many questions in the Appropriations Committee on Military Construction. But I know of no other place in the world where the administration is purposely and willfully violating American law except in Central America and, in this instance, specifically Honduras. If the gentleman is challenging my motives, I wish he would say so. It is my purpose to get the President of the United States to adhere to the law, after a 2-year investigation of this question.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from New York.

Mr. KEMP. It was clear what I was asking. I was asking the gentleman why it was that this country has been picked upon time after time after time by the gentleman. What is it about that country?

Mr. ALEXANDER. Did the gentleman hear my response?

Mr. KEMP. Did the gentleman hear the question?

Mr. REGULA. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. I thank the gentleman for yielding.

To the gentleman from New York, who has raised, I think, a legitimate question, the gentleman from Arkansas is technically correct. The General Accounting Office has raised the complaints that the gentleman has pointed to, and I think that a record can be established to the effect that the U.S. Army did not comply with all of the regulations, all of the laws; it did not dot its i's and cross its t's, perhaps as if it might have done.

However, there is also a humanitarian consideration to take into account. I was down there in Honduras, and I saw how those medical teams were assisting the people of Honduras who were starving, and how they helped people who had gotten into accidents where they were in risk of losing their lives; and those U.S. medical teams saved those people's lives. They would have died had it not been for those U.S. physicians.

Furthermore, I recall some of the headlines that were instigated by the gentleman from Arkansas in U.S. News & World Report and other periodicals throughout this country during the spring. There were headlines declaring how the U.S. Army teams were going down there and building magnificent airstrips. And, my goodness, the imagination of all the United States was conjured up about an overwhelming U.S. military presence in the country of Honduras.

I went down there, and I looked at those fantastic airstrips in two or three places throughout this country of Honduras: Dirt is what I found! Fields that would revert to nothing but corn patches within 3 or 4 months. Those were virgin training areas in which members of the U.S. Armed Forces and Corps of Engineers went down and simply attempted to exercise their prowess as they never have been able to do before. It was an opportunity for them to try out their skills in rough terrain, as opposed to the previously developed portions of the United States.

And I really do not think that when we are exaggerating the facts in public for the benefit of headlines that we are really accomplishing anything good for our Nation.

Mr. ALEXANDER. That is the gentleman's own conclusion. If you are challenging my motives——

Mr. LIVINGSTON. Whose time is it?

Mr. REGULA. I have the time.

Mr. CHAIRMAN. Regular order will be followed.

The gentleman's time has expired.

Does the gentleman wish to yield to the gentleman from Louisiana?

Mr. REGULA. I yield to the gentleman 1 additional minute.

Mr. LIVINGSTON. I thank the gentleman for yielding.

I would like to be perfectly clear that I am not challenging anybody's motives in this House, because I think the gentleman is technically correct.

Mr. ALEXANDER. Thank you.

Mr. LIVINGSTON. There have been errors made, on the record. And as the chairman of this subcommittee has pointed out, contact has been made to see to it that these errors do not reoccur. But the fact is that we do not ourselves any good; we do not do the image of the U.S. Government any good to distort the truth. And I have been down there, and I have seen the truth. The simple truth is that the elaborations that have appeared in the press about incidents happening in Honduras are exaggerated.

Mr. **ALEXANDER**. That is the gentleman's own opinion. And I would say that I have been trying to keep this debate on the question of the law.

The **CHAIRMAN**. Regular order of the House will be followed. That will include Members of the House operating in an orderly fashion.

The gentleman from Ohio [Mr. Regula] controls the time.

The time of the gentleman from Louisiana [Mr. Livingston] has expired.

Mr. **REGULA**. Mr. Chairman, I yield 30 seconds to the gentleman from Arkansas [Mr. Alexander].

The **CHAIRMAN**. The gentleman from Arkansas is recognized for 30 seconds.

Mr. **ALEXANDER**. I would simply conclude by saying that I have tried to restrict the debate to the question of legality, and I would say in response to the gentleman from Louisiana that if this were some community action agency that had done to a poverty program what the military had done in Honduras, the gentleman from Louisiana would be standing up in the well in outrage. But instead he is asking us to condone illegality for humanitarian assistance to foreigners where he would not for our own people.

The **CHAIRMAN**. The time of the gentleman from Arkansas [Mr. Alexander] has expired.

Mr. **REGULA**. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. Loeffler].

Mr. **LOEFFLER**. I thank the distinguished ranking Republican for yielding, and I just might conclude my thoughts with respect to the colloquy that has been ongoing for the last 25 minutes.

There is nothing wrong with Americans being Americans abroad. And I do not care whether it is in Central America or any other part of the country.

Mr. Chairman, I commend the distinguished chairman of our subcommittee, the gentleman from North Carolina, and the distinguished ranking Republican, the gentleman from Ohio, for bringing to us a very balanced, necessary, and appropriate military construction appropriation bill for 1985.

I believe that the committee has worked diligently to do the kinds of things that are necessary to show that we truly believe in fiscal responsibility while adhering to the most important aspect that a U.S. Congress can deal with, and that is the security of our great Nation.

I think it is important for the body to understand that originally the President's request, as submitted to us at the first of this year, was $10,318 million for military construction. There was a revised request that we know to be the Rose Garden agreement that consisted of the administration's position then being some $8,868 million for military construction.

This committee bill which we are considering this evening is $8,284 million.

Therefore, our committee bill that we bring to the House for final consideration is $584 million less than the Rose Garden agreement.

And this committee bill is $2,034 million less than the President's original request.

Therefore, in the final analysis, this committee bill which we are considering this evening is 19.7 percent less than the President's original request.

It is necessary that we move forward with the types of increases, and I urge the committee to follow the leadership of our chairman and ranking Republican member and vote for this bill.

PARLIAMENTARY INQUIRY

Mr. **REGULA**. Mr. Chairman, I have a parliamentary inquiry.

How much time do we have remaining?

The **CHAIRMAN**. The gentleman from Ohio [Mr. Regula] has 11 minutes remaining.

Mr. **REGULA**. Mr. Chairman, I have a couple of additional requests on this side.

Does the gentleman wish us to go forward?

Mr. **HEFNER**. Mr. Chairman, how much time do I have left?

The **CHAIRMAN**. The gentleman from North Carolina [Mr. Hefner] has 15 minutes remaining.

□ 2300

Mr. **HEFNER**. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. Hunter].

Mr. **HUNTER**. I thank the gentleman for yielding me this time.

Mr. Chairman, I take the time to engage the chairman in a colloquy if I could. Mr. Chairman, this relates to a pier in San Diego that would be attached to a submarine drydock that is being constructed presently that would handle the new 688 *Los Angeles*-class submarines. I understand that this bill does not contain the $25.9 million requested for a pier extension at the naval submarine base in San Diego.

Mr. **HEFNER**. That is right. The committee denied the funds for this project. The purpose of the facility was to accommodate a floating drydock for the large size submarines at NSS San Diego. Funds were not included because at least three other sites on the west coast are currently capable of performing selected repairs on large submarines.

In addition, there are currently only two of the large 688-class submarines at San Diego which cannot be accommodated in the existing drydock. That was the reason we denied the funds.

Mr. **HUNTER**. I would note that this project appears to be valuable and I would urge the committee to take another look at it, and particularly, I note, there are currently 12 submarines homeported in San Diego of which 2 are of the 688 class. By the early 1990's there will be 22 submarines homeported in San Diego of which 10 will be 688-class boats.

The Navy is currently building a 78-ton drydock to accommodate these 10 larger size submarines. Moreover, the Navy has indicated that they expect a sufficient volume of work to keep the new dock busy, and that would justify its cost.

I would further note that there is a need in San Diego for more pier space at the submarine base to birth a greater number of subs in San Diego in the next decade. For this reason, I believe that a new pier would have to be built even if funds for this pier are denied here and for all these reasons I would ask if the Committee could reconsider this action when it goes to conference with the other body on this bill.

Mr. **HEFNER**. We will certainly be happy to look at it, if it is in the Senate bill. We will take a look at it, if it is a point of conference.

Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. Kostmayer].

Mr. **KOSTMAYER**. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in strong support of the bill.

Mr. Chairman, as we consider the 1985 military construction appropriations bill, I would like to personally thank the distinguished chairman and members of the Appropriations Subcommittee on Military Construction for including $2,290,000 for the electric powerplant at the Naval Air Development Center in Warminster, PA. This is the full amount that was authorized earlier by the Military Construction Authorization Act.

The Naval Air Development Center has played an important role in improving our naval defense capabilities, especially relating to submarine warfare. I am always impressed with the center and its employees during my frequent visits there and I am grateful for the continued support given to the center by my colleagues on the Armed Services and Appropriations Committees.

Mr. **HEFNER**. Mr. Chairman, I reserve the balance of my time.

Mr. **REGULA**. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnestoa [Mr. Frenzel].

Mr. **FRENZEL**. Mr. Chairman, I am opposed to H.R. 5898, military construction appropriations for fiscal year 1985.

Last year, we appropriated $7.1 billion for military construction. This year the commitment has reported a bill containing $8,284,221,000 in budget authority. That represents an increase of $1,179,984,000, or 16.6 percent above last year's level. Although the increase is smaller that the President's original request, it is, in my judgment, excessive nontheless.

Mr. Chairman, last week I offered an amendment to the military construction authorizations bill which would have required the Secretary of Defense to make no less than a 5-percent reduction in the amount authorized for military construction and family housing. That amendment was rejected.

The chairman of the Military Facilities Subcommittee of the Armed Services Committee argued against the amendment largely on the grounds that military construction authorizations and appropriations are virtually uncontrollable, and determined for the most part by our actions on Defense authorizations and appropriations. No doubt there is truth to that. A larger defense commitment will no doubt result in greater burdens on our military construction activities.

However, I believe that it is instructive to examine prior year activities on military construction appropriations. In 1980, a year of allegedly low general defense growth, milcon appropriations actually decreased $86 million, or 2.2 percent. In 1981 and 1982, years in which defense spending increased sharply, military construction appropriations rose 40.8 percent and 33.2 percent, respectively. However, Mr. Chairman, we saw a similarly large increase in defense expenditures on 1983. Nonetheless, military construction appropriations increased at the very modest rate of 1.5 percent. In 1984, a year in which defense spending increased, although at a lower rate than the previous year, milcon funding declined 1.6 percent.

Mr. Chairman, if we are to believe the argument that military construction appropriations are not a separate item, then there is no reason why those appropriations should have dropped off so sharply last year and the year before. Our defense growth rate next year may be the lowest in the past 4 fiscal years. There is no reason why military construction appropriations must increase again sharply this year. We have acted with restraint in the past 2 years. We ought to do so again this year.

Mr. Chairman, I do not believe that there are no buildings that can be delayed, nor improvements that are so critical to our national security that they cannot be delayed too. I shall vote against the excessive increase in this bill, and urge my colleagues to do likewise.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from Louisiana [Mr. Livingston], a member of the subcommittee.

Mr. LIVINGSTON. Mr. Chairman, I rise in support of H.R. 5898, the military construction appropriations bill for fiscal year 1985. I want to commend the chairman, Mr. Hefner, and the ranking minority member, Ralph Regula, for the leadership they exhibited with regard to this bill. As always, they have equitably addressed all of the controversial issues, and have graciously responded to every Member's concerns about certain military construction projects.

Members staff and subcommittee staff are particularly to be commended for their hard work and cooperation in dealing so successfully with our concerns.

Mr. Chairman, this bill is worthy of this Chamber's support for several reasons, some of which Mr. Hefner and Mr. Regula have already touched on.

First, the savings in this bill from the administration request are substantial. Just over $2 billion from the original $10.3 billion request was cut by the committee.

Nevertheless, the total recommendation for military construction is still $1.1 billion over the 1984 approved amount. We have provided very important increases in almost every military construction category: Army milcon, $422.2 million above 1984 levels; Navy milcon, $242.9 million above 1984 levels; Air Force milcon, $132.2 million above 1984 levels; Reserve Forces milcon, $100 million above 1984 levels; Army family housing, $72 million above 1984 levels; Navy/Corps housing, $35.7 million above 1984 levels; and Air Force housing, $26.3 million above 1984 levels.

Some of the key policy issues addressed by this bill include increased emphasis on European-NATO construction programs, Persian Gulf-Indian Ocean projects, and improvement of the quality of life for our service personnel.

One of the unnoticed but equally important issues addressed in this bill is a requirement granting American preference for contractors in the Persian Gulf-Indian Ocean sector and the Pacific territories, including Kwajalein and Johnston Islands.

In addition, for the first time, the Defense Department will have to advertise in the Commerce Business Daily for all overseas and NATO construction projects exceeding $5 million. This mandate contained in the committee report will increase American contractors' chances in competing more effectively overseas.

Both Mr. Hefner and Mr. Regula are directly responsible for the progress the committee has made in these areas, and their efforts should not go unchallenged. However, there are certain areas not addressed in this bill which I hope will be connected in conference.

Mr. Chairman, I urge Members of this Chamber to support the 1985 military construction appropriations bill.

Mr. REGULA. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. Edwards].

Mr. EDWARDS of Oklahoma. I will not take the 2 minutes. I just wanted to say that this bill, which we have worked on for quite some time, is in fact, I think, despite what the gentleman from Minnesota said, a very good attempt to work out a reasonable position on a variety of issues with a lot of pressures coming at us from a lot of Members of this Congress, all of whom have interests in their own districts. I think the chairman of this subcommittee, with whom I have worked for some time, and the ranking member, have done an outstanding job in trying to put together a bill that addresses not only the needs of this country militarily and the needs of the various congressional districts involved, but in trying to keep it within reasonable limits.

We have fought very hard against Pentagon requests which were unreasonable. We have held very high standards in terms of design, in terms of trying to make sure that there was no attempt by any member of the committee or subcommittee to put in place things that could not be totally justified. We have set things aside to come back to them later.

I would urge all of my colleagues on this side and that side both to support this bill. It is a bill we can all be proud of.

Mr. REGULA. Mr. Chairman, I have no further requests for time, and I reserve the balance of my time.

Mr. HEFNER. Mr. Chairman, in response to the gentleman from Minesota, we have probably had as many hearings on this bill as any committee in the House. We have had as wide a range of people come before this subcommittee during our hearings as any subcommittee in this House.

We have had small business people come in and talk with us. We have put the pressure every way that we know how for more host nation support. We have put pressure on the State Department, Secretary of the Army, and all of the people from the Pentagon to try to encourage increased defense spending from our allies. We have done everything that we know to try to make this a very lean bill. I might add that this bill is about $1 billion less than the military construction authorization bill.

We have done a good job on this bill and I would like to alert those that are thinking about across-the-board cuts to look very closely at them because we have done a very good job of bringing forth a responsible bill. Thanks to

Mr. REGULA and the entire committee we have worked very diligently and very hard to bring a very frugal bill to the floor and I would like for us to pass this bill as it is presented it to you.

Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. I thank the gentleman for yielding.

Mr. Chairman, I would like to take this time as well to express my appreciation to both the ranking Member, Mr. REGULA, and the chairman, for the manner in which they conduct this committee.

This, despite the acrimony that broke out on the floor a few minutes ago, is a committee that works very well in a harmonious, bipartisan sense. I think it is important that we mention the fact, and I think I can pick up on the comments that the chairman of the authorizing committee, Mr. DELLUMS, used in defending his bill when it was under attack on an across-the-board cut basis.

This bill essentially is a response to the authorizations that are made in the defense authorization and appropriations bill on a yearly basis. If we are refusing, as we normally do, to cut back on specific weapon systems, we are simply ensuring that at some point military construction will be required to take place simply to fulfill the requirements that we have imposed through the procurement of new systems and new operation and maintenance activity that we all know is essential for the strong defense that we all support.

□ 2310

I would particularly like to highlight the cuts that we have made in the NATO infrastructure area. This committee has been very, very tight in terms of allowing U.S. taxpayers' dollars to be prefinancing facilities in Europe. We have cut back some $131 million this year in an attempt to force our NATO allies to do more to meet the needs that we know we share in common.

I would also like to commend the committee for its efforts to find some cost savings, to take some of the suggestions in the Grace Commission report, and other things that have been done to indicate how we can do a better job in a more efficient manner to go about doing military construction. I think we are well on our way to forcing some of these proposals on the Department of Defense, and I am sure in years ahead these savings will become evident to all of us.

So I would simply like to express my appreciation to the committee for the support that it has given this individual member of the committee and command it for its foresightful look at ways we can be more cost efficient in the future.

Mr. HEFNER. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. REGULA. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk proceeded to read the bill.

Mr. HEFNER (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. Are there any points of order against the bill?

Are there any amendments to the bill?

AMENDMENT OFFERED BY MR. HEFNER

Mr. HEFNER. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

MILITARY CONSTRUCTION, DEFENSE AGENCIES

For acquisition, construction, installation, and equipment of temporary or permanent public works, installations, facilities, and real property for activities and agencies of the Department of Defense (other than the military departments), as currently authorized by law, $310,008,000, to remain available until September 30, 1989: *Provided*, That of the amount appropriated, not to exceed $25,000,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.

The Clerk read as follows:

Amendment offered by Mr. HEFNER: Page 3, line 23, after law, strike out "$310,008,000" and insert "$309,108,000".

Mr. HEFNER. Mr. Chairman, this amendment removes $900,000 requested for a hazardous waste material facility at Imperial Beach, CA. This project was removed from the military construction authorization bill, H.R. 5604, during its consideration on the floor of the House last week.

Mr. REGULA. If the gentleman will yield, we have no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. HEFNER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HEFNER

Mr. HEFNER. Mr Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

FAMILY HOUSING, NAVY AND MARINE CORPS

For expenses of family housing for the Navy and Marine Corps for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, $95,320,000; for Operation and maintenance, $553,602,000; for debt payment, $25,446,000; in all $674,368,000; *Provided*, That the amount provided for construction shall remain available until September 30, 1989.

The Clerk read as follows:

Amendment offered by Mr HEFNER: Page 6, line 19, after (Con)struction, strike out "$95,320,000" and insert "$110,320,000".

Page 6, line 20, after (operation and maintenance,) strike out "$553,602,000; and insert "$538,602,000".

Mr. HEFNER. Mr. Chairman, these amendments are necessary to bring the appropriations bill into conformance with the military construction authorization bill, H.R. 5604. It adds no money to the bill. It simply transfers $15 million from the Marine Corps family housing maintenance account to the family housing construction account.

These funds, along with the proceeds from the sale of land currently held by the Marine Corps in Oceanside, CA, will be used to construct new housing on base for lower grade enlisted personnel. The committee still expects the Marine Corps to notify it of their intent to proceed 21 days prior to obligation.

Mr. REGULA. Mr. Chairman, if the gentleman will yield, we are in agreement with the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. HEFNER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SPRATT

Mr. SPRATT. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

SEC. 125. The Secretary of Defense is to inform the Committees on Appropriations of the plans and scope of any proposed military exercise involving United States personnel prior to its occurring, if amounts expended for construction, either temporary or permanent, are anticipated to exceed $100,000.

The Clerk read as follows:

Amendment offered by Mr. SPRATT: On page 13, line 21, after the words "Committees on Appropriations" add the new phrase "and Committees on Armed Services".

Mr. SPRATT. Mr. Chairman, section 125 of the bill provides for notice by the Secretary of Defense of any plans and the scope of any proposed military exercise exceeding $100,000.

This amendment simply adds the Committee on Armed Services to the Committee on Appropriations as one of the committees to receive notice from the Secretary of Defense.

Mr. HEFNER. Mr. Chairman, if the gentleman will yield, we have no objections to the amendment.

Mr. REGULA. Mr. Chairman, if the gentleman will yield, I think this amendment emphasizes the fact that we are saying that this body should always be aware of what is happening in Honduras and we support the amendment to include the Committee on Armed Services.

The **CHAIRMAN.** The question is on the amendment offered by the gentleman from South Carolina [Mr. SPRATT].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MC NULTY

Mr. McNULTY. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

For the United States share of the cost of multilateral programs for the acquisition or construction of military facilities and installations (including international military headquarters) for the collective defense of the North Atlantic Treaty Area as authorized in military construction Acts and section 2806 of title 10, United States Code, $131,700,000, to remain available until expended.

The Clerk read as follows:

Amendment offered by Mr. McNULTY: Page 4, line 14, strike out "$131,700,000" and insert in lieu thereof "103,700,000".

Mr. McNULTY. Mr. Chairman, I would advise Members that I have, in fact, another amendment there and I ask unanimous consent that the two amendments be considered en bloc.

The **CHAIRMAN.** The Clerk will report the second amendment.

The Clerk read as follows:

Amendment offered by Mr. McNULTY: Page 13, after line 25, insert the following new section:

SEC. 126. Each of the amounts appropriated by this Act shall be reduced by three-tenths of one percent.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Arizona to consider the amendments en bloc?

Mr. WALKER. Mr. Chairman, reserving the right to object, can the gentleman just tell us what the effect of putting these two amendments together is, so that I have some understanding of what he is doing? It sounds to me as if the gentleman is offering an across-the-board cut.

Mr. McNULTY. The point is to expedite the time at which we all may retire.

Mr. WALKER. Would the gentleman explain to me what it means when the gentleman is putting the two amendments together? Is the gentleman trying to effect an across-the-board cut? Is that what he is doing?

Mr. McNULTY. Is is not precisely an across-the-board cut. It is more discrete than than, although perhaps less so than others that have been offered here.

Mr. WALKER. Mr. Chairman, I withdraw my reservation of objection.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Arizona?

Mr. EDWARDS of Oklahoma. Mr. Chairman, reserving the right to object. I think the gentleman from Pennsylvania asked a very reasonable question. I wonder if the gentleman in the well could be more specific about precisely what his amendments would do when considered en bloc. I think that is a reasonable question.

Mr. McNULTY. The amendment on page 4, line 14, would reduce the amount available for NATO infrastructure.

The amendment on page 13 at line 25 would be a reduction of three-tenths of 1 percent in the amounts appropriated in previous sections of the act.

Mr. EDWARDS of Oklahoma. In other words, an across-the-board reduction.

Mr. McNULTY. I think I will not describe it as that.

Mr. EDWARDS of Oklahoma. Mr. Chairman, I withdraw my reservation of objection.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Arizona?

Mr. LIVINGSTON. Mr. Chairman, I object.

The **CHAIRMAN.** Objection is heard.

Mr. McNULTY. Mr. Chairman, shall I proceed on the first of the two amendments?

The **CHAIRMAN.** The gentleman from Arizona is recognized on the first of his two amendments.

Mr. McNULTY. Mr. Chairman, the hour is late but the cause is just, and the efforts in these two amendments are to address problems within 5898 on a fairly discrete kind of basis.

The first of these two amendments relates to the fact that the United States of America has financed construction for NATO over some years now to the tune of over $250 million with the understanding that those amounts would be repaid to the United States by our NATO allies. In fact, that has not happened, and this matter has caused concern to this and previous Congresses and to the members of this committee.

I grant that there is a certain element of second-guessing in the efforts that are being made here this evening, but I only do so because of the fact that the Department of Defense, at the urging of this subcommittee and the gentlemen who are running it agreed that it would recover $40 million this past year from our NATO allies and that that amount could be considered as likely to be recovered.

In fact, we now find that the Department of Defense has in reality recovered only $12 million, and to this Member that, frankly, raises doubts about the effectiveness of the approach that the Department of Defense has taken, and it perhaps creates a lack of belief that Congress is serious in expressing its determination that our allies within NATO should pay for what they have agreed to pay in our common-defense efforts.

So the difference between what the Department said it would collect and what, in fact, it did collect, $28 million, is proposed by this amendment to be reduced from the $121 million that are suggested for the NATO infrastructure on page 4 at line 14.

Mr. HEFNER. Mr. Chairman, I reluctantly rise in opposition to the amendment. I commend the gentleman for his concern.

The committee has reduced the NATO infrastructure request from $296 million to $131.7 million based on the best estimate of the payment required for fiscal year 1985. The reduction of $165 million from the amount requested takes into account an anticipated increase in recoupments.

The committee for many years has emphasized the need for greater burden sharing among our NATO allies and has taken specific actions in this bill to encourage it. To cite specific examples:

First, $41 million requested for prefinancing on new bases in Turkey and collocated operating bases in the United Kingdom was denied.

Second, approximately $250 million in projects that could or should be funded by the host nation or NATO infrastructure has been denied.

Third, language calling for an expansion of the next 5-year program to $10 billion has been included in the report.

Fourth, two new general provisions designed to enhance American contractor participation in U.S.-funded construction work in countries which have not met a 3-percent growth in their defense spending have been added.

Fifth, language in the report indicates that no further prefinancing will be considered until the recoupment program has achieved positive results.

These are concrete specific items aimed at sending a clear signal to our allies on the need for greater burden sharing. Further reductions to the amounts appropriated to the NATO infrastructure account will not increase recoupments and may cause our allies to doubt the U.S. commitment to support increased overall levels of NATO infrastructure funding.

Although I can sympathize with the intent of this amendment, I believe the actions already taken in this bill send a clear signal to our allies for the need for greater burden sharing and, therefore, I must oppose the amendment.

□ 2320

Mr. REGULA. Mr. Chairman, I rise in opposition to this amendment for two basic reasons.

First, we have already reduced it $161 million, as the chairman has pointed out, and as part of that we have put no prefinancing in this bill.

Second, this $28 million has to come out of housing for our own troops and the workplace for our own people. We have 325,000 American servicemen in Europe plus their dependents. They deserve a decent place to work and a decent place to live, and until we make a decision to have fewer people, I think it is incumbent upon us as a matter of responsibility to these individuals that are protecting this Nation as service people in Europe that we give them a decent workplace and a decent living place.

Mr. DURBIN. Mr. Chairman, I move to strike the last word. I rise in support of the amendment.

Mr. Chairman, this amendment which has been offered by the gentleman from Arizona is one which I hope the House will consider and pass this evening. I think it is an important amendment.

What we are doing here should not disparage the efforts that have already been made by this committee. I believe they deserve praise for an effort to try to right the imbalance which presently exists in relation to the recoupment of prefinancing funds for NATO expenditures.

And yet, the case is very clear. In 1983 during a meeting of this Appropriations Committee, Mr. Robert Lanoue, Director of the NATO Foreign Programs Office, advised this committee that at that moment the NATO allies owed the United States $265 million in money that we had given to those allies in prefinancing for construction of projects which we considered to be mutually acceptable and mutually necessary. At that time the chairman of this committee asked Mr. Lanoue why it took so long for us to recoup these dollar amounts when they had already been deemed eligible in terms of the NATO allies.

Another NATO associate witness offered the reply that there was a priority system in NATO according to a project and he explained that if the NATO allies have a priority that is more important than paying back the United States, then they will go forward with that particular priority, whether it is the contruction of an aircraft shelter or whatever it might be.

Mr. Chairman, the suggestion is that we should wait in line, wait in line for money that we have already extended to the NATO allies for mutually necessary projects and we should stand back at a time when we are trying to count the dollars that apply to our spending and to our efforts to reduce the deficit and we should stand back and accept the fact that the Department of Defense told us last year that out of the $265 million owed to the United States, they could recoup $40 million from the NATO allies. They missed that figure by a mile. They came in with $12 million.

The amendment being offered by the gentleman from Arizona holds the Department of Defense to the same standard that they asked to be held to last year, come up with the $28 million for the NATO allies.

In response to the gentleman from Ohio, I do not think the choice is between staying with NATO or withdrawing from NATO. The choice is in communicating to NATO and our allies, an important alliance for the United States, that we are very serious in our need for revenue in this country as well, that their burden that must be shared is one that includes a burden of coming up with money that we were at least kind enough or sensitive enough to extend to them by way of prefinancing.

To the gentleman from North Carolina, I would suggest that I believe that efforts have been made to suggest to the NATO allies that we are serious.

This amendment being offered by the gentleman from Arizona makes that tone and that approach one that I think the NATO allies cannot escape from realizing and has to be considered in the very near future.

The suggestion that we would get an additional $28 million through the NATO allies in this year is one which is not only good for the United States, but ultimately good for the alliance.

Mr. HEFNER. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Without objection, the gentleman from South Carolina is recognized for 5 minutes.

There was no objection.

Mr. HEFNER. Mr. Chairman, just one final word before we call for a vote on this amendment. Included in the $160 million reduction made by the committee is the $28 million in the amendment that was necessary to account for the recoupment, so we have already made this cut in this area.

So I would urge that we not accept this amendment. I urge a no vote on the gentleman's amendment. We certainly appreciate the gentleman's concern and, believe me, the gentleman from Ohio [Mr. REGULA] and myself, along with all the committee, is very concerned about host nations' support, and NATO funding. We are very concerned about it and we have expressed it in no uncertain terms.

I think we are moving in the right direction and I ask for a no vote on the amendment.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. HEFNER. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I share the chairman's sentiments if the $28 million were actually going to be paid if this amendment were passed by our NATO allies, fine, but it will not. It will come out of the living conditions of the American servicemen in Europe.

I urge a no vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona [Mr. MCNULTY].

The amendment was rejected.

Mr. GILMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the legislation now pending before us. H.R. 5898, the military construction appropriation bill provides new construction funds for many worthwhile projects, among them improvements at Stewart Airport in Orange County, NY, the new home of our Air National Guard.

Noted for having the second longest runway in the United States, Stewart Airport serves not only as a new home for the Air National Guard, but as a general aviation facility serving the entire southeastern portion of New York State. As a growing hub of transportation, Stewart Airport serves the entire mid-Hudson Valley. The entry of the Air National Guard into the area helps to increase the growth and development of our lovely Hudson Valley region. It is precisely because of the many opportunities Stewart affords the military that it was chosen by the Guard. Construction is already underway for the expanded necessary Air Guard facilities.

This fiscal year 1985 military construction appropriation allocates over $7.5 million to Stewart Airport for construction of an aerial port training facility, $1.3 million; a base engineer maintenance facility, $1.1 million; a fire station, $1.2 million; and a facility for combined squadron operations with the Marines, $4.1 million.

Stewart Airport offers the Air Force many opportunities for growth, besides providing vital transportation service to the region as a cargo airport and as a foreign trade zone. The construction of these many building continues to strengthen the link between our Hudson Valley region and the military; the U.S. Military Academy at West Point being a scant few miles from Stewart.

Stewart Airport recently gained national recognition as the landing site for the homecoming of our hostages released by Iran. It has deserved this recognition and continues to earn a sterling reputation.

Mr. Chairman, I fully support the much needed funds earmarked in this appropriation for Stewart Airport, and urge my colleagues to join in supporting passage of this military construction appropriations measure.

AMENDMENT OFFERED BY MR. MC NULTY

Mr. McNULTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McNulty: Page 13, after line 25, insert the following new section:

Sec. 126. Each of the amounts appropriated by this act shall be reduced by three-tenths of 1 percent.

Mr. McNULTY. Mr. Chairman, this amendment would add a new section at the end of the bill, section 126, and it says that each of the amounts appropriated by the act shall be reduced by three-tenths of 1 percent.

Where did that figure come from? That figure is derived from information suggested initially by the Grace Commission report. The Grace Commission report in section 2 of its issue and recommendations summary said that the increased use of performance specifications for construction could save the U.S. Government, they have estimated as much as $1.3 billion over 3 years.

We tried to take that figure out and make it applicable to the bill and in the degree to which the Grace Commission report indicated savings could be made.

The Grace Commission suggested that as much as 2 to 4 percent could be saved annually. The Congressional Budget Office said that overstated the case by two-thirds; so we reduced one-third of that figure. We took that and multiplied it by another figure representing my estimate of the first year's savings, which would be at an even lesser figure than the 2-percent figure would suggest.

□ 2330

The point of all of this, quite simply, is that I and the committee in the committee report are trying to get the Department of Defense to expand its interest and efforts in reducing the high costs by adopting proven methods of cost reduction in construction activities. And the Department has not been as responsive as it should have been to committee directives.

For 2 years now this committee, and I compliment it for doing so, has pressed for greater usage of performance specifications which when properly used provide a satisfactory product, often at a significant savings on the same product bid on standard specifications. There has been an enormous amount of experience in the private world of construction in the United States and in construction in foreign countries as well, and that has shown that when private construction firms when bidding for Federal contracts are allowed to use their imagination in preparation of bids, that there can be a savings that the Federal Government has thus far not participated in.

So the Grace Commission estimate is the takeoff point for this suggestion. We believe that allowing for transitional costs in the first year's savings by this amendment we can strongly encourage the Department of Defense to employ more performance specifications than they have in the past. And our House budget resolution anticipates that in the coming fiscal year we must plan the expenditure of $124 billion for interest on the national debt, and so the $28 million that this amendment would remove from this bill, if it were to be adopted, represents only a modest start that can be made today and ought to be made today. And the passage of this amendment will tell the United States and its citizens that the seriousness with which we take financial responsibility is more than is currently suggested.

Mr. WALKER. Will the gentleman yield?

Mr. McNULTY. I am happy to yield.

Mr. WALKER. I thank the gentleman for yielding.

One of the major recommendations of the Grace Commission with regard to construction costs centered around elimination of the Davis-Bacon provisions. Is that something that is contemplated in the gentleman's amendment, that we would save money on Davis-Bacon costs that would be reflected in the costs that he is talking about here?

Mr. McNULTY. I think manifestly and clearly the amendment does not address the issue of Davis-Bacon.

Mr. WALKER. If the gentleman would yield further?

Mr. McNULTY. I will indeed.

Mr. WALKER. You specifically eliminated then that savings from the Davis-Bacon recommendation of the Grace Commission recommendations that you are addressing here?

Mr. McNULTY. I specifically eliminated nothing. I specifically sought those that seemed to have the most political attractiveness and made the most across the board, politically speaking, common sense.

Mr. WALKER. Will the gentleman yield further?

Mr. McNULTY. I will indeed.

Mr. WALKER. So specifically then your amendment does not cover the Davis-Bacon recommendations?

Mr. McNULTY. As I have said before, it does not.

Mr. WALKER. I thank the gentleman.

Mr. HEFNER. Mr. Chairman, I rise in reluctant opposition to the gentleman's amendment. I commend the gentleman for his concern. It is also a concern we have in this committee, and I would point out that we have brought in a bill that is over $1 billion less than the authorizing legislation.

The committee has been a strong supporter for implementing alternative construction methods. In our report accompanying the bill we point out many programs such as performance specifications, prefabrication, packaging, and others. However, before we can anticipate savings from these building methods we must first have some evidence to substantiate these amounts.

The committee has directed each of the services to perform specific alternative construction method tests during the fiscal year 1985. This combined with ongoing research should give us the information we need to make cost adjustments in the future.

Finally, I believe that an across-the-board reduction in this manner does not relate to specific project savings for alternative construction. Instead, it gives the Department the authority to make the reductions instead of the Congress.

I believe the gentleman's intent in making reductions based on alternate construction is a good one and for the first time this year we have invited people in for testimony before our committee that have never before even been considered to come before us to offer projects. And we have tried to work to where we can save money on construction.

We realize that it is out of hand, the cost per square foot. We have denied projects and delayed projects simply because of the tremendous costs for projects.

So, I commend the gentleman for his work in this area. But what we are doing is the best we can, and I think we are making strides. But I reluctantly oppose the gentleman's amendment and I ask for a "no" vote on the amendment.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words and rise in opposition to the amendment.

Mr. Chairman, I share with Chairman Hefner his reluctance to oppose this, but I would point out to the Members and the author of the amendment that on page 23 of the report we have addressed this problem, that we are very much aware of it. We have had extensive hearings. We have urged the services, and in fact they are already using alternative methods. They are using fabric buildings as opposed to bricks and mortar where it will work out.

For some POMCUS sites they are exploring the possibility of the type of shelter that is maintained by air pressure. This provides not only a much cheaper construction but it would be mobile so that it can be moved to another site.

I think the gentleman's amendment is well intentioned and the committee has recognized the potential as reported in the Grace Commission. I believe that we have made the effort that is necessary this year, as outlined on page 23 of the report. Therefore I would oppose at this point any further changes because I believe we have made a really strong effort to address this problem.

Mr. DURBIN. Mr. Chairman, I move to strike the requisite number of words and rise in support of the amendment.

I am heartened by the fact that the opposition to this amendment on both sides of the aisle is indeed reluctant, but unfortunately it is still opposition and I find that slightly incredible.

Several weeks ago in this Chamber we considered the question of spare parts, and after all of the information that had been provided to the American people about the scandals and disclosures in relation to spare parts we had a flurry of amendments that were offered to the Department of Defense authorization bill relative to the question of spare parts procurement.

I would suggest that the committee has been on the right track in suggesting that when it comes to construction that the military has fallen far short of what we should expect as taxpayers in getting us a dollar's worth of services and goods for a dollar's worth of taxes paid. And if there had been similar disclosures relative to construction as there have been to spare parts I think there would be more than one amendment being offered today to this military construction appropriation bill.

I might also suggest to the ladies and gentlemen of the House that this committee has dutifully considered this subject, and what we are doing this evening does in no way derogate those efforts, and yet, in fact, for 2 years conversations have been going back and forth between the legislative and executive branch about changing some of the standards by which we are bidding construction work. And the information that has been provided to me suggests that little if any change has been made.

The difference is very simple for those of us who are not versed in this area to understand. If we are going to allow construction projects on the military side to be bid on methods specifications, then in fact we are going to go through that ridiculous exercise much as we do in spare parts of having every single component part described in the course of the construction.

What the Grace Commission has suggested is a much more reasonable standard and one which I would commend to all Members. Let us set out a performance specification. Let us say to all bidders and contractors this is what we want to achieve, and come in and give us the alternatives as to how we can do it and how we can do it most cheaply.

It is a reasonable amendment. It is one that many people who have lauded the Grace Commission should stand foursquare in favor of. This is your chance. I invite the Members of the House to join me in support of the McNulty amendment.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Without objection, the gentleman is recognized for 5 minutes.

There was no objection.

Mr. REGULA. Mr. Chairman, I would point out to the gentleman from Illinois that the services are already taking bids on performance standards. We had hearings on this in the fiscal year 1984 bill and as a result of those hearings we are moving forward in the way you are suggesting, and a lot of construction work has been done.

To just take a lump sum out of this appropriation you are losing the desired result because without any line item instruction you do not necessarily get the result that you are hoping to achieve.

□ 2340

And as a matter of fact, what we have done has moved the services substantially in the direction of alternative methods.

Mr. DURBIN. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Illinois.

Mr. DURBIN. I thank the gentleman for yielding.

A day or two ago the gentleman from California [Mr. DANNEMEYER] offered a similar amendment and the question was raised as to whether or not a reduction in one appropriation line would really give an instruction to that branch of Government as to what they should do relative to Grace Commission recommendations.

It was his conclusion, and I concur with it, that we have made the legislative history this evening as to how the money is to be saved. And while I suggest there may be a simpler way to do it if we went through the actual authorization legislation, a more direct way, this is the route that is available, particularly in light of the fact we are trying to move the administration toward what we believe are salutary recommendations by the Grace Commission.

Mr. REGULA. I think if the gentleman would read the language on page 23 of the report, next to the last paragraph we pretty clearly spell out the intent of the committee that alternative methods be used and every effort be made on the part of the services to use such methods.

I think it would achieve the goals that you have outlined in the amendment.

Mr. EDWARDS of Oklahoma. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I think I would make the point to both gentlemen who spoke for the amendment that the reluctance in opposition is not because there is a feeling that the amendment is timely or a good amendment.

I think the reluctance is because the people who oppose it do not want to leave the impression that we oppose what you are trying to achieve. The goal is a good goal. We are trying to make the point that if you read the language on page 23 as has been referred to, the committee has already done that.

The Defense Department is already making substantial progress in that direction. The committee has directed the Pentagon to report back to us on further progress; and I would say, as somebody who is very jealous of the prerogatives of the Congress, that we would prefer on the subcommittee to require that the Pentagon come to us and let us item by item in their requests exercise very prudent judgment in being able to cut those requests down to the lowest possible level instead of just letting the Pentagon make those cuts wherever they want to.

The gentleman as he is proposing the amendment would leave that up to the Pentagon. I think our subcommittee has done a good job of taking these items a line at a time and making those cuts.

I would say, again reluctantly, I think the gentleman has made a good point, but the subcommittee has already been on that. We have already addressed it and the amendment is therefore not necessary.

Mr. HEFNER. Mr. Chairman, I urge a "no" vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona [Mr. MCNULTY].

The question was taken; and the chairman announced that the noes appeared to have it.

Mr. McNULTY. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. Pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 282]

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (TX)
Anthony
Applegate
Archer
Aspin
AuCoin
Badham
Barnard
Barnes
Bartlett
Bateman
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Bethune
Bevill
Biaggi
Bilirakis
Boehlert
Boggs
Boland
Boner
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Broomfield
Brown (CO)
Broyhill
Bryant
Burton (CA)
Burton (IN)
Byron
Campbell
Carney
Carper
Carr
Chandler
Chappie
Cheney
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conable
Conte
Conyers
Cooper
Corcoran
Coughlin
Courter
Coyne
Craig
Crane, Daniel
Crane, Philip
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
Donnelly
Dorgan
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dyson
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Fiedler
Fields
Fish
Flippo
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frenzel
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gore
Gradison
Gramm
Gray
Green
Gregg
Guarini
Gunderson
Hall (IN)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (UT)
Harkin
Harrison
Hartnett
Hatcher
Hayes
Hefner
Heftel
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kogovsek
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lehman (CA)
Leland
Lent
Levin
Levine
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lungren
Mack
MacKay
Madigan
Markey
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McNulty
Mica
Michel
Miller (CA)
Miller (OH)
Mineta
Minish
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Patman
Patterson
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Rahall
Rangel
Ratchford
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Rudd
Russo
Sabo
Sawyer
Schaefer
Scheuer
Schneider
Schulze
Schumer
Seiberling
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traxler
Udall
Valentine
Vander Jagt
Vandergriff
Vento
Volkmer
Vucanovich
Walgren
Walker
Watkins
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

□ 2400

The CHAIRMAN. 396 Members have answered to their name, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Arizona [Mr. McNulty] for a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 219, noes 180, not voting 34, as follows:

[Roll No. 283]

AYES—219

Ackerman
Addabbo
Albosta
Andrews (TX)
Applegate
Archer
Aspin
AuCoin
Barnes
Bates
Bedell
Beilenson
Bereuter
Berman
Bethune
Biaggi
Boggs
Boner
Bonker
Borski
Bosco
Boxer
Broomfield
Brown (CO)
Broyhill
Bryant
Burton (CA)
Campbell
Carper
Chandler
Chappie
Clay
Clinger
Coats
Collins
Conable
Conyers
Cooper
Craig
D'Amours
Dannemeyer
Darden
de la Garza
Dellums
Derrick
Donnelly
Dorgan
Downey
Dreier
Durbin
Eckart
Edgar
Edwards (CA)
Erdreich
Evans (IA)
Feighan
Fields
Foglietta
Ford (TN)
Frank
Frenzel
Frost
Garcia
Gaydos
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Goodling
Gore
Gradison
Gregg
Guarini
Hall, Ralph
Hall, Sam
Hamilton
Hance
Harkin
Harrison
Hayes
Heftel
Hiler
Hubbard
Hughes
Jacobs
Jeffords
Johnson
Kaptur
Kasich
Kastenmeier
Kildee
Kleczka
Kogovsek
Kolter
Kostmayer
LaFalce
Lantos
Leach
Leland
Levin
Levine
Levitas
Lipinski
Lowry (WA)
Lujan
Luken
Mack
MacKay
Madigan
Markey
Martin (IL)
Matsui
McCandless
McCloskey
McEwen
McHugh
McKernan
McNulty
Mica
Miller (CA)
Miller (OH)
Mineta
Minish
Moakley
Moody
Moore
Morrison (CT)
Mrazek
Murphy
Neal
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ottinger
Owens
Parris
Pashayan
Patman
Patterson
Pease
Penny
Pepper
Petri
Pickle
Pritchard
Pursell
Rangel
Ratchford
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Rodino
Rostenkowski
Roukema
Rowland
Roybal
Russo
Scheuer
Schneider
Schulze
Schumer
Seiberling
Sharp
Shaw
Shelby
Sikorski
Siljander
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith, Denny
Smith, Robert
Solarz
Spratt
St Germain
Staggers
Stangeland
Stark
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Tauke
Tauzin
Thomas (CA)
Torres
Torricelli
Traxler
Udall
Vandergriff
Vento
Volkmer
Walgren
Walker
Weiss
Wheat
Whitley
Whittaker
Williams (MT)
Williams (OH)
Winn
Wise
Wolf
Wolpe
Wyden
Wylie
Yatron
Young (MO)
Zschau

NOES—180

Akaka
Alexander
Anderson
Anthony
Badham
Barnard
Bartlett
Bateman
Bennett
Bevill
Bilirakis
Boehlert
Boland
Boucher
Breaux
Britt
Brooks
Burton (IN)
Byron
Carney
Carr
Chappell
Cheney
Clarke
Coelho
Coleman (MO)
Coleman (TX)
Conte
Corcoran
Coughlin
Courter
Coyne
Crane, Daniel
Crane, Philip
Daniel
Daschle
Daub
Davis
DeWine
Dickinson
Dicks
Dingell
Dowdy
Duncan
Dwyer
Dyson
Edwards (AL)
Edwards (OK)
Emerson
English
Evans (IL)
Fascell
Fazio
Ferraro
Fiedler
Fish
Flippo
Foley
Ford (MI)
Fowler
Fuqua
Gejdenson
Glickman
Gonzalez
Gramm
Gray
Green
Gunderson
Hall (IN)
Hammerschmidt
Hansen (UT)
Hartnett
Hatcher
Hefner
Hightower
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Huckaby
Hunter
Hutto
Hyde
Ireland
Jenkins
Jones (OK)
Jones (TN)
Kazen
Kemp
Kennelly
Kindness
Kramer
Lagomarsino
Latta
Leath
Lehman (CA)
Lent
Lewis (CA)
Lewis (FL)
Livingston
Lloyd
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lungren
Marlenee
Marriott
Martin (NC)
Martin (NY)
Mavroules
Mazzoli
McCain
McCollum
McCurdy
McDade
McGrath
McKinney
Michel
Molinari
Mollohan
Montgomery
Moorhead
Morrison (WA)
Murtha
Myers
Natcher
Nelson
Nichols
O'Brien
Ortiz
Oxley
Packard
Panetta
Perkins
Porter
Price
Quillen

Rahall
Ray
Regula
Robinson
Roe
Roemer
Rogers
Rose
Roth
Rudd
Sabo
Sawyer
Schaefer
Shumway
Shuster
Sisisky
Skeen
Skelton
Smith (NJ)
Snowe
Snyder
Solomon
Spence
Stratton
Stump
Sundquist
Taylor
Thomas (GA)
Valentine
Vander Jagt
Vucanovich
Watkins
Whitehurst
Whitten
Wilson
Wortley
Wright
Young (AK)
Young (FL)

NOT VOTING—34

Andrews (NC)
Annunzio
Bliley
Bonior
Brown (CA)
Crockett
Dixon
Dymally
Early
Erlenborn
Florio
Franklin
Hall (OH)
Hansen (ID)
Hawkins
Hertel
Jones (NC)
Lehman (FL)
Lundine
Martinez
Mikulski
Mitchell
Paul
Savage
Schroeder
Sensenbrenner
Shannon
Simon
Towns
Waxman
Weaver
Weber
Wirth
Yates

Mr. HARRISON changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OBEY: Page 13, after line 25, insert the following new section:

SEC. 126. All amounts appropriated by this Act not required to be appropriated by previously enacted law shall be reduced by 64 percent.

Mr. HEFNER. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the chairman.

Mr. HEFNER. Mr. Chairman, I would like to ask unanimous consent that the gentleman's speech that he gave this afternoon be inserted in the RECORD in lieu of another statement.

Mr. OBEY. Mr. Chairman, I object.

The CHAIRMAN. The gentleman from Wisconsin [Mr. OBEY] is recognized for 5 minutes.

Mr. OBEY. Mr. Chairman, I understand this amendment is going to be accepted by the chairman. I shall not take the 5 minutes. I shall not even take 1—if the House accepts the amendment.

I would simply like to say that this is the same amendment I offered to the previous bill. This simply represents the amount by which this appropriation would have to be cut if we were to reduce the budget deficit to zero by dealing only with appropriation bills. I think Members understand it, and I yield back the balance of my time.

□ 0010

Mr. HEFNER. Mr. Chairman, we have looked at the amendment on this side, and we have no problem with this amendment, other than it is too much cut. But I rise in reluctant opposition to the amendment and I urge a "no" vote on the gentleman's well-intentioned amendment.

I urge a no vote.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. The Members examined the amendment this afternoon and I think there were four "aye" votes, so I rise in opposition.

I am sorry, 10 aye votes. In any event, we oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. OBEY].

The amendment was rejected.

The CHAIRMAN. Are there further amendments to the bill?

Mr. HEFNER. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. FOLEY] having assumed the chair, Mr. MILLER of California, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5898) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1985, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to, and that the bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FRENZEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 347, noes 52, not voting 34, as follows:

[Roll No. 284]

AYES—347

Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (TX)
Anthony
Applegate
Archer
Aspin
Badham
Barnard
Barnes
Bartlett
Bateman
Bates
Beilenson
Bennett
Berman
Bethune
Bevill
Biaggi
Bilirakis
Boehlert
Boggs
Boland
Boner
Bonker
Borski
Bosco
Boucher
Boxer
Britt
Broomfield
Broyhill
Bryant
Burton (CA)
Burton (IN)
Byron
Campbell
Carney
Carper
Carr
Chandler
Chappell
Chappie
Cheney
Clarke
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Conte
Cooper
Corcoran
Coughlin
Courter
Coyne
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
Derrick
DeWine
Dickinson
Dicks
Donnelly
Dorgan
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dyson
Eckart
Edwards (AL)
Edwards (OK)
Emerson
English
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Fields
Fish
Flippo
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gore
Gradison
Gramm
Gray
Green
Gregg
Guarini
Gunderson
Hall (IN)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (UT)
Harkin
Harrison
Hartnett
Hatcher
Hefner
Heftel
Hertel
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jeffords
Jenkins
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kazen
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kogovsek
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leath
Lehman (CA)
Leland
Lent
Levin
Levine
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lungren
Mack
MacKay
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McNulty
Mica
Michel
Miller (CA)
Miller (OH)
Mineta
Minish
Moakley
Molinari
Mollohan
Montgomery
Moore
Moorhead
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Olin
Ortiz
Oxley
Packard
Panetta
Parris
Pashayan
Patman
Patterson
Pease
Pepper
Perkins
Pickle
Porter
Price
Pritchard
Quillen
Ratchford
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Robinson
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Rowland
Roybal
Rudd
Russo
Savage
Sawyer
Schaefer
Scheuer
Schneider
Schulze
Schumer
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Sisisky
Skeen
Skelton
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stenholm
Stokes
Stratton
Stump
Sundquist
Swift

Synar
Tallon
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vander Jagt
Vandergriff
Vento
Vucanovich
Walker
Watkins
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yatron
Young (AK)
Young (FL)
Young (MO)

NOES—52

Ackerman
AuCoin
Bedell
Bereuter
Brown (CO)
Clay
Collins
Conable
Conyers
Dellums
Dingell
Edgar
Edwards (CA)
Evans (IA)
Frenzel
Hayes
Jacobs
Johnson
Kastenmeier
Leach
Markey
McKinney
Moody
Morrison (CT)
Oberstar
Obey
Ottinger
Owens
Penny
Petri
Pursell
Rahall
Rangel
Ritter
Roberts
Rodino
Roukema
Sabo
Seiberling
Sikorski
Slattery
Smith (NE)
Smith, Denny
Smith, Robert
Stangeland
Stark
Studds
Tauke
Volkmer
Walgren
Weiss
Zschau

NOT VOTING—34

Andrews (NC)
Annunzio
Bliley
Bonior
Breaux
Brooks
Brown (CA)
Crockett
Dixon
Dymally
Early
Erlenborn
Fiedler
Florio
Franklin
Hall (OH)
Hansen (ID)
Hawkins
Jones (NC)
Lehman (FL)
Lundine
Martinez
Mikulski
Mitchell
Paul
Schroeder
Sensenbrenner
Shannon
Simon
Waxman
Weaver
Weber
Wirth
Yates

☐ 0020

The Clerk announced the following pair:

On this vote:

Mr. Annunzio for, with Mr. Mitchell against.

Mr. RODINO and Mr. MARKEY changed their votes from "aye" to "no."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HEFNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed, and that I may include extraneous matter and tabulations.

The SPEAKER pro tempore [Mr. DURBIN]. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

REQUIRING STATES TO DEVELOP AND IMPLEMENT COMPREHENSIVE PROGRAMS FOR CHILD RESTRAINT SYSTEMS IN MOTOR VEHICLES

Mr. HOWARD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4616) to amend the Surface Transportation Assistance Act of 1982 to require States to use at least 8 per centum of their highway safety apportionments for developing and implementing comprehensive programs concerning the use of child restraint systems in motor vehicles, and for other purposes, with Senate amendments thereto, and concur in the State amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 3, strike out "$115,000,000" and insert "$126,500,000".

Page 2, line 4, strike out "$120,000,000" and insert "$132,000,000".

Page 3, line 16, strike out "$115,000,000" and insert "$126,500,000".

Page 3, line 17, strike out "$120,000,000" and insert "$132,000,000".

Page 4, after line 13, insert:

SEC. 4. (a) Section 408(a) of title 23, United States Code, is amended by inserting "or a controlled substance" immediately after "alcohol".

(b) Section 408(c)(1) of title 23, United States Code, is amended by inserting "and controlled substance" immediately after "alcohol".

(c) Section 408(f) of title 23, United States Code, is amended—

(1) by striking the period at the end of paragraph (7) and inserting in lieu thereof "; and"; and

(2) by adding at the end thereof the following:

"(8) for the creation and operation of rehabilitation and treatment programs for those arrested and convicted of driving while under the influence of a controlled substance or for the establishment of research programs to develop effective means of detecting use of controlled substances by drivers.".

SEC. 5. Section 402 of title 23, United States Code, is amended by adding at the end thereof the following:

"(k)(1) Subject to the provisions of this subsection, the Secretary shall make a grant to any State which includes, as part of its highway safety program under section 402 of this title, the use of a comprehensive computerized safety recordkeeping system designed to correlate data regarding traffic accidents, drivers, motor vehicles, and roadways. Any such grant may only be used by such State to establish and maintain a comprehensive computerized traffic safety recordkeeping system or to obtain and operate components to support highway safety priority programs identified by the Secretary under this section. Notwithstanding any other provision of law, if a report, list, schedule, or survey is prepared by or for a State or political subdivision thereof under this subsection, such report, list, schedule, or survey shall not be admitted as evidence or used in any suit or action for damages arising out of any matter mentioned in such report, list, schedule, or survey.

"(2) No State may receive a grant under this subsection in more than two fiscal years.

"(3) The amount of the grant to any State under this subsection for the first fiscal year such State is eligible for a grant under this subsection shall equal 10 per centum of the amount apportioned to such State for fiscal year 1985 under this section. The amount of a grant to any State under this subsection for the second fiscal year such State is eligible for a grant under this subsection shall equal 10 per centum of the amount apportioned to such State for fiscal year 1986 under this section.

"(4) A State is eligible for a grant under this subsection if—

"(A) it certifies to the Secretary that it has in operation a computerized traffic safety recordkeeping system and identifies proposed means of upgrading the system acceptable to the Secretary; or

"(B) it provides to the Secretary a plan acceptable to the Secretary for establishing and maintaining a computerized traffic safety recordkeeping system.

"(5) The Secretary, after making the deduction authorized by the second sentence of subsection (c) of this section for fiscal years 1985 and 1986, shall set aside 10 per centum of the remaining funds authorized to be appropriated to carry out this section for the purpose of making grants under this subsection. Funds set aside under this subsection shall remain available for the fiscal year authorized and for the succeeding fiscal year and any amounts remaining unexpended at the end of such period shall be apportioned in accordance with the provisions of subsection (c) of this section.".

SEC. 6. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 158. National minimum drinking age

"(a)(1) The Secretary shall withhold 5 per centum of the amount required to be apportioned to any State under each of sections 104(b)(1), 104(b)(2), 104(b)(5), and 104(b)(6) of this title on the first day of the fiscal year succeeding the fiscal year beginning after September 30, 1985, in which the purchase or public possession in such State of any alcoholic beverage by a person who is less than twenth-one years of age is lawful.

"(2) The Secretary shall withhold 10 per centum of the amount required to be apportioned to any State under each of sections 104(b)(1), 104(b)(2), 104(b)(5), and 104(b)(6) of this title on the first day of the fiscal year succeeding the second fiscal year beginning after September 30, 1985, in which the purchase or public possession in such State of any alcoholic beverage by a person who is less than twenty-one years of age is lawful.

"(b) The Secretary shall promptly apportion to a State any funds which have been withheld from apportionment under subsection (a) of this section in fiscal year if in any succeeding fiscal year such State makes unlawful the purchase or public possession of any alcoholic beverage by a person who is less than twenty-one years of age.

"(c) As used in this section, the term 'alcoholic beverage' means—

"(1) beer as defined in section 5052(a) of the Internal Revenue Code of 1954,

"(2) wine of not less than one-half of 1 per centum of alcohol by volume, or

"(3) distilled spirits as defined in section 5002(a)(8) of such Code.".

(b) The table of sections of chapter 1 of such title is amended by adding at the end thereof the following new item:

"158. National minimum drinking age.".

SEC. 7. (a) Section 408(a) of title 23, United States Code, is amended by striking "basic and supplemental".

(b) Section 408(d) of title 23, United States Code, is amended by adding at the end thereof the following new paragraph:

"(3) Subject to subsection (c), the amount of a special grant made under this section for any fiscal year to any State which is eligible for such a grant under subsection (e)(3) shall not exceed 5 per centum of the amount apportioned to such State for fiscal year 1984 under sections 402 and 408 of this title. Such grant shall be in addition to any basic or supplemental grant received by such State.".

(c) Section 408(e) of title 23, United States Code is amended by adding at the end thereof the following new paragraph:

"(3) For the purposes of this section, a State is eligible for a special grant if the State enacts a statute which provides that—

"(A) any person convicted of a first violation of driving under the influence of alcohol shall receive—

"(i) a mandatory license suspension for a period of not less than ninety days; and either

"(ii)(I) an assignment of one hundred hours of community service; or

"(II) a minimum sentence of imprisonment for forty-eight consecutive hours;

"(B) any person convicted of a second violation of driving under the influence of alcohol within five years after a conviction for the same offense, shall receive a mandatory minimum sentence of imprisonment for ten days and license revocation for not less than one year;

"(C) any person convicted of a third or subsequent violation of driving under the influence of alcohol within five years after a prior conviction for the same offense shall—

"(i) receive a mandatory minimum sentence of imprisonment for one hundred and twenty days; and

"(ii) have his license revoked for not less than three years; and

"(D) any person convicted of driving with a suspended or revoked license or in violation of a restriction due to driving under the influence of alcohol conviction shall receive a mandatory sentence of imprisonment for at least thirty days, and shall, upon release from imprisonment, receive an additional period of license suspension or revocation of not less than the period of suspension or revocation remaining in effect at the time of commission of the offense of driving with a suspended or revoked license.".

□ 0030

Mr. HOWARD (during the reading). Mr. Chairman, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from New Jersey?

Mr. SHUSTER. Reserving the right to object, Mr. Speaker, I yield to the gentleman from New Jersey to explain the proceedings here.

Mr. HOWARD. Mr. Speaker, H.R. 4616, as passed by the House, requires States to use at least 8 percent of their highway safety funds for developing and implementing comprehensive child restraint programs. The Senate amendments to H.R. 4616 incorporate four new sections. Section 4 would amend the Alcohol Traffic Safety Program Act to incorporate driving while under the influence of drugs. Section 5 would amend section 402 of title 23 to provide grants for computerized traffic records systems. Section 6 would amend chapter 1 of title 23, to provide for financial sanctions against any State that fails to enact a minimum drinking age of 21. Section 6 is identical to my amendment to H.R. 5504 passed overwhelmingly by the House on June 7. Finally, section 7 would provide financial incentives for States that enact State laws that have certain mandatory minimum penalties for persons convicted of driving under the influence of alcohol.

Section 4 would amend the Alcohol Traffic Safety Programs to include drugs as a program objective along with alcohol. Additional criteria that would make rehabilitation and treatment programs for persons convicted of using drugs, or research programs to develop means to detect the use of drugs, would be added to the supplemental criteria to be considered for additional Alcohol Traffic Safety Programs grant money.

Section 5 provides for additional funding to States that include comprehensive computerized safety recordkeeping systems as part of their Highway Safety Programs submitted for approval by the Secretary of Transportation. Each State that is eligible will receive an additional 10 percent of Highway Safety Program funds in fiscal year 1985 and 1986 to carry out this subsection. Each State has 2 years within which to become eligible before the grant to that State lapses and is reincorporated into the regular highway safety authorizations. Authorization levels in H.R. 4616 are increased from $115 million to $126.5 million in fiscal year 1985 and from $120 million to $132 million in fiscal 1986 in order to provide funding for these grants.

This section also prohibits the introduction of any priority listing of safety information developed and prepared under this section. This is to encourage greater accuracy and completeness in the compilation of such lists by preventing these lists from being used in any judicial proceedings. However, the preparation of priority lists, and their use as a basis for programing, are not mandatory, but are at the discretion of the individual States.

It should also be stressed that this section is not intended to vest in the Secretary of Transportation any additional authority to establish priorities or priority programs for the expenditure of section 402 funds. While rules promulgated under subsection 402(j) limit funding to the most cost-effective safety expenditures. States remain responsible for the development of annual programs for the expenditure of 402 funds.

Section 6, the national minimum drinking age, is identical to the measure passed overwhelmingly by the House on June 7. It would withhold 5 percent of Federal highway construction funds in fiscal year 1987 and 10 percent in fiscal year 1988 from any State that does not have a minimum drinking age of 21. These funds would be returned to any State from which it had been withheld upon that State raising its minimum drinking age to 21.

Last, section 7 would authorize special grants of up to 5 percent of a State's highway safety funds—in addition to other alcohol traffic safety grants—to States that enact laws providing a series of penalties for persons convicted of driving under the influence of alcohol. For persons convicted of a first violation, the State law must provide for mandatory license suspension of at least 90 days and either a minimum 48-hour term of imprisonment or 100 hours of community service. For persons convicted of a second violation within 5 years of the first violation, the State law must provide mandatory imprisonment of at least 10 days and license revocation for at least 1 year. For persons convicted of a third or subsequent violation within 5 years of a prior conviction, the State law must provide for mandatory imprisonment of at least 120 days and license revocation for at least 3 years.

It is my hope the House will accept the Senate amendments so that the bill can be sent to the White House before the House adjourns for the July recess. I urge adoption of these amendments.

Mr. ANDERSON. Mr. Speaker, will the gentleman yield?

Mr. SHUSTER. I would be happy to yield to the distinguished chairman of the subcommittee.

Mr. ANDERSON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of the motion which has been made.

H.R. 4616 is a bill I introduced this past January as a measure to encourage the use of child safety seats. Automobile accidents constitute the single largest cause of death among young Americans. The National Highway Traffic Safety Administration has indicated that 3,400 children under the age of 5 were killed in motor vehicle accidents, and an additional 250,000 were injured, between 1978 and 1982. And according to evidence cited in a September 1983 report of the National Transportation Safety Board, 90 percent of such fatalities, and 67 percent of the disabling injuries, could have been prevented with the proper use of child seats.

It is a fact, Mr. Speaker, that more infants and small children under 5 years of age are killed or crippled while riding in motor vehicles than the totals killed or crippled by the seven common childhood diseases against which youngsters are routinely immunized. And additionally, automobile accidents are the No. 1 traumatic cause of epilepsy and are a major cause of mental retardation and spinal cord injury in children.

It was against this staggering backdrop that we agreed in this Chamber on April 30 to suspend the rules and pass H.R. 4616 to, among other things, set aside 8 percent of the section 402 safety money over 2 years for programs to combat this additional tragedy. And I said at that time, and I reiterate today, my intention to add a third year of funding when the section 402 program is extended beyond fiscal year 1986. This is a 3-year program, although we are providing for only the first 2 years this evening.

When the Senate took this bill up yesterday, it added several provisions before passing it back to us. First, it added the text of the amendment which the gentleman from New Jersey offered to H.R. 5504 a few weeks ago, and which was adopted at that time by a voice vote. That amendment, of course, would impose sanctions against those States which fail to have in effect a 21-year-old drinking age. States would have 2 years to put such a law into effect, after which time they would be sanctioned for 2 years if they have not done so. They would lose 5 percent of their funds the first year, and 10 percent the second, for such a failure.

I firmly believe that at the ages of 18, 19, and 20, young people are simply too inexperienced at both driving and drinking to be permitted to do both. Statistics seem to bear this out. Those under the age of 21 represent 8 percent of all licensed drivers in this country. They drive about 9 percent of the total miles. But they are involved in 20 percent of all fatal alcohol-related traffic accidents; 60 percent of teenage drivers fatally injured in auto accidents were found to have alcohol in their blood systems, with 43 percent at legally intoxicating levels.

Mr. Speaker, the proposal to sanction those States which fail to adopt a 21-year-old drinking age is eminently reasonable.

Also reasonable are those provisions added by the Senate which would make additional amounts of highway safety money available to those States, (a) which impose strict penalties for drunk driving convictions such as are specified in the legislation, and (b) want to use the funds to implement computerized highway safety recordkeeping systems.

Finally, the Senate added an amendment which was certainly overdue and which, I say to you, should have been adopted 2 years ago. At that time, Congress passed legislation aimed at attacking drunk driving through the adoption of an incentive grant program, creating basic and supplemental grants for States which meet criteria aimed at addressing that problem. The final Senate amendment which I would ask this House to adopt would amend the Alcohol Traffic Safety Program to include a crackdown on drugged driving as a program objective. Additional criteria that would add the existence of rehabilitation and treatment programs for persons convicted of using drugs, or research programs to develop means to detect the use of drugs to the list of supplemental criteria to be considered for additional alcohol traffic safety programs grant money.

Mr. Speaker, Congress is often maligned despite the many important issues we address and address well. Yet, there is little we can do that is more important than saving thousands of lives every year. That is what this legislation, H.R. 4616 would accomplish, and so I urge its passage.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. SHUSTER. I yield to my friend and colleague, the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

I just wanted to try to clarify what was in the bill specifically on the drunk driving provision.

Is it a provision as it passed the House that withholds money from the States if they do not move toward a 21-year-old drinking age, or does it have additional provisions beyond that?

Mr. HOWARD. Mr. Speaker, if the gentleman will yield, it does have additional provisions beyond that. In the other body there were Members who felt that there should be incentives involved for States if they wish to meet certain requirements and that was placed in the bill in the other body, as I stated, where the States could receive out of a portion amounting to 5 percent of the total safety funds, which amounts to about $5,700,000 per year out of existing money, provided they have certain penalties provided in the States. If the State wishes to do it for convictions for first, second, or third offenses for driving under the influence, so it does have both provisions, the original provision as it passed the House, which does have a restriction similar to the 55-mile-an-hour speed limit.

Mr. WALKER. Mr. Speaker, will the gentleman yield further?

Mr. SHUSTER. I yield.

Mr. WALKER. Well, do I understand that what we are really doing is we are going further than what the House did in that we are now with this bill we would be mandating to the States what they would have to have in terms of drunk driving laws in this particular legislation?

Mr. HOWARD. No, if the gentleman will yield further, we are not mandating. This is if the States wish to be able to apply and receive these additional funds, they would be able to do that if they passed this. This would not be mandating at all. In fact, everything other than what the House passed is permissive, optional for the States, if they wish to do it.

Mr. WALKER. And the only mandatory part, if I could just clarify the point, the only mandatory part that could result in the loss of funds involves the raising of the drinking age to 21, is that correct?

Mr. HOWARD. Unless we do include the fact they did include the words drug as well as alcohol, that that would be considered, but that is all.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

Mr. CARNEY. Mr. Speaker, will the gentleman yield?

Mr. SHUSTER. I yield to the gentleman from New York.

Mr. CARNEY. Mr. Speaker, on the question of driving while intoxicated, have we established what that is?

Mr. HOWARD. If the gentleman will yield further, yes, that has been established under criteria, generally overall I believe of 0.10 alcohol.

Mr. CARNEY. Is that all it States?

Mr. HOWARD. For driving while intoxicated, I believe that it is for almost all the States, I believe that there is 1 State—46 States have similar criteria for driving under the influence and driving while intoxicated. The intoxicating criteria for three States, Alaska, Indiana, and New York, is 0.10.

Maryland is the only State that has different driving while intoxicated. That would be 1.3 and under the influence would be 0.08.

I understand Missouri is also 0.10.

Mr. CARNEY. Is the distinguished gentleman not saying that the definition would depend on the State, the State would set the definition?

Mr. HOWARD. Yes.

Mr. CARNEY. A State could set the definition unusually high. In a hypothetical situation, a State could set it at 2.0 for driving under the influence, 2.3 for driving while intoxicated, is that correct?

Mr. HOWARD. I believe so. They might be able to change it. I doubt very much that it would change.

Mr. CARNEY. They would qualify for the 5 percent?

Mr. HOWARD. We also have the legislation under which they would obtain additional funds under the drunk driving law that was passed in the last Congress or last year, if the gentleman will remember. That did have as one of the criteria a 0.10; so to receive that money, that would be 0.10, but I doubt that the States would change it up; but hypothetically, I imagine that some States would be able to do that, because States make their laws. We do not make them here.

Mr. CARNEY. I understand that, but what we are saying is that whatever the State would consider to be driving under the influence or driving as an intoxicated driver, that would qualify. We set no parameters, low or high?

Mr. HOWARD. Oh, no.

Mr. CARNEY. As to what they may be.

Mr. HOWARD. That is true.

Mr. CARNEY. Would the gentleman explain to me the penalties for loss of aid for not initiating a 21-year-old drinking age?

Mr. HOWARD. That would be for the first year. First of all, they have 2 years to comply. If they did not at that time, then there would be withheld 5 percent the first year of their highway construction money, not their highway safety money.

The second year it would be 10 percent. It would end at that time, but as the gentleman is aware, all money apportioned to States stays with the State and does not lapse for 4 years beyond that and at any time that the States would be in compliance with 21, then that 5 percent and that 10 percent would be released to the States.

Mr. CARNEY. So the individual States would have 4 years to comply?

Mr. HOWARD. After the 2 years.

Mr. CARNEY. After the 2 years, and the 3rd and 4th years there would be a 5- and 10-percent penalty?

Mr. HOWARD. The first 2 years, we believe that that would probably do it, but it is up to the States, once again.

Mr. CARNEY. Mr. Speaker, I thank the gentleman.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. SHUSTER. I would be happy to yield.

Mr. GORE. Very briefly, I would like to express strong support for this legislation and compliment the chairman and the ranking member for bringing it to this point.

I would like to support all provisions that call particular attention to the child restraint portions of this bill, an idea which originated years ago with a Dr. Robert Sanders in my congressional district, which was introduced by myself and several other Members earlier in this Congress and which is contained in this bill.

□ 0040

Mr. SHUSTER. Mr. Speaker, I rise in support of H.R. 4616, a bill to encourage the use of child restraints in automobiles.

I also support in part the amendments that the Senate has added. First, I wholeheartedly agree with the inclusion of Chairman HOWARD's 21-year-old drinking bill. When initially confronted with Mr. HOWARD's bill, I thought that I would probably oppose it on the basis of States rights.

But as I studied the issue it seemed to me that the evidence is so overwhelming that we are faced with a national epidemic here: 5,000 teenagers killed in drunk driving accidents every year.

We must address this issue, particularly because we are faced in some States with situations where a State has a 21-year-old drinking limit, but the adjacent State does not, and we end up with virtual slaughter alleys where youngsters drive over the State line to get alcohol.

Pennsylvania, historically, has been in that sad position and there are many Pennsylvania teenagers who have been killed as a result of driving into adjacent States in order to buy alcohol because it was legally available to those under age 21.

So, looking at the epidemic proportions of this issue, it seems to me that we should pass Chairman HOWARD's legislation, States rights notwithstanding.

Section 4 of the amended H.R. 4616 also makes a further improvement in Federal attempts to combat problem drivers on the highways: This section brings drugged driving under the Highway Safety Program. While alcohol may cause the majority of problems on our highways, drugs do play a role. Thus, the inclusion of drugged driving makes plain good sense.

While there are good provisions in H.R. 4616, I do have a problem with section 7. This section would authorize special grants of up to 5 percent of a State's highway grant funds—in addition to other alcohol traffic safety grants—to States that enact laws providing a series of penalties for persons convicted of driving under the influence of alcohol.

There is already in law under section 408 of the Federal Highway Code an incentive grant program whereby funds are given to States if they have certain mandatory minimum penalties for drunk driving. Now we are pyramiding yet another grant program on top of the present one.

At the present time, no State would qualify under the amendment added by the Senate. Moreover, the total amount of funds that would be used to provide incentives to the States would be so small as to be no incentive at all. Therefore, I question the efficacy of this amendment.

In addition, there is a problem of a technical nature. Present law encourages mandatory minimum sentences for intoxication. The Senate amendment encourages mandatory minimum sentences for driving under the influence. The latter penalties are stiffer, yet in some States, driving under the influence is a less serious penalty than driving while intoxicated. Thus, the absurd situation is created whereby a State is encouraged to set more stringent penalties on a less serious crime.

Notwithstanding my objections, however, I do support passage of this bill. The good outweighs the bad, so I urge my colleagues to back the bill.

Mr. Speaker, I withdraw my reservation of objection.

● Mr. LIVINGSTON. Mr. Speaker, the ends do not justify the means. As much as all of us want to end the horrors of drunk driving, it is wrong for the Federal Government to coerce the States into changing their legal drinking age to 21. And that is precisely what this bill does—out of the noblest of intentions—by cutting necessary highway funds to those States that fail to comply with Washington's mandate.

The legal drinking age should be left to State legislatures whose members know the local demographics, customs, and mores, all of which are different in different parts of the country. The problems associated with drunk driving—and they are great—defy uniform classification by the National Government. Some States have voluntarily raised the drinking age only to see an increase in per capita alcohol related deaths, while others have been more successful with the same kind of approach. An approach that succeeds in New Jersey may not succeed in Louisiana because the two States are different in many vital respects. The same is true for all of the States when compared to each other.

Statistics are legion, Mr. Speaker, and we could quote them all night, oblivious to the maxim that they make liars of us all. A number of concerned, responsible student groups and insurance officials, whose voices have come to be heard only recently, can point to reliable figures indicating that the vast majority of under-21 citizens are involved in no alcohol-related accidents whatever. They also point out that if you banned the sale of alcohol to 22-, 23-, and 24-year-olds you could derive the same effect as a ban for those 18 to 21. Proponents of the bill can point to similar statistics for their side, equally reliable.

But as columnist William Raspberry asks in today's Washington Post, "I suppose that if you raised the drinking age to 45—and found some way to enforce it—you would save perhaps 90 percent of the victims of drunk driving. But should you do it?" That is a good question, but an even better one is "Why should we do it?" And if we insist that we know better than the elected State officials on the scene, we should still ask also, "Why must we do it this way?"

This bill would cut off 15 percent of highway funds wherever the drinking age is not raised to 21, though part of the bill takes a much better approach—the incentive approach. Specifically, it would increase by 5 percent the highway funds for those States that enact mandatory sentence laws for drunken driving. That is the general approach this Congress should take—incentives—if we must preempt the local officials.

Mr. Speaker, I urge my colleagues to oppose this bill under these conditions. States deserve better, our 18-year-old adults deserve better, and we deserve better. I have lost members of my own family to highway accidents but this is not the way to attack a serious problem. The ends don't justify the means, and this is no way to legislate.●

The SPEAKER. Is there objection to the initial request of the gentleman from New Jersey?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the action just taken.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Sparrows, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 1310. An act to provide assistance to improve elementary, secondary, and postsecondary education in mathematics and science; to provide a national policy for engineering, technical, and scientific personnel; to provide cost sharing by the private sector in training such personnel; to encourage creation of new engineering, technical, and scientific jobs; and for other purposes; and

H.R. 4997. An act to authorize appropriations to carry out the Marine Mammal Protection Act of 1972, for fiscal years 1985 through 1988, and for other purposes.

MARINE MAMMAL PROTECTION ACT OF 1972

Mr. BREAUX. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4997) to authorize appropriations to carry out the Marine Mammal Protection Act of 1972, for fiscal years 1985 through 1988, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

TITLE I

SEC. 101. The last sentence of section 101(a)(2) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1371(a)(2)) is amended to read as follows: For purposes of applying the preceding sentence, the Secretary—

"(A) shall insist on reasonable proof from the government of any nation from which fish or fish products will be exported to the United States of the effects on ocean mammals of the commercial fishing technology in use for such fish or fish products exported from such nation to the United States; and

"(B) in the case of yellowfin tuna harvested with purse seines in the eastern tropical Pacific Ocean, and products therefrom, to be exported to the United States, shall require that the government of the exporting nation provide documentary evidence that—

"(i) the government of the harvesting nation has adopted a regulatory program governing the incidental taking of marine mammals in the course of such harvesting that is comparable to that of the United States; and

"(ii) the average rate of that incidental taking by the vessels of the harvesting nation is comparable to the average rate of incidental taking of marine mammals by United States vessels in the course of such harvesting.".

SEC. 102. Section 104(h) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1374(h)) is amended—

(1) by inserting "(1)" after "(h)"; and

(2) by adding at the end thereof the following paragraphs:

"(2)(A) Subject to subparagraph (B), the general permit issued under paragraph (1) on December 1, 1980 to the American Tunaboat Association is extended to authorize and govern the taking of marine mammals incidental to commercial purse seine fishing for yellowfin tuna during each year after December 31, 1984.

"(B) The extension granted under subparagraph (A) is subject to the following conditions:

"(i) The extension shall cease to have force and effect at the time the general permit is surrendered or terminated.

"(ii) The permittee and certificate holders shall use the best marine mammal safety techniques and equipment that are economically and technologically practicable.

"(iii) During the period of the extension, the terms and conditions of the general permit that are in effect on the date of the enactment of this paragraph shall apply, except that—

"(I) The Secretary may make such adjustments as may be appropriate to those terms and conditions that pertain to fishing gear and fishing practice requirements and to permit administration;

"(II) any such term and condition may be amended or terminated if the amendment or termination is based on the best scientific information available, including that obtained under the monitoring program required under paragraph (3)(A); and

"(III) during each year of the extension, not to exceed 250 coastal spotted dolphin (Stenella attenuata) and not to exceed 2,750 eastern spinner dolphin (Stenella longirostris) may be incidentally taken under the general permit, and no accidental taking of either species is authorized at any time when incidental taking of that species is permitted.

"(C) The quota on the incidental taking of coastal spotted dolphin and eastern spinner dolphin under paragraph (2)(B)(iii)(III) shall be treated—

"(i) as within, and not in addition to, the overall annual quota under the general permit on the incidental taking of marine mammals; and

"(ii) for purposes of paragraph (2)(B)(iii)(II), as a term of the general permit in effect on the date of the enactment of this paragraph.

"(3)(A) The Secretary shall, commencing on January 1, 1985, undertake a scientific research program to monitor for at least five consecutive years, and periodically as necessary thereafter, the indices of abundance and trends of marine mammal population stocks which are incidentally taken in the course of commercial purse seine fishing for yellowfin tuna in the eastern tropical Pacific Ocean.

"(B) If the Secretary determines, on the basis of the best scientific information available (including that obtained under the monitoring program), that the incidental taking of marine mammals permitted under the general permit referred to in paragraph (2) is having a significant adverse effect on a marine mammal population stock, the Secretary shall take such action as is necessary, after notice and an opportunity for an agency hearing on the record, to modify the applicable incidental take quotas or requirements for gear and fishing practices (or both such quotas and requirements) for such fishing so as to ensure that the marine mammal population stock is not significantly adversely affected by the incidental taking.

"(C) For each year after 1984, the Secretary shall include in his annual report to the public and the Congress under section 103(f) a discussion of the proposed activities to be conducted each year as part of the monitoring program required by subparagraph (A).

"(D) There are authorized to be appropriated to the Department of Commerce for purposes of carrying out the monitoring program required under this paragraph not to exceed $4,000,000 for the period beginning October 1, 1984, and ending September 30, 1988.

SEC. 103. (a) Section 201(b)(1) of the Marine Mammal Act of 1972 (16 U.S.C. 1401(b)(1)) is amended by striking the second sentence thereof and inserting in lieu thereof the following: "The President shall make his selection from a list of individuals knowledgeable in the fields of marine ecology and resource management, and who are not in a position to profit from the taking of marine mammals. Such list shall be submitted to him by the Chairman of the Council on Environmental Quality and unanimously agreed to by that Chairman, the Secretary of the Smithsonian Institution, the Director of the National Science Foundation and the Chairman of the National Academy of Sciences.".

(b) The first sentence of section 206 of such Act of 1972 (16 U.S.C. 1406) is amended by adding immediately before the period at the end thereof the following: "; except that no fewer than 11 employees must be employed under paragraph (1) at any time".

SEC. 104. Section 7 of the Act entitled "An Act to improve the operation of the Marine Mammal Protection Act of 1972, and for other purposes", approved October 9, 1981 (16 U.S.C. 1384 and 1407) is amended--

(1) by amending subsection (a)—

(A) by inserting "(other than section 104(h)(3))" immediately after "title I", and

(B) by striking out "for fiscal year 1984," and inserting in lieu thereof "for each of fiscal years 1984, 1985, 1986, 1987, and 1988.";

(2) by striking out "and $2,000,000 for fiscal year 1984." and subsection (b) and inserting in lieu thereof "$2,000,000 for fiscal year 1984, $2,500,000 for fiscal year 1985, and $3,000,000 for each of fiscal years 1986, 1987, and 1988."; and

(3) by striking out "for fiscal year 1984." in subsection (c) and inserting in lieu thereof "for each of fiscal years 1984, 1985, 1986, 1987, and 1988.".

Sec. 105. Section 2(c) of the Fishery Conservation Zone Transition Act (16 U.S.C. 1823 note) is amended—

(1) by striking out "July 1, 1984" in each of paragraphs (1) and (2) and inserting in lieu thereof "December 31, 1985";

(2) by striking out "May 3, 1983" in paragraph (1) and inserting in lieu thereof "May 8, 1984";

(3) by striking out "May 3, 1983" in paragraph (2) and inserting in lieu thereof "May 7, 1984"; and

(4) by amending the last sentence thereof by striking out "Each such governing international fishery agreement" and inserting in lieu thereof "The government international fishery agreements referred to in paragraphs (1) and (2) shall enter into force and effect with respect to the United States on July 1, 1984; and the governing international fishery agreement referred to in paragraph (3)".

Sec. 106. Notwithstanding any provision of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.), and upon certification by the Secretary of State to the President of the Senate and the Speaker of the House of Representatives that a new governing international fishery agreement in conformity with such Act has been negotiated by the United States and the European Economic Community, the existing governing international fishery agreement referred to in section 2(a)(7) of the Fishery Conservation Zone Transition Act (16 U.S.C. 1823, note) may be extended or reinstated, as the case may be, and may be in force and effect with respect to the United States, for the period of time ending on the earlier of (1) the effective date of the new governing international fishery agreement, or (2) September 30, 1984.

TITLE II

Sec. 201. (a) The Secretary of Commerce shall provide for the establishment of a National Coastal Resources Research and Development Institute (hereinafter in this title referred to as the "Institute") to be administered by the Oregon State Marine Science Center.

(b) The Institute shall conduct research and carry out educational and demonstration projects designed to promote the efficient and responsible development of ocean and coastal resources, including arctic resources. Such projects shall be based on biological, geological, genetic, economic and other scientific research applicable to the purposes of this title and shall include studies on the economic diversification and environmental protection of the Nation's coastal areas.

(c)(1) The policies of the Institute shall be determined by a Board of Governors composed of—

(A) two representatives appointed by the Governor of Oregon;

(B) one representative appointed by the Governor of Alaska;

(C) one representative appointed by the Governor of Washington;

(D) one representative appointed by the Governor of California; and

(E) one representative appointed by the Governor of Hawaii.

(2) Such policies shall include the selection, on a nationally competitive basis, of the research, projects, and studies to be supported by the Institute in accordance with the purposes of this title.

(d)(1) The Board of Governors shall establish an Advisory Council composed of specialists in ocean and coastal resources from the academic community.

(2) To maximum extent practicable, the Advisory Council shall be composed of such specialists from every coastal region of the Nation.

(3) The Advisory Council shall provide such advice to the Board of Governors as such Board shall request, including recommendations regarding the support of research, projects, and studies in accordance with the purposes of this title.

(e) The Institute shall be administered by a Director who shall be appointed by the Chancellor of the Oregon Board of Higher Education in consultation with the Board of Governors.

(f) The Secretary of Commerce shall conduct an ongoing evaluation of the activities of the Institute to ensure that funds received by the Institute under this title are used in a manner consistent with the provisions of this title.

(g) The institute shall report to the Secretary of Commerce on its activities within 2 years after the date of enactment of this Act.

(h) The Comptroller General of the United States, and any of his duly authorized representatives, shall have access, for the purpose of audit and examination, to any books, documents, papers and records of the Institute that are pertinent to the funds received under this title.

(i) Employees of the Institute shall not, by reason of such employment, be considered to be employees of the Federal Government for any purpose.

(j) for the purposes of this title, there are authorized to be appropriated in each fiscal year $5,000,000, commencing with fiscal year 1985.

Sec. 202. For purposes of sections 1305(c), 1315, and 1363 of the National Flood Insurance Act of 1968 (42 U.S.C. 4012(c), 4022, and 4104) and section 202(a) of the Flood Disaster Production Act of 1973 (42 U.S.C. 4106(a)), the flood elevation determination may by the Director of the Federal Emergency Management Agency with respect to Cameron Parish in the State of Louisiana, and published in the Federal Register on July 28, 1983, and November 22, 1983, shall not be considered final before the expiration of the one-year period following the date of enactment of this Act.

TITLE III

Sec. 301. Section 7(e) of the Fishermen's Protective Act of 1967 (22 U.S.C. 1977(e)) is amended by striking "October 1, 1984" and inserting in lieu thereof "October 1, 1987".

Sec. 302. (a) Section 3 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1973) is amended—

(1) by striking "Secretary of the Treasury in the amount certified to him by the Secretary of State" in the first sentence of subsection (a) and inserting in lieu thereof "Secretary of State in the amount determined and certified by him"; and

(2) by amending subsection (b)—

(A) by inserting "determination and" immediately before "certification" in the first sentence thereof; and

(B) by striking "the Treasury" in the second and third sentences and inserting in lieu thereof "State".

(b) Section 5(a)(1)(A) of such Act of 1967 (22 U.S.C. 1975(a)(1)(A)) is amended by striking "the Secretary of the Treasury" and inserting in lieu thereof "him".

(c) The first sentence of section 9 of such Act of 1967 (22 U.S.C. 1979) is amended by striking "Secretary of the Treasury" and inserting in lieu thereof "Secretary of State"; and by striking "certified to him by the Secretary of State" and inserting in lieu thereof "determined and certified by him".

Sec. 303. (a) Section 2 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1972) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) any vessel of the United States is seized by a foreign country on the basis of claims to jurisdiction that are not recognized by the United States, or on the basis of claims to jurisdiction recognized by the United States but exercised in a manner inconsistent with international law as recognized by the United States;"; and

(2) by amending the matter appearing between subparagraph (D) and clause (i) of paragraph (2) to read as follows:

"the Secretary of State, unless there is clear and convincing credible evidence that the seizure did not meet the requirements under paragraph (1) or (2), as the case may be, shall immediately take such steps as are necessary—".

(b) Section 4 of such Act of 1967 (22 U.S.C. 1974) is amended by striking "any fishery convention or treaty to which the United States is a party." and inserting in lieu thereof "any applicable convention or treaty, if that treaty or convention was made with advice and consent of the Senate and was in force and effect for the United States and the seizing country at the time of the seizure.".

(c) The amendments made by subsections (a) and (b) apply with respect to seizures made after April 1, 1983, by foreign countries of vessels of the United States.

TITLE IV

Sec. 401. This title may be cited as the "Commercial Fishing Industry Vessel Act".

Sec. 402. Subtitle II of title 46, United States Code, "Shipping", is amended as follows:

(1) Section 2101 is amended by—

(A) amending clause (11) thereof to read as follows:

"(11) 'fish' means finfish, mollusks, crustaceans, and all other forms of marine animal and plant life, except marine mammals and birds.";

(B) inserting immediately after clause (11) the following:

"(11a) 'fishing vessel' means a vessel that commercially engages in the catching, taking, or harvesting of fish or an activity that can reasonably be expected to result in the catching, taking, or harvesting of fish.

"(11b) 'fish processing vessel' means a vessel that commercially prepares fish or fish products other than by gutting, decapitating, gilling, skinning, shucking, icing, or brine chilling.

"(11c) 'fish tender vessel' means a vessel that commercially supplies, stores, refrigerates, or transports fish, fish products, or materials directly related to fishing or the preparation of fish to or from a fishing, fish processing, or fish tender vessel or a fish processing facility."; and

(C) adding the following at the end of clause (21):

"(E) on a fishing, fish processing, or fish tender vessel, means an individual transported on the vessel except—

"(i) the owner;

"(ii) a representative of the owner;

"(iii) the managing operator;

"(iv) the master;

"(v) a crewmember engaged in the business of the vessel who has not contributed consideration for transportation on board and who is paid for services on board;

"(vi) an employee of the owner, or of a subcontractor to the owner, engaged in the business of the owner;

"(vii) a charterer of the vessel;

"(viii) a person with the same relationship to a charterer as a person in subclause (ii) or (vi) of this subclause has to an owner; or

"(ix) a guest who has not contributed consideration for transportation on board.".

(2) Section 3301 is amended by adding at the end thereof the following:

"(11) fish processing vessels.

"(12) fish tender vessels.

(3) Section 3302 (b) and (c) is amended to read as follows:

"(b) A fishing vessel, including a vessel chartered part-time as a fish tender vessel, is exempt from section 3301 (1), (7), (11), and (12) of this title.

"(c)(1) A fish processing vessel of not more than 5,000 gross tons is exempt from section 3301 (1), (6), and (7), (11), (12) of this title.

"(2) A fish tender vessel of not more than 500 gross tons is exempt from section 3301 (1), (6), (7), (11), and (12) of this title.".

(4) Section 3304 is amended by adding at the end thereof the following:

"(d) A fishing, fish processing, or fish tender vessel that transports not more than 12 individuals employed in the fishing industry in addition to the crew is not subject to inspection as a passenger or small passenger vessel.".

(5) Section 3306 is amended by adding at the end thereof the following:

"(g) In prescribing regulations for fish processing or fish tender vessels, the Secretary shall consult with representatives of the private sector having experience in the operation of these vessels. The regulations shall reflect the specialized nature and economics of fish processing or fish tender vessel operations and the character, design, and construction of fish processing or fish tender vessels.".

(6) Section 3702 is amended by—

(A) amending subsection (c) to read as follows:

"(c) This chapter does not apply to a fishing or fish tender vessel of not more than 500 gross tons when engaged only in the fishing industry."; and

(B) amending the first sentence in subsection (d) to read as follows: "This chapter does not apply to a fish processing vessel of not more than 5,000 gross tons.".

(7)(A) The analysis of part B is amended by striking—

"41. Uninspected vessels	4101
"43. Recreational vessels	4301"

and inserting in lieu thereof the following:

"41. Uninspected vessels generally	4101
"43. Recreational vessels	4301
"45. Fish processing vessels	4501".

(B) The title of chapter 41 is amended to read as follows:

"CHAPTER 41—UNINSPECTED VESSELS GENERALLY"

(C) Part B is amended by adding the following immediately after chapter 43:

"CHAPTER 45—FISH PROCESSING VESSELS

"Sec.
"4501. Application.
"4502. Regulations.
"4503. Equivalency.
"4504. Penalties.

"§ 4501. Application

"(a) This chapter applies to an uninspected fish processing vessel entered into service after December 31, 1987, and having more than 16 individuals on board primarily employed in the preparation of fish or fish products—

"(1) on the navigable waters of the United States; or

"(2) owned in the United States and operating on the high seas.

"(b) This chapter does not apply to the carriage of liquid bulk dangerous cargoes regulated under chapter 37 of this title.

"§ 4502. Regulations

"(a) For each vessel to which this chapter applies, the Secretary shall prescribe regulations for—

"(1) navigation equipment, including radars, fathometers, compasses, radar reflectors, lights, sound-producing devices, nautical charts, and anchors;

"(2) life saving equipment, including life preservers, exposure suits, lifeboats or life rafts, emergency position indicating radio beacons, signaling devices, bilge pumps, bilge alarms, life- and grab-rails, and medicine chests;

"(3) fire protection and firefighting equipment, including fire alarms, portable and semi-portable fire extinguishing equipment, and flame arrestors;

"(4) the use and installation of insulation material;

"(5) storage methods for flammable or combustible material; and

"(6) fuel, ventilation, and electrical systems.

"(b) In prescribing regulations under subsection (a) of this section, the Secretary shall—

"(1) consider the specialized nature and economics of fish processing vessel operations and the character, design, and construction of fish processing vessels;

"(2) consult with representatives of the private sector having experience in the operation of these vessels to ensure the practicability of these regulations; and

"(3) not compel alteration of a vessel to which the exemption applies or item of equipment on that vessel, or of the construction of a vessel or manufacture of a particular item of equipment which is begun before the effective date of the regulation.

"§ 4503. Equivalency

"A vessel to which this chapter applies shall be deemed to comply with the requirements of this chapter if it has an unexpired certificate of inspection issued by a foreign country that is a party to an International Convention for Safety of Life at Sea to which the United States Government is currently a party and shall not be required by the Secretary to alter or replace the equipment or structural requirements required under this chapter.

"§ 4504. Penalties

"If a vessel to which this chapter applies is operated in violation of this chapter or a regulation prescribed under this chapter, the owner, charterer, managing operator, agent, master, and individual in charge are each liable to the United States Government for a civil penalty of not more than $1,000. The vessel also is liable in rem for the penalty.".

(8)(A) Item 7111 in the analysis of chapter 71 is amended to read as follows:

"7111. Oral examinations for licenses.".

(B) Section 7111 is amended to read as follows:

"§ 7111. Oral examinations for licenses

"An individual may take an oral examination for a license to serve on a fishing, fish processing, or fish tender vessel not required to be inspected under Part B of this subtitle.".

(9)(A) The analysis of chapter 73 is amended by inserting immediately after item 7311 the following:

"7311a. Able seamen—fishing industry.".

(B) Section 7301(a)(1) is amended by striking "decked fishing vessels" and inserting in lieu thereof "fishing, fish processing, fish tender vessels".

(C) Section 7306(b) is amended by adding at the end thereof the following:

"(6) able seaman—fishing industry.".

(D) Chapter 73 is amended by inserting immediately after 7311 the following:

"§ 7311a. Able seamen—fishing industry

"For service on a fish processing vessel, an individual may be rated as able seaman—fishing industry if the individual has at least 6 months' service on deck on board vessels operating on the oceans or the navigable waters of the United States (including the Great Lakes).".

(E) Section 7312 is amended by adding at the end thereof the following:

"(f) Individuals qualified as able seamen—fishing industry under section 7311a of this title may constitute—

"(1) all of the able seamen required on a fish processing vessel entered into service before January 1, 1988, and of more than 1,600 gross tons but not more than 5,000 gross tons; and

"(2) all of the able seamen required on a fish processing vessel entered into service after December 31, 1987, and having more than 16 individuals on board primarily employed in the preparation of fish or fish products but of not more than 5,000 gross tons.".

(10) Section 8102 is amended by—

(A) inserting "(a)" immediately before the first paragraph; and

(B) adding at the end thereof the following:

"(b) The owner, charterer, managing operator, agent, master, or individual in charge of a fish processing vessel of more than 100 gross tons shall keep a suitable number of watchmen trained in firefighting on board when hotwork is being done to guard against and give alarm in case of a fire.".

(11) Section 8104 is amended by—

(A) striking "100 gross tons," in subsection (b) and inserting in lieu thereof "100 gross tons (except a fishing, fish processing, or fish tender vessel),";

(B) striking "fishing" in subsection (c) and inserting in lieu thereof "fishing, fish processing, fish tender,";

(C) striking "a fishing or whaling vessel," in subsection (d) and inserting in lieu thereof "a fishing, fish tender, or whaling vessel, a fish processing vessel of not more than 5,000 gross tons,"; and

(D) adding at the end thereof the following:

"(k) On a fish processing vessel subject to inspection under part B of this subtitle, the licensed individuals and deck crew may be divided, when at sea, into at least 3 watches.

"(l) Except as provided in subsection (k) of this section, on a fish processing vessel, the licensed individuals and deck crew may be divided, when at sea, into at least 2 watches if the vessel—

"(1) entered into service before January 1, 1988, and is more than 1,600 gross tons; or

"(2) entered into service after December 31, 1987, and has more than 16 individuals on board primarily employed in the preparation of fish or fish products.

"(m) This section does not apply to a fish processing vessel—

"(1) entered into service before January 1, 1988, and not more than 1,600 gross tons; or

"(2) entered into service after December 31, 1987, and having not more than 16 individuals on board primarily employed in the preparation of fish or fish products.".

(12)(A) Section 8701(a) is amended by—

(i) striking "fishing or whaling" and inserting in lieu thereof "fishing, fish tender, or whaling";

(ii) striking "and" after the semicolon at the end of clause (4);

(iii) striking the period at the end of clause (5) and inserting in lieu thereof a semicolon; and

(iv) adding at the end thereof the following:

"(6) a fish processing vessel entered into service before January 1, 1988, and not more than 1,600 gross tons or entered into service after December 31, 1987, and having not more than 16 individuals on board primarily employed in the preparation of fish or fish products; and

"(7) a fish processing vessel (except a vessel to which clause (6) of this subsection applies) with respect to individuals on board primarily employed in the preparation of fish or fish products or in a support position not related to navigation.".

(B) Section 8702(a) is amended by—

(i) striking "fishing or whaling" and inserting in lieu thereof "fishing, fish tender, or whaling";

(ii) striking "and" after the semicolon at the end of clause (4);

(iii) striking the period at the end of clause (5) and inserting in lieu thereof a semicolon; and

(iv) adding at the end thereof the following:

"(6) a fish processing vessel entered into service before January 1, 1988, and not more than 1,600 gross tons or entered into service after December 31, 1987, and having not more than 16 individuals on board primarily employed in the preparation of fish or fish products; and

"(7) a fish processing vessel (except a vessel to which clause (6) of this subsection applies) with respect to individuals on board primarily employed in the preparation of fish or fish products or in a support position not related to navigation.".

(13) Section 10101(a) is amended by adding at the end thereof the following:

"(4) "fishing vessel" includes—

"(A) a fish tender vessel; or

"(B) a fish processing vessel entered into service before January 1, 1988, and not more than 1,600 gross tons or entered into service after December 31, 1987, and having not more than 16 individuals on board primarily employed in the preparation of fish or fish products.".

(14) Section 11108 is amended by striking "a fisherman employed on a fishing vessel" and inserting in lieu thereof "an individual employed on a fishing vessel or any fish processing vessel".

(15) Section 11109(c) is amended to read as follows:

"(c) This section applies to an individual employed on a fishing vessel or any fish processing vessel.".

(16) Section 12101 is amended by adding at the end thereof the following:

"(6) 'fisheries' includes planting, cultivating, catching, taking, or harvesting fish, shellfish, marine animals, pearls, shells, or marine vegetation in the navigable waters of the United States or in the fishery conservation zone established by section 101 of the Magnuson Fishery Conservation and Management Act of 1976 (16 U.S.C. 1811).".

SEC. 403. (a) Before January 1, 1990, a fishing, fish processing, or fish tender vessel, that is (1) not more than 500 gross tons and (2) in operation, or contracted for purchase to be used as a vessel of this type, before July 1, 1984, may transport cargo to or from a place in Alaska not receiving weekly transportation service from a port of the United States by an established water common carrier, except that the service limitation does not apply to transporting cargo of a type not accepted by that carrier.

(b) A fish processing vessel entered into service before January 1, 1988, and more than 1,600 gross tons or entered into service after December 31, 1987, and having more than 16 individuals on board primarily employed in the preparation of fish or fish products is exempt from section 8702(b) of title 46, United States Code, until 18 months after the date of enactment of this Act.

(c) As used in subsections (a) and (b) of this section, the terms "fishing vessel", "fish processing vessel" and "fish tender vessel" shall have the meaning given to such terms in section 2101 of title 46, United States Code.

Mr. BREAUX (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Louisiana?

Mr. PRITCHARD. Mr. Speaker, I reserve the right to object. I will not object, but I would like to have the chairman tell us what is in this series of bills.

Mr. BREAUX. Mr. Speaker, will the gentleman yield?

Mr. PRITCHARD. I am pleased to yield to the gentleman from Louisiana.

Mr. BREAUX. Mr. Speaker, H.R. 4997 as it passed the House on June 5, 1984, would authorize appropriations for the Marine Mammal Protection Act of 1972 [MMPA] and extend the existing governing international fishery agreements with Poland and the U.S.S.R. The Senate has passed it back to us with several amendments which I will explain in a moment.

The MMPA committed the United States to a long-term management and research program to protect marine mammals. Although there are a few exceptions, the act placed a moratorium on taking marine mammals or importing marine mammals or their parts and products into the United States. Under the act, the National Marine Marine Fisheries Service is responsible for whales, porpoises, seals, and sea lions. The Fish and Wildlife Service is responsible for manatees, polar bears, sea otters, and walruses.

As some of the Members recall, the Marine Mammal Protection Act has been the source of some major controversies over the years. Fortunately, the level of controversy has subsided somewhat in recent years, due in large part to the success of the tuna industry in reducing the incidental take of porpoises in their fisheries. When the act was enacted in 1972, more than 300,000 porpoises a year were being killed in the purse seine fishery; in 1983, less than 10,000 animals were taken.

The Marine Mammal Protection Act [MMPA] allows for the incidental taking of marine mammals in the course of purse seine fishing for tuna in the topical Pacific if the marine mammal stocks are at optimum sustainable population [OSP] levels. As I stated earlier, that incidental take has been greatly reduced. There is currently a permit in force which allows for the incidental taking of up to 20,500 animals per year, although the current levels of take is less than 10,000 animals per year. There is consensus among the various environmental groups and the scientists that this level of take is not having a detrimental effect on porpoise stocks. Unfortunately, the process for issuing permits for incidental take is still as lengthy and complicated as when the level of take was many times greater.

Responsible and concerned members of the environmental community, the tuna industry, and the Federal Government all recognize that an alternative approach is necessary, and this legislation reflects a consensus on this issue. It would simply freeze the current permit and provide an additional small quota for incidental take of two species for which no quota is currently provided. If at any time the Secretary of Commerce believes that a stock of porpoises is being significantly adversely affected, he could adjust the quota on that stock or institute other protective measures. I would stress that the goal of the act to reduce incidental take to as low a point as is economically and technologically practicable would still be in effect. In addition, during the period that the permit is in effect, the same permit requirements relating to fishing techniques and equipment would also be in effect. These requirements could be amended to facilitate compliance or permit administration. We anticipate that any such changes would be of a minor nature and would not require a hearing before an administrative law judge.

The legislation would also direct the Secretary to undertake a scientific research program to monitor the population trends of the porpoise stocks that are taken in the tuna fisheries. This trend data would be used in determining the health of the stocks in question, rather than depending upon suspect estimates of historic population size. Trend data would reveal whether or not the stocks are increasing or decreasing, and would provide useful information on porpoise population dynamics and productivity of the stocks. The study provision contains a special 4-year/$4 million authorization.

H.R. 4997 also contains an amendment to the section of the MMPA that bans the importation of fish products from nations where the commercial fishing technology in use results in an incidental take in excess of U.S. standards. We are concerned that the Departments of State, Commerce, and Treasury are not enforcing this provision strictly enough. We cannot impose severe restrictions on our own fleets and then allow foreign nations that do not even regulate the take of marine mammals to flood our markets with their products. The bill, as amended, would require the administration, in making the determination as to whether to allow the importation of yellowfin tuna, to look specifically at the regulatory program of the exporting nation and the incidental kill rate of their flag vessels to determine if their program and kill rates were comparable to those of the United States. If they were not, importation of their products would be prohibited.

The legislation also contains two amendments to the MMPA relating to the Marine Mammal Commission. Established under title II of the act, the Marine Mammal Commission is an independent agency of the executive branch. It is charged with the responsibility for developing, reviewing, and making recommendations on actions and policies of all Federal agencies with respect to marine mammal protection and conservation. The Commission members are appointed by the President from a list of individuals knowledgeable in the fields of marine ecology and resource management submitted to him by the Chairman of the Council on Environmental Quality, the Secretary of the Smithsonian Institute, the Director of the National Science Foundation, and the Chairman of the National Academy of Sciences. In spite of the languages of the statute that implies that the President is to receive a single list of recommendations, the White House has requested lists from each of the above-named officials. This has diluted the quality of the review of the prospective Commission members. H.R. 4997 would confirm the original intent of the legislation that Commission members are to be chosen from a single list, unanimously agreed to by the officials from the various recommending agencies.

We are also concerned that the Commission needs to maintain a certain level of personnel to remain effective. Although funds are appropriated, personnel ceilings are often restricted. The legislation contains language that requires the Commission to maintain a staff of 11 persons.

H.R. 4997 would adjust the authorizations of appropriations to extend the Marine Mammal Protection Act for 4 years through fiscal year 1988. The Department of the Interior would be authorized $2.5 million for fiscal year 1985 and $3 million for fiscal years 1986, 1987, and 1988. The Department of Commerce would be authorized $8.8 million per year for the same period in addition to the special authorization relating to porpoise research. The Marine Mammal Commission would receive an authorization of $1.1 million over the 4-year period.

The legislation also provides the necessary congressional approval of the extension of the Governing International Fishery Agreement [GIFA] between the United States and both the Soviet Union and Poland. Section 201(a) of the Fishery Conservation and Management Act of 1976 prohibits fishing by foreign vessels in the U.S. fishery conservation zone [FCZ] unless such fishing is conducted pursuant to a GIFA or some other international agreement acceptable to the United States. By entering into a GIFA with the United States, a nation recognizes the exclusive jurisdiction and conservation and management authority of the United States over fishery resources in the FCZ except tuna. Once a nation obtains a GIFA, such nation may apply for privileges either to directly harvest a specified allocation of U.S. surplus fishery resources, or to enter into a joint venture with the U.S. surplus fishery resources, or to enter into a joint venture with the U.S. fishing industry to utilize such resources.

On February 28, 1977, both the Soviet Union and Poland entered into GIFA's with the United States which remained in effect until July 1, 1982. Pursuant to such GIFA's, both Poland and the Soviet Union received direct allocations of U.S. surplus fish and also entered into joint venture operations with U.S. interests to process U.S. harvested fish.

As a response to the Soviet invasion of Afghanistan and the imposition of martial law in Poland, however, the President of the United States acted to suspend all direct allocations of U.S. surplus fishery resources to both nations. The President did not, however, take action to terminate the GIFA's with these two nations. Therefore, substantial joint venture operations between U.S. fishermen and both the Soviet Union and Poland have continued.

Since 1982, joint ventures with Poland and the Soviet Union have allowed U.S. fishermen to harvest and deliver to foreign vessels up to 450,000 metric tons of U.S. surplus fishery resources which would have been otherwise allocated for foreign use. In 1984, similar joint ventures have been approved for another 220,000 metric tons. Thus, as the United States continues to aggressively pursue its fish-and-chips policy, joint ventures conducted under the authority of the GIFA's with Poland and the Soviet Union should continue to be of substantial benefit to U.S. commercial fishing interests.

Pursuant to section 203 of the FCMA, congressional approval of new, renegotiated, or extended GIFA's is required if they are to take effect prior to the expiration of 60 legislative days from the transmittal from the President to Congress of notification of the proposed agreement. This procedure was required in 1982 and 1983 when both the Polish and Soviet GIFA's were extended for 12 months and is again required this year if the ongoing benefits of joint ventures to U.S. fishermen are to continue uninterrupted. However, because of the uncertainties of having such GIFA's expire in the midst of the fishing season each year, H.R. 4997 proposes to extend the Polish and Soviet GIFA's for 18 months, until December 31, 1985.

I think it is important for the Members to note that through the approval of these extensions, the Congress is not overturning the policy of both the Carter and Reagan administration in denying direct access to U.S. fishery resources by the Soviet Union, access which was denied as a result of the Soviet invasion of Afghanistan. Our action today also does not affect the decision by the Reagan administration to reinstitute a direct allocation for Poland, provided that nation comply with the so-called fish-and-chips policy of U.S. law.

I think it is extremely important for the Members to note that significant benefits accrue to U.S. citizens as a result of these agreements and the ability of our Government to apply fish and chips to these nations. For example, by maintaining the existing fishery relations with the Soviet Union, U.S. fishermen will be able to continue joint venture operations which, in 1983, employed 42 U.S. vessels in the harvesting of over 167,000 metric tons of surplus fishery resources worth almost $25 million to U.S. citizens. Similarly, negotiations between the United States and Poland should result in the same type of benefits for U.S. fishermen who currently face severely limited markets for certain fishery resources.

In addition to the extension of these two GIFA's which have already passed the House, the Senate has added another time critical GIFA extension provision, pertaining to the European Economic Community [EEC]. This GIFA, which originally entered into force on June 9, 1977, is scheduled to expire on July 1, 1984. Several EEC member nations have received direct allocations of U.S. surplus fishery resources and have participated in joint venture operations beneficial to U.S. interests. Because of the time requirements or renegotiating a new agreement, however, H.R. 4997 extends the existing GIFA until a new agreement is reached or until September 30, 1984, whichever is sooner.

The Senate has added a title II to the bill which would establish a National Coastal Resources Research and Development Institute which would be administered by the Oregon State Marine Science Center. This Institute would conduct research and carry out educational and demonstration projects designed to promote the efficient and responsible development of ocean and coastal resources including arctic resources. The studies conducted by the Institute shall include economic diversification and environmental protection of our Nation's coastal areas.

The policies of the Institute are to be determined by a Board of Governors composed of representatives of the Governors of Oregon, Alaska, Washington, California, and Hawaii. It is to be administered by a Director appointed by the chancellor of the Oregon Board of Higher Education in consultation with the Board of Governors. I believe this Institute will be a significant asset in our efforts to conduct ocean and coastal research, and develop sound management policies for our oceans and coastal areas.

Title II, as added by the Senate, also included an amendment relating to the Federal Emergency Management Agency [FEMA] new flood insurance rate maps. Cameron Parish, LA, failed to inform FEMA that they objected to the new flood insurance rate maps scheduled to be enforced on April 3, 1984. The new maps, which were adopted on April 3, require certain sections of Cameron to construct new buildings a minimum of 23 feet above the ground, 2½ times the previous requirements.

Unlike seven other coastal parishes in Louisiana who did not notify FEMA of their objections to new maps proposed, Cameron Parish was forced to adopt the new program or be suspended from the National Flood Insurance Program which in turn would prevent any form of Federal funds such as VA and FHA loans from being made available.

The other affected coastal parishes of Louisiana did file an objection and/or appeal with FEMA during the statutorily required 90-day appeal period which prevents their respective flood plans and maps from being enforced until each of their appeals are resolved. Part of this appeal process will consist of a new study which will be conducted by Louisiana State University to determine if the FEMA data, which was contracted and provided by a private concern, is valid. My amendment would put Cameron Parish on the same level as the seven other Louisiana parishes currently affected in similar fashions.

The amendment would direct the Administrator of FEMA to delay the implementation of the Cameron Parish flood plans and maps for 1 year from the date of enactment. This would relieve Cameron Parish from having to implement new flood control maps until Louisiana State University completes its study allowing Cameron Parish to be on equal footing with the seven other coastal parishes currently affected.

Mr. Speaker, title III of H.R. 4997, as added by the Senate, contains the provisions of a bill, H.R. 5051, that passed the House by voice vote on May 1, 1984. As I explained during the original House passage, H.R. 5051, authorizes appropriations for the Distant Water Fishing Industry Vessel Seizure Insurance Program under section 7 of the Fishermen's Protective Act of 1967 [FPA]. Testimony in support of the bill was received from the administration on March 20, 1984. Perhaps remarkably, considering the administration's view of a number of other programs we have established, NMFS testimony reveals that we have, at least in this program, devised a user-fee concept that the administration supports.

For the benefit of the Members who are not familiar with this program, section 7 of the FPA provides direct compensation to American vessel owners and crews for financial losses resulting from seizures of their vessels by foreign governments on the basis of jurisdiction claims not recognized by the U.S. Government. Losses payable under section 7 are limited to: First, the market value of fish caught before seizure if they are spoiled or confiscated; second, up to 50 percent of gross income lost as a direct result of such seizures; and third, actual costs, other than those covered by section 3 of the FPA incurred by an owner during seizure and detention. Section 3, which is currently a permanent authorization, covers fines, license fees, registration fees, or any other direct charge paid to secure the release of the vessel and crew.

For the past several years, all money necessary to fund this program has come from direct industry fees in the form of insurance agreements voluntarily entered into with the Secretary of Commerce. As the administration testified, this important program provides the dual purpose of supporting U.S. positions on international law and the continued economic viability of the U.S. distant water fishing fleets.

During our full committee markup on April 11 an amendment was adopted to provide clarifications to the law that we deemed in order to reflect relatively recent changes in international law that spell the need for modernizing the statute. In addition, the administration proposed housekeeping amendments that were adopted.

Briefly, the amendments adopted by the committee and included in the bill currently before us adds a new provision to the bill, reflecting the desire of the administration to constitute in one agency, the Department of State, the procedure for certification and payment of claims pursuant to section 3 of the Fishermen's Protective Act. Under the current system, the Secretary of State certifies the amount of payment due a vessel owner in order to cover any fine, license fee, registration fee, or other direct charge paid in order to secure the prompt release of the vessel and crew. This certification is transmitted to the Secretary of the Treasury who then pays the certified amount. The administration, I believe, correctly perceives this process as so much unnecessary paperwork and has requested our support in consolidating the ministerial functions of the Secretary of the Treasury with the more direct programmatic responsibilities of the Secretary of State.

Mr. Speaker, to fully understand the other amendments contained in H.R. 5051, allow me to provide the House with some useful background information.

It is to be recalled that the basic purpose of the FPA is to provide prompt and fair reimbursement for certain costs resulting from illegal seizures of U.S. fishing vessels by foreign nations. This reflects a sound policy that furthers our vital national interest in the preservation, and continued exercise by our citizens, of the rights and freedoms of the United States under international law. The FPA represents a recognition of the fact that the legal, political, and economic costs to the United States will be served if our distant water fishermen are not guaranteed the support of their Government in carrying out their lawful pursuits in the oceans.

Since the enactment of the FPA in 1967, international oceans law has become increasingly complex, and the points of potential conflict and controversy have multiplied. Indeed, it is remarkable that the problems that we have encountered have not been more numerous and more serious. As international rules have become more complicated and international relations more sophisticated, the process of determining when reimbursement is due under the FPA as a result of foreign seizures of U.S. vessels has become more difficult, and the basic policy of the act has not always been served. The standards and criteria for determining when reimbursement is appropriate should be clarified, so that changed circumstances do not stimulate inappropriate interpretations of the FPA that could defeat its purpose.

To address this problem the bill provides for a technical amendment to section 2 of the FPA. For the purpose intended by the FPA, the reference to territorial waters and high seas is, in modern international law, too simplistic and invites a misapplication of the act. For example, there is no reference to the exclusive economic zone [EEZ], which is a form of maritime jurisdiction that has emerged in the practice of States only recently, but is already well settled in international law. The EEZ is neither an area in territorial waters, nor strictly speaking an area of the high seas. However, for nonresource-related purposes, coastal States must guarantee high seas freedoms of navigation, overflight, and the laying and maintenance of submarine cables and pipelines, as the President's March 10, 1983, proclamation establishing the U.S. EEZ, and his accompanying oceans policy statement, make clear. Although the existing reference to high seas in the FPA should be interpreted to include the EEZ, a clarification is in order.

Nevertheless, an explicit reference to the EEZ in a provision referring also to the high seas would be potentially misleading, insofar as that wording could create the incorrect impression that the EEZ does not have the attributes of the high seas for such purposes as navigation. Therefore, the proposed amendment simply refers to "claims to jurisdiction," a term which encompasses territorial waters, exclusive economic zones, and the high seas among other things.

It is also worth noting that there are certain claims to maritime jurisdiction that are of a different character from territorial waters, the EEZ, and high seas, but are within the ambit of the act, even as it is currently worded. For example, hot pursuit is an exceptional claim to jurisdiction by one state over the vessel of another state under defined circumstances, and in accordance with certain, specific rules. The general rule is, or course, that the flag state has exclusive jurisdiction over its vessels.

To clarify this point, the bill also stipulates that reimbursement should be made, not only when seizures occur on the basis of claims that are not recognized by the United States, but also with respect to claims to jurisdiction that are recognized by the United States but which are exercised in a manner inconsistent with international law as the United States views it. For example, on December 5, 1983, Mexico claimed hot pursuit when attempting to justify the seizures of the U.S. fishing vessels, *Santa Monica* and *Miss Charmine*, by a Mexican warship and gunboat in the U.S. EEZ. As a general proposition, hot pursuit by a foreign warship of a U.S. vessel in the U.S. EEZ is regarded by the United States to be lawful. However, in that particular case, there is substantial evidence indicating that the exercise was not in accordance with established international law. Although international rules require, among other things, that hot pursuit be commenced when the pursued vessels are within the maritime jurisdiction of the pursuing vessels, it appears that the Mexican action may well have commenced when the *Santa Monica* and *Miss Charmine* were in the U.S. EEZ.

It is important to emphasize that these proposed amendments to section 2 of the act simply provide useful clarifications.

It should be further noted that the bill would further amend section 2 of the FPA to assure that the Department of State would not be able to accept, practically out of hand, the representations of foreign governments or other interested parties as to material facts, with the view to making a case for the legality of seizures of U.S. vessels. Under the current provisions of the FPA, even when the evidence shows persuasively that a seizure was unlawful, such representations can give rise to a dispute as to material facts that will prevent reimbursement, or delay it indefinitely.

It is all too obvious that foreign governments may seek to present seizures in a light that would deny compensation to U.S. fishermen under the FPA. Other parties have their own motives. The proposed amendment clarifies the act to protect the validity of claims for reimbursement that are not challenged by clear and convincing credible evidence.

The bill also contains an amendment to section 4 of the FPA. The existing language of the act could be misinterpreted to suggest that reimbursement is unavailable, when a seizure is carried out in accordance with a fishery convention or treaty to which the United States is a party, but which has not been ratified by the President upon Senate advice and consent, or is not in force. The amendment would make clear that the bar to reimbursement in this section of the act would extend only to seizures undertaken in accordance with applicable conventions or treaties that have been approved by the Senate, been ratified by the President, and have entered into force. The policy of the Congress in the FPA should not be open to the possibility of frustration by Executive agreements, as a result of a lack of clarity under existing provisions of the act.

Finally, the bill before us, as the bill we have previously passed, makes these clarifying amendments applicable to seizures occurring after April 1, 1983, of U.S. vessels by foreign governments.

H.R. 4997 also contains a provision known as the "Commercial Fishing Industry Vessel Act." This provision amends title 46 of the United States Code to ensure that certain inspection and manning requirements and exemptions and other provisions apply uniformly to all fish processing and fish tender vessels throughout the United States. In particular, it makes the inspection exemptions for fish processing and fish tender vessels permanent. Finally, it provides for the transportation of cargo to remote communities in Alaska.

Essentially the purpose of this provision is to promote the further development of the U.S. fishing industry while establishing minimum safety standards. Although the provision grandfathers certain existing vessel exemptions and provides exemptions for smaller fish processing and fish tender vessels in the future, safety requirements have been added. Large fish processing and fish tender vessels are clearly subject to full Coast Guard inspection. Medium-size fish processing vessels although exempt from inspection must meet minimum safety standards. These standards include requirements for navigation equipment; lifesaving equipment; fire protection and firefighting equipment, use and installation of insulation material; storage of flammable materials; and fuel, ventilation, and electrical systems.

Manning requirements are also included. The provision creates a new category of able seamen known as "Able Seamen—Fishing Industry." This rating may be obtained after 6 months of sea service and may be used to fill the requirements for able seamen on medium-size fish processing vessels. This imposes a standard for manning of these vessels while readily permitting full employment in this industry. Large vessels covered by this provision would have to meet the higher standards for able seamen now contained in law. In addition, the provision creates appropriate watchkeeping requirements for the various sizes of fish processing vessels.

Mr. Speaker, in conclusion, I would only request the Members support this important piece of legislation.

Mr. YOUNG of Alaska. Mr. Speaker, will the gentleman yield?

Mr. PRITCHARD. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Speaker, I rise in support of H.R. 4997 and urge its adoption.

Among other things, this bill provides congressional approval for three fisheries agreements which are very important to the continued operation of joint fishing ventures between U.S. fishermen and foreign partners. The current agreements will expire on July 1 and this bill will allow them to be extended. Because the Congress is taking this step, it is our intent that the agreements be considered as remaining in effect even though there may be a small delay before Presidential signature of the bill.

The bill also amends our maritime laws to provide greater incentives for the development of the U.S. fishing industry. While I appreciate the cooperation shown by Members on the other side of the aisle, I must be honest in saying that I am only accepting this bill reluctantly. We all share the full goal of full development of the fishing industry and I am concerned that this bill does not go far enough in approaching that goal. I expect that we will have to rework some of the provisions in order to complete the effort we have started.

Mr. Speaker, I am including a section-by-section analysis of the amendments to title 46 of the United States Code which will serve as a legal and administrative interpretation of the bill. Again, I urge immediate passage.

SECTION-BY-SECTION ANALYSIS OF AN AMENDMENT TO SUBTITLE II OF TITLE 46, UNITED STATES CODE, "SHIPPING", RELATING TO FISH PROCESSING AND FISH TENDER VESSELS

The first part sets forth the title as the "Commercial Fishing Industry Vessel Act".

The second amends Title 46, United States Code, to ensure that certain inspection and manning requirements and exemptions and other provisions apply uniformly to all fish processing and fish tender vessels throughout the United States; to make the inspection exemptions for fish processing and fish tender vessels permanent; and to provide for the transportation of cargo to remote communities in Alaska. Certain technical, conforming, and clarifying amendments are also made. Fish processing vessels are divided into various categories of existing and future vessels, and according to tonnage or crew size for various categories of fish processing vessels.

Clause (1) makes several amendments to Section 2101. It eliminates the title-wide definition of "fisheries" because it is not used except for vessel documentation purposes. Further, it adds four definitions to this section for "fish", "fish processing vessel", "fish tender vessel", and "fishing vessel". These definitions have been carefully drafted so that "fish processing vessel" is meant to include only those vessels on which extensive processing work is done to prepare either fish or fish products for marketing and not vessels on which incidental or minimal processing takes place as a necessary part of the fishing activity to preserve the quality of the fish. Further, these definitions are in part based on Sections 3 and 306 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. §§ 1802 and 1856). "Fish" for the purposes of Title 46, however, includes highly migratory species. A "fishing vessel", "fish processing vessel", and "fish tender vessel" are limited to those vessels primarily engaged in or in support of commercial fishing. Therefore, a vessel would not be entitled to an exemption if fishing were incidental to its normal use, e.g., fishing with a rod and reel off a cruise ship. Further, it amends the definition of "passenger" so that fishing personnel are not considered passengers when carried on board a fishing or fish processing vessel. This is the same exception as afforded individuals employed in the offshore industry.

Clause (2) amends Section 3301 by adding two additional categories of vessels subject to inspection. These categories are for fish processing vessels and fish tender vessels. This provision eliminates the problem of forcing these vessels to be inspected under regulations designed for other types of vessels.

Clause (3) amends Section 3302 regarding exemptions from inspection to state that a fishing, fish processing, or fish tender vessel is permanently exempt from inspection as a freight, seagoing motor vessel, fish processing vessel, or fish tender vessel. An exemption from inspection as a seagoing barge is also included for a fish processing or fish tender vessel. This removes the current geographic, fishery, and time limitations for these vessels. The exemption for fishing vessels includes those fishing vessels that are chartered part-time as fish tender vessels. "Part-time" should be considered on an annual basis and not strictly on a percentage calculation.

Clause (4) amends Section 3304 to permit 12 individuals employed in the fishing industry to be carried on board a fishing, fish processing, or fish tender vessel in addition to the crew without being inspected as a passenger or small passenger vessel. This provision will allow the industry to transport employees from place to place, including to and from vessels, without undue inspection requirements.

Clause (5) amends Section 3306 to require the Secretary of the department in which the Coast Guard is operating to consult the industry when prescribing regulations for fish processing or fish tender vessels. Consideration is also to be given to such items as the specialized nature, economics, operation, and construction of these vessels. The Secretary is required to take these steps to fully consult with the industry to reinforce the need for specialized treatment of these vessels apart from other types of vessels.

Clause (6) amends Section 3702 to state simply that the provisions on the carriage of liquid bulk dangerous cargoes do not apply to a fishing or fish processing vessel of not more than 500 gross tons, when engaged in fishing, or fish processing vessel of not more than 5,000 gross tons. However, if a fish processing vessel carries flammable or combustible liquid cargo in bulk, it would be subject to regulation by the Secretary.

Clause (7) creates a new Chapter 45 in Title 46 specifically addressing the safety regulations to apply to larger future fish processing vessels that are not inspected. The Secretary is required to prescribe regulations for navigation equipment, lifesaving equipment, fire protection and firefighting equipment, the use and installation of insulation material, storage methods for flammable or combustible material, and fuel, ventilation, and electrical systems for fish processing vessels entering into service in 1988 and having more than 16 fish processing personnel on board. In prescribing these regulations, the Secretary is to consult with the industry and consider the specialized nature, economics, operation, and construction of these vessels. The regulations are not to require retrofitting. Further, it provides for the recognition of certificates of inspection of foreign countries that are parties to an International Convention for Safety of Life at Sea ratified by the United States. This recognition provision is similar to the one in Section 3303 of Title 46 and will permit foreign vessels to qualify for service in this industry without undergoing the additional expense of retrofitting a vessel to meet the requirements of a domestic inspection. Finally, the provision establishes penalties for violation of these requirements. The phrase "entered into service" is used throughout this provision to mean those fish processing vessels actually operating as that type of vessel at the time it is placed into service.

Clause (8) amends Section 7111 so that the provisions regarding licensing individuals which apply to fishing vessels, apply equally to fish processing and fish tender vessels. The requirement for oral examinations is made discretionary for ease in taking these examinations and administration of this requirement.

Clause (9) provides for certain manning requirements. It permits the use of service on fishing, fish processing, and fish tender vessels to be used to qualify for merchant mariners' documents. In addition, it creates a new category of able seaman, known as "Able Seaman—Fishing Industry". To qualify for this category, an individual must have 6 months' sea service. Finally, it permits the use of this type of seaman on board uninspected fish processing vessels.

Clause (10) amends Section 8102 by adding a fire watch requirement for fish processing vessels of more than 100 gross tons.

Clause (11) amends Section 8104 to impose watch requirements on fish processing vessels. Specifically, it amends the watch requirements in subsections (b) and (c) to except fishing, fish processing, and fish tender vessels from watchstanding requirements of a large oceangoing or coastwise vessel or a towing vessel. In addition, it excepts a fish tender and fish processing vessel of not more than 5,000 gross tons from the three-watch requirement in subsection (d) in the same manner as fishing vessels are currently excepted. Further, it creates three additional subsections which, respectively, require a three-watch system on inspected fish processing vessels, require a two-watch system on larger uninspected fish processing vessels, and exempt smaller fish processing vessels from watch requirements.

Clause (12) amends Sections 8701 and 8702, respectively, to except fishing, certain fish processing, and fish tender vessels from the requirement for merchant mariners' documents for unlicensed personnel and certain crew requirements in the same manner as a fishing, inland waterway, whaling, sailing school, or oceanographic research vessel, a barge, or a yacht is currently excepted. Although the deck crew normally would include only those personnel directly involved in the navigation of the vessel, the processing personnel and support personnel, such as those working in the laundry or galley, are specifically removed from the provisions for merchant mariners' documents and certain crew requirements as a clarification.

Clause (13) amends Section 10101 by including fish tender vessels and small fish processing vessels as fishing vessels for the purposes of Sections 10303 (provisions on foreign and intercoastal voyages), 10309 (replacement of personnel lost by desertion or casualty on a foreign or intercoastal voyage), 10311 (certificates of discharge for foreign or intercoastal voyage), 10313 (wages on a foreign or intercoastal voyage), 10314 (advances on a foreign or intercoastal voyage), 10504 (wages on a coastwise voyage), 10505 (advances on a coastwise voyage), 10509 (penalty for a seaman failing to begin a coastwise voyage), 10901 (proceedings on unseaworthiness), 11103 (slop chests), and 11106 (complaint regarding wages) that currently apply to a fishing or whaling vessel or a yacht so that they apply in the same manner to these vessels.

Clause (14) amends Section 11108, which currently exempts fishing vessels from withholding requirements of state tax laws, to apply equally to fish tender vessels and all sizes of fish processing vessels.

Clause (15) amends Section 11109 regarding attachment of wages so that it applies to individuals employed on fishing, fish tender, and all sizes of fish processing vessels in the same manner as it now applies to fishermen on fishing vessels.

Clause (16) amends Section 12101 by adding the term "fisheries" which was formerly defined in Section 2101(11). This term is used only for vessel documentation purposes and is expanded to include the navigable waters of the United States in addition to the fishery conservation zone. The expansion was necessary to ensure that the territorial sea, in particular, was not excluded from coverage.

The third part permits certain fishing, fish processing, or fish tender vessels of not more than 500 gross tons to transport general cargo to remote communities in Alaska as long as those communities are not served by regular common carriers or do not receive products by way of those common carriers. This provision expires on January 1, 1990.

The fourth part relieves large fish processing vessels from the requirement to have 50 or 65 percent, as applicable, of the able seamen to be "Able Seaman—Fishing Industry" for 18 months to give the personnel in the industry the opportunity to qualify for this service and the Coast Guard time to prepare to administer this requirement under 46 U.S.C. 8702(b).

Mr. PRITCHARD. Mr. Speaker, I rise in support of H.R. 4997, the Marine Mammal Protection Act, as amended.

Mr. Speaker, this bill is the product of countless hours of effort on the part of our committee to resolve a number of issues which have been pending. A number of contentious issues have been resolved between our committee members and Members of the other body, and we are ready to proceed with the passage of this legislation at this time.

Specifically, I would like to stress the importance of the Commercial Fishing Industry Vessel Act which is contained in this bill, which I see as an extremely important vehicle in providing the impetus for continued development of our living marine resources within our 200-mile exclusive economic zone. By striking a balance between the need for marine safety and the need for flexibility to achieve appropriate economies of scale in our gradually developing catching/processing industry, I strongly believe that we have created an environment which will attract significant new sources of investment capital into this important industry. Although this bill is important to the Pacific Northwest and areas of the North Pacific which contain large quantities of underutilized resources, it will also affect other parts of the country which also have significant quantities of underutilized living marine resources during a time when new products and new markets from these resources are being explored and developed.

Mr. Speaker, I would also like to thank a number of my colleagues on the Merchant Marine and Fisheries Committee and their staffs who have spent considerable time in fashioning this important legislation, including Mr. JONES of North Carolina, Mr. BREAUX, Mr. BIAGGI, and Mr. YOUNG of Alaska.

Mr. Speaker, I strongly support the passage of H.R. 4997, as amended and passed by the other body.

Mr. CARNEY. Mr. Speaker, will the gentleman yield?

Mr. PRITCHARD. I am happy to yield to the gentleman from New York.

Mr. CARNEY. Mr. Speaker, I thank my colleague for yielding. I, too, as a member of the Merchant Marine and Fisheries Committee, rise in strong support of the bill.

Mr. PRITCHARD. I want to thank a number of the gentlemen on the committee who have worked on this, particularly the gentleman from Louisiana [Mr. BREAUX] who has given leadership in this area. These measures are important, and I am delighted to stand here and fully support the items that are before us tonight.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Louisiana?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BREAUX. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the matter just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

CONGRESSIONAL REPORT PROPOSES REPUBLICAN AGENDA FOR WOMEN

(Mr. CLINGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. CLINGER. Mr. Speaker, on June 21, 23 members of the House Wednesday Group released a Wednesday Group Special Report on Women in American Society. Our report provides a Republican agenda for reforms to help eradicate institutionalized sex discrimination, and to make public policies and programs responsive to the life patterns of women as well as men.

The product of nearly 1 year's work by the Wednesday Group staff, the report covers civil rights, equity in employment, family care, and health and retirement issues, and makes recommendations in all these areas. While individual members of the Group support the basic thrust of the report, we do not aim to speak for the Wednesday Group as a whole. Nor does the report aim to be exhaustive in its coverage. Rather, our goal is to provide a broad agenda of the kinds of reforms which are necessary because women, and many of women's concerns, have for too long been excluded from our Nation's law and policymaking.

For example, the report recommends that enforcement of laws banning discrimination in wages and employment be made mandatory. Currently, enforcement of these laws is discretionary, and they simply have not functioned effectively to correct traditional discriminatory practices in the job market.

Our report also recommends that Federal policy acknowledge the way American families live and work today, when the majority of American mothers are employed, and most of them work full time. Even among women with infants and children under 3, a startling 46 percent were in the workforce in 1983.

We hope that both the findings and the recommendations of the report will stimulate further action on these issues, and I look forward to working with my colleagues in Congress as we draft implementing legislation. I include the press release on the report in the RECORD, as follows:

CONGRESSIONAL REPORT PROPOSES REPUBLICAN AGENDA FOR WOMEN

"While macroeconomic improvement such as GNP growth and inflation reduction are vital to the well-being of our nation as a whole, they are not sufficient to alter the social and economic predicaments of women," asserts a Special Report on Women in American Society released by a group of House Republicans known as the Wednesday Group.

Prepared by Dr. Joyce Van Dyke, Project Director on Women's Issues for the Wednesday Group, the report outlines a reform program for women which combines "many new Congressional initiatives with a stress on enforcement of important existing anti-discrimination laws, such as laws, prohibiting wage discrimination on the basis of sex." Members releasing the report include: Bill Clinger (PA), Olympia Snowe (ME), Doug Bereuter (NE), Barber Conable (NY), Hamilton Fish (NY), Bill Frenzel (MN), Bill Green (NY), Jim Leach (IA), Lynn Martin (IL), Joel Pritchard (WA), Nancy Johnson (CT), Marge Roukema (NY), Bill Whitehurst (VA), Bud Hillis (IN), Jim Jeffords (VT), John McKernan (ME), Stew McKinney (CT), Tom Ridge (PA), Joe McDade (PA), Sid Morrison (WA), Clay Shaw (FL), Silvio Conte (MA), and Ralp Regula (OH).

The failure of civil rights enforcement efforts—"often subject to both political and bureaucratic whim"—testifies "to a half-hearted federal commitment to rectifying sex discrimination," the report contends. For example, 40% of employment cases involve sex discrimination charges, and "a sizeable number of [EEOC-filed] charges (8,585) in FY '82) were closed without investigation, placing the burden of investigation back on the complainant's shoulders."

The report recommends that Congress require "EEOC and other appropriate federal agencies to investigate in a timely fashion all sex-based wage discrimination charges, and correct any cases in which a finding of discrimination has been made." The report contends that this reform "is probably the single most important step we can take to improve the economic situation of women." The report also recommends that Congress pass legislation requiring mandatory enforcement of all civil rights laws once there is an administrative finding of discrimination. Under the current system, the Justice Department and EEOC are not required to enforce agency decisions. This has resulted in meritorious cases gathering dust in Department files.

The report also documents the inequities faced by women entrepreneurs, noting that "key enforcement provisions of the Equal Credit Opportunity Act of 1974 were extended to consumer loans but not to commercial loans. The rapid growth of women in business since the Act was passed [women today own 25% of small businesses] makes the extension to commercial loans imperative."

The report also recommends that Congress should "demonstrate a strong federal commitment to giving women [business owners] access to federal money that filters down to state and local levels." It recommends that the federal prime contractor and federal procurement officer "negotiate a subcontracting plan to award a reasonable proportion of subcontracts to women business owners." Noting that "winning federal subcontracts is, for many women business owners, the best means" to enter the mainstream of American business, the report points out that currently "there are no legal incentives . . . for prime contractors to contract with women-owned firms."

The report also discusses family care issues, noting that it is "radically unrealistic to regard child care . . . as a working woman's problem and not as an issue of general public interest." Yet "our country has no federal commitment to planning, policymaking, development or promotion" of essential dependent care services, despite the fact that "the majority of mothers (54%) are in the paid work force," and "the population for which women have traditionally cared—children and the elderly—is increasing." By 1990, "there will be over 23.3 million children under age 6, up from 18.9 million in 1980. During the 1980s, the elderly population will grow even faster, by 6.3 million people."

The report recommends that Congress "require HHS to develop an appropriate program to promote the development of high quality, varied, and cost-effective dependent care services." In addition, it recommends a Labor Department study of existing disincentives to the use of flexible work schedules such as job-sharing and flexitime, in order to expand their use in the private sector.

The report also notes that Social Security "covers more women than men, yet the system fails to account for the different life patterns of women," rendering retired women especially vulnerable to poverty. Women receive low Social Security benefits for numerous reasons, including: divorce ("in 1982, the average benefit for divorced women was $192 per month"); "the system's penalty against an interrupted earning career"; and the penalty for two-earner couples, most of whom "actually get a lower benefit than one-earner couples with the same income."

Recognizing this, the report recommends that Congress "develop appropriate legislation" to implement Social Security earnings-sharing. Under earnings-sharing, the earnings of husband and wife could be pooled and divided equally for purposes of calculating benefits upon retirement or divorce.

The report asserts: "A deeper commitment from both major political parties is required to change the biases against women which are built into our country's institutions, programs, and policies. The challenge that "women's issues" poses to our nation is not only a challenge to reform our laws; it is also a challenge to enlarge our vision."

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FAIR TRADE IN STEEL ACT: A SENSIBLE SOLUTION FOR AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GAYDOS] is recognized for 60 minutes.

● Mr. GAYDOS. Mr. Speaker, a decade ago, the American steel industry was at the peak of its prowess. Annual steel production was more than 150 million tons and some 500,000 American workers were employed in the industry alone, with thousands more in those industries related to steel.

At that time, steel imports to the United States were just 12.8 percent of the American market.

Today, the American steel industry is in a state of severe decline. Production last year dropped to about 83 million tons and employment in the steel industry fell below the 200,000 mark.

And imports of foreign steel have risen, Mr. Speaker, to about a 26-percent share of the American market.

Anyone even moderately familiar with the steel industry knows that conquering the American market is the goal of foreign steel producers.

It makes little difference whether the steel producer is an already industrialized nation or a newly industrializing one, the goal is the same—get a share of the American steel market.

We see evidence of that every month when we look at the import figures for steel—and 1984 already appears to be a banner year for those foreign steel producers.

Imports for April 1984 are up by more than 87 percent over April 1983 imports. For the first 4 months of this year, steel imports are pouring into the United States by 90.9 percent more than they did for the first 4 months of last year.

And that steel is coming from all over the world. The Japanese steel coming into the United States for the January through April period of this year was 96.2 percent more than for the same period of 1983.

The European Economic Community's imports for the first 4 months of this year are 71.7 percent higher than they were for the same period last year, and Canadian imports have risen by 66.2 percent for the first third of 1984 as compared to the first third of 1983.

And, most striking, imports from the newly industrializing countries—Brazil, South Korea, Mexico, Spain, and so on—were 3.4 million tons for the January through April period of 1984 as compared to 1.6 million tons for those same months last year—a startling increase of 110.3 percent.

And there is no end in sight.

The Government of Taiwan—mind you, the government—has announced that the state-run China steel corporation will expand facilities, increasing production from 3.3 million tons of steel annually as of now to 5.7 million tons before the end of this decade.

The Taiwan Government says the increased capacity—an increase of 73 percent—will not be for export, but instead, will be used to meet an increasing need for steel there.

Certainly, that is possible. And, if it is, it means those nations currently supplying steel to Taiwan will be looking for other markets for their excess—and we know where they will come—right here to the good old United States of America.

Another item of concern is financing announced the other day by the Export-Import Bank of the United States for the expansion of a steel rolling plant in the Philippines.

Some benefit will accrue to the United States. American firms will supply the equipment and build the plant. But, in the long run, we will pay for it. Either that steel will be exported back here to compete with our industry or those nations supplying steel to the Philippines will bring their excess steel to sell here.

But what about the American steel industry? What about the American steelworkers who have been unemployed for 1, 2, and 3 years?

What is this country doing to help them? To help the industry?

Not a whole lot.

Last week, the U.S. International Trade Commission agreed with the complaint filed by the Bethlehem Steel Corp. and the United Steelworkers that foreign steel imported into this country is causing severe injury to the American steel industry.

This is not the first time the ITC has found injury because of steel imports. Less than a year ago, the ITC determined that the specialty steel industry, too, was suffering.

In the next couple of weeks, the ITC will make its remedy recommendations. It could suggest a quota on foreign steel, new tariffs, or a combination of tariffs and quotas. From there, the package goes to the President who makes the final decision.

And, sometime in late September, he will decide to accept the ITC recommendations as presented, to alter them, or to reject them completely.

I, personally, am delighted with the ITC's latest ruling on steel because it emphasizes something that I, the other Members of the Congressional Steel Caucus, the steel industry and the steelworkers have been saying for years—steel imports are damaging our industry and that damage is seen in shrinking production, declining employment, delayed modernization and, a lesser ability to compete in world markets.

That is why, Mr. Speaker, it is imperative that Congress pass the Fair Trade in Steel Act of 1984, H.R. 5081.

There are those who say this bill is not necessary because last week's ITC decision proves the administrative system is working.

Well, that may be, but we have all seen problems with that administrative system. Last July, the specialty steel industry was granted relief administratively because it was found that imports were injuring the industry. Today, there is a move afoot to remove or reduce that administrative relief.

Imagine, just 9 months after being put in place—just as the industry is beginning to emerge from its state of disaster, there is an effort to erase those remedies which are helping the industry get back on its feet.

I am afraid that the rest of the steel industry, that covered by last week's ITC decision, could suffer the same fate.

I am concerned that like the sailors in Homer's Odyssey, we, too, will be lulled into inaction by the beautiful song of the sirens, only to find our ship, like theirs, crashing on the rocks.

That is why the Fair Trade in Steel Act is so important. It will provide legislative support for administrative decisions. It will insure through congressional action that a sensible remedy will be in place for the steel industry; 200 Members of Congress agree. Those 200 Members have cosponsored this measure because they believe the steel industry is vital to this Nation—because they recognize the threat the industry faces from foreign imports—because they see the need for immediate action.

The Fair Trade in Steel Act is not going to shut out all steel imports. All it will do is limit them to what we consider to be a reasonable share of the American market—15 percent, based on the average annual U.S. steel consumption between 1979 and 1981.

Further, this is not a permanent quota. It will expire at the end of 5 years, a period we believe will give the steel industry time to regroup, modernize, and return to competitive levels with foreign imports.

Also, the earnings of those steel companies during that period are to be put into plant development and modernization.

But what are we really talking about? What kinds of gains can we expect? And what will be the tradeoffs?

The average annual steel consumption for the 1979-81 period was about 105.2 million tons. Thus, about 15.8 million tons of foreign steel would be allowed during each of the 5 years.

Assuming a ton-for-ton increase in U.S. steel production to match the decrease in imported steel, the gains for the economy would be great. In 1983, 17.1 million tons of steel was imported to the United States based on the quota limit, this would result in a drop of 1.3 million tons of foreign steel to be made up by a like amount of domestic steel.

This increase in consumption would result in a rise in the value of total output in the economy of more than a half billion dollars and an increase in employment of some 12,200 workers, about a third of whom—3,640—would be directly employed in the steel industry with the balance in related economic sectors.

If we use the projections for steel imports for 1984 of 18.1 million tons, with the American steel industry producing an additional 2.3 million tons, the figures would be higher.

At the 1984 rate, total real output in the economy would rise to just under $1 billion and total employment in steel and related industries would increase by about 21,600 workers.

Imposing quotas is not a new idea and it has the support of many who believe this is the best way to give the American steel industry the time it needs to rebuild so as to compete fairly with other producers.

In his book, "World Steel in the 1980's," William T. Hogan, S.J., of Fordham University, an acknowledged expert on steel, writes:

> Access to the U.S. market is the central problem in international trade in steel. This has been a recurring difficulty for the last 14 years, and a number of attempts to solve it have had no lasting effect.

Dr. Hogan suggests that the only solution is either tonnage restrictions to be divided among the major steel importers or a quota share of the American market.

The Fair Trade in Steel Act uses the latter approach and we believe it will be workable and effective.

Critics of the bill will insist that any protectionist act will mean more problems for American exports aimed at those nations that dump their excess steel here.

Well, given our present trade balance, it seems that with or without quotas or tariffs, we are not having a lot of fortune in overseas sales of American goods and services.

And I don't believe the quota in the Fair Trade in Steel Act will add materially to the problem.

Our trading problems have been created by other things. First, and foremost, many of the newly industrializing nations make it virtually impossible for American goods to enter the country.

Brazil, for example, requires all kinds of licenses for importers, sets a 100-percent domestic content requirement on automobiles and an 80 to 90 percent domestic content requirement on steel, electronic equipment, and other manufactured goods.

On the other hand, the Brazilian Government provides a variety of income tax concessions and import duty reductions as incentives for companies that maintain a positive trade balance.

Mexico and many other nations who ship their goods to the United States also put up barriers to our goods while encouraging exports of their excess production. And in many cases, such as Taiwan, the Governments of those nations either own outright or own partially or heavily subsidize those industries.

We also know that the budget deficit in the United States has its impact. High interest rates and the strong American dollar, both boosted by the budget deficit are tied to our growing trade deficit.

Just last week, in testimony before a subcommittee of the Senate Banking Committee, Federal Reserve Board Chairman Paul Volcker stated emphatically that the Federal budget deficit is buoying interest rates, the dollar, and the U.S. trade imbalance.

Let's face it, there is more to our trade deficit than a quota on steel. The strength of the dollar makes imports to the United States cheaper and keeps American goods abroad more expensive.

The prime rate of nearly 13 percent adds considerable cost to American goods than does Japan's prime rate of 5.5 percent to Japanese goods.

And, when you add in the support of government aid to industry in other countries combined with direct American foreign aid to those nations as well as indirect American aid through the Export-Import Bank, the International Monetary Fund, and the World Bank, it is easy to see how those countries can afford to sell their steel here at cut-rate prices.

There are those who believe steel quotas will injure our trading relations with our allies, and Japan in particular. Is it likely? Will Japan renege on its recent agreement to buy more American beef and citrus? Will they reject the agreement to allow more American tobacco into their market?

Frankly, I don't believe they will. After all, the Japanese have been especially slow in removing barriers to American goods and services over the past 30 years. To rebuild those barriers now would have a negative impact toward Japanese goods in this country and, since Japan is an export nation, it cannot afford that.

What's more, Japan has already given notice that some items we have exported to them in past years will be brought in lesser amounts. At a recent meeting in San Francisco, it became clear that the Japanese will be buying less American coal even though the coal industry improved shipping and transportation facilities to make American coal among the cheapest in the world.

Why this change? Simple. Japan's joint development of coal fields in Canada and Australia are producing and that's where their supply will come from.

And, insofar as the internationalization of the yen is concerned, there is nothing for us to cheer about—for some time.

Most economic analysts expect the initial reaction to the move will be a further drop in the yen's value as compared to the dollar. This will bring even more pressure, not less, on the United States at a time when we are approaching a trade deficit of nearly $130 billion.

Therefore, I believe the tradeoffs are in our favor. The benefits to be gained by passing the Fair Trade in Steel Act of 1984 far outweigh the possible losses, if any.

And, with 200 cosponsors, I believe it is time that H.R. 5081 was brought to the floor of the House so that we, the Congress, can vote to give our steel industry the chance it needs to rebuild and compete in today's world markets.●

● Mr. **MURTHA**. Mr. Speaker, the ruling last week by the International Trade Commission agreeing with the House Steel Caucus arguments that imports have unfairly damaged the American steel industry has started a great deal of discussion about what can be done to help the industry and its workers.

In the House Steel Caucus we are proceeding along two lines:

First, on Thursday, June 21, Steel Caucus Vice Chairman RALPH REGULA and I will present testimony before the ITC as it now considers what type of remedies to recommend to offset the unfair imports.

Second, last week we went over the 200 mark in cosponsors of the Fair Trade in Steel Act, showing the strong bipartisan support we have developed for this bill which will limit imports to 15 percent for 5 years and require that the industry's savings be reinvested in plant modernization.

As good news as the ITC ruling was, we cannot count on it for several reasons:

First, they still must recommend remedies and they may not be strong enough to do the job.

Second, the ITC decision covered only about 70 percent of the product lines, missing pipes and tubes, bars, wire rods, and railroad products, all of which are important in the area I represent.

Third, the final ITC decision goes to the President for final approval, and since his actions are uncertain, we want to continue moving the legislation.

The fair trade in steel bill answers all these problems—it clearly states the remedy at a quota of 15 percent; it covers all product lines; as I mentioned, it requires the industry savings to be returned to the steel industry in modernization or the import limits cease; and it would insure that a strong action is sent to the President for review and final decision.

But I want to note that with the initial ITC ruling and the strong support we have for the legislation in the House of Representatives, we are closer to meaningful steel import controls than we have been for years. This has resulted from the joint work of the House Steel Caucus, the steel industry, and the United Steelworkers of America.

It is vital that we now continue that push to full success—resulting in import quotas that will give our steel industry room to breathe; that will get some of our steelworkers back to work and end the threat of impending layoffs for thousands of more steel families; and that will revitalize this industry which must remain at the core of America's economic and defense capacity.

In the days since the ITC decision some national newspaper editorials have complained about import controls saying they could lead to higher prices for American consumers and saying the cost of such increases is too high. But what about the cost to our Nation in a steel industry that may no longer be able to meet our basic defense needs? What about the cost to thousands of working steelworkers who have reduced their average wage and benefit level by almost $5 an hour in the last 2 years? What about the cost to some 250,000 steelworker families that are unemployed and drawing benefits or have exhausted their benefits? What about the cost to communities like Johnstown, Monessen, Duquesne, and Pittsburgh? The answers to those questions make the cost too high for us not to do something.

We plan to continue to press through the ITC and in Congress for steel quotas, because it is essential to our economy, essential to our workers, and essential to the future health and progress of our Nation.●

FREE POSTAGE ELECTION PARTICIPATION ACT

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. UDALL] is recognized for 5 minutes.

● Mr. **UDALL**. Mr. Speaker, the Voting Rights Act of 1965 expanded the opportunity for millions of Americans to particpate in the privilege of voting. Still, there are a great many people in this country who have been unintentionally disenfranchised by our election registration laws. Today, I am introducing legislation in an effort to help State and local jurisdictions correct this unfortunate situation.

We have a highly decentralized election process in this country. State and local governments have the responsibility of providing ballots and registration materials for Federal elections.

In order to ease some of the financial burden placed upon State and local election agencies, I am proposing legislation to allow State and local election agencies to send, postage free, absentee ballots of any Federal election and the voting instructions pertaining to such ballots. In addition, the election agency may send, postage free, voter registration forms and instructions.

Statistics show that in the 1980 general election, 71 percent of the total eligible population registered to vote; in the upcoming 1984 general election it is estimated that 74 percent of the eligible population will register to vote. This legislation will encourage even greater voter registration and participation, especially among those who because of confinement, transportation, or other geographic problems cannot get to the polling place to voice their opinion through our elections.

Mr. Speaker, I urge my colleagues to support this legislation.●

WELCOMING THE DONGDUCHEON DELEGATION

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

● Mr. **PANETTA**. Mr. Speaker, it is with great pleasure that I rise at this time to welcome in true friendship the delegation from Dongducheon, South Korea.

Dongducheon, as my colleagues may recall, is the sister city of Marina, CA. It is in the spirit of that relationship that the two communities have exchanges delegations in the past, and I am confident that today's visit will bring our two peoples ever closer.

Mr. Speaker, this special link is not by chance, but has instead grown out of kinship with the Army's Seventh Infantry Division, now based at Fort Ord. Dongducheon was, for a brief time during the Korean conflict, the home of the proud division. Today, in happier times, these two communities continue to build on the friendship begun some 30 years ago.

I am sure all my colleagues in Congress join in extending a warm welcome to our honored guests from Dongducheon. As allies in time of conflict, the Marina/Dongducheon sister city relationship symbolizes the continuing ties between our two nations. May this bond continue to prosper in the spirit of friendship and understanding.●

NEGOTIATION WITH THE SOVIET UNION—A MATTER OF MUTUAL SURVIVAL

(Mr. **SEIBERLING** asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. **SEIBERLING**. Mr. Speaker, evidently it has finally dawned on even President Reagan that, despite the tyranny and brutality of the Soviet system, negotiation of arms-control agreements with the Russians is not a favor to them but a matter of necessity for the mutual survival of both countries. Unfortunately, the unrealistic positions and belligerent rhetoric adopted by the Reagan administration until very recently have only served to deepen the paranoia and antagonize the national pride of the Soviet leadership, culminating in a near breakdown of official relations between the two Governments. Certainly relations are at the lowest ebb in decades.

A recent article by Anthony Lewis, a writer for the New York Times, reprinted in the Akron Beacon Journal for June 22, is a precise description of the situation and the responsibility of President Reagan for his part in the deterioration of the situation. As Mr. Lewis says:

> The notion that a diplomacy of abuse would make the Russians cry uncle was fantasy. It cost us dearly, and is going to go on costing us, because it ignored inescapable truths. The Soviet Union is not going to disappear because we want it to. It has a vast nuclear armory. The political right in this country tends to treat any statement of those truths as an indication of softness to the Soviet Union—of blindness to the brutality of its system.

Obviously it is going to take time to repair the frightening breakdown in communications between the Soviet Union and the United State so that we can get back to the point where meaningful negotiations can take place. Even then, there will continue to be profound differences and conflicts between the Soviet and American approach toward human affairs and international relationships, but, as Mr. Lewis correctly concludes: "There can be no security for any of us in a nuclear world without a working Soviet-American relationship on at least a minimum practical basis—without some recognition of mutual interests."

The full text of the Anthony Lewis article follows these remarks:

EARLIER STANCE SOURS REAGAN DÉTENTE TRY

(By Anthony Lewis)

LOS ANGELES.—From the day he took office, President Reagan acted on the theory that insult and intimidation were the keys to dealing successfully with the Soviet Union. Talk tough and build new weapons systems, and the Russians would negotiate seriously.

To the surprise of no one even modestly familiar with Russian psychology, the theory did not work. Soviet leaders suspicious by deep instinct and always sensitive on matters of national pride, reacted predictably. They pulled out of the negotiations on nuclear arms limitation. Lately they have shown cold hostility toward U.S. diplomats seeking to reopen simple contacts. Relations are at their worst level in decades.

The President is now trying to reestablish communication with the Russians: a shift evident in a number of ways even before his latest expression of readiness for a summit meeting. I think he is sincere in his new tack, moved not only by domestic political considerations but by an awakening of concern about such distant and bitter relations between the superpowers.

But now that he wants to do business with the Russians, Reagan finds that his own earlier tactics have closed the door. For by all signs Moscow has moved into a phase of cold-war policy toward the United States that will last a long time.

Reagan must be held accountable for his large part in creating the hostile atmosphere, with all its dangers. Saying so is necessary because he is doing his best to walk away from what he did to worsen relations over the last three years—walk away from responsibility.

That was of course the White House purpose in leaking the remark Reagan was said to have made to Prime Minister Pierre Trudeau of Canada at the London economic summit talks: "Damn it, Pierre, what do you want me to do? We'll go sit with empty chairs to get those guys back to the table."

The air of injured innocence was perfectly punctured by a Conrad cartoon in the Los Angeles Times the other day. It showed Reagan in an armchair labeled "Holier Than Thou," facing an empty chair labeled "Evil Empire." The caption was, "I'm willing to discuss the arms race whenever those Russian devils are!"

No politician in memory has been as successful as Reagan in distancing himself from disaster. Americans have hardly connected him with such policy failures as the humiliation in Lebanon or the cruel impact of budget cuts on the poorest and weakest in our society.

But can he really walk away from the disaster of his Soviet policy? He is trying to persuade us that a president can wake up one day and say, "Poof, history starts today." To let him do so on a matter of this seriousness would offend the principal of accountability in a democratic political system. Worse, it would obscure an important lesson for any president's effort to build a safer world.

The lesson is that realism is necessary. The notion that a diplomacy of abuse would make the Russians cry uncle was fantasy. It cost us dearly, and is going to go on costing us, because it ignored inescapable truths.

The Soviet Union is not going to disappear because we want it to. It has a vast nuclear armory.

The political right in this country tends to treat any statement of those truths as an indication of softness to the Soviet Union—of blindness to the brutality of its system. To the contrary, realists are all too aware of that brutality. They see negotiation not as a pleasure but as a painful necessity, not as a favor to the Russians but as a matter of our interest in survival.

The confrontational style favored by the right and practiced by Reagan for three years in fact reduces the West's limited ability to mitigate Soviet internal tyranny. In the Nixon-Ford era, when Soviet leaders had a stake in better relations with the United States, large numbers of dissidents and Jews got out. Today the flow is down to a bare trickle.

But the need for a working relationship with the Soviet Union goes beyond even the powerful human cause of the dissidents and refuseniks. There can be no security for any of us in a nuclear world without a working Soviet-American relationship on at least a minimum practical basis—without some recognition of mutual interests.

CONFERENCE REPORT ON H.R. 5753

Mr. **FAZIO** submitted the following conference report and statement on the bill (H.R. 5753) "making appropriations for the legislative branch for the fiscal year ending September 30, 1985, and for other purposes:

CONFERENCE REPORT (H.R. REPT. No. 98-970)

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5753) "making appropriations for the legislative branch for the fiscal year ending September 30, 1985, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 8, 9, 13, 17, and 20.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 5, 10, 14, 18, 19, 21 and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$909,000*; and the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$3,605,000;* and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$15,549,000;* and the Senate agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: *143*; and the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$2,796,000*; and the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$146,875*; and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$54,950*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1 and 12.

Vic Fazio,
David R. Obey,
John P. Murtha,
Bob Traxler,
Lindy Boggs,
Jack Hightower,
Jamie L. Whitten,
Jerry Lewis,
Silvio O. Conte,
John T. Myers,
John Edward Porter III,
Managers on the Part of the House.
Alfonse D'Amato,
Mark O. Hatfield,
Ted Stevens,
Dale Bumpers,
Ernest F. Hollings,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5753) making appropriations for the Legislative Branch for the fiscal year ending September 30, 1985, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I—CONGRESSIONAL OPERATIONS

SENATE

Amendment No. 1: Reported in technical disagreement. Inasmuch as the amendment relates solely to the Senate and in accord with long practice, under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House will offer a motion to recede and concur in the Senate amendment.

JOINT ITEMS

CONTINGENT EXPENSES OF THE SENATE

Joint Committee on Printing

Amendment No. 2: Appropriates $909,000 instead of $918,000 as proposed by the House and $900,000 as proposed by the Senate.

CONTINGENT EXPENSES OF THE HOUSE

Joint Committee on Taxation

Amendment No. 3: Appropriates $3,605,000 instead of $3,646,000 as proposed by the House and $3,565,000 as proposed by the Senate.

Capitol Police Board

Amendment No. 4: Appropriates $141,188 as proposed by the Senate instead of the $228,000 as proposed by the House. The conferees direct the Capitol Police Board and the District of Columbia Government to ensure that there will be no adverse effect upon any member of the Capitol detail or on their retirement rights as a consequence of this action.

Capitol Guide Service

Amendment No. 5: Appropriated $810,000 as proposed by the Senate instead of $814,000 as proposed by the House.

OFFICE OF TECHNOLOGY ASSESSMENT

SALARIES AND EXPENSES

Amendment No. 6: Appropriates $15,549,000 instead of $15,362,000 as proposed by the House and $15,924,000 as proposed by the Senate. The funding for two of the four new positions authorized should be derived from funds allocated for the hire of temporary, non-permanent employees and consultants.

Amendment No. 7: Provides limitation of 143 staff employees instead of 141 as proposed by the House and 145 as proposed by the Senate.

CONGRESSIONAL BUDGET OFFICE

SALARIES AND EXPENSES

Amendment No. 8: Deletes language proposed by the Senate regarding competitive bidding. The conferees believe that the practice of advertising for proposals is designed to elicit proposals from all qualified suppliers and to obtain the lowest possible price for the supplies or services rendered. There are cases, however, when CBO requires special or unique services, such as those available from econometric model services, because the nature of the CBO mission requires access to these conventional sources. The provisions of Section 5 of Title 41, United States Code, authorize such exemptions in appropriate instances, however, and CBO should utilize the flexibility of the statute when necessary.

ARCHITECT OF THE CAPITOL

OFFICE OF THE ARCHITECT OF THE CAPITOL

Salaries

Amendment No. 9: Appropriates $5,137,000 as proposed by the House instead of $5,112,000 as proposed by the Senate.

CAPITOL BUILDINGS AND GROUNDS

Capitol buildings

Amendment No. 10: Appropriates $11,615,850 as proposed by the Senate instead of $11,256,000 as proposed by the House.

Capitol grounds

Amendment No. 11: Appropriates $2,796,000 instead of $2,812,000 as proposed by the House and $2,793,000 as proposed by the Senate. The Committee of Conference directs that the driver necessary for the shuttle van come from within the current authorized employment ceiling.

Senate office buildings

Amendment No. 12: Reported in technical disagreement. Inasmuch as the amendment relates solely to the Senate and in accord with long practice, under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House will offer a motion to recede and concur in the Senate amendment.

LIBRARY OF CONGRESS

CONGRESSIONAL RESEARCH SERVICE

Salaries and expenses

Amendment No. 13: Appropriates $39,833,000 as proposed by the House instead of $39,887,860 as proposed by the Senate. The Committee of Conference believes that the Congressional Research Service and Library of Congress can achieve additional efficiencies through resource sharing, such as utilizing the training, recruitment, travel, supplies storeroom, or financial management procedures and resources of the main Library of Congress administration instead of duplicating, at least to some extent, these functions at CRS. While a recent effort to achieve economies has resulted in some savings, the Committee believes additional opportunities should be considered. If further study reveals that additional savings are feasible, the Committees on Appropriations will entertain a reprogramming request for the three positions disallowed. The staffing needs at the Senate reference center should be considered in setting the priorities for additional positions.

GOVERNMENT PRINTING OFFICE

CONGRESSIONAL PRINTING AND BINDING

Amendment No. 14: Appropriates $80,800,000 as proposed by the Senate instead of $80,879,000 proposed by the House.

TITLE II—OTHER AGENCIES

LIBRARY OF CONGRESS

ADMINISTRATIVE PROVISIONS

Amendment Nos. 15 and 16: Provides limitations of $146,875 for attendance at meetings, of which $54,950 is for the Congressional Research Service, instead of $140,750, of which $53,100 is for the Congressional Research Service, as proposed by the House and $153,000, of which $56,800 is for the Congressional Research Service, as proposed by the Senate.

Amendment No. 17: Restores the matter stricken by the Senate amendment.

GOVERNMENT PRINTING OFFICE

PRINTING AND BINDING

Amendment No. 18: Appropriates $13,200,000 as proposed by the Senate instead of $13,269,000 as proposed by the House.

GENERAL ACCOUNTING OFFICE

SALARIES AND EXPENSES

Amendment No. 19: Appropriates $294,704,000 as proposed by the Senate instead of $307,557,000 as proposed by the House. This level provides $2,845,000 in funding for 100 additional positions, but somewhat less than 100 staff years, and should be allocated in the same proportions as designated for the 125 positions proposed by the House. In providing this level for new positions, it is the intention of the conferees that the GAO staff for the 100 new positions. The funding level provided is less than the full year funding because the recruitment effort will span most of the fiscal year. In addition, operational enhancements allowed are as follows: rents, communications, and utilities: $200,000; contract services: $2,800,000; supplies and materials: $200,000; and equipment: $1,500,000. Also $3,000,000 is allowed for price level increases. No funding is provided for restoration of the pay supplemental absorption.

RAILROAD ACCOUNTING PRINCIPLES BOARD

SALARIES AND EXPENSES

Amendment No. 20: Provides that funds be expended in accordance with H.R. 4439, as passed the House, as proposed by the House instead of in accordance with S. 2537, as reported to the Senate, as proposed by the Senate.

GENERAL PROVISIONS

Amendment No. 21: Deletes the matter proposed by the House and stricken by the Senate.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1985 recommended by the Committee of Conference, with comparisons to the fiscal year 1984 amount, the 1985 budget estimates, and the House and Senate bills for 1985 follow:

New budget (obligational) authority; fiscal year 1984	$1,473,913,600
Budget estimates of new (obligational) authority, fiscal year 1985	[1] 1,597,426,000
House bill, fiscal year 1985	1,247,432,540
Senate bill, fiscal year 1985	1,551,367,898
Conference agreement, fiscal year 1985	1,551,015,038
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1984	+77,101,438
Budget estimates of new (obligational) authority, fiscal year 1985	−46,410,962
House bill, fiscal year 1985	+303,582,498
Senate bill, fiscal year 1985	−352,860

[1] Includes $294,426,000 of budget estimates not considered by the House.

VIC FAZIO,
DAVID R. OBEY
JOHN P. MURTHA,
BOB TRAXLER,
LINDY BOGGS,
JACK HIGHTOWER,
JAMIE L. WHITTEN,
JERRY LEWIS,
SILVIO O. CONTE,
JOHN T. MYERS,
JOHN EDWARD PORTER III,
Managers on the Part of the House.
ALFONSE D'AMATO,
MARK O. HATFIELD,
TED STEVENS,
DALE BUMPERS
EARNEST F. HOLLINGS,
Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 5154, NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION ACT, 1985

Mr. FUQUA submitted the following conference report and statement on the bill (H.R. 5154) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 98-873)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5154) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "National Aeronautics and Space Administration Authorization Act, 1985".

TITLE I—AUTHORIZATIONS OF APPROPRIATIONS

SEC. 101. There is hereby authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1984:

(a) For "Research and development", for the following programs:

(1) Space transportation capability development, $351,400,000;

(2) Space station, $150,000,000;

(3) Physics and astronomy, $696,200,000;

(4) Life sciences, $63,300,000;

(5) Planetary exploration, $296,900,000;

(6) Space applications, $390,100,000 of which $45,000,000 is authorized only for the Advanced Communications Technology Satellite flight program which is designed to lead to a launch of such satellite no later than 1989;

(7) Technology utilization, $9,500,000;

(8) Aeronautical research and technology, $352,400,000, of which $24,000,000 is authorized only for activities which are designed to lead to a flight test of a single rotation or counter rotation turboprop concept no later than 1987 (and for supporting research and technology);

(9) Space research and technology, $150,000,000; and

(10) Tracking and data advanced systems, $15,300,000.

(b) For "Space flight, control and data communications", for the following programs:

(1) Space shuttle production and operational capability $1,147,600,000;

(2) Space transportation operations, $1,319,000,000; and

(3) Space and ground network, communications and data systems, $795,700,000.

(c) Except as provided in section 102(a), for "Construction of facilities", including land acquisition, as follows:

(1) Repairs to test stand 500, George C. Marshall Space Flight Center, $1,600,000;

(2) Space shuttle facilities at various locations as follows:

(A) Modifications of site electrical substation, Lyndon B. Johnson Space Center, $3,200,000;

(B) Modification for single engine testing, National Space Technology Laboratories, $3,000,000;

(C) Construction of launch complex 39 logistics facility, John F. Kennedy Space Center, $10,000,000;

(D) Construction of solid rocket booster assembly and refurbishment facility, John F. Kennedy Space Center, $15,000,000;

(3) Space shuttle payload facilities at various locations as follows:

(A) Construction of additions to cargo hazardous servicing facility, John F. Kennedy Space Center, $4,600,000;

(B) Construction of biomedical research facility, Ames Research Center, $2,100,000;

(4) Construction of addition to network control center, Goddard Space Flight Center, $2,200,000;

(5) Construction of Earth and space science laboratory, Jet Propulsion Laboratory, $12,200,000;

(6) Construction of numerical aerodynamic simulation facility, Ames Research Center, $11,500,000;

(7) Modifications of the 8-foot high temperature tunnel, Langley Research Center, $13,800,000;

(8) Construction of 34-meter antenna, Madrid, Spain, $6,000,000;

(9) Modifications of 64-meter antenna, DSS-63, Madrid, Spain, $7,800,000;

(10) Repair of facilities at various locations, not in excess of $750,000 per project, $20,000,000;

(11) Rehabilitation and modification of facilities at various locations, not in excess of $750,000 per project, $25,000,000;

(12) Minor construction of new facilities and additions to existing facilities at various locations, not in excess of $500,000 per project, $5,000,000; and

(13) Facility planning and design not otherwise provided for, $12,000,000.

(d)(1) For "Research and program management", $1,316,000,000, and such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

(2) Of the funds authorized under paragraph (1), $1,000,000 shall be available for the activities of the National Commission on Space, established pursuant to title II of this Act.

(e) Notwithstanding the provisions of subsection (h), appropriations hereby authorized for "Research and development" and "Space flight, control and data communications" may be used (1) for any items of a capital nature (other than acquisition of land) which may be required at locations other than installations of the Administration for the performance of research and development contracts, and (2) for grants to

nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities; and title to such facilities shall be vested in the United States unless the Administrator determines that the national program of aeronautical and space activities will best be served by vesting title in any such grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to insure that the United States will receive therefrom benefit adequate to justify the making of that grant. None of the funds appropriated for "Research and development" and "Space flight, control and data communications" pursuant to this Act may be used in accordance with this subsection for the construction of any major facility, the estimated cost of which, including collateral equipment, exceeds $500,000, unless the Administrator or the Administrator's designee has notified the Speaker of the House of Representatives and the President of the Senate and the Committee on Science and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate of the nature, location, and estimated cost of such facility.

(f) When so specified and to the extent provided in an appropriation Act, (1) any amount appropriated for "Research and development," for "Space flight, control and data communications" or for "Construction of facilities" may remain available without fiscal year limitation, and (2) maintenance and operation of facilities, and support services contracts may be entered into under the "Research and program management" appropriation for periods not in excess of twelve months beginning at any time during the fiscal year.

(g) Appropriations made pursuant to subsection (d) may be used, but not to exceed $35,000, for scientific consultations or extraordinary expenses upon the approval or authority of the Administrator and the Administrator's determination shall be final and conclusive upon the accounting officers of the Government.

(h) Of the funds appropriated pursuant to subsections (a), (b), and (d), not in excess of $100,000 for each project, including collateral equipment, may be used for construction of new facilities and additions to existing facilities, and for repair, rehabilitation, or modification of facilities: Provided, That, of the funds appropriated pursuant to subsection (a) or (b), not in excess of $500,000 for each project, including collateral equipment, may be used for any of the foregoing for unforeseen programmatic needs.

SEC. 102. (a) Notwithstanding the provisions of section 101(c) of the title, the total amount authorized to be appropriated by such section shall be $5,000,000 less than the sum of the amounts contained in paragraphs (1) through (13) of such section for individual projects.

(b) After the reduction specified in subsection (a) of this section is made, authorization is granted whereby any of the amounts prescribed in paragraphs (1) through (12) inclusive, of section 101(c)—

(1) in the discretion of the Administrator or the Administrator's designee, may be varied upward 10 per centum, or

(2) following a report by the Administrator or the Administrator's designee to the Committee on Science and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate on the circumstances of such action, may be varied upward 25 per centum, to meet unusual cost variations, but the total cost of all work authorized under such paragraphs shall not exceed the total of the amounts specified in such paragraphs

SEC. 103. Not to exceed one-half of 1 per centum of the funds appropriated pursuant to section 101(a) or 101(b) hereof may be transferred to and merged with the "Construction of facilities" appropriation, and, when so transferred, together with $10,000,000 of funds appropriated pursuant to section 101(c) hereof (other than funds appropriated pursuant to paragraph (13) of such section) shall be available for expenditure to construct, expand, and modify laboratories and other installations at any location (including locations specified in section 101(c)), if (1) the Administrator determines such action to be necessary because of changes in the national program of aeronautical and space activities or new scientific or engineering developments, and (2) the Administrator determines that deferral of such action until the enactment of the next authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities. The funds so made available may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment. No portion of such sums may be obligated for expenditure or expended to construct, expand, or modify laboratories and other installations unless a period of thirty days has passed after the Administrator or the Administrator's designee has transmitted to the Speaker of the House of Representatives and to the President of the Senate and to the Committee on Science and Technology of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate a written report containing a full and complete statement concerning (A) the nature of such construction, expansion, or modification, (B) the cost thereof including the cost of any real estate action pertaining thereto, and (C) the reason why such construction, expansion, or modification is necessary in the national interest.

SEC. 104. Notwithstanding any other provision of this Act—

(1) no amount appropriated pursuant to this Act may be used for any program deleted by the Congress from requests as originally made to either the House Committee on Science and Technology or the Senate Committee on Commerce, Science, and Transportation;

(2) no amount appropriated pursuant to this Act may be used for any program in excess of the amount actually authorized for that particular program by sections 101(a), 101(b), and 101(d); and

(3) no amount appropriated pursuant to this Act may be used for any program which has not been presented to either such committee;

unless a period of thirty days has passed after the receipt by the Speaker of the House of Representatives and the President of the Senate and each such committee of notice given by the Administrator or the Administrator's designee containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

SEC. 105. It is the sense of the Congress that it is in the national interest that consideration be given to geographical distribution of Federal research funds whenever feasible, and that the National Aeronautics and Space Administration should explore ways and means of distributing its research and development funds whenever feasible.

SEC. 106. The authorization for shuttle production and operational capability includes provisions for the production of structural spares and the critical skills necessary for installation of electrical, mechanical, and fluid systems thereby maintaining production readiness for a fifth orbiter vehicle.

SEC. 107. No civil space station authorized under section 101(a)(2) of this title may be used to carry or place in orbit any nuclear weapon or any other weapon of mass destruction, to install any such weapon on any celestial body, or to station any such weapon in space in any other manner. This civil space station may be used only for peaceful purposes.

SEC. 108. (a) The Administrator of the National Aeronautics and Space Administration is directed to continue and to enhance such Administration's programs of remote-sensing research and development.

(b) The Administrator is authorized and encouraged to—

(1) conduct experimental space remote-sensing programs (including applications demonstration programs and basic research at universities);

(2) develop remote-sensing technologies and techniques, including those needed for monitoring the Earth and its environment; and

(3) conduct such research and development in cooperation with other public and private research entities, including private industry, universities, Federal, State, and local government agencies, foreign governments, and international organizations, and to enter into arrangements (including joint ventures) which will foster such cooperation.

SEC. 109. It is the intent of the Congress that expenditures made from sums appropriated pursuant to the authorization contained in subsection (a)(8) of section 101 of this Act for activities in the advanced turboprop program should be recouped by the National Aeronautics and Space Administration if and when commercially successful products are developed by the aircraft industry as a direct result of such activities. For this purpose the Administrator shall submit to Congress within sixty days of enactment of this Act a plan for the payment to the Administrator of royalties by firms in the aircraft industry with respect to any such products which may be so developed by them.

SEC. 110. (a) Section 102 of the National Aeronautics and Space Act of 1958, as amended, is amended—

(1) by striking out "(e), and (f)" in subsection (g) and inserting in lieu thereof "(e), (f), and (g)";

(2) by redesignating subsections (c) through (g) as subsections (d) through (h); and

(3) by inserting after subsection (b) the following new subsection:

"(c) The Congress declares that the general welfare of the United States requires that the National Aeronautics and Space Administration (as established by title II of this Act) seek and encourage, to the maximum extent possible, the fullest commercial use of space.".

(b) Section 102(d)(1) of the National Aeronautics and Space Act of 1958, as amended

(and as redesignated by subsection (a) of this section), is amended by inserting "of the Earth and" after "knowledge".

Sec. 111. (a) Any Federal personal property may be disposed of in accordance with subsection (b) if such property—

(1) is scientific research or development equipment and is not personal property that may be used for general administrative purposes;

(2) has been loaned by the National Aeronautics and Space Administration to any academic institution or nonprofit organization; and

(3) as of March 31, 1984, has been on loan to any such institution or organization for at least two years.

(b) The Administrator may transfer title to property described in subsection (a) to an academic institution or nonprofit organization if the Administrator certifies that—

(1) such property is being used by the institution or organization holding such property for a purpose consistent with the use intended when the property was loaned; and

(2) the Administration will no longer need such property.

TITLE II—NATIONAL COMMISSION ON SPACE

PURPOSE

Sec. 201. It is the purpose of this title to establish a National Commission on Space that will assist the United States—

(1) to define the long-range needs of the Nation that may be fulfilled through the peaceful uses of outer space;

(2) to maintain the Nation's preeminence in space science, technology, and applications;

(3) to promote the peaceful exploration and utilization of the space environment; and

(4) to articulate goals and develop options for the future direction of the Nation's civilian space program.

FINDINGS

Sec. 202. The Congress finds and declares that—

(1) the National Aeronautics and Space Administration, the lead civilian space agency, as established in the National Aeronautics and Space Act of 1958, as amended, has conducted a space program that has been an unparalleled success, providing significant economic, social, scientific, and national security benefits, and helping to maintain international stability and good will;

(2) the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2451 et seq.), has provided the policy framework for achieving this success, and continues to be a sound statutory basis for national efforts in space;

(3) the United States is entering a new era of international competition and cooperation in space, and therefore this Nation must strengthen the commitment of its public and private technical, financial, and institutional resources, so that the United States will not lose its leadership position during this decade;

(4) while there continues to be a crucial Government role in space science, advanced research and development, provision of public goods and services and coordination of national and international efforts, advances in applications of space technology have raised many issues regarding public and private sector roles and relationships in technology development, applications, and marketing;

(5) the private sector will continue to evolve as a major participant in the utilization of the space environment;

(6) the Nation is committed to a permanently manned space station in low Earth orbit, and future national efforts in space will benefit from the presence of such a station;

(7) the separation of the civilian and military space programs is essential to ensure the continued health and vitality of both; and

(8) the identification of long range goals and policy options for the United States civilian space program through a high level, representational public forum will assist the President and Congress in formulating future policies for the United States civilian space program.

NATIONAL COMMISSION ON SPACE

Sec. 203. (a)(1) The President shall within ninety days of the enactment of this Act establish a National Commission on Space (hereinafter in this title referred to as the "Commission"), which shall be composed of 15 members appointed by the President. The members appointed under this subsection shall be selected from among individuals from Federal, State, and local governments, industry, business, labor, academia, and the general population who, by reason of their background, education, training, or experience, possess expertise in scientific and technological pursuits, as well as the use and implications of the use of such pursuits. Of the fifteen members appointed, not more than three members may be employees of the Federal Government. The President shall designate one of the members of the Commission appointed under this subsection to serve as Chairman, and one of the members to serve as Vice Chairman. The Vice Chairman shall perform the functions of the Chairman in the Chairman's absence.

(2) Members appointed by the President under paragraph (1) of this subsection may be paid at a rate not to exceed the daily equivalent of the annual rate of basic pay in effect under section 5332 of title 5, United States Code, for grade GS-18 of the General Schedule for each day, including traveltime, during which such members are engaged in the actual performance of the duties of the Commission. While away from their homes or regular places of business, such members may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed under section 5703 of title 5, United States Code. Individuals who are not officers or employees of the United States and who are members of the Commission shall not be considered officers or employees of the United States by reason of receiving payments under this paragraph.

(b)(1) The President shall appoint one individual from each of the following Federal departments and agencies to serve as ex officio, advisory, non-voting members of the Commission (if such department or agency does not already have a member appointed to the Commission pursuant to subsection (a)(1)):

(A) National Aeronautics and Space Administration.

(B) Department of State.

(C) Department of Defense.

(D) Department of Transportation.

(E) Department of Commerce.

(F) Department of Agriculture.

(G) Department of the Interior.

(H) National Science Foundation.

(I) Office of Science and Technology Policy.

(2) The President of the Senate shall appoint two advisory members of the Commission from among the Members of the Senate and the Speaker of the House of Representatives shall appoint two advisory members of the Commission from among the Members of the House of Representatives. Such members shall not participate, except in an advisory capacity, in the formulation of the findings and recommendations of the Commission.

(3) Members of the Commission appointed under this subsection shall not be entitled to receive compensation for service relating to the performance of the duties of the Commission, but shall be entitled to reimbursement for travel expenses incurred while in the actual performance of the duties of the Commission.

(c) The Commission shall appoint and fix the compensation of such personnel as it deems advisable. The Chairman of the Commission shall be responsible for—

(1) the assignment of duties and responsibilities among such personnel and their continuing supervision; and

(2) the use and expenditures of funds available to the Commission.

In carrying out the provisions of this subsection, the Chairman shall act in accordance with the general policies of the Commission.

(d) To the extent permitted by law, the Commission may secure directly from any executive department, agency, or independent instrumentality of the Federal Government any information it deems necessary to carry out its functions under this Act. Each such department, agency, and instrumentality shall cooperate with the Commission and, to the extent permitted by law and upon request of the Chairman of the Commission, furnish such information to the Commission.

(e) The Commission may hold hearings, receive public comment and testimony, initiate surveys, and undertake other appropriate activities to gather the information necessary to carry out its activities under section 204 of this title.

(f) The Commission shall cease to exist sixty days after it has submitted the plan required by section 204(c) of this title.

FUNCTIONS OF THE COMMISSION

Sec. 204. (a) The Commission shall study existing and proposed space activities and formulate an agenda for the United States civilian space program. The Commission shall identify long range goals, opportunities, and policy options for United States civilian space activity for the next twenty years. In carrying out this responsibility, the Commission shall take into consideration—

(1) the commitment by the Nation to a permanently manned space station in low Earth orbit;

(2) present and future scientific, economic, social, environmental, and foreign policy needs of the United States, and methods by which space science, technology, and applications initiatives might address those needs;

(3) the adequacy of the Nation's public and private capability in fulfilling the needs identified in paragraph (2);

(4) how a cooperative interchange between Federal agencies on research and technology development programs can benefit the civilian space program;

(5) opportunities for, and constraints on, the use of outer space toward the achievement of Federal program objectives or national needs;

(6) current and emerging issues and concerns that may arise through the utilization of space research, technology development, and applications;

(7) the Commission shall analyze the findings of the reviews specified in paragraphs (1) through (6) of this subsection, and develop options and recommendations for a long range national civilian space policy plan.

(b) Options and recommendations submitted in accordance with subsection (a)(7) of this section shall include, to the extent appropriate, an estimate of costs and time schedules, institutional requirements, and statutory modifications necessary for implementation of such options and recommendations.

(c) Within twelve months after the date of the establishment of the Commission, the Commission shall submit to the President and to the Committee on Commerce, Science and Transportation of the Senate and the Committee on Science and Technology of the House of Representatives, a long range plan for United States civilian space activity incorporating the results of the studies conducted under this section, together with recommendations for such legislation as the Commission determines to be appropriate.

And the Senate agree to the same.

Don Fuqua,
Dan Glickman,
Harold L. Volkmer,
Bill Nelson,
Michael A. Andrews,
Manuel Lujan, Jr.,
William Carney,
for section III only,
George E. Brown, Jr.,
Managers on the Part of the House.

Bob Packwood,
Barry Goldwater,
Slade Gorton,
Howell Heflin,
Frank R. Lautenberg,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill H.R. 5154 to authorize appropriations to the National Aeronautics and Space Administration for fiscal year 1983 for Research and Development, Construction of Facilities, and Research and Program Management, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the disposition of the differences agreed upon by managers and recommended in the accompanying conference report.

The NASA request for fiscal year 1985 totaled $7,491,400,000. The House authorized $7,490,000,000 and the Senate amendment authorized $7,582,400,000. The committee of conference agrees to a total authorization for fiscal year 1985 of $7,526,400,000 as follows:

SUMMARY OF ADJUSTMENTS TO H.R. 5154—NASA FISCAL YEAR 1985 AUTHORIZATION

Program	Budget request	House action	Senate action	Committee of conference
Research and development:				
1(a)(1) space transportation cap. dev	$361,400,000	$346,400,000	$356,400,000	$351,400,000
1(a)(2) space station	150,000,000	150,000,000	150,000,000	150,000,000
1(a)(3) physics and astronomy	677,200,000	687,200,000	705,200,000	696,200,000
1(a)(4) life sciences	63,300,000	63,300,000	63,300,000	63,300,000
1(a)(5) planetary exploration	286,900,000	296,900,000	296,900,000	296,900,000
1(a)(6) space applications	344,100,000	384,100,000	407,100,000	390,100,000
1(a)(7) technology utilization	9,500,000	9,500,000	9,500,000	9,500,000
1(a)(?) space commercialization	0	0	5,000,000	0
1(a)(8) aeronautical research and technology	342,400,000	347,400,000	357,400,000	352,400,000
1(a)(9) space research and technology	150,000,000	150,000,000	150,000,000	150,000,000
1(a)(10) tracking and data acquisition	15,300,000	15,300,000	15,300,000	15,300,000
Total: Research and development	2,400,100,000	2,450,100,000	2,516,100,000	2,475,100,000
Space flight, control and data communication:				
1(b)(1) space shuttle prod./oper. cap	1,465,600,000	1,490,600,000	1,470,600,000	1,470,600,000
1(b)(2) space transportation oper	1,339,000,000	1,329,000,000	1,319,000,000	1,319,000,000
1(b)(3) space tracking and data acq	795,700,000	780,700,000	795,700,000	795,700,000
Total: Space flight, control and data communications	3,600,300,000	3,600,300,000	3,585,300,000	3,585,300,000
1(c) construction of facilities	160,000,000	150,000,000	150,000,000	150,000,000
1(d) research and program management	1,331,000,000	1,331,000,000	1,331,000,000	1,316,000,000
Subtotal	7,491,400,000	7,531,400,000	7,582,400,000	7,526,400,000
General reduction	0	41,400,000	0	0
Grand total	7,491,400,000	7,490,000,000	7,582,400,000	7,526,400,000

The points in disagreement and the resolution of them are as follows:

1. NASA requested $361,400,000 for Space Transportation Capability Development activities in fiscal year 1985.

The House authorized $346,400,000, a decrease of $15 million as follows: a decrease of $10 million for Engineering and Technical Base activities due to a reduced level of effort; and a decrease of $5 million for Payload Operations and Support Equipment associated with payload schedule delays.

The Senate authorized $356,400,000, a decrease of $5 million, all of which was for Payload Operations and Support Equipment associated with payload and schedule delays.

The Conference agreement authorizes $351,400,000 for Space Transportation Capability Development activities reflecting a $5 million reduction in Engineering and Technical Base activities and a $5 million reduction in Payload Operations and Support Equipment.

2. NASA requested $677,200,000 for Physics and Astronomy activities in fiscal year 1985.

The House authorized $687,200,000, an increase of $10 million which included: an increase of $4 million for Shuttle/Spacelab Payload Development activities to fund advanced technology development of the Solar Optical Telescope (SOT) and the Shuttle Infrared Telescope Facility (SIRTF); and an increase of $6 million for Research and Analysis activities—of which $3 million is for university laboratory equipment, and $3 million is to support advanced technology development on the Advanced X-ray Astronomy Facility (AXAF).

The Senate authorized $705,200,000, an increase of $28 million which included: an increase of $14 million for Shuttle/Spacelab Payload Development activities—$6 million of which is to fund advanced technology development of the Solar Optical Telescope (SOT), $4 million is to fund advanced technology development of the Shuttle Infrared Telescope Facility (SIRTF), and $4 million is to fund the development of the Space Plasma Lab; and an increase of $14 million for Research and Analysis activities—$6 million of which is to support advanced technology development on the Advanced X-ray Astronomy Facility (AXAF), $3 million is to support Gravity Probe-B, $3 million is for theoretical astrophysics SR&T, and $2 million is for university instrumentation.

The Conference agreement authorizes $696,200,000 for Physics and Astronomy activities, an increase of $19 million as follows: an increase of $8 million for Shuttle/Spacelab 1 Payload development including $4 million for advanced technology development activities for the Solar Optical Telescope and the Shuttle Infrared Telescope Facility and $4 million for advanced technology development activities for the Space Plasma Laboratory and an increase of $11 million for Research and Analysis including $3 million for university instrumentation and laboratory equipment, $3 million for advanced technology development and the Advanced X-Ray Astronomy Facility, $2 million for theoretical astrophysics supporting research and technology, and $3 million for Gravity Probe-B.

3. NASA requested $286,900,000 for Planetary Exploration activities in fiscal year 1985.

The House authorized $296,900,000, an increase of $10 million. The increase is in Research and Analysis activities—with $2 million for university laboratory equipment, and $8 million for basic planetary research at universities.

The Senate authorized $296,900,000, an increase of $10 million. The increase is in Research and Analysis activities—with $2 million for university instrumentation, and $8 million for SR&T.

The Conference agreement authorizes $296,900,000 for Planetary Exploration activities, including the following: a $2 million increase for university instrumentation and laboratory equipment and an $8 million increase for basic planetary research at universities.

4. NASA requested $344,100,000 for Space Applications activities in fiscal year 1985.

The House authorized $384,100,000, a net increase of $40 million. This included: a $2 million redistribution of Solid Earth Observation funding—with a $2 million increase to measure Caribbean crustal movements, and an offsetting $2 million decrease achieved through a general reduction in Geodynamics funding; a $5 million redistribution of Environmental Observations funding—with a $5 million increase for advanced technology development for the International Solar Terrestrial Physics Program, and an offsetting $5 million reduction without prejudice for the Upper Atmosphere Research Satellite; and a $40 million increase to continue funding of an ACTS flight demonstration.

The Senate authorized $407,100,000 an increase of $63 million. This included: an $8 million increase in Environmental Observations—with a $5 million increase for advanced technology development for the International Solar Terrestrial Physics Program, and a $3 million increase for university instrumentation; a $10 million increase to augment materials processing in space activities; and a $45 million increase to continue funding for an ACTS flight demonstration.

The conference agreement authorizes $390,100,000 for Space Applications activities, an increase of $46 million as follows: An increase of $2 million to measure Caribbean crustal movements within available funding for Geodynamics activities; an increase of $4 million for advanced technology development on the International Solar Terrestrial Program and $2 million for university instrumentation in Space Physics Research and Analysis; a reduction of $5 million in the Upper Atmospheric Research Satellite program without prejudice; an increase of $5 million to augment Materials Processing in Space activities; and an increase of $40 million to continue the flight demonstration program envisioned for the Advanced Communications Technology Satellite program. The intent of the additional funding for the Advanced Communications Technology Satellite program is for NASA to finalize and enter into a contract for the development of the Advanced Communications Technology Satellite as expeditiously as possible pursuant to Request for Proposal numbered 35-11907.

5. The Senate added a new line item (Space Commercialization) to their authorization bill. This line item did not appear in the NASA request for fiscal year 1985 or the House authorization bill.

The Senate authorized $5,000,000 for Space Commercialization in order to intitate National Centers of Excellence and Agency Space Commercialization activities. This presented a $5 million increase over the NASA request.

The conference agreement deletes the new line item for Space Commercialization but the House Science and Technology Committee and the Senate Commerce, Science, and Transportation Committee urge NASA to move expeditiously in establishing a high level focal point to facilitate space commercialization and direct that NASA propose a new line item for this activity in the fiscal year 1986 budget request.

6. NASA requested $342,400,000 for Aeronautical Research and Technology activities in fiscal year 1985.

The House authorized $347,400,000, a net increase of $5 million. This included: a $5 million decrease in Research and Technology Base activities—made up of a $5 million increase in high speed aeronautics, a $1 million increase in research on alternate fuels for general aviation aircraft, and an $11 million general reduction; and a $10 million increase in Advanced Propulsion Systems Technology to augment the Advanced Turboprop program. The House included language specifying that $24,000,000 million was authorized only for activities in the Advanced Turboprop Program which are designed to lead to a flight test no later than 1987.

The Senate authorized $357,400,000, a net increase of $15 million. This included: a $2 million redistribution within Research and Technology Base activities—with a $2 million increase for Advanced Ceramics Heat Engine Technology, offset by a $2 million general reduction; and a $15 million increase in Advanced Propulsion Systems Technology to augment the Advanced Turboprop program. The Senate included language specifying that $29 million was authorized only for activities which are designed to lead to a flight test of a single rotation or counter rotation turbo-prop concept no later than 1987.

The Conference agreement authorizes $352,400,000 for Aeronautical Research and Technology activities. This includes: an $8 million redistribution within the research and technology base made up of a $5 million increase in high-speed aeronautics, a $1 million increase in research on alternate fuel, for general aviation a $2 million increase for advanced ceramics heat engine technology and an $8 million general reduction; and a $10 million increase to augment the Advanced Turboprop Program. The Conferees adopt the Senate version of language relating to flight test of a turbo-prop concept, except that $24 million is authorized only for activities designed to lead to such a flight test.

The Committee of Conference understands that this amount is adequate to keep the program on track toward a flight test in 1987. Whether that test is conducted with the single rotation, counter rotation, or some other concept is a matter for the technical judgment of NASA. Nevertheless, the available funds should be applied so as to assure accomplishment of the flight test objective by 1987.

7. NASA requested $150,000,000 for Space Research and Technology activities in fiscal year 1985.

The House authorized the same total as that requested, but stipulated a $2 million redistribution of funds in Space Research and Technology Base activities—with a $2 million increase to augment the SP-100 Nuclear Power program, offset by a $2 million general reduction.

The Senate authorized the NASA request.

The Conferees adopt the House position.

8. NASA requested $1,465,600,000 for Shuttle Production and Operational Capability activities in fiscal year 1985.

The House authorized $1,490,600,000, a net increase of $25 million. This included: a $50 million increase for augmentation of Orbiter structural spares and to maintain production readiness for a fifth Orbiter; a $15 million decrease in Launch and Mission Support through the deferment of less critical activities; and a $10 million decrease in Changes and Systems Upgrading—the Administrator's reserve.

The Senate authorized $1,470,600,000, a net increase of $5 million. This included: a $45 million increase for augmentation of Orbiter structural spares and to maintain production readiness for a fifth Orbiter; a $15 million decrease in Launch and Mission Support through the deferment of less critical activities; and a $25 million decrease in Changes and Systems Upgrading—the Administrator's reserve.

The Committee of Conference adopts the Senate position.

9. NASA requested $1,339,000,000 for Space Transportation Operations in fiscal year 1965.

The House authorized $1,329,000,000, a decrease of $10 million. This decrease reflected expected improvement in Shuttle operational efficiency.

The Senate authorized $1,319,000,000, a decrease of $20 million. This decrease reflected expected improvements in Shuttle operational efficiency.

The Conference agreement adopts the Senate position.

10. NASA requested $795,700,000 for Space Tracking and Data Acquisition activities in fiscal year 1985.

The House authorized $780,700,000, a decrease of $15 million. This decrease reflected expected improvements in operating efficiencies and modest reductions in service.

The Senate authorized the NASA request.

The Committee of Conference adopts the Senate position.

11. NASA requested $160,000,000 for Construction of Facilities in fiscal year 1985.

The House authorized $150,000,000, a decrease of $10 million. This decrease was the result of: a $5 million decrease in funding for the Numerical Aerodynamics Simulation Facility; and a $5 million decrease in funding for Rehabilitation and Modification activities.

The Senate authorized $150,000,000, a decrease of $10 million. This decrease was the result of: a $5 million decrease in funding for the Numerical Aerodynamics Simulation Facility; and a $5 million general reduction.

The Committee of Conference adopts the Senate position.

12. NASA requested $1,331,000,000 for Research and Program Management activities in 1985.

The House authorized the requested funding level, but stipulated that $1 million was authorized within available funds for the National Commission on Space.

The Senate authorization was the same as that for the House.

The substitute amendment authorizes $1,316,000,000 for Research and Program Management activities. One million of these funds shall be available for the activities of the National Commission on Space.

13. The House adopted Section 111 language reducing each sum in the Authorization bill by 0.55 percent.

The Senate authorization bill contains no such language.

The Conference agreement adopts the Senate position.

14. The substitute amendment resolves a number of minor technical language differences in the House and Senate actions.

15. The House bill included a new section 107 to direct NASA to continue to enhance the agency's programs of remote sensing research and development.

The Senate bill contained no similar language.

The Conference agreement includes the House provision as Section 108.

16. The Senate bill included a new Section 107 stating that the civil Space Station may not be used to carry or place into orbit any nuclear weapon or any other weapon of mass destruction, and that the Space Station may be used only for peaceful purposes.

The House bill contained no similar language.

The Conference agreement includes the Senate provision as Section 107.

17. The Senate bill included a new Section 108 stating that NASA will as expeditiously as possible finalize and enter into a contract for the development of the Advanced Communications Technology Satellite. The Section also stated that NASA must enter into that contract only with the entity with which it had been negotiating pursuant to the NASA request for proposal.

The House bill contained no similar language.

The Conference agreement deletes the Senate provision.

18. The House bill included a new Section 108 expressing the intent of Congress that government expenditures in supporting the development of prop fan technology be repaid by firms in the aircraft manufacturing industry when and if commercially successful products employing that technology are produced by such firms.

The Senate bill contained no similar language.

The Conference agreement adopts the House provision as Section 109. It is expected that NASA and the aeronautical industry will make a full faith effort to design a workable recoupment plan. The authorizing committees will then evaluate the pros and cons of the plan before making a final decision on implementation.

19. Both the House and Senate bills included a new Title II establishing a National Commission on Space. There were a number of language differences in the two bills. Some of the more important included:

The House bill provided for 14 members; the Senate 15.

The House bill specified the NASA Administrator as Vice Chairman; the Senate bill left this appointment to the President.

The Senate bill provided that members of the Commission would have to be drawn from State and local governments, industry, business, labor, and academia; the House bill contained no similar language.

The House bill specified the appointment of one individual from each of 8 Federal departments and agencies to serve as ex officio non-voting members; the Senate bill specified 4 individuals from the Federal Government without listing specific departments and agencies.

The House bill provided that Congressional advisory members be appointed by the President of the Senate and the Speaker of the House; the Senate bill provided for these appointments to be made by the President.

The Senate bill gives greater direction and identifies more issues that are to be addressed by the Commission, including:

A review of the adequacy of the National Aeronautics and Space Act

A review of the relationship between the civilian and military space programs

A review of the methods, occasions and circumstances under which the Nation should pursue a permanent presence in space.

The Conference agreement includes a revised Title II which represents a compromise. This compromise is an improvement on both the previous House and Senate versions in that it fully emphasizes the civilian and independent nature of the Commission. The House Committee on Science and Technology and the Senate Committee on Commerce, Science, and Transportation expect that the NASA Administrator will be appointed as a member of the Commission.

Don Fuqua,
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William Carney,
for section III only.
George E. Brown, Jr.,
Managers on the Part of the House.

Bob Packwood,
Barry Goldwater,
Slade Gorton,
Howell Heflin,
Frank R. Lautenberg,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. Mikulski (at the request of Mr. Wright), after 7 p.m. today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Breaux) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.
Mr. Coyne, for 5 minutes, today.
Mr. Udall, for 5 minutes, today.
Mr. Panetta, for 5 minutes, today.
Mr. Gonzalez, for 60 minutes, today.
Mr. Torricelli, for 10 minutes, on June 29.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Shaw's personal explanation on rollcall No. 273, to appear immediately following the vote.

Mr. Weiss, immediately prior to the vote on the Boxer amendment to H.R. 5798 in the Committee of the Whole today.

Mr. Shaw, in title IV of the bill.

(The following Members (at the request of Mr. McKernan) and to include extraneous matter:)

Mr. Gradison.
Mr. Hansen of Utah in two instances.
Ms. Snowe.
Mr. Bethune.
Mr. Horton.
Mr. Bartlett.
Mr. Clinger.
Mr. Philip M. Crane.
Mr. Coughlin.
Mr. Kemp in two instances.
Mr. Pursell.
Mr. McGrath.
Mr. Green.
Mr. DeWine.
Mr. Denny Smith in two instances.
Mr. Martin of North Carolina.
Mr. Lagomarsino in two instances.

(The following Members (at the request of Mr. Breaux) and to include extraneous matter:)

Mr. Mavroules.
Mr. Beilenson.
Mr. Stark in two instances.
Mr. Murtha.
Mr. Howard.
Mr. Rahall.
Mr. Addabbo.
Mr. Tauzin.
Mrs. Lloyd in two instances.
Mr. Clay.
Mr. Howard.
Mr. Coyne.
Mr. Jenkins.
Mr. Valentine.
Mr. Wyden.
Mr. Lantos in two instances.
Mr. Dyson.
Ms. Mikulski.
Mr. Weiss.
Mr. Hamilton.
Mr. Waxman in two instances.
Mr. Dorgan.
Mr. Mazzoli.
Mr. Obey.
Mr. Roe.
Mr. Carr.
Mr. Ottinger.
Mr. Albosta.
Mr. Hertel of Michigan.
Mr. Evans of Illinois.
Mr. D'Amours.
Mrs. Burton of California.
Mr. Wheat.
Mr. Hall of Ohio.
Mr. Downey of New York.
Mr. Rowland.
Mr. AuCoin.
Mr. Harrison.
Mr. Oberstar.
Mr. Bedell.
Mr. Studds.
Ms. Oakar.
Mr. Shannon.
Mr. Coelho.
Mr. Shelby in two instances.
Mr. Kolter.
Mr. Donnelly.
Mr. Bonker.
Mr. Harkin.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1967. An act to compensate the Gros Ventre and Assiniboine Tribes of the Fort Belknap Indian Community for irrigation construction expenditures; the Committee on Interior and Insular Affairs.

ENROLLED JOINT RESOLUTION SIGNED

Mr. HAWKINS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 548. Joint Resolution authorizing the President's Commission on Organized Crime to compel the attendance and testimony of witnesses and the production of information, and for other purposes.

SENATE ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 373. An act to provide for a comprehensive national policy dealing with national research needs and objectives in the Arctic, for a National Critical Materials Council, for development of a continuing and comprehensive national materials policy, for programs necessary to carry out that policy, including Federal programs of advanced materials research and technology, and for innovation in basic materials industries, and for other purposes;

S. 2375. An act to amend the Small Business Act to improve the operation of the secondary market for loans guaranteed by the Small Business Administration;

S.J. Res. 59. Joint resolution to authorize and request the President to designate February 27, 1986, as "Hugo LaFayette Black Day";

S.J. Res. 150. Joint resolution to designate August 4, 1984, as "Coast Guard Day";

S.J. Res. 230. Joint resolution to designate the week of October 7, 1984, through October 13, 1984, as "National Birds of Prey Conservation Week";

S.J. Res. 248. Joint resolution to designate the week beginning November 19, 1984, as "National Adoption Week";

S.J. Res. 257. Joint resolution to designate the period July 1, 1984, through July 1, 1985, as the "Year of the Ocean";

S.J. Res. 270. Joint resolution designating the week of July 1 through July 8, 1984, as "National Duck Stamp Week" and 1984 as the "Golden Anniversary Year of the Duck Stamp";

S.J. Res. 278. Joint resolution to commemorate the one hundredth anniversary of the Bureau of Labor Statistics;

S.J. Res. 297. Joint resolution to designate the month of June 1984 as "Veteran's Preference Month";

S.J. Res. 298. Joint resolution to proclaim the month of July 1984 as "National Ice Cream Month" and July 15, 1984, as "National Ice Cream Day"; and

S.J. Res. 303. Joint resolution to designate the week of December 9, 1984, through December 15, 1984, as "National Drunk and Drugged Driving Awareness Week".

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAWKINS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 4921. An act to provide for the selection of additional lands for inclusion within the Bon Secour National Wildlife Refuge, and for other purposes;

H.R. 5565. An act to direct the Architect of the Capitol and the District of Columbia to enter into an agreement for the conveyance of certain real property, to direct the Secretary of the Interior to permit the District of Columbia and the Washington Metropolitan Area Transit Authority to construct, maintain, and operate certain transportation improvements on Federal property, and to direct the Architect of the Capitol to provide the Washington Metropolitan Area Transit Authority access to certain real property; and

H.J. Res. 492. Joint resolution making an urgent supplemental appropriation for the fiscal year ending September 30, 1984, for the Department of Agriculture.

ADJOURNMENT

Mr. BREAUX. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 50 minutes a.m.), the House adjourned until today, Thursday, June 28, 1984, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3637. A letter from Director, Defense Security Assistance Agency, transmitting notification of the Department of the Army's proposed Letter of Offer to Kuwait for defense articles estimated to cost in excess of $50 million (Transmittal No. 84-53), pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

3638. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of a proposed transfer of defense articles and defense services potentially valued at $50,000,000 or more, pursuant to 22 U.S.C. 2753(d)(3) (AECA section 3(d)(3), 94 Stat. 3131; 95 Stat. 1519); to the Committee on Foreign Affairs.

3639. A letter from the Director, Defense Security Assistance Agency, transmitting notifications of the Department of the Army's proposed Letter of Offer to Kuwait for defense articles and services estimated to cost $82 million (Transmittal No. 84-53), pursuant to AECA, section 36(b) (90 Stat. 741; 93 Stat. 708, 709, 710; 94 Stat. 3134; 95 Stat. 1520); to the Committee on Foreign Affairs.

3640. A letter from the Manager, Compensation and Benefits, Farm Credit Banks of St. Louis, transmitting a copy of their pension plan for the year 1983, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3641. A letter from the Administrator, Panama Canal Commission, transmitting a report on a claim for $383,832 from the owners of the M/V *Agios Nikolas* for damages that are said to have been incurred when the vessel struck the northwest wing wall of Miraflores Locks in the Panama Canal, pursuant to Public Law 96-70, Section 1415(b); to the Committee on Merchant Marine and Fisheries.

3642. A letter from the Acting Comptroller General of the United States, transmitting a report entitled, "States Fund An Expanded Range of Activities Under Low-Income Home Energy Assistance Block Grant" (GAO/HRD-84-64); jointly, to the Committees on Government Operations, Energy and Commerce and Education and Labor.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL. Committee on Interior and Insular Affairs. H.R. 4444. A bill to amend the Small Reclamation Projects Act of 1956, as amended; with an amendment (Rept. No. 98-868). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL. Committee on Interior and Insular Affairs. S. 1224. A bill to provide for the disposition of certain undistributed judgment funds awarded the Creek Nation; (Rept. No. 98-869). Referred to the Committee of the Whole House on the State of the Union.

Mr. FAZIO. Committee of Conference. Conference report on H.R. 5753 (Rept. No. 98-870). Ordered to be printed.

Mr. HAWKINS. Committee on House Administration. H.R. 5886. A bill to authorize appropriations for the American Folklife Center for fiscal years 1985 and 1986 (Rept. No. 98-871). Referred to the Committee of the Whole House on the State of the Union.

Mr. SAM B. HALL, JR. Committee on the Judiciary. H.R. 3668. A bill to amend the Contract Disputes Act of 1978 to eliminate the requirement that certain claims be certified, and for other purposes; with an amendment (Rept. No. 98-872). Referred to the Committee of the Whole House on the State of the Union.

Mr. FUQUA. Committee of Conference. Conference report on H.R. 5154 (Rept. No. 98-873). Ordered to be printed.

Mr. FROST. Committee on Rules. House Resolution 541. Resolution providing for the consideration of the Senate amendments to H.R. 4616, to amend the Surface Transportation Assistance Act of 1982 to require States to use at least 8 per centum of their highway safety apportionments for developing and implementing comprehensive programs concerning the use of child restraint systems in motor vehicles, and for other purposes (Rept. No. 98-874). Referred to the House Calendar.

Mr. MOAKLEY. Committee on Rules. House Resolution 542. Resolution providing for the consideration of H.R. 5281, authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes (Rept. No. 98-875). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolu-

tions were introduced and severally referred as follows:

By Mr. DORGAN (for himself, Mr. Downey of New York, Mr. Jeffords, Mr. Barnes, Mr. Fascell, Mr. Dyson, Mr. Ratchford, Mr. AuCoin, Mr. Owens, Mr. Ackerman, Mr. Towns, Mr. McHugh, Mr. Darden, Mr. McKay, Mr. Sikorski, Mr. Howard, Mr. Smith of Florida, Mr. Fazio, Mr. Panetta, Mr. Levin of Michigan, and Mr. Rahall):

H.R. 5937. A bill to award a special gold medal to the family of Harry Chapin; to the Committee on Banking, Finance and Urban Affairs.

By Mr. EDWARDS of California (for himself, Mr. Kastenmeier, Mr. Brooks, Mr. Mazzoli, Mr. Synar, Mrs. Schroeder, Mr. Glickman, Mr. Frank, Mr. Morrison of Connecticut, Mr. Berman, Mr. Moorhead, Mr. Hyde, Mr. DeWine, Mr. Kindness, Mr. Sawyer, Mr. Schumer, and Mr. Fish):

H.R. 5938. A bill to amend title 17, United States Code, with respect to the rental, lease, or lending of sound recordings; to the Committee on the Judiciary.

By Mr. HUNTER:

H.R. 5939. A bill to equalize the duties on imported tuna, whether or not packed in oil; to the Committee on Ways and Means.

By Mr. DAUB:

H.R. 5940. A bill to increase in 4 steps the maximum annual dollar amount limitation on deductions allowed under the Internal Revenue Code of 1954 for contributions to an individual retirement account of a spouse, to repeal the requirement that deductions for such contributions shall be allowed only if such spouse had no compensation for the taxable year, and to such provide that the amount of the limitation on the deduction allowed for such contributions shall be computed on the basis of the combined compensation of a husband and wife; to the Committee on Ways and Means.

By Mr. RAHALL:

H.R. 5941. A bill to authorize the Administrator of the General Services Administration to transfer certain property interests to Raleigh County, WV; to the Committee on Government Operations.

By Mr. SCHUMER (for himself and Mr. Owens):

H.R. 5942. A bill to amend the Fair Credit Reporting Act to establish certain requirements and restrictions respecting the retention and furnishing of information by consumer reporting agencies on individuals renting residential property; to the Committee on Banking, Finance and Urban Affairs.

By Mr. STANGELAND:

H.R. 5943. A bill to repeal the Service Contract Act of 1965, and for other purposes; to the Committee on Education and Labor.

By Mr. UDALL:

H.R. 5944. A bill to amend title 39, United States Code, to provide that voter registration forms, absentee ballots, and certain related matter may be mailed by election agencies free of postage; to the Committee on Post Office and Civil Service.

By Mr. WATKINS (for himself, Mr. Jones of Oklahoma, Mr. Synar, Mr. McCurdy, Mr. Edwards of Oklahoma, and Mr. English):

H.R. 5945. A bill to name the Federal Building in McAlester, OK, the "Carl Albert Federal Building;" to the Committee on Public Works and Transportation.

By Mr. RALPH M. HALL:

H.R. 5946. A bill to reform the Residential Conservation Service and to repeal the Commercial and Apartment Conservation Service; to the Committee on Energy and Commerce.

By Mr. DASCHLE:

H.R. 5947. A bill to provide assistance to livestock producers in economic distress; to the Committee on Agriculture.

By Mr. HOWARD (for himself, Mr. Hamilton, Mr. Anderson, Mr. Roe, and Mr. Oberstar):

H.R. 5948. A bill to establish a national infrastructure fund to provide funds for interest free loans to State and local governments for construction and improvement of highways, bridges, water supply and distribution systems, mass transportation facilities and equipment, and wastewater treatment facilities, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. DENNY SMITH:

H.R. 5949. A bill to amend the Fair Labor Standards Act of 1983 to revise the exemption from the minimum wage and overtime compensation requirements of that act for managers of hotels, motels, restaurants, and apartments; to the Committee on Education and Labor.

By Mr. MOAKLEY (for himself and Ms. Kaptur):

H.J. Res. 609. Joint resolution to designate December 12, 1984 as "National Tumor Registrar Recognition Day;" to the Committee on Post Office and Civil Service.

By Ms. SNOWE:

H.J. Res. 610. Joint resolution to designate the week of May 1 through May 7, 1985, as "National Osteoporosis Week;" to the Committee on Post Office and Civil Service.

By Mr. WAXMAN:

H.J. Res. 611. Joint resolution to designate the week of September 10, 1984, through September 16, 1984, as "Teenage Alcohol Abuse Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. SHANNON:

H.J. Res. 612. Joint resolution to reduce the risk of nuclear war and to restrain the nuclear arms race; jointly, to the committees on Foreign Affairs and Armed Services.

By Mr. ROSTENKOWSKI:

H. Con. Res. 328. Concurrent resolution to correct technical errors in the enrollment of the bill H.R. 4170; considered and agreed to.

By Mr. BROWN of California:

H. Con. Res. 329. Concurrent resolution expressing the sense of the Congress that the common security of all nations is threatened by the escalating arms race and that the danger of nuclear war requires renewed and persistent efforts to negotiate a comprehensive treaty for staged disarmament to be verified by an international security and disarmament authority and accompanied by strengthened international peacekeeping and dispute resolution institutions; to the Committee on Foreign Affairs.

By Mr. WILLIAMS of Montana:

H. Con. Res. 330. Concurrent resolution to express the sense of the Congress that the State of Montana should be designated as the "Official United States Gateway to the 1988 Calgary Olympics;" to the Committee on Post Office and Civil Service.

By Mr. BARNES (for himself, Mr. Lagomarsino, and Mr. Gejdenson):

H. Con. Res. 331. Concurrent resolution to condemn the closing of ABC Color, the only independent newspaper in Paraguay, and to urge the Government of Paraguay to permit the reopening of that newspaper and to guarantee freedom of the press; to the Committee on Foreign Affairs.

By Mr. LUNGREN:

H. Res. 539. Resolution providing for the consideration of the bill (H.R. 5594) to amend titles 18 and 28 of the United States Code with respect to bail, the exclusionary rule, habeas corpus, and capital punishment, and for other purposes; to the Committee on Rules.

By Mr. ROYBAL:

H. Res. 540. Resolution establishing a pilot program of fellowships under the House of Representatives for persons who are blind or deaf; to the Committee on House Administration.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 337: Mr. Anthony.

H.R. 425: Mr. Martinez, Mr. Kildee, Ms. Mikulski, Mr. Addabbo, and Mr. Savage.

H.R. 1444: Mr. Addabbo and Mr. Kostmayer.

H.R. 1571: Mr. Bosco.

H.R. 1674: Mr. Anthony.

H.R. 1942: Mr. Conte.

H.R. 2790: Mr. Stump.

H.R. 3091: Mr. Darden.

H.R. 3271: Mr. Ratchford.

H.R. 3950: Mr. Howard, Mr. Packard, and Mr. Bevill.

H.R. 4175: Mr. Bates, Mr. Luken, and Mr. Lent.

H.R. 4440: Mr. Durbin.

H.R. 4559: Mr. Slattery.

H.R. 4775: Mr. Madigan.

H.R. 4832: Ms. Ferraro and Mr. Coleman of Texas.

H.R. 4923: Mr. Vento, Mrs. Hall of Indiana, Mr. Edgar, Mr. Martinez, Mr. Richardson, and Mr. Coyne.

H.R. 5024: Mr. Long of Louisiana.

H.R. 5031: Mr. Boehlert.

H.R. 5158: Mr. Siljander.

H.R. 5370: Mr. Coelho and Mr. Lowery of California.

H.R. 5376: Mrs. Smith of Nebraska.

H.R. 5381: Mr. Dellums, Mr. Sabo, Mr. Lowry of Washington, Mr. Won Pat, Mr. Smith of Florida, Mr. Berman, Mr. Foglietta, and Ms. Kaptur.

H.R. 5582: Mr. Dwyer of New Jersey.

H.R. 5594: Mr. Stump, Mr. Shuster, Mr. Emerson, Mr. Robinson, Mr. Marriott, Mr. Sundquist, and Mrs. Holt.

H.R. 5608: Mr. Dannemeyer.

H.R. 5638: Mr. Bosco, Mr. Owens, Mr. Markey, Mr. Ritter, Mr. Kindness, and Mrs. Lloyd.

H.R. 5783: Mr. Seiberling, Mr. Luken, Mr. Stokes, and Mr. Williams of Ohio.

H.R. 5835: Mr. Crockett, Mr. Andrews of North Carolina, Mr. Morrison of Connecticut, Mr. Martinez, Mr. McNulty, Mr. Lipinsky, Mr. Jacobs, and Mrs. Roukema.

H.R. 5843: Mr. Andrews of Texas.

H.R. 5854: Mr. Stangeland, Ms. Kaptur, and Mr. Bevill.

H.J. Res. 420: Mr. Akaka, Mr. Albosta, Mr. Aspin, Mr. AuCoin, Mr. Beilenson, Mr. Bennett, Mr. Burton of Indiana, Mr. Carney, Mr. Cheney, Mr. Coleman, of Missouri, Mr. Courter, Mr. Dannemeyer, Mr. Dellums, Mr. Dorgan, Mr. Erdreich, Mr. Foley, Mr. Franklin, Mr. Hamilton, Mr. Hance, Mr. Jones of Oklahoma, Mr. Jones of North Carolina, Mr. Lent, Mr. Lewis of Florida, Mr. Mack, Mr. Madigan, Mr. Markey, Mr. Martinez, Mr. Mavroules, Mr.

Myers, Mr. Neal, Mr. Olin, Mr. Ortiz, Mr. Panetta, Mr. Perkins, Mr. Purcell, Mr. Reid, Mr. Ritter, Mr. Roth, Mr. Rudd, Mr. Siljander.

H.J. Res. 489: Mr. Tauzin, Mr. Gejdenson, Mr. Biaggi, Mr. Robinson, Mr. Fauntroy, Mr. Flippo, Mr. Hawkins, Mr. Hughes, Mr. Duncan, Mr. Daniel, Mr. Chandler, Mr. Conyers, Mr. English, Mr. Hutto, Mr. Emerson, Mr. Borski, Mr. Lantos, Mrs. Byron, Mr. Ridge, Mr. Florio, Mr. Young of Missouri, Mr. Sabo, Mr. Kleczka, Mr. Heftel of Hawaii, Mrs. Collins, Mr. Natcher, Mr. Annunzio, Mr. Gramm, Mr. Pease, Mr. Barnard, Mr. Bennett, Mr. Mitchell, Mr. AuCoin, Mr. Ortiz, Mr. Foglietta, Mr. Green, and Mr. Synar.

H.J. Res. 491: Mr. Mavroules, Mr. Valentine, and Mr. Wilson.

H.J. Res. 529: Mr. Smith of New Jersey, Mr. Rinaldo, Mr. Richardson, Mr. Corcoran, Mr. Savage Mr. Hayes, Mr. Thomas of Georiga, Mr. McKinney, Mr. Morrison of Connecticut, Mr. Sundquist, Mr. Conte, Mr. Marriott, Ms. Oakar, Mr. Lantos, Mr. Brown of California, Mr. Leach of Iowa, Mr. Davis, Mr. Badham, Mr. Regula, Mr. McEwen, Mr. Howard, Mr. Coelho, Mr. Beilenson, Mr. Livingston, and Mrs. Hall of Indiana.

H.J. Res. 550: Mr. Rinaldo, Mr. Morrsion of Connecticut, Mr. Roe, Mr. Martinez, Mr. Fish, and Mr. Guarini.

H.J. Res. 572: Mr. Whittaker, Mr. Kogovsek, Mr. Jenkins, Mr. Young of Missouri, Mr. Clay, Mr. Latta, Mr. McDade, Mr. Wilson, Mr. Patterson, Mr. Morrison of Connecticut, Mr. O'Brien, Mr. Pursell, Mr. Lowery of California, Mr. Nichols, Ms. Oakar, Mr. Nowak, Mr. Rinaldo, Mr. Porter, Mr. Rodino, Mr. Carper, Mrs. Lloyd, Mr. Savage, Mr. Valentine, Mr. Sawyer, Mr. Ford of Michigan, Mr. Ritter, Mr. Moakley, Mr. McCurdy, Mr. de Lugo, Mr. Applegate, Mr. Biaggi, Mr. Borski, Mr. Edgar, Mr. McCloskey, Mr. Martin of North Carolina, Mrs. Burton of California, Mr. Walgren, Mr. Long of Maryland, Mr. Wirth, Mr. Roemer, Mr. Robinson, Mr. Won Pat, Mr. Hall of Ohio, Mr. Marriott, Mr. Ford of Tennessee, Mr. Andrews of North Carolina, Mr. Andrews of Texas, Mr. Anthony, Mr. Bateman, Mr. Boland, Mr. Gonzalez, Mr. Ortiz, Mr. Britt, Mr. Coyne, Mr. Dellums, Mr. Hawkins, Mr. Gephardt, Mr. Hertel of Michigan, Mr. Heftel of Hawaii, Mr. Harrison, Mr. Hoyer, Mr. Boehlert, Mr. Boucher, Hayes, Mr. Horton, Mr. Anderson, Mr. Foglietta, Mr. McNulty, Mr. MacKay, Mr. Martin of New York, Mr. Pepper, Mr. Perkins, Mr. Hutto, Mr. Boner of Tennessee, Mr. Martinez, Mr. Annunzio, Mr. Clarke, Mr. Ireland, Mr. Packard, Mr. Gore, Mr. Kildee, Mr. McEwen, Mr. Rostenkowski, Mr. Frank, Mr. McGrath, Mr. McCain, and Mrs. Kennelly.

H.J. Res. 573: Mr. Stangeland and Mr. Carney.

H.J. Res. 585: Mr. Walgren, Mr. Quillen, Mr. Hughes, Mr. Frank, Mr. Markey, Mr. Eckart, Mr. Evans of Illinois, Mr. Richardson, Mr. Seiberling, Mr. Fazio, Mrs. Collins, and Mr. Foglietta.

H.J. Res. 599: Mr. Ackerman, Mr. Conte, Mr. Daub, Mr. Fazio, Ms. Ferraro, Mr. Kolter, Mr. Markey, Mr. Morrison of Connecticut, Mr. Patterson, Mr. Rahall, Mr. Smith of Florida, and Mr. Walgren.

H. Con. Res. 123: Mr. Towns, Mr. Wirth, Mr. Markey, Mr. Weiss, Mr. McHugh, Mr. Synar, Mr. McNulty, and Mr. Addabbo.

H. Con. Res. 239: Mr. Vandergriff.

H. Con. Res. 265: Mrs. Boxer.

H. Con. Res. 271: Mr. Gunderson, Mr. Addabbo, Mr. Traxler, Mr. Gilman, Mrs. Boxer, Mr. Bevill, and Mr. Fuqua.

H. Con. Res. 277: Mr. Lent.

H. Con. Res. 302: Mr. Beilenson, Mr. Lantos, Mr. Applegate, and Mr. Weiss.

H. Con. Res. 322: Mrs. Boxer, Mr. Ratchford, Mr. Olin, Mr. Green, Mr. Fauntroy, Mr. Carney, Mr. Rangel, Mr. Daub, Mr. Weiss, Mr. Kolter, and Mr. Ackerman.

H. Con. Res. 327: Mr. Gejdenson, Mr. Garcia, Mr. Solarz, Mr. Pritchard, and Mr. Sharp.

H. Res. 518: Mrs. Roukema and Mr. Robinson.

H. Res. 112: Mr. Florio.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 3420: Mr. Daub.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3678

By Mr. ALBOSTA:

Amendment to the amendment in the nature of a substitute.

—Page 301, after line 2, insert the following:

Sec. 1174. The Secretary is authorized and directed to construct a second lock 1,200 feet in length, 115 feet in width, and 32 feet in depth, adjacent to the existing lock at Sault Sainte Marie, Michigan, at full Federal expense and at an estimated cost of $240,000,000.

H.R. 3678

By Mr. MacKAY:

Amendment to the amendment in the nature of a substitute.

—Page 241, after line 25, insert the following:

Sec. 1006. (a)(1) The high-level lock barge canal from the St. Johns River across Florida to the Gulf of Mexico authorized by the Act of July 23, 1942 (56 Stat. 703), is not authorized after the date this section becomes effective.

(2) Subject to the provisions of subsections (b) and (c) of this section, the Secretary is authorized to operate and maintain the existing facilities (and lands appurtenant thereto) of the Cross-Florida Barge Canal project referred to in paragraph (1) of this subsection in such manner as the Secretary determines to be necessary unless and until a law of the United States enacted after the date of enactment of this Act provides for further disposition of the project, its facilities, and lands and interests in lands owned by the United States.

(b)(1) The Secretary shall operate the Rodman Dam authorized by the Act of July 23, 1942 (56 Stat. 703), in a manner which will assure the continuation of the reservoir known as Lake Ocklawaha. The Secretary shall not operate the Eureka Lock and Dam in a manner which would create a reservoir on lands not flooded on January 1, 1984.

(2) The Secretary is authorized to acquire, by purchase or exchange with donated or appropriated funds, such lands and interests in lands acquired by the State of Florida for the Cross-Florida Barge Canal project as may be necessary to comply with the provisions of paragraph (1) of this subsection. For acquisition of such lands or interests in lands, the Secretary—

(A) shall pay the owner of any such lands or interests in lands an amount, or

(B) in the case of an exchange, give such owner lands or interests in lands with a fair market value, which is not less than the fair market value of the lands or interests in lands to be acquired.

(c)(1) The Lake Ocklawaha Federal Recreation District is hereby established and shall be administered by the Secretary. Such District shall include the Rodman Dam authorized by the Act of July 23, 1942 (56 Stat. 703), the reservoir which is created by the dam pursuant to the easements granted and transferred to the United States by the State of Florida pursuant to this section, and any lands and interests in lands acquired by the Secretary under subsection (b)(2) of this section. The Secretary is directed to operate the Rodman Dam, and manage the recreation district, in a manner consistent with maintaining the recreational values of the reservoir and consistent with applicable water management policies of the State of Florida. In operating the Rodman Dam, the Secretary shall consult the St. Johns River Water Management District Board.

(2) The Secretary is directed to request the transfer of all easements held by the State of Florida on lands associated with the Cross-Florida Barge Canal project referred to in subsection (a) of this section from the Eureka Lock and Dam to the St. Johns River.

(3) The Secretary shall receive and administer each easement granted or transferred to the United States pursuant to this section to further the purposes of the District established by paragraph (1) of this subsection.

(d) Subsections (a) and (b) of this section shall not become effective until—

(1) the State of Florida enacts a law which assures that, upon deauthorization of the Cross-Florida Barge Canal project referred to in subsection (a) of this section, all valid public uses of the lands and interests in lands acquired by the State of Florida for such project will be protected by providing that, before the State transfers any such lands or interests in lands to any other person (except the Federal Government), the county in which such lands are located shall have the first right to purchase, at fair market value, such lands or interests in lands;

(2) the State of Florida enacts a law which assures that, upon deauthorization of such project, the State of Florida will never transfer to any person (except the Federal Government) any lands owned by the State and contained within the expanded boundary of the Ocala National Forest as proposed and shown on the map dated July 1978, on file with the Chief of the Forest Service, Department of Agriculture, Washington, District of Columbia; and

(3) the State of Florida enacts a law which assures that, upon deauthorization of such project, that the State will grant to the United States a perpetual easement to flood that portion of the lands referred to in paragraph (2) of this subsection from the Eureka Lock and Dam to the St. Johns River.

(e) There are authorized to be appropriated for fiscal years beginning after September 30, 1984, such sums as may be necessary to carry out the provisions of this section.

Amendment in the nature of a substitute.

H.R. 3678

By Mr. McHUGH:

—Page 163, after line 21, insert the following:

SEC. 762. The project for flood control, Endicott, Johnson City, and Vestal, New York, authorized by the Flood Control Act of 1954, is hereby modified to authorize the Secretary to undertake such measures as may be necessary to correct erosion problems affecting the levee at Vestal, New York, and to perform necessary work to protect the levee and restore it to its design condition, at an estimated cost of $700,000. The non-Federal share of the cost of such measures and work shall be determined under section 302 of this Act.

H.R. 3678

By Mr. PETRI:

(Amendment to the amendment in the nature of a substitute.)

—Page 317, after line 26, insert the following:

Title XVI—Other Cost Sharing Conditions

SEC. 1601. (a) Notwithstanding any other provision of law (including any other section of this Act), the share of the project costs non-Federal interests shall pay during the period of construction of any water resource project of the Secretary of the Army (including any demonstration project and excluding any project for navigation) which is authorized before, on, or after the date of enactment of this Act and for which Federal funds have not been appropriated for construction on or before such date of enactment shall be as follows:

(1) 50 percent of the costs of construction allocated to the hydroelectric power purpose of the project;

(2) 20 percent of the costs of construction allocated to the municipal and industrial water storage and supply purposes of the project;

(3) 50 percent of the separable costs of construction of the recreation features of the project;

(4) Not less than 50 percent of the costs of construction allocated to the shoreline protection and beach erosion control purposes of the project if the project is located on any shore (other than a federally owned shore or non-federal public shore park);

(5) Not less than 30 percent of the costs of construction allocated to the shoreline protection and beach erosion control purposes of the project if the project is on a non-federal public shore park;

(6) Not less than 25 percent and not more than 30 percent of the costs of construction allocated to the flood protection purpose of the project if such project purpose is for structural improvements;

(7) 10 percent of the costs allocated to the flood protection purposes of the project if such project purpose is for nonstructural improvements.

(b) Notwithstanding any other provision of law (including any other section of this Act), non-Federal interests shall pay during the period of construction of any navigation project of the Secretary (including any demonstration project and excluding any navigation project for an inland waterway or inland waterway harbor) which is authorized before, on, or after the date of enactment of this Act and for which Federal funds have not been appropriated for construction on or before such date of enactment, the following amounts:

(1) If the project is for a general cargo port, 30 percent of the costs of construction allocated to the navigation purpose.

(2) If the project is for a deep-draft port, 30 percent of the costs of construction allocated to the navigation purpose of the portion of the project to a depth of 45 feet and 50 percent of the cost of construction allocated to the navigation purpose of the portion of the project deeper than 45 feet.

(c)(1) If the Secretary determines that the economic benefits of a water resource project are better achieved through flexible non-Federal cost sharing arrangements, the Secretary may extend the period for payment of the non-Federal costs required to be paid by subsections (a) and (b) of section 1601 for a period not to exceed 15 years beginning on the date of such determination; except that non-Federal interests shall pay at least 10 percent of the cost of construction of the project during the period of construction.

(2) The Secretary shall enter into an agreement with each non-Federal interest to whom an extension of a payment period is made under this subsection to ensure that the present value of deferred payments when added to payments made on or before the date of such extension are equal to the present value of the non-Federal share of the costs of construction of the project which would be due during the period of construction but for this subsection.

(3) Within one year after the date of enactment of this Act, the Secretary shall issue regulations setting out objective criteria (such as regional unemployment levels, the non-Federal sponsor's financial capabilities, and the probable timing of future benefits resulting from any water resource project) upon which any determination by the Secretary concerning extension of the period of payment of the non-Federal share of the costs of any water resources project will be based under this subsection. Such regulations shall be issued following public notice and an opportunity to comment in accordance with subchapter II of chapter 5 of title 5, United States Code.

SEC. 1602. (a) The Secretary may commence construction of a water resource project or separable element thereof to which the provisions of section 1601 apply only if each non-Federal interest provides such assurances and enters into such agreements as the Secretary determines are necessary to ensure that such non-Federal interest will pay its share of the cost of the project or separable element thereof in a timely manner and will furnish any other required cooperation for the project.

(b) A non-Federal interest may pay its share of the cost of any water resource project to which the cost sharing provisions of section 1601 apply by providing services, materials, supplies, lands, easements, or rights-of-way or making other payments in kind; except that non-federal interests shall pay at least 10 percent of the total costs of construction of the project in cash during the period of construction.

SEC. 1603. (a) In the case of hydroelectric powerplants authorized to be constructed by the Secretary before, on or after the date of enactment of this Act and for which Federal funds have not been appropriated for construction on or before such date of enactment, the Secretary shall, by notice in the Federal Register, invite applications from non-Federal entities to provide funds during the period of construction to be expended in construction of the powerplant under the conditions specified in such notice and each invitation shall remain open for one year from the date of its publication in the Federal Register.

(b) The notice referred to in subsection (a) shall be developed in consultation with the Secretary of Energy and shall include:

(1) A statement of the financial qualifications required of applicants, including any security to guarantee performance;

(2) A statement of the terms and conditions for the advancement of the Funds proposed to be provided;

(3) Identification of the particular power marketing program with which the powerplant to which it pertains is to be financially integrated and through which the power generated is to be marketed;

(4) A statement of the period of time, not to exceed 50 years, (a) within which the Secretary will pay to each selected applicant an amount equal to the funds it advances, with interest determined as provided by or in accordance with applicable law, to be derived solely from the net operating revenues of the power marketing program identified as provided in paragraph (3) or, (b) if the applicant is an entity entitled to preference in the sale of power under applicable federal power marketing law, at such applicant's option, within which a proportionate share of the power output from the power marketing system identified as provided in paragraph (3) of which the powerplant is a part will be available to such applicant, such proportionate part to be determined by the Secretary of Energy making due allowance for the addition to the power marketing system of the generation from tha powerplant;

(5) A statement that upon completion of the payment or delivery of power described in paragraph (4), as the case may be, all rights to payment or delivery of power shall terminate but this shall not affect whatever rights may be afforded by the applicable Federal power marketing law to such applicant to purchase power;

(6) Any other information, including conditions, not inconsistent with the foregoing deemed appropriate.

(7) If it is determined by the Secretary of Energy that it is impracticable to include the output of the proposed powerplant in a power marketing system, paragraphs (3)-(6), inclusive, shall be applied on an individual powerplant basis.

(c) The Secretary shall accept all applications meeting the requirements of a notice: *Provided*, That if the estimated amount required during the period of construction for construction of a powerplant is oversubscribed by otherwise acceptable applications, the Secretary shall give preference to applications from applicants entitled to preference in the sale of power under applicable federal power marketing law: *Provided further*, That if after giving effect to the preceding proviso, the estimated amount required remains oversubscribed, the Secretary shall equitably apportion the obligation to advance funds among the acceptable proposals remaining but no entity may be required to enter into an agreement for less than the amount specified in its proposal.

(d) Funds advanced by a selected applicant may be expended only for the purpose for which advanced.

(e) If and to the extent that the Secretary finds that the sum of the accepted proposals is equal to or greater than 10 per centum but less than 100 per centum of the estimated cost of construction, subject to the provisions of section 1601. (c), appropriations may be requested for the difference between the estimated cost of construction and the sums to be advanced under the accepted applications: *Provided*, That the initial request for appropriation of funds for actual construction shall be accompanied by a report by the Secretary stating whether or not any proposal submitted was not accepted and detailing the reasons for any rejections.

Sec. 1604. (a) Any agreement entered into under this title shall be enforceable in the appropriate district court of the United States.

(b) The Secretary shall deposit all payments received from non-Federal interests for their share of the costs of any water resource project to which the provisions of section 1601 apply in the general fund of the Treasury of the United States.

Sec. 1605. Notwithstanding any other provision of law, the total of all obligations from general revenues for construction, operation, maintenance, rehabilitation, and renovation of navigation projects for inland waterways and inland waterway harbors of the United States shall not exceed—

(1) $586,000,000 in the fiscal year ending September 30, 1986;

(2) $551,000,000 in the fiscal year ending September 30, 1987;

(3) $516,000,000 in the fiscal year ending September 30, 1988;

(4) $481,000,000 in the fiscal year ending September 30, 1989;

(5) $446,000,000 in the fiscal year ending September 30, 1990;

(6) $411,000,000 in the fiscal year ending September 30, 1991;

(7) $376,000,000 in the fiscal year ending September 30, 1992;

(8) $341,000,000 in the fiscal year ending September 30, 1993;

(9) $306,000,000 in the fiscal year ending September 30, 1994;

(10) $271,000,000 in the fiscal year ending September 30, 1995;

(11) $236,000,000 in the fiscal year ending September 30, 1996;

(12) $201,000,000 in the fiscal year ending September 30, 1997, and in each succeeding fiscal year thereafter.

Sec. 1606. The Secretary shall study, in consultation with the Secretary of the Treasury and other interested parties, means to raise additional revenues in the event that total authorized expenditures for navigation projects exceed (1) the annual ceiling on obligations of funds from general revenues provided for in section 1605 plus (2) the funds available from the Inland Waterways Trust Fund. The Secretary shall report to Congress not later than February 15, 1985, on the results of this study along with recommendations concerning the most appropriate means of raising such additional revenues.

Sec. 1607. Nothing in this title shall be deemed to alter or amend in any way otherwise applicable statutes, including but not limited to Section Five of the Flood Control Act of 1944, relating to marketing of federally generated hydroelectric power from projects constructed by the Army Corps of Engineers.

—Page 317, after line 26, insert the following:

Title XVI—Other Cost Sharing Conditions

Sec. 1601. (a) Notwithstanding any other provision of law (including any other section of this Act), the share of the project costs non-Federal interests shall pay during the period of construction of any water resource project of the Secretary of the Army (including any demonstration project and excluding any project for navigation) which is authorized before, on, or after the date of enactment of this Act and for which Federal funds have not been appropriated for construction on or before such date of enactment shall be as follows:

(1) 50 percent of the costs of construction allocated to the hydroelectric power purpose of the project; *Provided* That the Secretary shall give preference in accepting contributions from non-federal interests to those entities which are entitled to preference status under applicable law and have shown interest in developing the hydropower resource involved;

(2) 20 percent of the costs of construction allocated to the municipal and industrial water storage and supply purposes of the project;

(3) 50 percent of the separable costs of construction of the recreation features of the project;

(4) Not less than 50 percent of the costs of construction allocated to the shoreline protection and beach erosion control purpose of the project if the project is located on any shore (other than a federally owned shore or non-federal public shore park);

(5) Not less than 30 percent of the costs of construction allocated to the shoreline protection and beach erosion control purposes of the project if the project is on a non-federal public shore park;

(6) Not less than 25 percent and not more than 30 percent of the costs of construction allocated to the flood protection purpose of the project if such project purpose is for structural improvements;

(7) 10 percent of the costs allocated to the flood protection purposes of the project if such project purpose is for nonstructural improvements.

(b) Notwithstanding any other provision of law (including any other section of this Act), non-Federal interests shall pay during the period of construction of any navigation project of the Secretary (including any demonstration project and excluding any navigation project for an inland waterway or inland waterway harbor) which is authorized before, on, or after the date of enactment of this Act and for which Federal funds have not been appropriated for construction on or before such date of enactment, the following amounts:

(1) If the project is for a general cargo port, 30 percent of the costs of construction allocated to the navigation purpose.

(2) If the project is for a deep-draft port, 30 percent of the costs of construction allocated to the navigation purpose of the portion of the project to a depth of 45 feet and 50 percent of the cost of construction allocated to the navigation purpose of the portion of the project deeper than 45 feet.

(c)(1) If the Secretary determines that the economic benefits of a water resource project are better achieved through flexible non-Federal cost sharing arrangements, the Secretary may extend the period for payment of the non-Federal costs required to be paid by subsections (a) and (b) of section 1601 for a period not to exceed 15 years beginning on the date of such determination; except that non-Federal interests shall pay at least 10 percent of the cost of construction of the project during the period of construction.

(2) The Secretary shall enter into an agreement with each non-Federal interest to whom an extention of a payment period is made under this subsection to ensure that the present value of deferred payments when added to payments made on or before the date of such extension are equal to the present value of the non-Federal share of the costs of construction of the project which would be due during the period of construction but for this subsection.

(3) Within one year after the date of enactment of this Act, the Secretary shall issue regulations setting out objective criteria (such as regional unemployment levels, the non-Federal sponsor's financial capabilities, and the probable timing of future benefits resulting from any water resource project) upon which any determination by the Secretary concerning extension of the period of payment of the non-Federal share of the costs of any water resources project will be based under this subsection. Such regulations shall be issued following public notice and an opportunity to comment in accordance with subchapter II of chapter 5 of title 5, United States Code.

Sec. 1602. (a) The Secretary may commence construction of a water resource project or separable element thereof to which the provisions of section 1601 apply only if each non-Federal interest provides such assurances and enters into such agreements as the Secretary determines are necessary to ensure that such non-Federal interest will pay its share of the cost of the project or separable element thereof in a timely manner and will furnish any other required cooperation for the project.

(b) A non-Federal interest may pay its share of the cost of any water resource project to which the cost sharing provisions of section 1601 apply by providing services, materials, supplies, lands, easements, or rights-of-way or making other payments in kind; except that non-federal interests shall pay at least 10 percent of the total costs of construction of the project in cash during the period of construction.

Sec. 1603. (a) Any agreement entered into under this title shall be enforceable in the appropriate district court of the United States.

(b) The Secretary shall deposit all payments received from non-Federal interests for their share of the costs of any water resource project to which the provisions of section 1601 apply in the general fund of the Treasury of the United States.

Sec. 1604. Notwithstanding any other provision of law, the total of all obligations from general revenues for construction, operation, maintenance, rehabilitation, and renovation of navigation projects for inland waterways and inland waterway harbors of the United States shall not exceed—

(1) $586,000,000 in the fiscal year ending September 30, 1986;

(2) $551,000,000 in the fiscal year ending September 30, 1987;

(3) $516,000,000 in the fiscal year ending September 30, 1988;

(4) $481,000,000 in the fiscal year ending September 30, 1989;

(5) $446,000,000 in the fiscal year ending September 30, 1990;

(6) $411,000,000 in the fiscal year ending September 30, 1991;

(7) $376,000,000 in the fiscal year ending September 30, 1992;

(8) $341,000,000 in the fiscal year ending September 30, 1993;

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(10) $271,000,000 in the fiscal year ending September 30, 1995;

(11) $236,000,000 in the fiscal year ending September 30, 1996;

(12) $201,000,000 in the fiscal year ending September 30, 1997, and in each succeeding fiscal year thereafter.

Sec. 1605. The Secretary shall study, in consultation with the Secretary of the

Treasury and other interested parties, means to raise additional revenues in the event that total authorized expenditures for navigation projects exceed (1) the annual ceiling on obligations of funds from general revenues provided for in section 1604 plus (2) the funds available from the Inland Waterways Trust Fund. The Secretary shall report to Congress not later than February 15, 1985, on the results of this study along with recommendations concerning the most appropriate means of raising such additional revenues.

SEC. 1606. Nothing in this title shall be deemed to alter or amend in any way otherwise applicable statutes, including but not limited to Section Five of the Flood Control Act of 1944, relating to marketing of federally generated hydroelectric power from projects constructed by the Army Corps of Engineers.

—Page 317, after line 26, insert the following:

TITLE XVI—OTHER COST SHARING CONDITIONS

SEC. 1601. (a) Notwithstanding any other provision of law (including any other section of this Act), the share of the project costs non-Federal interest shall pay during the period of construction of any water resource project of the Secretary of the Army (including any demonstration project and excluding any project for navigation) which is authorized before, on, or after the date of enactment of this Act and for which Federal funds have not been appropriated for construction on or before such date of enactment shall be as follows:

(1) 50 percent of the costs of construction allocated to the hydroelectric power purpose of the project;

(2) 20 percent of the costs of construction allocated to the municipal and industrial water storage and supply purposes of the project;

(3) 50 percent of the separable costs of construction of the recreation features of the project;

(4) Not less than 50 percent of the costs of construction allocated to the shoreline protection and beach erosion control purposes of the project if the project is located on any shore (other than a federally owned shore or non-federal public shore park);

(5) Not less than 30 percent of the costs of construction allocated to the shoreline protection and beach erosion control purposes of the project if the project is on a non-federal public shore park;

(6) Not less than 25 percent and not more than 30 percent of the costs of construction allocated to the flood protection purpose of the project if such project purpose is for structural improvements;

(7) 10 percent of the costs allocated to the flood protection purposes of the project if such project purpose is for nonstructural improvements.

(b) Notwithstanding any other provision of law (including any other section of this Act), non-Federal interests shall pay during the period of construction of any navigation project of the Secretary (including any demonstration project and excluding any navigation project for an inland waterway or inland waterway harbor) which is authorized before, on, or after the date of enactment of this Act and for which Federal funds have not been appropriated for construction on or before such date of enactment, the following amounts:

(1) If the project is for a general cargo port, 30 percent of the costs of construction allocated to the navigation purpose.

(2) If the project is for a deep-draft port, 30 percent of the costs of construction allocated to the navigation purpose of the portion of the project to a depth of 45 feet and 50 percent of the cost of construction allocated to the navigation purpose of the portion of the project deeper than 45 feet.

(c)(1) If the Secretary determines that the economic benefits of a water resource project are better achieved through flexible non-Federal cost sharing arrangements, the Secretary may extend the period for payment of the non-Federal costs required to be paid by subsections (a) and (b) of section 1601 for a period not to exceed 15 years beginning on the date of such determination; except that non-Federal interests shall pay at least 10 percent of the cost of construction of the project during the period of construction.

(2) The Secretary shall enter into an agreement with each non-Federal interest to whom an extension of a payment period is made under this subsection to ensure that the present value of deferred payments when added to payments made on or before the date of such extension are equal to the present value of the non-Federal share of the costs of construction of the project which would be due during the period of construction but for this subsection.

(3) Within one year after the date of enactment of this Act, the Secretary shall issue regulations setting out objective criteria (such as regional unemployment levels, the non-Federal sponsor's financial capabilities, and the probable timing of future benefits resulting from any water resource project) upon which any determination by the Secretary concerning extension of the period of payment of the non-Federal share of the costs of any water resources project will be based under this subsection. Such regulations shall be issued following public notice and an opportunity to comment in accordance with subchapter II of chapter 5 of title 5, United States Code.

SEC. 1602. (a) The Secretary may commence construction of a water resource project or separable element thereof to which the provisions of section 1601 apply only if each non-Federal interest provides such assurances and enters into such agreements as the Secretary determines are necessary to ensure that such non-Federal interest will pay its share of the cost of the project or separable element thereof in a timely manner and will furnish any other required cooperation for the project.

(b) A non-Federal interest may pay its share of the cost of any water resource project to which the cost sharing provisions of section 1601 apply by providing services, materials, supplies, lands, easements, or rights-of-way or making other payments in kind; except that non-federal interests shall pay at least 10 percent of the total costs of construction of the project in cash during the period of construction.

SEC. 1603. (a) Any agreement entered into under this title shall be enforceable in the appropriate district court of the United States.

(b) The Secretary shall deposit all payments received from non-Federal interests for their share of the costs of any water resource project to which the provisions of section 1601 apply in the general fund of the Treasury of the United States.

SEC. 1604. Notwithstanding any other provision of law, the total of all obligations from general revenues for construction, operation, maintenance, rehabilitation, and renovation of navigation projects for inland waterways and inland waterway harbors of the United States shall not exceed—

(1) $586,000,000 in the fiscal year ending September 30, 1986;

(2) $551,000,000 in the fiscal year ending September 30, 1987;

(3) $516,000,000 in the fiscal year ending September 30, 1988;

(4) $481,000,000 in the fiscal year ending September 30, 1989;

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(6) $411,000,000 in the fiscal year ending September 30, 1991;

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(11) $236,000,000 in the fiscal year ending September 30, 1996;

(12) $201,000,000 in the fiscal year ending September 30, 1997, and in each succeeding fiscal year thereafter.

SEC. 1605. The Secretary shall study, in consultation with the Secretary of the Treasury and other interested parties, means to raise additional revenues in the event that total authorized expenditures for navigation projects exceed (1) the annual ceiling on obligations of funds from general revenues provided for in section 1604 plus (2) the funds available from the Inland Waterways Trust Fund. The Secretary shall report to Congress not later than February 15, 1985, on the results of this study along with recommendations concerning the most appropriate means of raising such additional revenues.

H.R. 3678

By Mr. WATKINS:

—Page 163, after line 21, insert the following:

SEC. 762. The flood control project for Sardis Lake, authorized by section 203 of the Flood Control Act of 1962, as modified by section 108 of the Energy and Water Development Appropriation Act of 1982, is modified to authorize and direct the Secretary to plan, design, and construct access road improvements to the existing road from the west end of Sardis Lake to Daisy, Oklahoma, at full Federal expense and at an estimated cost of $10,000,000. Non-Federal interests shall operate and maintain facilities at their own expense.

H.R. 5680

By Mr. DANNEMEYER:

—Page 2, strike out line 21 and all that follows thereafter through page 3, line 2, (comprising section 102) and insert in lieu thereof the following:

PURPOSE

SEC. 102. It is the purpose of this section to identify and eliminate any discriminatory wage-setting practices and discriminatory wage differentials—

(1) within the Federal Government's position-classification system under chapter 51 of title 5, United States Code, and

(2) within the job grading system under subchapter IV of chapter 53 of such title.

Page 3, line 12, (in section 103(a)(1)(A)) strike out "within the systems" and insert in lieu thereof "within each of the respective systems".

Page 4, after line 20, (after section 103(b)) add the following:

(c) Each of the systems referred to in section 102 shall be studied separately under this title, and without taking into consideration any practice, differential, rate of compensation, or other aspect of the other system.

H.R. 5680

By Mr. DANNEMEYER:

—Page 21, strike out the matter after line 14 and before line 17, and insert in lieu thereof the following:

"(2) For each of the fiscal years during which this chapter has effect—

"(A) the applicable minimum percentage is 0.75 percent; and

"(B) the applicable maximum percentage is 1.50 percent.

H.R. 5680

By Mr. DANNEMEYER:

—Page 7, line 14, insert "(a)" after "106.".

Page 7, after line 19, add the following:

(b) Nothing in this title shall be construed to be an endorsement of the concept commonly referred to as the concept of "equal pay for work of comparable value".

SENATE—*Wednesday, June 27, 1984*

(Legislative day of Monday, June 25, 1984)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

God is our refuge and strength, a very present help in trouble.—Psalm 46:1.

Almighty God, this body is like a huge magnet attracting the problems of the world—enormous problems of cosmic magnitude, involving nations and the destiny of the people of the world—small problems, involving one family or one person. And people who work here spend all of their public lives and much of their private lives in the vortex of these macro and micro problems.

Whether it is war and peace, or a missing Social Security check—thousands unemployed, or one constituent out of work—poverty, hunger, disease of millions, or one lost child—somehow all problems find their way to a Senator. Father in Heaven, give Thy grace to the Senators and their staffs, all of whom have their own problems, that they may navigate through this sea of trouble, to render just and equitable judgments, and to fulfill Thy purpose for their public service. In the name of Him who bore the burdens of the world in His own body on the cross. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

COMMENDATION OF THE CHAPLAIN

Mr. BAKER. Mr. President, once more I congratulate the Chaplain for the excellence of his prayer this morning. It is extremely appropriate, very insightful, and worthwhile.

I might say, by the way, that at some point I hope that we will gather together the morning prayers of the Chaplain and publish them as a Senate document. I will consult with the minority leader and with the Chaplain on that, and we will discuss it further at another time.

SENATE SCHEDULE

Mr. BAKER. Mr. President, there are seven special orders this morning; and that, together with the leader time and morning business, will occupy us until noon.

At noon, the Senate will resume consideration of the math-science bill.

I announced yesterday that I anticipated that we would try to proceed to consideration of the State-Justice appropriations bill this morning, instead. But after consulting with the distinguished chairman of the Appropriations Committee and other Senators, it appears to me that it would be the better part of discretion to go ahead and consider the unfinished business, instead of going to State-Justice right away.

So we are still going to do State-Justice, and I hope we can complete it before we go out for the Fourth of July recess. But it is anticipated by the leadership on this side that we will stay on the unfinished business after we resume its consideration at 12 noon.

Mr. President, as Senators know, we have worked out most of the problems of the math-science bill except for a couple of issues, and they are important ones. We still have the so-called equal access issue which must be resolved. I continue to hope that that can be worked out, and the parties to that controversy have indicated to me separately that they think they are very close to an agreement. I urge them to try to complete the negotiations on that matter and bring us an amendment dealing with equal access that can be dealt with promptly.

In addition to that amendment, I am advised that the distinguished Senator from Illinois [Mr. PERCY] plans to offer the youth age differential amendment, which I believe has already been reported by the committee, and it is known to Senators.

Those two issues will be dealt with today on the math-science bill, and I hope we can complete both of them in advance of the time that the House of Representatives may transmit to us the conference report on the deficit reduction package. We will take up the deficit reduction package when it is available, and I hope we can finish it in short order.

I am advised—I have not checked on this personally, but I should have done so before we convened this morning—that there are no amendments in disagreement on that conference report. If that is the case, we will have sudden and swift disposition of it, because all we can do is debate it. That is essentially what we will do. It may be, then, that we can dispose of the conference report much earlier than I had thought.

As I announced earlier this week, and wish to reiterate, we will stay today as long as necessary to finish that conference report, and that may mean late in the evening, although I hope that the fact that there are no amendments in disagreement on the conference report—if indeed that turns out to be the case—may shorten the time required to deal with this matter in the Senate. I will attempt to make a further appraisal of that situation and an announcement to the Senate later in the day.

Mr. President, after we do math-science and after we do the deficit reduction package, our old friend the debt limit is to be dealt with. I still am not sure how the House will present that matter to us.

I understand that the Rules Committee will report a rule on a debt limit bill today. I may be mistaken about that, but I believe that is correct. That probably means that we will not receive the debt limit bill until tomorrow. In what form it reaches us remains to be seen, of course.

In addition, Mr. President, there is the State-Justice appropriations bill, which is only one of the regular appropriations bills available to us. I should like to finish that measure before we go out; and, at the very least, I should like to have it pending and debated.

No doubt there are other matters that have escaped my attention at this time, Mr. President, and I will consult with the minority leader on them. However, what that suggests to me is that there still is some possibility that we can go out on Thursday evening, but I would not encourage Senators to plan on it quite yet. We will see how this day unfolds.

Mr. President, I believe that is all I have this morning. If I have any time remaining, I yield it to the minority leader.

Mr. BYRD. Mr. President, I thank the distinguished majority leader for outlining the program as he has done.

Can the distinguished majority leader indicate whether or not he sees action before the recess on the conference report on the budget resolution?

Mr. BAKER. Mr. President, I meant to mention that. I thank the Senator for asking.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Yes, I hope so. But, as I said yesterday in colloquy with the distinguished Senator from Florida, as a practical matter, there are two things interwoven here. They are not technically interwoven, but they are as a practical matter—that is, the only remaining major item in controversy on the budget resolution conference, which is the defense number, and the defense authorization conference, which is going on at the same time. It is true that they are technically related, but it is also true that they depend on each other.

The Speaker and I talked on at least one occasion, as the minority leader and I have talked, about the possibility of working out something on the defense number, but that has not happened yet. I do not know whether we can get a conference report on the budget resolution before we go out or not. I would like to, but unless we can invent a process such as a range of numbers, which I suggested yesterday, or agree on a number, I doubt it, because I think it would severely restrict the ability of the conferees on the Defense authorization bill to proceed.

But I am perfectly willing to negotiate on that and especially on a device that might free up the conference on the budget resolution as we have done before. The idea of ranges of numbers which would accommodate both the House of Representatives and Senate position is not a new technique. We have used it before.

While, as the Senator from Florida pointed out, we have not used it on any big appropriation, such as Defense, the precedent is established, and we can explore that.

But right now, Mr. President, I am afraid I cannot respond in a more definitive way than this description of the situation as I perceive it.

Mr. BYRD. Mr. President, I ask the majority leader, am I correct in the inference I have drawn from the majority leader's answer to my question, that the conference action on the budget resolution may be delayed awaiting action by the conferees on the DOD authorization bill and action in this body on the conference report?

Mr. BAKER. Mr. President, not quite, may I say to the distinguished minority leader.

First, if we can work out a technique to avoid this, such as a range of numbers, there is no need to wait, and we have done that in the past;

Second, if we cannot, it seems to me that the conference on the Defense authorization bill would be severely impacted by any budget decision on defense numbers in advance of the conclusion of their deliberations in conference; but

Third, I do not suggest that we should wait until the Senate acts on the Defense authorization conference report.

All I am suggesting is that we should and it is my strong preference that we work out a technique for permitting the reporting of the budget resolution out of conference today, but if we cannot do that I must say, in all candor and frankness, that I do not think we should circumvent the function of the Defense authorization committees of the House of Representatives and Senate with the budget number until they have agreed on a budget number.

Mr. BYRD. Is that not the way it is supposed to be under the Budget Reform Act?

Mr. BAKER If it were all timely, it would be that way, but it was not.

Mr. BYRD. The budget resolution is late, very late already, and it is my impression from reading the Budget Reform Act, which I have not done lately, that according to the Budget Reform Act, action on the budget resolution should precede rather than follow action on the DOD authorization because it seems to me that those numbers in the conference report on the budget resolution, as the majority leader says, might impact. Is that not the way it is supposed to be under the Budget Reform Act?

Mr. BAKER. There is no doubt about it, Mr. President, and if we had reported a budget resolution when we were supposed to and the authorization bills that followed on behind, we would not have this dilemma, but we do, and the fact that both conferences are going on simultaneously I think poses a unique and special problem.

Mr. BYRD. Mr. President, I say this in a friendly spirit to the majority leader because he is my friend and I have tremendous respect for him, but I cannot understand the logic of proceeding with the DOD authorization conference report ahead of action on the budget resolution conference report because that is not the way it is supposed to be.

That is just the opposite of the way it is supposed to be, and, of course, the budget resolution figures may impact on the DOD authorization. It seems to me that the conference report on the budget resolution should not be held hostage to the DOD authorization bill.

I agree with the distinguished majority leader that the budget resolution should have been acted on earlier and if the Senate had conformed with the requirements of the Budget Reform Act, it would have been acted upon by or before May 15.

But the fact that it did not happen that way, in my judgment, and I say this most respectfully to the majority leader, does not justify its being delayed—and deliberately delayed, if that word is appropriate—until action occurs on the DOD authorization.

That is just getting the cart before the horse. I say that respectfully to the majority leader, and I must say I am concerned that the Senate does not proceed in accordance with the budget reform process.

I yield to the distinguished majority leader.

Mr. BAKER. Mr. President, I understand.

Mr. President, I yield the floor.

Mr. BYRD. Mr. President, does the distinguished Senator from Florida need additonal time?

Mr. CHILES. Yes.

Mr. BYRD. Mr. President, do I have any additional time?

The PRESIDING OFFICER [Mr. SYMMS]. The Democratic leader has 6 minutes and 35 seconds remaining.

Mr. BYRD. I yield that to the distinguished Senator from Florida.

Mr. CHILES. I thank the distinguished minority leader.

Mr. BAKER. Mr. President, will the Senator from Florida permit me to make a unanimous-consent request before he begins?

The PRESIDING OFFICER. Does the Senator wish to allow the majority leader to make a unanimous-consent request?

Mr. CHILES. I am happy to.

SEQUENCE OF SPECIAL ORDERS

Mr. BAKER. Mr. President, the distinguished occupant of the Chair has the first special order this morning, and the distinguished Senator from Florida has the second. Since we have seven of them this morning, I ask unanimous consent that the sequence of the special orders may be rearranged to suit the appearance and convenience of those Senators having special orders.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR CHILES

The PRESIDING OFFICER. Under the previous order, the Senator from Florida [Mr. CHILES] is recognized for not to exceed 15 minutes.

THE BUDGET

Mr. CHILES. Mr. President, I listened to some of the conversations taking place between the distinguished majority leader and the distinguished minority leader, and I did wish to say something when there was some conversation about ranges. I wish the record to reflect that when we had even talked about ranges before last year in the conference that we had with the House of Representatives we did not accommodate the full wishes of either side, and we certainly did not accommodate the wishes of the House of Representatives. They had had provisions for about $21 billion of additional spending, and we eventually accommodated about $6 billion in some reserve accounts.

Those were funds for areas that have not been authorized. We did not feel on our side that they would be authorized, and they in fact were not. But we did not accommodate the high and low of each side or anything like that. We reduced that from $21 billion to $6 billion, and we were right. Those were not spent. That was not an area like defense, where we have been going at it year after year after year.

Mr. President, before I entered politics, I was an attorney by occupation. When I was a law student, I remember a professor reading something about lawyers from "The Canterbury Tales." It was very simple. All it said was that the lawyers always seemed busier than they really were.

After nearly 6 months on the budget, I think that the same description applies to where we find ourselves right now, especially when we look at the bottom line. For all our work, for all the time we have spent looking so busy, it does not look like we have accomplished very much.

Let me give you a little tour of where we have been, and—given what we have accomplished so far—I think it is appropriate to work backward.

Yesterday, the budget conferees met for about 2 hours. We went through some of the domestic programs and made a little progress. But we skipped over the international affairs function, and we skipped over the single remaining place where substantial deficit reduction might be achieved: military spending. I was disappointed, but not surprised. We have been at this for months.

Back on the 13th and 14th of June, the conferees met, but accomplished nothing more than to agree to put off the talks for 2 weeks.

And the conference first met nearly 1 month after the Senate had approved the Rose Garden plan after debating it 4 weeks on the Senate floor.

Now let us go all the way back to February. That is when the President proposed a budget containing a $180 billion deficit for the coming year. Most everyone agreed that was far too high, most notably the Senate Democrats who, on February 23, proposed that the President submit a revised budget cutting deficit of $200 billion.

That is when the White House decided the Democrats' deficit reduction plans were far too high, and, on March 15, the Rose Garden plan was anointed in the company of the Republican leadership that pledged deficit reduction of $150 billion.

We have taken up a large part of the monthly calendar and a fairly large piece of the legislative calendar. Yet today, I stand here on the Senate floor to tell my colleagues that the budget resolution conference yesterday produced no initiatives, but only an invitation to the senior Senator from Texas—a member of the Senate Budget Committee—to talk about the military spending figure.

It is a little peculiar to me that after all this time, the chairman of the Senate Budget Committee could not talk about defense. It is a little strange to me that nobody on the Republican side could or would talk about defense. In fact, that has been the problem all along.

There is something sacred about military spending. I suppose it stands on hallowed ground, something that can only be talked about in hushed and reverent tones—and even then, never to be disturbed.

Mr. President, just consider with me a minute where the good intentions have brought us.

Early this year, Paul Volcker said we need to cut deficits by $200 billion over the next 3 years.

The Senate Democrats proposed that the deficits be cut by $200 billion.

The House of Representatives agreed to cut it $182 billion.

The Rose Garden plan would cut the deficit by only $140 billion.

And now, with the conference agreement on the Deficit Reduction Act, the deficit will be cut by just $74 billion.

Unless the conferees on the budget resolution can get their act together, the deficit will be cut by $74 billion, and no more. That is only about a third of what the Democrats wanted and less than half of what the President requested.

For those in the Congress who think the reluctance to restrain defense really does not mean very much, I suggest they consider the reaction of the credit markets to current deficit prospects.

Since the Rose Garden plan was announced, the prime rate has jumped four times, totaling 2 full percentage points, all the way up to 13 percent. The last time it jumped, the administration blamed it on the Federal Reserve. When it jumped on Monday, the President blamed it on fear of the future, and I think he finally got it right. People are worried about the future and with good reason.

The interest rate on 90-day T-bills has gone from 9.5 to 9.8 percent since the Rose Garden plan was announced. Over the same timeframe, 30-year bond rates have gone from 12.4 to 13.6 percent. And home mortgage rates are up from 13.8 to 14.5 percent and going higher.

Mr. President, I ask unanimous consent that a table showing interest rates and the Budget Committee action be printed in the Record at this point.

There being no objection, the table was ordered to be printed in the Record, as follows:

INTEREST RATES AND BUDGET COMMITTEE ACTION

	90 day T bill	30 year bond	Prime rate	Home mortgage rate
Rose Garden plan announced March 15, 1984	9.48	12.40	11.0	13.85
Senate passed first budget resolution May 18, 1984	9.81	13.46	12.5	14.34
Senate passed debt extension May 24, 1984	9.71	13.73	12.5	14.30
Conference report on Deficit Reduction Act June 22, 1984	9.84	13.56	12.5	14.47

Mr. CHILES. Mr. President, it seems to me those are pretty good reasons to worry about the future. And I think they are even better reasons to get busy right now in the present to do some serious work about cutting the deficits.

Mr. President, as I have said, the conference agreement on the Deficit Reduction Act produces only $74 billion in savings over the 4-year period.

The key question we have to ask is, what deficits would that leave us with? The answer is awful.

Let's first suppose we passed nothing but the Deficit Reduction Act, and kept all other spending at baseline levels. That $74 billion in reductions would leave the deficit at $182 billion in 1985, growing to $212 billion by 1987.

Now let's look at the effect of having no budget resolution. That means the House gets to spend its higher domestic number and the Senate spend its higher defense. In that case the deficit goes up to $184 billion in 1985 and grows to $206 billion in 1987. Certainly, that is very awful.

Finally, Mr. President, let's assume the conference gets really intent on deficit reduction. Suppose the conferees took the lower Senate domestic numbers and the lower House defense numbers. The 1985 deficit would be $171 billion, $13 billion less than the high-spending case. Instead of growing to $206 billion, the deficit would decline to $168 billion. Over the 4 years, we would have $78 billion less deficit spending.

The point I am trying to make with all these numbers is that it really matters, to the tune of $78 billion, whether we get a budget resolution to limit spending or whether we let each House spend what it wants.

Mr. President, I ask unanimous consent that a table comparing the various deficits be printed in the Record at this point.

There being no objection, the table was ordered to be printed in the Record, as follows:

DEFICITS WITH VARIOUS SPENDING LEVELS

	Fiscal years—				4-yr total
	1984	1985	1986	1987	
CBO baseline deficits	189.4	197.2	216.9	145.2	
Baseline minus Deficit Reduction Act	188.1	181.7	193.5	211.7	
Alternative Deficits					
A House domestic and Senate defense	180.3	183.7	189.7	205.6	
B House domestic and House defense	177.3	172.7	168.5	174.1	
C Senate domestic and Senate defense	179.6	181.8	186.2	200.0	
D Senate domestic and House defense	176.6	170.8	165.0	168.5	
E Highest (A) minus lowest (D)	+3.7	+12.9	+24.7	+37.4	+78.4

Mr. CHILES. Mr. President, we are about half way to where the President wanted to be, and that was not enough to begin with. But now the Conference on the Budget Resolution is deadlocked over the one area we have not restrained: military spending.

Now, yes, I have heard all the arguments that the administration has already cut back its defense number but that is like putting varnish on a hog. Disguise it any way you want, we can all see right through it. Defense has actually been increased by $35 billion and that is no cut in my book or on the budget books.

I do not understand why the Republican leadership is being so stubborn on this. Would they have us believe we must make a choice between wrecking the economy or wrecking the Nation's defense? I certainly do not think the United States is exposing itself to invasion by restraining the military spending levels down somewhat from the $299 billion requested by the White House.

It seems to me the United States could get by just as well with something less extravagant than that.

Now I would not be at all surprised if some proposal is put forward on the military spending that involves some kind of reserve fund. Mr. President, if that happens it will be the death knell of the budget process because the reserve will not be something for contingent, new programs. It will just be a readymade temptation the Pentagon will not be able to resist.

What I think we have to do is what we have done in every other budget cycle before: compromise. We cannot spend as much on defense as the President wants with deficits headed back toward $200 billion. And it just will not do any good for the Republicans to dig in their heels and say, "our way, or the highway."

Just yesterday I was told the Defense Authorization Conference is reluctant to move until the Budget Conferees establish a defense number. That is as it should be. So we can break two conference logjams and make meaningful cuts in the deficit if only the leadership will move to put some restraint on the growth of military spending.

The Democrats are going back to conference today in good faith, with open minds, and extending the olive branch of reason and fellowship. If all the hopes for economic recovery depend on deficit reduction—and I believe they do so in large part—then defense should not be the one item immune from compromise.

Mr. President, I think it is clear that for conferences to work, both sides have to get together, and have to agree as to what a number is. If we are going to have conferences with the House and come out saying either side can do what they want to do, there would certainly be no reason for the conference. We have had tough and hard conferences between the House and Senate many, many years. We will have other tough and hard conferences. But there is no alternative to sitting down, working those areas out, and coming to some agreement. That is what I think we have to do in the Budget Act.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia [Mr. Byrd] is recognized for not to exceed 15 minutes.

[The remarks of Mr. Byrd in connection with the introduction of legislation relating to jobs for the future are printed later in the Record.]

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR KENNEDY

The PRESIDING OFFICER. Under the previous order, the Senator from Massachusetts is recognized for not to exceed 15 minutes.

S. 2795—THE ECONOMIC COMPETITIVENESS AND COOPERATION ACT OF 1984

Mr. KENNEDY. Mr. President, I am delighted to join with the minority leader, Mr. Byrd, and so many of my colleagues in introducing the Economic Competitiveness and Cooperation Act of 1984. This legislation is designed to anticipate and prepare for the realities of a new economic environment. Its message stands in sharp contrast to the counsel of those who mistake an election year boom for an end to our economic troubles.

For the past decade the American economy has been on a rollercoaster ride, alternately battered by inflation, and thrown into reverse by high interest rates, consistently overwhelmed by high unemployment, swamped by a growing tide of imports, and unable to generate the productivity gains needed to ensure jobs and a steadily rising standard of living for our people. The legislation that we are offering today is designed—along with growth oriented monetary policies and responsible fiscal behavior—to get us off of that rollercoaster.

Today's unbalanced and fragile recovery—fueled by the most extravagant deficits that any administration has ever accumulated—is not laying the basis for long run prosperity. Quite the contrary. What we are witnessing today is a classic example of shortsightedness. Our mounting debt will burden succeeding generations, and soak up capital that is needed for crucial long term investment. Our trade deficit stands as massive testimony to already lost markets and jobs. That deficit is continuing to grow at an unprecedented pace and will cost us tens of thousands more jobs by year's end.

Our reduced commitment to education will rob our laboratories and factories of the skilled women and men needed to sustain leadership in tomorrow's technologies. Our runaway military budget will continue to skew crucial research and development expenditures while our trading partners increase their budgets for market oriented civilian research and development.

Mr. President our economic future is at risk. Continued delay will only make things worse. Monday's news provides us with a chilling look at just how vulnerable we are:

The prime rate rose for the fourth time in 2 months sending the dollar to record highs and increasing the cost of American exports;

On the same day we learned that our budget deficit in May was almost $34 billion and headed higher this month;

The International Trade Commission reported that telecommunications imports would climb to over 13 percent of our market by 1993 while exports as a percentage of domestic shipments would decline by 15 percent. Once again we see evidence that a world class industry may be losing its competitive edge.

Mr. President, we are recommending a concerted, coordinated, and comprehensive effort to meet today's economic challenge and to build economic strength for tomorrow. Our proposals emphasize cooperation—Government, labor, and business all doing their part.

Our proposals recognize that there are no silver bullets or magic solutions and establish a process designed to ensure that all of our policies will be pulling in the same direction.

Our proposals recognize that there is no more important economic resource than a skilled labor force working with the best tools available and emphasize investment in people and technology.

And, Mr. President, our proposals recognize that steadily growing world trade is vital to our country and to the entire world. We propose several steps to strengthen the trading system, making it both free and fair.

I had the honor and privilege of working with 12 of my Democratic colleagues to prepare these recommendations, and would like to take this opportunity to publicly commend the entire task force for its hard and important work.

The Economic Competitiveness and Cooperation Act is a major step along the road to an economy that works for all Americans. It deserves the attention and support of the entire Senate.

Mr. President, in conclusion I want to express my deep appreciation for the hard and dedicated work of several staff members who played an important role in assisting us in the development of this report and our legislation. David Smith of my staff, Arnold Parker of the policy committee staff, Ira Shapiro, from Senator EAGLETON's office, Linda Gustitus, from Senator LEVIN's office, and many others worked on this project. They deserve our thanks.

Mr. President, I send to the desk the legislation which incorporates this strategy. I ask unanimous consent that the bill be appropriately referred and that the text of the bill be printed in the RECORD.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The text of the bill follows:

[The text of the bill is printed later in today's RECORD under introduced bills.]

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD the Jobs for the Future Program.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[NOTE.—The charts and diagrams contained in the report are not reproducible in the RECORD.]

JOBS FOR THE FUTURE—A DEMOCRATIC AGENDA

INTRODUCTION

Decisions that we make during the next few years—or the consequences of decisions that we fail to make—will substantially shape the economic future of our nation and the employment prospects for our children.

The 1970's ushered in a time of economic turbulence—rising unemployment, hyper-inflation, record interest rates and, by many measures, declining competitive performance. The underlying factors which caused our problems—new international competitors, rapid and destabilizing technological change, the breakdown of a stable world currency regime, and an inability of traditional macro-policy tools to address changed structural realities—are still with us. And conditions have been made worse by the short-sighted budget-busting policies of the Reagan Administration. To be sure, inflationary pressures seem to have been temporarily reduced—but at a massive cost. The President's radical experiment only served to prove what most Americans already knew—if you shut enough factories and throw enough people out of work you can lower any rate of inflation.

A continuation of the President's policies promises to mortgage our economic future to a mountainous increase in our national debt. By 1987 the President's trillion dollar misunderstanding will cost us one hundred billion dollars each year in increased interest payments alone—or enough to repair every hole he ripped in the safety net.

After paying this enormous price we might have expected an improvement in our long-term prospects.

No such improvement is in sight. Instead:

Our merchandise trade deficit continues to worsen;

Mega-deficits are projected far into the future;

Slashed education and research budgets jeopardize our ability to excel in the industries of the future;

Basic industries are being wrecked by our dramatically overvalued dollar and absence of a coherent trade policy;

Programs designed to encourage adjustment and adaptation by workers, firms, and communities have abandoned, and

Important steps toward labor/management/government cooperation have been reversed.

Democrats recommend a response to our economic ills that will be responsive to our underlying structural problems. Our primary goal is good jobs for American workers. We must prepare the nation to compete. Government must work with labor and business leaders to build worldclass industries, increase productivity, and make the economy more flexible so that it can adapt to changing conditions.

Democrats reject the logic of a zero-sum world, in which one's hopes for a better future depend upon diminishing another's opportunities. We reject the argument that workers' wages must fall before capital can be invested. We reject the proposition that nothing can be done to rebuild our steel towns, and that millions of our citizens should therefore leave their homes and uproot their families. And, most importantly, we reject the claim that government should be a passive bystander doing nothing as winds of change sweep across our land.

Individuals prepare for future careers and corporations plan to obtain market share. So can a nation—business, labor, and government working together—make itself ready for an uncertain future. We reject both the rigidity of bureaucratic planning and the President's policy of aimless drift.

SUMMARY OF RECOMMENDATIONS

In Chapter Two of this report we outline twenty-two specific recommendations in six vital areas. Taken together our recommendations represent a coherent and balanced alternative to the Administration's failure to respond to our changed circumstances. Our proposals are outlined below.

Area 1. Organizational arrangements to produce informed, coordinated, coherent program choices and to encourage business/labor/government cooperation. We propose a Council on Economic Competitiveness and Cooperation.

Area 2. Innovation programs to accelerate the development and commercialization of new products and processes and provide strong support for continued basic research. We propose:

a. Clarifying antitrust laws to encourage joint R&D.

b. Making the R&D tax credit permanent.

c. A continuing assessment of strategic technologies.

d. Establishing technology extension centers to disseminate innovations.

e. Stimulating technological innovation by federal agencies.

Area 3. Education and other human resource programs to increase creativity and productivity of U.S. workers. We propose:

a. Extending compensatory education programs to secondary schools.

b. Redirecting vocational education to disadvantaged youth, displaced homemakers and dislocated workers; and to target on emerging technology programs.

c. Upgrading science, math, and foreign language instruction at all levels of education.

d. Aiding gifted students.

Area 4. Adjustment programs to facilitate the adaptation of workers, communities, and industries to changing markets and technologies. We propose:

a. Modifying the unemployment insurance system to make it more suitable for adjustment.

b. Improving the training system to aid small businesses, dislocated workers, and workers willing to borrow for training.

c. Community service employment for dislocated workers who are older or have family responsibilities.

d. Adjustment assistance to firms and communities.

Area 5. Financing programs to improve investment in plant and equipment. We propose:

a. Federal support for state development finance agencies.

b. Coordination of the federal impact on financial markets.

c. Consideration, by the Council, of a National Development Bank.

d. A study of capital markets.

Area 6. Trade programs to support the marketing of domestically produced and internationally-traded goods and services in the United States and in foreign markets. We propose:

a. Tying import relief to a privately-developed adjustment plan.

b. Speeding up the finding of injury from unfair trade practices.

c. Broadening the framework for international negotiations on trade.

d. Promoting exports.

CHAPTER I: THE CHALLENGE: NEW POLICIES FOR A CHANGING WORLD

The last third of the Twentieth Century will be characterized by sweeping economic change. Our Nation's future depends upon our ability to understand and adapt to the new environment. These changes have introduced uncertainty into every aspect of economic life, accelerated the pace at which firms, workers, and communities must adjust, and transformed national labor and product markets into world markets.

The twin challenge: International competition and technological change

During the post-war years, American economic achievement was the envy of the world. In industry after industry, American technology and productivity levels defined the state of the art. Our war-ravaged trading partners needed American products to rebuild and offered little competition to our goods. Stable exchange rates, low inflation, and rapid productivity growth translated directly into higher standards of living for American workers, and their steadily increasing demand for goods led to new orders for American factories.

Today, the world looks very different. The rebuilding of Europe and Japan, and the rapid growth of many Third World economies, combine to confront American firms with sophisticated new companies in both basic and emerging industries. The radically reduced cost of transportation and communications have permanently erased much of the advantage which domestic products had over foreign competitors even in our home market. Other countries, notably Japan, driven by lack of resources to export, have proved more adept at capitalizing on the opportunities of the international marketplace—particularly by pursuing new markets in the developing world.

Competition will intensify further in the next decade, as the newly industrializing countries, such as Mexico, Brazil, Korea, and Singapore, continue to shift from supplying raw materials and inexpensive labor to becoming prime suppliers of medium technology products. Japan, for instance, already faces serious competition from Korea and Taiwan in steel and autos.

Our once-insulated economy has increasingly become part of the international marketplace. In 1960, the traded sector of the American economy constituted less than 10 percent of our GNP; since then, it has more than doubled. Now and into the future, success in major industries—and our prosperity as a nation—will depend upon the ability of America to meet the standards of international competition.

The dazzling pace of technological change is intensifying the challenge posed by international competition. Unprecedented changes in product, production, and communications technology ensure that our children will see more change in the last quarter of this century than our grandparents did during the first half.

For instance, while the internal combustion engine transformed almost every facet of American life, its introduction was spread over generations. Today new technologies (even entire new industries) are developed, mature, and are in worldwide use within a fraction of that time. Consider the electrician trained to work with vacuum tubes in 1955, confronted with circuit boards in 1965, and a microprocessor in 1975. The need to adapt to technological change, coupled with the intense worldwide competition, poses a great challenge to our institutions—government, business, labor, academia—and to our people.

The warning signals

During previous periods of change the American economy has adjusted in a fashion which insured that workers moved into more productive jobs. There are disturbing indications that this time we have begun to lose ground.

During the past decade, average unemployment rates have steadily increased; between 1960 and 1973, the average rate was less than five percent; since that time, it has been over seven percent.

Average real wages, which had grown sixty percent between 1948 and 1973, have fallen eight percent since 1973.

The U.S. share of world trade has fallen from 19.6 percent in 1951 to 12.6 percent in 1981.

Our foreign trade deficit was $7.2 billion in September. Some experts believe that the deficit 1984 will approach $65 billion. The numbers, ominous as they are, do not reflect the whole story. While we battle to open up the Japanese marketplace for our lumber, fruit, and baseball bats, Americans routinely turn to Japan for video cassette recorders, cameras, stereo equipment, and automobiles.

Unemployment and economic distress have been unevenly distributed and the gaps are widening. Many cities have regularly experienced unemployment more than double the national rate and more than triple the rates of the most well-off areas; some states now regularly register double-digit unemployment figures.

Productivity growth slowed after 1967 and has failed to rebound sufficiently. While the productivity growth of our most important competitors also slowed, they were able to maintain rates of increase.

Adapting to change

Successful adjustment is never easy, and never automatic. What is certain, however, is that change is inevitable and successful adjustment is possible. The extraordinary strengths that allowed our Nation to develop into the strongest economic power in history have not disappeared. We can look to the future with confidence if we determine that we will commit ourselves to charting our own course, not having it shaped by events.

The American economy remains the world's largest and American workers the most productive. Our great universities, national laboratories, and corporate research centers continue to set the pace in leading-edge technologies. Our capital markets are the world's most sophisticated and most flexible.

Today's challenge is to build on those strengths as we adjust to changinig circumstances. But the Reagan Administration counsels that we need not adjust, that the practices and policies designed for yesterday are good enough for today. They fundamentally misread the sea change which has taken place. The American people understand that the ways of doing business which succeeded when we were economically dominant no longer suffice. We can no longer take the foundations of our prosperity for granted; instead we must call upon the energy and creativity that fueled our past success in order to rethink, readjust, and rebuild.

Separating shadows from substance

A vital debate over the future direction of our economy and the role of the government will take place next year. We believe that this report and the recommendations we make to improve the structure of our economy will make a major contribution to that debate. In the same spirit, we believe that it would be valuable to respond to several criticisms which repeatedly surface in discussions about new policies.

Neither Central Planning nor Aimless Drift

By far the most common criticism leveled against proposals to strengthen our economic policymaking is the charge of big government. Some critics claim that we seek to substitute central government planning for the working of the free market.

That is not the choice. The charge that government planners will replace the market is a straw man. In fact, every Administration, Democratic or Republican, intervenes in the market through tax, regulatory, trade, research spending, and other decisions. The Reagan Administration, for example, has negotiated voluntary quotas with Japan on automobiles and the European Economic Community (EEC) on steel. They have denied trade relief to the machine tool industry, but granted it to motorcycles. They have radically transformed the pattern of capital investment through the 1981 tax cut. They have dramatically increased defense research while slashing funds for energy research.

The question, in the Twentieth Century, is not whether the federal government will intervene in the market. That question was answered emphatically 50 years ago by the New Deal—the response to the original Republican argument that the federal government had no need to be concerned about the economic well-being of Americans. In a recent speech E. G. Jefferson, Chairman of DuPont, made a penetrating observations about the need to proper balance between government and the market:

> Any successful industrial strategy in the U.S. must be thoroughly consistent with the idea of private enterprise. . . . But at the same time, I would reject the notion that pure free market economics will suffice to ensure our international industrial competitiveness.

Neither central planning nor aimless drift will work. Today's question is where, when, how, and to what ends will the government intervene:

Where: Will political expediency call forth intervention or will we intervene where private sector incentives are weak; for example, to provide information, support R&D, and invest in human resources?

When: Will the government find a way to anticipate problems or at least identify them early, or will we be condemned to responding to crisis situations?

How: Will the government intervene to encourage competitiveness and recognize the inevitability of change, or will the government act to throw up barriers in an effort to freeze the status quo?

To What Ends: Will the government intervene in the economy to enrich the lives and opportunity of all Americans; or will the government serve as it has in this Administration, as an instrument to further the interests of the wealthiest citizens, at the expense of the others?

The Spectre of Protectionism

Next to "too much planning," protectionism is the most persistent criticism leveled at structural policy proposals. Some critics have charged that structural policy proposals are nothing but an excuse to protect failing industries.

Nothing could be further from the truth. The reality of international competition is the basis for all of our proposals; the need to maintain competitiveness where we have it, and rebuild it where we have lost it, is our unifying theme.

In fact, it is the Administration's approach to trade and industrial problems, or more accurately the lack of an approach, which is a guaranteed formula for increasing resort to protectionism. Time and again, the same pattern rears its ugly head. A sector begins to suffer a loss of market share due to foreign competition. Trade relief is sought, and frequently granted, often on the basis of political considerations. Usually, the relief is sought only after the industry is in very serious straits.

At an early stage when the problems could be anticipated and identified, the industry wants no part of the government, and government has had no capacity for anticipating the problems. When the relief is granted, nothing is required of the industry receiving relief. They often use the protection to continue the practices of the past, failing to adjust and failing to assist either workers or communities to prepare for successful adaptation.

Our proposals advocate positive alternatives to this depressing scenario. Through cooperation, we believe that problems can be identified earlier so that import relief will not be the only recourse. By emphasizing retraining and adjustment, we seek to ease the transition and reduce the resistance to change in industries where competitiveness cannot be restored. By requiring that trade relief be conditioned upon a realistic hardheaded plan for adjustment and modernization, we put the focus on competitiveness.

While we insist on a full and firm application of the laws designed to protect American firms and workers from unfair and predatory competition, we reject permanent protectionism as a solution to our problems. It is difficult to have economic growth without a substantial export sector, and it is impossible to envision that we will be able to export successfully without continuing to be a sizeable market for other countries' goods. Given the international debt situation, and continued recession in much of the world, we have no choice but to encourage developing countries to export. Worldwide economic growth is fundamental to the kind of society Democrats want at home; it is more likely to produce a world at peace.

Improving Macro Policy

A third often voiced argument is that a balanced economic recovery will, by itself, save the day and that structural policies are irrelevant. We agree that the structural policies we propose cannot succeed without good macroeconomic policy. Lower interest rates and more favorable exchange rates are needed to improve the international competitiveness of U.S. goods and services and generally increase employment. But, just as macroeconomics is essential to the solution of our structural problems, so new structural policies are needed if we are to have a better macroeconomic situation than we have had for the last ten years and more.

Our central unsolved macroeconomic problems are: reconciling a full-employment economy with stable prices, containing the inflationary effects of international shocks, and reducing deficits and real interest rates as the recovery proceeds. Structural policies, designed to build consensus and produce mutually beneficial agreements among business, labor, and government can help solve these problems. The fundamental lesson of the last ten years is the destructiveness of using unemployment, bankruptcy, and high interest rates as our primary anti-inflation tools. Management and labor both understand their stake in lower budget deficits. It would be a tragedy if these lessons are not converted into responsible wage/price and fiscal behavior. But the necessary consensus cannot be created in a vacuum; it requires the institutions and policies we are recommending to assure that burdens are equitably borne and cooperation is in everyone's interest.

Integration of structural concerns with macroeconomics can reduce some of the other weaknesses in current policymaking. For instance, economic forecasts generally ignore both the inflation and employment performance of key sectors. Economic forecasters at the Council of Economic Advisers, for example, never ask the Secretary of Health and Human Services to project employment and inflation in the health sector, even though one-fifth of the total inflation and a substantial portion of our employment growth originate there. The same lack of coordination is true for energy, transportation, housing, and other key sectors. Yet, government policies in these areas clearly affect employment, productivity, and inflation in these sectors, and, therefore, in the overall economy.

The economic difficulties of the last decade are a stark reminder of the dangers of ignoring key sectors in developing economic policy. Two periods of hyper-inflation followed by serious recessions began with disturbances in the energy sector. The first was the Arab oil embargo in 1973 and the second was the Iranian shutdown. The best time for developing energy policy was before 1973. Unfortunately, attempts to do so, beginning with the Synthetic Fuels Act of 1944, have been repeatedly derailed. Then, the development of oil storage and standby capacity might have prevented the embargo and the attendent difficulties. After 1973, only difficult choices were open to us. Once again we have an opportunity to develop a farsighted energy policy. If we act to do so we may be able to avoid a replay of the 1970's, and ensure that macroeconomic policy measures can work successfully. Coordination between those responsible for macroeconomic policy and those designing structural policies for key sectors is essential.

Retraining, job placement, and other labor market programs designed to reduce structural and frictional unemployment are another link between structural policies and macroeconomic goals. Only with success in these programs can we reduce unemployment to the levels achieved in the 1960's without creating excessive inflationary pressures.

Other factor which are decisive to success or failure—the quality of education; a commitment to technological innovation; effective institutions which accentuate cooperation rather than combat in international competition—are long run concerns. Comparative advantage is the economists' term for a nation's capacity to excel in international competition. Traditionally, comparative advantage came with the territory—location and natural resources—but over the past 30 years, the Japanese have demonstrated that, to an increasing degree, nations can make their own comparative advantage through investing in education, training, and technological innovation; and by developing organizations which help groups work effectively together. These are long-term investments in human resources. To a substantial extent, human resources—our people and our willingness to invest in them—will determine whether we maintain our economic position in an intensely competitive world.

Goals and criteria for action

Our fundamental objective must be to ensure that our economy can provide a steadily rising standard of living to all of our citizens. That cannot be achieved unless we are able to lower the unemployment rate 2 to 3 percent below the 7 percent deemed acceptable by Reagan Administration economists and restore productivity growth to the levels achieved during the 1950's and 1960's.

In developing the specific proposals discussed in Chapter 2 of the report, several recurrent themes assume such importance that they must be highlighted at the outset:

International competitiveness—keep it where we have it, and rebuilding it where we need to—is crucial to our social and economic well-being as a nation. Given the nature of the world economy, we should make decisions with a full awareness of the impact on the competitiveness of our industries. We have not done so in the past. We need not—we should not—imitate other nations' approaches to economic or industrial development; we need policies and organizational arrangements which are uniquely suited to our traditions and system.

If competitiveness is the challenge, then cooperation is the response. Democrats believe that it is time to unite business, labor, government, and academia in pursuit of our common goals. This means building organizations and channels which facilitate cooperation; it also means putting aside traditional antagonisms in recognition that the things which unite us are more important than the things which divide us.

In order to ensure the necessary flexibility and openness to change, policies should rely on and be guided by market signals. The vitality of our high technology sectors is a recent reminder that the market system is one of our great strengths and we should build on those strengths while recognizing and making adjustment for our weaknesses.

Policy should be coherent and consistent so that the myriad of public actions which affect private decisionmaking will all pull in the same direction.

The costs incurred by policy should be clearly stated so that all can be assured of the fairness of our actions and fully assess the costs and benefits of competing choices.

Macroeconomic and structural policies must reinforce and complement each other. Macroeconomic policy must be managed to insure steady real growth, and structural policies must be utilized to insure that growth in productivity is at sufficiently high levels to insure that real wages and employment opportunities can increase without igniting inflationary processes.

Government must play a role as it has throughout our history. Government's collaboration with farmers was vital to building our extraordinary strength in agriculture; government's collaboration with industry and workers made us the arsenal of Democracy and saved the world from facism in World War II; it was government which made possible the surge of education and the space program which responded to Sputnik.

Democrats reject the logic of a zero-sum world, in which one's hopes for a better future depend upon diminishing another's opportunities. We reject the argument that workers' wages must fall before capital can be invested. We reject the proposition that nothing can be done to rebuild our steel towns, and that millions of our citizens should therefore leave their homes and uproot their families. And, most importantly, we reject the claim that government should be a passive bystander doing nothing as winds of change sweep across our land.

CHAPTER II: OUR RECOMMENDATIONS

We recommend new economic policies and organizational arrangements which can provide a foundation for sustained economic growth. They hold out a realistic promise for improvement because they are specifically designed to meet the twin challenges of international competition and rapid technological change; they build on our economic strengths; and they respond to both the lessons of the 1970's and the failures of the Reagan Administration.

Organizing for competitiveness and cooperation

We cannot meet the challenge of international competition with our current framework for making decisions about economic policy.

The process is all too often shortsighted. While the development of new technologies and the introduction of new production processes takes years to complete—and the return on those investments cannot be realized immediately—our political and corporate leaders are regularly forced to focus on the very near term. For public officials the electoral clock can overwhelm a longer view; and, as Reginald Jones, former Chairman of General Electric, has noted "the tremendous pressure . . . (on corporate officials) . . . for quarterly results . . . can be very damaging".

The process is fundamentally adversarial. The antagonisms between business and labor, and government toward both, are a too familiar constant. Our industrial performance has suffered greviously because of these conflicts, and will continue to suffer if we are not able to successfully emphasize increased consultation and cooperation.

The process is surprisingly uninformed. We lack an understanding of the structure, performance, and prospects of our own industries; and, equally serious, we know little about our competitors and their policies. The Director of the Office of Technology Assessment captured our dilemma succinctly with his observation that the federal government is drowning in data, but painfully short on analysis.

The process is incoherent. Divided responsibilities and conflicting missions within government, and a lack of coordination between the public and private sectors is the norm rather than the exception. There is not even a coordinated process for assisting businesses interested in exports.

These organizational issues—the process by which decisions are made—are absolutely critical. No one can predict with certainty the specific policies needed to meet the challenges of the coming years. Could we have guessed ten years ago that today we would have to assess the implications of a joint venture between General Motors and Toyota? But we can predict the kind of decisionmaking framework we will need to meet tomorrow's challenges. It must be based on thoughful and farsighted analysis of our current and future competitive position, it must ensure the coherent use of our many policy tools; and, above all, it must encourage and reward cooperation.

The new procedures must bring all the parties to the table; provide an information base and frame the issues in a way that all can trust; and ensure that the agreements reached can be implemented. Cooperation—among workers, management, government, and creditors—was the key to rebuilding Chrysler and saving tens of thousands of jobs. Consensus was found around an equitable sharing of burdens, risks, and opportunities. We recommend a new institution designed to encourage and reward such collaboration.

The Council on Economic Competitiveness and Cooperation

We recommend the creation of a Council on Economic Competitiveness and Cooperation, composed of 20 representatives of government, business, labor, and the public. The Council would be a permanent, independent agency in the executive branch. The non-governmental members would serve six-year terms, so as to provide continuity from administration to administration. The Council's role would be advisory. It would have no power to override regulations or change law.

The Council will discharge two major responsibilities. First, the Council will be the forum within which the Nation's industrial strategy will be debated and formulated. To drive this process, the Council will prepare a biannual report on the structure and competitive performance of the national economy. The report will analyze the changing competitive position of U.S. firms and industries, the changing composition of labor markets, and the prospects for insuring sufficient productive, high value-added employment. These reports should serve to frame the debate about the Nation's overall economic development.

The second major responsibility for the Council will be to establish, after a request from the private sector, advisory working groups to analyze and consider responses to problems that affect individual industries and geographic regions. These groups will be convened for a limited period of time to develop practical responses to specific problems. Each group will include representatives from business, labor, and national and local government.

For instance, an advisory group might represent a mature industry facing severe international competition. Following common agreement on the facts, it may become clear what management, labor, and government must each do if international competitiveness is to be regained. Initiatives could include investment, job security, profit sharing, work practices, wages, training, government regulations, and temporary trade relief. The Council would then recommend, to the President and Congress, specific steps that the government should take with the understanding that the private parties would keep their reciprocal commitments.

Innovation

Innovation in process and product technology is at the heart of our ability to compete.

We face a formidable challenge in this area. We remain in the forefront of most new or emerging technologies, but in recent years have seen others leading the way in commercialization. For instance, VCR technology was developed in the United States; but, today we do not produce a single video cassette machine.

Our competitors, particularly Japan, West Germany, and France, are targeting innovation and R&D in areas where global markets are expected to grow rapidly. These governments aid their companies by subsidizing product development, supporting cooperative research, and making long-term financing available.

In 1980, Congress enacted, with broad bipartisan support, the Stevenson-Wydler Act. The Reagan Administration's implementation effort to date can only be characterized as disgraceful. The Administration refused to comply with the provision of law requiring the creation within the Commerce Department of a National Technology Board. Almost three years after taking office, the Administration arrogantly defended its inaction by claiming to have elevated the issue to an even higher level: the President's Commission on Industrial Competitiveness, scheduled to report, coincidentally, in September 1984. A temporary Presidential Commission set up to try and defuse a political issue does not replace the permanent Board mandated by the law.

Democrats believe that important initiatives are needed to insure that the nation remains on the cutting edge of technological change.

Private firms typically underinvest in research and development from the standpoint of the economy as a whole, this is particularly true regarding basic research, which generally has a very long-term payoff. The country then loses emerging growth markets as foreign manufacturers gain leading positions and set the terms of competition. Governments can provide companies with a head start in this race by assisting in product development through research funding and procurement. For example, the development of the commercial aircraft industry and the semi-conductor industry would not have occurred without government-funded research and evelopment (R&D) and procurement.

We propose:

1. Clarifying Antitrust Laws to Encourage Joint R&D.—Antitrust laws should be clarified to encourage the formation of joint R&D ventures among small businesses. The lines defining what is an acceptable joint R&D venture should be drawn more clearly in order to reduce the threat of federal and private suits. Clarifying the application and interpretation of the antitrust laws should create a "zone of certainty" within which private companies can make decisions with regard to cooperative R&D without significant risk of adverse antitrust action.

2. Making the R&D Tax Credit Permanent.—The R&D tax credit enacted in 1981 provides a tax credit of 25 percent of the increase in qualified research expenditures by corporations for a given tax year above a three-year base period. The tax credit is scheduled to expire in 1985. Significant increases in industrial R&D spending since enactment, despite a deep recession, indicate that the tax credit is effective in encouraging corporate R&D.

3. Conducting Competitive Assessments and Target Strategic Technologies.—A mechanism should be established to bring together representatives of industry, academia, the national laboratories, and government agencies to identify strategic technologies, assess the targeted efforts of our competition, and plan cooperative development programs to meet that competition. Technologies may be strategic in either an economic or a national security sense, often both simultaneously. Government agencies, from NASA to the National Institutes of Health, clearly have a role to play in targeting strategic technologies and are playing it even today, though in an uncoordinated way.

4. Establishing Technology Extension Centers.—Modeled after the Agricultural Extension Service, Technology Extension Centers located at state universities would help to assure effective transfer and utilization of new technology. Centers would function as a clearinghouse for new technology, and serve as a primary channel for transferring federally-supported R&D to the private sector. Centers would also provide technical and managerial assistance to new enterprises. In addition, joint industry/university Centers for Industrial Technology, as originally authorized under the Stevenson-Wydler Act, would be established.

5. Establishing a Coherent Federal Program to Stimulate Technological Innovation.—A new organization should be established to foster technological innovation. The agency would be responsible for interagency coordination and for encouraging and assisting all federal agencies to stimulate innovation in the industrial sectors related to their missions. It would fund research to increase our understanding of the innovative process. It would assist state and local initiatives to accelerate innovation by promoting spinoffs from university research, providing managerial, technical, and financial assistance to high technology start-ups, and developing research parks and consortia.

Education/human resources

In the challenging era we face, nothing is more important than making the proper investments in people. The authors of "Global Stakes: The Future of High Technology in America," put it well:

"Whereas American wealth and power have traditionally been based on natural resources and on capital investment in physical plant and machinery, the balance is now tipping toward investments in people and knowledge as key resources. . . . Knowledge should be seen as a strategic resource with an importance equal to or exceeding natural resources and physical investments."

The Reagan Administration disagrees. It regards education, training, and other human resource areas primarily as part of the domestic budget, prime targets for cutting. This Administration has inflicted great damage on some vital programs.

During his term of Office, the President has asked Congress to repeal the federal education program for handicapped children; to cut vocation and adult education by nearly half; to approve budget reductions that would mean some 2.5 million disadvantaged elementary school children would no longer be able to receive the acknowledged benefits of the program; to eliminate upwards of one million students from the Guaranteed Student Loan program and to cut funding for the Pell Grant program by 42 percent.

Despite President Reagan's born-again zeal for public education, the President has all but ignored the recommendations of his own blue-ribbon commission. The commission's report states specifically that the federal government, in cooperation with states and localities should help "meet the needs of key groups of students such as the gifted and talented, the socioeconomically disadvantaged, minority and language minority students, and the handicapped". The Commission called for improved financing of education at all levels—district, state, and federal.

A. Graham Down, Executive Director of the Council for Basic Education, recently observed: "One enemy of excellence is cheapness. The Reagan Administration allies itself with the popular cause of school improvement but is unwilling to assume responsibilities that the federal government alone can shoulder. . . ."

Fifteen years ago, in his worldwide bestseller, "The American Challenge," J. J., Servan-Schreiber described one of the key sources of America's industrial dominance in this way: "All clichés to the contrary, American society wagers much more on human intelligence than it wastes on gadgets. As we have seen, scientific studies are beginning to confirm what intuition led us to suspect: this wager on (people) is the origin of America's new dynamism."

The "wager on people", best epitomized by our historic commitment to universal public education, is deeply embedded in the American tradition. Reaganism departs radically from our traditions with shortsighted budget cuts in education and training and other human resource areas which could place Americans at severe lasting disadvantage in the world economy. The Reagan Administration inflicts that harm to save a small percentage of the tax cut it has lavished upon the wealthy few.

It is ironic, but unmistakable, that the factors on which Servan-Schreiber focused are undeniably a major reason for the Japanese economic miracle. Democrats believe it is time to return to policies which reflect our ideals and our best traditions by "wagering on people".

We propose:

1. Extending Title I to Secondary Schools.—Funding for the Title I program would be increased to allow for participation of disadvantaged young people in our secondary schools. Presently, only 47 percent, or 5.2 of the 11 million eligible Title I children, are being served, despite the fact that the National Assessment of Educational Progress shows dramatic gains by children served under this program. Our proposal would permit disadvantaged high school students to receive compensatory education in reading, writing, and computing—assistance they need to complete their secondary education and be sufficiently prepared to enter the job market or to continue their formal education.

2. Targeting Vocational Education.—A Youth title in a new Vocational Education Act would bring a more specific targeting of public vocational education policy and would make the plight of the disadvantaged youth, including the high school dropout, a top vocational education priority.

We also propose an adult Training and Retraining title as part of the Vocational Education reauthorization to complement and coordinate with the recently enacted Job Training Partnership Act. Included among those who would be eligible for assistance under this title would be displaced homemakers, workers laid off from jobs they have held for many years and who need retraining in order to re-enter the job market, people who have retired early and need to work in order to supplement their retirement income, and those who need new or upgraded skills to meet the changing demands of the workplace.

In addition, the Adult Basic Education Act should be strengthened to increase participation in basic skills programs for those no longer enrolled in a school system.

3. Science, Math, Computer, and Foreign Language Instruction.—We should increase funding to upgrade instruction in science, mathematics, computer utilization, and foreign languages. This program would focus resources on teacher training, retraining, and inservice upgrading of skills.

Improving educational quality also requires attracting talented young men and women into the teaching of science and math. As an incentive, we propose enactment of a special forgiveness provision on the Guaranteed Student Loan program. Under this provision students entering the teaching profession in science and math would have the opportunity to have their loan obligation reduced by 10 percent a year for each year they taught. A loan would be completely forgiven upon the completion of ten years of teaching.

Through the use of computers, both as a subject of instruction and a tool for instruction in all areas of the curriculum, we will be providing our children with the skills and familiarity with information processing which they will need to participate in the economy and society of the future. Steps must be taken to ensure that computer learning is provided equally to both boys and girls at all socioeconomic levels.

4. Aid to Gifted Students.—All too often, we fail to provide programs designed to intellectually stimulate gifted and talented students in order to encourage them to excel. To reverse this situation, we propose: (1) enactment of a new education program to aid America's gifted and talented students at the elementary and secondary level; and (2) a Federal Merit Scholarship Program at the college level to reward students of exceptional academic aptitude and achievement.

Adjustment/training

Adjustment policy should anticipate and prepare for structural changes in the world's economy. For example, as developing countries begin to produce goods at lower prices than U.S. producers, U.S. workers should be given incentives to adjust to these changes.

U.S. firms and the federal government have not always responded well to competitive challenges, and the impacts of this failure to adapt have been felt unevenly. Various industries, firms, workers, and communities have encountered problems of severe unemployment which extend beyond the swings of the business cycle. The severity of these problems and the unevenness of their impacts have created social problems which are beyond the capacity of markets to correct. These problems arise because markets for investment are fluid and quick to change while the markets for labor are not. A manufacturing plant can be shut down on short notice, but it can take months or years for workers and communities to adjust to the change.

In the face of these crucial needs, the President has eliminated funds for the Trade Adjustment Assistance program and proposed nothing in its place. Our proposals are designed to increase the efficiency and equity of adjustment by individuals, communities, and industries.

We propose:

1. Modifications to the Unemployment Insurance System.—The unemployment insurance (U.I.) systems of most states are primarily directed to helping workers on temporary layoff who will ultimately return to their previous employers. It is not oriented to workers dislocated by imports or technological change. The orientation is shown by the lack of attention paid to matching workers to job openings (labor market exchange) and by the structure of U.I. benefits. Our proposals are directed to both issues.

All states would be assisted in making improvements in their labor market exchange. Program funds would be used to obtain employer information on current and projected job openings and the training qualifications required to fill the openings.

In addition to the improvements in the labor market exchange, states would be encouraged to make their U.I. systems more effective adjustment mechanisms. States would be able to choose from changes in the unemployment system that are already allowable but have not been widely tried because the federal government provided neither assistance nor administrative funds.

The program options for each state would include:

a. Work-sharing with training requirements or incentives. The program would allow workers in declining industries to receive unemployment benefits for up to 20 hours per week spent in training or related activities.

b. Unemployment insurance for workers in declining industries with a mandatory training option. This would encourage attrition by allowing workers to resign and receive unemployment insurance benefits while enrolled in approved training.

c. Establish two-track unemployment insurance. Track 1 would be no different from current practice; track 2 would give workers the choice of taking a lower monthly payment over a longer period to allow completion of a lengthy training period.

d. Cashing out benefits at a reduced rate for workers who accepted lower-wage employment prior to exhausting their benefits.

2. Improving the Job Training System.—The following are additions to the Job Partnership and Training Act:

a. A new student loan program would provide loans to adults for part-time education and training courses. Income limits would be set and the states would determine eligible fields of study. Interest subsidies would be comparable to the Guaranteed Student Loan program. Governors would be given a fixed amount to allocate. Priorities would be established for the allocation of funds based on criteria such as income, industry mix, duration of unemployment, and/or participation in one of the special U.I. programs.

b. A job counselling and placement service would be provided for large scale plant closings where advance notice of at least 60 days has been given. The objective is to exhaust these less expensive activities prior to using the more expensive training option.

c. Training for small business concerns using both new technology (i.e., computer-based training) and the community college system as the delivery mechanism. Incentives would be given for states to cooperate in producing software that is widely applicable. (For example there might be a regional program to develop a microcomputer course to teach owners and workers in small businesses how to utilize the metric system in order to increase export capacity.)

3. Community Service Employment for Dislocated Workers.—Employment would be provided in both the private and public sectors for unemployment insurance exhaustees who live in communities with above average unemployment rates and declining industrial employment. Eligible persons would have to be either over 55, or heads-of-household with children, and not have a working spouse. Younger enrollees would be required to undergo training and could only remain in the program for a year.

4. Adjustment Assistance to Firms and Communities.—Communities with declining industrial employment and/or experiencing large scale plant shutdowns would be eligible for financial assistance to establish tripartite organizations to deal with the adjustment problem. These funds could also be used to purchase consulting services to improve the management, marketing and/or technology of qualifying firms.

Financing development

The unmatched size, dynamism, and sophistication of the U.S. capital markets are among this country's most important competitive assets. Some $3 trillion is expected to flow into U.S. business debt and equities over the next decade, equal in value to the country's entire output of goods and services in 1983. The private sector, to an overwhelming, extent, will allocate those enormous resources and determine our economy's competitiveness.

Nevertheless, government policy influences virtually every aspect of private capital markets and industrial finance. U.S. monetary and fiscal policy, by having an impact on the availability and cost of credit, will affect important investment decisions. A broad array of U.S. laws—including the tax code, bank regulation, securities law, and ERISA—will influence the structure of our capital markets and investment incentives.

For too long, the U.S. government has had no mechanism for understanding or coordinating how its policies affected the private capital markets. The government can neither quickly recognize nor promptly remove unintended disincentives to productive investment.

The Reagan Administration's answer is one dimensional—deregulate. This answer grossly underestimates the stiff new difficulties of U.S. firms facing foreign competitors that have the support of their own governments.

Democrats believe that public policies can foster a more favorable investment climate for firms who want to produce more competitive products, adopt more efficient production methods, and create new career opportunities. Fuller access to longer-term credit can be made available to smaller, growing firms, which we now know to be the richest seedbed for new technologies and products. And valuable lessons can be learned from State economic development activities, which often have well-established relationships with private financial institutions.

We propose:

1. State-based Investment Program.—The federal government would enhance the ability of states to stimulate economic development and also build state efforts into a nationwide network that both encourages diversity and reinforces national competitiveness.

Federal support for state and regional economic development finance institutions would be provided by formula over a period of five years. These institutions would lend to or invest in businesses according to the state's own development strategies. States would be encouraged to have the federal funds recaptured in revolving funds for reuse in related activities. In exchange, states would be required to provide state matching funds, avoid beggar-thy-neighbor development strategies, build partnerships with private financial institutions, and share information with other states and federal agencies.

The federal government would also work with states to develop a secondary market in small, longer-term industrial loans so that pension funds and similar investors could more readily meet the most important financing needs of smaller, growing firms.

2. Coordination of Federal Impact on Financial Markets.—A top-level council of those federal agencies that most directly affect U.S. financial markets would be established and charged with continously monitoring the impact of public policies on industrial finance and inquiring into possible disincentives to productive investment. Inquiries could be self-initiated or begun at the request of the President, the Council on Economic Competitiveness and Cooperation, or a Committee of Congress. When such barriers are found, steps to remedy the problem would be recommended to the President and Congress.

3. Consideration of a National Development Bank.—We have considered various proposals to establish national development banking mechanisms which would be associated with the proposed Council on Economic Competitiveness and Cooperation. We find substantial merit in many of these ideas but believe that further study is required. Congress will be in a better position to evaluate these proposals after the Council has had some operating experience. We therefore recommend that the Council be charged with studying the need for such a financing facility and submitting its findings to Congress.

4. Study of the Capital Markets.—We are deeply concerned by the findings of the American Business Conference's study, "High Cost of Capital: Handicap of American Industry". The study found that U.S. firms are at a competitive disadvantage because the cost of capital is much higher in the U.S. than in Japan and other countries. The Council on Economic Competitiveness and Cooperation would be instructed to conduct a broad review of the ability of U.S. industries to finance investments that are needed to improve our international competitiveness. The report would be submitted to the President and Congress one year after the Council is established.

Trade

External factors, including exchange rate problems and a worldwide recession, have put a great deal of pressure on our trade performance. But even making reasonable allowances for these circumstances, the Reagan trade policy is in shambles. On every front current policy is marked by inconsistency or inaction. While pledging rhetorical allegiance to free trade, the Administration increasingly resorts to protectionism without rhyme or reason. It tolerates a huge bilateral trade deficit for our extremely competitive telecommunications industry with Japan. It does nothing to address the distortions between the value of the dollar and the currencies of our major trading partners.

Last year's General Agreement on Tariffs and Trade (GATT) ministerial was a costly and ill-conceived disappointment; as a consequence, there are no multilateral discussions going on as trade tensions mount, and bilateral agreements, undertaken outside the GATT framework, proliferate. To divert attention from the absence of a coherent policy which recognizes that trade and industrial health are inextricably linked, the Administration offers a trade reorganization proposal so weak that it is opposed by senior Republicans in both Houses.

For 50 years, since President Roosevelt first proposed a reciprocal trade agreements program to Congress, Democrats have supported an open and fair international trading system. During democratic administrations, international trade has been opened up, producing new and better jobs for Americans while increasing consumers' purchasing power. But just as Democrats were willing to confront the need for change in trade policies in 1934 by proposing the reciprocal trade agreements program, we are again willing to confront change in the international trade environment by designing new approaches.

Two fundamental changes have created new difficulties for American firms and workers. First, the increasing integration of the world's economy and a tendency toward overcapacity in some key industries have increased the need for effective, fast-moving adjustment mechanisms. Second, has been the increasingly mercantilist approach of many of our trading partners. Effective trade policies must come to grips with these new realities, and simultaneously strive to make the United States more competitive and the rules governing international trade more equitable.

If the United States fails to take account of the need to improve our ability to adjust and to control the mercantilist practice of other governments, then the haphazard pattern of protectionism which we have seen in the Reagan Administration will increase.

In urging action to control mercantilism, we do not expect governments to discard all involvement in their economies. In fact, we believe that the American government could be more effectively involved in our economy than it is at present. Toward that end, trade policy should reinforce other measures designed to promote industrial competitiveness and to insure our technological strength.

We propose:

1. Tying Adjustment to Import Relief.—To the extent that temporary import relief is available under current law, the law should require that in order for the President to grant the relief, it must be an integral part of an industry adjustment plan. The President would take the plan into consideration in deciding whether to grant import relief.

2. Speeding Up the Finding of Injury.—We recommend that current law be amended to take account of the need to move quickly in specific cases to mitigate serious injury. Measures should also be adopted to improve access to unfair trade remedies. And where, by reason of the nature of the product concerned, such as perishable products, it is appropriate to speed up the process of providing remedies for unfair trade practices, the law should be improved.

3. Broadening the New General Agreement on Tariffs and Trade (GATT) Framework.—We recommend a broad effort to renovate the GATT with particular emphasis on improving and standardizing procedures under which countries may take import relief (safeguard) action, and in extending the commitment to open markets to services, finance, and certain aspects of trade in high technology products—sectors where American firms have substantial export capacity, but are often stymied by the absence of effective international agreements.

4. Export Promotion.—For years, Congressional committees, executive branch task forces, and other groups have called for more vigorous promotion of U.S. exports and encouraged our government to emulate the activities of our trading partners in this regard. Business has often complained that they have to "go it alone" while foreign competitors have their government and foreign service in their corner. Indeed, concerns that our State Department found it difficult to reconcile foreign policy objectives with the commercial needs of the private sector led to the creation of the Foreign Commercial Service which reports to the Commerce Department.

Much more can be done: not in exhortation but in assistance to potential exporters. A one-stop export assistance service to business, especially small business, should be established. More recognition should be given to the growing purchasing power of the developing countries and our ability to meet their new needs. For example, the United States has a substantial advantage in a number of areas in growing demand by developing nations. We are unparalleled in the technology of agricultural production and distribution; our health technology is unsurpassed; so is our capacity to find and develop energy resources. The United States is the leader in telecommunications and educational technology. The relevant cabinet agencies, working with the Agency for International Development, should seek ways to expand our comparative advantage and our exports in these areas. This is the ultimate "positive-sum" game: our workers obtain high value-added employment providing goods and services that assist in the development of the world's fastest growing market.

RECOGNITION OF SENATOR EAGLETON

The **PRESIDING OFFICER**. Under the previous order, the Senator from Missouri [Mr. EAGLETON] is recognized for not to exceed 15 minutes.

Mr. EAGLETON. Mr. President, the Senate Democrats see our current economic situation and our future economic prospects far differently than Ronald Reagan. In issuing the "Jobs for the Future" report last November and introducing this legislation today, we are laying out how we see it, why we see it that way, and what we would do differently. The Senate, and the country, are entitled to no less from an opposition party.

Next to the overriding issue of war and peace in a nuclear age, the fundamental question facing the country is whether the policies of Ronald Reagan have laid the foundation for long-term economic growth and prosperity. What does the future hold for our children who are just preparing to graduate from high school or college? What does it hold for those who are 35 or 40 in the job which appeared secure several years ago, but seems less certain now?

Our view can be summed up simply. Everyone is grateful for the present economic recovery, but it is a recovery built on sand. No one ever doubted that $200 billion deficits could fuel consumer spending and help drive the economy out of the recession, just as no one ever doubted that tight money and the deepest recession since the depression could bring down inflation. But no one believes we can sustain for very long a recovery in the face of mega-deficits projected for the rest of the decade. The escalating interest rates, the widening U.S. trade deficit, and the plunge in the stock market all reflect that grim reality.

Even more fundamentally, we have not put into place the long-range policies needed for success in the 1980's and beyond. Nostalgic for the good old days when our industrial dominance was unquestioned, the Reagan administration is a passive bystander as the winds of change sweep across our land. Pursuing voodoo economics and paralyzed by an ideology that casts Government as a menace to economic well-being, the Reagan administration has fashioned no intelligent response to the worldwide challenge to the competitiveness of our industries.

I. THE WORLD WE FACE

We are enmeshed in a world economy characterized by intense international competition. Fully 70 percent of our products compete against those from abroad; virtually every one of our major industries has suffered a significant loss of market to foreign competition.

Our trade deficits are a powerful indicator of serious trouble. In 1983, the merchandise trade deficit climbed to $70 billion, an all time high. This year, it appears destined to exceed $100 billion; in May alone, the deficit was $12.2 billion.

Merchandise deficits are not unprecedented; we have run them for the last 8 years. But where the trade deficits of the late 1970's and early 1980's resulted primarily from large volumes of oil imports into the United States, the current trade deficits reflect a dramatic decline in the balance of trade in manufactured and other nonpetroleum goods. For example, excluding exports and imports of crude and refined petroleum, the United States had a merchandise trade surplus of $34.4 billion in 1980. By contrast, exclusive of petroleum exports and imports, the United States incurred a trade deficit of $19.6 billion in 1983.

In other words, while the oil-related trade problems of the late 1970's and early 1980's have diminished over the past 2 years, the traditionally strong position of the United States in nonoil trade has evaporated. Hidden within the figures on nonpetroleum trade is a deterioration in the trade balance in manufactured goods from a surplus of $12.4 billion in 1980 to a deficit of $38.2 billion in 1983.

Those numbers reflect a deterioration in our trade position across the board. For example:

The traditional trade surplus the United States has enjoyed with Western Europe vanished in 1983. With exports to our European allies declining 7 percent during the year, the overall American trade balance with the European Economic Community [EEC] changed from a $3.5 billion surplus in 1982 to a $1.6 billion deficit in 1983.

The U.S. merchandise trade deficit with Canada, our largest trade partner, widened to a record-high $14.3 billion in 1983, reflecting an increase of almost 100 percent over the last 2 years.

Finally, the already tremendous imbalance in trade between the United States and Japan grew even wider in 1983. After reaching $19 billion in 1982, the U.S. merchandise trade deficit with Japan increased to a staggering $21.7 billion in 1983, the largest trade imbalance between any two nations in history.

Even these numbers, ominous as they are, do not convey the full story. While we battle to get our oranges, beef, and lumber into the restricted Japanese market, Americans routinely turn to Japan for big ticket, high value-added products like automobiles, cameras, and VCR's—which are the measure of industrial success and the basis of national prosperity. We are blessed with great natural resources, and a capacity for agricultural production which is the envy of the world, but if we allow ourselves to evolve into the supplier of commodities and the buyer of manufactured products, we will become a second-rate economic power.

Nor should we comfort overselves by concluding that our problems are confined to competition over basic industries. On February 13, 1984, the New York Times reported that the Japanese had forged ahead in the international race to create a sophisticated new generation of supercomputers. The article contained the observation that:

> Although they were aware that the Japanese government had embarked on an ambitious program to aid its computer industry, American researchers say they are stunned by the speed, depth and breadth of the Japanese advances.

Several months later, a front page story in the New York Times of May 7, entitled "Japan Technology Monitored by Worried U.S. Competitors," reported the following:

> When American technologists do visit here, they are frequently surprised by the extent and sophistication of the work being done in such fields as optical communications, data storage, computer memory chips, advanced ceramics and automation.
>
> Other areas in which the Japanese are ahead of the Americans or are drawing close include advanced ceramics for use in electronics and in engines, supercomputers, high-speed railroads, photovoltaics, information displays used in portable computers, low-priced copiers and printers, and factory automation using robots and computers.

And John A. Alic, an expert on Japanese technology working for the OTA, observed that if we fail to keep track of Japanese technological progress, "we will continue to be caught by surprise as we were in the steel industry, the automobile industry, and the consumer electronics industry."

So our problems are not confined to just textiles, or autos, and steel. Japan and other countries emulating their example, like South Korea, are doing better at anticipating emerging markets and capitalizing on emerging technologies. They are mapping more aggressive industrial and trade strategies to get the most from high-growth, high technology, and service industries of the future, such as telecommunications, fiber optics, ceramics, photovoltaics, aerospace, and advanced electronics. And while they move boldly after new opportunities, often with their governments underwriting and guiding businesses, the United States follows no coherent strategy for trade and industrial problems.

We have the resources to meet the challenges facing us and seize the opportunities ahead. Our economy remains the world's largest and our workers the most productive. Our vibrant high-technology sector reminds us how dynamic private enterprise can be. Our great universities, national laboratories, and corporation research centers continue to set the price in leading-edge technologies.

2. MORTGAGING THE FUTURE: THE SHORTSIGHTEDNESS OF REAGANOMICS AND REAGANISM

What we lack is political leadership which understands the critical role which Government must play. Mr. Reagan tells us that Government is the problem. But some of our most prominent business leaders—Lee Iacocca at Chrysler; William Norris at Control Data, James Beré at Borg Warner; Ed Jefferson at Du Pont—have pointed out that we can meet the challenges of international competition and technological change only if Government enters into an effective partnership with other key sectors of the country, for the benefit of all.

Government policy can make the difference between success and failure in a keenly competitive world. In the fifties and sixties, the Japanese Government took the lead in building a consensus that developing world-class basic industries was critical, and Japan became the world's leader in steel, shipbuilding, and autos. When the outlines of the future, based on high technology and information industries, started to emerge, Japan emphasized education and training, encouraged research and development, licensed or purchased advanced technologies from us where possible, and formulated legislation and other strategies to ease the transition out of basic industries into higher technology. Today, they still lead the world in steel, shipbuilding, and autos, but also lead in robotics, VCR's, and consumer electronics, and they are keenly competitive with us in semiconductors, computers, and biotechnology.

In contrast, the late Otto Eckstein, former member of the Council of Economic Advisers, has traced the decline in U.S. manufacturing squarely to the economic policies of both Republican and Democratic administrations. High interest rates made the cost of capital to business twice what it is in Japan, blocking investment. Tax laws made it reasonable for families to consume, rather than save, and for businesses to embark on unproductive mergers, rather than build factories. The dollar, which was overvalued deliberately after World War II to help Japan and Europe, stayed overvalued long after the original justification ceased to be valid, doing incalculable harm to our trade sectors. Overall, we formulated policy with absolutely no concern about the impact it would have on industrial competitiveness. Dr. Eckstein's study concluded that a nation which casually surrenders leading industrial positions through policies of neglect will find it difficult to stage a comeback.

Obviously, the Reagan administration did not create this situation. But it has had the chance to explain the realities of a changing world and rally the country behind new policies. Instead, the administration has given us massive deficits, and stunning trade imbalance, and the ideological, reflexive answer that the free market can take care of everything and that Government has no meaningful role to play in helping to chart our future.

In contrast, Du Pont Chairman Ed Jefferson has made this observation:

> Any successful industrial strategy in the U.S. must be thoroughly consistent with the idea of private enterprise . . . But at the same time, I would reject the notion that pure free market economics will suffice to ensure our international competitiveness.

Our competitors recognize their nation's vital interest in quality education. The Reagan administration slashes at Federal funding for education, apparently thinking tuition tax credits and school prayer alone will propel us into the 21st century. Science and technology are critical to our ability to compete, but the Reagan administration has reduced support for nonmilitary applied R&D, and totally refused to carry out the Stevenson-Wydler Act, a farsighted measure enacted to spur innovation in this country. The need to train displaced workers for new jobs and to cushion the adjustment period are obvious. Yet the administration has refused to fund the Jobs Partnership Training Act fully, and abolished the Trade Adjustment Assistance Program without suggesting anything to replace it.

Our Republican friends would have the country believe that we face a simple choice between the free market or central planning. The Democrats reject central planning, but we also reject aimless drift, and the naive assertion that the free market will take care of everything. As Henry Ford once said, "There is a difference between a planned society and a planning society." We are committed to pursuing industrial strategies which effectively and imaginatively blend the genius of the free market and the functions which only a government can perform.

3. THE DEMOCRATIC ALTERNATIVE

The Democratic economic alternative comes in two parts.

Under the leadership of Senator CHILES, the ranking Democrat on the Budget Committee, and Senator HOL-

LINGS, who held that position before him, we have formulated and fought for specific proposals to reduce the Reagan deficits to manageable levels. Deficit reduction must come first: We cannot solve our competitiveness problems as long as massive deficits cause overvalued dollar and rising interest rates.

But deficit reduction alone will not build a strong foundation for our economic future. In the "Jobs for the Future" report, and in this legislation, the Senate Democrats are recommending new policies and organizational arrangements to enhance our competitiveness and make our economy more adaptable:

We need a new partnership for economic growth. We believe that business, labor, Government, and academia working together cooperatively can reach consensus on sectoral strategies needed to revitalize basic industries and to insure the competitiveness of emerging industries. This legislation would establish a 20-person Council on Economic Competitiveness and Cooperation to serve as the forum in which the Nation's industrial needs would be debated and strategies would be developed.

Our current approach to economic, industrial and trade policy is ad hoc, fragmented, fundamentally adversarial, and therefore, destined to be reactive, rather than anticipatory. A recent House report observed that Japan's approach is characterized by a web of policies, while ours is a heap. We cannot afford the luxury of this kind of policymaking when other countries, stressing government-business cooperation, are pursuing tightly integrated industrial and trade policies.

We need to bring parties together to identify problems and opportunities earlier, and respond to them more quickly. If such a Council had been in place, our steel industry might have avoided the agony which has marked the last decade. Business, labor, Government, and academia could have combined their knowledge of the present situation and their reading of the future. Strategic investments could have been made in timely fashion; wages could have been moderated when it counted; the industry now restructuring itself could have done so in the middle 1970's. Thousands of jobs might have been saved; unavoidable dislocation would have been eased.

We want industries to modernize where competitiveness is flagging, and we would provide temporary trade relief in appropriate cases to enable them to do so. However, this legislation would mark a fundamental change in approach to relief under section 201 of the Trade Act of 1974. There would be a quid pro quo for relief: a realistic, hard-headed, modernization plan involving commitments by all affected parties. The public would recieve some guarantees in terms of management and labor performance in exchange for the relief given; no longer would United States Steel be able to get trade and regulatory relief and then proceed to buy Marathon Oil.

We emphasize our commitment to education for reasons that the authors of Global Stakes: "The Future of High Technology in America," describe well:

> Whereas American wealth and power have traditionally been based on natural resources and on capital investment in physical plant and machinery, the balance is now tipping toward investments in people and knowledge as key resources. . . .

The legislation would extend the compensatory programs of title I to secondary schools; redirect vocational education to disadvantaged youth, displaced homemakers, and dislocated workers, and to target on emerging technology programs; upgrade science, math and foreign language instruction at all levels of education; and aid gifted students.

Innovation—in process and product technology—is at the heart of our ability to compete. The legislation would create technology extension centers, modeled after the successful Agricultural Extension Service, to function as clearinghouses and to assure the effective dissemination of new technology. It would also clarify the antitrust laws to permit joint research and development and create an agency for technological innovation, within the Commerce Department, to serve as the focal point for all Federal governmental efforts to enhance technological innovation.

The pressure of competition and the pace of change ensures that thousands of jobs will be created while many others will be destroyed. Prosperity will not be evenly distributed among regions and communities. It is the role of government to ensure that the burdens of change are shared; that individuals who lose their jobs are recognized as the victims of circumstances beyond their control—not failures—and aided in the search for new work through retraining and adjustment assistance.

The legislation contains a series of adjustment programs to facilitate the adaptation of workers, communities, and industries to changing markets and technologies. Specifically, the legislation would modify the unemployment insurance system so that States could pursue various options for tying together unemployment insurance and training programs. It would also improve the training system to aid small business, dislocated workers, and workers willing to borrow for training; and establish community service employment opportunities for dislocated workers who are older or lose family responsibilities.

Finally, the legislation recognizes that in comparison to their competitors abroad, our business operates under some real handicaps in terms of financing their investment and development. Fuller access to longer-term credit can be made available to smaller, growing firms which prove to be the richest source of innovation in new technologies and products. This legislation reflects the view that valuable lessons can be learned from State economic development; it would provide Federal support for State and regional economic development finance institutions to carry on their diverse activities, while at the same time mandating a study of the high cost of capital in the United States.

Mr. President, these are complex proposals to deal with a complex, multifaceted problem. Neither the problems nor the solutions fit easily on a bumper sticker. The bottom line comes to this: The combination of international competition and rapid technological change present our country with an extraordinary economic challenge. As we said in the "Jobs for the Future" report:

> The American people understand that the ways of doing business which succeeded when we were economically dominant no longer suffice. We can no longer take the foundations of our prosperity for granted; instead we must call upon the energy and creativity that fueled our past success in order to rethink, readjust, and rebuild.

In his State of the Union, President Reagan told us that "America is back." We are not back, and in fact, we cannot go back. We have entered upon what one commentator called "a great white-water river of change." We will navigate it successfully if we enlist all segments of the society in a cooperative effort. The alternative is drift and decline. As Benjamin Franklin warned the citizens of the faltering new republic two centuries ago, "we can all hang together, or we will all hang separately." Democrats believe that he might also have added: By hanging together, there is no limit to the great things that can be done.

RECOGNITION OF SENATOR LEVIN

The **PRESIDING OFFICER**. Under the previous order, the Senator from Michigan is recognized for not to exceed 15 minutes.

JOBS FOR FUTURE BILL

Mr. **LEVIN**. Mr. President, it is never easy to take a critical view of yourself, to realistically analyze your strengths and your weaknesses. This is, in part, because it is also hard to change old habits. Were the critical analysis to result in the objective conclusion that changes in your behavior were necessary for your future well-being, that prescription for change would be often hard to swallow. Breaking old habits is never easy. That is why it is so infrequently attempted and so rarely achieved.

It is time, however, for us as a nation to take a critical view of our industrial vitality—our ability to generate high quality, well-paying jobs for our future generations—and to act on the conclusions such an analysis will provide. We are at the beginning of a technological revolution that will be as profound as the earlier agricultural and industrial revolutions. Information will be as central to our economy as agriculture and steel have been. A broad range of new skills will be required for the new industries. Robots will take over a growing share of the manual labor previously performed by workers. Obsolescence of manufacturing processes will occur at a rapid rate. The office will be transformed by rapid advances in computer technology. Changes in business practices and the function of labor will be profound.

Much of this revolution is already underway as evidenced by the robotization of the auto industry, the intense competition of the computer companies, the work now being done to lay fiber optic cable in the Northeast corridor. How America will measure up to these dramatic and rapid changes and challenges depends to a large extent on what we do now to develop the appropriate structures and policies to make Government a facilitator for progress and economic growth.

The legislation the Democratic task force is introducing today is an effort on the part of the Senate Democrats to respond to the signals we see about the future economy of America and to prepare the way for America's ability to compete at the top in world trade.

We are seeing right now mixed signals on the health of our economy: a 9.7 percent growth in GNP for the first quarter of 1984, a 7.5-percent unemployment rate nationally in May and a 2.4-percent inflation rate for that same month. At the same time we are faced with a projected $180 billion budget deficit, a $100 billion annual trade deficit, an $800 billion debt owed by the Third World. These are complex and confusing signals, and the soaring interest rates certainly add to the difficulty.

In response let me say first what the legislation we are introducing today is not primarily intended to do. It is not directed at the immediate recession-recovery cycle we have been experiencing for the past 3 years; it is not a solution to the burgeoning budget deficit or the possibilities of higher interest rates and inflation. Obviously those need to be addressed—through fiscal and monetary policy—and they take precedence over all of our other economic issues, in my opinion.

What this legislation does do is address our long-term economic position in the world economy. It establishes programs and policies to enhance our international competitiveness by:

Developing long-range strategies for U.S. industrial development and growth;

Building a competent, skilled, responsive labor force to adapt to technological advancements and manufacturing shifts;

Providing support and encouragement for the innovative and technological advancements so necessary for a competitive industrial capacity;

Providing assistance to State economic development efforts which create jobs at the local level.

All of these provisions are designed to contribute to the goal of insuring a sufficient supply of high-quality, well-paying jobs for America's workers.

One look at the recent statistics on job growth in the United States will tell you that unless we take an active role like the one proposed in this legislation, that goal will be an elusive one.

In the Data Resources, Inc., Report on U.S. Manufacturing Industries it is reported that while manufacturing represented 34 percent of all payroll employment in the years 1948-52, by the years 1978-82 the share had dropped to 22.5 percent. That is a drop of one-third. Meanwhile the growth of jobs in the service sector of the economy is significant. According to economists Bennett Harrison and Barry Bluestone:

> Since 1979, the last time the jobless rate slipped below 6 percent, the growth in employment has been exclusively in what is broadly defined as the service sector. The U.S. Bureau of Labor Statistics estimates that between March 1979 and March 1984, the number of jobs in wholesale and retail trade, the financial sector and personal and business services grew by more than 4 million. Over the same period, employment in manufacturing, construction and mining shrank by nearly 2.4 million.

The low growth of jobs in the manufacturing sector is troubling because, as the DRI report concludes, "Without a strongly advancing manufacturing industry, the U.S. economy is hardly likely to maintain its progress in the decades ahead. A service economy," the report goes on to explain, "lacks sufficient opportunity for technological progress and economies-to-scale to sustain the historical growth which the United States has so long achieved. To bet the future of our economic system on a service economy is a high-risk gamble that is hardly likely to prove successful."

Moreover the pay in service jobs is generally significantly lower than the pay in manufacturing jobs. Based on an analysis of the forecast for job growth from the Bureau of Labor Statistics, Barry Bluestone concluded:

> Of the 10 occupations that are expected to produce the largest numbers of new jobs during the 1980's, 7 are among the lowest paying/lowest skilled occupations in the economy—nurses' aides and orderlies, janitors, sales clerks, cashiers, fast-food workers, general office clerks, and waiters and waitresses.

Moreover job growth and unemployment differ dramatically from State to State. In Sunday's Washington Post the results of a study were released which showed the wide discrepancies in employment rates between even neighboring States like Virginia with 4.3 percent unemployment and West Virginia with 14.9 percent unemployment. The loss of manufacturing jobs in the steel and auto industries has inevitably hurt hardest those States which have been home for those particular industries. My own State of Michigan has lost some 200,000 manufacturing jobs between 1973 and 1980. While Massachusetts and Virginia flourish, States like Michigan and West Virginia are suffering immeasurably.

There are other relevant and disturbing statistics that portend trouble in America's ability to produce high quality, well-paying jobs. Economic consultant Gail Garfield Schwartz, coauthor of the book entitled "The Work Revolution," suggests that by 1990 three-fourths of today's blue collar jobs and one-fourth of today's white collar, clerical jobs could be obsolete.

With a projected trade deficit of $100 billion for 1984, coupled with the Commerce Department estimate that every $1 billion increase in the trade deficit reflects 25,000 American jobs lost or created, the United States could lose, conservatively, some 2½ million jobs solely because of the trade deficit.

Between 1980 and 1983, the U.S. steel industry alone experienced a decline in employment of 34.6 percent, and in the automobile industry, employment is 25 percent lower than in 1978.

The reasons for these job losses and shifts are as varied as the economists who analyze them, but one factor is almost universally accepted and that is the growing competition for industrial production by other countries such as Japan, South Korea, Taiwan, and Brazil. Countries like Japan have pulled together an aggressive program for capturing the world market in areas we felt confident would be American dominated, like in the basic industries of shipping, automobiles, and steel, as well as the high-technology industries of computers and fiber optics.

The products we make are being met with the competitive challenge of lower prices, high quality, and speedier delivery. Since 70 percent of our American products are now challenged by international competition, we cannot be complacent in our current status. We must ensure that we are doing all we can to roll up our sleeves and compete with the best of them.

To do this, we must change some of our old habits. Principally, we must stop treating the various players in our economy as adversaries. It is simply dumb for American business and labor to be going at it with each other when Japan, South Korea, and Taiwan are sailing ahead.

And it's equally dumb for the Federal Government to be treating business as an adversary when so many of our businesses are already taking a beating from competition abroad. To some extent, that old saying rings true in this context: We have seen the enemy and it is us.

We should be working together to develop a more competitive America and acknowledge the reality of the changing world economy. The legislation we are introducing today establishes a framework for such an effort to be made. The bill creates a Council on Economic Competitiveness and Cooperation to provide a forum within which the Nation's industrial strategy can be debated and formulated, where advisory working groups can analyze and develop responses to problems that affect individual industries and geographic regions. The Council would be composed of 20 representatives of Government, business, labor, and the public. The nongovernmental members would serve 6-year terms, so as to provide continuity from administration to administration. The Council would have the reponsibility for conducting long-range analyses of our current and future competitive position, ensuring the coherent use of our many policy tools, and above all, building voluntary consensus around an equitable sharing of burdens, risks, and opportunities. Its role would be advisory. Such a Council would give us the advantage of the best minds and experience in fashioning a long-range strategy to make a particular industry, and American industry as a whole, more competitive. Today, no one is at the wheel on this journey and our course has been fitful and erratic.

We must encourage and support the abilities of the American people. We must challenge our students to be the best and let them know if they perform well, their accomplishments will be recognized and rewarded. We should do everything we can to promote the abilities of our gifted and talented children.

We must provide the resources necessary to bring disadvantaged youth into the job market so we can unleash their talents and abilities. This legislation would help to do this by providing:

Increased funding under the title I program for educating disadvantaged young people in our secondary schools;

Increased vocational educational assistance for disadvantaged youth and displaced workers and homemakers;

Financial incentives to teachers of math and science;

Financial assistance and scholarships to our gifted and talented students in order to encourage them to excel.

We must also assist our dependable, longtime workers on whom we have relied and who are now faced with permanent job losses, in their adjustment to new jobs which may demand new skills. Estimates on the number of displaced workers—those experiencing permanent job loss—abound, anywhere from a few hundred thousand to 3 million nationally. The director of the Michigan Department of Labor estimated the number of displaced workers in Michigan alone to be some 300,000.

Long-term unemployment wreaks havoc with the personal lives of the displaced worker as well as with his/her family and friends. Studies have confirmed what we have all witnessed or intuitively understand—prolonged joblessness creates and exacerbates health and emotional problems. Alcoholism, child abuse, and other results of stress increase. Long-term unemployment is particularly acute for the older worker—45 and above—who, it is estimated, makes up at least one-fourth of the displaced worker group. These people have obtained a relatively high wage through their seniority, have not needed to change their skill level in the past, and have been out of the job market for a long period of time. They are especially hard hit when it comes to finding replacement work. New employers are reluctant to hire them, because the cost of hiring them is more than for a younger worker, since the cost of many benefits increases with the age of the worker. These older workers also have strong ties to the community and that makes any relocation particularly burdensome and difficult.

Yet, as the number of displaced workers has grown in recent years, our Federal assistance to helping them retrain and find new jobs has declined. The Joint Economic Committee reported recently that "[T]he Federal Government was spending nearly four times as much for training per unemployed worker in 1970 as today." The legislation we are introducing today would change that by:

Promoting retraining for dislocated workers through changes in the Unemployment Insurance Program and by providing loans for part-time education and training courses for these workers;

Providing adjustment assistance to communities and firms experiencing declining employment in order to aid workers in assessing their career opportunities and by providing job counseling and job training asssistance;

Providing temporary public service employment for longtime workers over the age of 40 who have exhausted their unemployment benefits and who have no prospects for future employment.

We must invest in and support the growth and development of new or more modern enterprises and companies as sources of future employment opportunities. The legislation we are introducing today would do this by:

Establishing an agency in the Commerce Department responsible solely for assisting in the promotion and development of innovation and technology and its adaptation to commercial uses.

Clarifying antitrust law to encourage the formation of joint research and development ventures among small businesses;

Supporting State economic development activities which can foster a more favorable investment climate for firms which want to produce a more competitive product, adopt more efficient production methods, and create new career opportunities.

Insisting that trade relief be connected to an industry's willingness to adjust to a more competitive position.

The goal of high quality, well-paying jobs for American workers can be achieved. We need to set into place the framework and policies that will encourage that to happen. The bill we are introducing today is intended to do just that.

The decline in our industrial base threatens our economic well-being and our military security. We must reverse that decline. We are determined to reverse that decline. We are confident that the approach we are offering today will achieve just that and assure economic growth for all Americans.

INTERNATIONAL COMPETITIVENESS AND COOPERATION ACT

Mr. RIEGLE. Mr. President, I am pleased to join my colleagues on the Senate Democratic Caucus Task Force in introducing the International Competitiveness and Cooperation Act. This bill provides a sound, vitally needed response to the growing international competitive challenges confronting this Nation.

In the past three decades, while the value of international trade has steadily increased, the U.S. share of that trade has fallen almost 35 percent.

After years of relative balance in the 1960's and early 1970's, our merchandise trade deficit plummeted to $39.7 billion in 1981, and then deteriorated even further in 1982 to $42.7 billion.

Back then, that was a record, but in the past 2 years, the situation has gotten far worse. Last year's trade deficit was almost $70 billion. This year's deficit is now expected to be close to $130 billion.

Using the standard estimate that over 25,000 jobs are lost for every $1 billion increase in the trade deficit, this trade deterioration has cost the United States close to 1 million jobs in 3 years.

Fortunately, recent months have brought some relief from the high unemployment under which the Nation suffered in the last few years. But there is no cause for complacency. More than 8 million Americans are still without jobs. Every year the base rate of unemployment goes higher and higher.

Mr. President, unless we quickly face up to fundamental changes in the international economy, the current U.S. economic recovery could prove to be only a temporary reprieve from a dangerous, long-term erosion of America's competitive strength.

The Reagan administration has tried to ignore the underlying problem. They ask Americans to rely on the magic of the marketplace. Theirs is a policy of drift. The Reagan administration proposes a simplistic solution: deregulate. This grossly underestimates the stiff new difficulties of U.S. firms facing foreign competitors that have direct support of their governments.

Others have called for a second approach: across the board protection and a sharp expansion of Government's role in the economy.

The bill that we introduced today rejects both of those approaches. It offers instead a set of sound, practical actions to improve the climate for productive investment in the United States, and to help make American workers and businesses more competitive. This bill recognizes that the private sector must take the primary initiative in regaining the U.S. competitive lead. But it also recognizes that Government policies must reinforce private efforts. The bill builds on the unique strengths of the American system of government and our market economy.

The bill would establish a "Council on Economic Competitiveness and Cooperation." The Council would serve as a forum in which business, labor, government, and others can develop coherent strategies to overcome problems that create unnecessary obstacles for U.S. industry. The sad fact is that conflicting, uncoordinated Government policies have hurt the ability of U.S. firms to compete in international markets. And the Federal Government simply has no mechanism now for understanding and coordinating how its diverse policies—tax, regulatory, spending, and monetary policies—affect the the competitive strength of American business. The Government can neither quickly recognize nor promptly remove disincentives to productive investment.

Establishment of this Council would finally help correct that situation.

The bill also includes solid new initiatives to strengthen American education as an investment in future competitiveness; to foster technology and innovation as the heart of our ability to compete; to provide retraining of workers so that more of our work force can contribute to our competitive advantage; to improve our trade policy so that it will help create a more level playing field in world markets; and to facilitate the financing of investments that are necessary for long-term economic growth.

I would like to comment briefly on title V of the bill—the National Investment Association Act [NIA].

This title would improve the ability of U.S. industry to finance improvements in their products and production processes. It would be targeted on those firms that are exposed to international competitive pressures.

The title would address the special needs of small- and medium-sized companies, which create most new jobs and are among the most technologically innovative.

In recent months, as huge Federal deficits have been draining off billions of dollars in available capital and putting pressure on interest rates, the Government has only worsened the problems of firms that want to make productive investment. Banks have been forced to make business loans with shorter and shorter terms. Financing for longer term investment is increasingly difficult, especially for firms that are small, medium sized, new or, rapidly growing.

As Roger Altman, managing director of Lehman Brother Kuhn Loeb, Inc., recently said in congressional testimony:

> The entire structure of our capital markets is oriented to shorter term pay-offs and to conservative balance sheets.

Title V builds on the unique strengths of the American economy in three ways: It recognizes the regional diversity of the U.S. economy; it relies on the investment expertise of the private sector; and it encourages experimentation in public policy by the States.

Title V would establish a new corporation which would be free of civil service and eventually privately owned. This new corporation, the National Investment Association [NIA], would be modeled after other Government sponsored corporations that have strengthened the markets for home mortgage finance and student loans. It would not only pay taxes to the Treasury it would also pay a fair share on any Federal investment.

NIA would carry out three distinct but complementary activities. First, NIA would invest in State business development programs.

Many individual States have already developed extensive and increasingly sophisticated industrial development programs to promote new firms, business expansions, firm relocations, and export of State products.

The Connecticut Product Development Corp. is a quasi-public agency which invests in companies needing funds for the development of new products. The assistance is neither a loan nor an equity investment. Rather it is a royalty pay-back plan where investment in a successful venture can recoup the State's investment more than five times over.

The California Department of Economic and Business Development administers a revolving loan fund to provide small businesses investment money that will help create new jobs in the State.

Kentucky's Development Finance Authority offers a mortgage loan program designed to allow small, growth-oriented firms to obtain long-term financing necessary for growth.

And in my State of Michigan, Gov. James Blanchard has proposed the establishment of the Michigan Strategic Fund which would, among other things, make loans to businesses that create jobs and add to the competitiveness of the economy.

All told, States provided almost $20 billion in 1981 for economic development through grants, loans, loan guarantees, interest subsidies, equity investment, and customized worker training.

NIA would invest approximately $800 million for 5 years in State strategies. A distribution formula, based on population and employment, would assure each State of investment funds when the State is ready to employ those funds soundly.

State strategies would have to contribute to the strength of the Nation's economy as a whole. While States would have to retain public accountability and avoid efforts to attract jobs at the expense of other jurisdictions, each Governor would have broad discretion in choosing the overall approach to development and the means of implementing the State's strategy.

NIA would purchase State securities. States would have to match that investment on a 3-to-1 basis, where every $3 of investment by NIA would have to be met by a $1 hard money match from the State.

Just as NIA will have to pay a return to the Treasury, so to will the States be expected to pay a return to NIA. This is an investment not a hand-out or subsidy.

State development strategies would have to be carried out with adequate participation and risk sharing by private investors. In this way, NIA will help strengthen public/private cooperation in economic development.

Second, NIA would develop a secondary market in small, longer-term industrial loans for investments to improve competitiveness. Functioning as Fannie Mae and Freddie Mac now do in the mortgage market, NIA would help standardize underwriting procedures and enable pensions, trust and similar large investors to provide financing to smaller, growing firms. NIA or private financial institutions would form pools of qualifying business loans and issue taxable securities backed by those pools. NIA would guarantee timely payment of principal and interest on the securities.

The bill would thus enable banks, thrifts and other lenders to make sound loans that they could not otherwise make. It would help the private capital markets function more efficiently.

NIA would have a 19-member board of directors with one-third appointed each year, with the advice and consent of the Senate. Members would have expertise and broad experience in investment, industrial development or public and private finance. They would also have to have an understanding of the financial problems confronting new, growing, small- or medium-sized businesses.

Membership would have fair representation from labor, business, the financial community, State, Federal Government and would have to be bipartisan in nature.

Mr. President, the International Competitiveness and Cooperation Act is the product of a year long study by a number of Senators representing diverse sections of the country and different philosophies. It provides a practical, well thought out strategy to address the economic challenges confronting our Nation. I believe it should receive full consideration by the Senate at an early date.

Mr. TSONGAS. Mr. President, I would like to join my colleagues in support of the comprehensive bill that follows the recommendations of "Jobs for the Future." While the economic recovery has brought improved conditions, there is still great cause for concern about the Nation's long-term health and vitality. Much of that concern rightly focuses on the competitive strength of our major industries—not only steel and auto but semiconductors and new materials technologies.

I believe that government has a role to play in the process, not by picking winners or designating losers, but in establishing policies that provide an environment in which industry can innovate, compete, and grow. And that is precisely what this bill is about.

My own interest in this bill has been developing policies that encourage innovation in our basic industries and high technology companies alike because this is a key to the future of our economy.

Mr. President, I ask unanimous consent to place in the RECORD summaries of the legislation designed to promote innovation. I understand that they have been somewhat modified in the final bill, but that the substance remains unchanged. I intend to introduce my proposal for an Agency for Technological Innovation in a more comprehensive form at a later date.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY, RESEARCH AND DEVELOPMENT TAX CREDIT ACT

This bill makes permanent the tax credit for research and development found in the Economic Recovery Tax Act of 1981. This bill eliminates the termination date for the tax credit of January 1, 1986 which appears in the original 1981 Act.

SUMMARY, ECONOMICALLY STRATEGIC INDUSTRIAL RESEARCH AND DEVELOPMENT ACT

This bill is designed to develop a widespread consensus within the industrial and academic research communities concerning which technologies are economically strategic for development, and authorizes the collection and analysis of data on these strategic technologies. Technology development programs shall be established to consider the comparative position of the United States for these technologies and determine appropriate competitive strategies for development.

Section 5 of the bill requires the Director of the Office of Science and Technology Policy to enter into an agreement with the National Academy of Science and the National Academy of Engineering under which the Academies conduct a study to identify economically strategic technologies. This study would also provide plans for optimal development of these strategic technologies.

Section 6 presents functions which the Academies must perform during the strategic technology study, including the solicitation of views from private industries. The Academies shall use specified criteria in the identification of economically strategic technologies, including each technology's estimated economic benefit, technological feasibility and risk, and the current Federal, state, private industrial and foreign activity in each technological area. Section 6 also requires the Academies to development a technological development program for each economically strategic technology. The Academies shall establish an advisory committee composed of industry and academic experts to make recommendations for these programs. Each program shall describe the strategy for development of the relevant technology, and indicate policy actions required of the Federal government, including recommended legislation and spending levels. The bill authorizes appropriations as necessary for the implementation of the strategic technology study and the technology development programs.

SUMMARY, RESEARCH AND DEVELOPMENT JOINT VENTURE ACT OF 1984

The purpose of this Act is to modify the operation of Federal and State antitrust laws with respect to joint research and development activities in order to encourage commercial entities to carry out such projects and thereby increase industrial innovation, productivity, employment and the economic competitiveness of the United States.

Section 3 provides for voluntary disclosure by parties of such joint research development projects to the Attorney General. Such disclosure shall include the identity of the parties involved and the nature, scope and duration of each project. Parties to disclosed ventures shall not be liable for damages in civil actions brought under the antitrust laws. Private parties or the Attorney General may, however, obtain injunctions against such disclosed ventures under antitrust laws. A court may also alter the damage protections provided in this section with respect to conduct occuring after the issuance of an injunction. The Attorney General shall publish notice of a joint venture disclosure in the Federal Register within 30 days of disclosure. This publication requirement may be altered by discretion of the Attorney General.

Section 4 states that the making or performing of a contract to carry out a joint research and development program shall not be considered illegal per se under Federal or state antitrust laws. Such actions shall instead be judged according to their reasonableness, taking into account all relevant factors affecting compettion.

If a party does not disclose joint research and development activities pursuant to Section 3, Section 5 states that damages awarded against such a party for joint research and development activities under Federal or state antitrust laws shall not exceed actual damages, the cost of the suit, including a reasonable attorney's fee and any interest with respect to such damages.

Under Section 6, the definition of joint research and development projects includes basic and applied research, and exploratory, technology or demonstration development. Such projects may not include the production or marketing of products or services developed for commercial use.

BILL SUMMARY, AGENCY FOR TECHNOLOGICAL INNOVATION ACT OF 1984

The purpose of this Act is to provide a coherent Federal approach toward the stimulation of technological innovation by establishing an independent agency called the Agency for Technological Innovation (ATI). This Agency will consolidate existing Federal programs designed to enhance innovation, and will provide an organizational structure to promote the technological innovation process in the U.S., including research, demonstration projects and information dissemination.

Section 201 presents the structure of the Agency, which includes an Office of Innovation Policy, an Office of Program Evaluation and Development, a National Innovation Board, an Interagency Coordinating Council on Innovation, and four Directorates. The Directorates represent the substantive areas on which the Agency will focus, including Human and Organizational Resources; Enterprise Development; Production on Research and Development, and Information and Technology Transfer. The Agency will be headed by a Director as appointed by the President.

Section 202 describes the duties of the Office of Innovation Policy. This office will conduct research and analysis of trends, alternatives and issues relating to technological innovation, including topics such as antitrust law, patents and tax policies. This office will report to Congress on an annual basis concerning the results of their studies.

The functions of the Office of Program Evaluation and Development are described in Section 203. This Office will evaluate the programs conducted by the Agency itself, and perform basic research on the process of technological innovation.

The National Innovation Board, as described in Section 204, will be composed of ten members appointed by the President, which represent business and industrial concerns, employees, educational institutions and state and local governments. This Board will provide advice and assistance to the Director concerning the policies and programs of the Agency.

Section 205 establishes an Interagency Coordinating Council on Innovation. This Council will consist of representatives from federal agencies which have programs and policies relating to major aspects of the technological innovation processes in the U.S., including the Departments of Commerce, Defense, Education, Energy and Labor, the National Aeronautic and Space Administration, the Small Business Administration and the National Science Foundation. The Council will promote the coordination of innovation-related activities of the various agencies and recommend legislation and administrative actions contributing to the enhancement of technological innovation.

Sections 205-209 present the functions of the four Directorates. Section 205 establishes the Directorate for Human and Organizational Resources, which has the overall objective of conducting and funding research and analysis on technical education, retraining programs and managerial practices. The Division of Technical Education will focus its studies and grants toward entry-level education, while the Division of Manpower Retraining will evaluate and fund studies concerning retraining programs. The Division of Managerial Innovation represents the third division of the Directorate for Human and Organizational Resources. This division will evaluate the effects of managerial practices on the technological innovation process, including productivity and labor/management relations.

The Directorate for Enterprise Development is described in Section 207. This Directorate is designed to conduct and fund studies concerning the development and formation of new enterprises, and promote and disseminate information concerning new enterprise models. This Directorate will perform these functions through four divisions: the Division of Cooperative Research and Development; the Division of State and Local Initiatives; the Division of Small Business Innovation; and the Division of Capital Resources for Innovation. The Division of Cooperative Research and Development will evaluate and disseminate information on existing and potential models of cooperative research and development and provide grants for demonstration projects concerning such cooperative activities. The Division of State and Local Initiatives will evaluate and disseminate information on existing state and local programs which promote technological innovation, and provide a networking function for these existing programs. This Division will also fund a demonstration state and local cooperative research activities. The Division of Small Business Innovation will coordinate, monitor and evaluate small business innovation research programs established under the Small Business Act. It will also assess and promote methods by which federal, state and local governments can stimulate small business innovation, including the establishment of state and regional research programs modelled after the Federal small business innovation research program. The Division of Capital Resources for Innovation will evaluate the capital markets for the establishment of new enterprises, the development of products of small businesses, and the cost and availability of capital for such enterprises and products.

Section 208 establishes the Directorate for Production Research and Development. This Directorate is composed of three divisions: the Division of Manufacturing Technology; the Division of Process Technology; and the Division of Sociotechnical Design. The purpose of this Directorate is to evaluate manufacturing and process technologies and provide guidance and financial assistance to educational and non-profit institutions with research and demonstration projects to improve these technologies. Within the Directorate for Production Research and Development, the Division of Manufacturing Technology will promote the redevelopment of manufacturing research and development, including dissemination of the latest developments in scientific and technical information and managerial practices. This Division will also provide measurement services, test procedures and technical data with respect to automated manufacturing processes. The Division of Process Technology will support research concerning the development of improved manufacturing processes in new and developing product areas such as biotechnology and microelecronics. The Division of Sociotechnical Design will conduct research on organizational arrangements and methods in order to devise means of reducing the impacts from the dislocation of employees which may result from technological innovation.

Section 209 describes the Directorate for Information and Technology Transfer. The primary purpose of this Directorate consists of the promotion and dissemination of information concerning new products and technologies. Within this Directorate, the Division of Mission-Oriented Transfer will identify products and processes developed by Federal agencies which have potential for commerical application, and operate a center to distribute information on such products and processes. The Division of Information Systems will operate a national technical information service to make federal scientific and technical information readily available to business and industrial concerns, including information concerning the technological innovation process itself. It will also act as a clearinghouse and repository for all scientific and technological information collected by Federal agencies. In addition, this Division will oversee a national technology extension center program, which will consist of twelve centers established in cooperation with state and local government, business and industrial concerns and educational institutions. The functions of each center will include the promotion of joint research and development activities between educational institutions, private businesses and state and local governments. They will also support demonstration projects and provide practical training in new technologies and processes.

RECOGNITION OF SENATOR BYRD

The PRESIDING OFFICER. The Senator from West Virginia is recognized under the special order.

Mr. BYRD. I thank the Chair.

JOBS FOR THE FUTURE

Mr. President, I am pleased to join as a cosponsor of the Economic Competition and Cooperation Act of 1984. Sixteen months ago, I created a task force of the Democratic conference to examine the longrun prospects for the American economy, and its continued ability to compete in a rapidly changing international economic environment. I asked Senator KENNEDY to chair the task force and, under his able leadership, a far-reaching report was prepared. That report, entitled "Jobs for the Future," was unanimously approved by the Democratic conference last November. Subsequently, I asked Senators EAGLETON and LEVIN to lead a steering group to translate the recommendations of the report into the legislation being introduced today. I commend all of my colleagues on the task force for their efforts.

The economic situation has changed substantially during these 16 months, but the reasons for establishing the task force remain valid. The recommendations it put forward are necessary today and will be needed next year and the year after that. This is not a quick fix put together in the heat of a recession. It is a start in making the U.S. economy more competitive and the world economy more stable. It fosters the cooperation within the Nation, and among ourselves and other countries, needed to establish full employment on a permanent basis.

The rise in the prime rate to 13 percent earlier this week is fresh evidence that the long-term health of the economy is far from assured. Real interest rates are at historic levels. Long-term investments in housing and capital stock will be discouraged as a result. The current recovery has not reestablished our international competitiveness and, indeed, our balance of payments has dramatically worsened. Unless we act, the overvaluation of the dollar will continue and our merchandise trade deficit will grow beyond the $100 billion level.

The current recovery is unbalanced and unsustainable within the United States. Nor have the administration's policies established an international economic situation that bodes well for the future. In the 1960's, most European countries thought that unemployment should not exceed 3 percent; yet, many are now experiencing unemployment three and four times that high. We are all familiar with the risks inherent in the international debt situation. Each 1 percent increase in the U.S. interest rate makes the problem $2.5 to $3 billion more difficult.

Even without a collapse of the financial system the debt problem is seriously affecting our economy. Between 1981 and 1983 Latin America reduced its imports—mostly from the United States—by $32.2 billion or 41 percent. Mexico has an unemployment rate of 30 percent and its labor force is growing rapidly. These problems extend throughout Latin America. They undermine our efforts to control immigration and bring political stability to the region, and they limit potential markets for American exports.

Unemployment remains unacceptably high in many States in our Nation, despite the much heralded recovery. The unemployment rate in my State was close to 15 percent in April. Most West Virginians cannot understand why there should be 15 percent unemployment in their State or over 8.5 million persons unemployed nationally when there is so much work to be done; 20 years ago, we thought that 4 percent unemployment was too high and now some celebrate because unemployment is only 7.5 percent. Most West Virginians, and most Americans, cannot understand how economic growth can be excessive when so many Americans are without adequate food, housing, and other necessities.

The Economic Competition and Cooperation Act deals with the fundamental causes of unemployment and underemployment. In a changing and interdependent world it is critical that we have an understanding of our competitive situation and an institutional means for arriving at a plan of action. Thus, the bill establishes a Council on Economic Competitiveness and Cooperation to collect information on industrial trends and bring management, labor, Government, and the public together to agree on a competitive response.

We recognize that the pace of technological change places a premium on innovation. Thus, the bill calls for efforts to improve the creation and dissemination of industrial innovation, such as this country has done successfully for many years in agriculture. We recognize that our Nation's human resources are its most important asset and the bill increases our commitment to education, especially in math and science. The bill also calls for changes in our unemployment and training systems to enhance the capacity of workers and their communities to adapt to the rapid pace of change in today's world. It also helps States finance their economic development organizations in recognition of the Nation's diversity and the need of small business for development capital.

The bill calls for expanded international trade negotiations and changes in our import relief procedures so that a better balance between worldwide supply and demand can be obtained. We also recognize that resources need to be directed to improve our capacity to export, especially to meet the emerging needs of the developing world. The bill, therefore, calls on the Agency for International Development to work with American business to translate our comparative economic advantage into export orders. Our technology in energy production, health and education equipment, agriculture, and telecommunications is the best in the world. This bill includes practical actions to increase the exports of these products.

Although this bill cannot eliminate all the barriers to full employment, it is a start in the right direction. Americans want and deserve an opportunity to work at good jobs; jobs that pay adequately, provide decent fringe benefits, and, most important, allow workers to fully utilize their capacities. The Economic Competitiveness and Cooperation Act is an important part of what is needed to achieve that goal.

RECOGNITION OF SENATOR SYMMS

The PRESIDING OFFICER [Mr. KASTEN]. Under the previous order, the Senator from Idaho [Mr. SYMMS] is recognized for not to exceed 15 minutes.

THE CLEAN WATER ACT AMENDMENTS OF 1984

Mr. SYMMS. Mr. President, I rise today to address this body on a very complex and important amendment to S. 431, a bill to reauthorize the Clean Water Act.

There is no resource that is more vital to the well-being of this Nation than water. It is the lifeblood of this Nation, and those of us that represent Western States know keenly the politics of managing its scarcity. This Nation is blessed with its water resources so essential for food, energy, transportation, recreation, construction, hygiene, consumption, and literally thousands of other uses.

For centuries, the populace of this Nation presumed that our watersheds were renewable waste depositories, emptying into oceans that were vast enough to dilute any pollutant.

In the late sixties and early seventies, we found that that presumption was ill-founded—many streams were polluted to the point that they could no longer support life, and the Cuyahoga River was so overburdened with combustible pollutants that it could be set afire at certain times. In 1972, the Clean Water Act was signed into law, a very effective program that committed this Nation to the clean up of our aquatic lifeblood.

The Clean Water Act was unique from other environmental statutes in that it placed a great deal of reliance on the States in an aura of cooperation. The act does not hammer sources into compliance. It built upon the already existing programs of States and municipalities to cleanup the Nation's water.

When the Senate Environment and Public Works Committee addressed reauthorization of the Clean Water Act, I worked to see that that spirit of cooperation and delegation of authority to State and local entities remained the hallmark of the statute.

The need for such cooperation is the center of my interest in the pretreatment programs mandated under the act. Under the act, industries must treat their wastes before they discharge them into publicly owned treatment works [POTW's] if, first, they will interfere with the POTW; second, the POTW cannot treat the particular waste discharged into the facility—wastes cannot pass through the facility without treatment; and, third, they prevent removal of sludge.

A handful of POTW's have taken the bull by the horns and developed excellent programs. There are capable and qualified local public agencies that know as much if not more about pretreatment than we do in Washington. When the committee debated S. 431, I asked the committee to recognize those efforts and allow those POTW's to simply be allowed to continue to run their own programs. Since there POTW's are miles ahead of EPA in terms of implementing strong and effective pretreatment controls, I argued that we should allow them to continue their worthwhile efforts without unnecessary Federal interference.

I originally became involved in the pretreatment debate when the city of Boise expressed concerns about the administrative workability of the existing Federal program. I have learned since then that the city of Boise as well as many other cities throughout the country have exemplary pretreatment programs, which impose even more stringent requirements on their local industries than EPA would require through the imposition of national categorical standards. Accordingly, I now find myself speaking on behalf of a broad cross section of the regulated community, and my proposal has the support of State and local officials and the regulated industries. The Association of State & Interstate Water Pollution Administrators, ASWIPCA, the U.S. Conference of Mayors, the National League of Cities, and the Association of Metropolitan Sewerage Agencies have all specifically endorsed my proposal.

The simple fact is that great progress has been made in these programs over the past decade. At the Federal level, however, EPA has been stumbling to make their categorical approach work. The Federal program is a great failure though, and if POTW's that have approved programs in place and are meeting secondary waste treatment smoothly and efficiently, they should not be subject to this uncertain Federal program.

Proponents of the categorical standards approach argued before the committee their concerns that anything less would jeopardize water quality. The facts, however, belie this argument. Simply stated, many current local pretreatment standards, including those in Boise, ID, are more stringent than the national categorical standards. Even EPA Administrator Ruckelshaus highlighted this fact when he testified before the committee, and raised his concerns that EPA would both over and under regulate using the categorical approach.

The record is clear. Local officials are in the best position to develop pretreatment programs to protect water quality and the operation of their treatment facilities. They are professionals, who, in the absence of Federal guidelines, regulations, and programs, have seized the initiative and competently attacked this critical environmental problem.

When S. 431 was first introduced, Senator CHAFEE had included a provision that would allow a POTW that could meet certain qualifications to modify its permit so that it could continue to operate its own effective program. When that language was withdrawn, Senator MOYNIHAN and I argued that it should be retained, and that the original language was necessary to ensure a workable program.

In the course of our hearings and markups on S. 431, few substantive arguments against the alternative approach were made, and I remain convinced that the valid concerns that were raised can be addressed with some modifications to the amendment. Concerns such as resource scarcity, inequity, delays, removal credits, and the preservation of water quality, POTW operation, and sludge quality were invoked as reasons against the provisions.

The alternative pretreatment approach would accelerate the act's objectives because it would allow local problems to be addressed with local solutions. This tailored approach would be less costly and technically more relevant to the particular industrial base and environment. More importantly, it would utilize programs currently in place that are administratively feasibles and easily enforceable. Perhaps the most critical point, however, is the environmental soundness of such a program. Through the process of targeting local conditions, we would be responding to the immediate problems of an area, instead of relying upon a national standard that may or may not be relevant to an area's water quality.

Resource limitations are a legitimate concern in any situation. Under the alternative pretreatment provision, however, the strict qualifying criteria and tight timeframes for the submittal of the application itself would alleviate these concerns. Ironically, a local alternative would allow EPA and the States to target existing resources to those areas of the country that were unable to qualify for the local permit modification.

If resource limitations are important, and they are, I think the committee should be deeply concerned over EPA's ability to carry out the categorical program affected 2,000 POTW's, especially when EPA cites limited resources as its reason for not being able to review 75 POTW programs for adequacy. The fact is that EPA is overstating the resources necessary to implement the alternative pretreatment approach. Not only must EPA approve a POTW's program anyway, but the lion's share of the resources necessary to implement the alternative approach would come from the POTW itself, as it is charged with proving that it can carry out a local program as effectively as one which would be mandated by national categorical standards. Further testament to EPA's overstatement of resources is that in the case of Boise, ID's, program, EPA's review took only 48 hours to report to the committee that Boise was a likely candidate for a permit modification, and, in this instance, I doubt that more that a few man-hours were spent making the determination.

Possible delays in implementing effective controls were also cited as a reason to delete the issue of pretreatment from committee consideration. But this concern is unfounded considering not only the number of effective local programs already in place, but also the Agency's continuing failure to finalize all categorical standards. In all likelihood, we can anticipate lengthy administrative and legal challenges to existing and proposed Federal standards. Unfortunately, in light of these delays, it would be unfortunate if the Congress does not adopt language to allow at least the most effective local agencies the latitude to continue implementation of their own, more responsive programs.

The committee finally passed on the issue and set it aside, I was asked to develop an amendment that could be considered during floor debate, and the committee staff and EPA were asked to work with me to develop such an amendment.

While I approached the issue from that direction, I also brought a task force together to see what we could produce. The task force was made up of the State water pollution control administrators, the Governors, the cities, the mayors, the POTW's themselves, and industry. The odds were against such a diverse group—including the regulators, the regulated, the discharging industries, and the administrators of the cities in which they operated—coming to any consensus. But after several months work, and many many drafts, we reached an agreement on the amendment that I intend to offer when the Senate debates the Clean Water Act.

The goals of this task force were many, they were varied:

First, the POTW's wanted an amendment that would ensure that they could continue to operate their own effective programs.

Second, the States insisted that the amendment ensure that the program was at least equivalent to all categorical standards EPA would promulgate.

Third, we all agreed that in order to be allowed to modify a permit a POTW must first pass a very stringent test.

I think it is important that those points be considered when this amendment is considered by my colleagues.

The Symms amendment meets those goals and then some. While EPA has been behind in monitoring toxics, the amendment requires POTW's to develop a monitoring program as a condition of their permit modification.

The Symms amendment is not for all publicly owned treatment works [POTW's]. In fact, most of the Nation's 2,000 POTW's will not qualify under my amendment to modify their programs. They will instead be subject to the national categorical standards EPA is currently struggling to put into place. But there are a handful of POTW's that have been running good and effective programs for years, long before EPA got into the picture. As EPA's Assistant Administrator for Water told me, these POTW's "have forgotten more about pretreatment than we will ever know in Washington."

Mr. President, I ask unanimous consent that the text of the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

(a) Section 304(g) of the Clean Water Act is amended by inserting at the end thereof the following new paragraph:

"(3) For the purpose of carrying out Section 307(e) of this Act, the Administrator shall publish, within sixty days after the date of enactment of the Clean Water Act Amendments of 1983, a listing of all pollutants covered by categorical pretreatment standards promulgated, or proposed under this Act.

(b) Section 307 of the Clean Water Act is amended by inserting at the end thereof the following new subsections:

"(e)(1) Notwithstanding subsection (d) of this section, the Administrator or, where appropriate, the State, may, after notice and opportunity for public hearing, modify any permit issued under Section 402 for a publicly owned treatment works to operate an alternative local pretreatment system in accordance with this subsection. Such alternative local pretreatment system shall be sufficiently comprehensive to effectively control the introduction into such works of pollutants that may interfere with, pass through, otherwise be incompatible with such works or that would interfere with the attainment or maintenance of designated uses for the receiving water body, or interfere with the safe use or disposal of sludge.

"(2)(A) Not later than 180 days after enactment of the Clean Water Act Amendments of 1983, the owner or operator of any treatment works intending to operate an alternative system shall file with the Administrator or, where appropriate, the State, a request for a permit modification under this subsection specifying the pollutants for which a modification is requested and supporting documentation demonstrating that:

"(i) such owner or operator is in compliance with or otherwise satisfies all requirements of Section 402(b)(8) of this Act;

"(ii) such owner or operator is in compliance or on a schedule to comply with applicable effluent limitations under Section 301(b)(1)(B) and (b)(1)(C);

"(iii) such owner or operator has in place an enforceable system of local pretreatment requirements including, where appropriate, numerical limits consistent with the requirements of subsection (e)(1) of this section;

"(iv) such owner or operator has sufficient funds, equipment, and personnel to administer such an alternative local pretreatment system;

"(v) such owner or operator has adequate legal authority and technical and administrative capability to monitor and enforce compliance with all requirements of the alternative local pretreatment system;

"(vi) such owner or operator has an adequate sampling and monitoring program to ensure continued compliance with all requirements of the alternative local pretreatment system, including periodic monitoring and at least annual reporting to the Administrator or, where appropriate, the State, regarding compliance with the requirements specified in this subsection; and

"(vii) such owner or operator demonstrates that its ability to safely use or dispose of sludge resulting from the operation of the treatment works will not be impaired during the life of the permit, as modified.

"(B) The Administrator or, where appropriate, the State shall, upon receipt of a complete permit modification request meeting the requirements of sub-paragraph 2(A) of this subsection, stay, until final determination pursuant to subparagraph (C), the applicability of categorical pretreatment standards for existing sources introducing pollutants into such treatment works. Upon a determination that the permit modification request is incomplete, the Administrator, or where appropriate the State, may grant a stay not to exceed 120 days pending satisfactory completion of the request by the owner or operator.

"(C) Not later than 120 days after receipt of a complete permit modification request under this subsection, the Administrator or, or if appropriate, the State shall determine whether such request is granted. If a request under this subsection is granted, the permit shall be modified to authorize the owner or operator to operate an alternative local pretreatment system in accordance with subparagraph (2)(A) of this subsection, and categorical pretreatment standards for any pollutant specified in such request shall be stayed until such time as approval may be rescinded pursuant to the requirements of subparagraph (F) of this subsection. The owner or operator shall submit an annual report to the Administrator or, if appropriate, the State to certify continued compliance with subparagraph (2)(A) of this subsection.

"(D) If a permit modification request under this subsection is denied, the Administrator or if appropriate, the State, shall provide written notification (including a statement of reasons for such denial) to the owner or operator. The owner or operator, in turn shall promptly notify each affected source. Each such source shall immediately thereafter be subject to applicable categorical standards, and shall achieve compliance in the shortest possible time but in no case later than the time specified pursuant to subsection (b)(1) of this section.

"(E) If the Administrator issues categorical pretreatment standards after a permit has been modified under this subsection and such standards regulate any pollutant not covered by such modification, the owner or operator may submit a supplemental request specifically addressing those additional pollutants. The Administrator or, if appropriate, the State shall consider any supplemental requests in accordance with subparagraphs (A) through (D) of this subsection.

"(F) Upon a finding that any of the applicable requirements of this subsection are not being met by the owner or operator of a treatment works whose request has been approved and, after notice and consultation with State and local authorities (or, if appropriate, the Administrator), the Administrator or, if appropriate, the State may, after public hearing, modify or rescind the permit modification authorizing the owner or operator to operate an alternative local pretreatment system, or may establish such additional requirements for the treatment works as may be necessary to achieve the purposes of this subsection. Upon the recission of the permit modification, each affected source shall achieve compliance with applicable categorical standards in the shortest possible time as determined by the Administrator or, if appropriate, the State."

"(f)(1) As a condition of the modification of any permit pursuant to subparagraph 307(e)(2)(C) of this Act, the Administrator or, where appropriate, the State shall require the owner or operator to establish a monitoring program, including biological toxicity assessment as necessary, sufficient to verify the adequate protection of the receiving waters. The owner or operator shall conduct such program in accordance with guidance published by the Administrator after consultation with affected States and publicly owned treatment works. The owner or operator shall report the findings of such program to the Administrator or, where appropriate, the State not later than three years from the date of modification of its permit pursuant to subparagraph 307(e)(2)(C) of this Act and annually thereafter.

"(2) Based upon review of the findings submitted pursuant to paragraph (1) of this subsection, the Administrator or, where appropriate, the State may modify the permit of the owner or operator issued under Section 402 of this Act to specify compliance with the requirements of an action plan including, as appropriate, effluent limitations for one or more toxic pollutants, to ensure the attainment or maintenance of designated uses for the receiving waters into which the treatment works discharges.

"(3) Upon a demonstration satisfactory to the Administrator or, where appropriate, the State that the owner or operator is in compliance with the requirements of such action plan, the Administrator or, where appropriate, the State may extend the stay of the applicability of categorical pretreatment standards pursuant to paragraph (e)(2)(C) of this section to include new sources as defined under Section 306 of this Act.

(C) Section 402 of the Clean Water Act is amended by adding at the end thereof the following new subsection:

"(m) In issuing a permit under this section, the Administrator shall not require pretreatment by dischargers of conventional pollutants identified pursuant to Section 304(b)(4) of this Act as a substitute for municipal treatment adequate to meet the requirements of a permit issued under this section for a treatment works (as defined in Section 212 of this Act) which is publicly owned if such discharger is in compliance with all applicable requirements of local pretreatment programs approved under subsection (b)(8) of this section. Nothing in this subsection shall affect the Administrator's authority under Sections 307 and 309 of this Act, affect State and local authority under Sections 307(b)(4) and 510 of this Act, relieve such treatment works of its obligations to meet requirements established under this Act, or preclude such works from pursuing whatever feasible options are available to meet its responsibility to comply with its permit under this section."

Mr. SYMMS. In a nutshell, Mr. President, the Symms amendment to the pretreatment provisions of the Clean Water Act would establish a mechanism and procedure for municipalities to obtain approval for local pretreatment programs based on control strategies other than EPA's categorical pretreatment standards. The essential purpose of this amendment is to allow municipalities—and the industries that have their wastes treated by publicly owned systems—to design and implement a plan for pretreatment of industrial wastes that meets local needs and conditions. If EPA approves a locally designed program, the industrial contributors will then become subject to those local requirements instead of the federally promulgated categorical pretreatment standards.

The amendment establishes a procedure under which the municipalities will have 6 months to submit applications to EPA for approval of local programs, and EPA will have 4 months to grant or deny such applications. The criteria for approval include:

POTW compliance with general pretreatment rules;

POTW compliance or scheduled compliance with secondary treatment;

An enforceable system of local pretreatment requirements;

Sufficient administrative capability;

Sufficient legal authority;

A sampling and monitoring program; and

Demonstration of ability to safety use or dispose of sludge.

The amendment calls for annual evaluation of the water quality effect of the alternative program, including biological assessment of instream effects. EPA has the power to rescind or to modify the alternative program if it fails to meet all requirements and to reinstitute categorical pretreatment standards.

There is very abroad support for this amendment. In fact, it seems that the only opposition to the amendment comes from those who live on the banks of the Potomac River.

I ask unanimous consent to have printed in the RECORD letters of support from the State Water Pollution Control Administrators, Gov. James R. Thompson of Illinois, the Association of Metropolitan Sewerage Agencies—representing the POTW's, the National League of Cities, and the U.S. Conference of Mayors be inserted in the RECORD at this point:

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

ASSOCIATION OF STATE & INTERSTATE WATER POLLUTION CONTROL ADMINISTRATORS,
Washington, DC, May 1[illegible], 1984.

Senator STEVEN D. SYMMS,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR SYMMS: The Association your recognition of the need to reform the National pretreatment program. As those officials responsible for administering the Clean Water Act at the State level, ASIWPCA members have considerable experience in pretreatment. We came to the conclusion in 1980, that the national pretreatment program was not working well in many State and local communities. As we have stated in our Senate testimony, it is absolutely essential that an effectively National program be developed to protect facility operations, public health, and the environment.

Toxicity control cannot be adequately assured with a National program that constrains rapid implemented. Dismantlement of existing, adequate programs needlessly retards momentum toward controlling toxicity and in some instances, would actually lead to backsliding. In fact, POTWs contemplated for coverage in your amendment ensured that toxic pollutants were removed during the many years that US EPA has struggled with the excessively complex and confounding Federal pretreatment program.

The Association position on pretreatment is based on the following principles:

A cost effective, environmental sound approach is needed to move ahead to eliminate toxicity.

The Federal system of categorical standards should continue.

The national program should take full advantage of existing, operational programs which are adequate to protect the environment. Cities and towns who moved out ahead to establish sound pretreatment programs should not be penalized.

Cities and towns qualifying for equivalent program approval should verify their program's adequacy through biological monitoring as contemplated in the Agency's policy on toxicity control.

The ASIWPCA Board of Direction has reviewed your proposed amendments to the pretreatment program and believes the concepts embodied in the legislation are consistent with these Association principles.

Sincerely,

REGINALD LAROSA,
President.

STATE OF ILLINOIS,
OFFICE OF THE GOVERNOR,
Springfield, IL, November 21, 1983.

U.S. SENATE,
Washington, DC.

DEAR SIR: I am writing to urge you to cosponsor a Clean Water Act pretreatment amendment proposed by Senator Symms to be offered to S 431, the Clean Water Act Amendments of 1983. The Illinois Environmental Protection Agency, along with the Metropolitan Sanitary District of Greater Chicago and Rockford Sanitary District, have actively participated in the development of the Symms proposal and we strongly support its adoption.

The pretreatment amendment would be very beneficial for Illinois. The amendment would allow the continuation of existing alternative local pretreatment systems in lieu of the federal pretreatment program as specified in regulations promulgated by USEPA. In essence, this provision would offer the opportunity for progressive publicly owned treatment works (POTWs), such as the Rockford Sanitary District and the Metropolitan Sanitary District of Greater Chicago, to be recognized for their past efforts to implement and operate local pretreatment programs that work and are affordable.

Under State and local law, most major Illinois communities already operate good pretreatment programs. These programs impose controls on industrial facilities tributary to treatment works to adequately protect the treatment works and the waters which receive the final effluent. In addition, these communities have developed responsible sludge management programs that are coordinated with their pretreatment activities. We oppose attempts to preempt Illinois community pretreatment programs by imposition of a federally designed system that imposes significantly more complex and costly administrative burdens without commensurate benefits for the treatment facilities or the environment. It is not prudent government to subject nearly 2,000 Illinois industrial facilities to the excessive burdens of the federal program when they have already met equivalent local requirements.

To counter arguments that local programs will not meet federal standards, the proposed amendment contains sufficient safeguards against abuse. A very tight timeframe is provided for POTWs to apply, which effectively limits this option to communities that already have operating local programs. Only existing industrial sources are included in the initial approval of a local system. For new industrial facilities, POTWs must conduct a rigorous monitoring program to verify the adequacy of protection before the USEPA and the State consider including new sources under the alternative program.

The Symms proposal represents the culmination of several years of periodic efforts to achieve constructive reform of the federal pretreatment program. I believe it merits your support. If you or your staff have any questions or require additional information, please have them call Roger Kanerva, Manager of Environmental Programs, Illinois Environmental Protection Agency at 217/785-5735.

Kindest regards.

Sincerely,

JAMES R. THOMPSON,
Governor.

ASSOCIATION OF METROPOLITAN SEWERAGE AGENCIES,
Washington, DC, May 9, 1984.

Hon. STEVEN D. SYMMS,
U.S. Senate,
Washington, DC.

DEAR SENATOR SYMMS: The Senate is expected to take up S. 431, the Clean Water Act Amendments of 1983, at any time. When the Senate considers this important legislation, Senator Symms will offer an amendment that will strengthen the capability of qualified local agencies to provide environmentally strong and effective pretreatment controls. We are disappointed that our national environmental allies have misstated the basic objectives of this amendment and strongly urge you to support this amendment on the floor of the Senate.

The managers of wastewater treatment facilities have been battling the indiscriminate discharge of toxic pollutants into their systems for many years. Many of the larger, more sophisticated POTWs had effective pretreatment controls in place prior to 1972, and all of them now have controls that are meeting or are close to meeting Federally imposed pretreatment requirements. In many cases, local governments have imposed even more stringent requirements on industry than would be required by national categorical standards promulgated by EPA. The Symms pretreatment amendment will enable these programs to remain in effect, thus protecting the environment now as opposed to some uncertain time in the future when the Federal program finally overcomes the hurdles that have hindered its progress to date.

The Symms pretreatment amendment will also enable EPA and the states to concentrate their resources on the smaller, less sophisticated POTW that have not demonstrated the capability or interest to develop strong local pretreatment controls. The expertise of capable local agencies is key to an effective national toxics control program. We cannot afford to waste time and money looking over the shoulders of these local agencies that are capable of and committed to achieving effective toxics controls on their own.

The Symms pretreatment amendment is narrowly drawn and includes sufficient safeguards to guard against abuse and to ensure the protection of water quality, sludge quality, and the integrity of wastewater treatment facilities. It allows local agencies to operate their own programs, only after the Administrator of EPA is satisfied that they can do the job. This includes a determination that an enforceable system of numerical local pretreatment requirements, which may call for even more stringent controls by industry than EPA would require, are already in place.

In our view, the Symms pretreatment amendment will enhance environmental protection and enforcement capabilities, eliminate onerous administrative difficulties associated with the existing Federal program, and give recognition to the expertise and capability of the Nation's front-line environmentalists—the managers of publicly owned treatment works.

I urge you again to support Senator Symms on this critical issue.

Sincerely yours,

Joe Johnson,
President.

Association of Metropolitan
Sewerage Agencies,
Washington, DC, March 23, 1984.

Hon. Steven D. Symms,
Senate Hart Office Building,
Washington, DC.

Dear Senator Symms: The Association of Metropolitan Sewerage Agencies commends your continued dedication to the need for passage of an amendment to the Clean Water Act that will enable qualified local agencies to implement locally designed, alternative pretreatment programs that address local problems in a cost-effective and environmentally sound manner. We wholeheartedly endorse your proposed amendment and will continue to work with you to secure its passage.

Your alternative pretreatment approach would expedite the implementation of effective local controls by enabling POTWs to move forward and avoid the administrative delays associated with the existing Federal program. The stringent criteria set forth in your proposed amendment would provide sufficient safeguards against abuse and also ensure the protection of water quality, sludge quality, and the integrity of wastewater treatment facilities.

Your proposal would also enable the Environmental Protection Agency and appropriate state agencies to concentrate their resources on local agencies that require assistance in carrying out industrial pretreatment programs. Looking over the shoulders of more sophisticated and experienced local agencies will only detract from this much needed effort, without any corresponding environmental benefit.

Most important from our perspective, your proposal would acknowledge the important contribution that local agencies have made and will continue to make to improving the quality of the nation's waters. The managers of these agencies are indeed the front line environmentalists who bear the ultimate responsibility for protecting health and the environment. Your proposal would acknowledge their experience and expertise, give recognition to their important status as local environmental managers, and enable them to do their jobs without unnecessary federal interference.

Thank you again for taking the lead on this extremely important issue. You have our solid support.

Sincerely,

Joe Johnson,
President.

National League of Cities,
Washington, DC, January 13, 1984.

Hon. Steven D. Symms,
U.S. Senate,
Hart Senate Office Building,
Washington, DC.

Dear Senator Symms: Aware of your efforts to develop a legislative solution on the pre-treatment issue in the Clean Water Act, I thought you would be interested in seeing the policy approved by the NLC membership at our recent annual meeting:

"Local governments should be allowed to devise methods to satisfy national standards that not only assure protection of water quality but which are also cost effective under the conditions of their particular jurisdiction. Therefore, as an alternative to federally mandated implementation of the national categorical pretreatment standards, Congress should authorize states to approve local pollutant elimination programs. To qualify for the alternative local program, a POTW should be required to demonstrate to an authorized state agency that: (1) the POTW is in compliance with the requirements of its permit under the National Pollutant Discharge Elimination System (NPDES); (2) it has developed and implemented a local pollutant elimination program that in the aggregate is equivalent to implementation of the national categorical pretreatment standards and; (3) it is maintaining a local monitoring and reporting program which is adequate to disclose the quality of the receiving waters."

If we can be of any assistance to you in this matter, please let us know.

Sincerely,

Alan Beals,
Executive Director.

U.S. Conference of Mayors,
Washington, DC, June 1, 1983.

Hon. Steve Symms,
U.S. Senator,
Hart Senate Office Building,
Washington, DC.

Dear Senator Symms: The U.S. Conference of Mayors is pleased to support your effort to restore provisions for local alternative pretreatment programs in Subcommittee mark-up of the Clean Water Act tomorrow.

Mayors firmly believe that local publicly-owned treatment works can achieve the goals of the Clean Water Act without the imposition of national categorical standards. This can be accomplished by establishing discharge standards which enable it to consistently comply with its NPDES permit, and to meet the basic objectives of pretreatment.

Cities do not seek to evade their responsibilities to human health and the environment. Rather, they have found that more effective programs can be developed which are tailored to site-specific problems. Municipalities which do not or cannot develop their own programs should be subject to federal program requirements.

Failure to provide for the development of local pretreatment programs will subject many municipalities to substantially greater costs and administrative burdens in controlling industrial pollutants, without additional environmental benefits. The Symms amendment would be of substantial benefit to both the communities who have already developed their own programs, and the industries they provide wastewater treatment services to.

Thank you for your consideration.

Sincerely,

John J. Gunther,
Executive Director.

Mr. SYMMS. Mr. President, after having said that, I ask, Who could oppose such a proposal, with such broad and unqualified support? Actually, there are two major opponents, EPA and the environmental community.

I think I understand EPA's opposition to the amendment. They have been floundering for 7 years to develop a national categorical approach to pretreatment. I really think if I had spent the past 7 years working on something maybe I also would be reluctant to support an alternative, whether it worked or not. I think that is the way the system here in Washington works.

But let me point out that my amendment does not eliminate the national categorical standards. It merely eliminates those POTW's that have progressed beyond those levels, and I emphasize that point, beyond those levels. All other POTW's should be subject to EPA's categorical program. And if their estimates are right, that entails 95 percent of all POTW's. My amendment only applies to those that can prove that by continued local control over their program there will be no adverse impact on water quality. EPA at least knows that there are programs that will be overregulated by their categorical program—Boise; Chatanooga; Los Angeles; Chicago and Rockford, IL; Knoxville; New York City; Phoenix; Albequerque; Boston; Indianapolis; St. Louis; Nashville; Green Bay; Dallas; Houston; and a host of cities scattered around the country. EPA Administrator Ruckelshaus testified that he knew the categorical approach would result in overregulation of POTW's. And EPA Assistant Administrator Jack Ravan told me these POTW's have "forgotten more about pretreatment than we will ever know in Washington." The Symms amendment merely avoids that overregulation by allowing POTW's to prove that their own program works. When the staff at EPA leaked memoranda they had prepared in opposition to the amendment, without the knowledge of the Administrator or the Assistant Administrator, I responded with a strong letter to Administrator Ruckelshaus, and I ask unanimous consent to have printed in the Record the text of that letter.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Committee on Environment
and Public Works,
Washington, DC, March 20, 1984.

Mr. William D. Ruckelshaus,
Administrator, Environmental Protection Agency, Washington, DC.

Dear Mr. Administrator: I am delighted to learn in "Inside EPA" that your staff had an opportunity to review my proposed pretreatment alternative, although I would have preferred to talk to you about my proposal prior to dissemination of "internal" agency documents to the press.

At the outset, I would like to state my strong belief that there are capable and qualified local public agencies that know as much if not more about pretreatment than we do here in Washingtion. While we debate the policy issues surrounding how best to protect the nation's waters from degradation, these local agencies are working very diligently, day in and day out, towards accomplishing this worthwhile goal. In fact, these local entities are much further ahead than EPA in terms of implementing strong and effective pretreatment controls. I believe we should allow them to continue these worthwhile efforts without unnecessary Federal interference.

I originally became involved in the pretreatment debate when the City of Boise expressed concerns about the administrative workabilty of the existing federal program. I have learned since then that the City of Boise as well as many other cities throughout the country have exemplary pretreatment programs, which impose even more stringent requirements on their local industries than your agency would require through the imposition of national categorical standards. Accordingly, I now find myself speaking on behalf of a broad cross-section of the regulated community, and my proposal has the support of state and local officials and the regulated industries. The Association of State and Interstate Water Pollution Administrators [ASWIPCA], the U.S. Conference of Mayors, the National League of Cities, and the Association of Metropolitan Sewerage Agencies have all specifically endorsed my proposal.

The state and local officials who have the ultimate responsibility for cleaning up the nation's waters support my proposal because they firmly believe that it will enable them to expidite implementation and enforcement of industrial control measures to protect the nation's waters from toxic pollutants. The rigid criteria in my proposal limit the number of possible applicants and the provision that a POTW must meet national categorical standards until the submission of a "complete" (i.e. "approvable") application discourages spurious or dilatory applications. In effect, my proposal focuses on a small group of qualified and dedicated POTW's that the EPA regions and states can identify right now. More important, it would enable the agency to continue to work within the existing regulatory framework, thereby dispensing with the need for a whole new program.

My proposal will also enhance our ability to protect water quality, both now and in the future. In the short term, my proposal would rely on environmentally sensitive local standards in place of national categorical standards. This is appropriate, since the categorical standards bear no relation to water quality, sludge quality or plant operations, and, as EPA knows, may result in over-regulation or under-regulation in any given local situation. Under my amendments, your agency and the states can determine that a set of locally derived limitations protects local receiving waters, sludge quality and plant operations.

My proposal utilizes this approach for the short term in response to the Agency's expressed concerns about the current feasibility of developing water quality based toxic permit limitations as the driving force behind the program. However, rather than close the book on this critical issue, my proposal would advance the state of the art by requiring qualified POTWs to conduct biological toxicity assessments of their receiving waters, thereby establishing the foundation for comprehensive toxics controls through the NPDES process. Under the existing federal program, we will never compile this vital information; under my proposal, we will have it within three years—a relatively short time frame that will in no way jeopardize or delay implementation of necessary controls.

The Agency's continued reference to the lack of sludge management guidelines as a reason for maintaining the existing pretreatment program is also of great concern. I know that EPA and the states have not allowed municipalities to dispose of sludge in a manner that would endanger the environment or public health. I know that EPA has a rather extensive set of regulatory requirements in place for various sludge management options and, as with all other environmental programs, reviews and revises them as necessary. And, I also know that the states are very cognizant of the issue and have regulatory requirements in place that in many cases are more stringent than the federal requirements. My point is simple. We require local agencies to meet these requirements now and, under my proposal, we would require them to adjust their local alternative pretreatment programs in accordance with applicable federal rules.

Finally, my proposal does authorize POTWs who either have an approved pretreatment program or one that otherwise meets the intent of the Clean Water Act's pretreatment provisions to qualify for consideration. This flexibility would not be necessary if the agency could demonstrate the capability of processing all pretreatment program submittals in an expeditious manner. In my view, a POTW should not be penalized and denied eligibility because the Agency has failed to meet its statutory obligations.

I am willing to continue our dialogue on the issue of pretreatment, and I am willing to work with you to ensure that my proposal reflects your concerns. I am available at your convenience to talk about this further, and my staff is always available to meet with yours to discuss the specific language in the amendment.

I look forward to hearing from you soon.

Best Regards.

Sincerely,

STEVEN D. SYMMS,
U.S. Senator.

Mr. SYMMS. Mr. President, I know my time is nearly out, and I make these remarks for the RECORD so that Senators and their staffs will have an opportunity to study this issue prior to our return in July when this issue will come before the Chamber and have an opportunity to peruse through it.

But I think some of the environmental community has been somewhat less honorable in their opposition to the amendment than the EPA has. However, as I have said many times, if my amendment does what they say it does, I would not support it myself. But I believe that the States, the mayors, the cities, the Governors, and POTW's have a very strong and real commitment to clean water, and I am disappointed by the misinformation that has been circulated about the amendment which they helped me draft.

Nevertheless, Senators have received numerous letters from the environmental community.

At this point, I would just like to say that I wish to have in the RECORD the answer to the charges that are made in those statements. I would say also they have not laid a glove on the substance of the amendment.

Let me begin by saying that in my view, even the misinformation that has been circulated about my amendment has not laid a glove on its substance. In addition, if anyone has a valid concern about the amendment, I have already demonstrated that I am amenable to changing it. When Senator CHAFEE pointed out that the original local option amendment in S. 431 would allow an unqualified POTW to delay implementation of categorical standards for over a year merely by applying for a permit modification, I made certain that my amendment stated that the categorical standards applied to an applicant until such time as the POTW's application was approvable. In other words, a POTW would not benefit from trying to delay the implementation of categorical standards if its application could never be approved. A POTW that has not met the strict tests required by the amendment should be subject to categorical standards, and the amendment assures it.

I urge my colleagues to look at the attached charges of the environmental community, and the point-by-point response to these highly inaccurate and misleading statements that follows. I have laid out both the arguments against the amendment and my response for the benefit of my colleagues:

Numerical standards for toxic pollutants are not required by the proposal. It will increase public exposure to toxics, not provide adequate toxics protection, and allow greater discharge of toxics into sewers

Specific numerical limits on toxic pollutants are required by the proposal. These include limits on the POTW's own discharge [subsection (e)(2)(C) and (f)(2) of the proposal] and on the industrial users of the POTW to assure necessary local pretreatment [subsection (e)(2)(A)(iii) of the proposal]. The limits on the POTW are both technology-based [subsection (e)(2)(C)] and water quality-based [subsection (f)(2), see also subsection (e)(1) requiring that the alternative local pretreatment system be sufficient to effectively control polutant introduction into the plant that would interfere with attainment or maintenance of designated uses of the receiving waters into which the POTW discharges]. This requirement for toxic pollutant limits in the POTW permit follows a specific recommendation of the December 1980 report of the Subcommittee on Oversight and Review of the House Public Works and Transportation Committee.

Monitoring program and maintenance of technical, legal and administrative authority of the POTW is not required.

A rigorous monitoring program is required for every local system obtaining the authority provided in this proposal [subsections (e)(2)(A)(vi) and (f)(1)]. The monitoring in subsection (f)(1) goes beyond current federal law and is specifically designed to advance the state of the art of biological monitoring and the development of toxicity data for receiving streams and additional limits for inclusion in the POTW's permit. Adequate technical, legal, and administrative resources are necessary components of an acceptable application [subsection (e)(2)(A)(v)]. Failure to maintain those resources would be a cause for rescission or modification of the local program authority under subsection (F) of the proposal.

The proposal will increase pressure on localities to set weaker local pretreatment standards and let industry get away with those weaker local limits.

This proposal [subsection (e)(1)], the general pretreatment requirements in existing law [Section 307(b)(1)], and EPA's existing regulations [40 CFR 403.5(a)] require pretreatment to prevent untreated industrial pollutants from passing through a POTW to prevent an interference or incompatibility of industrial pollutants with POTW plant operations. This alone would give a POTW great incentive to have strong pretreatment requirements to assure that it will continue to meet these requirements. Moreover, because this proposal would apply toxics limits in the POTW's own discharge permit, the POTW will have the greatest incentive to set and maintain strong local pretreatment standards. The major reason for this proposal is that many POTWs across this country have strong local pretreatment programs that they do not want to redesign to accommodate the federal categorical standards.

The proposal would eliminate present enforcement authority against industrial users of POTWs authorized to implement the alternative local system. This lack of enforcement authority includes EPA and citizens.

The proposal will not eliminate any existing enforcement authority. Both the local and state government have complete enforcement authority over industrial users of a POTW through the requirements of this proposal [subsection (e)(2)(A)(v)] and through the existing provisions of the Act [Section 402 (b)(9)]. Federal and citizen enforcement is available through Section 309 (f), 505(a) and (f), Section 307(d) and EPA's general pretreatment regulations [40 CFR 403.5(d) & (e)].

The proposal will create delays in the federal categorical pretreatment program, allow indefinite delay in localities applying under the proposal so long as their application is incomplete, and prove unworkable administratively.

The proposal has been carefully drafted to avoid any prospect for delay. Decisions on applications are made by the existing discharge permit officials so as not to impose any administrative burdens on EPA personnel responsible for the categorical pretreatment regulations. Once a complete application for local program authority is filed, a stay of the applicability of the federal categorical standard is granted until final decision on the application. However, if the application is denied, each industrial user covered by the application must achieve compliance with the federal categorical pretreatment standards within the time originally allowed for compliance with those standards. In effect, there would be a stay of enforcement only during the processing period for the application. Processing is required to be completed within 120 days of submission of a complete application [subsection (e)(2)(C)]. A POTW applicant with an incomplete application can obtain only one additional 120 day period to complete the application. A stay during this extension may but is not required to be granted by the permit authority.

This proposal was rejected by the Senate Environment and Public Works Committee.

This proposal was never considered by the Senate Environment and Public Works Committee. Indeed the Senate committee never voted on any locally-controlled pretreatment proposal.

The current EPA removal credits regulations will provide POTWs and their industrial users with adequate flexibility.

The EPA removal credits program has been a major failure. The complexity of the regulations [40 CFR 403.7] essentially defies description. There are so many interconnections, stipulations, data development requirements, and conditions to be satisfied in an application that very few POTWs have even seriously considered making an application. Since the credits program began, only one removal credit to our knowledge has ever been granted. This one credit was for an exemplary plant with a substantial local pretreatment program, and it still took the applicant two years to satisfy EPA that it deserved a removal credit for even a limited group of pollutants. The operators of good local POTWs say simply that the removal credits program is an empty EPA regulatory promise.

There is not adequate knowledge to decide when 'something less' than technology-based standards is adequate because there are a few water quality criteria for toxics and virtually no sludge disposal standards for toxics.

The proposal recognizes that water quality considerations cannot be the sole basis for determining whether a POTW system and its local pretreatment program will adequately protect water quality in the stream to which the POTW discharges. For this reason the amendment includes two important provisions. First, when an application is granted, the permit authority must modify the POTW's discharge permit to include technology-based effluent limits at least as stringent as the most stringent direct discharge standards on industrials for each pollutant included in the alternative program authorization. Second, it includes a mandatory monitoring program to develop data on receiving water quality effects of any residual pollutants after these technology-based limits are met. These data are then used to develop and impose water quality-based limits on the POTW and through its pretreatment program on its industrial users.

Sludge use or disposal is recognized under the Clean Water Act to be a matter for local determination [see Section 405(e) of the Act]. Once EPA publishes guidelines on the use and disposal of sludge, a POTW must use or dispose of its sludge in accordance with those guidelines. Unfortunately, EPA has not published Section 405(d) guidelines as yet. Consequently, states and local governments have had to establish their own guidelines and standards concerning sludge use and disposal. These state and local requirements have, of course, been established and implemented by POTWs for several years. But EPA's tardiness in publishing Section 405 guidelines does not mean that there is no federal information available to the states and local governments on the proper use and disposal of sewage sludge. In fact, there are numerous Federal regulations, guidelines, and documents on the safe use and disposal of sewage sludge. These have been published under the authority of Section 301(h) of the Clean Water Act, the Solid Waste Disposal Act as amended by the Resource Conservation and Recovery Act, and the Clean Air Act. EPA has even published a guidebook on the use and disposal of sewage sludge, providing as the document states, ". . . a concise outline of the different Federal regulations and guidelines that pertain to each alternative for sludge utilization and disposal point(ing) out how these regulations and guidelines should be addressed." See, "A Guide to Regulations and Guidance for the Utilization and Disposal of Municipal Sludge" EPA 430/9-80-015 (September 1980). Of course, as Section 405 guidelines are developed by EPA they will apply to all POTWs, including those POTWs which have obtained authority to implement their own local pretreatment programs under this proposal.

The EPA Pretreatment Implementation Review Task Force will "iron out" problems with the pretreatment program, making this proposal unnecessary.

This PIR Task Force has specifically rejected consideration of any legislative changes as part of its agenda, including any consideration of this proposal, despite a commitment by the EPA Administrator to the House Public Works Committee during testimony in late 1983 that this task force would consider the alternative local pretreatment program proposal. Whatever problems PIRTF "irons out" with pretreatment, it will not consider mechanisms to allow well-run local POTWs with effective local pretreatment programs to implement their programs as an alternative to the federal categorical pretreatment program.

I urge my colleagues to examine the above record statement and call their State water pollution administrators to verify that the above points are accurate rebuttals to the charges of the environmental community.

I think Senators will find my amendment worthy of their support and cosponsorship.

Mr. SYMMS. I yield the floor.

VITIATION OF SPECIAL ORDER

Mr. BAKER. Mr. President, I understand the distinguished Senator from Wisconsin [Mr. PROXMIRE] has no need for his special order. I ask unanimous consent that it be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, there are conferences in progress; preparations are underway for I hope the expeditious handling of the math-science bill. I ask unanimous consent that the time for the transaction of routine morning business be extended until not later than 1 p.m. in which Senators may speak for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate will now conduct morning business for a period of time not to extend beyond 1 p.m.

JUMPING INTO EUROPE

Mr. THURMOND. Mr. President, earlier this month I had the privilege of heading up a Senate delegation to Normandy France, to help commemorate the 40th anniversary of D-day—the allied invasion to liberate Europe.

This was a particular honor for me, since I was attached to the 82d Airborne Division and landed in France on D-day, June 6, 1944, as part of the liberation forces.

Revisiting the historic battlegrounds at Pointe-de-Hoc, Omaha and Utah Beach, and Ste. Mere Eglise was an awe-inspiring experience for me and many other veterans who were fortunate enough to live through D-day and the subsequent battles which ultimately led to the liberation of Europe and the destruction of the Nazi empire.

Each of us at the D-day ceremonies was reminded of the terrible cost of the allied invasion and of the ultimate sacrifices made by the thousands who died in defense of freedom on that day.

Mr. President, I especially regret that one man who had a very special involvement in the D-day invasion, Gen. Maxwell D. Taylor (retired)—who commanded the 101st Airborne Division—was prevented from attending the commemoration ceremonies because of an illness. General Taylor is a distinguished soldier who later served as Army Chief of Staff from 1955 to 1959, and then as Chairman of the Joint Chiefs of Staff from 1962 to 1964. His service to our country is well known in military and civilian circles.

However, many people do not know of his firsthand involvement in the D-day invasion and indeed the contributions of the entire 101st Airborne Division.

A recent article in the Washington Post, written by General Taylor, recounts the work of the 101st on that fateful day, and I ask unanimous consent that it be included in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 29, 1984]

JUMPING INTO EUROPE

(By Gen. Maxwell D. Taylor, Ret.)

Nowadays Greenham Common in Berkshire is known primarily as the site of demonstrations against the installation of U.S. missiles. In 1944, during the preparations for D-Day, it was the location of the headquarters of my command, the 101st Airborne Division, and the site of an important airfield. It acquired considerable fame from Gen. Dwight D. Eisenhower's sudden visit to the division, first to dine at our headquarters, then to talk with as many departing soldiers as time permitted. When we had taken off, he went to watch from the roof of our headquarters the formation of the great airborne armada, bearing 13,000 parachutists of two airborne divisions, the 82nd and ours, that were to serve as the spearhead of the Allied invasion.

Years after the war, when Eisenhower was about to retire from the Army, he was asked to name the most memorable event of his military career. His reply was: "I think my greatest moment was when I got word that the 82nd and 101st Airborne divisions had landed and gone into action in the Cherbourg Peninsula." My present theme is how our division contributed to Ike's greatest moment.

The division had prepared for months for D-Day. It was not just a matter of ensuring the tactical readiness of our own units but also of taking part in realistic exercises of the VII Corps simulating the conditions when our airborne soldiers would meet with seaborne troops on Utah Beach on D-Day morning. In addition I felt obliged to hold night rehearsals of our drop into Normandy, hoping among other things to find better ways to avoid the confusion to be expected there. Dissatisfied with our ability to distinguish friend from foe in the dark, at the eleventh hour I requested and obtained from the United States an emergency shipment of several thousand toy crickets to provide each parachutist with an identifying sound. I was thankful for them.

Worrisome things occurred as D-Day drew near. One example was the appearance in London bookstores of a book entitled "Paratroopers" by a Czechoslovak captain named Mitske. It was essentially an analysis of German airborne operations earlier in the war, followed by speculation as to how the Allies might use airborne troops in an invasion of Europe. It included a map showing how our parachute troops might land on the Cherbourg peninsula and indicating several possible drop zones, some of which we had already selected. There was nothing we could do about this book except hope that if members of the German General Staff had it, they would not take it seriously.

Causing greater concern was the unheralded appearance in our air photographs of heavy poles being planted irregularly in Norman fields with the obvious purpose of impeding airborne operations. Poring over these pictures nightly, we got a bright idea. By studying the irregular pattern of the poles might we not learn how the enemy expected us to land and modify our plans accordingly? But try as we might, up to take-off time we had never found a pattern that suggested a German plan of defense.

Thus thwarted in England, I asked the first farmer I met in Normandy why he had poled one of the fields near his house and left untouched another nearby. His reply was simple: "The Germans had told us to pole all our fields by June 15. I haven't yet poled that field yonder because my cows always preferred to graze there." What embarrassment for the American brass! All along it was the preferences of local cows we had to fear, not a brilliant coup of Rommel's staff.

By May 28 for security reasons, all the units of the division had been sealed up in their departure areas—17 in all—extending over much of Wales and southern England. At the same time, I started my rounds for a final talk with my men. I wanted to be sure that everyone knew where, when and why he was going and, in the case of parachutists, what to do if badly scattered in the night jump. The order given them was: "If on landing you don't find yourself in the right place, join our men nearest you and help them take their objective."

At the end of a talk, I usually closed with an effort to impress the troops with the importance of the history they were about to make. I emphasized that all of us should be proud to be in this division and, in future years, would surely be more so of what we did now.

Although my eloquence hardly matched that of Henry V in a similar appeal to his men before Agincourt, I would concede nothing to the king in the quality of the response of our soldiers. Their bright-eyed attention and visible eagerness to get on with their hazardous business were a needed stimulus for us older men with a clearer concept of what awaited.

At this point let me revert to Greenham Common, where Ike had finished his talks with the troops, had wished me good luck for the mission and departed for his observation post at division headquarters. With the help of the jumpmaster of my plane, Maj. Larry Legere, I was buckled into my parachute harness and loaded with the paraphernalia a parachutist takes into combat—weapons, ammunition, an emergency parachute, a first-aid pack, water, rations, a jump knife, etc., which in combination convert an infantryman into a pack mule. As my "stick," that is, the men who were to accompany me, were already in their places, I climbed aboard, and promptly at 11 p.m. the plane rolled down the runway to find its appointed place among the 800 transport planes that were to carry the airborne divisions to Normandy.

The air distance from Greenham Common to destination was only about 130 miles, but it took nearly four hours for our plane to get there. Once aloft in the armada, it joined with the other planes in circling round and round over England until it was our turn to cross the Channel. For the trip, our plane and those near it assumed a tight V formation, flying low over the water to avoid the German radar.

It was a quiet flight at the start, with many men dozing in their hard seats. I stood in the open door through which we would later jump, feeling that I could touch the waves sparkling in the quarter moon just a few feet below. There was time to think a bit. I found comfort in the reassuring thought that we had left nothing undone in England that should have been done. If we failed, it would not be for lack of time or effort. Such reflections recalled the couplet of the 17th century poet, Montrose, that Gen. Montgomery had recommended to the senior officers of the expedition:

"He either fears his fate too much
Or his desserts are small,
That puts it not unto the touch
To gain or lose it all."

I wondered whether I feared my fate but didn't know it and what the soldiers up forward were thinking about the dangers we would encounter.

Although the crossing was uneventful, as we approached our landfall on the western shore of the Cherbourg peninsula, I could see an unexpected gray wall of fog that we would have to penetrate to get to our jump zone. The fog, very thick as we entered it, caused many pilots to widen their formations to avoid collisions, but in so doing, they lost their directions. Not so our plane, which broke out of the fog without difficulty and brought us quickly to the battle zone. The latter was a fascinating spectacle—heavy anti-aircraft fire, rockets exploding in air, and a few planes burning on the ground.

During this short period, our jumpmaster lined us up in the aisle of the plane ready to jump. I was at the door pressed against the back of the jumpmaster when the green light of the pilot signaled "Jump" and out we went.

At this moment, the plane was flying low at about 500 feet to avoid ground fire and to allow us parachutists to land more or less together. The latter did not occur in my case. My chute opened with a jerk and I floated toward the top of a tall tree. Not eager to become hung up in it and an easy target for a German rifleman, I made every effort to avoid the branches and succeeded in landing inside a small field enclosed by an impenetrable hedgerow. While there was considerable firing in the neighborhood, I was all alone except for three cows that were casting suspicious eyes at this man from Mars.

My first problem was to get out of my tightly buckled parachute, work my way from this field, and then locate such troops as we might have nearby. To speed things up, I cut away my parachute and equipment with my jump knife, drew and cocked my pistol, readied my identification cricket and moved cautiously toward a nearby gate. As I drew near the gate, I suddenly heard the welcome sound of a cricket. I responded in kind and jumped around the gate. There in the moonlight stood a parachute infantryman, bareheaded but with his rifle ready and the bayonet fixed. I have often said in later years that he was the finest looking soldier I had even seen in my career. We slapped backs reciprocally and proceeded in silence to look for our misplaced division.

We eventually found parts of it in small groups dispersed among the hedgerows—about 90 men by daylight. But where were we? Fortunately I spotted and recognized the church steeple of Ste. Marie du Mont to our northeast, information that indicated we were not far from the southern end of Utah Beach, a major objective of the division of which no visible unit appeared to be responsible at the moment. Deciding to make this objective our own, we formed a ragtag column which I put under the command of Lt. Col. Julian Ewell, a battalion commander for the moment without a battalion, and took off for the coast town of Pouppeville. There we could expect to meet the lead forces of the 4th Infantry Division.

The Germans caused us little trouble during most of our march to the beach, so we could admire the imposing sight of the amphibious landings taking place both at Utah and Omaha beaches. Large formations of bombers were attacking targets behind Omaha while naval guns seemed to be firing on just about anything everywhere. I spent much of the morning ducking their screaming shells many of which, after ricocheting in front of us, seemed to pass overhead just above one's helmet. As we drew near to Pouppeville, we had a brisk fight with a considerable number of Germans who had accumulated in the vicinity. As they were for the most part quite happy to surrender, we rounded them up with few losses.

As the firing died down at Pouppeville, it began anew to the north as elements of the 4th Division started to move inland from the beach. To avoid any collision of our troops with theirs, I sent a small patrol to meet and guide them to Pouppeville. It was about noon when their advance guard appeared to the cheers of our men, who well understood the importance of this junction.

Having no radio of my own, I obtained the use of one belonging to the 4th Division to inform Gen. Omar Bradley at Army headquarters of the contact just made and the absence of enemy resistance along the entire extent of Utah Beach. Thus ended our D-Day spearhead role, but not our part in the continuing battle.

From D-plus-1 on, as a light infantry division, we were engaged in many operations, including the protection of the rear of our divisions moving north on Cherbourg; a forced crossing of the Douve River followed by the occupation of Carentan, a key town to the south; and the repulse of a heavy panzer counterattack aimed at retaking Carentan in the period June 11-13. Thereafter things were quiet for us until mid-July, when we were ordered back to England. There we prepared for a future that eventually included an airborne operation in Holland and the defense of Bastogne in the Battle of the Bulge.

It is relevant to ask what were the gains and losses of the airborne operations on D-Day and after. The price paid for participation by the 101st is clear—the loss of more than 1,000 men on D-Day and more than 4,000 in the entire Normandy campaign.

The gains were of several kinds. It was a strategic gain to the Allies to have two airborne divisions, transportable into battle by plane, parachute and glider, as a valuable reinforcement which would not have been available had it been necessary to transport them by scarce sea transport.

The night landing and daylight attacks added to the surprise of the German leaders still looking to Le Havre for the main allied landing. The unintended dispersion of our parachutists up and down the Cherbourg peninsula added to the confusion and uncertainty of the enemy generals, who for a week were unable to launch a significant counterattack against our front whereas we had feared one since D-plus-1.

The almost bloodless landing of the 4th Division on and beyond Utah beach was a major gain that requires no further mention.

Finally there were gains enjoyed both by the 101st Airborne Division and eventually the U.S. Army. In a few hours, the division had passed from a young and inexperienced unit never before exposed to hostile fire to a proud, confident and, I must admit, a somewhat swaggering division ready to take on all comers. It improved in quality with each subsequent campaign, reaching a peak in the defense of Bastogne.

The gain of the U.S. Army is long-term, the result of the unusual ability demonstrated by so many D-Day officers in later years. I don't know to what extent it was the effect of D-Day experience, but an impressive number of them reached general officer grade in the course of their subsequent careers. By my count, they amount to three four-star generals, five lieutenant generals, five major generals and one brigadier. Quite a legacy of talent for the U.S. Army to receive from one division.

NO, WALL STREET JOURNAL, STAR WARS DOESN'T WORK

Mr. PROXMIRE. Mr. President, on Monday, June 25, the Wall Street Journal carried a lead editorial that must go down as the worst editorial of the year. The editorial headline shouts: "Star Wars Works." "Star Wars," of course, is another name for the antiballistic missile system which the administration prefers to call the strategic defense initiative. What purpose does the antimissile system purport to serve? It would shoot down incoming Soviet missiles before they could reach their American target. Virtually every competent expert not on the Pentagon payroll or employed by a potential "Star Wars" contractor has said that "Star Wars" almost certainly would not work. Now the Wall Street Journal says—forget all that scientific skepticism. "Star Wars" does work. Well does it? What does the Journal offer as proof? It says the Air Force has just conducted a test in which an interceptor actually hit and knocked out a non-nuclear-missile simulating a Soviet missile. That does it, says the Journal. It works.

But does it? The Journal does not say that this was the fourth effort by the Air Force to intercept a missile and this was the only one that worked. It does not say that the Defense Department's own experts and champions of "Stars Wars" tell us that we will not, in their judgment, know if an antimissile system will work for many years. When asked at Senate hearings whether they would know whether the system would work 5 years from now if the Congress agreed to spend $25 billion in research as the administration is requesting, the Defense Department's experts say "no" they would need more time and even more research dollars. Perhaps some time in the early 1990's, after the proponents have spent $50 billion or so on research, they say they may able to give us an answer or a tentative answer. So 8 or 10 years and $50 billion from now the Defense Department can give us their opinion. They may or may not then say "Star Wars" will work and they may or may not be right. But at least it will be an opinion based on what is probably the most expensive expenditure in history to find out the answer to anything. And—it will be the opinion of the proponents, not the opinion of the opponents, and not the opinion of an unbiased judge.

The Wall Street Journal editorial ignores all this expert folderol and applies the good old Journal commonsense. After all, one out of four tests worked to knock something out of the sky. So "Star Wars" works?

What other proof does the Journal offer to convince us that "Star Wars" works? It argues—once "Star Wars" is destroyed we won't have to knock everything out the first time. The first line of defense may knock out 50 percent. But we can defend in layers, three or four layers, and you may have a 90-percent knockout rate. Result, says the Journal—the Soviets don't attack. Of course, this overlooks a whole series of options open to the offense. They can harden the skin of the incoming missiles. They can fire in endless decoys. Or they can, as Secretary De Lauer, the administration's own prime point man on "Star Wars" admits, simply increase the number of offensive missiles.

What is the Defense Department's answer to this option? Get ready for this. The Defense Department's answer is: We'll keep the Soviets from producing more offensive missiles.

How? We will negotiate an arms-control treaty with the Soviets to limit their offensive missiles, so they cannot simply overwhelm our offense. Now think of that for a minute and then ask—why would the Russians agree to such an arms-control treaty that would destroy their deterrent? Because—answers the Defense Department—we'd negotiate them into it. How? By offering to give them—that's right—give them our immensely expensive antimissile technology. That way they would build their own antimissile system. We would build ours. We would hold down our offensive missiles. They would hold down theirs.

If you can stop laughing long enough, let's consider what's wrong with that scenario? Mr. President, if we can reach an arms-control treaty with the Soviet Union to permit "Star Wars" to work, why not simply negotiate an arms-control treaty right now? Why not stop the arms race and freeze the nuclear arsenals at their present levels? After all, right now each side has the nuclear power and the delivery systems that will utterly destroy the other. That assured destruction would follow even to the side that initiated a preemptive strike. For more than 30 years we have lived in this deterrent cocoon, with, as Churchill put it: "safety the twin child of terror." Of course, the Wall Street Journal says nothing about the conclusion of the "Star Wars" experts themselves that the system will only work if we win an arms-control agreement with the Soviet Union combined with a verification system to assure us of Soviet compliance that we could count on. Why didn't the Wall Street Journal at least mention this arms-control requirement, as the essential feature of a successful "Star Wars" system? Because the Journal has vigorously and consistently insisted that nuclear-arms control with the Soviet Union won't work. We can't trust the Russians. Well, according to the prime Defense Department proponents, if arms control with the Soviet Union won't work, then "Star Wars" won't work either.

But there's an even more conspicuous omission from this Wall Street Journal editorial. For many years the Journal, to its great credit, has been raising unshirted hell about Federal spending. They have been right. Federal spending has soared out of control. But in this editorial on "Star Wars," there is barely a word about the cost of the "Star Wars" Program, and nothing about what the cost would do to Federal deficits. Here we have the most costly military program ever proposed and the Wall Street Journal, the most prestigious paper in America on cost and economics, says nothing about the significance of the cost. Well, listen to what Under Secretary of Defense for Research, De Lauer, testified before the House Armed Services Committee in supporting the "Star Wars" Program. He said:

> When the time comes that you deploy any one of these technologies, you'll be staggered by the cost they will involve.

De Lauer estimated that deploying the "Star Wars" Program could cost what we're now spending on nuclear forces every year.

That means we could be spending $45 billion a year for 10 years to deploy a "Star Wars" system or nearly half a trillion dollars. De Lauer's estimate may be an exception but in all the many years this Senator has been in this body I have yet to see any Pentagon official underestimate the cost of a weapons program. I would be happy to bet the mortgage on my house that if we fully deploy "Star Wars" the cost will exceed $1 trillion.

Finally, Mr. President, just think of what a decision to proceed with "Star Wars" means. It means we would be spending up to $1 trillion, maybe more on a system that would not work unless the Soviets agree on an arms-control agreement that permits us to completely nullify their nuclear deterrent.

Mr. President, I never thought the day would come when I would feel compelled to protest an editorial in the Wall Street Journal on the grounds that it would call for literally throwing Federal money away by the hundreds of billions. But now that sad day has come. I feel like the little boy who idolized the Chicago White Sox in 1919 until he discovered that some of the Sox stars had bet against themselves and deliberately lost the World Series. The little boy came up to his special hero. Shoeless Joe Jackson and through tear-stained eyes said: "Say it ain't so, Joe."

Well, Mr. President, I say with tears in my eyes to the Wall Street Journal about this "Star Wars Works" monstrosity of an editorial that ignores all those hundreds of billions of wasted dollars: "Wall Street Journal, say it ain't so."

Mr. President, I ask unanimous consent that an editorial from the Monday, June 25, Wall Street Journal headlined "Star Wars Works" be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Star Wars Works

When President Reagan announced that he wished to start development of a space-oriented defense system against attacking missiles, the idea was immediately called "Star Wars." Meaning that, like the movie, it sounded attractive but wouldn't work in the real world. The Air Force has just conducted a real-world test of a Star Wars technology. It worked.

Air Force officials fired up a projectile simulating the flight of a Soviet nuclear missile. Then they shot up an interceptor, the Homing Overlay Experiment Vehicle. The HOEV, one of several possible defensive "kill vehicles," closed in on its target at four miles a second, unfolded into a 15-foot steel net, and collided with the "Soviet missile" without any explosives, nuclear or otherwise. This occurred 100 miles above the Earth. Had the missile been real, one million lives might have been saved.

What this event means is that the terms of the Star Wars debate have been altered. What initially seemed laughable is now seen to be clearly within the range of U.S. technological capability. The debate now will turn on questions of precise technological alternatives, cost and politics.

Even before this intercept, for that matter, practically all informed scientists agreed there are currently available technologies that could knock out some part of the Soviet missile force. Richard Garwin, a Star Wars critic, says for example that such technologies could build an "effective" ground-based defense of our missiles. The Pentagon's Fletcher Commission and Hoffman Report argue that "kinetic kill" weapons—the kind tested last week—based on space platforms might be expected to filter out 50% of a Soviet missile attack. And you can deploy defenses in consecutive layers. Two layers at 50% effectiveness could filter 75% of an attack; three layers, 87.5%; and so on. "Missions for less-than-perfect defenses," admits a largely negative study by the Brookings Institution, "are technically achievable and might be very useful."

Scientists on both sides of the issue agree that we cannot build a leak-proof defense. "There is no such thing as a perfect defense," one leading defense proponent puts it, "and there never will be." So Brookings and other critics have spent a lot of time generating long reports raising reasons you can't build a leak-proof shield. But Star Wars proponents are not talking about a perfect shield. The goal of Mr. Reagan's program, according to Mr. Reagan, is a defense that will "make nuclear weapons obsolete." What level of defense is that? Well, what would the Soviets do if we could knock out 50% or 80% or 99% of an attack? The answer is, not attack. Wars are started when one side calculates it can win. Notice that in this case, a war is deterred by the uncertainty of the attacker, not the threats of the attacked.

The long-run key, argues Robert Jastrow in a continuing dispute in Commentary, is to develop defenses that are less costly, at the margin, than the cost of adding another increment of offense. How feasible is that kind of system? For ground-based point defense, Mr. Jastrow suggests, the trade-off is already about $2 to $1 in favor of defense. Space-based systems are more difficult to calculate, but Mr. Jastrow suggests that kinetic-kill systems, as opposed to more exotic laser beams, may already be close to a dollar-for-dollar stalemate with offense.

When the cost-exchange calculation is entered, Soviet counters to a missile defense no longer seem so attractive, even when technologically feasible. The Soviets might reorient their whole force structure away from ICBMs, about 80% of their present arsenal, toward submarines or bombers. But they could do this only over many years, at great cost, and with the knowledge that we would be upgrading our defenses against these kinds of threats. Suddenly you find that a swarmjet defense of existing missiles enhances security more than adding 100 vulnerable MX missiles.

The debate over strategic defense can be expected to follow a familiar form of ping-pong argument over individual technologies.

But observe that few other enterprises get bogged down in arguments that we shouldn't even try the obvious technological possibilities because we aren't 100% sure what will work a decade from now.

The technological arguments against defense are mainly foils for the underlying philosophy that has dominated our strategic deployments and arms-negotiating strategies for a generation—the notion that defense is bad, that it is good if each side can destroy the other entirely. This philosophy needs technological foils because it can no longer be sold openly. A recent survey of Californians by a Democratic pollster found that two-thirds prefer a strategic defense to a nuclear freeze. The Senate has just reflected that support by restoring a large chunk of funds for Star Wars research that had been cut by the House.

So far, however, neither political party supports building a single defensive system. The official Reagan program still calls for a big research budget with no commitment to build defenses. Mr. Mondale supports a small research program with a commitment to not build the defenses he derides as a "magic shield." He has a point: Why spend so much money researching what we'll never do? We would ask, conversely, why not do it? There would seem little political risk, either for Mr. Mondale or Mr. Reagan, in acting on the wisdom of the large majority of Americans.

35TH ANNIVERSARY OF THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, last week marked the 35th anniversary of the submission of the Genocide Convention to the Senate by President Truman.

Drafted in the aftermath of World War II and the Holocaust, the Convention on the Prevention and Punishment of the Crime of Genocide was the United Nations' first human rights treaty.

The treaty acknowledges genocide in peace or war as a crime under international law, which must be prevented and punished; 86 countries are currently party to the convention. And despite being reported favorably by the Foreign Relations Committee four times, the Senate still has not ratified this document. And now, after 35 years, the Genocide Treaty is still pending and is the oldest treaty now before the Senate.

The United Nations formulated the Genocide Convention because of the 5 or 6 million Jews who were put to death in concentration camps.

The Genocide Convention attempts to safeguard under international law the most fundamental human principle—the right to live. The treaty attempts to prevent the destruction of a national, ethnic, racial, or religious group by defining genocide, outlawing it, and establishing procedures for trying and punishing violators. What we are talking about when we speak of genocide is the planned, premeditated murder or extermination of an entire group of people—the most vicious crime mankind can commit.

The U.N. General Assembly gave its unanimous approval to the text of the convention in December 1948. Few people realize the important role played by the United States in drafting the Convention and in securing the overwhelming 55-to-0 vote within the General Assembly in favor of the Convention.

American John Maktos, Chairman of the Ad Hoc Committee of the Economic and Social Council of the United Nations, actually drafted the treaty. President Truman was a strong advocate as well.

The United States signed the Genocide Convention 2 days after the United Nations adopted its text. Truman urged ratification when he submitted it to the Senate in June 1949.

President after President since Truman—Republicans and Democrats alike—have supported the Genocide Convention.

President Johnson's administration, for example, fully shared the convictions, which led President Truman to submit the Genocide Convention to the Senate in 1949. President Johnson expressed hope that the situation in the Senate would develop to a point where ratification could be achieved.

President Nixon also urged ratification, stating:

> We should delay no longer in taking the final convincing step which would reaffirm that the United States remains as strongly opposed to the crime of genocide as ever.

The Genocide Convention has the support of many educators too. Columbia University Law Prof. Richard Gardner observed:

> Our ratification of this Convention will dissipate the embarrassing contradiction between our failure to act and our traditional leadership in support of basic human rights.

The Genocide Treaty is a call for a higher standard of human conduct. It is a moral document. It will also make an important step toward civilizing the affairs of nations.

As the late Chief Justice Earl Warren once remarked, "We as a nation should have been the first to ratify the Genocide Convention." The Senate should keep this in mind.

After 35 years, the time has come to ratify the Genocide Treaty.

LOUIS GIANOLI: PRESIDENT OF THE NATIONAL SHERIFFS ASSOCIATION

Mr. KASTEN. Mr. President, I am pleased and honored to speak about Sheriff Louis Gianoli, of Marathon County, WI. Sheriff Gianoli has recently taken office as president of the National Sheriffs Association, which is the largest law enforcement group in the world. He is a fine example of a dedicated, honest, and selfless officer of the law. I have every confidence that Sheriff Gianoli will provide outstanding leadership to the National Sheriffs Association. I ask unanimous consent that the full text of a June 20, 1984, Daily Herald Wausau-Merril article, which describes in detail the many accomplishments of Louis Gianoli, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Gianoli Heads 50,000 Member Association—Sheriff Takes Giant Step for Italians

(By Jim Elliott)

Louis Gianoli made it to the top today.

This noon, the sheriff of Marathon County was expected to be elected president of the 50,000 member National Sheriffs Association at its convention in Hartford, Conn.

"I'm the first Italian ever elected president," he said in Wausau before leaving. "The Italian Men's Club of Chicago is pretty excited about it. There aren't too many Italian sheriffs."

According to Gianoli, the sheriffs association is the largest law enforcement group in the world and has a staff of 35 full-time people.

Gianoli succeeds the sheriff of Cook County, Ill., in which Chicago is located. That man is also a lawyer.

"We're an equal opportunity organization," quipped Gianoli, never at a loss for a joke. "Now the groups that can't understand lawyers will have me."

They'll also have, instead of a big city sheriff, one who represents a county in which there are more cows than people. And Gianoli is the first president from Wisconsin.

He became interested in the association from the moment he first took office in 1961 and started going to conventions.

"I consider myself a career officer," he said. "When people call me a politician I resent it. I consider myself a statesman."

That's why, whenever he's gone to a meeting, he's taken along plenty of Wisconsin cheese. When other states or counties had fancy hospitality rooms, which he couldn't afford, Louis passed out genuine cheese to people who were used to the mediocre processed variety.

It made an impression, as did the Wausau depot emblem belt buckles and other paraphernalia he managed to distribute. People remembered Louis Gianoli.

The sheriff will be talking about drug dealers, TV shows, and his view of law enforcement during the coming year.

"One of the greatest burdens in my life is knowing that it (drug abuse) is happening to our young people. I've seen the drug burnouts, families torn apart and a life of crime to support the habit," he said.

He will push to change the federal government's role in drug enforcement. Rather than concentrating on border-patrol programs, he'd prefer to see more grants available to local communities to fight drug pushers.

"We need to have teams out catching people where it's being disbursed," he said.

He also plans to carry on the association's campaign to get TV shows such as the "Dukes of Hazzard" off the air because of the poor image of law enforcement they portray. The association was instrumental in getting Sheriff Joe Higgins ("Bo, you in a heap o' trouble, boy") taken off commercials for Dodge cars:

In speeches, he'll stress the advances that have been made in law enforcement, mainly in training officers.

And he'll probably mention his philosophy of personalized service. That has enabled him to be re-elected Marathon County sheriff 11 times.

"I feel what I do is what's expected of me, not political hogwash," he said. "You have to put yourself in the other person's place. Our patrols can do things for people.

"I've been criticized . . . for blood runs (relaying blood through the county). Not all areas do it, and some have said that's not a police function, but I maintain it is."

Gianoli has climbed the association's chain of command. He began on the board of directors, served on the executive board, and finally was on the path to the presidency eight years ago when he was elected seventh vice president. This past year he was first vice president, which is also president-elect.

The association's mission is to support the office of sheriff, and fair and efficient administration of criminal justice. It works through training programs, information exchanges, insurance programs, technical assistance (such as studies of jails or manpower), programs such as Neighborhood Watch, research and lobbying.

PREP SCHOOL DRUG ABUSE

Mrs. **HAWKINS**. Mr. President, a recent article in the New York Times shows that even the most privileged in our society fall victim to drug abuse.

"I never met anybody who was really messed up by cocaine," is one of the first quotes to emerge from this article. Mr. President, I wish I could talk to this misguided child, to tell him of the lives that have been ruined, and lost, because of this recreational drug, this drug perceived as harmless by so many of the children of the wealthy.

On May 4 of this year, 14 students were expelled from Choate Rosemary in Wallingford, CT, considered by many to be our Nation's finest prep school, for attempted drug smuggling. Later that month, six students were expelled from the Ethel Walker School for Girls in Simsbury, CT, for using cocaine. Such a waste of opportunity, to see young people irreparably damage their futures for the sake of a trendy, temporary, high.

The illegal drug market seems to be targeting these students, as it views preppies as a perfect market.

Dr. Robert Dupont, the president of the American Council for Drug Abuse, says in this article, "These kids haven't got a clue as to what they're fooling around with." Mr. President, why don't they know? Why, in institutions that provide the finest precollege educations in our country, can't these children be successfully taught that drugs are harmful and destructive? Granted, the role of in loco parentis that the school must play is a difficult one, but proper education and guidance concerning the problems of drug abuse must be provided by both school officials and the parents.

But this is not always done. As one student at Concord reported, when he confided to his mother all the drugs he was using—cocaine, marijuana, alcohol, and LSD—"the thing she was most upset about was my cigarette smoking." Children must be convinced to not want to take drugs, and it takes a combination of family influence, school guidance, and the right kind of peer pressure to achieve this.

Just as the affluent constituency of the prep schools are more prone to cocaine use, they are also more prone to alcohol abuse. As one child said, "Alcohol and coke do more to present the image of the successful achiever."

Mr. President, we must work to change this distorted image, to convince these children that the real successful achiever doesn't do drugs, doesn't need alcohol. Whether the young people involved are guaranteed a comfortable future, or struggling to get out of the ghetto, we need to work to insure them all a drug-free future.

I respectfully request that the article entitled "Prep Schools in a Struggle To Curb Spread of Cocaine," dated May 27, 1984, from the New York Times, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 27, 1984]

PREP SCHOOLS IN A STRUGGLE TO CURB SPREAD OF COCAINE

(By Maureen Dowd and Jeffrey Schmalz)

A dozen teen-agers are sprawled on wing chairs and couches in a dormitory living room amid a litter of lacrosse sticks, tennis racquets and textbooks. They are clean-cut, ambitious students headed for Ivy League colleges.

With their allowances, they buy cocaine and they "party" on weekends, sometimes in their rooms at their exclusive Massachusetts preparatory school and sometimes in the discotheques of New York or Boston.

"It used to be such a big thing to have it," says a 16-year-old girl. "Now everyone's so blase."

"Cocaine is more of a preppie drug," a 17-year-old boy says. "It's the radical thing, the new cool thing. I never met anybody who was really messed up by cocaine."

POLICIES UNDER SCRUTINY

On the campuses of the New England boarding schools this month, cocaine has been a frequent subject. In the rare public spotlight cast on their private world, many headmasters have reexamined their policies and programs on drugs and alcohol, as well as their "in loco parentis" role with its delicate balance between trust and discipline.

On May 4, news broke that 14 students had been expelled from Choate Rosemary Hall School in Wallingford, Conn., and one was arrested on a charge of taking part in a scheme to smuggle a pound of pure cocaine worth $300,000 into the country from Venezuela. Four days later, the Ethel Walker School for Girls in Simsbury, Conn., turned out six students for cocaine use.

Coke is promising to be to the 1980's what marijuana was to the 70's," said Robert Dupont, the president of the American Council for Drug Education in Rockville, Md.

Dr. Dupont, the former director of the National Institute on Drug Abuse, said: "It's coming through the same door, the perception that it's harmless. It's not true."

"Cocaine is the most powerfully reinforcing of all the drugs," he said. "These kids don't have a clue of what they're fooling around with."

In interviews, administrators, faculty members, counselors and students from a dozen Northeast boarding schools spoke candidly about the problems they, their students and the students' parents are facing.

"Some people think it's a pristine existence, that they can protect youngsters from problems by having them go away to fine prep schools," said Paul R. Mahoney, dean of students at Phillips Exeter Academy in Exeter, N.H. "But we all have the same problems with drugs and alcohol."

Cocaine is the fastest growing drug among high school students. The number of seniors using it nationwide has doubled since 1976, according to statistics compiled by the University of Michigan, while marijuana use has dropped and alcohol use has remained steady.

Experts believe that cocaine is penetrating more deeply at private boarding schools and affluent suburban public high schools.

"It's expensive and these kids have the money," said David Cobb, dean of students at Phillips Academy in Andover, Mass.

A faculty member at Deerfield Academy in Massachusetts agreed: "It's a status symbol and our kids think status symbols are important."

Interviews would suggest that only a small proportion of students on any given campus use the drug and that the problem exists in different degrees at different schools. But its growing popularity among students has sent a chill through administration offices.

Drug experts say cocaine can cause psychosis, psychological addiction and serious medical problems, from nasal injury to liver and lung damage.

"It's one of the things that keeps you from sleeping at night," said Thomas Wilcox, the headmaster of Concord Academy in Concord, Mass. "It's a new drug that has entered the scene about which we know very little and what we do know is scary."

Mr. Wilcox said he had known since last winter, when teachers found four grams of cocaine on an overnight ski trip to Stowe, that a small group of his 320 students were using the drug.

He warned all his students that the illegal drug industry regarded "preppies as a perfect market" because they often had pocket money to buy drugs.

"It's one thing if Wilcox tells them coke is bad," the headmaster said, wryly. "It's another thing if they think they're being used."

THE SCHOOL AND THE HOME

As jokes circulated among students at rival prep schools—"Did you hear what happened at Coke Rosemary Hall?"—the headmaster, Charles Dey, sent an unusually blunt letter to parents, telling them they would have to accept the major share of responsibility for whether their children used drugs.

"We simply cannot guarantee a drug-free community, as recent events so graphically testify," he wrote. "The irony is that drugs at Choate became news at the moment in our school's history when we have never been more aggressive in our resistance to their use." Other headmasters and teachers are also puzzled and upset.

'A TERRIFIC SADNESS'

"The first thing you feel is a terrific sadness for the body blow that's been dealt to the community by the event," said John E. Ratte of the Loomis Chaffee School in Windsor, Conn. "These are very complex institutions. They are between the family, where the rule is the rule of love, and civil society, where the rule is the rule of law."

It is a balancing act that requires constant fine tuning. "We are setting limits and confronting those involved more," the Groton headmaster, William M. Polk, said of drug and alcohol use, "but we don't want to run the dormitories like Stalag 17."

When the first wave of drugs washed over these cloistered campuses in the late 1960's, school administrators and faculty members were at a loss.

"We threw kids out right and left in those days," Stephen G. Kurtz of Exeter said. "We didn't know what else to do."

Enrollment at the private boarding schools dropped sharply in the early 1970's. "The joke was that daddy was afraid that the prep schools were not doing as good a job of 'in loco parentis' with junior as they should, and junior was afraid that they were," Mr. Wilcox said.

Even when enrollments began to climb again after a few years, the schools remained skittish about alarming trustees, alumni and parents by airing drug and alcohol problems.

AT FIRST, CLOSED DOORS

Evlyn Mahony of the Freedom From Chemical Dependency Foundation in Needham, Mass., recalls that, when the group first approached the private schools eight years ago, "we couldn't even get a foot in the door."

"None of them wanted to be labeled 'a druggie school' by admitting they had students or faculty who used drugs or alcohol," she said.

But gradually, as a new generation of faculty members and headmasters took over, most schools began to change their approach dramatically.

"The old scare tactice, 'You'll ruin your life if you do anything,' didn't turn out to be true and it undermined our credibility," said Donald W. McNemar, the Andover headmaster.

They began to increase supervision again and tighten rules that had gone slack. Brad Hastings, dean of students at Deerfield, said students needed the message: "Hey, not here!" To discipline, administrators added counseling and education.

School infirmaries became comprehensive health centers, and staff psychologists were hired. Classes offering sophisticated health information and frank discussions on drugs were added to curriculums.

Rules were altered to encourage students to talk to teachers on a confidential basis about their own problems or those of other students.

Freedom From Chemical Dependency and the Phoenix House Foundation in New York now visit scores of campuses every year.

Most of all, headmasters began to encourage confrontation and discussion.

"We've gotten pretty good at having an off the record conversation with the kids we suspect before they're actually caught," Mr. Cobb of Andover said. "And we've gotten pretty aggressive in confronting the kids and conducting room searches if we've got reason to think they're dealing."

At Concord, Mr. Wilcox has taken this approach the furthest. "We confront students that we think may be in trouble and suggest a formal evaluation with a professional," he said.

He has also begun calling parents and telling them if he has suspicions. "I tell them: 'I'd like to share with you some hearsay about your son or daughter. If it's not true, it will never go past this room.' "

Of course, this sort of confrontation can backfire. "I called in a student and told him his eyes looked pretty red and he was acting funny and I thought we should talk about it," said Helen Eccles, a house counselor at Andover. "It turned out he had just had his contacts in too long."

THE ATTRACTION FOR STUDENTS

"At first you think what happened at Choate must have been an aberration," said Priscilla M. Winn, the dean of women at Milton Academy in Milton, Mass. "Then you think maybe it wasn't."

Other students have had similar schemes. A Venezuelan at a Northeast boarding school was caught by customs officials last year as he came back from a trip home. He had a packet of cocaine that he planned to distribute at school.

At Middlesex, a group of students plotted an expedition to South America, an idea now on ice. "These guys thought they could go down and get a couple of ounces and pay $30 a gram and sell it for $100 a gram," a 17-year-old student at Middlesex said. "Those idiots at Choate got caught."

Like conscientious consumers, students who use cocaine eagerly tick off its attractions.

"You can do excellent work on coke," a dark-haired 17-year-old from Concord said, sitting with some friends. "If there's a big test to study for you can do a line."

"It keeps you thin," a very thin girl said.

"It doesn't smell on your breath coming into the dorm and if you sniffle," a 16-year-old said, touching her nose, "you can just say it's hay fever or an allergy and nobody cares."

ON 99% OF THE CAMPUSES

Mrs. Mahony of Freedom from Chemical Dependency said cocaine was "on 99 percent of the campuses."

"The drug of choice is still alcohol and there is a lot of pot and pockets of cocaine," she said.

While marijuana use has gone down; it is still prevalent. In 1979, some 51 percent of the high school seniors polled by the University of Michigan's Institute for Social Research said they had used marijuana in the last year. The percentage dropped to 42 last year.

What has largely disappeared are what Mrs. Mahony calls "the burnt-out cases." After peaking in 1978, daily use of marijuana among high school seniors nationwide dropped from 11 percent to 5.5 percent last year.

But the most striking difference is the way their attitudes have changed the last 15 years.

"Fifteen years ago, drug use was a political statement," Dr. Dupont, the drug specialist, said. "Today it's totally casual."

A teacher at Deerfield said students "think of doing drugs the same way they think about going to a football game."

"You don't have to be real druggie to do coke," a girl at Milton said. "You can go out and have a joint occasionally at parties and it's socially accepted."

Experts and students say there is a positive trend toward less peer pressure. "The acceptability of not using drugs has gone way up," Dr. Dupont said.

But many students agreed that the social and academic pressure at boarding schools made drugs and alcohol seductive.

"I felt insecure, my parents were in Europe and I felt cast off and weird compared to everyone else," said an attractive 17-year-old youth from New York City who was expelled from a Massachusetts prep school last year for drug use. "It's so much easier to make friends if you can say 'Let's go smoke.' It's a superficial close but it seems close."

A NEW WORLD FOR THE TEACHERS

Some teachers like the new openness; others find it disconcerting. A teacher at Deerfield complained: "You're in a bind because what you're saying to the kid is 'If I catch you blatantly using, I'll turn you in, but if I know about it, you can talk to me until I catch you.' It's hypocritical."

And therein lies one of the rubs—the great disparity with which different teachers treat the problem.

"Some faculty are extremely vigilant,' said Mr. Hastings at Deerfield. "Others have a hard time confronting students."

Deerfield students talked about the discrepancies. "The faculty just don't want to deal with it," one said: "The younger faculty members are especially reluctant. If a dorm gets known for having a lenient corridor master, it becomes a haven for parties. There's one dorm where the kids even clean their bongs in the bathroom."

School administrators point out that their job is particularly difficult because many parents—by protest or by example—show that they don't support school policies.

"These kids come out of a social milieu where more and more of their parents are abusing drugs, too," a teacher at Deerfield said. "They think the dwellers of Avenues A, B, C and the South Bronx will get into trouble but here in this little valley nothing will happen to them."

Mr. Barlow said parents display "carefree attitudes," and give youngsters "mixed messages."

"Some of these kids are from affluent families who are fast-track professionals who have pretty swinging weekends," he said. "The schools and parents have a different set of rules."

Bruce McClellan, the headmaster of Lawrenceville School in Lawrenceville, N.J., said he switched from putting students on probation to suspending them as a way of making parents pay attention.

Another headmaster recalled that when he cautioned a student about cocaine, the youth answered: "Well, why shouldn't I? My parents do."

Several headmasters said students had been suspended after coming back to their dormitories reeling drunk from an evening out with their parents.

One 18-year-old boy at Concord said that when he had confided to his mother all the drugs he was using—cocaine, marijuana, alcohol and LSD—"the thing she was most upset about was my cigarette smoking." When he was caught with drugs at school and suspended, his mother gave him a present of sweater and sunglasses to make him feel better.

Still, most students say their parents would be upset if they realized the extent of drinking, smoking and snorting.

"My parents would be shocked beyond belief, they wouldn't be able to handle it if they knew what I've gotten into here," a Concord senior said.

THE PROBLEM OF ALCOHOL ABUSE

As discussions between faculty members and students have become more frank, administrators have gained a new realization of the seriousness of alcohol abuse. Most concede that they were so worried about marijuana and other "hard" drugs for years that they tended to take alcohol too lightly.

Mr. Kurtz recalls a meeting with fellow headmasters and trustees on the topic of taxes. In the middle of the meeting, one headmaster broke into the conversation with an anguished cry: "We've got to talk about alcohol."

Just as the affluent constituency of the prep schools are more prone to cocaine use, they are also more prone to alcohol abuse, according to Dr. Dupont.

"These schools have a horrible time dealing with the problem of drinking, much harder than in the public and parochial schools," he said.

Students and faculty members agree that as marijuana use has dipped, alcohol use has become even more widespread.

"It's worrisome what kids consider normal drinking," said Burch Ford, a psychological counselor at Groton. "Once they've learned that all you have to do to cope is swallow, it's awfully hard to circumvent that."

THE SHIFT TO CONSERVATISM

The trend is partly a reflection of the shift to the 1950's conservativism that has caused students to request swing bands and sock hops rather than rock for their dances. There are no more students posing with bongs in the background in yearbooks.

"It's the 50's all over again except we don't drive when we're drunk," a Groton boy said, as students with short hair, neat khakis and James Dean-style jackets walked by.

An Andover student said his classmates were "down on the whole bohemian attitude."

"Kids perceive pot as something that slows you down," he said. "If you do LSD or heroin, that doesn't promote the kind of image that most of these kids want to promote. They're high achievers, intellectually hard workers. Alcohol and coke do more to present the image of the successful achiever.'

It is an ironic contrast to the mood 15 years ago, when drugs were cherished by the young precisely because they created a wall between adults and teenagers. One Andover boy, explaining the preference for alcohol, said, earnestly, "You can drink at home, but you can't do a joint with your parents."

Another senior at Groton calls his heavy bouts with cheap gin and vodka a passing lark, part of a respected prep school tradition.

"We want to follow the pattern set for us," he said. "We go to Groton. We go to an Ivy League college. We get a nice job. We live in New Cannan, Conn., have a Volvo and a golden retriever and send our kids to Groton. Then we go back and have tailgate parties and drink Bloody Marys."

Just as it always has, drinking at the prep schools tends to be ritualistic.

As a reward for getting through the pressures of the week, students gather in each others' rooms on Saturday night and drink.

Beer is popular on some campuses, but more often students prefer hard liquor because it is easier to smuggle in. They mix the liquor with cans of soda from the vending machine, making for combinations like tequila and mountain dew. Coca-Cola and 151 proof rum is a favorite. (Rum and Tab is more popular with girls.)

"There's a thrill to drinking out of a soda can," said a Yale student who graduated from Andover. "Then you go to a dance and chew gum and try not to look drunk."

Students who are underage get the alcohol from willing upperclassmen, for a price, or bring it back in their cases after vacations home. There is also a network of liquor stores that are not particular about seeing I.D. cards.

According to the University of Michigan, the number of high school seniors who drink five or more drinks in a row has stayed high at 41 percent since 1979.

In its April issue, The Deerfield Scroll ran an interview with an anonymous student alcoholic, who said: "When I'm bummed, when people give me grief, when my grades fall, I drink. Besides, it's fun. It's partying."

While some faculty members wonder whether there is a way to teach students to drink responsibly, most experts say teenagers should not be drinking at all.

"The main problem is we keep telling them they're little adults," Dr. Dupont said. "Once you've made that error, you're vulnerable to the adult-hypocrisy argument: 'If you drink, I can drink.'

"What you have to say is: 'The reason you can't have a drink is you're a kid. The reason I can is I'm an adult.' "

For alcohol and drugs alike, administrators agree that there is no solution, only a continuing struggle.

"As long as we keep lines of communication open," Mr. Wilcox said, "I'll be able to sleep a little better at night. I'll never sleep soundly."

HOUSE PASSAGE OF THE CIVIL RIGHTS ACT OF 1984

Mr. LEAHY. Mr. President, late last night the House of Representatives overwhelmingly voted to approve legislation which would overturn the Supreme Court's decision in Grove City College against Bell. That bill, the Civil Rights Act of 1984, would restore Congress' original intent in prohibiting discrimination in institutions receiving Federal financial assistance."

I am particularly gratified to note that the House approved an amendment to the bill which would apply the bill's provisions to the Congress. Although I haven't yet had the opportunity to review the rider in the context of the bill, it marks the first time that Congress has chosen not to exempt itself from many of the civil rights laws that we require other Americans to follow.

The sensitivity of the House on this question is very encouraging to me, Mr. President, because I have introduced similar legislation in the Senate since my earliest days in this distinguished body. In June 1983, I for the fourth time introduced the Fair Employment in Congress Act. The purpose of the act was—and is—straightforward: to remove congressional exemption from many of the statutes that other American employers adhere to, including the Civil Service Reform Act, the Civil Rights Act of 1964, the Equal Employment Opportunity Act of 1972, the Age Discrimination in Employment Act of 1967, the Equal Pay Act, the Occupational Safety and Health Act, the Freedom of Information Act, and the Privacy Act.

Collectively, these laws spell out civil, social, physical, and financial rights and standards for all Americans—except those in Congress. Quite frankly, we in Congress have permitted ourselves to discriminate with impunity. This is an embarrassment which damages our credibility as lawmakers. Moreover, it is an outrage.

During the several times that I have spoken on this floor about the Fair Employment in Congress Act, I have enumerated the statutes that should apply to Congress—and why they should apply. I will not take this body's time to review my past remarks—I suspect that my distinguished colleagues will have ample opportunity to hear them again when I introduce the act for the fifth time in the next Congress.

But I would like to mention that the Fair Employment in Congress Act has not enjoyed widespread support in the Senate—and that is an understatement. The Congress has been called the "last plantation"—and that is not an understatement. We have only to remember the plight of the Senate cafeteria workers, who unable to organize like other Federal workers, last year took their case to the International Labor Organization in Geneva.

There never have been hearings on the Fair Employment in Congress Act, and I will do my utmost during the next Congress to see that hearings are held.

In the meantime, I applaud the sentiments of the House in passing the Civil Rights Act of 1984 with the amendment not to exempt Congress from its provisions, and I strongly urge the Senate to meet this challenge when we consider that bill.

DEBUNKING THE PRODUCT LIABILITY MYTHS

Mr. PRESSLER. Mr. President, consumers and manufacturers alike are suffering under an archaic, and costly, system of conflicting State product liability laws. If we had uniform national rules to cover product liability, we could save time and money now spent on needless lawsuits to establish liability for faulty products. We could also guarantee uniform justice for all our citizens.

That is why I am cosponsoring S. 44, legislation to set up a uniform national product liability standard.

Opponents of the measure, however, especially those who profit from the confusion created by the present system, have put out a lot of misinformation about the bill. Recently, my friend and colleague from Wisconsin, Senator **Bob Kasten**, who is the author of this much-needed legislation, wrote an excellent article debunking the product liability myths. It is well worth reading, and I commend it to my colleagues.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Times, June 25, 1984]

Product Liability's Confusion and Cost

(By Robert W. Kasten, Jr.)

This may be the year when Congress acts to clear up the confusion in product liability law. No area of the law today is more chaotic, costly, or counterproductive. It has become a patchwork of rules that vary from state to state and within states from court to court.

The state-by-state approach does not make sense, particularly since most products are not consumed in the state where they are made. The uncertainties in the present system generate lengthy litigation, with accompanying exorbitant legal costs. The solution—enactment of uniform national legal rules for product liability—would reduce both the confusion and the costs associated with the present system. Both consumers and businesses would benefit.

A few critics of the federal product liability proposal have made blanket statements that amount to disinformation.

They have said, for example, that the bill will prevent asbestos victims from suing for damages related to any asbestos-related disease. This is totally erroneous. The bill in fact will open courthouse doors for many asbestos victims. In some states, for example, if you were exposed to asbestos in 1940 and developed asbestosis in 1980, you can't file for damages. The law of those states cuts off the right to sue before you even know you are injured!

Under the pending federal bill, these laws would no longer bar a suit. Anyone would be able to sue for damages as long as two years after he or she discovers the harm (for example, cancer) and the cause (for example, asbestos). Thus, contrary to the charges of some critics, the bill provides significant new consumer protection.

The proposal I sponsored was drafted painstakingly with an eye toward clarity and fairness. If enacted, the bill will ensure consumers strong legal rights, many of which they now don't have, and will go a long way toward encouraging product safety and helping to keep consumer prices down. Currently, for example, without a federal law, an estimated 20 percent of the cost of a stepladder is represented by product liability insurance.

A person injured by a product with a dangerous defect should have every right to sue and collect damages. But under the current morass of varying rules, the outcome is cloudy. A person in one state may recover damages from injuries caused by a product defect, while a person in another state with virtually identical injuries may be barred from suing. The legal rules that create such bizarre and unfair results only foster disputes and litigation. Clearly, lawyers are the only ones who benefit.

It's no surprise that the major group opposing uniform standards is the trial lawyers of America. The statistics shed light on their penchant toward the status quo. For every $59 awarded an injured party in a product liability suit, the lawyers get $99 in fees. Between 1974 and 1982 the number of product liability suits filed in federal district courts skyrocketed from 1,579 to almost 9,000—a 500 percent increase representing a legal bonanza of unparalleled proportions.

The product liability bill will bring stability and certainty to an area of the law riddled with conflict and confusion. Unnecessary legal costs will be eliminated. Injured persons will no longer be barred from recovery by state rules that are out of date and unfair. Manufacturers will have every incentive to make safe products. Enactment of this legislation will benefit all consumers.

It has taken 10 years of debate to get this close to setting equitable product liability standards. A do-nothing approach is tantamount to condoning legal chaos.

The Senate should support this reform legislation and pave the way to its becoming a federal law in 1984.

PRESIDENT REAGAN'S ADDRESS ON UNITED STATES-SOVIET RELATIONS, WEDNESDAY, JUNE 27, 1984

Mr. PELL. Mr. President, this afternoon, President Reagan addressed at the White House a gathering from the Kennan Institute of the Woodrow Wilson Center on the vital subject of United States-Soviet relations. The President's remarks were distinctly upbeat and he discussed a number of very positive steps he plans to take to improve relations.

Among the specifics, the President proposed a renewal of the United States-Soviet agreement for cooperation on environmental protection, a joint simulated rescue of stranded astronauts or cosmonauts in space, discussions on potential nuclear terrorist incidents, and a resumption of preparations to open consulates in Kiev and New York. Individually, these and the other actions announced by the President are small steps. In the aggregate, however, they help create a climate of understanding and cooperation which I very much hope will lead to the resumption of arms control negotiations.

Mr. President, the United States-Soviet relationship is the central relationship of our time. Unless we learn to live together, we will not live at all. I believe President Reagan has today taken an extremely important initiative to reverse the decline in that relationship. It is, in my view, a high point of Mr. Reagan's Presidency and I enthusiastically commend him for it.

I think, too, it is very fitting that President Reagan made his comments in the presence of James Billington, the director of the Kennan Institute. Under Mr. Billington's able leadership, the Kennan Institute has been making major contributions to American scholarship on the Soviet Union. This scholarship is essential to understanding the Soviet Union as an adversary as well as to understanding how to improve relations.

MARYLAND EXPORT CONFERENCE

Mr. MATHIAS. Mr. President, one of the greatest problems facing our economy today is the decline in exports. After years of growth, U.S. exports have fallen from $374 billion in 1981 to a projected $300 billion in 1984.

On June 15, 18, and 19, a conference in Baltimore addressed the overall question of U.S. trade activities and the trade prospects for the Mid-Atlantic region. The conference, sponsored by the Washington/Baltimore Regional Association, the U.S. Department of Commerce, Arthur Young & Co., the Export Club of Baltimore, and me, was designed to call attention to our trade problems and to provide an opportunity for potential exporters to learn about the private and public services available to them.

The 3-day program featured such authorities as Federal Reserve Chairman Paul Volcker, Secretary of Commerce Malcolm Baldrige, and Maryland Gov. Harry Hughes. It provided food for thought for all of us who seek to improve the U.S. balance of trade.

Mr. President, I ask unanimous consent that an excellent article by Ellen James of the Baltimore Sun on the 3-day program and exports in Maryland be included in the Record at this time.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Baltimore Sun, June 24, 1984]

Why Does Maryland Rank Low in Products Exported? Experts Say More Could Be Done

(By Ellen L. James)

Since the first hogsheads of Southern Maryland tobacco were exported to Europe in Colonial days, the state has had a tradition of overseas sales.

Maryland also has a world-class port served by major rail and trucking lines, manifold ship agents and foreign freight forwarders. And it is close to the international diplomatic community in Washington.

Why, then, do Maryland's own businesses trail far behind others in the nation in the export of their own products?

The state ranks in the bottom half of U.S. states in exports, and Governor Hughes and various federal trade experts were among those who gathered in Baltimore last week to grope for explanations and solutions to the problem.

"It's dangerous to quantify, but I think Maryland has a ways to go to catch up with other parts of the country in their export sophistication," remarked Dennis D. Doran, who directs the Arthur Young & Co. management consulting group in Baltimore.

James A. Calderwood, a trade lawyer from Washington, said, "When it comes to exports, Maryland is more laid back and reluctant"—despite what he described as the "beautifully situated" port of Baltimore.

Mr. Calderwood, who travels frequently throughout the country, meeting with firms interested in exporting, said he finds "a totally different atmosphere"—a new "excitement"—about exporting among businessmen in states such as California and Texas.

Such regional differences might only be a matter of academic interest, were it not for the nation's burgeoning trade deficit.

The deficit is currently running at an annual rate of $126 billion—far in excess of the record 1983 deficit of $70 billion. Members of Congress, the Reagan administration and local politicians are growing increasingly vocal in their concern that more Americans begin exporting.

It was in this spirit that Senator Charles McC. Mathias, Jr. (R, Md.) chairman of the Senate subcommittee on international economic policy, organized a three-day meeting this month in Baltimore on trade prospects and policies.

The meeting, which closed Tuesday, was cosponsored by the U.S. Commerce Department, the Washington-Baltimore Regional Association, Arthur Young & Co. and the Export Club of Baltimore.

Maryland is finally making an export push, but the federal government has been doing this for more than a year. Federal authorities, in fact, have gone on a binge of helping U.S. firms carve out and expand foreign markets.

The results have been contests, promotions, grants, expanded trade financing programs and the liberalization of legal restraints on businesses wishing to sell abroad. For example, the new Export Trading Company Act allows competitors to band together for overseas sales, without fear of antitrust prosecution.

Senator Mathias opened the Baltimore meeting by declaring, "The central issue is whether the United States can regain its competitiveness, and what policies will be required to do that."

After years of growth, he noted, "U.S. exports have fallen from $374 billion in 1981 to barely $300 billion in 1984."

The meeting drew several prominent economic policy-makers—such as Federal Reserve Board Chairman Paul A. Volcker—who were equally as agitated as Mr. Mathias about the nation's trade problems.

"Plainly," said Mr. Volcker, "the deterioration in our trade position has had profound effects spread through many firms and farms in all parts of the United States."

Those involved in foreign trade "have not shared proportionately in the strong expansion of the American economy," he said.

Since 1980, exports of U.S. agricultural products have dropped 4 percent and those of other goods 15 percent.

"The longer our exports remain depressed, the more difficult it becomes to maintain marketing networks, and the more costly and difficult it becomes to recover foreign sales," said Mr. Volcker.

At the national level, explanations for the sorry state of American exporting are easily found.

Certainly the strength of the U.S. dollar—as against the currencies of trading partners—has penalized American companies whose products have become artifically dear in foreign markets, just as it has made imports cheaper to U.S. consumers.

Certainly, U.S. firms who have relied on markets in the Third World—especially those in Latin America—have suffered a drastic decline in demand for their products, as debtor nations have tightened their belts to cover their enormous bank debts.

Certainly, too, a case can be made that U.S. firms—due to their once limitless domestic market—have historically been less enamored with exporting than has been the case with the "export-or-die" economies of Japan and Western Europe.

Still, the Latin American debtor nations are bouncing back, prospects for the dollar's decline are projected, and trade experts say that in many U.S. states, businesses are beginning to reckon with the critical need to export.

But not many yet in Maryland.

Malcolm Baldrige, the U.S. Commerce Secretary who spoke at the Baltimore meeting, said he was startled when his staff handed him the statistics: Maryland, which now exports $1.2 billion in manufactured goods annually, has only 2.6 percent of its jobs tied to exports—half the national average.

"You can do a lot more," Mr. Baldrige admonished.

Trade officials speculate that Maryland's relative weakness in the export area may be due to what Mr. Calderwood, the Washington trade lawyer, describes as "a conservative business infrastructure" that is afraid to take risks or venture abroad.

Or they say it could be attributable to Maryland's traditional trade ties to Europe, at a time when Pacific nations are offering the best export opportunities.

Yet another possible explanation is that state economic development leaders have failed to make Maryland companies exportwise and to nudge them toward overseas sales through full-blown export promotion programs, marketing leads and trade financing plans.

Indeed, the state Department of Economic and Community Development—which now employs only a single export specialist—acknowledges it has devoted scant attention to export programs in the past. (The department had to return $150,000 in funds from a U.S. Commerce Department export promotion grant last year for "non-performance" under the program.)

Governor Hughes says his administration has spent the last five years focusing on foreign investment in the United States, rather than on Maryland sales abroad.

While Mr. Hughes defends the state's efforts to attract foreign firms as "an extremely good investment," he admits it is time Maryland also turned its attention to exporting. He promises to unveil a "comprehensive state trade program" early in the 1985 General Assembly session.

A few Maryland firms haven't waited for the state to take the lead.

K&L Microwave, Inc., of Salisbury, for instance, last week received President Regan's coveted "E" Award for excellence in exporting.

The firm began exporting its radio frequency and microwave filters through an export management firm in 1975. Realizing its foreign potential, the small company spent a year developing an export plan. Soon it branched out on its own, raising exports to 12 percent of total sales.

Entrepreneurs such as Richard Bernstein's K&L's president, disavow the notion said to be held by many of businesses in Maryland that developing an exporting strategy represents a high-risk venture requiring arcane knowledge. Rather, he says, it requires personal contacts, patience and common sense.

Mr. Calderwood and other trade experts say that unless more Maryland firms follow K&L's example, the state's economic growth could slip away behind that of other states with more active programs.

Maryland businessmen would be particularly shortsighted, say the trade experts, if they ignored rapidly developing export opportunities in such Pacific nations as Korea, Singapore, Thailand and Malaysia.

If local companies fail to build the groundwork in the expanding Asian economies now, said Mr. Calderwood, they won't in the future be able to compete with other American firms selling there "without playing a lot of catch-up."

Mr. **BAKER**. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. **HATCH**. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER** [Mrs KASSEBAUM]. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The **PRESIDING OFFICER**. Morning business is closed.

EDUCATION FOR ECONOMIC SECURITY

MATH-SCIENCE BILL

Mr. **HATCH**. Madam President, we are prepared to proceed on the math-science bill.

The **PRESIDING OFFICER**. The clerk will report the pending business.

The legislative clerk read as follows:

A bill (S. 1285) to improve the quality of mathematics and science teaching and instruction in the United States, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Denton-Hatfield Amendment No. 3152, to provide that it shall be unlawful to deny equal access to students in public secondary schools who wish to meet voluntarily for religious purposes and to provide district courts with jurisdiction over equal access violations.

WHY WE NEED AN EQUAL ACCESS BILL

Mr. **HATCH**. Madam President, religious student clubs across the country are being told they cannot meet on the same basis as other student clubs. Earlier this month in Sacramento, CA, public school authorites made a search for any groups of students meeting in the high schools to discuss religious matters. As reported in the attached articles from the Sacramento Bee, a number of groups were identified and ordered to stop meeting. According to this report, one group had simply been meeting during lunch on the campus.

Articles from the Washington Post and Baltimore Sun from March 16, 1984, describe the incident in which a group of students in Catonsville High School, MD, was told they could not meet in a vacant classroom during lunch period to study the Bible. The county counsel for Los Angeles has concluded that a school district may not allow any group of students to use facilities during the school day for the purpose of reading and discussing the Bible.

These items are indicative of a problem that has cropped up repeatedly across the country. School authorities often feel they are compelled by judicial interpretation of the first amendment to ban any religious activities on the campus, even when totally student-initiated, and even when meeting on the same terms as other student-initiated clubs. The counsel for a school district in Texas wrote an opinion letter concluding that Federal court interpretations of the first amendment require school authorities to prohibit a fourth grade student from praying on a school bus, from sharing her personal faith with other students, and from distributing religious materials to fellow students.

The report of the Senate Judiciary Committee on the Equal Access Act provides further details of discrimination by school authorities against religious speech by students. The report mentions not only instances of religious clubs being discriminated against, but also prohibitions on students praying together in a car in a school parking lot, students sitting together in groups of two or more to discuss religious matters, and students carrying their own Bibles on school property. The report notes the confusion among school administrators concerning the requirements of the law.

Federal legislation can end this confusion by applying to federally assisted public secondary schools the principles of constitution law enunciated by the Supreme Court in the Widmar case in 1981. Government may not discriminate against speech based on its content. Since the problems identified by the Senate Judiciary Committee, and the problems evident in the cases that have come to public light, concern discrimination against religious speech specifically, it is appropriate that the legislative remedy protect religious speech against discrimination. If other forms of discrimination are identified in the future against student clubs, it would be appropriate to consider remedial legislation going to other forms of speech.

Madam President, I ask unanimous consent that the articles, letters, and other materials that I have mentioned be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Sacramento Bee, June 5, 1984]

Illegal Bible Study Club Holds Meetings at City High School

(By Diane Divoky)

A Bible study club has been meeting daily at noontime at Sacramento High School without the knowledge of Sacramento City Unified School District officials who confirmed Monday that such meetings would be illegal.

Teacher Barbara Ogilvie, adviser of the group, said the Maranatha Bible Club has been officially registered with the school's student government for about three years, but before this year met at the end of the school day.

Mary Perez, assistant principal at Sacramento High, defended the Bible club on the grounds that it is not a "mandated" activity, and that it attracts only students "with a common interest in the Bible." Thea Stidum, principal at the school, referred The Bee's questions to Perez who oversees student activities.

Adolphus McGee, area superintendent for the district who oversees the high school, said that such religious groups are not to be given official recognition by the schools and he did not know of the Bible club.

Students may meet at school for religious reasons, McGee said, but only after 4:30 p.m. when all administrators have gone home. They are not to be given status like other extracurricular groups, McGee said.

As a result of The Bee's inquiries, McGee has asked principals at all district high schools to report on religious organizations, he said.

"It's simply illegal under California law," said Gilbert Gaynor of Los Angeles, director of church-state programs for the American Civil Liberties Union there.

In 1977 an appeals court in Southern California ruled that Bible study groups could not meet on public school grounds during the school day. Such meetings are prohibited by the federal and state constitutions, the decision noted.

Last year the Bible club had officers, Ogilvie said, but this year its operation has been looser with students interested in reading the Bible or talking about it coming in and out at lunchtime.

The club has no affiliation with the Maranatha Campus Ministries, which has chapters on college campuses nationwide and foreign countries.

Ogilvie, who has taught at the school for 18 years, described the students in the group as fundamentalist, evangelical Christians. Ogilvie said some students have been converted because of the club, while there are those who belong to local fundamentalist churches.

Ogilvie, who decribes herself as a fundamentalist, said students have been meeting informally for Bible study at Sacramento High for 15 or 16 years, although the club only gained official recognition three years ago.

However, Amador Gonzalez, the teacher who oversees student government at the school, said although the club had been granted provisional recognition in 1982, he did not know it was still meeting. "It's a surprise to me," he said.

McGee said he has noted a rise in interest in fundmentalist Christianity on high school campuses this year, and that some teachers and administrators have been "born again," but they're not supposed to be proselytizing. "It's on the rise," he said.

Bill Morgan, principal at McClatchy High School, said that students at his school have been involved in an active chapter of Young Life—a national fundamentalist high school ministry—for many years, but its representatives are not allowed in the school except in unusual situations.

He said it is becoming much more common for students to come in and ask him if they may use classrooms for Bible study, and that he's cooperative with the groups although the law doesn't allow him to let them use school facilities.

McGee reported that recruiters for Campus Crusade For Christ, another national evangelical ministry, eat lunch with Kennedy High School students at an outside area that isn't official school property.

[From the Sacramento Bee, June 6, 1984]

Religious Clubs Barred at Schools

(By Diane Divoky)

Officials of the Sacramento City School District ordered all school religious clubs to cease operating on campuses immediately Tuesday after learning of the existence of two more groups that were meeting illegally.

The order was spurred by a story Tuesday that a group called the Maranatha Bible Club, which is not affiliated with any church has been operating at Sacramento High School for at least three years, and this year has been meeting in a classroom everyday at noontime.

A quick survey of activities in the high schools by Adolphus McGee, area superintendent, found that religious groups were operating during the school day at three high schools, four others reported no such activity.

Court decisions make it clear that it is a violation of the federal and state constitutions for religious groups to meet on public school campuses during the school day.

At American Legion High, a religious group called Interact, sponsored by Rotary International has been meeting early in the morning to read the Bible and plan other religious activities McGee said.

At Hiram Johnson High School, student members of a group called Youth for Christ have been meeting on Tuesdays for lunch on the campus, after principal Maria S. Robiedo had turned down their request last fall to use classrooms, the administrator said.

"It's all cleaned up," McGee said, noting that the attorney for the district had agreed that such groups are illegal. "As of today, they've been told there will be no such activities with youngsters."

McGee said that students may meet for religious purposes at schools only after 4:30 p.m. when all administrators have gone home.

Although Mary Perez, the assistant principal at Sacramento High School, had told the Bee that the Maranatha Bible Club had never received official recognition by the school. McGee said that the group had its picture in the yearbook for three consecutive years as a recognized school activity.

The memo to the board also will ask that members consider the two courses that deal with religion that are offered occasionally at McClatchy High School.

The courses The Bible as Literature and Comparative Religions, were described by McGee as out-of-date and in need of revision. The courses have not been updated since 1976.

[From the Washington Post, Mar. 16, 1984]

Student Bible Group Sparks School Flap

ISSUE WAITS FOR STATE RULING

(By Paul W. Valentine)

A group of suburban Baltimore high school students, barred last week in a separation-of-church-and-state squabble from studying the Bible in a vacant schoolroom during their lunch break, was allowed to resume studies yesterday after a high-ranking administrator intervened.

Albert Naeny, associate superintendent of Baltimore County schools, said at a press conference yesterday at the school that the 18 to 24 students could continue their Bible sessions while the county school board seeks an opinion from the Maryland attorney general's office on the constitutionality of the activity.

Naeny's action comes after months of quiet quarreling between the students and administrators at the 1,300-pupil Catonsville Senior High School over the issues of free assembly and separation of church and state.

It also comes amid the current emotional national debate over prayer in public schools. The Senate is bogged down in a fight over a constitutional amendment proposed by the Reagan adminstration to allow verbal prayer in schools.

At Catonsville High, a small group of students began holding Bible study and prayer sessions last fall in an unused schoolroom during their lunch period. A teacher on the mathematics faculty joined them, assisting in conducting the sessions.

School Prinicpal Frank L. Mayer ordered the teacher to stop attending the sessions, contending that his presence implied state sanction of religious activity.

That created a new problem. The students continued meeting, but without a teacher or other adult supervisor present, which was a violation of school board regulations.

Mayer offered the school cafeteria, a location that would meet the students' need for convenience and the administration's requirement for adult supervision. Teachers and other staffers would be "present somewhere in the cafeteria," he said yesterday in an interview, but not actively participating in the Bible group.

"It was a Catch-22. . . . I was seeking a compromise," said Mayer, himself a Lutheran Sunday school teacher.

". . . They're a really neat group of kids, but [their Bible sessions] did jeopardize the neutrality of the school."

The students rejected the offer, saying the cafeteria was too noisy. They began making temporary arrangements to meet before school in the mornings off the school grounds when news accounts of the squabble were published yesterday, prompting Mayer and Naeny to call a press conference.

Naeny, apparently countermanding Mayer, said the students would be allowed to use a vacant room in the school for Bible studies during the lunch hour without a teacher or other adult specifically assigned to the room, although "we would want a teacher to be in the vicinity."

He said that would satisfy the supervision requirement and avoid the state-involvement-in-religion issue at the same time.

Students in the group led by Catonsville junior Scot Cameron could not be reached for comment.

Mayer said his decision to bar use of the vacant room as a "balancing act" in which he attempted to weigh the students' rights to free speech and assembly against a long-standing school policy prohibiting sponsorship of religious activity.

Naeny noted that the school board has written policies requiring schools to be "strictly neutral" and neither promote nor oppose religion. At the same time, he said, there is another "position paper" that says no attempt "shall be made to prevent voluntary prayer or Bible reading on the part of any student, as long as it does not interfere with the normal activities required of the student."

The school board, he said, is asking the attorney general to issue an opinion on the constitutionality of these position papers, especially in light of the Bible study group at Catonsville.

Representatives of several Washington area school systems, including those in Montgomery and Prince Georges counties, said they are aware of few if any similar religious study groups.

[From the Baltimore Sun, Mar. 16, 1984]

Students Told To Drop Bible Sessions

PRINCIPAL CITES PROBLEMS WITH CHURCH AND STATE

(By Amy Goldstein)

Since October, a few dozen Catonsville High School students have been meeting in a vacant classroom during their lunch period to study the Bible.

They read passages from the New Testament and try to apply the doctrine to their own lives. Occasionally, a student leads the group in prayer.

"It's like my picker-upper," said Scot Cameron, a junior who helped form the groups. "I really learn a lot from it."

Last week, the school principal, Frank L. Mayer, told the students to stop meeting. Their sessions, he contended, violated the constitutional separation of church and state.

"I don't understand why they're worrying about us, when I know people who come to school drunk and high every day," Scot said.

Mr. Mayer concedes that the students are "a neat group of youngsters" and include several student leaders. But, he said, "They are sitting there studying Christian dogma, and, as a school system, we could be breaking the law."

Scot said he and other students want "a straight answer" from the school administration and the state on the issue. They have consulted a lawyer about possible legal action if the answer does not please them.

At a time when Congress is grappling with the delicate question of the role of religion in public schools, the Baltimore county case marks the first time the issue of school-day Bible study has arisen in Maryland, according to the State Department of Education, the Attorney General's Office and the American Civil Liberties Union.

Unfortunately, the educators, lawyers, and civil rights advocates say, there is no simple answer to the students' questions.

An assistant attorney general and ACLU officials said that, while there has never been a Maryland court test of the Bible meetings in public school, they believe the principal acted properly.

But Baltimore county central school administrators said this week that they think the students have a right to convene.

To add to the dilemma, Catonsville High is not the only place in the county where students are bringing religion to school.

This month, a handful of students at Hereford High School began to hold "morning devotion" in the school library before classes start, according to Michael Kutrik, a senior who is student council president there.

Similar daily sessions are being held before school this year at Woodlawn High School, said Suzanne Bishop, a senior who has been active in the meetings, which have drawn as many as 85 students.

The meetings at each school involve only Christians, the students said.

The sessions at Catonsville have proven the most controversial, because they are held during the school day and because, initially, a teacher was involved.

Donald G. Wheatley, chairman of the school's math department, said that last October, students asked him to help run an informal Bible study.

"I was delighted," recalled Mr. Wheatley, who sends his own children to parochial school. "I'm a professional, and I'm supposed to meet the needs of kids. When I saw they had a genuine interest in studying the scriptures, I was glad to help out."

On Tuesdays, up to two dozen students met in a third-floor classroom. "We'd all bring our lunch, and the kids would open up their knapsacks and pull our their little Bibles," Mr. Wheatley said. "It was study, not a devotional."

Eventually, the meetings expanded to two days per week.

Last month, Mr. Wheatley, recalled, the principal summoned him to his office and asked him to stop attending the meetings on the grounds that, as an employee of the state, he was violating the religious neutrality of the public school. Mr. Wheatley maintained that he had checked with the principal before beginning the sessions, but Mr. Mayer said he learned of them only about six weeks ago.

Mr. Wheatley stopped attending the meetings. "I would not have done it if I had thought I was doing something wrong," he said. But he added, "In my heart, I don't think it's wrong."

The students continued to meet on their own, until last week, when Mr. Mayer told them to stop.

The absence of a faculty member, the principal explained, created a problem of its own, since school policy prohibits unsupervised meetings of students. If a student was hurt or became ill while unattended, he said, "I'm going to be held accountable to one horrendous suit."

As a compromise, Mr. Mayer said be suggested that students meet in the cafeteria, or before or after school.

But Scot Cameron said that no such solution would work. The lunch-room was too noisy and lacked proper seating for two dozen students to meet; meeting before school posed "a transportation problem," and meeting after school was not feasible because many of the students were involved in extra-curricular activities.

Albert H. Naeny, Jr., associate superintendent for administration and Donna Watts, the assistant county solicitor who works with the school system, said they did not see a problem with the Bible study as long as no teacher was present.

Mr. Naeny said the school system has taken the position that "No attempt shall be made to prevent voluntary prayer or Bible-reading on the part of any student as long as it does not interfere with the normal activities required of the student."

However, state officials this week expressed a different view. Ellen Heller, an assistant attorney general who works with the Department of Education, said that her office has not formally researched the issue. However, she said, a series of recent court decisions around the country has held that Bible study on school grounds is unconstitutional.

"I would question a lunch-period prayer or Bible meeting of students, with or without a teacher," she said.

The executive director of the Maryland ACLU, John C. Roemer III, said, "It is extremely difficult to separate truly voluntary activities from subtly coercive ones."

He suggested that a school might permit such a meeting only if students had no other time or place to convene. But he said the Catonsville students could find "ways to exercise their religious beliefs without implicating the state," and thus shouldn't be allowed to meet at school.

COUNTY OF LOS ANGELES,
OFFICE OF THE COUNTY COUNSEL,
Los Angeles, CA, October 28, 1982.

Attention: Jon R. Knickerbocker, Administrator of Secondary Education.

Re religious activities during the school day.

Dr. CLAUDE E. NORCROSS,
Superintendent, Palos Verdes Peninsula Unified School District, Rolling Hills, CA.

DEAR DR. NORCROSS: You have asked whether a student group may be permitted "(1) to distribute literature concerning the Bible through regular school channels and (2) to use a room at lunch for the purpose of reading and discussing the Bible."

OPINION

A school district may not permit a group of students to use a school room during the school day for the purpose of reading and discussing the Bible, nor may the district permit distribution of literature concerning the Bible through regular school channels.

ANALYSIS

You have referred to the County Counsel opinion to Mr. Norton Nichols, Jr., Assistant Superintendent, Antelope Valley Union High School District, October 18, 1973. That opinion remains the opinion of this office.

In 1977 the California Appellate Court denied relief to high school students who sought to compel a school district to permit a student Bible study club to use school classrooms and other spaces during the school day for club meetings and to publicize their meetings in the school newspaper. *Johnson* v. *Huntington Beach Union High School District* (1977) 68 CA 3d 1. The Appellate Court held that the approval of such a club by school officials would constitute "State action" and as such must withstand constitutional scrutiny under the establishment clause. The Court applied a three-part test announced by the United States Supreme Court in *Lemon* v. *Kurtzman* (1971) 403 U.S. 602. The test is as follows: (1) The State action must have a secular legislative purpose (2) the primary effect of the State action must neither advance or inhibit religion (3) the State action must not foster excessive governmental entanglement with religion.

In applying the test the Court in the *Johnson* case found that allowing student groups to conduct their activity at school during the school day did have a secular purpose. However, the Court found that allowing a Bible study group to conduct its activities in a school classroom had a primary effect of advancing religion in that the group used space and received heat and light rent free allowing a financial subsidy to the religious activity. The Court also stated that the imprimatur of the school district would be placed upon this religious activity if the group were allowed access to the school newspaper. *Johnson, supra* at page 12, 13. The Court found that there was entanglement with religion since the school district would be required to supply a faculty sponsor and since all club activities would have to be approved by the school district. The Court in the *Johnson* case denied the students' request.

In the case of *Brandon* v. *Board of Education* (1980) 635 F.2d 971, (Petition for certiorari denied, 102 S.Ct. 970) a group called Students For Voluntary Prayer instituted an action for injunctive and declaratory relief because the school district refused to allow them to use a classroom to conduct a voluntary communal prayer meeting immediately before the school day started. The group was not seeking school club recognition or faculty involvement. The Court denied the students' request for relief.

The Court held there was no denial of the students' right of free exercise of religion. They were not restricted from practicing their religion since the students were only compelled to attend school several hours a day, five days a week. They were free to worship as they wished before and after school and on weekends. The Court stated on page 977 of the opinion:

"Several courts have noted that denial of the use of school facilities to students who wish to conduct voluntary prayer meetings during the school day does not violate the Free Exercise Clause. *Hunt* v. *Board of Education*, 321 F.Supp. 1263 (S.D.W.Va. 1971); *Trietley* v. *Board of Education*. *supra*, [409 N.Y.S. 2d 912, 915 (1978)]; *Johnson* v. *Huntington Beach Union High School District*, 68 Cal. App.3d 1, 137 Cal.Rptr. 43 (Ct.App.), cert. denied, 434 U.S. 877, 98 S.Ct. 228, 54 L.Ed. 2d 156 (1977)."

The Court in *Brandon* referred to the three-part test for violation of the establishment clause that was set out in *Committee For Public Education and Religious Liberty* v. *Regan*, 444 U.S. 646 and *Lemon* v. *Kurtzman, supra:*

"A neutral policy granting all student groups including religious organizations, access to school facilities reflects a secular, and clearly permissible purpose-the encouragement of extracurricular activities. *Chess* v. *Widmar, supra* 635 F.2d at 1317; *Johnson* v. *Huntington Beach Union High School District, supra*. The second, or 'effects,' test is more difficult to apply, for its standards are uncertain; determination of the 'principal' or 'primary' effects of a state action, *Regan, supra*, or even the supposedly more refined 'direct and immediate effect' standard. *Committee for Public Education & Religious Liberty* v. *Nyquist*, 413 U.S. 756, 783, n.39, 93 S.Ct. 2955, 2971 (1973), is, as one commentator notes, a 'metaphysical distinction.' Tribe, supra [L. Tribe, American Constitutional Law], § 14-9 at 840. The underlying question, however, is relatively straightforward: does a particular policy which is neutrally applied to religious organizations merely accommodate religious interests, or does it advance those nonsecular interests impermissibly?"

"Our nation's elementary and secondary schools play a unique role in transmitting basic and fundamental values to our youth. To an impressionable student, even the mere appearance of secular involvement in religious activities might indicate that the state has placed its imprimatur on a particular religious creed. This symbolic inference is too dangerous to permit. [citations] An adolescent may perceive 'voluntary' school prayer in a different light if he were to see the captain of the school's football team, the student body president, or the leading actress in a dramatic production participating in communal prayer meetings in the 'captive audience' setting of a school. *O'Hair* v. *Andrus*, 613 F.2d 931, 936 (D.C. Cir. 1979) (Leventhal, J.). Misconceptions over the appropriate roles of church and state learned during one's school years may never be corrected. As Alexander Pope noted. 'Tis Education forms the common mind,/Just as the twig is bent, the tree's inclind'd.' (Epistle to Lord Cobham)." (*Brandon, supra* 978).

The Court found excessive "entanglement" of state and religion in that school personnel have a duty to supervise students while the students are on school premises and "More importantly, surveillance will be required to guarantee that participation in the prayer meetings would always remain voluntary."

With respect to the students claim of infringement of their right to free speech the Court stated that:

"First, a high school is not a 'public forum' where religious views can be freely aired. The expression of religious points of view, and even the performance of religious rituals, is permissible in parks and streets when subject to reasonable time, place, and manner regulations." [cities]

The Court found that while a university has been held to be a public forum a high school class room is different. *Brandon, supra* 980

In 1981 the United States Supreme Court decided the case of *Widmar* v. *Vincent* (1981) 102 S. Ct. 269; 70 L. Ed. 2d 440, in which a religious student group was denied access to university facilities to conduct religious worship and teaching. The United States Supreme Court held that the adult students at a university could not be denied the right of access to university facilities. A university is a public forum open to all groups. There was no concern about the imprimatur of the university being attached to such meetings.

The United States Supreme Court stated in footnote 13, 102 S. Ct. at page 276:

"This case is different from the cases in which religious groups claim that the denial of facilities not available to other groups deprives them of their rights under the Free Exercise Clause. See *Brandon* v. *Board of Educ.*, 635 F. 2d 971, 975-976 (CA2 1980), cert. pending, No. 80-1396; *Hunt* v. *Board of Education*, 321 F. Supp. 1263, 1266 (SD W.Va. 1971). Here, the University's forum is already available to other groups and respondents' claim to use that forum does not—as in *Brandon* or *Hunt*—rest solely on rights claimed under the Free Exercise Clause. . . ."

The Court distinguished the situation of university students from that of younger students on the basis that "University students are, of course, young adults. They are less impressionable than younger students and should be able to appreciate that the University's policy is one of neutrality toward religion. . . . " *Widmar, supra* 276, ft. 13. It is significant that the U.S. Supreme Court denied certiorari in *Brandon* v. *Board of Education, supra*, after the opinion was issued in *Widmar* v. *Vincent*.

It is our opinion that *Widmar* v. *Vincent* is a case limited in its application to the university setting where young adults and older adults gather for a large spectrum of public meetings and functions. For the reasons set forth in *Brandon* v. *Board of Education, supra* and *Johnson* v. *Huntington Beach, supra*, it is our opinion religious clubs may not be permitted the use of school district facilities and school district channels of communication for the purpose of religious

Bible reading and discussion and distribution of literature concerning the Bible.

Very truly yours,

John H. Larson,
County Counsel.
(By Audrey Oliver, Deputy County Counsel)

Office of the County Counsel,
Los Angeles 12, CA, September 7, 1955.

Mr. Claude L. Reeves,
Superintendent of Schools, Los Angeles City Board of Education, Los Angeles 12, CA.

Dear Mr. Reeves: Your letter of July 28, 1955 points out two respects in which a recent opinion of the Attorney General is in conflict with previous opinions rendered by the County Counsel and asks our review of the matter. The Attorney General's opinion is No. 53-174 dated June 10, 1955 (25 Opinions California Attorney General 309), relative to the use of school property by religious groups.

You ask particularly about that portion of the opinion which holds that there is no legal authorization for short-term leases of school property for periods of a few hours for religious and other purposes and that portion of the opinion which holds that school property may be used for meetings of voluntary student religious organizations if there is no endorsement of such organizations by school authorities and no interference with the regular school program.

We have reviewed our previous opinions on the subject and hereby reaffirm them because we believe that they correctly indicate the law.

As to the short-term leases of school property, the Attorney General's opinion States:

"3. *Lease of school auditorium.* This third question concerns a proposal that a high school auditorium and stage be leased to a religious organization, for evening use only, during a total period of one week, pursuant to Sections 18601-18614 of the Education Code. These code sections have in the past been interpreted by this office as limited to situations where school property is not needed at all for school purposes; *they are not authority for temporary leases of a few hours each day.* We do not reach, therefore, the question whether or not such leases may be made to a religious organization." (emphasis added)

For more than thirty years the opinions of this office have held that a school district may lease school property for religious uses at the fair rental value if the property is not at the time needed for school purposes. Probably the earliest opinion to this effect was addressed to the County Superintendent of Schools under date of May 4, 1921. Other opinions to the same effect are: June 2, 1926 to Montebello; May 25, 1936, to San Gabriel; August 3, 1937, to Baldwin Park; July 8, 1938, to Alhambra; March 23, 1938, to Beverly Hills; May 21, 1940 to San Gabriel; March 24, 1950, to El Camino College; May 12, 1952 to Long Beach; and January 28, 1953 to Centinela Valley.

Quote from our May 12, 1952 opinion:

"* * * However, it has long been the opinion of this office that under the general power to lease school property which is not needed for school purposes, a governing board may lease for revenue to the highest bidder whether the latter be a church or any other person or organization. * * *"

The Attorney General's opinion states that Education Code Sections 18601 and following have in the past been interpreted by the Attorney General's office as limited to situations where school property is "not needed at all for school purposes." We believe this interpretation to be too narrow. If a school auditorium is not needed for school purposes on Sunday there would appear to be no reason why it may not be leased after competitive bidding to a religious or other organization seeking its use for a few hours on Sunday. There is nothing in the leasing sections themselves which requires such a restricted interpretation. As a matter of fact, the Legislature in the Civic Center provisions of the Education Code has adequately indicated the legislative intention that the school premises are available for certain community purposes which will not interfere with the normal school use.

Furthermore, we believe that such a restricted interpretation is contrary to the express wording of Section 18601. That section authorizes the school board to sell or lease any real property belonging to the school district "which is not or will not at the time of delivery of title or possession be needed for school classroom buildings by the district owning it." This language does not require the board to find that the real property will *never* be needed for school classroom purposes, but merely that it will not be so needed at the time the lease commences.

This point is borne out when we consider the legislative history of these leasing provisions. Prior to 1929, real property could only be leased if no public school was being maintained upon it. (Section 1617½ of Political Code added by Stats. 1917, Chapter 785) As enacted into the School Code in 1929 as Section 6.190, the section was materially changed by making it read as it now does. The test is whether the property is needed for classroom purposes when the lease commences.

In the second point under consideration, the Attorney General's opinion holds that so far as constitutional prohibitions against the use of public property for religious purposes are concerned, arrangements could be worked out whereby students might properly hold voluntary religious meetings on school property outside regular school hours.

We have reviewed and reaffirm our previous opinions which are to the effect that such groups may not meet on school property, unless they lease it, either during or after regular school hours. (See our opinions of June 22, 1953 to Los Angeles and of September 29, 1952 to Long Beach). The basis of our opinions is the constitutional prohibition against aiding a sectarian purpose (Art. IV, Sec. 30 and Art. IX, Sec. 8, California Constitution) and complete lack of authority for the use of school property for religious purposes.

It should be noted that our conclusions in this opinion are consistent with the fact that the legislature has provided for released time for religious instruction in Section 8286, Education Code, and that a principal feature of such instruction is that it shall be held away from school property.

Very truly yours,

Harold W. Kennedy,
County Counsel.
(By Clarence H. Langstaff, Deputy County Counsel)

Grambling, Mounce, Sims,
Galatzan & Harris,
El Paso, TX, December 9, 1982.

Re: Elisa Chiong.

Mr. Anthony Mactutis,
El Paso, TX.

Dear Mr. Mactutis: This will confirm your advising me that you represent Ms. Frances Chiong and Elisa Chiong. I am enclosing a copy of the undated letter of Ms. Chiong to Mr. Joe Karr, who is the principal of Houston School.

This will confirm our several telephone conferences regarding Elisa Chiong, your describing for me her and her mother's thoughts regarding their religious practices and my advising you as to some of the difficulties which have occurred as a result of Elisa's religious practices while in the public school bus and on the public school grounds and buildings.

The El Paso Independent School District is an independent public school district created pursuant to the Constitution and laws of the State of Texas. Its sole purpose is to provide free public education for the residents within its geographic district. The First Amendment to the United States Constitution, as determined and interpreted by the federal courts, has clearly established that the policies of a public school district must result in a religious neutrality.

In the recent past, Elisa Chiong, while a student riding the school bus provided by the El Paso Independent School District, and, additionally, while a student using the facilities of the El Paso Independent School District, has engaged in public prayer, the witnessing of her personal faith to other students and in the distribution or providing of religious materials and paraphernalia. This conduct has been called to the attention of Mr. Karr, the principal at Houston School, and Mr. Karr, following the policies of the El Paso Independent School District, has counselled with Elisa and Ms. Chiong. Ms. Chiong has taken the position that her daughter has constitutional rights of freedom of religion and freedom of speech which clothe her with the authority to carry on these activities.

This letter is to confirm my advising you that the El Paso Independent School District cannot permit the continuation of Elisa's activities on the school bus or while she is on school property. Under the present policy of the El Paso Independent School District and under the present federal law, Elisa cannot engage in public prayer, the public witnessing of her faith or the distribution of religious materials of any nature on school property or while a passenger in the school buses. Our personnel are certainly supportive of Elisa's right to engage in her religious activities while at home or on weekends, but these persons have an obligation to enforce the policy of neutrality as established by the federal courts for public school districts.

Elisa is a special education student and, therefore, the legal entity which controls her admission, curriculum and transportation is the Admission, Review and Dismissal Committee. If Elisa continues to attempt to engage in public prayer, in the public witnessing to other persons of her religious faith or in the distribution of religious materials or paraphernalia, then the El Paso Independent School District must require a meeting by the Admission, Review and Dismissal Committee and that Committee shall determine the appropriate procedure to follow in Elisa's educational program.

The personnel of the El Paso Independent School District would urge you and Ms. Chiong to cooperate in helping to instruct Elisa regarding these matters so that these problems will not reoccur.

I appreciate your courtesies regarding this very sensitive issue and hope that this matter may be resolved amicably. Dr. McLeod, our General Superintendent, and I would be glad to meet with you and with any representatives of the Catholic League should you or the Catholic League be of the opinion that policies of the El Paso Independent School District are violative of the federal law.

Yours very truly,

SAM SPARKS.

Mr. HATCH. Madam President, I ask unanimous consent that the distinguished Senator from Alabama [Mr. DENTON] be permitted to speak on this issue.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. DENTON. I thank the distinguished Senator from Utah.

Madam President, what is the amendment to the bill now pending before us?

The PRESIDING OFFICER. The Denton-Hatfield Amendment No. 3152.

Mr. DENTON. Madam President, I understand the Chair to have said it is the Denton-Hatfield amendment?

The PRESIDING OFFICER. That is correct.

AMENDMENT NO. 3152

Mr. DENTON. Let me review very briefly, Madam President, the purpose of this amendment.

The amendment will, for the first time, make it clear that secondary school students engaging in religious speech have the same rights to associate together and to speak as do students who wish to meet to discuss chess, politics, or philosophy.

This particular Senator is pleased to report that discussions about this amendment, whether they have occurred in committees, among Senators, or among staff, have been characterized by good will land by a lack of bitterness and high emotion which, in too many instances, seemed to characterize the discussions regarding the proposed constitutional amendment dealing with the same general area as the sense or intent of this amendment. I believe it can be accurately stated that the many points of view expressed have been heard with open ears and with open hearts.

I am aware that amendments to the amendment now before us will be offered, and I assure my colleagues that, in any case, I shall do everything possibe to keep my behavior appropriate to the content of the amendment itself.

Madam President, the amendment now before us is very specific. It would correct an unjust and unacceptable situation that exists in this country. I ask my colleagues to listen as I list but a few examples of the type of discrimination which this amendment would eliminate.

Before I do that, however, I wish to offer commendation to my distinguished colleague from Oregon, the chairman of the Committee on Appropriations [Mr. HATFIELD], for his dedication to this cause over the years and for his tireless efforts to reach, on this particular occasion, a useful legislative solution to this question.

While I do not know all the details of the perfecting amendment that it is my understanding he chooses to offer, I do know how diligently he has been working to accommodate many divergent interests—that is, after the hearings which were held on this—in private meetings and so on with the single view of trying to pass an effective piece of legislation on this subject in this Congress. I have enjoyed my association with him throughout my tenure in the Senate, but especially my relationship with him in working on this bill. He has my admiration and respect for his efforts.

Back to the discrimination which this amendment would eliminate. I emphasize that the discrimination involved applies only to religious activities, that the amendment before us applies only to religious activities.

To review the reason for that, I start with the testimony of Lisa Bender before the Judiciary Committee. Lisa and her friends started a group called Petros, which met during the morning activity period at her school for prayer, singing, and Bible study. Various other student groups met during that same time. The school board decided that Lisa and her friends could not meet because their expression was religious. When Lisa testified before the Judiciary Committee, she explained that she felt her school was hostile toward religion and that her free speech rights were being denied.

In many other examples, Madam President, witnesses told the committee of activities being canceled because religious expression was an element in the activities. Among the activities canceled were:

A Youth for Christ group in Clayton, GA, was told that it could not hold an Easter egg hunt for handicapped children;

A Tri-Hi-Y group in Lubbock, TX, can no longer hold a benefit dance for the American Cancer Society;

In Los Angeles, the school board has banned all Bible studies on high school campuses;

In Palm Beach, all student groups can freely meet on campus in school rooms except the Bible study, which must pay rent to use a room;

In Anoka, MN, the school newspaper was told that articles with religious content could not be printed;

Students have been told that they cannot write compositions with religious content in English class;

In Minnesota, a student wrote a letter to the student newspaper. When the school censored the letter because of its religious content, several students started their own newspaper, the Student Free Press. The school threatened the students with suspension if they handed out the paper;

A student health fair was canceled because several neighborhood religious groups that worked with the Red Cross participated in the activity.

In Seattle high school, the student council voted unanimously to have a voluntary assembly in the evening that would include a basketball game between members of the Seattle Seahawks football team and the high school team. During halftime, a member of the Seattle Seahawks was to give a speech with religious content. The ACLU sued to stop the student assembly;

In Sonoma, CA, a Bible study group was told it could meet secretly, but not to let anyone know of its activities;

In Texas, the Fellowship of Christian Athletes was told it could not sign up to use the school's softball field;

In Indianapolis, religious students were not even allowed to rent school facilities when other groups could use them at no charge;

In Houston, a religious discussion club was told it could not post a notice of its meeting on the school activities bulletin board;

In Boulder, CO, the school choral group was forbidden to perform at churches even at Christmas time.

Madam President, in view of that situation existing around the country, and in response to immense sentiment about that situation, the Senate Judiciary Committee held 2 full days of hearings on equal access, and a House committee held 7 days of hearings. During markup, the relevant bill, S. 1059, was favorably reported by a bipartisan vote of 12 to 4 in the Judiciary Committee. The substitute, which was the version passed, included changes and suggestions from Senators BIDEN, HATCH, and METZENBAUM. The discussion in committee I can characterize as goodhearted, intense, and progressive toward agreement. The 12-to-4 vote was not a bitter result. Changes from S. 815, the version of equal access that Senator HATFIELD introduced, were also adopted during that markup. Additionally, the substitute incorporated improvements suggested by the National Council of Churches during hearings.

Madam President, let me emphasize these points. We are dealing with a piece of legislation before us that has been through the process. It has stood the test of the hearing procedures and the committee markup process. Many compromises have already been made, with many suggestions accepted into the language now before us. For the information of our colleagues, the Denton-Hatfield compromise version of equal access has been endorsed by the United States Catholic Conference, the National Council of Churches, Americans United for Separation of Church and State, the Baptist Joint Committee on Public Affairs, the

Christian Legal Society, the National Association of Evangelicals, the United Presbyterian Church in the USA, and the Friends Committee on National Legislation.

The Freedom Council, the Moral Majority, the Christian Voice, the Free Congress Foundation, the Leadership Foundation, and the Rutherford Institute also support the legislation.

Our President, Ronald Reagan, and the Secretary of Education, Dr. Bell, have strongly endorsed the legislation. We should note that the House narrowly failed to pass its version of equal access by the two-thirds majority required under suspension of the rules.

There is broad support for equal access because it is a fundamentally fair, well drafted, and reasonable approach to the problems of religious expression in public schools. I am aware that there will be further points of view heard today. I am aware that there will be amendments offered. That is our process. We will never have a perfect bill. But I think we will have superior legislation as a result of our discussions and debate today.

Madam President, this Equal Access Act will correct the confusion in our school system by accommodating students who desire to meet voluntarily for religious purposes, just as their fellow students meet for other purposes. It is wrong for religious speech to receive less protection than political speech or any other speech in which students engage.

Madam President, I yield the floor.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. HATFIELD. Madam President, I thank my colleagues who have given so much of their time and effort to not only this amendment but to the perfecting amendment which I will offer shortly. This has certainly been a subject of great concern I know to all Senators, and we all approach this subject I suppose from a little different perspective. But I know that the Senator from Alabama [Mr. DENTON] has been very deeply involved and concerned about this matter for some time, as are the rest of who started about 3 years ago on this subject. Senator LEAHY has given a great amount of time to working out some of the objections that were raised on the House floor to the Bonker-Perkins legislation at that time. Senator BUMPERS, Senator GORTON, Senator DANFORTH, Senator KASSEBAUM, and Senator WEICKER have participated in expressing their viewpoints, and many others as well. In no way by enumerating those names should it be taken to mean that I am committing these gentlemen and lady to crossing every "t" and dotting every "i" in the perfecting amendment.

I think we have to recognize, first of all, that this can be interpreted, I suppose, in two different ways.

The Senator from Alabama has spoken about religious activities as such and the circumscribing of those religious activities. I believe you can equally present this case as purely a matter of freedom of speech and freedom of assembly.

Religion might be a secondary consideration, because, basically, what we have today in the United States is a growing practice of providing opportunities for students in high schools to voluntarily associate themselves together in common interest, to pursue association of that common interest, whether it be music, philosophy, politics, camera and picture taking, or whatever—except for rap sessions or association dealing with religious subjects.

I need not go through the litany of cases that have been heard by the various courts of this land, from Lubbock, TX, to New York and to other States, where a very narrow interpretation of the Constitution has, in effect, impinged upon the freedom of speech of students.

It has not happened only in the religious subject field. It has happened in the political subject field as well.

There was a very famous case of a girl who was the daughter of a Quaker minister who, during the Vietnam war, wore an armband to school to protest our Vietnam war policy. It was interpreted by school officials as a political statement and as such was not allowed in the classroom, was not allowed in the school halls. The girl was sent home. The court ruled that school administrators had no legal constitutional right to short circuit a student's political rights.

Moreover, we had the case at the University of Missouri where students were provided facilities of the campus to organize voluntarily for a common purpose on any subject field except religion. They were not allowed to use the school facilities as a religious club.

When the Supreme Court of the United States decided this case, they stated, in effect, that once an institution sets up the right of a forum, that institution cannot dictate the content of the forum without violating the freedom of speech.

Therefore, I would like to emphasize at this point the question of freedom of speech.

Madam President, this is not something that just has come into my thinking or the scope of my concern during the days, weeks, and months past, in which we have been engaged in questions of school prayer, constitutional amendments, and all of that. I think the record is pretty clear. I opposed one and all.

Yet, I feel very strongly that just because it is a religious subject, we should be no less vigilant about the freedoms and the rights in our Constitution than we are on any other subject.

I know that there are those who have great concern about our schools, as I have, being infiltrated by all kinds of cults and bizarre groups representing religious causes. Or, there are those who are equally concerned about secular humanism and communism invading our schools and misleading our students. Far be it from me to say that the Federal Government should regulate school curriculums or school procedures. I am fully committed to the proposition that schools and education in general must be under the guidance and control of local school districts, local school boards, States school boards, and so forth. But where there is an action that is taken by such an official body, representing the public schools, which denies a right that is guaranteed under the Constitution, then the Congress of the United States, I think, has a duty and an obligation to step in and remedy that violated right.

That is what we are doing in regard to the Grove City case, so far as civil rights and discrimination are concerned. I am a cosponsor of that, because I do not believe, when Federal aid is provided that schools, even private schools have a right to descriminate. There is a nexus between education and civil rights. Let us be vigilant though, whatever the subjects may be.

I remember that a number of years ago, when the head of the Communist Party, Gus Hall, was making a sojourn around the college campuses of America, raising his banner of Communist doctrine and advocating the Communist Party, he was scheduled to appear at the campus of the University of Oregon. There were many protesting citizens of our State who paid their taxes to support the University of Oregon and who felt that it was inappropriate to permit a Communist to come on that campus and speak. We had protests, we had demonstrations, we had all kinds of public outpouring against this meeting that was to be addressed by Gus Hall.

Many persons appealed to me for intervention, to deny the right of freedom of speech of Gus Hall at the campus, and I refused to do so. In no way did I endorse, in no way did I agree with, in no way did I sympathize with what Gus Hall might be stating in that meeting. But, at the same time, the Communist Party had not been outlawed. It was a legal entity in this country; and for a person to be denied the forum that was set up by the university for many other speakers, representing other points of view in their subject fields, it did not seem to me to be correct constitutionally or ethically to say no to him.

If the Government should outlaw the Communist Party, that is different. It is a legal party and an expression of political view with which I disagree, but those who have that point of view have a right to express it, under our Constitution.

I feel the same fervor about protecting the rights of people to express their religious viewpoints when it does not interfere with the rights of others, when it does not interfere with the purpose of that school, which is to teach and to educate, and when it is totally separate from any official sanction, sponsorship, or authorship of that school or its teachers or its employees. I feel that when those rights are being denied, there should be action; and I think, therefore, it is time for us to take such action.

We could sit back and wait until some court case is appealed to the Supreme Court, and the Supreme Court, under the precedent of the Widmar case—I am not a lawyer, but I would predict that the Court would rule in the same way when it related to a secondary school.

Madam President, that is the basic philosophy of this amendment; that is the bottom line. We are not making it equal access to people outside of the schools. I have talked to people who took this phrase "equal access" to mean that we were going to give equal access to every religious organization in the country to get into the schools. That is not it at all. It is purely a right of the students to have access to school facilities, to have meetings, when one or more make this request of the administration and within the context of the rules and regulations governing all school activities.

This sets no precedent of any special right, nor does it do other than to give it equal rights in that school, which is now being denied in many places.

It means the school will have the rules and the regulations for a religious club, as for any other club, no more, no less.

Madam President, unfortunately in one sense this matter became embroiled with the constitutional amendment relating to school prayer. It was referred to during that debate, and many people began to get it homogenized with the question of school prayer.

This has nothing to do with school prayer. All this does is merely to try to protect, as I say, a right that is guaranteed under the Constitution that is being denied certain students.

Madam President, there have been a lot of groups that have been interested in this subject, religious groups, educational groups, other groups. I suppose like any other thing that happens in this body we have to finally develop a product out of consensus. I have often said to people in response to the question, "Do you think that was really the best bill that you could have gotten," that "No, I could have gotten a far better bill if I could have written the bill by myself and if I could have passed the bill by myself."

But I have to recognize the reality that this is a body that reaches its final decisions by consensus and consensus is not always easily obtained, and it has certainly not been easily obtained in this case.

But I do think we have developed a perfecting amendment that has either eliminated the opposition of certain groups or has achieved the enthusiastic support of other groups. We have had already listed by the Senator from Alabama the religious groups that have endorsed this measure, representing a rather wide range of religious viewpoints.

I also have a letter here signed by Barry Lynn, the legislative counsel of the American Civil Liberties Union, another group that we have been working with, which has long been dedicated to insuring the rights of all Americans.

As to the letter from the Civil Liberties Union, I would not call it a letter of endorsement. I would call it a letter of indication of their participating in this perfecting amendment and in which they commend the efforts being made to make this a viable perfecting amendment. It is a carefully crafted letter. I wish to make it clear that I am not offering it as a letter of endorsement but certainly I believe that one could find that the ACLU will not oppose this measure at this point in active opposition.

I also have a bulletin from the NEA, the National Education Association, which had actively opposed the bill early on as it was raised in the House of Representatives. Again, this bulletin to all the Members of the Senate does not endorse this perfecting amendment. It says, "We do not fully endorse it because it still allows religious activity in the schools." But I think they are really mistaken where it says "allows outsiders to participate in meetings."

Those outsiders, if they participate at all, are to be under the same rules and regulations as any outsiders permitted on the school grounds and school facilities.

But I think we could say that in effect those who had actively opposed this measure in the House of Representatives at least are not actively opposing it at this time under the wording of the perfecting amendment, which I invite all Members to support.

EQUAL ACCESS FOR STUDENT RELIGIOUS GROUPS—THE TIME HAS COME

Mr. DIXON. Mr. President, as a cosponsor of the amendment to permit equal access for student religious groups, I urge my colleagues to support the amendment.

My position on this issue is the same today as it was back in March 1984 when the Dixon amendment included a similar provision in the silent school prayer and silent reflection amendment to Senate Joint Resolution 73.

The Supreme Court ruled in its 1981 Widmar against Vincent decision that the establishment clause of the first amendment to the Constitution is not violated when publicly supported university students are allowed to meet and discuss religious beliefs on the same basis as other students who are allowed to meet and pursue other interests. According to the Court, these meetings are permissible when they are voluntary, student-initiated, and do not create a reasonable implication that the State endorses the beliefs of the participants.

Although the Supreme Court did not rule on the equal access issue as it relates to students in elementary or secondary schools, I do not think there's anything wrong with giving our high school students the same right to equal access in the schools as is permitted for university students. Our high school students are sufficiently sophisticated to understand that equal access to an open forum does not imply the Government's support of or encouragement for religion.

The Denton-Hatfield amendment would permit equal access to students in public secondary schools who wish to meet voluntarily for religious purposes. The amendment specifies that the equal access provision would be applicable only in cases where a school generally allows nonreligious student groups to meet during noninstructional time.

In addition, the amendment would require the following:

First, that the religious activity is voluntary and student-initiated;

Second, that the school and its employees may not sponsor the activity;

Third, that the activity is not in and of itself unlawful; and

Fourth, that the activity does not "materially and substantially interfere with the orderly conduct of educational activities within the school."

Mr. President, this is a good amendment. Its time has come. I sincerely believe that we should have an equal access provision that permits high school students who want to discuss religious matters to come together on a voluntary basis in the public schools to follow the dictates of their own conscience and their own religious desires. This amendment does just that.

There is nothing unconstitutional about this equal access amendment. We know that the Supreme Court has ruled in favor of the issue for university students. The Court has never ruled, however, on the question of equal access for elementary or secondary students. Additionally, lower courts have reached mixed results on the issue of equal access to our schools for elementary and secondary student religious groups.

Mr. President, I urge my colleagues to approve this amendment with all due haste.

I ask that the text of this statement be printed in the RECORD.

AMENDMENT NO. 3340

(Purpose: To perfect the amendment regarding equal access)

Mr. HATFIELD. Madam President, I send to the desk at this time a perfecting amendment on behalf of the Senators who have been enumerated who worked diligently, at least in part, on it, such as Senator LEAHY and others who may wish to join.

The **PRESIDING OFFICER.** The amendment will be stated.

The bill clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for himself and Mr. LEAHY, proposes an amendment numbered 3340 to the amendment No. 3152.

Mr. HATFIELD. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

On page 1, line 3, after "for any" strike out all through the end of the amendment and insert in lieu thereof the following: "public secondary school which receives Federal financial assistance and which has a limited open forum to deny equal access or a fair opportunity to, or discriminate against, any students who wish to conduct a meeting within that limited open forum on the basis of the religious, political, philosophical, or other content of the speech at such meetings.

"(b) A public secondary school has a limited open forum whenever such school grants an offering to or opportunity for one or more noncurriculum related student groups to meet on school premises during noninstructional time.

"(c) Schools shall be deemed to offer a fair opportunity to students who wish to conduct a meeting within its limited open forum if such school uniformly provides that—

"(1) the meeting is voluntary and student-initiated;

"(2) there is no sponsorship of the meeting by the school, the government, or its agents or employees;

"(3) employees or agents of the school or government are present at religious meetings only in a nonparticipatory capacity;

"(4) the meeting does not materially and substantially interfere with the orderly conduct of educational activities with the school; and

"(5) nonschool persons may not direct, conduct, control, or regularly attend activities of student groups.

"(d) Nothing in this title shall be construed to authorize the United States or any State or political subdivision thereof—

"(1) to influence the form or content of any prayer or other religious activity;

"(2) to require any person to participate in prayer or other religious activity;

"(3) to expend public funds beyond the incidental cost of providing the space for student-initiated meetings;

"(4) to compel any school agent or employee to attend a school meeting if the content of the speech at the meeting is contrary to the beliefs of the agent or employee;

"(5) to sanction meetings that are otherwise unlawful;

"(6) to limit the rights of groups of students which are not of a specified numerical size; or

"(7) to abridge the constitutional rights of any person.

"(e) Notwithstanding the availability of any other remedy under the Constitution or the laws of the United States, nothing in this title shall be construed to authorize the United States to deny or withhold Federal financial assistance to any school.

"SEC. . As used in this title—

"(1) The term 'secondary school' means a public school which provides secondary education as determined by State law.

"(2) The term 'sponsorship' includes the act of promoting, leading, or participating in a meeting. The assignment of a teacher, administrator, or other school employee to a meeting for custodial purposes does not constitute sponsorship of the meeting.

"(3) The term 'meeting' includes those activities of student groups which are permitted under a school's limited open forum and are not directly related to the school curriculum.

"(4) The term 'noninstructional time' means time set aside by the school before actual classroom instruction begins or after actual classroom instruction ends.

"SEC. . If any provision of this title or the application thereof to any person or circumstances is judicially determined to be invalid, the provisions of the remainder of the title and the application to other persons or circumstances shall not be affected thereby.

"SEC. 4. The provisions of this title shall supersede all other provisions of Federal law that are inconsistent with the provisions of this title.".

Mr. HATFIELD. Madam President, I wish to say I think that the Members, the principal parties who have been working on this, have copies of the perfecting amendment.

Mr. METZENBAUM. Mr. President, if the Senator from Oregon will yield, the Senator from Ohio just asks for a copy of the amendment. Does he have an extra one that will be available?

Mr. HATFIELD. Yes. I have plenty of amendments right here.

Mr. HATCH. Madam President, will the Senator yield for a special request?

Mr. HATFIELD. I yield.

Mr. HATCH. Madam President, I have been wanting to get a technical amendment in the RECORD that will correct some mistakes in the prior technical amendment.

Would the Senator temporarily lay his amendment aside and let me put that in before I leave?

Mr. HATFIELD. What is the Senator's request?

Mr. HATCH. I wish to get a technical amendment passed to correct some errors in the prior technical amendment.

Mr. HATFIELD. On the math-science part of this?

Mr. HATCH. Yes.

I wish the Senator to temporarily permit me to set his amendment aside and come back to it later.

Mr. HATFIELD. Madam President, I am happy to yield to the Senator from Utah for the purpose of offering a technical amendment to the underlying bill without losing my right to the floor.

Mr. HATCH. And without losing his right to have his amendment come back as the pending business.

Mr. HATFIELD. I so ask unanimous consent.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

AMENDMENT NO. 3341

(Purpose: To make additional modifications in title III of the bill)

Mr. HATCH. Madam President, I send to the desk an amendment and ask for its immediate consideration.

The **PRESIDING OFFICER.** The amendment will be stated.

The bill clerk read as follows:

The Senator from Utah [Mr. HATCH] proposes an amendment No. 3341.

Mr. HATCH. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

On page 39, between lines 23 and 24, insert the following:

(2) the term "equipment" includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the functioning of a particular facility as a facility for the provision of educational services, including items such as instructional equipment and necessary furniture, printed, published, and audiovisual instructional materials, and books, periodicals, documents, and other related materials;

Redesignate the succeeding clauses in section 303 accordingly.

On page 40, beginning with "and" in line 5, strike out through line 6 and insert in lieu thereof a comma and the following: "the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands;

"(6) the term 'State agency for higher education' means the State board of higher education or other agency or officer primarily responsible for the State supervision of higher education, or if there is no such officer or agency, an officer or agency designated by the Governor or by State law

On page 44, line 2, beginning with "allotment" strike out through "agencies" in line 5 and insert in lieu thereof the following: "amount received by the applicant in any fiscal year may be expended on administrative expenses".

On page 46, beginning with line 4, strike out through line 8 on page 47 and insert in lieu thereof the following:

SUBMISSION OF APPLICATIONS

SEC. 307. Each applicant within a State which desires to receive a grant under this title shall submit the application prepared in accordance with section 306 to the State agency on higher education or the State educational agency, as the case may be, for approval and shall submit the approved application to the Foundation under section 306. Each such application shall be submitted jointly by the local educational agency in the case of activities described in section 305 (a), or an institution of higher education in the case of activities described in section 305 (b), and each business concern or other party that is to participate in the program for which assistance is sought.

On page 47, strike out lines 10 through 13, and insert in lieu thereof the following:

SEC. 308. (a)(1) The Foundation shall establish criteria for approval of applications under this title.

(2) No application may be approved by the Foundation unless the State educational agency or the State agency for higher education, as the case may be, determines that the application is consistent with State plans for elementary and secondary education or State plans for higher education, as the case may be, in the State.

(b) The Foundation shall adopt approval procedures designed to assure that there is equitable distribution of grants.

Mr. HATCH. Madam President, this amendment is approved by both sides, and it is to correct some technical errors that we had in the prior technical amendment, and I think it will further correct the bill.

Mr. METZENBAUM. Madam President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. HATCH. Madam President, I move the amendment.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment of the Senator from Utah.

The amendment (No. 3341) was agreed to.

Mr. HATCH. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LEAHY. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATCH. I thank my distinguished friend and colleague from Oregon.

AMENDMENT NO. 3340

Mr. HATFIELD. Madam President, I shall continue my opening remarks, and then I will be very happy to yield the floor.

Madam President, there has been one very difficult part of this perfecting amendment that has raised questions in the minds of some of our colleagues, and that is the question relating to when activities shall occur.

We have used the phraseology which is used primarily in the educational world, and that is that such activity should occur either before school or after school, or during those times of noninstructional time during the schoolday.

That last part of that statement has created a difficulty for some because their concern is that religious activities could occur during the schoolday when in some ways they do not have control over their own children's situation. In other words, if a school is scheduled to begin at 9 o'clock in the morning, and if there is an activities period of any kind that occurs, say, at 8:30 a.m., they can bring their son or daughter to school at 5 minutes to 9 and in that way control the involvement of their son or daughter in student activities. If the school ends at 3:30 in the afternoon and such activities are held after school instructional time, they can further control their son's or daughter's participation by removing the student from the campus or from the school yards at 3:30 p.m.

This is part of the compromise of the bill.

I personally do not have any problem with that phraseology "or during noninstructional time" during the day.

But I think really that this is a moot issue or is rapidly becoming a moot issue because I am informed that, with the increasing curriculum demands in our public schools, about 90 percent of the schools today have designated a preschool or postschool hour period for student activities.

In my day, all student activities, or the major part of the student activities, occurred during the schoolday—1 o'clock on Wednesday afternoons from 1 to 2 we had an activities period, or whatever it might be; or a study hall period that could be used for an activities period.

But, as I say, with the new curriculum requirements and other changes of format, about 90 percent of the schools today—of the students, I would say of the school numbers, the physical school plants—but 90 percent of the students are now attending schools where the activities hour is designated preschool and postschool hours.

I think by being silent on this question, as the perfecting amendment now is presented, does not really raise a substantive problem. If a problem should arise, that could always be handled at a future time or that issue could be addressed in the courts.

I am sure that we have two real problems here in this kind of an action. One is to avoid having the Federal Government dictate schedules and everything else in schools and, at the same time, to make certain that the rights of all students are protected. Those who want to express a religious point of view and those who do not want to express any religious view or be under peer pressure to do so or be involved in any kind of a religious club should be equally protected.

I hark back again to a campus of about 1,500 that I served at as dean of students. We had the Wesley Club, the Canterbury Club, the Newman Club, we had various denominational groups which were organized using school facilities. It was a private institution, but we had all those groups. There was a minority of students who participated in them. They met during noninstructional time. They were not interventionists in terms of other students' rights at all and they coexisted very well.

Madam President, I think we have to recognize the pluralism of our society, and that is that everyone has rights but we cannot deny some rights to guarantee other rights. And that is the bottom line of what we are trying to get at here.

I think that, under the Constitution, Madalyn Murray O'Hair has every bit as many rights and justifiable rights as Billy Graham. Whether you are an atheist or whether you are a believer, I do not think that rights are bestowed on categories of people, they are bestowed on all people.

I have a right to engage in religious activity if I wish. It does not impinge upon your right to not engage in religious activity, and that should be, I think, the common, basic rule.

All I am saying is today students are being denied that right of freedom of speech. I think we should correct that violation.

Mr. GORTON. Will the Senator yield?

Mr. HATFIELD. Madam President, I had indicted I would yield to the Senator from Vermont. I will yield the floor at this time.

Mr. LEAHY. Madam President, I think it is extremely important what the Senator from Oregon has said here today. I would hope that all Senators—in fact, I would hope all Americans—would hear what he has said. We are dealing with a very difficult issue. I commend and compliment the Senator from Oregon for his leadership in trying to work out this question of equal access. I am proud to be a cosponsor with him on his amendment and to have been able to work with him on this amendment hoping to bring about a resolution.

I thought about this yesterday when the distinguished Senator from Utah [Mr. HATCH] and I were holding hearings on religious liberties. We had a packed room, literally hundreds of people in the room, and dozens of witnesses. I especially wanted to be there because, from my days in law school, actually my days in college, in studying this, I remember various tests or essays, in which the same question was asked: What is the most important law? What is the most important part of the Constitution?

I have consciously, throughout my years in school, law school, private practice as an attorney, my practice as a prosecutor, as a Member of the Senate, I have given the same answer over and over again. The most important law in this country is really the first amendment, because it guarantees two irreplaceable values: It guarantees the freedom of speech and it guarantees the freedom of religion.

I am convinced that no country that truly guarantees both the freedom of speech and the freedom of religion can ever be diminished. By the same token, those countries that limit freedom of speech and limit freedom of religion can never reach their full potential. The reason the United States is now the oldest existing domocracy in the world is because we have all striven to maintain both our freedom of speech and our freedom of religion.

At the hearing we had yesterday, one of the witnesses said: "Don't fear religion." Now, we had 4 or 5 hours of testimony and those three words, of all the hours of testimony we had yesterday, Madam President, stick in my mind more than anything else—"Don't fear religion."

It was a concern to me that we actually reached a point in our country that people even think they have to say that. It troubled me then, it troubled me during the afternoon, it troubled me last night when I was home, and again today. Of course we should not fear religion. In a country like ours, based on religious and democratic principles, a country that has done more to preserve the rights and freedoms of religion than any other country in the recorded history, of course we should not fear religion. Nor should religion, of whatever type, fear a country which protects religion as strongly as ours does. And that, I hold, Madam President, would be the corollary to what that witness said when the witness told us, as Government officials, "Don't fear religion."

I hope that all people, whether or not connected formally with a religion, would hear us when we say, "Don't fear our Government." Because if they look back through recorded history, there is no country, no government in history, that has been so careful to protect religion as the United States of America. No country has done so much to protect freedom of speech as the United States of America.

But each of us as individuals have a part to play in maintaining that feeling of freedom. First, those who feel that they have found the one truth in religion should not seek to coerce those who, whether in the minority or not, do not share their belief, because they, too, are protected. We should fear enforced conformity, either of speech or of religion. We should fear lack of diversity of thought in our country, whether political or religious thought. Think for a moment, I would ask my colleague, when we speak of what we fear. What we should fear is the enforced conformity and a loss of the diversity that has made this country great.

It is the freedom in this country to have a diversity of religion, the freedom in this country to have a diversity of thought, the freedom in this country to have a diversity of speech that has made us as great as we are today, the most powerful, freest, greatest country on the face of the Earth. Whether we feel that we have reached that pinnacle of truth or that we have the ultimate truth in political thought or religious thought, let us keep in mind there are others who feel just as strongly about their own thought, whether political or religious, and we must strive to protect their rights, too.

And I think in that regard, Madam President, we should remember that in just 3 years our Constitution will celebrate its bicentennial, and in 6 years the Bill of Rights will also become two centuries old. I cannot think of a better way to prepare for these events than to adopt legislation to protect and enhance the very pillar of our constitutional rights—the first amendment about which I have been speaking for the last few minutes. The equal access amendment that we propose today makes an important statement about ideas. That is why I am so eager to join with Senator **Hatfield**, Senator **Dole**, and Senator **Bumpers**—those of us who have submitted this amendment.

The equal access amendment we propose today makes an important statement about ideas. It says that ideas are sacred to Americans, whether or not they concern religion. It says that student-initiated religious groups have the same rights to meet on school property during noninstructional time as any other groups. And it says that secular student groups have no greater—or lesser—rights than do religious groups.

This amendment sets forth commonsense rules to guide schools in opening their doors to these noncurriculum groups in a manner that stresses fairness and equity, yet in a manner that does not allow through indirection what would never be permitted directly—the sponsorship or the appearance of sponsorship of religion by our public schools.

Religious clubs have long complained that they have been denied equal access as a matter of practice in many places in this country, and I believe that. The Supreme Court's rulings on school prayer—which I completely support as essential to our religious liberty—have frankly left school boards and administrators without clear guidance on the equal access issue. Some of the decisions excluding religious clubs have come less from a conscious desire to stifle religion than from a general fear of taking chances in a complex area of the law.

The courts have begun to deal with this issue, both at the higher education level and in secondary schools. To some extent, what we are doing here today is to take the essence of recent judicial precedents and to put into law the guiding principles. In general I am hesitant to recommend action in an area where the courts are basically doing a good job. But I strongly believe that the level of doubt and confusion on the issue of equal access justifies and impels our action now. Congress, as well as the courts, has a mandate to uphold and implement the Constitution. The present amendment does both.

First let me say that all of the improvements that Senators **Hatfield** and **Denton** worked out earlier when they combined their separate equal access bills have been preserved. I commend my colleague from Alabama in that regard also. Religious speech will not be singled out for separate treatment, whether that separate treatment favors or disfavors religion.

Under the present amendment, a limited open forum is available to young people to meet and discuss religious, political, philosophical, and other ideas. That list of categories is not only content-neutral, but I would be hard-pressed to think of a topic that would not be covered.

But what motivated Senator **Hatfield**—who has done more to promote a resolution of the equal access problems than anyone in Congress—and myself to work on yet another version of this bill about a week ago were some lingering doubts about the specificity of one or two key concepts.

One of those was the concept of the limited open forum—the very heart of the bill. It might have been possible under earlier versions of the bill to argue that a limited open forum resulted when a school made a formal decision to have a limited open forum, for example, by resolution of the school board. Or perhaps the decision might be not to have a limited open forum. Whatever the official decision of the school, the language of the earlier draft might have been interpreted to allow the school's actions to differ from their words. Take the case of a school that decided not to have a limited open forum, having adopted a formal resolution to that effect. Suppose that school then decided to consider any student group wanting to meet on school premises during noninstructional time on a case-by-case basis.

Counsel to that school board might well argue that the board's resolution took the school outside the coverage of this bill, since the bill only applies to schools that have a limited open forum, and the resolution states that the school does not have a limited open forum. Since the bill would not apply to this school, the school could then turn around and allow only nonreligious clubs or perhaps allow only religious clubs on school premises during noninstructional hours.

The point is that a limited open forum should be triggered by what a school does, not by what it says. The careful wording of the current draft will protect both religious and secular interests because it speaks with clarity about what a limited open forum means.

The current draft also strengthens protections against the interference in meetings at the school by outsiders. It also makes clearer than ever that school and other Government officials should not participate in religious meetings during noninstructional time.

But I say in closing—I know there are other Senators who wish to speak—that no bill can be called a perfect bill. No one can promise that a few schools will not try to exclude some groups. Freedom of speech is never self-executing, and laws never replace public vigilance. There is no piece of legislation that ever passed this body that has contemplated or anticipated every single situation. But the bill before us creates the tools needed to protect free speech for young people during noninstructional time. My hunch is that most Americans will pursue, and not abuse, the rights we embody in our laws.

What we can do with this amendment, Madam President, is what we have done as Americans for 200 years; that is, continue to protect, preserve, and guide what is really the cornerstone of our freedom as Americans—freedom of speech and freedom of religion. No country can really and truly reach its potential unless it guarantees totally the freedom of speech and the freedom of religion. And every country is diminished to the extent they diminish those rights.

The reason the United States has become so great, in my estimation, is because it has guaranteed the freedom of religion, guaranteed the freedom of speech, and in so doing turned its back on enforced conformity, guaranteed the diversity of beliefs, and the diversity of ideas that continue to make us great. Truly, we will falter as a nation if we reach the time that we demand conformity of religious belief, demand conformity of speech, and demand conformity of political thought. Let us hope that day will never come. The first amendment guarantees that it will not. What we do here should keep faith with the first amendment.

I yield to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Madam President, I seek the floor to respond to questions from the Senator from Washington. But before I yield to the Senator from Washington, I want to thank the Senator from Vermont for his very eloquent statement on this subject. He has been a diligent participant in perfecting this amendment, in securing the rights of those who are now being denied and seeking protection from any possibility of infringing upon others' rights. He has been a civil rights fighter for many years in public office, and I respect him for that.

Madam President, on behalf of the Senator from Missouri, Mr. DANFORTH, I send to the desk a modification of my perfecting amendment.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The modification follows:

> On page 2, after line 31 add the following:
>
> SEC. 1(f). Nothing in this Act shall be construed to limit the authority of the school, its agents or employees, to maintain order and discipline on school premises, to protect the well-being of students and faculty, and to assure that attendance of students at meetings is voluntary.

Mr. HATFIELD. Madam President, the Senator from Missouri will address the modification he has proposed which is basically a restatement of existing law.

I am always delighted to see former Attorneys General come to the floor of the Senate because if there is any legal problem that we have left unaddressed, they are bound to find it. I think that is what helps perfect our legislation. I certainly would like to yield now to a most distinguished former attorney general of the State of Washington, my neighbor State, who is noted all over the Northwest for his courage, courageous activity in civil rights, and in those areas that involve constitutional questions.

I at this time am happy to yield to a very distinguished barrister.

Mr. GORTON. I thank my esteemed friend and colleague, the senior Senator from Oregon. I will preface my series of questions with the public statement corresponding to the private statements which I have made previously. This is a matter of considerable importance to me. It is a matter on which I spoke at length while I was opposing the constitutional amendment on school prayer on the floor of this body. Equal access is a goal which I think is vitally important to reach. I must say to my friend from Oregon, however, that I have serious concerns as to whether or not the unintended consequences of this amendment may not represent a cure worse than the disease. I hope by answering some of my questions that those concerns which I will share with him can be cured.

My first, and I suppose a most fundamental, question to the Senator is: Am I correct in assuming that the granting of an opportunity for a noncurriculum student group to meet on school premises during noninstructional hours triggers the concept of a limited open forum and, therefore, brings into play the amendment which the Senator from Oregon has offered?

Mr. HATFIELD. We have used the phraseology that has been used by the courts and educational institutions to circumscribe what would be called a limited forum. We have used the term "limited forum," borrowing that from the courts. It is to designate two or three basic principles: One, that a school retains control over the programs of that school, the activities of that school, the student body of that school; two, that, therefore, it is limited because the major purpose of the school is for education. It is not to exercise every other kind of noneducational activity. So when we say "limited open forum," it means that the school permits legitimate activities outside of the instructional activities of the school.

We are not directing the school to set up such a forum. We are merely recognizing that the schools do have them in many instances. Not all, as some schools do not have these open forums. For those that do have, what we are saying is that once this school establishes that forum, and borrowing from the Court in the Widmar case in the State of Missouri, once the school sets up that forum it should not discriminate as to the content of the speech in that forum.

Mr. GORTON. To come back to the question, once the secondary school has allowed a single noncurriculum-related student group to meet on school premises, it has thereby created the limited open forum which brings into play the requirements of this amendment; is that not correct?

Mr. HATFIELD. The triggering mechanism is that the students in that school initiate a request. That is the triggering. This amendment is not triggering it. It very carefully states that when one or more students make that request known to the school administration, that they are interested in forming an association of common interests, then that is the triggering mechanism. It does not require schools to establish various and sundry clubs, political clubs, religious clubs, philosophy clubs. The school says, in effect, "We are going to have a student activities period or a period for noninstructional activity, and students who have voluntarily initiated a request in which they want to associate themselves," that school says, "Yes, you may use the school facility before or after school for that purpose."

Once the school has established that, all this amendment says is you cannot dictate the content of the forum.

Mr. GORTON. Once it allows one such group, it must allow other groups, under the so-called equal access.

Mr. HATFIELD. That is correct.

Mr. GORTON. I gather from the previous remarks of the Senator from Oregon and the Senator from Alabama that the definition of these nonrelated student groups is fairly broad. The chess club would be such a group If the school permits a chess club, it has thereby created the limited open forum which brings into effect the proscriptions of the act.

Mr. HATFIELD. That is correct. Let me also say when we say noninstructional, referring to the first page on line 12, non-curriculum-related student groups, what we are recognizing there is that in a number of schools, students in a class of Spanish or French will form a French club or a Spanish club where they get together to talk nothing but that language, to get conversational proficiency. We are recognizing that as really a kind of extension of the classroom. That is the kind of category of clubs that we are trying to incorporate as curriculum related, those not covered by this amendment.

Mr. GORTON. I take it that the chess club would, the pep club would.

Mr. HATFIELD. I would say the chess club, the Young Democrats, the Young Republicans, and various and sundry other such clubs would certainly not be in the curriculum-related category. Conceivably, some of your sports activities could grow out of a physical ed curriculum requirement in the school.

Mr. GORTON. Let me ask the Senator this question: What about the high school football team? Is it a noncurriculum-related student group?

Mr. HATFIELD. It is curriculum related because that is how they can use tax dollars. The coaches are hired by the school administration. It is the department of physical education in which they teach health classes, courses within the curriculum. The athletic teams are curriculum related. That is how we govern them in terms of antidiscrimination legislation as well because they are part of that body.

Mr. GORTON. Would the school district have the full authority to determine where the line is to be drawn between curriculum related activities and noncurriculum related?

Mr. HATFIELD. We in no way seek to limit that discretion.

Mr. GORTON. So if the school district were to determine that the girls cheerleading squad, for example, should be led by a teacher, it could make the determination that it was curriculum related.

Mr. HATFIELD. Correct.

Mr. GORTON. And, therefore, the existence of that group would not be a nonrelated forum?

Mr. HATFIELD. Correct.

Mr. GORTON. Could the school make the same determination with reference to a chess club?

Mr. HATFIELD. I would not say that no school district could, but I cannot readily conceive of a criterion that could be used at this time to establish that as a curriculum-related activity. I am not saying it could not be, because as long as you have lawyers, they can find ways of doing things one way or another.

Mr. GORTON. They could, I take it, determine to be curriculum related a drama club putting on a play?

Mr. HATFIELD. They could, yes, because you have courses in high school now in the arts, various and sundry arts, for instance, the school orchestra. The school band would come out of the music department. You have the other cultural activities including, as the Senator pointed out, the drama club.

Mr. GORTON. That brings me to a troubling question, I say to my friend from Oregon. It seems to me, and I wish the Senator would correct me if I am in error, that one of the keys to the non-curriculum-related student organization is that it is not sponsored by the school.

Mr. HATFIELD. That is correct.

Let me finish that. The "term sponsorship" here has to do with official participation, as we spell it out, the directing of that activity, and the leading of that activity, and the orchestrating of that activity. Sponsorship is forbidden, very tightly controlled, according to our lawyer's counsel.

Mr. GORTON. I understand and I appreciate that, Madam President. I think it would be very good to tighten control. But those strictures will apply to all non-curriculum-related student activities which may use the open forum?

Mr. HATFIELD. That is correct.

Mr. GORTON. The reason for that, in religion, at least, is that some of them will have teacher leadership and the relationship would be such that it might infringe on the establishment clause of the first amendment.

Mr. HATFIELD. Or to an employee of the school. It is not just a teacher. Teacher or employee.

Mr. GORTON. This also means that there can be no sponsorship or teacher leadership or significant participation in the operation of the student Young Republican Club, or Young Democratic Club, or Young Americans for Freedom, does it not?

Mr. HATFIELD. This tightens up the whole area of activity in anything involving student-initiated non-curriculum-related activities, whether they be religious or othewise. It could be political. All these things can have someone in a custodial role.

Some schools, for instance, designate an adviser to police or make sure that there is not illegal activity or whatever it might be. The school never relinquishes that supervisory type of role, but it does not mean it is a leadership role.

Mr. GORTON. The teacher or administration employee participation in the political club can be no greater than its very limited participation in the religious club, can it?

Mr. HATFIELD. That is correct.

Mr. GORTON. And going back to my earlier example of the chess club, it can be no greater than its participation in the chess club.

Mr. HATFIELD. I believe that is right.

Mr. GORTON. So the question is whether it is curriculum related. If it is not curriculum related, the Senator's amendment is providing controls over the faculty and administration personnel considerably greater than are many school districts in the United States today, is it not?

Mr. HATFIELD. That is true. What we are trying to get at here, I say to the Senator from Washington, is the question of separation of church and state. It is not involved in a chess club, not involved in a political club, but it is involved in the basic framework of our Constitution. I suppose it is like a net: When you throw the net out, you are going to garner in a few other things, but I do not think to the detriment or the efficiency of what you are seeking. It will not create a difficult problem.

What I am basically saying is to extend this basic freedom of speech right into a sensitive area, we are looking at other things that govern as well as freedom of speech. That is the constitutional issue of separation of church and state. That is why we tightened this language down to try to delineate that while we are extending one freedom, we are not, in effect, undermining another freedom.

Mr. GORTON. If I may go on to another subject, Madam President, once this limited open forum has been created, which will require the schools to permit religion-oriented student organizations equal access, are there any effective limits on the kind of organizations, which can be permitted in a public school? We have already assumed that under those circumstances, the Young Republicans and the Young Democrats would have the same rights, would they not?

Mr. HATFIELD. Yes.

Mr. GORTON. And how about the Young Americans for Freedom?

Mr. HATFIELD. Yes. We have restrictions. We have restrictions that the meetings cannot be unlawful, they cannot interfere with the basic programs of the school—that is, the orderly conduct of educational activities within the school. We have tried to set reasonable parameters there.

Mr. GORTON. Would not the school be allowed to permit a chapter of the Posse Comitatus?

Mr. HATFIELD. No, I do not see any authority for that group to meet.

Madam President, the Senator from Washington obviously knows more about this group than I do. All I know is this group is a very disruptive group that has gone in and taken over courts of law, taken over city council meetings, and basically advocates unlawful disruption. No, I would say if I were a school administrator, and based on acts of disruption of how that student organization has performed, it is based on disruption rather than the orderly discussion of some issue.

Mr. GORTON. I find that a considerable jump, Madam President. My understanding is the basic belief of that group is that a government has no right to levy taxes on it. A group formed to counsel resistance to payment of taxes would basically be included in this group in that it is not engaged in physically disruptive activities.

Mr. HATFIELD. May I get a copy of the modification of Senator DANFORTH that is at the desk? I think this restates current law.

Mr. GORTON. I have not seen that modification. I would be happy to have the Senator read it.

Mr. HATFIELD. "Nothing in this act shall be construed to limit the authority of the school, its agents or employees to maintain order and discipline on school premises, to protect the well-being of students and faculty, and to assure that attendance of students at meetings is voluntary."

I think the authority there is the same that now exists. Does the Senator from Washington know of any chapters of this group on any school premises?

Mr. GORTON. I am sure there are not. I am sure they are prohibited at this time.

Mr. HATFIELD. Prohibited by what?

Mr. GORTON. School rules and regulations.

Mr. HATFIELD. This may not change that.

Mr. GORTON. Last year, Madam President, I understand there was an application by a chapter of the Ku Klux Klan to meet in a school in the Commonwealth of Virginia. Assuming that that chapter stated that it was going to be perfectly peaceful and simply teach the superiority of the white race, would it not be entitled to protection of the amendment?

Mr. HATFIELD. That issue would not be raised in that context, because this in no way gives any outside group authority to go in——

Mr. GORTON. I am speaking of a half dozen students who want to form a Ku Klux Klan chapter.

Mr. HATFIELD. I think it would have to be considered by the school administration as to whether the acts of that organization would be disruptive to the purpose of that school.

It would be like asking would the American Nazi Party have a right to come into a school and form a club or something else. This amendment grants no rights to outsiders. I think anything like that, that is dedicated to the purpose of dividing people, on grounds of race or religion could be disruptive in as volatile a situation as a school.

Mr. GORTON. Is that not a pretty good description of the Moonies, I ask my friend?

Mr. HATFIELD. I said to the Senator I cannot stand here and give a list of all possible organizations and give a yes or no, because I am not in that role. I can only state what this amendment is attempting to do. This amendment in no way is attempting to open the schools up to outside groups that we do not find in those schools today. If there are ways to keep those people out, those outside groups out of the schools, that same ability will continue to be exercised by those school officials after this passes.

Mr. GORTON. One last specific question: What about gay rights activist school organizations?

Mr. HATFIELD. It is unlawful.

Would the Senator repeat the question?

Mr. GORTON. The promotion of gay rights is unlawful?

Mr. HATFIELD. It is not the question of promotion.

Mr. GORTON. I must admit to puzzlement on the part of this Senator. Does the Senator from Oregon mean to say this amendment would not offer a gay rights activist organization the protections of a limited open forum?

Mr. HATFIELD. Let me put it this way, Madam President. As the Senator from Washington knows, some States have laws that prohibit actions of homosexuals. You cannot bring in an outside organization that is advocating or establishing some kind of purpose to violate laws of those States.

Mr. GORTON. But in States which have abolished any laws about sexual activity between consenting adults, Madam President, that defense would not obtain?

Mr. HATFIELD. I would assume, if they want to talk about political rights on sexual choice or sexual preference, that political right would be one thing, but to carry on an activity that is clearly in violation of law would, of course, be out of bounds.

(Mr. WEICKER assumed the chair.)

Mr. GORTON. I gather the summary of what the Senator has said is that the creation of a limited, open forum does not require that student organizations be permitted for any speech purpose whatsoever; that at least with the perfecting amendment of Senator DANFORTH, if the school finds that the prohibition of an organization is necessary or advisable to maintain order and discipline on school premises, they can prohibit the formation of a student organzation in spite of the limited open forum, even though that student organization is only going to engage in talk and not in any form of action or physical disruption whatsoever.

Mr. HATFIELD. The answer to the Senator's question is "yes," but I come back to the basic purpose and the reason we have this whole matter coming up in the Senate is for none of those issues but, rather, the simple proposition that schools today are increasingly limiting in the area of free speech.

I underscore again that I believe historically the Government's role is to protect. As a nonlawyer, I interpret the Government's role in relation to religion is to be neutral, to be neither an advocate nor to be hostile. I submit that the actions of the courts of recent time have put the Federal Government and the State governments into a hostile role, not a neutral role. It has moved it out of the neutrality which I think Government should maintain. It has really established a hostile role for Government because it has specifically said your rights go up to but do not include discussion of religious subjects.

Mr. GORTON. I completely agree with the statement of the Senator from Oregon. I regret to say, therefore, that I do not believe the courts are likely to interpret this bill in the way the Senator has described it in answer to these last few questions. I am convinced that the limited open forum which the Senator has described clearly covers the Ku Klux Klan—as long as it agrees not to engage in any violent activity—clearly allows an organization, discussions of which involve promoting the idea of racial superiority of one group or another; clearly beyond the slightest peradventure of argument protects a gay rights organization in a school. As the Senator himself has said, we must and should have strict limitations on the use of faculty and administration personnel with respect to student religious organizations; nonetheless, this amendment goes well beyond that requirement to similarly limit their use with respect to all kinds of other organizations which have traditionally had substantial faculty participation.

I am puzzled why the clear statement of principle which the Senator from Oregon stated, and that is to say that we are now not only limiting but prohibiting religious speech in public secondary schools in a fashion which is in my view both wrong, certainly arguably unconstitutional and highly undesirable. Why do we have to craft a net, to use the statement of the Senator, which is as broad as this. I specifically ask the Senator from Oregon would not all of the problems which have led him to this position be cured by a much, much shorter provision in the law which said something like this, and I am quoting now:

> No public secondary school receiving Federal financial assistance shall prohibit the use of school facilities for meetings during noninstruction time by voluntary student groups solely on the basis that some or all of the speech engaged in by members of such groups during their meetings is or will be religious in nature.

Would that not solve the problem completely without getting into the proposition of all of these other organizations and the use of faculty to advise these clubs and pep rallies and the like?

Mr. HATFIELD. I say to the Senator that I could have written a one-line amendment that would have accomplished the basic purpose of this bill. As I said earlier in my introductory remarks, there are 99 other votes in the Senate and there are many interest groups. We have met with the American Civil Liberties Union. We have met with religious groups. We have met with educational groups.

I say, to answer the question of the Senator, no, that would not suffice. This verbiage is basically an attempt to meet the concerns of various and sundry groups in protecting rights as well as extending rights, and this was the most concise, the briefest way we were able to do that because there were many other lawyers involved in this who felt, "Well, let us restate it. Even though it is in the law, in order to satisfy us, restate it," or "Put this in in order to protect that from happening."

The Senator I think would have to admit to this observation: Any time you are trying to address a question of rights, you always have the possibility of extending those rights for those who would abuse them, but that does not deter us from addressing those rights. All of us realize there are circumscribed ways in which the courts have handled rights under the Constitution. Freedom of speech is not unlimited. None of the freedoms are unlimited. The courts have defined those limitations from time to time.

But I say to the Senator from Washington that I would rather risk expanding a right and then take remedial action, if it is abused, than to deny a right.

Now, that is the risk. That is the gamble in a free society, because you are always going to have people or organizations who are going to abuse it whether it is the Ku Klux Klan, whether it is the John Birch Society, whether it is the Communist Party, or whatever it may be. You are going to have groups that will seek to abuse the rights of the constitution. But by the same token, I would rather take that risk than to narrow something down so much to satisfy the concern about one group not getting in under the tent that we in effect, by the same token, have tightened it down so that even legitimate groups cannot get in under the tent.

For every concern the Senator from Washington may have about the Klu Klux Klan or gay rights infiltrating or getting under this tent, I say there are probably another dozen groups that qualify. If we begin to tighten it down that way, we are going to restrict more freedom than we are going to expand. I am willing to take my risk on the expansion of freedom and rights than trying to nail them down so specifically, so tightly, that we foreclose the necessity of the court interpreting them in the long run anyway or making sure that some particular momentary problem that we foresee is taken care of.

That is a philosophical more than a legal observation. I know the Senator, being a lawyer, being a former Attorney General, has that legal eye and looks at every "i" and every "t." But at the same time a democracy is a risk from the beginning. I do not think we are going to be able to anticipate every possible instance that will arise under this expansion of rights or restatement of rights that this bill represents. But I would rather risk this bill on that basis than to retain the situation now of having the rights of students in schools violated. I would be very happy to take the proposal by my friend, but we would not get a majority vote.

For 3 years I have been sifting this out trying to find a consensus. I started out with about two lines, very simple, straightforward, much like the proposal of the Senator from Washington. It did not fly; too many lawyers wanting to put something down to satisfy one particular legal point of view, one legal school, or one precedent, or one court decision, or one experience. I have reached the point where I say this is the best we can get. I hope the Senator from Washington will support it. If he cannot, I understand and I sympathize fully with his concerns. I appreciate his raising them today.

Mr. GORTON. I thank the Senator from Oregon for his comments, but he misconstrues me because my concern with this proposal is that it dots entirely too many "i's" and crosses entirely too many "t's," and that a far simpler proposal which stated the philosophy and the direction of the Congress and which allowed specific questions to be decided by specifically elected school boards subject to the review of the courts would be far better than, as the Senator from Oregon put it himself, a net which is far broader, far larger than the fish which it was designed to land.

Mr. HATFIELD. I only wish the Senator could have walked the last 100 miles over the last 3 years. If he could have walked the last 100 miles with me on this subject, I think he would fully appreciate the fact that what we present here today, in trying to build a consensus, is just about the exhaustion of the thinking, the research, of literally scores of people. I would wager right now that we have had at least 1,000 people involved, either through associations or organizations of their representatives, from the ACLU, to the NEA, to the religious groups, and to other groups interested in freedoms. And out of all that, in trying to put together some kind of coalition, we come here today and say that we have either neutralized the opposition of these people or we have their enthusiastic support or their tepid support—this is it.

Mr. GORTON. Unfortunately, it is a magnificent example of too many cooks spoiling the broth.

The PRESIDING OFFICER [Mr. DANFORTH]. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I think the exchange we have just experienced between the Senator from Washington and the Senator from Oregon is an indication of the kinds of problems that we face on this particular subject.

We are talking about religious freedom, we are talking about separation of church and state, and it is a precious right that Americans enjoy today.

Frankly, our ancestors were not as lucky. As we well know, many of them had to leave their homelands with tears and anguish to escape religious oppression. Now, the lessons they learned seem to have been forgotten, because what we find here is an effort to craft some language that makes it possible to break down that barrier which has been in the Constitution since its inception.

So far, this body has been able to defeat bills that would infringe on the religious liberties of the people of this country. The Senate voted down a constitutional amendment that would have permitted Government-sponsored prayer in the schools.

Now we have this question: Well, can we somehow have religion and religious activities in the schools and still not violate the Constitution?

What have we done, and what are we attempting to do? We are attempting to say that there will be access after school hours, and that seems to be open to some discussion as to the definition. When the sponsor of the amendment returns to the floor, I will inquire of him on that subject. The amendment would then go on to indicate that not only would religious groups have that access, but all other groups as well.

When the distinguished Senator from Washington inquired of the Senator from Oregon, it got to be a bit sticky. As a matter of fact, I think it got a little more than sticky, because the Senator from Oregon, in responding—and this concerns me—may have been making legislative history in a manner that I believe is the exact reason why this amendment should not be adopted. That is, he found that some of the questions that the Senator from Washington was asking were putting him in a little bit of a box. So he responded to the Senator from Washington by saying that this did not in any way change the authority of the school board. If this would not change the authority of the school board, then I do not read English very well, because it certainly would change the authority of the school board, and it intends to do so. It intends to open the doors of schools after hours or before hours for religious groups to use the facilities and for other groups to use the facilities as well. But then, when the Senator from Washington starts to press the Senator from Oregon about the specifics, the Senator from Oregon says that this would not in any way change the authority of the school board.

So if a group wanted to use the facilities for a peaceful meeting, I read this language to say that the school board would have absolutely no authority to deny them that right, and if some group advocating gay rights wanted to use the school, it would appear very clear that there would be no right to deny them those facilities.

I am not even certain that you can make a distinction between those States that make homosexual activities illegal and those that make homosexual activities legal, because, we have recognized that people can speak out with respect to various issues whether or not they are actually involved in committing acts that are prohibited.

I will not address myself to whether it would or would not be permissible in those States that bar homosexual activities to permit gay rights groups to meet, because I do not think that is the issue. I think the issue is this: Can a school board stop some groups from using their facilities? Unless an organization is there to be disruptive or to break the law, I read the language of this proposal as saying that they cannot.

Then, the Senator from Oregon, in responding further to the Senator from Washington, said that if the board concluded that the meeting or permitting the use of its facilities would be totally disruptive, the meeting could be barred. Well, would a meeting of the Hare Krishna group be totally disruptive if the school board concluded that it would be? Would a meeting of the Young Communists' League be totally disruptive? According to the answer of the Senator from Washington, if the school board concluded that it would be totally disruptive, it could be barred.

To me, that opens a whole Pandora's box. It puts the judgment in the school board. Yet, the language of the amendment seems to indicate that the school board does not have that right, and therein lies the basic problem and fault with this amendment; because, just as the author of the amendment appeared to have some difficulty in interpreting exactly what it means, I would guess and predict that the administrators and the school boards throughout the country will have the same kind of difficulty in interpreting the specific language of the amendment. When they find themselves in a sticky situation, they will lean over and say: "No, our facilities are not available. There are no more rooms left. We are not permitting this kind of meeting."

The author of the amendment talks about barring any meetings that could disrupt the school system. I do not know what that means. That means someone has to have an opinion. That means it is a judgment call. That means that the school board, principal, or the administrator of the schools in that particular area is going to be able to say, "I think this is disruptive."

There is nothing in this statutory language that talks about it possibly being disruptive. There is nothing in the language that is proposed that says this would in no way change the authority of the school board, which is exactly what Senator HATFIELD indicated would be the rights of the school board.

Then he responded further in the dialog that took place, or the colloquy, and I think I heard him say, this would in no way be a bar to keeping groups out who are now kept out.

Maybe I misunderstood what he said. But I thought that was the original thrust of the amendment because those who would want to have religious meetings on the premises are the very groups for which this legislation or this amendment has been drafted and is submitted.

I then heard, and I am not clear about this and I am not in a position to make an inquiry because the one of whom I would make the inquiry is seated in the Presiding Officer's chair, but I thought I heard the Senator from Washington indicated that there was some impact being made on this subject by the Danforth amendment.

I inquire of the manager of the bill: has the Danforth amendment been adopted or could he explain to me what that situation is? I heard Senator GORTON address himself to it. I do not know what that is.

Mr. STAFFORD. Mr. President, will the Senator yield?

Mr. METZENBAUM. I yield.

Mr. STAFFORD. The manager on this side is not one of the authors of the current pending amendment to the bill and maybe a way to solve this would be for the Senator from Vermont to volunteer to relieve the Senator from Missouri temporarily so that the Senator from Missouri, if he wishes, could answer the question.

Mr. METZENBAUM. I appreciate that.

I am not taking issue with the Danforth amendment but it is something about which I am totally uninformed and do not know whether it has been offered or is about to be offered.

I might say I appreciate the cooperation of the manager of the bill.

(Mr. STAFFORD assumed the chair.)

Mr. METZENBAUM. If the Senator from Missouri would be good enough to explain, is there an amendment adopted or is there one about to be brought onto this?

Mr. DANFORTH. Yes.

The Senator from Oregon, who offered a perfecting amendment, then sent a modification to the desk and that modification is the so-called Danforth amendment.

Mr. METZENBAUM. But as I understand it, what we have before us now as the Denton amendment is a first-degree amendment.

Mr. DANFORTH. That is right.

Mr. METZENBAUM. With the Hatfield amendment——

Mr. DANFORTH. Amendment as modified.

Mr. METZENBAUM. As modified pending as the second-degree amendment.

Mr. DANFORTH. That is correct.

Mr. METZENBAUM. And the Danforth amendment.

Mr. DANFORTH. That has been incorporated into the Hatfield amendment as a modification.

Mr. METZENBAUM. I see. So that it is already part of the Hatfield amendment.

Mr. DANFORTH. That is right.

Mr. METZENBAUM. I thank the Senator from Missouri very much. It clarifies the situation.

(Mr. DANFORTH assumed the chair.)

Mr. METZENBAUM. Mr. President, I think that this amendment, well motivated, well intentioned, quite clear in its thrust, does not resolved the issue. I think it complicates the issue. As I understand the position of the American Civil Liberties Union, and I have their letter here before me, I gather that they are not actively opposing the amendment, but, as I see it and as I am told, neither are they supporting the amendment.

This Senator thinks that we would not be making any headway by passing this amendment. As a matter of fact, I think that we would be making the first step forward in breaking down that traditional barrier or bar between our schools and our religious organizations.

I think if we do, we will find that our young people will indeed be embarrassed. I think we will find that some of the religious groups that will be meeting there will be totally different from those that many in this Chamber today are thinking would be the ones who would be meeting there.

I think the amendment before us today would allow our schools to proselytize for particular religious beliefs, and I believe that so many groups that we are not thinking about as we meet here today would be the first to come forward to claim the right to use school facilities to market, merchandise, and proselytize in connection with their own thoughts.

The San Francisco Chronicle on May 2, 1984, had an article entitled "How Cults Reach Youths."

I do not think I have to address this body on the problem of cults and their impact upon the young people of this country.

The Chronicle reported on a survey of high school students and on efforts by cult groups to recruit them.

The survey revealed that over one-half of the students had been approached by cults such as the Unification Church, Children of God, and Krishna consciousness.

The psychologists who conducted the survey found a large percentage of these kids report being open to finding out about cults and attending cult functions, meaning they are available for more intensive recruiting.

I have grave doubts that we should be opening our schools to the various cult groups who, in my opinion, in many instances do a far better job of proselytizing, of selling their own concept of religion, than do many of the so-called accepted religious faiths of our country. They work at it. They work at it in airports. They work at it on the streets. They work at it in our schools. They work at it morning, noon, and night, and they do it with a zeal.

I can predict to Senators with certainty that, if this amendment is adopted, and if it becomes the law of the land, the cult groups of this country will be standing on the sidelines applauding and maybe laughing to themselves as well because they will know that this amendment is going to make life a lot easier for them in marketing their cults.

I say to the Members of the Senate—being a teenager is not easy. It is a time when kids do crazy things. It is a time when they are susceptible, and I find it hard to understand why anyone, no matter what his religious beliefs, no matter what his philosophical concerns are, no matter what political concept he has, I do not understand why anyone would want to force our schools to give bizarre cults access to our teenagers.

Children are not known for their ability to stand out from the crowd and be different. If a lot of the kids are going, they think: "Well, why shouldn't I?" And how many stories have we read about young people who have been taken in and who are being indoctrinated and who have been separated from their families and who have turned over all their worldly assets to this cult or that cult group?

I do not mean to suggest that those are the only ones that will be using the schools. But I do predict that, if this amendment is adopted and becomes law, the cult groups will utilize the provisions of this proposal far more proportionately than any religious group in this country.

Let us remember that our children are susceptible to peer pressure. They have difficulty in being excluded from the in group, and will say: "Well, I'll go along to the meeting just to see what is going on and I'll just see what it is all about."

Sometimes when they get in, they find there is a working over process that takes place. And when that working over process takes place, they are hooked.

This bill would not only play into the hands of various cults of this country, but it would invite friction and divisiveness among different religious groups. Religious activities at school would encourage some students to tease and ridicule others who do not attend religious meetings before or after school. And allowing religious activity at the school gives this activity an aura of Government approval—if the meeting is being held in the school, it cannot be too bad; it must have the approval of the school authority.

Young people, and their parents as well, do not have any idea of what are debating here on the floor of the Senate today or on any provisions that may be a part of this legislative package that is before us. But they will know that the meeting is taking place in the school and they will think, well, it must be all right if it is within the school confines.

Allowing religious activities at the public schools means that the schools will no longer be neutral in connection with matters of faith. I believe that the schools could further become involved and entangled in regulating religious expression.

No matter what you write here in the words of the proposed amendment, the fact is that the colloquy between the two Senators, the Senator from Washington and the Senator from Oregon, indicates quite clearly that even the authors and those of us on the floor of the Senate have difficulty in comprehending exactly what it does mean. What will happen when someone asks some school board administrator or school principal in some small community of this country to hold a meeting and asks whether or not that meeting can or cannot be held?

For 200 years the limits on religious activities of public schools have been governed by the first amendment to the Constitution and the courts have ably defined the parameters set by the first amendment in balancing a host of complex variables. For example, courts have evaluated the facts in each case to determine whether schools are being used to propagate religious beliefs in violation of the Constitution. Congress should not attempt now or at any time in the future to construe these constitutional parameters through legislation. These kinds of decisions are best left with the courts.

Let us not forget the lessons that history has taught us on the importance of the separation of church and state in protecting our religious liberties. It would be a serious mistake to allow religious activity in our public schools. And if the price of that is that we are going to let every organization that wants to use the school come in, then I think that we are only compounding the problem, we are not solving the problem.

Our children would be far better off if we encouraged them to pray at home, or in their houses, or worship where their beliefs may be expressed with the love and support of their family and friends, rather than straining, as we are straining here this afternoon, to find some manner, some method, some means, some way of making it possible for our school doors to be open so that religion may be taught, or practiced, or discussed within the confines of the school.

Mr. President, I have a number of questions that I would like to ask of the author of the amendment. I note that he is off the floor and I am sure that his absence is understandable. I see another Senator on the floor seeking the floor, but I do want to announce that before the debate is concluded I will seek to have a number of questions responded to by the author of the amendment. I yield the floor.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER (Mr. COCHRAN). The Senator from Missouri.

Mr. DANFORTH. Mr. President, I have discussed this amendment with Senator HATFIELD and expressed to him and to other Senators my concern about what we are about to do. And I have to say that as I speak I have not yet made my own decision on how I am going to vote on this amendment, but I would like to at least express what my thoughts are and what the rationale is to the so-called Danforth amendment which has been integrated as a modification into Senator HATFIELD's amendment.

Senator HATFIELD has spoken about first amendment rights, and clearly that issue is at stake in the Hatfield amendment. The first amendment applies to everybody, to young people and to old people. The right to worship, the right to assembly, the right to speak, these are fundamental rights in our Constitution and they are rights which Senator HATFIELD desires to assure to high school students.

At the same time that the first amendment rights exist, schools clearly have a right, a power, to conduct the basic educational mission of the schools. They have the basic police powers to assure the health, the safety, and the morals of their students and to protect the educational enterprise.

Therefore, first amendment rights are not absolute. First amendment rights are balanced against the educational enterprise: What is the school about? Kids, even under this amendment, cannot, whenever they please, gather wherever they please and say whatever they please. The amendment makes it clear that the schools are going to have to be able to conduct the educational enterprise.

Senator HATFIELD has said in his description of his amendment that he wants to assure the right of students to gather together for religious purposes so long as they do not infringe on the rights of other people. And that is exactly what I would like to focus on for a few minutes today—what about the rights of other people—because I would submit that there are two things that are absolutely fundamental to most if not all religions.

The first is that they are group enterprises. Religions are group enterprises. Religion basically is not something that individuals do just by themselves, at least that is not the concept of Christianity. The church means that two or three are gathered together. Groups of people assemble for the purpose of praying their religion. And without that assembling, without that joining together of a group, there is not any church. The converse is that when two or three are gathered together, there is the church. So we are talking here in this amendment about the circumstances under which the church gathers in a public school building.

The second thing that is the very nature of religion, of many religions, if not most religions, is that they are never content solely with their own membership. They are never content with the status quo. It is the nature of religion to conduct a missionary effort, to go out into the highways and byways, to go out into the countryside to reach out for other people and to try to pull those other people into the religious community.

That is the very nature of many, if not most, religions. It is certainly the very nature of Christianity. Proselytizing is the nature of the Christian faith. To go out, to reach out for other people, to bring them into the fold, and proselytizing, as Senator METZENBAUM pointed out, is the nature of many of the cults that have received such publicity of late. The Hare Krishnas, the Universalist Church I believe is the name of the church founded by the Reverend Moon, the Scientologists, and so on, all have as part of their fundamental method of operation moving beyond their own ranks and using one method or another to try to bring other people into it.

So, if church groups are present on school premises operating as churches, the two things that they will be doing is operating as a community, and operating in such a way as to bring other people within that community. Therefore, the question of the exercise of religion is not simply a private question of the exercise of religion within the soul of the particular believer, but it is also a group enterprise designed to spread that group, to expand that group, to move that group toward other people, and to bring other people into it.

The particular populous that is involved in this amendment is not the populous at large, but it is a particular age group. It is kids who are freshmen through seniors in high school. It is people who are 14 through 18 years of age. They are the people who will be belonging to the groups, and they will be the people who will be subject to being brought into the groups by the missionary activities of the membership.

I think it is absolutely predictable that, if religious enterprise is to take place in public schools before school hours, after school hours, during school hours, whenever it is going to be, part of that enterprise is going to be to try to get other kids joining the group. In fact, if no effort is made to bring others into the group, then they are not really operating as a church at all. So let us anticipate that is the right that we are establishing today, the right to go out into the highways and byways, and to proselytize. That is what we are talking about. That is the mission of the church. That is certainly the mission of the various cults that the Senator from Ohio describes.

Mr. METZENBAUM. Would the Senator from Missouri yield for a question?

Mr. DANFORTH. Of course.

Mr. METZENBAUM. Is the Senator from Missouri not concerned that there is nothing in this bill as I read it that would keep any teacher or anyone else from proselytizing during the day, and urging young children to go to the meetings after school? Would that not be a serious problem?

Mr. DANFORTH. I would have to look at the language to determine that. But I think it would be very difficult to prevent that; that is to say, I think if you had a group that was meeting on the school premises, it would be very hard to create a situation where you could not say there is a meeting after school today or a meeting before school tomorrow. I think that would be very hard to control.

Mr. METZENBAUM. Does the Senator from Missouri have any concern that some teachers, or many teachers might provide a kind of pressure on students that there is a meeting of the X group after school today, I am going to be there, I hope to see a lot of you there?

Mr. DANFORTH. I would think that is possible. It may be—I do not have the language of the bill before me—that is intended to be precluded by the language.

Mr. METZENBAUM. I may not have picked it up. But I just read the amendment.

Mr. DANFORTH. The amendment says that there is no sponsorship of the meeting by the school, the Government, or its agents, or employees. Sponsorship, and simply saying there is going to be a meeting tonight are two different things. I think it would be very difficult not to have notice given of the existence of meetings or to preclude such notice.

Mr. METZENBAUM. It may be that the definition of the term "sponsorship" would preclude that. I am not quite certain that it would.

Mr. DANFORTH. I think as a practical matter it would be very difficult.

Mr. METZENBAUM. I thank the Senator.

Mr. DANFORTH. Mr. President, I suppose one of the issues that is before us is—and maybe the issue before us—the extent to which schools operate as a stand-in for parents, and the extent to which schools operate in loco parentis. I think that the schools have the general authority, and should have the general authority, to try to create an atmosphere which is conducive to the intellectual, physical, psychological development of children, and that the schools have the inherent power to take such actions as are conducive to such development of kids, and in like manner, to try to prevent those activities which are injurious to the mental, emotional, and physical development of children. Because I think that the schools have that basic right, and should have that basic right, I suggested to Senator **Hatfield** the incorporation of what was known as the Danforth amendment, and is now part of the amendment that is pending. That says as follows:

> Nothing in this act shall be construed to limit the authority of the school, its agents, or employees to maintain order and discipline on school premises, to protect the well-being of students and faculty, and to assure the attendance of students at meetings as voluntary.

The theory of this amendment is to make it clear that the school administration does have, does continue to have inherent power to prevent the unrestrained, intensive, extreme psychological pressure which could be utilized by some religious groups to attempt to bring other kids within the religious community.

Under this amendment, as it is presently drafted at least, it is the intent of the author of this language that it would continue to be possible for the school boards and the school administration to take such action as is necessary to prevent kids from being in effect brainwashed within the school premises; that is to say, in the event that, for example, a cult were to set up a cell, hold meetings, attempt to go out, draw other kids into this religious organization, and use what amounts to psychological warfare in order to accomplish that objective. I believe that it has to be within the power of the school to prevent that kind of activity to operate in the same manner as a parent would operate to prevent that kind of abuse of children on school property, and to operate in loco parentis. That is the purpose of the Danforth amendment.

Whether it goes for enough, I frankly do not know yet. I am still considering how I am going to vote when the amendment as a whole is considered in the Senate. But that is the intention of the amendment, to try to provide the school administration with the power to prevent the abuse of this freedom, and to try to prevent the interference with the psychological welfare or the well-being of the kids.

Mr. DENTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. DENTON. Mr. President, I commend the Senator from Missouri for his modification. I understand its intent and I have no problem with it. As I promised at the outset today, I am going to be open minded and open hearted about all of this. I am not one who a Senator referred to as someone who thinks that he knows the true faith and that anybody who believes something else is some kind of a kook who needs direction.

I have heard some good points made, and I have heard them made before. On the point about the cults, that is a good question. As long as we have freedom of religion in this country, and I suppose that will be for a long time, we are going to have that question. We have had that question since the first religious American dealt with religion on this continent, and we are going to have it for the rest of our history. There is nothing new about that question introduced in this bill. It simply means that we still have a problem determining what is a good and what is a bad religion.

The question before us is whether or not we are going to continue to exist in the condition which began in 1962-63 and which prohibits the mention of the word "God" in the Jewish, Moslem, Christian, or whatever context, in a reverent, orderly sense, in a sense of assembly, if you will, voluntary on the part of the students. Are we going to restore that right in public schools, or are we going to continue to maintain the situation to which the great majority of Americans of all faiths object, in which the name of God cannot be mentioned except profanely in public schools?

I believe that that basic question is that which underlies the yea or nay on the two amendments. We are going to have an imperfect bill, albeit with a great deal of effort on the part of many Senators here to work one out. I agree with the Senator from Ohio that we are going to have an imperfect bill. But I think that we are going to have a bill which will vastly improve the situation which presently exists.

Points have been made about how we are going to be placed in a box, about how the school boards are going to have to make this or that decision about order or discipline, about whether or not a gay rights group can come in and do so and so. That question exists now, Mr. President. There is nothing new in this legislation which will cause the school board to become more or less oppressed by the burden of making that decision. Nothing whatever.

I want to go back to the underlying amendment's purpose in order to discuss the one under consideration now, which is a perfecting amendment.

The underlying amendment focuses on religious speech for the simple reason that it is religious speech which has been singled out for censorship in public schools. Please let us not forget that as we consider this matter.

Case law clearly protects other forms of speech. The Supreme Court has explicitly rejected the position taken by some school officials that, once inside the gates of the school, students may be prevented from expressing themselves, whether on school policies or national events, unless the school wishes to permit such expression. The court said that, on the contrary, students may be prevented from expressing their views only when they, the students, "materially and substantially" disrupt the work and discipline of the school.

Other courts have applied that same line of thought to such forms of expression as newspapers, leaflets, buttons, and political clubs. Only religious clubs have been subjected to the widespread discrimination that we extensively documented in both Senate and House hearings and in a previous speech today.

Are we dealing with opening a Pandora's box, of permitting cults or Christians to try to spread their religion? This law has nothing to do with that. They can already do that. They can go out in the schoolyard and try to do it. This bill deals with whether or not we are going to remove discrimination, invidious discrimination, against the freedom of assembly and practice—yes, practice—of religion under certain circumstances while a child or a young person is in a school.

Despite the facts, some people still contend that attempts to end that invidious discrimination are evidence of favoritism. The perfecting amendment contains language that would extend the cause of action in the Denton-Hatfield amendment to political, philosophical, and other speech. I must say that I share some of the doubts expressed by the Senator from Washington regarding the advisability of that extension, but on the other hand, I share with Senator **Hatfield** the need to craft a bill which will pass and still be substantially an improvement.

I do not contend that the change—political, philosophical and other speech—is wrong per se, but that it is very problematical, as was brought out by the Senator from Washington and emphasized by the Senator from Ohio.

There are two principal reasons why I believe we would be better off not tampering with the equal access amendment by including those other forms of speech, philosophical, political, and others. First, we have not really identified that a problem exists with respect to political, philosophical, or other speech. Second, it may confuse the issue, as was mentioned.

I would like to spend just a moment detailing concerns about including other forms of speech in any equal access amendment.

First, there is no evidence that political, philosophical, or other speech is being silenced on public secondary school campuses in the same way or to the same extent as religious speech. Moreover, no hearings have been held to determine whether any evidence even exists. Even where controversy over those forms of speech have arisen in the past, the courts have consistently and clearly vindicated the right of students to express even controversial political or social viewpoints.

For example, in Gay Rights against Bonner, a Federal court upheld the right of a gay rights student group to meet at the high school level. That problem existed before. It will not exist any more seriously as a result of this bill being introduced. I think, perhaps, if there is something wrong with homosexuality, this Senator believes it to be an unfortunate anomaly, which thoughts about God and order might help to alleviate the tendency toward in the first place, or the tendency to remain in it. But there is nothing new that the school board will have to contend with in the sense of the modification of the Senator from Missouri. They have to contend with that now, and they have been letting them in, generally.

In Wilson against Chancellor, a Federal district court struck down the school policy that banned political speakers in high school cases. So, again, there is nothing new coming along. We have been dealing with this all along, perhaps not well. The change has to do with eliminating discrimination against religion uniquely, against religious speech and practices once one is in a school.

In Bager against Kinzler, a Federal district court struck down a restriction on information about contraception and abortion in the school newspaper. The school board had to make that decision. They have been dealing with it, usually affirmatively.

Nothing else has had the absolute "no" imposed on it in the same way as upon that on which our Nation was based: rights endowed by our Creator, freedom of religion, which we have supposedly endorsed as a basic foundation of our Government.

That is what we are dealing with.

No less an authority than the American Civil Liberties Union confirms that students have expansive constitutional rights to express political and social viewpoints. I would like to take a moment to read from an American Civil Liberties Union handbook entitled "The Rights of Students." It rhetorically asks and answers a series of questions about student political rights. Here are the questions and answers.

> Do students have the right to express their opinions on any subject while they are in school?
>
> Yes. . . .
>
> Can students be prohibited from expressing their views if those who hold opposing views become angry and boisterous?
>
> No. . . .
>
> Can school officials keep students from forming an after-school club having a dissident point of view?
>
> No. . . .
>
> Can the school prevent students from inviting a speaker to their club meeting because he or she is too controversial?
>
> No. . . .

Unfortunately, if these same questions are asked with respect to religious speech, the answers would be the exact opposite, under at least two court precedents. The ACLU and others have argued successfully for the expansion of political speech, but by contrast they have argued for suppression of religious student speech. As long as the Congress has not found a trend toward reversing the political rights granted students, is there sufficient reason to include unrelated forms of speech? I think not.

Second, Mr. President, the inclusion of political, philosophical, and other speech raises in my admittedly legally untrained mind peculiar constitutional questions. My colleagues will note that all versions of equal access include a large number of protections designed to prohibit excessive government entanglement with religion, as is required by the establishment clause of the first amendment. For instance, under both amendments, meetings must be student initiated, not sponsored by the school, not school financed. They must be voluntary and in good order. Those limitations are necessary and appropriate when applied to religious speech. They may be completely inappropriate when applied to political, philosophical, or other speech. Here I parallel the Senator from Washington in some of his questions. We should not rush blindly forward to hedge those free-speech rights. A school-sponsored political debate, a teacher-led political discussion, or a school-financed noncurricular United Nations Day could run afoul of the restrictions found in the amendment offered by my colleague from Oregon.

For those reasons, I believe we should be very careful with the portion of the amendment that provides a cause of action with respect to political, philosophical, or other speech. Let me hasten to add that I am willing to accept, in the spirit of compromise, the bulk of the amendment suggested by my colleague from Oregon, including the following provisions:

That employees will only be present at religious meetings as nonparticipants;

That school employees cannot under this act be compelled to monitor, even passively, personally objectionable religious meetings;

That minority religions will not be denied equal protection under this act;

That outsiders will gain no additional access rights to public schools;

That no Federal funds will be withheld; and,

That "noninstructional time" will be clearly defined.

All of these changes are acceptable to this Senator. But, Mr. President, I hope that we can address some of the concerns I have raised. I trust that my distinguished colleague from Oregon will address those concerns in greater detail.

Mr. President, notwithstanding the concerns and reservations I have expressed about a few of the points in the perfecting amendment, I do believe that it is of paramount importance that the Senate express itself on this issue. And having heard the distinguished majority leader tell us how much we have to accomplish between now and the July 4th break, I will not take more of the Senate's time.

I believe that, with the perfecting amendment, we shall have a tremendously improved situation in the Nation. We shall not have brought in anything new as a difficulty; we will have eliminated something that in the minds of 90 percent of the public of the United States is a monstrosity. I cannot understand why I am the sole Senator speaking in favor of this amendment who does not have any particular reservations about it.

Therefore, Mr. President, I state my desire to modify the Denton-Hatfield amendment by accepting the perfecting amendment.

The **PRESIDING OFFICER.** The Senator has the right to modify his amendment.

The amendment was so modified.

The amendment (No. 3152), as modified, follows:

At the appropriate place add the following:

TITLE : THE EQUAL ACCESS ACT

That this title may be cited as the Equal Access Act.

SEC. . (a) It shall be unlawful for any "public secondary school which receives Federal financial assistance and which has a limited open forum to deny equal access or a fair opportunity to, or discriminate against, any students who wish to conduct a meeting within that limited open forum on the basis of the religious, political, philosophical, or other content of the speech at such meetings.

"(b) A public secondary school has a limited open forum whenever such school grants an offering to or opportunity for one or more noncurriculum related student groups to meet on school premises during noninstructional time.

"(c) Schools shall be deemed to offer a fair opportunity to students who wish to conduct a meeting within its limited open forum if such school uniformly provides that—

"(1) the meeting is voluntary and student-initiated;

"(2) there is no sponsorship of the meeting by the school, the government, or its agents or employees;

"(3) employees or agents of the school or government are present at religious meetings only in a nonparticipatory capacity;

"(4) the meeting does not materially and substantially interfere with the orderly conduct of educational activities within the school; and

"(5) nonschool persons may not direct, conduct, control, or regularly attend activities of student groups.

"(d) Nothing in this title shall be construed to authorize the United States or any State or political subdivision thereof—

"(1) to influence the form or content of any prayer or other religious activity;

"(2) to require any person to participate in prayer or other religious activity;

"(3) to expend public funds beyond the incidental cost of providing the space for student-initiated meetings;

"(4) to compel any school agent or employee to attend a school meeting if the content of the speech at the meeting is contrary to the beliefs of the agent or employee;

"(5) to sanction meetings that are otherwise unlawful;

"(6) to limit the rights of groups of students which are not of a specified numerical size; or

"(7) to abridge the constitutional rights of any person.

"(e) Notwithstanding the availability of any other remedy under the Constitution or the laws of the United States, nothing in this title shall be construed to authorize the United States to deny or withhold Federal financial assistance to any school.

SEC. 1(f) Nothing in this Act shall be construed to limit the authority of the school, its agents or employees, to maintain order and discipline on school premises, to protect the well-being of students and faculty, and to assure that attendance of students at meetings is voluntary.

"SEC. . As used in this title—

"(1) The term 'secondary school' means a public school which provides secondary education as determined by state law.

"(2) The term 'sponsorship' includes the act of promoting, leading, or participating in a meeting. The assignment of a teacher, administrator, or other school employee to a meeting for *custodial purposes* does not constitute sponsorship of the meeting.

"(3) The term 'meeting' includes those activities of student groups which are permitted under a school's limited open forum and are not directly related to the school curriculum.

"(4) The term 'noninstructional time' means time set aside by the school before actual classroom instruction begins or after actual classroom instruction ends.

"SEC. . If any provision of this title or the application thereof to any person or circumstances is judicially determined to be invalid, the provisions of the remainder of the title and the application to other persons or circumstances shall not be affected thereby.

"SEC. 4. The provisions of this title shall supersede all other provisions of Federal law that are inconsistent with the provisions of this title.".

Mr. DENTON. Mr. President, I yield the floor.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I wanted to point out to my colleague from Oregon that in his absence, I had made the point that in his colloquy with the Senator from Washington, there had been some things stated that appear to me to indicate a real problem with passage of this amendment. That is, the Senator from Oregon had indicated that this would not in any way change the authority of the school board. I think that that is really not the intent, because the school board authority certainly is affected.

The Senator from Oregon also indicated that if the board concluded that meetings of certain groups would be totally disruptive, the board could bar these groups from using the school premises and made some other interpretations of the statute which the Senator from Ohio believes are the kind of things that will create problems for school administrators and school principals. I do not wish to repeat my discussion on those matters, but I wanted to advise the Senator from Oregon of some of the concerns I had which arose from his colloquy with the Senator from Washington.

I would like to inquire of him, what does it mean to say that the meeting is voluntary and student initiated? Would the Senator be good enough to explain that language found on line 17 of the first page?

Mr. HATFIELD. Mr. President, that means simply that meetings that are requested by one or more students in which they are asking for permission to sue school facilities. These shall be the noncompulsory type of club meetings. They are nothing other than voluntary.

In other words, there is no way the shool can set up some kind of rule or some kind of procedure by which students may feel required, or coerced, or intimated if they did not go to such meetings. That means voluntary.

I do not know how to explain the word better that just to say that it is voluntary. Student initiated again means that it is not initiated by some outside organization, some outside forces, or individuals, that it is not initiated by the school principal, or the schoolteachers, or the school employees; it is not initiated by parents, it is not initiated by cousins, or aunts, or uncles, it is not initiated by labor leaders, or political leaders, or religious leaders, whatever. Student initiated, voluntary.

Mr. METZENBAUM. What if a student in the third grade comes in and says: "Mommy asked me to ask you if we can have a meeting of the XY religious group here next Thursday."

Mr. HATFIELD. The Senator does not have to finish the question. Line 1 says "secondary."

Mr. METZENBAUM. I am sorry.

Mr. HATFIELD. Third grade is not secondary.

Mr. METZENBAUM. I stand corrected. But if the student comes in and says: "My parents asked if we could have a meeting of our church group here a week from Thursday," would that be a student-initiated activity?

Mr. HATFIELD. No, no, that would not be included because of the fact that the school premises are regulated as far as being used for nonschool purposes. There are civic clubs and even church groups which are permitted to rent school premises for outside groups or even for those organizations that may include students within the school. When you are asking for an ad hoc use of the school facility, you come under the rules regulating the uses of the schools. This would have no effect in that kind of a situation.

Mr. METZENBAUM. Now, let us assume that you or someone else is on the school board and a proposal is made to hold a meeting there of the John Birch Society, the Young Communist League, the Young Americans for Freedom, or the Social Democrats, and the principal or the administrator, whoever is making the determination, concludes that he or she thinks such a meeting would be disruptive. On that basis alone, without further evidence, would that principal or administrator have the right to deny the use of the school?

Mr. HATFIELD. If I understood the scenario of the Senator from Ohio, is he delineating between some ad hoc meeting that they are asking take place in that school facility or is he talking about an organization of voluntary students, a group of students who are voluntarily associating themselves together asking to be able to use it on a continuous basis?

Mr. METZENBAUM. I am talking about a group of students asking to use it on a continuous basis, for any one of the four groups that I mentioned? What I am really driving at, regardless of the manner which the question is asked or for what period of time, the real thrust of my question goes to the right of the administrator or principal to determine that such a meeting would be disruptive.

Mr. HATFIELD. I think we have to delineate just exactly what question the Senator is asking. If there is a request to use school facilities for a meeting, whether it is political or otherwise, by mothers, and fathers, or outside people—as the Senator indicated, then the use of that school facility is going to be regulated by the policy of that school district on that subject, and usually there are rentals required to be paid and other such things.

Mr. METZENBAUM. Of course.

Mr. HATFIELD. Now, that is one type of meeting that could be held and that is dependent again upon school policy.

Now, if it is just, say, a group of students within that school that wants to form a club to discuss a political matter and they are asking for some regularity of use of that facility—it does not fall under the rental policies of an outside group—then the principal or the school administration, however they are structured to handle this kind of a question, will have to make a determination. That determination would be whether it has a nondisruptive character, and does not violate or interfere with the discipline or the instructional time of the school. If they can demonstrate that it does comply with all of that, then the principal would be empowered by the school board, I assume—I do not think I know of any school board that would want to rule on each such case—to make a decision.

Now, if there is included among the so-called political-action groups the Senator recites a group which attempts to advance the cause that discriminates against another person's religion, or race, national origin, or whatever, do not forget there is an equal-protection clause of the 14th amendment that has to be considered as a safeguard against those possible abuses of this freedom about which we are talking. I say to the Senator that you can develop the worst-case scenario as to the possibility of an abuse of this kind of freedom, underscoring and undergirding what we are trying to do in this amendment, but you still have other protections within the Constitution. I cannot foresee every conceivable situation, but again, I say to the Senator, we are not dealing with those cases at this moment. We are dealing with cases where there is discrimination, where there is a violation of the freedom of speech. What we are attempting to do is to remedy that in a way which does not in any way, shape, or form violate any other right of the Constitution. I think that is basically why the American Civil Liberties Union, which has a basic concern about the rights of people to exercise freedom of speech, was able to work this out. I think that, of all groups I know, the ACLU has been the vanguard group to protect rights of all kinds, religious, political, whatever. We worked this language out to define the problem. We are not seeking to create a problem here but only to deal with an existing problem which we are trying to remedy.

Mr. METZENBAUM. I understand the Senator from Oregon. First, I think we ought to make sure we establish the right premise. It is my understanding that the American Civil Liberties Union does not support this amendment. The American Civil Liberties Union says this amendment is substantially better than considered before, but they neither support it nor actively oppose it. I have the letter.

Mr. HATFIELD. Let me just say the American Civil Liberties Union was actively, hour, upon hour, upon hour, helping to perfect this amendment. At no time have I indicated that they have endorsed it. At no time have I indicated that I am saying the American Civil Liberties Union has been very much involved in the development of this perfecting amendment. And they state in this letter:

> The statute is a serious student rights initiative. It would be of real benefit to many political and other student groups that seek ACLU assistance. We must admit that we have some continuing reservations primarily with regard to the potential abuse of this statute by schools which wish to evade the strictures of the Establishment Clause * * * and which will not read this statute with care.

All statutes we pass have to be certainly read with care, have to be enforced, have to be implemented. There is nothing different about that.

> If schools do cross the forbidden line of unconstitutional support for religious activity, our affiliates will continue their practice of litigating on behalf of students or parents who feel their rights have been abridged. We hope that the legislative history developed in discussion of this statute will limit the need for such litigation.

As I do, too.

> Again, we thank you for your hard work in this delicate legislative area. Sincerely, Barry W. Lynn.

Mr. HATFIELD. That is a far different thing from what happened in the House.

Mr. METZENBAUM. I understand that.

Mr. HATFIELD. The bill was raised on the House side, and there was an active role of opposition by the ACLU. We met with them for day upon day in the interim, working out, I think an advancement to the point where they are not opposing this in an aggressive way.

Since I read part of it, why do I not read it all?

Mr. METZENBAUM. Why do we not just agree to put it in the RECORD?

Mr. HATFIELD. Does the Senator have a copy of it?

Mr. METZENBAUM. Yes.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the full letter from the ACLU, addressed to me on June 26, signed by Barry W. Lynn, legislative counsel, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN CIVIL LIBERTIES UNION,
Washington, DC, June 26, 1984.

Hon. MARK O. HATFIELD,
Senate Hart Office Building,
Washington, DC.

DEAR SENATOR HATFIELD: The American Civil Liberties Union appreciates the sincere efforts you and your staff have made to fashion a new "equal access" statute. As you probably know, the ACLU, although it supports equality of student access in secondary schools consistent with the First Amendment, was strongly opposed to the House legislation on this subject which was recently defeated.

The new language you will be offering to the Math-Science Bill is a very significant improvement over earlier proposals, both in its sensitivity to potential establishment clause problems with religious meetings in schools and in its new protections for a variety of non-religious student groups. Your proposal eliminates the possibility of small groups of students being banned from meetings because they did not meet some arbitrary minimum student requirement established by a principal, guarantees that outside representatives of religious or other groups will not be able to dominate student-initiated meetings, and gives a reasonable measure of local discretion to school officials to determine when they will open their facilities to non-curricular activities. In addition, since the statute would now protect all student speech, it does not on its face give a privileged position to "religious" speech. Such status would impermissibly benefit religious groups and create the grave constitutional problem of having school officials determine what student meeting requests were "religious".

The statute is a serious student rights initiative. It would be of real benefit to many political and other student groups which seek ACLU assistance. We must admit that we have some continuing reservations primarily with regard to potential abuse of this statute by schools which wish to evade the strictures of the Establishment Clause, and which will not read this statute with care. If schools do cross the forbidden line of unconstitutional support for religious activity, our affiliates will continue their practice of litigating on behalf of students or parents who feel their rights have been abridged. We hope that the legislative history developed in discussion of this statute will limit the need for such litigation.

Again, we thank you for your hard work in this delicate legislative area.

Sincerely,

BARRY W. LYNN,
Legislative Counsel.

Mr. METZENBAUM. Mr. President, I should now like to come back to the basic thrust of my inquiry, because I think the Senator from Oregon never did get to the issue I am raising, and it is this: The principal concludes, for his or her reasons, that a meeting which is asked for under the open forum policy program of the school—and is properly initiated, voluntarily initiated by the student—that a meeting of any one of the four groups I mentioned before or any one of 40 other groups might be disruptive.

I have examined the amendment, and I see nothing in the amendment that gives the principal or the school administrator any authority to make that kind of determination.

My concern is that by legislative history, debate on the floor, we very well may be adding something to this legislation that is not there; because, as I read the proposal, it does not provide for this kind of subjective determination by any individual. In the colloquy which the Senator from Oregon had with the Senator from Washington, he got into this whole question about the administrator determining that a meeting will be disruptive and he or she would have the right to say no.

My colleague from Oregon has put much effort into this, and I commend him for it, and I do agree with him that this is a substantial improvement over that which was before us previously. However, as I indicated in my opening remarks, I do not believe you can improve it sufficiently to get it beyond the point where it creates problems of church and state. I will not repeat my remarks along that line.

I address myself now to the issue of an individual deciding that a meeting or a series of meetings may be disruptive. Does that not open a Pandora's box, and does that not go beyond the legislative language?

Mr. HATFIELD. Let me say again that we have stated very precisely in the amendment, on page 2, "The meeting does not materially and substantially interfere with the orderly conduct of educational activities within the school."

We used boilerplate language—in the area of civil rights—and we tried to retain the language where we could, rather than create new language, subject to interpretation, and so forth.

In addition, under the request of the Senator from Missouri [Mr. DANFORTH], I offered a modification of my amendment, which is now so modified, and it is a restatement of existing law. I did not feel it necessary to restate the existing law empowering school authorities or defining the authority now invested in schools. It reads:

> Nothing in this Act shall be construed to limit the authority of the school, its agents or employees, to maintain order and discipline on school premises, to protect the well-being of students and faculty.

I say to the Senator from Ohio that I do not know how more precise, how more effective we can be in stating the proposition that the school authorities are in command. They are in command, and they remain in command.

The point is simply that when the policy or actions of the school in effect violate a constitutional right of a student which has been established by the courts, at least at the higher education level, it seems to me that it is a very simple proposition. This Senator is concerned about freedom of speech in all areas—or, I might ask the Senator, if he will yield for a question at this point. Maybe we are on parallel tracks. Let us find that out.

I ask the Senator this question: Does the Senator believe that under the freedom of speech and the freedom of assembly provisions of the Constitution, that the subject of religious material or religious ideas should be excluded?

Mr. METZENBAUM. In the schools?

Mr. HATFIELD. Under the Constitution.

Mr. METZENBAUM. I do indeed believe that a school can teach religion on an unbiased basis, can teach the history of religion.

Mr. HATFIELD. I am not talking about teaching. I am talking about individual citizens, students. They are voting at 18 now. Does the Senator feel that those students have less freedom under the Constitution, so far as subject matter and freedom of speech are concerned, than other citizens?

Mr. METZENBAUM. Oh, no.

Mr. HATFIELD. Therefore, if you and I have a right to voluntarily associate ourselves, to use the facility to hold a meeting on that subject, would the Senator want to deny that right to students in a high school?

Mr. METZENBAUM. I would not want to deny students in high school or any other circumstance or any other group the right to practice freedom of religion. But that does not mean that they have the right to teach, or practice, or proselytize with respect to religion on school grounds, school premises.

I am concerned that an effort is being made here to come in the back door to do that which we have not done for 200 and some odd years, and I think we have all fought very hard to maintain the separation of church and state.

Mr. HATFIELD. Let us read our history. We have come a long way from that great ancestry we share in this country.

I remind the Senator that when this country started, the churches met in schools for religious services. They had prayers in the schools, in the regular curriculum. We had a lot of that, and we have moved away from that, and I support that.

I do not agree with these kinds of enforced religious practices. This amendment in no way involves religious practices, baptism, masses, or whatever. There is a difference between the right to practice religion in a synagogue, a church, or a temple. This does not involve that. We are talking about freedom of speech.

Religion happens to be the triggering mechanism that brings this to the floor. It is not the freedom of religion. It is the freedom of speech. Religion happens to be the subject. It is not the right to go into those schools and practice a religious ceremony. It is purely the right of students to have an association to discuss those religious subjects, if they wish to do so, which is now being denied them.

Mr. METZENBAUM. The Senator and I have some disagreement as to whether they are being denied anything, because the courts have not ruled to that effect.

Mr. HATFIELD. Yes, the courts have. Does the Senator want a citation? I can give the Senator a number of citations. The Lubbock School Board decision.

Mr. METZENBAUM. If the Senator says that courts are ruling satisfactorily with respect to this issue, then we do not need this amendment at all, do we? If the Senator tells me that the courts have ruled in his favor, why do we not put this amendment aside?

Mr. HATFIELD. I am saying that they have ruled against the position I am advocating today.

Mr. METZENBAUM. I beg the Senator's pardon?

Mr. HATFIELD. The courts have ruled against the position I am advocating today. The courts have said, in effect—let me give the Senator the case of Lubbock Independent School District against Lubbock Civil Liberties Union, in which the court decided to reverse the school and said no with respect to religious club meetings. You can have club meetings on anything you want, but not on a religious subject.

There is the Brandow against Giuderland School District decision as well.

We have cases that have denied students the right to express a viewpoint on the subject of religion where they can do so on any other subject.

I tell the Senator again—he was not here at the opening—that this case has been settled on higher education campuses, and it has been settled in favor of my position. At the University of Missouri the university officials said students can have a voluntary organization to meet on any subject but religion. The Supreme Court said no. Once the university established the right of forum they cannot dictate the content of the forum without violating the freedom of speech.

Mr. METZENBAUM. The Senator would like to get into the whole issue of the constitutional issue which I am perfectly happy to debate with him, but at this moment I am attempting to get some clarification because it is this Senator's view that in the colloquy the Senator from Oregon went further than the language of the legislation, and if we stick with the language of the legislation at least then it is up to the court to interpret.

Mr. HATFIELD. I am sorry the Senator made that interpretation because it was not the intent of the Senator from Oregon to go beyond the language of the bill.

Mr. METZENBAUM. So the Senator from Oregon, notwithstanding the colloquy with the Senator from Washington, would say that the language of the legislation speaks for itself?

Mr. HATFIELD. I would say that is absolutely right, and I do not remember anything in the colloquy that spoke otherwise, but if the Senator had that understanding, I only say that the colloquy intended to reflect only the language of the bill and nothing more than the language of the bill. In any kind of colloquy, I suppose we all have to do some interpreting to answer a question or to try to respond to a hypothetical situation.

But let me say that whatever I did in the response to the Senator from Washington State it was in no way attempting to do other than precisely land foursquare on the wording of the bill.

Mr. METZENBAUM. I appreciate that response because I think the use of the words disruptive, causing disruption, or might cause disruption, concerns the Senator from Ohio that it did go beyond the language of the Danforth amendment or the language of the amendment.

Let me ask one other question and I am not clear about this. Is the language of the Danforth amendment a part of the Hatfield amendment which then was incorporated into the Denton amendment? As I have the Hatfield amendment before me, perhaps I overlooked it, but I do not see the language of the Danforth amendment in it, and I am asking that for clarification.

Mr. HATFIELD. Yes; I am happy to clarify it.

I offered my amendment to the pending Denton amendment that was a perfecting amendment. Then I offered the Danforth language as a modification of my perfecting amendment.

A parliamentary inquiry.

The PRESIDING OFFICER [Mr. SPECTER]. The Senator will state it.

Mr. HATFIELD. If I could make an inquiry at this point, because I came onto the floor when there was another parliamentary action taken, I wish to therefore get clarification of what the situation now is, as to what amendment is pending and how is it expressed.

The PRESIDING OFFICER. The pending amendment is amendment No. 3152, which has been modified by the amendment of the distinguished Senator from Oregon [Mr. HATFIELD] which had modified the amendment of the distinguished Senator from Missouri [Mr. DANFORTH].

Mr. HATFIELD. So the so-called Denton amendment was pending when we convened on this subject, and it is no longer in the picture, is it?

The PRESIDING OFFICER. The language of that amendment is now the language of the pending amendment as modified by the Senator from Oregon.

Mr. METZENBAUM. I thank the Senator from Oregon.

Mr. HATFIELD. I wish to say to the Senator from Ohio, as much as I said to the Senator from Washington State, I think that interrogation and questioning of this kind on something as sensitive as this subject is very beneficial. I think it is helpful not only to those who may be involved here in the colloquy, but I think it is very helpful in terms of sharpening our own focus and our own efforts that we are trying to make to incorporate an idea.

I wish to say to the Senator further that this is a culmination of 3 years of effort of trying to find some kind of appropriate legislative language. As I indicated earlier before the Senator arrived, I believe probably we had close to 1,000 people participating, and the Senator from Washington said, that is the problem, too many cooks spoil the brew, or the broth, or whatever it was. I guess maybe this is brew.

But I do feel it was important to get the input of people who come at this subject from variations of viewpoint, representing the pluralism of our society.

I wish to assure the Senator that any legislative record should come down to one bottom line. We are establishing no special rights in this as far as legislative intent, at least as far as the author of the amendment, no special rights. All we are trying to do is make equal the right of freedom of speech to any and all subject fields within the context of the school responsibility and the school authority, and what have you. That is all we are trying to do.

Mr. METZENBAUM. I would just like some further clarification, because I think I know the intent of the Senator from Oregon, and I wish to be certain that there is no misunderstanding.

On line 19 on the first page, which says there is no sponsorship of a meeting by the school, the government, or its agents or employees, when the Senator refers to "school" I assume that he means the board of education, the principal, the teacher, and all other elements that might be a part of the school system.

Mr. HATFIELD. That is correct. We are trying to establish here by that language the inclusive idea of the initial hierarchy responsibility and moving up to the total policymaking authority.

Mr. METZENBAUM. When the Senator speaks in the text about the government, he is not speaking about the Government of the United States. He is speaking about the local government and any such other governmental bodies as may have some impact upon the subject or some right to speak.

Mr. HATFIELD. That is correct.

Mr. METZENBAUM. Then I would ask the Senator on the last page of the amendment where he talks about that term "noninstructional time" means time set aside by the school before actual classroom instruction begins or after actual classroom instruction ends?

Mr. HATFIELD. That is the beginning of the day and the end of the day.

Mr. METZENBAUM. All right. Let us assume that the normal schoolday is from 8 to 4 o'clock. If there are some classes that are being conducted at 7 in the morning and some others that are being conducted from 4 to 6, would it then mean that the school facilities would not be available before the 7 a.m. hour or after the 6 p.m. hour? I wish to be certain of that definition.

Mr. HATFIELD. Mr. President, let me say to the Senator in response to that question that if the school has identified those hours as regular instructional hours then the answer is yes, if such activities could occur before 7, or after 4 p.m., or whatever. Or what was it after?

Mr. METZENBAUM. After 6 p.m.

Mr. HATFIELD. After 6 p.m.

But there are schools, and I wish to say very clearly to the Senator that there are schools that have designated the regular instructional period as being 8 to 4 and then they have what they call enrichment programs that a student can voluntarily sign up for that is outside of that normal instructional day, 8 to 4. I had children who went to a French class that began at 7:30. The school did not start until 8:30.

But the school designated officially that their school hours were 8:30 to 3:30, or whatever it was.

I do not think we could really address in national legislation any kind of language other than what we have done here to give flexibility to the local schools.

Mr. METZENBAUM. But I guess what I am really asking is if there are regularly scheduled school hours, those would be considered a period of when classroom instruction begins or ends, if they are regularly scheduled.

Mr. HATFIELD. The regular instructional period is what the school would have when classes first are scheduled in the morning—maybe it is 8:30, maybe it is 9 o'clock—and it ends at 3:30. That is the instructional day or the instructional period. That is what we are attempting to arrive at.

Let me give some background on that that will probably prompt some more questions. I wish to make sure the Senator has a whole understanding of what this really means.

There is no hidden agendas, no hidden meanings in any of this. There was originally in this perfecting amendment an additional clause that made some allowance for student activities during the instructional day. We shortened that to a phrase before school, after school, and/or during a period designated for activities during the instructional day.

Now, we deleted that. We deleted that on the objections of people saying:

> We don't even want a religious meeting occurring during the school day. I can control my children by having them there after 8:30 so they do not participate in something before school or I can pick them up at 3:30 so they cannot participate in it after school. I don't want that time in between where they may participate in activities.

All right, we deleted that in order to comply with that objection. But in so doing, we find now that about 90 percent of the students in secondary schools, meet before or after school. Schools have also added to the curriculum requirements of the school so that—unlike the day when I was in school when the activities period was usually on Thursday from 1 to 2, as I recall—90 percent of those students' activity periods are now preschool or postschool. In other words, preinstructional day or postinstructional day.

I think we are now delineating between the custom and the practice and what would have been another additional slot in the day, even though it was an activities period designated by the school.

Mr. METZENBAUM. If there is a homeroom session at the beginning of the day, that would be considered as part of the actual classroom instructional day?

Mr. HATFIELD. I think most schools will make an interpretation of that, according to my experience in education, as to the required time to be in school. If a school is to begin at 9 o'clock, that is the required hour for students to begin their day. They do not open with geography or mathematics or something, but they open with a homeroom period of 20 minutes, when they get instructions, announcements, and so forth and so on. They are still required to be there at 9 o'clock. So you could not hold an activity of this kind at 9 o'clock until 9:20 because it is a preinstructional period, in that sense, because it is required of that instructional period to begin at 9 o'clock. Those announcements in getting ready for the day are part of the instruction.

Mr. METZENBAUM. So you could not hold it during that period?

Mr. HATFIELD. That is right.

Mr. METZENBAUM. I have no further questions.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. LEVIN. Mr. President, I think everybody in this body wants to protect religious freedom in a pluralistic society. The question is, How do we best do that? I am wondering if my friend from Oregon would help me out on one portion of his amendment.

Mr. HATFIELD. I am sorry, I did not hear the Senator from Michigan.

Mr. LEVIN. I started out by saying that I think all of us in this body have a desire to protect religious diversity and free religious freedom in a pluralistic society. I think that would be everybody's goal. Perhaps there are differences as to how to achieve that goal. I do have great admiration for my friend's effort here in trying to protect that diversity, trying to protect freedom of speech, trying to make sure that the State does stay neutral.

Right now we have many instances where, in fact, we have school officials, State officials, who are presumably determining whether or not the speech of students who voluntarily gather together constitutes religious speech, which they have been told, presumably by their counsel, is thereby prohibited in their school. The status quo right now is that we have State officials who are making this determination as to what constitutes religious activity, what is a religion, what is a religious speech. That is not something which I am particularly happy having State officials doing, yet they are doing it right now because many attorneys representing many school boards have told the school boards, and their administrators that there cannot be a religious meeting, even though it is voluntary on the part of the students, on school property after school.

I am one that wants to maintain a separation between church and State. I think is it important for the freedom of religion that we not have the State intruding on religion in this country.

But it seems to me that it is a gross intrusion now, that the status quo right now has State officials, teachers, and administrators, making judgments and characterizations on what constitutes religious speech after school because many are told that is something which they must prohibit. So there is a danger in what is going on right now.

I think that the effort of the Senator from Oregon here is to try to again have the State in neutral position so that if students voluntarily, outside of school hours, want to have a religious meeting that they are allowed to do so, provided there is no State involvement whatsoever, provided there is no State intrusion, no State sponsorship, provided that the State is really neutral, provided it is really the kids using the school facility, and not some outside group coming in. That is not what we are talking about in this amendment. This is the kids on their own, like a politics class, or ethics club, or what-have-you, after school voluntarily saying, "We want to discuss religion."

I think the Senator's goal is the right goal. I happen to support it. I was a cosponsor of the Senator's original bill to achieve just that. I think we want State neutrality in this area. It is vital to the freedom of religion and speech in a pluralistic society that we do seek to return the State to neutrality in this area.

It is not the condition we now have. The status quo now sees a breach of that wall of separation when we have these State officials trying to monitor the speech of kids after school to see if they think it constitutes religious speech and, therefore, according to some lawyer's opinion, might be in violation of law.

Now, my question is this—and I appreciate the patience of my friend from Oregon in listening to the prelude to my question. I believe it is the intent of my friend's perfecting amendment that he wants to prohibit the sponsorship of meeting by State officials, teachers or officials. The definition of the word "sponsorship" is the question that I would like to get into with him for just a moment.

If I have the most current definition—I am not sure whether or not this has been modified—it includes the act of the teacher or administrator leading or participating in a meeting. Is that the actual language in the term "sponsorship"?

Mr. HATFIELD. I will say to the Senator that I just found the place now. The Senator is on page 3, I believe, subsection (2), where the definition of sponsorship occurs.

Mr. LEVIN. Yes, I am wondering if my friend would just read me that definition in what is now the current version.

Mr. HATFIELD. Does the Senator wish for me to read from my copy?

Mr. LEVIN. Yes.

Mr. HATFIELD. This is subsection (2), page 3:

> The term "sponsorship" includes the act of promoting, leading, or participating in a meeting. The assignment of a teacher, administrator, or other school employee to a meeting for custodial purposes does not constitute sponsorship of the meeting.

Most schools have rules and regulations governing school activities. For instance, they may say that some person has to be present and make sure there is no damage to school property or that they are not engaging in illegal activities, or whatever. What we are trying to recognize there—and again, in the language of most educational institutions, what they call custodial is a person who is there as a monitor of the activity that is going on, not as a participant, but as a monitor, as a symbol of authority of the school that indicates to the students that they are not totally outside of the jurisdiction of the school merely because they have access to a room in that school.

Mr. LEVIN. My question is this: If, during the day, a teacher told his or her class that I think you students all should know that there is going to be a meeting after school of such and such religious club, right during the classroom—just simply said those words: I think you students should all be aware of the fact that a certain religious club is going to be meeting at 3:30 this afternoon in room 120—would the notice that the teacher gives constitute promotion of that meaning?

Mr. HATFIELD. I would say under the legislative history and the legislative record, absolutely.

Mr. LEVIN. I thank my friend from Oregon.

Mr. CHILES. What would be the effect of that?

Mr. LEVIN. That would constitute promotion of the meeting which is prohibited within the meeting of this amendment.

Mr. CHILES. Does that mean they could not meet?

Mr. LEVIN. That means that the meeting would not be protected by this amendment, as I understand it.

Mr. CHILES. Does that mean they could meet?

Mr. HATFIELD. Absolutely, the meeting is protected.

Mr. CHILES. Does that mean they could not meet?

Mr. HATFIELD. No; the meeting is protected. The point is that the question was raised with me whether or not the announcement in the classroom by a teacher constitutes, under the definition on page 3, an action of promotion. I responded in the affirmative because we preclude in this participation, sponsorship, and promotion in such meetings by school employees and school officials.

Mr. CHILES. I understand that. I just want to know what that does to the meeting. Does that mean that the kids cannot meet?

Mr. HATFIELD. I stated you would have to go back to the practical implementation of any kind of rule or law. Nothing is invalidated at that moment until someone raises the issue, and puts it in the machinery which has to be either reviewed or bringing an action against those who violated it.

I do not think you can validate something—I am not a lawyer. I am not going to get into that point. I will merely say that whenever any violation of this occurs the House bill provided for Federal cutoff of Federal moneys. We provided here due process and an implied judicial remedy. In other words, what we are trying to do is to take away the Federal cutoff of funds, and all of that would be found in the formal procedures that are set forth. I do not think we can set it here.

Mr. LEVIN. If I could comment on the question of my friend from Florida, the amendment of the Senator from Oregon already prohibits the promotion, leading, or participation in the meeting. Whatever the consequences are of that would be the same whether or not he answered my question in the affirmative or in the negative. My question to him simply was whether giving the notice of a meeting by a teacher or administrator was "promotion." His answer was "Yes." Whatever consequences follow from promotion or participation or leading of the meeting will follow in any event under his amendment.

Mr. CHILES. I would like to know what those consequences are. It seems to me and I might be a teacher that is against the meeting—if I can keep the meeting from happening, all I have to do is stand up and say by the way, there is going to be a little meeting this afternoon.

I am troubled with the legislative history that you are making here if that would be the result of it.

Mr. LEVIN. It would be the same result if the teacher promoted it in some other way, or if the teacher led the meeting. Let us say the teacher went in there and decided to lead or participate in the meeting. Are you saying then somebody opposed to the meeting taking place could go in there, participate, and thereby vitiate or make impossible the meeting?

Mr. CHILES. No. I am simply trying to find out this great legislative history you are making. What is the consequence of it to the meeting itself as to whether it could be held or not.

Mr. LEVIN. I support the Hatfield perfecting amendment because legislation is needed to protect students who are being discriminated against in secondary schools today based on the religious content of their speech. The pending amendment will allow students equal access to secondary schools student-initiated religious meetings before and after school where the school generally allows groups of secondary school students to meet during those times.

My decision to support the pending amendment hinges upon the satisfaction of three conditions. First, that the amendment does not allow outsiders to initiate religious activities in the schools. In other words, unless the school generally allows outsiders to participate in student meetings on school premises, this amendment would not require the school to allow outsiders to participate in religious meetings. Second, the amendment does not call for special treatment of student-initiated religious groups, but requires school officials to apply the same terms and conditions to their requests to use school facilities before and after school as are applied to other student-initiated groups. Finally, that the amendment would prohibit any involvement by school authorities in religious meetings on the school premises, other than supervision of the meeting by a teacher which is the normal practice whenever students gather on the school premises during noninstructional time.

Today the law is confusing and the school's response to requests by students in different parts of the country varies depending upon the State's interpretation of constitutional law. There is disagreement in the schools today about whether students can be permitted to meet and, if so, about how the school can honor such requests by students without offending the establishment clause. Because of the importance of free speech, we need to clarify the right of student-initiated religious groups to be treated in a nondiscriminatory manner. At the same time, the pending amendment will provide clearer guidelines to school officials regarding how the religious free speech rights of students can be protected without impinging upon the establishment clause of the first amendment. The safeguards established in the Hatfield amendment will ensure that school officials do not cross the line between accommodation of secondary student's right to free speech and State-sponsored religion, which is prohibited by the first amendment.

I am persuaded that the pending amendment is constitutional in light of the Supreme Court's decision in Widmar against Vincent. This amendment merely extends a similar constitutional rule as enunciated by the Court in Widmar to secondary schools. However, all we are doing here is passing a statute which will not supersede the U.S. Constitution. Ultimately, the courts will decide whether Widmar applies to secondary schools, and if so, whether the amendment before us is consistent with the first amendment. In the meantime, this amendment will clarify the law and require schools to adopt policies which do not discriminate against student-initiated religious speech. If we are to err, we should err on the side of guaranteeing that free speech is not stifled.

Critics of the Hatfield amendment are concerned that it will force school officials to become involved in delicate decisionmaking about whether groups should be permitted to meet because of the religious content of their speech. This argument is faulty for two reasons. First, it is precisely because the law is in the state of chaos that legislation is needed in order to clarify what is and what is not permitted under the first amendment. Second, school officials are now being forced to make difficult decisions each time students request to meet when the subject of the meeting could be religion. For example, if a student-initiated group requests the use of school premises to talk about moral issues, school officials would have to make further inquiries before granting the request. Will the group be discussing philosophy or theology? If the students plan to talk about religion, should the school deny the request? Clearly, school officials already face difficult decisions. The Hatfield amendment will make their job easier.

The right to free speech has always been considered the most sacred of the rights included in the Bill of Rights. In some public schools, students are being discriminated against because of the fear that allowing them to engage in religious speech in the school setting would be at odds with the constitutional prohibition against the establishment of religion. The Supreme Court has held in Widmar that once a university has opened its facilities for use by student groups, it cannot exclude specific groups because of the religious content of their speech. This amendment seeks to codify that principle at the secondary school level, with appropriate additional conditions thereby protecting the free speech rights of students.

Mr. DENTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. DENTON. Mr. President, there have been a number of statements made on the floor today which may be construed as legislative history modifying what my understanding was or what anyone's understanding might be of this bill. That is not an unusual situation on the Senate floor. I must say that when I accepted the perfecting amendment, I did so in the sense of that which is written in the amendment. I refer specifically to the subparagraph (4) on page 3 which says that the term "noninstructional time" means time set aside by the school before actual classroom instruction begins or after actual classroom instruction ends.

I think that my reading is consistent with the language of the bill itself. I think it will have to be interpreted in the future in the usual way. My interpretation would be that, if the school allows noninstructional periods before or after actual "classroom instructions"—which is the term used—sometime during the day, then the school cannot discriminate against student-initiated groups who wish to meet voluntarily at that time; for example, during lunch periods, open activity periods, and in schools with staggered schedules where students are free to meet.

I am willing to let that be subject to interpretation in the future. But what it says is actual classroom instruction. I have heard the term "school day" thrown around in senatorial comment today but that is not what this bill says. It was this written perfecting amendment which I accept. I want to make that clear for the record.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

EQUAL ACCESS IN THE PUBLIC SCHOOLS

Mr. BUMPERS. Mr. President, I am pleased to be a cosponsor of the amendment offered by the Senator from Oregon, [Mr. HATFIELD], to ensure equal access by religious student groups to public school facilities. As one of the vocal opponents of the President's proposed constitutional amendment to place organized and mandated prayer sessions in our schools. I feel obligated to say a few words about the differences between these two pieces of legislation and why I can support Senator HATFIELD's proposal, while remaining adamantly opposed to the President's constitutional amendment.

First, it is clear that the supporters of this amendment have fundamentally differently goals from those who drafted and argued for the constitutional amendment. This is a religious freedom amendment, one which will guarantee the right to free exercise which is enshrined in our great first amendment. The President's proposal was not a religious liberty amendment, despite the fact that he was able to convince much of the country to the contrary. The bottom line, Mr. President, is this: the constitutional amendment would have allowed school boards, State legislatures, or any local governmental body to adopt official prayers which would, inevitably, have become the official religious creed of the community.

Everyone I have talked to about this issue—at least in my home State—supports voluntary prayer and the right to pray at any time. But no one in Arkansas has ever told me that they are prepared to turn over to their local school board or to the State the religious upbringing of their children, or that they want local governments deciding the content of their children's prayers. What they do want, and what this equal access amendment will guarantee, is that there be no official hostility toward religion, and that the schools not discourage or discriminate against the free exercise of religion.

That is not too much to ask, Mr. President. In fact, I have no doubt that it is the most basic principle of the religion clauses in the first amendment. We do not need to change or water down the first amendment. It has, we should always remember, given us almost 200 years of religious freedom—more religious freedom for a longer period of time than has ever been enjoyed by any people on Earth.

All we need to do, Mr. President, is make clear what the first amendment means. And, believe it or not, the Supreme Court has at least given us a start in that direction. The Court gave us some guidance in 1981, when it decided a case from the University of Missouri called Widmar against Vincent. A lot of people have criticized the Court for its decisions on the issue of church and state, and I certainly do not agree with the Court all of the time. But the Court was right in Widmar, and this bill seeks only to clarify and extend the law of that case a bit. The Court held in Widmar that a public university, the University of Missouri, which generally held its buildings open to student groups for meetings after classroom hours could not exclude from that policy a group of students who wanted to meet to talk about religion, and perhaps have a devotional. Such discrimination, the Court said, is a kind of censorship based on the content of the students' speech, and this censorship by Government the first amendment will not permit.

What we seek to do by this amendment is make clear that the same rule of law applies to students in our public secondary schools. The courts have never said that this is not the case, in fact they would probably agree with us if the proper case were before them. But the simple fact is that the Supreme Court had never had an equal access case involving secondary school students.

There have, Mr. President, been allegations all over the country of students being denied the right to gather and pray or discuss religion before or after school hours. It is difficult to know the precise facts in many of these cases, but I am pursuaded that school administrators have generally been very cautious on the subject of religion and have sought to avoid a controversy and possible litigation. This amendment will send a message to them that the law is clear: they are not to discourage students from voluntary religious exercises, and they are not to discriminate against religious student groups.

On the other hand, Mr. President, this amendment clearly does not put the schools in the business of religious education. It is not a back-door approach to prayer in the schools, as some have said. It clearly will not allow the schools to write, adopt, compose, or impose any official prayer which any student might feel obligated to say. It will allow students to say those prayers which they, of their own volition, feel moved to say.

Mr. President, a number of groups that formerly opposed this amendment have now dropped their opposition. Most denominations in the country support it, while those same denomimations were adamantly opposed to the President's constitutional amendment.

This amendment is similar to S. 815, which I have long supported with Senator HATFIELD and other Members of this body, but it also contains what are in my judgment refinements and improvements on the language of S. 815 which give it an excellent chance of passing the House of Representatives.

I urge my colleagues to support this amendment.

Mr. President, I yield the floor.

Mr. DURENBERGER. Mr. President, as we once again take up debate on the question of equal access, I would like to express my support for the amendment offered by my distinguished colleagues, Senator DENTON and Senator HATFIELD.

It is important that we pass this amendment because I believe that in many ways, the judicial pendulum with respect to religion and public schools has swung too far toward the negative—even to the point of creating an environment of education institutions' hostility toward the free expression of religion. It is time that Congress corrects this negativism by clarifying and confirming the first amendment rights of freedom of speech, freedom of association, and the free exercise of religion which accrue to public school students by reason of citizenship.

It is quite clear from the language and history of the first amendment of the Constitution that it was not intended to discourage the expression of religious beliefs, even in public buildings and assemblies. At the time it was adopted, 4 of the 13 States had established religions. There were no public schools. The children of the Founding Fathers and Mothers were educated in schools organized by their churches, and no doubt prayer was an important part of each day.

The purpose of the first amendment was to prevent the Congress from establishing a national religion. It says plainly, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof." This language should have prevented the National Government from involving itself in questions of religion. But it was no bar to religion sponsored by State or local government or to the organized expression of religion in public places.

It was not until the 1940's, 150 years after the adoption of the first amendment, and 90 years after the concept of public education began to root itself in our governmental process, that the National Government began actively involving itself in these local government decisions on questions of religion. And it was not the Congress, but the courts which took that step. By extending the 14th amendment and its protections to the laws of the States, the courts found that the first amendment also prohibits States from establishing religion. In the 1960's, the courts determined that organized, vocal prayer in public schools had the effect of establishing religion.

The courts are still in the process of developing their understanding of the connection between the 1st and 14th amendment as it relates to religious observance questions. Judging from the variant conclusions courts are coming to, it is most appropriate this Congress act today on whether access to public schools by students who desire voluntarily to exercise their rights of speech, association, and free exercise of religion during noninstructional periods of the school day when the schools permit extracurricular activities, is prohibited by the establishment clause.

I believe that to prohibit the use of school facilities by voluntary student religious groups on the same basis as other groups seeking to speak freely in our society is precisely contrary to the plain language of the first amendment. To deny free access is to discourage religious speech, and the Constitution says the National Government, and by extension, the States, are prohibited from interfering with the free exercise of religious beliefs.

The Supreme Court case Widmar against Vincent, which has been much discussed during this debate, supports this view. The Court indicated that the free speech clause of the first amendment actually requires such a policy of equal access. The Supreme Court took care to note that "religious worship and discussion are forms of speech and association protected by the first amendment." It therefore concluded that according to fundamental first amendment principles, the State may not ban speech on State property simply because of its religious nature.

The Widmar case would seemingly clarify the question of equal access, but confusion continues primarily because of conflict in the lower Federal courts. Thus, many school administrators across the country are prohibiting voluntary, student-initiated religious speech as an extracurricular activity.

At Senate hearings on the issue, two Minnesota high school students reported some striking examples of the school administrators prohibiting the critical rights of freedom of speech and free exercise of religion.

At the April 28 hearing, Judith Jankowski, then a senior at Osseo High School in Osseo, MN, testified that in February 1983, the school board in her area approved a policy stating that school facilities could not be used for religious meetings during school hours. Students were told that they would have to finish their morning meeting at 7:30 a.m., even though the school day did not begin until 8:30 a.m.

William F. Kidd, a senior at Anoka High School in Anoka, MN, reported that the school newspaper had refused a letter to the editor, only eight lines long, that dealt with the one-sided coverage the school paper had given to separation of church and state issues generated by the Minnesota Civil Liberties Union. The decision not to print the letter had nothing to do with a policy against carrying letters since, in the previous issue, the paper had carried a letter 39 lines long on church and state separation. In response to the refusal to carry the letter, 11 students at the school met to form an alternative newspaper, the Student Free Press, but were threatened by school authorities if they continued their efforts.

The students were told that they could distribute their paper only outside the school after hours, and that if they distributed the paper to their friends in the school building, they would be subject to disciplinary action, including possible suspension, detention, and for seniors, withholding diplomas and/or denying the right to participate in graduation ceremonies.

The interaction with school administrations that these young Minnesotans experienced quite logically resulted in their conclusion that their Government was hostile toward religion. Judith Jankowski saw State hostility as part of a program of secularization:

> The hostility toward students' religious convictions represented by these few events is only part of the trend toward removing the God-based philosophies from our schools, leaving only man-based philosophies.

Given the penetrating influence of public education over the formative stages of our youth this education of hostility ultimately causes children to question the religious values taught by their parents.

William Kidd summarized his remarks by stating:

> These are examples of hostility met by students who profess religious beliefs. Constitutional guarantees are ignored as school officials suppress religious speech and prevent examining all sides of the issue.

I believe that States should not be hostile toward religious speech and that the invocation of the establishment clause to deny these activities is wrong.

Equal access for student-initiated voluntary exercise of free speech and expression of religious beliefs during noninstructional periods is clearly distinguishable from the issue we recently debated as voluntary prayer in the classroom.

The debate on the voluntary prayer amendment rightly brought forth many arguments and examples that pointed at the potential for government playing an activist role in propagating particular religious viewpoints leading to peer group coercion for students not adhering to the religious viewpoint expressed. The establishment clause rightly prohibits this State sponsorship.

However, as many experts acknowledge and the young students who testified showed, students below the college age can understand that an equal access policy is one of State neutrality toward religion. Not of State favoritism or sponsorship.

Voluntary student activity during or outside of school hours is not, however, a mark of State sponsorship, since in Tinker against Des Moines Independent School District, the Court recognized that the first amendment rights of students are protected even during school hours. The concern with school hours is connected with the Court's concern that the State, through its compulsory attendance laws, is providing a captive audience for any such voluntary religious activity. This fear is, of course, groundless in the case of truly voluntary, student-initiated, religious activities at any time, and demonstrably so before or after school hours, since students are not even required to be on school property at these times.

Other arguments against this legislation, such as usurpation of local control and parental rights, are fairly addressed by the amendment.

The Equal Access Act retains local school board control over its schools. The school board determines whether it will create a limited open forum by allowing student-initiated groups to meet on school premises. It determines the time at which student groups will have access to school facilities. It has complete control over place and manner regulations and it can require orderly conduct in the student meetings. If such a forum and regulations are established, fundamental fairness dictates that no group be excluded simply on the basis of the religious content of speech which might be used at the meeting.

Parental consent can be required by a school in order for a student to participate in any extracurricular activity. Such consent is already often required for field trips, certain courses—such as sex education—and released time programs. Furthermore, the bill does not create any right of access for outside groups. A school could prohibit outside participation in student's extracurricular activities.

As my colleagues consider their votes on this amendment, I think it is important to emphasize that what we are doing with this amendment is clarifying the confusion about the scope of the establishment clause so as to return to a policy of State neutrality toward religion.

The establishment clause is a limitation on Government conduct rather than on individual activity. Although the establishment clause can be invoked against private speech under some circumstances, it will be only in rare cases in which the Government has sponsored, promoted, and involved itself with the private speech by affirmative acts constituting favoritism or support of religion. This Equal Access Act amendment will not make such Government conduct permissible.

The Constitution does not require that the Government affirmatively protect the nonreligious student from exposure to religion. It requires only that the Government restrain itself from participating in religious inculcation.

Accommodation of the religious interests of students by school officials does not violate the establishment clause. In Zorach, the Supreme Court articulated the principle of accommodating neutrality by upholding the right of school boards to work cooperatively with religious groups in programs releasing students for off-campus religious instruction during the official school day. Justice Douglas, writing for the Court said:

> When the state encourages religious instruction or cooperates with religious authorities by adjusting the schedule of public events to sectarian needs, it follows the best of our traditions. For it then respects the religious nature of our people and accommodates the public service to their spiritual needs. . . . To hold that it may not would be to find in the Constitution a requirement that the government show a callous indifference to religious groups. That would be preferring those who believe in no religion over those who do believe. . . But we find no constitutional requirement which makes it necessary for government to be hostile to religion and to throw its weight against efforts to widen the effective scope of religious influence.

Mr. President, we must heed these words and restore State neutrality by adopting the equal access amendment.

Mr. BUMPERS. Mr. President, would the distinguished proponent of this amendment give us some idea, if he can, as to when we might expect a vote this evening?

Mr. HATFIELD. I believe the Senator from Delaware would like to present some remarks. As far as I am aware, there are no other Senators who are planning to make a statement. We could then go to a vote.

Mr. BUMPERS. What the Senator is saying is that the Senator from Delaware is going to speak and we can expect a vote some time tonight. [Laughter.]

Mr. HATFIELD. I am certain that when the Senator from Delaware speaks, it will be of benefit to all of us.

Mr. BIDEN. Mr. President, I will not speak until midnight. There is not the need to educate Senator BUMPERS, as I often need to do. He has already arrived at the correct position. I compliment him.

Mr. President, I will be very brief. It is much less difficult to speak to the rest of my colleagues.

Mr. President, as one of the original cosponsors of the first equal access bill introduced during this Congress in March 1983, I have long supported legislation to allow student groups to meet in school facilities for religious purposes on the same basis that those facilities are made available for nonreligious meetings.

I believe that Senate passage of equal access legislation will be an important and positive contribution to a long and historic national debate. That debate began over 20 years ago when the Supreme Court cast doubt over the question of what religious practices are allowed in the public schools and what ones are not. What has been needed since then is a way to protect the rights of students who feel the need to pray together or to engage in religious study or discussion at school, while at the same time realizing that we should not coerce students to participate in practices that are contrary to what they are taught at home or in their own places of worship.

I believe that the equal access bill achieves a solution to this delicate balancing of rights. A short summary of the history and purpose of this legislation should explain why.

In 1981, the Supreme Court held in Widmar against Vincent that student groups at a State university are constitutionally entitled to use university facilities for religious worship and discussion to the same extent other groups are permitted to use those facilities, so long as the school has created a forum that is generally open to student groups.

The court found that the university's policy of prohibiting use of facilities for religious purposes constituted a content-based exclusion of religious speech, violating the "fundamental principle" that State regulation of speech should be "content-neutral."

The Court's decision, however, did not resolve whether students at the secondary school level may have equal access to public school facilities for religious purposes. That is the issue which this bill will resolve.

In the past few years the lower Federal courts have launched an assault on the right of students to meet on school property for religious purposes, with courts in Texas, New Jersey, and Oklahoma finding such meetings unconstitutional.

As those courts have interpreted the constitution, groups of public school students are allowed to meet during noncurricular periods for any purpose but a religious one. Students are not constitutionally prohibited from meeting to discuss business, politics, sex, or philosophy. But if a group of students wants to meet to read and discuss the Bible, or the Koran, or to pray together, the courts have said that this is prohibited by the establishment clause of the Constitution.

Mr. President, I think that conclusion is just plain wrong. I do not think the Constitution says that our public schools must be completely devoid of religious activity. Indeed, I believe that the constitutional rights of free speech and free exercise of religion are the foundation upon which equal access rests.

Mr. President, I strongly urge my colleagues to support this legislation.

Mr. President, I worked very hard and long with the majority leader, Senator, BAKER, prior to our vote on the school prayer amendment. For those who say there are similarities between this and that, I would like to make a couple of points.

During the discussion of the school prayer amendment, there was the issue raised of whether or not on the face of it, having any vocal prayer in school—and this is not a prayer amendment; I make a distinction—was in fact a violation of the establishment clause. The issue that the Senator and I negotiated on for some time was how can we make that absolutely certain, that it did not violate the establishment clause and still recognize what I believe is a fundamental and an essential part of the ethic and culture of this country. That is, that we are a nation under God.

If you look on the wall here in the Chamber, it says, "In God we trust." It is chiseled in marble right there. We are a nation that is a nation under God.

Our constitutional Founding Fathers were, by and large, religious men.

But what they said and what the Constitution said was that we would not establish a religion, that we could recognize a deity as a nation, but we could not say under what circumstances and under what conditions one could honor or worship that deity. Therefore, there must be a separation of church and state. It is not a separation of God and state, but the establishment of religion and state.

So when I attempted to offer an alternative to the President's proposal which would have vested the right to pray in students, not in the State, that notion was rejected.

The reason I did was that students should not be denied the right to pray. The question was whether or not we would have State authorities telling students how to pray; whether or not the students had these facilities to be able under the law to get up and say, "I leave."

I do not like putting pressure on a third-grade kid because I happen to be a teacher and I stand up and say: "Now, class, in the name of the Father, and of the Son, and of the Holy Ghost, Amen; Hail Mary, full of grace," and so on. I do not believe that, because I have a student who was taught differently than I was as a Catholic, a young Methodist, or a young Presbyterian, as his teacher who marks his papers, he should have to say: "By the way, teacher, I don't like this prayer; I want to get up and leave." I think that is an undue pressure to put on the child. So having vested the right in the student to pray, not in the school to say what prayer, and expressly prohibiting any teacher, any principal, any State legislator, any school board from saying what the prayer would be, then I think we violated nothing. What this amendment does is in the same vein as what I wanted to go on the school prayer amendment.

It says here that no school authority is going to set this up, no school authority is going to tell the children to meet or when they should meet or what they should do. It says if an activity of students is one which brings them together to sing religious hymns or to pray or to read the Bible, they should be able to do that. They are able to get together and form a chess club, they are able to get together and form a sports club, they are able to get together and use school facilities to do everything under the Sun, so why should they not be able to get together on their own, without school authorities telling them what they can say and do, and recognize the existence of a deity?

That is what this amendment is all about. I hope it passes. And when it passes, I hope it sheds some light for the President and others on the idea that we might be able to have God back in our schools and have protected the right of students to be able to avoid pressure to participate in prayers they do not want to participate in. And if we guarantee that, no State authority can tell my children what prayer they should say.

Mr. President, I am about to yield the floor. I wish to thank Senator HATFIELD and Senator DENTON, with whom I serve on the Judiciary Committee, who has been involved in this matter in the Judiciary Committee for some time. I compliment my colleague [Mr. DENTON] for his persistence in the committee; I compliment him for his cooperation. I think that he has been very reasonable in this entire matter. I think he has played a very significant part in this. Quite frankly, Mr. President, I do not think we would be at this point if it were not for Senator DENTON's pursuing this matter along with Senator HATFIELD. Although we started off on slightly different courses, he has been eminently reasonable, as he is, and this has come to fruition.

So I hope this amendment passes and if it passes, I hope my colleagues understand that what we did here, the philosophy of equal access, is the philosophy we should take with regard to prayer in the schools and not have, with all due respect to my colleagues who voted otherwise, the President proposing the ability of a State authority to tell the students what the prayer is going to be in school. I do not want my child saying prayers other than the ones I taught him until he is old enough to decide he wants to do something differently. I do not feel I have a right as a former part-time teacher—my wife is a full-time teacher—to decide that we want our religion to impose those prayers on children of other religions.

Last, I do not think we should be in the position—can you imagine the school board fights had the school prayer amendment passed? I would like to be there when the Catholic priest, the Baptist minister, the Presbyterian minister, the Jewish rabbi are arguing before the school board what the prayer should be for that district. Hang on, folks, for that one. Talk about bringing a nation together. I think that that is the best way to tear it asunder. I hope we have learned a lesson, and I hope we pass this amendment.

Mr. President, I yield the floor by thanking my colleague from Alabama [Mr. DENTON] and my colleague from Oregon [Mr. HATFIELD] for allowing me to participate as an initial cosponsor.

Mr. DENTON. Mr. President, the statement by the Senator from Delaware was a touching example, an affecting example of that which I referred to at the beginning of the day; namely, the humanity and the goodwill with which we have discussed an extremely delicate, deeply personal, and transcendent issue. I thank him for his remarks. He and I have debated many times in the committee forum and also on TV. He has always been a great gentleman. Never has he shown that more than in his previous speech.

I just want to sign off with my deferential expression of respect to Senator HATFIELD for the masterful way, the fair way, for which he is so noted, in which he cooperated. With all of us together, we have done this thing. I believe it is going to be an overwhelming vote.

I believe Senator BIDEN is correct when he says it could not have been done without an alliance in friendship by the Members of this body, some of whom he referred to: Senator THURMOND, who was responsible for seeing the legislation move through the committee. We must all, Democrat and Republican, acknowledge that the President has spoken eloquently across the Nation in support of this amendment. Staff members have spent overtime on making this amendment a reality. I urge my colleagues to demonstrate overwhelming support for those brave students who came before the Judiciary Committee to ask for equal protection under the law—nothing more, certainly nothing less.

I yield to Senator HATFIELD.

Mr. HATFIELD. Mr. President, I thank the Senator from Alabama for his kind remarks and his assessment of the extraordinary cooperation that has occurred on this issue by the Senator from Delaware, the Senator from Michigan, and others who have participated here today and the Senator from Ohio.

Mr. NICKLES. Mr. President, I wish to compliment both Senators DENTON and HATFIELD for their outstanding leadership on this bill.

"Congress shall establish no law respecting the establishment of religion or prohibiting the free exercise thereof." As they penned these powerful and liberating words, our forefathers could never have envisioned that the issue we have before us today would be debated on the floor of the U.S. Senate. Look how incredibly far we've strayed from the meaning of the document upon which we've built our Nation. We have managed to polarize an issue that should not even be an issue in the United States of America.

Most Americans, I would venture to say, though the battle for freedom of speech, of religion, and of association was fought and won long ago in this Nation. Yet, somehow, our legal system has managed to turn around the simple ideal of freedom of religion and make it freedom from religion. Not only do we forbid our children to pray aloud voluntarily in school, but we are now telling them it is illegal to meet for any religious purpose before or after school.

Mr. President, the Supreme Court would have us believe that our school-aged children are mature enough to be exposed to groups like the Ku Klux Klan or those espousing communism, but they are too impressionable to be participating in voluntary religious gatherings on school property.

The highest court in the land has left standing two lower court rulings that barred student groups wishing to meet for religious purposes in public school rooms during nonschool hours. It's well and good for the Key Club, Chess Club or school band to use school facilities before or after hours. It's even legal for Nazis, the Communist Party, and other such groups to use public school buildings during nonschool hours. But, in many States, it is no longer legal for student-initiated Bible studies or prayer groups to meet voluntarily in public school buildings during schools hours.

Mr. President, it is time we in Congress recommitted ourselves to the meaning of our Constitution, and guaranteed equal access to school facilities to all student groups wishing to meet on a voluntary basis during nonschool hours. We are not sanctioning anything; we are not denying anything. We only will be guaranteeing students wanting to meet for religious purposes the same rights as are now legal for any other student group.

Mr. WEICKER. Mr. President, I want to state my opposition to the pending Denton amendment as modified by the Senator from Oregon.

We have before us perhaps the best construction of a bad idea.

Religion in the United States is a private—not an official—act. Allowing religious groups to meet on school premises involves schools and States and Government in the business of religion, with dangerous consequences.

Try as he might, the Senator from Oregon cannot hope to extinguish all of the host of controversies which this measure will create when it leaves here and goes into operation in 15,000 school districts across the country.

He has made progress toward some goals—reducing the ambiguities of the forums created; exclusion of outsiders; expanding categories of protected speech; and some others—but that does not redeem the basic faults of this proposal and others like it.

I prefer the approach suggested by our Founding Fathers and the courts, that we maintain a scrupulous intent to separate matters of religion and Government, by which both religion and Government benefit.

I have a number of questions now for my colleague from Oregon.

Would the Senator from Oregon tell me if he believes his amendment violates the Supreme Court's decision in McCollum against Board of Education? Does it have any effect on the constitutional status of released time religious instruction?

Mr. HATFIELD. No. It is not the intention of this amendment to overturn any Supreme Court decision or transgress restrictions against doctrinal instruction on school grounds.

Mr. WEICKER. Mr. President, I wonder if the Senator from Oregon would agree that nothing in the act should be interpreted to permit school officials to discriminate against students because they choose not to participate in meetings under this act?

Would a student so aggrieved have a right to bring action in court?

Mr. HATFIELD. Mr. President, this act does not permit school administrators to act in any way which would discriminate against students who do not participate.

By way of an example, I am informed that in Little Axe, OK, a principal created a policy whereby students who didn't participate in a before-school religious organization were forced to stand outside the school, in the rain and snow.

I would certainly say that that sort of behavior is not permitted under this act. Such activities would constitute sponsorship and be prohibited.

A student would certainly maintain all rights to bring an action in court, unaffected by this act.

Mr. WEICKER. Mr. President, the amendment states that nonstudents cannot "direct, conduct, control or regularly attend meetings."

I wonder if the Senator would respond, it would not be permissible for a priest to come in and participate in a mass for a student group under this bill, would it?

Mr. HATFIELD. Certainly not.

Mr. WEICKER. Would a 12th grader be allowed to conduct a baptism service in the club meeting?

Mr. HATFIELD. No, in my opinion. I believe that it would be inappropriate for this kind of formalized religious ritual to occur in a public school whether it is performed by an outside member of the clergy or by a student from the school. It is not my intention to make a public school classroom after school indistinguishable from a church on Sunday morning.

We also do not want this bill to be construed as giving license to older students to exert undue influence over younger students.

Mr. CRANSTON. Mr. President, I rise in opposition to the amendment before the Senate relating to so-called student equal access.

I welcomed and supported the changes in wording that have been made in this amendment that expanded the scope beyond student religious speech. But I still find the amendment unacceptable.

Mr. President, there is no right of speech enumerated in the amendment before the Senate that is not fully protected by the first amendment to the Constitution of the United States. All kinds of free speech are protected by the first amendment. This Senate amendment adds nothing to these protections.

What this amendment does, however, that I find objectionable, is to compel school districts to allow religious activity during the school day. This is an issue for local school districts to decide, not the U.S. Congress. In fact, the first amendment is absolutely and precisely clear on this point: "Congress shall make no law respecting the establishment of religion * * *."

We do not resolve a problem in this amendment, we compound it. While granting no free speech rights not covered by the first amendment, we bring the heavy hand of the Federal Government to bear on the question of religious meetings in public schools, questions best left to local school officials.

When the school prayer constitutional amendment was before the Senate, I argued that the critical question was not whether there should be prayer in schools, but rather who defines prayer, who establishes a time and place for prayer, and who nurtures prayer. Substituting the words "religious speech" for "prayer," I offer the identical argument.

Mr. President, I stand by the first amendment to the Constitution when I observe that Government has no place making any law respecting religion. The purity and simplicity of the first amendment has saved this Nation from all manner of chaos. I stand by it when I oppose the pending measure.

Mr. MATTINGLY. Mr. President, I rise in support of the equal access amendment and commend my colleagues from Alabama and Oregon for bringing this important issue before the Senate. The Judiciary Committee report on Senate bill 1059, the Equal Access Act, makes clear the need for the legislation. The purpose of that bill, and of this amendment is, simply and straightforward—to allow students in public schools throughout this Nation to meet voluntarily during noninstructional periods for religious discussion, or Bible study, or prayer. The effect of the amendment is equally simple and straightforward. It would put religious speech on an equal footing with other types of speech in America's public schools. If local school boards allow student-initiated groups to meet on school grounds, then no such group can be prohibited from meeting simply because the discussion at that meeting would be religious in nature.

I believe that James J. Kilpatrick put it well in a column which appeared earlier this year. Writing about S. 1059, Mr. Kilpatrick stated:

> The bill would restore religion to intellectual comparability with—let us say—football, politics and chess. The measure might provide an antidote to a poisonous notion that has infected public school systems in recent years—the notion that public schools should be actively hostile to the slightest expression of religious thought or activity.

That open and free hostility toward religion and religious expression is of major concern to me, Mr. President. The citizens of the State of Georgia have indicated that it is of concern to them. And I believe it should be of paramount concern to every Member of this Senate.

Schools today are being hostile toward religion. Not neutral, but plainly antagonistic. Anyone who doubts this needs only turn to the Judiciary Committee report. It is replete with examples of this hostility. Regrettably, one case cited occurred in my State at North Clayton Junior High School. The American Civil Liberties Union brought suit because a school assembly program, at which attendance was strictly voluntary, contained some religious content. At that assembly a singer performed several songs—some secular and some religious—and then spoke briefly about his personal faith. The outcome of that suit, in my view, was both disturbing and discriminatory. As a result of it, the Youth for Christ Club, a voluntary student group which had held afterschool meetings at North Clayton for 11 years, was no longer allowed to meet at the school. Other extracurricular clubs, like drama, and math, and science, and language clubs were still allowed to meet and use school facilities; but not the Youth for Christ Club, because its focus was religious. Without any question, Mr. President, this action demonstrates hostility toward religion.

Georgia, of course, is not the only State where such hostility to religion is evident in the schools. Bonnie Bailey, a student from Lubbock, TX, made what I believe to be a highly significant statement before the committee. She said:

> The impression of many students is that the school administration or the school board or the courts, or all them, are hostile toward religion . . . it seems to us that Government is not netural but that it is against religion.

It seems so because in many cases it is so. By their actions our schools and our courts are leaving our young people with the impression that some individual views, beliefs, interests, and speech are protected by the Constitution and others are not, and that the Government will protect the rights of some but not of others.

What we have before us is the question of whether or not we in the Senate are going to permit the violation of a constitutional mandate. It is a question of whether or not we will allow students' first amendment rights of free speech to continue to be abridged. If we defeat this amendment, we will be perpetuating the abridgement of free speech by the Government through our Nation's public schools. If we approve the equal access measure, we will be saying that the Senate of the United States intends that the constitutional right of free speech be upheld for students, all students. We will be affirming the Founding Fathers' intention—that religious speech, like other categories of speech, be protected.

When the Senate considered the school prayer amendment earlier this year I expressed my fear for a nation which would enforce a prohibition of prayer—and, I would add, of religious speech or Bible study—against its children. My concern remains. When we suppress meetings where religious topics are discussed, I believe we effectively censor speech. And when we censor speech, we come dangerously close to censoring ideas. As each of my colleagues knows, that flies in the face of what this Nation stands for.

Mr. President, I ask my colleagues to look at the present situation, which clearly needs to be rectified, in considering this amendment. I also urge them to look beyond it and to evaluate the direction in which we as a nation are moving if we continue to suppress ideas and beliefs by prohibiting speech about them in the schools.

Now is the time for the Senate to act on the equal access question. As a cosponsor of the amendment, I urge my colleagues to support it.

Mr. JEPSEN. Mr. President, I rise today in support of the equal access amendment to the math/science education bill. I commend Senators DENTON and HATFIELD for bringing this issue to the Senate floor for debate and a vote.

Earlier this year the Senate debated for several weeks President Reagan's constitutional prayer amendment. Much to my regret, and I am sure to many of my colleagues in the Senate, President Reagan's amendment failed to receive the necessary two-thirds majority vote for passage.

Following the vote, I expressed my disappointment in the outcome of the prayer amendment. However, I also expressed by desire for the Senate to take the next step toward restoring the right to the free exercise of religion in schools—which is to ensure that students are provided equal access to school facilities for voluntary religious activities.

Many of us have heard the stories of students who have been denied the use of school facilities to meet for religious purposes while their classmates have been allowed to use these same facilities to discuss such topics as communism, chess, or stamps. To me, and to many other Americans, this is unfair and discriminatory.

During the Judiciary Committee's hearings on equal access legislation, many students from across the Nation testified. In their testimonies, they stated how they and other students in their schools were denied the right to meet during noninstructional periods to discuss religion, read the Bible, or pray together. These students had the impression that the State was hostile toward religion. As we know, the Founding Fathers when drafting the first amendment wanted to make the state a neutral party toward religion rather than to make it a hostile party.

Yet, from what has been heard from these students and others, the state has been perceived as being hostile toward religion. The sad thing is that this is happening in our public schools, a place where students should be learning the importance of first amendment rights.

Because of several differing lower court cases and the Supreme Court case, Widmar against Vincent, school administrators, and officials are confused and troubled about the equal access issue. Many of them are unsure about whether they should allow religious groups to meet on school property or not. Many times they fear that if they do allow equal access, then critics will take them to court. Yet, on the other hand, if they deny access, they will be taken to court.

School administrators have found themselves in a difficult position, and many times involved in a lengthy and expensive court battle.

Adoption of equal access legislation would relieve school districts from this ackward situation. It would give school administrators, students, and parents guidance on this issue, and most important of all, it would help end the increasingly widespread discrimination against students who wish to engage in religious speech.

The amendment that is being offered today would make it unlawful to deny equal access to students in public secondary schools who wish to meet voluntarily for religious purposes if other groups of students are generally allowed to meet. The meeting must be voluntary, student-initiated, and must not be State sponsored. Also, the meeting must not interfere materially or substantially with classroom activities.

Mr. President, I conclude my remarks today by reemphasizing to my colleagues the importance of adopting this amendment. We must clear up the confusion that has evolved from the Court cases dealing with this issue. We must also restore students' first amendment rights of free speech and free exercise of religion. We must not continue to discriminate against students who wish to express their religious beliefs. We must eliminate the antireligious bias that has permeated the public school system in this country.

Mr. DOLE. Mr. President, I am pleased to join Senators HATFIELD, LEAHY, and BUMPERS in offering this perfecting amendment. The amendment will achieve every objective of the original compromise equal access language proposed by Senators HATFIELD and DENTON; at the same time, it will clarify and strengthen certain aspects of that language to guarantee the consensus support the proposal merits and deserves.

Over 2 years ago, the Supreme Court held, in Widmar against Vincent, that institutions of higher education are required by the first amendment to give student religious groups the same rights of access and free speech afforded nonreligious student organizations. Unfortunately, two circuit courts—in the Brandon and Lubbock cases—subsequently held that that same first amendment required secondary schools to ban religious groups from school premises.

Conservatives and liberals alike have criticized these two circuit court cases as carrying Supreme Court precedents in the school prayer area to illogical extremes. Specifically, it has been pointed out that under these cases, schools may not remain neutral toward religion, but are forced into a posture of being hostile toward it by refusing to allow virtually any religious activities on school grounds. Yet, the Supreme Court has never prohibited truly voluntary, student-initiated and student-led religious activity during noninstructional periods. And this is all the students in these two cases were asking for.

The goal of the equal access amendment will clarify what should be obvious—that student groups do not shed their first amendment rights to free speech and association simply because they want to meet for religious purposes. Specifically, it will prohibit public secondary schools which allow nonreligious groups to meet during noninstructional periods from denying the same right to religious student groups, so long as the activity is voluntary and student initiated and there is no sponsorship of the activity by the school or its agents.

While the equal access concept has always had strong, broad-based support, various suggestions have been made about how to tighten and improve the two bills originally introduced: S. 815, introduced by Senator HATFIELD and S. 1059, introduced by Senator DENTON. As a result, certain improvements were made by the Senate Judiciary Committee when it overwhelmingly approved S. 1059 several months ago. Still more refinements were made in the compromise proposal jointly sponsored by Senators HATFIELD and DENTON. This final version creates even greater clarity about what the bill does and does not require. As a consequence, the legislation has achieved consensus support in this body, and has been endorsed by a wide range of religious and civil liberties groups. As such, it represents the legislative process at its best.

Perhaps the most important improvement made by this perfecting amendment is to clarify the meaning of a "limited open forum." This change will preclude a school from practicing one policy toward the use of school facilities by student groups, while officially adopting another. Both religious and secular clubs will benefit from this clarity. At the same time, the change will remove certain ambiguities about whether, for instance, extracurricular field trips taken by a science class would trigger the legislation's equal access requirement. Specifically, this is addressed by the bill's definition of "limited open forum" to encompass only those student group meetings that are not directly related to the school's curriculum.

A second, very important change, is the language in the amendment which would clarify that the legislation does not authorize schools to permit outside groups to have access to school facilities. This strengthens that portion of the amendment which requires equal access only for student initiated activities.

Finally, the amendment makes absolutely clear that school and other government officials should not participate in student religious meetings, should not require students to participate, and should not seek to influence the form or content of the meetings. This provision goes to the very premise of the legislation, which is to guarantee true state neutrality toward religion and religious activities.

Mr. President, I believe Senator DENTON should be commended for his leadership in introducing equal access legislation and in securing Judiciary Committee approval of his proposal. Similarly, great credit should go to Senator HATFIELD for introducing equal access legislation and for devoting so much time and effort to working out this perfecting language. As a result of his efforts, Senate passage appears guaranteed, and it is much more likely that this important measure will be enacted this year.

Mr. MITCHELL. Mr. President, the amendment before us today makes it unlawful for any public secondary school that receives Federal financial assistance to deny equal access or a fair opportunity to meet in the school during noninstructional times on the basis of the religious, political, philosophical or other content of the speech at such meetings, if the school permits one or more noncurriculum related student groups to meet during that time. It incorporates the important goal of preserving the full first amendment rights of secondary school students in a way that does not create a Federal intrusion into the legitimate exercise of school discipline and education. More importantly, the proposal achieves this with no Government entanglement in the content of religious speech or the nature of religious activity.

The proposal makes it clear that all purely student-initiated extracurricular activities are to be granted the same treatment whether their purpose is political, philosophical, or religious. The language makes it clear that the activities must be both voluntary and initiated by students.

It extends that protection to students who constitute a small minority within a school's population as well as to those whose activities attract a larger group.

And it retains the right of school authorities to regulate the extracurricular activities on their premises, including the timing and the inclusion of any outside speakers.

The proposal does not force a school to organize any kind of extracurricular activity for any purpose. Nor does it force a school to permit the indiscriminate incursion of any and all outsiders into the school premises.

The language of the proposal provides clear and concise guidance to school officials. It will enable school officials to accommodate the different desires of their students without infringing upon the rights of any. At the same time, it does not grant a privileged position to any particular activity. Student political clubs would have no privilege over groups involved in religious or philosophical discussions. Chess groups will not have to give way before prayer groups.

The amendment will not force any school to undertake substantial changes in its policies to accommodate new demands. It is directed strictly to schools which already permit student activities, and it would not force any school to undertake such a policy if none now exists.

At the same time, the proposal does not seek to impose a congressional preference on local school scheduling or the structure of student activities.

Such administrative decisions properly belong in the hands of local school authorities who are best situated to respond to local conditions and local requests, and this proposal leaves those decisions in their hands.

The final outcome of this compromise language is to make a proper and reasoned accommodation for the legitimate expectations of students who feel that their interest and participation in their spiritual lives should be accorded the same respect by school authorities as is routinely granted to students with an interest in stamp collecting.

The role of religion in our diverse society and especially with respect to our public schools, which must accommodate children of widely differing faiths, arouses the most strongly held opinions.

The right of parents to guide the spiritual life of their children is one of the most fundamental and important of parental rights. When proposals are made which raise the fear that children might be subjected to religious beliefs their parents do not share, or when parents feel that the religious beliefs of their children are slighted or unfairly repressed, controversy is inevitable.

That was the case when the Senate considered the question of mandatory prayer in the public schools.

Many parents were opposed because they felt they would have no control over the nature of the religious observance in which their children could be required to take part. Other parents felt their children's right to express their faith was being denied. In that debate, it was not found possible to reconcile the two conflicting concerns, and the amendment subsequently failed.

The language before us, by contrast, presents a compromise which preserves and protects the rights of all students, whether they wish to participate in religious activities or not.

It creates no pressures to participate; nor does it create disincentives directed at religious expression. It does not set up a system in which children cannot know if they are permitted to express their religious faith. It quite simply gives expression to the principle of the first amendment that Government "shall make no law" restricting speech—religious or secular.

The compromise is a commonsense and equitable solution to what was threatening to become another divisive issue in our society. It gives no preference to anyone; it imposes no form of official disapproval on anyone.

All too often, a legislative compromise is acceptable because it embodies the least of all available evils. This compromise, by contrast, contains what I believe are the best of the concepts that have fueled this debate. It maintains the universality of the first amendment. It is inclusive of religious faith, rather than seeking to exclude and isolate expressions of religion. And it is phrased in straightforward and understandable language so that it can be reasonably administered at the local level.

The concerns voiced to the effect that the language of the amendment would give cult groups or Nazi groups or the Ku Klux Klan open entree to our schools are not persuasive. The language of the amendment specifically preserves the rights of school authorities to maintain the orderly conduct of school affairs. Moreover, it specifically does not authorize any school board to admit nonschool personnel, ensuring that no automatic right of admission would be created for any outside individual, whether a cult leader or a mainstream minister.

The concerns raised about the wide range of student activities that might have to be tolerated under this amendment ignore the fact that school boards and administrators today are already being required to consider such requests under the first amendment.

Numerous nontraditional groups are asserting their rights to meet on the same basis as other groups. Those assertions of rights are being brought under the first amendment, a far more compelling and authoritative enactment than this legislation. And in the large majority of cases, the courts are, in fact, vindicating the rights so asserted.

The purpose of this language is not, therefore, to create a right for students to assert outrageous demands on school administrators which they could not otherwise make. It is intended directly for the purpose of including the assertion of religious rights, along with those other rights of political and cultural preference which students are already asserting.

The theological fact of the Christian faith, that when two or more people are gathered to worship, a "church" is created, is neither validated or invalidated by this legislation or any other, since no legal enactment can reach theology. So, while I respect the concerns raised in this context, I believe they are misplaced. The proposed amendment simply goes to the rights of students and the countervailing rights of school administrators to maintain orderly school discipline without infringing on student rights.

The concerns raised about missionary activity and the inherent inseparability of student religious meetings and student proselytizing may be valid. But students today seek to persuade their fellows to take an interest in sports, in school magazines, in political and cultural affairs and meet with varying degrees of success.

Children are subject to more than peer pressures, important as those may be. Students are subject to family standards of conduct, to the standards set by teachers, to the expectations of their coaches in sports activities and their ministers in church. Students do not attend school in a vacuum and they are not as ready to go along with every suggestion made to them as some seem to believe.

The amendment will not allow teachers or other adults to proselytize on school premises. The right of school administrators to set standards of conduct for students throughout the school day is nowhere affected. Presumably a disruptive political organizing campaign undertaken by students is disciplined today. I would expect that if any intrusive or disruptive missionary activity were undertaken on religious grounds, similar discipline could be imposed.

The amendment does not give students any kind of unlimited right to meet when and where and for as long as they please. It is limited to allowing meetings within an existing limited forum. I do not believe that anything in this amendment would somehow immunize from school discipline any organized missionary effort that any group of students might undertake, as some have suggested.

The incursion of cults into our schools has been raised as a concern, but the amendment does retain the privilege of school administrators to maintain the orderly conduct of school affairs. This debate is not the place to determine what constitutes a cult and what constitutes a religion. Nor does Congress have the right to make such determinations. But the amendment will not enhance the rights of students in a school setting if they are members of a cult or not. The disciplinary rights of school officials remain intact over religious and secular students alike.

I am disturbed at the suggestion that because some abuses might be possible under this language that we should therefore not enact it. There is barely a legislative enactment of any kind that does not carry the risk of being abused.

Indeed, those students who feel discriminated against today because their religious speech is prohibited feel strongly that the first amendment is being abused.

So I do not find it persuasive to claim that because some teacher might favor a particular group and might also convey that preference to students, we have created a massive breach in the separation of church and state. There have undoubtedly been teachers in the past who have made clear their preference for one or another political party or political theory. Some students have undoubtedly been intimidated by such clearly expressed preferences.

But teachers have been influencing children—for good and bad—since schools have been in existence. They have indicated their preferences directly and indirectly. Some students have been influenced, others not. There is no legislative enactment that will change that situation.

I would suggest, however, that because of the particularly sensitive nature of church-state relations in this country, and because of the particularly sensitive approach that most schools have taken to first amendment questions, teachers are likely to be more, not less, likely to refrain from giving expression to their preferences in this field.

It is simply unrealistic to claim that legislation that does not meet some test of absolute perfection ought not be considered. We do not have the luxury of legislating for a perfect world. But we should not avoid legislating out of fear that our efforts may not be 100 percent successful.

We can never have such certainty. We should not allow the search for perfection to blind us to the merits of the good, and I believe this amendment embodies those merits.

It is a moderate, balanced, and reasonable effort to accommodate important and legitimate interests. I believe this formulation merits the support of the Senate. It is a means by which we can preserve the full extent of first amendment rights as a living reality in our society.

Mr. THURMOND. Mr. President, I rise in strong support of the Denton amendment as modified by the Hatfield amendment providing that voluntary student religious groups must be afforded access to school facilities which is equal to that given to nonreligious student groups.

This amendment would make it possible for all groups of students to have access to public school facilities. Under its provisions, if a State or local educational agency has a policy or practice which makes it a limited public forum and which generally allows groups of secondary school students to meet on school premises, then that educational authority would be required to extend the same right to students wishing to have a meeting with a religious content or subject matter. Further, the extension of such a right to meet and use school facilities would have to be on a basis equal to that provided to student organizations having purely secular purposes.

Since this amendment, if enacted into law, would be applicable to publicly supported schools, it may occur to some that it violates the prohibition against State sponsorship of religion enunciated by the U.S. Supreme Court. On the contrary, this measure would specifically prohibit Government sponsorship of any student religious activity. Moreover, this legislation incorporates all of the elements most desired by outside religious organizations. For instance, in order to be eligible to use school facilities or premises, the activities of a student religious group must be both voluntary and student initiated. Also, the activity cannot be an unlawful one nor can it substantially interfere with or impede the orderly provision of educational activities.

More importantly, this amendment does not empower either the Federal or State Governments to influence religious activity or compel anyone to participate in any such activity.

I think it is extremely important to reemphasize the voluntary aspects of this amendment. There can be no requirement that a student participate in a group which is involved in prayer or other form of religious activity. Furthermore, there is no requirement that a school administration or school board adopt a policy of equal access if the school authority does not already follow a policy or practice of allowing student groups to meet on campus. It is only in the instance where a school has adhered to such a policy that it would have to extend that right on an equal basis to those wishing to gather for a religious purpose.

It has been argued that once enacted, legislation of this kind would place student religious organizations or groups in a preeminent position in relation to other student groups, such as the drama society or a political club. This is simply not the case. This amendment is not intended to elevate groups of persons wishing to have meetings with speech having a religious content or theme to a higher plane. Rather, it places such organizations on the same level with those associations of students presently being allowed to meet. In fact, the result of the passage of this amendment would be that religious groups will be upgraded to the level of recognition already being accorded these other nonreligious student associations.

No discussion of the subject of this legislation would be complete without some mention of the possible involvement of outside persons. When equal access legislation was being debated in the House during May of this year, opponents of that legislation raised the specter of "outside preachers, priests, cult leaders and gurus" conducting services and proselytizing on school grounds if an equal access bill were to be approved by Congress. It was also predicted that public school campuses would be turned into "battlegrounds for souls." Frankly, Mr. President, such suggestions are, in my opinion, patently absurd. It is a well-known fact that nonstudents are allowed to enter the premises of public schools only with the permission of school authorities. This rule applies to parents, preachers, and even Members of Congress who want to make presentations or meet with students. If requests by students that outside persons be allowed to attend student religious meetings were to get out of hand, the simple remedy would be for the school board to establish a policy restricting attendance to students only.

Finally, the principle of equal access is, in my view, one of simple equity. It is only fair and reasonable that groups of students interested in religious pursuits should be guaranteed the right to use school facilities on a basis equal to that accorded groups interested in such subjects as philosophy and the game of chess. To deny the study of religious issues and the utterance of religious speech on school property, while allowing other forms of protected speech, is to violate the first amendment requirement that the Government not prohibit the free exercise of religion.

The Supreme Court has already made this principle applicable to publicly supported colleges and universities in the Widmar case. It is now time for Congress to extend this protection to the public school systems of this Nation.

I want to commend the distinguished Senator from Alabama, Senator DENTON, and the distinguished Senator from Oregon, Mr. HATFIELD, for their leadership in this area. I wholeheartedly believe in the principle of equal access for all voluntary student religious groups and I urge my colleagues to support this amendment.

Thank you.

Mr. MATHIAS. Mr. President, in recent days, the Senate has been enmeshed in the consideration of authorization and appropriations bills. We have spent many hours scrutinizing proposals to spend tens and hundreds of billions of dollars on projects of inestimable importance to the national defense. By contrast, the amendment now before us seems to carry no price tag. Not a single dollar sign appears in its text. In contrast to the mammoth pieces of spending legislation that have been on our agenda, this amendment is only a few pages long. But we must not confuse brevity with unimportance. Few issues are more important than those that are raised by the amendment of the Senators from Oregon [Mr. HATFIELD] and from Alabama [Mr. DENTON]. And few questions of greater sensitivity and difficulty have been brought before the Senate in this Congress than those pertaining to religious activities in the public schools.

To resolve these questions, we must strike the proper balance among three competing principles. Each of them encapsulates a fundamental tenet of our Federal system of constitutional government. Each imposes a different restraint on the power of government. Each pulls us in a different direction. The reconciliation of these opposing forces will not be an easy task, nor can we expect it to be accomplished quickly. This amendment deserves careful scrutiny and thorough debate. To give it short shrift in the headlong rush toward adjournment would be a grave mistake. Because I believe there are still too many unanswered questions about the effect of this amendment, I am compelled to oppose it.

The first of the three competing principles to which I have referred is embodied in the first amendment to the Constitution, in the command that "Congress shall make no law * * * abridging the freedom of speech, or * * * the right of the people peaceably to assemble * * *". The rights of free speech and association are among our most precious liberties. This aspect of the first amendment protects religious worship and discussion as it shields other forms of speech and association from government interference. And it is well established that the first amendment's protections do not stop at the schoolhouse door. Any legislation with respect to religious activities in the public schools must acknowledge this protected status.

The second fundamental principle also arises from the first amendment, which provides that "Congress shall make no law respecting an establishment of religion." The establishment clause requires government at all levels to maintain a posture of strict neutrality toward religion; it flatly forbids State sponsorship of religious activities. These structures express a belief that, in the words of Justice Hugo Black, "a union of government and religion tends to destroy government and to degrade religion." Any accommodation of the first amendment rights of public school students to worship and to discuss religion must also respect the salutary doctrine of the separation of church and state.

Finally, a third keystone of our Federal system is at stake in this controversy: the concept that ours is a national Government of limited powers, and that the States have reserved all powers not delegated to the Federal Government by the Constitution. This principle of federalism is expressed in the tenth amendment to the Constitution, but its influence may be felt throughout the American system of government. Among the responsibilities that we have traditionally left to State control, none is more important than the education of our children. The massive Federal aid to education that has become so important in the past quarter century has not altered the fundamental idea that the administration of public education is best left to the States, and to the local school boards. No legislation on the subject of religious activities in the schools will be sound if it does violence to this manifestation of our federalism.

Any attempt to codify rules for extracurricular religious activities in the public schools must accommodate all three of these bedrock principles of our constitutional system. Navigating such treacherous shoals will be risky. It would be worthwhile to ask ourselves at the outset whether Congress is likely to be able to provide a chart that will make it any easier for a local school board to find the proper course.

The members of local school boards bear the responsibility for making the hard choices about public education. These officers often receive only nominal compensation for their long hours of public service. To the long list of their everyday responsibilities—hiring and supervising the faculty and staff, approving the curriculum, overseeing the maintenance of the physical plant, budgeting expenditures, and all the rest—must be added the duty to safeguard the first amendment rights of students to speak and to associate, while avoiding any entanglement with religion.

The Federal courts have only begun to chart the frontier between associational rights and the establishment prohibition. The Supreme Court, in its 1981 decision in Widmar against Vincent, redrew the map with respect to students at public colleges and universities. But it has provided no further guidance on extracurricular religious activities in the secondary schools. We can say one thing about the current state of the law: the balance between these competing first amendment values is so delicate that a policy not prohibited by one may well be compelled by the other. It may be unwise for Congress to constrict further the narrow channel of discretion that remains open to local school boards. Furthermore, we should be wary of any proposal to reconcile the conflicting first amendment values by sacrificing the equally fundamental principle of federalism. At the least, these considerations ought to encourage us to scrutinize the amendment before us with exceptional care.

This amendment is cast in terms of a restriction on Federal funding. It establishes standards that must be followed by school districts that receive Federal funds. It is evidently based upon Congress' spending power, rather than specifically upon Congress' power to enforce the provisions of the 14th amendment.

This context provides another reason why we must legislate in this area with the greatest care and precision. The Supreme Court of the United States has made it quite clear that if the Congress wants to attach strings to Federal funding—and that is exactly what this amendment would do—then Congress must spell out the conditions of funding as clearly and as explicitly as possible.

The Supreme Court underscored this principle in the 1981 decision of Pennhurst State School against Halderman. That case involved conditions on funding under the Developmentally Disabled Assistance and Bill of Rights Act of 1975; but the principles enunciated by Justice Rehnquist in the opinion of the court are perfectly applicable to the amendment before us. Justice Rehnquist wrote that:

> Legislation enacted pursuant to the spending power is much in the nature of a contract; in return for federal funds, the States agree to comply with federally imposed conditions. The legitimacy of Congress' power to legislate under the spending power thus rests on whether the State voluntarily and knowingly accepts the terms of the "contract." There can, of course, by no knowing acceptance if a State is unaware of the conditions or is unable to ascertain what is expected of it.
>
> Accordingly, if Congress intends to impose a condition on the grant of federal moneys, it must do so unambiguously.

The reason for this requirement is to protect the States, and to make sure that they retain the greatest possible degree of discretion in the administration of purely local matters, including the public schools. As Justice Rehnquist concluded in the Pennhurst opinion:

> By insisting the Congress speak with a clear voice, we enable the states to exercise their choice knowingly, cognizant of the consequences of their participation.

The States, in other words, have a right to know what they are getting into. The local school boards have a right to know exactly what conditions are to be placed on the receipt of Federal funds. The people of the States have the right to know to what extent and in what manner the Federal Government will—if this amendment is enacted—intrude upon the traditional power of State and local government to run the public schools as they see fit, consistent with the Constitution.

The people, in sum, have a right to know what strings are attached to Federal aid to education. That provides another reason for thorough debate of the Hatfield-Denton amendment, and another reason why hasty action on this proposal would be an abdication of our responsibilities as Members of the U.S. Senate.

Mr. President, the amendment before us is a sincere and thoughtful effort to balance the conflicting constitutional principles I have referred to, and to provide clear guidance to the States. But it also imports into the law a variety of new concepts that require more clarification than we have been able to obtain in a few laws of debate this afternoon. Indeed, the discussion today convinces me that there remain many unanswered questions about the definition of a "limited open forum;" about the degree of official involvement in an extracurricular meeting that is required to constitute sponsorship; about the authority of the school officials to prohibit meetings by racial hate groups, cult groups, and others whose presence in the school may cause disruption; and, finally, about the degree to which parents can be assured that their children are not subjected to religious proselytizing social ostracism, or political pressure, while the school authorities must stand idly by. In sum, I am not satisfied that this amendment adequately addresses the concerns, both constitutional and practical, that make this issue so sensitive. Accordingly, with some reluctance, and with an acknowledgment at the efforts of all the Senators who have worked hard to improve this amendment, I must vote "nay."

Mr. BAUCUS. Mr. President, I support this equal access bill because it puts religion in the schools, but in a way that is consistent with the Constitution.

Religious groups have just as much right as any other group to meet on school property, and that's what this legislation would ensure.

Some in this country have gone overboard and said religion has no place in schools. My reading of the Constitution is that religious clubs are guaranteed an equal footing and that's what this legislation would require.

Twenty years ago, the U.S. Supreme Court issued several landmark decisions that prohibited public schools from requiring students to participate in prayer or other religious activities.

Since then, Congress, State legislatures, courts, and school boards have been debating whether or not prayer and Bible reading should be allowed in public schools.

Many courts and school districts have gone far beyond what is required by the Constitution, imposing unnecessary restrictions on voluntary religious activities by public school students.

In some places, students are being denied the right to meet voluntarily on school property before and after classes for Bible study, prayer, and other religious purposes. They are being denied this right merely because they wish to talk about their religious beliefs.

Meanwhile, other groups of students are allowed to use the school's facilities for extracurricular activities ranging from camera clubs to French clubs.

Mr. President, such discriminatory policies are not required by the constitutional doctrine of separation of church and state. And they are not required by the decisions of the Supreme Court on the issue of school prayer.

The first amendment to the Constitution prohibits the Government from establishing or promoting religious beliefs. But the first amendment does not set limits on privately initiated prayer or the voluntary observance of religious customs.

Beyond this, the first amendment spells out several protected liberties: the right of every American to exercise his or her religious beliefs without governmental interference, and the right to speak and communicate freely.

Mr. President, this amendment is not only consistent with the Constitution, but is mandated by it. This amendment would prevent discrimination against students who voluntarily want to meet to discuss their religious beliefs and pray together. This amendment would give these students the same freedom that other groups of students enjoy—to meet and speak freely.

The issue of religion in the public schools has been debated in the Senate in the past, and it will undoubtedly be a subject of controversy in the future. But we must not let emotion and the memory of past debates cloud the issue before us today.

The intent of this amendment is simply to clarify what the Constitution requires and guarantees. This amendment is aimed at ensuring that the students of this Nation also enjoy the freedom of religion and the freedom of speech.

I urge my colleagues to consider this amendment carefully. I am confident that careful consideration will convince you that the amendment should be wholeheartedly approved.

Mr. GRASSLEY. Mr. President, I rise in support of the Denton/Hatfield amendment to provide our Nation's schoolchildren with a right of equal access to public school facilities when they wish to use those facilities to engage in voluntary religious practice.

Like many of our colleagues I was sorely disappointed when Senate Joint Resolution 73 received a majority, but failed to receive the vote of two-thirds of the Senate. I was similarly disappointed when a related equal access bill received a majority, but failed to receive the vote of two-thirds of the Members of the House of Representatives under the special rules that applied to that bill. I am hopeful that here today, a majority of our colleagues will support this amendment and the eventual passage of S. 1285.

I supported the voluntary school prayer amendment a few months ago because I do not believe that prayer in our Nation's schools and other public institutions violates the Constitution, and because I believe that if it is necessary to set the record straight on the Constitution, then it is our duty as Members of Congress to do so. Congress, as well as the Federal courts, are properly expected to be guardians of the Constitution.

The Denton/Hatfield amendment would not require any child in any place to engage in prayer or other religious practice against his or her will. Rather, it would merely allow a schoolchild to engage in religious practice during noninstructional hours on the same basis as he could play chess, belong to the French Club, or engage in political activities. The Equal Access Act would not impose on any religion the stamp of approval of the Federal or State government. Rather, it would remove from all religions its current stamp of disapproval.

I am aware that some have expressed a fear that such a Federal law would allow cult groups to use the public schools to recruit our children. This argument, I suggest, is a strawman. The vast majority of our Nation's children are not receptive to the Jim Joneses of this world, and they are not likely to become members of a religious cult if the cult is allowed on the school grounds.

Further, nothing in this amendment prohibits a school or school district from requiring a minimum number of participants before any group is allowed the use of school facilities. It merely requires them to treat all such groups equally. If there is any student that genuinely wishes to worship a cult, he is likely to be an outcast unable to recruit the necessary number of members to meet.

Most importantly, it is inappropriate for government to attempt to give its approval to one group and not to another. The proper role of government is to deny access to no one, and to treat all student groups on an equal basis.

During the lengthy debate on school prayer, the point was made a number of times that the Supreme Court has never actually banned prayer in the schools—but lower Federal courts have clearly banned the voluntary meetings of religious students on school property.

I do not believe that any genuine coercion will arise if schoolchildren are allowed to meet during noninstructional periods. There would be no governmental coercion. Peer pressure, it has been suggested, might coerce a student to engage in religious practice that he would otherwise not wish to engage in. Peer pressure, Mr. President, is not such coercion as should form the basis of a governmental prohibition of religious practice.

In the Stein case, the U.S. Court of Appeals for the Second Circuit upheld a school district's denial of access to a vacant classroom before classes began in which high school students wanted to pray. The court held that such meetings would violate the Constitution's first amendment. In the words of the court of appeals:

> To see the captain of the school's football team, the student body president, or the leading actress in a dramatic school production participating in communal school prayer meetings in the "captive audience" setting of a school.

Might place pressure on nonreligious students to engage in prayer.

Mr. President, this is the sort of peer pressure that some of my colleagues fear would pressure students to engage in religious activities. I do not share that concern. Such forms of pressure are not the stuff that true coercion is made of. Such forms of pressure are not properly the concern of the Federal Government in Washington.

I would commend my colleagues, that the first amendment, as it pertains to religion, contains both an establishment, and a free exercise clause. Some have said that these two clauses are at constant tension with each other and perhaps so. But to deny schoolchildren the right to meet before or after class for the purpose of talking about God in the name of the establishment clause is to totally obliterate the right to freely exercise one's religious beliefs. To deny this right, is to do violence to our Constitution, not to uphold it.

Mr. CHAFEE. Mr. President, in the past year a great deal of concern has been expressed about the need to improve the level of instruction and achievement in American schools. Congress and the administration have played an important leadership role in encouraging steps to improve education. But we have recognized that most reforms must originate at the local level to address local problems and priorities.

Local education leaders are assessing the strengths and weaknesses of their schools and are implementing a variety of changes. Few in Congress would advocate a federally imposed school calendar, or a uniform school curriculum, or a national student discipline standard, or a Federal teacher certification requirement, and so forth. These decisions are best left to the discretion of local school administrators and school board members who are directly accountable to parents and other taxpayers.

Decisions about the types of student activities to be encouraged in American schools have also been left to local discretion, according to local values and customs. The equal access amendment is intended to protect the rights of voluntary student organizations to hold meetings in the public schools without regard to their religious, political, philosophical, or other content. But in so doing, it would weaken the authority of local school administrators to exercise discretion over school policies in these matters. And it could result in divisiveness in our schools and communities.

The sanctioning of religious clubs raises obvious constitutional questions regarding the separation of church and State. The Supreme Court has not ruled on the question of religious meetings in elementary and secondary schools, but is expected to examine this question within the next year.

We as yet have no definitive judicial ruling on the equal access question partly because the matter has been tested only rarely. I believe this attests to the abilities of local education leaders to resolve questions about student religious and other clubs according to local preferences and concerns. This legislation would remove such flexibility.

Local school administrators make decisions every day about what is taught and discussed in our schools and what types of activities contribute to the overall enrichment of students. They work closely with local school board members, faculty, and parents in developing programs to suit community needs, and in resolving problems when they arise. This legislation could weaken the discretion of these local school leaders, and distract their attention from providing instructional leadership. There is scant evidence that the passage of this amendment will improve the learning environment in American schools. And it is quality education which should be the primary concern of the Congress at this time.

School administrators face enormous challenges today in improving the quality of education in American schools. Congress, the administration, State governments, and local leaders are continually urging them to do more to upgrade the level of instruction and achievement. Now is not the time to divert their attention from these efforts. Legislation to encourage religious and political activity in the schools will do little to resolve our problems in education but could lead to discord between those whose cooperation in the drive for excellence in education is more important than ever.

A compelling need for this legislation has not been demonstrated. I believe it could create more problems than it solves for American schools, and I urge my colleagues to vote for its rejection.

Mr. GORTON. Mr. President, it is with intense regret that I am constrained to vote against the Hatfield equal access amendment. I am in full agreement with my distinguished friend's position that there is a systematic discrimination against student inspired religious activities in high schools at the present time, and that that discrimination should be cured. During the debate over the proposed constitutional amendment authorizing school prayer, I indicated my views about the inappropriateness, and perhaps unconstitutionality, of that discrimination at length. Nevertheless, as grave as that discrimination is, I regret to say that I am convinced that the Hatfield amendment creates substantially greater evils than those it cures. To paraphrase the Senator from Oregon, he has cast a huge net to catch an important, but modestly sized, fish and has pulled in an entire boatload of unintended consequences.

Any proposal designed to secure equal access for the discussion of religious ideas by students in a high school context should deal directly with the issue of the relationship between religion and the schools as a free speech issue. This proposal, to the contrary, is likely to cause innumerable interferences with the normal management of extracurricular activities by school boards and school district officials.

First, the Hatfield proposal distinguishes between noncurriculum-related student groups and control over the curriculum. While the Senator from Oregon indicates that it will be up to school authorities to draw a line between curricular and noncurricular, that is clearly a justifiable issue, and is likely to be productive of extensive litigation. Moreover, it seems clear to me that many traditionally sponsored high school activities, including varsity sports, cheerleading squads, stamp collecting clubs, and the like are noncurriculum related.

The direct intention and effect of the Hatfield amendment is to require that all noncurriculum-related students groups be treated in an identical fashion, with the exception of the proviso in the subsection (c)(3). As this Senator reads the amendment, the equality of treatment required by the amendment is not met unless school sponsorship is withdrawn from all noncurriculum-related student groups and their activities. To put it bluntly, this will end a tradition which is at least a century old in respect to the public schools, and could conceivably be used to challenge the right of school districts to hire coaches for sports and other activities.

There is clearly a constitutional question which makes it advisable to require that religiously oriented student groups not be sponsored or directed by members of the faculty or administration of the school in which they exist. That question arises by reason of the establishment clause of the first amendment, but no such question arises in connection with the sponsorship of other student organizations. In order to enhance and protect the right to student organized religious groups, one need not limit the activities of nonreligious student groups. It is clear that this provision will also breed extensive litigation.

If dealing with these difficulties were the only possible way of guaranteeing what ought to be the right to certain student-initiated activities in high schools, perhaps the price would be worth paying. It is not. For example, a far simpler and much shorter provision would meet all of the goals of the Senator from Oregon with few of the drawbacks. One such proposal reads as follows:

> No public secondary school receiving Federal financial assistance shall prohibit the use of school facilities during noninstructional times by voluntary student groups on the basis that some or all of the speech which is the purpose of such groups will be religious in nature.

At this point, it is obvious that such a simple amendment would not be acceptable to the sponsors of the Hatfield proposal, and that the latter, for the time being at least, is favored by a vast majority of this body. Nevertheless, I predict that within a relatively short period of time, the former will seem infinitely less mischievous and far more effective. Because we do not need so substantially to restrict the powers of school authorities across this Nation to provide for equal access for religious ideas in the high schools, I am regretfully constrained to vote against the Hatfield proposal.

● Mr. EVANS. Mr. President, I rise today to express my deep and serious reservations for the so-called equal access compromise amendment which is now before us.

Mr. President, I have listened to the debate and I have heard the arguments of those Senators who support the legislation. Their concerns are consistent with the intent of this so-called compromise proposal—that both religious and secular student groups should have the same access to school facilities during noninstructional periods. I could not agree more with the intent of this proposal; however, I cannot support legislation which has the potential to create unintended and dangerous consequences within our public schools. Furthermore, equal access is fundamentally a constitutional question emanating from the first amendment's guarantees of freedom of speech. With or without this proposed legislation, the scope of the first amendment ultimately will be interpreted and defined by the Supreme Court.

Efforts to craft a broad-based consensus on the issue of equal access have only produced an amendment which contains ambiguous and ill-defined language. Our inability to send specific and clear direction to our public school administrators and local school boards to implement the provisions of this measure is indicative of the fact that there really is no consensus on how best to reinforce through legislation the rights of religious and nonsecular student groups to meet on school grounds during noninstructional periods.

The amendment under consideration has various shortcomings which, at the very least, warrant extensive review and further deliberations by the Senate Judiciary Committee. For example, the legislation intends for local school boards to retain control over whether or not they will allow noncurriculum student groups to meet on school premises during noninstructional periods. However, in determining whether or not it will establish such a limited open forum with uniform regulations, a local school board would have to apply these same rules to the school chess club, ski club, debate club, and a whole host of other traditional extracurricular activities. Furthermore, as soon as a school board adopted such uniform procedures there is nothing in the legislation which would ensure that such a school board would actually practice uniformity in dealings with noncurriculum student groups.

The term "noncurriculum" lacks a sufficient definition and raises yet another series of questions. Supporters of the amendment have said a football team is curriculum related because the school must hire a coach to train and prepare the players. Yet, what is the fundamental difference between a football team and a chess club, the latter an example of what supporters would classify as noncurriculum related. No one would object to a faculty adviser working with the chess club or the debate team; however, if these activities are now considered noncurriculum related they are no different than a student religious group, thus subject to the school board's same uniform requirements. What we are really saying is that a school cannot sponsor a noncurriculum activity whether that activity is debate, chess, or organized religious devotions.

Mr. President, I suggest that not only is this distinction inadequate but it is potentially harmful. Under the provisions of the amendment the school debate team could not have a faculty adviser because that would constitute school sponsorship of a noncurriculum activity. This example is precisely the type of unintended consequences which will result if this legislation is implemented. Furthermore, what is to prevent two neighboring school districts to adopt two entirely different procedures for applying equal access to affected student groups?

Mr. President, in addition to the amendment's loose definitions and ambiguities I believe there is a much greater principle here which is at stake. I do not believe this body should pass legislation because it has widespread emotional appeal. We must examine critically every aspect of a proposal and its every potential affect. There are many jurisdictional, legal and substantive questions which remain unanswered pursuant to the question and parameters of equal access. I do not believe that this issue will be resolved by a legislative remedy.

The potential harmful effects of the of the proposed amendment outweigh its intended benefits. It is not the intent of the proposal with which I take issue. It is the legislative approach we would take to resolve the equal access controversy that I question. In the final analysis the legislation ultimately will be subject to interpretation by the Supreme Court who will render its decision on the scope of the first amendment.●

Mr. HATFIELD. Mr. President, I know of no other comments that may be made. I think we are ready to vote.

The PRESIDING OFFICER. Is there further debate?

AMENDMENT NO. 3342

(Purpose: To encourage the use of school facilities before and after school hours for the care of school-age children and for other purposes)

Mr. RIEGLE. Mr. President, I have an amendment I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Michigan [Mr. RIEGLE], for himself, and Mrs. HAWKINS, Mr. MATSUNAGA, and Mr. ANDREWS, proposes an amendment numbered 3342.

Mr. RIEGLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection?

Mr. HATFIELD. Reserving the right to object, Mr. President, I would like to know if it is possible to get a copy?

Mr. RIEGLE. We shall send a copy over to the Senator. I shall be happy to have it read.

Mr. HATFIELD. I have no desire to have it read. I would just like to know what the Senator is proposing, since I was unaware of the amendment.

I do not object, Mr. President.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment insert the following new title:

TITLE —

SHORT TITLE

SEC. . This title may be cited as the "School Facilities Child Care Act".

STATEMENT OF FINDINGS AND PURPOSE

SEC. . The Congress finds that—

(1) the need for day care for the young school-age child before school, afterschool, during school holidays, and during school vacations when parents must work, is a national problem, affecting more and more families every year;

(2) approximately six million children, between the ages of six and thirteen take care of themselves when they return home from school;

(3) unsupervised children run physical and psychological risks, including accidents and feelings of loneliness and fear;

(4) research studies have indicated increased likelihood of alcohol and drug abuse and delinquent behavior among unsupervised "latchkey" children;

(5) the number of existing child care programs designed to meet the needs of young schoolchildren for before and afterschool supervision are scarce, frequently filled to capacity, and often unable to subsidize care for children from families with limited financial resources;

(6) the Federal Government has a role in the promotion of quality and adequate child care services which contribute to the well-being of children and families; and

(7) the use of school facilities as the site for before and afterschool care offers effective utilization of existing resources.

(b) Recognizing that the parent is the primary influence in the life of the child and that the parent must have ultimate decisionmaking authority on issues relating to the welfare and care of the child, it is the purpose of this title—

(1) to encourage the development of partnerships among parents, elementary and secondary school educators, and child care providers designed to serve the interests of school-age children in need of before and afterschool care;

(2) to promote the availability of child care services to school-age children in need of services;

(3) to provide financial assistance to public agencies and private nonprofit organizations using available school facilities for before and afterschool child care services;

(4) to provide assistance to families whose financial resources are insufficient to pay the full cost of services for before and afterschool care; and

(5) to encourage State and local educational agencies, private nonprofit organizations, and community organizations to assess the need for school-age child care services and to promote public awareness of the need to provide adult supervision of school-age children and the availability of programs to provide such services.

DEFINITIONS

SEC. . As used in this title—

(1) the term "community center" means facilities operated by nonprofit community-based organizations for the provision of recreational, social, and educational services to the general public;

(2) the term "elementary school" has the same meaning given that term under section 198 (a) (7) of the Elementary and Secondary Education Act of 1965;

(3) the term "equipment" has the same meaning given that term by section 198 (a)(8) of the Elementary and Secondary Education Act of 1965;

(4) the term "institution of higher education" has the same meaning given that term under section 1201 (a) of the Higher Education Act of 1965;

(5) the term "local educational agency" has the same meaning given that term under section 198 (a) (10) of the Elementary and Secondary Education Act of 1965;

(6) the term "school-age children" means children aged five through thirteen;

(7) the term "school facilities" means classrooms and related facilities used for the provision of elementary and secondary education;

(8) the term "secondary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965;

(9) the term "Secretary" means the Secretary of Health and Human Services;

(10) the term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands; and

(11) the term "State educational agency" has the meaning given that term under section 198(a)(17) of the Elementary and Secondary Education Act of 1965.

PROGRAM AUTHORIZED

SEC. . (a) The Secretary of Health and Human Services is authorized, in accordance with the provisions of this title, to make grants to public agencies and private nonprofit organizations having the capacity to furnish school-age child care services to assist such agencies and organizations to establish school-age child care services in school facilities or in community centers in communities where school facilities are not available.

(b)(1) There are authorized to be appropriated $15,000,000 for the fiscal year 1985 and for each of the succeeding fiscal years ending prior to October 1, 1987. Amounts appropriated pursuant to the first sentence of this subsection shall remain available until expended.

(2) Not more than 5 per centum of the amount appropriated in each fiscal year under paragraph (1) shall be available for administrative expenses.

APPLICATIONS

SEC. . Each public agency or private nonprofit organization, having the capacity to furnish school-age child care services, which desires to receive a grant under this title, shall submit an application to the Secretary at such time, in such form, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall—

(1) describe the need for and the type of child care services to be furnished in school facilities of an elementary or secondary school or an institution of higher education or community center in the community;

(2) provide assurances that the applicant has knowledge of and experience in the special nature of child care services for school-age children;

(3) provide assurances, in the case of an applicant that is not a State or local educational agency or a private nonprofit elementary or secondary school, that the applicant has or will enter into an agreement with the State or local educational agency or institution of higher education or private elementary or secondary school or community center containing provisions for—

(A) the use of facilities for the provision of before or afterschool child care services (including such use during holidays and vacation periods),

(B) the restrictions, if any, on the use of such space, and

(C) the times when the space will be available for the use of the applicant;

(4) provide an estimate of the costs of the establishment of the child care service program in the facilities, including the proposal for a fee schedule for child care services;

(5) provide for the establishment of a sliding-fee schedule based upon the services provided and family income adjusted for family size for children receiving services assisted under this title;

(6) provide assurances that the parents of school-age children will be involved in the development and implementation of the program for which assistance is sought under this title;

(7) provide assurances that the applicant is able and willing to seek to enroll racially, ethnically, and economically diverse as well as handicapped school-age children in the child care service program for which assistance is sought under this title;

(8) provide assurances that the child care program is in compliance with State and local licensing laws and regulations governing day care services for school-age children to the extent that such regulations are appropriate to the age group served;

(9) provide assurances that the applicant will participate in data collection and evaluation activities relating to the program for which assistance is sought and will report such information as the Secretary may reasonably require to carry out section;

(10) describe the liability insurance coverage which the applicant intends to purchase; and

(11) provide such other assurances as the Secretary may reasonably require to carry out the provisions of this title.

(b) In approving applications under subsection (a) of this section, the Secretary shall—

(1) assure that there is an equitable distribution of approved applications both with respect to States and between innercity, urban, suburban, and rural areas;

(2) give priority to applications from applicants in communities in which there is the greatest need for child care services for school-age children and in which there is a shortage of economic resources for the provision of child care services for such children; and

(3) give consideration to applicants who can illustrate an identifiable base of support from the community in the form of financial or in-kind contributions from other agencies, parents groups, business concerns, or civic organizations.

NEEDS ASSESSMENT; REPORT

SEC. . (a) The Secretary shall carry out a program of collecting data from recipients of assistance under this title designed to provide a national needs assessment for child care services of school-age children in the United States. The data shall include the number of children served, the number of children awaiting care, the income distribution of families, and the percentage of families requiring reduced or waived fees.

(b) Not later than 160 days after the end of each fiscal year, the Secretary shall prepare and submit to the Committee on Education and Labor and Human Resources of the Senate a full and complete report of its activities under this title during the preceding fiscal year, together with a needs assessment of the availability of, and need for Federal support for, child care services for school-age children in each State in the United States.

NATIONAL CLEARINGHOUSE ON SCHOOL-AGE CHILD CARE

SEC. . From the amount reserved under section (b)(2), the Secretary shall establish and operate a clearinghouse on school-age child care programs. The clearinghouse shall collect and disseminate to the public information pertaining to programs and services available for the provision of school-age child care, together with ways of coordinating such programs and services with other programs and services, including education and recreation, provided to school-age children. The clearinghouse shall also provide technical assistance to public agencies, private nonprofit organizations, and groups of parents desiring to establish local school-age child care programs or services. The Secretary is authorized to enter into contracts with qualified public agencies and private organizations to operate the clearinghouse established or designated under this section. The Secretary is also authorized to accept donations from public and private organizations and individuals for the purpose of operation the clearinghouse.

PAYMENTS

SEC. . (a) From the amounts appropriated under section , the Secretary shall pay, in accordance with the provisions of this title, the amount required to carry out the services described in each application approved under section .

(b) Payments under this title shall be made as soon after the approval of the application as is practicable.

ADMINISTRATION

SEC. . (a) In order to carry out the provisions of this title, the Secretary is authorized to—

(1) appoint and fix the compensation of such personnel as may be necessary;

(2) procure temporary and intermittent services of experts and consultants as are necessary to the extent authorized by section 3109 of title 5, United States Code;

(3) prescribe such regulations as the Secretary deems necessary;

(4) receive money and other property donated and bequeathed, or devised, without condition or restriction other than it be used for the purposes of this title; and to use, sell, and otherwise dispose of such property for the purpose of carrying out the functions of the Secretary under this title;

(5) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code; and

(6) enter into contracts, grants, other arrangements, or modifications that are necessary to carry out the provisions of this title.

(b) The Secretary shall submit to the President and to the Congress an annual report of the program authorized by this title.

WITHHOLDING

SEC. . Whenever the Secretary, after reasonable notice and opportunity for a hearing to any applicant, finds that there has been a failure to comply substantially with the provisions set forth in the application approved under section , the Secretary shall notify the applicant that further payments will not be made under this title until he is satisfied that there is no longer any failure to comply. Until the Secretary is so satisfied, no further payments shall be made under this title.

AUDIT

SEC. . The Comptroller General of the United States, and any of his duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any applicant and any contractee receiving assistance under this title that are pertinent to the sums received and disbursed under this title.

Mr. RIEGLE. Mr. President, I say to my colleague from Oregon that this is an amendment I am offering before my colleagues in the Senate that addresses the problem of latchkey children in our Nation through the use of existing school facilities. This is an amendment that is now cosponsored by 24 of my Senate colleagues and Members on both sides of the aisle. The bill, S. 1531, containing the amendment I am offering, has already been favorably reported by the Committee on Labor and Human Resources.

I have a statement of some length I can deliver at this point and shall be prepared to do so, though I shall be prepared to ask unanimous consent to lay aside this amendment now that it has been offered if that is agreeable, so that the matter pending before the Senate may be handled, with the understanding that at a later point, when this matter is taken up again, my amendment will be in order.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I would like to report on an informal conversation now that I have had with the distinguished senior Senator from Michigan, with the minority leader, and the managers of the bill in respect to the Riegle amendment, which is a second-degree amendment to the Hatfield-Denton amendment which is pending. I believe we are ready to vote on Hatfield-Denton; we have debated it thoroughly, and it is an important issue. I would like to do that. The distinguished Senator from Michigan has agreed, if I understand him, that he is willing to withdraw his amendment to Hatfield-Denton in exchange for the right now to reoffer his amendment as a first-degree amendment to the bill itself.

The effect would be that we would go ahead and vote on Hatfield-Denton, and after that measure is disposed of the question would recur on the Riegle amendment as a first-degree amendment to the bill itself.

First, I inquire of the Senator from Michigan if that is in accord with his understanding?

Mr. RIEGLE. Yes; it is. I appreciate the majority leader's efforts.

I do not think I will need much time. Thirty minutes may be sufficient. Some on the other side may require longer.

Mr. BAKER. I inquire of the minority leader if he has any problem in that respect?

Mr. BYRD. Yes; with respect to the time limit. I am not against the time limit, but there have to be some fences built around it.

Mr. RIEGLE. I do not think it is necessary to have a time agreement now. Why not put that condition aside and stick with the first part of the request?

Mr. BAKER. I agree with the minority leader. I do not think we need to have a time agreement right now.

Mr. President, if the two managers concur, I am now prepared to put that request, and I assume they do.

Therefore, I ask unanimous consent, first, on behalf of the Senator from Michigan, that his amendment to the Hatfield-Denton amendment be withdrawn; and, next, that it be in order at this time for the distinguished Senator for Michigan to reoffer his amendment as a first-degree amendment to the bill itself; and that after the disposition of the Hatfield-Denton amendment, the question recur on the Riegle amendment.

The PRESIDING OFFICER [Mr. GORTON]. Without objection, it is so ordered.

Mr. RIEGLE. I thank the majority leader.

Mr. BAKER. I thank the Senator from Michigan. That is very cooperative of him, and I am grateful to him.

Mr. President, so far as I know, we are ready to vote. I know of no other speakers. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. BAKER. I believe we are ready to vote, and I yield the floor.

VOTE ON AMENDMENT NO. 315 AS AMENDED

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Colorado [Mr. HART] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 88, nays 11, as follows:

[Rollcall Vote No. 159 Leg.]

YEAS—88

Abdnor
Andrews
Armstrong
Baker
Baucus
Bentsen
Biden
Bingaman
Boren
Bumpers
Byrd
Chiles
Cochran
Cohen
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
East
Exon
Ford
Garn
Glenn
Goldwater
Grassley
Hatch
Hatfield
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Huddleston
Humphrey
Jepsen
Johnston
Kassebaum
Kasten
Kennedy
Lautenberg
Laxalt
Leahy
Levin
Long
Lugar
Matsunaga
Mattingly
McClure
Melcher
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Percy
Pressler
Proxmire
Pryor
Quayle
Randolph
Riegle
Roth
Rudman
Sarbanes
Sasser
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Tower
Trible
Tsongas
Wallop
Warner
Wilson
Zorinsky

NAYS—11

Boschwitz
Bradley
Burdick
Chafee
Cranston
Evans
Gorton
Inouye
Mathias
Metzenbaum
Weicker

NOT VOTING—1

Hart

So the Hatfield-Denton amendment (No. 3152), as modified, was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3342

(Purpose: To encourage the use of school facilities before and after school hours for the care of school-age children and for other purposes)

The PRESIDING OFFICER. Under the previous order, the amendment of the Senator from Michigan is the pending business. The clerk will report.

The legislative clerk read as follows:

The Senator from Michigan (Mr. RIEGLE), for himself, Mrs. HAWKINS, Mr. MATSUNAGA, and Mr. ANDREWS, proposes an amendment numbered 3342.

Mr. RIEGLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

At the end of the bill insert the following new title:

TITLE —

SHORT TITLE

SEC. . This title may be cited as the "School Facilities Child Care Act".

STATEMENT OF FINDINGS AND PURPOSE

SEC. . The Congress finds that—

(1) the need for day care for the young school-age child before school, afterschool, during school holidays, and during school vacations when parents must work, is a national problem, affecting more and more families every year;

(2) approximately six million children, between the ages of six and thirteen take care of themselves when they return home from school;

(3) unsupervised children run physical and psychological risks, including accidents and feelings of loneliness and fear;

(4) research studies have indicated increased likelihood of alcohol and drug abuse and delinquent behavior among unsupervised "latchkey" children;

(5) the number of existing child care programs designed to meet the needs of young schoolchildren for before and afterschool supervision are scarce, frequently filled to capacity, and often unable to subsidize care for children from families with limited financial resources;

(6) the Federal Government has a role in the promotion of quality and adequate child care services which contribute to the well-being of children and families; and

(7) the use of school facilities as the site for before and afterschool care offers effective utilization of existing resources.

(b) Recognizing that the parent is the primary influence in the life of the child and that the parent must have ultimate decisionmaking authority on issues relating to the welfare and care of the child, it is the purpose of this title—

(1) to encourage the development of partnerships among parents, elementary and secondary school educators, and child care providers designed to serve the interests of school-age children in need of before and afterschool care;

(2) to promote the availability of child care services to school-age children in need of services;

(3) to provide financial assistance to public agencies and private nonprofit organizations using available school facilities for before and afterschool child care services;

(4) to provide assistance to families whose financial resources are insufficient to pay the full cost of services for before and afterschool care; and

(5) to encourage State and local educational agencies, private nonprofit organizations, and community organizations to assess the need for school-age child care services and to promote public awareness of the need to provide adult supervision of school-age children and the availability of programs to provide such services.

DEFINITIONS

SEC. . As used in this title—

(1) the term "community center" means facilities operated by nonprofit community-based organizations for the provision of recreational, social, and educational services to the general public;

(2) the term "elementary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965;

(3) the term "equipment" has the same meaning given that term by section 198(a)(8) of the Elementary and Secondary Education Act of 1965;

(4) the term "institution of higher education" has the same meaning given that term under section 1201(a) of the Higher Education Act of 1965;

(5) the term "local educational agency" has the same meaning given that term under section 198(a)(10) of the Elementary and Secondary Education Act of 1965;

(6) the term "school-age children" means children aged five through thirteen;

(7) the "school facilities" means classrooms and related facilities used for the provision of elementary and secondary education;

(8) the term "secondary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965;

(9) the term "Secretary" means the Secretary of Health and Human Services;

(10) the term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands; and

(11) the term "State educational agency" has the meaning given that term under section 198(a)(17) of the Elementary and Secondary Education Act of 1965.

PROGRAM AUTHORIZED

SEC. . (a) The Secretary of Health and Human Services is authorized, in accordance with the provisions of this title, to make grants to public agencies and private nonprofit organizations having the capacity to furnish school-age child care services to assist such agencies and organizations to establish school-age child care services in school facilities or in community centers in communities where school facilities are not available.

(b) (1) There are authorized to be appropriated $15,000,000 for the fiscal year 1985 and for each of the succeeding fiscal years ending prior to October 1, 1987. Amounts appropriated pursuant to the first sentence of this subsection shall remain available until expended.

(2) Not more than 5 per centum of the amount appropriated in each fiscal year under paragraph (1) shall be available for administrative expenses.

APPLICATIONS

SEC. . Each public agency or private nonprofit organization, having the capacity to furnish school-age child care services, which desires to receive a grant under this title, shall submit an application to the Secretary at such time, in such form, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall—

(1) describe the need for and the type of child care services to be furnished in school facilities of an elementary or secondary school or an institution of higher education or community center in the community;

(2) provide assurances that the applicant has knowledge of and experience in the special nature of child care services for school-age children;

(3) provide assurances, in the case of an applicant that is not a State or local educational agency or a private nonprofit elementary or secondary school, that the applicant has or will enter into an agreement with the State or local educational agency or institution of higher education or private elementary or secondary school or community center containing provisions for—

(A) the use of facilities for the provision of before or afterschool child care services (including such use during holidays and vacation periods),

(B) the restrictions, if any, on the use of such space, and

(C) the times when the space will be available for the use of the applicant;

(4) provide an estimate of the costs of the establishment of the child care service program in the facilities, including the proposal for a fee schedule for child care services;

(5) provide for the establishment of a sliding-fee schedule based upon the services provided and family income adjusted for family size for children receiving services assisted under this title;

(6) provide assurances that the parents of school-age children will be involved in the development and implementation of the program for which assistance is sought under this title;

(7) provide assurances that the applicant is able and willing to seek to enroll racially, ethnically, and economically diverse as well as handicapped school-age children in the child care service program for which assistance is sought under this title;

(8) provide assurances that the child care program is in compliance with State and local licensing laws and regulations governing day care services for school-age children to the extent that such regulations are appropriate to the age group served;

(9) provide assurances that the applicant will participate in data collection and evaluation activities relating to the program for which assistance is sought and will report such information as the Secretary may reasonably require to carry out section;

(10) describe the liability insurance coverage which the applicant intends to purchase; and

(11) provide such other assurances as the Secretary may reasonably require to carry out the provisions of this title.

(b) In approving applications under subsection (a) of this section, the Secretary shall—

(1) assure that there is an equitable distribution of approved applications both with respect to States and between innercity, urban, suburban, and rural areas;

(2) give priority to applications from applicants in communities in which there is the greatest need for child care services for school-age children and in which there is a shortage of economic resources for the provision of child care services for such children; and

(3) give consideration to applicants who can illustrate an identifiable base on support from the community in the form of financial or in-kind contributions from other agencies, parents groups, business concerns, or civic organizations.

NEEDS ASSESSMENT; REPORT

SEC. . (a) The Secretary shall carry out a program of collecting data from recipients of assistance under this title designed to provide a national needs assessment for child care services of school-age children in the United States. The data shall include the number of children served, the number of children awaiting care, the income distribution of families, and the percentage of families requiring reduced or waived fees.

(b) Not later than 160 days after the end of each fiscal year, the Secretary shall prepare and submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate a full and complete report of its activities under this title during the preceding fiscal year, together with a needs assessment of the availability of, and need for Federal support for, child care services for school-age children in each State in the United States.

NATIONAL CLEARINGHOUSE ON SCHOOL-AGE CHILD CARE

SEC. . From the amount reserved under section (b) (2), the Secretary shall establish and operate a clearinghouse on school-age child care programs. The clearinghouse shall collect and disseminate to the public information pertaining to programs and services available for the provision of school-age child care, together with ways of coordinating such programs and services with other programs and services, including education and recreation, provided to school-age children. The clearinghouse shall also provide technical assistance to public agencies, private nonprofit organizations, and groups of parents desiring to establish local school-age child care programs or services. The Secretary is authorized to enter into contracts with qualified public agencies and private organizations to operate the clearinghouse established or designated under this section. The Secretary is also authorized to accept donations from public and private organizations and individuals for the purpose of operating the clearinghouse.

PAYMENTS

SEC. . (a) From the amounts appropriated under section , the Secretary shall pay, in accordance with the provisions of this title, the amount required to carry out the services described in each application approved under section .

(b) Payments under this title shall be made as soon after the approval of the application as is practicable.

ADMINISTRATION

SEC. . (a) In order to carry out the provisions of this title, the Secretary is authorized to—

(1) appoint and fix the compensation of such personnel as may be necessary;

(2) procure temporary and intermittent services of experts and consultants as are necessary to the extent authorized by section 3109 of title 5, United States Code;

(3) prescribe such regulations as the Secretary deems necessary;

(4) receive money and other property donated and bequeathed, or devised, without condition or restriction other than it be used for the purposes of this title; and to use, sell, and otherwise dispose of such property for the purpose of carrying out the functions of the Secretary under this title;

(5) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code; and

(6) enter into contracts, grants, other arrangements, or modifications that are necessary to carry out the provisions of this title.

(b) Secretary shall submit to the President and to the Congress an annual report of the program authorized by this title.

WITHHOLDING

SEC. . Whenever the Secretary, after reasonable notice and opportunity for a hearing to any applicant, finds that there has been a failure to comply substantially with the provisions set forth in the application approved under section , the Secretary shall notify the applicant that further payments will not be made under this title until he is satisfied that there is no longer any failure to comply. Until the Secretary is so satisfied, no further payments shall be made under this title.

AUDIT

SEC. . The Comptroller General of the United States, and any of his duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any applicant and any contractee receiving assistance under this title that are pertinent to the sums received and disbursed under this title.

Mr. STAFFORD. Mr. President, may we have order? We cannot hear the distinguished Senator from Michigan.

The PRESIDING OFFICER. The Senate will be in order. The Senate is not in order. Members and staff cease conversation on the Senate floor. The Senator from Michigan has an amendment and is entitled to be heard.

Mr. STAFFORD. The Senator cannot even hear the Chair at this point.

Mr. President, while the Chair is attempting to get order, I will suggest the absence of a quorum so may I confer with the distinguished Senator from Michigan.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIEGLE. Mr. President, I do so only to ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. RIEGLE. I thank the Chair and would now ask the Senator from Vermont to reinstitute the quorum call if he so desires.

Mr. STAFFORD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CHRISTOPHER COLUMBUS QUINCENTENARY JUBILEE COMMISSION CONFERENCE REPORT

Mr. MATHIAS. Mr. President, I ask that the Senate now turn to the consideration of the conference report to accompany H.R. 1492, the Christopher Columbus Quincentenary Jubilee Act.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The report will be stated.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1492) to establish the Christopher Columbus Quincentenary Jubilee Commission, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The **PRESIDING OFFICER**. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report will be printed in the House proceedings of the RECORD.)

Mr. **MATHIAS**. Mr. President, I think the title of this legislation explains it fully. If there is not further discussion, I move the adoption of the conference report.

The **PRESIDING OFFICER**. Is there further debate? If not, the question is on agreeing to the conference report.

The conference report was agreed to.

Mr. **MATHIAS**. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. **DOLE**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. **BAKER**. Mr. President, there is a messenger at the door. Unless I am mistaken, that large volume of material he has in the Xerox box is the conference report on the deficit reduction package. Before the messenger falls, I yield so that the Chair may admit him.

MESSAGES FROM THE HOUSE

At 5:29 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the amendments of the Senate to the bill (H.R. 4170) to provide for tax reform, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

> H. Con. Res. 328. Concurrent resolution to correct technical errors in the enrollment of the bill H.R. 4170.

The **PRESIDING OFFICER**. The majority leader.

Mr. **BAKER**. Mr. President, the clerk wishes to be excused, and not bowing, I am told. [Laughter.]

Mr. President, I have never threatened anyone with bodily harm in my whole life that I can remember, but if anybody threatens to read this, we are going to be in bad shape. [Laughter.]

DEFICIT REDUCTION ACT OF 1984—CONFERENCE REPORT

Mr. **BAKER**. Mr. President, I have discussed this with the minority leader—he is aware of the request I am about to put—the two managers, and with a number of other Senators. Before I put the request, let me say that I think it is essential we get this matter done as soon as possible. I hope we can do it promptly.

Mr. President, I submit a report of the committee of conference on H.R. 4170, and ask for its immediate consideration.

The **PRESIDING OFFICER**. The report will be stated.

The legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the amendments of the Senate to the bill (H.R. 4170) to provide for tax reform, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by majority of the conferees.

The **PRESIDING OFFICER**. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of June 22, 1984—Part II.)

The **PRESIDING OFFICER**. The majority leader.

Mr. **BAKER**. Mr. President, I thank the Chair.

Mr. President, I believe the manager on this side, the chairman of the Finance Committee, will be here momentarily. While we wait, I suggest the absence of a quorum.

Mr. **SARBANES**. Mr. President, will the majority leader withhold?

Mr. **BAKER**. I withhold my request, and I yield to the Senator from Maryland.

Mr. **SARBANES**. Will the majority indicate, once this matter is dealt with, what he anticipates the business being for the balance of today, and maybe even tomorrow?

Mr. **BAKER**. Mr. President, I thank the Senator from Maryland I had hoped we would be through the math-science bill by now. I believe we are with the exception of one amendment that has been offered by the Senator from Michigan. When we finish this conference report, it would be the intention of the leadership on this side to go back to the math-science, and finish that bill tonight. There may be other conference reports, and one or two other bills that will take only a very brief time. If they are here, available, and if the manager, the chairman of the Appropriations Committee, wishes to do so, I would be willing to ask the Senate to stay and do that.

It would be my intention finally, Mr. President, to try to lay down the State-Justice appropriations bill tonight, but not do anything on it except have it pending when we return in the morning. Tomorrow, I hope we can do State-Justice. We will have the debt limit over here from the House at some point during the day tomorrow, and that we can do that. There may be another conference report that we can deal with tomorrow. But it is still my hope that we can finish sometime tomorrow afternoon, or tomorrow evening, and adjourn over for the Fourth of July recess. That is by no means certain. We may be in on Friday, or even Saturday. But I am reasonably hopeful that we can make it by tomorrow afternoon.

I thank the Senator from Maryland for asking.

Mr. **SARBANES**. I thank the majority leader for his response.

Mr. **BAKER**. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **LONG**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **LONG**. Mr. President, is the pending business the conference report on H.R. 4170?

The **PRESIDING OFFICER**. The Senator is correct.

Mr. **LONG**. Mr. President, I yield to the very able chairman of the committee, the distinguished Senator from Kansas, who provided such outstanding leadership for the Senate in handling this conference.

Mr. **DOLE**. Mr. President, let me thank the distinguished Senator from Louisiana and apologize for being late. We have been on another matter on bankruptcy, which has a deadline of midnight tonight. We have been concerned about that.

The **PRESIDING OFFICER** [Mr. EVANS]. The Senator from Kansas is recognized.

Mr. **DOLE**. Mr. President, before I present any statement, I first want to make a part of the RECORD, and I want to read it, a letter from the President, because there are some who have asked me directly, as they should, "Does the President support this conference report?" I have a letter of today, June 27, 1984, and I will read it because it is short:

> As the Senate prepares to vote on the Conference Report on H.R. 4170, the Deficit Reduction Act of 1984, let me reiterate my support for this major element of the deficit reduction package.
>
> This measure, which was fashioned in a bipartisan manner, contains both spending reductions and measures to close tax loopholes of questionable fairness. The tax provisions are consistent with the downpayment plan target, and many of the key provisions providing for structural reform and curtailing tax abuses were included in my Fiscal 1985 Budget.

Most importantly, the tax provisions of the downpayment package contain no increase in individual tax rates.

The adoption of this Conference Report, coupled with the remaining components of our downpayment package, will help ensure that the economic recovery now underway is sustained in the months and years ahead.

Sincerely,

RONALD REAGAN.

Mr. President, I think the President's letter is important because I know there are some who are going to raise a lot of questions about whether or not we have done enough, whether or not we are going to get any spending restraint, whether or not the President supports this. I say to my colleagues that is the first question I asked. Halfway into the conference, I asked the President to indicate to me in writing, which he did at that time and again today, that he supported our efforts, because this Senator is getting a little saddle sore from being accused by some of raising taxes when we are only doing the President's work. I believe the President is correct, and I believe we should pass this package. I think it is very important that we do pass it. I think we would send exactly the wrong message to all the financial markets and the American people if we were to say we are not going to do this now because we are not sure of the spending.

Following my remarks, I am going to ask that the distinguished chairman of the Budget Committee reinforce the rest of the package for the benefit of this Senator and others. The last thing we want is another $50 billion tax bill and no spending reductions, or very little spending reduction. We have about $11 billion of real spending reduction in this package. In addition, we have already had about $7 billion because of COLA's, about $3 billion in agriculture. We are up to about $20 billion in nondefense spending. I think the Senator from New Mexico is prepared to outline additional spending restraints.

As far as this Senator is concerned, it is a choice the Senate is going to make. The President wants action. I believe the American people, forgetting about the President for a moment, want action. They ask why we have been in session all year and still have not done anything and now at the last moment somebody's saying, "I can't vote for this package."

It is deficit reduction; 80 percent of the tax package is closing loopholes. I remind my colleagues that there are a lot of positive aspects of this tax package. Every trucker in this country wants this package passed. It has to be passed to benefit the trucking industry. We are in effect lowering their taxes. Everyone in the insurance business in this country—and that includes a lot of people—wants this package passed. I could go on and on. I will insert in the RECORD a list of what people are supporting the package. The National Association of Homebuilders—I have a letter just handed to me, and I will insert it in the RECORD—is supporting the package.

The prime rate went up to 13 percent this week. What else do we need to spur action in the Senate Chamber? I think we have enough. We have had an increase of 2 points in the prime since March. There is every reason to act. I know of no reason not to act. I think we will take favorable action tonight.

Let me indicate what we have done on this bill. It has had a very long history. In fact, it goes back to 1983, a part of it clear back to the spring of 1983. We thought it was going to become a part of last year's budget reconciliation, but we did not make it because we had too much in taxes and not enough spending restraint.

This bill, combined with other spending cuts, I think is going to amount—I am going to let the Senator from New Mexico spell it out—to about $140 to $150 billion over the next 3 years.

Mr. President, we promised President Reagan that we would give him a balanced deficit reduction package. I think that is what we have. I think we have done a little better job on the Senate side than they have done on the House side.

When we went to conference with our nondefense budget restraints, we found very minimal spending cuts on the House side. But I will say as a credit to the conferees in the House they accepted nearly every one of our spending reduction measures. About $11 billion out of $14 billion were accepted by the House conferees. I think they should have done more, but that is all they would do. There is very little in this deficit reduction act that will trouble the average American, particularly our lower income citizens.

On the tax side nearly all the revenue comes from closing or restricting loopholes and tax shelters used by large corporations or wealthy individuals or by modifying incremental tax changes that were scheduled to take effect in the future. There are no increases in individual tax rates or changes in the tax indexing rules that protects all Americans from bracket creep. That alone is a major victory for the President's policy of reforming taxes without raising rates.

In addition, we have avoided all but a few minor excise tax increases.

About all that is ever reported in the newspapers on a tax bill, because the reporters do not understand it, is that we either raise or lower excise taxes. I read every day about, "Oh, they raised cigarette taxes, they raised telephone taxes, they raised liquor taxes."

Well, they are going to have to modify their stories because we did not raise cigarette taxes. We had a minimal increase in liquor taxes. It does not take effect until September. And we took the minimal amount of the Senate bill, which is $2 per proof gallon.

We also increased the unearned income tax credit which safeguards those at the bottom of the income scale.

With regard to spending, we saved money with a combination of management reforms recommended by the Grace Commission and more effective sharing of health care costs among providers of health care services, physicians, beneficiaries, and the Government.

All of the conferees are acutely sensitive to the needs of those who rely on medicare and other benefit entitlements, and I congratulate my colleagues on the conference for coming to agreement on spending reforms, not just cuts for the sake of cuts.

Finally, on the spending side, we also made modest increases in the AFDC and SSI programs designed to aid those at the margin of our working population, and some additional funds to medicaid partly offset by some modest reductions we had in the Senate bill.

There should be no doubt that we are trying to reduce the deficit in the fairest possible way.

On the tax portion of the bill, the major revenue-raising provisions, both bills had in common the tax shelter reforms, cutbacks in accounting abuses, restraint on leasing arrangements by tax-exempt entities, and other items are of course retained. I will insert in the RECORD a description of the major provisions.

Mr. President, I am pleased to present to the Senate the conference agreement on H.R. 4170, the Deficit Reduction Act. This is a major step toward getting our fiscal policy back on track, and even though it does less to reduce the deficit than many of us might have preferred, it is an essential part of our deficit-reduction efforts. I hope the Senate will give swift approval to this conference agreement.

This bill already has a long history. Some of its major provisions were first proposed in the spring of 1983, and were originally expected to become part of last year's budget reconciliation. Unfortunately that effort bogged down because of disagreement over the proper mix of tax and spending measures. But this year, thanks to a concerted effort on the part of the congressional leadership and President Reagan, we finally are seeing those efforts pay off. This bill, combined with other spending cuts agreed to and restraint on appropriations based on the budget resolution, will slice between $140 and $150 billion from the deficit over the next 3 years. That figure should be higher, but its importance should not be underestimated. Every dollar of deficit reduction reduces our interest expense on the national debt, and pulls us back from the brink where interest obligations would outgrow our capacity to fund them.

BALANCED PACKAGE

Mr. President, we promised President Reagan that we would give him a balanced deficit-reduction package. That is what we have, although it would have been helpful to have a little more certainty that the planned limits on appropriated funds will be adhered to. But so far as this bill is concerned, I believe both Congress and the White House can be quite satisfied with the result. We have between $10 and $11 billion in spending cuts, the bulk of what was in the Senate bill, and an excellent result when you consider that the House bill had only $3 billion in cuts. And these are real spending reductions, just as we make real revenue gains on the tax side. Altogether this bill reduces the deficit by about $61 billion.

FAIRNESS

There is very little in this Deficit Reduction Act that will trouble the average American, particularly our lower income citizens. On the tax side, nearly all the revenue comes from closing or restricting loopholes and tax shelters used by large corporations or wealthy individuals, or by modifying incremental tax changes that were scheduled to take effect in the future. There are no increases in individual tax rates, or changes in the tax indexing rule that protects all Americans from bracket creep. That alone is a major victory for the President's policy of reforming taxes without raising tax rates.

In addition, we have avoided all but a few minor excise tax increases that will affect the average person. We continue the telephone tax at its present rate, but we rejected the higher cigarette tax and the larger liquor tax increase in the House bill. The liquor tax will be increased to the lower rate in the Senate bill—by $2 per proof gallon—and the increase will be delayed until October 1, 1985. In the interest of fairness we also increased the earned income tax credit, which safeguards those at the bottom of the income scale.

With regard to spending, we save money with a combination of management reforms recommended by the Grace Commission and more effective sharing of health care costs among providers of health care services, physicians, beneficiaries, and the Government. All of the conferees are acutely sensitive to the needs of those who rely on medicare and other benefit entitlements, and I congratulate my colleagues on the conference for coming to agreement on a package of spending reforms, not just cuts for the sake of cuts. We hope these changes will help control health care costs as well as allocate those costs in a more efficient way, and there is very little here that will increase costs to the average beneficiary.

Finally, on the spending side we also made some modest increases in the AFDC and SSI programs designed to aid those at the margin of our working population, and some additional funds to medicaid partly offset by some modest reductions we had in the Senate bill. There should be no doubt that we are trying to reduce the deficit in the fairest possible way.

TAXES

Mr. President, the conference agreement on the tax portion of H.R. 4170 strikes an excellent balance between the House and Senate bills. The major revenue-raising provisions that both bills had in common—the tax shelter reforms, cutbacks in accounting abuses, restrictions on leasing arrangements by tax-exempt entities, and other items—are of course retained, with appropriate modifications as agreed to by the conferees. I will insert in the record following my statement a description of the major provisions on both the tax and spending side, but I would just like to highlight a few of the tax items that I know are of concern to many Members.

First, in addition to the several tax-freeze items in the Senate bill, we agreed to a modified version of the House provision freezing the maximum estate and gift tax rate. We would rather not have frozen the rate at all, but what we agreed to I believe achieves a satisfactory result without causing anyone undue hardship. Where the House would have kept the top rate at 60 percent, we agreed to freeze the rate at 55 percent through 1987, then drop it to 50 percent as planned. This is an important difference, because the House would have put the rate back to the 60-percent level, where it stood in 1983: really a retroactive reversal of a change already made. So we agreed to freeze the current rate prospectively, but only through 1987.

On the matter of industrial development bonds, we did agree to a modified version of the volume cap in the House bill. We did represent strongly the view of the Senate that a volume cap should not be imposed, but I would say that on this issue the House conferees felt perhaps more strongly than on any other. We believe, however, that the major concern of the Senate has been protected by the inclusion of a guarantee to low-population States that they have the right to issue at least $200 million in bonds. Other issues were worked out in a manner that I believe most Members will find satisfactory, and we provide a general transition rule that will allow bonds to be issued under present-law rules for most of these provisions until December 31, 1984.

I also would note that the conference agreement contains a 4-year extension of the mortgage subsidy bond program and a 4-year trial of the mortgage credit certificate program.

On the matter of real estate depreciation, we again struck a fair compromise by extending the write-off period from 15 to 18 years. We also leave the rehabilitation tax credits unchanged and extend through 1986 the rapid amortization of low income housing rehabilitation expenditures.

The summary which I will insert in the RECORD goes into more detail on these issues and other matters such as the insurance package, the foreign provisions—including repeal of the 30-percent withholding tax on foreign portfolio investors—pension and charitable provisions, fringe benefits, and many, many more. I would conclude with regard to the tax provisions by saying that I know many Members are disappointed that their favorite provisions or amendment may not have been included, at least in the form they hoped for. We do our best to defend the Senate position on the add ons, but because Senate procedures allow so many more add ons than do the House, we are at somewhat of a disadvantage when negotiating with a House bill that has relatively few add ons. Nevertheless a substantial number of the Senate amendments are preserved, including the foreign sales corporation provisions to replace DISC, a 1-year extension of the targeted jobs tax credit, the provision for electing social security coverage for church employees, and many others. We were unable to secure House agreement to the repeal of the generation-skipping tax or to the President's enterprise zone initiative: this was a major disappointment, particularly in the case of enterprise zones, which has now passed the Senate on two occasions with strong support. But I believe our House colleagues understand now that these issues will not just go away.

SPENDING

Mr. President, as I have indicated, the conference agreement contains most of the savings from the Grace Commission recommendations we adopted, as well as significant savings in Medicare, savings from shutting down the scheme by which spirits redistilled in Puerto Rico qualified for cover-over payments from the U.S. Treasury, and some modest savings in Medicaid. For Medicare, Medicaid, and the maternal and child health services block grant, the overall savings achieved amounts to some $7 billion over 4 years. I would like to point out that the poor and in particular, pregnant women and children, have been protected. In fact, they have been helped by the provisions agreed to by the conferees. For Medicaid and maternal and child health there will be a net gain of over a quarter of a billion dollars.

The health program savings contained in the conference agreement are clearly the result of reduction in the Medicare Program. And that should be even more clear is that we will achieve those savings without placing an undue burden on the elderly. Program beneficiaries will be asked to continue to pay at least one-quarter of the cost of the protection they receive under part B of the program, for 2 more years. And they will be asked to share in the cost of durable medical equipment supplied by home health agencies to the same extent they currently share the cost of other part B services. Both proposals are reasonable and certainly justifiable. 82 percent of the Health Care Program savings achieved in this bill will be borne by other than the beneficiary. These include physicians, hospitals, laboratories, health insurers, and employers.

While the bill contains many provisions dealing with Medicare, Medicaid, and the MCH block grant, I would like to highlight only a few of those provisions.

Mr. President, as I have already stated, there are only two provisions which will have an out-of-pocket impact on beneficiaries. One other would allow beneficiaries the choice of retaining Medicare as their primary coverage or electing coverage under a younger spouse's employer-based health plan if they felt that such an election offered personal advantages.

About $2 billion of the savings achieved will be borne by hospitals and laboratories. Section 2310 limits for 2 years the increase in all hospital payment amounts to the market basket plus one-quarter percentage point. Under section 2303, a fee schedule for clinical laboratory services would be established for all outpatient clinical laboratory services provided to Medicare beneficiaries.

Under section 2306, $2.5 billion will be saved by freezing for 15 months the customary and prevailing charge levels used to determine what Medicare will pay for physician services. Needless to say, there has been a great deal of concern about how physicians can be prevented from shifting the burden of such a freeze to beneficiaries. Simply freezing what we pay for physician services provides little protection to program beneficiaries. If a physician does not elect to take assignment, beneficiaries can be held responsible for the full difference between what the program pays and what the physician charges.

Mr. President, the conferees spent a great deal of time in discussions with the administration trying to address this concern. As a result, the conferees agreed to a provision which works in concert with organized medicine's voluntary freeze. In essence, medicare will monitor the charges made to program beneficiaries where a physician does not accept assignment. If those charges exceed what a physician customarily charged prior to the voluntary freeze, that physician could be subjected to civil monetary penalties, assessments for damages, or exclusion from participation in the medicare program.

The provision includes incentives for physicians to take assignment similar to those contained in the Senate amendment. Provision has also been made to better inform beneficiaries as to which physicians accept assignment. This includes toll-free telephone numbers and the publication of a directory of those physicians that agree to accept assignment in all instances. A listing of physicians who accept assignment on a limited basis would also be made available.

Mr. President, by working in concert with organized medicine and by making information on physician assignment available to the elderly, I feel we have devised a balanced program change. In conjunction with the studies we are asking of the Secretary and the Office of Technology Assessment, I believe measures contained in this provision will afford us an excellent opportunity to assess physician response to both incentives and penalties and the value of better informed consumers.

CONCLUSION

Mr. President, this is a good package and deserves prompt approval. It will not please everyone in every particular—but that is a sign of a good compromise. No one has been singled out for special burdens or special protections in this bill, because we know that everyone has to come up with their fair share of deficit reduction measures. At the same time, this is only one part of our deficit agreement this year, and we will have to follow through on other programs and appropriated accounts if we are to have any kind of favorable impact on financial markets. Furthermore, this is only a review of the more comprehensive deficit-reduction effort we know will be necessary next year. But it is essential that we get this job done and move on, because time is of the essence when it comes to safeguarding the economic recovery.

Mr. President, I ask unanimous consent to have pertinent material and letters printed in the RECORD.

There being no objection, the letters and material were ordered to be printed in the RECORD, as follows:

SUMMARY OF CONFERENCE DECISIONS—MAJOR SPENDING REDUCTION PROVISIONS

1. MEDICARE

Limitation on increase in hospital costs per case (section 2310)

The conference agreement would limit for the two hospital cost reporting periods beginning on or after October 1, 1984, the rate of increase applicable to hospitals. In fiscal year 1985 the rate of increase should be market basket plus one-quarter of one percentage point. However, budget neutrality would continue to apply in fiscal year 1985. In fiscal year 1986, the rate of increase may not exceed the market basket plus one-quarter of one percentage point. The Secretary, taking into account the recommendations of the Prospective Payment Assessment Commission, would continue to have authority to establish a rate of increase, as under current law, but not more than market basket plus one-quarter of one percentage point during the applicable period.

The conference agreement would provide that the rate of increase for exempted hospitals and exempted hospital units would not exceed market basket plus one-quarter of one percentage point in the first or second year.

Payment for clinical diagnostic laboratory tests (section 2303)

The conference agreement would require the establishment of a fee schedule for all laboratory services except those provided to hospital inpatients.

A fee schedule for independent clinical labs (including hospitals labs furnishing services to persons who are not patients of the hospital) and for lab tests performed in a physician's office is to be established at 60 percent of the prevailing charge levels for the fee screen year beginning July 1, 1984. After three years, payment would be made on the basis of a national fee schedule. (The fee schedule would not apply to clinical lab tests furnished by ESRD facilities and included in the ESRD composite rate.)

For hospital-based labs serving hospital outpatients a fee schedule based on a carrier or regional area would be established at 62 percent of the prevailing charge levels for the fee screen year beginning July 1, 1984. After the three-year period, reimbusement for such hospital labs would revert to cost reimbursement unless the Congress acted to include them in a national fee schedule.

Limitation on physician fee prevailing and customary charge levels; participating physician incentives (section 2306)

The conference agreement provides for a 15-month physician reimbursement freeze under the Medicare program, protects medicare beneficiaries from additional "extra-billing" and establishes a participating physician arrangement under the Medicare program.

a. Physician Freeze:

Customary and prevailing charges under the Medicare program would be frozen at the June 30, 1984 level for 15 months, until September 30, 1985. Subsequent fee screen updates would occur on October 1 of each year. Physicians would be expected not to increase their charges to Medicare beneficiaries during the 15-month freeze.

There would be no provision in the future fee screen updates for a "catch-up" in the prevailing charges. Any increases in the charges of nonparticipating physicians during the 15-month fee freeze period would not be recognized in future customary charge screen updates, as it is assumed that these physicians will not be increasing their charges to Medicare beneficiaries. Fee increases, if any, by participating physicians would be reflected in future customary charge updates (these physicians accept the Medicare reasonable charge as payment in full.)

b. Participating Physicians:

Before October 1 of each year, physicians could elect to become participating physicians for the entire 12-month period beginning October 1. Participating physicians would agree, in writing, to accept the Medicare reasonable charge as payment in full, except for the allowed 20 percent coinsurance; that is, participating physicians would agree to accept Medicare assignment for all their Medicare patients. (Non-participating physicians could continue to accept assignment on a case-by-case basis.)

Additional incentives for physicians include: publication of directories of participating physicians, toll-free telephone lines to disseminate names of participating physicians and use of direct lines for electronic receipt of claims.

c. Noncompliance:

Non-participating physicians would be subject to penalties for increasing their charges to Medicare beneficiaries during this 15-month period compared with charges they make during the quarter April 1, 1984-June 30, 1984. Noncompliance would subject these physicians to civil monetary penalties (of not more than $2,000 per violation) or exclusion from the Medicare program for a period not to exceed 5 years. The Secretary is given the discretion to apply a penalty that is commensurate with the offense.

In no circumstances will the exclusion penalty be imposed in the case of the sole physician serving a community or a physician providing essential specialized services that would otherwise not be available. The Secretary is also urged not to apply this penalty if there is any risk of the beneficiary losing access to services because of the exclusion of physicians in their area.

If either a participating or nonparticipating physician breaks an assignment agreement by extra billing to beneficiaries, the physician would become subject to the same penalties as are provided for under existing law.

d. Monitoring:

A monitoring system would be established by the Secretary in order to determine compliance of nonparticipating physicians with the fee freeze and to review changes in volume of services provided.

Part B premium (section 2302)

Current law requires the Secretary to calculate and announce each September the amount of the monthly premium that will be charged in the following calendar year for people enrolled in the Supplementary Medical Insurance (Part B) portion of the Medicare program. A temporary provision of law requires that for 1984 and 1985 the premium amount be calculated so as to produce premium income equal to 25 percent of program costs for enrollees aged 65 and over.

Beginning with 1986, the premium calculation under current law will revert to an earlier method under which the premium amount is the lower of (1) an amount sufficient to cover one-half of program costs for the aged; or (2) the current premium amount increased by the percentage by which cash benefits were most recently increased under the cost-of-living adjustment (COLA) provisions of the Social Security program.

The conference agreement would extend for two years (CY 1986 and 1987) the existing temporary provision which fixes the proportion of the Part B Medicare costs financed by enrollees at 25 percent of program costs. Should no Social Security cost-of-living adjustment take place, the monthly premium would not be increased for that year.

In the case of an individual who has his or her Part B premium deducted from his or her Social Security check, if the cost-of-living adjustment is less than the amount of the increase in the premium, the premium increase would be reduced so as to avoid a reduction in the individual's Social Security check. In certain cases, the monthly premium would not increase for that individual for that year.

Modification of working aged provision (section 2301)

The "Tax Equity and Fiscal Responsibility Act of 1982" (TEFRA) changed the Medicare benefits for the working aged. TEFRA amended "The Aged Discrimination in Employment Act" (ADEA) to provide that an employer must offer to an employee age 65 through 69 as the same group health plan offered to employees under aged 65. As of January 1, 1983, unless the employee rejects the employer plan, Medicare benefits become secondary to benefits under the employer group health plan for an employed individual between the ages of 65 and 69 (and for the spouse of such employed individual, if the spouse is aged 65 through 69.)

The conference agreement would provide that employers must also offer group coverage to an employee who has not reached age 65 in cases where the employee has a spouse aged 65 through 69 under the same circumstances as coverage is offered to employees with a spouse under the age of 65. In the case where such employee elects the employer plan, Medicare would be secondary.

2. MEDICAID

Medicaid coverage for pregnant women and young children (section 2361)

The conference agreement requires States to provide categorically needy Medicaid coverage at regular Federal matching rates to the following groups meeting AFDC income and resources requirements: (1) first-time pregnant women from medical verification of pregnancy; (2) pregnant women in two-parent families where the principal breadwinner is unemployed, from medical verification of pregnancy; and (3) children born on or after October 1, 1983, up to age five, in two-parent families.

3. SOCIAL SECURITY COVERAGE FOR CHURCH EMPLOYEES (SECTION 2603)

The conferees agreed to the Senate provision which would permit churches and certain church-controlled organizations opposed for religious reasons to the payment of the employer FICA tax to make a one-time election not to be subject to the employer FICA tax or any requirement to withhold social security taxes with respect to their employees. Employees of churches making this election would be treated similarly to the self-employed for the purposes of social security taxes. Such individuals would be subject to the SECA tax and would be eligible for the credit allowable against the SECA tax; however, they would not be allowed a deduction for unreimbursed business expenses.

4. GRACE COMMISSION PROVISIONS

The House agreed to all of the Senate provisions to implement Grace Commission recommendations. These include: (1) authorizing the IRS to release information relating to taxpayer assets to agencies administering low-income benefit programs in order to improve enforcement of eligibility standards; (2) requiring the Treasury to issue regulations to improve cash management practices of Federal agencies, including early collection and deposit of payments; (3) allowing the IRS to offset nontax debts to Federal agencies against IRS tax refunds.

5. TRADE ADJUSTMENT ASSISTANCE (TRADE ACT OF 1974 PROVISIONS)

Limitations on trade readjustment allowances

Under section 233(a)(3) of the Trade Act of 1974, the 26 weeks of additional trade readjustment allowances (TRA) that an eligible worker may receive while in training can be collected only during the 26 weeks immediately following exhaustion of entitlement to basic TRA.

The conference agreement amends section 233(a)(3) of the Trade Act upon enactment to enable workers to collect the extra 26 weeks of TRA beginning with the first week the worker enters training if that training has not been approved until after the last week of entitlement to basic TRA benefits.

Job search and relocation allowances

Under sections 237 and 238 of the Trade Act of 1974, eligible workers can be reimbursed for 90 percent of necessary job search expenses up to a maximum of $600; relocation allowances consist of 90 percent of reasonable and necessary expenses, plus a lump sum payment of three times the workers's average weekly wage, up to a maximum of $600.

The conference agreement amends section 237 and 238 of the Trade Act upon enactment to increase the maximum job search allowance to $800 and the maximum lump sum relocation allowance to $800.

Assistance to industry

Section 265 of the Trade Act of 1974 limits industry-wide technical assistance to improve competitiveness to $2 million annually per industry; only industries in which a substantial number of firms have been certified are eligible.

The conference agreement amends section 265 of the Trade Act upon enactment to extend eligibility to industries in which a substantial number of workers have been certified eligible, and increases the maximum amount of annual assistance per industry to $10 million.

6. PROVISIONS RELATING TO PUERTO RICO AND THE VIRGIN ISLANDS

Clarification of the definition of articles produced in Puerto Rico and the Virgin Islands

Federal excise tax revenues derived from articles coming into the United States from Puerto Rico or the Virgin Islands generally are paid to the Treasury of Puerto Rico or the Virgin Islands, respectively. Additionally, excise tax revenues derived from rum imported into the United States from any country are paid to Puerto Rico and the Virgin Islands.

Puerto Rico presently conducts a program under which grain neutral spirits, originally distilled in the United States, are transported to Puerto Rico, redistilled, and returned to the United States. Puerto Rico provides government subsidies to particpants in this program to induce their participation in the program.

The conference agreement provides that payment of excise tax revenues will be made to Puerto Rico or the Virgin Islands with respect to articles containing distilled spirits which are brought into the United States from those possessions, only if at least 92 percent of the alcoholic content of the articles is rum. For articles other than distilled spirits, excise tax revenues generally will be paid to Puerto Rico or the Virgin Islands only if (1) in the case of any article brought into the U.S. from Puerto Rico, at least 50 percent of the value of the article is attributable to Puerto Rican input; and (2) in the case of any article brought into the U.S. from Puerto Rico or the Virgin Islands, only if no subsidy is provided for the production of the article which is of a kind different from (or in an amount per value or volume greater than) subsidies provided to industry generally.

Subject to limited payments with respect to redistilled spirits and cane neutral spirits, the provision is effective for articles brought into the U.S. after February 19, 1984.

Limitation on excise tax payments to Puerto Rico and the Virgin Islands with respect to distilled spirits

The conference agreement limits the amount of excise tax that may be paid to Puerto Rico or the Virgin Islands with respect to distilled spirits to a maximum of $10.50 per proof gallon (i.e., the present rate of tax). Therefore, the $2.00 per proof gallon increase in the excise tax on distilled spirits provided by the conference agreement will not be paid to Puerto Rico or the Virgin Islands with respect to distilled spirits brought into the U.S. from those possessions.

SUMMARY OF CONFERENCE DECISIONS—MAJOR PROVISIONS

1. TAX-EXEMPT ENTITY LEASING

The conferees agreed to the basic provisions in both bills which would reduce the tax benefits available with respect to property leased to tax-exempt entities (including foreign entities). In the case of real property, "disqualified use" (use as IDB financing, or lease terms over 20 years) must exceed 35 percent before the property will be treated as tax-exempt use property. The tougher Senate rule regarding the rehabilitation credit, which would deny the credit regardless of whether the property was financed by tax-exempt bonds, was agreed to. Foreign leasing was generally made subject to the general rule after 1983.

The conferees also agreed to a set of generous transition rules in order to grandfather generally those projects which were underway prior to November 1, 1983, the date of Senate Finance Committee action. The principal change was to protect those projects with significant government action prior to November 1, 1983 and which have a binding contract to lease prior to January 1, 1985.

2. CORPORATE PROVISIONS

The basic Senate provisions regarding the taxation of corporations and their shareholders were agreed to, with certain technical modifications. These provisions generally place certain restrictions on various corporate transactions in order to prevent taxpayers from gaining unintended tax benefits. For example, the Chrysler preferred stock deal and the ability of oil companies to utilize royalty trusts have been restricted. In addition, the eligibility to file a consolidated return and the definition of earnings and profits have been changed to prevent certain abuses in those areas.

3. FOREIGN PROVISIONS

The conferees agreed to a number of restrictions contained in both bills relating to transactions primarily involving foreign corporations, including the factoring of trade receivables and the taxation of transfers of property outside the United States. For example, the tax treatment of property transfers outside the United States will no longer be subject to the "tax avoidance" standard under current law, which the IRS has found very difficult to apply. In addition, transfers of intangibles abroad will be subject to additional restrictions.

The conferees also agreed to the Senate provision repealing DISC as of the end of this year and replacing it with the Foreign Sales Corporation system. This was strongly supported by the Administration to address GATT concerns.

Foreign investors

a. 30% Withholding tax:

The conferees voted to repeal immediately (without a phase-out) the 30% withholding tax on foreign investors with respect to obligations issued after enactment. Treasury obligations, and obligations issued by controlled foreign corporations, may also take advantage of this rule. Treasury was also given strengthened regulatory authority with respect to registration requirements for bearer bonds, and Treasury guidelines for auditing foreign finance subsidiaries were clarified.

b. Foreign investment companies:

The conferees clarified the definition of foreign investment companies to prevent avoidance of the accumulated earnings tax by interposing other foreign entities between U.S. taxpayers and foreign personal holding companies.

The conferees also coordinated the definition of foreign personal holding company income and subpart F income.

Resourcing and recharacterization of income

The conferees adopted rules to prevent companies from using foreign subsidiaries to convert U.S. income into foreign income and interest income into dividend income, thus taking greater advantage of the foreign tax credit.

Liberal transition rules allow companies to retain their former sourcing rules with respect to outstanding debt.

Foreign insurance

The conferees agreed to redefine the location of the performance of foreign insurance services performed by controlled foreign corporations to make the income from such services currently taxable to the corporation's U.S. taxpayers.

The conferees decided not to change the excise tax and withholding mechanism for foreign casualty insurance, due to concerns regarding international relations between the U.S. and Great Britain, but did emphasize that they believed that the proposed Senate bill did not violate any treaty.

Simplification—Aliens

The conferees agreed to an objective test generally based on days present in the U.S. to define resident aliens. They also agreed to end the ability of nonresident aliens to use foreign community property laws to split the U.S. earned income of one spouse.

4. PARTNERSHIPS

Substantive changes prevent use of partnerships to (a) retroactively allocate gains, losses or other tax advantages, (b) disguise actual sales or payments for services as distributions of partnership interests or (c) avoid recapture or recognition of income in certain sales or exchanges of partnership interests.

5. LIFE INSURANCE REFORM

The bill replaces the former "three phase" system for taxing life insurance companies with a new system generally based on the corporate taxation model. Stricter limits would be set on allowable deductions for reserves, and limitations on deduction for policyholder dividends would be imposed on mutual life insurance companies to allow a "level playing field" between stock and mutual companies. The bill also provides a new definition of life insurance designed to prevent use of insurance contracts primarily as investment vehicles.

Specific agreements were as follows:

Special life company deduction—TIA

The special deduction for life insurance companies was set at 20% of the companies' taxable income arising out of their insurance business.

Variable contracts

The capital gains tax at the company level on assets underlying variable contracts was eliminated, and legislative guidelines on the required investment diversification for variable contracts were established.

ARC

No alternative life company deduction was adopted.

Subsidiary dividends

Senator Bradley's amendment was rejected, so the House rule on subsidiary dividends was adopted (100% dividends from subsidiaries are not subject to proration except to the extent paid out of tax-exempt interest).

Reinsurance

The conferees generally adopted the less strict House antimanipulation rules governing reinsurance contracts entered into in 1983, although the House rules were clarified to cover transactions that deliberately manipulated the anticipated changes in the tax law. For the future, the antimanipulation rules are strengthened to allow the Service to review reinsurance transactions between unrelated parties that have a tax avoidance effect.

Policyholder loans

No changes will be made to the present law provisions governing policyholder loans.

Group term life insurance

The limitations on tax-exempt group term life insurance ($50,000 cap and nondiscrimination rules) were extended to insurance provided to retired employees. Grandfather rules generally cover persons 55 and over who are covered by existing plans.

Annuity contracts

Stricter rules will apply to annuity contracts. The exception from the 5% penalty tax for distributions made within 10 years of investment is eliminated, and time limits (similar to those for IRAs) are imposed on when the contract must be annuitized upon the death of the contractholder.

6. FOUNDATIONS

Deduction limits

The conferees increased slightly certain deduction limits for donors to private foundations, but did not agree to the Senate provision that would have equalized the treatment of donors to private foundations and public charities.

Specifically, the conferees increased the percentage limit on deductions for cash/ordinary income property to 30% (up from 20%) of the donor's AGI, and allowed a 5-year carryover for excess contributions. They also allowed deduction at full fair market value for contributions to foundations of up to 10 percent of stock for which market quotations are readily available.

Grant administrative expenses

The conferees agreed to require that 4.65 percent of a foundation's investment assets be paid directly for charitable purposes. Thus, a foundation cannot meet its 5% payout rule merely with administrative expenses.

Other rules liberalizing or simplifying the foundation law

The conferees agreed to (a) reduce the excise tax on foundation investment income from 2% to 1% if the foundation's charitable payout increases; (b) exclude certain operating foundations from the excise tax; and (c) change or clarify certain definitions (e.g., of disqualified person, acceptable donees) to allow easier administration.

Divestiture rules for grandfathered holdings

(a) Pre-69 excess buildings holding:

The conferees did not accept a Senate provision that would have allowed certain business holdings of a foundation (e.g., newspapers, hotels), to be held by the foundation after 1989.

(b) Post-69 holdings:

The conferees allowed the IRS discretion to extend for 5 years the divestiture period for unusually large gift/bequests to foundations. This helps the MacArthur Foundation.

Voter registration drives

The conferees agreed to retain the rule of present law that allows foundation support of voter registration drives only if the drive is conducted in 5 states. (The purpose of ther rule is to prevent foundations from using funds for a single local campaign.)

Other provisions

Special rules prevent as ESOP from being treated as a disqualified person for purposes of the divestiture rules and allow the exemption from unrelated business taxable income to be applid to certain games of chance which, under State law, can be conducted only by nonprofits.

7. CHARITABLE DEDUCTION PROVISIONS

Increases in deduction limits

The conferees did not agreed to a Senate provision that would increase from 50 to 60 percent of AGI the allowable deduction limits for gifts to charities, and that would have increased the carryover period for excess contributions from 5 to 15 years.

Modifications to charitable contributions rules

The conferees agreed to impose stricter appraisal requirements on gifts to charities that generally exceed $5,000 and to require the recipient to file an information return regarding the value of such gifts if the gift is sold within 2 years. The overvaluation penalty was also strengthened for charitable contributions, and the penalty for incorrect valuations was extended to estate and gift tax returns.

Volunteer mileage

The conferees agreed to increase from 8 cents to 12 cents a mile the standard mileage rate used in determining the amount of a taxpayer's charitable contribution deduction for use of an automobile.

Conservation contributions

The conferees liberalized the rules allowing deductions for contributions of partial interests in real property for conservation purposes, allowing the deduction in certain cases where surface mining is not precluded.

Olympic checkoff

The conferees did not agree to a Senate provision allowing collection of amounts for the Olympics through Federal tax returns.

8. RESEARCH AND DEVELOPMENT

R&D credit/other research incentives

The conferees did not agree to the Senate provisions that would have redefined and made permanent the R&D credit, and that would have provided additional incentives for contributions of equipment for research and vocational education.

Moratorium on research expense allocation (861-8)

The conferees agreed to extend for 2 years the moratorium on the Treasury regulations rule (861-8) that would require taxpayers who perform U.S. research and sell related products abroad to allocate some of their research expense to foreign source income. Thus, with the moratorium, all research expense will be allocated to U.S. source income.

9. ACCOUNTING CHANGES

The conferees adopted several tax accounting changes concerning premature accruals, prepaid expenses, deferred payment transactions, and start-up expenses.

Premature accruals

The conference agreement generally requires that economic performance must occur before a tax deduction can be taken by an accrual basis taxpayer under the all events tests. Exceptions are provided to avoid disrupting normal business and accounting practices and to avoid imposing undue burdens on taxpayers.

Prepayment of expenses

The conference agreement provides that a current deduction for prepayments generally will not be allowed until there has been economic performance. A cash basis tax shelter may not deduct an amount until both economic performance occurs and the amount is paid. Exceptions are provided where economic performance occurs within 90 days after the end of the year and the tax deduction is limited to cash invested.

Deferred payment transaction

The conference agreement generally extends the original issue discount rules to obligations issued for nontraded property deferred payments for services and use of property, obligations issued by individuals and obligations not held as capital assets. Exceptions are provided for obligations issued in connection with the use of property substantially all of which will be for purposes other than business or investment. In addition, exceptions are provided for individual loans of $10,000 or less and sales involving total payments of $250,000 or less.

Capitalization of construction period interest and taxes

The conference agreement requires corporations to capitalize construction period interest and taxes for residential housing other than low-income housing.

Start-up expenses

The conference agreement requires taxpayers to treat start-up expenditures and pre-opening costs as deferred payments. Taxpayers will be allowed to amortize these expenditures over a period of 60 months.

10. EMPLOYEE BENEFITS

Pension and welfare benefit plans

The conference agreement modifies the application of the 10-percent income tax penalty for distributions from qualified pension plans. Rollovers to IRAs of certain partial distributions under qualified pension plans are permitted. The current 5-year rule for after-death distributions is modified to allow qualified pension plans or an IRA to satisfy the rule by immediate commencement of an annuity contract.

The conference agreement also repeals the separate estate tax exclusion for retirement benefits and modifies the rule for affiliate service groups, employee leasing arrangements and certain collectively bargained plans.

Welfare benefits plans

The conference agreement provides special deduction rules for current benefit costs under funded welfare benefit plans. In addition, specific deductible reserve limits are provided for various employee benefits. Liberal transitional rules are provided for plans in existence on the date of conference action.

Employer-provided fringe benefits

The conference agreement provides an exclusion from income and social security taxes for certain employer-provided goods, and services, such as no-additional cost services, employee discounts, and de minimis fringe benefits.

Cafeteria plans

The conference agreement provides transitional relief to section 125 cafeteria plans that would have been retroactively taxed under proposed Treasury regulations. These plans will be allowed a limited amount of time to comply with Treasury regulations.

Business and personal use property

The conference agreement limits the tax deductions for business use of personal property. The maximum investment tax credit that can be claimed for any automobile is $1,000 and the maximum depreciation allowance is $4,000 the first year and $6,000 in any subsequent year. In addition, the conference agreement denies the investment tax credit and ACRS for automobiles, and other transportation equipment, entertainment, recreation or amusement property, and other specific property that is not used more than 50 percent for direct trade or business use. Recaptive rules are provided for property that initially meets the 50 percent test and subsequently falls below the 50 percent business use test.

11. TAXPAYER COMPLIANCE

The conference agreement contains several provisions concerning taxpayer compliance and tax administration. The conference agreement requires registration with the IRS of tax shelter syndicate promotions and requires promoters to keep lists of investors. The conference agreement also provides new reporting provisions for certain cash transactions in excess of $10,000, foreclosures in satisfaction of a debt or forgiveness of a debt, state income tax refunds, and IRA contributions. In addition, the conference agreement provides increased interest rates for certain tax shelter cases, and penalties for failure to file, valuation overstatements and substantial understatement of tax.

12. HIGHWAY PROVISION

The conference agreement modifies the heavy vehicle use tax enacted in the 1982 Highway Bill and imposes a 6-cents per gallon diesel differential tax, effective August 1, 1984.

Tax-Exempt Bonds

13. VOLUME CAP AND SMALL ISSUE SUNSET

The conferees agreed to accept the House provision imposing a $150 per capita volume cap on state issuance of IDBs and student loan bonds, with a modification requested by the Senate guaranteeing low population states the right to issue at least $200 million of bonds. No exceptions to the volume cap were added beyond the House bill's exceptions for certain publicly owned airport, port, and convention facilities and multifamily housing.

The conferees agreed to a modified version of the Senate provision extending the sunset of small issue IDBs. The provision would extend until December 31, 1988, the right to issue such bonds to finance manufacturing facilities."

14. ACRS FOR IDB FINANCED PROPERTY

The conferees accepted modest limitations on the use of accelerated depreciation methods of all IDB financed property other than residential real property; they did not accept the provision extending the ACRS lives of IDB financed property.

15. RESTRICTIONS ON IDB USES

The conferees dropped proposed restrictions on IDBs for parking, doctors and lawyers' offices, health care facilities and nursing homes. They accepted restrictions on airplanes, liquor stores, gambling facilities, health clubs, and skyboxes. The conferees also restricted the use of IDBs to finance land and existing facilities, with exceptions for "first-time" farm owners and rehabilitation of existing facilities. They agreed to a $40 million per user limitation on small issues IDBs, and miscellaneous "loophole closers" contained in both bills including restrictions on federally guaranteed tax-exempt bonds.

The conferees agreed to prohibit the use of tax-exempt bonds for consumer borrowing, with exceptions for the Guaranteed Student Loan program, and certain existing programs granted transitional relief.

16. ARBITRAGE AND REFUNDING

The conferees agreed to provisions restricting arbitrage profits on IDBs and student loan bonds. A prohibition on abvance refundings of IDBs was also agreed to.

17. EFFECTIVE DATES

The conferees retained the original effective date of December 31, 1983 for most of the IDB provisions. However, a generic transition rule will allow bonds to be issued under existing rules for most provisions until December 31, 1984, as long as an inducement resolution was issued before June 19, 1984. This generic rule applies to the volume cap as well as most of the new substantive restrictions.

18. MISCELLANEOUS

The conferees agreed to Senate provisions allowing tax-exempt IDBs for the Power Authority of the State of New York, Long Island Lighting Company, and Bradley Lake Hydroelectric Facility in Alaska.

19. HOUSE BONDS

The conferees agreed to a four-year extension of the mortgage subsidy bond program, together with a four-year program allowing states and localities to issue Mortgage Credit Certificates entitling first-time homebuyers to claim mortgage interest tax credits.

The conferees agreed to freeze the existing Veterans mortgage bonds programs at their current issuance levels, and to target the programs to Vietnam-era veterans.

20. OTHER PROVISIONS

The conferees rejected a provision that would remove tax-exempt interest from the means test for determining whether social security benefits are subject to taxation.

The conferees agreed to clarify that certain housing bonds issued under the 1937 Housing Act are not exempt from estate and gift taxes.

21. REAL ESTATE

The conferees agreed to extend the depreciation life of real property from (other than low income housing) 15 years to 18 years, and to retain the current tax rules relating to single purpose agricultural structures and rehabilitation tax credits.

The conferees agreed to extend provisions allowing the rapid amortization of low income housing rehabilitation expenditures until December 31, 1986, and to require immediate depreciation recapture upon the installment sale of real or personal property. The conferees also agreed to require corporations to capitalize construction period interest and taxes for residential real property other than low income housing.

22. TREATMENT OF DISCOUNT OBLIGATIONS

The conferees agreed to reforms of the orginal issue discount, acquisition discount, and installment sales rules to more properly characterize the timing and amount of interest deductions and inclusions. In addition, the conferees agreed to treat market discount as interest income for newly issued bonds.

23. DEFERRED RENTS AND SIMILAR ARRANGEMENTS

The conferees agreed to a provision preventing the use of deferred rental agreements to avoid taxes. The provision requires both lessee and lessor in any deferred rental agreement to account for income and deductions on the same basis, provides for recapture of deferred ordinary income upon the sale of property subject to a deferred rental agreements, and recharacterizes certain deferred rental agreements as flat rentals where the arrangement is principally motivated by tax avoidance purposes.

24. TAX STRADDLES

The conferees agreed to adopt anti-straddle provisions for stock options similar to those applicable to futures contracts.

25. COMPLIANCE PROVISIONS

The conferees agreed to several tax compliance provisions including:

Withholding of taxes imposed on sales of U.S. real estate by foreign persons (FIRPTA withholding).

Required registration of tax shelters.

Increased penalties and interest rates for abusive tax shelters.

Information reporting on large cash transactions and mortgage interest payments.

Changes in Tax Court procedures designed to reduce Tax Court case backlog

26. INTEREST FREE LOANS

The conferees agreed to provisions restricting the use of interest free loans to avoid income, gift, and estate taxes.

27. EXCISE TAXES

Distilled spirits—The conferees agreed to the lower increase in the Senate bill, $2.00 per proof gallon, and to an effective date of October 1, 1985. The floor stock tax on inventory in stock on that date will not apply to small and medium-sized wholesalers and retailers (wine gallon inventory less than 500 gallons, with a credit for the tax due on that amount to other retailers).

Tax on cigarettes and alcohol will have to be paid by electronic funds transfer (Senate bill) beginning after September 30, 1984.

Cigarettes—The conferees agreed to the Senate bill, rejecting the 4¢ increase in the tax contained in the House bill that would have taken effect October 1, 1985.

Telephone tax—extended for two years at the present 3 percent rate (as under both bills).

28. ESTATE TAX

Maximum rate—The conferees agreed to freeze the maximum estate tax rate at 55 percent through 1987, at which time the rate will drop to 50 percent. This significantly reduces the problems associated with the House proposal, which would have put the rate back to 60 percent as of January 1, 1984, and frozen it there.

Generation-skipping tax—The conferees agreed to do nothing about the generation-skipping tax, rejecting the Senate provision repealing the tax. Ways and Means will hold hearings on overhauling the tax, however.

Installment payment—The conferees agreed to a modified version of the Senate provision allowing indirectly held interests in closely-held businesses to qualify for installment payment.

Disclaimers—The conferees dropped the Senate provision allowing disclaimers of pre-1958 interests.

29. ENTERPRISE ZONES

The conferees agreed to a 1-year extension rather than the 3-year extension in the Senate bill.

30. EARNED INCOME CREDIT

The conferees expanded on the Senate provision and increased the credit to 11% with a phase-out at $11,000.

31. ARCHITECTURAL BARRIERS

The conferees agreed to the Senate provision that reinstates the deduction for removing architectural and transportation barriers to the handicapped and increases the limit to $35,000.

THE WHITE HOUSE,
Washington, DC, June 27, 1984.

Hon. ROBERT DOLE,
Chairman, Committee on Finance,
U.S. Senate, Washington, DC.

DEAR BOB: As the Senate prepares to vote on the Conference Report on H.R. 4170, the Deficit Reduction Act of 1984, let me reiterate my support for this major element of the deficit reduction package.

This measure, which was fashioned in a bipartisan manner, contains both spending reductions and measures to close tax loopholes of questionable fairness. The tax provisions are consistent with the downpayment plan target, and many of the key provisions providing for structural reform and curtailing tax abuses were included in my Fiscal 1985 Budget.

Most importantly, the tax provisions of the downpayment package contain no increase in individual tax rates.

The adoption of this Conference Report, coupled with the remaining components of our downpayment package, will help ensure that the economic recovery now underway is sustained in the months and years ahead.

Sincerely,

RONALD REAGAN.

NATIONAL ASSOCIATION
OF HOME BUILDERS,
Washington, DC, June 27, 1984.
Hon. ROBERT DOLE,
Chairman, Committee on Finance,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The National Association of Home Builders urges you to vote for H.R. 4170, the tax portion of the deficit down payment plan, which is scheduled for a vote today.

NAHB has consistently called for decisive action to bring the federal budget deficit under control. We believe this down payment is an important first step towards that goal. In support of that goal, we will reluctantly shoulder the burden of the substantial new taxes that this package places on the real estate industry.

The current $200 billion deficit is triggering expectations of inflation and pushing up interest rates. This is borne out by the latest increase—to 13 percent—in the prime lending rate. Fixed rate mortgages have recently reached almost 15 percent, well beyond the reach of affordability by most Americans.

This deficit package will also be a positive sign to the Federal Reserve Board and the money markets, which have been anxiously awaiting action on the deficit this year. We hope that enactment of this package will result in a more accommodative Federal Reserve Board policy which will lead to lower interest rates.

Recognizing that deficit reduction is desperately needed, House and Senate conferees have exhibited courage in agreeing to tax increases in an election year. You must act now or risk further increases in interest rates, which would lead to a housing recession and stifle the investment needed for a continuing strong economy. Your vote for H.R. 4170 is urgently needed to defuse the deficit time bomb.

Sincerely,

PETER D. HERDER,
President.

Mr. LONG. Mr. President, I rise in support of the conference report on H.R. 4170.

The conferees from the Senate Finance Committee labored long and hard on this conference report. Under the capable leadership of the Senator from Kansas [Mr. DOLE], the chairman of the committee, we were able to produce a good product that will contribute significantly to deficit reduction.

On the spending side, we were able to save about $10 billion in Finance Committee programs over the next 3 years, most of it in Medicare. The conference agreement calls for about $6.8 billion in medicare spending reductions. The largest single item, the physician fee freeze, includes a provision that places Federal controls on the fees that physicians may charge. This provision is consistent with organized medicine's promise to freeze their fees. But it also imposes a new and untried level of Federal control over physician billing practices that will require careful monitoring and assessment to assure that the rights of physicians and the best interests of patients are adequately safeguarded.

In addition to spending cuts, the conference report provides a number of revenue increases. However, the only actual increase in a rate of tax in the entire conference report is the liquor tax increase, which was passed by both Houses. Even there, we were able to limit the tax increase to the lower, $2 per gallon, amount in the Senate bill, and to delay the effective date until October 1, 1985.

A substantial part of the revenue in the conference agreement comes from freezing, delaying, or repealing scheduled future tax cuts. Additional revenues come from restrictions on existing tax benefits.

In order to obtain a conference report, it was necessary to agree to restrictions on tax-exempt industrial development bonds and on leasing to governmental and tax-exempt entities. However, I am pleased that we were able to provide substantial transitional relief for many deserving projects that have already gone forward in reliance on prior law.

Additional revenue in the conference agreement comes from a package of Treasury-recommended tax reforms relating to accounting methods. Further revenue comes from eliminating unintended tax benefits associated with stock option straddles and other complex transactions.

The conference report also includes several structural improvements in the tax law. For example, the report includes fundamental restructuring of life insurance company taxation and of heavy truck excise taxes. The report also provides tax simplifications, improvements and technical corrections in various areas of the tax law.

I am especially pleased that the conference report includes many of the Senate-passed provisions relating to employee ownership. I would emphasize to my colleagues that the employee ownership package in the report actually increases Federal revenues, because the package includes a freeze on the payroll-based tax credit for employee stock ownership plans. In addition to the credit freeze, however, the conference report provides several significant new employee ownership incentives. Under these new incentives, businesses will be encouraged to finance their growth in such a way that employees will gain an ownership stake in the business as the business grows. In addition, the conference report removes some of the tax law's current bias against a business owner's selling or bequeathing his stock to his employees.

The conference report also provides tax relief for low income workers by increasing the earned income tax credit. These are the taxpayers who benefited least from the 1981 tax cut while suffering the most from Federal spending cuts and payroll tax increases. This relief is appropriate and overdue.

To conclude, Mr. President, the tax portion of the conference report deals with our revenue needs primarily through elimination of unintended tax results, moderating some existing tax benefits and delaying some future tax cuts. There are also tax provisions that improve the technical operation of the Internal Revenue Code, restructure employee ownership incentives and give tax relief to low-income workers. Overall, it is a package that reflects conscientious and deliberate work on the part of the members of the conference committee.

Mr. President, my record is generally one of supporting tax cuts and opposing tax increases. However, I feel that our deficits are now so large that revenue increases, as well as spending cuts, are needed to address the problem. The conference report is a start toward deficit reduction. More will need to be done. But I feel that the conference report is a balanced deficit reduction package that deserves the support of the Senate. I hope that my colleagues will agree with me, and will vote to approve the report.

In conclusion, Mr. President, I have received a letter from the President of the United States urging the Senate to concur in the conference report. I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, DC, June 27, 1984.
Hon. RUSSELL B. LONG,
Committee on Finance,
U.S. Senate, Washington, DC.

DEAR RUSSELL: As the Senate prepares to vote on the Conference Report on H.R. 4170, the Deficit Reduction Act of 1984, let me reiterate my support for this major element of the deficit reduction package.

This measure, which was fashioned in a bipartisan manner, contains both spending reductions and measures to close tax loopholes of questionable fairness. The tax provisions are consistent with the downpayment plan target, and many of the key provisions providing for structural reform and curtailing tax abuses were included in my Fiscal 1985 Budget.

Most importantly, the tax provisions of the downpayment package contain no increase in individual tax rates.

The adoption of this Conference Report, coupled with the remaining components of our downpayment package, will help ensure that the economic recovery now underway is sustained in the months and years ahead.

Sincerely,

RONALD REAGAN.

Mr. PRYOR. Mr. President, before we vote on the conference report on H.R. 4170, I have a couple of observations I would like to make, and I would also like to ask the distinguished chairman of the Finance Committee [Mr. DOLE] a couple of questions.

First, this bill changes the current cost recovery period for real property—other than low-income housing—from 15 years, to 18 years. Although the conference report is an improvement over the original Senate bill, I am very much opposed to a change at this time. We only went to the 15-year cost-recovery period in the 1981 Tax Act, the Economic Recovery Tax Act [ERTA], and I think it is ill advised to make this change at this time. The real estate industry has gone through a very difficult period, Mr. President, and I think we should give the current system time to work.

Having said that, my particular concern relates to how this conference report might affect seller-financed homes. As most Members of the Senate are aware, without seller financing the real estate market would have really been in trouble the last few years. The availability of below-market-rate loans, which are made by the owner of the property, has enabled many people to buy and sell homes, and I would hate to think that certain changes in the area of imputed interest rates would damage this type of transaction.

As I understand present law, Mr. President, on any deferred-payment transaction that comes within the scope of section 483 of the code, if a safe-harbor rate of 9 percent is not stated in the contract, then interest is imputed at the rate of 10 percent. The purpose of these rules, is to keep someone from converting what would be interest income, taxable at ordinary income rates, into capital gain on the sale of a piece of property.

The conference report apparently increases these rates to 110 percent of the Federal rate for the safe-harbor test, and to 120 percent of the Federal rate for the imputed rate. Is that correct?

At current interest rate levels, Mr. President, it would seem to me that this would be a very real disincentive if a person were trying to sell their own home.

Therefore, my question to the chairman of the committee at this time is whether or not this particular problem of imputed interest will be dealt with either today in this conference report or in the very near future. And if in the very near future, exactly and precisely how will this issue be laid to rest so that we will not be faced with an exorbitant amount of tax-penalizing concerns for those who are selling their homes on owner financing.

Mr. DOLE. Let me say at the outset we tried to take care of this at 5 o'clock last Saturday morning, 5 a.m., but the Congressman from California [Mr. STARK] objected. It was on a list of about a dozen items that we wanted to correct. He was upset over the FSC provision, so he decided to upset everyone else and he proceeded to do that with great success.

This is one of the items we wanted to clarify at that time. We have now taken care of it today. There is going to be brought up right after we pass the conference report, if it is passed, a concurrent resolution which contains a provision which will deal with the problem of the very question raised by the Senator from Arkansas and I think is going to be raised later by the Senator from Montana.

What we do in this particular change in the case of a sale of a principal residence or farm, the seller will not be subject to the section 483 required interest rate if the sale specifies an interest rate of 90 percent of the Treasury note rate. If the stated rate of interest is below the safe harbor, then the imputed interest rate will be 100 percent of the Treasury note rate.

The rule will apply to the first $250,000, the principal amount of the note.

It was decided we needed to put a cap because again we are talking primarily about the sale of residences. We discussed it this morning insofar as farms are concerned, and this was the provision agreed on by the House of Representatives earlier today.

Mr. PRYOR. I appreciate the Senator's comments.

Mr. METZENBAUM. Mr. President, if the Senator from Arkansas will yield to permit me to inquire, is it the intent of the manager of the bill to make that change about which he just spoke, which is a substantive change, as a part of the enrollment or technical corrections? We see it in the language that has been given to us as being a technical amendment. It is hardly a technical amendment. I am inquiring as to whether the Senator is doing that by concurrent resolution to be brought up subsequently which we can act upon, or whether some effort is going to be made to include it as part of the enrollment change or technical changes.

Mr. DOLE. I say to the Senator from Ohio, the House of Representatives after they adopted the conference report, also adopted a concurrent resolution, and in the concurrent resolution is this change that I just referred to along with other technical changes. We corrected errors in spelling. We made other technical changes. We made a few mistakes in the conference, as we were there all night for 2 nights, and I think we tried to stay within that scope, except for this one specific item which had caused considerable interest, and we thought we could do what we intended to do before we closed the conference.

We were blocked by one member of the conference from taking care of this before the conference ended. Since we had no alternative, we had to have unanimous consent and we had no other alternative, so we are going to try to correct that in the concurrent resolution which will follow the adoption of the conference report.

If the conference report is defeated, there will not be any problem.

Mr. METZENBAUM. But it will not be a part of the technical corrections?

Mr. DOLE. That is correct. It will be part of the concurrent resolution which will follow immediately.

Mr. METZENBAUM. As entirely separate.

Mr. DOLE. Yes.

Mr. PRYOR. Mr. President, if the Senator will yield one more time, is this a concurrent resolution that the House of Representatives has already consented to?

Mr. DOLE. The House has passed it.

Mr. PRYOR. The House of Representatives has passed this resolution?

Mr. DOLE. Yes.

Mr. PRYOR. It was passed this afternoon, and this provision the chairman is talking about is embodied in the concurrent resolution. Is that correct?

Mr. DOLE. Yes; the Senator is correct.

Let me indicate that the concurrent resolution was signed off on by all of the conferees, the House and Senate conferees. It was taken up by unanimous consent in the House of Representatives, which they needed. There was no objection. In fact, there was considerable interest in the provision raised by the Senator.

Mr. PRYOR. I thank the Senator very much.

Mr. MELCHER. Mr. President, will the Senator yield for one question by me since we are into this?

Mr. DOLE. I am happy to yield.

Mr. MELCHER. Is it the effect of the bill, combined with the House concurrent resolution, to raise imputed interest rates from 9 to 12 percent under the House concurrent resolution, or 15 percent under the bill, on the sales of principal residences, farms, ranches, and small businesses?

Mr. DOLE. The interest rate is going to fluctuate. Hopefully, when we pass this bill and the Fed takes a little action, it may be back to 9 percent. What we did is we lowered it to 90 percent rather than the 100 percent of the T-bill rate. No one I know of borrows money at the T-bill rate except the Federal Government.

Mr. MELCHER. Is the answer yes?

Mr. DOLE. What was the question? I think the answer is yes.

Mr. MELCHER. Is the answer yes?

Mr. DOLE. Yes; if I understood the question; no; if I did not.

Mr. MELCHER. I will repeat the question: The effect of the bill today would be to put imputed interest rates at 15 percent.

Mr. DOLE. By regulation it is 9 percent. It can be changed by the Treasury at any time up to the T-bill rate.

Mr. MELCHER. I am not asking about the regulation right at this point, but the effect of the bill would be to put imputed interest rates at 15 percent today for all homes, farms, ranches and small businesses, and under the House concurrent resolution the effect today would be to raise it from 9 to 12 percent for homes.

Mr. DOLE. I do not know what the T-bill rate is. What is the T-bill rate today? We have to know that. It depends on the maturity.

Mr. MELCHER. It is 13.69 percent.

Mr. DOLE. Roughly 12 percent.

Mr. MELCHER. Pardon me?

Mr. DOLE. Roughly 12 percent.

Mr. MELCHER. It would be 12 percent.

Mr. DOLE. Again we hope the T-bill rate goes down very quickly.

Mr. MELCHER. The effect today and tomorrow if the T-bill rate is higher it will be higher than 12 percent and it is an increase from 9 to 12 percent or higher if the T-bill rate goes higher.

Mr. DOLE. Or if it goes down it is lower.

Mr. MELCHER. Yes, it is lower.

Mr. DOLE. If it goes up it is higher; if it goes down it is lower.

Mr. MELCHER. And is this new law attaching it to the T-bill rate?

Mr. DOLE. That is correct.

Mr. MELCHER. I thank the Senator.

Mr. DOLE. Mr. President, let me finish. There will be additional questions and other Members may wish to speak.

I would just mention some other highlights of this. We went back into partnerships. We tried to tighten up some of the areas there where they retroactively allocate gains and losses and other tax advantages, and they disguise actual sales and payments of services or distribution of partnership interest or avoid recapturing of recognition of sales or partnership interest.

We also have a life insurance reform provision, one that I think that is very beneficial to the life insurance industry and one that I believe, if this does not pass, we are going to have every life insurance company paying much higher taxes because we go back to the 1959 act. We go back to the 1959 act and it is going to add about $2 billion, maybe $3.4 billion, depending on the estimates to the life insurance industry bill.

So I want to raise some of these areas, if there are Senators who may think "I am not going to vote for this bill," but I want to talk about the truck tax. That is going to go straight up, and the life insurance tax is going to go straight up and some other provisions that I think we should at least address because it is easy to be against taxes but there are a lot of areas in this bill I think are tax reform. They were proposed by the Reagan administration, they were reviewed by the President himself, and they were passed by the House of Representatives and the Senate, and we hope to complete action tonight.

There are a number of areas on foundations where we were successful. The conferees did not accept all. I was asked earlier by the Senator from Ohio [Mr. METZENBAUM]. The conferees did not accept the Senate provision which would allow certain business holdings of foundations to be held by the foundation after 1989. There were eight or nine of these amendments that came from Senators and they are rejected.

I could list them all, but I think the important vote was that they were eliminated.

As far as R&D credits, the conferees would not agree to the House provisions, and we did not extend the energy credits because they do not expire until 1985.

I would say to my colleagues, the Senate conferees decided to drop most of the tax expenditure proposals in turn for the House of Representatives agreeing to most of our savings on spending.

We did that and they did not take all of our savings. So we again raised the question of enterprise zones which was the one thing in this bill the President wanted. The one thing the President wanted was enterprise zones. He also wants this package, but the one provision he had an interest in was enterprise zones. We tried for several days to persuade the House that we should start this program. There are some 250 House sponsors of this enterprise zone concept. It has passed the Senate two or three times, but the conferees on the House side would not budge.

At one point, the chairman of the House committee indicated he would give us 12 a year for 3 years; 30 minutes later, the chairman advised me he could not make that promise. So he talked to the President, others talked to the President, and the final result was the President struck out. But enterprise zones were dropped along with spousal IRA's.

We did make some changes in volunteer mileage. We liberalized the rules for allowing deductions for contributions of partial interest in real property for conservation purposes. We did not agree to a Senate provision for allowing collection of amounts for the Olympics through the Federal tax return. We received a lot of mail on that. We had it in the Senate bill. We thought we protected that provision. But, let us face it, if we are going to start down that route, there are a number of other well-intentioned groups and worthwhile groups who will also want to be included for checkoffs. The Olympics, I think, are deserving. So are cancer drives and so is the United Fund, and there are a lot of other things. The House inisted we were going to open up a Pandora's box and they refused to go along with the Olympic checkoff.

We did not adopt the request from the Democrat and Republican leaders to add $2 million for the Democratic Convention and $2 million for the Republican Convention. That amendment was adopted in the Senate. The House refused to go along with that amendment, so that is not in the bill.

We made a number of accounting changes that will be spelled out in my statement.

We made a number of changes in employee benefits. There are a number of provisions on taxpayer compliance. We modifed the heavy vehicle use tax. we lowered the tax for all the truckers. We imposed a 6 cents per gallon diesel fuel differential tax which most truckers prefer because if they use their vehicles, they are willing to pay the tax. If they are out of work they do not think they ought to pay a heavy use tax when the truck is not in use.

We restricted IDB's, as I said. We took care of housing bonds. We had a number of miscellaneous provisions.

We agreed to adopt an antistraddle provision for stock options similar to those that apply to futures contracts.

There are a number of provisions on withholding of taxes imposed on the sales of U.S. real estate. We required registration of tax shelters; increased penalties and interest rates for abusing tax shelters. We required information reporting for large cash transactions and mortgage interest payments.

We changed the Tax Court procedures designed to reduce the Tax Court case backlog. We agreed to provisions restricting the use of interest-free loans to avoid income, gift, and estate taxes.

As I said, we did act on excise taxes, but very minimally. All we did was extend the present 3-percent rate for telephone; cigarette taxes do not expire until 1985. We did change the distilled spirits tax, which has not been changed since about 1951. So we added $2 per proof gallon effective September 1, 1984.

The enterprise zones, as I said, never made it.

We did adopt a provision of the Senate bill which reinstates the deduction for removing architectural and transportation barriers for the handicapped. We increased the limit to $35,000 per year. We think that is a step in the right direction.

I might indicate it is an amendment that I worked on with our former colleague Walter Mondale when he was on the Senate Finance Committee.

I will not go over all of the spending proposals. I think I have done that in summary.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I might say to my good friend, Senator Roth, I would like to make an overall explanation. If he desires to ask some questions, I certainly will yield to him.

Mr. ROTH. Mr. President, I wanted to make a statement.

Mr. DOMENICI. I thank the distinguished Senator from Delaware.

Mr. President, I am prepared after my remarks to attempt to answer questions with reference to the overall package. I would like to make some remarks about what has occurred to this point.

This conference agreement on the Deficit Reduction Act of 1984 that is now before us, which just passed the House of Representatives, is the culmination of activities spanning over a year. One might argue, in fact, that this conference agreement reflects in part the reconciliation instructions adopted in last year's first concurrent resolution on the budget for fiscal year 1984. Indeed, during the last few weeks of the conference this bill has been referred to as a reconciliation bill by the House. The act also is embodied in the first concurrent resolution on the budget for fiscal year 1985 that was adopted by the Senate on May 18.

Senators are aware that there has been no resolution of the differences between the two Houses so my references are to the resolution adopted by the Senate.

Clearly, this conference agreement could not have come about without the dedicated work of a number of people. At the outset, I think we should publicly acknowledge those Senators and their staffs that worked to bring this agreement about. I know that I will probably leave some out who deserve some special recognition. They know who they are and they can be proud of their contribution.

Certainly, the dedicated work of the majority and minority leaders; their unfailing attention to this matter deserves our recognition and thanks.

The Senate should know that the conference agreement was constructed by the work of 12 subconferences, some worked long and hard, as did the Finance and Ways and Means conference, some had only a minor role, but nonetheless about 40 Senators participated and about 95 Congressmen. Chairman Dole and Senator Long obviously played the critical role in the subconferences on revenues and the spending provisions within the Finance Committee's jurisdiction.

Let me say that there were a number of other people who were essential to bringing this agreement before us. These include the chairman of the Appropriations Committee, Senator Hatfield, and Senator Stennis. I will explain in some detail how they played a vital role even though one does not find any appropriated matters within this bill before us.

Chairman Roth and Senator Eagleton of the Governmental Affairs Committee; Chairman Garn and Senator Proxmire of the Banking Committee; Chairman Weicker and Senator Bumpers of the Small Business Committee; and Chairman Simpson and Senator Cranston of the Veterans' Affairs Committee.

I would be negligent if I did not publicly thank Senator Chiles, the ranking member of the Budget Committee. He and his staff worked hard to see that these conferences moved along and helped immensely in bringing them together in a coordinated manner so that we have this large package before us today.

Let me turn briefly to the conference report itself. It is not my intention to explain in any detail the contents of the tax bill or even the specific contents of the deficit reduction part that has to do with entitlement expenditure reductions, because those will be done by the respective chairmen.

But let me say these last few months have been very difficult as we have wrestled with the need to reduce the deficit and at the same time produce a package that would pass the Senate and the House and be judged as a fair package.

I can say that it is not perfect. Each of us could frame one much more to our personal satisfaction, but I truly believe that this package, when combined with the legislative action that is already completed, and action that will have to be completed before the year is up, will indeed end up with a balanced deficit reduction package.

I hope the Senators understand that the entire package cannot be before the Senate at one time. We still have appropriations bills that must come before us. We still have the matter of defense authorization, defense appropriation, and all that goes on between the two Houses. These other legislative actions include the minireconciliation bill and the farm bill adopted earlier this year, action of the Senate Committee on Appropriations on June 14 when they set nondefense discretionary appropriation limits, as well as the recently passed DOD authorization bill now in conference.

A number of Senators have asked on the appropriations side, leaving defense to be considered separately, how do we know what the level of appropriations will be for the remainder of this year? Let me say to my friends that the Senate worked long, hard, and agreed on a cap for 1985 for the appropriated accounts. The cap said that the budget authority for that year would be $139.8 billion. You know, you have read and you have heard that the House would not go along with a substantive legislative cap. What then occurred was a series of meetings culminating with the Appropriations Committee of the U.S. Senate taking $139.8 billion in budget authority, the agreed-upon cap amount in an open meeting. They assigned to each of their subcommittees for their appropriations bills, in an advanced crosswalk, what they called their guidelines for this year. If you add them up for all accounts excluding defense, the sum total is $139.8 billion.

The chairman of the Appropriations Committee has committed to the President that each of those bills will not go to the President with an amount in excess of those dollar figures assigned to each of those subcommittees. Obviously, the chairman of the Appropriations Committee cannot make such a statement totally binding, but what he has agreed to is that the President will sign measures so long as they are at that level or lower. Implicit in that is that the President will not sign them if they are higher.

Frankly, that is the first time we have done that. It is historic. It is the first time in advance that the allocation to each Subcommittee of Appropriations has been agreed to with the White House with an actual budget authority number. I am not stating that as a matter of my own knowledge of history. I am merely repeating what the chairman of the Appropriations Committee said in full and open meeting when the assignments were made.

I say to my friends that I cannot predict with certainty what $139.8 billion in budget authority spread out in the manner agree to will yield precisely in outlays. But what I can tell you is that it is consistent with the cap that had been voted on by the Senate for the fiscal year 1985.

For those who say where is the rest of the package, I have just explained one aspect—the appropriation process. Nobody envisioned that the Finance Committee, with entitlements and tax expenditure changes, would bring 11 or 12 appropriation bills in here. All we can do is say what I have just described is probably the best assurance we have had of what the level of appropriations will be for the fiscal year 1985.

The other part of the understanding that we had as we left the Senate floor with a very major vote on a deficit reduction package dealt with defense. I hope nobody expected to bring a defense appropriation bill to the floor as part of this package. What we had was a cap of $299 billion in budget authority for the year 1985. I do not think anyone believes that we will spend more than $299 billion in budget authority for defense for 1985.

It seems to me that, using the same baselines that we started with, we now are at a position where we can be sure the savings that we expected in defense will be achieved. And, I am sorry that we cannot bring them here today, and say they are in this bill. But I do not think it takes much by way of looking at the difference in the two Houses—with us at $299 billion and the House at $286 billion—to understand that clearly the $40 billion in outlay reductions, and $57 billion in budget authority reductions contemplated by the so-called package will be achieved.

If you ask the Senator from New Mexico when, I cannot tell you that it will be tomorrow, or next week. Generally, the appropriation process for defense is late. Frequently, it is preceded by a continuing resolution, then followed by an appropriation bill. But I do not think anyone assumes that it will exceed the $299 billion that we had in mind as part of the overall deficit reduction package.

So there are those who will choose to say that the conference did not yield the entire package. They are right. Nobody expected this package that is before us today to yield the entire yearly reduction, and the 3-year projection of reductions. Some would argue that it is not balanced, that it may be too heavy on taxes, and light on cuts. I think these criticisms fail to recognize other legislative activities that have already taken place, or that are going to take place.

Without any doubt, we will appropriate for the rest of the Government, be it by continuing resolution or some more appropriation bills.

For all intents and purposes, this agreement—and the other actions that I have mentioned—is very similar to what the Senate passed on May 17. Both the Senate-passed bill and the conference agreement will result in a downpayment on the deficit in the neighborhood of $140 billion.

I ask unanimous consent that a table that I have prepared outlining the $139.6 over 3 years as the estimated savings be made a part of the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SENATE SAVINGS TO DATE—CHANGES TO BASELINE DEFICIT

[In billions of dollars]

	Fiscal year—				4-yr total
	1984	1985	1986	1987	
Baseline deficit	192.7	206.7	235.0	269.0	
Revenues [1]	1.1	10.5	16.8	22.7	51.1
National defense	+(²)	6.0	16.0	18.2	40.2
Nondefense discretionary	+.4	2.0	3.9	6.8	13.1

SENATE SAVINGS TO DATE—CHANGES TO BASELINE DEFICIT—Continued

[In billions of dollars]

	Fiscal year—				4-yr total
	1984	1985	1986	1987	
Entitlements and other mandatories	.1	3.7	4.2	7.1	15.1
Offsetting receipts	(²)	+.1	1.6	2.2	3.7
Net interest	.1	1.5	5.1	10.5	17.2
Total deficit reduction	.9	23.6	47.6	67.5	139.6
Remaining deficit	191.8	183.1	187.4	201.5	

[1] Revenue increases show as minuses because they reduce the deficit.

[2] Less than $50,000,000.

Mr. DOMENICI. I would also suggest that based upon what will probably happen—that is, low rather than high defense appropriations—you can draw your own conclusion on that. If that number is the $299 billion defense number, the $40 billion savings in estimated outlays, and the $57 billion in budget authority will be realized.

The conference agreement does not include changes in Federal pay, because there was no agreement that could be reached in conference. I therefore believe that Federal pay savings will take place by Executive order and could realistically be claimed later. I am sure the 3-month delay that was not achieved in conference will be done, and the outyear pay is higher here in the baselines than probably will occur by actions of the Executive.

The conference agreement does result in increased revenues over the next 4 years of about $51 billion. It raises these revenues without repealing or altering the historic across-the-board tax cuts, or changing the indexation of the tax brackets, which was already accomplished as part of the major tax package 2½ years ago. Senator DOLE has explained the various tax expenditure closures, unintended tax benefits that they have seen fit to change, and certainly there is plenty of room here for individuals who desire different changes, or to argue with what was done.

But basically, it appears to me having looked at it, and considering that it is indeed bipartisan, that it is probably as good as we can do, and ought to be adopted.

Most of these reforms were requested by the administration. You have heard about that tonight in the letter from the President. While individually we might disagree, the reform measures will, to a significant degree, in addition to raising revenue for the most part, create a bit more fairness in the tax system.

The domestic area of the conference, along with other legislation or agreements reached to date, achieve savings of about $31.1 billion for the rest of this year and the next 3 years.

The conference agreement on deficit reduction continues the evolutionary reform in medicare begun in 1981. This conference report is probably fair and came out of conference with broad bipartisan support. The report for the first time, begins overdue reform in the way medicare pays physicians. Many incentives and penalties are included to insure that doctors do not simply pass the savings along to beneficiaries in the form of higher fees. The report also provides for additional restraint in hospital reimbursements. While the entire amount that the Senate voted in was not achieved, substantial portions were.

The conference continues the policy of the last few years, of limiting Federal subsidy for supplementary medical insurance portions of medicare. The Federal Government will continue to pay 75 percent of the cost of this program.

As has occurred in the past, most of these reforms affect health care providers, as the distinguished chairman indicated. Of the $6.8 billion in medicare savings, $5 billion are achieved through changes in provider reimbursements. In addition to achieving savings, the agreement is fair, as I view it, to those who are needy in our society.

In medicaid it makes numerous changes to improve the coverage provided by the program. The agreement expands coverage for low-income pregnant women and for children in need. It extends and authorizes maternal and child health block grant, and raises its funding level $478 million. Recently, this amount has been provided by the Senate Appropriations Committee.

The agreement helps the elderly and disabled who receive supplemental security benefits. It gradually increases the assets a recipient may hold. This is the first time the asset limit has been increased since it was initiated in 1974.

There are many other individual items that I think the committees of jurisdiction did that were excellent in terms of making changes where they were needed. The agreement balances these cost increases by adopting recommendations made by the Grace Commission to strengthen income and eligibility verification procedures in various programs.

Mr. President, when the second session of the Congress began, actually I do not think there were too many who thought we would accomplish as much as we have. Certainly, there may be some who will take the floor tonight and again say it is not enough. But, frankly, I am very proud of the scores of Senators and numbers of committees who have worked very hard to get this conference where it is and to make the necessary arrangements regarding appropriations with the President so as to assure that we will get appropriations bills within the cap figures the Senate voted for only a few short weeks ago.

I urge my fellow Senators to approve this. I think they must understand that we cannot expect an entire package of defense appropriations and 11 individual domestic appropriations bills to be done. Frankly, I do not think there can be any more assurance that those bills will be within the limits that we voted on than what I have given here and what has transpired. Does anyone really believe that defense will be higher than $299 billion in budget authority? Does anyone doubt that the appropriators who have assigned to their respective committees these amounts will not live up to them? Or if they do exceed them, that the President will not succeed if he vetoes them?

So I think whatever we failed to achieve has to do with some of the entitlements that had to be given away in the process of compromise and negotiation. Frankly, I think when you consider that few were there when the Finance Committee of the U.S. Senate went to conference, and about 85 percent of those savings came back to us, I think it is an achievement very worthwhile. It deserves our support, considering the time and considering the difficulty. I think they did a magnificent job and I hope the Senate sends this message tonight, that we are ready to do this, and I hope everyone understands that the appropriations and defense will still come and, indeed, they will be within that package that was contemplated, or lower, in terms of savings.

I yield the floor.

SEVERAL SENATORS addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I rise today because I am very concerned about the contents of the conference report on H.R. 4170. In saying this, I want to pay my respects particularly to the chairman of the Finance Committee and the ranking member, Senator LONG, because I think they labored long and hard in bringing about a proposal from that committee that did a very splendid job in reaching the targets initially set.

I was a member of that conference and I signed that report.

So what I have to say is in no way critical of that aspect of the conference report on H.R. 4170.

I also want to say that what I have to say here in no way is any reflection against anyone else who was involved in this conference report. What I address today is what I consider, however, a very serious problem with the Federal deficit that must be corrected, and I thought Members of this body understood what had created the deficit and what had to be done to remedy the problem.

My constituents certainly understand what has caused this deficit. Budget outlays are hovering at approximately 25 percent of gross national product. This is way above the post-war average.

Revenues, however, are not below average but are at about 19 percent of gross national product.

Even the most casual observation can lead to only one conclusion: The Federal deficit is the result of overspending, not undertaxation.

Just as obviously, if a deficit is caused by excessive spending, then the solution lies in controlling spending. You cannot raise taxes quickly enough to feed the current levels of spending. Why does Congress not understand this? My constituents understand it. I sent them a questionnaire and I asked them the following question: The Federal deficit is expected to rise to nearly $200 billion this year. In order to reduce the deficit, do you think the Congress should, (a) increase taxes on individuals; (b) increase taxes on businesses; (c) reduce the growth of spending in social programs; (d) reduce the growth of defense spending?

Only 16 percent wanted to increase taxes on individuals. Only 33 percent wanted to raise taxes on businesses.

On the other hand, 62 percent wanted reduction in spending for social programs, and 66 percent wanted to reduce defense spending.

I assume that other Senators are getting the same message. Our constituents are telling us to cut spending and not raise taxes. And they are right. So why do we continue to do the opposite?

In 1982, we had TEFRA, and the budget resolution that produced TEFRA assumed that there would be $3 in spending reduction for every $1 in tax increase.

I voted for TEFRA, and in retrospect I wish I could have that vote back. Because what we got from TEFRA is $1.14 in spending increases for every dollar of tax increase.

Note that was $114 in spending increases, not decreases. The reason is that there was no binding commitment on the spending side.

Mr. President, what we have today is TEFRA II. We have a firm commitment for about $50 billion in tax increases and a firm commitment for $13 billion in spending reductions. Beyond that, all we have is sense-of-the-Senate language that appropriations levels not exceed $139.8 billion for nondefense spending and $299 billion for defense spending.

And the House is not even bound by this language. The sense-of-the House language merely states that the deficit reduction be divided among defense spending cuts, domestic spending cuts, and revenue increases. How this it to occur is not specified.

Mr. President, how many times do we have to be hoodwinked before we wake up and realize that the "tax-and-spend" syndrome is still alive and still kicking in this Congress? I for one do not intend to be fooled again by empty promises.

We began this process of deficit reduction in the fall of 1983, when the current budget package had its birth. At that time, four other members of the Finance Committee and I sent a letter to the chairman of that committee saying that we could not support tax increases without major, definite spending reduction. The tax increase efforts of that fall ground to a halt when the President expressed his firm resolve to veto any tax increases.

Then, this year, a compromise deficit reduction measure was agreed to which offered a balanced approach. Under that agreement, there was to be $1 of defense spending reduction and $1 of domestic spending reduction for every $1 of tax increase. And it was agreed that the spending reductions had to be in place in order for tax increases to occur.

We went through a long, laborious process to hammer out the details of this agreement. The Senate Finance Committee and the House Ways and Means Committee worked long and hard to produce savings in their areas of jurisdiction. As I stated earlier, the chairmen of both committees are to be commended for their leadership in bringing this about. The majority of the spending reductions agreed to in the Senate and under the jurisdiction of these committees were retained in conference. That was a major accomplishment. But, Mr. President, these cuts, along with about $2 billion in miscellaneous other cuts, are the only definite spending savings in this entire conference report. They total a mere $13 billion in savings, against definite tax increases—let me emphasize, against definite tax increases—of some $50 billion.

Clearly, what we have here is the same old shell game that brought us these deficits in the first place. This is not a genuine deficit reduction bill; it is a tax increase bill which has been sugar coated with billions of dollars in pie-in-the-sky spending cuts that are not worth the paper they are printed on.

Mr. President, I am aware of the rumors that agreements have been reached between the President and the leadership in the Senate that appropriations levels will not exceed the caps and that, if for some reason they did, the President would veto the appropriations bills and the leadership would work to sustain those vetoes.

Assuming this agreement has been reached, I am concerned as to how it will be enforced. I know that the President, the majority leader, and the Senator from Oregon [Mr. HATFIELD] are men of their word. Their word is their bond. But unfortunately, they cannot control the actions of the House of Representatives, nor can they control the political climate this fall.

Consequently, no one can say with certainty that the Senate would sustain any veto this fall that exceeds any of the proposed guidelines for domestic spending.

The deal that was struck was that all spending reductions would be as certain as the tax increases; and this deal is nowhere to be found in the conference report. Instead, this report takes us down the same garden path that we were led down 2 years ago: certain tax increases coupled with vague promises of spending reduction.

I point out, Mr. President, that despite all the rhetoric about the tax cut of 1981 being responsible for the deficit, we have in fact raised taxes four times since 1981, including this bill.

And, with this bill, we will have totally wiped out the tax reduction measures. For fiscal years 1981 through 1988, ERTA would have reduced revenues by $1.138 trillion. But Social Security tax increases passed in 1977 reduce this by $214 billion. TEFRA raises $281 billion over this period. The gas tax increase raises $21 billion. The 1983 Social Security Amendments raised another $56 billion and bracket creep over the period until indexing takes effect raises another $489 billion.

Before the tax increases we are considering today, the net reduction in revenues from 1981 to 1988 was only $77 billion.

The current bill raises about $50 billion between 1984 and 1987. If we include the amount this bill will raise in 1988, the entire Reagan tax cut will be wiped out. And we will still have a deficit.

We have not even signed this bill into law, and there is already talk of a new round of tax increases.

If you include Federal, State, and local government, over 40 percent of the Nation's GNP is gobbled up by government. This bill does not do a thing to lessen the burden of government. It simply continues the outdated tradition of even bigger government, or denying more and more resources to the private sector—when we are in an increasingly competitive world economy.

At a time when we are witnessing one of the most remarkable noninflationary growth periods in our history, I cannot think of worse economic medicine than to increase taxes while allowing much of the growth of government to continue unabated. That is exactly what this conference report does, Mr. President, and that is why I intend to vote against it.

I yield the floor, Mr. President.

Mr. CHILES and Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER [Mr. BOSCHWITZ]. The Senator from Florida is recognized.

Mr. CHILES. Mr. President, I join in complimenting the chairman of the Committee on Finance [Mr. DOLE] and Senator LONG, the ranking Democratic member, and all of the members who worked on the bill in the Finance Committee. I think they have worked long and hard through a very arduous conference, and I think they have brought back a package that deserves the support of the Senate and deserves passage.

That package will result in an overall deficit cut of $74 billion—$74 billion is a good start toward what we said was going to be a downpayment.

I intend to vote for their package. As I say, I think it certainly deserves support. I think it sets good overall. While we can all find something that we disagree with, something we would have done differently, basically I think it sets good public policy and will be helpful.

Having said that, Mr. President, I think we have gone part of the way, but I am afraid that the other part of the other way that we were supposed to go has not yet been accomplished. I regret that very much. I am glad to see the letter the President has sent to Senator LONG in which he says:

> The adoption of this conference report, coupled with the remaining components of our downpayment package, will help ensure that the economic recovery now underway is sustained in the months and years ahead.

I noticed the President says "coupled with the remaining components of our downpayment package."

That, Mr. President, is what I am a little concerned about tonight. We have been in conference on the budget resolution. It has been over a month since we passed that plan. We finally had some proposals put on the table today for the first time by the majority party, and those proposals were that the Senate—and it was not my proposal, I hasten to add—should have a range for defense, and that range should be anywhere from $299 billion, which was the Senate-passed number, to the House number of $286 billion. That would just be our conference report.

I really have a hard time finding where there is any budget restraint, where that does anything to instruct the Appropriations Committee as to what their savings should be, and I do not think that is going to fly with our brethren on the House side. I do not think they are going to accept it.

The House majority conferees did make a proposal, and their proposal was that we split—well, it worked out to be a split but they actually offered to the Senate side a 5-percent defense number, 5 percent in real spending, and they also offered that we divide the difference between the estimates of the DOD deflator and the CBO inflation number, so they would reconcile those differences by dividing them. That came up to the figure of $292.2 billion, which is virtually a split between the House number and the Senate number. The Senate majority did say no to that proposal. So we are without any proposal. I do not know when we will ever resolve this difference unless we sit down and actually negotiate on what kind of split there should be.

I am reminded a little bit of the story of the fellow who was asked if he wanted to take a job as a tower operator for the railroad, and he was brought up and shown the tower. They were explaining to him how everything worked in the tower. They said, "Now, you understand that this controls all of the tracks and all of the switches." They said, "Now, what would you do if you had the New York Express coming down the main track and due to arrive here at 8:15, and then you were told that you had the New Jersey Express coming from the other direction also on the main track, and he was going to arrive at 8:15? What action would you take?" And he said, "Well, I would go get Ephraim." They said, "Who in the world is Ephraim?" He said, "Ephraim is my brother." They said, "Why would you go get Ephraim?" He said, "Well, Ephraim ain't seen a train wreck either."

Mr. President, I think it is about time we get Ephraim, because the House is going to take up the debt ceiling tomorrow. My understanding is that none of the budget members on the majority side over there are going to support the debt ceiling. If history repeats itself, a majority of the Republicans in the House will not support the debt ceiling. A majority of the Republicans, by the way, did not support the Deficit Reduction Act. So what I think that means is that tomorrow we will see the House turn down the debt extension, there being progress on the report. That is the light, I guess, in which we better look at our vacation schedule to determine what time we are going to get off, because I foresee that happening tomorrow. So there is going to be good news tonight; we are going to pass that plan, but the news tomorrow may be a little more shaky. That is why we ought to start recognizing that this is part of the plan. I think we ought to start recognizing that $74 billion is one-half of the $150 billion the President said was going to be the deficit reduction plan. It is less than the Senate Democrats said that they wanted to do in our resolution, which was to be $200 billion. It is less than half of what Volcker said would be necessary to show some kind of movement on the debt.

So given the fact that the stock markets have already anticipated we were going to pass a so-called $150 billion deficit, if we only come up with $75 billion, then I think the Dow may tilt back down and the interest rate may tilt back up. That is what we will be looking forward to unless we can see some movement in the Senate. I think that movement really has to come from bargaining to come up with a budget resolution, and that budget resolution is going to have to make some kind of restraint on the growth of defense, that being the one part of the picture that is not solved at this time.

Mr. STENNIS. Mr. President, we have before us the conference report on H.R. 4170, the Tax Reform Act of 1984. This bill is the result of several months of discussions and negotiations by the leaders of both Houses, as well as the President.

Naturally, in a bill of this kind, there are many cross currents and pressures from various sources for changes in the tax law. Certainly in a situation of this kind there is just no way to satisfy everyone. The Treasury Department is looking for more money and the general public is looking for ways to pay less in taxes.

As a general proposition, I support and commend the efforts of the Members of Congress who worked so long and diligently on this very complicated bill, and especially want to thank the Senator from Kansas [Mr. DOLE], and the Senator from Louisiana [Mr. LONG], and the other members of the Senate Finance Committee for their work and their efforts. Certainly the bill is not perfect, but it is a step in the right direction in making an essential downpayment on reducing the tremendous budget deficit which we project over the next several years.

I am keenly disappointed, however, that the amendment which the Senate adopted relating to the continued recognition of the tax-exempt status of industrial revenue bonds issued by States and local political subdivisions was revised by the conferees in major particulars so as not to really meet the situation that we face in trying to attract industry, particularly to our smaller States, and thereby create jobs to help build our economy and raise the standard of living of our people. The conferees approved a statewide cap applicable to industrial revenue bonds which in many instances will be entirely too restrictive. There should be no cap on the creation of jobs because that is the lifeblood of our economy which adds to our tax revenues and reduces the number of people and the expenses on our unemployment roles.

The President has pointed out in one of his addresses several months ago that for every 1-percent increase in unemployment, the Federal Treasury loses $26 billion—$13 billion in lost income tax revenues and another $13 billion expended in unemployment compensation. The creation of jobs adds to the tax revenues, it does not cause any net reduction in Federal revenues.

During consideration of this tax bill by the Senate, we approved an amendment continuing the small issue exemption for industrial revenue bonds extending the present expiration date of the law recognizing the issuance of such bonds from December 31, 1986, to December 31, 1990, an additional 4 years. The conferees agreed on an extension of this sunset provision for manufacturing facilities to December 31, 1988.

While I am pleased that industrial revenue bonds for the establishment of manufacturing facilities will continue to be recognized through 1988, this really should be permanent law and I think it is essential that the Senate Finance Committee commence detailed hearings early next year developing all of the facts showing the importance of the creation of jobs, the additional revenues to be derived therefrom, and the overall benefit to the economy and the welfare of the Nation of this industrial revenue bond program. I will strongly support the efforts of this committee to develop these facts and will work for meaningful legislation which will eliminate any possible abuses and continue, on a permanent basis, this very sound program which originated in Mississippi almost 50 years ago.

Mr. President, I am interested greatly in this bill. It is a tremendous bill. A world of work was done on it. Everything did not come out just as I would have written it, but I think it is a step forward, in the right direction, and carries forth the merit.

As I said, I was especially interested in revenue bonds; there are some changes I did not favor, but some changes of a kind had to be made. So, Mr. President, I am supporting the bill.

I thank our committee and the conference committee, too, for their work on the subject matter.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, I noted with great interest that the President supports this bill and that the distinguished manager of the bill pointed out to all Senators that the President wants this bill.

Well, I would like to point out that although the President wants the bill, the Republicans in the House of Representatives did not support him; 76 of them voted yea, 86 of them voted nay, and who were these Members of the President's party who saw fit to oppose him? The ranking member of the Budget Committee, DEL LATTA from Ohio; the great orator who made the speech at the Republican National Convention, Mr. VANDER JAGT, Mr. PHIL GRAMM, Mr. JACK KEMP, both of the CRANES, and a number of others. So I think when we look at this piece of legislation, we ought to understand that the President's own party is having trouble accepting it.

But frankly, Mr. President, I do not rise because those Members opposed this legislation. I rise because this conference report which we have before us today is the end result of a process that began many months ago in the rose garden of the White House. The measure was worked out in most of its details by the President and the Republican leadership. It has been presented to the public as a downpayment on the deficit. Come on. Who are we kidding? Let us take a look, Mr. President, at what is really and truly contained in this package. This package is a bill that takes care of those who have and places additional burdens on those who have not.

Do we have before us a bill that simplifies our overcomplicated tax laws? Of course not. The answer is no. Does this legislation bring with it more in the way of fairness and equity for the average taxpayer? Of course not.

What this legislation does, simply, is the same thing that every tax bill enacted under this administration has done. It panders to the special interests, swells the deficit, and increases the tax bill of Mr. Average Joe working guy.

Mr. President, there is one consolation. It does take care of some people.

Mr. DOLE. Mr. President, will the Senator yield?

I wish the Senator would be more specific. I like his speeches, as I hear a lot of them. But this bill is primarily reform, and I have gone over a list of the things tightened up.

If there are specific areas where we have hurt the average taxpayer and have not gone after others—I know the Senator is about to mention one—if he will look at the eight- or nine-page summary, we have tightened up many of the things the Senator from Ohio was out front on.

Mr. METZENBAUM. I will not deny the fact that the conference report in some respects is better than the bill that left the Senate, but that does not make it good. That makes it just a little bit less bad.

The fact is that the bill has made very happy men and women of the special interest lobbyists who have done so well for their clients since January 20, 1981.

In that connection, Mr. President, I ask unanimous consent to have printed in the RECORD an article from the Wall Street Journal of Friday, June 15, 1984, entitled "Lobbyists Are Looking for a Break."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, June 15, 1984]

LOBBYISTS ARE LOOKING FOR A BREAK

(By Jeffrey H. Birnbaum)

WASHINGTON.—Judging by the throng at the Longworth House Office Building, you'd think they were giving something away, in fact, they are.

In the past week alone, 17 lawmakers meeting here have approved tax breaks worth millions of dollars for oil-company helicopter operations, cotton and grain farmers and the nuclear-power industry. But this is the small stuff. Billion-dollar benefits come up for grabs soon.

This is the climax of one of this year's congressional dramas—the House-Senate conference on the tax bill of 1984, which overall seeks to raise nearly $50 billion in new tax revenue over the next three years. Writing a tax bill is a perilous undertaking any year, but the pressures and pitfalls loom ever larger in an election year.

Heads of state and corporations have haunted lawmakers' waiting rooms. And now each day, starting as early as 5:30 a.m., a small army of their shiny shoed lobbyists wait in line to see how it will all turn out. Here is a look at what has been happening along the way.

The Netherlands Antilles is a tax haven that the Treasury wants to sink. But with billions of dollars in corporate bonds at stake, some of Washington's highest-paid lobbyists are churning the congressional waters.

To bring the bond business ashore, the department wants to eliminate a 30 percent withholding tax on income earned by foreigners who invest in U.S. securities. The repeal is popular with U.S.-based investment bankers, who want the extra customers, but is opposed by overseas brokers, who would miss the work. The Antilles doesn't want any sudden change that might rock its economy.

As is the way in Washington, each faction has hired big guns. The Antilles has retained Charls Walker, who squired the Caribbean nation's prime minister around town. He introduced the head of state to dozens of congressmen, including most of the tax conferees, and to officials at the Treasury and the State Department. The result was a barrage of letters opposing repeal to conference Chairman Dan Rostenkowski (D., Ill.) from the State Department and the House Foreign Affairs Committee.

With the aid of lobbyist J. D. Williams, the offshore investment bankers also instigated some anti-repeal letter-writing to Mr. Rostenkowski. The letters came, in many cases at the urging of Mr. Williams, a renowned fund-raiser, from 18 of the 35 members of the tax-writing Ways and Means Committee.

The Securities Industry Association hasn't done much letter-writing, but its backing of repeal has been conveyed in personal visits. The trade group, which represents U.S. brokers has dazzled congressmen with a phalanx of lawyers, including former chairmen of the prestigious tax sections of the New York and American bar associations, and a former international tax counsel at the Treasury.

"When these players come to call," says Ways and Means member Robert Matsui (D., Calif.), "you know you're talking about big-dollar items."

Writing tax law may seem dry and boring, but as life insurance lobbyists can attest, the process can be very artful.

Take, for instance, the tax break for companies that have "life insurance business in noncontiguous Western Hemisphere countries." In layman's language, the provision allows New Orleans-based Pan American Life Insurance Co. to shelter additional income in its reserve, because it sells life insurance in "high risk" countries in Latin America other than Mexico.

And then there is the measure that mysteriously surfaced during the conference; the measure covers "certain losses on pension business of certain companies." Translation: Massachusetts Mutual Life Insurance Co. would be allowed to deduct some of its interest expenses at a 46% rate, rather than at the industry's rate of about 36%.

There's also the "Allowance for Risk Capacity," or ARC, provision. The biblical-sounding measure would give a bigger-than-normal, off-the-top tax deduction for a special minority of life insurers—the fastest growing of the large ones.

Rep. Fortney (Pete) Stark of California has finally figured out the calculus of tax lobbying.

The Democratic conferee, who is a graduate of Massachusetts Institute of Technology, has longed puzzled over the length of lines of lobbyists who wait to attend the panel's sessions. And now he has devised a formula he says can flawlessly predict the length of the queues.

The length of a line is equal to the nation's population divided by the number of individuals affected by the provisions that will be discussed. That number is multiplied by a factor that measures the level of the provisions' "arcaneness" times the "dullness factor." Lastly, and most importantly, the result is reduced by 93 times the number of references to poor people in the proposals.

"In other words," Mr. Stark says, "the fewer the number of taxpayers affected, and the more dull and arcane the subject, the longer the line of lobbyists."

The rivalry between the two tax-writing chairmen—Rep. Rostenkowski of the Ways and Means Committee and Sen. Robert Dole (R., Kan.) of the Finance Committee—has grown over the past few years as Sen. Dole continually got the upper hand. But this time Rep. Rostenkowski seized the initiative and won House acceptance of a bill of his devising. Immediately after the vote, he strutted over to the Senate floor and, with a broad, satisfied grin, personally delivered the news to Sen. Dole.

So proper and gentlemanly is the world of the Senate that male lawmakers button their jackets before they speak almost as if by reflex. But Sen. Alfonse D'Amato, the temperamental Republican junior senator from New York, threw what can best be described as a tantrum on the Senate floor after he was blocked from rushing through an amendment that would aid a Long Island power plant. As is common practice, Senate leaders deferred action until New York's other senator, Democrat Daniel Moynihan, returned from another engagement.

Sen. D'Amato exploded with rage. "I have a pretty tough time, for the life of me, understanding how we could lay aside this rather important matter," he said. "I think it is contemptible." Later, in a sarcastic phrase that was excised from the Congressional Record, Sen. Dole told Sen. D'Amato, "The senator can insult me as he insulted his senior colleague earlier. I do not mind a bit."

Sen. Moynihan soon returned and was added as co-sponsor to the measure. But before it was approved he was informed about Sen. D'Amato's outburst. "I want to thank my distinguished colleague," he said, "for his patience."

Rep. Rostenkowski is pushing hard to quickly finish the tax bill.

Here are the official reasons: The U.S. is nearing its borrowing limit, the financial markets are a mess and the national political conventions, which begin in July, will stifle serious deficit-cutting efforts.

According to the people being pushed, here is the real reason: Dawn Rostenkowski, the chairman's eldest daughter, will be married in Chicago June 30.

Mr. METZENBAUM. Mr. President, I did not fail to hear the comments of the distinguished manager of the bill, and I do intend, before I conclude my remarks, to tell him exactly how the average Joe has been caused to meet the burden of this bill.

This bill has made very happy men and women of the special interest lobbyists who have done so well for their clients since January 20, 1981.

And the beneficiaries are not in the least shy about expressing their gratitude.

Listen, for example, to what the insurance industry had to say in a Washington Post advertisement published on the morning that the Senate began its first full day of consideration of this bill:

"The huge Federal budget deficit," said the insurance industry, "is one of the major problems requiring prompt action by the Congress and the President."

So far, so good. I do not know anyone who would disagree with that or with what follows immediately thereafter.

> This massive debt burden is causing new high interest rate levels, contributing to overvaluation of the dollar, increasing the foreign trade deficit and aggravating the severe debt problems of developing countries. The adverse impact of higher interest rates on the domestic economy could lead back to recession within the next 2 years.

Once again, I have no argument—an accurate assessment of where our economy stands today.

And then, Mr. President, we have the kicker.

"Legislative actions to reduce the deficit," said the American Council of Life Insurance, "especially those fashioned by the House Ways and Means Committee and the Senate Finance Committee—are important first steps. We urge all Americans to join us in supporting their passage."

What the ACLI did not tell us in their ad was that the insurance industry's support for this legislation was motivated by something above and beyond a patriotic desire to reduce the deficit.

What was it?

A $1.4 billion tax cut for the insurance industry.

And insurance is not alone. Far from it.

The bill shortens the capital gains holding period from 1 year to 6 months. The cost—$600 million.

Who gains?

Investors, of course—investors who are already enjoying the 1981 reduction from 28 to 30 percent in the capital gains tax rate.

And according to the June 25 edition of the Wall Street Journal, there are other winners.

> Probably no group of stocks will be helped more by the change than those of public securities firms such as Merrill Lynch & Co. and E.F. Hutton & Co., which should benefit from any resulting increase in stock and bond trading. . . .

Wall Street will also benefit from the repeal of a 30-percent withholding tax levied against foreign investors in U.S. securities.

Listen to this. How absurd can we be? The average Joe has a withholding tax on his earnings, no matter how little they are. There is a withholding tax. But in this particular bill, we are repealing the 30-percent withholding tax on foreign corporations.

The repeal will make the Eurobond market more accessible to U.S. corporations and the Federal Treasury. But the real beneficiaries of this $200 million bonanza will be U.S. investment houses such as Salomon Bros. and Goldman, Sachs & Co.

And who will pay for this extravagance?

According to the Wall Street Journal repeal may increase the demand for the dollar overseas, thereby keeping the dollar overvalued, inflating the all-time record trade deficit, and sending more American jobs overseas.

Under this administration, we have already lost 3 million jobs to foreign competition.

And let us not forget the companies that have already avoided the 30 percent tax by establishing paper subsidiaries in the Netherlands Antilles. * * *

Current law taxes corporations and individuals on their income from U.S. sources. When foreigners earn interest or similar income, the United States imposes a 30-percent tax. This tax is collected by requiring the U.S. borrower to withhold 30 percent of interest payments.

But there is a gaping loophole in the law. Under a tax treaty provision with the Netherlands Antilles, interest paid to persons in the Antilles is exempt from the withholding provision.

The result has been establishment of a blizzard of paper corporations that participate in a multibillion-dollar-a-year tax dodge. In fact, 15,000 corporations, many of them subsidiaries of U.S. companies, have set up paper firms to sidestep the foreign withholding tax.

According to the Wall Street Journal:

> The subsidiaries are used to borrow investment capital from the Eurodollar Market, the huge and largely unregulated pool of overseas dollars that can be tapped through London banks. When this money comes in the form of long-term loans, it is called Eurobonds. Eurobond traffic via the Antilles has been hot and heavy.
>
> Recently, Morgan Stanley & Co., one of a number of New York investment-banking firms active in the Eurobond Market, estimated that U.S. companies have floated $24 billion of Eurobonds since 1974 and $22 billion of them in the past 4 years.
>
> "Virtually all of this was done through the Netherlands Antilles," says Donald M. Gray Jr., a Morgan Stanley principal.
>
> The process of raising money in this fashion—sometimes described by financial technicians as "going through the Antillean window"—is basically a legal tax dodge, a "loophole" that offers something for almost everyone.

The Wall Street Journal went on to say:

> A U.S. corporation using an Antilles subsidiary to borrow abroad escapes a 30 percent Federal withholding tax on interest payments to foreigners and thus can often borrow money overseas more cheaply.

Does this bill close the loophole? Does it do something about the Netherlands Antilles corporations? Not on your life.

This tax dodge does more than cost the Treasury billions.

The IRS believes it helps drug dealers and tax skimmers recycle money into the United States.

The Central Intelligence Agency, according to several Government sources, has reported that Arab investors are switching money from U.S. bank certificates of deposit and Treasury bills into the Eurobond market to get higher interest rates and the greater privacy of the Antillean route, which prevents scrutiny by such prying agencies as the IRS and the CIA.

The U.S. Treasury believes that one of the main reasons it cannot persuade major U.S. trading partners to negotiate new tax treaties is that their investors prefer to go through the Antilles.

Mr. President, it is a shocking fact that many, if not most, Fortune 500 companies have found this Antilles loophole to be a bonanza.

So how does the administration and the Finance Committee suggest we deal with the Antilles window?

Do they suggest that the loophole be plugged? No way. No way. Nothing to that effect at all. Instead of eliminating the loophole they recommend elimination of the tax itself.

No elimination of the tax for Joe Workingperson. No elimination of the tax for other persons. No—eliminate the tax for foreign investors, the 20 percent withholding.

It appears to be a new theory of tax reform, Mr. President. If there is a loophole in the law do not correct the problem—repeal the law. How creative can we be? How simple is the solution?

Oh, yes, one other point. How costly it is to the U.S. Treasury and the rest of the taxpayers who are called upon to foot the bill.

This approach appears more absurd, when we learn that IRS challenges to a number of these Antilles transactions are pending and the Treasury is renegotiating the existing Antilles tax treaty with the aim of closing the window.

Let me remind my colleagues that the same administration which supported withholding on interest income earned by individuals is now supporting the repeal of withholding on corporations.

I supported the efforts of the administration, and there were not many of us who did, but we attempted to retain withholding on interest and dividend income, and the chairman of the Finance Committee led that fight. But the bank lobby rolled over us. And now on this one there is not even a fight. In fact the administration is leading the charge. "Repeal it if it taxes business" is their slogan.

This is the President who talks about fairness and equity and says, "Oh, yes, he is concerned about the average working person and the poor and that his tax programs are fair and equitable."

Well, explain to the American people, Mr. President, if you will, how you can support a 10-percent withholding provision with respect to individuals and repeal a 30-percent withholding provision with respect to foreign corporations?

Mr. President, it makes no sense. It costs the Federal Treasury $200 million. It benefits large profitable corporations. It sets the wrong precedent of how the Senate will respond to loopholes.

The repeal will make the Eurobond market more accessible to U.S. corporations than the Federal Treasury. But the real beneficiaries of the $200 million bonanza will benefit houses such as Salomon Bros. and Goldman Sachs & Co., and the individual taxpayers of this country will be the ones who will pay the price and not only is that the problem, according to the Wall Street Journal, repeal may increase the demand for the dollar overseas, thereby keeping the dollar overvalued, inflating the all-time record trade deficit, and sending more American jobs overseas.

Under this administration we have already lost 3 million jobs to foreign corporations, and let us not forget the companies that already avoided the

30-percent tax by establishing paper subsidiaries in the Netherlands Antilles. Those will be given a tax amnesty against any future claim by the IRS for back taxes.

If it is true, Mr. President, that "to err is human, to forgive divine," then this conference report should be required reading in every school of theology.

In this legislation, forgiveness is the order of the day—and on a huge scale.

Who is forgiven?

Not the meek or the weak—that is for sure.

The forgiveness in this bill extends to about 100 major international companies—companies that owe the United States $13.6 billion in deferred taxes under the DISC program.

You may have been for or against the DISC program. But the whole concept of the DISC program is that the taxes would eventually be paid and they were being deferred. But under this bill we are canceling, terminating, abrogating, forgiving $13.6 billion from corporations that owe that money to the U.S. Treasury.

The bill says that they need not pay.

I hasten to point out, Mr. President, that these companies are not only "truly needy"—they are "very truly needy." Companies like General Electric, Boeing, Dow Chemical, McDonnell Douglas, Du Pont—and the list goes on.

I would be the last to begrudge these little free enterprise companies there tax break. But for the record, I want to point out that $13.6 billion would more than pay for child nutrition programs in this country for the next 11 years.

Compared to $13.6 billion, I point out another $65 million giveaway does not look like much, but it is plenty. It is still $65 million, and it is the amount of tax liability forgiven retroactively by this legislation for employers who have incurrred liability by withdrawing from a multiemployer pension plan.

Let us look at a few other provisions of the conference report.

Does anyone in this Chamber believe that his or her constituents would approve of tax subsidies that encourage American firms to place their manufacturing plants in foreign countries?

That is precisely what is in this conference report—a provision that guarantees $300 million in foreign tax credits to such companies that would otherwise have been denied.

This bill also contains a provision that will help banks eliminate whatever remaining liability they may have for Federal taxes. The provision says that banks may exclude from income interest earned on loans to employee stock ownership plans ESOP's.

The bill purports to limit the use of option straddles to avoid taxes—but not before lowering the maximum tax on profits from 50 to 32 percent.

And when this bill left the Senate, it was moving in the right direction in restricting the abusive uses of IRB financing, but the conference committee removed a number of Senate limitations. The Senate provision would have denied tax-exempt financing for doctors' offices—that is no longer in the bill. Poor doctors need to use IRB's to build their new office buildings. It would have prohibited tax-exempt financing for lawyers' offices, nursing homes, parking lots, parking garages, and office equipment.

Frankly, there was not any reason under the Sun to eliminate those restrictions. There is not any question it will cost money. I know there is an overall limit with respect to each of the States and then a $200 million figure for some of the smaller States. But that does not justify eliminating the restrictions that that bill had in it when it left the Senate.

So the only Senate limitation retained in the conference was that with respect to using IRB's for health clubs.

Specific companies and even individuals will obtain tax cuts under this bill. Let me give you a few examples.

Allis-Chalmers gets $16 million for the sale of tax benefits in a coal gasification project. AMAX, Inc., escapes new rules designed to curb abuses when companies want to file consolidated tax returns. The cost to the Treasury, a mere $180 million. But why not? AMAX has some good friends in this administration.

Relatives of the Halls, of Hallmark Cards, and of the Hunts, of Texas oil fame, benefit from a special estate tax relief. And anybody knows that those two poor familes need it.

The Long Island Lighting Co. is authorized to sell tax-exempt bonds to refinance the debt of its Shoreham nuclear powerplant at a cost of $600 million to the Treasury.

In total, this bill will add $16 billion to the Federal budget deficit in new tax loopholes.

Let me repeat that for you. The chairman of the committee and the ranking minority member talk about all the positives, all the moves toward raising that $50 billion as a downpayment on the deficit. But this bill will add $16 billion to the Federal budget deficit in new tax loopholes. And on top of that, let us not forget the $13.6 billion in tax forgiveness for multinational corporations, or a total of $29.6 billion in giveaways—givebacks, cancellations. Those giveaways have no place, none whatsoever, in a measure that purports to reduce the deficit.

It is a fact, however, that the bill does increase income; does make money. And how does it do it? Well, this is the answer to my friend from Kansas. The consumer will pay more for alcoholic beverages—to the tune of $1 billion. Well, why should not the average Joe pay more for his liquor? Add on to the liquor tax more and more and more, he will pay it whatever it is. And consumers will continue to pay the 3-percent telephone tax that was scheduled to expire after 1985. That raises $3.2 billion from the average Joe working guy and the homeowner. And senior citizens, who live on a fixed income and rely on medicare to cover their medical bills, they will pay more.

It is wrong, Mr. President, wrong, unjust, and unfair to ask working people to pay more at the same time that corporations and wealthy Americans are loaded down with new tax breaks.

In fairness, however, I should point out that the bill contains a host of responsible tax reforms and the conference committee did eliminate a number of giveaways that passed the Senate. They eliminated the giveaway to the jewelry industry in the form of tax-free employee awards, an issue that was voted on on the floor of the Senate.

They eliminated a provision expanding the capital construction program for fishing vessels to include fish processing facilities. They eliminated a special alternative 20 percent deduction for life insurance companies and a retroactive gift tax relief from a 1982 Supreme Court ruling. So I give the conference committee credit for making some steps in the right direction.

But as the conferees were eliminating some of the revenue losers, two special-interest groups were hard at work, the Chicago Board of Trade and the Chicago Mercantile Exchange, two of the Nation's largest commodity futures trading organizations, did not want to stand in line outside the Finance Committee hearing room. They did not bother to find a Senator to offer their amendment on the floor where it could be examined and debated. Perhaps they thought someone might challenge that $300 million giveaway. Perhaps they feared that the press would publish an embarrassing article, or perhaps they simply saw a little too late that everyone else was getting their share and they felt left out.

Whatever the circumstances, these two interest groups were able to have their amendment adopted in conference and the effect of that provision is virtually to preclude the IRS from pursuing tax cases against about 200 traders of commodity futures for an estimated $300 million in taxes that the IRS is trying to collect from traders who used the now outlawed tax avoidance scheme known as a commodity straddle.

As a matter of fact, the IRS preliminary data indicates that there are 4,400 cases presently pending in Tax Court representing $500 million in taxes before interest is assessed. The IRS has assessed deficiencies for 15,000 taxpayers for $1.5 billion. There is no data on how many professional traders are involved, but we do know that whether it is $300 million or $500 million or a substantial amount more, the commodity traders and dealers were well taken care of in the conference committee on a matter that was not at issue between the House and the Senate. The conference committee reached out, brought in this entirely new matter, which cost the rest of the taxpayers in this country anywhere from $300 million to $500 million or more. And what happened? The conference committee brings it back to us, and we have no choice but to accept it.

Mr. President, I will vote against the tax bill because it does not address the fundamental inequities of our current tax laws. I point out to my colleagues on the other side of the aisle that more Members of the other side of the aisle in the House, the Republicans, voted against this measure when it was voted on this afternoon than those who voted for it. I hope that the same position will prevail on that side of the aisle as well as on this. I hope we will turn down the conference committee report and send our conferees back to conference so that there will not be a $50 billion downpayment. If we will eliminate the $29.6 billion of tax giveaways, we would have a $79.6 billion increase or downpayment on the deficit.

Mr. President, I believe strongly that this conference committee report should and must be defeated if we are going to be fair to the rest of the American taxpayers in this country.

SEVERAL SENATORS addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. D'AMATO. Mr. President, would the Senator from Ohio yield for the purpose of a question?

The PRESIDING OFFICER. The Senator from Iowa was recognized.

Mr. GRASSELY. I will yield to the Senator from New York for the purposes of a question.

Mr. D'AMATO. I thank the Senator from Iowa.

I am going to vote no on the tax package, but for quite another reason than the Senator from Ohio. I am wondering what my distinguished colleague from Ohio feels with respect to the lack of spending cuts in H.R. 4170? The appropriations caps in the original Senate deficit package have been eliminated. The balance of tax hikes with spending cuts does not exist in H.R. 4170. We have lost $100 billion from the original Senate package. The only spending cuts come at the expense of the elderly. We should not reduce spending by solely cutting medicare.

Mr. METZENBAUM. I could not agree more that we must get down the defense spending of this country and the increases that the President is advocating to throw away billions and billions of dollars for defense spending. We must indeed all work together to cut back on the increases that the President has advocated with respect to defense spending and, if necessary, we should take a look at the other programs, as well. But that is the major problem that faces us.

Mr. D'AMATO. I thank my colleague from Iowa and my colleague from Ohio.

Mr. GRASSLEY. Mr. President, we heard the Senator from Ohio speak about $16 billion in tax loopholes that this bill allows. I want to speak about a tax loophole that this bill does not allow, but one that I think it ought to allow and one in which the Senate agreed to at the time the bill passed. So I want to shed a few tears over a provision that was dropped in conference. I suppose if every Senator shed a few tears in the well of the Senate for provisions that were dropped, we would all be drowning in teardrops, but I do feel this merits my colleagues' attention.

I am disappointed that the Senate conferees and House conferees dropped a provision that I included providing tax credits for soil conservation; and, these credits won't apply to any improvements, but practices approved by soil conservation experts, the District Conservation Commissions. I suppose that I am most disappointed because the torrential rains in my State and the Middle West are causing a tremendous soil loss. Headlines illustrate the scope of the disaster: The Des Moines Register of June 22 says "Erosion Takes Severe Toll on Iowa's Topsoil"; it says in a subheadline "Rains Cause Worst Woe in Modern Era—80 Million Tons of Earth on 4 Million Acres Lost."

Five million tons or four tons per acre is the most soil erosion that we ought to tolerate. We may have more than that in an abnormal year, but that is the most we ought to tolerate. Here, we are talking about just a recent rain eroding four times the tolerable amount for the entire year.

Another headline in another paper in my State reads "State Topsoil Loss Called Worst Ever."

It shows a county-by-county map indicating the tremendous loss of soil due to erosion.

I could accept the direction of this provision if we, as policymakers, decided to fund the typical subsidy programs for soil erosion as we have done for the last 50 years. But the fact is we are not going to do that. We are not doing anything in place of it.

I also quote from another headline in a recent paper in my State, again the Des Moines Register, for Saturday, June 23, in which these typical programs that have been approved by Congress are under threat. I quote a headline that says "Bill to Pay Farmers to Retire Erodible Land Faces Threat of Veto." This veto threat is by this administration, and this President.

Efforts by my colleague, the Senator from Colorado, in his sodbuster bill, to bring the critically erodible type of land under control, or remove it from production are important—those efforts are not even finding success in Congress, let alone with the Secretary of Agriculture, and with the President.

Here we have a situation where programs for the last 50 years that were supposed to prevent erosion are no longer being funded. We have a situation where sums of money appropriated for this area are less and less in the last 10 years, while the problem grows.

So we find alternatives. We look for alternatives. Through the help of a very sincere staff member on the Joint Committee on Taxation, Ben Hartley, and numerous conservation-oriented agricutural groups, I had an opportunity in the last 2 years to draw up a bill that would meet the criticism that was enunciated in TEFRA. In that bill, a soil conservation tax credit was eliminated because House conferees feared its provisions were so generous that people would be able to build swimming pools and claim the credit. Of course we do not want anything that is so loosely written that it invites this type of abuse.

Through hearings this year, and through better draftsmanship, we were able to come up with a piece of legislation that was tightly drawn. It was tightly drawn from the standpoint that only people in agriculture would be able to take advantage of its provisions. It was tightly drawn from the standpoint that any of the projects eligible for the credit would have to be approved by the District Soil Conservation commissioners, experts in this area, and people who have a history for the last 50 years of not approving projects that are not worthy of public support.

Last, it was limited to 25 percent of an individual's gross income from farming.

In addition to that, this provision was revenue neutral as it passed this body, or even a slight revenue gainer for the Treasury because we did close a loophole that brought in $84 million of revenue. My soil conservation tax credit would have cost $79 million. I netted a positive $5 million for the Federal Treasury.

I hope everybody agrees that our soil erosion problems are very serious.

I wonder whether people in urban areas realize the severity of the problem since it was reported in one of the newspapers in my State that recently a caller from New York City asked our secretary of agriculture for the State of Iowa, Robert Lowensberry, about our failure to solve the problem. With all that rain out there in the Middle West, and with all the soil erosion, all the loss of crops that have just been planted, that person in New York City could not understand why the farmers of our State did not cover their fields so that the crops did not wash out.

When we get comments like that coming from the consumers of New York City as to what is a reasonable soil conservation technology, I wonder whether there is any understanding of the gravity of the problem.

I do not know whether all the people in town, concerned about the causes of clean environment, understand that some of those mistakes of the past can be corrected, and through legislation passed over 20 years are being corrected. But I wonder to what extent people undertand that once soil is lost, once the great topsoil of my State and the other States go down the Mississippi Valley and create the delta at New Orleans and beyond, it is lost forever, and that we ought to be doing something about it now.

I would not feel as disappointed by the decision of the conferees to eliminate this if it were not revenue neutral and so tightly written so that it would benefit just those who it intended to benefit. As some point, we have to come to the conclusion that soil conservation is a very expensive proposition.

We have to come to the conclusion that more than just the farmers, the 3 percent of the people of this country who are farmers, have a stake in soil conservation. As natural resource erosion continues, food costs will rise. Also, that natural resource erosion will cause more problems in our efforts to attain a clean water supply.

It is a problem for all of our people, not just the 3 percent of the people of this country who are farmers.

From the standpoint, I think we have to conclude that the subsidy programs of the past are not going to do the job. They do not have the support of the Congress.

So I came forth with a responsible provision of a 10-percent tax credit that is going to cost $79 million. I think that is a drop in the bucket to encourage private investment to do what the subsidy programs have not done. Yet that has been eliminated from this conference.

I am told that all of these add-ons were eliminated, but I still would make reference to the statement by the Senator from Ohio [Mr. METZENBAUM], in which he said there are $16 billion of loopholes in this package. I guess I would raise the question whether or not this one additional loophole, a second time through the Senate, a second time now dropped by conferees in the last 2 years, is not worthwhile and serves an important purpose. By the headlines in my State, and I am sure in most States of the Middle West, there is ample evidence of the justification for such a program.

I think there is ample justification. I think it is fiscally responsible as it passed this body. I think we could have made it fiscally responsible among the conferees, if the way I funded it was not acceptable to them. I was willing to consider alternatives.

Mr. **MELCHER**. Will the Senator yield?

Mr. **GRASSLEY**. Yes, I yield to the Senator from Montana.

Mr. **MELCHER**. I commend the Senator from Iowa, Mr. President for his statement tonight and his work on his amendment of which he speaks.

I also commend him on his consistent dedication to conservation work.

I might add that I, too, lost a very fine amendment. It was not a loophole, I assure the Senator from Iowa. It was simply a good incentive for investment by landowners for conservation purposes which benefits the entire country and indeed the entire world.

Mr. **GRASSLEY**. Mr. President, I hope that now that this provision has been dropped, that people who are interested in a clean environment, interested in maintaining a good quality of food for the consumers in this country at a reasonable price, will look at the problems that we have in agriculture and in rural America of soil erosion and come to the same conclusion I did. We have to find a new approach for financing soil conservation and we are going to have some contribution by the public at large. I would like to suggest that a tax credit is a better approach than the subsidy programs that are now losing interest in this body. See if you can help us find a solution to this problem of recent years.

Mr. President, to paraphrase Will Rogers, everybody talks about soil conservation but nobody does anything about it.

The upper Midwest is presently reaping the disastrously high price for neglecting this all important farming practice.

Water erosion is taking top soil at up to eight times an acceptable rate. Farmers have told me it is the worst case they have ever seen. The Des Moines Register on June 22 reports Iowa's June loss to date is 80 million tons of earth on 4 million acres of farmland.

Mr. President, the neighboring States of Nebraska, Missouri, Kansas, and Minnesota are reporting the measure of damages. Damage is now being counted in the hundreds of millions of dollars because of unseasonably heavy rains.

Mr. President, I call the Senate's attention to this sad fact because the Congress continues to follow a haphazard legislative path when dealing with conserving this Nation's soil.

We have been funding soil conservation practices for 50 years, practices that have done some measure of good, but these practices have not dealt with the realities of what it takes to make sure that all farmers institute soil conservation measures. These laws have dealt with choice, engineering and profitable conversion of wetlands to cropland. They have not made it a viable, economic choice for all farmers actively engaged in farming to practice all necessary measures to prevent water and wind erosion.

Mr. President, the conference committee handling the Deficit Reduction Act dropped from its consideration as part of that act, a soil conservation measure that I believe dealt with the realities of soil conservation. It was fiscally responsible; it was tightly drawn; it only allowed practicing farmers to participate. It was not a subsidy; it was a tax credit of up to 25 percent of total annual income for acceptable soil conservation practices.

This is a concept that is not unfamiliar to this body. We pass similar stimulating credits to oil companies to encourage exploration and correct drilling practices.

This tax credit approach will work for soil conservatives if we make it economically and conservationally sound. The bill I refer to does these things. It would have created a cost-share-type program similar in approach to the ACP program which is so popular with farmers.

We all know that progressive Tax Code makes credits more attractive to farmers in low or moderate income levels. It appears then that this approach would aid farmers in strained financial condition, a condition that unfortunately has forced them to farm fence row to fence row and abandon conservation measures that they might otherwise practice.

The application of carryback and carryover rules are particularly important when farmers are just breaking even or operating at a loss. It may prompt some farmers to go ahead with a project right now, be it waterway or windbreak, rather than waiting for a year in which they could take the tax credit. The listing of specific conservation activities and the requirement of district soil conservation certification should prevent people from being able to claim swimming pools and decorative fencing as creditable expenses. This bill prevented double dipping to discourage those in search of a tax shelter.

In sum, Mr. President, this bill would have created soil conservation outlays as much a part of farming as equipment expenses.

I regret that this bill, S. 2180, has now been stricken from the Deficit Reduction Act, not because it was my bill, not because it has been presented to the Congress in 8 of my 9 years in the House and Senate, but because I honestly believe that, to reasonably attack the dreadful realities of soil erosion we are all reading about today, a realistic, tax credit approach must be enacted.

I assure this body that I and others of like mind will not give up. We dare not do otherwise. The losses are too expensive not only to this generation of farmers and consumers but for the generations to come.

Mr. President, in closing, I ask unanimous consent that a statement by Charles L. Frazier, of the National Farmers Organization, be printed in the Record at this point.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Charles L. Frazier, Director, Washington Office, National Farmers Organization—March 15, 1984

Chairman Grassley, Chairman Wallop, and members of both subcommittees, on behalf of the membership of the National Farmers Organization, I would like to thank you for this opportunity to testify before you on S. 152 and S. 2180, introduced by Senators Jepsen and Grassley, respectively. These bills, which provide investment tax credits to farmers who carry out certain conservation practices, constitute a sound, if limited, response to the difficult situation we are in right now. Unless measures like this are taken quickly, the U.S. conservation effort will come to a virtual standstill, and may even begin to backslide.

This dangerous condition has been brought on by a combination of two developments, the first of which is the distressed plight of the farmer. The Payment-in-Kind (PIK) program may have brought temporary financial relief to some producers, but it has done nothing to retard the steady decline of the family farming system in this country. Net farm income peaked at $32 billion in 1979, and decreased to $22 billion in 1982. PIK program benefits and the attendant reduction in input expenditures boosted farm income on paper to $24 billion in 1983, but even that short term measure failed to prevent thousands of additional farmers from going out of business. In the absence of an attractive wheat and feedgrains program covering the current crop, economists are already predicting silo-busting harvests this Fall, with price effects which can easily be imagined. When one adds to this gloomy prognosis the near-certainty of continued high interest rates, one begins to see why we should be so concerned about conservation.

In a time of financial uncertainty and stress, many farmers are just trying to survive through next year. Conservation of soil and water resources is high on the list of priorities of all farmers, but in the short term it is regarded as an expense which doesn't increase output and which can't be passed along in the market chain.

The second development which concerns us is the retreat by USDA from the conservation effort. Since 1980, the Administration has requested deeper and deeper budget cuts for this item. In FY 1983, the budget for USDA's combined conservation activities stood at $1,092 million. The 1985 budget requests a sum of $725 million, a cut of 34%. No amount of "targeting" can disguise this as anything but a withdrawal from conservation. Like the very big deficits, soil and water erosion will come back to haunt us before long.

To sum up, what we have is a situation in which the farmer is unable and the government unwilling to do enough to prevent the further deterioration of our most valuable resource base: land and water. Without citing rows of statistics, I would only remind members of the subcommittees just how serious the erosion problem is, especially in the Midwest. It is perhaps appropriate that both of the bills we are examining today are sponsored by Iowans, for the office-holders from that state are well-known for their leadership in drawing national attention to this problem.

The Internal Revenue Code already permits limited deductions for farmers who incur conservation related expenses. Unfortunately, those provisions have also proven attractive to investors seeking tax shelters, as well as to the farmers for whom they were intended. Indeed, last Fall we testified before the House Agriculture Committee on how the conscious manipulation of agricultural investment credits by savvy money market managers contributes to the "sodbusting" of fragile lands, as well as adding to commodity surpluses.

S. 152 and S. 2180 represent attempts to increase the financial incentive for producers to carry on conservation practices. The number of cosponsors indicates broad-based, bipartisan support which, we hope, will help ensure passage. Also, the list of expert witnesses whom I am honored to join constitutes an impressive endorsement of the technical soundness of this legislation.

Senator Grassley's bill in particular represents a thoughtful, cautious approach, as it is a revision of similar legislation introduced by him last year, which accommodates suggestions made at that time to tighten up the eligibility and, thus, prevent the abuses I alluded to earlier. This bill, in effect, would create a cost-share type program similar in approach to the ACP program, which is highly popular with farmers. As a long-time observer of the USDA agencies in conservation work, I can testify from first-hand knowledge to the successful results of this flexible program.

The revenue tool employed in this bill consists of tax credits, as opposed to deductions. Due to the progressive structure of the tax code, credits would seem to be far more beneficial to individuals in lower income brackets. On the surface, this appears to serve the need of farmers in strained financial conditions, who most need this form of assistance. But a couple of questions arise as to how such credits would be applied in practice: firstly, large, established operations are already able to shelter income and otherwise reduce their tax exposure through a vast array of loopholes.

We hope the legislative history will be clear on any bill you bring out that these provisions are designated to aid producers who are actually farming the land for a living.

Secondly, we have some reservation also with respect to the irrigation references. Although we do not propose to change the language in the bill, hereto we urge that the administering agency be given guidance in the Report on the bill. These provisions should not be used to accelerate aquifer depletion and ground water contamination. It is hoped that any forthcoming bill will not simply make expanded irrigation more financially feasible, and thus have the unintended effect of adding to the surplus problem in a number of commodities.

Generally, though, we are pleased by a number of provisions in the Grassley bill which are aimed at curbing abuse and manipulation of the tax code by non-farming individuals. The application of carryback and carryover rules are particularly important in a time when many farmers are just breaking even or operating at a loss. It may prompt some producers to go ahead with a project right now, rather than waiting for a year in which they could take the tax credit. The listing of specific conservation activities and requirement of Soil Conservation Service certification should prevent people from being able to claim swimming pools and decorative fencing as creditable expenses. Finally, we support those sections of the bill which prevent double-dipping and discourage those in search of tax shelters.

In sum, the National Farmers Organization endorses the concept embodied in this bill; namely, that conservation outlays are just as much a part of farming as equipment expenses, and should be treated in like fashion under the tax code. We hope that members of the subcommittees will consider the questions we have raised, and favorably report legislation which provides an opportunity for the family owned and operated farm to preserve land and water for coming generations.

(Mr. TRIBLE assumed the chair.)

Mr. DOLE. Mr. President, I am just going to take a minute because I want to comment on what the Senator from Iowa had to say. We did have that provision. It was paid for. We dropped it at the insistence of Senator Roth. We obviously made a mistake in judgment there. He is going to vote against the bill so we should have kept it.

In any event, it was paid for in the provision the Senator addressed.

I also would indicate to the Senator from Iowa that I happen to be on another conference on the so-called sodbuster bill, introduced by the Senator from Colorado, Senator Armstrong. There was added for that on the House side a $250 million proposal on soil conservation, which is actually a couple billion dollars in soil conservation. That has caused some problem because we come to the floor with a tax bill and are criticized for raising taxes and we go to another committee where they want to have a couple billion dollars. Then we are referred to in the Wall Street Journal as not trying to reduce the deficit.

I object to that $250 million expenditure, not because I do not think we ought to have emphasis on soil conservation but, as the Senator from Delaware pointed out, we have to save more money. I wish he could save more in his committee. We lost $5 billion in savings in his committee alone.

Had we had that $5 billion in savings out here to add what we have from our committee and the other committees, we would have a fairly substantial savings package.

I know how it is in a tax bill. It is easy to vote against tax bills.

I want to repeat there are a lot of positive things in this tax bill. There are a lot of provisions that the American people want. Despite the comments of the Senator from Ohio, this is not a tax bill that goes after the average taxpayer. It helps a lot of people in the insurance business; by closing a lot of loopholes it helps a lot of people. I would urge my colleagues to come to grips with the spending side.

The Governmental Operations Committee did not get a permanent delay until January for Federal employees' pay raises. That would have saved $3 billion. They did not get 3.5 percent for Federal employee pay raises; that would have saved $1 billion. They did not get the contribution to Federal retirees under 62. That would have saved $1 billion. What they really got was a 1-day change in the payment of military and retirement checks. That is a one-time savings of $1.6 billion. That was the savings. That savings was certainly something I had not thought about. There is a blue collar delay, another $100 million.

Really, there are no savings at all. I do not mind my colleagues quarreling about the tax bill and we ought to get more spending restraint, but we do have to get spending restraint. In the Finance Committee, we had $14 billion in spending restraints when we went to the House. We came back with $11 billion in real spending restraints. We did not move up payment to the Army 1 day to save $1 billion, a one-time savings in 1 year. That is not savings.

So I would hope we would support the President on this matter. I ask unanimous consent to include in the RECORD at this point a letter from the National Association of Realtors concerning the imputed change.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF REALTORS,
Washington, DC, June 27, 1984.

Hon. ROBERT J. DOLE,
Chairman, Committee on Finance,
U.S. Senate, Washington, DC.

DEAR CHAIRMAN DOLE: The National Association of Realtors, representing 616,000 members, has serious reservations about H.R. 4170, but we believe that our most immediate critical concern can be addressed before final consideration of the Conference Report. Should such problems be adequately addressed, as is currently anticipated, this Association will not oppose the Conference Report.

Our membership has been shocked by: the anemic down payment which is not enough to lower the deficit in any future year and is not enough to lower interest rates; the anti-investment nature of many provisions, particularly the increase of cost recovery from 15 to 18 years; and anti-housing provisions affecting both rental units and homes.

In particular, the damaging "imputed interest rate" provision would have the government set interest rates on families who buy homes and receive financing from the seller. The proposed provision would have the government set the home financing interest rate at 15 percent for five to ten year seller-provided home financing, which is 110 percent of Treasury securities of the same duration. If the seller provides financing at interest rates below 15 percent, say 11 percent which is typical interest rate in the market today, the IRS would impose taxes on the seller as if interest rates were set at 16½ percent, most home sellers, potentially one-third of all Americans will be unaware of the government set interest rates and will be subject to the vagaries of an IRS audit. With no offset to the buyer, this is a back door way of increasing taxes on homes.

Also, as a consequence of this destructive government-fixing of home interest rates of at least four percentage points above the market place, far fewer households will be able to satisfy their housing needs and home ownership will continue to decline as it has during the last four years. For example, during the times of increasing and high interest rates in 1981 and 1982, similar to what is happening now, more than one-third of all existing home sales were assisted by seller provided financing for one-third of new mortgage funds. In this case, the proposed imputed interest rate provision could reduce the ability of 500,000 families from satisfying their housing needs during 1985. These anti-home ownership provisions are potentially devastating to many of the two-thirds of Americans that own their own home and others who wish to own their own home.

At a minimum, technical corrections must be made now to eliminate the unfair government-dictated seller financing rate for loans up to $250,000. Only the excess of loan principal amounts above the $250,000 level would be covered by a harsher rule. Further changes involving seller financing, including financing of farms, need to be addressed. If this change is made, then the National Association of Realtors' will not oppose the Conference Report.

Sincerely,

DONALD H. TREADWELL,
President.

SEVERAL SENATORS addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. I understand what is transpiring is that a number of Members are coming forward to express their doubts about voting for this conference report basically on the ground we have not achieved enough spending cuts.

I will tell you I think they are absolutely right. We should have achieved vastly more spending cuts. But the logic of the situation does not compel me to think we will improve our situation by not approving this conference report.

I said months ago that the "rose garden" plan, or whatever you call it, does not go far enough. But the truth of the matter is, we have not been able to do any more than that. If we pass up the opportunity to get even the very modest savings which are now in prospect in this bill and in the budget resolution which is the companion measure, then we are going to really be behind the eight-ball almost without any hope of ever getting anything back on track.

Frankly, I believe we missed the best opportunity we are likely to have when we considered the so-called KGB plan, the budget freeze. That is what we should have had. Presently, when we consider the debt limit, I think it would be useful if those who sponsored the across-the-board spending freeze would come back with that. I would vote for it again as I did before. Maybe in view of the growing interest in the problem of reducing the deficit, we would pick up enough votes to actually pass such a measure.

But failing something of a dramatic nature like that, which does not presently at least seem to be in prospect, it is hard for me to see how we improve our situation by defeating the conference report.

I do not like the tax bill very well. I did not like it the first time I voted for it. There are a lot of things I am not crazy about. There are some features in here, as the chairman pointed out, which are very good. But on balance, it is never desirable to vote for an increase in revenues, no matter what you put in, spending cuts or anything else. I would simply urge my colleagues to reflect very carefully before they cast a vote the effect of which will be to turn down the only presently available, presently viable plan for reducing to any degree these stupendous deficits now in prospect.

I intend to vote for it, Mr. President. I do so with all the reservations that are inherent in what I said—that I do not think it goes far enough, that the spending cuts are not deep enough, that we are taking too much on faith, that the promise of the President to veto these bills is speculative, and I wish it were written into law and all that. Nonetheless, it is the only game in town.

Mr. President, aside from the grand issues of policy and balancing the budget and whatnot, I want to publicly express a very great debt of gratitude to the chairman of the Committee on Finance for the interest he took in a number of issues which came up in the Senate, which he fought for in the conference with great success. I am personally grateful to him. It would be easy under the circumstances to let go a lot of things that are, maybe, only important to a handful of people or, in some cases, to limited geographic areas, for them to get lost in the shuffle when very large issues were at stake. I am personally grateful to him and the staff for seeing that that did not happen.

I am going to yield the floor now, but I want to close by saying that I am ready again tonight or any time to support efforts toward doing more about cutting the deficit. I do not think that justifies in any sense a vote against this conference report.

Mr. **MELCHER** addressed the Chair.

The **PRESIDING OFFICER**. The Senator from Montana.

Mr. **MELCHER**. Mr. President, I want to talk about the changes in imputed interest rates that are made in this conference bill.

We know from the answer that the chairman of the committee and also the floor manager of the bill (Mr. DOLE) gave to me earlier in the evening that, under the bill, with the present Treasury note rates, the imputed interest rates on a farm or ranch sale, or a home, would go from 9 to 15 percent. That is a staggering increase that would be the result of this bill when it passes and becomes part of the Tax Code.

The problem is this, Mr. President: In many parts of the country, particularly during periods of high commercial mortage rates—and that is where we are right now, where mortgage rates are very high—it is a common practice for the seller of real property to provide part or all of the financing for the sale through a deferred payment plan by the purchaser. Very simply, this is a contract for deed or a seller-financed sale. Prior to 1980, in such circumstances, on a seller-financed sale or a contract for deed, the tax law required that the seller report at least 6 percent of the deferred payments for the property as interest income for tax purposes. If the seller claimed less than 6 percent as interest income, the Internal Revenue Service would impute interest at 7 percent on the sale for purposes of computing the seller's taxable income.

As a result of increased market interest rates in the early 1980's, the IRS published new regulations requiring the seller to attribute 9 percent of the receipts of the sale to interest income or the IRS would impute a rate of 10 percent. That caused me and others in the Senate opposing this change as an unneeded deterrent to a sale of property to want to make a correction because, at that time, there were also rising commercial mortgage interest rates, and those higher rates for interest were already shutting down the real estate market.

That meant shutting down the sale of homes, shutting down the sale of farms and ranches, and shutting down the sale of small businesses.

Mr. **BAUCUS**. Will the Senator yield at that point?

Mr. **MELCHER**. I shall be delighted to yield to my colleague.

Mr. **BAUCUS**. Mr. President, the senior Senator from Montana has followed this issue for a long time. As his colleague, I want to associate myself with his remarks and his statement.

The impacted interest provision hits especially hard in the Western part of the United States, where interest rates are higher than in any other part of the country, and where we rely heavily in seller financing rather than bank financing.

As I understand it, the section 41(b) proposal was designed to prevent big developers from converting ordinary income into capital gain income, and therefore avoiding tax liability.

But the proposal actually goes way beyond big developers. It hits ordinary private homeowners, and it hits farmers and ranchers.

As a result, the imputed interest provision is unnecessary and, indeed, counterproductive. That's why I attempted to have the issue reopened last Friday night as our conference deliberations concluded. Unfortunately, I did not succeed.

At this point, we have at least worked out a technical amendment that minimizes the imputed interest provision's impact, and we'll enact it tonight. But we still must do more.

For my part, I pledge to work with the senior Senator from Montana, and with any other interested colleagues, to completely repeal the new imputed interest provision, as it affects homes, farms, and ranches, before the provision becomes effective in January.

I thank my colleague for what he is trying to do.

Mr. **MELCHER**. Mr. President, I thank my colleague for his gracious remarks. I make note of the fact that my colleague is also a stalwart on this issue and we stand together, united, in trying to make corrections of the abuse by the Internal Revenue Service in forcing imputed interest rates at a high level on these types of sales.

Mr. President, when we had the 1981 Tax Reduction Act before us, I, along with a host of others in the Senate, offered an amendment barring this increase in imputed interest rates on exchanges of real estate of less than $2 million. We put a cap on it. We said that they could not go overboard on imputing interest rates. We attempted by the amendment to make it statutory to direct the Internal Revenue Service how far they could stick their nose into a private transaction between a willing seller and a willing buyer on the interest rates that were charged. We did that, set that cap at $2 million, aimed it at retaining lower imputed interest rates for farmers, ranchers, and small business people as well as homeowners.

The amendment was approved by the Senate on a vote of 100 to zero. I am told, incidentally, Mr. President, that that is probably the second time in the last 30 or 40 years at least since the Senate has had 100 Members—that there was a vote of 100 to zero. That is some renown in itself.

Unfortunately, after we got that resounding vote in the Senate, 100 to zero, in conference, the amendment was gutted so it only applies to sales of property between related parties of less than $500,000.

The current conference report on this 1984 tax bill goes well beyond anything previously proposed for the treating of such deferred payment plans, contracts for deeds, or seller-financed sales for real property and for sales and purchases. This bill requires that the seller report as interest income an amount equal to at least 110 percent of the interest rates on marketable obligations of the U.S. Government, with a comparable maturity. If that reported interest rate is not equal to 110 percent of the applicable Government security, the IRS will impute an interest rate of 120 percent of those Treasury notes.

What this means, Mr. President, is that if a deferred payment sale of real property were based on today's interest rates for medium- and long-term Government bonds, a seller would have to report a taxable interest rate of more than 15 percent—15 percent or more or the Internal Revenue Service would impute the interest rate at approximately 16.5 percent. With rising mortgage interest rates shutting down home, farm, ranch, and business sales, increasing the interest rate that must be charged under the contract for deed or seller-financed deferred payment plans, increasing the rate from the current 9 percent to 15 percent and even more as interest rates for Government securities continue to rise, as they are likely to do, will remove the last chance for many people to buy or sell property. The Treasury uses 5-, 10-, or 20-year Treasury notes to set the imputed interest rate. Today that means 15 percent. As Treasury notes go up or down, the Treasury Department recomputes the rate for the imputed interest. It can vary.

It is estimated that this change will result in interfering with, stalling, or preventing the sale of half a million properties. Mr. President, I think this estimate is important to note. A half million property sales that may be interfered with, stalled, or prevented by this change in the tax law is not leading toward economic recovery. It goes the other way entirely.

It has been claimed that these changes in the tax law—and this is involved in section 483 of the code—are needed to prevent unfair tax sheltering of income, particularly by big corporations and the rich. But this change in the Tax Code is not going to be suffered by Gulf, or Exxon or IBM or any of the rest of them that we would call large corporations. It is not going to be suffered by the rich. They are not going to be clobbered by these changes. Those who are going to be clobbered by these changes are the homeowners, the small farmer, the rancher, or business person who will lose their last opportunity to sell part or all of their property. And it is going to be the person looking to purchase such properties but who is disqualified, just cannot make a high commercial interest rate who will not get the start; they just will not be able to enter into a transaction where they can afford to buy the home or the ranch or the farm or the small business. The Treasury maintains there is abuse of seller financed sales, but I do not believe that seller financed sales of farms or ranches or small businesses or homes are a tax evasion loophole.

Now, I invite any of my colleagues to give us any set of facts, even a study, which would indicate that in the sale of the ordinary farm or the ordinary ranch or the ordinary home or the ordinary small business—and I am talking about millions of Americans actually—when there is a contract for deed, the seller has financed a part or all of the sale, there is tax evasion. I would love to see any study which would so indicate. I would love to have any of my colleagues tell me that there is such a tax loophole on these small sales.

Mr. President, we should change the law to close up tax-evasion loopholes. We all agree with that. In fact, as you are aware, many other provisions in this tax bill address abuse of interest rate transactions, but let us not completely shutdown one of the few remaining ways for people to buy and sell real estate at interest rates below what are rapidly becoming high, killer mortgage rates. I object to interfering with home sales between a seller willing to finance a sale. I object to interfering or stopping the sale on a farm or ranch or small business up to at least $1 million by increasing the rate from 9 to 15 percent on the imputed interest charge.

Now, Mr. President, I do not think that is anything but a sensible position. In addition, the Treasury Department computes income taxes due from the seller on the basis of the 15-percent imputed interest rates. That is why the Treasury wants the interest rate higher. I understand that. At the same time, I do not think it is their business but I understand why they want it. They like to stick their nose into a transaction and dig a little bit deeper and get more money for the Treasury. But at the same time the Treasury Department allows a buyer the deduction only on the amount of interest actually paid.

Mr. President, that is worth noting. You might ask, Is that not OK? Well, let us use an example of a farmer selling a farm to a buyer at $500,000 at 10 percent interest. There is a contract for deed, a seller-financed arrangement, where he is carrying, let us call it the paper; he is carrying the loan. They have agreed: The farmer wants to sell his farm and it costs $500,000, and the interest rate that he has agreed to with the other farmer purchasing the farm is 10 percent. That sounds all right. Now, 10 percent is high enough, but let us go on. As the Treasury notes are selling now, today, under this bill the farmer selling would be taxed on an imputed interest rate of 15 percent. Now, he is not getting 15 percent but he would be taxed on 15 percent. The buyer farmer, the other guy, the one buying the farm, can deduct the 10-percent interest actually paid. Now, you might ask, Is that OK? Well, the answer to that is an emphatic, "No." The reason it is not OK is this. The sale will not be made because the 5-percent higher imputed interest, which the seller does not receive, will be taxed and the seller will not sell.

He would be taxed on 50 percent more interest as if he had received it. Even though he has not got it, he is going to be taxed that much. You would think there is a constitutional prohibition against that. But I can assure you, Mr. President, and all of the Senate, there is no constitutional prohibition against it. It is the law that will be in our Tax Code if this conference report is adopted.

Now, that sale would be ended, the farm sale would be off, and the result is crazy. Why should we interfere? That is just what this bill does.

Now, Mr. President, we have had a long siege with the Treasury Department on imputed interest rates. We started in 1979 trying to get imputed interest rates at something that made some commonsense. In 1981, we made a partial success but not complete. And now, if we adopt this conference report, which I suspect will be the case, we will take a gigantic step backward and really end the opportunity for a great number of sales of property, which means, of course, that the retiring farmer, rancher, or small businessman will not have the opportunity to sell, and the would-be buyer will not have the opportunity to buy.

We are touching the lives of millions of Americans in this change and altering the course of their lives when this becomes law.

Mr. President, as I said, I suspect that this conference report will be adopted, and at that point this will begin the chain of events that will put these outragous imputed interest rates into the Tax Code. For that reason, I shall vote against the conference report with a very emphatic no.

However, I do not think it ends there. At the earliest opportunity, and I mean the very earliest opportunity, such as the next bill that might come up, I shall offer an amendment—and I mean a bill that is going to be signed into law, one that is not going to be held in limbo for months, but one that is going to be signed into law.

In the next few days, I hope we will have an opportunity to consider an amendment that will exempt at least the first $1 million of sales in farm, ranch, or small business—if anyone wants a lesser amount for a home, it will not bother me. But get the Treasury out of the business of sticking their nose into these transactions and stopping the sales and ruining the opportunities for willing sellers and willing buyers.

As I said, Mr. President, there are a great number of people who would like to sell their business, farm, or ranch because of their retirement years, and a lot of younger people would like to buy a farm or ranch or small business or a home because they are just getting a good, solid start. I think the millions of people who would be damaged by this must be avoided in all circumstances.

I yield the floor.

Mr. D'AMATO. Mr. President, I have on my desk a letter dated June 27, 1984, from the Secretary of the Treasury to our majority leader. I go to paragraph 3 of that letter:

> The adoption of these tax provisions must be combined with spending cuts such as those included in the conference report to achieve a balanced deficit reduction down payment.

Mr. President, I quote a woman who recently said on national television, "Where's the beef?"

I ask the question: Where is the deficit reduction in the Deficit Reduction Act of 1984? As we examine this document, we find that the spending cuts simply are not there.

We have a package with 50 billion dollars' worth of revenue increases and $11 billion in medicare cuts. This is in comparison to the package which the Senate approved which mandated $100 billion overall spending restraints. This bill does virtually nothing to stop spending.

I do not blame the chairman and the ranking minority member of the Finance Committee for this occurrence. They have done an excellent job. They had no control over the original appropriation caps. They should be commended for their efforts. But it is the House of Representatives that does not care about the deficit. We should take this package back to the House and say: "Look, we want a deficit package that will cut the deficit. A simple sense of the Senate resolution—as contained in H.R. 4170—is not enough. All we are doing is going back to the same tired formula raising taxes, and a total lack of spending curtailment." This is not fair to the middle class.

No one wants to give up a sacred program. Let me suggest this: Reasonable people can disagree on certain provisions in this tax bill. I did not get everything I wanted. That is not the question here. There may be some provisions that I think are better or worse than others. Put that aside.

What we are talking about is the question. When are we going to have fiscal responsibility, or are we simply going to talk about it?

Look at this voluminous document, H.R. 4120; it ran 400 pages in the CONGRESSIONAL RECORD. Yet, despite the great length, there is virtually no spending restraint between its two covers. No spending reform, no fiscal responsibility, no recognition of the true cause of the deficit dilemma.

In late January, the President submitted his 1985 fiscal year budget. We in Congress were outraged by the projected 1985 deficit. Members of Congress decried the projected size of the deficit—$180 billion. Imagine, we said, the President is proposing very little policy changes and is willing to live with a $180 billion deficit. Of course, $180 billion was too much to tolerate. Action, not words, were necessary.

After 5 months of frenetic activity Congress must now vote on a "deficit downpayment." This legislation will change the deficit proposed in the President's budget from $180 billion to $183 billion according to the Budget Committee. Congress should be proud. After 5 months of vigorous effort, we can go back home and tell our constituents that we increased the deficit by $3 billion. Is that not great? Congress met the enemy—the deficit—and was conquered by it to the tune of $3 billion. The President was right not to propose major policy changes.

Despite this, some in Congress claim that real progress against the deficit has been made, that a major down payment will be made now to set the stage for more structural changes in the budget next year. This is a fallacy. By passing the bill before us we would be mandating a $3 billion increase in the deficit over the President's request with no spending restraint.

I am here to reveal the legislation before the Senate for what it is: a fraud. It is not a balanced deficit reduction package. It does not seek to control spending next year or beyond. There are no teeth in H.R. 4170. Spending will continue unabated next year. Sense of the Senate resolutions never controlled spending.

But Republicans and Democrats will go home next week and speak of the great effort recently made to eliminate the American malice known as the deficit. Let the truth be known, the problem that is causing the deficit is not being addressed. Excessive Government spending is the problem. The Federal Government consumes too much private capital. I voted for a roughly $50 billion tax package last April because it was promised that $100 billion in spending cuts would follow. In May, the Senate sent to conference with the House a balanced package. In exchange for a tax hike, spending restraint would be enforced through statutory appropriations caps. This was acceptable to the President and a majority of the Senate. I was not happy with more tax increases, but then none of us are. However, I felt that an equitable package of domestic and defense spending restraint coupled with a tax increase was fair. We all gave a little so as to make a dent in the deficit.

What has come back from conference is almost completely a raw tax hike. No more 3-year statutory appropriations caps. No more balanced package. All that is left is heavily weighted toward higher taxes. How are we to keep Congress from spending the added revenues? Certainly not through a sense of the Senate resolution.

Again, Mr. President, I commend the ranking minority member of the Finance Committee, Mr. LONG. I commend Senator DOLE. I think we should give them the ability to go back to the House of Representatives and insist upon those spending caps.

Of course, I do not blame the chairman and ranking member of the Finance Committee for this occurrence. I was for a balanced package as were Senators DOLE and LONG. Like them, I was willing to accept some restrictions on programs I thought important in the hope of getting spending restraint. Mr. President, a balanced package no longer exists. All that is left is higher taxes and cuts in medicare. No spending restraint. Congress will probably only spend the added revenues raised. The bill before us is TEFRA all over again. TEFRA did nothing for the deficit because spending was not controlled, and we are repeating the same mistake. The legislation under consideration will have no different result.

Mr. President, a vote for this legislation is an admission that the deficit is caused by lack of revenues. Imagine going home next week and telling our constituents that the great Federal fiscal mess results from people not paying enough taxes. Let us be honest with our constituents. Spending is the root cause of the deficit.

Mr. President, I urge Senators not to vote for the bill under consideration. The Senate originally proposed an intelligent, balanced package. We should reject H.R. 4170. The Senate should amend the conference report by adding back the 3-year appropriations caps. Send this amended bill back to the House. If it is unacceptable, then let us work with the House to find a way to control spending. If this process takes all summer, then so be it. Cutting the deficit is worth losing a summer vacation.

Mr. President, I intend to table the conference report. If this motion is successful, then the underlying legislation is amendable. I would then suggest that the Senate add back provisions to control spending. I prefer the appropriations caps. However, if another Senator has a better package, let us consider it.

The Senate should stand by its position of a balanced package. If the House is unwilling to accept any spending restraint, then the deficit should be on their collective heads. But we in the Senate should not just settle for more taxes. Surely we must face up to the spending issue, election year or not.

Mr. President, my colleague from Delaware has a brief statement. Without yielding the floor, I wish to give him the opportunity if that is possible.

Mr. ROTH. I wish to make a comment.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I thank the distinguished Senator from New York for yielding.

I just want to answer a comment made by the distinguished Senator from Kansas on the potential savings that could be made by the Governmental Affairs Committee.

Again, I want to reiterate that I have great respect, as I said earlier, for what the Senator from Kansas did in the Finance Committee. But I think it is important that we clarify the record.

He indicated the Governmental Affairs Committee could have saved an additional $5 billion. In fact, because of Senate action only $4.4 billion in savings was realizable.

During the consideration of the defense authorization, the Senate almost unanimously passed a Hollings amendment not to extend the COLA reduction for Government employees under age 62. Because that passed by 95 to 1, the House conferees refused to consider the age 62 proposal.

More importantly, as to the $4.4 billion that could be saved in setting the Federal pay comparability adjustment at 3.5 percent and delaying it until January, we yielded for two reasons on that proposal.

Both, the administration and the Budget Committee asked us to yield on this proposal. I was willing to do so because the President has the unilateral power to accomplish this without any Congressional action.

If he sets that at 3½ percent in January as was indicated to me he would, it is not subject to any veto under the recent Supreme Court ruling. So that savings will be made.

That contrasts sharply to other domestic savings which can only be real ized if the Senate upholds the President's veto of any appropriation that exceeds the guideline.

I thank the distinguished Senator for yielding.

Mr. DOLE. Mr. President, will the Senator from New York yield a couple minutes?

Mr. D'AMATO. I yield to the Senator from Kansas for the purpose of a statement without yielding my right to the floor.

Mr. DOLE. Mr. President, I certainly do not have any quarrel with my colleague from Delaware, and obviously without his votes on the spending cuts we made in the Finance Committee we would not have them, so I want that record to be clear.

In my view our committee is criticized from time to time in certain journals—I guess they are journals—and other things in writing about we are always raising taxes and never cutting spending.

My view is if there was a will around here to really go after spending reduction we could get it done, and that is the reason I made that point.

I would also like to include in the RECORD at this point sort of a 3-to-1 myth. The myth was "In 1982 the President didn't get his $3 of spending cuts for every dollar of tax increases."

REALITY

The fiscal year 1983 congressional budget resolution called for $280 billion in aggregate spending reductions over 3 years and $98.3 in revenue increases over the same period—which amounts to $2.8 in spending reduction for each $1 in revenues.

In fact, at this point we have neither achieved all of the spending cuts, or all of the tax increases.

Only $126 billion—or 45 percent—of the $280 billion in spending reductions were savings that were intended to come from congressional action.

The remaining 55 percent—$154 billion—of the assumed savings was to cover interest savings and administration management initiatives.

At this point, according to the CBO and the Senate Budget Committee, only 70 percent or $87 billion of the $126 billion of congressional action savings have been achieved. The breakdown is as follows:

The defense target was $26 billion, and we achieved $26 billion; Federal pay was $26 billion, and we achieved $26 billion; entitlements were $31 billion, and we achieved $26 billion; nondefense discretionary target was $35 billion and we only got $5 billion; other program reductions were $4 billion, and we achieved $4 billion; and user fees target was $4 billion, and we got zero.

But the point I wish to make is if there is any failure in this it is probably the administration's as much as Congress.

We do not have an estimate of how the administration management savings fared, but we do know that interest rates plunged following enactment of the Tax Equity and Fiscal Responsibility Act [TEFRA] so that we no doubt have achieved a significant amount of Federal interest savings.

If we can assume that we did as well in interest savings and on administration management savings as we did in the area of congressional action items, the total savings would amount to $196 billion or about $2 in spending estimates for each $1 in increased revenues.

On the tax side, we initially enacted the full $98 billion in revenue increases called for as part of TEFRA.

Nevertheless, the subsequent repeal of interest and dividend withholding reduced that total by $9.4 billion and collections from the life insurance tax provisions will be about $3.5 billion lower than originally estimated. Consequently, we are likely to actually collect no more than $85 billion of the revenue increases targeted under TEFRA.

Thus, if we can assume we will realize $196 billion of the originally targeted spending reductions, but only $85 billion in revenues, the final performance on the fiscal year 1983 budget plan will be $2.30—rather than the targeted $2.80—in spending cuts for every $1 of revenue increases—not a bad final result.

I also wish to include in the RECORD at this point a statement concerning the efforts of the distinguished Senator from Colorado, Senator ARMSTRONG.

I pay particular tribute to the junior Senator from Colorado for his efforts on behalf of this bill. This bill is better for his participation. In particular, I know there are two provisions that Senator Armstrong diligently pursued, and that are retained in this bill. One provision—Section 1076—permanently solves a tax problem that has plagued the University of Colorado Dental School's efforts to allow their graduates to provide dental care to the poor and elderly in return for reduced tuition. Another provision increases by three cents the mileage deduction volunteers can claim when they perform charitable work like delivering meals on wheels, participating in the Special Olympics, driving the elderly to doctor and hospital appointments. A third amendment corrected a technical error in tax law in the tax treatment of a sale leaseback so that a Western Colorado utility can be guaranteed of being eligible for all investment tax credits. There were other Armstrong amendments in this bill. I mention these three amendments in particular to show Senator Armstrong's effectiveness and diligence in driving legislative issues to a successful conclusion.

One other observation I would offer. This bill fully retains tax indexing. Tax indexing, which takes effect in 1985, is still a critically important tax reform. It was a pleasure to work with Senator Armstrong to get tax indexing enacted in 1981, and to fight off efforts to repeal it this year. Indexing should take effect. It is the best tax reform for low and middle income taxpayers.

I thank the Senator for yielding.

SEVERAL SENATORS addressed the Chair.

Mr. DOLE. I think the Senator from New York has the floor.

The **PRESIDING OFFICER.** The Senator from New York has the floor.

Mr. DOMENICI. Mr. President, will the Senator yield?

Mr. DIXON. Mr. President, will the Senator yield.

Mr. D'AMATO. I do not really wish to preclude further debate, and Senator DOMENICI indicated he has a brief statement. The Senator from Illinois [Mr. DIXON] also has a statement.

It is my intention to move to table.

Mr. DIXON. Mr. President, I wish to ask questions at the appropriate time.

Mr. D'AMATO. I yield to the Senator from Illinois for the purpose of a question.

Mr. DIXON. Mr. President, I wonder if my distinguished friend from Kansas would enlighten the Senator to some extent. I have been off the floor some, may I say, but I have been listening over the squawk box about this imputed interest question.

I wish to ask my friend from Kansas what the rationale of the conference committee was in trying to discourage seller financing.

I must say to my friend, first of all, in my hometown, a small town in southern Illinois, I think half the houses or better are sold by virtue of seller financing.

Will the Senator explain to me the rationale behind this?

Mr. DOLE. Mr. President, I will give the Senator a rather long explanation because I think it should be made a part of the RECORD.

Since 1964, the code has had a special rule for installment sales, to prevent conversion of ordinary income into capital gains. Section 483 essentially requires a portion of each installment to be treated as interest, and a portion as principal. This simply conforms to normal business practice.

Section 483 does not provide for any specified interest rate, and the interest rate has been established by Treasury regulations. The bill takes away the Treasury's complete discretion to establish interest rates, and provides for a statutory formula that Treasury must follow. Under this formula, Treasury will establish short-, medium-, and long-term rates that will vary with the rate on U.S. Treasury obligations. These rates which are really the only major change to section 483 for typical home buyers and sellers—more accurately and fairly reflect the true amount of ordinary interest income in a deferred payment transaction.

In the case of a sale of a principal residence, the importance of accurate ly stating interest is heightened, because any amount of interest converted to capital gains will also be deferred and may be completely excluded from income if the taxpayer reaches age 55 and uses the special exclusion for gains on principal residences, let me provide an example:

Assume a taxpayer who purchases a home in 1984 for $75,000, and sells the home in 1988 for $100,000. The $25,000 of gain is deferred if the taxpayer acquires a substitute residence. That is perfectly all right, but if the seller provides financing, he is required to include the interest in his income.

The seller could avoid including interest income, however, by allowing an artificially low interest rate—such as a 9-percent interest rate for a 30-year mortgage—and simultaneously increasing the sales price of the home; in other words, lower the interest rate and increase the sales price.

Mr. DIXON. Mr. President, if I may interrupt the Senator right there, what if he does not increase the sales price? Let us say he does not increase the sales price.

Mr. DOLE. Let me complete this. He might increase the sales price to $120,000.

Mr. DIXON. But what if he does not?

Mr. DOLE. The extra $20,000 would be deferred, possibly excluded from capital gains.

By lowering the stated interest rate and increasing the stated principal, the taxpayer converts ordinary interest income into capital gains. All we are doing in section 483 is trying to recharacterize the actual payments in a transaction to prevent this abuse from happening.

I might also say to my colleague from Illinois that we tried to correct this the last night of the conference but my distinguished colleague from California, Congressman STARK, objected. That is why we are here tonight.

Mr. DIXON. I want to thank my distinguished friend for the explanation. Believe it or not, I understand it.

I want to pursue it further. Does the conference report, when it talks about seller financing of real estate, require the IRS to make a finding that the sale of the real estate itself actually took place at a higher price than what the community would determine to be a true market value? Is that in the conference report?

Mr. DOLE. I am not certain there is any way of knowing what is going to be the sales price.

Mr. DIXON. Mr. President, I wish to tell the Senator something. This Senator recently sold a home in his hometown. This Senator, to sell that home, took a mortgage back. This Senator took interest on that mortgage at the rate of 12 percent, which is below the existing rate in this country right now. I believe that the Senator is telling me that in this conference report he is saying that it would be imputed to me a higher interest rate than the rate I am actually getting and I would pay tax on money I am not receiving.

Now, I believe that is what this conference report simplistically is saying. If it is saying that, I cannot believe that that is a product of a conference on this question.

Mr. DOLE. It has been this way since 1964, I might say to my colleague.

Mr. DIXON. It has not been at these rates, may I say to my friend, the chairman of the Finance Committee and the manager of this bill.

Mr. DOLE. It is 9 percent right now and Treasury can adjust it up or downwards.

Mr. DIXON. I cannot understand the rationale of the IRS in wanting to discourage sellers from taking back a mortgage or what we call in my hometown a bond for deed; in many parts of the country called a contract for deed—and taking an interest rate that might be a little bit below the market. I want to say to my friend that during the last several years when interest rates were so high people could not go to the banks and get loans and they made their deals with individual sellers who took back mortgages or made contracts or bond for deeds. If I understand the language of this thing, I think that we are going to be in trouble back home with our friends, not just our friends in the real estate business, but ordinary people that want to buy or sell homes. I think this is a very grave question.

Mr. DOLE. Let me say to my friend that we are not so certain it is that grave. We are trying to correct what we consider to be a problem. We hope to correct that yet this evening. We would like to act on the conference report.

Mr. DIXON. May I ask my friend from Kansas whether he would tell me this: If a person under his bill sold a house to a person he did not know for a stipulated value of, let us say, $100,000, which was truly the fair market value, and took an interest rate that was less than the T-bill rate that the Senator recites in the conference report, do I understand that, under that set of legitimate facts, an arm's-length sale at true value, that the individual, as I understand this conference report, would have imputed to him a rate higher than the true rate in the deal that was an arm's length deal?

Mr. DOLE. I guess the first question would be whether or not we know what the fair market value is.

Mr. DIXON. I am assuming in this hypothetical a really honest to goodness true fair market value.

Mr. DOLE. I think, in assuming the market value, you may also be assuming the answer. It seems to me what we are suggesting is we ought to stop the recharacterization of income. That is all we are trying to do. I think we have satisfied the realtors, we have satisfied everybody that has called it to our attention. We tried to take care of it the other night and one of my colleagues in the House objected.

Mr. DIXON. But may I say the chairman of the Finance Committee—

Mr. SYMMS. Will the chairman yield?

Mr. DOLE. The Senator from New York has the floor.

Mr. SYMMS. Will the Senator yield?

Mr. D'AMATO. Yes.

Mr. SYMMS. I have been in my office listening to this debate. I want to say, first, that the chairman and the Senator from Louisiana did an outstanding job of trying to represent the Senate's interests in that conference which went on for a very elongated period. I want to give my full compliments to Chairman DOLE and Senator LONG for their efforts. We owe them a great deal of gratitude.

To my friend from Illinois, I would just tell him and my friend from Montana that I have just been in my office working on legislation which I am planning to introduce tomorrow morning—and I invite the Senators to join with me as cosponsors—to repeal the imputed interest section of this bill. I would just like to say that to the Senate. And I think the Senate will look favorably upon it. We could do more than was done in the conference on this issue. I think we will address that this year.

Mr. DIXON. If the Senator will yield, could we cure this? That is the question this Senator wants to know. I am told that the IRS has a thing against a seller financing his own sale. I cannot imagine why they do. I would concede that in a fraudulent situation they ought to be able to do something about it, but I am talking about with my friend, the chairman of the Finance Committee, I am talking about a legitimate deal. These things happen every day; 50 percent of the deals in my hometown of Belleville are made just the way I am talking about to the chairman of the Finance Committee, and I am a lawyer who practiced law there. I am telling the Senator that if we are doing this in this bill, we cannot walk down the streets in our hometowns tomorrow.

Mr. DOLE. I will respond quickly, then I want to get on and try to finish this bill. In view of what Senator SYMMS has indicated, and there are other interests, we are going to try to straighten this out. I am not certain we can straighten it out to everyone's satisfaction. Some would not have any interest imputed at all. There are some equities on the other side. We are not talking about the poor person. In this case, we are talking about people who have their own means. We are not trying to punish anyone. We are trying to bring about some reform in the Tax Code that eveybody talks about.

So I suggest we go ahead and take care of the conference report. We are going to have the concurrent resolution following and hopefully at that time we can straighten it out.

Mr. D'AMATO. Mr. President, I know the Senator from New Mexico has brief remarks. Without yielding the floor or relinquishing it, I would like to give him the opportunity to make those brief remarks.

The **PRESIDING OFFICER.** Is there objection? The Senator from New Mexico is recognized.

Mr. D'AMATO. I do intend to make a tabling motion but the Senator from New Mexico had asked for that opportunity.

Mr. DOMENICI. Mr. President, I say to the Senator from New York that I was not here for his entire speech with reference to this deficit reduction package. I have the greatest respect for the Senator's analysis and reasoning.

But let me say to him that to vote against this package because of the notion that we do not have the caps on appropriations seems undefensible. I think if we had enough time here tonight we could prove to him unequivocally that the package and the arrangements made publicly between the President and the Appropriations Committee and on which the Appropriations Committee has recently acted publicly, are an assurance of the caps on appropriated accounts for 1985. The Appropriations Committee has adopted the same number—$139.8 billion—that was in the Senate-passed cap but, I believe now has even a little more strength.

The appropriators now have agreed on how that $139.8 billion will be spread, what subcommittees it will be going to and the sum total. They have agreed not to exceed that figure and for the first time we have the President's concurrence in advance as to the allocation.

Frankly, I do not see how anyone, knowing the way we do business, can think that that is less than a substantive cap of the same number that would have to wait the passage of appropriations bills, add them up, see what happened when they were all finished, and exercise a point of order after they were all finished if they exceeded the amount.

So I think on that score it is an absolute draw.

With reference to the other cap, defense, let me repeat: There are only two numbers being discussed on defense for the fiscal year 1985. The number we voted on here, $299 billion in budget authority, and a number the House had put in their recommendations of $286 billion. The cap we talked about was the $299 billion. I ask does anybody think that is going to be exceeded when the difference is between that and $286 billion? Frankly, I do not think that has anything whatsoever to do with how much is going to be spent.

If you want to talk about other things, you could. But the cap issue really no longer makes any difference in terms of the deficit. We could not put 11 appropriation bills here tonight, add them up to $139.8 billion in budget authority, and say we have a cap.

I think you have the best assurance we have ever had that you are not going to exceed that. So there may be other reasons the Senator does not like the package. But certainly that is not a valid one. I thank the Senator for yielding.

Mr. D'AMATO addressed the Chair.

The **PRESIDING OFFICER.** The Senator from New York.

Mr. D'AMATO. Mr. President, I yield to my colleague from Georgia who would like to make an observation, before I make a motion to table. I yield for a statement without yielding the floor.

I yield to the Senator from Georgia without relinquishing my right to the floor.

The **PRESIDING OFFICER.** Is there objection? Hearing none, the Senator from Georgia is recognized, but the Senator from New York has the floor.

Mr. MATTINGLY. I thank you, Mr. President, and I thank the Senator from New York.

Briefly, I would like to say when we all came together in the beginning to support the Rose Garden strategy, I think those of us who did not like to raise taxes supported that program. I think that was fine. But this is not the Rose Garden strategy, nor is this the policy of the package that left the U.S. Senate. I guess in honesty everybody would have to say we did not expect that same package to come back. We did not expect this exact package to come back by the conferees. I understand that. I think everybody in here understood that.

But I think this is somewhat less than we really expected to come back. I think the Senator from Kansas and the Senator from Louisiana have done their part on the tax portion. I think for us to get up here and debate the tax portion is not really the core of the argument because I think then we get to nitpicking. But I think what the core of the argument is, is how this package is going to impact our people out in the country, whether this package is going to be an encouragement for them to work, whether it is going to be an encouragement for those people to save, and whether it is going to be an encouragement for people to invest. People can read. When they read this tomorrow, if this package passes, they are going to understand that they got $51 billion worth of tax increases, $11 billion or $20 billion, whatever the figure may be of spending restraints, and the rest of it is going to be smoke.

It is irrespective. I know we have differences of opinions on that. But the only guarantee that people of America had when this package went out of here were the real tools to control the spending. Those were the caps. Those caps were not there. Irrespective of what we may say, the last hope you have of a real cap when spending on appropriation bills exceeds the limit that we have set for ourselves is if the President is going to veto it. I would say unfortunately that is remote. I think that is unfortunate.

So the point is that we have set here 4 years in a row of raising taxes. I do not think that is the reason we came here. I do not think that is the reason we try to encourage people and the free enterprise system to move forward. The free enterprise system is the goose that lays the golden egg. The free enterprise system is the economic recovery, and is the economic expansion. It seems to me if we look at this tomorrow, and it passes, they are going to look at us and say, you know, the only thing we could really solidly believe about you is that you passed $51 billion in tax increases, and about $11 to $20 billion in cuts. When are you going to give me the rest of it?

Mr. D'AMATO addressed the Chair.

The **PRESIDING OFFICER.** The Senator from New York has the floor.

Mr. D'AMATO. Mr. President, let me simply conclude by saying we passed the 3-year statutory cap in May. Now we have a 1-year sense-of-the-Senate resolution which the House does not have to concur with and, indeed, has not concurred with. This is not restraint. Let us not kid ourselves. The House is not going to concur in it unless we hold their feet to the fire, and the time to do it is now. Let me suggest something else. I think the chairman of the Budget Committee did a brilliant job in May. It was absolutely a brilliant package and a stroke of 3-year tax. I would just hope we have the courage to go back, insist that we have those cuts, because we have been talking about spending restraints, and we have not done it in the 3½ years that I have been here.

Mr. President, I move to table the conference report.

Mr. DECONCINI. Would the Senator withhold?

Mr. D'AMATO. Yes; I withdraw my motion to table.

Mr. DECONCINI. Would the Senator from New York yield to the Senator from Arizona for 30 seconds?

Mr. D'AMATO. Yes; I yield.

The PRESIDING OFFICER [Mr. SYMMS]. The Senator from Arizona is recognized.

Mr. DECONCINI. Mr. President, there is something about this tax bill that has bothered me for weeks, something I did not really put my finger on until very recently. In preparing to visit my State during the July 4 recess I have been working on a speech about the prospects for a flat tax. Among the several alternative flat tax proposals pending before the Congress is my own, which I introduced last year.

In my speech I go to some length to explain the rationale for a flat tax and to summarize the views of the many prominent tax experts and economists who have argued for the idea. The bulk of that argument is of course based upon the principles of simplicity and fairness.

Just the evocation of those qualities puts the bill before us in a certain light. By any definition of the term simplicity, this bill is an ugly excess. It adds yet more volumes to the Tax Code. If we could just tax the litigation that will stem from this conference report, we would make serious inroads into the deficit.

This indictment is the best that can be said about the measure. In the face of at least 3 years—and possibly many more—of $200 billion deficits, we have fiddled and finagled with an already ponderous Tax Code to save what? Our downpayment on the deficit from this bill will be $15.5 billion in 1985.

After spending over a month of the Senate's time on budget reduction legislation, none of my colleagues need be reminded that $15.5 billion will not even make a ripple in the pond. Right now the American public is liable for an interest bill on the national debt that will soon amount to $1,000 for every working person in the Nation. At the moment a citizen earns enough to pay their first cent of tax in this country, he or she has fallen in debt $1,000 a year.

If we had eliminated the third year of the Reagan tax cut, we would have wiped out $35 billion of of next year's deficit by that single act. That is a downpayment, Mr. President. This conference report is not even a monthly installment.

There is one provision in this conference bill that I think epitomizes the extremes we now practice in order to wring more revenues out of the mishmash of the present Tax Code. If this conference report is enacted into law, someone who sells their home and holds some or all of the mortgage on that home may be liable for a tax on imputed interest. This imputed interest tax says, in effect, that it is offensive behavior, and taxable behavior as well, for a buyer to negotiate a rate of interest that is lower than the going rate.

I thought one of the points of deficit reduction was to help push down interest rates. It looks like we have found a way in this tax bill to make sure that they do not drop. The reasoning behind this kind of provision totally escapes me, Mr. President. In my view it taints the entire conference report.

If we must curtail our summer recesses to make a real downpayment on the deficit, let us do so. If it is necessary for the Senate to spend more nights and weekends in session to make real headway on the deficit, I am ready. Let us not, however, suggest in any way that what we have before us has anything to do with reduction of the deficit. To my mind, this tax bill is just another shifting of the scales. Those who are in favor these days escape taxes, those who are on the outs will pay more. Those who make their living from the Tax Code are assured of another increment of prosperity.

I will vote against this conference report, and I urge my colleagues to do the same. Let us send this legislation to some dark corner of the archives where it is quickly forgotten.

Mr. President, I thank the Senator from New York.

I yield the floor.

Mr. D'AMATO. Mr. President, I yield for a question.

Mr. MATTINGLY. Mr. President, I would like to commend the Senator from New Mexico because the things that he tried to get when he could not get the caps was either Senator MOYNIHAN's proposal for a National Commission for Deficit Reform, or the Mattingly proposal for a National Commission for Spending Reform.

Mr. D'AMATO. Mr. President, I move to table the conference report.

Mr. DOLE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New York to lay on the table the conference report. On this question, the Yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona, [Mr. GOLDWATER], is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Colorado [Mr. HART], is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 22, nays 76, as follows:

[Rollcall Vote No. 160 Leg.]

YEAS—22

Biden
D'Amato
DeConcini
East
Exon
Glenn
Hatch
Hawkins
Heinz
Hollings
Humphrey
Kasten
Mattingly
Melcher
Metzenbaum
Nickles
Nunn
Quayle
Roth
Specter
Symms
Zorinsky

NAYS—76

Abdnor
Andrews
Armstrong
Baker
Baucus
Bentsen
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
Danforth
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
Evans
Ford
Garn
Gorton
Grassley
Hatfield
Hecht
Heflin
Helms
Huddleston
Inouye
Jepsen
Johnston
Kassebaum
Kennedy
Lautenberg
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
McClure
Mitchell
Moynihan
Murkowski
Packwood
Pell
Percy
Pressler
Proxmire
Pryor
Randolph
Riegle
Rudman
Sarbanes
Sasser
Simpson
Stafford
Stennis
Stevens
Thurmond
Tower
Trible
Tsongas
Wallop
Warner
Weicker
Wilson

NOT VOTING—2

Goldwater
Hart

So the motion to lay on the table the conference report on H.R. 4170 was rejected.

Mr. WEICKER. Mr. President, I want to commend the conferees on the tax provisions of H.R. 4170 for their action in restoring the Small Business Administration's [SBA] pollution control contract guarantee program. By exempting the pollution control program from the bill's general prohibition of direct and indirect Federal guarantees of tax-exempt obligations in section 622, the conference report has set the stage to restore the use of tax-exempt bonds in this important program. The Small Business Committee has consistently viewed the continued availability of the guarantee of contracts financed by tax-exempt industrial development bonds [IDB's] to be essential to the viability of this program. By congressional action explicitly permitting the use of IDB financing, a clear signal is being sent to the administration that it should no longer restrict the use of IDB's in this program.

On June 4, 1984, along with Senator BUMPERS, the ranking member of the Small Business Committee, and other members of the committee, I wrote to the conferees urging them to adopt a conference agreement which would permit both the pollution control program and the SBA 503 certified development company program to use tax-exempt bond financing; we also urged that the SBA Administrator be given the sole authority to set the fees in these programs. Fortunately, our request with regard to the use of tax-exempt financing and the setting of fees was adopted with regard to the pollution control program; unfortunately, it is not adopted with regard to the 503 program.

Both the express statutory language of the Small Business Investment Act of 1958 and the congressional intent in establishing these programs recognized the need to permit IDB financing in these programs. Most recently in legislation unanimously reported out of the Small Business Committee, S. 499, we prohibited the SBA from declining to participate in 503 and pollution control projects because the financing for those projects included or were collateralized by tax-exempt industrial development bonds. Although the conference report does not create an exemption for the 503 program, it does make it clear that tax-exempt financing can be used in the pollution control program.

Since January 1982, when SBA discontinued the use of tax-exempt financing in conjunction with the pollution control program, the program has been virtually dead. Since that time SBA has guaranteed only five taxable bond issues totaling approximately $12.9 million. Since the program's inception in 1976, it has been a money raiser for the Federal Government. The initial revolving fund of $15 million has nearly tripled through investments, and there have been few losses.

Mr. President, approving this exemption for the pollution control program, the Congress is clearly and finally recognizing the need to make financing available for Small Businesses adversely impacted by Federal governmental policies which require them to invest in nonproductive pollution control equipment.

DEFICIT REDUCTION ACT OF 1984: VETERANS' PROGRAMS

Mr. CRANSTON. Mr. President, as the ranking minority member of the Veterans' Affairs Committee, and as a member of the conference committee for purposes of the consideration of the provisions of title V of division B of the conference report, relating to veterans' programs, I rise in support of those provisions. Title V comprises two parts- part A, which would make cost savings under Veterans' Administration non-service-connected disability and death pension programs by limiting retroactive awards of pension, and part B, which would help ensure that continued effective operation of the VA's home-loan guaranty program, primarily by increasing VA loan-origination-fee receipts and providing for those receipts to be deposited in the VA's loan guaranty revolving fund and by reducing costs under that program. I believe that the provisions in both areas are fundamentally sound and fair and are in the best interests of the Nation and its veterans.

Mr. President, I would note that, although the Senate amendment contained no provisions relating to veterans' programs, certain of the provisions originally passed by the House on April 26, 1984, in H.R. 5394 and incorporated in title V of the House amendment to the Senate amendment, as noted below, have had a counterpart in Senate legislation or represent concepts that have been under active consideration in the Senate Committee on Veterans' Affairs. In this regard, I want to note that, as is their custom in the development of the final version of any legislation relating to veterans' benefits and services, the distinguished chairman [Mr. MONTGOMERY] and ranking minority member [Mr. HAMMERSCHMIDT] of the House Committee on Veterans' Affairs, as well as the able chairman [Mr. SHELBY] of the Subcommittee on Housing and Memorial Affairs, and the chairman [Mr. APPLEGATE] of the Subcommittee on Compensation, Pension, and Insurance, and the other House conferees were most cooperative with us in fashioning the veterans' provisions in this conference agreement.

PENSION COST SAVINGS

The conference agreement provision, section 2501, making cost savings in the VA pension program by limiting retroactive awards of pension—that is awards of pension for any period prior to the date of application—had its origin in a recommendation made by the General Accounting Office in a February 27, 1984, letter report addressed to the chairmen of the Veterans' Affairs Committees. In that report, the GAO pointed out that in the cases of three other major Federal need-based benefits, the Congress has eliminated any provision for retroactive payments. The GAO also indicated that substantial savings could be achieved by generally eliminating retroactive awards of VA pension.

As a result, in light of the great need to restrain Federal spending and reduce the deficit, our committee, in its March 16, 1984, report of budget views and estimates for veterans' programs in fiscal year 1985—Senate Print No. 98-165, page 13—made a commitment to seeking to achieve approximately $31 million in savings in fiscal year 1985 through legislation limiting these retroactive awards. At the time, we noted that our committee's proposal would include an exception, which I had proposed, to allow retroactive payments in a case in which the veteran was prevented by a disability from filing an application in a timely manner.

Under current law, retroactive awards of pension are made for a period of up to 1 year prior to the date of application. Thus, in the case of a non-service-connected disability pension for needy wartime veterans, if the application is filed within 1 year after the date on which the veteran became permanently and totally disabled, the effective date of the award is that date; otherwise, the effective date is the date of application. In the case of death pension for the needy survivors of wartime veterans who died from non-service-connected causes, if the application is filed within 1 year after the date of the veterans' death, the effective date of the award is that date; otherwise, the effective date is the date of application.

Thus, I am very pleased and grateful to my colleagues in the other body for agreeing to amend the provision in order to make such an exception for a veteran who is prevented by a disability from filing his or her pension application for a period of up to 1 year after the date on which he or she became permanently and totally disabled.

Mr President, I also wish to note that our committee agreed to pursue those savings as part of a larger package of savings together with proposed add-ons to the administration's fiscal year 1985 budget request for the VA's medical care account. My good friend, the chairman of the Senate Committee on Veterans' Affairs [Mr. SIMPSON] and I strongly advocated this overall approach in our May 7, 1984, letter to the distinguished chairman [Mr. GARN] and ranking minority member [Mr. HUDDLESTON] of the Appropriations Subcommittee on HUD-Independent Agencies. I inserted that letter in the RECORD for June 21 at 17831, during Senate consideration of the fiscal year 1985 HUD-Independent Agencies appropriations bill, H.R. 5713—at which time I expressed my gratitude to Senators GARN and HUDDLESTON and other members of the Appropriations Committee for proposing VA medical care account appropriations close to what we had recommended.

I am, therefore, extremely pleased to note that the conference agreement on the HUD-Independent Agencies Appropriations Act, fiscal year 1985, contains VA medical care account funding adding 620 FTEE within $10.3 million of the total that our committee had recommended and that the add-on is generally for the purposes that our committee had originally proposed. Again, I wish to express my gratitude to Senators GARN and HUDDLESTON for their cooperation and their excellent work on this aspect of the appropriations bill.

VA HOME LOAN GUARANTY PROGRAM PROVISIONS

Mr. President, with respect to the provisions of the pending measure that relate to the VA's Home-Loan Guaranty Program, I want to discuss briefly the background of the concerns that are addressed in this legislation.

Early this year, the report of the President's Private Sector Survey on Cost Control—known as the Grace Commission—recommended that savings in the VA Home-Loan Program be achieved through modification of VA policies with respect to the circumstances under which the VA acquires properties in the cases of foreclosures of VA-guaranteed mortgage loans. Later, in the President's fiscal year 1985 budget, the administration announced that the VA would adopt a policy of never acquiring property in the case of foreclosures but instead would, in each case, merely pay the guaranty.

Concerns were immediately raised as to whether this was a cost-effective, practical approach to whatever problem existed and as to whether the approach protected both the interests of the Federal Government and the individual veteran-homeowner. I believe that anyone taking time to review the record of the committee's February 29 hearing will quickly agree with me that the proposal was not an appropriate approach. Indeed, Mr. President, even the administration soon saw the impracticality of the proposal and retracted it scarcely 2 weeks after the budget was submitted. Instead, the VA was appointed to membership on an interagency task force assigned responsibility for developing a Governmentwide policy with respect to defaulted loans under Federal Home-Loan Guaranty and Insurance Programs.

At the same time as this was occurring, we also became aware that, in order to sustain the solvency of the Loan Guaranty Revolving Fund [LGRF] substantial fiscal year 1984 and fiscal year 1985 appropriations to the fund would be needed.

It was at that point that our committee first took legislative action to help ensure the solvency of the LGRF. On March 6, Senator SIMPSON and I introduced S. 2391, a bill to provide for depositing receipts from the collection of the VA home-loan origination fee in the LGRF—rather than in the Treasury, as under current law—and to increase that fee from one-half percent to 1 percent of the loan amount. That measure was reported by the committee on March 22 and subsequently passed by the Senate on March 30.

In our committee's report on S. 2391—S. Rept. No. 98-366, pages 3 through 7—we described the causes of the then-emerging crisis relating to the LGRF and announced our intention to take further action to ensure the solvency of the LGRF. Thus, the Veterans' Affairs Committee was quickly on record with respect to our commitment to ensuring the continued solvency of the fund. The legislation before us tonight has afforded us the opportunity, on behalf of our committee, to pursue such legislation to enactment.

Mr. President, the House provisions, and section 2511 of the conference agreement provisions, regarding the loan origination fee incorporate the substance of S. 2391 with two substantive changes: First, the fee would be extended to cover loans—so-called vendee loans—made by the VA to finance purchases from the VA of property it acquires under the Home-Loan Guaranty Program, and, second, the expiration date of the fee would be extended by 2 years, from September 30, 1985, to September 30, 1987.

The principal provision of the conference agreement to reduce the costs of the Home-Loan Guaranty Program, section 2512, relates to the circumstances under which the VA acquires properties securing VA-guaranteed loans after foreclosure. It has been the VA's practice in approximately 95 percent of the cases to acquire the property from the lender after the liquidation sale. Such acquisitions typically occur as follows: The VA, before the liquidation sale, advises the holder of the loan of the maximum sale price at which it will acquire the property after the sale. If the holder of the loan is the successful bidder at a price no higher than the price specified by the VA, the VA acquires the property from the holder at the sale price. In general, the VA-specified price is calculated at an amount that enables the VA to reduce its liability under the guaranty. The VA-specified price also can have the effect of reducing the veteran's liability under the loan because the liquidation sale price is subtracted from the amount for which the veteran is liable under the loan.

In some cases, however, the VA has acquired properties at prices which, when combined with the costs of owning temporarily and selling the property and any amount remaining payable under the guaranty, have resulted in total VA expenditures in connection with the property exceeding the amount for which the United States was liable under the guaranty.

As is fully explained in the joint explanatory statement accompanying the conference report of this title, the conference agreement is designed to ensure that an acquisition is not made where it would be expected to result in a net cost to the VA—after it resells the property—in excess of what the VA would pay under the guaranty if it did not acquire the property. I would also note that, by giving the holder of the loan a statutory option to sell the property to the VA in those cases in which VA acquisition of the property would appear to be advantageous to the Government, the conference agreement would insulate the VA from any directives, such as the one issued earlier this year, precluding the VA from acquiring properties in such circumstances.

Thus, these provisions of the conference agreement are, I believe, well-designed to maintain the effective functioning of the VA's Loan Guaranty Program and make its operations more cost-effective and, thus, to help ensure that it will continue to be able to fulfill its basic purpose of assisting eligible veterans to obtain financing to purchase homes or to make home improvements.

Mr. President, I would like to note that, in receding to the House with respect to this provision relating to the acquisition of properties, the Senate proposed and the House accepted both clarifying and two major substantive amendments to the House provisions. The first major Senate amendment relates to the use of VA and private attorneys to bring suits in court to foreclose loans made or acquired by the VA pursuant to the question of its loan and loan-guaranty programs under chapter 37 of title 38, United States Code, and to recover possession of properties that have been acquired by the VA. The second would require a report to the Congress by December 1, 1986, on the administration and functioning of the Loan Guaranty Program.

With respect to the former provision, I note that it is patterned after present section 3116 of title 33, which was added by the enactment of section 605(a)(1) of Public Law 96-466. Section 3116 required the Administrator of Veterans' Affairs, within 180 days after the date of its enactment, to take steps to authorize VA attorneys to bring suits in court to recover certain delinquent debts. At the time Public Law 96-466 was enacted, the VA and the Department of Justice had been engaged for an unduly protracted period in negotiations over the circumstances, terms, and conditions under which VA attorneys would be authorized to bring collection actions. Public Law 96-466 succeeded in bringing those negotiations to a swift and successful conclusion.

At the present time, it is my understanding that there is a sizable backlog of cases for the foreclosure of home loans made or acquired by the VA under chapter 37. According to the Congressional Budget Office, the use of VA attorneys to reduce that backlog could produce net outlay savings of $1.1 million in fiscal year 1985 and a total of $39 million in net outlay savings over the 5-year period fiscal year 1985 through 1989. Based on the experience under section 3116 of title 38, I expect and urge swift action by the Administrator and the Attorney General to implement this provision.

The conference agreement also authorizes the Administrator, with the concurrence of the Attorney General, to use private attorneys, under a fee or other contractual arrangement, to bring such suits. As noted in the joint explantory statement, there appear to be circumstances, particularly in cases where the property is a long distance from the nearest VA attorneys' office, in which it would be more cost-effective for local private attorneys to bring these suits. I would like to highlight the fact that, in the explanatory statement, the conferees have urged the Administrator and Attorney General, working together, to give every consideration to developing, at a minimum, pilot projects implementing this authority. Whatever reservations there may be in the Department of Justice regarding the use of this authority, it would appear that an excellent, perhaps the best, way to evaluate them fully would be through actual experiences with the use of private attorneys.

I stress, however, that, as with the use of VA attorneys for this purpose, the use of fee attorneys would be subject to the general responsibility and authority of the Attorney General to supervise and direct litigation to which the United States is a party.

The conference agreement also contains provisions, described in the explanatory statement, relating to the loans—so-called vendee loans—that the VA makes to finance the purchase from the VA of properties it has acquired. Again, the Senate proposed and the House accepted a number of substantive amendments. These included an amendment modifying the House provision setting a ceiling—generally not more than 75 percent—on the percentage of purchases of property from the VA which may be financed by vendee loans during any fiscal year so as also to require that not less than 60 percent of such purchases be financed by vendee loans.

The Senate amendments also included the addition of a provision relating to VA sales of vendee loans with recourse—that is, with the right to sell back to the VA a loan that is in default for a specified period. Under this provision, the VA would be permitted to sell vendee loans with recourse only to the extent that the Administrator determined that doing so is necessary in order to maintain the effective functioning of the VA Loan Guaranty Program.

Mr. President, although this array of provisions to bolster and maintain the VA Home-Loan Guaranty Program is deserving of favorable Senate action, I want to emphasize that, in no way does my commitment to action to preserve this program end at this time. The need for an appropriation is, unfortunately, still with us, and it is my understanding that a supplemental appropriation request is presently pending with the Office of Management and Budget and should be submitted to the Congress shortly. The VA's request has been pending at OMB for months. It is absolutely disgraceful that OMB has dragged its feet on this matter for so long. The situation now is that the LGRF may very well run out of money next month.

Why OMB would want to place this very important program in such jeopardy is a mystery to me and to veterans across this country.

I will be continuing to monitor very closely the operation of the VA Home-Loan Guaranty Program. It is one of the most valuable benefits made available to veterans, and it is essential that its financial stability be secured and that its management and operation continue to meet the needs of veterans and the Nation.

Thus, I will be following the VA's requests for appropriations for the fund, the potential need for additional personnel to administer the program in fiscal year 1985, and the implementation of the provisions contained in the pending measure. In this connection, I want to note that as a result of the efforts of the distinguished Senator from Arizona [Mr. DeConcini], who serves with me on the Veterans' Affairs Committee and who also serves on the Appropriations Committee, the committee report on H.R. 5713, the HUD-Independent Agencies Appropriations Act for fiscal year 1985, directs the VA to report to the Congress on the need for and amount of fiscal year 1984 and fiscal year 1985 appropriations for the fund and also to report on the staffing situation vis-a-vis the Loan Guaranty Program. Those reports are due July 20 and September 1, respectively. I will be awaiting those reports and plan to scrutinize and consider them carefully.

CONCLUSION

Before closing, Mr. President, I want again to express my appreciation to the very able chairman [Mr. Montgomery] and ranking minority member [Mr. Hammerschmidt] of the House Veterans' Affairs Committee and the other House conferees, along with the distinguished Senate committee chairman [Mr. Simpson], both for the outstanding leadership they have shown in the areas dealt with in the veterans provisions of the pending measure and for the cooperative attitude with which they approached this conference. I also want to express my gratitude to the House committee staff members who did such excellent work on this measure—Mack Fleming, Pat Ryan, Arnold Moon, Charles Peckarsky, and Gloria Royce—and to the Senate committee majority staff members—Tony Principi, Julie Susman, and Brent Goo—and minority staff members—Ed Scott, Babette Polzer, and Jon Steinberg—whose fine efforts contributed very substantially to the final product.

For the reasons I have stated, Mr. President, I urge my colleagues to support the veterans programs provisions of this measure.

CLOSING THE GAP IN MEDICAID COVERAGE OF LOW INCOME MOTHERS AND CHILDREN

Mr. President, there are other provisions of this bill that I would like to highlight. Section 2361 includes two provisions that I have championed for a number of years. The first would finally put an end to many of the inequities that currently exist in the Medicaid Program which allow States to exclude from coverage low-income pregnant women in their first pregnancy or who are living with their spouse. The second begins the long-overdue improvement and expansion of Medicaid services for low-income children.

Mr. President, I first became aware of the problems many women have with regard to access to adequate medical care during pregnancy when I began my efforts in 1973 to enact legislation to help break down barriers to adoption that were then prevalent throughout the country. Witnesses who testified about the need for Federal legislation in the adoption area stressed the necessity of providing financial assistance to cover the medical costs associated with carrying a pregnancy to term for those impoverished women who, for one reason or another, were excluded from Medicaid coverage. In a number of cases, witnesses told us that these women were forced either to resort to abortion or to black market adoptions facilitated by those in the business of buying or selling babies in exchange for payment of the medical costs associated with a pregnancy.

In response to these concerns, the adoption legislation I introduced in the 93d and 94th Congresses included provisions to help pay the medical costs of prenatal care for women who were considering placing their infants for adoption. In 1977, because of my strong belief that all low-income pregnant women, not just those considering adoptive placements, should have access to necessary prenatal care, I approached then Secretary of Health, Education, and Welfare Joseph Califano and urged that the Carter administration join with me in seeking an amendment to the Medicaid Program to help ensure that no low-income pregnant woman be denied the assistance critical to the outcome of her pregnancy. Secretary Califano responded affirmatively, and on August 10, 1978, I introduced such a proposed amendment on behalf of the Carter administration. This initiative was included in the House-passed Child Health Assurance Program legislation considered during the 95th Congress. I joined with former Senator Ribicoff in sponsoring companion legislation in the Senate, S. 1204, and worked hard for its passage. When the Child Health Assurance Program legislation tragically failed to be enacted, the effort to extend Medicaid coverage to all low-income pregnant women also failed.

Mr. President, as my colleagues know, we were successful in enacting the adoption reform initiatives. First, my adoption opportunities legislation was enacted in 1978 as title II of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978, Public Law 95-266; 2 years later, we achieved passage of the landmark Adoption Assistance and Child Welfare Act of 1980, Public Law 96-272, which I was privileged to author in the Senate. Despite these successes, it has been a continuing disappointment to me that we failed to finish the job and close the gaps which remain in providing access to adequate medical care for low-income pregnant women.

At the beginning of the 97th Congress, I reintroduced as S. 667 the legislation to accomplish this goal. Unfortunately, because of the Reagan administration's efforts to make substantial cuts in the Medicaid Program in the 97th Congress, action on S. 667 proved impossible. On January 26, 1983, the first day of the 98th Congress, I reintroduced this legislation again, as S. 7. On that day, I also introduced a proposal, S. 6, to expand the Medicaid Program along the lines proposed in the original Child Health Assurance Program, including, as well, the provisions related to coverage of low-income pregnant women.

As my colleagues will recall, we laid the foundation for enactment of this legislation in April 1983 when the Senate agreed to the amendment Senators HATFIELD, MOYNIHAN, and I offered to the 1984 budget resolution in order to provide sufficient budget authority for enactment of S. 7. Congressional acceptance of that additional budget authority for the enactment of this initiative and for beginning the first steps of legislation along the lines of S. 6 set the stage for this year's success that will follow soon.

Today, Mr. President, marks a partial culmination of those efforts, begun a decade ago in the case of the legislation to help ensure that all needy pregnant women have access to necessary medical care, and began over a half decade ago to enact the Child Health Assurance Program legislation.

MANY SUPPORTERS

Mr. President, I want to take a few moments to extend my deep-felt appreciation to the many committed individuals, both within the Congress and outside, who have worked with me on this initiative.

Let me begin with the Senator from Texas [Mr. BENTSEN] who offered the provision dealing with coverage of low-income pregnant women in the Finance Committee—first as an amendment to S. 951, legislation which would establish a program related to the health-care needs of unemployed workers. For the past year, the Senator from Texas and his able staff assistant, Marina Weiss, have persistently safeguard this provision, moving it on to other legislation when it appeared necessary, and have continued to champion it throughout the long, arduous legislative process. Without the work and dedication of the Senator from Texas, both in the Finance Committee and during the conference we simply could not have achieved today's success. The children who will benefit from this legislation truly owe him a great debt of gratitude.

Mr. President, I also want to make special note of the tremendous contributiens made by the Senator from New York [Mr. MOYNIHAN]. He, too, has worked tirelessly for passage of this amendment, both in the Finance Committee and on the Senate floor. The Senator from New York was one of the first supporters of this initiative in the 95th Congress, and his commitment to its successful passage was critical. The Senator from New York, as always, has been a vital ally in efforts to enhance the quality of life for our Nation's children.

In addition, I congratulate the Senator from Oregon [Mr. HATFIELD] for the very constructive part he has played in promoting this initiative since it was first proposed in the 95th Congress. His early and consistent support has been of immense importance to our efforts.

Of particular help to us also has been the Senator from Florida [Mr. CHILES] the ranking minority member of the Budget Committee. He and his staff played an indispensable role in supporting and defending our budget resolution amendment during the floor debate last year. The success of that effort helped us immeasurably in reaching this point today.

Mr. President, I also want to express my appreciation to the Senator from Kansas [Mr. DOLE] and the Senator from New Mexico [Mr. DOMENICI] for their cooperation and support for that budget amendment. The Senator from Kansas not only agreed to the budget amendment, but followed through in supporting the legislative initiative in the Finance Committee. There is little question that without his support this provision would not be on the way to enactment today. Nor could it have prevailed without the support of the ranking minority member of the Finance Committee, the Senator from Louisiana [Mr. LONG] who has supported our efforts over the years.

Mr. President, my special appreciation also goes to the Senator from Arkansas [Mr. BUMPERS] for his role in the passage of this initiative. The Senator from Arkansas' eloquent floor statement, in defense of this initiative during last year's budget debate, was representative of the depth and breadth of the knowledge and commitment that the Senator from Arkansas brings to any debate involving issues related to maternal and child-health care. His contributions in this area are enormous, and I am deeply indebted to him for his strong and forceful support of this initiative.

Mr. President, I want to pay special tribute to my good friend and colleague from California, Representative HENRY WAXMAN, for his incredibly persistent and skillful efforts in the other body and those of his excellent staff members, Karen Nelson and Andy Schneider, on this initiative.

The legislation before us not only closes many of the gaps in the provision of medical care to low-income pregnant women, but also makes long overdue improvements in the Medicaid Program with respect to health services to low-income children.

Last but not least, I want to express my appreciation to those members of my own staff, Nancy Barrand and Susanne Martinez, who have worked with me on this initiative over so many years. Nancy will be leaving my staff this fall to pursue a masters degree in public administration, and I will sorely miss her many, extremely valuable contributions to my work on numerous health-care issues.

Mr. President, there are many, many more individuals and organizations who have worked for enactment of these provisions. They have represented all facets of the political spectrum. Despite differences in some other areas, many organizations have joined together to support these initiatives, recognizing that providing adequate health care to pregnant women and children, is one of the most meaningful and successful preventive health meaures we can take and thus is clearly in the best interests of the future of our Nation.

We still have a long way to go before we can say that the children in this Nation truly have adequate access to the health care they need to enhance their lives and futures. Although I applaud the fact that the conference report expands coverage to pregnant women with unemployed spouses as well as those in their first pregnancy, I am disappointed that we have still not covered those whose husbands are employed but whose incomes fall below the eligibility guidelines. But there is no question that with final action on this legislation we have made a major first step toward achieving those goals. Certainly, when measured against the cutbacks and funding reductions in health care and other services critical to meeting the needs of low-income children which have taken place in the past 3 years enactment of these provisions will represent a turning point and a new, forward direction in which we can rejoice.

There is much that remains to be done, and I intend to continue my work in this area. But we are, today, accomplishing much of value.

Mr. THURMOND. Mr. President, this conference report on the deficit reduction package is the result of many hours of debate in the Senate and in the House, as well as a number of days of hard negotiations in the conference committee. The Senate and House conferees deserve to be commended for resolving the numerous differences in the two bills and producing a legislative package which constitutes a significant downpayment on the deficit.

Mr. President, I would particularly wish to commend the distinguished chairman of the Senate Finance Committee, Mr. Dole, for his effort and leadership in accomplishing this task. All of the Senate Finance Committee conferees deserve to be congratulated for insisting that this package contain substantial reductions in spending on programs within their jurisdiction, along with the revenue increases.

Mr. President, as we prepare to vote on this conference report, I would like to make a few comments concerning the urgent need for this downpayment on the deficit. This package is a step in the right direction, but only a small step toward solving a very large and difficult problem. Enactment of this legislation will achieve spending reductions during fiscal years 1984-86 of some $11 billion in programs principally Medicare and Medicaid within the jurisdiction on the Finance Committee, with some additional spending savings in other programs. Revenue increases, achieved primarily through various tax reforms, are expected to yield some $48 billion over 3 years. Together with expected cutbacks in appropriations for both domestic and national defense programs, these changes are designed to reduce the projected Federal deficits for the next 3 years by between $140 and $150 billion.

Yet, Mr. President, these actions make only a small dent in the massive Federal deficits, which are estimated at some $600 billion of red ink between now and October 1986. Clearly, with interest rates on the rise, this legislation is both necessary and overdue. In fact, the delay in getting it through Congress since President Reagan called for a downpayment on the deficit in his State of the Union Address has already produced some unnecessary economic harm. Moreover, since higher interest rates push up the cost of Federal borrowing to finance the national debt, the protracted consideration of this package has further complicated the task of bringing spending in line with budget receipts.

The key to our budgetary woes boils down to only one thing: We must bring spending levels down to the level of revenues. There is no easy answer. Congress must learn to handle our Nation's affairs in the same fiscally responsible fashion as most heads of households and business managers in order to avoid financial disaster. Our almost continuous inability year after year to achieve a balanced budget has led me to conclude that a constitutional amendment requiring this fiscal result is necessary. It remains my hope that Congress will yet see fit to present such an amendment to the States for ratification.

Mr. President, I applaud the restraints on spending growth contained in this bill. However, we must make every effort to actually reduce spending in Government wherever it can be done without jeopardizing important national interests. Only by confronting the hard issue of excessive spending will we ever approach a balanced budget.

Mr. President, I intend to vote for this legislation which makes a downpayment on the deficits and I hope we can continue to work toward a more sensible balance between revenues and spending.

Mr. MATHIAS. Mr. President, section 647(2) of this conference report addresses a grave problem which faces the District of Columbia. It is a small provision which will grant to the District of Columbia Housing Finance Agency the authority to issue multifamily housing bonds and mortgage subsidy bonds. For the record, I would like briefly to explain my understanding of the genesis of this provision.

My colleagues know that 1 year ago the Supreme Court invalidated the legislative veto mechanism contained in the Immigration and Naturalization Act in INS against Chadha, 103 S.Ct. 2764 (1983). In so doing, the Supreme Court also cast grave doubt on the future of all other legislative veto provisions. The District of Columbia Home Rule Act contains just this sort of legislative veto, and Chadha has called into question actions taken by the city's home rule government.

As chairman of the Senate Subcommittee on Governmental Efficiency and the District of Columbia, I have spent many hours over the last year trying to come up with a solution to the problems raised by Chadha in the District. Last September, Senator Eagleton and I introduced S. 1858, which we consider to be a comprehensive solution and which squarely addresses the Chadha decision, and the Supreme Court's objection to the legislative veto. The subcommittee has held two hearings on this legislation and has unanimously reported it to the full Governmental Affairs Committee. Committee action and Senate consideration remain to be accomplished.

One of the governmental functions held up by the Chadha cloud is the entry of the District of Columbia into the municipal bond market. The city has never participated in the bond market, and was preparing itself to make that move when Chadha was decided. The D.C. Housing Finance Agency, however, has been in the bond market, and one of its issues was hung up by Chadha. The provision contained in section 647(2) of this bill addresses the ability of HFA to use the bond market in general, and frees the hung up bond issue in particular. Absent this provision, this privately placed bond issue would have had to have been called, resulting in over $400,000 in losses to the HFA. In addition, the HFA has been forced to a virtual standstill in the low-income housing area as a result of Chadha.

I have been approached several times in the last few months to address the HFA bonding problems separately and apart from the overall Chadha problem facing the District. While I want to do whatever I can to assist the District in meeting its obligations, I have consistently resisted the urge to go forward on a piecemeal basis. Chadha raises extremely serious concerns, and addressing them in other than a comprehensive manner is very risky, in my opinion.

However, I have reluctantly agreed not to object to the inclusion of section 647(2) in H.R. 4170. I do so at the urging of the Mayor of the District of Columbia. I do so despite the fact that I was informed of this move only at the very last minute, and was therefore not in a position to evaluate fully its effect. I do so relying heavily on the assurance of the city's bond counsel that this approach will solve the HFA problems.

Mr. President, I continue to have reservations about this provision. I remain concerned that a piecemeal approach to addressing the city's Chadha problems will be counterproductive. I continue to believe that a comprehensive approach, like to one contained in S. 1858 is the only way to deal fully with this matter. I will work toward the enactment of S. 1858, and urge my colleagues to join me.

DISTRICT OF COLUMBIA BONDING

Mr. EAGLETON. Mr. President, a small provision buried deep in the conference report on H.R. 4170, the omnibus deficit reduction bill, needs some additional discussion for the record. The provision, section 647(2), deals with the District of Columbia and its efforts to enter the commercial bond market. The provision provides the city's housing finance agency (HFA) with authority to issue multifamily and mortgage subsidy bonds.

I have no objection to granting this authority. Had we not approved this provision, I understand that a $30 million HFA bond offering would have been jeopardized and that the city would have faced a loss of $440,000 in up-front money.

The issue here, however, is not granting the authority, but the manner in which it has been granted. For more than a year now, Senator MATHIAS and I, in our positions as chairman and ranking minority of the Subcommittee on Governmental Efficiency and the District of Columbia, have known about the District of Columbia's bonding problems stemming from the Supreme Court decision in *INS* v. *Chadha*, 103 S.Ct. 2764 (1983). Basically, the District of Columbia has been unable to go to the bond market because Chadha cast a cloud over the legitimacy of the city's home rule government, a government whose legislative ability hinges on a now unconstitutional congressional veto process.

Senator MATHIAS and I have introduced legislation to solve this problem, S. 1858. We have held two hearings on the bill, it has been approved unanimously by our subcommittee, and I, and I know Senator MATHIAS agrees with me on this, will make every effort to see it become law before the end of this Congress.

It now appears, however, that with passage of section 647(2) of H.R. 4170, one aspect of the Chadha cloud over the District has been removed. If the city, their HFA bond counsel, and those members of the Senate Finance and House Ways and Means Committee who adopted this provision are convinced that HFA is now out from under Chadha for bonding purposes, so much to the good.

Not being informed of this provision until late Friday afternoon, however, when my staff and I were asked to approve it within minutes, I am not in a position to comment on its full impact. But it does seem to me that a serious Chadha problem remains for the city, particularly if it wishes to enter the commercial bond market for more than HFA bonds. To solve fully the District of Columbia's problems, we will still need a bill like S. 1858, and I urge my colleagues to give support to such a comprehensive solution, despite adoption of this one, piecemeal provision.

Mr. CHAFEE. Mr. President, as we debate the conference agreement on the Deficit Reduction Act of 1984, I would like to commend the chairman of the Senate Finance Committee and the other conferees for the long hours and diligent efforts they have expended on reaching this agreement. This tax bill is one of the largest and most complex pieces of tax legislation considered by the Congress in recent years, and the spending cuts proposed by this bill were some of the most controversial and difficult we have grappled with in this Congress. As a member of the committee of conference, I believe that this conference agreement is the best and fairest compromise we could achieve.

This bill is the culmination of efforts which began last fall to make a small downpayment against the huge Federal budget deficit. Our goal was to make at least a $100 billion deficit curtailment over the 3-year period 1985-87, and the bill we will approve here today is the major element of that downpayment. This bill raises approximately $51 billion in taxes over the 4-year period 1984-87 and, along with other legislation and agreements reached to date, cuts about $31 billion over the next 4 years from spending programs. It cuts about $11 billion from spending programs within the jurisdiction of the Finance Committee alone.

Mr. President, I am one of those Senators who voted for much more stringent reductions in the deficit. I prepared, with a group of my colleagues, an amendment that would have reduced total budget authority through fiscal year 1987 by $17 billion more than the Senate bill proposed. Regrettably this amendment very narrowly failed of passage. Finally, however, the leadership agreed to an important compromise that essentially reallocated $2 billion from the Synfuels Corporation to be spent instead for higher priority education and environmental programs, which I believe are necessary and important. I am very pleased that in this agreement the increased allocation for these programs persists, and that in its subcommittee allocation process these additional moneys have been allocated to the appropriate subcommittees to be included in appropriations bills soon to be reported.

While I think that this conference agreement is a fair and equitable compromise, there are provisions particularly of its tax provisions that will make some interest groups very unhappy. For example, the conferees agreed to accept the State volume cap on the issuance of tax-exempt industrial development bonds (IDB's). The House conferees were absolutely firm on retaining the volume cap. However we were successful in also obtaining a floor which will allow small States to issue at least $200 million in tax-exempt bonds per year. The Senate conferees were not alone in having to accept provisions that they did not like. The House conferees had to compromise on lengthening the depreciation period for real property from 15 to 8 years. Everyone had to give up something, but in the true spirit of deficit reduction this is appropriate.

There were several items in the Senate bill that I was very sorry to see dropped. We had to recede on extension of the energy tax credits and the research and development [R&D] tax credits in order to get the House conferees to agree to any substantial spending cuts. These credits do not expire until the end of 1985, so I hope that we will get to work early in the first session of the next Congress to extend these credits. The targeted jobs tax credit was extended for 1 year so that we cound examine the extension of that credit next year as well.

Finally, the Senate conferees agreed to recede on the provisions in which I was very interested, that would have established 75 enterprise zones across the country. The House unfortunately viewed this as a political issue and refused to accept the proposal which would have benefitted a number of very needy communities. I regret that this potentially helpful and experimental idea was not given a chance.

I have mentioned the negative aspects of the conference agreement first for several reasons. I know that many of my colleagues have strong feelings about some of the negatives and I wanted to present my views on them and the reasons for the necessary compromises right up front. Furthermore I want to emphasize that, even with these compromises, we have a good package, and I would like to conclude by describing a number of the very positive items contained in this conference agreement.

First, most of the revenue raised in this bill does come from basic reforms in the corporate and partnership tax law and in the revision of tax accounting procedures which more accurately reflect the time value of money. The tax-exempt leasing provisions of this bill closed a loophole that was considered a hemorrhage in the Federal Treasury. These changes are very technical and complex, but they represent a necessary improvement in the current system. They are reform measures that the Treasury Department has been trying to implement for some time. The bill also contains a number of compliance measures which I hope will improve the collection of tax from those not now paying their fair share. We can all be very proud of these reform and compliance provisions.

The conferees reached a fair compromise on one provision which I was especially interested in—tax benefits for luxury automobiles. We agreed to limit tax benefits available for automobiles costing more then $16,000. Anyone purchasing a car for business which costs less than $16,000 will be unaffected by this bill. The bill limits the investment tax credit for automobiles to $1,000 no matter how much the car costs, and limits depreciation deductions to $4,000 the first year and $6,000 in each subsequent year. Thus the $16,000 car will still be eligible for the full 6-percent investment tax credit and the entire cost of the car will be written off in 3 years, just as under current law. However, more expensive cars will be limited to $1,000 for the investment credit and it may take a good deal more time to write them off since only $6,000 can be written off in any one year.

Furthermore, for all personal property, not just cars, the bill states that unless you use it at least 50 percent of the time for business purposes, tax benefits are limited. Such cutbacks are appropriate in a deficit reduction bill.

The conference agreed to include a modified version of my proposal on so-called golden parachutes which should diminish, if not eliminate these extravagant compensation awards. During the past few years many highly compensated executives have sought to enrich themselves at the expense of other shareholders in a corporate takeover, by providing enormous, multimillion-dollar payments to themselves. These executives bail out with their golden parachutes, leaving the company and the remaining shareholders to suffer the consequences. The conferees agreed that such excessive compensation payments will no longer be deductible by the corporation and a 20-percent excise tax will be imposed on the employee receiving the payments. I hope this will discourage these arrangements in the future.

I am very pleased with the agreement on many of the provisions in the bill affecting foreign investors. We have agreed to repeal the 30-percent withholding tax on interest paid to foreigners effective for any bonds issued after the date of enactment of this bill. This is consistent with the bill that I introduced with Senator BENTSEN to repeal the tax. This measure should facilitate access to the Eurobond market for both domestic companies and the U.S. Treasury, while still giving the Netherlands Antilles time to wind down their operations. Access to this important capital market is becoming increasingly important, given the strain our growing deficit is placing on domestic sources of capital.

Another portion of this agreement dealing with foreign issues is the repeal of the so-called DISC's [Domestic International Sales Corporations] and the adoption of provisions allowing the creation of FSC's [Foreign Sales Corporations] as export incentives. The DISC provisions have been under attack as violative of the general agreement on tariffs and trade. Adoption of the FSC provisions is very important to maintaining export incentives which do not run afoul of the GATT. I would have liked to see services eligible for the favorable tax treatment provided to a FSC, but I am hopeful that these incentives may be available for services after the study required by the bill on this issue is completed.

Mr. President, I am particularly pleased with the conference agreement on FSC because it was one of those matters recommended for enactment this year by the Senate Republican Task Force on Industrial Competitiveness and International Trade, which I had the privilege to chair. The task force also recommended extension of the moratorium on the application of negotiations under section 861 of the Internal Revenue Code, dealing with the allocation of R&D expenses. I am pleased that the conference adopted the Senate provision and thus extended the moratorium for 2 years. I deeply regret that the task force recommendation that the R&D tax credit be made permanent was not adopted by conference, for reasons I stated above.

After over a year of deliberation, I am pleased to say the conference agreement contains the first major revision of the taxation of the life insurance industry since 1959. The bill replaces the former three-phase system for taxing the life insurance companies with a new system generally based on the corporate taxation model. Stricter limits are set on allowable deductions for reserves, and limitations on deductions for policyholder dividends are imposed to allow a level playing field between the stock and mutual insurance companies. The bill also provides a new definition of life insurance designed to prevent use of insurance contracts primarily as investment vehicles.

The conferees could not agree on any limits on the deductions for interest on policyholder loans, but perhaps we can examine this issue again next year and work out acceptable limitations. I am concerned that systematic borrowing on life insurance policies is being used as tax avoidance technique, unintended by this legislation.

There are a number of provisions in this bill affecting employee benefits. The conferees accepted, with some modification, the House provisions which will codify all fringe benefits. We have in essence said that many of the traditional nontaxable fringes, such as airline passes and employee discounts, will remain nontaxable, but in the future, fringe benefits not specifically exempted under the statute will be taxable. This is a very difficult issue, and I think the rules contained in the conference agreement are a reasonable, although generous, compromise which will provide some clarification and guidance in what has been a very controversial area.

The conferees agreed to special deduction rules for welfare benefit plans and so-called VEBA's [Voluntary Employee Benefit Associations], and the conference agreement provides transitional relief to cafeteria plans adversely affected by proposed Treasury regulations. I hope that during the next Congress we can more carefully examine the important issues raised in the debate over cafeteria plans and VEBA's.

The public policy implications of the proliferation of many types of tax-free employee benefits is very complex. The growth of nontaxable fringe benefits creates inequities among employees and reduces the tax base for both income and Social Security tax purposes. Nevertheless, the claims made by advocates of liberal employee benefits that increased tax-free benefits reduce Federal spending programs and decrease health care costs must be examined.

The section of the bill dealing with the Highway Trust Fund contains a small, but very meritorious, reduction in the Federal tax on methanol. Methanol is a clean-burning 85-percent pure alcohol alternative fuel. Methanol produced from coal or biomass is currently completely exempt from the Federal tax, but methanol produced from natural gas or petroleum is subject to the full 9-cent-per-gallon tax. This bill will reduce the tax on methanol produced from natural gas to 4.5 cents per gallon, on the theory that it takes 2 gallons of methanol to go as far as 1 gallon of gasoline.

There is one provision in this conference agreement which I was pleased to see the Senate recede on. The Senate bill contained a provision which would have eliminated the requirement of current law that tax-exempt interest be counted in the threshold for purposes of calculating when a person's Social Security benefits will be taxed. I am glad that the House forced us to recede on this issue because it is my firm conviction that the current law is fair and equitable. Without the inclusion of tax-exempt interest in this threshold test, persons with large amounts of tax-exempt interest could escape taxation of their social security benefits, while others with modest pensions would be forced to bear this burden.

This compromise agreement contains many other provisions affecting estate taxes, excise taxes, foundations, and numerous other provisions which I will not take time to describe. The size of this tax bill causes me once again to reflect upon the need for some basic tax simplification and reform next year. While we have been in conference on this bill, the Treasury Department has been conducting hearings across the country on the issue of tax reform in order to compile the study which the President requested by the end of this year. I hope that the hearings and the study will be the beginning of revisions that will lead to a fairer, simpler, and more equitable Tax Code. Next year we will also have to revisit the urgent need for deficit reduction, and make much more than a small downpayment.

Now Mr. President, with regard to the spending provisions of the Finance Committee's portion of this bill, in general I am pleased with the agreements reached by the conferees.

One of these items is of particular importance to me, and I would like to spend a few moments to discuss it.

The conferees agreed to spend an additional $270 million to improve medicaid coverage for pregnant women, infants, and young children who live at or below State poverty levels but who do not qualify for AFDC and Medicaid because they are from two-parent families.

Mr. President, too often we concern ourselves only with the short term. We like to see immediate results in most of what we do here—in this case immediate savings. But this path often leads us astray—in this case short-term savings would have led to larger long-term expense.

It costs $1,400 for Medicaid to provide complete maternity care, including delivery, to a pregnant woman. It costs $1,000 a day to hospitalize an infant born sickly and underweight because a mother did not receive prenatal care, and the average length of stay is 20 days.

It costs $600 to provide a baby with a complete schedule of checkups and immunizations under Medicaid and to care for any illness that occurs over an entire year. It costs thousands of dollars to hospitalize a child who was not immunized and thus contracted diphtheria or measles.

A recent report of the Virginia State Prenatal Services Advisory Council concludes that the State could save $49.8 million in State expenditures for long-term institutional care for the mentally retarded through the provision of better newborn care.

Alabama officials estimate that for every dollar that is spent on prevention of infant mortality and handicapping conditions through Medicaid, the State will save between $5 and $10 in long-term institutional care for the severely retarded and day care for the mildly retarded.

Preventive health care services save money in the long run. We simply cannot afford to continue to focus only on acute care—a focus that has led us to our current situation, a sickness-only health care system in which costs are skyrocketing out of control.

The kind of care we are talking about here helps to prevent unnecessary illness.

What better investment can we make than an investment in the health of our children? Education and employment opportunities do little good unless those receiving them are healthy.

We spend hours discussing issues like abortion, and yet we spend little or no time ensuring the health and well-being of children after they are born. We discuss the right to life, but we rarely discuss how to improve and enhance the quality of life.

In the conference, we took an important step toward ensuring healthier American children. I hope we will continue to work in that direction.

I am also pleased with those provisions of the bill providing work incentives and health care coverage for low-income families.

Our public policy must address the fact that unwed and divorced mothers often bear sole responsibility for their children's many needs. This fact requires Congress to make special provisions for these families.

The provisions of this bill relating to health care coverage for families without insurance and work incentives for newly employed single heads of households are critical in assisting these disadvantaged families out of poverty. I wholeheartedly support the objectives of these provisions.

Mr. President, I regret that we could not be making a more substantial curtailment of our huge deficits. But I support this conference agreement and urge its adoption.

SOCIAL SECURITY TAXATION ON CHURCHES

Mr. JEPSEN. Mr. President, before the Social Security Amendments of 1983, nonprofit organizations, which included churches and religious organizations, could participate in the Social Security system on a voluntary basis. However, effective January 1, 1984, all nonprofit organizations were required to participate in Social Security.

Therefore, on November 15, 1983, I introduced a bill, S. 2099, which called for a 2-year delay in the Social Security provision requiring mandatory Social Security participation for churches and other religious organizations. The purpose for the delay was to give Congress time to research carefully the constitutional question of requiring churches and other religious organizations to withhold and pay taxes to the Federal Government.

In December 1983, at my urging, Senator Dole held a Finance Committee hearing on this issue. At the conclusion of the hearing, a working group of interested individuals was formed to seek possible solutions for the concerns that were expressed.

The working group met with the Finance Committee staff and my staff several times during the first part of this year. With the input from the working group, the Finance Committee drafted a provision and eventually added it to the Senate's deficit reduction bill.

The provision, which is included in the conference bill we are considering today allows churches and certain church-controlled organizations, who are opposed for religious reasons to the payment of Social Security taxes, to treat their employees similarly to the self-employed for Social Security tax purposes.

The churches and these organizations would thereby be eliminated from directly participating in the Social Security system. These churches and organizations would be relieved of both the obligation to pay the Social Security tax and the obligation to withhold the employees' share of the tax.

While not everyone believes this provision is the best possible solution, it is much better than current law. The provision satisfies the criteria of universal coverage established by Congress when it adopted the 1983 Social Security Amendments, while also relieving churches and certain church organizations from mandatory participation in the Social Security system.

I commend Senator Dole for taking an active interest in this issue. He and his finance committee staff have spent a great deal of time on this issue, and I appreciate their efforts.

I would also like to thank Pastor Olin Adams from the Quint City Baptist Temple in Davenport, IA, for his efforts to find a solution to this constitutional question. The time and effort he spent on this issue are greatly appreciated by me and my staff.

Mr. DOLE. Mr. President, I would like to make a statement clarifying a number of technical points in the bill.

FRINGE BENEFITS

H.R. 4170 provides new rules governing the tax treatment of employee fringe benefits, including qualified tuition reductions provided by colleges and universities to their employees and families. These new rules are generally effective on January 1, 1985, and in the case of tuition reductions, apply to education provided after June 30, 1985. It is the conferees' intention that present administrative practices with respect to the tax treatment of tuition remission programs be continued until July 1, 1985.

ADVANCE REFUNDING OF MORTGAGE BONDS

The mortgage subsidy bond program is extended under the conference agreement through 1987. The prior law method of State-by-State limitations on the volume of mortgage subsidy bonds is retained. Under this method, if an issuing authority has issued bonds and interest rates fall, it may renegotiate the terms of that issue with bondholders to achieve a lower interest rate without the renegotiated issue being separately counted toward the volume limitation.

RURAL HOUSING

The Farmers Home Administration administers a low income rental housing program for small towns, the section 515 program, that is the rural counterpart of HUD's section 236 program for subsidized urban low-income rental housing.

The FmHA Rural Housing Program provides loans to participating developers at a market rate of interest. However, at the same time the market rate loan is negotiated, FmHA and the borrower enter into an interest credit and rental assistance agreement, under which the borrower is provided a level monthly subsidy.

The subsidy is determined by the difference between the market rent and the basic rent. The market rent is the rent that would have to be charged to assure an adequate rate of return assuming market interest rates. The basic rent is the rent that could be charged assuming a loan at a 1-percent rate of interest.

The subsidy is reduced to the extent that the borrower receives rents in excess of the basic rent amount.

The IRS has asserted in news release IR 83-115 that the FmHA monthly subsidy amounts to an interest rate subsidy, so that the borrower should be permitted to deduct only 1 percentage point of the mortgage interest paid.

The supporters of this program believe the IRS is in error and that the payments should be viewed as a rent subsidy that is income to the borrower when received. It would seem to make no difference whether the subsidy payment is viewed as a reduction in the interest rate or rental income. Nevertheless, if the IRS treats this subsidy as a reduction in the interest payment, it has a substantial effect on the amount of accrued interest that would be deductible under normal compounding principles.

The IRS position results in a lower overall interest deduction and may threaten the continued economic viability of the FmHA Rural Housing Program. This result is directly contrary to the published position of the IRS with respect to similar HUD subsidy payments under the section 236 program.

The conferees understand that, beginning October 1, 1984, the FmHA will account for the loans as loans bearing 12-percent interest. In order to clarify the tax treatment of loans treated by the FmHA in this manner, the conferees agreed that loans under Federal rural low-income housing programs, for example, the FmHA section 515 program, that provide for a market rate of interest, and a reduction in loan payments to compensate the borrower for the lower rents charged, are not to be considered below-market interest rate loans, provided the principal balance of the loan is amortized in accordance with the market rate of interest.

TAX-EXEMPT DEBT

Current law disallows a deduction for interest incurred or continued to purchase or carry tax-exempt obligations. A provision of the bill is designed to prohibit taxpayers from avoiding the disallowance rule by incurring debt to finance the purchase of or carrying of tax-exempt obligations by related parties.

Many affiliated corporate groups include banks and insurance companies as well as other commercial corporations. The bank or insurance company may have substantial investments in tax-exempt obligations, and the other corporations may incur indebtedness in the ordinary course of their business operations. My understanding is that the related party rule in the bill is not intended to operate to disallow an interest-paid deduction merely because one corporation borrows in the ordinary course of business and an affiliated insurance company or bank holds tax-exempt obligations.

DEFERRED RENT

The bill contains rules limiting the use of deferred rent agreements where there is a tax avoidance purpose. I want to clarify that in determining whether a tax avoidance purpose exists in connection with step rents, a significant factor is whether the taxpayers are in approximately the same marginal tax bracket—and are reasonably expected to be in approximately the same marginal tax brackets—during the entire term of the lease so that the combined taxes of the two parties are not materially reduced by the stepping of rents. The statement of managers so states, and I want to confirm that the statement accurately reflects the intention of the conferees.

DISTRICT OF COLUMBIA BONDS

I want to clarify a point raised by subsection 2 of section 647 of the bill relating to the authority of the District of Columbia Housing Finance Agency to issue obligations described in section 103(B)(4)(A) of the Internal Revenue Code and to issue mortgage subsidy bonds as defined in section 103A of the code. It is my understanding that, due to the recent decision of the U.S. Supreme Court in Immigration and Naturalization Service against Chadha, questions have been raised concerning the status of the Housing Finance Agency as a validly created and constituted agency authorized to issue bonds pursuant to sections 103(B)(4) and 103A of the code. It is my understanding that the purpose of this subsection of the bill is to resolve these questions by confirming and validating the creation and lawful existence of the Housing Finance Agency as an authorized issuer of such bonds.

SERVICE CONTRACTS

I want to clarify the special rule for solid waste disposal contained in the leasing provisions of H.R. 4170 in section 31(E) of the bill, new section 7701(e) of the Internal Revenue Code. This rule for certain solid waste disposal facilities provides that, with certain exemptions, a contract or arrangement between a service provider and a service recipient with respect to the operation of a qualified solid waste disposal facility which purports to be a service contract will be treated as a service contract. In order for a facility to be a qualified solid waste disposal facility, the service recipient, or a related entity, must, among other things, bear no significant financial burden if there is nonperformance under the contract or arrangement—other than for reasons beyond the control of the service provider.

As I understand it, under the following circumstances, the service recipient has not borne a significant financial burden under the bill:

The service provider fails to process the amount of solid waste required to be processed under the service contract or to generate the amount of steam or electricity required to be generated under the service contract. However, the service provider must adequately compensate the service recipient for such shortfalls by, for example, paying amounts equal to the energy revenue lost by the service recipient and all costs of disposing of waste incurred by the service recipient, so that the service recipient is in the same economic position as if the facility had performed as designed.

PREPAYMENTS

I would like to clarify the intention of the conferees with repects to the application of the prepayment rules to intangible drilling costs paid in one year for a well that is commenced in that year but not completed until the next year. Under the conference agreement, if an amount is paid for the drilling of a well in advance of the actual drilling, there is a prepayment potentially subject to the prepayment rules. The conference agreement provides, however, an exception for prepayments in the case of wells that are spudded before the end of 90 days after the close of the taxable year in which the payment was made.

If, for example, a lease owner were to pay a drilling contractor in October for the drilling of a well which is spudded in November but not completed until April of the following year, the exception to the prepayment rule would apply. This is true because, although there is technically a prepayment with respect to the portion of the well drilled in January through April, the 90-day exception is satisfied by the fact that the well spudded before the end of the 90th day after the close of the year of the prepayment.

BUFFALO LEASING PROJECT

The conference bill provides an exception from the tax-exempt leasing restrictions for property leased to a tax-exempt entity under conditions one of which is that on or before November 1, 1983, there was "significant official governmental action with respect to the project of its design." It is my understanding that the Federal enabling legislation, which Congress enacted on March 24, 1983, specifically to enable the city of Buffalo to enter a sale-leaseback transaction with respect to the Shea's Buffalo Theater and Kleinhans Music Hall without affecting prior Federal grants for these facilities, would constitute significant governmental action with respect to these projects.

NORWALK MARITIME CENTER

The tax bill conference made certain changes in the transition rule governing the tax-exempt entity leasing provisions of the conference report we have before us.

In connection with a sale-leaseback project, the city of Norwalk took the following actions, prior to November 1, 1983, to create a maritime center: The city carried out the purchase of a building and site in 1979 and 1980 and $805,000 pursuant to a city council resolution that contemplated that the structure would be used by the Norwalk Maritime Center for use as a maritime center; and, design, fund-raising, and miscellaneous expenses.

It is my understanding that these actions qualify as significant official governmental actions under the transition rule and that, therefore, the project qualifies to be exempted from the tax bill's sale-leaseback provisions if a lease is entered into prior to January 1, 1985.

MAC ARTHUR FOUNDATION

Section 307 of the conference agreement amends the divestiture requirement in the case of certain excess business holdings acquired after 1969 through gift or bequest. Current law requires divestiture of such post-1969 gift or bequest within 5 years (code sec. 4943).

Under the conference agreement, the IRS is given discretionary authority to extend that period for an additional 5 years in cases where the gift or bequest is unusually large or complex, and where the foundation can show that it made diligent efforts to dispose of the excess holdings during the original 5-year period, but that divestiture had not been possible because of the size and complexity or diversity of the holdings. The particular situation that gave rise to this provision involves the John D. and Catherine T. MacArthur Foundation of Chicago, IL.

Section 307 of the conference agreement is intended to authorize an additional 5-year divestiture period in cases where there has been an unusually large gift or bequest after 1969 of diverse or complex business holdings, as was the case with the MacArthur Foundation, where divestiture in the initial period was not possible because of the size and complexity or diversity of the holidays, and where the IRS also determines that the foundation can reasonably be expected to accomplish divestiture within the extended period.

This provision is meant to apply to any interest in a business enterprise that constitutes an excess business holding subject to divestiture under section 4943(c)(6). In the particular situation involving the MacArthur Foundation, where one or more business enterprises owned by Bankers Life & Casualty Co. at the time of the bequest were distributed to the foundation as part of a plan intended to achieve overall divestiture of all excess business holdings within the required period, such enterprises are to be treated as excess business holdings which are eligible for the 5-year additional divestiture period under the conference agreement. This treatment would not apply to any business enterprises acquired by purchase after the foundation received the bequest.

DETROIT RESOURCE RECOVERY PROJECT

I want to clarify the meaning of the words "if there was an inducement resolution or other comparable preliminary approval for the issue before June 19, 1984," which appear in section 631(a)(2)(A) of the bill.

There is a resource recovery project in Detroit which has been actively planned for 8 years. The bonds to finance this project are industrial development bonds under the Internal Revenue Code because the energy user and project operator are private companies. Under State law, however, no inducement resolution is required.

However, the city council has repeatedly approved each preliminary step leading to a resource recovery project financed by tax-exempt bonds. The city has spent $2 million on these project activities with city council approval.

It may be necessary for the bonds to be issued by a public authority created by Detroit and a neighboring city. On May 21, 1984, the mayor and city council of this neighboring city, Highland Park, approved the incorporation of this authority.

Given all the actions taken by the mayor and city council of Detroit and the mayor and city council of Highland Park, these actions constitute "other comparable preliminary approval" for bonds issued by either Detroit or the authority within the meaning of section 631(a)(2)(A) of H.R. 4170.

CONSOLIDATED RETURNS

Section 60 of the bill redefines "affiliated groups" for all Federal income tax purposes. The bill grants the Treasury broad regulations authority to prescribe antiabuse regulations. In general, it is not intended that those regulations are to adversely affect transactions which occurred prior to June 22, 1984.

LIKE-KIND EXCHANGES

The conference report provides a general rule in section 1031(a) of the code that like-kind property may be exchanged without current recognition of income, but new section 77 provides that exchanges of partnership interest will not qualify as like-kind property, and therefore would be a taxable exchange. The conferees intend that this exception not apply to organizations which have elected out of subchapter K as provided by section 761(a) and that such organizations would not fall within the partnership exception. Therefore, an organization that had elected under section 761(a) to be excluded from subchapter K would still be subject to the general rule of secton 1031(a).

Basically, in a case such as that, there would be an exchange of interests in the assets of the one organization for a share of the assets of the other organization and the applicability of section 1031 would be determined on the basis of those exchanges.

TRANSFERS OUTSIDE THE UNITED STATES

Section 131 of the bill modifies the taxation of certain transfers of property outside the United States for a period after December 31, 1984. The conferees agreed to a special rule which would presume that transfers of intangibles outside the United States after June 6, 1984, the date of conference action, but before January 1, 1985, are for tax avoidance purposes, except that the Secretary may waive that presumption. The statement of managers clarifies that the Secretary should carefully examine such transfers, but may waive application of the rule under existing ruling guidelines. For example, the rule does not apply to transfers for which a ruling was obtained prior to June 6, 1984. If the Secretary issues a favorable ruling after June 6, 1984, ordinarily that will evidence the Secretary's willingness to waive the special rule.

Mr. LONG. Mr. President, I want to address the effect of the transition rule on the caps on industrial development bonds in cases where an undivided interest in the project is sold after the original inducement resolution was passed. Under section 631(a)(2) of the bill, the new caps will not apply to any issue of bonds if first, there was an inducement resolution for the issue before June 19, 1984, and second, the bonds are issued before January 1, 1985.

I want to clarify that bonds may be issued under the transition rule in section 631(a)(2) for an entity which acquires an undivided interest in a project before June 19, 1984, and after the date of the inducement resolution provided:

First, the bonds are issued pursuant to the original inducement resolution;

Second, the original recipient of the inducement resolution continues to maintain majority ownership in the project; and

Third, the total amount of bonds issued by all parties with an undivided interest in the project does not exceed the amount provided in the inducement resolution.

Mr. DOLE. The Senator from Louisiana is correct. Bonds issued for the acquirer of an undivided interest in a project would not be under the cap under those conditions.

COLLOQUY ON CERTAIN BPA BONDS

Mr. PACKWOOD. Mr. President, I have a question of Senator DOLE with respect to the effect of section 622 on bonds to be issued by the Washington Public Power Supply System. Section 622 adds to section 103 subsection (h) which refers to Federal guarantees.

As you know, from 1970 to 1973, Bonneville Power Administration entered into a series of net billing agreements with certain of its statutory preference customers and the Washington Public Power Supply System. Those net billing agreements have served as security for approximately $6 billion of the tax-exempt bonds issued by the supply system to finance the construction of its nuclear projects 1, 2, and 3. Project 2 is virtually complete. Project 1 is approximately 63 percent complete and project 3 approximately 75 percent complete. Will the Senator confirm my interpretation that by reason of section 631(c)(3), subsection (h) will not prevent the supply system from issuing bonds in the future to complete its nuclear projects 1 and 3, the interest on which is exempt from Federal income taxation and which are secured by net billing agreements or other arrangements pursuant to which Bonneville Power Administration makes payments with respect to the acquisition of generating capability of the financed projects.

Mr. DOLE. That's my understanding.

Mr. PACKWOOD. I thank the Senator.

Mr. BENTSEN. Mr. President, section 631(c)(2) of the conference report sets forth the effective date for the new restrictions on FSLIC guarantees of industrial development bonds. In general, the new restrictions apply to bonds issued after April 14, 1983. However, the new restrictions do not apply to bonds issued pursuant to a binding contract in effect on March 4, 1983. It is my understanding that, for purposes of this rule, a binding contract to issue bonds includes a bond purchase agreement customarily used in the trade with normal closing conditions. Is my understanding correct?

Mr. DOLE. The Senator's understanding is correct.

Mr. President, the enactment by Congress of the Tax Reform Act of 1984 should not be interpreted as a commentary on the enduring relationship freely established between the Commonwealth of Puerto Rico and the United States of America. In this legislation Congress focused on the difficult task of raising sufficient revenues to bring our substantial national deficit under control. The provisions relating to Puerto Rico were among hundreds covered in this Tax Reform Act of 1984. It was neither the purpose nor indeed possible, in the course of this mammoth enactment, for Congress to examine questions of political status. Depending upon the freely expressed wishes of the people of Puerto Rico, such questions can be addressed as appropriate in the next Congress.

MEDICARE PHYSICIAN FREEZE PROVISION

Mr. LONG. Mr. President, I understand that problems have arisen over the past year or so in translating hospital-based physicians' salaries into fees—a procedure necessitated by previous Medicare legislation. As a result, some physicians are presently receiving Medicare allowances that are clearly erroneous. These physicians are concerned that the pending legislation would freeze their Medicare allowances at these unrealistic levels.

Is there anything in the pending legislation that would prevent the correction of clearly erroneous Medicare payment amounts so that the physicians in question would neither be better nor worse off than other physicians?

Mr. DOLE. No, there is nothing in the bill that would prevent the correction of these errors.

Mr. PACKWOOD. Mr. President, I have a question regarding subsection 558(d) of the tax bill. That subsection provides a special rule for employers with a binding agreement to withdraw from a multiemployer plan on September 26, 1980. It is my understanding that that subsection applies to a company with a binding sales agreement which results in withdrawal. Does the distinguished floor manager agree?

Mr. DOLE. I agree with the Senator.

Mr. PACKWOOD. I thank the Senator very much.

Mr. WALLOP. Mr. President, it is my understanding that if a service contract for any of the qualifying facilities described in new section 7701(e)(3) complies with the special standards in new section 7701(e)(4), and thus is not treated in substance as a lease of the facility to the service recipient, then the service recipient is not considered to be a user of the facility for any purpose of chapter 1 of the Code. I ask the chairman if I am correct in that understanding?

Mr. DOLE. Yes, the Senator, is correct.

Mr LAXALT. Mr. President, I rise to ask for some clarification and explanation of section 146 of the bill relating to the reporting of cash receipts of more than $10,000 by individuals or organizations engaged in a trade or business. Specifically, there appears to be an overlapping between requirements levied on financial institutions under the Bank Secrecy Act and reporting under this provision.

Mr. DOLE. I can assure the senior Senator from Nevada that we do not intend to create a duplicative and dual system of requirements under the Bank Secrecy Act and this legislation.

Mr. LAXALT. I am concerned because the casino industry within my State has completed about 18 months of information exchange and cooperation between Assistant Secretary Walker and industry representatives. In fact, the House has held hearings on the outcome of this process during which both Treasury and the casino industry both testified. In essence, the Treasury wishes to bring the casino industry under the Bank Secrecy Act to assist in closing certain loopholes which might assist money launderers such as drug traffickers. The proposed Treasury regulation would impose stringent requirements and certain types of reporting on casinos either directly to the Treasury or through State regulation at the discretion of the Secretary of the Treasury. The State scheme of regulation must substantially meet all the requirements of the Treasury regulation in order to qualify and all reports given to State authorities must be made available to the Treasury. The proposed system is complex and all encompassing. Treasury indicated that certain information was vital to assist law enforcement while other types of information would be counterproductive.

Mr. DOLE. I am generally aware of this matter; however, I thank the Senator for making this body aware of this complicated matter. This pending legislation is not intended to conflict with or negate the effects of the casino regulation. Under our original intent, where overlappings or conflicts with this pending legislation and the Bank Secrecy Act develop, the Secretary of Treasury has discretion to waive the requirements of one or the other of the conflicting laws so long as the reporting required under this act is accomplished in substance.

Mr. LAXALT. I understand that the casinos would be under the Bank Secrecy Act jurisdiction and requirements or under the provisions of section 146 of this legislation but not under both concurrently.

Mr. DOLE. That is correct. Requirements under the Bank Secrecy Act can, at the discretion of the Secretary, completely fulfill the requirements of this provision.

Mr. LAXALT. I thank the Senator.

Mr. BYRD. Mr. President, it is with considerable reluctance that I have decided to support the conference report on the Omnibus Deficit Reduction Act. I opposed this legislation when it was passed by the Senate because the bill called for sharp cuts in Medicare and precedent-breaking mandatory appropriations caps on spending.

There are still major deficiencies in this legislation. Although scaled back, Medicare premiums are still due to rise. The proposed $3 a month increase to be phased in over several years may not seem much to some people, but for many people even $3 weighs heavily on a monthly budget. The package also does nothing to scale back Pentagon spending, even though the Senate showed substantial sentiment for a much lower spending target than the one proposed by the President.

I also remain concerned about the impact on the Nation's Synthetic Fuels Program of the $2 billion rescission from the energy security reserve. The conference report does contain language indicating that the rescission was made with the understanding that the five vacancies on the Board of the Synthetic Fuels Corporation will be filled and that the Board will submit an operating plan to the Congress. I can only hope that the administration shares this understanding so that we can get the SFC Program back on track. Even though publicly owned facilities such as sewerage plants are exempt from the cap imposed on the amount of industrial revenue bonds that State and local governments can offer, it will be a long-term drag on economic activities in West Virginia.

The conferees made some notable improvements in the bill. The conference agreement deletes most of the Medicare cuts which would have directly affected elderly and disabled beneficiaries. Equally important, the conference agreement eliminates the two separate caps on appropriations for defense and nondefense programs for the next 3 years, as well as the new points of order against any bill exceeding those caps.

By rejecting the two separate caps on appropriations, the conference agreement leaves the door open for Congress to shift funds between domestic and military programs while remaining within an overall spending limit. This flexibility is vital if Congress is to respond effectively to the shifting needs of the Nation.

There have been other important changes as well. Several of the more onerous tax proposals have been muted or dropped altogether. I was particularly pleased that the coal depletion allowance was not singled out in the conference agreement for unfair treatment relative to other natural resources. Although the conference report goes further in altering the capital gains treatment of coal royalty payments than the proposal that I cosponsored, I am hopeful that the delay and grandfathering provisions included in the conference agreement will allow time for adjustment and possible change in this provision. I was also relieved that the conference agreement moderated the shift in real estate depreciation at a time when pressures on the housing industry are already increasing.

Moreover, there is an overwhelming need to curb the massive Federal deficit. On Monday, the prime rate increased for the fourth time in as many months. The President explained away the rise by attributing it to an ungrounded "* * * fear of the future * * *." This is no phantom phobia, Mr. President, but a fear based on the fact of enormous and rising deficits and interest rates. Let me examine for a moment the dimensions of the problems we face:

The 1984 deficit is expected to be around $180 billion—more than three times the size of the last Carter deficit that was so vilified in the 1980 campaign;

By the end of the decade, the deficits are projected to rise well over $200 billion even with healthy economic growth. Without serious changes in spending and taxing, some experts put the end of the decade deficit above $300 billion;

The deficits are now so large that they threaten to take almost two-thirds of the pool of savings available for new investments;

The rising tide of red ink will raise all interest rates—and sink a growing volume of investments;

A rising Federal deficit means a rising public debt. In 4 years, Mr. President, the current administration will have virtually doubled the public debt. For the first time since the end of World War II, the public debt is going up in relationship to GNP. In effect, the future debt burden on the average American has been going up;

With the larger debt, come larger interest payments—so large that they will wipe out the effect of most savings cuts and make it harder for the country to meet its investment needs and its commitment to opportunity.

The deficits, Mr. President, are no longer the subject of arcane discussions among policy analysts. They have become a bloated spider sitting in a growing web of economic problems.

The coming collision between growth and growing deficits will force interest rates ever higher. It is an economic pattern that clouds the present and darkens the future.

Rising interest rates threaten to further erode the American dream of owning one's own home. The recent jump in mortgage interest rates has already dampened housing starts and home sales. More than half the homes now sold carry variable rate mortgages. To buy a house, hundreds of thousands of Americans have had to gamble on the good sense of the administration and the courage of the Congress.

The impact of rising interest rates is already sweeping through the small business community, endangering a key part of the American economy that is an engine for innovation and employment growth.

As interest rates rise, investments in the future will fall. Students will be forced to put aside their plans for education. Ambitious research plans will be scaled back. Businesses will first delay and then cancel orders for new factories or the latest piece of equipment.

The international dimensions of the budget deficits are equally grave. As the growing budget deficits push interest rates upward, the debt burden of the developing world is increased, endangering emerging democracies in several countries, and threatening the stability of the financial system itself. Large American banks have lent heavily to developing countries in Latin America and East Asia. In several cases, the amount of their exposure exceeds their stockholders' equity. It is a house of credit cards that can easily be tipped over by deficit-driven interest rates.

The Federal deficits are also linked to our record trade deficits. Rising interest rates have helped push up the international value of the dollar. In effect, this administration has put a tax on every export and given a subsidy to every import.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter I received from the President.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, DC, June 27, 1984.

Hon. ROBERT BYRD,
Minority Leader, U.S. Senate,
Washington, DC.

DEAR ROBERT: As the Senate prepares to vote on the Conference Report on H.R. 4170, the Deficit Reduction Act of 1984, let me reiterate my support for this major element of the deficit reduction package.

This measure, which was fashioned in a bipartisan manner, contains both spending reductions and measures to close tax loopholes of questionable fairness. The tax provisions are consistent with the downpayment plan target, and many of the key provisions providing for structural reform and curtailing tax abuses were included in my Fiscal 1985 Budget.

Most importantly, the tax provisions of the downpayment package contain no increase in individual tax rates.

The adoption of this Conference Report, coupled with the remaining components of our downpayment package, will help ensure that the economic recovery now underway is sustained in the months and years ahead.

Sincerely,

Ronald Reagan.

Mr. DOLE. Mr. President, while we are looking over one additional matter, I hope that we can move to final passage of the conference report. As I have said many times before, if we are really serious about deficit reduction, we have an opportunity now to indicate as much. The conferees certainly spent a long time trying to put together a good package. It may not be perfect. It probably is not. We tried to accommodate as many concerns of Senators as we could. I hope that we may demonstrate with a rather substantial margin that we are serious about putting this deficit reduction in place and sending a signal to the financial markets and the American people, realtors, homebuilders, and others, whose very lifeblood depends on action by this Chamber. This conference report passed the House by a wide margin earlier today. I think the motion to table demonstrates that it has broad bipartisan support. Obviously, it is not perfect, as I have indicated. We would like to have more on the spending side. We would like other committees to do more on the spending side. But overall, in my view, it is a good package.

I am happy to yield to the Senator from Louisiana.

Mr. LONG. Mr. President, I said before and I say again, I will vote for this conference report because in my judgment, we have no other choice.

I think it would be a disaster for this country if the word were to get out that Congress intends to do nothing about the enormous deficits that we are running. I put in the Record earlier a letter from the President of the United States urging us to vote for this conference report. The President will support it. The President will sign the bill.

For Congress to fail to pass this measure would send a message across the country that I think would be disastrous; a message that in spite of these enormous deficits, the Congress is not going to do anything about them. As a member of the Finance Committee, I am proud that the Finance Committee, under the leadership of Robert Dole, did measure up and we have done what we were supposed to do in terms of cutting spending and raising revenue. We have done what the Senate expected us to do. It seems to me the Senate should support the conference report because it is the only responsible thing it can do.

Mr. DOLE. Mr. President, may I add one final word, unless there are other Senators who want to speak, I think there is some confusion on this total spending package. As I understand the total, if you add the revenues and the Finance Committee spending reduction and the other committees, I have been saying it is $61.5 or $61.6 billion that is our package, but there is another $3 billion to be added, is that correct?

Mr. DOMENICI. That is correct.

Mr. DOLE. Somewhere in the neighborhood of $65 billion.

Mr. DOMENICI. And whatever happens on defense. You will get a minimum of $40 billion added at the end. You will be about $140 billion including the interest savings if no pay changes occur. We think they will. So I think that is the minimum package.

Mr. LONG. I ask for the yeas and nays, Mr. President.

The **PRESIDING OFFICER.** Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Several Senators addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Montana is recognized.

Mr. MELCHER. Mr. President, I have no desire to hold up or delay in any way the final passage of this conference report. I shall not support it. I shall vote against it. I have explained that earlier this evening. I have spoken about the change in the law that this will put into effect on imputed interest rates.

It is very bad news. It is increasing imputed interest rates from 9 to 15 percent if the transaction were done today. The transactions where imputed interest rates are applied involve sales on real estate, real property between buyers and sellers where the seller carries the paper, carries the loan.

I will make this very simple. If you try to sell a farm or a home after this becomes law, and you do sell it at 10 percent, IRS will collect income tax off of you as if it were 15 percent. That is as of today. If the rates go up on Treasury notes, it would be more than 15 percent. If they go down, it would be less than 15 percent. But that is an increase from 9 to 15 percent. It is intolerable. It is a very bad feature in this bill and must be corrected.

Mr. President, we cannot amend a conference report to correct a very bad feature, and this is an extremely bad feature. But House Concurrent Resolution 328 is at the desk, and House Concurrent Resolution 328, which passed the House today, a few hours ago, is the technical amendments to this conference, to this tax bill. Without those technical amendments, I doubt whether this tax bill would be very satisfactory.

It will be the intention of the manager of this bill, I assume, to ask unanimous consent to call up House Concurrent Resolution 328 and to take it up immediately. I hope that will not be the case, because that resolution is amendable, and that resolution must be amended, in my judgment, to straighten out the effect of this change on imputed interest rates.

I am not quarreling with those who say that there is a big tax loophole for some people, for some corporations, for some huge transactions on contracts, for deeds, or seller-financed sales. There could well be. That is the position of the Treasury Department.

However, I have asked any of my Senate colleagues or the Treasury Department or anybody else to present a study or some information that would indicate that on the sale of farms or ranches or homes or small businesses—of a small nature—there is any tax evasion at all. I doubt whether there is. These are open-and-shut cases where somebody, in order to sell their home, finances part or all of the sale, and the same applies to a farm or a ranch or a small business.

I have an amendment at the desk to House Concurrent Resolution 328 which will simply say that there will be a cap, that there will not be any increase in imputed interest rates on any sale or transaction for a home, a ranch, a farm, or a small business at anything less than $1.5 million. I think that is very reasonable.

If the amendment would be acceptable, I would be delighted to consider the concurrent resolution at any time, but I doubt whether it would be acceptable tonight. I think the managers would want to consult with the House on this, to see whether they could accept it.

Therefore, I hope unanimous consent is not asked for calling up House Concurrent Resolution 328, the technical amendments, until sometime tomorrow.

Mr. EXON. Mr. President, I am reluctantly compelled to support the Deficit Reduction Act today.

The President has requested this package of revenue increases and spending cuts as his downpayment on deficit reductions efforts. This bill implements the recommendations of the President's so-called Rose Garden budget plan which proposed a 4-year deficit reduction program of $150 billion. The President's plan consisted of about $50 billion in revenues, $50 billion in spending cuts, and $50 billion in defense spending reductions.

I had offered a plan which would have implemented greater spending cuts than the Rose Garden plan. I supported every possible alternative deficit reduction plan offered. All of these alternatives would have made greater spending cuts than the President's plan, yet, only the Rose Garden plan prevailed. I support the President's plan now only because it was the only plan left to support with all its shortcomings. This conference report on the Deficit Reduction Act implements the President's requested downpayment on the deficit and it is a very weak downpayment.

Mr. President, I am supporting this effort because it is at least a beginning. It is at least an attempt to grasp the tail of the deficit monster.

The plan which I had offered would have achieved nearly $800 billion in deficit reduction over the next 5 years. This plan, which I offered with my colleague Senator HOLLINGS, and my friend from the Republican side of the aisle, Senator ANDREWS, proposed to freeze most Federal spending at the 1984 level for 1 year. Spending would have been held to only 3-percent increases annually for the following 4 years.

I am pleased that the Congress has demonstrated at least timid courage in recognizing the need to address the deficit. I wish that, collectively, this body had the courage to do more. Nebraskans have come to me time and again with their concerns about the impact of the Federal deficit on interest rates. The common sense of Nebraskans know only too well that as Federal borrowing crowds out private borrowing in the credit markets, interest rates are affected. Higher interest rates cost Government and the private sector more and only compound the Federal deficit.

Mr. President, in 1980, the deficit was about $60 billion. In just 3½ years, that deficit has ballooned to nearly $200 billion. In 1980, the accumulated national debt was about $715 billion. In just 3½ years that debt has risen to $1.5 trillion. Unless we begin to address the deficit problem, the President's economic recovery plan is imperiled and we will doom our children and other future generations of Americans with the burden of facing this problem.

The Deficit Reduction Act before us today provides for about $51 billion in tax increases derived principally from closing tax loopholes. Several responsible tax reforms addressing tax shelters and benefits available only to higher income taxpayers are included in this bill. This bill takes a small step forward in reforming the Tax Code to make it more fair to the average taxpayer with revisions in corporate, accounting, and tax shelter practices aimed at ending many abuses by business and high income individuals.

Mr. President, this deficit reduction plan is not my first choice. In fact, it is my last choice. Some provisions in this bill are not as good as they could have been. But the President has asked for it to the exclusion of all other plans. This Deficit Reduction Act before us is the only available opportunity to begin to address the deficit. It is only a beginning. The President has left us with little choice but to support this measure.

Fiscal responsibility strikes not with a bang but with a whimper.

Mr. BINGAMAN. Mr. President, I reluctantly support the conference agreement on H.R. 4169, the Omnibus Deficit Reduction Act and I will vote for it. However, in my opinion, it does not begin to do enough to reduce the deficit, it is unfair to senior citizens and consumers, it reduce taxes which ought to be retained, and it does not keep defense spending increases at a reasonable level.

DEFICIT PROBLEM

The most compelling domestic issue facing our Nation at this time is the problem of the growing Federal deficit and its impact on our economy. The budget which President Reagan proposed in February provided for a deficit of $192 billion in 1985 and increasing to $248 billion in 1989, a cumulative 5-year total of $1.124 trillion, a staggering figure which defies comprehension. Some estimates put the deficit even higher. In my view, it is an understatement to say that a deficit of this size is unacceptable. It clearly represents a profound threat to the future health of the economy. Unfortunately, our efforts in Congress, particularly in the Senate, have not produced responsible action. I am concerned that this failure will increase the probability of recession and economic downturn in the immediate future.

In the very near future the Congress will be forced to consider and take action on the deficit problem. Without more responsible action, interest rates, which have already begun to accelerate, will continue to rise, mortgage foreclosures will increase, our international trade deficit will continue to rise, jobs will be lost and our economy will sputter.

Deficit reduction measures are bound to hurt—with tax increases, reductions in benefits, and reductions in Federal spending programs. However, this cost must be balanced against the more serious harm to the economy of our States that could come from ballooning deficits. In New Mexico, unemployment is still too high and key industries in the State are particularly vulnerable to the high interest rates and to the inflation that the deficit could trigger. Construction, mining, and agriculture—all important industries in New Mexico—are extremely interest rate sensitive. Our principal exports—copper, potash, beef, natural gas—are all overpriced on the dollar. Tourism, which fluctuates with people's perception of well-being, could also suffer.

The action we have already taken on the Senate bill and which we are asked to take again today, does not raise enough in taxes, it does not reduce defense spending to an acceptable level and the domestic spending cuts it does make are not equitably shared, particularly those made in medicare.

CONFERENCE AGREEMENT

The conference agreement we are considering today is a 4-year package of $50 billion in tax increases and $11 billion in benefit cuts. Combined with other spending cuts it represents a deficit reduction of approximately $74 billion over 4 years. In the 1985 fiscal year it represents a deficit reduction of $14.6 billion, which is less than 9 percent of the expected deficit for that year. It is a downpayment on the massive Federal deficit, but only a modest downpayment. The agreement reached includes agreement on all substantive authorizing legislation in the conference, including tax revenues, veterans' benefits, Federal pay and retirement, medicare and medicaid benefits, credit union legislation, procurement reform, and small business loans. No agreement, however, has been reached on defense and domestic discretionary spending. According to the distinguished ranking minority member of the Budget Committee this action could, instead of reducing the deficit, permit even more spending and an even greater deficit.

SPENDING CAPS

There are several other problems I have with the package in addition to the omission of spending caps. The measure approved by the conferees raises liquor taxes, changes rules on accounting practices, corporate taxes and tax shelters in an effort to curb abuse, and restricts the sale of tax-exempt industrial development bonds. However, in my opinion, in addition to not raising enough in new revenues, the measure places too great a burden on medicare recipients.

MEDICARE

The major portion of the $11.2 billion in spending cuts is nearly $8 billion saved on medicare. The saving includes an increase in premiums that recipients pay for doctors' services and a 15-month freeze in physicians fees. Many physicians have already elected not to participate in Medicare and more will drop out, further threatening health care for the elderly. The elderly have already suffered more than any other group at the hands of budget cutters and they are least able to protect themselves due to fixed and limited incomes. More should be done to balance the pain of reducing the deficit.

CONSUMERS

The package also places too great a burden on consumers, and does not share burdens fairly. Among other things, the bill extends the 3 percent telephone excise tax. On the other hand, instead of maintaining the excise taxes on cigarettes at the current rate of 16 cents, it allows the tax to drop to 8 cents, next year. Reducing the cigarette excise tax is a direct and serious threat to the health of millions of Americans. The taxes, besides being a revenue raiser, are an effective deterrent to smoking. Higher taxes mean fewer smokers, particularly fewer adolescent smokers.

DEFENSE

In addition to these and other problems with the tax portion of the package, I am concerned that the deficit package does not adequately reduce the level of defense spending. The House bill would have increased military spending, after adjustment for inflation, by an average of 3.5 percent in fiscal years 1985-87. The Senate bill increases spending to over 7 percent. A compromise agreement still has to be reached on the final level of defense spending.

Throughout this debate, which has been continuing for over a year, I have maintained a commitment to support reasonable deficit reduction measures. By reasonable, I mean fairness in spreading the burden of deficit reduction, and realistic in terms of meeting our national needs and commitments at home and abroad. The best way to attack this problem, in my opinion, is through a combination of controlled defense spending, increased tax revenues, and continuing limits on domestic spending.

SENATE ACTION

On April 13, the Senate passed the tax portion of the deficit reduction package. I voted for this measure, although I felt that it did not raise enough revenue to address the huge scope of the deficit problem. I therefore supported amendments which would have postponed implementation of tax indexing and would have established a minimum corporate tax. These measures, which would have raised $51 billion in 3 years and $19.1 billion over a 5-year period, respectively, were defeated.

When the Senate finally passed the President's proposal on May 17, I voted against it, as an expression of my disappointment that more had not been done. Indeed, the measure provides for continuing increases in the deficit. I still feel much more needs to be done to reduce the size of the deficit. I regret that the Senate has not been able to pass a more substantial measure that makes a more serious effort to come to grips with the deficit. After a month of debate and many rollcall votes it is unfortunate that we do not have more to show for our efforts. Unless we bring our fiscal policy under control, our already strained system will face irreparable harm. Interest rates are already rising, mortgage foreclosures are increasing, our international trade imbalance sets new deficit records each month, and human pain and suffering grow each day we fail to stabilize this fiscal crisis. While the deficit downpayment in this bill is something, it does far too little to address the $500 billion-plus cumulative deficit that will still result over the next 3 years.

With this conference agreement, we still have not passed legislation that will significantly scale down the deficit. I will continue to support measures that promise to do so.

Mr. KENNEDY. Mr. President, I am casting my vote today in favor of the conference report on H.R. 4170, the Deficit Reduction Act of 1984. I am supporting this bill because I believe it is imperative that the Congress act to reduce the disastrous budget deficits that the Reagan administration's failed economic policies have created. Unless the Congress takes action to get these deficits under control, our current recovery from the worst depression since the Second World War is likely to prove no more than a brief upward blip on a steep downward slope of high unemployment, stagnant growth, and declining American strength in the world economy.

Unfortunately, the measure before us has been misnamed. Some have called it a downpayment on the deficit. Mr. President, the deficit will continue to grow. This situation is unprecedented. During a recovery deficits should be going down, not up. But never before have we been forced to contend with an administration insisting upon simultaneously calling for massive increases in spending for defense and massive tax reductions.

We have a big job left in front of us. The defense budget must be brought in line with our real national security needs. We must undo the excessive tax cuts passed in 1981 and restore the corporate income tax. We must move to insure that the personal income tax is fair, simple, and progressive. We must stop penalizing the elderly for skyrocketing health care costs and enact serious medical care cost containment. When we have done these things we can fairly claim to have met our responsibility and honestly reduced the deficit. Today's vote simply means that the deficit is getting worse, but at a slower rate.

I also want to take a few moments to discuss the health care portions of the conference report. I am pleased by some of the medicaid provisions included in this bill. Since the Reagan administration has been in office, savage cuts in the medicaid program, indefensible reductions in Federal health service delivery programs and loss of health insurance benefits as a result of unemployment have devastated the ability of low-income Americans to attain access to needed health care. More than half a million poor mothers and children have been dropped from Medicaid as a result of Reagan eligibility changes. Federal medicaid matching has been reduced more than $1½ billion over the last 3 years—with predictable cutbacks in vitally needed services and in programs at the State level. Federal health services programs such as community health centers, migrant health centers and maternal and child health grants that provide access to primary health care for the most disadvantaged and vulnerable members of our society are currently being funded at approximately half of their 1980 level after correcting for inflation.

H.R. 4710 takes several important steps to partially correct these unfair and inhumane policies by eliminating the Reagan reduction in Federal medicaid matching, and by establishing—over a 5-year period—Medicaid eligibility for approximately 600,000 additional poor children and pregnant women.

In supporting these positive aspects of H.R. 4170, however, I must register my dissent in the strongest possible terms to those provisions of the bill that add additional costs to our Nation's hard-pressed senior citizens and disabled Americans who depend on medicare for access to affordable health care. The Reagan record on medicare is one of the most disgraceful aspects of an administration whose history of callousness and insensitivity toward the needy in our society has been unsurpassed during the 21 years I have been a Member of the U.S. Senate.

Since Ronald Reagan has been in office, he has proposed or supported medicare benefits cuts that, if fully enacted, would cost every senior citizen in America $1,000 over the next 5 years—a total of $31 billion. The President either doesn't know or doesn't care that our senior citizens already face unacceptably high costs for the health care they so desperately need. The President either doesn't know or doesn't care that Medicare covers less than half of the elderly's medical costs. The President either doesn't know or doesn't care that the elderly must spend over $1 in 7 of their limited incomes to purchase health care. The President either doesn't know or doesn't care that the elderly must pay a proportion of their income to purchase health care that is as high today as it was before Medicare was enacted. The President either doesn't know or doesn't care that the elderly are the members of our society most victimized by excessive rates of health care cost inflation—an inflation so high that it has raised the costs the elderly must pay out of their own pockets from $698 as recently as 1977 to over $1,500 today. The President either does not know or does not care that unless inflation is checked, this already excessive cost of $1,500 today will rise to $5,000 by the year 2000—even if no additional benefit cuts are enacted.

Unfortunately the Senate version would have adopted some form of every unfair benefit cut in the President's 1985 budget. It would have loaded an additional $10 billion in medical costs on our senior citizens over the next 5 years.

I moved a series of amendments on the Senate floor that would have stricken or modified the benefit cuts included in the Senate bill. I am pleased that the conference adopted a number of my proposals. The conference dropped the delay in Medicare eligibility included in the Senate bill, as I proposed. It eliminated the increase in the deductible included in the Senate bill, as I proposed. It modified the physician fee freeze so that beneficiaries were given some—although incomplete—protection against physicians charging more to make up for what Medicare does not pay. My proposal would have provided better protection for beneficiaries than the conference agreement, but I am pleased with the result. Finally, while the conference did not eliminate the part B premium increase included in the Senate bill, as I proposed, it at least sunsetted that increase after 1987.

Although the conference provisions on medicare are a vast improvement over the Senate bill, they are still fundamentally unfair. They are unfair for two reasons. First, the conference provisions impose substantially increased medical costs on our Nation's senior citizens. The premium increase will cost our seniors $1.3 billion over the next 3 years. CBO has not yet costed the 5-year totals, but they will increase the burden further. Despite the safeguards included in the conference bill, a substantial portion of the $2.6 billion savings from the physician fee freeze will undoubtedly show up as higher physician costs for senior citizens. Medicare is a budget problem not because medicare is too generous; it is a budget problem because the Congress has failed to control excessive inflation in health care costs. It is simply wrong to make our senior citizens pay for that failure.

Medicare benefit cuts are unfair for another reason. Medicare faces a financing crisis even more severe than the social security financing crisis Congress addressed last year. Medicare will be bankrupt by 1991 under the most recent actuarial projections and will face a $1 trillion cumulative deficit by the year 2005. Medicare needs to be addressed through a comprehensive proposal that will put it on a sound financial basis. The Congress rejected the Reagan approach of using the financial crisis of social security as an excuse to balance the budget on the backs of the elderly; we should be equally firm in rejecting the use of medicare as a vehicle for short-term budget savings.

I hope that the Congress will enact a fair and comprehensive solution to the medicare crisis next year. I have proposed such a program—the Kennedy-Gephardt bill—that I hope will receive serious consideration from my colleagues. I think we will have done a grave disservice to our senior citizens and to our responsibility as public servants if we are here again next year discussing another round of Medicare benefit cuts as the way to stop the hemorrhage in the Federal budget.

Mr. GRASSLEY. Mr. President, I would like to highlight some provisions of the Deficit Reduction Tax Act which are of great importance to me and issues which I sponsored for inclusion in this tax bill.

Included within this complicated bill is a provision which outlines the audit procedures the IRS may use in examining a church. This provision requires the IRS regional commissioner to approve a church audit only if the facts and circumstances recorded in writing reasonably lead him to believe that the organization may not qualify for tax exemption as a church or may be engaged in an unrelated trade or business which generates taxable income. Before tax exemption is revoked, or the church is taxed on unrelated business income, the new church audit procedures within this section must be followed.

The new church audit procedures also require the IRS to provide churches under inquiry with a written notice explaining the IRS's concerns and the general subject matter of the inquiry. Also, this notice should recite the relevant Internal Revenue Code provisions and a general explanation of the relevant constitutional and administrative provisions which apply to the inquiry. This notice must be sufficiently specific to permit the church to understand the particular areas of church activity or behavior which are the subject of the inquiry.

Furthermore, the church must be offered a conference with the IRS when the notice described above is sent. This conference is designed to permit the church to understand the exact nature of the IRS's concern before an audit begins. It is my hope that this procedure will provide a forum for an honest exchange of information and prevent costly and time-consuming audits for both the IRS and the churches. Before church records could be examined, a second notice must be sent to the church.

Additionally, this provision limits the amount of time the IRS may take in conducting a church investigation and it limits the number of past years which may be examined by the IRS. These new safeguards require the IRS regional commissioner to approve a repeat audit on the same issues within 5 years. Final IRS determinations must be approved by regional counsel. If the IRS deviates from the church audit procedures, the taxpayer can require the church to follow the procedures in court without tolling the statute of limitations.

A different provision of the Deficit Reduction Act limits the prepaid expenses an individual may claim as a deduction as part of an effort to shelter taxes. The provision forbids the deduction of prepaid expenses unless economic performance occurs, with an exception for those tax shelters which have economic performance within 90 days, limited to the amount of actual cash investment of each shelter participant. Bona fide farmers with a business motive for their transaction will not be affected by this provision. Individuals who are engaged in tax shelter farming will only be able to claim a prepaid expense deduction to the extent of their actual cash investment if economic performance occurs within 90 days. Senator DOLE restated my concern at the conclusion of conference that this provisions should be rigorously enforced by Treasury to stop tax investors from destroying a profit-motivated cattle industry. As chairman of the Subcommittee on Oversight of the IRS, I will be watching to be certain this provision is enforced by the Internal Revenue Service to ensure a healthy, shelter-free cattle industry.

Another important provision in the tax bill permits the Commissioner of the Internal Revenue Service to waive the automatic estimated tax penalty if an elderly or disabled individual fails to file an estimated tax return. Every year, my office receives complaints from retired taxpayers who have been assessed an estimated tax penalty. They are often disturbed because their flawless record of tax compliance has been marred by failure to comply with a provision they didn't know existed. Often elderly taxpayers who are subject to wage withholding their entire taxpaying lives are unaware they have an obligation to file quarterly payments with the IRS once they retire if their income exceeds a certain level. The Commissioner requested the authority to abate this penalty and stop this harsh result. We have achieved that goal for both elderly and disabled taxpayers and hopefully will improve the impression of these taxpayers about the self-assessment tax system.

Another important provision of this bill requires the Department of Treasury to study alternative tax systems and report their comparisons back to Congress within 6 months. In my subcommittee, I have chaired a series of hearings on the issue of whether or not the Tax Code stimulates or impedes productivity in certain economic sectors. The interface of the Tax Code and economic behavior needs greater examination. This inquiry should be undertaken in conjunction with a comparison of alternative tax systems. In my view, an objective assessment by the Treasury Department of the virtues and shortcomings of various tax systems will be useful to all Members of Congress in their efforts to reform the tax system.

Finally, this bill does extend the targeted jobs tax credit 1 year to permit employers of members of targeted groups to qualify for the credit through December 31, 1985. The targeted jobs tax credit contains an enhanced credit for employers who hire economically disadvantaged youth for the summer months. In my view, a first summer job is a significant milestone for any young person. Economically disadvantaged youth may not have the same family connections enjoyed by a luckier classmate whose parents might assist them in landing that first job. This provision gives young people a toehold in the working world by assisting them to get work experience. I commend the conferees for extending this important provision.

While I am disappointed that the conferees did not agree to include my tax credit for soil and water conservation or my tax credit for vocational education institutions, I am confident they will see the error or their ways in future years.

Mr. BRADLEY. Mr. President, I was unable to support the spending reductions in the earlier Senate version of the deficit-reduction package. I felt that the burden for reducing the deficit was unduly placed on the backs of the elderly. I was concerned that several of the provisions in that bill would put an unfair financial burden on the elderly, and on the poor.

This is why I offered an amendment, with my colleague from Montana [Mr. Baucus] to reduce the elderly's share of the burden by restoring $0.6 billion of the $9 billion in savings in the bill by first, striking the proposed increase in the part B deductible; second, reducing the proposed increase in the part B premium increase in 1987; and, third, requiring the Secretary of the Department of Health and Human Services to monitor physician behavior and report periodically to Congress during the 2-year physician fee freeze period so we could examine whether additional costs were shifted onto Medicare beneficiaries.

I was also concerned about the provision to extend the 3-percent medicaid penalty for another 3 years; 30 million older Americans rely on medicaid as a major source of support for long-term care. Medicaid cuts also negatively affect the 13 million children living in poverty in this country. This is the largest number of children in poverty since the Census Bureau began those statistics. Thus, the cuts in the Senate bill come at a time when the need for services is higher than it has ever been.

I am delighted that the conferees adopted provisions similar to those that I had proposed in my amendment on medicare, and that they dropped the proposed medicaid cut, as I and 22 of my Senate colleagues had urged in a letter to the conferees.

Mr. President, we all know that further efforts must be made to reduce the deficit. But we must be fair in sharing the burden. I believe that the provisions in the conference report we are voting on today are not perfect, but they are certainly fairer than the Senate version of the deficit reduction package. And we must move to reduce the Federal deficit now. I therefore urge my colleagues to support the conference report.

Mr. WARNER. Mr. President, today the Senate votes on a landmark piece of legislation, a bill intended to be the first installment on a downpayment reducing the Federal deficit.

The chairman of the Finance Committee, his colleagues on the committee, and the committee staff are to be commended for the skill and sensitivity with which they crafted this legislation.

Their ability to respond to the concerns of the American taxpayer, the interests of various Members of Congress, and the objectives of the President was outstanding.

In the case of the Senator from Virginia, it was most heartening to receive the consideration given the committee on at least 15 items in this tax bill which were of great significance to the people of Virginia.

Ranging from the sunset of the excessive excise taxes on cigarettes to the insurance that commercial property owners who lease to tax-exempt entities are not unduly penalized, the committee has attempted to accommodate the issues which the Senator from Virginia worked for.

Recognizing the number of Senators in this body and all of their individual concerns, and the larger number of Representatives in the other House and all of their individual concerns, one suddenly appreciates the magnitude of the committee's responsibility.

Of course, the bill is not perfect and there are several elements in the bill which even this Senator wishes did not exist.

One provision in particular, dealing with input interest for homeowners financing the sale of their homes, will probably be back before the Congress before year's end, and when it is I intend to vote to repeal it.

But given the constraints under which everyone was operating, I believe this legislation serves the purpose for which it was intended; namely, a beginning to reduce the deficit and flow of red ink until a comprehensive overhaul of our Tax Codes can be completed and a simplified tax structure adopted.

Mr. President, this conference report represents only a third of the total deficit-reduction package which Congress and the President agreed to enact.

The other parts of that package—reductions in defense and discretionary domestic spending—are still to be completed by the conference committee, even though both Houses independently completed action on their respective proposals more than a month ago.

Nonetheless, this Senator has every confidence that the conferees will finish their work; that the deadlock over spending levels for defense and domestic spending will be broken; and, either before Congress recesses this week or by the time Congress returns in July, the total package will be before the Senate for approval.

But, Mr. President, the Senator from Virginia is deeply troubled by the difficulties which have beset conferees in the budget conference.

The protracted debate and the uncertainty which has fallen over the prospect of reducing the deficit this year has cast a shadow over our Nation's financial markets. A shadow which, if allowed to grow, could sap the energy from our robust economy.

Our Nation cannot endure the pressure of rising demand for Federal credit combined with rising demand for consumer credit combined with rising demand for business credit.

Despite the 3-year, 25-percent personal tax cut put forth by the President in 1981; despite the growth in discretionary funds available to all working Americans as a result of that tax cut; and despite the growth resulting from the economic recovery generated by this tax cut, there are limits to the amount of credit demand which the economy can accommodate. Especially, when the private sector demand must compete with Government borrowing.

In 1979 we faced a similar situation.

President Carter's way of dealing with the problem was to tighten monetary policy and reduce the amount of credit available to consumers and business.

Every Senator knows the result of that strategy.

It produced one of the worst recessions in our Nation's history.

The Senator from Virginia does not intend to see that happen again.

For that reason it is my intention to vote for this conference report and to vote against the debt limit extension when it comes before the Senate.

It is the Federal Government, not consumers, not business which is promoting the conflict in the credit markets.

It is Federal credit, not consumer credit, not business credit which must be restrained.

It is Federal credit, not consumer credit, not business credit which will be restrained by these two key votes.

Normally, this Senator is not a pessimist, and these comments are not intended to portray pessimism.

They are intended to portray concern and a sense of urgency—over the need to pass the total deficit reduction package as soon as possible, over the need to limit the credit available to the Federal Government, and over the need for Congress to make it very clear to the American public and the American financial community that dramatic steps must and will be taken to move our National Government back to a more fiscally sound basis.

That is the responsibility of this Congress.

That is the responsibility of this Senator, and the Senator from Virginia intends to fulfill his responsibility.

Mr. WALLOP. Mr. President, I would like to inquire of the distinguished floor manager with respect to some details under the language which was used to provide a safe harbor for existing Eurobonds. My understanding is that the effect intended to be achieved by the language includes, among other things, the following:

First, the intended corollary of the statement that certain classes of affiliate obligations "shall be treated as payments to a resident of the country in which the applicable CFC is incorporated" is intended to also mean that the applicable CFC is recognized as a separate corporation and that as a result corresponding Eurobond obligations are recognized as its own. This effect is included in the revenue rulings cited in the legislation.

Second, it is intended that within the class of U.S. affiliated obligation "which was issued before June 22, 1984" there are included rollovers—with or without a change in interest rate or other terms—of pre-June 22, 1984, affiliate obligations and new affiliate obligations which are substituted for the pre-June 22, 1984, U.S. affiliate obligations, as long as the total amount of U.S. affiliate obligations is not increased by the foregoing and so long as the applicable CFC does not acquire new funds after June 22, 1984. For instance, the applicable CFC could not avail itself of this rollover provision if it issues new debt to raise new capital after June 22, 1984.

Mr. DOLE. The distinguished Member is indeed correct on each of these points. Of course, this discussion has no application to the changes made to the income sourcing and recharacterization rules in the bill.

Mr. DIXON. I ask the manager of the bill to clarify the intent of the effective date in section 92(c)(2) of the bill which provides that the amendments in section 92 do not apply to "any agreement entered into pursuant to a written agreement which was binding on June 8, 1984, and at all times thereafter." The term "binding" agreement was not defined in the joint explanatory statement of the committee on conference. Am I correct that an agreement that was binding on the original parties may be assigned?

Mr. DOLE. Yes; that is correct.

PREMATURE ACCRUALS

Mr. ROTH. I would like to ask a question regarding the use of the word "consumers" in the joint explanatory statement of the committee on conference regarding the application of the new premature accrual rules to natural gas refunds. Regulated natural gas utilities pass refunds through to their customers, some of which are ultimate consumers of the gas and some of which resell the gas for consumption by others. My understanding is that the conferees did not intend to distinguish between refunds to consumers and refunds to other customers in providing for the deduction of such refunds by natural gas utilities. Am I correct that the word "consumer" was used in this context to mean all customers of a regulated natural gas utility?

Mr. DOLE. The Senator is correct. The conferees did not intend to distinguish between ultimate consumers of gas and other natural gas purchasers.

RETROACTIVE ALLOCATIONS

Mr. ARMSTRONG. Mr. President, the conference report adopts the House version of the partnership rules relating to retroactive allocations. In so doing, the conferees deleted a provision of the Senate amendment allowing partnerships to use a monthly convention for determining when changes in partnership interests occur. The statement of managers expresses the expectation of the conferees that the regulations will provide for a monthly convention. In this regard, the statement of managers indicates that partners entering after the 15th day of the month will be treated as entering on the 1st day of the following month. This rule is different from the provision in the Senate amendment in that the Senate amendment would have treated all partners entering during the month as entering on the first day of that month. Could the distinguished chairman of the Finance Committee tell me whether this new version of the monthly convention will be applied on a retroactive basis?

Mr. DOLE. I would say to my friend from Colorado that the conference committee did not intend that any undue prejudice arise from its actions with respect to the monthly convention. The reason for not adopting the Senate provision was simply that the conferees believed this matter is more appropriately dealt with by regulations. I would expect that the Treasury regulation will provide for prospective conventions and that any reasonable convention will be permitted not only up to the time the new regulations are proposed but also for a reasonable transition period thereafter. This understanding in no way mitigates the general March 31, 1984, effective date of the substantive retroactive allocation rules as they apply to cash basis items and tiered partnerships. There is a similar issue in the real estate depreciation area where a midmonth convention was adopted retroactive to March 15, 1984. As a matter of equity it certainly can be argued that this change should also have a prospective application.

Mr. MOYNIHAN. Mr. President, I rise today to speak some words of support for the Deficit Reduction Act of 1984.

Can we not agree that this is worthy legislation? Surely, we can agree that this legislation is necessary if we are to stem the unprecedented growth of Federal deficits and the public debt and begin to repair the ruin of the Federal fisc brought about by the policies of recent years. We now face a stream of projected deficits of $200 billion or more, extending, in David Stockman's phrase, "as far as the eye can see." We must close this deficit, and we must do so equitably.

The Federal deficit is the single most important problem facing the American economy. We must take decisive action now. This legislation is a beginning—but only a beginning. On President Reagan's inauguration day, January 20, 1981, the national debt accumulated over 192 years by 38 Presidents stood at $940.5 billion. In the next 1,000 days, the national debt increased by half. If the President should serve a second term and his current policies stay the course, the debt, as currently forecast by the Congressional Budget Office will have nearly tripled in 8 years. By 1989, according to the Congressional Budget Office, the annual budget deficit will reach $320 billion and total Federal debt will exceed $2.5 trillion.

In that year, 1989, the annual interest payment on the enormous national debt will reach $207 billion. Nearly one-half of all Federal receipts from the personal income tax will be required just to pay this interest. We will not be able to raise taxes fast enough, or cut programs deep enough, to keep up with these interest payments. The men and women of America who work for wages will be paying this interest with their taxes, to pay those who own Federal securities—large corporations, major banks, pension funds, and individuals with large sums to invest in Treasury securities. If we do not stop this explosion of the Federal deficit and debt, the burdens of this debt service will mean a serious redistribution of wealth, one largely unplanned and unanticipated, from the working men and women of America to its boundholders.

It would be some small comfort, at least, if all these securities were held by fellow Americans. But according to recent estimates by Morgan-Stanley & Co., increasing proportions of our national debt are owned abroad, and by the late 1980's upward of $30 billion a year in interest payments will go overseas. These payments, of course, do not reduce our debt but only keep it from growing larger.

Simply stated, these vast increases in the Federal deficit and debt are a direct consequence of the failed economic theories advanced and followed by the administration, to Laffer curve economics that promised to balance the budget by cutting taxes and increasing spending. According to the President's 1985 budget, the President's 1981 Tax Act will cost the Treasury more than $91 billion in revenues in 1983, $133 billion more in 1984, and $165 billion in 1985. Over the 5-year period 1983 to 1987, the 1981 Tax Act will cost the Treasury more than $800 billion, by the administration's own estimates.

Who has benefited? Where have these revenues gone? According to a recent analysis by the Congressional Budget Office, the net effect of the President's 1981 and 1982 Tax Acts for Americans earning less than $10,000 annually, on average, is a tax reduction of about $20 this year. The average tax liability for Americans earning $80,000 or more, however, will be reduced this year by about $9,070—enough to buy a $10,000 U.S. Treasury security at today's interest rates.

This regressive redistribution of wealth—tax cuts for the most affluent and rising interest bills on the resulting debt for the average wage earner—is only part of the story of Reaganomics. Huge Federal borrowing helps keep interest rates high, and these rates have attracted increased investment from abroad. As a result, the dollar is strong. The value of the dollar has risen about 50 percent on the world's foreign exchange markets since 1980, measured against a basket of the 10 leading Western currencies. This means that, other factors being equal, the cost for U.S.-made goods on the world market has risen nearly half, while the cost of foreign-made goods here has declined by more than a third. Is it any mystery that this year the U.S. trade deficit will approach $110 billion? The Chairman of the International Trade Commission, Alfred Eckes, has estimated that every $1 billion increase in the trade deficit costs the U.S. economy 25,000 new jobs. The increase in the trade deficit from 1983 to 1984, then, will cost American workers 1,235,000 new job opportunities this year alone. And there is no end in sight, because interest rates continue to rise. The Federal funds rate, the prime rate, and the Treasury bill rate have all risen in the last 2 weeks.

Something must be done to close these deficits, and the Deficit Reduction Act of 1984 is a beginning. But not enough. If we are to preserve our economic welfare, and our Nation's economic position in the world, we must do far more. Fiscal restraint is no longer one ideological option among several. Today, it is compelling common sense. More needs to be done to solve the problem of the growing Federal deficits, but I believe that the Deficit Reduction Act of 1984 is a genuine step forward. The Senate Finance Committee and the House Ways and Means Committee worked long and hard to put this legislation before you, and I urge its prompt passage.

The Deficit Reduction Act of 1984 includes many provisions I introduced and advanced for the people of New York. One provision allows the New York Power Authority to issue $625 million in tax-exempt public purpose bonds to finance construction of new power facilities. One such new facility will be a $300 million power cable to bring low-cost Canadian hydroelectric power to Long Islanders, thereby reducing the cost of their electricity by at least $66 million per year. The power authority also plans to finance a variety of small hydroelectric power projects in upstate New York that will save upstate customers an estimated $50 million annually. Included among the proposed projects are several dam sites along the Mohawk and St. Lawrence Rivers in St. Lawrence, Albany, Herkimer, and Saratoga Counties.

The Deficit Reduction Act of 1984 also includes a variation of a proposal I advanced, S. 2232, to limit the tax advantages available for purchasing luxury cars. Under the provision, only limited business tax advantages would be available for cars costing more than $16,000. Business owners of luxury cars will be able to claim only a $1,000 investment tax credit and to depreciate the car by only $4,000 in the first year and $6,000 in each year thereafter, up to the total cost of the car. By stretching out the depreciation allowances, the provision disallows a current 3-year depreciation of business cars, that today allows owners of luxury cars to reclaim a substantial portion of their costs in tax benefits during the first 36 months of ownership. Surely, in light of $200 billion deficits, the American taxpayer should no longer have to subsidize the limousines of business executives.

The Deficit Reduction Act of 1984 also includes a number of tax shelter reforms that I introduced. One provision halts a practice that has enabled certain affluent taxpayers to reduce their taxes by deferring income from one year to the next through the purchase of Treasury bills and other similar short-term debt instruments. Another provision curbs the use of commodity tax straddles operated through the use of foreign-based investment corporations, a tax-sheltering arrangement that has enabled some taxpayers to claim deductions for losses in the current year while deferring offsetting gains to later years. Another provision requires the Treasury to study all the tax shelter provisions in the code and report back to Congress by December 31, 1984, on how to end abusive tax shelters, so we can take further action to stop tax avoidance next year.

The Deficit Reduction Act of 1984 also includes my provision to extend section 167(k) of the Internal Revenue Code, which allows taxpayers to write off over 5 years any expenditures for rehabilitating rental housing units for low-income families. According to figures provided by New York City, section 167(k) has been instrumental in providing for the rehabilitation of some 85,000 rental housing units over the past 5 years. The city estimates that the extension of section 167(k) will mean some $25 to $30 million in additional private housing investment in New York City over the next 2 years. Another provision permits the Altman Foundation 5 more years to divest itself of some of its holdings, and so prevents a fire sale of Altman assets that could limit the foundation's charitable activities. Another provision I advanced will treat private foundations that operate public museums much like public charities, and so ease the unreasonable burden on the Strong Museum in Rochester, NY, and similar institutions.

I also was able to secure provisions permitting six New York State projects—the Kleinhans Music Hall and Shea's Buffalo Theater in Buffalo, the Snug Harbor Children's Museum on Staten Island, the Saratoga Springs Convention Facility in Saratoga Springs, a New York City office building at 44 Beaver Street, the GeVa Theater in Rochester, and Teachers' Federal Credit Union in Farmingville—to claim their full tax benefits under sale-leaseback arrangements, thus ensuring their economic viability. I also secured exemptions from many of the industrial development bond restrictions in this legislation for the Buffalo Marina Marketplace, an $18 million marina development project, and for the Guterl Specialty Steel Corp., in Lockport, which soon can be reopened to reemploy many of the steelworkers laid off last May when the plant closed.

The Deficit Reduction Act of 1984 also includes a provision exempting from taxation the tuition remissions provided to university employees, their spouses, and children, and a provision allowing colleges and universities to continue to subsidize housing for their faculty members as a tax-exempt fringe benefit. And let me mention a provision that will enable employers to provide their employees subsidies of up to $15 per month for mass transit passes, as a tax-exempt fringe benefit.

Finally, I would like to mention that this legislation also would reduce the holding period for long-term capital gains tax treatment, from 1 year to 6 months. This is a provision which I and several of my Senate colleagues have advanced for some years. On the first day of this Congress, I introduced a bill, S. 25, to shorten the capital gains holding period and the distinguished chairman of the Senate Finance Committee introduced a similar bill, which I cosponsored. We both have advocated this change to promote more efficient capital flows and capital investment, without which real economic growth cannot be sustained. Under current law an investor must wait 1 year to shift his investment to more productive assets—or suffer higher taxes. Swifter reallocations of capital, combined with more capital investment, will help assure that investment can flow where it is most needed, helping to stabilize the capital markets, ensure adequate funding for expanding enterprises and increase our economic productivity. This can mean greater output and more jobs.

This is a beginning, but only so. We must do much more, we must restore balanced macroeconomic policies, fiscal and monetary, and we must ensure a fair shake for the average American taxpayer. Only then can we restore real economic prosperity to the United States. We cannot proceed without a beginning. I urge my colleagues to join me.

Mr. LUGAR. Regarding section 31(g) of the tax bill relating to transitional rules for certain tax-exempt leasing projects, Butler University has a project to renovate Jordan Hall and Hinckel Field House. I understand that they obtained approval by the Indiana Education Facilities Board on March 22, 1983, of a $1.3 million bond to assist the project. Assuming that this approval represented formal approval by a State board of bonds to help finance the project, would that action be considered significant governmental action?

Mr. DOLE. Yes, Senator; that is my understanding.

IMPACT OF TAX BILL ON THE VIRGIN ISLANDS

Mr. President, the deficit reduction bill increases Medicaid funds to the Virgin Islands by $3.5 million over the next 3 years and maintains the increase into the futures.

The Virgin Islands are authorized, under this legislation, to issue industrial development bonds for 3 years, over Treasury's objections since they would have liked to close additional loopholes concerning the Virgin Islands.

The coverover limitations included in the bill will have no adverse impact on the Virgin Islands. The Virgin Islands did not make use of the redistillation loophole which is stopped by the bill and has negligible production of cane neutral spirits for which cover over is also proscribed. They can be adversely affected only in that they will not be able to take advantage of these loopholes in the future.

Mr. BAUCUS. Mr. President, I rise to support adoption of the conference report, and to urge my colleagues all to do the same.

BACKGROUND

Giant deficits are killing us.

When the Federal Government closed its books for 1984, it was overdrawn, by about $200 billion.

And the debt keeps piling up, at the rate of about $22 million an hour. At this rate, the national debt will double in the next 6 years, until we are paying about $280 billion a year just to service the debt.

Such huge and persistent deficits drive interest rates higher, prevent U.S. businesses from competing in international markets, and mortgage our children's future by forcing them to pay for our mistakes.

DEFICIT REDUCTION

Clearly, we cannot keep borrowing this way. We must act.

This bill—the Deficit Reduction Act—is a step in the right direction. It reduces the deficit by $736 billion over 3 years. When we add the promised additional spending cuts, this will come to about $150 billion over 3 years.

Regarding these promised additional spending cuts, I must remind my colleagues that this bill is only part of our overall deficit reduction package. The Appropriations Committees must cut spending by another $70 billion or so to complete the package. Regarding this point, I would like to insert in the RECORD a letter that President Reagan sent Senator LONG today. I ask unanimous consent that this letter be included in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, DC. June 27, 1984.

Hon. RUSSELL B. LONG,
Committee on Finance,
U.S. Senate, Washington, DC.

DEAR RUSSELL: As the Senate prepares to vote on the Conference Report on H.R. 4170, the Deficit Reduction Act of 1984, let me reiterate my support for this major element of the deficit reduction package.

This measure, which was fashioned in a bipartisan manner, contains both spending reductions and measures to close tax loopholes of questionable fairness. The tax provisions are consistent with the downpayment plan target, and many of the key provisions providing for structural reform and curtailing tax abuses were included in my Fiscal 1985 Budget.

Most importantly, the tax provisions of the downpayment package contain no increase in individual tax rates.

The adoption of this Conference Report, coupled with the remaining components of our downpayment package, will help ensure that the economic recovery now underway is sustained in the months and years ahead.

Sincerely,

RONALD REAGAN.

Mr. BAUCUS. Mr. President, I wish we had gone even further. During our recent budget resolution debate, Senators KASSEBAUM, GRASSLEY, BIDEN, and I offered an amendment that would have frozen all Federal spending, and thereby would have saved about $27 billion next year—significantly more than the President's own Rose Garden budget would save.

Unfortunately, our amendment was defeated. Nevertheless, I plan to propose the spending freeze again at the earliest opportunity.

THE CONFERENCE REPORT

But, again, this bill is a solid step in the right direction.

I would like to make several brief points about certain of its provisions.

First, the IDB provisions. We were able to make several important modifications in the proposed IDB cap. The conference adopted my proposal to create a $200 million small State floor, which reduces the cap's discrimination against less-populated States and thereby increase Montana's cap by about two-thirds. In addition, we made modifications that save beginning farmers IDB programs in Montana and elsewhere. Finally, we exempted Bonneville Power Authority conservation bonds from the provisions prohibiting the use of IDB's for federally guaranteed projects.

Second, luxury, cars. I am pleased that the conferee's adopted a version of the luxury car bill that Senator MOYNIHAN and I introduced. The conference report provision closes an unnecessary loophole, substantially reduces the business use test that was way too high in the Senate bill, and avoids creating trade problems.

Third, Superfund. I was pleased that the conference report contains my amendment overturning an ill-conceived IRS decision to tax metals that appear transitorily during the refining process. By doing so, we'll save $1.3 million for the Helena ASARCO smelter.

Fourth, conservation easements. I was pleased that the conference report contains the Senate's bill making it easier for landowners, especially western landowners, to receive charitable deductions for pledging to devote their land to conservation purposes. This provision will help us preserve our special western heritage.

The bill contains many other important provisions. For example, it extends the Mortgage Revenue Bond Program, reduces truck taxes, reduces taxes on the life insurance industry, reforms the tip tax rules to help waiters and waitresses, extends the targeted jobs tax credit programs, and permits small businesses to form export-related foreign sales corporations, which receive export tax incentives, under more streamlined rules than larger businesses.

At the same time, the conference report contains a number of provisions I do not like. I guess that's inevitable with such a long and complicated bill.

But let me stress one particular issue—imputed interest rates. As I said earlier today, the imputed interest rate provision in this bill should be repealed and I will work hard to do so before it takes effect next January.

CONCLUSION

In conclusion, let me thank Senator Dole and Senator Long. They provided the leadership we needed to get real deficit reduction underway. It was a pleasure and privilege to serve with them on the conference.

Now, we must decide whether to vote for or against the conference report. In this regard, let me make a few final points.

First, this conference report does not contain the whole deficit-reduction package. Substantial spending cuts, from other committees besides the Ways and Means and Finance Committees, must follow. Otherwise, there will have been a breach of faith that undermines the entire process.

Second, within the limited spending jurisdiction of the Ways and Means and Finance Committees, we've made substantial spending cuts. I'm especially proud of the $127 million a year cut made by my amendment to require Federal officials to deposit Federal receipts more promptly.

Third, the tax provisions generally are fair. In most cases, they make needed reforms that broaden the tax base.

Fourth, this bill is not all the deficit reduction that many Senators, myself included, would like. But, at this point, it is all that we've got. If we reject this conference report, our action would be seen as a sign that Congress is unwilling to adopt even modest deficit-reduction measures. That, in turn, could undermine business confidence, send the stock market into a sharp decline, and send interest rates even higher.

We just cannot take such a risk. We should approve the conference report.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that a letter which I received from the Honorable Member of the Congress, and a resident commissioner of Puerto Rico, along with his statement which he made in the House, be included in the Record. It is a statement—and I fully concur in his judgment—with respect to the genuinely unfortunate impact this otherwise admirable legislation on the people of Puerto Rico and the Commonwealth thereof.

There being no objection, the letter and the statement were ordered to be printed in the Record, as follows:

Congress of the United States,
House of Representatives,
Washington, DC, June 26, 1984.

Hon. Daniel Patrick Moynihan,
Senate Finance Committee, Washington, DC.

Dear Senator Moynihan: I enclose a copy of my statement on the House floor today concerning what I consider to be a grave injustice which is about to be perpetrated by Congress against the people of Puerto Rico.

The rebate of federal excise taxes on rum to Puerto Rico has been a key provision in the economic relationships between the United States and Puerto Rico for many decades and is incorporated in the Puerto Rican Federal Relations Act. A unilateral and vindictive violation of that policy by Congress is abusive and unfair and not consistent with traditional Congressional deference toward Puerto Rico.

Congress may wish to terminate the "redistillation" of "grain neutral spirits" shipped from the U.S. mainland to Puerto Rico and shipped back here but to go beyond that and deny Puerto Rico the additional excise taxes on rum and revenues from "cane neutral spirits" is totally unwarranted and unfair.

I urge you to join me in stopping this injustice.

Cordially,

Baltasar Corrada,
Member of Congress.

Enclosure.

STATEMENT OF HON. BALTASAR CORRADA

Mr. Corrada. Mr. Speaker, there is a provision in the Puerto Rican Federal Relations Act (48 USCA 734) that requires that all taxes collected under the internal revenue laws of the United States on articles produced in Puerto Rico and transported to the United States shall be covered into the Treasury of Puerto Rico. This provision in our organic act allows the government of Puerto Rico to use revenues mainly resulting from our rum production to improve services to our people for health, education, housing, economic development and others.

The House-Senate conferees in H.R. 4170 violated that fundamental provision by agreeing that federal excise taxes on alcohol, including rum, will be increased by $2.00 per proof gallon, but that the proceeds from that increase will not be covered over to Puerto Rico and by denying us the excise taxes from certain cane neutral spirits also produced in Puerto Rico.

Today I want to express my shock and outrage for what I consider an abuse and an act of injustice to the people of Puerto Rico. I urge my colleagues to reject the conference report on this point when it comes to our consideration.

Mr. DODD. Mr. President, the Senate conferees receded to the House and choose not to extend for another 3 years the so-called 3-percent Medicaid penalty during conference on the deficit-reduction package. By so doing, they ensured health-care coverage for millions of children, pregnant women, disabled persons, and older Americans in poverty.

The case for eliminating the Medicaid penalty was made in a letter 23 of my colleagues joined me in sending to the Senate conferees. I ask unanimous consent that the text of that letter be included in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, DC, June 11, 1984.

Dear Conferee: We are gravely concerned about the provision in the Senate-passed deficit reduction package to extend the so-called 3% Medicaid "penalty" for another three years. This "penalty" was originally included in the 1981 Omnibus Budget Reconciliation Act as a temporary, three-year reduction in federal Medicaid payments to the states. To extend this 3% funding cut beyond fiscal year 1984 would result in an arbitrary reduction that fails to address the fundamental need for health care cost containment. Extending the reduction in federal Medicaid support would also seriously threaten the well-being of many Americans now dependent solely upon this important health program. Not the least of these Americans are children.

One out of every five younger Americans now lives in poverty. These thirteen million constitute the largest number of young people in poverty since the Census Bureau began keeping such statistics. Medicaid is the major program addressing the health care needs of these children. Without Medicaid, eight out of every ten poor children would have no health care coverage.

Many low-income pregnant women are also dependent upon Medicaid for critical health services. The services they should be able to receive are exteremely cost-effective, helping to stem the high costs of treating maternal and newborn complications caused by lack of prenatal care.

Other individuals dependent on Medicaid for health care include disabled persons and frail senior citizens who have exhausted their own financial resources. Older Americans over age 75 are one of the fastest growing segments of our population. They are most likely to suffer from serious chronic illnesses and disabilities, often resulting in the need for extensive long-term care. Medicaid now represents over half of all funds spent on nursing home care for the elderly.

Extending the 3% federal "penalty" likewise threatens the financial stability of the hospitals, clinics, and nursing homes that serve the uninsured along with Medicaid beneficiaries. Income eligibility standards for Medicaid are often well below the national poverty level, leaving many poor children and adults uncovered. Those not eligible for Medicaid are totally dependent upon this network of public and community providers for health services. Short-term savings which weaken the public health system could result in much higher costs for all levels of government.

Medicaid is this nation's medical "safety net" for low-income children, pregnant women, disabled persons, and senior citizens. Since 1981, federal funding for Medicaid has been cut by some $4 billion. Further arbitrary federal funding cuts would seriously erode this safety net's protection for millions of Americans. The House-passed deficit reduction package does not include continued Medicaid reductions. We urge the

Senate to recede to the House in Conference on this important matter.

Yours sincerely,

Senators Christopher J. Dodd, Jim Sasser, Dale Bumpers, Bill Bradley, J. Bennett Johnston, Alan Cranston, Paul S. Sarbanes, Edward M. Kennedy, Donald W. Riegle, Jr., Patrick J. Leahy, John Glenn, Howard M. Metzenbaum, Jeff Bingaman, George J. Mitchell, Carl Levin, Quentin N. Burdick, Walter D. Huddleston, Frank A. Lautenberg, Alan J. Dixon, Jennings W. Randolph, Wendell H. Ford, Gary Hart, Daniel Patrick Moynihan, Claiborne Pell.

Mr. LEVIN. Mr. President, I intend to vote for the conference report on the Deficit Reduction Act of 1984, not because it represents the best we can do or the most we should do, but because we cannot afford not to pass it even with its flaws. If we are to have some degree of confidence that the current economic recovery is to endure and to broaden, then we have to take those steps necessary to reduce interest rates. Every day we delay we run the risk that interest rates will climb yet higher, forcing us to travel an even further road back to reasonable interest rates. So we must act now, and the package before us is the best we can realistically expect at this time.

As a package, it contains provisions which I support and those which I wish had not made it through the conference committee. I am pleased to see that this legislation raises $50 billion over 3 years in revenue without resorting to a general tax increase. I am also pleased that the maximum rate on estate taxes was frozen for 3 years at 55 percent.

This provision picks up a significant amount of revenue at the same time that it temporarily corrects one of the excesses of the 1981 bill, which by reducing the maximum estate tax rate from 70 percent to 50 percent by 1985 would have given massive tax relief to a few hundred of the wealthiest estates in the country. At a time when average working people are asked to pay as much as they are paying in taxes, this tax reduction for the top one-tenth of 1 percent was unjustified, and it is good that it is slowed down, even if only temporarily. The further tightening up on abusive tax shelters is another reason to support this bill. Again, at a time when middle- and low-income people are feeling the tight pinch of taxes, abusive tax shelters cannot be tolerated. I only wish this bill did more, particularly in the area of tightening up the minimum tax so that we can be sure that people with substantial amounts of income do not get away without paying any taxes.

Finally, I am especially pleased to see two further aspects of this package. First, the conference report before us dropped some of the proposed changes in the Medicare Program which would have worked an undue hardship on the elderly. In particular, the conferees eliminated the Senate provision which would have increased the part B—out-of-hospital—deductible and would have delayed initial medicare eligibility for up to 1 month. Second, this package also includes provisions to increase the use of competition in Government contracting; and to impose stronger restrictions on the awarding of sole-source contracts. At a time when we are trying to cut back on Government spending, we cannot afford to ignore any longer the savings which can be achieved through reforming the procurement process.

However, there are several provisions which should not have made it through conference but unfortunately did. A list, which is by no means comprehensive, would include the following: Forgiveness of the tax liability owed by Domestic International Sales Corp. is totally uncalled for at a time when we face $200 billion deficits. Also, some of the new restrictions on industrial development bonds will make it more difficult for communities to pursue economic development. And I am concerned that the lengthening of the period of depreciation on real estate will restrict further recovery in the housing industry at the very time that rising interest rates are like storm clouds on the horizon.

In the same manner, I am concerned that the provision on imputed interest on seller-financed sales of real estate will remove a mechanism which has been useful in helping people to buy and sell homes during this time of high conventional mortgage rates. I understand the tax abuse of converting ordinary income into capital gains income which is taxed at a lower rate that this provision of the bill is designed to address. However, I believe that the provision could have been better fine-tuned in order to deal with the problem of abuse without unduly restricting seller-financed sales of real estate. I will support legislation which strikes an appropriate balance.

I am also concerned that the package before us does not contain the limitation on the growth in military spending and has failed to address restricting descretionary domestic spending. However, since the appropriations process still lies before us, this omission represents a missed opportunity for further deficit reduction, but does not permanently close that door for this session of the Congress.

Let me repeat. As a package, the legislation before us could give almost everyone a reason for voting against it. It doesn't reduce the deficit enough. It doesn't close enough tax loopholes. It doesn't restrain the increase in defense spending. It contains too many special interest provisions.

But there is one major, and I believe overriding, reason for voting for this conference report. It will reduce the deficit by more than $70 billion over 3 years. My constituents in Michigan tasted the bitterest fruits of the last recession. With an unemployment rate of over 11 percent, it is clear that the aftertaste is still in their mouths. Climbing interest rates threaten to bring the pain back in full force. I cannot stand by and let that happen. The most immediate thing which can be done to prevent new disasters is to try to reduce the deficit. That is what this legislation tries to do. It is not a full loaf. It is not half a loaf. It may be a quarter of a loaf. And like a quarter of a loaf, it may not be enough to satisfy a person's hunger, but it is enough for us to make it to another day when, hopefully, more substantial deficit reduction will be possible.

The PRESIDING OFFICER. The question is on agreeing to the conference report. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Colorado [Mr. HART] is necessarily absent.

The PRESIDING OFFICER [Mr. COCHRAN]. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 83, nays 15, as follows:

[Rollcall Vote No. 161 Leg.]

YEAS—83

Abdnor
Andrews
Armstrong
Baker
Baucus
Bentsen
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
Danforth
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
Evans
Exon
Ford
Gorton
Grassley
Hatfield
Hecht
Heflin
Heinz
Helms
Huddleston
Inouye
Jepsen
Johnston
Kassebaum
Kennedy
Lautenberg
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McClure
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Percy
Pressler
Proxmire
Pryor
Quayle
Randolph
Riegle
Rudman
Sarbanes
Sasser
Simpson
Specter
Stafford
Stennis
Stevens
Thurmond
Tower
Trible
Tsongas
Wallop
Warner
Weicker
Wilson
Zorinsky

NAYS—15

Biden
D'Amato
DeConcini
East
Garn
Glenn
Hatch
Hawkins
Hollings
Humphrey
Kasten
Melcher
Metzenbaum
Roth
Symms

NOT VOTING—2

Goldwater
Hart

So the conference report on H.R. 4170 was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the conference report was adopted.

Mr. MOYNIHAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MOYNIHAN addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Kansas has the floor.

Mr. DOLE. Mr. President, I yield.

The **PRESIDING OFFICER.** The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, I would like to associate myself with the statement of the distinguished chairman of the committee, the Senator from Kansas, with respect to the improvements in the Medicaid provisions, and the additions of industrial development bonds provisions for the Virgin Islands.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, again I want to thank the conferees, certainly the Treasury staff, Secretary Regan, the Director of OMB Mr. Stockman who spent a number of hours working out some of the spending provisions with us, the joint committee staff, the Finance Committee staff, and of course members on our individual staffs.

I again want to pay tribute to the chairman of the conference, Congressman Rostenkowski, who did an outstanding job, as did other House conferees, and in particular the distinguished Congressman from New York, Barber Conable, who will be attending his last conference on a tax bill.

I have always said to Congressman Conable if I had his brains and my votes, we could really put together a package. But it has not worked that way for him. But he has done an outstanding job in the House over the years. He will be missed in the conferences on tax and other legislation coming from that committee. I think all of us—and some may not know Barber as well as others—owe him a debt of gratitude for his work over the years.

Mr. MOYNIHAN addressed the Chair.

The **PRESIDING OFFICER.** The Senator from New York.

Mr. MOYNIHAN. On behalf of the distinguished ranking minority member of the Committee on Finance, I would like to join the distinguished chairman in thanking the committee staff, the staff of the Joint Committee on Taxation, and indeed my graduate student friend, Mr. Stockman, for his assistance in this matter and of course, and above all, the incomparable "Buck" Chapoton.

I take the time of the Senate for just one moment to express a personal sense that those of us who know him feel, and particularly those of us from New York feel, that this will have been Barber Conable's last tax conference.

After 20 years in the House, he is leaving as the ranking minority member of the Committee on Ways and Means. He leaves a reputation behind him as high as any in the history of this Republic.

Mr. President, I do not know how better to say it than that there are those in public life who meet standards and those who set them. Barber Conable is one of those who have set them. We honor him. We wish him all the fine things that are due him in the years ahead.

EDUCATION FOR ECONOMIC SECURITY

MATH-SCIENCE BILL

Mr. BAKER. Mr. President, will the Chair please state the business now pending?

The **PRESIDING OFFICER.** The clerk will report the unfinished business.

The assistant legislative clerk read as follows:

A bill (S. 1285) to improve the quality of mathematics and science teaching and instruction in the United States, and for other purposes.

The Senate continued with the consideration of the bill.

Mr. BAKER. Mr. President, Senators should notice that we passed the tax-deficit reduction conference report. We have not proceeded to the consideration of the accompanying House concurrent resolution. In the course of colloquy here, it was clear that Members had concern about what was in it. They wanted to think about it overnight. That is fine with me.

What we will do at this time is to resume consideration of the math-science bill. It is my hope and expectation that on tomorrow we can proceed with the matter contained in the House concurrent resolution which accompanied the conference report. But we will not do that this evening.

Mr. President, the Riegle amendment is pending. I anticipate that there will be a rollcall vote on that amendment, either on the amendment or a tabling motion in respect to it. I hope it will not take very long.

After we dispose of that, I hope we can go on to final passage of the math-science bill.

After that, Mr. President, there are two appropriations conference reports—I believe they are HUD and energy-water—that we ought to take up and dispose of as well.

I do not anticipate at this time that either of the two appropriations conference reports will require a rollcall vote, but I cannot guarantee that. I do anticipate, however, at least one rollcall vote on the math-science bill.

Once again, Mr. President, I anticipate that we will take up the subject matter of the House concurrent resolution tomorrow.

AMENDMENT NO. 3343 TO AMENDMENT NO. 3342

Mr. RIEGLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Michigan [Mr. Riegle], for himself, and Senators Hawkins, Andrews, Matsunaga, and Stennis, proposes an amendment numbered 3343 to his amendment numbered 3342.

Mr. RIEGLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

On page 6, line 18, insert the following after "this title." "(12) provide assurances that the applicant will use the funds received under this Act only to supplement and, to the extent practicable, increase the level of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the purposes of establishing and operating child care service programs, and in no case to supplant funds from such non-Federal sources."

Mr. RIEGLE. Mr. President, if I can have the attention of the Senate, I believe we can move through this rather quickly. It is my hope that we can.

I would like to indicate briefly that the perfecting amendment I sent to the desk conforms this amendment to the bill that passed the House of Representatives, and it has another aspect in it, that it is Federal money would only be made available for helping children which would not be substituted for money now being spent by local sources.

In any event, I sent this amendment to the desk on behalf of Senator Hawkins, Senator Andrews, Senator Matsunaga, Senator Stennis, and myself.

I would say in addition that on this legislation we have 23 cosponsors in the Senate on a bipartisan basis who support this legislation.

I would indicate further that this legislation has been reported favorably by the Labor and Human Resources Committees. Hearings have been held by Senator Hawkins. So this matter has been the subject of rather complete hearings.

As I indicated a moment ago, this bill at a higher funding level has passed the House of Representatives unanimously. Not a single vote was against it.

Mr. RANDOLPH. Mr. President, we cannot hear our colleague. I make the point of order the Senate is not in order.

The PRESIDING OFFICER. The point of order is well taken. The Senate will please be in order. Senators who wish to converse should do so outside the Chamber. Staff members who wish to converse will do so elsewhere. The Senate will be in order.

The Senator from Michigan.

Mr. RIEGLE. I thank the chair and my colleague from West Virginia.

I want to indicate some of the 30 or so national organizations that have endorsed this legislation. It includes, for example, the National PTA. It includes the National Association of Counties. It includes the YWCA of the United States. It includes the YMCA. It includes the National Association of Elementary School Principals. It includes the Girl Scouts of America, the American Red Cross, the American Bar Association, the American Association of University Women, and a host of other equally distinguished groups across the country.

I ask unanimous consent that the full list be printed in the RECORD.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

ENDORSING GROUPS: S. 1531—SCHOOL FACILITIES CHILD CARE ACT

American Association of School Administrators.
American Association of University Women.
American Bar Association.
American Red Cross.
Association of Junior Leagues, Inc.
Boys Club of America.
Camp Fire, Inc.
Children's Defense Fund.
Girl Scout of U.S.A.
Girls Clubs of America, Inc.
Michigan Association for the Education of Young Children.
Michigan Association of Children's Alliances.
Michigan NOW.
Michigan Office for Young Children.
Michigan Women's Commission.
National Association of Counties.
National Association of Elementary School Principals.
National Black Child Development Institute.
National Commission on Working Women.
National Education Association.
National Network of Runaway and Youth Services.
National Organization of Women.
National PTA.
National Women's Political Caucus.
National Youth Work Alliance.
Parents Without Partners.
Roosevelt Youth Centennial Project.
United Neighborhood Centers of America, Inc.
YMCA of the U.S.A.
YWCA of the U.S.A.

Mr. RIEGLE. I want to briefly explain the parliamentary situation that brings us here tonight on this matter at this point.

As I said earlier, this bill has been reported favorably out of the Labor and Human Resources Committee, but I was unable, despite the broad list of cosponsors, to secure an agreement as to when this amendment could be offered and be in order to any one of a host of bills that also had been reported out of the Labor and Human Resources Committee and were ticketed for action on the Senate floor.

Despite a very substantial number of inquiries and attempts to try to get to the situation where we had an understanding that this amendment would be in order, I was unable to secure that agreement.

I have spoken with the chairman of the committee tonight, Senator HATCH. I will repeat now, if he is within earshot, that if we could find another vehicle of equal weight to the one on the floor, which is on its way through to passage and I think to being signed into law by the President, I would be willing, if we could find such a vehicle, to ask unanimous consent to take this amendment down from where it is on this bill and to put it on a different bill. The problem is we have not been able to get such an alternative vehicle identified. So absent that, I really have no choice but to press forward now with my cosponsors.

That is the occasion that brings us here. I do not come because this is the choice of coming. I come because this is the only way I have been able to assure that we will have an up-or-down vote on a bill that is going to become law. And, as I have said, that bill has passed the House unanimously and it is something the country needs.

We have 5 million latchkey children in this country. These are children who, when the schoolday is over, have their mother at work, their father at work and there is no one at home to tend these children.

What is happening in communities across the country is that communities are forming programs in the schools so that the children can remain there and receive supervised care until the parents have finished with their workday and the children are then able to go home where there is supervision and where there can be safety.

In fact, a very substantial number of the house fires that are occurring, not just in my State but across the country, are occurring with these latchkey children that come home in the afternoon, no parent is present, and they play with matches and otherwise start fires in which many have lost their lives.

Mr. PELL. Mr. President, will the Senator yield?

Mr. RIEGLE. Yes, Mr. President, I yield without losing my right to the floor.

Mr. PELL. As the Senator knows, I have an equal interest with him in this amendment. I believe the original motivation came from our joint staffs. We worked on legislation for which at one point, I thought I might be the principal sponsor. In this regard, am I correct in what I think I heard, that the Senator said if this amendment were attached to another bill that was cleared for floor action, he would be willing to take it down and attach it to that bill?

Mr. RIEGLE. I repeat, Mr. President, because I said to the chairman of the Labor and Human Resources Committee that if we could reach agreement tonight on a bill of equal weight to this one—I am not interested in its getting on a train that is not going anywhere, because I would like the Senate to pass this bill and it should pass this bill. I want it to go on a bill that is going to pass into law. If one can be found, I am willing to consider that. It is not my choice that this be the vehicle. It happens to be the only vehicle I have found that is available.

Mr. PELL. Mr. President, I agree with the Senator on the importance of this amendment, but I am also concerned that the math and science bill, which is an even larger bill, not only in money but—and we can differ on this—in importance, be passed, too. I would hate to see the math-science bill sunk as a result of this amendment and others coming up as a result. That is the reason I asked the question.

Mr. RIEGLE. Mr. President, let me say to the Senator that I am open to discussion, I have been open to discussion.

On the last point he raises, this amendment I have presented with my cosponsors tonight is $15 million a year for the next 3 years. It is a very modest sum in terms of what we are talking about in terms of the overall amount for this legislation. I frankly think it is incorrect to say that if this amendment is added tonight—I assume we are very close to passage of this bill—somehow this jeopardizes this entire package. Some may say that, some may believe that. I do not think that is the case. I think that is an inaccurate assertion.

I do not think the White House is going to veto this measure if this item is attached. It passed the House unanimously and has broad bipartisan support here, as well as by the groups I mentioned around the country.

Mr. President, I ask unanimous consent to add Senator BRADLEY of New Jersey as cosponsor tonight.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATSUNAGA. Mr. President, will the Senator yield?

Mr. RIEGLE. Of course, I yield to my cosponsor, Mr. President.

Mr MATSUNAGA. Mr. President, as a cosponsor of the Riegle amendment, I urge my colleagues to accept this amendment.

There is a clear need to provide adequate day-care services for so-called latchkey children—that is, school-age children between the ages of 6 and 13 who are often left to take care of themselves when they return home from school. This issue has received increased national attention as more mothers have entered the workforce, in the midst of a growing number of single-parent households. Nationwide, we are faced with a serious problem which deserves a Federal response; and I compliment the Senior Senator from Michigan [Mr. Riegle] for assuming the leadership in providing a solution.

Latchkey children are often left to fend for themselves in the time between their return home from school and when their parents arrive home from work. Studies have shown that these children are at greater risk of developing emotional and psychological problems including a higher rate of alcohol and drug abuse. Some reports conclude that these latchkey children are more likely to feel rejected, and depressed, and may exhibit behavior problems leading to delinquency, vandalism, and academic failure.

In my home State of Hawaii, fully 50 percent of children between the ages of 5 to 13 years have all resident parents working. Unfortunately, afterschool care in Hawaii is scarce. I know that these statistics are duplicated in many other States throughout the Nation and can only conclude that these children are a group at risk. For this reason, the School Facilities Child Care Act is strongly supported by the Hawaii State Office of Children and Youth.

Mr. President, it is vital that the Senate adopt the Riegle amendment, which authorizes $15 million for grants to nonprofit organizations to provide before- and after-school childcare programs in existing public schools. It is important to note that this grant money is intended to provide startup assistance only.

I believe that the amendment addresses a critical and growing national need for affordable school-age child care. It is, therefore, appropriate that the Federal Government should take positive steps to meet this need and affirm its commitment to the youth of our Nation.

Mr. President, I wish to emphasize that the House has already passed a companion measure. It is time that the Senate act on this measure, which represents a responsible investment in our future. I urge my colleagues to vote in favor of this amendment.

Mr. RIEGLE. Mr. President, if I may, I ask unanimous consent to add as cosponsors to the amendment Senator Sasser and Senator Bingaman.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIEGLE. Let me say again that before he left the floor only moments ago, and I do not think he would mind my saying this, I spoke with Senator Stennis, who has served in this body a long time. We talked about this legislation. He asked to be listed as a cosponsor of the legislation because he feels so strongly, as I do, about what is happening to these young children who come home at the end of a schoolday to a home where no parent is present because one or both of the parents, whatever the case is, is working at that hour and cannot be home. He is concerned enough about the issue to want to be a cosponsor and I am particularly delighted he has decided to do so.

Mr. CHAFEE. Mr. President, I commend the Senator from Michigan for his leadership in addressing the problems of latchkey children. The need for afterschool care cannot be denied; 32 million children under the age of 18 have mothers who work. Many of those children go home day after day to an empty house.

However, I unfortunately cannot at this time support the Senator from Michigan. The math-science bill is not the vehicle for his amendment. It is extremely important that this bill be expedited. Each amendment that is considered decreases the chances that S. 1285 will become law. I feel strongly that amendments, even friendly ones, must not be accepted at this time. It is my understanding that if this amendment is approved, there are 20 other amendments waiting in the wings to be brought forward—each involving additional spending and which will result in a possible veto if a vote is ever reached on the bill.

Since the majority leader has assured us that the legislation will come up in July if a time agreement can be reached—which appears quite certain—I shall vote to table.

Mr. DODD. Mr. President, I urge my colleagues to support this amendment to help communities establish afterschool programs for latchkey children.

Last year, the Senate children's caucus held its first hearing on the millions of American children who must look after themselves when they return home from school. The risks they face are many, ranging from abuse and assault to alienation and injury.

The youngsters we heard from told us quite eloquently that they preferred afterschool care programs to staying at home alone. As one first grader from Anne Arundel, MD, said: "I don't have to be afraid any more." or, as a third grader from Washington, DC, put it: "I can play with my friends instead of being alone; it makes me happy."

Senators Riegle and Pell, members of the children's caucus, introduced the bill forming the basis of this amendment subsequent to last year's hearing. I was pleased to cosponsor that legislation and am pleased to support this amendment.

Mr. President, I trust that the Senate will take this first step toward eliminating the serious risks facing the millions of younger Americans who are latchkey children.

Mr. THURMOND. Mr. President, I rise in opposition to the proposed School Facilities Child Care Act which has been offered as an amendment to S. 1285, the Education for Economic Security Act. This legislation would establish a new, federally administered categorical grant program designed to assist local schools in developing before and after school child care facilities. This legislation is both costly and controversial.

Mr. President, I recognize that there is a growing demand in our country for increased child care facilities before and after school. I do not agree, however, that the Federal Government should impose itself on State and local governments in order to insure that these services are available. In fact, the need for these services is already being addressed by State, local, and private-sector initiatives. In addition, substantial Federal support, both financial and technical, is already available from a variety of sources. I believe that the provision of child care services can best be accomplished by State and local governments and the private sector with the support of existing Federal programs, rather than the creation of another new Federal program.

I should like to point out, Mr. President, that the administration strongly opposes this legislation. Currently, the Federal Government provides assistance to States, localities, and families for child care through the $2 billion dependent care tax credit, and through technical assistance provided by the Office of Human Development Services in the Department of Health and Human Services. In addition, President Reagan's Advisory Council on Private Sector Initiatives is specifically encouraging and working for the expansion of employer-sponsored child care services.

The approach taken in this legislation is wrong because it inappropriately involves the Federal Government in decisions concerning the use of schools and other local public facilities which are traditionally the province of State and local governments. It actually gives the Secretary of Health and Human Services the responsibility to choose between competing applicants in the same jurisdiction for program funding. There is no involvement of State or local governments in the selection of the best or most appropriate school or agency to provide the services.

Mr. President, this legislation also fails to include any protections which would insure that Federal funds do not simply replace State, local, or private funding for existing services. It does not require any State or local match of Federal funds in order to insure that any programs that are established can survive after Federal funds are withdrawn.

I, therefore, believe that the amendment is not justified and urge my colleagues to vote in opposition to its enactment.

Mr. KENNEDY. Mr. President, I rise in support of this important amendment before us today. I urge my colleagues to join Senator RIEGLE and Senator PELL, and other sponsors and cosponsors of this critical legislation, in casting the right vote for as many as 6 million school-age children across our Nation and their working parents.

The School Facilities Child Care Act amendment encourages the use of public school buildings for pre- and afterschool care of school-age children. Modest startup funds will be provided to community organizations to aid them in assuring day care for children between the ages of 5 and 13 years whose parents are working.

Efforts to address national child care have been going on for almost a decade. Changes in the American family and in our Nation's workforce have created changes for our children. Of all mothers with children under 18, about 18.7 million, or 59 percent, were in the labor force in 1982. It is safe to say that this number has increased over the past 2 years. This means, Mr. President, that the children of these working mothers and other working parents come home after school to an empty house. Girls and boys as young as 6 years old must fend for themselves until their parents come home from work. Many children are often given the responsibility of caring for even younger brothers and sisters.

We know from recent studies that this situation poses many risks for school-age children. We know that these children are more likely to be involved in accidents resulting in death. We know that these children are more likely to experience fear and loneliness and poor nutrition. And, we know that these children are likely to be exposed to alcohol and drugs at an early age.

The working parents of these children are often plagued with worry about the afterschool safety of their children. These parents would gladly enroll their children in day care but the cost of these programs is prohibitive, particularly for low-income families. These families do not benefit from the child care tax credit. And, as we all know, the title XX social services block grant and Child Care Food Programs have been dramatically cut by the current administration.

We must provide a haven for these children and I believe that this legislation is a beginning. This amendment will not provide vital child care programs for all needy children and it will not subsidize the total cost of this care for families. But, it will provide a fair payment measure for these services based on family income. It will provide a commonsense and cost-effective approach to this problem by using public school buildings, encouraging in-kind contributions from the community, and developing community coalitions made up of those individuals who are concerned with the welfare of school-age children.

This is a modest but critical beginning to assuring that our children are cared for and supervised while their parents are working and school is not in session. An investment in this program is an investment in the well-being of our Nation's children and families. And that, Mr. President, is an important investment in the future of our great country.

Mr. GRASSLEY. Mr. President, I rise today to express my concerns about this amendment, which is similar to S. 1531, a bill which on the surface appears to address an important issue—child care for the children of working parents in this country.

I believe, however, that this measure is flawed in a number of serious ways. First, it directs program managers in Washington to make decisions that traditionally and rightfully have been made by public officials in the States and communities. This amendment sets up a narrowly defined program of grants made directly to agencies who want to run a school-age day-care program. It directs that whenever possible these programs make use of public school facilities. This means that it will be Washington that will decide which among the agencies and schools in a community would best serve the needs of parents and children in that community. And it would be Washington that would decide which few communities across the Nation would receive these grants. Once again, the Federal Government would be deciding what the priorities are and where the needs are greatest in State and local jurisdictions.

Second, this measure creates the very real possibility of supplanting what have been growing efforts by local communities and the private sector to address the needs of working parents. Employers are recognizing that helping parents with day care needs helps create a more effective workforce. They are also recognizing—as this amendment does not—that the range of options for child care extends across a very wide spectrum. Employers are exploring the options of child-care information and referral, flexible work schedules, and a variety of onsite child care. This measure would provide a rigidly prescribed single option for child care, paid for by the Federal Government.

And that is a third serious flaw with this amendment. With all the various administrative requirements placed on the grantees and on the Department of Health and Human Services—a clearinghouse, a national survey, recommendations for future Federal funding—there is going to be very little actual day care paid for by this amendment as it is presented today. But this measure will create the expectation that we in Washington are going to take over the responsibility for day care. A local columnist entitled her response to the companion bill passed by the House "A First Step." That is the expectation we are creating today. Difficult as a vote may be today against a relatively small spending authorization, the votes we are creating for ourselves in the future for increasing spending year by year on this and similar programs will be even more difficult.

That is why I am asking you today to vote against the passage of this amendment. This amendment represents an entering wedge against future major budget issues and a future Federal role that crowds out the State and local, as well as the private sector, role in providing for the day care needs of the parents of this country.

Mr. RIEGLE. Mr. President, I do not know that there is need to go on at much greater length here. I think the issue is well understood. I know the distinguished Senator from Florida [Mrs. HAWKINS] is on the floor. The Senator has given enormous leadership to this issue. She has held hearings on it that were most revealing and she is a cosponsor of the amendment. I yield the floor so she may speak, if that is her wish.

Mrs. HAWKINS. Mr. President, I support Senator RIEGLE's amendment on school-aged child care because we labor long and late at night on all kinds of meaningful—some more meaningful than others—subjects. Just the fact of knowing each day we are working here should bring the problem home to us on school-aged child care. While exact statistics are not available, it is known that 60 percent of school-aged children have a mother in the workforce today. Latchkey children, children who are left alone after school and responsible for their own care number in the millions. The lowest estimate of children requiring before and after school child care is 1.8 million. Some estimates have placed this number at 7 million children.

I find that a disgraceful number for such an education-oriented, productivity-oriented society. Traditionally, private and public child-care programs have concentrated on addressing the needs of the preschool child to the exclusion of the school-aged child. But a 5-year-old or even a 10- or 13-year-old child is not yet an adult, and this responsibility of self-care is often more than children are capable of handling. This lack of supervision can place the child at risk—at the risk of psychological problems, disciplinary problems, academic problems, and perhaps most tragically, accidents or sexual victimization.

In a few communities, the parents, schools, churches, social agencies and child-care providers are working together to develop programs that meet the needs of working parents and their school-aged children. On April 26, 1984, I chaired a Senate Labor and Human Resources Subcommittee hearing on this issue of school-aged child care in Pinellas County, FL. That struck people as strange, because Pinellas County has a great abundance of senior citizens residing there. I chose Pinellas County as a site for this field hearing because Pinellas County boasts not only the largest school-aged child care program in the United States, but probably the best. I feel that this successful program can and should be used as a model for the rest of the Nation.

After conducting a needs assessment, which indicated that up to one-fourth of the student population age 5 to 12 in the county were potentially in need of latchkey or after-school care, a group composed of child-care providers, school officials, parents, churches, social agencies, and others developed a latchkey after-school program in 1976 which has now expanded to 12 separate programs serving over 1,000 children during the school year and 3,000 during the summer months. The rapid growth and excellent quality of this program demonstrates that quality child-care for school-age children is feasible utilizing the existing school and community facilities and resources. However, the latchkey services of Pinellas County will quickly point out that their program was made possible by the availability of funding from the Juvenile Welfare Board of Pinellas County, a very unique situation. Very few counties and communities have a similar source of funding.

The Federal Government has a responsibility to provide the necessary start-up funding to facilitate the development and expansion of school-aged child-care programs in all communities. The Federal Government is already financially committed to providing Federal funding for child neglect, AFDC, foster care, and treatment programs for juvenile delinquency. But nationally, the largest single category of all child abuse and neglect cases fall under the "lack of supervision" label. Many of these children are reported to social service offices because they are left unsupervised while their parents work.

One of the witnesses at the hearing, Rita Clark of the Florida Department of Health and Rehabilitative Services, testified that parents who otherwise would be on State welfare are now working because of latchkey. She testified that, even in Pinellas County, with its large latchkey program, the local Work Incentive Office estimated that there was an additional 700 people who would be employed in the county if a latchkey program was available to them. This same witness testified that the cost to the State and the court system of one delinquent child for 1 year would more than pay for that same child to attend the latchkey program throughout his or her school years.

I regard this bill as a prevention bill. By the expenditure of a very modest amount of Federal funds, it alleviates the need for a greater amount of Federal assistance for AFDC, foster care, juvenile delinquency programs, and mental health programs. And this bill is very modest. Currently, less than 100 of the 15,000 school districts operate before and after school childcare programs. This legislation, with its modest appropriation of $15 million, will not be able to help establish a latchkey program in every school district, but it is a significant start which can facilitate the growth and development of additional latchkey programs. As columnist Judy Mann stated in her Washington Post column on May 18, 1984, "* * * after more than a decade of ignoring the plight of latchkey children, it's at least a start."

Mr. President, we cannot ignore this problem any longer. The increase of mothers entering the workforce and the growth of single family households headed by females is a fact.

The demand for before-school and after-school care by school-age children is causing a lot of social changes that a lot of us do not like to talk about and do not like to recognize as a fact. But I urge my Senate colleagues to consider this bill carefully. I know there are a lot of personal feelings involved in this particular piece of legislation, not because of the content of the bill, but because of other happenings that have taken place surrounding the entire problem of getting this bill on the floor. I would hate to see Senators vote against the startup money for a program to protect our most precious resource, our children, before school and after school of such a modest amount; $15 million is really not much for us to be even laboring so long and hard for this evening. This may not be the proper bill on which to put it. That is a decision I do not make. But at the same time, I urge my colleagues to consider the content of the latchkey bill and the message it is sending to the parents of this country who are worried about the future of their children.

Mr. HATCH and Mr. RANDOLPH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, I am happy to yield.

Mr. RANDOLPH. No, I yield to the chairman of the committee, on which I am glad to serve under his constructive leadership.

Mr. HATCH. I am honored to serve on the same committee with a man who has been here for 50 years and has contributed so much to the Senate and to our country.

Mr. President, I rise in opposition to a well-intentioned proposal but one which I believe is shortsighted.

S. 1531, the bill is an amendment to the math-science bill, the after-school child care bill, would authorize a program of direct Federal grants to local agencies to run after-school day-care programs in public school facilities. I think there is a need for day care of all types. We have held hearings on it. We have tried to come up with a bill that would resolve these problems. Frankly, we have not been able to do so, for a variety of reasons, part of which is the reticence on the part of certain members of our committee to work together to solve this problem. Traditionally, the use of public school facilities has been a local, and to some extent, a State prerogative. The use of grants, however small, from the Federal Government directly to day-care programs means that once again we here in Washington will have bypassed decisionmakers in the local communities and in the State capitals.

Once again, it will be some manager in Washington who will decide which of two or three schools in a community should be running a day care program and which should not. Rather than a State or local government having the opportunity to decide where the need is the greatest and where the funds can be most effectively used, it will be some panel of reviewers in Washington looking at paper and deciding these issues.

Further, experience shows that where the Federal Government steps in, local and private involvement tends to step out. Communities are already responding to their local need for school-age child care. For example, New York City is considering extended kindergarten hours, and the California Legislature is considering legislation to provide State funds for school-age child care. Over the recent past, the Federal Government has crowded out much of private sector activity in responding to social service needs, as well as many State and local government activities; 20 years ago the Federal Government's share of spending for social service was only 6 percent of the national total. The State and local government share was about 34 percent and the private share—the majority—was 60 percent. Today the Federal

Government share has increased to 38 percent, the State and local government share remains nearly the same at 32 percent, and private share has declined by half—to about 30 percent.

Obviously, part of the increase in the Federal Government share of spending has been for needed programs. But the percentages show us a deemphasis and devaluation of the role of the private sector—corporate, volunteer, and local community.

I held a hearing last November on the private sector role with a focus on what the private sector is doing for families. We all know there is the increase of mothers in the workforce. So one focus of this hearing was child care. I heard from three major corporate representatives about the growing recognition by employers in this country that it is of benefit to them to address the family needs of employees whether by flexible shift schedules, providing child care onsite, providing child care information and referral, or any of a growing number of alternatives which are becoming available.

We cannot lose sight of addressing the important issue of child care for working parents. The development of child care resources is a nationwide responsibility—but that does not always mean the action should be here in Washington. It should mean a call for State and local governments, local community organizations, private businesses—every sector of our community—to act. We cannot simply tap the Federal budget for every domestic issue—we must build partnerships across the country to use the variety of resources available. It may be easier to simply write yet another Federal categorical grant program, but it is not the way to build the base of support and services necessary to truly address the issue.

And that certainly raises another problem with this proposal. Either what we have here is the entering wedge for a future major budget buster, or we have a tiny program that raises expectations that cannot be met.

This bill provides for a $15 million expenditure—certainly minor in terms of the overall budget but significant, perhaps ominous, in terms of beginning a Federal responsibility to pay for all of our Nation's child care needs. There are other bills in this Congress which also establish child care programs of one type or another to address little pieces of the problem. One thing they all have in common is the implication that it is the responsibility of the Federal Government to assure and pay for child care. Isn't this a legitimate responsibility of individuals and their local communities? Local communities.

Another thing that most of the child care bills now pending before the Congress, including S. 1531, tend to have in common is significant amounts of administrative requirements which drains vital resources from actual child care services. Applicants for grants under this program would be required to meet an exhaustive list of administrative requirements, and the Secretary in approving these applications would also have to meet an additional list of requirements. The bill would also require a national assessment of the need for school-age child care, operate a clearinghouse on school-age Day Care Programs, and report annually to the Congress on activities under the program and the need for further Federal support. With all these mandated activities—each surely laudable in itself—how much of this $15 million is actually going to go into services? And how much of these activities will go into proving the need for further, much expanded Federal expenditures?

That is why I am asking my distinguished colleagues to look more carefully at this bill before voting to support it. And that is why I am asking that this bill not be enacted.

I might add that the administration opposes this bill. I ask unanimous consent that a letter dated May 18, 1984, from Margaret Heckler, Secretary of Health and Human Services, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SECRETARY OF HEALTH AND
HUMAN SERVICES,
Washington, DC, May 18, 1984.

Hon. ORRIN G. HATCH,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This is in response to your request for a report on S. 1531, a bill "To encourage the use of public school facilities before and after school hours for the care of school-age children and for other purposes."

In summary, we oppose the bill, because its purpose can best be accomplished by State and local governments and the private sector, rather than through a new Federal program of narrow categorical grants which duplicates services available or being developed through other programs.

S. 1531 would authorize a program, to be administered by this Department, of direct Federal grants to public agencies and private nonprofit organizations for the establishment and operation of child care services for school-age children in public school facilities. The bill would authorize appropriations for this purpose of $15,000,000 for each of FYs 1984, 1985, and 1986. Applicants for grants would be required to meet an exhaustive list of administrative requirements, and the Secretary in approving applications would be required to assure equitable distribution of funding among States and between inner city, urban, suburban, and rural applicants, to give priority to applications from communities having the greatest need for child care services, and to give consideration to applicants able to demonstrate community support.

The bill would also require the Secretary to conduct a national assessment of the need for child care for school-age children, to establish and operate a clearinghouse on school-age child-care programs, and to report annually to the Congress on activities under the program and on the need for Federal support for child care services for school-age children within each State.

The Department shares the concern reflected in this bill about the need for accessible, affordable, quality child care, and is working under existing authority to help States, local governments, and the private sector to meet this need, in furtherance of the Administration's goal of strengthening American families. However, we do not support the approach taken by this proposed legislation.

We believe that the approach taken by this bill is undesirable, because it would involve the Federal government inappropriately in decisions concerning use of schools and other local public facilities which for excellent reasons have traditionally been the province of the States and local governments. This Department is not and cannot be in the best position to know all the information about the needs and circumstances of local communities that would be required to make wise decisions on the selection of grantees under the proposed program.

Furthermore, the narrow approach of the bill, in carving out for a categorical program one narrow type of child care services, would add to the fragmentation and inflexibility of service delivery, and to the unnecessary duplication of administrative requirements, that this Administration has been working to eliminate. In addition, this bill does not require matching or sharing of costs, or assurances that Federal funds will not supplant existing resources being used for child care.

Substantial Federal support, both financial and practical, is already available from a variety of sources which afford families and local communities greater flexibility to address their needs for child care services. The Federal tax credit for child and dependent care provided families nearly $2 billion in credits for child care expenses for calendar year 1982. States use funds received under the Social Services Block Grant program administered by this Department for development and provision of child care services. The Department also supports grants under the Head Start program which encourage coordination between Head Start projects and other community-level child care agencies, which may include those addressing the child care needs of school-age children. The Department's Office of Human Development Services during FY 1984 will fund demonstration projects using public school facilities to provide child care to school-age children. In addition, the Department's Administration for Children, Youth, and Families is working with President Reagan's Advisory Council on Private Sector Initiatives to encourage and promote the expansion of employer-sponsored child care services.

In short, we believe that the need for child care for school-age children which is the focus of this bill is already being addressed by State, local, and private sector initiatives, often with Federal financial and technical support. Furthermore, we strongly believe that child care programs and activities such as those described above that stress community-level decisionmaking and seek to increase coordination among the various potential providers of child care services, are preferable to the narrowly focused categorical grant program, subject to strict and detailed Federal standards, that would be established by this legislation.

We therefore recommend that this bill not be favorably considered.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

MARGARET M. HECKLER.

Mr. HATCH. Mr. President, I really am concerned that the math-science bill, which almost everybody agrees is a very, very important bill; we want it in our society; we worked hard; we have had it out since the spring of last year; we now finally have it on the floor, suddenly becomes a vehicle for all kinds of things.

Frankly, I have been a little upset because the distinguished Senator from Michigan has held up as a result of his desire to have this latchkey bill passed S. 2615, the alcohol and drug abuse amendments of 1984; S. 2308, the primary care block grant bill; S. 2311, the Health Maintenance Organization Act; S. 2616, the Adolescent Family Life Act; S. 2301, the prevention and home health block grant, something I have worked for ever since I have been in the Senate, something we really have a chance to pass, which has been on the calendar quite a while, which would help so many elderly throughout our society; S. 2574, the Nursing Education Act amendments; S. 2491, the student loan consolidation bill; S. 2496, the adult education bill; and S. 2341, the vocational education amendments, all of which are very important bills.

Now, I hope our colleagues will consider opposing this particular amendment. I really believe that this was not the bill on which to bring it up. I believe there should not have been holds on these other bills. I think they should have been passed by now. But because of those holds, we may not be able to see any of them pass. Second, because of their holds, there are at least two of these bills where we have lost moneys already in the appropriations process.

Now, I know that the distinguished Senator from Michigan feels deeply about these bills, hopefully, himself. But I am really concerned that we have to hold up this type of legislation by attachment of this latchkey amendment, which has been brought up tonight. All of us have worked very hard to try to solve problems in math and science in this country for many, many years.

I personally feel that there are other bills on which this latchkey amendment could have been brought up, but I really want to vote on it tonight. If the distinguished Senator from Michigan [Mr. RIEGLE] wins, then that is fine. But I certainly hope that we can vote this amendment down. I think there are many good reasons to vote that way. I think we can work on these problems, and I think we can solve them if we work together.

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. RIEGLE. Mr. President, I want to respond to a couple of the points, if I may, of my good friend, the chairman, because we work together on many things and hopefully we can maintain that good relationship. I think what the Senator has just said is very instructive because I said earlier before he came on the floor, in light of suggestions that I had received from some other colleagues, that if we could find another vehicle equal in weight to this one in terms of its likelihood of passage, I would be prepared to consider taking our amendment down tonight and bringing it up at another time where we had an agreement of a vehicle of equal consequence to this one on which we could take it up.

Mr. HATCH. Will the Senator yield?

Mr. RIEGLE. I will in just a moment. I did not interrupt the Senator. I will be happy to yield when I am finished.

Second, I have served in the Congress 18 years, 8 years in the Senate. I do not recall an instance where I have ever for a length of time put holds on other people's legislation. Frankly, that is not a comfortable procedure for me. But it should be understood that I did that only because I was unable to get any indication whatsoever—none—as to when this amendment or this bill, which has already passed the Labor and Human Resources Committee, been reported favorably out of the committee after hearings had been held on it, and it passed the House unanimously, would be in order on the Senate floor. But the fact is that I was informed there was absolutely no bill that the chairman was willing to enter into an agreement on this matter. And so I was blocked out absolutely. The only choice I had for a period of time was to try to put holds on other legislation until I could negotiate an avenue to the floor.

As a matter of fact, by bringing it up tonight, this enables me to take all those holds off, which I have done, because I am not comfortable in that posture.

Mr. HATCH. If the Senator will yield——

Mr. RIEGLE. I will finish in just one moment. I did not put myself in that posture, I might say. I think the chairman put me in that posture by not being willing to give us a vehicle so that we might bring this matter to the floor on a timely basis and get a vote. The problem we were facing was that the bills which were cleared could only be taken up with a unanimous-consent agreement, and the chairman was unwilling to allow our amendment, cosponsored by a bipartisan coalition, to be brought up and be in order so that it could be voted up or down. That is why it is present tonight. So I make no apologies for this approach. It is the only approach that has been open to me. Do I prefer it? No, I do not prefer it. Do I prefer to be in a situation where my colleague from Vermont, who I admire enormously, is inconvenienced by legislation that he and I both care about? No, that is not the way we should have to operate around here, but this is an issue that deserves to be heard and be voted on. That is all I have sought. So if we can have an equivalent situation, which has not been available to me, even up to the chairman's remarks 5 minutes ago, I am willing to think about it. Otherwise, I think it is time to act and I would hope the Senate will pass it.

Mr. HATCH. I agree that we should act on it now, one way or the other.

However, I mention to the distinguished Senator that he has every right to do what he has done. I am not finding fault with that. I do find fault, personally, with holding up all these crucial bills that literally could have been through both Houses of Congress, some of which may never get there, and some of which are not now in the appropriations bill.

To correct the Senator, we offered to sit down with the Senator. In fact, our staff did sit down with the Senator in March to offer to look for some vehicle, and we were turned down. We offered the HMO bill. As a matter of fact, earlier in the evening I came to the distinguished Senator from Michigan and said: "Look, I think the distinguished majority leader would work out another vehicle for the Senator to bring this up on," and the Senator felt he wanted to go this evening. I am prepared to go this evening, one way or the other.

I hope our colleagues will vote down the Senator's amendment. We have offered a vehicle. I do not know whether it is a vehicle the Senator wanted. I think the HMO bill would pass. I think we acted in good faith.

I have a child abuse bill that has been on the calendar for well over a year, so we all face those problems. I do not think we have to gum up this particular bill on math-science, which everybody I know on both sides of the aisle has wanted for well over 1½ years now, and which we finally got to the floor, and we now find ourselves in this type of logjam. We have been having it as a vehicle for a variety of things.

By the way, there have been other amendments we have been talked out of.

I am prepared to vote on it. I wish the Senator well, but I hope my colleagues will vote down his amendment.

Mr. RIEGLE. Mr. President, I know that the Senator from Vermont wishes to speak, and I should like to respond to the point the Senator from Utah has made.

First, I want to correct the record. We were not offered an HMO vehicle earlier in the year. That is incorrect, and I want to make the assertion that it is incorrect.

Second, the offer on the voc-ed bill, which was made recently, is by no means an equivalent vehicle in terms of its passage into law.

More importantly, when the Senator approached me and we spoke in the center of the aisle as to whether or not there could be another vehicle this evening, where we could take this amendment down and put it on a bill that is an equivalent bill, on a timely basis, the Senator suggested that perhaps we could do that. The Senator left the floor. We approached the Senator's staff on that point, and we got no response on that issue.

When I got the floor, I addressed the same point, before the Senator came to the floor, saying that even at this late hour, I am prepared to consider that, provided we could find a legitimate vehicle as an alternative.

It seems to me that the Senator has come to the floor now and stated his side of the argument, but he has made it clear that he prefers to vote tonight and, in fact, is not offering an equivalent vehicle which I would be willing to consider this minute. Absent that, I am left with no choice, as I have been left for weeks.

Mr. HATCH. I agree. The distinguished Senator has made his choice, and we should vote on it.

In March, we offered to sit down, and we were turned down. About a week ago, we offered the HMO to the Senator's staff, and that was turned down.

I think the Senator has acted within the rules. I am not criticizing the Senator. I felt that holding up all these important bills was not in the interests of the Senate or the country as a whole. Those bills are important. That is my opinion, and the distinguished Senator is entitled to his.

Mr. PELL. Mr. President, I regret the imbroglio in which we are engaged. I regret the holds indiscriminately placed on bills as a means of leverage. At the same time, this is a good amendment. As I mentioned earlier, we worked it up together, the Senator from Michigan and I—or rather our staffs did, as is usually the case.

I will vote for the amendment, because I think it is a good one. But we should bear in mind that this is a $15 million amendment and is being placed upon piggybacking, a very important bill that is $425 million for math and science.

I do not think anybody is listening to the brilliance of our debate at this time, and I do not think any minds will be changed. The sooner we vote, the better off we are.

Mr. STAFFORD. Mr. President, I realize the lateness of the hour. This matter has been thoroughly discussed, both the amendment before us tonight and the underlying math-science bill. It is imperative we pass this vitally important legislation tonight. As my colleagues know, it addresses one of the greatest weaknesses in the American public school systems, deficiencies in the teaching of mathematics and science.

And correcting these deficiencies is the basic thrust of this legislation. The committee acted sometime ago on this matter, and it is time we passed this bill.

The problem now facing the Senator from Vermont is that I must oppose more than just the amendment of the able Senator from Michigan, with whom I share many viewpoints. We will have to oppose every amendment offered to this bill from here on out, because any further weight on this bill, in the judgment of this Senator, will simply cause it to sink and die in this body. Certainly further amendments could subject the bill to a veto if it were to go that far.

So it is with reluctance—knowing, as one of the managers of the bill, that we face a number of amendments after that of the Senator from Michigan—that I have to say that the basic bill is so important to the country that I have to oppose the Senator's bill, offered as an amendment at this time.

Mr. RANDOLPH. Mr. President, will the able chairman yield?

Mr. STAFFORD. I am glad to yield to the distinguished Senator from West Virginia.

Mr. RANDOLPH. Just for a comment, because I do not want to delay a vote.

Again and again, there has been mention, understandably, of the importance of the math and science legislation before us and I in no way want to threaten the passage of that bill this evening. However, as a cosponsor of the Senator from Michigan's amendment, the School Facilities Child Care Act, I would like to see its consideration also here tonight. This amendment is very constructive, and the issue it addresses is of critical importance. I commend my able colleague on his initiative in the introduction of this legislation that will enable and encourage the development of programs to provide adult supervision of school-age children during nonschool hours.

I have previously stated, that the teaching of math and science in our educational system is of utmost importance. However, while we consider these important programs of curriculum, let us not forget the need for emphasis on other vital programs for our Nation's children.

As I have said hundreds of times, and will continue to say, in the elementary and secondary public school systems we need to realize that we must teach our young people something that is not partisan in any sense of the word, and those are the principles of citizenship in this country.

We talk so often about our right to vote, and about improvements of the voting process. At the same time we need to discuss the responsibilities of the use of that vote.

There is a wide range of subject matter within the elementary and secondary public school system of this country that needs attention. Of course the skills of math and science are necessary, but so is the teaching and the practice of good citizenship. My colleagues and others have been very helpful toward that end.

Mr. RIEGLE. Mr. President, I will speak briefly.

I notice that the majority leader is on the floor and is probably preparing to offer a motion to table. I want to make one other offer, if I may, at this late stage of the game, and do so out of consideration for the situation we are in.

I would be willing to take the amendment down and put it forward, if we could have an understanding that this bill, which has been reported by the Labor and Human Resources Committee, could be taken up after the recess, in its own right, with a time agreement, for an up-and-down vote, and not attached to any other measure, and let it go forward to whatever fate awaits it, either on the Senate floor or at the White House.

I am not here to try to inconvenience anybody. I think it is an important matter and deserves the right to its time on the floor. I would need a time agreement, but I would be willing, even now, to take the issue down, if that were a viable alternative in the mind of the majority leader, particularly.

Mr. BAKER. Mr. President, as is often the case, I find much merit in the proposal offered by the distinguished Senator from Michigan and much appeal in his proposal. I think we can do it both ways, though.

I fear that if I were to give the assurance to the Senator that I would schedule this bill and that we could get a time limitation on it at this moment, I would exceed any authority I have. I hope we can do that. If we can get a time agreement on this bill, of reasonably short duration, I assure the Senator that we could find a place for it in those 3 weeks in July. But until I find that we can get a time agreement, I cannot make that assurance because of the heavy schedule in July.

What I hope to do in a moment—and I know the Senator will understand—is move to table the underlying amendment. Even if it is tabled, I assure the Senator that I will negotiate with him and attempt to clear on my side an appropriate time limitation on the bill which is on the calendar; and if we can get a time limitation. I am perfectly agreeable, in consultation with the two managers, to schedule it.

Mr. RIEGLE. Mr. President, I wish to say I appreciate the courtesy and thoughtfulness of the majority leader, and I understand the position he is in.

I would hope, as long as we have a vote here, that the Senate would support the amendment. It is broadly supported throughout the country by the groups I have mentioned, by a broad assortment of Senators in both parties, and passed unanimously in the House of Representatives. It is $15 million a year, not for operation programs but only to help set them up.

Mr. President, the amendment I am offering today along with many of my colleagues in the Senate seeks to address the growing concerns about latchkey children in our Nation through the use of existing school facilities. S. 1531 has already been favorably reported by the Committee on Labor and Human Resources.

A companion bill has this year passed the House of Representatives unanimously.

Although the need for school age child care is not new, the demand for such care is increasing. Over the past three decades, the dramatic increase in two working-parent families and working single heads of households has left millions of school-age children without adult supervision for significant periods of time each day. In factories and offices throughout our country, parents wait anxiously for their children to call and confirm their safe arrival home. They hope that their children can take care of themselves for the 2 or 3 hours between the end of the school day and the time when they return from work.

Additionally, Mr. President, the increasing participation of women in the American work force expands the need for affordable and accessible child care services. According to the U.S. Civil Right Commission, "between 1950 and 1980 the labor force participation rate for wives with children under eighteen increased from 18 to 54 percent". In 1981, 15 million children between the ages of 6 and 13 had mothers in the workforce. This represents nearly 66 percent of all mothers with children between these ages.

Estimates also suggest that 50 percent of all children will spend some part of their childhood in a single-parent household, and for these children and their parents the need for child care may be the greatest. U.S. Bureau of Census statistics tell us that 12.6 million children or 20 percent of all children lived in single-parent households in 1981, and 90 percent of those single parents were mothers.

Married or single, many women work out of economic necessity. Among married women who work, 27 percent have husbands who earn less than $10,000, 51 percent have husbands who earn less than $15,000, and 73 percent have husbands who earn less than $20,000. The average income for a single mother in 1981 was less than $9,500.

Because of the economic, social, and demographic changes in the composition of the American family over the past three decades, there exists a large and unmet need for school age child care in the United States.

Mr. President, the important questions to ask are: What do we know about latchkey children, and what is happening to them? In June 1983, the Senate Childen's Caucus conducted a policy forum on latchkey children and found that the risks to these children are substantial. The research suggests that children in self-care run greater physical and psychological risks, including accidents and feelings of fear and loneliness, than children who are cared for by an adult. In my home State of Michigan, for example, fire officials in Detroit estimate that one in six fires is caused by children at home alone. Additional hearings before the Senate Subcommittee on Education, Arts, and Humanities; the House Subcommittee on Elementary, Secondary, and Vocational Education; and the House Select Committee on Children, Youth, and Families have further documented the problems and risks facing children in self care.

In June 1983, I introduced, along with Senator PELL, S. 1531, the School Facilities Child Care Act, to address the need for affordable and accessible school age child care. This legislation, which is essentially identical to the amendment I am offering today, authorizes $15 million a year for 3 years for grants to nonprofit organizations to establish before and after school child care programs in existing school facilities. These programs would serve children between the ages of 5 and 13. The grants would be administered by the Department of Health and Human Services. Currently S. 1531 has the bipartisan support of 23 cosponsors from both sides of the aisle in the Senate and has been endorsed by 30 organizations. Recently, the Senate Committee on Labor and Human Resources favorably reported S. 1531. To accommodate the concerns of Senators on both sides of the aisle, this legislation has been amended to provide for only startup costs to help communities establish before and after school child care programs, and to include community based organizations as possible sites for such programs.

The House companion measure, H.R. 4193, has strong bipartisan support and passed without objection on May 14, 1984. Although the House-passed bill authorizes $30 million for after school child care programs, S. 1531 represents a more modest approach by authorizing only $15 million.

The amendment we are offering today is virtually identical to the committee-reported bill. First, we have changed the fiscal years to agree with the House-passed measure. Second, the amendment allows for the participation of private schools as possible sites for such programs.

Those who would argue against this legislation do so on the basis that its purpose can best be accomplished by State and local governments and the private sector rather than a new Federal program; that this legislation duplicates existing services; that the amount of money is too small to meet the anticipated need; and that this legislation would involve the Federal Government inappropriately in decisions concerning the use of schools and other local facilities. Mr. President, I would like to take a few moments to address these objections.

First, the charge that this legislation creates a new Federal program whose purpose could be better handled by State and local governments clearly misinterprets the intent of S. 1531. The intent of this legislation is to foster effective partnerships among parents, schools, businesses, and their communities to develop after school child care programs. By providing Federal seed money for local initiatives, we can focus attention on inexpensive and efficient local partnerships that can be built to address the problems facing latchkey children. The Federal Government, then, responds to a community that has prepared and submitted a grant application to the Department of Health and Human Services, and as the committee report clearly states, S. 1531 does not involve the Federal Government in the day to day operation of such programs. Such programs are left to parents and schools to manage.

Second, this legislation does not duplicate existing services, such as child care services offered through title XX or the child care tax credit. Looking closely at the Social Services Block Grant—title XX—one finds that approximately 20 percent of these funds are used for child care and serves less than 700,000 children. Yet funding for the Social Services Block Grant [SSBG] was reduced in 1981 and is the repeated target of the current administration to expand the number of services under the SSBG without a corresponding increase in the funding level. A recent study by the Children's Defense Fund on title XX funding cuts and child care states that:

> 32 states are providing Title XX child care to fewer children in 1983 than in 1981 and have cut their Title XX expenditures for child care.

What does this mean in human terms? The CDF report continues:

> Illinois has gone from serving 28,100 children to 18,000.
>
> Delaware has gone from serving 2,039 children to 995.
>
> Virginia has gone from serving 19,505 children to 15,681.

Historically, title XX funds have been targeted for pre-school-age child care and not the children between the ages of 5 and 13 which my amendment addresses. In fact, the last available data indicates less than 13 percent of all publicly financed day care was for children over the age of 6.

In addition to title XX child care, other programs offering child care have seen their funding reduced or eliminated. For those who look for relief from the child care tax credit, I would point out that for many low-income parents and single parent families, the high cost of child care prohibits them from seeking needed child care and taking advantage of this credit.

Third, I agree that the amount of the money may be too small to meet the need for school-age child care, and I would personally like to see the Senate adopt the $30 million authorization level in the House-passed bill. However, the use of existing facilities that are designed for children and left unused for substantial periods of each day is a very cost-effective approach to child care. Additionally, no one, to my knowledge, has ever said that this legislation would be a comprehensive approach to school-age child care. Rather, this legislation seeks to create an awareness of school-age child care and how community partnerships—which do not all require Federal seed money—can develop programs for children after school.

Last, Mr. President, the charge that this involves the Federal Government in decisions about the use of schools and other local facilities is meaningless. Our amendment provides funds only for schools that are interested in developing after school child care programs, and that any decision on whether to place such a program within a school or community center is clearly up to that facility. Once again, S. 1531 seeks to create partnerships among parents and schools.

Since it was introduced, S. 1531 has been endorsed by 30 organizations who agree with the use of existing public facilities as a commonsense and cost-effective approach to school-age child care. Such organizations as the American Bar Association, the National Association of Elementary School Principals, the Children's Defense Fund, the National Commission on Working Women, the National Education Association, and Camp Fire, Inc., have lent their names in support of the School Facilities Child Care Act.

What is needed is a comprehensive approach to child care in the United States to assure that all in need of this type of child care will be served. It is my firm belief that this amendment is an important step in addressing the need of working parents and their children for accessible and affordable after school child care.

Mr. President, I ask that a complete list of the endorsing organizations be printed in the RECORD.

With that I yield back my time and hope the Senate will choose to vote against the motion to table.

Mr. PELL. Mr. President, I just wish to add a word of thanks to the majority leader for what is a very generous offer.

Some of us think this is a very good proposal indeed, and much needed, and I hope that a time agreement can be worked out.

Mr. BAKER. Mr. President, I share that sentiment and I promised the distinguished Senator from Rhode Island, as I have the Senator from Michigan and I have the Senator from Vermont as well, we will explore that thoroughly and fully in an attempt to get a time agreement on that bill and see if we can get it up in July which I would very much hope to do.

Mr. President, I move to table the underlying amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. NUNN. Mr. President, before the rollcall, could the majority leader indicate the plans for the remainder of this evening or the whole evening?

Mr. BAKER. Mr. President, I ask unanimous consent that I may proceed for not more than 1 minute notwithstanding the motion to table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, may I say to the Senator from Georgia that I hope we can now pass the math-science bill by a voice vote.

After that I indicated to the minority leader I wish to take up two appropriation bill conference reports, the energy-water conference report and the HUD conference report, both of which are here and available. As far as I know there is no controversy, no serious controversy, and I think we can do both of those without rollcall votes.

So it my hope that this will be the last rollcall vote, and I cannot make that assurance since I do not know whether someone will ask for the yeas and nays or not. I do not anticipate that and will not make it myself.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee to lay on the table the amendment of the Senator from Michigan.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Minnesota [Mr. DURENBERGER], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Texas [Mr. TOWER] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Colorado [Mr. HART], the Senator from Hawaii [Mr. INOUYE], and the Senator from Mississippi [Mr. STENNIS], are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 51, nays 42, as follows:

[Rollcall Vote No. 162 Leg.]

YEAS—51

Abdnor
Armstrong
Baker
Boren
Boschwitz
Chafee
Cochran
Danforth
Denton
Dixon
Dole
Domenici
East
Evans
Garn
Gorton
Grassley
Hatch
Hecht
Heflin
Heinz
Helms
Huddleston
Humphrey
Jepsen
Kasten
Laxalt
Lugar
Mathias
Mattingly
McClure
Murkowski
Nickles
Nunn
Percy
Proxmire
Quayle
Roth
Rudman
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Zorinsky

NAYS—42

Andrews
Baucus
Biden
Bingaman
Bradley
Bumpers
Burdick
Byrd
Chiles
Cohen
Cranston
D'Amato
DeConcini
Dodd
Eagleton
Exon
Ford
Glenn
Hatfield
Hawkins
Hollings
Johnston
Kassebaum
Kennedy
Lautenberg
Leahy
Levin
Long
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Packwood
Pell
Pressler
Pryor
Randolph
Riegle
Sarbanes
Sasser
Tsongas

NOT VOTING—7

Bentsen
Durenberger
Goldwater
Hart
Inouye
Stennis
Tower

So the motion to lay on the table amendment No. 3342 was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3344

(Purpose: To provide a national program for improving the quality of instruction in the humanities in public and private elementary and secondary schools.)

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS] proposes an amendment numbered 3344.

Mr. BUMPERS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following new title:

"TITLE GRANTS FOR TEACHERS TRAINING INSTITUTES IN THE HUMANITIES

"SECTION 1. (a) The Congress finds that—

"(1) it is in the national interest to have citizens who are broadly educated. Our nation's schools must prepare young people for active participation in community life and a democratic society. This is not possible without knowledge and understanding of the humanities.

"(2) in order to ensure that our nation's children acquire the conceptual and analytical skills necessary and have an appreciation for the traditions and values of Western and now Western cultures, studies in the humanities are essential.

"(3) it is necessary to improve the quality of instruction in the humanities and it is not possible to accomplish this goal unless our nation's teachers have the necessary background and training in the humanities.

(b) It is therefore the purpose of this title to authorize a national program for improving the quality of education which would make grants to institutions of higher education for the establishment and operation of teacher institutes for the enhancement of subject matter skills of public and private elementary and secondary * * *.

"(C) This title may be cited as 'The Universities Excellence and Teacher Training Act of 1984.'

"SEC. 2. (a) The Secretary shall make grants to an institution of higher education (or a consortium of such institutions) in each state whose application is approved under subsection (b) for the purposes of conducting summer humanities training institutes for the professional development of the proficiency of elementary and secondary school humanities teachers. Any institution or consortium whose application is so approved shall receive an amount equal to not more than $3,000 multiplied by the number of teachers, not to exceed two hundred, enrolled in such institute.

"(b) Any institution of higher education or consortium desiring to receive a grant in its state shall submit an application to the Secretary at such time, in such form, and containing such information and assurances as the Secretary may require. No such application may be approved by the Secretary unless the application—

"(1) contains a description of the proposed program of instruction, and the extent to which eligible classroom teacher participants will be involved in the planning and design of the institutes;

"(2) contains an estimate of the number of teachers, including the number of teachers from private elementary and secondary schools, to attend the institute, and describes the selection procedures;

"(3) describes the nature and location of existing facilities to be used in the operation of the institute;

"(4) specifies the teaching and administrative staff for the institute including the involvement of faculty from both the humanities and education departments and educators familiar with the operation of humanities programs in public elementary and secondary schools;

"(5) specifies the academic credits, if any, to be awarded for the completion of the courses of study to be offered at the institute;

"(6) provides a schedule of stipends to be paid teacher participants in the institute, including (A) allowances for subsistence and other expenses for teachers attending the institute and their dependents and (B) provisions assuring that there will be no duplication of Federal benefits paid to participants;

"(7) provides adequate assurances that teachers from the state who wish to participate will be selected on the basis of recommendations from a principal or other supervisory official and a demonstrated commitment to the teaching of the humanities discipline or disciplines studied in the institute; and

"(8) provides assurances that the institution of higher education will seek to enroll at least eighty qualified teachers in the institute;

"(9) is approved by the state educational agency as being consistent with state policies in elementary and secondary education and humanities.

"(c) Awards under this section shall be made to the institutions (or consortia) on the basis of excellence of the program proposed in the application, taking into consideration such elements as library resources, faculty achievement, and humanities learning facilities.

"(d) Funds available to institutions under this section may be used to cover costs associated with enrollment in an institute, including tuition, fees, administration, and living expenses.

"(e) In making grants under this section, the Secretary shall assure, to the maximum extent consistent with the pruposes of this title, that there is an equitable distribution of institutes established and operated under approved applications among States and within States. The Secretary shall award not less than one institute in each State.

"(f) No grant to a single applicant may exceed $500,000 in any fiscal year.

"SEC. 3. No grants shall be made or contracts entered into under this title except to such extent, or in such amounts, as may be provided in the appropriation Acts.

"SEC. 4. For the purposes of this title:

"(1) The term 'institution of higher education' means any institution of higher education, as defined under section 1201(a) of the Higher Education Act of 1965, which is located within a State, and includes a community college or junior college.

"(2) The term 'Secretary' means the Secretary of Education.

"(3) The 'State' means any of the several States, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

"(4) The term 'humanities' means both modern and classical language, literature, history, and philosophy; and language arts and social studies when taught in elementary schools.

"(5) The term 'State educational agency' has the same meaning as in section (198)(a)(17) of the Elementary and Secondary Education Act.

"SEC. 5. There are authorized to be appropriated to carry out this title $50,000,000 for fiscal year 1985, $60,000,000 for fiscal year 1986, and $70,000,000 for fiscal year 1987.".

Mr. BUMPERS. Mr. President, depending on how the next few minutes go, I might pull this amendment down. But it is an amendment that I feel very strongly about. It is an amendment that adds $50 million to provide for the same thing that the math and science bill does—but to teach the humanities, philosophy, history, drama, and so on. It is based on a very successful pilot program carried out last summer by the Carnegie Endowment and the National Endowment for the Humanities. I talked to a number of the people who participated in that program. To give you one example, the University of Texas had one of three pilot programs funded by Carnegie and the National Endowment. They had room for about 225 teachers in that summer program, and they had over 4,000 applicants.

This past spring, I made more high school graduation speeches than I have ever made in my life. I did that deliberately. We just accepted an awful lot of invitations because I find increasingly in this country that as the number of liberal arts degrees goes down so does voter participation, so does the lack of understanding of our political system.

When I graduated at the University of Arkansas, 65 percent of the youngsters in this country getting undergraduate degrees were getting liberal arts degrees. Today that number is below 30 percent. Since then, for example, in 1950, the youngsters between 21 and 25 in this country—50 percent of them—were voting. In 1980, 24.2 percent were voting.

There is something seriously wrong in this country. I do not mind telling you, if I were the Democratic or the Repubican nominee for President this fall, I would start talking about 3 or 4 weeks before the campaign about you cannot profess to love your country, you cannot go around telling everybody how patriotic you are, and stay home on November 6.

I am not sure what the root cause of the lack of voter participation is in this country, and I am not going to burden you with this whole speech—you will be happy to know—about all of the things Thomas Jefferson said about participatory democracy. But I do have the feeling that since the high technology explosion began in this country, youngsters are graduating from both high school and college, and they know the genetics of an apple, they know software, hardware, and they know telecommunications but they do not know anything about the Constitution. They do not know anything about the history of this country. They do not know anything about the admonitions of Thomas Jefferson, and others of like mind.

I am just saying I have no objection to spending $400 million training teachers to teach science and math. But I am telling you you are going to pay a very high price if we continue to focus on those issues with the scalpel, and not do anything about what is obviously a catastrophic condition in this country about teaching our youngsters something about the humanities.

The University of Arkansas the year before I left there started a program in which you could not graduate—I do not care if you were a civil engineer, an electrical engineer, or pre-med—until you had at least 6 hours in the humanities. They abolished that program 6 to 7 years later, and have never reinstituted it. Go in any college campus in this country and you will find the same situation.

I would not vote for a President—I would not vote for a President in 100 years—that I did not think had some clear understanding of the history of this country. How can you know where you want to go, and how you want to get there, if you do not understand the past, and the mistakes of the past?

I am saying, Mr. President, that we had better wake up, start training teachers to teach something besides math and science, or we are going to continue to pay a high price, and we may wake up too late after the price has already been paid.

I would be happy to yield.

Mr. RANDOLPH. Mr. President, I realize the hour is very late. I will take hopefully only 2 or 3 minutes. I do not want to be misunderstood because I fully agree with what the very constructive Senator from Arkansas has been saying. If you will go back and read the RECORD, this is a speech I have been making week after week, month after month, and year after year.

Let us just consider for this one moment the following: Back in 1960, when Jack Kennedy was elected President of the United States, 63 out of every 100 Americans cast their ballots. He was in office for about 4 or 5 months when I stood by his side as he said, "It is appalling, the lack of the use of the ballot box by the American public on election day."

Let us examine the situation 20 years later. In 1980, what was the percentage of those who voted? Was it 63 percent? It was only 53.4 percent, a tragic decrease in voter turnout in this period of 20 years, 1960 to 1980.

I fear if we continue as we are now going, not in 4 years, maybe not in 8 years, but at some point in the future, we are going to come to the time when we will elect a President of the United States not by the majority over the minority but the majority of the minority over the rest of the minority.

That is the situation that caused me to ask for this time.

Mr. BUMPERS. Let me make one further point.

In the graduation speech I made this year, and it was a dynamite speech—everyone said it was—one of the points I made was during the Revolutionary War there were 5,200,000 people in this country. It was an interesting thing—historians tell us now that Patrick Henry, the hothead firebrand type who wanted to rebel against the crown, had only one-third of the people of this country who wanted to rebel. One-third of the people wanted to stay loyal to the crown. You guess that the other third could not care less one way or the other.

In 1980, 51 percent of the eligible voters in this country voted. According to my distinguished colleague, only little Colombia in South America, of all the nations on Earth that allow their people to vote, votes a smaller percentage of its eligible voters than the United States.

What on Earth is going on here? In 1980, I believe it was 51 or 52 percent of the people who voted.

Mr. RANDOLPH. 53.4 percent.

Mr. BUMPERS. We have gone from one-third of the people who did not care or could not care less in 1776 to 1980 when 47 percent of the people could not care less.

I am simply saying this bill is designed to teach people something about our system that they are obviously not getting now.

When I was thinking of Presidential politics last year, I was calling delegates to the Democratic convention in Massachusetts. I will never forget a woman on Cape Cod.

I said, "I am thinking about it, and I am thinking about coming to your convention."

She said, "Senator, I want you to know I have read a little bit about you. What I read I like. But I want you to know I am 81 years old. I am going to take my time making up my mind because my vote is just as important to me as my right arm."

I said, "What a tragedy that everybody in America does not feel that way."

We are talking about the political process and that is only one facet of the bill.

I want to ask the chairman of the committee a question. I was going to introduce this as a bill until this mechanism came by and I did not want to burden my brethren. I wonder if I brought the bill over in the morning if I could have the chairman help me on it.

Mr. STAFFORD. If the Senator will yield, as chairman of the subcommittee on Education, Arts, and Humanities, I will say to my good friend that both the Higher Education Act and the authorizing legislation for National Endowment for the Humanities have to be considered and extended next year. It is the intention of the chairman of the subcommittee to hold hearings with respect to the renewal of both of those items.

We would certainly look carefully at the Senator's proposal if he would offer it to us so we could consider it in the regular course of the reauthorization of the programs I have just mentioned.

It would be the hope of the chairman of the subcommittee that, the Senate situation permitting, some of the committee hearings may be held without waiting until next year, perhaps during the latter part of this year.

I can give the Senator the assurance that there will be hearings and that the proposal he makes in the form of this amendment will be carefully considered by our subcommittee.

Mr. BUMPERS. I thank the Senator for that.

Mr. President, in the interests of time, I withdraw my amendment.

The PRESIDING OFFICER. The Senator has that right. The amendment is withdrawn.

Mr. DOLE. Mr. President, the Senator from Kansas is pleased that the Senate has finally decided to act upon the Education for Economic Security Act, which has been pending on the Calendar for over a year. This legislation should be considered a priority item on the national education agenda, in view of the many recent reports outlining the decline in our Nation's public education system. The report of the National Commission on Excellence in Education, "A Nation at Risk," told us what we already knew. This report, along with others, such as the report to the President from the business-higher education forum entitled "America's Competitive Challenge: a National Response" and "The Action for Excellence" report by the Task Force on Education for Economic Growth have sent us a strong message. Recognition of the problems facing our education system have now become official, although it usually takes a crisis of immense proportions to shake us into action.

MATH AND SCIENCE TOP PRIORITY

The Senator from Kansas is proud to be a cosponsor of the Education for Economic Security Act, and views this legislation as a top priority for action by the Congress. Although, as chairman of the Senate Finance Committee, I have been out front on the battle to reduce Federal deficits. I view the funding contained in this bill as a necessary investment by the Federal Government in response to the deterioration of math and science education in the United States: $425 million in the first year is a worthwhile contribution toward improving math and science training in this country. We cannot hope to face other nations on a competitive basis if we continue to lag behind in such crucial areas of expertise. The Japanese have been steadily progressing in these areas, as our serious trade imbalance indicates.

We, as a nation, obviously have some catching up to do, if we are to satisfactorily compete in the world market. The decline in math and science education in all stages of the training process has been a serious problem for some time, and, if we make no attempt to address it now, it can only get worse.

NATIONAL SECURITY AT STAKE

Perhaps more than any other area, this affects our Nation's status internationally. The current crisis in math and science education has an adverse impact on our country's ability to defend itself and to compete with other nations in the world's market. Not only must we establish a strong defense, but we must also be able to defend against outside competitors in international trade.

The decline in American education over the last 20 years constitutes a very serious threat to the strength of our Nation as it relates to other world powers. Our lack of competency in the vital areas of mathematics and science is among the most critical problems we face as an economic power.

We are living in a high-technology era, without the available resources to sustain the new technological direction of our society. We lack the training capacity, expertise, and manpower to be able to compete.

ENGINEERING

For example, take the field of engineering. The Soviet Union graduates five times the number of electronic engineers than the United States does each year. For every million people, the Soviet Union graduates 260 electronic engineers each year to a mere 67 in the United States, while Japan graduates 163. If, for every 10,000 people in the United States, 70 are engineers, and Japan has almost six times that number, how can we ever hope to compete as an industrial, technological power?

In West Germany, engineering accounts for 37 percent of the total undergraduate degrees; in the Soviet Union, this is 35 percent; in Japan, 21 percent; but only 7 percent of undergraduate degrees in the United States are in engineering. There is a projected shortfall between our need for electrical and computer-science engineers and the new supply from American colleges of some 20,000 annually, while the available jobs will increase to 150,000 by 1990. It is time we began to address this aspect of our national education crisis, because of its widespread ramifications.

This shortfall is compounded by the lack of sufficient engineering faculty to educate future engineers. Currently, engineering schools are experiencing 2,000 to 2,500 engineering faculty shortages approaching 50 percent of the total number of faculty needed in some high-technology-specialty areas. We are currently producing only 450 new engineering instructors each year, and we need 1,000 just to maintain a steady pace in this area.

PRIVATE-SECTOR BRAIN DRAIN

The root of this problem lies in the shortage nationwide of superior teachers of mathematics, science, and technology. There has been a brain drain into the private sector and schools cannot now hope to compete with the salaries offered by private industry. The fact that only 55 percent of the graduates prepared to teach mathematics actually enter the teaching profession demonstrates this trend, which could lead to a net loss of 35 percent in the number of qualified mathematics and science teachers by 1992.

Actual teacher shortages are further undermined by the number of instructors responsible for teaching subjects for which they are not qualified. We need superior teachers of mathematics, science, and technology to motivate students to do well in their courses at early stages of the educational process, so that they may be prepared for college and graduate schools.

ACADEMIC STANDARDS

Individuals who plan a teaching career should be required to meet high educational standards and demonstrate an aptitude for teaching, as well as competence in an academic discipline. Those college and universities which offer teacher training programs should be evaluated on the basis of how well their graduates meet these standards.

Under the higher education programs section contained in title II of this bill, 30 percent of the State money would go to the State agency for higher education, with 75 percent to be distributed as competitive grants to universities and colleges for math-science traineeship programs, teaching retraining programs, and inservice training programs, and 20 percent for cooperative programs among industry, schools, universities, and libraries.

The most significant amount of funding contained in this legislation is channeled to States through formula grants, with 90 percent of the money authorized for the Department allocated to the States on the basis of the number of school-aged children—this would amount to $315 million for fiscal year 1984, and $360 million in fiscal year 1985.

UPGRADING TEACHER QUALITY

While there is much that must be done to attract new talent to the teaching profession, a great problem exists in upgrading the quality of teachers already in the school system. For this reason, 70 percent of the State money for elementary and secondary school programs under title II would go through the State educational department to local school districts to improve the training and retraining of teachers in mathematics, science, and foreign-language instruction.

In addition, title I includes a program in conjunction with the National Science Foundation to provide teacher institutes resembling those created under the old National Defense Education Act of 1965. Each State would establish at least one institute. Existing teachers could upgrade their skills under programs offered by the institutes, and could receive credit from a participating university; $20 million is allocated for these teacher institutes, and no award can exceed $200,000 in any given year.

PUBLIC-PRIVATE-SECTOR EFFORT

In order to meet the immediate problem of the shortage in mathematics and science teachers, substantial public- and private-sector resources should be utilized. This legislation represents a significant step in the right direction.

Title II of this legislation establishes partnerships in education through the National Science Foundation. Under this title, businesses, universities, local schools, and nonprofit organizations could form a consortium for math and science improvement. This type of approach results in a public-private-sector partnership; 30 percent of the consortium arrangement would be funded by a local business concern; 20 percent would be funded by the State, participating universities, or other appropriate parties, and the remaining 5 percent would receive funding from the NSF. These partnerships are intended to improve postsecondary math and science education, award scholarships in math and science, operate faculty exchange programs, improve math and science research, acquire equipment, and promote awareness among the public of issues affecting math and science education.

CONGRESSIONAL MERIT SCHOLARSHIPS

Mr. President, I am pleased that a provision from the National Math and Science Excellence in Education Act of 1983, introduced by Senator DOMENICI, of which I was an original cosponsor, has been included in this final Senate package. Title I of S. 1285 would establish congressional merit scholarships of $5,000 a year for up to 4 years.

These scholarships would be awarded by the National Science Foundation to qualified applicants who fulfill certain criteria. Eligibility requirements are that a student must be in his or her third year of undergraduate studies, concentrating in mathematics, science, or engineering, and these students must indicate a serious intent to teach in these areas and agree to teach for 2 years. Funding for these scholarships would be $5 million for fiscal year 1984, and $15 million for fiscal year 1985.

DESEGREGATION AMENDMENT

Mr. President, the Senator from Kansas was pleased to be a cosponsor of a desegregation amendment, which was introduced by the distinguished Senators from Utah and Missouri [Senators HATCH and EAGLETON] and is now included in this bill. This desegregation amendment would target $75 million for use in magnet schools which are part of an approved desegregation plan.

Three categories of school districts are eligible to receive these funds: First, a district which lost $1 million in the first fiscal year after the repeal of the Emergency School Assistance Act; second, a district that is operating under a court-ordered desegregation plan; third, a district that is operating under a voluntary plan. The amendment gives special consideration to the recentness of the implementation of the approved plan and to the proportion of minority children involved in the plan.

The funding provided is authorized to be used for courses in academic instruction offered at magnet schools, for the purchase of books, material, and equipment, including computers, and for the payment of those magnet schools. The Senator from Kansas believes that this amendment adds a new dimension to this legislation that will be a positive one.

Mr. KENNEDY. Mr. President, I rise to reiterate my support for S. 1285, the Education for Economic Security Act. Before we conclude debate on this important legislation, I would like to make a few comments.

First, as I have previously stated, this legislation should be seen as an important first step to addressing the need for increased support for math and science education. It should not be perceived as Congress' final solution to addressing the problems of teacher shortages, declining enrollments in math, science, and language courses, and the other problems addressed in this bill.

The need for this legislation is critical. Almost 2 years ago, when we began consideration of this proposal, the National Commission on Excellence in Education referred to our course of education policy as unilateral educational disarmament. The testimony we received from various educators, scientists, policy analysts, and industry representatives pointed out the nature of our educational disarmament: severe shortages of teachers qualified to teach mathematics, science, computer instruction, and foreign languages; fewer students taking these courses; a lack of support for teaching materials and other resources; and an underrepresentation of women, minorities, and other special populations among the ranks of our science and math-related professions.

The future demands not only that we meet the need for scientists and engineers, but that we restructure our educational system to emphasize science and math education. Robert Reich, commenting in "The Next American Frontier", noted that:

> The only way that industrialized nations can maintain their standards of living is * * * to seize and keep world leadership in new industries based on advanced and emerging technologies.

In his testimony before the Committee on Labor and Human Resources, Dr. James Rutherford of the American Association for the Advancement of Science stated:

> To produce technologically literate citizens will require involving the entire educational system from kindergarten through post-graduate education, and it will cut across all disciplines and fields. The effort must take place not only in our colleages and universities, but also in other community institutions that serve youth and adults. The educational system, in other words, must be redesigned to take science and mathematics education seriously at every level and for all students. The future worker, the future manager, or the future journalist or legislator needs to be scientifically and technologically literate, just as our scientists and engineers must be humanistically educated.

Second, those agencies charged with the responsibility of carrying out the changes envisioned for the new technological era must take a leadership role. Under the present proposal, the National Science Foundation has a major role to play in developing and coordinating many of the proposed math and science programs. I am glad to see that funding has been increased for the science education directorate in anticipation of the role they are to play in this initiative. I encourage other agencies, independent agencies, science foundations and organizations to work with NSF to develop the agenda and the blueprint for the future of our Nation's math and science education programs.

Third, this legislation requires that special consideration be given to special populations, that is, women, minorities, and other populations underrepresented in the math and science fields. It seems to me that, for all the efforts Congress makes to insure that these populations are targeted in our Federal programs, these populations continue to be underrepresented in the professions and in our post-secondary institutions. Every effort must be made to emphasize and improve science and math education for women and minorities. Every effort must be made to improve science and math programs in our central city schools. And, every effort must be made to encourage promising women and minorities to pursue science, math, and engineering careers.

Finally, private industry has a significant role to play in improving and transforming our math and science education programs. Business and industry have a role and a responsibility to insure that the educational delivery system is meeting their present and future needs. This legislation envisions partnerships in education wherein business and industry can provide direction, expertise and investment to our schools. I hope that they will take full advantage of this program and see it as an investment in their future. At the same time, I encourage the educational institutions to seek out and cooperate with private industry in the development of their programs and in outlining their needs. A good example is the need for cooperation in the development of teaching materials. Software manufacturers, textbook publishers, and other contributing industries need the input and cooperation of the schools in order to develop the best product to meet the needs of our students.

I am encouraged by this legislation. I believe it sets the groundwork for the development of a national agenda for the 21st century. H.G. Wells once wrote that "Human history becomes more and more a race between education and catastrophe." This legislation moves us further along in our education and further away from catastrophe.

Mr. DODD. Mr. President, I am pleased to be a cosponsor of the Senate labor and human resources education bill, S. 1285. In addition, I congratulate Senators HATCH, STAFFORD, and PELL for their leadership and continued dedication in attempting to ensure excellence in education.

The provisions contained in S. 1285 support a comprehensive education plan that seeks to afford every American student an opportunity to develop the essential subject excellence needed to pursue further academic endeavors and good jobs in the workplace.

S. 1285 does this by providing strong support for quality mathematics, science, computer, and foreign language programs so vitally needed in today's changing technological society.

Furthermore, I am very pleased that components of two of my bills, S. 401, the National Science and Mathematics Teachers Development Act and S. 1093, the Mathematics and Science Research Evaluation and Assessment

Act, have been incorporated into S. 1285.

The main thrust of S. 401 is to provide funds to institutions of higher education to initiate continuing education programs for precollege science and mathematics teachers.

Qualified teachers are, in my opinion, one of the most crucial components of a viable, progressive education infrastructure.

It is unrealistic to expect students to excel in courses taught by teachers who have little subject matter knowledge in areas of instruction for which they are responsible. Recent studies show that approximately one-half of newly hired science and mathematics teachers are unqualified to teach these subjects.

It is unfair to burden teachers with the responsibility of instructing students in curriculums for which they have had little academic preparation or teaching experience.

It is unlikely that employers will find sufficient numbers of qualified personnel to fill positions in high-tech firms if inadequately trained teachers have been unsuccessful in providing students with technological skills needed by business firms.

The provisions of S. 401 incorporated in the pending legislation are a first step toward ensuring that science and mathematics teachers are qualified to properly instruct the Nation's precollege students and adequately prepare them for the future.

Qualified teachers are not, however, the only essential ingredient necessary to ensure excellence in education.

Throughout the last several decades significant declines have occurred sporadically in science and mathematics test scores of students nationwide. And, although there has been much speculation, substantive reasons for these dramatic deficits have not been identified.

Another provision of the bill before us to provide for the conduct of research would give insight to the reasons for students' fluctuating science and math capabilities, determine ways to improve teacher training, evaluate and assess science and mathematics programs, and provide Congress with substantive information upon which future legislation can be proposed. That section is based on S. 1093 which I introduced last year.

Mr. President, concern for quality education, especially in the areas of science, mathematics, and technology, has been rising steadily. Government, education, business, and community leaders have renewed their commitment to ensure the viability of an education infrastructure upon which quality scholarship can be established.

Last spring our colleagues in the other body overwhelmingly approved legislation—H.R. 1310—to improve science, mathematics, and foreign language programs.

The Senate, too, must authorize new education programs relevant to today's needs. We are all aware of the many commission reports which have described the state of American education as being mediocre. The state of education in America will not improve unless the Senate is willing to act in a responsible and timely fashion to promote substantive measures as outlined in S. 1285.

I urge my colleagues to join me in supporting this important legislation.

Mr. MOYNIHAN. Mr. President, the Senate soon will vote upon S. 1285, the Education for Economic Security Act. This legislation, which we refer to as the math and science bill, represents a broad statement of the Federal Government's commitment to quality and equality in public education.

The original provisions of S. 1285 focus primarily on the improvement of mathematics, science, and foreign language instruction in our public schools. We often hear of the many studies on public education issued in the last 15 months, so I will not detail their findings. I would note only that this legislation is a real and important response to those studies. The following programs are authorized under this act:

National Science Foundation programs for teacher training, materials development, excellence-in-teaching awards of up to $5,000 per teacher, and undergraduate and graduate fellowship programs for future math and science instructors. For these programs, the bill allocates $45 million in fiscal year 1984 and $81 million in fiscal year 1985;

Formula grants to States and discretionary grants by the Secretary of Education to improve training and retraining of math, science, foreign language, and computer instructors. Outlays would total $350 million in fiscal year 1984 and $400 million in fiscal year 1985, and the funds would be used in institutions of higher learning as well as elementary and secondary schools;

Partnership programs between schools, business concerns, nonprofit organizations, libraries and museums, and other parties, for the improvement of math, science, computer, and foreign language instruction. Outlays would total $30 million in fiscal year 1984 and $60 million in fiscal year 1985; 100 Presidential awards each year to teaching excellence in math or science in secondary schools.

This legislation also includes important provisions supporting school desegregation and asbestos abatement programs, both based on legislation which I sponsored. The first amendment provides $225 million for fiscal years 1984-86, to assist school districts using magnet schools as part of a desegregation plan. This desegregation assistance program is the first categorical grant program in the field of education approved by the Senate during the Reagan administration. It will ease the problems of our local school districts as a result of the administration's decision to fold the Emergency School Aid Act into the chapter 2 education block grant. More importantly, this new program will reestablish the Federal Government's commitment to the Supreme Court's mandate to desegregate America's public schools.

Finally, I am pleased that S. 1285 authorizes the Environmental Protection Agency [EPA] to provide technical and financial assistance to school districts with asbestos hazards. Commonly used as fireproofing and insulation, asbestos was placed in some 12,000 to 14,000 schools between 1940 and 1973. Asbestos fibers—which are inhaled easily—have been linked to several types of cancer. It is imperative that we remove this hazard from our schools, and as quickly and expeditiously as possible.

This legislation contains several important education programs, and I would urge all of my colleagues to support it.

Mr. SASSER. Mr. President, I rise in support of S. 1285, the Education for Economic Security Act.

There is not one among us who is not aware of or deeply concerned about the current state of mathematics and science education. This is a problem which threatens to compromise our Nation's stature in the international marketplace, further weaken our industrial base, and undermine our national defense.

Allow me to briefly enumerate some of the dimensions of our math and science education problems. According to the National Education Association, the supply of math teachers equals only 78 percent of current demand with 22 percent of the available teaching posts left vacant. The National Governors Association reports that out of the 45 States responding to their survey, 42 States reported a shortage of physics teachers and 38 States reported a shortage of chemistry teachers. If this trend continues, the Nation will suffer a net loss of 35 percent of its science and math teachers by 1992. This picture of math and science education is further clouded by the apparent decline in the quality of math and science teachers. Twenty-six percent of all math teaching positions are filled by noncertified teachers. Nearly 20 percent of all high school science teachers were nonscience majors in college. Moreover, of all current math and science teachers, 40 percent have not attended a workshop or course since they began their teaching careers.

What is most disturbing about this news is the fact that how teachers approach precollege math and science instruction has a definite influence on student interest in and student perception of the significance of these disciplines, thereby affecting the future supply of qualified scientists, technicians, and engineers needed to operate our economy in the years to come.

The number of students taking advanced math and science courses is dropping along with the overall level of student achievement in these subjects. One-half of all high school students take no math or science beyond the 10th grade. Only 34 percent of our high school graduates have completed 3 years of math and less than 20 percent have taken 3 years of science. Only 8 percent have taken calculus.

The scientific preparation of Amernican students stacks up poorly against certain other industrialized nations. In addition to 2 years of calculus, all high school graduates in the Soviet Union are required to complete 5 years of physics, 4 years of chemistry, 4 years of biology, and 5 years of algebra. In Japan, all college-bound students take 4 years of math and 3 years of science. And in Germany, fifth graders take chemistry, physics, and biology 2 to 3 hours a week.

The failure to develop a strong foundation in math and science at precollege levels decreases the resource pool of people from which the new engineers and scientists can be drawn. This failure severely limits young people's career options and also exacerbates the teacher shortage. According to a University of California survey, 92 percent of the women and 43 percent of the men in the freshman class had already disqualified themselves from three-fourths of the possible majors for lack of sufficient mathematics.

We must make a renewed investment in math and science education if we are to successfully meet the challenges of the "new economy," one which integrates the traditional smokestack industries with high technology. Without a doubt, the challenges of the new economy within the next 20 years will be as fundamental as the change from an agrarian to an industrial society after the Civil War.

A prime example of the benefits of increased educational investment comes from our high technology competitor, Japan. The great accomplishment of Japanese education is not the creation of a brilliant elite but rather the production of a high average level of math and science capability in its graduates.

I strongly believe that our investment in education, as provided by the Education and Economic Security Act, is one of the most sound expenditures we can make. It is also one of the most necessary because unless we take steps now, we could be surprised by other countries in the technological fields, in emerging industries, and in scientific research and development.

Clearly, our Nation confronts serious, widespread problems in mathematics and science education. S. 1285 provides for a sound Federal commitment to reinvigorating math and science education. I urge my colleagues to join me in supporting S. 1285.

Mr. GLENN. Mr. President, I am deeply concerned about the serious decline in the quality of math and science education in this country. I believe that we need to take immediate action to address this problem. That is why I am supporting S. 1285, the Education for Economic Security Act.

In 1960, John Kennedy called on the American people to join with him in meeting the challenges of the New Frontier. We responded to that call and moved our economy into its most dynamic decade of growth in this century. We did it by expanding opportunities for all of our citizens and by setting new standards of excellence in education, research and development. The world has changed dramatically since then and so have the challenges that confront us.

Our scientific and technological leadership is being overtaken by competitors throughout the world, the productivity of our workers and industries is lagging behind that of our trading partners, and the foundation of educational excellence upon which we built our international preeminence is being eroded by a rising tide of mediocrity. Our educational system is simply not providing the education in science and technology which is required in order for our young people to move into high-technology jobs.

In business, in government, and in the military, science is becoming the key to success. My own State of Ohio has come to the realization that even "smokestack America" is a high-technology industry. Just outside of Canton, OH, a new steel processing facility is being built. Much of the operation will be computer controlled and will use sophisticated materials-handling techniques and equipment. While steelmaking experience will be important, high-technology education will be just as vital for workers at this plant.

As our need for scientific and engineering personnel increases, we are in danger of drawing down our pool of qualified personnel to dangerously low levels. We can no longer tolerate substandard instruction in math and science in our public schools, yet we lack incentives for highly qualified persons to take teaching positions. This legislation addresses this problem by providing scholarships and teaching awards to students planning to teach in areas of critical need. I have long been an advocate of this approach and, in fact, have introduced similar legislation on this issue.

The challenges of international competition and technological change place a premium on the kind of long-term investments in education that this bill provides. I urge my colleagues to join me in supporting this important legislation.

Mr. ABDNOR. Mr. President, I wish to clarify several issues concerning the asbestos-in-schools initiative adopted by the Senate on June 6, as an amendment to the bill before us, with the distinguished Senator from Vermont, who serves as chairman of both the Education Subcommittee and the full Committee on Environment and Public Works.

It is my understanding that the Asbestos School Hazards Abatement Act of 1984 applies to sprayed-on materials, materials that are used for wrapping pipes and boilers, acoustical materials, and other materials that are capable of releasing asbestos in school buildings.

Mr. STAFFORD. The Senator from South Dakota is correct.

Mr. ABDNOR. Would the Senator agree that the full committee he chairs, which has primary jurisdiction over the activities of the Environmental Protection Agency, intends that the Office of Toxic Substances administer and implement the Asbestos School Hazard Abatement Act of 1984?

Mr. STAFFORD. Again, the Senator is correct. Further, it is the express intent of the committee that the funds allocated under this provision be an add on to the funds that are otherwise utilized by the Office of Toxic Substances. That is, these funds are intended to supplement money already being spent by the Office of Toxic Substances on its various programs, including those funds that are now being utilized to provide technical and other assistance on asbestos in schools. We would therefore anticipate the creation of at least eight additional permanent full-time positions to administer this program.

Mr. ABDNOR. Does my colleague from Vermont agree that the Environmental Protection Agency, in establishing the Administrator's priority list, is intended to rely primarily on the information contained in the applications submitted by the local educational agencies and the Governors' priority lists?

Mr. STAFFORD. Yes; that is our intent. In addition, the committee recognizes that when schools submit their applications for assistance, they may not have actually selected the contractor to perform abatement. In these circumstances, the Administrator may need to use a two-step process in evaluating requests for abatement funds. The first step would provide for preliminary approval of financial assistance. The second step would provide for final approval of financial assistance after the local educational agency documented that the selected contractor is qualified to safely perform the abatement work.

Mr. President, I wish to thank my able friend and colleague, for his assistance, and that of his most capable staff, in addressing these matters of mutual concern.

Mr. PERCY. Mr. President, I welcome this opportunity to speak in support of S. 1285, the Education for Economic Security Act, better known as the math and science bill. S. 1285 is designed to increase the supply of trained teachers and to improve the quality of instruction in math, science, computer science, and foreign languages.

As evidenced by numerous studies, including the recent report of the National Commission on Excellence in Education entitled "A Nation at Risk, the Imperative for Educational Reform," our Nation faces a crisis in the quality of math and science education which jeopardizes our ability to compete effectively in the world's economy and technological innovations. Severe shortages of teachers qualified to teach math, science, computer instruction, and foreign languages, fewer skilled technicians and fewer students taking these courses substantiate the Nation's educational decline in these areas.

Numerous studies showing the decline in student participation and performance in quantitative proficiency courses are overwhelming. One of the most striking facts is the dramatic decline in Scholastic Aptitude Test [SAT] scores over the last two decades of students attempting to pursue a postsecondary education. The mean SAT score in math dropped from 502 in 1963 to 466 in 1980, while the proportion of students scoring over 700 on the test dropped 15 percent between 1967 and 1975. Science achievement scores, as measured by three National Assessments of Educational Progress, significantly declined in recent years with the average achievement by high school students being lower than that of 26 years ago.

The documented shortage of qualified teachers is a major cause of decreasing student participation and achievement in math, science, and technology. Most of our States have these shortages, and the shortage in some States is critical. According to a 1981 Howe and Gerlovich study, 43 States have a shortage of math teachers. Another survey by the Association for Schools, Colleges, and Universities has found that 22 percent of all high school teaching posts in math and science are vacant nationwide. Some States, including Illinois, have reported critical shortages of chemistry, physics, and math teachers.

Our Nation also faces a steady decline in foreign language study over the last two decades. According to the Joint National Committee for Languages, only 15 percent of all high school students study foreign language, down 9 percent from 1965. At the postsecondary level, 34 percent of the number of colleges and universities surveyed required freshman students to have a foreign language background in 1965; now, only 8 percent of these institutions require a foreign language background. The shortage of teachers qualified to teach foreign languages continues to hinder the Nation's ability to participate in an international society.

The ability of our Nation to compete effectively and to trade with other countries depends on having a sufficient number of Americans who speak the languages of nations with whom we deal. In 1980, the President's Commission on Foreign Language and International Studies reported that Americans lose 100,000 jobs a year because too few of us speak a foreign language.

To address the alarming decline in the quality of math, science, and foreign language education, S. 1285 is designed to facilitate communication between scientists and educators, to provide incentives for cooperation and joint projects between the private sector and educational institutions, and, most importantly, to assist States and local education agencies in providing teacher training and retraining in math and science. The bill authorizes $45 million for fiscal year 1984 for teacher institutes, materials development, graduate fellowships, undergraduate scholarships and other discretionary projects to be conducted by the National Science Foundation; $350 million would be authorized for fiscal year 1984 for teacher traineeships and retraining. S. 1285 also authorizes $30 million in fiscal year 1984 for special projects involving partnerships between the private sector and educational institutions.

I am pleased that this bill also contains programs intended to increase the participation in math and science study of those people traditionally discouraged from technologically related careers, including women and minorities. In engineering, which is one of the largest technical job markets, women account for only 3 percent and blacks only 2.4 percent of the Nation's engineers. I believe that women, minorities, and other underserved populations should not be ignored in our national effort to improve the status of math and science education.

A strong educational program in science and math is essential for our national well-being. Students who graduate from our educational system must contribute to our Nation's economic vitality with increased productivity and technical innovation. I believe the Federal Government has a proper role in assisting State and local education programs and believe that the kind of Federal assistance provided in S. 1285 is appropriate and necessary.

Therefore, I urge my colleagues to support passage of the Education for Economic Security Act.

Mr. RIEGLE. Mr. President, I rise today, with great pleasure, to commend my colleagues for their recognition of the critical need to improve the Nation's math and science education programs. Through the passage today of the "Education for Economic Security Act," S. 1285, the Senate demonstrates its strong support for reversing the trend of declining achievement in math and science in our elementary, secondary, and post-secondary schools. Passage of S. 1285 confirms the Senate's commitment to ensure, for future generations, that America will continue to be a secure nation that is economically competitive, productive, and prosperous in a rapidly changing and technologically sophisticated world.

The deterioration of our educational programs in math and science is well documented and most clearly reflected in poor showings on measures of math and science competency. Since the late 1960's, math scores on college entrance exams have declined steadily. As a result, growing numbers of students enter college math and science course unprepared. During the late 1970's, enrollment in remedial math courses at 4-year institutions of higher education increased by 72 percent, and in 1983, remedial math courses constituted as much as 25 percent of the math courses offered in 4-year public colleges and 74 percent in community colleges. The magnitude of the problem of poor performance in math and science reflects a crisis in our educational system that we, as a nation, can no longer accept

The Bureau of Labor Statistics has projected that between 1978 and 1990 the demand for scientists and engineers will increase by 40 percent, with 180,000 new jobs in mathematical, physical, and life sciences, 480,000 in computers, and 250,000 for engineers. Improved math and science education is essential to guarantee that we will have an adequate supply of well-qualified individuals to fill this demand.

At the heart of the crisis in math and science education is the shortage of qualified teachers. During the 1970's, the number of qualified science teachers dropped 64 percent, and the number of qualified math teachers dropped 77 percent. The National Science Board reported that in 1980 and 1981, 25 percent of the math and science teachers expressed an intent to leave teaching, and 4 percent actually left. If this situation were to become a trend, it is estimated that it would result in a 35-percent reduction in experienced math and science teachers by the early 1990's.

In addition to the attrition rate, recent surveys indicate that among currently employed math and science teachers, 40 percent have not participated in a continuing education course since they started teaching, 69 percent have never taken a computer course, and strikingly, 50 percent of all newly hired math and science teachers were rated unqualified by their principals. Passage of S. 1285 represents a major effort to halt the attrition and improve the quality of math and science instruction at all levels.

S. 1285 authorizes a number of necessary grants that, although administered through the Department of Education and the National Science Foundation, encourage State and local, and private sector cooperation to improve math and science education. Under title I, grants are authorized to institutions of higher education and local education agencies to conduct teacher institutes, and to develop and disseminate new materials for teacher training and for math and science course of study in elementary and secondary schools. In addition, under title I, NSF may present excellence in teaching awards to outstanding elementary and secondary math and science teachers. Title I also authorizes a program of Congressional Merit Scholarships for post-secondary students who are committed to a career in teaching math, science, or engineering.

Title II of the bill stresses improvements in elementary and secondary programs through formula grants to States for inservice, and retraining of current teachers, and for traineeships for prospective math and science teachers. Under title II, 20 percent of the State allotment is designated for exemplary programs with an emphasis on women and minorities.

Title III authorizes grants for Partnerships in Education. These programs would encourage cooperative participation of various educational institutions and community organizations, business and professional groups in developing programs to advance instruction in math, science, computer science, and engineering.

Finally, title IV authorizes the President to award 100 Presidential awards for excellence in teaching to secondary level math and science teachers.

With the passage of the Education for Economic Security Act, S. 1285, the Senate has acted to alter the direction of the declining quality of math and science education. Left unchecked, this deterioration of math and science education could seriously threaten the future security and prosperity of our Nation. Through S. 1285, the Senate has demonstrated a firm commitment to promoting excellence in education and made a critical investment in our future well-being. I am proud to be a cosponsor of this important legislation.

DESEGREGATION ASSISTANCE AMENDMENT

Mr. President, as an original cosponsor of S. 1256, the Emergency School Aid Act of 1973, introduced by Senators MOYNIHAN and DANFORTH, I am pleased that this desegregation assistance amendment received the support of the full Senate. I commend Senators PELL, MOYNIHAN, EAGLETON, and HEINZ for their efforts in reaching this compromise.

The original Emergency School Aid Act was adopted by the Congress in 1972. The 1972 act encouraged communities to voluntarily adopt desegregation programs and included a variety of activities including; staff training, employment of additional staff, development of new curricula, and creation of magnet and neutral site schools.

The Emergency School Aid Act [ESAA] was last funded as a separate categorical program during the 1981-82 school year when approximately $125 million was authorized for programs to eliminate segregated school situations. For the first time in the 1982-83 school year, ESAA was part of the education block grant which placed 29 categorical programs into one block grant to the States with wide discretion on the part of the States as to how to spend the money. Substate formula decisions made at the State level have made it almost impossible for districts that formerly relied heavily on ESAA grants to complete desegregation programs already underway.

A survey by the American Association of School Administrators revealed that 94.3 percent of school districts surveyed were not using chapter 2 funds for desegregation purposes. A Rand study prepared for the Department of Education and released in February 1983 had this to say about the inclusion of ESAA in the chapter 2 block grant:

> The inclusion of ESAA in chapter 2 largely eliminates Federal financial support of desegregation. Moreover, ESSA's demise has a further consequence for nondiscrimination. The Education Department's Office for Civil Rights (OCR), charged with enforcing discrimination, had sign-off responsibility on ESAA grant applications. This authority gave enormous leverage in reviewing school district treatment of protected groups. LEA's complied with OCR dictates rather than lose ESAA funds.

In my own State of Michigan, the shift to block grants resulted in a 73-percent reduction in desegregation assistance; from over $7 million to less than $2 million in funding. Following is a table prepared by Prof. Philip Kearney at the University of Michigan which illustrates the even greater magnitude of this cut in assistance for Michigan school districts.

COMPARISON OF FEDERAL DESEGREGATION ASSISTANCE AVAILABLE UNDER ESAA AND ECIA—CHAPTER II FOR MICHIGAN SCHOOL DISTRICTS

School district	ESAA allocation, 1981–82	ECIA allocation [1]	Percent change [2]
Detroit	$3,388,321	$1,183,559	−65
Grand Rapids	437,836	149,887	−64
Pontiac	409,515	99,308	−76
Lansing	611,644	139,590	−77
Flint	915,241	184,169	−80
Benton Harbor	309,776	46,480	−85
Ferndale	261,991	28,062	−89
Ecorse	121,534	14,579	−88
Inkster	278,240	19,337	−93
Ypsilanti	120,265	35,557	−70
Coloma	217,813	14,475	−93
Eau Clair	50,556	5,229	−90
Total	7,122,431	1,920,232	−73

[1] For desegregation under State formulas, 1982–83.

[2] In Federal desegregation assistance, ESAA versus ECIA.

Source: C. Philip Kearney, The Education Block Grant in Michigan; Initial Experiences With ECIA, Chapter II, 1983. Calculations based on data from U.S. Department of Education Grant and Procurement Report E01: Grant Awards by State and CFDA Program; and Michigan Department of Education Internal Reports.

The amendment included in S. 1285 which we have passed today does not however, reenact the predecessor Emergency School Aid Act. This is a far more targeted Federal desegregation assistance program, that would provide $75 million in authorized funding for three categories of eligible recipients: First, districts which lost $1 million in the first fiscal year after the repeal of ESAA; second, districts that are operating under a court-ordered desegregation plan and, third, districts operating under a voluntary desegregation plan. The money would be further targeted for use in magnet schools which are part of an approved desegregation plan.

Authorized uses of funds would include: courses in academic instruction at magnet schools, purchase of books, purchase of materials and equipment—including computers—and payment or subsidization of the compensation of elementary and secondary teachers in those magnet schools.

In addition the legislation gives special consideration to the recency of the implementation of an approved plan and to the proportion of minority group children involved in the plan. Finally the program provides that no State shall reduce the amount of State aid or the amount of assistance under chapter 2 that also receives money under this program.

Local school districts would compete for funding by submitting applications to the Department of Education, which would administer the program. A 5-percent aside would go to State education agencies for desegregation-related activities to local districts.

Mr. President, this year marks the 30th anniversary of the Supreme Court decision, Brown against Board of Education, which declared that separate was not equal, yet a recent study done by the Joint Center for Political Studies revealed that 63 percent of black children attend predominantly minority schools and 68 percent of Hispanic children attend predominantly minority schools. We have come a long distance since the Supreme Court decision, but the Federal Government must maintain its commitment to support States in their efforts to complete the long walk down the road to educational equity.

ASBESTOS AMENDMENT

Mr. President, I am happy to have cosponsored the amendment of the Senator from South Dakota [Mr. ABDNOR] which will establish within the Environmental Protection Agency [EPA] a program of technical and financial assistance to help our Nation's schools address the hazards of asbestos.

Following World War II asbestos was used extensively in the construction of school facilities nationwide. Because of concerns about the affect of this asbestos in the schools, the Asbestos School Hazard Detection and Control Act of 1980 passed Congress in 1980. Congress authorized Federal funding of $172 million for a program of grants and loans to assist local school district in identifying and removing, where necessary, asbestos materials. The 1980 law required local authorities to inspect buildings and notify employees and parents of any potential hazards. Corrective action was taken only if State or local school board authorities could provide the funding. Consequently only wealthier school districts pursued asbestos abatement.

The Department of Education, under whose authority the Asbestos Control Act rested, never requested funding for the program. In addition they asked Congress not to appropriate funds until the Department of Education completed its study on the extent of the problem. In November 1983, the Department released their study indicating that at least $1.4 billion was needed to remove asbestos from 12,000 to 14,000 schools nationwide. Still no funds were requested in the Department of Education's budget for fiscal year 1985. Their reasoning—asbestos removal from public schools constitutes a State responsibility not a Federal one.

Approximately 3.24 million children and an estimated 684,000 school employees are working in or attending schools with an asbestos problem. Congress recognized the need to protect workers from asbestos risks by passing legislation requiring occupational safety standards. I believe we have an even greater responsibility to protect the health of this Nation's youth.

Many local educational agencies simply do not have funds available to remove this asbestos hazard. Estimates average $100,000 per school for adequate cleanup. In my own State of Michigan, nearly 5,000 schools have been inspected for asbestos problems since 1981. Over 300 were found to have friable asbestos materials with over 400,000 square feet of material which needs to be removed at an estimated cost of between $5 and $7 per square foot. Recently one school district, which was not included in the original estimate, was found to have over 400,000 square feet of asbestos materials. Cost of removal has been estimated at $3 million.

Recently EPA has levied fines against several school districts for failure to comply with EPA regulations which require school districts to notify employees, parents, and teachers that asbestos exists within the school facility—regulations do not require removal, only notification. Little is accomplished by fining school districts who have failed to undertake inspection for fear that parents and employees will demand removal when the local authorities have no funds for such abatement procedures.

This amendment will authorize the EPA to make loans and grants to local education agencies for asbestos abatement or removal. For 1984 and 1985 this program would authorize expenditures of $50 million per year and for the following 5 years $100 million per year; 10 percent of the funds would be available for administrative expenses and to provide scientific and technical assistance in the first year and 5 percent for the remaining 6 years.

In addition, EPA is directed to establish a training center to provide instruction on asbestos assessment and abatement, develop and disseminate abatement guidance documents, and develop a comprehensive testing and technical assistance program.

Mr. President, we have been aware of the dangers of asbestos for nearly 50 years. Links with lung cancer, mesothelioma and asbestosis are undeniable. Currently, there is no known threshold level below which exposure to asbestos is considered safe, but we do know that exposure for children presents an even greater potential for disaster than for adults. Delays in action on the part of either school districts which lack funding or government which will not provide funding, simply increases the threat we will be facing down the road. That is why I am happy to join my colleagues in support of this program and urge their diligence in ensuring that this program receives the necessary appropriation at the earliest opportunity.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, after consulting with the distinguished chairman of the committee and the managers of the bill, it is my understanding that what they wish to do now is to take up a bill still in the committee, H.R. 1310.

First, Mr. President, I ask unanimous consent that the Labor and Human Resources Committee be discharged from further consideration of that measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Now, Mr. President, I ask that the Senate turn to the consideration of H.R. 1310.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 1310) to provide assistance to improve elementary, secondary, and postsecondary education in mathematics and science, to provide a national policy for engineering, technical, and scientific personnel, to provide for cost-sharing by the private sector in training such personnel, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the immediate consideration of the bill.

Mr. BAKER. Mr. President, I ask unanimous consent that all after the enacting clause of H.R. 1310 be stricken and that there be inserted in lieu thereof the text of S. 1285, as amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Now, Mr. President, I ask for third reading of H.R. 1310, as amended.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 1310), as amended, was passed.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. PELL. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Now, Mr. President, I ask unanimous consent that S. 1285 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, that completes action on this measure. I thank all Senators.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, the Senate will now take up two matters which I hope will be routine, two conference reports that will be before us.

Mr. President, I have consulted with the minority leader on both of these. There is no objection, I am told, to proceeding to their consideration.

ORDER FOR RECESS UNTIL TOMORROW AT 10 A.M.

Mr. BAKER. Mr. President, in a moment, we shall pursue consideration of the conference report on energy and water, but let me make an announcement first.

I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS TOMORROW

Mr. BAKER. Mr. President, tomorrow we have an unusual situation in which we shall consider 16 treaties. There will be four rollcall votes. I urge all Senators to be here during that time. We shall start shortly after 11 o'clock. May I say there is already an order entered to break those up into, I believe, four votes. It would seem to me if we have good attendance in the morning, we might change that order so we shall have 1 vote which will count for 16, which may be unprecedented. I make this announcement at this time so Senators will understand that we are either going to have 1 vote for 16 or we are going to have 4 votes for 16, and that will begin shortly after 11 a.m. tomorrow. And for goodness sake, be here.

Mr. President, I hope the managers of the conference report will proceed. If the minority leader wishes me to yield to him, I shall be happy to do that.

Mr. BYRD. Mr. President, I thank the majority leader. I hope we can consolidate the 4 rollcall votes which count for 16 into 1 rollcall vote. I believe the order is to begin the vote at 11 a.m. Is that correct, I ask the Presiding Officer?

The PRESIDING OFFICER. The minority leader is correct.

Mr. BYRD. Mr. President, all Senators have already been put on notice to be present at 11 o'clock, because the first of the four rollcall votes is to begin then. That being the case, I hope that, in the morning, Senators will be here so we can consolidate the four into one, which will save a minimum of 45 minutes.

Mr. BAKER. Mr. President, I absolutely agree with the minority leader. Tomorrow will be a busy day, and I think this is a point well taken. I urge Senators to be here at 11. There will be a unanimous-consent request at that time, in all likelihood, to consolidate these 4 votes into a single vote to ratify 16 treaties and count as a single vote.

Mr. SARBANES. Mr. President, I ask the majority leader are there going to be any other rollcall votes?

Mr. BAKER. I do not anticipate any, Mr. President, but we are dealing with two conference reports on appropriations bills and I am a little reluctant to announce that. It is my guess that we will not have any more votes tonight.

Mr. President, I yield the floor.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1985—CONFERENCE REPORT

Mr. BAKER. Mr. President, I submit a report of the committee of conference on H.R. 5653 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The bill clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5653) making appropriations for energy and water development for the fiscal year ending September 30, 1985, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of today, June 27, 1984.)

Mr. HATFIELD. Mr. President, I bring before the Senate today the conference report on H.R. 5653, the Energy and Water Development Act for fiscal year 1985. The conferees resolved the differences in the bill between the House and the Senate on Tuesday. The conference report and statement of managers have been filed as House Report 98-866 and it has been printed in the RECORD. Therefore, I shall not elaborate on all the items which were in disagreement, but I do want to sketch an outline of some of the important elements of the proposal which is before us today.

Before doing so, Mr. President, I wish to compliment our friends from the House, particularly the gentleman from Alabama [Mr. BEVILL], the chairman of the House conferees and chairman of the conference. I also want to thank the gentleman from Indiana [Mr. MYERS], the ranking minority member, for his cooperation and valuable contributions. I also want to express my appreciation to the Senate conferees, particularly the ranking minority member and former chairman of the subcommittee, the Senator from Louisiana [Senator JOHNSTON] for his support and assistance during the conference on this measure.

Mr. President, I believe we have reached, through long hours of negotiation, a reasonable agreement which should be cleared by the Senate and sent immediately to the President for his signature. This bill is clearly under the budget allocations. The total of the bill is $503 million below the President's budget request. Moreover, the conference agreement is $21 million below the President's budget request for domestic-spending programs.

As recommended by the committee of conference, the conference agreement provides $15,371,359,000 in new budget authority for energy and water development through the activities of the Department of Energy, Corps of Engineers, Bureau of Reclamation, and several independent agencies. To be specific, the amount of the conference agreement is $503,432,000 below the administration's budget request in budget authority.

The total bill is $47,352,000 above the Senate-passed version, and $99,366,000 below the House measure.

To reach this level of savings, the conferees were faced with some extremely difficult decisions. In many cases, after careful consideration, we agreed to the lower amounts for many programs and activities. Arriving at these lower amounts for specific appropriation activities. I believe, clearly shows our continued commitment and dedication to fiscal restraint.

Mr. President, the conference report and statement of managers provide much detail, and therefore, I shall summarize in rather general terms the appropriations provided for in the conference agreement.

Title I of the conference agreement provides appropriations for the U.S. Army Corps of Engineers civil works program. The conference report provides a total of $2,791 million, which is an increase of $27,574,000 over the Senate level and a reduction of $84,857,000 below the House bill.

The Corps of Engineers funding level is $75 million above the budget request, and $149,614,000 below the fiscal year 1984 level. Of the total amount, about one-third or $890 million is provided for ongoing construction projects. The bill contains no new construction starts for either the Corps of Engineers or the Bureau of Reclamation.

For title II, the Bureau of Reclamation, the conferees recommend a total of $1,052,709,000, which is $5,287,000 less than the Senate bill and $27,683,000 more than the House-passed bill.

The conference agreement contains $10,807,228,000 for Department of Energy programs in title III. This includes $1,958,165,000 for energy supply, research, and development activities; $726,905,000 for general science and research activities; $288,415,000 for Power Marketing Administrations, and $35,677,000 for the Federal Energy Regulatory Commission. The energy accounts include $211,933,000 for solar, geothermal, and renewable energy development; $626,303,000 for nuclear fission activities including $304,582,000 for breeder reactor systems; and $440,138,000 for magnetic fusion energy development. In the energy title, the conference agreement provides $7,333,701,000 for atomic-energy defense activities. This is $472,124,000 below the budget request but still a total of $772,931,000 over the fiscal year 1984 level and is fully consistent with earlier Senate action on the deficit reduction package.

As most of my colleagues know, I personally oppose these increases for atomic-weapons activities. That personal view, however, is not shared by the majority of my colleagues.

Frankly, I believe these large increases at a time of growing budgetary problems illustrate our misplaced priorities in this energy budget. Under the Reagan administration, funding for the energy defense activities at DOE has doubled since fiscal year 1981, and the funding for production of nuclear warheads and nuclear bombs more than doubled from fiscal year 1981 to fiscal year 1983. These increases go far beyond our efforts to modernize, safeguard, and maintain the current nuclear weapons stockpile. The nuclear weapons program now consumes over 70 percent of the amount provided in the bill for energy activities. This is three times the total amount of funding provided for all energy technologies in the energy supply, research, and development account. I submit that energy security and independence is every bit as important to our national strength and security as is our nuclear arsenal and nuclear stockpile. It is not an either/or proposition, of course, but we must move away from our tendency to think of our national security only in terms of hardware and sophisticated weaponry.

Mr. President, the conference agreement includes $720,422,000 for seven independent agencies and commissions in title IV, including $149 million for the Appalachian regional development program, $448,200,000 for the Nuclear Regulatory Commission, and $120 million for the Tennessee Valley Authority.

Mr. President, I want to again express my thanks and deep appreciation to my friend and colleague, the distinguished Senator from Louisiana [Mr. JOHNSTON], who is the ranking minority member of this committee. I want especially to commend him for his dedication and support. I extend my personal thanks to him.

Finally, Mr. President, both the majority and minority staff of this committee come in for special thanks—on the minority side, of course, Proctor Jones, and our majority staff members, Steve Crow, David Gwaltney, and Gloria Butland. I think they are especially to be commended for their diligent work on this bill.

Mr. President, I ask unanimous consent that a copy of the comparative statement of new budget authority be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COOPERATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY

	Fiscal year 1984 enacted	Fiscal year 1984 estimates	House	Senate	Conference	Conference compared with—			
						Enacted	Estimates	House	Senate
TITLE I—DEPARTMENT OF DEFENSE—CIVIL									
Department of the Army									
Corps of Engineers—Civil									
General investigations	133,810,000	118,000,000	151,851,000	125,639,000	138,000,000	+4,190,000	+20,000,000	−13,851,000	+12,361,000
Construction, general	894,104,000	874,000,000	933,014,000	871,780,000	890,000,000	−4,104,000	+16,000,000	−43,014,000	+18,220,000
Flood control and coastal emergencies	10,000,000	10,000,000	10,000,000	30,000,000	25,000,000	+15,000,000	+15,000,000	+15,000,000	−5,000,000
Revolving fund	9,500,000					−9,500,000			
Flood control, Mississippi River and tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee	300,480,000	304,000,000	326,309,000	310,300,000	321,000,000	+20,520,000	+17,000,000	−5,309,000	+10,700,000
Operation and maintenance, general	1,184,492,000	1,297,000,000	1,339,683,000	1,317,557,000	1,305,000,000	+20,508,000	+8,000,000	−34,683,000	−12,557,000
General expenses	103,000,000	113,000,000	113,000,000	108,150,000	112,000,000	+9,000,000	−1,000,000	−1,000,000	+3,850,000
Special recreation use fees	6,000,000					−6,000,000			
Administrative provisions (limitation on capital expenditures)	(78,000,000)					(−78,000,000)			
Total, title I, Department of Defense—Civil:									
New budget (obligational) authority	2,641,386,000	2,716,000,000	2,873,857,000	2,763,426,000	2,791,000,000	+149,614,000	+75,000,000	−82,857,0000	+27,574,000
(Limitation on capital expenditures)	(78,000,000)					(−78,000,000)			
TITLE II—DEPARTMENT OF THE INTERIOR									
Bureau of Reclamation									
General investigations	33,831,000	35,651,000	35,566,000	31,023,000	35,566,000	+1,735,000	−85,000		+4,543,000
Construction program	695,318,000	764,137,000	707,817,000	752,397,000	740,000,000	+44,682,000	−24,137,000	+32,183,000	−12,397,000
Operation and maintenance	134,291,000	149,689,000	149,689,000	149,689,000	149,689,000	+15,398,000			
Loan program	45,000,000	67,537,000	72,037,000	67,537,000	67,537,000	+22,537,000		−4,500,000	
(Limitation on direct loans)	(51,802,000)	(66,000,000)	(70,500,000)	(68,500,000)	(68,500,000)	(+16,698,000)	(+2,500,000)	(−2,000,000)	
General administrative expenses	53,750,000	58,917,000	58,917,000	56,350,000	58,917,000	+5,167,000			+2,567,000
Emergency fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000				
Total, Bureau of Reclamation	963,190,000	1,076,931,000	1,025,026,000	1,057,996,000	1,052,709,000	+89,519,000	−24,222,000	+27,683,000	−5,287,000
Total, title II, Department of the Interior:									
New budget (obligational) authority	963,190,000	1,076,931,000	1,025,026,000	1,057,996,000	1,052,709,000	+89,519,000	−24,222,000	+27,683,000	−5,287,000
(Limitation on direct loans)	(51,802,000)	(66,000,000)	(70,500,000)	(68,500,000)	(68,500,000)	(+16,698,000)	(+2,500,000)	(−2,000,000)	
TITLE III—DEPARTMENT OF ENERGY									
Energy supply, research, and development activities:									
Operating expenses	1,744,989,000	1,792,578,000	1,664,914,000	1,744,633,000	1,702,980,000	−42,009,000	−89,598,000	+38,066,000	−41,653,000
Plant and capital equipment	245,947,000	249,535,000	261,235,000	245,535,000	255,185,000	+9,238,000	+5,650,000	−6,050,000	+19,650,000
Subtotal	1,990,936,000	2,042,113,000	1,926,149,000	1,990,168,000	1,958,165,000	−32,771,000	−83,948,000	+32,016,000	−32,003,000
Uranium supply and enrichment activities:									
Operating expenses	1,573,038,000	1,265,900,000	1,254,900,000	1,265,900,000	1,254,900,000	−318,138,000	−11,000,000		−11,000,000
Plant and capital equipment	620,772,000	409,400,000	395,400,000	409,400,000	395,400,000	−225,372,000	−14,000,000		−14,000,000
Subtotal	2,193,810,000	1,675,300,000	1,650,300,000	1,675,300,000	1,650,300,000	−543,510,000	−25,000,000		−25,000,000
Gross revenues	−2,105,000,000	−1,675,300,000	−1,650,300,000	−1,675,300,000	−1,650,300,000	+454,700,000	+25,000,000		+25,000,000

COOPERATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued

	Fiscal year 1984 enacted	Fiscal year 1984 estimates	House	Senate	Conference	Conference compared with—			
						Enacted	Estimates	House	Senate
Net appropriation	88,810,000					−88,810,000			
General science and research activities:									
Operating expenses	478,750,000	527,705,000	518,205,000	518,205,000	518,205,000	+39,455,000	−9,500,000		
Plant and capital equipment	162,500,000	218,400,000	208,700,000	208,700,000	208,700,000	+46,200,000	−9,700,000		
Subtotal	641,250,000	746,105,000	726,305,000	726,905,000	726,905,000	+85,655,000	−19,200,000		
Nuclear waste disposal fund	319,621,000	327,669,000	327,669,000	327,669,000	327,669,000	+8,048,000			
Atomic energy defense activities:									
Operating expeneses	5,094,720,000	5,916,594,000	5,757,470,000	5,632,094,000	5,690,470,000	+595,750,000	−226,124,000	−67,000,000	+58,376,000
Plant and capital equipment	1,466,050,000	1,889,231,000	1,647,431,000	1,640,831,000	1,643,231,000	+177,181,000	−246,000,000	−4,200,000	12,400,000
Subtotal	6,560,770,000	7,805,825,000	7,404,901,000	7,272,925,000	7,333,701,000	+772,931,000	−472,124,000	−71,200,000	+60,776,000
Departmental adminstration:									
Operating expenses	359,907,000	353,157,000	351,157,000	351,157,000	351,157,00	−8,750,000	−2,000,000		
Plant and capital equipment	4,981,000	4,877,000	4,877,000	4,877,000	4,877,000	−104,000			
Subtotal	364,888,000	358,034,000	356,034,000	356,034,000	356,034,000	−8,854,000	−2,000,000		
Miscellaneous revenues	−209,619,000	−219,459,000	−219,459,000	−219,459,000	−219,459,000	−9,840,000			
Net appropriation	155,269,000	138,575,000	136,575,000	136,575,000	136,575,000	−18,694,00	−2,000,000		
Power Marketing Administrations									
Operation and maintenance, Alaska Power Administration	3,410,000	3,233,000	3,233,000	3,233,000	3,233,000	−177,000			
Bonneville Power Adminstration Fund:									
Borrowing Authority	123,400,000					−123,400,000			
(Limitation on direct loans)	(40,000,000	(40,000,000)	(40,000,000)	(40,000,000)	(40,000,000)				
(Limitation on guaranteed loans)	(20,000,000)					(−20,000,000)			
Operation and maintenance, Southeastern Power Administration	20,594,000	35,744,000	35,744,000	35,744,000	35,744,000	+15,150,000			
Operation and maintenance, Southwestern Power Administration	36,229,000	29,208,000	31,208,000	31,208,000	31 208,000	−5,021,000	+2,000,000		
Construction rehabilitation, operation and maintenance, Western Area Power administration	194,630,000	248,239,000	218,230,000	248,230,000	218,230,000	+23,600,000	−30,000,000		−30,000,000
Emergency Funds, Western Area Power Administration	500,000					−500,000			
Subtotal	378,763,000	316,415,000	288,415,000	318,415,000	288,415,000	−90,348,000	−28,000,000		−30,000,000
Federal Energy Regulatory Commission									
Salaries and expenses	89,582,000	100,677,000	95,677,000	95,677,000	95,677,000	+6,095,000	−5,000,000		
Revenues applied	−45,100,000	−60,000,000	−60,000,000	−60,000,000	−60,000,000	−14,900,000			
Subtotal	44,482,000	40,677,000	35,677,000	35,677,000	35,677,000	−8,805,000	−5,000,000		
Geothermal Resources Development Fund									
Geothermal loan guarantee and interest assistance program	2,100,000	121,000	121,000	121,000	121,000	−1,979,000			
(Limitation on guaranteed loans)	(500,000,000)	(500,000,000)	(500,000,000)	(500,000,000)	(500,000,000)				
Total, title III, Department of Energy:									
New budget (obligational) authority	10,182,001,000	11,417,500,000	10,846,412,000	10,908,455,000	10,807,228,000	+625,272,000	−610,272,000	−39,184,000	−1,227,000
Operating Expenses	(7,681,751,000)	(8,646,057,000)	(8,328,769,000)	(8,299,112,000)	(8,299,835,000)	(+618,084,000)	(−346,222,000)	(−28,934,000)	(+723,000)
Plant and Capital Equipment	(2,500,250,000)	(2,771,443,000)	(2,517,643,000)	(2,509,343,000)	(2,507,393,000)	(+7,143,050,000	(−264,050,000)	(−10,250,000)	(−1,950,000)
TITLE IV—INDEPENDENT AGENCIES									
Appalachian Regional Commission Salaries and expenses	2,700,000		2,700,000	1,700,000	2,300,000	−400,000	+2,300,000	−400,000	+600,000
Funds appropriated to the President:									
Appalachian regional development programs	54,400,000		57,300,000	38,000,000	49,0000,000	−5,400,000	+49,000,000	−8,300,000	+11,000,000
Appalachian highway system	100,000,000	80,000,000	100,000,000	80,000,000	100,000,000		+20,000,000		+20,000,000
Delaware River Basin Commission:									
Salaries and expenses	191,000	172,000	172,000	172,000	172,000	−19,000			
Contribution to Delaware River Basin Commission	269,000	283,000	283,000	283,000	283,000	+14,000			
Total, Delaware River Basin Commission	460,000	455,000	455,000	455,000	455,000	−5,000			
Interstate Commission on the Potomac River Basin: Contribution to Interstate Commission on the Potomac River Basin	68,000		70,000	70,000	70,000	+2,000	+70,000		
Nuclear Regulatory Commission: Salaries and expenses	465,800,000	468,200,000	438,200,000	458,200,000	448,200,000	−17,600,000	−20,000,000	+10,000,000	−10,000,000
Susquehanna River Basin Commission:									
Salaries and expenses	191,000	167,000	167,000	167,000	167,000	−24,000			
Contribution to Susquehanna River Basin Commission	230,000	230,000	230,000	230,000	230,000				
Total, Susquehanna River Basin Commission	421,000	397,000	397,000	397,000	397,000	−24,000			
Tennessee Valley Authority: Tennessee Valley Authority Fund	85,629,000	115,308,000	126,308,000	115,308,000	120,000,000	+34,371,000	+4,692,000	−6,308,000	+4,692,000
Total, title IV, Independent agencies:									
New budget (Obligational) authority	709,478,000	664,360,000	725,430,000	694,130,000	720,422,000	+10,944,000	+56,062,000	−5,068,000	+26,292,000
Grand total, all titles:									
New budget (obligational) authority	14,496,055,000	13,874,791,000	15,470,725,000	15,324,007,000	15,731,359,000	+875,304,000	−503,432,000	−99,366,000	+47,352,000
(Limitation on direct loans)	(91,802,000)	(106,000,000)	(110,500,000)	(108,500,000)	(108,500,000)	(+16,698,000)	(+2,500,000)	(−2,000,000)	
(Limitation on guaranteed loans)	(520,000,000)	(500,000,000)	(500,000,000)	(500,000,000)	(500,000,000)	(−20,000,000)			
(Limitation on capital expenditures)	(78,000,000)					(−78,000,000)			

Mr. BURDICK. Mr. President, I compliment Senator HATFIELD, the chairman of the Senate conferees, for the fine work he has done on this bill. I think credit should also go to Mr. BEVILL and Mr. MYERS, who led the House conferees.

I think we have reached a good conference agreement. In brief, the agreement calls for a total of $15.371 billion in new budget authority. This is $503 million under the present budget estimate and $99 million under the House bill. We think it is a fiscally responsible bill and an excellent product in most respects. I recommend its passage and agreement.

Mr. MELCHER. Mr. President, the chairman of the Appropriations Committee is to be commended for his efforts in constructing a balanced and responsible energy and water appropriations bill. This carefully crafted conference report achieved by the distinguished chairman and the conferees I hope will be accepted readily by the Senate.

I offered an amendment to provide $100,000 for the Bureau of Reclamation to study the feasibility of installing hydroelectric generating facilities at the Yellowtail Afterbay Dam in Montana when the Senate considered this measure on June 21. The Senate accepted my amendment and the conference retained it. I thank the chairman and the conferees for their efforts.

The Yellowtail Afterbay Dam is located on the Bighorn River downstream from the Yellowtail Dam and is an integral feature of the Yellowtail Unit of the Pick-Sloan Missouri Basin Program. The Afterbay Dam is operated to provide a uniform daily flow into the Bighorn River by leveling the peaking power releases from the upstream Yellowtail powerplant. The Yellowtail Afterbay Dam is owned by the United States and operated by the Bureau of Reclamation.

On April 26 of this year, the Federal Energy Regulatory Commission issued a preliminary permit over the objection of the Bureau of Reclamation to a private interest to conduct a study of the proposed Yellowtail Afterbay powerplant. In issuing the permit, the FERC noted:

> Under Section 4(e) and 4(f) of the Federal Power Act, 16 U.S.C. § 797(e)(1982), the Commission has the authority to issue preliminary permits and licenses for hydroelectric projects located at federal dams and facilities. This jurisdiction is withdrawn if the hydroelectric project is authorized for construction or if Congress otherwise unambiguously indicates that the Commission's jurisdiction over the hydroelectric project is withdrawn.

Mr. President, the Congress has clearly indicated in its acceptance of this amendment a paramount interest to reserve the potential power resources of the Yellowtail Afterbay Dam for exclusive Federal development.

As I stated in my remarks of June 21, Congress must give some indication of its desire that this project continues to be a Federal project.

I can think of no stronger statement of this intent of the Congress than the funding of the Bureau of Reclamation study as contained in the version of H.R. 5653, the energy and water development appropriations bill for fiscal year 1985 that has emerged from the House-Senate conference.

Mr. McCLURE. Mr. President, I would like to clarify my understanding of the action of the conferees on the funding of fish enhancement facilities for the Yakima River Basin. In amendment No. 34, the House has receded and concurred in the amendment of the Senate to earmark $4.8 million of Bureau of Reclamation construction money for fish passage facilities at Prosser and Roza Dams. In amendment No. 50, the Senate has agreed to the House provision with amendment which allows Bonneville to transfer funds for fish passage facilities at Prosser and Roza Dams, as well as other facilities. It is my understanding that the intent of the conferees with regard to these two provisions was for the Bureau of Reclamation to spend the amount appropriated for the Prosser and Roza Dam facilities in any event and that the amount, if any, which may be transferred by BPA would be subject to either resolution of issues in separate authorizing legislation or at the discretion of BPA. Putting it another way, the money available to the Bureau of Reclamation for Prosser and Roza is to be spent whether or not there is resolution of the separate Yakima bill and that BPA is not mandated to spend money on these facilities. Is this a current interpretation of the conferee's intent?

Mr. HATFIELD. It is.

Mr. McCLURE. I thank the Senator.

Mr. EVANS. Mr. President, I wish to clarify a sentence that appears in the statement of managers accompanying the conference report on H.R. 5653 regarding the Department of Energy Nuclear Fission Programs. As you know, Mr. Chairman, the Senate directed DOE to maximize the benefits of CRBR technology to the Breeder Technology Program, in particular the use of "FFTF as a test bed." It is important to note that the Senate directed DOE to accomplish this task "within the termination funds available" and that no new funds were appropriated for this purpose.

I note with concern, that the conference report indicates that "no funds be used for development of FFTF as a test bed." With respect to the use of the words "no funds," could that phrase be interpreted to mean that no funds out of the fiscal year 1985 appropriations be used for the FFTF test bed, and that the Senate language with respect to the CRBR termination funds still is operative?

Mr. HATFIELD. Yes; that is a legitimate interpretation.

Mr. EVANS. If I may continue then, it is my further understanding that the conference in no way intended to preclude the use of FFTF as a test bed pending the results of a more detailed analysis, and that DOE should continue to perform the cost/benefit analysis of a power pack addition to FFTF. Further, during this analysis, the CRBR steam generator contract is to remain open at a minimum level until the Secretary has an opportunity to evaluate the results of such analysis. Am I correct in my understanding of the situation?

Mr. HATFIELD. Yes; the Senator's observations are accurate.

Mr. DOMENICI. Mr. President, I support the conference agreement on the energy and water appropriation bill as reported by the committee.

I would like to commend the members of the conference for working so quickly to produce this agreement.

H.R. 5653 provides $15.4 billion in budget authority and $7.6 billion in outlays for fiscal year 1985 for the Corps of Engineers, the Bureau of Reclamation, the Department of Energy and related independent agencies.

With outlays from prior-year budget authority and adjustments to conform mandatory programs to the budget resolution assumptions, fiscal year 1985 outlays associated with this conference agreement would be $15.3 billion.

The Senate Appropriations Committee has not yet made its 302(b) allocations to subcommittees under a first budget resolution.

Using informal staff assumptions, this conference agreement is consistent with the Deficit Reduction Act and the first budget resolution for fiscal year 1985 which have been passed by the Senate.

When Appropriations Committee Subcommittee allocations are available, I will insert into the RECORD tables comparing the spending in this conference agreement to this subcommittee's allocation.

Nondefense discretionary spending in the conference agreement is under the guidance given to the subcommittee by the full Senate Appropriations Committee on June 14, 1984. Mr. President, I ask unanimous consent that a table showing this relationship be inserted into the RECORD at the conclusion of my remarks.

Again, Mr. President, I support this conference agreement and commend the Appropriations Committee and conferees for producing the first fiscal year 1985 appropriations bill for the President's signature.

Energy and Water Subcommittee nondefense discretionary budget authority

[In billions of dollars]

	Nondefense discretionary
Conference agreement (H.R. 5653)	9.7
Subcommittee total	9.7
Committee guidance [1]	9.8
Senate-passed	9.8
House-passed	9.8
President's request	9.8
Subcommittee total compared to:	
Committee guidance [1]	-.1
Senate-passed	-(2)
House-passed	-(2)
President's request	-.1

[1] Nondefense discretionary cap guidance approved by the Appropriations Committee on June 14, 1984.

[2] Less than $50,000,000.

Mr. GARN. Mr. President, I move that the Senate adopt the conference report.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the conference report.

The conference report was agreed to.

Mr. GARN. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. HUDDLESTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GARN. Mr. President, I ask the Chair to lay before the Senate the amendments in disagreement.

The **PRESIDING OFFICER.** The amendments in disagreement will be stated.

The legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 10 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: "$1,305,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 57 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"SEC. 307. For carrying out activities authorized by title II of Public Law 93-410 the Department of Energy is authorized to transfer no more than $25,000,000 to the Geothermal Resources Development Fund from unobligated balances within the Uranium Supply and Enrichment Activities account: Provided, That such transfer shall be reported promptly to the Committees on Appropriations of the House and Senate. The amount authorized to be transferred by this provision is in addition to the authority provided in section 302 of this Act.

"SEC. 308. Of the funds appropriated for Energy Supply, Research and Development Activities under this Act, $2,000,000 shall be available until expended to further domestic technology transfer by facilitating access to data within the national laboratories, including the use of supercomputers."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 64 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: ", of which $9,547,000 shall be derived from prior year unobligated balances in the Tennessee Valley Authority Fund".

Mr. GARN. I ask unanimous consent that it be in order to consider the amendments in disagreement en bloc.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. GARN. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate Nos. 10, 57, and 64.

The **PRESIDING OFFICER.** The question is on agreeing to the motion.

The motion was agreed to.

Mr. GARN. I move to reconsider the vote.

Mr. HUDDLESTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I thank all participants on the conference report and all Senators for the quick agreement to one of the conference reports on an appropriations bill.

Mr. BAKER. Mr. President, there is another conference report on one of our regular appropriations bills, I have consulted with the minority leader on this.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND RELATED AGENCIES APPROPRIATION ACT, 1985—CONFERENCE REPORT

Mr. BAKER. Mr. President, I submit a report of the committee of conference on H.R. 5713 and ask for its immediate consideration.

The **PRESIDING OFFICER.** The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two houses on the amendments of the Senate to the bill (H.R. 5713) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1985, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The **PRESIDING OFFICER.** Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of today, June 27, 1984.)

Mr. GARN. Mr. President, I am pleased that once again we have been able to expeditiously consider the regular appropriations bill for the Department of Housing and Urban Development and Independent Agencies. The fact that we have been successful in finalizing this large, complex funding measure is a tribute to the cooperation and hard work of a number of individuals. I am especially grateful to the distinguished ranking minority member of the subcommittee [Mr. HUDDLESTON] for his generous help and assistance. I would also like to compliment the distinguished chairman of the House subcommittee, Mr. BOLAND. He is not only very capable and knowledgeable, but is a pleasure to work with in arriving at a fair and productive resolution between the positions of the House and the Senate.

Mr. President, the bill before us reflects our best efforts to hold down Federal spending and yet address a host of vital national needs. As recommended by the conferees, the bill totals $56.3 billion. While this represents an increase of $253 million over the Senate-passed version, it is a reduction of $1.9 billion from that originally passed by the House. Despite these constraints, it still makes significant steps toward meeting pressing human needs, environmental and consumer protection, and investments in science and technology.

TITLE I—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—ASSISTED HOUSING

The conferees provided a net budget authority of $8,004,769,000. This consisted of $10,759,483,000 in budget authority minus an estimated rescission of $2,754,714,000 of prior budget authority becoming available as a result of deobligations.

The conferees provided the following distribution of units in the area of subsidized housing programs: New construction of public housing—5,000 units; Indian housing—2,000 units; housing vouchers—42,000 units; existing section 8—32,500 units; and section 8 rehab—5,000 units.

The conferees have included the entire text of House Joint Resolution 517, as passed by the House on March 29, in the conference agreement. That resolution released $1,500,000,000 for subsidized housing. It should be pointed out that House Joint Resolution 517 does not create any new budget authority. It releases the budget authority that was held in reserve by the 1984 HUD appropriations bill and makes available the approximately $1,000,000,000 of previously provided budget authority that could not be used without additional contract authority. Thus with the passage and enactment of this bill, the Congress will have completed the 1984 and 1985 housing programs.

HOUSING FOR THE ELDERLY OR HANDICAPPED

The conferees established a loan limitation for housing for the elderly or handicapped at $600,000,000 to support 12,000 units of 202 housing.

CONGREGATE SERVICES

The conferees provided $4,144,000 as proposed by the Senate and extended the availability of funds to provide 29 housing projects funding through the first two quarters of fiscal year 1986.

PAYMENTS FOR OPERATION OF LOW-INCOME HOUSING PROJECTS

The conferees provided $1,138,500,000 in this account and retained the Senate language on an advanced funding of architectural and engineering work, but at the $15,000,000 rather than the $25,000,000 proposed by the Senate.

HOUSING COUNSELING ASSISTANCE

The conferees provided $3,500,000 as proposed by the Senate.

SOLAR ENERGY AND ENERGY CONSERVATION BANK

The conferees provided $15,000,000 for this account.

COMMUNITY PLANNING AND DEVELOPMENT—COMMUNITY DEVELOPMENT GRANTS

The conferees provided $3,472,000,000 for community development grants.

URBAN DEVELOPMENT ACTION GRANTS

The conferees retained the Senate language earmarking $2,500,000 for technical assistance to small cities.

REHABILITATION LOAN FUND

The conferees retained the Senate langauge facilitating the continuation of the 312 loan program.

NEIGHBORHOOD DEVELOPMENT DEMONSTRATION

The conferees deleted the Senate language and substituted language authorizing HUD to use the $2,000,000 provided in the Secretaries Discretionary Fund in fiscal year 1984 for the demonstration project.

POLICY DEVELOPMENT AND RESEARCH—RESEARCH AND TECHNOLOGY

The conferees provided $16,900,000 in this account and earmarked funding for the: (1) energy analysis and program evaluation component of the public housing modernization study; and (2) design and implementation of an evaluation of the housing voucher demonstration program.

MANAGEMENT AND ADMINISTRATION—SALARIES AND EXPENSES

The conferees provided $295,235,000 for salaries and expenses and deleted the Senate add-on prohibiting reductions in area office staffing.

TITLE II—INDEPENDENT AGENCIES—CONSUMER PRODUCT SAFETY COMMISSION

The conferees provided $36,000,000 for the activities of the Consumer Product Safety Commission. While the increase is directed for use in addressing the emergency hazards area, up to $250,000 is earmarked for the area of cigarette fire safety if the agency is vested with additional responsibilities in this area.

ENVIRONMENTAL PROTECTION AGENCY—SALARIES AND EXPENSES

The conferees provided $656,275,000 for EPA's salaries and expenses, and indicated the funding increase is intended to support an additional 278 FTE positions.

RESEARCH AND DEVELOPMENT

The conferees provided $192,437,000 for EPA's research and development account.

The conferees provided funds for such programs as limestone injection through multistage burners, pesticide exposure and environmental study of four estuaries and health effects research and American Waterworks Research Foundation.

ABATEMENT, CONTROL AND COMPLIANCE

The conferees provided $447,500,000 for EPA's abatement, control and compliance functions.

The conferees agreed to increase the State grants and other assistance to the States by $35,000,000. They restored language proposed by House and stricken by Senate prohibiting the use of funds for subtitle D activities.

The conferees indicated that it was essential that EPA give school officials guidance on asbestos programs by developing detailed standards for post removal certification.

BUILDINGS AND FACILITIES

The conferees provided the budget request of $12,000,000 for the buildings and facilities account.

HAZARDOUS SUBSTANCE RESPONSE TRUST FUND

The conferees provided $620,000,000 for this account.

The conferees included a legislative provision, as it has in the past 2 years, earmarking $14,620,000 for the Department of Health and Human Services in conjunction with the Superfund including $5,125,000 for toxicology study.

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

The conferees provided $2,194,000 for the office and included a provision that would require OSTP to reimburse other agencies for not less than one-half of the personnel compensation costs of detailees.

FEDERAL EMERGENCY MANAGEMENT AGENCY—SALARIES AND EXPENSES

The conferees provided the Senate recommendation of $130,649,000 for salaries and expenses. The conferees deleted the House addition of $361,000 to administer the emergency food and shelter program. The committees will take the appropriate actions to provide necessary staffing in a supplemental appropriations bill in conjunction with any appropriation for emergency food and shelter.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

The conferees provided the Senate level of $329,219,000 for emergency management planning and assistance.

The conferees directed that a reduction of $67,689,000 be taken in the civil defense area. This would result in a total civil defense program of $181,424,000 in fiscal year 1985 (including $30,113,000 provided under FEMA's S&E account).

The conferees provided the Senate level for comprehensive emergency preparedness planning, ($850,000 above the requested level for hurricane and dam safety.

The conferees provided the requested funding for the establishment or operation of a western extension of the National Emergency Training Center, Emmitsburg, MD. The conferees also provided the additional $2,000,000 that the House had recommended for fire programs.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION RESEARCH AND DEVELOPMENT

The conferees provided the House level of $2,422,600,000 for this account. This represents an increase of $410,700,000 or 20.4 percent over the fiscal year 1984 level.

The conferees provided a full cap of $155,500,000 for the space station program—of which $5,500,000 is from prior year moneys—and created a workable package incorporating the House language directing NASA to plan for the design of a man-tended station and the Senate bill required—under the research and program management account—a NASA automation report which will be incorporated in space station definition contracts.

SPACE FLIGHT, CONTROL AND DATA COMMUNICATIONS

The conferees provided $3,601,800,000 for this account, restored the House program caps and added $40,000,000 for shuttle structural spares and $5,000,000 for main engine spares.

CONSTRUCTION OF FACILITIES

The conferees agreed to include a legislative provision to fund a engineering building at the jet propulsion laboratory.

RESEARCH AND PROGRAM MANAGEMENT

The committee provided the Senate level of $1,317,000,000 for research and program management. This is $14,000,000 less than the budget request.

The conferees recommended the establishment of an Advanced Technology Advisory Committee—ATAC—in conjunction with the space station program. The conferees indicated that the space station program offers an opportunity to stimulate the development of advanced technologies in the fields of automation and robotics.

GENERAL PROVISION

The conferees included a general provision that provides for the future transfer of supercomputers (Class VI) from NASA to the National Science Foundation (NSF).

NATIONAL SCIENCE FOUNDATION—RESEARCH AND RELATED ACTIVITIES

The conferees provided $1,301,912,000 for research and related activities.

The conferees added $20,000,000 to the budget request for supercomputer centers.

The conferees added $1,000,000 for EPSCOR to start a second round of assisting States with the lowest level of scientific activities.

The conferees provided an amount not to exceed $9,000,000 for the very long baseline array, not to be obligated before April 1, 1985.

U.S. ANTARCTIC PROGRAM ACTIVITIES

The conferees provided the Senate level of $110,080,000 for the U.S. Antarctic Program. The savings from this account were applied to offset the increases proposed in NSF's science education program.

SCIENCE AND ENGINEERING EDUCATION ACTIVITIES

The conferees provided $87,000,000 for science and engineering education activities.

The conferees added funding to restore the new fellowships to the fiscal year 1984 level of 600 as established by this committee last year and also increased the annual stipends to $11,000 per year.

The conferees also set aside $5,000,000 for learning and cognition research.

The conferees earmarked $2,000,000 for a contract study to develop a plan for the science education program and to develop a management structure for the science education directorate.

The conferees also took note of a letter from the NSF director that commits the foundation to funding no fewer than 13,000 awards from within the funds provided in this bill.

NEIGHBORHOOD REINVESTMENT CORPORATION

The conferees provided the Senate level of $15,512,000 in new budget authority for the corporation. This is the same as the corporation's fiscal year 1984 enacted level.

VETERANS' ADMINISTRATION—MEDICAL CARE

The conferees provided the Senate level of $8,792,165,000 for the medical care account. This is $24,730,000 more than the budget estimate and $721,439,000 above the fiscal year 1984 appropriation.

The conferees increased the medical care account by $3,930,000 in order to provide for additional nationwide contract nursing home care.

The conferees also added $20,800,000 to budget request and redirected $4,200,000 to provide an additional 620 staff years above the requested increase of 2,747 FTEE. The conferees directed that the VA allocate no less than 220 staff years of the additional 620 staff years made available to the medical care account to the in-house vet center program. The remaining FTEE are directed to be used at the discretion of the VA in such high priority areas as gerontology, unit dose, psychological services and outpatient services.

MEDICAL AND PROSTHETIC RESEARCH

The conferees provided $192,695,000 for medical and prosthetic research. This is the same level as the budget estimate. The conferees earmarked $1,000,000 for prosthetic research into voice-actuated robotic devices. The conferees deleted $3,224,000 from the request for the CDC agent orange study.

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

The conferees provided $70,000,000 for medical administration and miscellaneous operating expenses in fiscal year 1985.

The conferees deleted $800,000 of the $1,742,000 request for employee travel increase and the requested increase of 16 staff years.

The conferees limited the personnel in DM&S construction planning to 106 FTEE during fiscal year 1985 without the approval of the Committee on Appropriations.

CONSTRUCTION, MAJOR PROJECTS

A total construction budget of $713,194,000 was provided by the conferees. This consisted of $568,194,000 in new budget authority and $145,000,000 from the working reserve. The appropriated amount is $51,400,000 below both the budget request $222,502,000 above the 1984 level.

The conferees deleted the funds in the same manner as the Senate recommended except for the deletion of $25,000,000 for a pilot of the design fund in fiscal year 1984. The conferees provided $15,000,000 for a pilot of design fund in fiscal year 1985.

CONSTRUCTION, MINOR PROJECTS

The conferees provided $200,200,000 for this account and indicated that the VA could delegate authority to the medical center directors for nursing homes, domiciliaries, research and education, electrical improvements, fire and safety, and general projects.

ADMINISTRATIVE PROVISION

The conferees restored language proposed by the House and stricken by the Senate prohibiting the use of funds for site acquisition or construction of the Allen Park VA Medical Center. The conferees agreed to include the language with a technical modification requiring a General Accounting Office study prior to December 1, 1984.

The conferees also directed the VA to conduct a pilot test of the use of private contractors to assist in delinquent debt collection.

Mr. HUDDLESTON. Mr. President, as the ranking member of the Senate Appropriations Subcommittee on HUD-Independent Agencies, I am pleased to support the conference agreement on H.R. 5713, the fiscal 1985 Department of Housing and Urban Development-Independent Agencies appropriation bill.

The conference agreement on H.R. 5713 provides $56.543 billion for the Department of Housing and Urban Development and the 18 administrations, agencies, commissions, boards, corporations, institutes, and offices which come under the bill. That is $253 million more than the Senate version of the bill, but $1.8 billion less than the House version.

Under the assisted housing account, the conference agreement includes 5,000 public housing units, 2,000 Indian housing units, 3,000 vacant building units, 38,500 vouchers, 37,500 section 8 existing units, 1,000 section 8 opt outs, 2,500 housing demolitions, 12,000 section 202 elderly and handicapped units, 5,000 moderate rehabilitation units, 5,000 loan management units, and 4,715 property disposition units for a total of 150,309 units.

The conference agreement also includes the entire text of House Joint Resolution 517, as passed by the House, which releases $1.5 billion in fiscal 1984 appropriations. With this action, the new housing development and rental rehabilitation programs should go forward.

The conference recommendation includes $1.55 billion for the public housing modernization program.

Congregate services are funded at $4.1 million.

For public housing operating subsidies, the amount is $1.138 billion. In addition, some $331 million of unrescinded funds are carried over.

The housing counseling assistance program will be funded at $3.5 million, the same as the fiscal 1984 level. There was no budget request for this program, which funds some 200 HUD-approved counseling agencies.

For the Solar Bank, the conference agreement is $15 million.

For the Community Development Block Grant Program, the conferees recommend $3.472 billion, the Senate amount. This represents level funding for block grants but an increase of $4 million in the Secretary's discretionary fund. Of that $4 million, $2 million is to fund the special projects account for infrastructure purposes.

Under the Urban Development Action Grant [UDAG] Program, the figure of $440 million was not a conference item. The conferees did, however, agree to the Senate earmarking of $2.5 million for technical assistance for cities that have never received a UDAG grant.

For the policy development and research account, the conferees agreed to $16.9 million.

In the salaries and expenses area, the conferees accepted the budget request of $295 million. HUD has indicated that it can provide improved service delivery within those funds. I have been deeply concerned about HUD's ability—or inability—to deliver services through the area offices and am hopeful this matter can be resolved.

For the Consumer Product Safety Commission, the conference committee has included $36 million, with the increase to be used for emerging hazards.

The overall recommendation for the Environmental Protection Agency is $4.372 billion, which represents an increase of $79.5 million over the budget request. In the salaries and expenses account, the funding is $656.2 million, which will support 278 additional positions above the budget requests which contained an increase of 750 work years. The conferees directed that

EPA give priority in allocating these positions to specific programs and activities identified in the House and Senate reports. Consequently, I expect additional positions in the LIMB and asbestos enforcement areas.

In the research and development account, the conferees have recommended $193 million, an increase of $29.5 million over the budget estimate. This includes an additional $6.6 million for limestone injection multistage burners [LIMB] technology and an additional $1 million for the American Water Works Association Research Foundation.

For the abatement, control and compliance account, the conference level is $447.5 million, an increase of $51 million over the budget level. This will allow for an increase of $35 million in the State grants programs, plus an additional $16.5 million to be allocated for assistance to States at the administrator's discretion for increased enforcement, training, permitting and technical assistance, an addition of $2.1 million for the National Rural Water Association, an additional $2 million for wastewater treatment operator training, and an additional $1 million for asbestos-in-schools inspections.

The conference report also includes important report language regarding asbestos. It indicates that EPA should continue to assure that all schools meet the regulatory requirements concerning inspection and notification.

For the hazardous substance response trust fund, the conferees agreed to $620 million. Some $14.6 million of that will be transferred to the Department of Health and Human Services, with $5.1 million earmarked for toxicological testing.

For the Federal Emergency Management Agency, the conference level is $561.3 million. This includes $100 million for disaster relief, $130 million for salaries and expenses, and $331.2 million for emergency planning and assistance. In the above is $181.424 million for civil defense—$30.113 million in the salaries and expenses account and $151.311 million in the emergency management program account. The conferees agreed to the House additions of $1 million for fire prevention and community-based antiarson programs and the $1 million for activities such as firefighter health and safety. The conferees also set the dam safety program at the 1984 level of $482,000, and the hurricane program at the 1984 level of $900,000.

The research and development account for the National Aeronautics and Space Administration is set at $2.422 billion. This includes the full request for the space station program, although some $57 million is fenced until April 1, 1985, pending completion of automation studies. NASA is directed to include a man-tended option as one of the reference configurations to be examined in the definition studies.

The following caps are also included: Space station—$155.5 million; space telescope—$195 million; gamma ray observatory—$120.2 million; upper stages—$92.4 million; Venus radar mapper—$92.5 million; and Galileo—$56.1 million.

For the space flight, control, and data communications, the conference level is $3.6 billion. This includes an additional $40 million over the budget for orbiter structural spares and $5 million for shuttle main engine spares. In the research and program management account, the agreement was for $1.317 billion.

Under the conference agreement, the National Science Foundation will be funded in fiscal 1985 at $1.5 billion. Of this amount, $1.301 billion is for research and related activities, $10 million is for the Antarctic program, and $87 million is for science and engineering education activities.

For the Veterans' Administration, the entitlement programs—compensation and pensions and readjustment benefits—are funded at the request level of $13.992 billion and $1.137 billion respectively.

The medical care account is increased by $24.7 million over the request for a total of $8.792 billion. The Veterans' Administration is directed to allocate 220 of the additional 620 staff years to expand the in-house Vet Center program.

The medical and prosthetic research account is set at $192.6 million. For medical administration and miscellaneous operating expenses, the conference level is $70 million. General operating expenses are set at $750.4 million.

For the major construction account, the conferees agreed to $568.1 million. The conferees direct the VA to review and reconsider all projects, including those stricken by the committees or OMB and to submit a new list based on objective criteria prior to October 1, 1984, for projects to be funded in fiscal 1985.

Mr. President, I believe this is a good conference agreement. I urge its adoption.

Mr. DOMENICI. Mr. President, I rise in support of the conference report accompanying H.R. 5713, the Department of Housing and Urban Development-Independent Agencies appropriation bill for fiscal year 1985.

I commend my distinguished colleague, Chairman HATFIELD, for completing action on several fiscal year 1985 appropriation bills prior to the July recess.

The pending measure provides $56.5 billion in budget authority and $36 billion in outlays for fiscal year 1985 for important activities of the Department of Housing and Urban Development, the Veterans' Administration, the Environmental Protection Agency, the National Aeronautics and Space Administration, the National Science Foundation, and other independent agencies.

With outlays from prior-year budget authority taken into account, fiscal year 1985 outlays associated with this conference agreement would be $61.5 billion.

Nondefense discretionary spending in this conference agreement is slightly above the guidance given to the subcommittee by the full Senate Appropriations Committee on June 14, 1984. Mr. President, I ask unanimous consent that a table showing this relationship be inserted into the RECORD at the conclusion of my remarks.

When the Senate Appropriations Committee makes its 302(b) allocations upon adoption of a first budget resolution, I will insert into the RECORD tables comparing the spending in this conference agreement to the subcommittee's allocation.

I urge my colleagues to support this conference report.

The table follows:

HUD-Independent Agencies Subcommittee nondefense discretionary budget authority

[Dollars in billions]

Conference agreement	$36.3
Subcommittee total	36.3
Committee guidance[1]	36.1
Senate-passed	36.1
House-passed	38.2
President's request	34.4
Subcommittee total compared to:	
Committee guidance[1]	+0.2
Senate-passed	+0.3
House-passed	−1.9
President's request	+1.9

[1] Nondefense discretionary cap guidance approved by the Appropriations Committee on June 14, 1984.

Mr. ABDNOR. Mr. President, I am pleased to note that the Statement of managers includes language related to asbestos regulation. The Federal agencies charged with protection of public health agree that all forms of asbestos present serious health hazards, whether the asbestos is in schools or other buildings or any product that can lead to exposure to humans. The Environmental Protection Agency is developing regulatory programs to control dangerous uses of asbestos. In addition, I refer my colleagues to letters on this issue from the National Institute of Occupational Safety and Health, the Centers for Disease Control and the National Toxicology Program, that I placed in the RECORD on June 21. The agencies agree that all forms of asbestos—including chrysotile or "white" asbestos—are harmful, even at low levels of exposure.

In that regard, I would like to clarify that the studies and analyses suggested by the statement of managers language are not to delay the Environmental Protection Agency's various programs and initiatives to regulate asbestos uses and encourage or require abatement activities including but not limited to, removal of asbestos from schools and other buildings.

Mr. GARN. The conference agreement clearly states that regulatory programs and initiatives are not to be delayed on the basis of these studies.

Mr. GARN. Mr. President, I move adoption of the conference report.

The conference report was agreed to.

Mr. GARN. I move to reconsider the vote.

Mr. HUDDLESTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GARN. I ask that the amendments in disagreement be stated.

The PRESIDING OFFICER. The clerk will state the amendments in disagreement.

The legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 1 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

The amount of contracts for annual contributions, not otherwise provided for, as authorized by section 5 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437c), and heretofore approved in appropriations Acts, is increased by $847,524,808: *Provided*, That $11,215,073 of such contract authority shall be available only for contracts using contract authority released by Acts of Congress prior to 1976: *Provided further*, That the budget authority obligated under contracts for annual contributions shall be increased above amounts heretofore provided in appropriation Acts by $10,759,482,775: *Provided further*, That of the budget authority provided herein, $312,760,000 shall be for assistance in financing the development or acquisition cost of public housing for Indian families; $1,725,000,000 shall be for modernization of existing public housing projects pursuant to section 14 of such Act (42 U.S.C. 14371), of which (a) $75,000,000 shall be for the modernization of vacant uninhabitable dwelling units in vacant buildings located in public housing projects, pursuant to section 14 of such Act, other than section 14(f) of such Act and other than projects for which budget authority for this purpose was reserved or obligated during fiscal years 1983 or 1984, and (b) $100,000,000 shall be made available for modernization under such section 14, other than section 14(f) of such Act, through June 30, 1985, and any balances of such authority remaining unreserved after such date shall only be available for the section 8 existing housing program utilizing a term of one hundred and eighty months (42 U.S.C. 1437f); $774,287,500 shall be for assistance payments in the housing voucher program under section 8(o) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437f); $1,709,040,000 shall be for assistance for projects developed for the elderly or handicapped under section 202 of the Housing Act of 1959, as amended (12 U.S.C. 1701q); and, $2,620,687,500 shall be for the section 8 existing housing program (42 U.S.C. 1437f); $419,250,000 shall be for the section 8 moderate rehabilitation program (42 U.S.C. 1437f); and $945,000,000 shall be used other than for low-income housing for Indian families for public housing new construction, notwithstanding section 6(h) and (i) of the United States Housing Act of 1937, as amended, or may be used for acquisition with or without rehabilitation for use as public housing if the public housing authority certifies to the Secretary of Housing and Urban Development before a reservation is made, that comparable dwelling units exist which may be use for its public housing program: *Provided further*, That the Secretary shall not approve the use of any of the budget authority provided herein, (except such amounts as are provided for the third proviso of this paragraph), or reserved and obligated in years prior to fiscal year 1985, for assistance under the housing voucher program authorized under section 8(o) of the United States Housing Act of 1937, as amended: *Provided further*, That any balances of authorities made available prior to the enactment of this Act which are or become available for obligation in fiscal year 1985 shall be added to and merged with the authority approved herein, and such merged amounts shall be made subject only to terms and conditions of law applicable to authorizations becoming available in fiscal year 1985: *Provided further*, That none of the merged amounts available for obligation in 1985 shall be subject to the provisions of section 213(d) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 1439): *Provided further*, That all amounts of budget authority equal to the amounts of such budget authority which are recaptured during fiscal year 1985 shall be rescinded.

The paragraph under the heading "ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING" in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1984 (Public Law 98-45, 97 Stat. 219, 220), as amended by section 127 of Public Law 98-151, making further continuing appropriations for fiscal year 1984 (97 Stat. 964, 980), is further amended by (a) deleting "$1,550,000,000" in the second proviso and inserting in lieu thereof "$1,612,982,000"; (b) striking out in the seventh proviso thereof the second citation to section 1437f of title 42, United States Code (including the parentheses), and inserting in lieu thereof the following: ", $261,675,000 of budget authority shall only be made available for the section 8 voucher program (section 8(o) of the United States Housing Act of 1937, as added by section 207 of the Housing and Urban-Rural Recovery Act of 1983, Public Law 98-181, 97 Stat. 1153, 1155, 1181), including payment of fees to Public Housing Agencies"; (c) deleting, in the clause numbered (1) in the ninth proviso, "shall not become available until March 31, 1984, and at such time", and in that clause deleting "such heading" and inserting in lieu thereof "this heading"; (d) deleting "$2,217,150,000" in the seventh and ninth provisos and inserting in each such proviso in lieu thereof "$3,820,320,000"; and (c) deleting the period at the end thereof and inserting a colon in lieu thereof and the following: "*Provided further*, That, notwithstanding any proviso hereof, any amounts of budget authority recaptured and becoming available for obligation in fiscal year 1984 in excess of $2,500,000,000 shall be made available only for use under section 14 of the United States Housing Act of 1937, as amended: *Provided further*, That the amount of contracts for annual contributions, not otherwise provided for, as authorized by section 5 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437c), and heretofore approved in appropriation Acts, is increased by $69,490,893, of which $6,160,000 shall be available for contracts using contract authority released by Acts of Congress prior to 1976: *Provided further*, That budget authority in the amount of $300,000,000 shall be available as an appropriation of funds only for rental rehabilitation grants to authorized grantees pursuant to section 17(a)(1)(A) of the United States Housing Act of 1937, as amended, as authorized in section 17(a)(3)(A) of that Act, to remain available until September 30, 1986: *Provided further*, That $150,000,000 of such budget authority shall not be available until October 1, 1984: *Provided further*, That, notwithstanding the provisions of section 17(b)(4) of such Act, any rental rehabilitation grant amounts not obligated at the end of fiscal year 1984 shall not be added to the amount available for allocation for such grants for fiscal year 1985 but shall remain available for obligation according to the fiscal year 1984 allocation and consistent with the terms and conditions of law applicable as of September 30, 1984: *Provided further*, That budget authority in the amount of $315,000,000 shall be available as an appropriation of funds only for development grants to authorized grantees pursuant to section 17(a)(1)(B) of the United States Housing Act of 1937, as authorized in section 17(a)(3)(B) of that Act, to remain available until September 30, 1986: *Provided further*, That $115,000,000 of such budget authority shall not be available until October 1, 1984.".

Notwithstanding any other provision of this Act, the immediately preceding paragraph shall become effective upon enactment of this Act.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 3 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

CONGREGATE SERVICES

For contracts with and payments to public housing agencies and nonprofit corporations for congregate services programs in accordance with the provisions of the Congregate Housing Services Act of 1978, $4,144,000, to remain available until September 30, 1986.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 5 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Provided, That of the authority provided herein, not more than $15,000,000 shall be obligated to public housing agencies by April 1, 1985, for planning costs associated with the preparation of applications submitted to the Secretary in fiscal year 1985 for modernization assistance under section 14 of such Act, without offset by any amount of operating subsidy payment to which a public housing agency may otherwise be entitled.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 12 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

COMMUNITY DEVELOPMENT GRANTS

(Fiscal Year 1984)

Of the funds appropriated under this heading in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1984 (Public Law 98-45), not more than $2,000,000 shall be available immediately to carry out a neighborhood development demonstration pursuant to section 123 of the Housing and Urban-Rural Recovery Act of 1983.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 14 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Provided, That of the funds provided herein $500,000 shall be used in addition to the $4,000,000 provided for the modernization study in Public Law 98-45 (97 Stat. 223, 224): *Provided further*, That not more than a total of $500,000 of the funds available for use on the modernization study shall be used for the energy analysis and program evaluation component of the study: *Provided further*, That $500,000 of the funds provided herein shall be for the design and implementation of the housing voucher demonstration evaluation, including a comparison of the housing voucher program with fifteen year assistance contracts under the section 8 existing housing program

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 30 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: $331,219,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 32 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

For necessary expenses, not otherwise provided for, including research, development, operations, services, minor construction, maintenance, repair, rehabilitation and modification of real and personal property; purchase, hire, maintenance, and operation of other than administrative aircraft, necessary for the conduct and support of aeronautical and space research and development activities of the National Aeronautics and Space Administration; including not to exceed (1) $155,500,000 for a space station; (2) $195,000,000 for space telescope development; (3) $120,200,000 for the gamma ray observatory; (4) $92,400,000 for upper stages; (5) $92,500,000 for the Venus radar mapper mission; and (6) $56,100,000 for Galileo; without the approval of the Committees on Appropriations; $2,422,600,000 to remain available until September 30, 1986; including $155,500,000 for a space station, of which $5,500,000 shall be made available from prior year appropriations: *Provided*, That of this amount, $63,800,000 is available for space station systems definition and integration studies, including $6,300,000 for systems engineering and integration support activities: *Provided further*, That within this amount, NASA shall conduct a study of an option which "phases-in" the permanently manned features of the station, as one of the reference configurations to be examined in the definition studies: *Provided further*, That the result of this study shall be reported to the House and Senate Committees on Appropriations prior to the selection by the Administrator of a configuration for the permanently manned space station: *Provided further*, That of this amount, $57,500,000 shall be withheld from obligation or expenditure until April 1, 1985: *Provided further*, That the recommendations contained in the report required under the head "Research and Program Management" be incorporated in any contract entered into as part of the systems definition and integration studies.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 43 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken by said amendment, and insert:

Provided further, That not to exceed $9,000,000 shall be available for the very long baseline array and such funds shall not be obligated before April 1, 1985:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 53 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Provided, That the total FTEE for the following offices within the Department of Medicine and Surgery not exceed 106 FTEE during fiscal year 1985: (1) Program Analysis and Development; (2) Health Systems Planning Service; (3) Planning Methods and Systems Development Service; (4) Facilities Planning Service; and (5) MEDIPP field personnel, without the approval of the Committees on Appropriations.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 55 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken by said amendment, and insert:

Provided, That, notwithstanding any other provision of law, no funding provided in this or any other Act shall be available in fiscal year 1984 for the Design Fund and not to exceed $15,000,000 in fiscal year 1985 shall be available for the Design Fund:

Mr. GARN. Mr. President, I ask unanimous consent that the Senate concur en bloc in the amendments of the House to the amendments of the Senate as previously reported by the clerk.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, have the amendments in disagreement been agreed to?

The PRESIDING OFFICER. The amendments have been concurred in en bloc.

Mr. GARN. Mr. President, I move to reconsider the vote.

Mr. HUDDLESTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. BAKER. Mr. President, that concludes action on this conference report. I know of no other matter to be brought up tonight. There is one matter that may still need action. It is possible that the conference on the bankruptcy bill is still in progress.

That bill expires at midnight tonight. The leadership on this side feels we ought not to go out until we ascertain the progress, if any, on that conference.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent there now be a period for the transaction of routine morning business until not later than 12:01 a.m. tomorrow in which Senators may speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, in accordance with Public Law 90-206, appoints the following individuals to the Commission on Executive, Legislative, and Judicial Salaries: the Honorable Nicholas Brady and Mr. Edward P. Morgan.

TITLE 9 OF THE EDUCATION AMENDMENTS OF 1982

Mr. STEVENS. Mr. President, I yield to the distinguished Democratic leader.

Mr. BYRD. Mr. President, I thank the distinguished assistant Republican leader.

Mr. President, is there a message from the House on H.R. 5490?

The PRESIDING OFFICER. There is a message from the House.

Mr. BYRD. I thank the Chair.

Mr. President, by the request of Mr. KENNEDY, I ask that the bill H.R. 5490 be read the first time.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 5490) to clarify the application of title 9 of the Education Amendments of 1982, and so forth.

Mr. BYRD. Now, Mr. President, I ask for the second reading of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. I object.

The PRESIDING OFFICER. Objection is heard to second reading. The bill will remain at the desk pending its second reading on the next legislative day.

Mr. STEVENS. Mr. President, I should like the RECORD to show I made that objection in my capacity as the assistant leader.

MARINE MAMMAL PROTECTION ACT OF 1972

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate Calendar Order No. 1007, H.R. 4997.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 4997) to authorize appropriations to carry out the Marine Mammal Protection Act of 1972 for fiscal years 1985 through 1988, and for other purposes.

The Senate proceeded to consider the bill.

AMENDMENT NO. 3345

(Purpose: To make an amendment in the nature of a substitute)

Mr. STEVENS. Mr. President, I send an amendment to the desk in the nature of a substitute on behalf of the distinguished Senator from Oregon [Mr. PACKWOOD].

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. PACKWOOD, proposes an amendment numbered 3345:

Strike all after the enacting clause and insert in lieu thereof the following:

TITLE I

SEC. 101. The last sentence of section 101(a)(2) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1371(a)(2)) is amended to read as follows: "For purposes of applying the preceding sentence, the Secretary—

"(A) shall insist on reasonable proof from the government of any union from which fish or fish products will be exported to the United States of the effects on ocean mammals of the commercial fishing technology in use for such fish or fish products exported from such nation to the United States; and

"(B) in the case of yellowfin tuna harvested with purse seines in the eastern tropical Pacific Ocean, and products therefrom, to be expected to the United States, shall require that the government of the exporting nation provide documentary evidence that—

"(i) the government of the harvesting nation law adopted a regulatory program governing the incidental taking of marine mammals in the course of such harvesting that is comparable to that of the United States; and

"(ii) the average rate of that incidental taking by the vessels of the harvesting nation is comparable to the average rate of incidental taking of marine mammals by United States vessels in the course of such harvesting.".

SEC. 102. Section 104(h) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1374(h)) is amended—

"(1) by inserting "(1)" after "(h)"; and

"(2) by adding at the end thereof the following paragraphs:

"(2)(A) Subject to subparagraph (B), the general permit issued under paragraph (1) on December 1, 1980 to the American Tunaboat Association is extented to authorize and govern the taking of marine mammals incidental to commercial purse seine fishing for yellowfin tuna during each year after December 31, 1984.

"(B) The extension granted under paragraph (A) is subject to the following conditions:

"(i) The extension shall cease to have force and effect at the time the general permit is surrendered or terminated.

"(ii) The permittee and certificate holders shall use the best marine mammal safety techniques and equipment that are economically and technologically practicable.

"(iii) During the period of the extension, the terms and conditions of the general permit that are in effect on the data of the enactment of this paragraph shall apply, except that—

"(I) The Secretary may make such adjustments as may be appropriate to those terms and conditions that pertain to fishing gear and fishing practice requirements and to permit administration;

"(II) any such term and condition may be amended or terminated if the amendment or termination is based on the best scientific information available, including that obtained under the monitoring program required under paragraph (3)(A); and

"(III) during each year of the extension, not to exceed 250 coastal spotted dolphin (Stenella attenuata) and not to exceed 2,750 eastern spinner dolphin (Stenella longirostris) may be incidentally taken under the general permit, and no accidental taking of either species is authorized at any time when incidental taking of that species is permitted.

"(C) The quota on the incidental taking of coastal spotted dolphin and eastern spinner dolphin under paragraph (2)(B)(iii)(III) shall be treated—

"(i) as within, and not in addition to, the overall annual quota under the general permit on the incidental taking of marine mammals; and

"(ii) for purposes of paragraph (2)(B)(iii)(II), as a term of the general permit in effect on the date of the enactment of this paragraph.

"(3)(A) The Secretary shall, commencing on January 1, 1985, undertake a scientific research program to monitor for at least five consecutive years, and periodically as necessary thereafter, the indices of abundance and trends of marine mammal population stocks which are incidentally taken in the course of commercial purse seine fishing for yellowfin tuna in the eastern tropical Pacific Ocean.

"(B) If the Secretary determines, on the basis of the best scientific information available (including that obtained under the monitoring program), that the incidental taking of marine mammals permitted under the general permit referred to in paragraph (2) is having a significant adverse effect on a marine mammal population stock, the Secretary shall take such action as is necessary, after notice and an opportunity for an agency hearing on the record, to modify the applicable incidental take quotas or requirements for gear and fishing practices (or both such quotas and requirements) for such fishing so as to ensure that the marine mammal population stock is not significantly adversely affected by the incidental taking.

"(C) For each year after 1984, the Secretary shall include in his annual report to the public and the Congress under section 103(f) a discussion of the proposed activities to be conducted each year as part of the monitoring program required by subparagraph (A).

"(D) There are authorized to be appropriated to the Department of Commerce for purposes of carrying out the monitoring program required under this paragraph not to exceed $4,000,000 for the period beginning October 1, 1984, and ending September 30, 1988.".

SEC. 103. (a) Section 201(b)(1) of the Marine Mammal Act of 1972 (16 U.S.C. 1401(b)(1)) is amended by striking the second sentence thereof and inserting in lieu thereof the following: "The President shall make his selection from a list of individuals knowledgeable in the fields of marine ecology and resource management, and who are not in a position to profit from the taking of marine mammals. Such list shall be submitted to him by the Chairman of the Council on Environmental Quality and unanimously agreed to by that Chairman, the Secretary of the Smithsonian Institution, the Director of the National Science Foundation and the Chairman of the National Academy of Sciences.".

(b) The first sentence of section 206 of such Act of 1972 (16 U.S.C. 1406) is amended by adding immediately before the period at the end thereof the following: "; except that no fewer than 11 employees must be employed under paragraph (1) at any time".

SEC. 104. Section 7 of the act entitled "An Act to improve the operation of the Marine Mammal Protection Act of 1972, and for other purposes", approved October 9, 1981 (16 U.S.C. 1384 and 1407) is amended—

(1) by amending subsection (a)—

(A) by inserting "(other than section 104(h)(8))" immediately after "title I", and

(B) by striking out "for fiscal year 1984," and inserting in lieu thereof "for each of fiscal years 1984, 1985, 1986, 1987, and 1988,";

(2) by striking out "and $2,000,000 for fiscal year 1984." and subsection (b) and inserting in lieu thereof "$2,000,000 for fiscal year 1984, $2,500,000 for fiscal year 1985, and $3,000,000 for each of fiscal years 1986, 1987, and 1988,"; and

(3) by striking out "for fiscal year 1984." in subsection (c) and inserting in lieu thereof "for each of fiscal years 1984, 1985, 1986, 1987, and 1988.".

SEC. 105. Section 2(c) of the Fishery Conservation Zone Transition Act (16 U.S.C. 1823 note) is amended—

(1) by striking out "July 1, 1984" in each of paragraphs (1) and (2) and inserting in lieu thereof "December 31, 1985";

(2) by striking out "May 3, 1983" in paragraph (1) and inserting in lieu thereof "May 8, 1984";

(3) by striking out "May 3, 1983" in paragraph (2) and inserting in lieu thereof "May 7, 1984"; and

(4) by amending the last sentence thereof by striking out "Each such governing international fishery agreement" and inserting in lieu thereof "The government international fishery agreements referred to in paragraphs (1) and (2) shall enter into force and effect with respect to the United States on July 1, 1984; and the governing international fishery agreement referred to in paragraph (3)".

SEC. 106. Notwithstanding any provision of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.), and upon certification by the Secretary of State to the President of the Senate and the Speaker of the House of Representatives that a new governing international fishery agreement in conformity with such Act has been negotiated by the United States and the European Economic Community, the existing governing international fishery agreement referred to in section 2(a)(7) of the Fishery Conservation Zone Transition Act (16 U.S.C. 1823, note) may be extended or reinstated, as the case may be, and may be in force and effect with respect to the United States, for the period of time ending on the earlier of (1) the effective date of the new governing international fishery agreement, or (2) September 30, 1984.

TITLE II

SEC. 201. (a) The Secretary of Commerce shall provide for the establishment of a National Coastal Resources Research and Development Institute (hereinafter in this title referred to as the "Institute") to be administered by the Oregon State Marine Science Center.

(b) The Institute shall conduct research and carry out educational and demonstration projects designed to promote the efficient and responsible development of ocean and coastal resources, including arctic resources. Such projects shall be based on biological, geological, genetic, economic and other scientific research applicable to the purpose of this title and shall include studies on the economic diversification and environmental protection of the Nation's coastal areas.

(c)(1) The policies of the Institute shall be determined by a Board of Governors composed of—

(A) two representatives appointed by the Governor of Oregon;

(B) one representative appointed by the Governor of Alaska;

(C) one representative appointed by the Governor of Washington;

(D) one representative appointed by the Governor of California; and

(E) one representative appointed by the Governor of Hawaii.

(2) Such policies shall include the selection, on a nationally competitive basis, of the research, projects, and studies to be supported by the Institute in accordance with the purposes of this title.

(d)(1) The Board of Governors shall establish an Advisory Council composed of specialists in ocean and coastal resources from the academic community.

(2) To the maximum extent practicable the Advisory Council shall be composed of such specialists from every coastal region of the Nation.

(3) The Advisory Council shall provide such advice to the Board of Governors as such Board shall request, including recommendations regarding the support of research, projects, and studies in accordance with the purposes of this title.

(e) The Institute shall be administered by a Director who shall be appointed by the Chancellor of the Oregon Board of Higher Education in consultation with the Board of Governors.

(f) The Secretary of Commerce shall conduct an ongoing evaluation of the activities of the Institute to ensure that funds received by the Institute under this title are used in a manner consistent with the provisions of this title.

(g) The Institute shall report to the Secretary of Commerce on its activities within 2 years after the date of enactment of this Act.

(h) The Comptroller General of the United States, and any of his duly authorized representatives, shall have access, for the purpose of audit and examination, to any books, documents, papers and records of the Institute that are pertinent to the funds received under this title.

(i) Employees of the Institute shall not, by reason of such employment, be considered to be employees of the Federal Government for any purpose.

(j) For the purposes of this title, there are authorized to be appropriated in each fiscal year $9,000,000, commencing with fiscal year 1985.

SEC. 202. For purposes of sections 1305(c), 1315, and 1363 of the National Flood Insurance Act of 1968 (42 U.S.C. 4012(c), 4022, and 4104) and section 202(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106(a)), the flood elevation determination made by the Director of the Federal Emergency Management Agency with respect to Cameron Parish in the State of Louisiana, and published in the Federal Register on July 28, 1983, and November 22, 1983, shall not be considered final before the expiration of the one-year period following the date of enactment of this Act.

TITLE III

SEC. 301. Section 7(e) of the Fishermen's Protective Act of 1967 (22 U.S.C. 1977(e)) is amended by striking "October 1, 1984" and inserting in lieu thereof "October 1, 1987".

SEC. 302. (a) Section 3 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1973) is amended—

(1) by striking "Secretary of the Treasury in the amount certified to him by the Secretary of State" in the first sentence of subsection (a) of inserting in lieu thereof "Secretary of State in the amount determined and certified by him"; and

(2) by amending subsection (b)—

(A) by inserting "determination and" immediately before "certification" in the first sentence thereof; and

(B) by striking "the Treasury" in the second and third sentences and inserting in lieu thereof "State".

(b) Section 5(a)(1)(A) of such Act of 1967 (22 U.S.C. 1975(a)(1)(A)) is amended by striking "the Secretary of the Treasury" and inserting in lieu thereof "him".

(c) The first sentence of section 9 of such Act of 1967 (22 U.S.C. 1979) is amended by striking "Secretary of the Treasury" and inserting in lieu thereof "Secretary of State"; and by striking "certified to him by the Secretary of State" and inserting in lieu thereof "determined and certified by him".

SEC. 303. (a) Section 2 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1972) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) any vessel of the United States is seized by a foreign country on the basis of claims to jurisdiction that are not recognized by the United States, or on the basis of claims to jurisdiction recognized by the United States but exercised in a manner inconsistent with international law as recognized by the United States;"; and

(2) by amending the matter appearing between subparagraph (D) and clause (i) of paragraph (2) to read as follows:

"the Secretary of State, unless there is clear and convincing credible evidence that the seizure did not meet the requirements under paragraph (1) or (2), as the case may be, shall immediately take such steps as are necessary—".

(b) Section 4 of such Act of 1967 (22 U.S.C. 1974) is amended by striking "any fishery convention or treaty to which the United States is a party," and inserting in lieu thereof "any applicable convention or treaty, if that treaty or convention was made with advice and consent of the Senate and was in force and effect for the United States and the seizing country at the time of the seizure.".

(c) The amendments made by subsections (a) and (b) apply with respect to seizures made after April 1, 1983, by foreign countries of vessels of the United States.

TITLE IV

SEC. 401. This title may be cited as the "Commercial Fishing Industry Vessel Act".

SEC. 402. Subtitle II of title 46, United States Code, "Shipping", is amended as follows:

(1) Section 2101 is amended by—

(A) amending clause (11) thereof to read as follows:

"(11) 'fish' means finfish, mollusks, crustaceans, and all other forms of marine animal and plant life, except marine mammals and birds.";

(B) inserting immediately after clause (11) the following:

"(11a) 'fishing vessel' means a vessel that commercially engages in the catching, taking, or harvesting of fish or an activity that can reasonably be expected to result in the catching, taking, or harvesting of fish.

"(11b) 'fish processing vessel' means a vessel that commercially prepares fish or fish products other than by gutting, decapitating, gilling, skinning, shucking, icing, or brine chilling.

"(11c) 'fish tender vessel' means a vessel that commercially supplies, stores, refrigerates, or transports fish, fish products, or materials directly related to fishing or the preparation of fish to or from a fishing, fish processing, or fish tender vessel or a fish processing facility."; and

(C) adding the following at the end of clause (21);

"(E) on a fishing, fish processing, or fish tender vessel, means an individual transported on the vessel except—

"(i) the owner;

"(ii) a representative of the owner;

"(iii) the managing operator;

"(iv) the master;

"(v) a crewmember engaged in the business of the vessel who has not contributed consideration for transportation on board and who is paid for services on board;

"(vi) an employee of the owner, or of a subcontractor to the owner, engaged in the business of the owner;

"(vii) a charterer of the vessel;

"(viii) a person with the same relationship to a charterer as a person in subclause (ii) or (vi) of this subclause has to an owner; or

"(ix) a guest who has not contributed consideration for transportation on board.".

(2) Section 3301 is amended by adding at the end thereof the following:

"(11) fish processing vessels.

"(12) fish tender vessels.".

(3) Section 3302(b) and (c) is amended to read as follows:

"(b) A fishing vessel, including a vessel chartered part-time as a fish tender vessel, is exempt from section 3301(1), (7), (11), and (12) of this title.

"(c)(1) A fish processing vessel of not more than 5,000 gross tons is exempt from section 3301(1), (6), (7), (11), and (12) of this title.

"(2) A fish tender vessel of not more than 50 gross tons is exempt from section 3301(1), (6), (7), (11), and (12) of this title.".

(4) Section 3304 is amended by adding at the end thereof the following:

"(d) A fishing, fish processing, or fish tender vessel that transports not more than 12 individuals employed in the fishing industry in addition to the crew is not subject to inspection as a passenger or small passenger vessel.".

(5) Section 3306 is amended by adding at the end thereof the following:

"(g) In prescribing regulations for fish processing or fish tender vessels, the Secretary shall consult with representatives of the private sector having experience in the operation of these vessels. The regulations shall reflect the specialized nature and economics of fish processing or fish tender vessel operations and the character, design, and construction of fish processing or fish tender vessels.".

(6) Section 3702 is amended by—

(A) amending subsection (c) to read as follows:

"(c) This chapter does not apply to a fishing or fish tender vessel of not more than 500 gross tons when engaged only in the fishing idustry,"; and

(B) amending the first sentence in subsection (d) to read as follows: "This chapter does not apply to a fish processing vessel of not more than 5,000 gross tons.".

(7)(A) The analysis of part B is amended by striking—

"41. Uninspected vessels 4101
"43. Recreational vessels .... 4301"

and inserting in lieu thereof the following:

"41. Uninspected vessels 4101
"43. Recreational vessels 4301
"45. Fish processing vessels .... 4501".

(B) The title of chapter 41 is amended to read as follows:

"Chapter 41—UNINSPECTED VESSELS GENERALLY"

(C) Part B is amended by adding the following immediately after chapter 43:

"Chapter 45—FISH PROCESSING VESSELS

"Sec.
"4501. Application.
"4502. Regulations.
"4503. Equivalency.
"4504. Penalties.

"§ 4501. Application

"(a) This chapter applies to an uninspected fish processing vessel entered into service after December 31, 1987, and having more than 16 individuals on board primarily employed in the preparation of fish or fish products—

"(1) on the navigable waters of the United States; or

"(2) owned in the United States and operating on the high seas.

"(b) This chapter does not apply to the carriage of liquid bulk dangerous cargoes regulated under chapter 37 of this title.

"§4502. Regulations

"(a) For each vessel to which this chapter applies, the Secretary shall prescribe regulations for—

"(1) navigation equipment, including radars, fathometers, compasses, radar reflectors, lights, sound-producing devices, nautical charts, and anchors;

"(2) life saving equipment, including life preservers, exposure suits, lifeboats or life rafts, emergency position indicating radio beacons, signaling devices, bilge pumps, bilge alarms, life- and grab-rails and medicine chests;

"(3) Fire protection and firefighting equipment, including fire alarms, portable and semi-portable fire extinguishing equipment, and flame arrestors;

"(4) the use and installation of insulation material;

"(5) storage methods for flammable or combustible material; and

"(6) fuel, ventilation, and electrical systems.

"(b) in prescribing regulations under subsection (a) of this section, the Secretary shall—

"(1) consider the specialized nature and economics of fish processing vessel operations and the character, design, and construction of fish processing vessels;

"(2) consult with representatives of the private sector experience in the operation of these vessels to ensure the practicability of these regulations; and

"(3) not compel alteration of a vessel to which the exemption applies or item of equipment on that vessel, or of the construction of a vessel or manufacture of a particular item of equipment which is begun before the effective date of the regulation.

"§ 4503. Equivalency

"A vessel to which this chapter applies shall be deemed to comply with the requirements of this chapter if it has an unexpired certificate of inspection issued by a foreign country that is a party to an International Convention for Safety of Life at Sea to which the United States Government is currently a party and shall not be required by the Secretary to alter or replace the equipment or structural requirements required under this chapter.

"§ 4504. Penalties

"If a vessel to which this chapter applies is operated in violation of this chapter or a regulation prescribed under this chapter, the owner, charterer, managing operator, agent, master, and individual in charge are each liable to the United States Government for a civil penalty of not more than $1,000. The vessel also is liable in rem for the penalty.".

(8)(A) Item 7111 in the analysis of chapter 71 is amended to read as follows:

"7111. Oral examinations for licenses.".

(B) Section 7111 is amended to read as follows:

"§ 7111. Oral examinations for licenses

"An individual may take an oral examination for a license to serve on a fishing, fish processing, or fish tender vessel not required to be inspected under Part B of this subtitle.".

(9)(A) The analysis of chapter 73 is amended by inserting immediately after item 7311 the following:

"7311. Able seamen—fishing industry.".

(B) Section 7301(a)(1) is amended by striking "decked fishing vessels" and inserting in lieu thereof "fishing, fish processing, fish tender vessels".

(C) Section 7306(b) is amended by adding at the end thereof the following:

"(6) able seaman—fishing industry.".

(D) Chapter 73 is amended by inserting immediately after 7311 the following:

"§ 7311a. Able seaman—fishing industry

"For service on a fish processing vessel, an individual may be rated as able seaman—fishing industry if the individual has at least 6 months' service on deck on board vessels operating on the oceans or the navigable waters of the United States (including the Great Lakes).".

(E) Section 7312 is amended by adding at the end thereof the following:

"(f) Individuals qualified as able seamen—fishing industry under section 7311a of this title may constitute—

"(1) all of the able seamen required on a fish processing vessel entered into service before January 1, 1988, and of more than 1,600 gross tons but not more than 5,000 gross tons; and

"(2) all of the able seamen required on a fish processing vessel entered into service after December 31, 1987, and having more than 16 individuals on board primarily employed in the preparation of fish or fish products but of not more than 5,000 gross tons.".

(10) Section 8102 is amended by

(A) inserting "(a)" immediately before the first paragraph; and

(B) adding at the end thereof the following:

"(b) The owner, charterer, managing operator, agent, master, or individual in charge of a fish processing vessel of more than 100 gross tons shall keep a suitable number of watchmen trained in firefighting on board when hotwork is being done to guard against and give alarm in case of a fire.".

(11) Section 8104 is amended by—

(A) striking "100 gross tons," in subsection (b) and inserting in lieu thereof "100 gross tons (except a fishing, fish processing, or fish tender vessel),";

(B) striking "fishing" in subsection (c) and inserting in lieu thereof "fishing, fish processing, fish tender,";

(C) striking "a fishing or whaling vessel," in subsection (d) and inserting in lieu thereof "a fishing, fish tender, or whaling vessel, a fish processing vessel of not more than 5,000 gross tons,"; and

(D) adding at the end thereof the following:

"(k) On a fish processing vessel subject to inspection under part B of this subtitle, the licensed individuals and deck crew may be divided, when at sea, into at least 3 watches.

"(l) Except as provided in subsection (k) of this section, on a fish processing vessel, the licensed individuals and deck crew may be divided, when at sea, into at least 2 watches if the vessel—

"(1) entered into service before January 1, 1988, and is more than 1,600 gross tons; or

"(2) entered into service after December 31, 1987, and has more than 16 individuals on board primarily employed in the preparation of fish or fish products.

"(m) This section does not apply to a fish processing vessel—

"(1) entered into service before January 1, 1988, and not more than 1,600 gross tons; or

"(2) entered into service after December 31, 1987, and having not more than 16 individuals on board primarily employed in the preparation of fish or fish products.".

(12)(A) Section 8701(a) is amended by—

(i) striking "fishing or whaling" and inserting in lieu thereof "fishing, fish tender, or whaling";

(ii) striking "and" after the semicolon at the end of clause (4);

(iii) striking the period at the end of clause (5) and inserting in lieu thereof a semicolon; and

(iv) adding at the end thereof the following:

"(6) a fish processing vessel entered into service before January 1, 1988, and not more than 1,600 gross tons or entered into service after December 31, 1987, and having not more than 16 individuals on board primarily employed in the preparation of fish or fish products; and

"(7) a fish processing vessel (except a vessel to which clause (6) of this subsection applies) with respect to individuals on board primarily employed in the preparation of fish or fish products or in a support position not related to navigation.".

(B) Section 8702(a) is amended by—

(i) striking "fishing or whaling" and inserting in lieu thereof "fishing, fish tender, or whaling";

(ii) striking "and" after the semicolon at the end of clause (4);

(iii) striking the period at the end of clause (5) and inserting in lieu thereof a semicolon; and

(iv) adding at the end thereof the following:

"(6) a fish processing vessel entered into service before January 1, 1988, and not more than 1,600 gross tons or entered into service after December 31, 1987, and having not more than 16 individuals on board primarily employed in the preparation of fish or fish products; and

"(7) a fish processing vessel (except a vessel to which clause (6) of this subsection applies) with respect to individuals on board primarily employed in the preparation of fish or fish products or in a support position not related to navigation.".

(13) Section 10101(a) is amended by adding at the end thereof the following:

"(4) "fishing vessel" includes—

"(A) a fish tender vessel; or

"(B) a fish processing vessel entered into service before January 1, 1988, and not more than 1,600 gross tons or entered into service after December 31, 1987, and having not more than 16 individuals on board primarily employed in the preparation of fish or fish products.".

(14) Section 11108 is amended by striking "a fisherman employed on a fishing vessel" and inserting in lieu thereof "an individual employed on a fishing vessel or any fish processing vessel".

(15) Section 11109(c) is amended to read as follows:

"(c) This section applies to an individual employed on a fishing vessel or any fish processing vessel.".

(16) Section 12101 is amended by adding at the end thereof the following:

"(6) 'fisheries' includes planting, cultivating, catching, taking, or harvesting fish, shellfish, marine animals, pearls, shells, or marine vegetation in the navigable waters of the United States or in the fishery conservation zone established by section 101 of the Magnuson Fishery Conservation and Management Act of 1976 (16 U.S.C. 1811).".

SEC. 403. (a) Before January 1, 1990, a fishing, fish processing, or fish tender vessel, that is (1) not more than 500 gross tons and (2) in operations, or contracted for purchase to be used as a vessel of this type, before July 1, 1984, may transport cargo to or from a place in Alaska not receiving weekly transportation service from a port of the United States by an established water common carrier, except that the service limitation does not apply to transporting cargo of a type not accepted by that carrier.

(b) A fish processing vessel entered into service before January 1, 1988, and more than 1,600 gross tons or entered into service after December 31, 1987, and having more than 16 individuals on board primarily employed in the preparation of fish or fish products is exempt from section 8702(b) of title 46, United States Code, until 18 months after the date of enactment of this Act.

(c) As used in subsections (a) and (b) of this section, the terms "fishing vessel", "fish processing vessel" and "fish tender vessel", shall have the meaning given to such terms in section 2101 of title 46, United States Code.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute.

The amendment (No. 3345) was agreed to.

Mr. PACKWOOD. Mr. President, I ask my colleagues today to consider H.R. 4997, a bill to authorize appropriations for the Marine Mammal Protection Act of 1972 for fiscal years 1985, 1986, 1987, and 1988. The bill provides authorization of funds to the Department of Commerce, the Department of the Interior, and the Marine Mammal Commission to enable these agencies to carry out their responsibilities as mandated by the Marine Mammal Protection Act.

In addition, H.R. 4997 includes a number of amendments to the Marine Mammal Protection Act that reflect the views of the administration, the conservation community, and the fishing industry. Because the extensive amendments made to the act during the 1981 reauthorization have worked well, major changes are not necessary at this time. The amendments contained in H.R. 4997 that I will outline augment the efficient implementation of the act's goals.

First, H.R. 4997 clarifies that potential nominees to the Marine Mammal Commission must be the unanimous choices of the Secretary of the Smithsonian Institution, the Chairman of the Council on Environmental Quality, the Director of the National Science Foundation, and the Chairman of the National Academy of Sciences. This will ensure that the President is choosing from the best possible nominees.

Second, this bill extends, in its entirety, the existing marine mammal permit currently held by the American Tunaboat Association. This means the the tuna industry must continue to abide by the quotas for incidental porpoise kills. This level is currently set at 20,500 per year, and is a major improvement from the 400,000 per year which were killed in the early 1970's prior to enactment of the Marine Mammal Protection Act.

Third, H.R. 4997 requires foreign nations which export tuna to the United States to meet the same marine mammal protection standards that are imposed on the domestic fleet. Such a foreign nation must submit to the Secretary of Commerce satisfactory documentary evidence that it has adopted and enforces a legally binding regulatory program governing the incidental taking of marine mammals by its tuna vessels that is no less protective than the U.S. Tuna-Porpoise Program. This requirement ensures the equitable treatment of our domestic tuna fleet as compared to foreign fleets.

Fourth, this legislation authorizes a new program of research to monitor the abundance and population trends of porpoise that are incidentally taken in the tuna fisheries. The hard data this study will provide is essential to determine whether porpoise stocks are increasing or decreasing. The research program authorized in H.R. 4997 will also investigate alternative fishing techniques that do not involve porpoise. The hope here is that by developing fishing techniques which do not involve the taking of porpoise, we will achieve the ultimate solution to the tuna-porpoise problem.

H.R. 4997 also provides for congressional approval of several governing international fishery agreements [GIFA's]. The GIFA's included in the bill are for the European Economic Community, the Soviet Union, and Poland. Without such an agreement in force, no nation may fish within the 200-mile fishery conservation zone of the United States. Member countries of the EEC, as well as Poland, will conduct fishing operations within the FCZ this year. In the case of the Soviets, although they do not harvest fish within the FCZ, they are partners in several joint venture fishing operations in our waters. These joint ventures have proven quite profitable to our fishermen, and, therefore, it is in our best interest to extend the Soviet GIFA and thereby permit these business relationships to continue.

The bill also contains an authorization for a National Coastal Resources Research and Development Institute. The purpose of this Institute is to conduct research, education, and demonstration projects to promote the growth of national and regional economies dependent upon coastal resources. The Institute will serve as the nexus of many research fields, interacting not just to conduct research but to bridge the gap between pure research and user groups. This interdisciplinary approach to solving problems unique to coastal states is sorely needed.

A common problem shared among many coastal States, is the boom-bust cycle experienced in coastal economies. These States are often closely linked and dependent upon one or two industries such as fisheries, oil and gas development, or forestry. When events cause a mainstay industry to decline, the economic impact can be staggering. For this reason, the Institute will examine methods to enhance the economic diversification of coastal States.

The Institute will be administered by a board of governors representing the Pacific rim States, and projects to be undertaken will be suggested by an advisory board of nationally renowned figures in the sciences.

This is a unique approach to address unique problems common to many coastal States.

Another provision of the bill deals with the Fishermen's Protective Act. Included in this provision is a 3-year reauthorization for section 7 of the act. Section 7 provides for a voluntary insurance program to compensate U.S. fishing vessel owners and crews who suffer financial losses resulting from the seizure of their vessels by foreign governments on the basis of jurisdictional claims not recognized by the U.S. Government.

The amendment consolidates in one department, the Department of State, administration of payments due a vessel owner in order to cover any fine or other direct charge paid in order to secure release of a vessel or crew.

There are also changes made to clarify application of the act with respect to disputes as to material fact between a foreign nation and a seized U.S. vessel and actions taken by a foreign nation in seizing a U.S. vessel that are inconsistent with recognized procedures under international law. This last change has been made necessary by disputes over what appear to be legitimate claims which the State Department is unable to pay because of the way the current statute is drafted.

However, in making the change regarding factual disputes over claims, I want to make it clear that this new standard for reviewing evidence is not intended to be viewed as a blank check for persons wishing to fish illegally in the waters of another country. We will be watching carefully to see what effect this new standard will have on the number and type of claims. If it appears that the new standard is being misused, steps will be taken to change it.

The bill also contains language dealing with fishing vessel manning and safety requirements. This language has been worked out after many months of negotiation and I feel it reflects a reasonable compromise on the issue. Basically, the changes being proposed would establish a set of permanent safety, inspection, and manning requirements for the U.S. fishing industry. I believe the standards which have been worked out for harvesting, processing, and combination vessels represent a sound compromise between the original Senate and House positions on this issue. I would like to commend Congressman JOHN BREAUX and his staff in particular for their assistance in working out this package. The new standards will enhance safety while providing the industry with the ability to plan for the future with the confidence of knowing that these vessel requirements have been permanently set.

The last point I would like to make is about a provision which is not in the bill. I had proposed a change in the Packwood-Magnuson amendment to the Magnuson Fishery Conservation and Management Act regarding the moratorium on commercial whaling which has been agreed to by the International Whaling Commission. Unfortunately, the Japanese Government chose to raise strenuous objections to my suggestion that any nation which violates the IWC moratorium be automatically certified under the Packwood-Magnuson amendment. Their opposition has resulted in this provision being deleted from the bill, much to my dismay.

I am disappointed that the Japanese decided to fight so hard against a provision which supports U.S. policy on whaling and which is nothing more than a statutory recognition of the inevitable. There is no one that I am aware of, including members of the Japanese whaling industry, who doubt the inevitability of certification should a nation choose to ignore the IWC moratorium and continue whaling into 1986.

Let me use this opportunity to again commit myself to the full and effective implementation of the whaling moratorium, and to say that I will continue to pursue this proposed change in the Packwood-Magnuson amendment.

Mr. GORTON. Mr. President, I support passage of this bill and would like to make several points about its contents.

First, it extends three GIFA's—with Poland, the Soviet Union, and the EEC. As to the Soviets, I hope that the administration will in the near future approve the pending allocation application for 50,000 tons of groundfish to the Soviets. This directed allocation would provide a positive, public demonstration of the administration's willingness to deal constructively and calmly with the Soviet Union—despite their recent diatribes.

Soviet fishing motherships presently operate in our 200-mile zone as purchasers and processors of fish caught by U.S. fishing vessels. Since the invasion of Afghanistan, the Soviet vessels have not been granted the privilege of fishing themselves. These existing joint venture operations have been quite successful—presently purchasing 160,000 tons of fish per year from American fishermen—and provide a market for these species that would not otherwise be satisfactorily available.

The Soviets would like the above referenced directed fishing allocation. Such an allocation is supported by the U.S. fishing industry because it would enable the Soviet vessels to plan their operations for greater efficiency and thereby result in a substantially expanded market for our own fishermen. It is estimated that the 50,000-ton allocation in fact would result in at least an increased Soviet purchase of 50,000 tons of groundfish from American fishermen. We as a nation clearly would benefit.

The Soviet vessels are going to be operating within our 200-mile zone with our permission as fish processors anyway; it seems to me wholly logical that we make sure the terms governing their presence maximize the benefits to our fishing industry. This requested fishing allocation would be a significant step in that direction. If we don't provide this allocation to the Soviets, the State Department will allocate the fish to some other foreign nation and our fishing industry will receive fewer benefits in return.

Perhaps just as important, providing the Soviets with these privileges would illustrate that the administration is willing to negotiate with the Soviet Union on matters of mutual interest. I am convinced that such a decision—while neither major in a global, diplomatic sense nor of strategic importance—could help in a small way to make sure that a civil, bilateral relationship with the Soviets is not out of the question.

As to the Polish GIFA, I've had some serious concerns about their most recent joint venture proposal because of what a significant number of industry experts say could be its negative market implications for the American fishing industry. If we are going to grant foreign-built, foreign-crewed vessels large, directed allocations from our FCZ so they can turn around and market it right into U.S. markets in competition with our own fishing industry, which must operate under our laws at higher costs, then I question whether this is a sound long-range policy.

The various management councils, and the Departments of State and Commerce, need to examine this question of market effects closely. At this point in the RECORD I ask unanimous consent to have Ambassador Wolfe's recent reassurance to me printed.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS,
Washington, DC, June 22, 1984.

Hon. SLADE GORTON,
U.S. Senate,
Washington, DC.

DEAR SENATOR GORTON: I have recently learned of your concern regarding the ultimate disposition of fish allocated to Poland under the governing international fishery agreement. Among other factors, Section 201(e) of the Magnuson Fishery Conservation and Management Act of 1976, as amended, requires that the Secretary of State take into account whether and to what extent fish harvested in the U.S. exclusive economic zone is needed by the foreign nation for its domestic consumption. I wish to assure you that this factor has and will continue to be evaluated by the Department of State in reaching decisions on the level of allocations to be made available to specific nations.

If such fish is not needed by the foreign nation for its domestic consumption, a nation's performance based on the other factors contained in Section 201(e) must be sufficiently compelling to justify the level of allocations requested by or contemplated for that nation. In addition, whether and to what extent fish harvested under that nation's allocations will demonstrably compete in the U.S. marketplace with fish harvested or processed by U.S. fishermen and processors will also be considered.

I trust that this clarification is responsive to the concen you have raised.

Sincerely,

Edward E. Wolfe, Jr.,
Deputy Assistant Secretary for Oceans and Fisheries Affairs.

Mr. GORTON. Mr. President, the Senate last Thursday passed legislation which tightens up our "fish and chips" policy governing fishery allocations. I will not repeat the remarks I made then, but I do wish to reemphasize their importance.

I should also like to note recent foreign fishery actions which could severely impact our U.S. salmon industry and which would have a major impact on "fish and chips" allocation decisions. Taiwanese fishermen have been conducting an illegal fishery on U.S. origin salmon in the North Pacific Ocean, and then exporting the resource to Japan via Korea, Hong Kong, and Singapore. The taking of U.S.-origin salmon violates both U.S. and international law. Needless to say, this is a matter of utmost concern to the Northwest fishing industry, the State Department, and Members of Congress.

Illegal fishing of salmon by Taiwan and its subsequent sale to Japan via Korea, or any other country for that matter, will have a detrimental effect on our fish runs as well as our traditional salmon market in Japan. It should also be noted that any illegally caught salmon products by a foreign nation sold in Japan not only competes with U.S. products but with Japanese products as well.

Illegal activity such as this necessitates a review of our foreign fishing allocation. Foreign nations, which fail to cooperate fully with efforts to stop this traffic immediately, would face the prospect of reduced allocations.

Mr. President, the Commercial Fishing Industry Vessel Act, which is also incorporated in this bill, is an important component in the Federal Government's program to provide the framework for growth and development of the American fishing industry. Since the passage of the Magnuson Fishery Conservation and Management Act in 1976, the Congress has worked steadily to help the industry supplant foreign fishing fleets and Americanize the fisheries in our 200-mile exclusive economic zone. Major advances have been made, particularly by the harvesting sector of the U.S. industry. But more work remains to be done.

The U.S. industry operates in a global market and must compete directly with highly developed foreign fishing fleets and processing industries. Production of fish products at competitive costs is a critical element if the industry is to be able to grow. In order to be competitive and productive, major investments must be made in vessels, particularly in the Pacific Northwest and Alaska. In order for the U.S. industry to make these necessary investments, it must be able to work in a stable climate in which future costs will be reasonable and can be predicted with accuracy. Unfortunately, existing law is a complex maze of vessel requirements that has confused the industry and hindered development efforts. In reality, it is an ad hoc, patchwork system that no longer satisfactorily addresses the fishing industry's mode of operation.

This legislation—which is a compromise worked out over a number of months with the House Merchant Marine and Fisheries Committee—will establish permanent requirements for safety equipment and manning on vessels operating in the U.S. fishing industry. The requirements provide a set of safety standards to protect the personnel and to ensure safe operations. The requirements are also reasonable in terms of cost and will provide a reasonable and stable case for making major investments in the development of the fishing industry.

Although most of the provisions of these amendments are clear and straightforward, some section-by-section comments are appropriate to explain congressional intent.

TENDER CHARTERS

Fishing vessels are chartered as tenders, particularly in Alaska during peak salmon runs, to carry fish to processing plants and supplies to the active harvesting vessels. These charters may be for a few days to a few months, depending on the fishery. These vessels are treated as fishing vessels even when chartered as tenders.

PROCESSING VESSEL

A processing vessel is difficult to define. The intent was to include vessels in the definition on which substantial work is done to prepare fish for marketing. Many fishing boats, however, do work on the fish that they catch, usually to preserve the quality of the fish. The definition is meant to include only those vessels with extensive processing work being done and not fishing vessels on which incidental processing takes place as a necessary part of the fishing activity.

UNINSPECTED VESSEL REGULATIONS

A new chapter is added to the requirements for uninspected vessels to provide for specific safety regulations which are tailored to the safety needs and unique operations of vessels in the fishing industry. The regulations require several types of equipment such as navigation equipment, lifesaving equipment, and so forth. The requirements are intended to be limited to the specified equipment in that section and similar equipment to the items included in the list. Legislation cannot foresee every reasonable requirement that might occur in the future, but it is not the intent to establish an open-ended regulatory scheme.

ABLE SEAMEN

The amendments contain new requirements for the use of trained able seamen in the deck crew of certain processing vessels. A new category of able seamen is created which recognizes the special characteristics of the fishing industry and its operations. These able seamen—fishing industry personnel will be able to qualify for their rating through experience gained in the fishing industry. Under these amendments, processing vessels in service before January 1, 1988, which are over 1,600 gross tons and those entering service on or after that date which have more than 16 individuals primarily engaged in processing will be required to have able seamen—fishing industry personnel as 50 percent of their deck crew. This will result in two to three able seamen—fishing industry personnel being carried on these vessels. The deck crew is the normal navigation crew in the deck department of the vessel and does not include the processing workers or any fishing crew. Also, as under current law, the deck crew does not include the engine crew or the licensed officers.

WATCHKEEPING

Processing vessels which are over 5,000 gross tons and subject to full inspection are required to have at least three watches. Certain other processing vessels must have at least two watches but are not required to have three watches. These are processing vessels which enter service before January 1, 1988, and which are over 1,600 gross tons, and those which enter service on or after that date and which have more than 16 individuals on board who are primarily processing workers. All processing vessels below these thresholds are not required to have any specific watches. Fishing vessels and tender vessels also are not required to have any specific watches. Maximum daily hour requirements also do not apply to any of these vessels except those which are required to have at least three watches.

TONNAGE

The tonnage limitations generally reflect similar tonnage limitations found elsewhere in title 46. They are not intended to be affected by the implementation of the International Convention on Tonnage Measurement of Ships, 1969, which came into effect last year and which is the subject of implementing legislation presently pending before Congress. It is intended that existing measurement systems continue to be used to establish the regulatory tonnages for these vessels so that the regulatory status of any existing vessel is not changed simply by implementation of the new system.

FISHERIES DEFINITION

The definition of "fisheries" is moved from the general definition section to the chapter on documentation since the definition is only relevant to that chapter. The definition is intended to confirm existing law that a fisheries license is required for any vessel engaged in harvesting of fish in the U.S. fishery conservation zone or the U.S. navigable waters which include the territorial sea and internal waters.

Finally, Mr. President, I would like to thank the distinguished chairman of the Commerce Committee, Mr. Packwood, and the members of the House Merchant Marine and Fisheries Committee for their cooperation and leadership in putting this package together.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

[The following occurred after midnight:]

COMMITTEE DISCHARGED FROM FURTHER CONSIDERATION OF H.R. 5740

Mr. STEVENS. Mr. President, I ask unanimous consent that the Energy Committee be discharged from further consideration of H.R. 5740, the Barrow Gas Field Transfer Act of 1984, and it be placed on the Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION ACT—CONFERENCE REPORT

Mr. STEVENS. Mr. President, I submit a report of the committee of conference on H.R. 5154 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment to the bill (H.R. 5154) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report will be printed in the House proceedings of the Record.)

Mr. PACKWOOD. Mr. President, I am pleased to offer, along with the distinguished Senator from Washington [Mr. Gorton], the chairman of the Subcommittee on Science, Technology, and Space, this conference substitute, H.R. 5154, as amended, which authorizes funding levels and program direction for the National Aeronautics and Space Administration for fiscal year 1985. This conference substitute represents compromise legislation worked out by the members of the Senate Committee on Commerce, Science, and Transportation, and members of the House Committee on Science and Technology.

This conference substitute authorizes $7,526,400,000 to support NASA's ongoing activities and a number of new, exciting starts. Perhaps most important of these new starts is the permanently manned space station, an initiative which promises a multitude of scientific, technological, and commercial opportunities.

Mr. President, I also would like to commend Senator Gorton who, as chairman of NASA's Authorizing Subcommittee, has managed this bill from its inception. He has demonstrated leadership and foresight in developing this authorization, which should play an important role in confirming our position as the world leader in aeronautics and space.

Mr. President, I urge my colleagues to accept by unanimous consent this legislation, H.R. 5154, as amended, as an assertion of our Nation's will to maintain our position of preeminence in aeronautics and space.

Mr. GORTON. Mr. President, for the purpose of authorizing funds for fiscal year 1985 for the National Aeronautics and Space Administration, the Committee on Commerce, Science, and Transportation is offering for consideration a conference substitute which reflects an agreement reached between the members of the Senate Committee on Commerce, Science and Transportation and the members of the House Committee on Science and Technology.

On March 28, 1984, the House passed its NASA authorization H.R. 5154, which would authorize $7,490,000,000 for NASA in fiscal year 1985. On June 21, 1984, the Senate passed its NASA authorization, H.R. 5154 (formerly S. 2612), which would authorize $7,582,400,000 for NASA for fiscal year 1985.

The compromise legislation before us, H.R. 5154, as amended, authorizes $7,526,400,000 for fiscal year 1985 NASA activities. This is $56 million below the Senate authorization in H.R. 5154 (formerly S. 2612) and is $35 million above the authorization in the House legislation.

The major differences between the conference substitute and the administration's request are:

First, an additional $29 million for space science programs, much of which will support activities at our universities;

Second, an additional $46 million for space applications, which includes $40 million for the Advanced Communications Technology Satellite Program;

Third, an additional $10 million for Aeronautical Research and Technology;

Fourth, an additional $45 million to maintain production readiness for a fifth orbiter and to maintain a base of critical orbiter spares;

Fifth, reductions totaling $60 million in Space Flight, Control, and Data Communications; and

Sixth, reductions totaling $25 million in Research and Program Management and Construction of Facilities.

This bill also includes a compromise on the establishment of a National Commission on Space, whose purpose is, among other things, to recommend goals and options for the future of our civilian space program.

In considering this legislation, it is noteworthy that NASA's accomplishments are unparalleled by the aeronautical and space activities of any other nation. Our space shuttle program is maturing and is demonstrating the unique and versatile capabilities of this remarkable spacecraft. NASA's Space Science and Applications Programs continue to make exciting discoveries that expand our understanding of the origin of our universe and its dynamic forces. Our Nation's aviation industry is the most mature and sophisticated aviation industry in the world, due in part, to the contributions of NASA's Aeronautical Research and Technology Programs. And, now we are embarking on what could be our Nation's most significant space venture for the remainder of the century, a permanently manned space station. Just as NASA's achievements during its first 26 years have been a source of pride and inspiration to our Nation, the space station will build on our scientific and technological leadership and will confirm our preeminence in aeronautics and space.

Mr. LAUTENBERG. Mr. President, I am pleased to join the Senator from Washington [Mr. GORTON], the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Alabama [Mr. HEFLIN], in urging the adoption of the conference agreement for the fiscal year 1985 NASA authorization bill.

The conference agreed upon a number of changes from the version that the Senate passed last week.

In particular, I would like to clarify the effect of the changes with respect to the Advanced Communications Technology Satellite [ACTS] Program. I have been particularly concerned about delays in this program, as a result of the administration's effort to convert it into a ground-based research program. The Congress is now clearly on record that it wants a flight-test program, and that it believes that it is the only effective way to test the Program's high risk technologies that will ensure America's continued preeminence in the field of communications satellites.

A launch of the satellite was originally planned for 1988. That is now virtually impossible. However, to ensure that NASA proceed as expeditiously as possible, the Senate earmarked funding for ACTS and provided explicitly that its authorization of the program was designed to lead to a launch in 1989. It also provided specific direction to NASA, in section 108 of the Senate bill that it enter into a contract, as expeditiously as possible, with the successful bidders under the RFP that was issued last year.

The successful team included RCA of New Jersey, TRW of California, and Motorola of Arizona. A contract was negotiated last December and was about to be consummated when the administration reversed its position and put the program on hold. Indeed, NASA had authorized the team to commence spending funds.

Mr. President, NASA objected to our specific directions in the Senate-passed bill regarding its procurement in a letter sent by Administrator Beggs to the chairman of the Committee on Commerce, Science, and Transportation [Mr. PACKWOOD], after H.R. 5154 was reported. An excerpt of the letter is worth quoting. Mr. Beggs wrote:

> The Senate bill, in Section 108, includes very specific language which not only directs NASA to finalize expeditiously the ACTS development contract, but which redundantly directs the manner in which the Agency should conduct details of the procurement. These latter directions are a highly inappropriate intrusion into the Federal procurement process and set an unfortunate precedent for Congressional direction of NASA's contracting procedures. NASA requests that these specific directions be deleted from the bill. If, however, the Congress determines that the Agency should proceed with the ACTS program, NASA can and will be prepared to proceed with the program as originally planned.

In other words, Mr. President, NASA has assured us that there will be no more delays in light of the conference agreement and that it will now proceed with the program as originally planned. Moreover, it considers specific direction regarding procurement from the original bidders to be redundant. In other words, once NASA is directed to move as expeditiously as possible, and that is clearly our meaning and intent in the conference agreement, then it will of course consummate the contract negotiated last year and proceed toward a 1989 launch as required in the bill. Given the agency's request, and its assurances, Mr. President, the specific statutory language in section 108 has been deleted and language has been included in the conference agreement.

Would the Senator from Washington concur?

Mr. GORTON. The Senator from New Jersey is correct. Section 108 included somewhat unorthodox procurement directions to the agency to proceed as planned, with the successful bidders, pursuant to the original RFP, so that we could achieve a launch in 1989. NASA has assured us that it will do so with such explicit direction, if Congress determines that the program proceed without delay, as originally planned. That is our determination and intent in the conference agreement and we fully expect the agency to comply.

Mr. LAUTENBERG. I thank the Senator from Washington for his response. He has been most responsive to my needs. I also want to commend him for his leadership in developing a NASA authorization bill and a conference agreement. He has made a significant contribution in shaping the NASA programs for fiscal year 1985.

I would also like to recognize the contribution of the Senator from Alabama [Mr. HEFLIN], the ranking minority member of the subcommittee.

The conference agreement we have before us will enable us to continue to reap the benefits from our Nation's aeronautics and space activities. It includes authorization for initial work on a permanent station in space. It provides for the Commission on Space, to help us chart future policies.

I urge my colleagues to support the conference report.

I also ask unanimous consent that the full text of Administrator Beggs' letter, to which I referred, be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION,
Washington, DC, June 8, 1984.

Hon. BOB PACKWOOD,
Chairman, Committee on Commerce, Science, and Transportation, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The purpose of this letter is to reiterate NASA's views with respect to H.R. 5154, the FY 1985 NASA Authorization bill, as adopted by the House of Representatives on March 28, and to outline NASA's views with respect to H.R. 5154 as reported by the Senate Committee on Commerce, Science and Transportation on May 8.

NASA's FY 1985 budget request includes $2,400.1 million for Research and Development; $3,600.3 million for Space Flight, Control and Data Communications; $160.0 million for Construction of Facilities; and $1,331.0 million for Research and Program Management, for a total budget request of $7,491.4 million.

The House bill, after the effect of Section 111, provides $2,436.6 million for Research and Development; $3,580.5 million for Space Flight, Control and Data Communications; $149.2 million for Construction of Facilities; and $1,323.7 million for Research and Program Management, for a total authorization of $7,490.0 million. The Senate bill, as reported, provides $2,516.1 million for programs requested under Research and Development; $3,585.3 million for Space Flight, Control and Data Communications; $150.0 million for Construction of Facilities; and $1,331.0 million for Research and Program Management, for a total authorization of $7,582.4 million.

Apart from the applications of a pro rata reduction of .55 percent included in Section 111 of the House bill, the funding augmentations included in the House and Senate bills are similar in many respects: each bill contains augmentations for Physics and Astronomy Shuttle/Spacelab Payload Development; Physics and Astronomy Research and Analysis as well as Planetary Explorations Research and Analysis; Space Applications/Space Physics Research and Analysis; signficant augmentations for an Advanced Communications Technology Satellite flight experiment; provision within Aeronautical Research and Technology for an advance Turboprop flight test; and significant augmentation within Space Shuttle Production/Operations Capability for additional procurement of orbiter structural spares and readiness for production of a fifth Shuttle orbiter. With the effect of Section 111, the House bill is $1.4 million below the President's request.

The Senate bill reflects augmentations totalling $91 million above the President's request, including additions in Physics and Astronomy programs, Materials Processing, and Space Commercialization which are not reflected in the House action.

Of the augmentations assumed in both bills, NASA particularly objects to the addition of funds for partial restoration of an Advanced Communications Technology Satellite (ACTS) flight demonstration. As you know, the Administration has taken a policy position relative to NASA's continued effort in advanced communications, which realigns NASA's program to conduct an advanced ground technology effort to meet critical national needs, while allowing for private sector exploitation of already demonstrated capability through flight of a commercial communications satellite in the 30/20 GHz frequency. This plan will allow for significant private sector use of proven technology and will meet near-term commercial needs, while assuring maintenance of U.S. technological preeminence in advanced communications through continued, concerted effort in advanced ground technology. The Senate bill, in Section 108, includes very specific language which not only directs NASA to finalize expeditiously the ACTS development contract, but which redundantly directs the manner in which the Agency should conduct details of the procurement. These latter directions are a highly inappropriate intrusion into the Federal procurement process and set an unfortunate precedent for Congressional direction of NASA's contracting procedures. NASA requests that these specific directions deleted from the bill. If, however, the Congress determines that the Agency should proceed with the ACTS program, NASA can and will be prepared to proceed with the program as originally planned.

Both bills assume reductions in Space Transportation Capability Development/Payload Operations & Support Equipment; Space Shuttle Production/Operations Capability/Launch and Mission Support, and Changes and Systems Upgrading; Space Transportation Operations/Shuttle Operations; and Construction of Facilities. The Senate bill reflects reductions of somewhat greater magnitude in the latter two categories.

However, the House reductions in Space Transportation Capability/Engineering and Technical Base and Space Tracking and Data Acquisition/Communications and Data Systems, and the mandatory pro rata reduction against all amounts authorized in Title I, remain of particular concern. NASA requests that these provisions be deleted in final action on NASA's FY 1985 authorization request. A reduction of $10 million in Engineering and Technical Base activities will have a significant impact upon the core capability required to sustain the base for various Space Transportation System programs. As requested in NASA's FY 1985 submission, the core capability includes necessary shuttle testing and Shuttle Avionics Integration Laboratory (SAIL) activities at Johnson Space Center, as well as an increase in computational capabilities at Marshall Space Flight Center for Space Shuttle Main Engine modeling.

A reduction of $15 million in Tracking and Data Acquisition activities will exacerbate an already serious funding problem resulting from events which have occurred since the budget request. When the FY 1985 budget was formulated, it was anticipated that TDRSS would be fully operational and the STDN ground stations could be phased out in the first half of 1985. The current assessment is that the ground station activities will need to be extended an additional six months, and that White Sands Test Facility costs will continue, pending launch of the second and third TDRS spacecraft in 1985. Current estimates are that the additional resource requirements—above amounts reflected in the pending budget request for ground station operations, communications costs, and TDRSS project activities—could be on the order of $50 million.

Section 111, as adopted by the House, would require a pro rata reduction of all amounts authorized in Title I by five and one-half tenths of one percent. It is recognized that the intent of Section 111 is to restore the total funding authorized to the President's requested FY 1985 level. NASA strongly objects, however, to the manner in which these reductions would be levied, and would prefer an approach which would afford the Agency needed flexibility in applying the total reduction which would exceed $40 million. As adopted by the House, the amendment would require mandatory reductions in areas already reduced in Committee action. Such a reduction might require descoping of planned FY 1985 effort in some ongoing and new flight projects. The reduction would also impact NASA's operational and preventive maintenance initiative in the Research and Program Management program. Finally, the reduction might necessitate actions against programs in which augmentations have been recommended.

Finally, the House and Senate bills contain a number of modifications in legislative provisions, the majority of which are acceptable to NASA. However, NASA has strong concerns about the differing provisions for establishment of a National Commission on Space in each bill. Both the House and Senate bills contain a new Title II, which would establish a National Commission on Space to define long-range needs of the Nation that may be fulfilled through the peaceful uses of outer space, and to articulate goals and develop options for the future direction of the Nation's civil space program. It is NASA's position that a National Commission on Space is not needed because the National Aeronautics and Space Act of 1958 is well suited to provide a sound basis for planning and conducting the civilian space program and for definition of goals and program options. Additionally, there are a number of mechanisms in the Executive and Legislative branches for airing differences of opinion. This spectrum of advisory processes and channels of communications has been fully adequate and highly successful in providing for long-range planning and assessment and for resolving issues.

However, if it is determined by the Congress that a National Commission on Space should be established, NASA finds the House version of such a Commission to be preferable to the Senate version, for several reasons. The House provision begins from certain basic premises:

A manned space station is the baseline for looking toward future civilian space programs;

The civilian and military space programs are two separate programs which should remain distinct;

The National Aeronautics and Space Act of 1958 continues to be a sound basis for national efforts in space;

The unparalleled success of the space program is due to NASA;

There are specific agencies and departments which should be ex officio members of the Commission; and,

The purpose and functions of the Commission are to formalize an agenda for the United States civilian space program.

Additionally, the House provision clearly designates the Administrator of NASA as a voting member of the Commission and as Vice Chairman; it recognizes that the Administrator of NASA would bring expertise to the role of Vice Chairman which will be essential to both the Chairman and the Commission as a whole if the effort of the Commission is to proceed expeditiously within a 12-month period. It is recognized that, in this role, the NASA Administrator would constitute only one voting member and would therefore exercise no greater influence upon the study's findings and recommendations than other voting members.

The Senate provision contains none of the above-noted premises, and is deficient in providing for Executive branch membership on the Commission, both voting and ex officio. The Senate provision contains no requirement that any specific agency or department be represented on even an ex officio basis, and there is no requirement that NASA, the Agency with the greatest expertise in the areas to be reviewed by the Commission, have representation.

NASA therefore requests that, if a National Commission on Space is established, it follow the provisions contained in the House bill, and that the role of the NASA Administrator as Vice Chairman be retained.

I would be pleased to discuss these and other matters with you in greater detail if you wish.

Sincerely,

JAMES M. BEGGS,
Administrator.

Mr. HOLLINGS. Mr. President, I compliment the distinguish chairman and ranking members of the Science, Technology, and Space Subcommittee for the responsible manner in which the conference agreement for the fiscal year 1985 NASA authorization bill was devised. H.R. 5154 represents a strong commitment to this Nation's civilian space program and to the continued technological leadership of the United States in space.

Mr. President, I also am pleased to see that the National Commission on Space will soon become a reality. I personally think that this independent Commission is one of the more important initiatives included in the conference agreement for the fiscal year 1985 NASA authorization bill and that the Commission will play an important role in shaping the Nation's next 25 years in space.

Mr. President, I would like to associate myself with the remarks of the chairman and ranking member of the subcommittee and to indicate my strong support for the conference agreement for H.R. 5154, the fiscal year 1985 NASA authorization bill.

Mr. HEFLIN. I should like to associate myself with the remarks of the distinguished chairman of the Science, Technology, and Space Subcommittee and to indicate my strong support for the conference agreement for the fiscal year 1985 NASA authorization bill, H.R. 5154.

Mr. President, the House Science and Technology Committee and the Senate Committee on Commerce, Science, and Transportation have worked to craft a conference agreement for NASA that blends continued support for ongoing activities with strong support for future activities. Quite clearly increased support for space science and applications, aeronautics, and the space station reflects the desires of both committees to maintain the Nation's technological leadership in space and to support a diversified and forward-looking NASA budget. If I have any regret, it is the fact that the final conference agreement does not include funding for the space commercialization initiative proposed by the Senate. However, I am pleased to indicate that both sides of the Hill are responsive to funding this new initiative in fiscal year 1986.

Mr. President, finally let me say that I am pleased to see the strong support that exists for the space station proposal. I realize that this year's authorization of $150 million is but the first bold step in a long journey. However, I am convinced that such an initiative is worthy of a great Nation and truly manifests this Nation's resolve to maintain its technological leadership in space.

Mr. President, the House Science and Technology Committee and the Senate Committee on Commerce, Science, and Transportation are to be complimented for the responsible manner in which the differences regarding the fiscal year 1985 NASA authorization bill were resolved. The conference agreement that stands before the Senate today represents a fiscally sound civilian space policy that balances the space technology requirements of this Nation with its budgetary concerns.

Mr. President, I strongly support the conference agreement for the fiscal year 1985 NASA authorization bill, H.R. 5154, and recommend that this conference agreement be passed and sent to the President for signature.

The **PRESIDING OFFICER**. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. **STEVENS**. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. **BYRD**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COMMITTEE DISCHARGED FROM FURTHER CONSIDERATION OF HOUSE JOINT RESOLUTION 567

Mr. **STEVENS**. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of House Joint Resolution 567, the 25th anniversary of the St. Lawrence Seaway, and it be placed on the calendar.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

SMALL BUSINESS COMPUTER CRIME AND SECURITY TASK FORCE

Mr. **STEVENS**. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 3075, an act to amend the Small Business Act to establish a Small Business Computer Crime and Security Task Force, and for other purposes.

The **PRESIDING OFFICER** laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendments of the Senate to the bill (H.R. 3075) entitled "An Act to amend the Small Business Act to establish a Small Business Computer Crime and Security Task Force, and for other purposes", with the following amendments:

(1) Page 2, strike out lines 17, 18, and 19, and insert: (3) to permit cooperation with profit-making organizations in providing management assistance to small business.

(2) Page 7, strike out lines 5 through 21, and insert:

Sec. 5(a). Section 8(b)(1)(A) of the Small Business Act is amended—

(1) by inserting "computer security," after "wage incentives," and

(2) by striking at the end thereof "Administration; and" and by inserting the following: "Administration. Such assistance also may be provided to small business concerns by the the Administration through cooperation with a profit-making concern (hereafter in this paragraph referred to as a 'co-sponsor') to provide training: *Provided*, That the Administration shall take such actions as it deems appropriate to ensure that the cooperation does not constitute or imply an endorsement by the Administration of the products or services of the co-sponsor, to avoid unnecessary promotion of the products or services of the co-sponsor, and to minimize utilization of any one co-sponsor in a market area. Such actions shall include, but not be limited to: (i) developing an agreement which specifies the standard terms and conditions of the cooperation, the use of which shall be mandatory; (ii) prohibiting any fee or charge from being imposed upon any small business concern for receiving assistance in excess of a minimal amount to cover the direct costs of providing such assistance; (iii) prohibiting the release to the co-sponsor of any of the Administration's lists of names and addresses of small business concerns; and (iv) requiring that all printed materials which contain the names of both the Administration and the co-sponsor include a prominent disclaimer that the cooperation does not constitute or imply an endorsement by the Administration of the products or services of the co-sponsor."

(b) Not later than December 1, 1987 the Small Business Administration shall report to the Committees on Small Business of the Senate and the U.S. House of Representatives on the impact of the assistance provided in cooperation with profit-making concerns pursuant to the amendment made by section 5(a)(2) of the Small Business Computer Security and Education Act of 1984. The report shall include information on benefits provided to small business concerns assisted by the Administration's cooperation with profit-making concerns and any negative impact upon small businesses resulting from such cooperation with profit-making concerns.

(3) Page 8, lines 12 and 13, strike out [are repealed on October 1, 1987], and insert: and the amendments made to section 8(b)(1)(A) of the Small Business Act by section 5(a)(2) of this Act are repealed on October 1, 1988.

Resolved, That the House agree to amendment of the Senate to the title of the aforesaid bill.

Mr. **STEVENS**. Mr. President, I move that the Senate concur in the House amendments.

The motion was agreed to.

Mr. **STEVENS**. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. **BYRD**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

HONORING MEMBERS OF U.S. OLYMPIC TEAMS—SENATE CONCURRENT RESOLUTION 127

Mr. **STEVENS**. Mr. President, I send to the desk a resolution, and I ask for its immediate consideration.

The **PRESIDING OFFICER**. The resolution will be stated by title.

The assistant legislative clerk read as follows:

Concurrent resolution (S. Con. Res. 127) To authorize the use of the west front steps of the U.S. Capitol Building on August 14, 1984, to honor the men and women of the U.S. Olympic teams.

The **PRESIDING OFFICER**. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. **STEVENS**. Mr. President, today I am introducing a concurrent resolution asking for the use of the west front of the Capitol Building on August 14. Our Olympic medalists will be honored in four cities across the country, and on August 14, it is our privilege to honor the medalists here in Washington, DC. The achievements our athletes accomplish cannot be taken lightly. Our athletes have devoted years of their lives to represent America in the Olympic games. Their success is a reflection of both their excellence and America's excellence; when the athletes excel, America excels also. The Olympics are not merely games per se, but instead they provide an opportunity for a nation to show its greatness, strength, and ability to cooperate in a peaceful manner with other countries.

Especially significant to this summer's Olympic games is their location. Because America's team is being given the opportunity to perform at home, it should prove to be a very memorable experience for both the athlete and all Americans.

Because of the athletes' dedication to the games, we must find a way to pay a special tribute to them. The west front of the Capitol, although under renovation, still provides a good location for a ceremony where the leaders of this country can honor the U.S. Olympic team properly. Consequently, this resolution will enable us to show the medalists how grateful we really are for representing our country in the games. I strongly feel that our athletes deserve this honor, and I hope that the Senate will join me in supporting this resolution, and attend the tribute.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That on August 14, 1984, the west front steps of the United States Capitol Building may be used for the purpose of Members of Congress giving tribute to the men and women of the United States Olympic Teams and for the conduct of ceremonies in connection with such use.

SEC. 2. Physical preparations for the conduct of the ceremonies authorized by the first section shall be carried out by the Architect of the Capitol in accordance with such conditions as he may prescribe.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EMIGRATION OF IGOR V. OGURTSOV

Mr. STEVENS. Mr President, I ask that the Chair lay before the Senate, Calendar No. 954, Senate Resolution 294.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 294) expressing the sense of the Senate that the Government of the Soviet Union should allow Igor V. Ogurtsov to be released from exile and allowed to emigrate to the West without renouncing his views, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

AMENDMENT NO. 3346

Mr. STEVENS. Mr President, I send an amendment to the desk on behalf of the chairman of the Foreign Relations Committee, Senator PERCY, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. PERCY, proposes an amendment numbered 3346.

On page 3, lines 23 and 24, strike "Republics, Yuriy Andropov." and insert in lieu thereof "Republics."

Mr. STEVENS. Mr. President, I ask for adoption of the Percy amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska.

The amendment (No. 3346) was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution (S. Res. 294) as amended, was agreed to.

The preamble was agreed to.

The resolution, as amended, with its preamble, reads as follows:

S. RES. 294

Whereas the Soviet Union is a party to the Final Act of the Conference on Security and Cooperation in Europe and the Universal Declaration of Human Rights;

Whereas Igor Ogurtsov, the founder of a religious-political opposition group in the Union of Soviet Socialist Republics known as the All-Russian Social Christian Alliance for the Liberation of the People (VSKhSON), in late November and early December 1967, was tried in camera with three other leaders of VSKhSON and was found guilty of treason (article 64 of the RSFSR criminal code) and subsequently sentenced to fifteen years of imprisonment and five years of internal exile;

Whereas Igor Ogurtsov denied that he was guilty of treason but was nonetheless sentenced to seven years in Vladimir prison, eight years in a strict regime camp, and five years of internal exile;

Whereas the latest reports indicate that Igor Ogurtsov is in poor health, is very undernourished and weak, suffers from high blood pressure, liver malfunction, poor sight and loss of teeth, and has been described by his mother as "a walking skeleton";

Whereas Igor Ogurtsov was offered an exit visa that would allow him and his parents to emigrate only if he signed a statement of pardon renouncing his views;

Whereas to sign such a document would have been to compromise his principles in that his arrest was illegal to begin with;

Whereas Igor Ogurtsov desperately wishes to emigrate to any country in the West that would accept him and his parents; and

Whereas Igor Ogurtsov is the only remaining VSKhSON member still imprisoned: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President, acting directly or through the Secretary of State, should—

(1) continue to express at every suitable opportunity and in the strongest possible terms the opposition of the United States Government to the forced exile and repressive treatment of Igor Ogurtsov; and

(2) urge the Government of the Soviet Union to—

(A) provide him with adequate medical care;

(B) grant Igor Ogurtsov immediate release from internal exile; and

(C) accept Igor Ogurtsov's application for an exit visa, and allow him to emigrate with his parents to the West without forcing him to renounce his views, in accordance with the Final Act of the Conference on Security and Cooperation in Europe and with the Universal Declaration of Human Rights.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President with the request that he further transmit such copy to the Ambassador of the Union of Soviet Socialist Republics to the United States and to the President of the Union of Soviet Socialist Republics.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER TO HOLD CERTAIN MEASURES AT THE DESK

H.J. RES. 544

Mr. STEVENS. Mr. President, I ask unanimous consent that once the Senate receives from the House, House Joint Resolution 544, a joint resolution to designate the week beginning September 2, 1984, as "National School-Age Child Care Awareness Week," it be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

H.J. RES. 555

Mr. STEVENS. Mr. President, I ask unanimous consent that once the Senate receives from the House, House Joint Resolution 555, a joint resolution to designate July 20, 1984, as "Space Exploration Day", it be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

H.J. RES. 566

Mr. STEVENS. Mr. President, I ask unanimous consent that once the Senate receives from the House, House Joint Resolution 566, a joint resolution to designate the week beginning on October 7, 1984, as "National Neighborhood Housing Services Week", it be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

H.R. 5584

Mr. STEVENS. Mr. President, I ask unanimous consent that H.R. 5584, a bill to improve the preservation and management of Presidential records, be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

POLISH LEGION OF AMERICAN VETERANS, U.S.A.

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate Calendar Order No. 999, which is H.R. 29.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R.29) to recognize the organization known as the Polish Legion of American Veterans, U.S.A.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary with an amendment.

(The part of the bill intended to be stricken is shown in boldface brackets and the part intended to be inserted is shown in italics.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

CHARTER

SECTION 1. The Polish Legion of American Veterans, U.S.A., a nonprofit corporation organized under the laws of the State of Illinois, is hereby recognized as such and is granted a charter.

POWERS

SEC. 2. The Polish Legion of American Veterans, U.S.A. (hereinafter referred to as the "corporation"), shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State or States in which it is incorporated and subject to the laws of such State or States.

OBJECTS AND PURPOSES OF CORPORATION

SEC. 3. The objects and purposes of the corporation are those provided in its articles of incorporation. The corporation shall function as a veterans' and patriotic organization as authorized by the laws of the State or States where it is incorporated.

SERVICE OF PROCESS

SEC. 4. With respect to service of process, the corporation shall comply with the laws of the States in which it is incorporated and those States in which it carries on its activities in furtherance of its corporate purposes.

MEMBERSHIP

SEC. 5. Eligibility for membership in the corporation and the rights and privileges of members shall, except as provided in this Act, be as provided in the constitution and bylaws of the corporation, and terms of membership and requirements for holding office within the corporation shall not be discriminatory on the basis of race, color, religion, or national origin.

BOARD OF DIRECTORS; COMPOSITION; RESPONSIBILITIES

SEC. 6. The board of directors of the corporation and the responsibilities thereof shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States in which it is incorporated.

OFFICERS OF CORPORATION

SEC. 7. The officers of the corporation, and the election of such officers shall be as is provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States wherein it is incorporated.

RESTRICTIONS

SEC. 8 (a) No part of the income or assets of the corporation shall inure to any member, officer, or director of the corporation or be distributed to any such person during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(b) The corporation shall not make any loan to any officer, director, or employee of the corporation.

(c) The corporation and any officer and director of the corporation, acting as such officer or director shall not contribute to, support or otherwise participate in any political activity or in any manner attempt to influence legislation.

(d) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

(e) The corporation shall not claim congressional approval or Federal Government authority for any of its activities.

LIABILITY

SEC. 9. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

BOOKS AND RECORDS; INSPECTION

SEC. 10. The corporation shall keep correct and complete books and records of account and shall keep minutes of any proceeding of the corporation involving any of its members, board of directors, or any committee having authority under the board of directors. The corporation shall keep at its principal office a record of the names and addresses of all members having the right to vote. All books and records of such corporation may be inspected by any member having the right to vote, or by any agent or attorney of such member, for any proper purpose, at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 11. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under the Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end thereof the following:

["(58)**]** *"(63)* Polish Legion of American Veterans, U.S.A.".

ANNUAL REPORT

SEC. 12. The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as is the report of the audit required by section 11 of this Act. The report shall not be printed as a public document.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

SEC. 13. The right to alter, amend, or repeal this Act is expressly reserved to the Congress.

DEFINITION OF STATE

SEC. 14. For purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

TAX EXEMPT STATUS

SEC. 15. The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code. If the corporation fails to maintain such status, the charter granted hereby shall expire.

SEC. 16. If the corporation shall fail to comply with any of the restrictions or provisions of this Act, the charter granted hereby shall expire.

Mr. STEVENS. Mr. President, I ask unanimous consent that the committee amendment be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on third reading and passage of the bill.

The bill (H.R. 29) was ordered to a third reading, was read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of considering Calendar No. 698, the nomination of Alberto Martinez Piedra, of Maryland, to be Ambassador to the Republic of Guatemala.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

DEPARTMENT OF STATE

The assistant legislative clerk read the nomination of Alberto Martinez Piedra, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guatemala.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask unanimous consent that the President be notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE DENTON-HATFIELD AMENDMENT TO THE MATH SCIENCE BILL

Mr. SPECTER. Mr. President, I voted in favor of this amendment because it keeps the Government strictly neutral on religion and avoids discriminatory practices against student activity on the basis of religious, political, philosophical, or other content of speech.

In essence, the amendment permits high school students to have meetings on school premises during noninstructional time where the subject matter is religious, political, or philosophical if the school grants similar opportunities for other student groups.

It is very significant that this amendment applies only to secondary or high school students, not younger students, and that, as explained by Senator HATFIELD, the meetings may be held only before school begins or after school ends.

In my judgment, this provision is just and does not in any way involve the problemsome aspects of school prayer.

This carefully crafted amendment has been worked out to the satisfaction of key organizations and most Senators who opposed a constitutional amendment to permit school prayer. For example, as noted in the letter of June 26, 1984, from the American Civil Liberties Union to Senator HATFIELD, the ACLU, which strongly opposed the House legislation on this subject, commented that Senator HATFIELD's approach was "a very significant improvement over earlier proposals" and "would be of real benefit to many political and other student groups which seek ACLU assistance."

As a legal proposition, it would be unconstitutional for a secondary school to deny such meetings for religious, political or philosophical purposes where other types of student groups are permitted to meet. In *Widmar* v. *Vincent*, 454 U.S. 263 (1981), the Supreme Court of the United States held that the first amendment prohibited colleges from such discriminatory practices.

Last year, the U.S. District Court for the Middle District of Pennsylvania held in *Bender* v. *Williamsport Area School District*, 563 F. Supp. 697 (M.D.P.A. 1983), that the first amendment prohibits secondary schools from discriminating against student activity groups on the basis of religious content; and consequently, if the school normally allows student groups to meet in noninstructional periods, it may not prohibit voluntary student religious groups from meeting.

Accordingly, this amendment anticipates that the Supreme Court would follow Bender; or if not a matter of considerational right, that sound public policy calls for a statutory right for secondary school students to meet for religious, political, or philosophical purposes where other groups are permitted to meet on noncurriculum subjects under similar circumstance.

Wherever any issue is raised about any kind of religious activities, on school premises, there tends to be an instinctive adverse reaction in many quarters. In my judgment, opposition was well founded to the constitutional amendment for school prayer for reasons which I set forth in the CONGRESSIONAL RECORD when that vote was taken. Analytically, those problems are not presented with this amendment. On the contrary, this amendment keeps the Government neutral by prohibiting the treatment of such school groups differently from other school groups. For these reasons, I believe that this amendment represents sound public policy and maintains the appropriate separation of church and state.

MESSAGES FROM THE HOUSE

At 5:29 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the amendments of the Senate to the bill (H.R. 4170) to provide for tax reform, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 328. Concurrent resolution to correct technical errors in the enrollment of the bill H.R. 4170.

At 8:11 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 59. Joint resolution to authorize and request the President to designate February 27, 1986, as "Hugo LaFayette Black Day";

S.J. Res. 150. Joint resolution to designate August 4, 1984, as "Coast Guard Day";

S.J. Res. 230. Joint resolution to designate the week of October 7, 1984 through October 13, 1984 as "National Birds of Prey Conservation Week";

S.J. Res. 238. Joint resolution to designate the week beginning November 19, 1984, as "National Adoption Week";

S.J. Res. 257. Joint resolution to designate the period July 1, 1984, through July 1, 1985, as the "Year of the Ocean";

S.J. Res. 270. Joint resolution designating the week of July 1 through July 8, 1984, as "National Duck Stamp Week" and 1984 as the "Golden Anniversary Year of the Duck Stamp";

S.J. Res. 278. Joint resolution to commemorate the one hundredth anniversay of the Bureau of Labor Statistics;

S.J. Res. 297. Joint resolution to designate the month of June 1984 as "Veterans' Preference Month";

S.J. Res. 298. Joint resolution to proclaim the month of July 1984 as "National Ice Cream Month" and July 15, 1984, as "National Ice Cream Day"; and

S.J. Res. 303. Joint resolution to designate the week of December 9, 1984, as "National Drunk and Drugged Driving Awareness Week".

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5653) making appropriations for energy and water development for the fiscal year ending September 30, 1985, and for other purposes; it recedes from its disagreement to the amendments of the Senate Nos. 28, 32, 34, 37, 38, 43, 44, and 55 to the bill, and agrees thereto; and it recedes from its disagreement to the amendments of the Senate Nos. 10, 57, and 64 to the bill, and agrees thereto, each with an amendment, in which it requests the concurrence of the Senate.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5713) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1985, and for other purposes; it recedes from its disagreement to the amendments of the Senate Nos. 8, 9, 10, 11, 26, 36, 38, 39, 40, 47, 48, 56, 59, and 63 to the bill, and agrees thereto; and it recedes from its disagreement to the amendments of the Senate Nos. 1, 3, 5, 12, 14, 30, 32, 43, 53, and 55 to the bill, and agrees thereto, each with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the House has agreed to the amendments of the Senate to the bill (H.R. 3075) to amend the Small Business Act to establish a small business computer crime and security task force, and for other purposes, with amendments, in which it requests the concurrence of the Senate.

The message further announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 268[illegible]. An act to amend the Natural Gas Pipeline Safety Act of 1968 and the Hazardous Liquid Pipeline Safety Act of 1979 to authorize appropriations for fiscal years 1985 and 1986, and for other purposes.

The message also announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 5490. An act to clarify the application of title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and title VI of the Civil Rights Act of 1964;

H.R. 5655. An act to amend the Panama Canal Act of 1979 with respect to the payment of interest on the investment of the United States;

H.J. Res. 544. Joint resolution to designate the week beginning September 2, 1984, as "National School-Age Child Care Awareness Week";

H.J. Res. 555. Joint resolution to designate July 20, 1984, as "Space Exploration Day";

H.J. Res. 577. Joint resolution designating August 1984, as "Polish American Heritage Month"; and

H.J. Res. 604. Joint resolution to designate July 9, 1984, as "African Refugees Relief Day."

MEASURES REFERRED

The following bill and joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.R. 5655. An act to amend the Panama Canal Act of 1979 with respect to the payment of interest on the investment of the United States; to the Committee on Armed Services.

H.J. Res. 577. Joint resolution designating August 1984 as "Polish American Heritage Month"; to the Committee on the Judiciary.

H.J. Res. 604. Joint resolution to designate July 9, 1984, as "African Refugees Relief Day"; to the Committee on the Judiciary.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 328. Concurrent resolution to correct technical errors in the enrollment of the bill H.R. 4170; to the Committee on Finance.

MEASURES HELD AT THE DESK

The following bill and joint resolutions were ordered held at the desk pending further disposition:

H.R. 5584. An act to improve the preservation and management of Presidential records, and for other purposes.

H.J. Res. 544. Joint resolution to designate the week beginning September 2, 1984, as "National School-Age Child Care Awareness Week";

H.J. Res. 555. Joint resolution to designate July 20, 1984, as "Space Exploration Day";

MEASURES PLACED ON THE CALENDAR

The Committee on Energy and Natural Resources was discharged from the further consideration of the following bill; which was placed on the calendar:

H.R. 5740, An Act entitled the "Barrow Gas Field Transfer Act of 1984."

The Committee on the Judiciary was discharged from the further consideration of the following joint resolution; which was placed on the calendar:

H.J. Res. 567. Joint resolution to designate 1984 as the "Year of the St. Lawrence Seaway" and June 27, 1984, as "St. Lawrence Seaway Day."

MEASURE READ THE FIRST TIME

The following bill was read the first time:

H.R. 5490. An act to clarify the application of title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and title VI of the Civil Rights Act of 1964.

ENROLLED BILL PRESENTED

The Secretary reported that on today, June 27, 1984, he had presented to the President of the United States the following enrolled bill:

S. 2403. An act to declare that the United States hold certain lands in trust for the Pueblo de Cochiti.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MATHIAS, from the Committee on Rules and Administration, with an amendment in the nature of a substitute:

S. Res. 365: Resolution authorizing expenditures by the Select Committee on Indian Affairs (Rept. No. 98-534).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with amendments:

H.R. 3825: A bill to establish a Boundary for the Black Canyon of the Gunnison National Monument, and for other purposes.

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment:

S. Res. 417: An original resolution to pay a gratuity to May P. Metcalf.

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1960: A bill to permit the vessel *Scuba King* to be documented for use in the fisheries and coastwise trade of the United States.

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment:

S. Con. Res. 122: Concurrent resolution to provide for a Joint Congressional Committee on Inaugural Ceremonies.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. McCLURE, from the Committee on Energy and Natural Resources:

Frank K. Richardson, of California, to be Solicitor of the Department of the Interior.

(The above nomination was reported by the Committee on Energy and Natural Resources with the recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation:

Virgil E. Brown, of Ohio, to be a member of the Advisory Board of the St. Lawrence Seaway Development Corporation; and

John R. Wall, of Ohio, to be a member of the Advisory Board of the St. Lawrence Seaway Development Corporation.

(The above nominations were reported from the Committee on Commerce, Science, and Transportation with the recommendation that they be confirmed subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. PERCY, from the Committee on Foreign Relations:

Treaty Doc. 98-8. Treaty on Cooperation in the Execution of Penal Sentences Between the United States of America and the Kingdom of Thailand, signed at Bangkok on October 29, 1982 (Exec. Rept. 98-38).

By Mr. TOWER, from the Committee on Armed Services:

Mr. TOWER. Mr. President, from the Committee on Armed Services, I report favorably the following nominations: Gen. James P. Mullins, U.S. Air Force, age 56, to be placed on the retired list, and Maj. Gen. Marc C. Reynolds, U.S. Air Force, to be lieutenant general. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, in addition, in the Air National Guard there are 21 promotions into the Air Force Reserve to the grade of lieutenant colonel (list begins with William M. Berg), in the Air Force there are 320 appointments to the grade of second lieutenant (list begins with Bryan C. Adams), in the Army there are 11 appointments to the grade of lieutenant colonel and below (list begins with Avery C. Spence), in the Navy and Navy Reserve there are 28 permanent appointments to grade of commander and below (list begins with Kimberly F. Walker), and in the Navy there are 1,256 promotions to the permanent grade of lieutenant commander (list begins with Ted Glen Achorn). Since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of June 20 and June 25, 1984 at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated.

By Mr. KENNEDY (for himself, Mr. EAGLETON, Mr. LEVIN, Mr. BYRD, Mr. PELL, Mr. TSONGAS, Mr. RIEGLE, Mr. MOYNIHAN, Mr. SARBANES and Mr. MITCHELL).

S. 2795. A bill to improve long-term employment opportunities in the United States by insuring that domestic industries remain internationally competitive; to the Committee on Labor and Human Resources.

By Mrs. KASSEBAUM:

S. 2796. A bill to amend the Federal Aviation Act of 1958 to terminate certain functions of the Civil Aeronautics Board, to transfer certain functions of the Board to the Secretary of Transportation, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. CHAFEE.

S. 2797. A bill to require that directors of certain corporations hold securities of those corporations; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. INOUYE (for himself and Mr. Matsunaga):

S. 2798. A bill to authorize the Secretary of Health and Human Services to make grants for the planning, development, establishment, and operation of poison control centers; to the Committee on Labor and Human Resources.

By Mr. STEVENS:

S. 2799. A bill to amend chapter 10 of title 39 and chapter 57 of title 5, United States Code, to revise the authority relating to the payment of subsistence allowances to government employees for periods of official travel, and for other purposes; to the Committee on Governmental Affairs.

By Mr. BENTSEN:

S. 2800. A bill to provide for an emergency immigrant education assistance program, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. RIEGLE:

S. 2801. A bill for the relief of Guat Sia Sy, Jr., M.D., and his wife Dionisa Atienza Sy, M.D.; to the Committee on the Judicary.

By Mr. THURMOND (for himself and Mr. Hatch) (by request):

S. 2802. A bill to provide for comprehensive reforms and to achieve greater equity in the compensation of attorneys pursuant to federal statute in civil, criminal, and administrative proceedings in which the United States is a party, and in civil proceedings involving state and local governments; to the Committee on the Judiciary.

By Mr. SPECTER (for himself, Mr. Heinz, Mr. Biden, Mr. Roth, Mr. D'Amato, Mr. Moynihan, and Mr. Bradley):

S. 2803. A bill to amend the Delaware River Basin Compact to allow the sale of bonds at market rates; to the Committee on the Judiciary.

By Mr. MATHIAS:

S. 2804. A bill to reimburse the City of Frederick, Maryland, for money paid by the citizens of such city to save and hold harmless valuable military and hospital supplies owned by the United States Government; to the Committee on the Judiciary.

By Mr. WARNER (for himself and Mr. Trible):

S. 2805. A bill to designate certain public lands in Virginia as additions to the National Wilderness Preservation System; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DeCONCINI:

S. 2806. A bill to amend title 39, United States Code, to provide that voter registration forms, absentee ballots, and certain related matter may be mailed by election agencies free of postage; to the Committee on Governmental Affairs.

By Mr. MURKOWSKI:

S.J. Res. 323. Joint resolution designating August 1984 as "Polish American Heritage Month"; to the Committee on the Judiciary.

By Mr. HATCH (for himself and Mr. Kennedy):

S.J. Res. 324. Joint resolution designating November, 1984, as "National Christmas Seal Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. KASTEN:

S. Res. 416. Resolution to express the sense of the Senate that educators should develop recommendations to increase student motivation as a means of improving excellence in education; to the Committee on Labor and Human Resources.

By Mr. MATHIAS from the Committee on Rules and Administration:

S. Res. 417. An original resolution to pay a gratuity to May P. Metcalf; placed on the calendar.

By Mr. BAUCUS (for himself and Mr. Melcher):

S. Con. Res. 126. Concurrent resolution to express the sense of the Congress that the State of Montana shall be designated as the official gateway to the 1988 Calgary Olympics; to the Committee on the Judiciary.

By Mr. STEVENS:

S. Con. Res. 127. Concurrent resolution to authorize the use of the west front steps of the U.S. Capitol Building on August 14, 1984, to honor the men and women of the U.S. Olympic teams; considered and passed.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KENNEDY (for himself, Mr. Eagleton, Mr. Levin, Mr. Byrd, Mr. Pell, Mr. Tsongas, Mr. Riegle, Mr. Moynihan, Mr. Sarbanes, and Mr. Mitchell):

S. 2795. A bill to improve long-term employment opportunities in the United States by insuring that domestic industries remain internationally competitive; to the Committee on Labor and Human Resources.

(The remarks of Mr. Kennedy and others on this legislation appear earlier in today's Record.)

S. 2795

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Economic Competitiveness and Cooperation Act".

FINDINGS AND PURPOSES

Sec. 2. (a) The Congress finds as follows:

(1) The preeminence of the United States in international competition is seriously threatened and the insulation of the United States domestic markets from international competition is at an end. Despite this challenge, our assets as a country remain extraordinary. But our economic and industrial performance will suffer unless we recognize the critical role government must play in a competitive and rapidly changing world.

(2) The economic policies of the United States fail to recognize the degree of international economic interdependence and the need for multilateral solutions to the problems of trade, inflation, investment, and international economic growth as evidenced by the fact that, compared to the 1950's and 1960's, world economic growth is slower while unemployment and labor force growth is substantially higher.

(3) Because of increasing economic interdependence among the world's nations and rapid technological advance, the pace of economic change has increased in a manner which threatens to raise the level of structural unemployment and reduce primary employment opportunities available to United States workers as evidenced by the fact that the average unemployment rate was less than 5 percent between 1960 and 1973 and has exceeded 7 percent in the last decade.

(4) Business, labor, and government have been slow to understand the competitive implications for the United States of the growing international economic interdependence in both domestic and foreign markets and the importance of moderating the adversarial nature of their relationship and increasing cooperation among the parties. Revitalization of basic industries and development of emerging industries and technologies will benefit from cooperative efforts to negotiate common solutions to competitive challenges.

(5) The United States has not reconciled its competitive policies (those that naturally arise when competing with other countries for markets) with the policies needed to cooperate internationally to bring about worldwide economic growth and fair rules of trade with regard to market competition.

(6) Helping to support the competitiveness of United States industries is a proper and necessary role of government, working with the private sector. Our country has flourished economically when government and the private sector have joined together in constructive partnership.

(7) At present, government policies affecting industry in the United States are composed of a variety of government programs, subsidies, and regulatory oversight functions which are often neither coordinated, cohesive, nor consistent. These policies can be improved if they are framed in full recognition of their effect on competitiveness.

(8) The United States has been slow to accept and adapt to the reality of a highly competitive global marketplace and to regard the industrial development of competing countries as a challenge and an opportunity for its own economic growth.

(9) Neither human resource development nor innovation in product and process technology are proceeding, within the United States, at their optimum rate.

(10) The income maintenance and training policies in the United States are not designed to enhance flexibility and adjustment but, rather, to tide workers over temporary cyclical interruptions in employment.

(11) The United States has not used its import policies to engender necessary adjustment of mature industries.

(12) Although the United States has a comparative advantage in agricultural development, health and educational technology, energy production and conservation, and other fields important to the developing world, it has not used its foreign aid programs to promote the development of its export industries and compete for these markets.

(13) The United States has not taken steps to develop, maintain, and expand its comparative advantage by—

(A) improving the climate for industrial cooperation;

(B) insuring that the educational system is developing the human resources required;

(C) improving the flexibility and adaptability of the labor force;

(D) improving the general innovative capacity of the private nondefense sector;

(E) assuring that States can provide the development finance necessary, especially for smaller innovative firms; and

(F) using trade and international development aid programs to assist in the domestic adjustment required to enhance the country's natural comparative advantage.

(b) It is the purpose of this Act—

(1) to establish the Council on Economic Competitiveness and Cooperation which will—

(A) gather and analyze information regarding the competitiveness of United States industries and prepare a biannual report on the current and projected structure of employment; and

(B) create an institutional forum where national leaders with experience in business, labor, government, academia, and public interest activities will develop consensus on national and sectoral strategies to achieve competitiveness and full employment;

(2) to take the following steps to enhance innovation in process and product technology:

(A) clarify antitrust regarding research and development;

(B) make the research and development tax credit permanent;

(C) assess strategic technologies;

(D) establish technology extension centers; and

(E) coordinate, encourage, and assist all Federal agencies to stimulate innovation in the industrial sectors related to their missions;

(3) to increase the investment in education and human resources by—

(A) extending compensatory education to secondary schools;

(B) directing vocational education to disadvantaged youth, displaced homemakers, and dislocated workers;

(C) upgrading science, math, computer, and foreign language instruction; and

(D) aiding gifted students;

(4) to take the following steps to facilitate the adjustment of workers, communities, and industries:

(A) encouraging States to experiment with their unemployment insurance systems through innovations such as worksharing, income support for workers in declining industries who undertake training, two-track unemployment insurance for workers who undertake long-term training, and cashing out of unused unemployment compensation benefits;

(B) improving the Nation's job training system by establishing a new student loan program for adults who wish to undertake parttime education or training, by providing job counseling and placement services for large-scale plant closings;

(C) assisting in the transfer of training technology from government, especially defense, to the private sector, especially small business;

(D) providing community service employment for dislocated workers who are either over 40 or heads of households with children and who live in communities with a declining industrial base and above average unemployment; and

(E) providing assistance in the establishment of tripartite adjustment committees to affected firms and communities experiencing large-scale plant shutdowns or industrial decline and by providing job counseling and placement services for workers affected by large-scale plant closings;

(5) to improve the availability of financing by—

(A) supporting the creation and financing of State development banks; and

(B) creating a secondary market for the obligations issued by such banks and other related financial instruments; and

(6) to improve the United States balance of payments and competitiveness by—

(A) requiring that industries seeking trade relief pursuant to section 201 of the Trade Act of 1974 undertake adjustment actions in order to qualify for temporary relief; and

(B) instructing the Agency for International Development to utilize its programs to build capacity within the private sector of the United States to meet the needs of the developing countries.

TITLE I—COUNCIL ON ECONOMIC COOPERATION AND COMPETITIVENESS

FINDINGS AND PURPOSES

SEC. 101. (a) The Congress finds that—

(1) American industry has been handicapped by a lack of high quality domestic and international economic data needed to—

(A) reveal sectoral strengths and weaknesses;

(B) identify potential new markets and future trends; and

(C) provide necessary information regarding the industrial strategies of our foreign competitors;

(2) effective participation by the United States in the world economy has been inhibited by the lack of specific mechanisms—

(A) to identify in a timely fashion the problems of particular industries and sectors; and

(B) to develop in a timely fashion specific solutions to those sectoral problems within the broader range of national economic policies;

(3) while our economy benefits when business, labor, government, academia, and public interest groups work together cooperatively, there exists no effective forum for developing a consensus on economic policies, and for maximizing the possibility that the policies pursued by business, labor, and government will be compatible and reinforcing;

(4) given intensified international competition and the rapid pace of technological change, it is imperative for the United States to create a process and a forum which enables government, business, labor, and representatives of the public to come together on a voluntary basis to develop and to coordinate long-range strategies for helping to assure the international competitiveness of United States industries; and

(5) such strategies should reflect both—

(A) the need to encourage and assist emerging industries which can provide substantial economic growth and employment; and

(B) the need to maintain or restore competitiveness in mature or linkage industries.

(b) It is the purpose of this title—

(1) to establish the Council on Economic Competitiveness and Cooperation which will—

(A) gather and analyze information regarding the competitiveness of United States industries; and

(B) create an institutional forum where national leaders with experience and background in business, labor, government, academia, and public interest activities will—

(i) identify economic problems inhibiting the competitiveness of United States industries and opportunities for the growth of United States industries;

(ii) develop long-term strategies to address such problems and opportunities; and

(iii) create a broad consensus in support of such strategies; and

(2) to supplement the existing adversarial relations between business, labor, and government and the tendency to solve problems through resort to litigation, with a new approach based on voluntary consultation, cooperation, consensus building, and negotiated compromise.

ESTABLISHMENT OF COUNCIL ON ECONOMIC COMPETITIVENESS AND COOPERATION

SEC. 102. There is established in the executive branch of the Federal Government an independent agency to be known as the Council on Economic Competitiveness and Cooperation.

DUTIES OF THE COUNCIL

SEC. 103. The duties of the Council are—

(1) to collect and analyze relevant domestic and international data concerning current and future economic trends and market opportunities;

(2) to monitor the changing nature of the United States industrial economy and its capacity—

(A) to provide marketable goods and services in domestic and international markets; and

(B) to respond to international competition;

(3) to prepare and publish reports containing the recommendations of the Council with respect to industrial development priorities;

(4) to create a forum or forums where national leaders with experience and background in business, labor, academia, public interest activities, and government will—

(A) identify national economic problems and opportunities;

(B) develop recommended strategies to address such problems and opportunities; and

(C) create a broad consensus in support of such recommended strategies;

(5) to identify industries or emerging technologies which are critical to the United States economy because of—

(A) the impact of such industry or technology on employment;

(B) the importance of such industry or technology to the national defense or future economic growth and job creation; or

(C) the importance of such industry to the health of other industries;

(6) to monitor the performance and prospects of industries identified as critical under paragraph (5), for the purpose of—

(A) learning, as soon as possible, of conditions, events, or trends which might adversely affect the performance of such industries which are healthy and competitive; and

(B) considering possible ways to revitalize distressed industries in which competitiveness is eroding and which are therefore suffering loss of employment and market share;

(7) to establish, in response to requests from affected parties in the private sector, subcouncils of the Council for various industries, technologies, and geographical areas, which will consist of representatives of business, labor, government, and the public, and which will—

(A) facilitate consultation about the performance and future prospects of the industries and technologies identified as critical under paragraph (5); and

(B) where appropriate, develop through a process of negotiation, recommended strategies for maintaining or restoring the competitiveness of such industries, technologies, or particular regions of the country, which may include proposals for certain Federal Government actions which are to be made contingent upon specific commitments by business, labor, and other affected interests, and which are to be undertaken only in conjunction with action on those commitments by business, labor, and other affected interests; where investment is required, there should be a primary emphasis on private capital in any such strategy.

(8) to recommend to the President, pursuant to section 204 of the Trade Act of 1974 (as added by section 603 of this Act), adjustment plans for industries petitioning for relief pursuant to section 201 of the Trade Act of 1974;

(9) to provide policy recommendations and guidance to the Congress, the President, and the Federal departments and agencies regarding specific issues concerning industrial strategies;

(10) to biannually report to the President and the Congress—

(A) on the state of the national economy;

(B) on the status of major sectors of the national economy; and

(C) on the effect of existing Government policies on industries;

(11) to conduct studies, including but not limited to—

(A) an assessment of the impact of existing Federal credit programs on financial markets, and the gains which would be derived from improved coordination of such programs; and

(B) an assessment of whether the amount and pattern of existing private and public capital investment is sufficient to finance the revitalization of mature or linkage industries and the development of emerging industries, and if not, the merits of creating a new financing institution or development bank; and

(12) to evaluate existing government policies and business practices in terms of the competitive impact of such policies and practices.

MEMBERSHIP OF COUNCIL

SEC. 104. (a) The Council shall be composed of twenty members appointed by the President, by and with the advice and consent of the Senate, as follows:

(1) four shall be heads of Federal departments or agencies;

(2) one shall be a representative of a State or local government;

(3) five shall be national leaders who have experience and background in business (including at least one individual selected from the small business community), and who have a broad understanding of the United States economy and the United States position in the world economy;

(4) five shall be national leaders who have experience and background in the labor community and who have a broad understanding of the United States economy and of the United States position in the world economy; and

(5) five shall be individuals who are from the academic community or who have been active in public interest activities, and who have a broad understanding of the United States economy and of the United States position in the world economy.

(b) The Council shall not commence its duties until all the members specified in paragraphs (2), (3), and (4) of subsection (a) have been appointed and have qualified.

(c)(1) A vacancy in the Council shall be filled in the same manner in which the original appointment was made.

(2)(A) Any member appointed to fill a vacancy occurring before the expiration of the term for which such member's predecessor was appointed shall be appointed only for the remainder of such term.

(B) A member may serve after the expiration of such member's term until such member's successor has taken office.

(d)(1) No member may serve more than two consecutive terms.

(2) Members of the Council may be removed by the President only for malfeasance in office.

(e) Not more than nine members of the Council shall be of the same political party.

(f)(1) Members appointed under paragraphs (3) through (5) of subsection (a) shall be appointed for terms of six years.

(2) Of the members first appointed—

(A) three shall be appointed for a term of two years;

(B) three shall be appointed for a term of three years;

(C) three shall be appointed for a term of four years; and

(D) three shall be appointed for a term of six years;

as designated by the President at the time of appointment.

(g)(1) Each member of the Council who is not otherwise in the service of the Government of the United States or any State or local government—

(A) shall receive a sum equivalent to the compensation paid at level II of the Executive Schedule, pursuant to section 5315 of title 5, United States Code, prorated on a daily basis for each day spent in the work of the Council; and

(B) shall be paid actual travel expenses, and per diem in lieu of subsistence expenses when away from his usual place of residence, in accordance with section 5703 of such title.

(2) Each member of the Council who is otherwise in the service of the Government of the United States or any State or local government shall serve without compensation in addition to that received for such other service, but while engaged in the work of the Council shall be paid actual travel expenses, and per diem in lieu of subsistence expenses when away from his usual place of residence, in accordance with subchapter 1 of chapter 57 of title 5, United States Code.

(h) Eleven members of the Council constitute a quorum, except that a lesser number may hold hearings if such action is approved by a two-thirds vote of the entire Council.

(i) The Council shall elect, by a two-thirds vote of the entire Council, a chairman from among the individuals appointed under paragraphs (3) through (5) of subsection (a).

(j) The Council shall meet at the call of the Chairman or a majority of its members, except that the Council shall meet not less than six times during each calendar year.

(k)(1) Each member of the Council shall designate one alternate representative to attend any meeting that such member is unable to attend.

(2) In the course of attending any such meeting, an alternate representative shall be considered a member of the Council for all purposes, including voting.

(l) Except as provided in subsection (j), no action whatsoever (whether involving administrative or personnel matters, establishing policy, or any other type of action) shall be taken by the Council unless approved by two-thirds of the entire membership of the Council.

(m) The Council may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay for GS-16 of the General Schedule.

(n) Upon request of the Council, the head of any other Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Council to assist the Council in carrying out the Council's duties under this title.

EXECUTIVE DIRECTOR AND STAFF

SEC. 105. (a)(1) The principal administrative officer of the Council shall be an executive director, who shall be appointed by the Council.

(2) The Council shall consult with the President and leaders of the Congress before appointing an individual to the position of executive director.

(3) The executive director shall serve full-time.

(b) Within the limitations of the Council's appropriations, the executive director may appoint the personnel of the Council in accordance with the civil service and classification laws.

POWERS OF THE COUNCIL

SEC. 106. (a) The Council may, for the purpose of carrying out the provisions of this title, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Council considers appropriate. The Council may administer oaths or affirmations to witnesses appearing before the Council.

(b) If so authorized by the Council, any member or agent of the Council may take any action which the Council is authorized to take under this section.

(c)(1)(A) The Council may secure directly from any department or agency of the United States information necessary to enable the Council to carry out the provisions of this title.

(B) Upon request of the Chairman of the Council, the head of such department or agency shall furnish such information to the Council to the extent permitted by law.

(2) In any case in which the Council receives any information from a department or agency of the United States, the Council shall not disclose such information to the public unless such department or agency is authorized to disclose such information pursuant to Federal law.

(d) The Council may accept, use, and dispose of gifts or donations of services or property.

(e) The Council may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(f) The Administrator of General Services shall provide to the Council, on a reimbursable basis, such administrative support services as the Council may request.

(g)(1) The Council shall establish, when and for such period of time as the Council deems appropriate, industry subcouncils of public and private leaders representing the major economic interests affected by sectoral policies.

(2) Subcouncil members shall serve on a part-time basis.

(3)(A) Such subcouncils shall examine the competitive problems facing individual industries in the economy and develop long-term strategies which could improve the competitiveness of such industries.

(B) In the course of developing recommendations, the industry subcouncils shall hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as such subcouncils consider appropriate.

(4)(A) The industry subcouncils shall report their findings and recommendations to the Council.

(B) Where appropriate, each of the subcouncil's reports shall assess the effectiveness of employee ownership as one of the tools and long-term strategies for improving the competitive problems facing the industry.

(C) The Council shall review the findings and recommendations of the subcouncils in preparing the Council's recommendations.

REPORTS

Sec. 107. (a) Not later than one year after the date of the enactment of this title, the Council shall transmit a report to both Houses of the Congress and the President containing recommendations of the Council for changes in any Federal policy necessary to implement effective industrial strategies.

(b)(1) The Council shall biannually prepare and transmit to the President, and both Houses of the Congress, a report setting forth—

(A) the major industrial development priorities of the United States;

(B) the policies needed to meet such priorities; and

(C) a summary of existing government policies affecting industries.

(2) Such report shall contain a statement of the findings and conclusions of the Council during the previous fiscal year, together with any recommendations of the Council for such legislative or administrative actions as the Council considers appropriate.

(c)(1) Upon receipt by either House of the Congress, the report shall be referred to the appropriate committee or committees of each House.

(2) The Council shall consult with each such committee with respect to such report and, following such consultation, each such committee shall submit to its respective House a report setting forth the views and recommendations of such committee with respect to the report and recommendations of the Council.

AUTHORIZATION OF APPROPRIATIONS

Sec. 108. There are authorized to be appropriated for fiscal year 1986 not to exceed $50,000,000 to carry out the provisions of this title.

TITLE II—TECHNOLOGICAL INNOVATION

Part A—Joint Research and Development

FINDINGS

Sec. 201. The Congress finds that there is a need to modify the operation of the antitrust laws and similar State laws with respect to joint research and development projects in order to encourage commercial entities to carry out such projects and thereby increase industrial innovation, productivity, employment, and the economic competitiveness of the United States.

DISCLOSURE TO ATTORNEY GENERAL

Sec. 202. (a) Except as provided in subsection (b), no person shall be liable in any civil action brought under the antitrust laws, or under any State law similar to the antitrust laws, against any person for making a contract or for performing a contract to carry out a research and development project jointly with another person if disclosure of such activities is made to the Attorney General pursuant to subsection (c).

(b) Nothing in this section shall affect the ability of the Attorney General or of any person to obtain injunctive relief in any action under the antitrust laws, but no such injunctive relief shall have the effect of rescinding the protections of subsection (a), including protection against the imposition of damages, with respect to conduct occurring during the period covered by any disclosure made pursuant to subsection (c) but occurring prior to the date on which temporary or permanent injunctive relief is initially granted, if such relief is not vacated by subsequent conclusive judicial action. With respect to conduct occurring after such period, the court may, in granting such relief, suspend, terminate, or extend conditionally the protections of subsection (a).

(c) Any person making, having made, or performing a contract to carry out a research and development project jointly with another person may disclose such activities to the Attorney General. Such disclosure shall identify the parties making, having made, or performing each such project, describe the nature, scope, and duration of each project, and provide any information or document expressing the content of such contract and any other information relating to such contract which the Attorney General may, by regulation, require. Only the persons and the activities of those persons specified in such disclosure shall be entitled to the protections of subsection (a), but additional disclosure may be made as appropriate.

(d) Within 30 days after any disclosure made pursuant to this section, the Attorney General shall cause to be published in the Federal Register notice of such disclosure, identifying the parties to each project, describing in general terms each research and development project, and specifying the extent to which information and documents submitted under subsection (c) are available to the public.

(e)(1) All information and documentary materials submitted as part of the disclosure pursuant to this section shall be available to the public upon request within 30 days after its submission to the Attorney General; except that no information or documentary material shall be made available to the public if such information or documentary material is subject to section 552(b) of title 5, United States Code, or if its availability would not be permitted under paragraph (2).

(2) Any person making a disclosure pursuant to this section may request that information or documentary material submitted as part of such disclosure, which is not otherwise exempt from availability to the public under section 552 of title 5, United States Code, not be made available to the public. Any such request shall specify precisely which information or documentary material should not be made available to the public, state the minimum period of time during which it is considered necessary that such information or documentary material not be made available to the public, and justify such request both as to substance and time. If the Attorney General determines that there is good cause to withhold such information or documentary material, it shall not be made available to the public for the time period involved.

RULE OF REASON STANDARD

Sec. 203. In any action under the antitrust laws, or under any State law similar to the antitrust laws, the conduct of any person in making or performing a contract to carry out a joint research and development program shall not be deemed illegal per se but shall be judged on the basis of its reasonableness, taking into account all relevant factors affecting competition, including but not limited to, effects on competition in properly defined relevant research and development markets, and effects in promoting competition through innovation or enhancement of efficiency.

DAMAGES

Sec. 204. (a) Notwithstanding any provision of law, no person shall be liable under the antitrust laws or under any State law similar to the antitrust laws for an amount in excess of the actual damages sustained by reason of the violation of any such law, the cost of suit (including a reasonable attorney's fee), and any interest awarded with respect to such damages if such liability results from attempting to make, making, or performing a contract to carry out a research and development project jointly with another person.

(b) Notwithstanding sections 4 and 4C of the Clayton Act (15 U.S.C. 15, 15c) and in lieu of any interest authorized to be awarded under any such section to a claimant with respect to liability under such section resulting from attempting to make, making, or performing a contract to carry out a research and development program jointly with another person, the court shall award interest calculated in accordance with the provisions of section 1961 of title 28, United States Code, on actual damages with respect to such period of time, prior to the date of judgment, that such damages have been incurred but in no event with respect to any period of time prior to the date of service of the pleading setting forth the claim; except that the court may reduce or withhold such award in the interest of justice.

DEFINITIONS

Sec. 205. For purposes of this part—

(1) The term "antitrust laws" shall have the meaning given it in subsection (a) of the first section of the Clayton Act (15 U.S.C. 12(a)), except that such term shall include section 5 of the Federal Trade Commission Act (15 U.S.C. 45) to the extent that such section 5 relates to unfair methods of competition.

(2) The term "Attorney General" means the Attorney General of the United States.

(3) The term "contract" means the agreement written or otherwise by which two or more persons engage in research and development activity jointly, including any ancillary agreements or understandings.

(4) The term "person" shall have the meaning given it in subsection (a) of the first section of the Clayton Act (15 U.S.C. 12(a)).

(5) The term "research and development project" means a project involving basic research, applied research, exploratory development, technology development, or demonstration development, but does not include the production or marketing of products or services developed for commercial use. For purposes of this paragraph—

(A) the term "basic research" means systematic study having the objective of gaining fuller knowledge or understanding of the fundamental aspects of phenomena and of observable facts, without attempting to discover specific applications, or processes,

(B) the term "applied research" means systematic study having the objective of gaining knowledge or understanding necessary for determining the means by which a recognized and specific need may be met,

(C) the term "exploratory development" means the conduct of activities designed or intended to lead to a practical utilization of research results for the development of a particular application or product,

(D) the term "technology development" means activities designed to provide a transition from research and exploratory development to engineering systems development to solve a particularly defined technical problem in order to achieve proof of principle or to show technical feasibility,

(E) the term "demonstration development" means engineering development activities designed to achieve standards of performance, reliability, and process function to identify solutions to meet functional or economic requirements or to otherwise prove concept feasibility, including the design, construction, and testing of prototype units, but not including the development or preparation of any manufacturing design of a product that may be offered for sale, and

(F) the term "State" shall have the meaning given it in section 4G(2) of the Clayton Act (15 U.S.C. 15g(2)).

PART B—STRATEGIC TECHNOLOGIES

FINDINGS

Sec. 211. The Congress finds that—

(1) technology development is vital to the United States economy;

(2) industries engaged in technology development contribute greatly to economic growth, have a growth rate twice the growth rate of total industrial output, and make a positive contribution to an otherwise negative manufacturing trade balance;

(3) technological innovation is key to the efforts of basic industries to improve productivity;

(4) United States technology is experiencing strong and increasing competition internationally which has resulted in a serious challenge to the competitive positions of high technology industries in the United States;

(5) intensive targeted research and development plans of other countries are shifting technological advantage overseas in selected fields and may limit development of valuable long-term technology markets by United States industry;

(6) the development of economically strategic technologies, in areas including microelectronics, materials development, biotechnology, robotics, manufacturing processes, and artificial intelligence, offers great potential benefits to the economy;

(7) the riskiness of long-term research and development efforts and the growth of foreign research and development programs require a vigorous Federal role in technology development;

(8) assessing the adequacy of current Federal research and development activities and spending priorities requires—

(A) identification of economically strategic technologies by the science and engineering community;

(B) reliable assessment of research and development activity in other countries on economically strategic technologies;

(C) assessment of efforts in the United States, including industrial, academic, nonprofit, State, Federal, defense, and nondefense research and development activity; and

(D) consideration of competitive strategy in attaining maximum benefit from development of economically strategic technologies;

(9) a plan for the development of economically strategic technologies can best be developed by industry, the academic community, and government, with each committing appropriate resources to maximize the potential for successful development; and

(10) the National Academy of Sciences, including the Institute of Medicine, and the National Academy of Engineering are representative of the science and engineering community, including members from industry, educational institutions, and government, and are well suited to identify economically strategic technologies and recommend technology development plans.

PURPOSES

Sec. 212. It is the purpose of this part to—

(1) develop a widespread consensus within the industrial and academic research community as to what technologies are economically strategic for development;

(2) collect the best available data on research and development efforts on economically strategic technologies in the United States and abroad and provide an authoritative comparative analysis of the efforts;

(3) create a forum for the formulation of technology development programs which will include industry, academic, and governmental efforts and resources;

(4) develop technology development programs that include consideration of the comparative position of the United States and appropriate competitive strategy for development; and

(5) authorize appropriations that are sufficient to implement such programs.

DEFINITIONS

Sec. 213. For purposes of this part—

(1) the term "Director" means the Director of the Office of Science and Technology Policy;

(2) the term "Academies" means the National Academy of Sciences (including the Institute of Medicine and any other unit of the Academy) and the National Academy of Engineering.

THE STUDY ON ECONOMICALLY STRATEGIC TECHNOLOGIES

Sec. 214. Within six months after the date of the enactment of this Act, the Director of the Office of Science and Technology Policy shall enter into an agreement with the National Academy of Sciences (including the Institute of Medicine and any other appropriate unit of the National Academy of Sciences) and the National Academy of Engineering under which the Academies shall make a full and complete study that identifies economically strategic technologies and plans for the optimal development of such technologies. The agreement shall include provisions for the coordination of the study between the Academies and a committee for making reports required by section 215(c).

FUNCTIONS OF THE ACADEMIES IN CARRYING OUT THE STUDY

Sec. 215. (a) In designating technologies as economically strategic technologies, the Academies shall—

(1) solicit views of private industry and examine evidence of current industrial initiatives;

(2) assess the economic benefit to be gained from each technology including—

(A) a description and estimate of potential market;

(B) job creation potential;

(C) socioeconomic impact;

(D) potential for declining product cost;

(E) potential for followup and spinoff product development;

(F) evidence of potential widespread industrial application; and

(G) potential for new business formation;

(3) determine the current effort for technology development by Federal and State government including spending levels for defense and nondefense research and development, the nature of the development program, and the potential for transfer of defense technologies to nondefense use;

(4) prepare a summary of existing and projected levels of research and development activity by private industry for each technology;

(5) determine current levels of research and development effort by foreign nations for each technology and assess the stage of development and the competitive strategy being employed by other nations;

(6) consider the competitive potential of United States industry for future markets, the relative benefits of lead versus followup development, and competitive risks involved such as the potential for development of over capacity or external costs;

(7) assess the technological feasibility of development and the risk for each technology;

(8) consider the necessary time for development of each technology, focusing on technologies with a medium-term development horizon of five to eight years; and

(9) consider the potential economic benefit of the technology and evidence that United States industry will fail to realize such benefits in the absence of an enhanced technology development program.

(b) The Academies shall develop a technology development program for each technology designated as economically strategic. The Academies shall establish an advisory committee composed of industry and academic experts to make recommendations for each such program. The terms of compensation for expenses or service, if any, for such members shall be included in the agreement made pursuant to section 214. Each technology development program shall describe the strategy for development and recommend—

(1) participants in the program and program responsibilities;

(2) levels of effort and financial commitment for each participant and program totals;

(3) timetable of milestones and budget outlays;

(4) appropriate licensing and patent arrangements for participants and nonparticipants, giving equal weight to fair financial return to participants and rapid technology transfer and diffusion;

(5) policy action or spending required of the Federal Government, including recommendations for additional Federal funding with an explanation of the obstacles in finding financing from private sources and a designation of appropriate Federal agencies to participate in the development program and to dispense Federal funds; and

(6) methods for encouraging participation by small business in the technology development program.

(c) The committee, established in accordance with the agreement made pursuant to section 214, shall submit to the President and to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science and Technology of the House of Representatives interim reports of each technology development program formulated for each designated economically strategic technology, an annual report at the end of each calendar year summarizing the activities of the Academies regarding the study, and not later than three years after the date of enactment of this Act, a final report of the study together with recommendations, including recommendations for legislation.

ADMINISTRATIVE PROVISIONS

Sec. 216. (a) The Academies may, for the purpose of carrying out the provisions of this part, hold such hearings and consult with such representatives in the business community, educational institutions, Federal, State, and local governments, and other organizations, associations, and individuals as the President of the National Academy of Sciences or the President of the National Academy of Engineering deems advisable.

(b) Each department, agency, and instrumentality of the executive branch of the Federal Government, including independent agencies, is authorized and directed to furnish to the Academies, upon request made by the President of the National Academy of Sciences or the President of the National Academy of Engineering any information such President deems necessary to carry out the study.

AUTHORIZATION OF APPROPRIATIONS

Sec. 217. There are authorized to be appropriated such sums as may be necessary to carry out the study required by this part and to implement the technology development programs recommended in the study.

PART C—AGENCY FOR TECHNOLOGICAL INNOVATION

SUBPART 1—GENERAL PROVISIONS

FINDINGS

Sec. 221. The Congress finds and declares that—

(1) the ability of many American industries to compete in international markets has declined in the last ten years;

(2) increased technological innovation is a prerequisite for increased economic competitiveness;

(3) technological innovation is only indirectly responsive to macroeconomic factors, such as capital investments and tax credits, as well as regulatory reforms;

(4) the United States has no integrated or coherent policy to promote technological innovation, and has little knowledge concerning the effects of current or potential programs for innovation; and

(5) in order to stimulate technological innovation, the United States must—

(A) enhance the transfer and utilization of scientific and technological information between employees, management, educational institutions, Federal, State, and local governments, business and industrial concerns, and other organizations involved in technological development;

(B) make optimal use of human resources, including efforts to improve labor-management relations;

(C) encourage research and development of new and improved manufacturing processes; and

(D) promote the creation and growth of small business concerns and new enterprises.

PURPOSES

Sec. 222. It is the purpose of this part—

(1) to provide the private sector with an environment which fosters innovation, productivity, and international competitiveness; and

(2) to provide a coherent Federal approach toward the stimulation of technological innovation by establishing an agency in the Department of Commerce which—

(A) consolidates existing Federal programs with the purpose of stimulating technological innovation;

(B) conducts research to identify problems relating to technological innovation and formulates effective solutions for such problems;

(C) provides a forum for employees, management, educational institutions, State and local governments, business and industrial concerns, and other organizations involved in technological innovation to express their concerns and influence the policies and programs of the Federal Government;

(D) ensures effective dissemination and transfer of scientific information and technology in order to increase the commercialization of technology, as well as to enhance the use of general scientific and technical information;

(E) demonstrates and develops new technologies for manufacturing processes;

(F) coordinates Federal, State, and local efforts to promote new enterprise development; and

(G) encourages and conducts research and development in human resource aspects of technological innovation, including the retraining and training of workers and improved managerial practices.

DEFINITIONS

Sec. 223. For purposes of this part—

(1) the term "Agency" means the Agency for Technological Innovation established under section 231;

(2) the term "Department" means the Department of Commerce;

(3) the term "Director" means the Director of the Agency appointed under section 231(b);

(4) the term "Deputy Director" means the Deputy Director of the Agency appointed under section 231(c);

(5) the term "Federal agency" has the same meaning as in section 551(1) of title 5, United States Code;

(6) the term "function" includes any duty, obligation, power, authority, responsibility, right, privilege, activity, or program;

(7) the term "office" includes any office, administration, agency, institute, unit, division, directorate, organizational entity, or any component thereof;

(8) the term "Secretary" means the Secretary of Commerce;

(9) the term "small business concern" has the same meaning as in section 3 of the Small Business Act; and

(10) the term "technological innovation" means the process whereby knowledge derived from basic science is transformed to marketable technology.

SUBPART 2—ESTABLISHMENT OF AGENCY

ESTABLISHMENT

Sec. 231. (a) There is established in the Department of Commerce the Agency for Technological Innovation. The Agency shall be composed of—

(1) the Office of Innovation Policy established by section 232;

(2) the Office of Program Evaluation and Development established by section 233;

(3) the Office for Human and Organizational Resources established by section 234;

(4) the Office for Enterprise Development established by section 235;

(5) the Office of Production Research and Development established by section 236; and

(6) the Office of Information and Technology Transfer established by section 237.

(b)(1) The Agency shall be headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall be responsible for the administration of all functions transferred to, and specified for, the Agency by this part. The Director shall report directly to the Secretary.

(2) In carrying out this Act, the Director shall seek the advice of individuals who represent business and industrial concerns, employees, educational institutions, and State and local governments.

(c)(1) There shall be in the Agency a Deputy Director, who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Director shall—

(A) administer the Office of Program Evaluation and Development established by section 233; and

(B) perform such additional functions as the Secretary may prescribe.

(2) The Deputy Director shall act for and exercise the functions of the Director during the absence or disability of the Director or if the office of the Director becomes vacant. The Deputy Director shall act for and exercise the functions of the Director until the absence or disability of the Director no longer exists or until a successor to the Director has been appointed by the President and confirmed by the Senate.

OFFICE OF INNOVATION POLICY

Sec. 232. (a) There shall be in the Office of the Director the Office of Innovation Policy. The Office of Innovation Policy shall be administered by the Assistant Director, who shall be appointed by the President, by and with the advice and consent of the Senate.

(b) The Director, through the Assistant Director, shall—

(1) conduct research, studies, and analyses concerning policy trends, policy alternatives, and current issues relating to technological innovation, including issues relating to antitrust, patents, taxation, procurement, regulation, human resources utilization, research and development, and domestic and international trade;

(2) publish in appropriate publications the findings and results of research, studies, and analyses conducted pursuant to paragraph (1); and

(3) prepare and transmit to the Congress, by January 1 of each year, a report concerning important current issues relating to technological innovation in the United States.

OFFICE OF PROGRAM EVALUATION AND DEVELOPMENT

Sec. 233. (a) There is established in the Agency the Office of Program Evaluation and Development, which shall be administered by the Deputy Director.

(b) The Director, through the Deputy Director, shall—

(1) develop, evaluate, and assess programs and studies conducted and supported by the Agency; and

(2) conduct and support basic research on the process of technological innovation, including research on the effect of economic factors, management practices, and employee utilization on technological innovation.

OFFICE FOR HUMAN AND ORGANIZATIONAL RESOURCES

Sec. 234. There is established in the Agency the Office for Human and Organizational Resources. The Director, through the Office for Human and Organizational Resources, shall—

(1) promote improvements in the productivity of the American work force and in managerial methods that enhance technological innovation;

(2) study and evaluate programs conducted by Federal agencies, State and local gov-

ernments, business and industrial concerns, and educational institutions concerning—

(A) employee training and retraining practices; and

(B) employer organizational arrangements which affect technological innovation;

(3) make grants or enter into contracts to carry out projects to demonstrate methods to improve—

(A) employee training and retraining practices; and

(B) employer organizational arrangements which affect technological innovation;

(4) study and evaluate programs providing technical training to entry level employees and the impact of such programs on promoting the adjustment of such employees to technological innovation, including programs conducted by secondary schools, vocational and technical schools, junior colleges, colleges and universities, and employers;

(5) make grants to secondary schools, junior colleges, colleges and universities, and employers for projects to demonstrate technical training programs for entry level employees that will improve the adjustment of such employees to technological innovation;

(6) study and evaluate the effectiveness of all types of programs to retrain employees who are displaced by technological innovation and foreign competition;

(7) assess and identify needs for new programs to retrain such employees, including an assessment of types of occupational retraining needed, appropriate institutions which may conduct such retraining, and alternative approaches for retraining programs;

(8) make grants to appropriate public and private nonprofit institutions for the conduct of projects to demonstrate alternative approaches to improve the quality and availability of educational programs for the retraining of employees who are displaced by technological innovation and foreign competition, including a program under which—

(A) such employees are provided with vouchers to be used by such employees to pay providers of educational retraining for education and training received by such employees; and

(B) such providers present such vouchers for redemption for cash payments for the provision of such education and training; and

(9) study and evaluate management practices and innovations which enhance technological innovation, productivity, labor-management relations, and the quality of the workplace.

OFFICE FOR ENTERPRISE DEVELOPMENT

SEC. 235. (a) There is established in the Agency the Office for Enterprise Development. The Director, through the Office for Enterprise Development, shall—

(1) study the development and formation of new enterprises;

(2) make grants to appropriate public and private nonprofit institutions for projects to demonstrate models for the development and formation of cooperative enterprises;

(3) promote successful models for the development and formation of new enterprises, including the dissemination of information concerning such models and the provision of grants for the planning, development, and initial operation of new enterprises which use such models;

(4) evaluate and disseminate information on existing and potential models of cooperative research and development arrangements, including models of arrangements among business and industrial concerns and models of arrangements between business and industrial concerns and educational institutions;

(5) assess potential and existing governmental barriers to such cooperative research and development arrangements, such as the provisions of antitrust laws and tax policies, and suggest methods to eliminate such barriers;

(6) make grants to appropriate institutions and organizations to support demonstrations of cooperative research and development arrangements, including grants to support—

(A) research programs at university centers concerning specific technologies relevant to business and industrial concerns;

(B) cooperative research projects between business and industrial concerns and educational institutions which focus on fundamental research of potential industrial relevance; and

(C) cooperative arrangements among business and industrial concerns which include financial participation by such concerns, such as limited partnerships for research and development;

(7) evaluate the role of State and local governments in the promotion of technological innovation and new enterprise development, including an assessment of existing State and local programs to promote such development and innovation;

(8) make grants to appropriate institutions and organizations for projects to demonstrate potential models of cooperative research and development arrangements between State and local governments and business and industrial concerns which include significant financial participation by such governments and concerns;

(9) facilitate information dissemination and the development of networks among programs supported by State and local governments to promote technological innovation;

(10) coordinate and monitor small business innovation research programs conducted under the Small Business Act, and, in consultation with the Office of Program Evaluation and Development, evaluate activities by Federal agencies to carry out such programs;

(11) study and evaluate methods (other than such small business innovation research programs) by which Federal programs for the procurement of research and development services can more effectively promote innovation by small business concerns;

(12) provide technical assistance to State governments and regional organizations to enable such governments and organizations to establish State and regional programs similar to the small business innovation research programs established under the Small Business Act;

(13) study and evaluate capital markets for the establishment of new enterprises and for the commercialization and development of products of small business concerns and individual inventors; and

(14) assess the cost and availability of capital for such enterprises and products.

OFFICE OF PRODUCTION RESEARCH AND DEVELOPMENT

SEC. 236. (a) There is established in the Agency the Office of Production Research and Development. The Director, through the Office of Production Research and Development, shall—

(1) study and evaluate the state of the American manufacturing technologies and process technologies;

(2) provide guidance and financial assistance to universities, colleges, and vocational and technical schools for curriculum development and equipment acquisition in order to improve manufacturing technologies and process technologies;

(3) support cooperative arrangements among universities, colleges, business concerns, the Federal Government, and State and local governments for the conduct of research concerning manufacturing technologies and process technologies, especially technologies applicable to a wide range of industries;

(4) make grants to appropriate public and private nonprofit institutions to support field experiments with a high potential for commercial success in the development of process technologies and the successful implementation of such technologies;

(5) support and stimulate redevelopment of the scientific and technical infrastructure in manufacturing research and development, including the dissemination of the latest developments in applied research and technology to all participants in the manufacturing process;

(6) study the factors involved in the successful implementation of new manufacturing technologies, including factors such as managerial practices, and develop strategies to improve the utilization of such technologies;

(7) provide measurement services, test procedures, and reliable technical data with respect to automated manufacturing processes;

(8) support research concerning the development of improved manufacturing processes in new and developing product areas such as biotechnology and microelectronics; and

(9) conduct research on organizational arrangements, designs, and methods which will—

(A) prevent the dislocation of employees which may result from technological innovation; and

(B) enable employees affected by technological innovation to be integrated in business and industrial concerns which have benefited from technological innovation.

OFFICE OF INFORMATION AND TECHNOLOGY TRANSFER

SEC. 237. (a) There is established in the Agency the Office of Information and Technology Transfer. The Director, through the Office of Information and Technology Transfer, shall—

(1) conduct a program to disseminate information concerning, and to promote the successful use of, new products and technology, which shall—

(A) evaluate the factors which contribute to the failure of processes for the transfer of information concerning new products and technologies to employees, educational institutions, business and industrial concerns, and State and local governments; and

(B) develop new mechanisms for the transfer of such information and methods to improve existing mechanisms to transfer such information;

(2) identify products and processes developed by Federal agencies such as the Department of Defense, the National Aeronautics and Space Administration, and the Department of Energy, which have potential for commercial applications;

(3) operate a center to make inventions and technical information which are devel-

oped from federally funded research available to business and industrial concerns;

(4) evaluate, promote, and license to business and industrial concerns Government patents which have potential commercial applications, especially patents for exemplary inventions relating to the development, production, and conservation of energy;

(5) operate a national technical information service to make Federal technological, scientific, economic, and engineering information readily accessible to business and industrial concerns, State and local governments, educational institutions, and other interested individuals and organizations;

(6) act as a repository of all scientific and technical information collected by Federal agencies, including information on processes of technological innovation and foreign manufacturing technologies;

(7) operate a clearinghouse for data relating to technological innovation by using a computerized network to coordinate available informational resources in the private sector;

(8) promote the identification and dissemination of important findings and successful technologies which relate to technological innovation; and

(9) establish a national technology extension center program in accordance with subsection (b).

(b) The Director shall establish twelve centers in cooperation with State and local governments, business and industrial concerns, and educational institutions. Each such center shall—

(1) enhance the transfer to, and utilization by, business and industrial concerns of technological knowledge and information developed by educational institutions;

(2) with respect to one or more types of technologies, establish an intellectual center and a comprehensive clearinghouse for research and development;

(3) facilitate the demonstration of new technologies and enable adaptation of such technologies by industries according to the particular needs of such industries;

(4) provide technical assistance to business and industrial concerns which have adopted and implemented the technologies referred to in paragraph (3);

(5) provide practical training for university personnel and new employee retraining for structurally unemployed individuals; and

(6) conduct research and collect empirical data concerning the effects of current programs or the likely effects of new programs which are designed to stimulate technological innovation.

SUBPART 3—TRANSFERS AND REORGANIZATIONS

TRANSFERS FROM THE NATIONAL SCIENCE FOUNDATION

SEC. 241. (a) There are transferred to the Director all functions of the National Science Foundation with respect to or administered through—

(1) the Division of Policy Research and Analysis of the Foundation; and

(2) the Division of Industrial Science and Technological Innovation of the Foundation.

(b) There are transferred to the Director all functions of the National Science Foundation relating to—

(1) the enhancement of scientific and technological resources of State and local governments, including functions relating to the conduct of demonstration projects to enhance such resources, the evaluation of State and local projects to improve technological innovation, and the promotion of networks between State and local governments conducting such projects; and

(2) the study and evaluation of programs providing technical training to entry level employees and the impact of such programs on promoting the adjustment of such employees to technological innovation, including the study and evaluation of programs conducted by secondary schools, vocational and technical schools, junior colleges, colleges and universities, and employers.

TRANSFER FROM THE DEPARTMENT OF ENERGY

SEC. 242. There are transferred to the Director all functions of the Secretary of Energy relating to the identification and promotion of exemplary inventions relating to the development, production, and conservation of energy.

TRANSFER FROM THE SMALL BUSINESS ADMINISTRATION

SEC. 243. There are transferred to the Director all functions of the Administrator of the Small Business Administration relating to the small business innovation research program under the Small Business Act.

REORGANIZATION OF CERTAIN FUNCTIONS OF THE DEPARTMENT OF COMMERCE

SEC. 244. (a) The Secretary shall carry out through the Director all functions which, on the day before the effective date of this part, were administered through—

(1) the Assistant Secretary of Commerce for Productivity, Technology, and Innovation;

(2) the Director of the National Technical Information Service; and

(3) the Director of the Center for the Utilization of Federal Technology.

(b) The Secretary shall carry out through the Director all functions of the Secretary relating to the identification, promotion, and licensing to business and industrial concerns of inventions developed by Federal agencies.

SUBPART 4—ADMINISTRATIVE PROVISIONS

PERSONNEL PROVISIONS

SEC. 251. (a) The Director may appoint and fix the compensation of such officers and employees, including investigators, attorneys, and administrative law judges, as may be necessary to carry out the functions of the Director and the Agency. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and compensated in accordance with title 5, United States Code.

(b)(1) At the request of the Director, the Director of the Office of Personnel Management shall, under section 5108 of title 5, United States Code, provide for the establishment in each of the grade levels GS-16, GS-17, and GS-18, and in the Senior Executive Service, of a number of positions in the Agency equal to the number of positions in that grade level which were used primarily for the performance of functions transferred by this part and which were assigned and filled on the day before the effective date of this part.

(2) Appointments to positions provided for under this subsection may be made without regard to the provisions of section 3324 of title 5, United States Code, if the individual appointed in such position is an individual who is transferred in connection with the transfer of functions under this part and, on the day before the effective date of this part, holds a position and has duties comparable to those of the position to which appointed under this subsection.

(3) The authority under this subsection with respect to any position established at the grade level GS-16, GS-17, or GS-18 shall terminate when the person first appointed to fill such position ceases to hold such position.

(4) For purposes of section 414(a)(3)(A) of the Civil Service Reform Act of 1978, an individual appointed under this subsection shall be deemed to occupy the same position as the individual occupied on the day before the effective date of this part.

(c) The Director may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code, and compensate such experts and consultants for each day (including traveltime) at rates not in excess of the rate of pay for grade GS-18 of the General Schedule under section 5332 of such title. The Director may pay experts and consultants who are serving away from their homes or regular place of business travel expenses and per diem in lieu of subsistence at rates authorized by sections 5702 and 5703 of such title for persons in Government service employed intermittently.

(d)(1)(A) The Director is authorized to accept voluntary and uncompensated services without regard to the provisions of section 1342 of title 31, United States Code, if such services will not be used to displace Federal employees employed on a full-time, part-time, or seasonal basis.

(B) The Director is authorized to accept volunteer service in accordance with the provisions of section 3111 of title 5, United States Code.

(2) The Director is authorized to provide for incidental expenses, including but not limited to transportation, lodging, and subsistence for individuals who provide voluntary services under subparagraph (A) or (B) of paragraph (1).

(3) An individual who provides voluntary services under paragraph (1)(A) shall not be considered a Federal employee for any purpose other than for purposes of chapter 81 of title 5, United States Code, relating to compensation for work injuries, and chapter 171 of title 28, United States Code, relating to tort claims.

GENERAL AUTHORITY

SEC. 252. In carrying out any function transferred by this part, the Director, or any officer or employee of the Agency, may exercise any authority available by law with respect to the function to the official or agency from which the function is transferred. Any action of the Director in exercising such authority shall have the same force and effect as when exercised by the official or agency from which the function was transferred.

DELEGATION AND ASSIGNMENT

SEC. 253. Except where otherwise expressly prohibited by law or otherwise provided by this part, the Director may delegate any function specified for or transferred to the Director by this part and any function transferred or granted to the Director after the effective date of this part to such officers and employees of the Agency as the Director may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate. No delegation of functions by the Director under this section or under any other provision of this part shall relieve the Director of responsibility for the administration of such functions.

SUCCESSION

SEC. 254. (a) Subject to the authority of the President, and except as provided in section 231(c)(2), the Director shall prescribe the order by which officers of the Agency shall act for, and perform the functions of, the Director or any other officer of the Agency during the absence or disability of the Director or such other officer, or in the event of a vacancy in the office of the Director or such other officer.

(b) Notwithstanding any other provision of law, and unless the President directs otherwise, an individual acting for the Director or another officer of the Agency pursuant to subsection (a) shall continue to serve in that capacity until the absence or disability of the Director or such other officer no longer exists or a successor to the Director or such other officer has been appointed by the President and confirmed by the Senate.

REORGANIZATION

SEC. 255. (a) Subject to subsection (b), the Director is authorized to allocate or reallocate functions among the officers of the Agency, and to establish, consolidate, alter, or discontinue such offices in the Agency as may be necessary or appropriate.

(b) The authority of the Director under subsection (a) does not extend to any function which this part specifies shall be performed through a particular office or officer of the Agency, or to any office established by this part.

RULES

SEC. 256. The Director is authorized to prescribe, in accordance with the provisions of chapters 5 and 6 of title 5, United States Code, such rules and regulations as the Director determines necessary or appropriate to administer and manage the functions of the Director or the Agency.

CONTRACTS, GRANTS, AND COOPERATIVE AGREEMENTS

SEC. 257. (a) Subject to the provisions of the Federal Property and Administrative Services Act of 1949, the Director may make, enter into, and perform such contracts, leases, cooperative agreements, grants, or other similar transactions with public agencies, private organizations, and persons, and make payments (in lump sum or installments, and by way of advance or reimbursement, and, in the case of any grant, with necessary adjustments on account of overpayments and underpayments) as the Director considers necessary or appropriate to carry out the functions of the Director or the Agency.

(b) Notwithstanding any other provision of this part, the authority to enter into contracts or to make payments under this part shall be effective only to such extent or in such amounts as are provided in advance in appropriation Acts. This subsection does not apply with respect to the authority granted under section 260.

PUBLICATIONS

SEC. 258. Subject to such procedures as the Director of the Office of Management and Budget may prescribe, the Director may disseminate in the form of reports or publications such information as the Director considers appropriate.

USE OF FACILITIES

SEC. 259. (a) With their consent, the Director, with or without reimbursement, may use the research, services, equipment, and facilities of—

(1) an individual;

(2) any public or private nonprofit agency or organization, including any agency or instrumentality of the United States or of any State, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States;

(3) any political subdivision of any State, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States; or

(4) any foreign government,

in carrying out any function of the Director or the Agency.

(b) The Director, under terms, at rates, and for periods that the Director considers to be in the public interest, may permit the use by public and private agencies, corporations, associations or other organizations, or by individuals, of any real property, or any facility, structure or other improvement thereon, under the custody of the Director. The Director may require permittees under this section to maintain or recondition, at their own expense, the real property, facilities, structures, and improvements used by such permittees.

GIFTS AND BEQUESTS

SEC. 260. (a) The Director is authorized to accept, hold, administer, and utilize gifts and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Agency. Gifts and bequests of money and the proceeds from sales of other property received as gifts or bequests shall be deposited in the United States Treasury in a separate fund and shall be disbursed on order of the Director. Property accepted pursuant to this paragraph, and the proceeds thereof, shall be used as nearly as possible in accordance with the terms of the gift or bequest.

(b) For the purpose of Federal income, estate, and gift taxes, and State taxes, property accepted under subsection (a) shall be considered a gift or bequest to or for use of the United States.

(c) Upon the request of the Director, the Secretary of the Treasury may invest and reinvest in securities of the United States or in securities guaranteed as to principal and interest by the United States any moneys contained in the fund provided for in subsection (a). Income accruing from such securities, and from any other property held by the Director pursuant to subsection (a), shall be deposited to the credit of the fund, and shall be disbursed upon order of the Director.

SEAL OF AGENCY

SEC. 261. The Director shall cause a seal to be made for the Agency of such design as the Director shall approve. Judicial notice shall be taken of such seal.

ANNUAL REPORT

SEC. 262. The Director shall, as soon as practicable after the end of each fiscal year, prepare and transmit a written report to the Secretary for transmission to the President and the Congress on the activities of the Agency during such fiscal year.

SUBPART 5—TRANSITIONAL, SAVINGS, AND CONFORMING PROVISIONS

TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND PERSONNEL

SEC. 271. Except as otherwise provided in this part, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred by this part, subject to section 1531 of title 31, United States Code, shall be transferred to the Director. Unexpended funds transferred pursuant to this section shall be used only for the purposes for which the funds were originally authorized and appropriated.

INCIDENTAL TRANSFERS

SEC. 272. (a) The Director of the Office of Management and Budget, at such time or times as the Director shall provide, is authorized to make such determinations as may be necessary with regard to the functions transferred by this part, and to make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out the provisions of this part. The Director of the Office of Management and Budget shall provide for the termination of the affairs of all entities terminated by this part and for such further measures and dispositions as may be necessary to effectuate the purposes of this part.

(b) After consultation with the Director of the Office of Personnel Management, the Director of the Office of Management and Budget is authorized, at such times as the Director of the Office of Management and Budget may provide, to make such determinations as may be necessary with regard to the transfer of positions within the Senior Executive Service in connection with the functions transferred by this part.

EFFECT ON PERSONNEL

SEC. 273. (a) Except as otherwise provided by this part, the transfer pursuant to this part of full-time personnel (except special Government employees) and part-time personnel holding permanent positions shall not cause any such employee to be separated or reduced in grade or compensation for one year after the date of transfer of such employee under this part.

(b) Any person who, on the day preceding the effective date of this part, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5, United States Code, and who, without a break in service, is appointed in the Agency to a position having duties comparable to the duties performed immediately preceding such appointment shall continue to be compensated in such new position at not less than the rate provided for such previous position, for the duration of the service of such person in such new position.

AGENCY TERMINATIONS

SEC. 274. Except as otherwise provided by this part, whenever all the functions of any office of a Federal agency have been transferred by this part from that agency, such agency shall terminate. If an office terminates pursuant to the provisions of the preceding sentence, each position and component therein which was expressly authorized by law, or the incumbent of which was authorized to receive compensation at the rates prescribed for a position at level II, III, IV, or V of the Executive Schedule contained in sections 5313 through 5316 of title 5, United States Code, shall terminate.

SAVINGS PROVISIONS

SEC. 275. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges that—

(1) have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or by

a court of competent jurisdiction, in the performance of functions which are transferred by this part; and

(2) are in effect when this part takes effect, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Director, a court of competent jurisdiction, or by operation of law.

(b)(1) The provisions of this part shall not affect any proceedings, including notices of proposed rule making, or any application for any license, permit, certificate, or financial assistance pending on the effective date of this part before a Federal agency or any office thereof with respect to functions transferred by this part; but such proceedings or applications, to the extent that they relate to functions transferred, shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made under such orders, as if this part had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by the Director, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection prohibits the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this part had not been enacted.

(2) The Director and the head of each Federal agency from which functions are transferred by this part are authorized to issue regulations providing for the orderly transfer of proceedings continued under paragraph (1).

(c) Except as provided in subsection (e)—

(1) the provisions of this part do not affect actions commenced prior to the effective date of this part, and

(2) in all such actions, proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this part had not been enacted.

(d) No action or other proceeding commenced by or against any officer in his official capacity as an officer of any Federal agency with respect to functions transferred by this part shall abate by reason of the enactment of this part. No cause of action by or against any Federal agency with respect to functions transferred by this part, or by or against any officer thereof in his official capacity, shall abate by reason of the enactment of this part. Causes of action and actions with respect to a function transferred by this part, or other proceedings may be asserted by or against the United States or the Director, as may be appropriate, and, in an action pending when this part takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(e) If, before the date on which this part takes effect, any Federal agency or any officer thereof in his official capacity, is a party to an action, and under this part any function of such Federal agency is transferred to the Director, then such action shall be continued with the Director substituted or added as a party.

(f) Orders and actions of the Director in the exercise of functions transferred by this part shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the head of the Federal agency exercising such functions immediately preceding their transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this part shall apply to the exercise of such function by the Director.

AMENDMENTS

SEC. 276. (a) Section 5313 of title 5, United States Code, is amended by adding at the end thereof the following new item:

"Director, Agency for Technological Innovation, Department of Commerce.".

(b) Section 5314 of such title is amended—

(1) by striking out the item relating to the Assistant Secretaries of Commerce and inserting in lieu thereof the following:

"Assistant Secretaries of Commerce (7)."; and

(2) by adding at the end thereof the following new item:

"Deputy Director, Agency for Technological Innovation, Department of Commerce.".

(c) Section 5316 of such title is amended by adding at the end thereof the following new item:

"Assistant Director, Agency for Technological Innovation, Department of Commerce.".

SEPARABILITY

SEC. 277. If a provision of this part or its application to any person or circumstance is held invalid, neither the remainder of this part nor the application of the provision to other persons or circumstances shall be affected.

REFERENCE

SEC. 278. With respect to any functions transferred by this part and exercised after the effective date of this part, reference in any other Federal law to the Federal agency from which such functions were transferred or the head of such Federal agency, shall be considered to refer to the Director.

TRANSITION

SEC. 279. With the consent of the head of each Federal agency from which functions are transferred by this part, the Director is authorized to utilize—

(1) the services of officers, employees, and other personnel of each such Federal agency with respect to functions or offices transferred to the Agency by this part; and

(2) funds appropriated to such functions for such period of time as may reasonably be needed to facilitate the orderly implementation of this Act.

SUBPART 6—MISCELLANEOUS

EFFECTIVE DATE

SEC. 281. (a) This part shall take effect one hundred and twenty days after the date of enactment of this Act, except that—

(1) section 279 shall take effect on the date of enactment of this Act; and

(2) at any time after the date of enactment of this Act—

(A) the officers provided for in subpart 2 may be nominated and appointed, as provided in such subpart; and

(B) the Director and the head of each Federal agency from which functions are transferred by this part may promulgate regulations under section 275(b)(2).

(b) Funds available to a Federal agency, with respect to functions transferred by this part, may be used, with approval of the Director of the Office of Management and Budget, to pay the compensation and expenses of an officer appointed under subsection (a)(2)(A) who will carry out such functions until funds for that purpose are otherwise available.

INTERIM APPOINTMENTS

SEC. 282. (a) If one or more officers required by this part to be appointed by and with the advice and consent of the Senate have not entered upon office on the effective date of this part and notwithstanding any other provision of law, the President may designate any officer who was appointed by and with the advice and consent of the Senate, and who was such an officer on the day before the effective date of this part, to act in the office until it is filled as provided by this part.

(b) Any officer acting in an office pursuant to subsection (a) shall receive compensation at the rate prescribed by this part for such office.

AUTHORIZATION OF APPROPRIATIONS

SEC. 283. To carry out this part, there are authorized to be appropriated $100,000,000 for fiscal year 1986 and each of the four succeeding fiscal years.

TITLE III—EDUCATION AND HUMAN RESOURCES

FINDINGS AND PURPOSE

SEC. 300. (a) The Congress finds that—

(1) the Nation's future economic competitiveness will depend on the education of its citizens;

(2) a number of recent reports have documented the shortcomings and inadequacies of our current educational system, including evidence that—

(A) American students rank behind students of other industrialized nations in academic achievement;

(B) a significant number of all 17-year-olds can't read and illiteracy is an even greater problem for poor minority youth;

(C) one in four students fail to complete high school;

(D) American students take fewer math, science, and foreign language courses than their peers in other industrialized countries and there is a continuing shortage of qualified math and science teachers; and

(E) too many gifted students fail to match their tested ability in their academic achievement;

(3) current programs aren't adequately meeting the need to improve our educational system, inasmuch as—

(A) only 47 percent of students eligible for programs under title I of the Elementary and Secondary Education Act of 1965 are being served; and

(B) vocational education is not adequately preparing women and minorities, nor is it effectively serving high school dropouts and workers needing retraining; and

(4) ensuring quality education is the Nation's problem, not a matter to be left solely to State and local governments.

(b) Therefore it is the purpose of this title to—

(1) extend programs under title I of the Elementary and Secondary Education Act of 1965 to permit disadvantaged high school students to receive compensatory education in reading, writing, and computing so that they can be prepared to enter the job market;

(2) make disadvantaged youth and high school dropouts a top priority for vocational education;

(3) insure that quality training and retraining is available to older workers whose skills are no longer marketable;

(4) strengthen and expand adult basic education programs to provide basic skills

and literary training to the thousands who are functionally illiterate;

(5) authorize a new program to aid America's gifted and talented students in elementary and secondary schools; and

(6) establish a merit scholarship program to reward college students of exceptional ability.

PART A—COMPENSATORY EDUCATION FOR DISADVANTAGED SECONDARY SCHOOL STUDENTS

AMENDMENT TO THE EDUCATION CONSOLIDATION AND IMPROVEMENT ACT OF 1981

SEC. 301. Chapter 1 of the Education Consolidation and Improvement Act of 1981 is amended by adding at the end thereof the following new section:

"PROGRAMS FOR THE SPECIAL EDUCATIONAL NEEDS OF DISADVANTAGED SECONDARY SCHOOL STUDENTS

"SEC. 559. (a) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts otherwise available for this chapter in each of the fiscal years 1986, 1987, and 1988, there are authorized to be appropriated $500,000,000 for the fiscal year 1986, $750,000,000 for the fiscal year 1987, and $1,000,000,000 for the fiscal year 1988 for carrying out the provisions of this section.

"(b) AMOUNT OF GRANTS.—Each local educational agency shall be entitled to receive in each fiscal year from amounts appropriated pursuant to subsection (a) of this section an amount which bears the same ratio to the amount so appropriated as the amount the local educational agency is entitled to receive under section 111 for that fiscal year bears to the amount all local educational agencies are entitled to receive under section 111 for that fiscal year.

"(c) AUTHORIZED PROGRAMS.—Each local educational agency shall use the payments under this section for compensatory programs and projects (including the acquisition of equipment and, where necessary, the minor renovation of school facilities) which are designed to meet the special educational needs of educationally deprived secondary school students.

"(d) APPLICABILITY OF TITLE I PROVISIONS OF LAW.—Except as otherwise specifically provided in this section the provisions of this chapter and of title I of the Elementary and Secondary Education Act of 1965 as in effect on September 30, 1982 are applicable to the payments made under this section.

"(e) DEFINITION.—For the purpose of this section the term 'secondary school students' means students who are in grades 10, 11, or 12, inclusive, in the secondary schools of local educational agencies.".

PART B—VOCATIONAL AND ADULT EDUCATION PROGRAMS

FINDINGS

SEC. 311. The Congress finds that—

(1) adults who retire early often need work in order to supplement their retirement income;

(2) adults who are displaced homemakers require training or retraining to obtain employment;

(3) adults who are laid off from jobs which they have held for many years need retraining in order to reenter the job market; and

(4) adults who are unemployed or underemployed need improved skills for jobs available in high technology industries.

DEFINITIONS

SEC. 312. As used in this part—

(1) the term "adult" means any individual who is at least 35 years of age;

(2) the term "adult worker" means any adult—

(A) who is a dislocated worker;

(B) who is a displaced homemaker;

(C) who was, or is employed, and needs retraining in order to reenter the job market;

(D) who is laid off from a job held for many years;

(E) who needs new or upgraded skills; or

(F) who is an older American and needs training or retraining;

(3) the term "Governor" means the chief executive of any State;

(4) the term "Secretary" means the Secretary of Education;

(5) the term "State" means any State of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands;

(6) the term "State educational agency" means the State Board of Education or other agency or office primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such office or agency, an office or agency designated by the Governor or by a State law;

(7) the term "State board for vocational education" means a State board designated or created by State law as the sole State agency responsible for the administration of vocational education or for supervision of the administration of vocational education in the State; and

(8) the term "State agency on aging" means the State agency designated under section 305(a)(1)(A) of the Older Americans Act of 1965.

PROGRAM AUTHORIZED

SEC. 313. (a) The Secretary is authorized to make grants to States, in accordance with the provisions of this part, to pay the costs of training, retraining, and placement programs for adult workers.

(b) There are authorized to be appropriated $100,000,000 for fiscal year 1986, $200,000,000 for fiscal year 1987, and $400,000,000 for fiscal year 1988.

ALLOTMENT TO STATES

SEC. 314. (a)(1) From the amount appropriated to carry out this part for each fiscal year, the Secretary shall—

(A) reserve not to exceed 10 percent for carrying out section 317,

(B) reserve 1 percent for carrying out section 318, and

(C) allot to each State an amount which bears the same ratio to the amount remaining as the number of individuals who are age 35 or older, inclusive, in the State bears to the number of such individuals in all States, except that no State shall receive less than one-half of 1 percent of the amount appropriated under section 313(b) in any fiscal year.

(2) For the purpose of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, or the Commonwealth of the Northern Mariana Islands.

(3) The number of individuals age 35 or older, inclusive, in the State and in all States, shall be determined by the Secretary on the basis of the most recent satisfactory data available to the Secretary.

(b) The amount of any State's allotment under subsection (a) for any fiscal year to carry out this part which the Secretary determines will not be required for that fiscal year to carry out this part shall be available for reallotment from time to time, on such dates during that year as the Secretary may fix, to other States in proportion to the original allotments to those States under subsection (a) for that year but with such proportionate amount for any of those other States being reduced to the extent it exceeds the sum the Secretary estimates that State needs and will be able to use for that year; and the total of those reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amounts reallotted to a State under this subsection during a year shall be deemed a part of its allotment under subsection (a) for that year.

(c) There are authorized to be appropriated for each fiscal year for the purpose of this subsection amounts equal to not more than 1 percent of the amount appropriated for such year under this part. The Secretary shall allot the amount appropriated pursuant to this subsection among Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands according to their respective needs for assistance under this part. In addition for each fiscal year, the Secretary shall allot from such amount to the Secretary of the Interior the amounts necessary for programs authorized by this part for vocational education programs for adult Indians. The terms upon which payments for such purposes shall be made to the Secretary of the Interior shall be determined by such criteria as the Secretary determines will best carry out the purpose of this part.

JOB TRAINING COMMITTEE; USES OF FUNDS

SEC. 315. (a)(1) The Secretary shall make grants under this part to the adult worker job training committee in each State, established in accordance with the provisions of this subsection.

(2) Each State desiring to receive assistance under this part shall establish an adult worker job training committee composed of—

(A) an officer from the State educational agency;

(B) an officer from the State agency on aging;

(C) an officer from the State board for vocational education;

(D) an officer from the State agency responsible for postsecondary vocational education;

(E) an officer from the State agency that receives assistance under section 123 of the Jobs Training Partnership Act, but only if such State agency is not represented under clauses (A) through (D) of this sentence; and

(F) a representative from the private sector appointed by the Governor.

(3) In any case in which the Governor is unable to establish an adult worker job training committee in accordance with paragraph (1) of this subsection, the Governor shall carry out the functions of the committee under this part.

(b) The amount of each State's allotment under section 4(a) may be used by the adult worker job training committee for—

(1) employment based programs for adult workers within the State in occupations in which there are existing job opportunities, with particular emphasis upon growth industries involving new and emerging technology;

(2) training programs for adult workers, including support services conducted at the

local level in community and junior colleges, vocational education facilities, and other facilities which are appropriate, accessible, and convenient to the older Americans to be served under the program; and

(3) placement services, including information, counseling, and support services to assist adult workers in obtaining employment.

STATE APPLICATIONS

SEC. 316. (a) Each State which desires to receive grants under this part shall file an application with the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary reasonably requires. Each such application shall—

(1) designate the adult worker job training committee described in section 315(a)(1), or if necessary, the Governor as required by section 315(a)(2), as the agency responsible for the administration and supervision of programs described in section 315(b);

(2) describe the programs for which assistance is sought under the application;

(3) provide assurances that in carrying out training programs assisted under this part priority will be given to adult workers within the State—

(A) who are entering the work force for the first time;

(B) who are unemployed and need retraining for a new job; and

(C) who need training for new jobs requiring a knowledge of high technology;

(4) provide procedures—

(A) under which providers of training and placement services may submit applications to the adult worker job training committee established under section 315(a)(1) or the Governor, as the case may be, for distribution of payments to such providers within the State, and

(B) for approval by the committee or the Governor, as the case may be, including appropriate procedures to assure that the committee or the Governor, as the case may be, will not disapprove an application without notice and opportunity for a hearing;

(5) provide assurances that not to exceed 10 percent of State's allotment will be used for administrative expenses, including expenses of the adult worker job training committee, technical assistance, and demonstration projects;

(6) provide assurances that Federal funds made available under this part for any fiscal year will be so used as to supplement, and to the extent practicable to increase, the level of funds that would, in the absence of such funds, be available for the purposes described in section 315(b), and in no case supplant such funds; and

(7) provide such fiscal control and accounting procedures as may be necessary—

(A) to ensure proper accounting of Federal funds paid to the applicant under this part, and

(B) to ensure the verification of the programs assisted under the application.

(b) The Secretary shall expeditiously approve any application that meets the requirements of this section.

NATIONAL DEMONSTRATION PROJECTS

SEC. 317. (a) From the amount reserved under section 314(a)(1)(A), the Secretary is authorized, in accordance with this section, to make grants to and enter into contracts with national organizations of proven ability in providing employment services to adult workers, under which such organizations will develop and carry out demonstration projects designed to focus attention on the special vocational education needs of adults and to promote employment opportunities for adult workers.

(b) Financial assistance provided under grants made or contracts entered into under this section may be used for—

(1) furnishing training and retraining to adult workers,

(2) assisting adult workers, particularly displaced homemakers, to make midlife career changes,

(3) providing referral services for employment opportunities for adult workers, and

(4) disseminating information designed to encourage the public sector and the private sector to offer more job training opportunities for adult workers.

NATIONAL CLEARINGHOUSE ON OLDER AMERICANS JOB TRAINING

SEC. 318. From the amount reserved under section 314(a)(1)(B) the Secretary shall establish and operate a clearinghouse on training and retraining programs for adult workers. The clearinghouse shall collect and disseminate to the public information pertaining to vocational education training, retraining, and placement services available for adult workers, together with ways of coordinating such services and programs available for adult workers with other similar programs provided to adult workers. The Secretary is authorized to enter into contracts with public agencies and private organizations to operate the clearinghouse established or designated under this section.

PAYMENTS

SEC. 319. (a) From the amounts appropriated under section 313(b), the Secretary shall pay, in accordance with the provisions of this part, the amount required for the programs described in the application approved under section 316(b).

(b) Payments under this part shall be made as soon after the approval of the application as practicable.

AMENDMENTS TO THE VOCATIONAL EDUCATION ACT OF 1963

SEC. 320. (a) Section 102 of the Vocational Education Act of 1963 (hereafter in this section referred to as "the Act") is amended—

(1) by striking out subsections (a), (b), and (c) of section 102 and inserting in lieu thereof the following:

"SEC. 102. (a) There are authorized to be appropriated $1,100,000,000 for the fiscal year 1986 and such sums as may be necessary for the fiscal years 1987 and 1988, for the purpose of carrying out subparts 2, 3, 4, and 5 of this part"; and

(2) by striking out "(d)" and inserting in lieu thereof "(b)".

(b) Section 110 of the Act is amended by—

(1) redesignating subsections (d) and (e) as subsections (e) and (f);

(2) by inserting after subsection (c) the following new subsection:

"(d)(1) For each fiscal year at least 20 per centum of each States allotment under section 103 from appropriations made under section 102(c) shall be used to pay not to exceed 50 per centum of the cost of special vocational education programs described in section 120A."; and

(3) by striking out "subsections (a) and (b)" each time it appears in subsection (f) and by inserting in lieu thereof "subsections (a), (b), and (d)".

(c) Section 120(b)(1) of the Act is amended—

(1) by inserting after clause (A) the following:

"(B) Vocational Educational and Training Programs for Disadvantaged Youth as described in section 120A"; and

(2) by redesignating clauses (B), (C), (D), (E), (F), (G), (H), (I), (J), (K), (L), (M), (N), and (O), as clauses (C), (D), (E), (F), (G), (H), (I), (J), (K), (L), (M), (N), (O), and (P), respectively.

(d) Section 120(b)(2) is amended by striking out subparagraph (G) or (H) and inserting in lieu thereof subparagraph (H) or (I).

(e) Subpart 2 of the Act is amended by inserting after section 120 the following new section:

"SPECIAL VOCATIONAL EDUCATION PROGRAMS FOR DISADVANTAGED YOUTH

"SEC. 120A. (a) Funds available to the States under section 120 may be used for grants to local educational agencies and the participation of nonprofit private organizations for special vocational programs for disadvantaged youth which—

"(1) are administered by the local educational agencies for the benefit of disadvantaged youth including youth who have left high school;

"(2) provide that funds made available under this section may be expended in urban and rural areas within the State which are economically depressed areas;

"(3) provide that the special vocational education program will furnish disadvantaged youth courses of study or training, or both, specially designed to improve the employment opportunities of such youth; and

"(4) provide that to the extent necessary, the vocational education and training program authorized by this section may include special instruction and supportive services for such youth pursuant to contracts with eligible recipients and other appropriate public agencies and nonprofit private organizations and each local educational agency.

"(b) Each State in operating vocational education programs from section 120 shall—

"(1) adopt policy and procedure from Federal funds used for this purpose will be used solely for the provision of special training vocational and education assistance for disadvantaged youth.

"(2) set forth youth criteria for determining the priority for selection of applications from local educational agencies from urban and rural areas of the State which are economically depressed areas.

"(c) For the purpose of this Act the term "youth" means any individual who is in the tenth grade in secondary school of a local educational agency or who has at least obtained 15 years of age, and the individual has left high school and who has not attained 25 years of age.".

AMENDMENTS TO THE ADULT EDUCATION ACT

SEC. 321. (a) Section 3[illegible]1(b) of the Adult Education Act (20 U.S.C. 1208a(b)) is amended by striking out "October 1, 1983" and inserting in lieu thereof "October 1, 1987".

(b) Section 313(b) of such Act is amended by striking out "October 1, 1984" and inserting in lieu thereof "October 1, 1988".

(c) Section 315(a) of such Act is amended to read as follows:

"(a) Except as otherwise provided, there are authorized to be appropriated $100,000,000 for fiscal year 1986; $200,000,000 for fiscal year 1987; and $400,000,000 for fiscal year 1988; to carry out the provisions of this title.".

(d) Section 316(e) of such Act is amended by striking out "October 1, 1983" and inserting in lieu thereof "October 1, 1988".

(e) Section 318(f) of such Act is amended by striking out "four" and inserting in lieu thereof "nine".

Part C—Cancellation of Loans for Certain Teachers

AMENDMENTS TO THE HIGHER EDUCATION ACT OF 1965

Sec. 331. (a) The first sentence of section 465(a)(2) of the Higher Education Act of 1965 is amended—

(1) by striking out the period at the end of clause (D) and inserting in lieu thereof a semicolon and the word "or", and

(2) by adding at the end thereof the following new clause:

"(E) as a full-time teacher in a public or other nonprofit elementary or secondary school system who teaches mathematics, science, or computer education, if the teacher enters into an agreement with the Secretary to teach for a period of not less than 5 consecutive years.".

(b) Section 465(a)(3)(A) of such Act is amended—

(1) by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the word "and", and

(2) by adding at the end thereof the following:

"(iv) in the case of service described in clause (E) of paragraph (2) at a rate of 10 per centum for each year of qualifying service.".

Part D—Education Program for Gifted and Talented Children and Merit Scholarships

Subpart 1—Gifted and Talented Children

AMENDMENTS TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

Sec. 341. (a) The Elementary and Secondary Education Act of 1965 is amended by inserting at the appropriate place in the Act the following:

"TITLE IX—ADDITIONAL PROGRAMS

"Part A—Gifted and Talented Children

"SHORT TITLE; PURPOSE

"Sec. 901. (a) This part may be cited as the 'Gifted and Talented Children's Education Act'.

"(b) The Congress hereby finds and declares that—

"(1) the Nation's greatest resource for solving critical national problems in areas of national concern is its gifted and talented children,

"(2) unless the special abilities of gifted and talented children are developed during their elementary and secondary school years, their special potentials for assisting the Nation may be lost, and

"(3) gifted and talented children from economically disadvantaged families and areas often are not afforded the opportunity to fulfill their special and valuable potentials, due to inadequate or inappropriate educational services.

"(c) It is the purpose of this part to provide financial assistance to State and local educational agencies, institutions of higher education, and other public and private agencies and organizations, to assist such agencies, institutions and organizations to plan, develop, operate, and improve programs designed to meet the special educational needs of gifted and talented children.

"DEFINITION

"Sec. 902. For the purposes of this part, the term 'gifted and talented children' means children and, whenever applicable, youth, who are identified at the preschool, elementary, or secondary level as possessing demonstrated or potential abilities that give evidence of high performance capability in areas such as intellectual, creative, specific academic, or leadership ability, or in the performing and visual arts, and who by reason thereof, require services or activities not ordinarily provided by the school.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 903. For the purpose of carrying out this part, there are authorized to be appropriated $35,000,000 for the fiscal year 1986, $60,000,000 for the fiscal year 1987, and $85,000,000 for the fiscal year 1988.

"STATE PROGRAMS

"Sec. 904. (a) From the amounts available in any fiscal year under section 903, the Secretary shall make grants to State educational agencies for the Federal share of the cost of planning, developing, operating, and improving programs designed to meet the educational needs of gifted and talented children at the preschool, elementary, and secondary levels. Such programs may include inservice training of personnel to teach such children.

"(b)(1) Except as provided in paragraph (2), to the extent funds are available in any fiscal year to carry out the provisions of this section, the Secretary shall distribute funds so as to assure that each State educational agency which submits an application which fully meets all requirements of this section and is approved by the Secretary will receive not less than $50,000 in that fiscal year. If sums appropriated for any fiscal year for making payments under this subsection are not sufficient to pay in full the amount to which each State educational agency is entitled under the previous sentence, such amounts shall be ratably reduced.

"(2) In any fiscal year in which appropriations under this part equal or exceed $15,000,000, the Secretary shall allot the amounts so appropriated in accordance with the provisions of section 906.

"(c) Each State educational agency desiring to receive a grant under this section shall submit an application at such time, in such manner and accompanied by such information as is necessary for the purposes of this section. Each such application shall contain assurances that—

"(1) funds paid to the State educational agency will be expended solely to plan, develop, operate, and improve programs and projects which—

"(A) are designed to identify the educational needs of gifted and talented children,

"(B) are of sufficient size, scope, and quality to hold reasonable promise of making substantial progress toward meeting such needs, and

"(C) give appropriate consideration to the particular educational needs of disadvantaged, gifted and talented children;

"(2)(A) the State educational agency will reserve from funds made available under this section in each fiscal year not more than 10 per centum of such funds for the purpose of administration, technical assistance, coordination, and statewide planning related to programs and projects designed to meet the needs of gifted and talented children;

"(B) the State educational agency will distribute, on a competitive basis, not less than 90 per centum of the funds made available under this section for payments to local educational agencies within the State which apply to the State educational agency, with due regard for the quality of activities proposed in the application of the local educational agencies;

"(3) the State educational agency will use the funds made available under this section for programs and projects which include a component for the identification and education of disadvantaged gifted and talented children from low-income families;

"(4) the State educational agency and the local educational agencies within the State may use funds made available under this section to acquire instructional equipment only if such equipment will enhance the program or project for which such funds are furnished;

"(5)(A) the requirements of section 557 of the Education Consolidation and Improvement Act of 1981 (relating to participation of pupils and teachers in private elementary and secondary schools) are met unless such requirements cannot legally be met in the State (as determined by the State educational agency);

"(B) the State educational agency will not approve the application of a local educational agency within the State for assistance under this section unless the State educational agency determines that in designing the proposal subject to the application the needs of children in nonprofit private elementary and secondary schools have been taken into account through the consultation with private school officials and by other appropriate means; and

"(6) the State educational agency will provide to local educational agencies within the State, which are unable to compete due to smaller size or lack of financial resources, technical assistance in preparing proposals and in planning, developing, and operating programs under this section.

"(d) The Secretary shall approve any application which meets the requirements of subsection (c) and not disapprove any such application without first affording an opportunity for a hearing.

"STATE ALLOTMENTS

"Sec. 905. (a)(1) In any fiscal year in which appropriations for this part are equal to or exceed $15,000,000 the Secretary shall allot, from amounts available under section 903(b)(2), not more than 1 per centum among—

"(A) Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands;

"(B) programs for children and teachers in elementary and secondary schools operated for Indian children by the Department of the Interior; and

"(C) programs authorized for children and teachers in overseas dependent schools of the Department of Defense,

in accordance with their respective needs.

"(2) From the remainder of such sums in any such fiscal year, the Secretary shall allot to each State which has an application meeting the requirements of section 904, an amount which bears the same ratio to such remainder as the number of children in the State aged 5 to 17 years, inclusive, bears to the number of children in all States, except that no State shall receive less than $50,000 in any such fiscal year.

"(3) For the purpose of this subsection, the term 'State' means the several States, the Commonwealth of Puerto Rico, and the District of Columbia.

"(b) The amount of any State's allotment under subsection (a) for any fiscal year which the Secretary determines will not be required for such fiscal year shall be available for reallotment from time to time, on such dates during such year as the Secretary may fix, to other States in proportion to the original allotments to such States under subsection (a) for that year but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use for such year; and the total of such reduction shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amounts reallotted to a State under this subsection during a year from funds appropriated under section 903 shall be deemed part of its allotment under section (a) for such year.

"ADMINISTRATION

"Sec. 906. (a) The Secretary shall designate an administrative unit within the Department of Education to administer the programs and projects authorized by this part and to coordinate all programs for gifted and talented children and youth administered by the Department of Education.

"(b) Notwithstanding any other provision of law, any Indian tribe which operates schools for its children shall be deemed to be a local educational agency for the purposes of this part.

"(c) No financial assistance may be made to a local educational agency for a period in excess of 5 years. The limitation contained in this subsection shall not apply to any financial assistance extended prior to the date of enactment of the Education Amendments of 1978.

"FEDERAL SHARE

"Sec. 907. The Federal share for any fiscal year shall be 90 per centum, except that the Federal share for the clearinghouse activities under section 905(a)(4), the research, evaluation and related activities under section 905(a)(6), and programs and projects involving the participation of students in nonprofit private elementary and secondary schools shall be 100 per centum.".

(b) Section 561(a)(1) of the Education Consolidation and Improvement Act of 1981 is amended by striking out "part C" and inserting in lieu thereof "parts A and C".

(c) Section 581 of such Act is amended by striking out "part C" and inserting in lieu thereof "parts A and C" and by striking out "gifted and talented children".

(d) Section 582 of such Act is amended—

(1) by striking out subclause (A) of clause (3) of such section; and

(2) by redesignating subclauses (A), (B), (C), (D), and (E) as subclauses (A), (B), (C), and (D), respectively.

(e) Section 587(a)(1) of such Act is amended by striking out "part C" and inserting in lieu thereof "parts A and C".

(f) Section 1001(i) of the Elementary and Secondary Education Act is amended to read as follows:

"(i) The term 'Secretary' means the Secretary of Education.".

Subpart 2—Merit Scholarships

STATEMENT OF PURPOSE

Sec. 342. It is the purpose of this subpart to establish a merit scholarship program to promote student excellence and achievement and to recognize exceptionally able students who show promise of continued excellence.

DEFINITION

Sec. 343. For the purpose of this subpart—

(1) the term "institution of higher education" has the same meaning given that term under section 1201(a) of the Higher Education Act of 1965;

(2) the term "secondary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965;

(3) the term "Secretary" means the Secretary of Education; and

(4) the term "State" means each of the several States, the District of Columbia and the Commonwealth of Puerto Rico.

SCHOLARSHIPS AUTHORIZED

Sec. 344. (a) The Secretary is authorized, in accordance with the provisions of this subpart, to award scholarships to individuals who have demonstrated outstanding academic achievement and who show promise of continued academic achievement.

(b) Scholarships under this section shall be awarded for a period of one academic year for the first year of study at an institution of higher education.

(c) A student awarded a scholarship under this subpart may attend any institution of higher education.

ELIGIBILITY OF MERIT SCHOLARS

Sec. 345. (a) Each student awarded a scholarship under this subpart shall be a graduate of a public or private secondary school and must have been admitted for enrollment at an institution of higher education.

(b) Pursuant to criteria established by the Secretary, each student awarded a scholarship under this subpart must show promise of continued academic achievement.

SELECTION OF MERIT SCHOLARS

Sec. 346. (a) The Secretary is authorized to establish the criteria for the selection of merit scholars under this subpart.

(b) The Secretary shall adopt selection procedures which are designed to assure that not to exceed ten individuals will be selected from among residents of each congressional district in a State (and in the case of the District of Columbia and the Commonwealth of Puerto Rico not to exceed ten individuals will be selected in such district or Commonwealth).

STIPENDS AND SCHOLARSHIP CONDITIONS

Sec. 347. (a) Each student awarded a merit scholarship under this subpart shall receive a stipend, as determined by the Secretary, which shall not exceed $3,000 for the academic year of study for which the scholarship is awarded.

(b) The Secretary shall establish procedures under which a merit scholar awarded a scholarship under this subpart establishes that the scholar is maintaining satisfactory proficiency and devoting full time to the course of study for which the scholarship was awarded.

AWARDS CEREMONY

Sec. 348. (a) The Secretary shall make arrangements to award merit scholarships under this subpart at a place in each State which is convenient to the individuals selected to receive such scholarships. To the extent possible, the award shall be made by Members of the Senate and Members of the House of Representatives (by the Delegate in the case of the District of Columbia and the Resident Commissioner in the case of the Commonwealth of Puerto Rico) who represent the State or district, as the case may be, from which the individuals come.

(b) The selection process shall be completed, and the awards made during the week of April 10 in each year, except that the awards shall be made in the first year after the date of enactment of this subpart as soon as practicable after such date.

ADMINISTRATIVE PROVISIONS

Sec. 349. (a) In order to carry out the provisions of this subpart, the Secretary is authorized to—

(1) prescribe such regulations as are necessary;

(2) receive money and other property donated, bequeathed, or devised, without condition or restriction other than it be used for the purposes of this subpart;

(3) use, sell, or otherwise dispose of such property for the purpose of carrying out the functions of the Secretary under this subpart;

(4) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(5) enter into contracts, grants, or other arrangements, or modifications thereof, to carry out the provisions of this subpart; and

(6) make advances, progress, and other payments which the Board deems necessary under this subpart without regard to the provisions of section 3324 of title 31, United States Code.

(b) The Secretary shall submit to the President and to the Congress an annual report of the activities conducted under this subpart.

AUTHORIZATIONS OF APPROPRIATIONS

Sec. 350. There are authorized to be appropriated $15,000,000 for each of fiscal years 1986, 1987, and 1988 to carry out the provisions of this subpart.

TITLE IV—ADJUSTMENT FOR WORKERS, COMMUNITIES, AND INDUSTRIES

FINDINGS AND PURPOSES

Sec. 400. (a) The Congress finds that—

(1) structural changes in the Nation's and the world's economies have had and will continue to have a significant impact on workers and their communities;

(2) the Nation does not have an adjustment policy to assist workers and communities in meeting the challenges of economic change;

(3) current programs and policies are inadequate to meet the need for such assistance and often encourage workers to delay the adjustment process; and

(4) a national adjustment policy is needed that will encourage business as well as workers and communities to plan and prepare for economic changes.

(b) It is the purpose of this title to—

(1) modify the unemployment insurance system so that States can develop programs to better assist workers affected by economic displacement;

(2) authorize loans for displaced workers seeking retraining;

(3) encourage the transfer and development of technology for use by small businesses and educational institutions in training workers;

(4) assist business communities and workers in preparing for and dealing with the permanent loss of jobs due to plant closings or major workforce reductions by establishing community adjustment committees, and

(5) provide public and private sector jobs to older workers and heads of households who have exhausted their unemployment benefits.

PART A—UNEMPLOYMENT COMPENSATION

WORK SHARING WITH TRAINING REQUIREMENTS OR INCENTIVES

Sec. 401. (a) Any State may establish short-time compensation programs under its unemployment compensation law, under which an individual in an industry with declining employment (as determined by the State) shall be eligible for short-time unemployment compensation for time spent in training approved by the State, while the individual continues to be employed on a reduced workweek basis.

(b) States are encouraged to establish such programs in accordance with the provisions of section 194 of the Tax Equity and Fiscal Responsibility Act of 1982.

UNEMPLOYMENT COMPENSATION FOR WORKERS WHO VOLUNTARILY RESIGN TO ENTER TRAINING PROGRAM

Sec. 402. (a)(1) Any State may provide that unemployment compensation under its State unemployment compensation law shall be paid to an individual who voluntarily leaves employment in a firm (or appropriate subdivision of the firm) which is experiencing a major reduction in employment (as determined by the State), for weeks in which such individual is satisfactorily participating in training approved by the State agency.

(2) For purposes of this section, a firm or appropriate subdivision of the firm shall be experiencing a major reduction in employment if—

(A)(i) the number of employees employed by such firm or subdivision has decreased by 40 percent or more over the period of the preceding 18 months, or (ii) such firm or subdivision has announced that it will cease operation; or

(B) such firm or subdivision meets such other requirements as the State may establish for purposes of eligibility.

(b) Section 202(a) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by adding at the end thereof the following new paragraph:

"(7)(A) The provisions of paragraphs (3) and (4) shall not apply in the case of an individual who voluntarily terminated employment in a firm (or appropriate subdivision of the firm) which is experiencing a major reduction in employment (as determined by the State) and is satisfactorily participating in training approved by the State agency.

"(B) For purposes of this paragraph, a firm or appropriate subdivision of the firm shall be experiencing a major reduction in employment if—

"(i)(I) the number of employees employed by such firm or subdivision has decreased by 40 percent or more over the period of the preceding 12 months, or (II) such firm or subdivision has announced that it will cease operations; and

"(ii) such firm or subdivision meets such other requirements as the State may establish for purposes of eligibility.".

EXTENSION OF PERIOD OF ELIGIBILITY FOR UNEMPLOYMENT COMPENSATION

Sec. 403. (a)(1) Any State may provide under its State unemployment compensation law that an individual (including an individual who has voluntarily resigned to enter a training program) may elect, at any time during the first 8 weeks of his period of eligibility for regular compensation, to receive an amount equal to 125 percent of the remainder of his regular unemployment compensation, payable in equal weekly payments over an extended period of time, if, during such extended period of time, he is satisfactorily participating in training approved by the State agency. Such election shall be irrevocable. The number of weeks over which he may choose to receive such compensation may not exceed the lesser of twice the number of weeks of eligibility for regular compensation which he had remaining at the time of the election, or the duration of the training program.

(2) If an individual fails to satisfactorily participate in or successfully graduates from the training program at any time after making an election under paragraph (1), the amount of remaining regular compensation for which such individual will be eligible for that benefit year shall be determined as follows:

(A) If the total amount of regular compensation already paid to such individual for such benefit year (including payments under paragraph (1)) is equal to or greater than the total amount of regular compensation for which such individual would have been eligible if he had never made an election under paragraph (1), such individual shall not be eligible for any additional regular compensation.

(B) If the total amount of regular compensation already paid to such individual for such benefit year (including payments under paragraph (1)) is less than the total amount of regular compensation for which such individual would have been eligible if he had never made an election under paragraph (1), the individual shall be eligible for such remainder (if he continues to meet the eligibility requirements under the State law). Such remainder shall be payable as follows:

(i) If the number of weeks for which such individual has already received regular compensation for such benefit year (including payments under paragraph (1)) is equal to or greater than the number of weeks for which he would have received regular compensation if he had never made an election under paragraph (1), the remainder shall be paid in a lump sum.

(ii) If the number of weeks for which such individual has already received regular compensation for such benefit year (including payments under paragraph (1)) is less than the number of weeks for which he would have received regular compensation if he had never made an election under paragraph (1), the remainder shall be paid over such remaining weeks in weekly amounts equal to the weekly amount payable for a week if he had never made an election under paragraph (1), and if any amount remains payable at the end of the remaining weeks, it shall be payable in a lump sum at that time.

(3) No individual making an election under paragraph (1) shall be entitled to any amount of compensation in excess of the amount he would have received if he had not made such election except to the extent that such additional amount is appropriated and allocated to the State under section 405.

(b) The State shall provide that the length of an individual's benefit year under the State unemployment compensation law shall be extended by a number of weeks equal to the number of additional weeks for which such individual received unemployment compensation by reason of the individual's election under subsection (a).

(c) The amount of any extended compensation or Federal supplemental compensation to which an individual may be entitled shall be determined on the basis of the weekly amount of regular compensation to which an individual was entitled without regard to any election made under subsection (a), but exhaustion of regular compensation shall be determined taking such election into account.

CASHING OUT OF UNEMPLOYMENT COMPENSATION AT REDUCED RATE FOR INDIVIDUALS WHO ACCEPT LOW WAGE EMPLOYMENT

Sec. 404. (a) Any State may provide under its State unemployment compensation law that an individual who has four or more weeks of remaining eligibility for regular compensation, and who accepts employment which he is not required to accept under such State law because of the pay for such employment, may receive payment, payable in an appropriate number of equal installments as determined by the State, over the 12-month period following acceptance of such employment, equal to 80 percent of the amount of the remaining regular compensation for which he would be eligible in his benefit year if he were to exhaust such eligibility.

(b) Such periodic payments shall only be made for so long as such individual continues such employment (or other employment which he would not have been required to accept) for a continuous period (as determined by the State through employer reports).

(c) Payment of such periodic payments shall terminate any eligibility for additional regular compensation, and for any extended compensation or Federal supplemental compensation, during that benefit year.

AUTHORIZATION OF APPROPRIATIONS AND ALLOTMENTS TO STATES

Sec. 405. (a) In addition to any other amounts authorized or allotted under the Wagner-Peyser Act, there are authorized to be appropriated $200,000,000 for each of the fiscal years 1986, 1987, and 1988, to be allotted to States in accordance with this section to assist States in carrying out programs authorized in this part.

(b)(1) Amounts allotted to States under this section may be used only for—

(A) payment of additional amounts of regular compensation by reason of any extended eligibility under section 403, with such amounts being transferred into the State account in the Unemployment Trust Fund; and

(B) reimbursement to the State for the Federal share (determined under paragraph (2)) of the administrative costs incurred by the State in carrying out programs authorized under this part.

(2) The Federal share for administrative costs shall be 50 percent; except that whenever the average rate of total unemployment for a State for a fiscal year is higher than the average rate of unemployment for all States for such fiscal year, the Federal share for administrative costs shall be increased by 10 percent for each percentage point or portion thereof, by which the average rate of unemployment for that State is greater than the average rate of unemployment for all States. The Secretary shall determine the average rate of total unemployment for a State, and for all the States, for each fiscal year on the basis of the most recent twelve-month period prior to that fiscal year.

(c)(1)(A) From the amount appropriated under this section for each fiscal year, the Secretary of Labor shall allot one-fourth of such amount on the basis of the relative number of unemployed individuals residing in each State compared to the total number of such unemployed individuals in all the

States (as determined in the same manner as described in subsection (b)(2)).

(B) From the amount appropriated the Secretary shall allot three-eighths of such amount on the basis of the relative number of unemployed individuals residing in each State in excess of the percentage referred to in paragraph (2) of the civilian labor force residing in that State, compared to the total number of such unemployed individuals in all the States.

(C) From the final three-eighths of the amount appropriated, each State eligible under paragraph (3) shall be allotted an amount based on the yearly average number of individuals residing in such State employed in the mining, manufacturing, and construction industries for the three-year period immediately preceding the fiscal year for which the determination is made, that is less than the yearly average number of individuals employed in such industries in such State for the five-year period immediately preceding such three-year period, compared to the total number of such individuals in all States eligible under paragraph (3).

(2) The percentage used for determining allotments pursuant to paragraph (1)(B) and paragraph (3) shall be the national rate of civilian unemployment for the most recent month preceding the date for which the determination is made.

(3) A State is eligible for an amount allotted under subparagraph (C) of paragraph (1) if the relative number of unemployed individuals residing in such State is higher than the percentage referred to in paragraph (2) of the civilian labor force residing in the State.

(d) Any portion of a State's allotment under subsection (c) for any fiscal year which the State determines, in accordance with procedures established by the Secretary of Labor, will not be required for that fiscal year shall be available for reallotment from time to time, on such dates during that year as the Secretary of Labor may fix, to other States in proportion to the original allotments to those States under subsection (c) for that year, with such proportionate amount for any of those other States being reduced to the extent it exceeds the sum which the State estimates that it will need and will be able to use for the year. The total of those reductions shall be similarly reallotted among the States whose proportionate amounts will be not so reduced. Any amounts reallotted to a State under this subsection during a year shall be deemed a part of its allotment under subsection (c) for that year.

PROGRAMS NOT TO AFFECT STATE SOLVENCY

Sec. 406. No program authorized under this part shall be taken into consideration in determining whether there has been a net decrease in the solvency of the State unemployment compensation system for purposes of section 3302(f) or (g) of the Internal Revenue Code of 1954.

Part B—Labor Productivity Assistance

PURPOSES

Sec. 411. The purpose of this part is to provide financial assistance through a low interest loan program that supplements existing job training programs for individuals who are unemployed, underemployed, displaced homemakers, or dislocated workers to upgrade job skills, learn new job skills, better their employment opportunities, and increase overall labor productivity.

DEFINITIONS

Sec. 412. As used in this part—

(1) the term "declining industry" means an industry which has experienced net employment declines over the most recent ten-year period for which data is available;

(2) the term "dislocated worker" means an individual who—

(A)(i) has been terminated or laid-off or has received a notice of termination or layoff from employment; and

(ii) is eligible for or has exhausted any unemployment compensation and is unlikely to return to his previous industry or occupation;

(B) has been terminated, or has received notice of termination of employment, as a result of the permanent closure of a plant or facility; or

(C)(i) is long-term unemployed;

(ii) is eligible for or has exhausted any unemployment compensation; and

(iii) has limited opportunities for employment (including those caused by substantial barriers to employment by reason of age) in the same or a similar occupation in which such individual was formerly employed, in the area in which such individual resides;

(3) the term "displaced homemaker" means an individual who—

(A) has not been employed for a substantial number of years, but has worked in the home providing unpaid services for family members during such years;

(B) has been dependent on the income of another family member, but is no longer supported by such income; and

(C) is unemployed or underemployed and experiencing difficulty in obtaining or upgrading employment;

(4) the term "loan" means a labor productivity assistance loan received pursuant to this part;

(5) the term "Secretary" means the Secretary of Labor;

(6) the term "Trust Fund" means the Labor Productivity Trust Fund established pursuant to section 413;

(7) the term "Trustee" means the Secretary of the Treasury; and

(8) the term "underemployed individual" means an individual who—

(A) is employed part-time, but is seeking full-time employment; or

(B) is employed full-time, but has an income below the poverty line established in accordance with section 673(c) of the Community Services Block Grant Act.

LABOR PRODUCTIVITY TRUST FUND

Sec. 413. (a) There is established on the books of the Treasury of the United States a trust fund to be known as the "Labor Productivity Trust Fund". The Trust Fund shall consist of such amounts as may be deposited in it pursuant to subsections (b) and (d) and such amounts as may be received pursuant to section 420(b)(1)(B). Amounts in the Trust Fund may be used only to carry out the provisions of this part. The Secretary of the Treasury shall be the Trustee of the Trust Fund and shall report to the Congress not later than March 1 of each year on the operation and status of the Trust Fund during the preceding fiscal year.

(b)(1) The Trustee is authorized to issue to the Federal Financing Bank notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Federal Financing Bank, in an amount not to exceed $500,000,000 in total, and not to exceed $50,000,000 in any fiscal year. The proceeds from the issue of such obligations shall be deposited in the Trust Fund.

(2) Such notes or other obligations shall bear interest at a rate determined by the Federal Financing Bank, taking into consideration the current average market yield on outstanding marketable obligations of the Federal Financing Bank of comparable maturities during the month preceding the issuance of the notes or other obligations.

(3) The Federal Financing Bank is authorized and directed to purchase any notes and other obligations issued hereunder and may at any time sell any of the notes or other obligations acquired under this subsection.

(c) It shall be the duty of the Trustee to invest such portion of the Fund as is not, in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired on original issue at the issue price, or by purchase of outstanding obligations at the market price.

(d) Any obligation acquired by the Trust Fund may be sold by the Trustee at the market price. The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

EXPENDITURES FROM THE TRUST FUND

Sec. 414. (a) The Trustee shall transfer funds in each fiscal year out of the Trust Fund to the Secretary in such amounts as are necessary to carry out the functions of this part, subject to the limitations of section 413(b). The funds so transferred shall be available for making loans and for the payment of administrative expenses under this part.

(b) The Trustee shall make such expenditures from the Trust Fund as he determines necessary for the redemption of such notes and obligations issued pursuant to section 413.

ALLOCATION OF FUNDS FROM THE TRUST FUND

Sec. 415. To the maximum extent possible, the Secretary shall allocate funds from the Trust Fund among States based upon the allocation set forth in section 301(b) of the Job-Training Partnership Act relating to the allocation of assistance for dislocated workers.

ELIGIBILITY REQUIREMENTS FOR LOANS

Sec. 416. (a) The Secretary shall promulgate regulations for the certification of eligible individuals identified pursuant to subsections (b) and (e).

(b) The Secretary may use the local offices of the United States Employment Service in each State or the private industry councils established pursuant to section 102 of the Job Partnership Training Act to identify and certify any individual eligible to receive a loan.

(c) An individual is eligible to receive a loan if the individual is—

(1)(A) a dislocated worker;

(B) a displaced homemaker; or

(C) employed in a declining industry;

(D) underemployed; and

(2) at least twenty-five years of age.

(d) Each certified individual shall comply with the provisions of section 417 before a private industry council may approve a loan for such individual.

(e) Notwithstanding subsection (c) the private industry councils in reviewing loan applications pursuant to section 8, may modify the eligibility requirements and certify individuals in 5 per centum of the loan applications.

LABOR PRODUCTIVITY ASSISTANCE LOANS

SEC. 417. (a) Each certified individual desiring to receive a loan shall—

(1) receive counseling from the appropriate private industry council regarding the loan program;

(2) develop a written plan, with the assistance of the appropriate private industry council, for the use of a loan designed for the individualized needs of such individual which shall include—

(A) the employment goal of the individual;

(B) the specific training, for which assistance is sought, consistent with section 419;

(C) the amount to be borrowed;

(D) the specific starting and completion date of the training sought, which shall not exceed a duration of two years;

(E) the repayment schedule of a loan; and

(F) the specific use of a loan for any authorized activity under section 419; and

(3) submit an application which fully discloses the household income and assets, in accordance with uniform criteria established by the Secretary.

(b) A private industry council shall—

(1) approve the loan application and written plan of any certified individual if it determines—

(A) such application and written plan are in compliance with subsection (a); and

(B) approval of such loan application and written plan would further the purposes of this part; and

(2) monitor the progress of an individual receiving a loan in accordance with the written plan developed under subsection (a)(2) on at least a semiannual basis.

(c) Any individual who is receiving unemployment benefits, shall not have such benefits reduced or suspended because such individual receives a loan under this part.

TERMS OF LABOR PRODUCTIVITY ASSISTANCE LOANS

SEC. 418. (a) A loan shall not exceed $10,000 in aggregate per household, whether received as a single loan or as an additional loan to any other loan made under this part.

(b) Each loan under this part shall—

(1) be made only if a certified individual has complied with the provisions of section 417 and such loan has been approved by the appropriate private industry council; and

(2) be evidenced by a note or other written agreement which—

(A) provides for repayment of the principal amount of the loan in installments over a period of not more than twelve years, beginning the later of—

(i) one year after the date of the completion of the authorized activity approved in a recipient's plan pursuant to section 417(b)(1), unless such recipient requests repayment to begin on an earlier date; or

(ii) one month after the date which such individual has an income in an amount that is equal to or exceeds 150 per centum of the poverty line established in accordance with section 673(c) of the Community Services Block Grant Act;

(B) provides for interest on the unpaid principal balance of the loan at a yearly rate, not exceeding the average rate of return established for fifty-two week Treasury bills, in the most recent calendar quarter ended preceding the date of the loan, plus 2 per centum, which interest shall be payable in installments over the period of the loan except that, if provided in the note or other written agreement, any interest payable by the recipient may be deferred until not later than the date upon which repayment of the first installment of principal falls due, in which case interest that has so accrued during that period may be added on that date to the principal;

(C) provides that in the event of death or permanent and total disability of the recipient, as determined in accordance with regulations promulgated by the Secretary, the Secretary may modify the terms of a loan or discharge the debt of such a recipient; and

(D) entitles the recipient to accelerate without penalty repayment of the whole or any part of the loan.

(c) The Secretary shall discharge a debt on a loan pursuant to section 523(a)(10)(B) of title 11, United States Code, in the event of the death of the debtor and—

(1) a determination by the Secretary that an undue hardship exists; or

(2) the estate of the debtor has a net worth less than $50,000.

(d) Section 523(a) of title 11, United States Code, is amended by—

(1) striking out "or" at the end of paragraph (8);

(2) striking out the period at the end of paragraph (9) and inserting in lieu thereof "; or"; and

(3) adding at the end thereof the following:

"(10) for a labor productivity assistance loan made, insured, or guaranteed by a governmental unit pursuant to section 417 of the International Competitiveness and Cooperation Act, unless—

"(A) such loan first became due before five years (exclusive of any applicable suspension of the repayment period) before the date of the filing of the petition; or

"(B) excepting such debt from discharge under this paragraph will impose an undue hardship on the debtor and the debtor's dependents.".

AUTHORIZED ACTIVITIES

SEC. 419. A certified individual may be approved for a loan pursuant to section 417 for training in job skills, including any two year college program; and participation in any program, approved by a private industry council, which is conducted by, or in cooperation with, an employer or labor organization to provide early assistance to any individual who is adversely affected in employment because of plant closures or labor force reductions by an employer.

ADMINISTRATIVE PROVISIONS

SEC. 420. (a) The Secretary shall enter into agreements with the private industry councils, established pursuant to section 102 of the Job Training Partnership Act to administer the labor productivity assistance loan program authorized by this part. Such agreements shall provide for the protection of the financial interest of the United States regarding such loan program.

(b)(1) The Secretary shall establish procedures for—

(A) the collection of repayments on all loans made pursuant to this Act including procedures for the repayment of such loans at the local offices of the United States Employment Service, the local private industry councils, or any other appropriate agency; and

(B) depositing such repayments into the Trust Fund.

(2) The Secretary may—

(A) prescribe such regulations as may be necessary to carry out the provisions of this part;

(B) modify any term, condition, or covenant of any loan to protect the financial interest of the United States; or

(C) consent to modification, with respect to rate of interest, time of payment of any installment of principal and interest or any portion thereof, or any other provision of any note or other instrument evidencing a loan;

(D) enforce, pay, compromise, waive, or release any right, title, claim, lien, or demand, however acquired, including any equity or any right of redemption, subject to section 9(c);

(E) enter into a contract or other arrangement with State or nonprofit agencies and, on a competitive basis, with collection agencies for servicing and collection of loans under this part; and

(F) sue and be sued in any court of record of a State having general jurisdiction or in any district court of the United States, and such district courts shall have jurisdiction of civil actions arising under this part without regard to the amount in controversy, and action instituted under this subsection by or against the Secretary shall survive notwithstanding any change in the person occupying the office of Secretary or any vacancy in that office; but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Secretary or property under his control and nothing herein shall be construed to except litigation arising out of activities under this part from the application of sections 509, 517, 547, and 2679 of title 28 of the United States Code.

PART C—TRAINING TECHNOLOGY TRANSFER

FINDINGS AND PURPOSE

SEC. 421. (a) The Congress finds and declares that—

(1) Federal agencies, particularly the Department of Defense, have made extensive investments of public funds in the development of training technology;

(2) much training technology, especially computer programs and videodisc systems, is directly transferable to the private sector or could be transferable to the private sector after conversion;

(3) the transfer of training technology to the private sector could properly augment existing Federal programs for the training of new industrial workers or the retraining of workers whose jobs have been disrupted because of technological developments, foreign trade, and changes in consumer requirements; and

(4) the transfer of training technology to the private sector would be especially beneficial to small business concerns which lack the resources to develop such technology independently.

(b) Therefore, it is the purpose of this part to facilitate the transfer of training technology from Federal agencies to the private sector and to State and local governments and agencies thereof in order to support the training and retraining of industrial workers, especially workers in small business concerns.

DEFINITIONS

SEC. 422. For purposes of this part—

(1) the term "community-based organizations" has the same meaning as in section 4(5) of the Job Training Partnership Act;

(2) the term "conversion" means the process whereby training technology is analyzed and adapted to meet the needs of a non-Federal entity;

(3) the term "Director" means the Director of the Office of Training Technology Transfer established pursuant to section 423;

(4) the term "Federal agency" has the meaning given to the term "agency" in section 551(1) of title 5, United States Code;

(5) the term "National Occupational Information Coordinating Committee" means the National Occupational Information Coordinating Committee established under section 161(b)(1) of the Vocational Education Act of 1963;

(6) the term "Office" means the Office of Training Technology Transfer established pursuant to section 423;

(7) the term "private industry council" means a private industry council established under section 102 of the Job Training Partnership Act;

(8) the term "Secretary" means the Secretary of Education;

(9) the term "small business concern" has the same meaning as in section 3 of the Small Business Act;

(10) the term "State job training coordinating council" means a State job training coordinating council established under section 122 of the Job Training Partnership Act;

(11) the term "State occupational information coordinating committee" means a State occupational information coordinating committee established under section 161(b)(2) of the Vocational Education Act of 1963;

(12) the term "training technology" means computer software which is developed by a Federal agency to train employees of the agency and which may be transferred or converted for use by a non-Federal entity, and includes computer based instructional programs, interactive video disc systems, computer programs for microcomputer training devices and audiovisual devices, programed learning kits, or any comparable technology, program, or system; and

(13) the term "transfer" means the process whereby training technology is made available to a non-Federal entity for the training of the employees of such entity, with or without the conversion of such technology.

OFFICE OF TRAINING TECHNOLOGY TRANSFER

SEC. 423. (a) There is established in the Department of Education an Office of Training Technology Transfer. The Office shall be headed by a Director, who shall be appointed by the Secretary of Education. The position of the Director shall be placed in the Senior Executive Service. The Director shall be compensated at the lowest rate established for the Senior Executive Service under section 5381 of title 5, United States Code.

(b) To carry out this part, the Director may appoint not in excess of 25 individuals in accordance with the civil service laws, and compensate such individuals in accordance with the General Schedule under section 5332 of title 5, United States Code.

(c) In carrying out this part, the Director shall utilize, to the fullest possible extent, all existing Federal programs to promote the identification, conversion, and transfer of training technology in accordance with this part.

FUNCTIONS OF THE OFFICE

SEC. 424. (a)(1) The Director shall compile and maintain a current and comprehensive inventory of all training technology developed by or under the supervision of Federal agencies, especially training technology developed by or under the supervision of the Office of Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics of the Department of Defense. The inventory shall include, with respect to each item of training technology listed in the inventory—

(A) a complete description of such technology, including the purpose, content, intended academic level or competency level, and mode of presentation of such technology;

(B) a description of each type of computer hardware which is compatible with such technology and of any other equipment required to use such technology;

(C) a specification of any patent, copyright, or proprietary interest affecting the copying, conversion, or transfer of such technology; and

(D) information with respect to any conversion or transfer of such technology pursuant to this part.

(2) In compiling the inventory required by this subsection, the Director shall—

(A) consult with and utilize fully the resources of all Federal agencies engaged in the collection and dissemination of information concerning training technology, including the National Technical Information Service of the Department of Commerce and the Center for Utilization of Federal Technology of such Department; and

(B) request the participation and cooperation of entities in the legislative and judicial branches of Government.

(b)(1) The Director shall disseminate widely and on a regular basis the inventory required by subsection (a) and any revisions thereof in order to enable all potential users of training technology to receive ample notice that Federal agencies have developed such technology. In carrying out the preceding sentence, the Director shall—

(A) utilize all interagency and intergovernmental communication mechanisms, including the National Occupational Information Committee, State occupational information coordinating committees, State job training coordinating councils, private industry councils, State economic development agencies, and the Small Business Administration; and

(B) encourage the participation of independent private sector organizations, including organizations representing educational institutions, technical and professional organizations, and trade associations.

(2) The Director shall develop and distribute, in conjunction with the dissemination of the inventory required under subsection (a), detailed instructions and procedures for securing copies, including such rights thereto as may be required, of training technology listed in such inventory and instructions for participating in the conversion assistance program established under subsection (d).

(c) The Director shall advise and consult with any entity which is a prospective user of training technology listed in the inventory required under subsection (a) and assist such entity in securing the transfer and conversion of such technology from the Federal agency which developed such technology. If such agency has not established procedures for the transfer and conversion of such technology, the Director shall negotiate the transfer and conversion of such technology upon application by such entity.

(d)(1)(A) If an entity described in subparagraph (B) applies to the Director for the conversion of training technology listed in the inventory required under subsection (a), the Director shall enter into contracts with competent educational institutions and qualified private sector firms for the conversion of such technology in order to adapt such technology to the requirements of such entity.

(B) An entity referred to in subparagraph (A) is—

(i) a small business concern employing not more than 500 employees;

(ii) a public or private educational institution which is duly accredited, funded, or licensed by a State, including a college, university, community college, public school system, private preparatory school, or vocational school;

(iii) a trade association or a community-based organization;

(iv) a State or local government or an agency thereof or a private industry council; and

(v) a consortium of—

(I) State and local governments;

(II) private industry councils;

(III) community-based organizations; or

(IV) small business concerns, each of which employs not more than 500 employees.

(2) In awarding contracts under this subsection, the Director shall give preference to proposals by entities described in paragraph (1)(B) which will result in the enhancement of the employability and potential earnings of a maximum number of individuals. In carrying out the preceding sentence, the Director shall—

(A) conduct analyses of national needs for conversions of training technology listed in the inventory required under subsection (a), including analyses of the potential number of individuals who will benefit from such conversions, the content of computer software currently available for employee training, and the required levels of proficiency for the use of such software; and

(B) encourage and promote multiple use of training technology converted pursuant to this subsection by entities with similar training needs.

(3) Except as provided in paragraph (4), the Director may not enter into any contract under this subsection to assist an entity described in paragraph (1)(B), which—

(A) in the case of an entity described in clause (i) or (ii) of paragraph (1)(B), exceeds $25,000;

(B) in the case of an entity described in clause (iii) or (iv) of paragraph (1)(B), exceeds $50,000;

(C) in the case of a consortium described in paragraph (1)(B)(v)(IV), exceeds an amount equal to the product of $25,000 multiplied by the number of small business concerns in such consortium, except as provided in subparagraph (E) of this paragraph;

(D) in the case of a consortium described in clause (v)(I), (v)(II), or (v)(III) of paragraph (1)(B), exceeds an amount equal to the product of $50,000 multiplied by the number of State and local governments, private industry councils, or community-based organizations, as the case may be, in such consortium, except as provided in subparagraph (E) of this paragraph; or

(E) in the case of—

(i) a trade association or a community-based organization which has units to train individuals in five or more States;

(ii) a consortium consisting of five or more units of State or local governments, private industry councils, or community-based organizations; or

(iii) a consortium of ten or more small business concerns, each of which employs not more than 500 employees,

exceeds $250,000 or an amount equal to the product of $50 multiplied by the number of individuals who will be trained with the technology to be converted pursuant to a contract under this subsection, whichever is less.

(4)(A) If the costs of conversion of a training technology exceed the applicable amount described in paragraph (3), the Director may authorize the applicant for the conversion of such technology to contribute amounts to pay for the cost of such conversion if the total amount of contributions which will be necessary to pay the costs of such conversion do not exceed 50 percent of such costs.

(B) No applicant which contributes to the cost of conversion of training technology under subparagraph (A) shall receive any proprietary interest, share of ownership or control, copyright, or patent in the technology converted with such contribution.

(C) The Director shall promulgate regulations and procedures for contributions to the costs of conversion of training technology under this subsection.

(5) After the performance of a contract entered into under this subsection is completed, the Director shall provide a copy of the training technology converted pursuant to such contract to the entity which applied to the Director under paragraph (1) for the conversion of such technology. Any training technology converted pursuant to a contract under this subsection shall be listed in the inventory required under subsection (a) and shall be available for conversion or transfer to any other entity pursuant to this part.

(6) Any entity which is not an entity described in paragraph (1)(B) and which wishes to obtain the transfer or conversion of any training technology listed in the inventory required under subsection (a) shall pay the full cost of such transfer or conversion.

(7) The authority of the Director to enter into contracts under this section shall be to such extent or in such amounts as are provided in appropriation Acts.

(e) The Director shall conduct studies and analyses of conversions and transfers of training technology, including an evaluation of the effectiveness of training technology converted or transferred pursuant to this part.

(f) All Federal agencies shall cooperate with the Director in the implementation of this part. If the head of a Federal agency finds that such agency is unable to cooperate with the Director for reasons of national security, or for any other reason, such agency head shall report such finding to the Secretary. The Secretary shall report to the Congress by July 1 of each year all such findings received by the Secretary during the preceding twelve-month period.

ADMINISTRATIVE PROVISIONS

Sec. 425. (a) In carrying out this part, the Director is authorized—

(1) to promulgate such rules, regulations, procedures, and forms as may be necessary to carry out the functions of the Office, and delegate authority for the performance of any function to any officer or employee of the Office under the direction and supervision of the Director;

(2) to utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal agencies and of State, local, and private agencies and instrumentalities, with or without reimbursement therefor;

(3) to enter into agreements with other Federal agencies as may be appropriate;

(4) to accept voluntary and uncompensated services, without regard to the provisions of section 1342 of title 31, United States Code; and

(5) to request such information, data, and reports from any Federal agency as the Director may from time to time require and as may be produced consistent with other law.

(b) Upon request of the Director, the head of each Federal agency shall promptly make the services, equipment, personnel, facilities, and information of the agency (including suggestions, estimates, and statistics) available to the Office to the greatest extent practicable.

PRESERVATION OF PUBLIC INTEREST

Sec. 426. Any training technology transferred or converted pursuant to this part shall remain in the public domain and no recipient or beneficiary of such technology shall gain any exclusive right, patent, copyright, or ownership over such technology by reason of such transfer or conversion.

AUTHORIZATION OF APPROPRIATIONS

Sec. 427. To carry out this part, there are authorized to be appropriated $15,000,000 for fiscal year 1986, and such sums as may be necessary for each succeeding fiscal year.

Part D—Community Service Employment

STATEMENT OF PURPOSE

Sec. 431. It is the purpose of this part to provide productive and useful employment and training opportunities to older workers and heads of households in communities that are suffering from high unemployment due to long-term structural change in the Nation's economy. The opportunities will be provided through payments for labor and related costs associated with work that will assist adjustment, maintain public services, and reduce governmental expenditures. These include the repair or rehabilitation of essential community, health, and educational facilities; the conservation, rehabilitation, and improvement of public lands; and public safety, health, social service, and other activities necessary to the public welfare.

DEFINITIONS

Sec. 432. (a) For the purposes of this part—

(1) the term "area of economic decline" means a service delivery area that has—

(A) a rate of unemployment that exceeds the national average rate of unemployment for the fiscal year preceding the fiscal year in which the determination is made; and

(B)(i) a yearly average number of individuals employed in the manufacturing, mining, and construction industries for the period of three fiscal years immediately preceding the fiscal year in which the determination is made, that is less than the yearly average number of individuals employed in such industries for the period of five fiscal years immediately preceding such three-year period; or

(ii) experienced within the most recent twelve month period a major plant closing or other employment loss equal to or exceeding 10 percent of the total labor force of such area as determined by the State employment service agency;

(2) the term "area jobs agency" means the chief elected official or officials referred to in section 103 of the Job Training Partnership Act for a service delivery area established pursuant to section 101 of such Act;

(3) the term "Governor" means the chief executive officer of a State;

(4) the term "household" means any individual or group of individuals who live together as one economic unit;

(5) the term "local educational agency" has the meaning provided in section 195(10) of the Vocational Education Act of 1963;

(6) the term "public library" has the meaning provided under section 3 of the Library Services and Construction Act;

(7) the term "recipient" means any State or eligible grantee receiving funds under an allotment under this part and any State employment service agency receiving funds under this part;

(8) the term "Secretary" means the Secretary of Labor;

(9) the term "service delivery area" means an area established pursuant to section 101 of the Job Training Partnership Act;

(10) the term "State" means any of the fifty States and the District of Columbia;

(11) the term "State educational agency" has the meaning provided under section 198(a)(17) of the Elementary and Secondary Education Act of 1965;

(12) the term "unemployed individual" means an individual who has attained an age of twenty years, is without a job and wants and is available for work, as determined in accordance with criteria used by the Bureau of Labor Statistics of the Department of Labor in defining an individual as unemployed, but such criteria shall not be applied differently on account of the previous employment of an individual; and

(13) the term "unit of general local government" means any city, town, township, parish, or (except in Connecticut, Massachusetts, Rhode Island, and Vermont) county which—

(A) is a general purpose political subdivision of a State that has the power to levy taxes and spend funds, as well as general corporate and police powers; and

(B) has a population that exceeds twenty thousand.

(b) In making determinations for purposes of this part with respect to population, civilian labor force, and unemployment, the Secretary shall use the most satisfactory current data available on a seasonally adjusted basis.

(c) For the purposes of computations of the number of unemployed individuals in a State or service delivery area, the Secretary shall determine the average number of individuals who were unemployed during the most recent twelve months preceding the determination for which satisfactory data is available.

AUTHORIZATION OF APPROPRIATIONS

Sec. 433. (a) In order to provide employment opportunities for unemployed individuals under this part there are authorized to be appropriated—

(1) $500,000,000 for fiscal year 1986;

(2) $1,000,000,000 for fiscal year 1987; and

(3) $1,500,000,000 for fiscal year 1988.

(b) Beginning with fiscal year 1986 and thereafter, appropriations for any fiscal year for programs and activities under this part shall be available for obligation only on the basis of a program year. The program year shall begin on July 1 in the fiscal year for which the appropriation is made.

(c) Funds obligated for any program year may be expended by each eligible grantee during that program year and the two succeeding program years and no amount shall be deobligated on account of a rate of expenditure which is consistent with a State application.

(d)(1) Appropriations for fiscal year 1986 shall be available both to fund activities for the period between October 1, 1985, and July 1, 1986, and for the program year beginning July 1, 1986.

(2) There are authorized to be appropriated such additional sums as may be necessary to carry out the provisions of this subsection for the transition to program year funding.

ELIGIBLE PARTICIPANTS

SEC. 434. (a)(1) An individual shall be eligible to participate in a program or activity receiving funds under this part only if the appropriate State employment service agency certifies that such individual—

(A) is an unemployed individual (as defined in section 432) at the time of such certification;

(B) has been unemployed for at least twenty of the twenty-six weeks immediately preceding the date of such certification, except as otherwise provided in subsection (e) of this section;

(C) resides in an area of economic decline;

(D)(i)(I) has exhausted unemployment insurance benefits within the most recent five year period or will exhaust unemployment insurance benefits within four weeks after the date of certification; or

(II) can demonstrate that any employment of such individual was not covered by unemployment insurance, and therefore such individual was never eligible during such period for unemployment insurance benefits; and

(ii)(I) is not receiving any benefits from any Federal, State, or local government retirement program, any retirement or disability benefit under the Social Security Act, any railroad retirement benefit, or any other unemployment insurance benefit at the time the certification is made; and

(II) is not receiving any private retirement or disability benefit in an amount which exceeds one and one-half times the amount of the poverty line established pursuant to section 673(c) of the Community Services Block Grant Act;

(E) has not attended any school within one year prior to the date certification is made and has not received a secondary school diploma or certificate of high school equivalency within such year, unless such individual is over twenty-five years of age; and

(F) resides in a household with an income that—

(i) is equal to or less than twice the amount of the poverty line established pursuant to section 673(c) of the Community Services Block Grant Act; and

(ii) can reasonably be expected to remain at or below the same level for the one-year period immediately following the application of the individual to participate in a program under this part.

(2) In the case of an eligible grantee described in section 436(c), individuals may be so certified, by other means than the employment service agency, in accordance with procedures agreed to by the employment service agency and the eligible grantee.

(b)(1) In the selection of participants for activities under this part, priority shall be given to any unemployed individual who at the time of selection is over the age of forty years and has been employed during at least forty of the last sixty calendar quarters from the date of selection.

(2) Subject to the priority of paragraph (1), in the selection of participants for activities under this part, priority shall be given to any unemployed individual who at the time of selection—

(A) resides in a household in which no other member is employed on a full-time basis;

(B) resides in a household with the lowest household income and resources relative to other applicants;

(C) has been unemployed for the longest periods of time preceding the date of such selection; or

(D) has a past record of the longest periods of employment relative to other applicants.

(c) No individual who is eligible under subsection (a) shall receive wages from funds made available under this part in excess of fifty-two weeks in any two-year period, unless such individual is over fifty-five years old.

(d)(1) Notwithstanding subsection (a)(2), not more than 10 percent of the eligible participants selected by a recipient for subsidized employment from funds appropriated pursuant to this part for any fiscal year may be individuals certified in accordance with paragraph (2).

(2) For the purposes of paragraph (1), an unemployed individual who has been unemployed for less than twenty weeks shall be certified by the State employment service agency if it determines that—

(A) such individual has been employed only intermittently or temporarily during twenty of the twenty-six weeks immediately preceding the date of such certification and has experienced substantial periods of unemployment prior to and during such twenty weeks;

(B) such individual is a worker with the requisite skills necessary to fill a nonmanagement position to ensure the productivity and usefulness of the work carried out in a particular project or activity; or

(C) such individual has recall rights under a formal agreement with the employer which provides the subsidized job position.

(e) In certifying eligible participants under subsection (a) and in referring them for employment to recipients under this part, the State employment service agency shall be responsible for ensuring equal employment opportunities and the full participation of traditionally underrepresented groups, including women and racial and ethnic minorities, in employment provided with funds made available under this part. Each recipient of funds under this part shall be responsible for ensuring such opportunities and full participation in the selection of eligible participants for such employment.

EMPLOYMENT ACTIVITIES IN PUBLIC FACILITIES MAINTENANCE AND COMMUNITY IMPROVEMENT EMPLOYMENT PROJECTS

SEC. 435. (a) Funds allotted under this part shall be used to pay the Federal share of projects and activities described in this section. Eligible participants shall be employed in public facilities maintenance and community improvement employment projects under this part in one or more of the following activities:

(1) Activities to repair, rehabilitate, or improve public facilities, including—

(A) road and street repair;

(B) bridge painting and repair;

(C) repair and rehabilitation of public buildings and other community facilities, including public libraries;

(D) repair, modernization, and moderate rehabilitation of public housing units;

(E) repair and rehabilitation of water systems and water development projects;

(F) repair and rehabilitation of public mass transportation systems;

(G) erecting or replacing traffic control signs and removing road sign obstructions;

(H) replacing school crossing, intersection, and other road surface markings;

(I) park and playground rehabilitation;

(J) installation and repair of drainage pipes and catch basins in areas subject to flooding;

(K) installation of graded ramps for the handicapped; and

(L) weatherization and other energy conservation activities.

(2) Activities to conserve, rehabilitate, or improve public lands, including—

(A) erosion, flood, drought, and storm damage assistance and control;

(B) removal of refuse and hazardous materials from drainage ditches, illegal dumping sites, and other public areas;

(C) stream, lake, and waterfront harbor and port improvement and pollution control;

(D) forestry, nursery, and silvicultural operations;

(E) fish culture and habitat maintenance and improvement;

(F) rangeland conservation, rehabilitation, and improvement; and

(G) reclamation of public lands damaged by strip mining or other mineral extraction activities.

(3) Public safety, health, social service, and other activities necessary to the public welfare, including—

(A) repairing or replacing fire hydrants and assisting in fire hazard inspections;

(B) emergency food and shelter activities;

(C) child and dependent care activities specially designed to enable parents to work;

(D) assisting nutrition programs and other services for elderly and handicapped individuals, including meals on wheels programs;

(E) relief activities for victims in areas affected by disasters;

(F) upgrading home security for elderly and low-income residents;

(G) other programs of assistance to low-income elderly persons;

(H) assisting public health programs, including paraprofessional staff support for community health centers;

(I) emergency medical and rescue services;

(J) drug and alcohol abuse programs;

(K) domestic violence programs;

(L) education and training assistance, such as literacy and basic skills education, remedial tutoring, and occupational skills training;

(M) programs of English language instruction for unemployed individuals with limited English proficiency;

(N) assisting public library programs, including library aides programs;

(O) employment counseling and other services to veterans;

(P) security guards for public schools and housing projects;

(Q) police dispatchers, clerical and traffic control personnel to free police officers for full-time street duty;

(R) staff support for adult and juvenile correctional facilities;

(S) rodent and insect control activities;

(T) hazardous materials surveys; and

(U) employment counseling and placement services.

(4) State-directed emergency aid programs to cope with natural disasters, including ero-

sion, flood, drought, and storm damage assistance and control activities.

(5) Activities that assist seasonal farmworkers and small farmers in rural, agricultural areas which have experienced substantial losses of jobs due to the rising numbers of farm mortgage foreclosures and other severe economic disruption (in conjunction, as appropriate, with eligible grantees under this part or with related programs under the Job Training Partnership Act).

(6) Activities to assist State and local educational agencies—

(A) in bringing their public school facilities into conformity with the requirements of—

(i) the Act of August 12, 1968, commonly known as the Architectural Barriers Act of 1968,

(ii) section 504 of the Rehabilitation Act of 1973, or

(iii) environmental protection or health and safety programs mandated by Federal, State, or local law, especially for those facilities which were constructed before such requirements were in effect;

(B) for the repair, renovation, or rehabilitation of public school facilities;

(C) for conversion of presently unused structures into adult training centers;

(D) for remodeling or renovating structures to make them more energy efficient; or

(E) for detecting, removing, or otherwise containing asbestos in academic or other facilities used by students.

(b) Nothing in this part shall be construed to preclude such activities from being conducted in conjunction with programs funded from sources other than under this part.

(c) For the purposes of this section, the term "project" means a definable task or a group of related tasks which—

(1) will be carried out by a government department, public agency, private nonprofit organization, or private contractor;

(2) will be completed within eighteen months;

(3) is an activity authorized under this section;

(4) will result in a specific product or accomplishment, and

(5) would not otherwise be conducted with existing funds.

(d) Projects to be carried out under subsection (a)(2) shall be limited to projects on public lands, or Indian lands, except where a project involving other lands will provide a documented public benefit and reimbursement will be provided to the recipient for that portion of the total costs of the project which does not provide a public benefit. Notwithstanding any other provision of law, any reimbursement referred to in the preceding sentence shall be retained by the recipient and shall be used by the recipient for purposes of carrying out other projects under this part.

ELIGIBLE GRANTEES

SEC. 436. (a) A grantee described in subsection (b) is eligible to receive payments from a State under this part, if such grantee serves an area of economic decline as defined in section 432(a)(1).

(b) A grantee referred to in subsection (a) is—

(1) any area jobs agency;

(2) any consortium of area jobs agencies,

(3) any existing concentrated employment program grantee serving a rural area pursuant to section 101(a)(4)(A)(iii) of the Job Training Partnership Act; or

(4) any State or local educational agency or public higher education facility.

(c) Any Native American Indian tribe, band, or group on a Federal or State reservation, the Oklahoma Indians, and any Alaska Native village or group as defined in the Alaska Native Claims Settlement Act, having a governing body shall be an eligible grantee for amounts allotted pursuant to section 437(a)(1). Such amounts shall be allotted on an equitable basis, taking into account the extent to which regular employment opportunities have been lacking for long-term periods among individuals within the jurisdiction of such grantees. The Secretary shall, within fifteen days after the date of enactment of an appropriation under section 102 for any fiscal year, notify each eligible grantee for such fiscal year of the preliminary amount allotted to such eligible grantee under this section.

ALLOTMENT OF FUNDS

SEC. 437. (a)(1) From the amount available for purposes of this part for any fiscal year, the Secretary shall reserve—

(A) 1.75 percent for allotment among Native American eligible entities described in section 436(c); and

(B) 1 percent for allotment among the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, American Samoa, and the Trust Territory of the Pacific Islands.

(2)(A)(i) From the remainder of the amount available for this part for each fiscal year, the Secretary shall allot one-fourth of such remainder on the basis of the relative number of unemployed individuals residing in each State compared to the total number of such unemployed individuals in all the States.

(ii) From such remainder the Secretary shall allot three-eighths of such remainder on the basis of the relative number of unemployed individuals residing in each State in excess of the percentage referred to in subparagraph (B) of the civilian labor force residing in each State compared to the total number of such unemployed individuals in all the States.

(iii) From the final three-eighths of such remainder, a State eligible under subparagraph (C) shall be allotted an amount based on the yearly average number of individuals residing in such State employed in the mining, manufacturing, and construction industries for the three-year period immediately preceding the fiscal year for which the determination is made, that is less than the yearly average number of individuals employed in such industries in such State for the five-year period immediately preceding such three-year period compared to the total number of such individuals in all States eligible under subparagraph (C).

(B) The percentage used for determining allotments pursuant to clause (ii) of subparagraph (A) and subparagraph (C) shall be the national rate of civilian unemployment for the most recent month preceding the date for which the determination is made.

(C) A State is eligible for an amount allotted under clause (iii) of subparagraph (A) if the relative number of unemployed individuals residing in such State is higher than the percentage referred to in subparagraph (B) of the civilian labor force residing in the State.

(3) From the amount allotted to each State, the Governor shall—

(A) allocate such amount to areas of economic decline within each State on the basis of the factors described in division (i), and, if applicable, divisions (ii) and (iii) of subparagraph (A) of paragraph (2) as applied to areas of economic decline; and

(B) pay such allocated amounts to the appropriate eligible grantee under paragraph (1), (2), or (3) of subsection (b) of section 436, as the case may be, that serves such area of economic decline.

(4)(A) No more than 50 percent of any amount allocated to an area of economic decline may be distributed to eligible grantees under section 436(b)(4).

(B) If an eligible grantee under paragraph (1), (2), or (3) of subsection (b) of section 436, as the case may be, distributes any part of an allocation to an eligible grantee under section 436(b)(4), such distribution shall be based upon—

(i) section 554(a)(1)(A) of the Education Consolidation and Improvement Act of 1981, if the grantee receiving the distribution is a State or local educational agency; or

(ii) factors determined by the eligible grantee under paragraph (1), (2), or (3) of subsection (b) of section 436, as the case may be, if the grantee receiving the distribution is a public higher education facility.

(b) The amount of any State's allotment under subsection (a) for any fiscal year to carry out this part which the Secretary determines will not be required for that fiscal year to carry out this part shall be available for reallotment from time to time, on such dates during that year as the Secretary may fix, to other States in proportion to the original allotments to those States under subsection (a) for that year with such proportionate amount for any of those other States being reduced to the extent it exceeds the sum the Secretary estimates that State needs and will be able to use for the year; and the total of those reductions shall be similarly reallotted among the States whose proportionate amounts will be not so reduced. Any amounts reallotted to a State under this subsection during a year shall be deemed a part of its allotment under subsection (a) for that year.

(c) Within thirty days after the final day for the submission of an application required by section 438(a), the Secretary shall, on the basis of only those States submitting such applications, make a final allotment of funds in accordance with section 437, and shall notify each such eligible State or grantee of the amount of its final allotment.

(d)(1) For fiscal years beginning after the date of enactment of this part, the Secretary shall pay to each State and eligible grantee under section 436(c) which has filed an application in accordance with section 438 the Federal share of the cost of the application from its allotment for that fiscal year. Such payments shall be made in equal installments not later than five days after the beginning of each quarter for which funds are available.

(2) For any fiscal year which began prior to the date of enactment of this part, the Secretary shall, not later than thirty days after the final allotment of funds for such fiscal year under subsection (c), pay to each State or eligible grantee under section 436(c) which has filed an application, the Federal share of the cost of the application from such allotment.

(e)(1)(A) The Federal share for employment and training wages under the State application approved under this part shall be 90 percent. In any State in which the percent of individuals who are eligible participants under section 102(a) relative to the

State population is one and one-half or more the percentage of such eligible participants in all States relative to the population of all States, the Federal share for employment and training wages under the State application approved under this part shall be 95 percent.

(B) The Federal share for the administrative costs for any project or program under the State application approved under this part shall be 50 percent. Whenever the average rate of unemployment for a State is higher than the average rate of unemployment for all States, the Federal share for administrative costs under this subparagraph shall be increased by 10 percent for each 1 percent, or portion thereof, by which the average rate of unemployment for that State is greater than the average rate of unemployment for all States.

(2)(A) The non-Federal share to be paid by a State for amounts under paragraph (1)(A) may not include contributions in kind.

(B) The non-Federal share to be paid by a State for amounts under paragraph (1)(B) may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, or services, including supervision of employees under this part.

STATE APPLICATION; REQUIREMENTS FOR RECEIPT OF ALLOTMENT

SEC. 438. (a)(1) Each State seeking an allotment under section 437 shall, within thirty days after receiving notice of such allotment, submit an application to the Secretary. Each application shall be submitted to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(2) Each such application shall—

(A) designate a State agency for the receipt of payments from such allotment;

(B) describe the projects and activities which are to be assisted under this part;

(C) provide procedures for submission of project designs to the designated State agency;

(D) agree to use such funds only in accordance with the provisions of this part;

(E) agree to require each eligible grantee to conform with any requirement of this part;

(F) describe any job training and skill development opportunities that may be made to participants

(G) provide that whenever employers enter commitments to employ more than fifteen employees with assistance under this part each State and eligible grantee shall—

(i) ensure that each participant under the age of fifty-five years shall, to the extent resources are available and the best interests of such participant are served, be enrolled in part-time employment training or be provided job search or job counseling assistance; and

(ii) pay each participant for each hour of training in accordance with section 203(e);

(H) provide assurances that projects and programs conducted with assistance under this part which involve activities subject to any other provision of Federal law will be conducted in a manner consistent with other applicable provisions of law;

(I) agree to provide each of the quarterly reports required by subsection (b); and

(J) provide such other assurances, arrangements, and conditions as the Secretary determines appropriate to carry out the provisions of this part.

(3) An individual participant may not be paid for the hours of employment training described in paragraph (2)(G), for which such participant does not attend. If a participant is unexcusably absent from more than three scheduled sessions or classes of employment training or excusably absent from more than ten such sessions, such participant shall be terminated from the project or program and may not participate in such project or program for one year.

(b) Not later than thirty days after the end of each calendar quarter, each eligible grantee which has, during such quarter, expended funds made available under this part (in that or a preceding quarter) shall submit to the State a report on the use of such funds. No later than sixty days after each calendar quarter such State shall submit a report to the Secretary. Such report shall—

(1) describe in detail the jobs created with such funds, including—

(A) the nature of the employment activity;

(B) the wage rates paid; and

(C) the duration of employment;

(2) contain adequate data to evaluate the characteristics of participants in programs under this title, including the race, sex, age, handicapped status, and veteran status of participants; and

(3) such other information as the Secretary may specifically request in order to ascertain whether such funds have been used in accordance with the requirements of this part.

(c) Pursuant to regulations promulgated by the Secretary, eligible grantees under section 436(c) shall prepare and submit applications which substantially comply with the provisions of subsections (a) and (b).

PROJECT DESIGN

SEC. 439. (a) In designing projects under this part for submission to the designated State agency under section 438(a)(2)(C) each eligible grantee shall give priority to projects on the basis of—

(1) the severity and duration of unemployment within localities in the area of the eligible grantee;

(2) the degree to which project activities will lead to the expansion of unsubsidized employment opportunities in the private sector; and

(3) the level of need which exists for the activities and services to be provided.

(b) To the extent feasible, employment opportunities established with funds made available under this title shall be coordinated with other Federal, State, and local activities, including vocational and adult education, job training provided with funds available under the Job Training Partnership Act, economic development activities, and activities receiving funds available under section 106 of the Housing and Community Development Act of 1974 (42 U.S.C. 5306) (popularly known as the community development block grant program) and chapter 67 of title 31, United States Code (popularly known as the general revenue sharing program).

LIMITATION ON USE OF FUNDS

SEC. 440. (a) (1) Except as provided in subsection (b), funds made available under this part may be used only to provide for wages and related employment benefits to eligible participants for work which the recipient certifies has been performed in one or more of the activities authorized under this part.

(2) Funds which may be used for related employment benefits as provided pursuant to paragraph (1) shall be used only for—

(A) the payment of employment taxes under the Federal Insurance Contributions Act;

(B) medical benefits; and

(C) transportation and child care expenses in accordance with section 202 (e)(3).

(3) In the determination of related employment benefits provided pursuant to paragraph (1), work or training performed in programs established pursuant to this part shall not be considered employment for the purposes of the Federal Unemployment Tax Act.

(b)(1) Of the funds provided to any recipient under this part from funds appropriated for any fiscal year—

(A) at least 80 percent of such funds shall be used for—

(i) wages; and

(ii) related employment benefits in accordance with subsection (a)(2); and

(B) no more than 20 percent of such funds may be used for the cost of administration (including supervision), and for the acquisition of supplies, tools, equipment, and other materials. From such funds available under this subparagraph—

(i) no more than 60 percent may be used for the cost of administration (including supervision); and

(ii) no more than 40 percent may be used for the acquisition of supplies, tools, equipment, and other materials.

(2) Nothing in this part shall be construed to preclude or limit the payment of such costs, either in whole or in part, from non-Federal sources or from Federal sources other than this part, including funds made available pursuant to chapter 67, title 31, United States Code (popularly known as the general revenue sharing program), section 106 of the Housing and Community Development Act of 1974 (42 U.S.C. 5306) (popularly known as the community development block grant program), the Public Works and Economic Development Act of 1965 (42 U.S.C. 3121 et seq.), and the Surface Transportation Act of 1982.

STATE EMPLOYMENT SERVICE RESPONSIBILITIES

SEC. 441. (a) There are authorized to be appropriated such sums as may be necessary for fiscal year 1984 and for each succeeding fiscal year to enable the United States Employment Service to provide funds to State employment service agencies to carry out the provisions of this section.

(b) In order to receive funds appropriated under subsection (a), the employment service agency of each State shall, in accordance with agreements with recipients under this part, certify eligible participants pursuant to section 434, and refer such participants to available job openings.

GENERAL REQUIREMENTS

SEC. 442. (a)(1) No person shall be excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in the administration of or in connection with any program under this part because of race, color, religion, sex, national origin, age, handicap, or political affiliation or belief.

(2) Participants under this part shall not be employed on the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship.

(3) With respect to terms and conditions affecting, or rights provided to, individuals who are participants in activities supported by funds provided under this part, such individuals shall not be discriminated against

solely because of their status as participants under this part.

(b) Funds provided under this part shall only be used for activities which are in addition to those which would otherwise be available in the area in the absence of such funds.

(c) No individual shall be eligible to be employed in a position subsidized under this part if the State employment service agency determines that such individual has, within the preceding six months, voluntarily terminated, without good cause, his last previous full-time employment at a wage rate equal to or exceeding the Federal minimum wage as prescribed under section 6(a)(1) of the Fair Labor Standards Act of 1938.

(d) Financial assistance under this part shall not be provided for any program which involves political activities.

(e)(1) An individual in employment subsidized under this part shall be paid wages which shall not be less than the highest of—

(A) the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938;

(B) the minimum wage under the applicable State or local minimum wage law; or

(C) the prevailing rates of pay for individuals employed in similar occupations by the same employer.

(2)(A) The portion of the wages and related employment benefits which may be paid to any participant from funds made available under this part shall not exceed $140 for any week, but such maximum shall be adjusted annually by a percentage (rounded to the nearest tenth of a percent) equal to any increase in aggregate wages and salaries per capita in the United States, as determined by the Secretary.

(B) Subject to subparagraph (A), in any case that an eligible participant is employed and is receiving training in the same workweek, the minimum amount paid to such participant shall be the minimum wage rate for the number of hours employed during the workweek in accordance with clause (A), (B) or (C) of paragraph (1), as the case may be.

(3) Subject to paragraph (2), an eligible participant shall receive assistance for travel and child care expenses if necessary for employment or training or both.

(4) Participants employed under this part may have their wages supplemented by the payment of additional wages for such employment from sources other than this part, but in no case may the total wage paid exceed an amount equal to 200 percent of the higher of the Federal or State minimum wage.

(5) Participants employed under this part shall be allowed sufficient time off from work activities to participate effectively in the job search activities authorized under section 441.

(6) Funds under this part may be used to employ individuals in part-time, flexible-time, and work-sharing employment customarily offered by the employer, if such individuals receive benefits customarily provided with respect to such employment by the same employer.

(7) Programs under this part shall maintain an individual work record for each participant, to be provided to each participant at the end of his participation, which shall contain—

(A) a documentary history of the experience and skills acquired by each participant; and

(B) a list of the major work tasks completed by each participant.

(f)(1) Any funds appropriated to carry out this part which are allotted under section 437 for any fiscal year and which the Secretary has not determined under section 437(b) will not be needed by a State, shall be available for expenditure by the recipient during a period of one year from the date of payment to the recipient. No part of any allotment shall be revoked or canceled as long as the funds so allotted are expended by the recipient within such one-year period. If any such funds are not so expended, the Secretary shall reallot an amount equal to such unexpended funds among other eligible recipients in accordance with this part.

(2) For purposes of paragraph (1) the date of payment is the date on which the recipient receives the funds.

LABOR STANDARDS

SEC. 443. (a)(1) Conditions of employment and training shall be appropriate and reasonable in light of such factors as the type of work, geographical region, and proficiency of the participant.

(2) The regulations (relating to health and safety and worker's compensation) implementing paragraphs (2) and (3) of section 143(a) of the Job Training Partnership Act issued on March 15, 1983, shall apply to participants under this part.

(3) All individuals while employed in subsidized jobs under this part shall be provided working conditions comparable to working conditions in jobs provided to other employees working a similar length of time and doing the same type of work.

(4) No funds available under this part may be used for contributions on behalf of any participant to retirement systems or plans.

(b)(1) No currently employed worker shall be displaced by any participant (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits).

(2) No program shall impair existing contracts for services or collective-bargaining agreements, except that no program under this part which would be inconsistent with the terms of a collective-bargaining agreement shall be undertaken without the written concurrence of the labor organization and employer concerned.

(3)(A) No participant whose wages are subsidized under this part shall be employed, and no job opening filled by a participant whose wages are subsidized under this part, when any other individual is on layoff from the same or any substantially equivalent job.

(B) No participant whose wages are subsidized under this part shall be employed, and no job opening filled by a participant whose wages are subsidized under this part, when, after the date of enactment of this part, the employer terminates the employment of any regular unsubsidized employee in the same or any substantially equivalent job or otherwise reduces the number of regular unsubsidized employees in such jobs.

(C) No participant whose wages are subsidized under this part shall be employed or job opening filled by a participant whose wages are subsidized under this part, in any government department having twenty-five or more regular unsubsidized employees, unless the number of such employees who are currently employed in such department is at least equal to the lower of—

(i) the number of regular unsubsidized employees who were employed in the work force of such department in the calendar quarter preceding the enactment of this part, or

(ii) the number which is equivalent to the same proportion of the number described in clause (i) as that proportion which the total number of regular unsubsidized employees currently employed in the work force of all departments of such government bears to the total number of regular unsubsidized employees who were employed in the work force of all departments of such government in the calendar quarter preceding the enactment of this part.

(4) No jobs shall be created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals.

(c)(1) Each quarterly report submitted pursuant to section 438(b) shall be made promptly available upon request to any labor organization representing government employees who are engaged in similar work to that performed by employees whose wages are subsidized under this part.

(2) Each quarterly report submitted pursuant to section 106(b) which is subject to the requirements of paragraph (3) shall, with respect to each government department in which subsidized employment is provided under this part, set forth—

(A) the number of all regular unsubsidized employees of such department—

(i) during the quarter to which such report applies; and

(ii) during the quarter preceding the enactment of this part, and

(B) the number of employees subsidized under this part in such department during each such quarter.

(3) If, for two succeeding calendar quarters, there has been an average decline of 5 percent or more in the number of such unsubsidized employees in any such department as compared to such number for the quarter described in paragraph (2)(A)(ii), such report shall include a statement identifying the jobs which have been reduced and setting forth any reasons that such reduction does not result from a failure to comply with section 442(b) or subsection (b) of this section.

(4) Any such report which is required to contain such a statement shall be subject to review in accordance with subsection (d).

(d)(1) Whenever any employee, or labor organization representing employees, of a government employing subsidized employees under this part submits to the Secretary a complaint alleging that section 442(b) or subsection (b) of this section has been violated, a copy of such complaint shall be transmitted at the same time to such government. An opportunity shall be afforded to such government to review such complaint and to submit a reply to the Secretary within fifteen days after receiving a copy of such complaint.

(2) An official who shall be designated by the Secretary shall review any report required to include a statement specified in subsection (c)(3), or any complaint submitted in accordance with paragraph (1), to ascertain the accuracy of the information set forth or alleged and to determine whether there is substantial evidence that the affected activities fail to comply with section 442(b) or subsection (b) of this section.

(3) The official so designated shall, within forty-five days of the submission of such report or complaint, submit recommendations to the Inspector General of the Department of Labor as to whether the report or complaint warrants investigation by the Office of the Inspector General. After reviewing such recommendations, the Inspector General shall undertake any investiga-

tions, including an audit, if appropriate, deemed to be warranted.

(4) A determination of whether a violation of section 442(b) has occurred shall be made after considering legitimate bases for layoffs or terminations of employees not subsidized under this part within the same department or budget function, such as a shortfall of revenues compared with expenditures despite maintenance of local tax effort, or the requirements of governmental reorganizations or productivity improvements affecting work not performed by such subsidized employees.

(5) Not later than ninety days after the report or complaint described in paragraph (2) is submitted, the Inspector General's findings as to whether a failure to comply with section 442(b) and subsection (b) of this section has occurred shall be transmitted to the Secretary. The Secretary shall, within thirty days after receiving the Inspector General's findings, issue a determination as to whether a violation of section 442(b) or subsection (b) of this section has occurred, which shall constitute the final determination of the Secretary for purposes of chapters 5 and 7 of title 5, United States Code.

(6) The Secretary shall institute proceedings under section 444(b) for the repayment of funds determined to have been expended in violation of section 442(b) or subsection (b) of this section.

(e) Each recipient of funds under this part shall provide to the Secretary assurances that none of such funds will be used to assist, promote, or deter union organizing.

(f)(1) All laborers and mechanics employed by contractors or subcontractors in any construction, alteration, or repair, including painting and decorating, of projects, buildings, and works which are federally assisted under this part, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary in accordance with the Act of March 3, 1931 (commonly known as the Davis-Bacon Act). The Secretary shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 and section 2 of the Act of June 1, 1934.

(2) Such rates are not required to be paid to participants under this part unless they are employed in connection with projects funded by this part in whole or in part, exclusive of wages and benefits, or projects covered by any other statute requiring the payment of such Davis-Bacon Act wage rates.

(g) For purposes of this section—

(1) information concerning numbers of employees shall be reported in a manner consistent with the reporting of information (including the definitions of terms) requested from governments by the Bureau of the Census in the Survey of Government Employment for the 1982 Census of Governments, as authorized in accordance with section 161 of title 13, United States Code;

(2) the term "government" means a State, a local unit of general purpose government, a public agency, or a local educational agency; and

(3) the term "regular unsubsidized employee" means any employee whose wages are paid in whole or in part from non-Federal funds, but does not include any employee whose wages are paid in whole or in part with funds made available under this part.

FISCAL CONTROLS; SANCTIONS

SEC. 444. (a)(1) The Comptroller General of the United States shall, on a selective basis, evaluate the expenditures by the recipients under this part in order to assure that expenditures are consistent with the provisions of this part and to determine the effectiveness of each recipient in accomplishing the purposes of this part. The Comptroller General shall conduct the evaluations whenever necessary and shall periodically (at least annually) report to the Congress on the findings of such evaluations.

(2) Nothing in this part shall be deemed to relieve the Inspector General of the Department of Labor of responsibilities under the Inspector General Act.

(3) For the purpose of evaluating and reviewing programs established or provided for by this part, the Comptroller General shall have access to and the right to copy any books, accounts, records, correspondence, or other documents pertinent to such programs that are in the possession, custody, or control of any recipient of funds under this part, or any contractor or subcontractor of such recipients.

(b) Every recipient shall repay to the United States amounts found not to have been expended in accordance with this part. The Secretary may offset such amounts against any other amount to which the recipient is or may be entitled under this part unless he determines that such recipient should be held liable pursuant to subsection (c). No such action shall be taken except after notice and opportunity for a hearing have been given to the recipient.

(c)(1) Each recipient shall be liable to repay such amounts, from funds other than funds received under this part, upon a determination that the misexpenditure of funds was due to willful disregard of the requirements of this part, gross negligence, or failure to observe accepted standards of administration. No such finding shall be made except after notice and opportunity for a fair hearing.

(2) In determining whether to impose any sanction authorized by this section against a recipient for violations by a subcontractor of such recipient under this part, the Secretary shall first determine whether such recipient has adequately demonstrated that it has—

(A) established and adhered to an appropriate system for the award and monitoring of contracts with subcontractors which contains acceptable standards for ensuring accountability;

(B) entered into a written contract with such subcontractor which established clear goals and obligations in unambiguous terms;

(C) acted with due diligence to monitor the implementation of the contract, including the carrying out of the appropriate monitoring activities (including audits) at reasonable intervals; and

(D) taken prompt and appropriate corrective action upon becoming aware of any evidence of a violation of this part by such subcontractor.

(3) If the Secretary determines that the recipient has demonstrated substantial compliance with the requirements of paragraph (2), the Secretary may waive the imposition of sanctions authorized by this section upon such recipient. The Secretary is authorized to impose any sanction consistent with the provisions of this part and of any applicable Federal or State law directly against any subcontractor for violation of this part.

(d) In emergency situations, if the Secretary determines it is necessary to protect the integrity of the funds or ensure the proper operation of the program, the Secretary may immediately terminate or suspend financial assistance, in whole or in part, if the recipient is given prompt notice and the opportunity for a subsequent hearing within thirty days after such termination or suspension. The Secretary shall not delegate any of the functions or authority specified in this subsection, other than to an officer whose appointment was required to be made by and with the advice and consent of the Senate.

(e) If the Secretary determines that any recipient under this part has discharged or in any other manner discriminated against a participant or against any individual in connection with the administration of the program involved, or against any individual because such individual has filed any complaint or instituted or caused to be instituted any proceeding under or related to this part, or has testified or is about to testify in any such proceeding or investigation under or related to this part, or otherwise unlawfully denied to any individual a benefit to which that individual is entitled under the provisions of this part, the Secretary shall, within thirty days, take such action or order such corrective measures, as necessary, with respect to the recipient or the aggrieved individual, or both.

(f) The remedies under this section shall not be construed to be exclusive remedies.

(g) Recipients shall keep records that are sufficient to permit the preparation of reports required by this part and to permit the tracing of funds to a level of expenditure adequate to insure that the funds have not been spent unlawfully.

(h)(1) In order to insure compliance with the provisions of this part, the Comptroller General of the United States may conduct investigations of the use of funds received under this part by any recipient.

(2) In conducting any investigation under this part, the Secretary or the Comptroller General of the United States may not request the compilation of any new information not readily available to such recipient.

(i) The Secretary may not withhold, suspend, or terminate the payment of any installment of an allotment, except in accordance with this section.

JUDICIAL REVIEW

SEC. 445. (a)(1) With respect to any corrective action or sanction imposed under section 444 by the Secretary, any party to a proceeding which resulted in such action or sanction may obtain review of such action or sanction in the United States Court of Appeals having jurisdiction over the applicant or recipient of funds, by filing a review petition within thirty days of such final order.

(2) The clerk of the court shall transmit a copy of the review petition to the Secretary who shall file the record upon which the action or sanction was entered as provided in section 2112 of title 28, United States Code. Review petitions, unless ordered by the court, shall not stay the Secretary's action or sanction. Petitions under this part shall be heard expeditiously, if possible within ten days of the filing of a reply brief.

(b) The court shall have jurisdiction to make and enter a decree affirming, modifying, or setting aside the action or sanction of the Secretary in whole or in part. The court's judgment shall be final, subject to certiorari review by the Supreme Court of the United States as provided in section 1254(1) of title 28, United States Code.

Part E—Community Adjustment

AUTHORIZATION OF APPROPRIATIONS

Sec. 451. Section 3(c) of the Job Training Partnership Act is amended—

(1) by inserting "(1)" after the subsection designation;

(2) by inserting ", other than section 309" after "title III"; and

(3) by adding at the end thereof the following:

"(2) There are authorized to be appropriated $100,000,000 for fiscal year 1986, $100,000,000 for fiscal year 1987, and $300,000,000 for fiscal year 1988, to carry out the provisions of section 309.".

COMMUNITY ADJUSTMENT AND PLACEMENT SERVICES

Sec. 452. Title III of the Job Training Partnership Act is amended by adding at the end thereof the following new section:

"COMMUNITY ADJUSTMENT AND PLACEMENT SERVICE PROGRAMS

"Sec. 309. (a)(1) From the funds made available under section 3(c)(2), the chief elected official of any State shall establish a community adjustment and placement service program in any service delivery area with high unemployment within such State.

"(2) Funds made available for this section shall be subject to the provisions of section 301 relating to allocation of funds and section 304 relating to matching requirements, and any other provision of this title not inconsistent with this section.

"(b) A community service adjustment committee shall be established by the chief elected official of the State after consultation with the private industry council and the local government officials in each service delivery area with high unemployment selected by the chief elected official of the State for the program authorized by this section. Each such committee shall be composed of representatives of—

"(1) the chief elected official of the State;

"(2) the State employment security system; and

"(3) the local businesses, labor organizations and community organizations in the service delivery area.

A private industry council may be designated as a community service adjustment committee.

"(c) Each community service adjustment committee shall develop and implement a plan to—

"(1) assist the community in adjusting to local conditions caused by plant closings or relocations, substantial labor force reductions and permanent layoffs, and other economic disruptions;

"(2) attract new business concerns and economic opportunities to the area; and

"(3) assist existing business concerns in efforts to modernize and expand.

"(d)(1) In the event that a business concern provides ninety days notice of a plant closing or substantial labor force reductions or permanent layoffs, the community service adjustment committee in the service delivery area shall establish a temporary adjustment committee at the plant site which shall—

"(A) be representative of management, employees, and the community, including the appropriate private industry council and the appropriate office of the State agency adminstering a law approved under title III of the Social Security Act;

"(B) be co-chaired by representatives designated by labor and management, or chaired by a person agreed upon by labor and management;

"(C) assist employees in finding new employment, relocating, or retraining;

"(D) cease to exist six months after such plant closing or substantial labor force reduction or permanent layoff, or earlier if the temporary adjustment committee completes the functions pursuant to subparagraph (C); and

"(E) issue a final report to the community service adjustment committee.

"(2) In the event that a business concern closes a plant or substantially reduces a labor force or permanently lays off employees, without notice, the community service adjustment committee shall organize job search activities, refer employees to retraining programs, assist in relocation, and inform employees of available options including unemployment insurance, retraining loans, job search clubs, and community service jobs.

"(e)(1) Notwithstanding any other provision of law, a community service adjustment committee may solicit, accept, and use—

"(A) any donation of money, property, or personal service from any private source to carry out the purposes of this section; or

"(B) any funds from a governmental agency to carry out the functions of this section.

"(2) Funds or donations received pursuant to paragraph (1) shall not affect the amount of funds a community service adjustment committee may receive pursuant to this section.".

TITLE V—NATIONAL INVESTMENT ASSOCIATION

FINDINGS, PURPOSE, AND OBJECTIVES

Sec. 501. (a) The Congress finds and declares that—

(1) the expansion of international competition greatly intensifies pressure on United States industries to innovate;

(2) the ongoing competitiveness of United States industries in global markets is vital to healthy improvement in the employment opportunities and standard of living of American workers;

(3) it is in the national interest that United States firms exposed to foreign competitive pressures be able to finance research and improvements in their products, services, and production processes;

(4) the size, sophistication, and dynamism of United States capital markets are among our economy's most important competitive assets;

(5) Federal policy should concentrate on improving the general economic climate for productive investment, but Federal action is necessary to provide capital market institutions that enable private investors to make decisions that are sound in the long term;

(6) although sound tax, regulatory, and monetary policies will continue to be the Government's chief contribution to a healthy business economy, financial assistance will remain important;

(7) while public opinion is divided on specific proposals for Federal support to business, many States and localities have established cooperative relationships with private industry and financial institutions and have developed sophisticated strategies to promote new businesses, business expansion, and industrial modernization; and

(8) the States, which have traditionally served in this country as decentralized laboratories for public policy, should be helped to develop and test business development strategies that are sound, that are appropriate to regional differences in the economy, and that contribute to national economic growth.

(b) The purpose of this title is to enable those United States firms that are confronted with international competitive pressures to finance investments that are necessary to (1) sustain innovation in their products, services, or production processes, or (2) improve the long term competitiveness and employment creating strength of the Nation's economy.

(c) Consistent with this purpose, the objectives of this title are—

(1) to overcome financial obstacles that place United States firms, including those that are new, growing, small or medium in size, at an unfair disadvantage in efforts to (A) carry out research and development of products or services in international competition, (B) adopt the most efficient methods to produce such products or services in the United States, (C) take advantage of opportunities in international markets, and (D) adapt product lines or production processes to sudden changes in international competition;

(2) to enable State and local governments to implement business development strategies that (A) respond to regional differences in the economy, (B) promote the international competitiveness of United States business, and (C) refrain from efforts that have as an appreciable effect the attraction of jobs and economic activity away from other jurisdictions in the United States; and

(3) to expand working relationships among governments and private financial institutions so that public policy responds to market forces, leverages private investment, and accelerates the removal of disincentives to productive investment in private capital markets.

DEFINITIONS

Sec. 502. As used in this title—

(1) the term "products or services in international competition" means (A) products or services that compete or can reasonably be expected to compete directly for sales either in the United States or in foreign markets with products or services produced in countries other than the United States, or (B) products or services which are used directly in the production of such goods or services;

(2) the term "designated corporation" means a public, government sponsored, or private, public-purpose corporation designated by the Governor of a State, with the approval of the Secretary of Commerce, to implement part or all of the State's business development strategy in conformance with this Act;

(3) the term "Secretary" means the Secretary of Commerce; and

(4) the term "Association" means the National Investment Association.

ESTABLISHMENT OF THE ASSOCIATION

Sec. 503. (a) There is hereby created a body corporate to be known as the National Investment Association. The Association shall have succession until dissolved by Act of Congress. It shall maintain its principal office in the District of Columbia or the metropolitan area thereof and shall be deemed, for purposes of venue and jurisdiction in civil actions, to be a resident and citizen thereof. The Association may establish offices in such other place or places as it may deem necessary or appropriate for the conduct of its business.

(b)(1) The Association shall have a board of directors consisting of nineteen persons to be appointed by the President of the

United States, by and with the advice and consent of the Senate, from among individuals who have (A) expertise and broad experience in the fields of business investment, industrial development, or public or private finance, and (B) an understanding of the financial problems confronting new, growing, small, or medium-sized firms.

(2) Membership of the board shall include—

(A) not less than three persons who have backgrounds of leadership in the labor community;

(B) not less than three persons who have had distinguished careers with venture capital, pension funds, insurance, or other segments of the private financial community;

(C) not less than three persons who have achieved excellence in product development or manufacturing;

(D) not less than four persons from State or local government who have had outstanding achievements in public finance or industrial development; and

(E) not less than three persons who are heads of Federal agencies or departments with responsibility for improving business investment.

(3) Not more than ten members of the board may be from any one political party.

(4) The Chairman of the Board shall be designated by the President at the time of his appointment to the board and shall be a full time member of the board.

(5) Members of the board who are not officers or employees of the United States shall each be paid at a rate equal to the daily equivalent of the rate of pay for level II of the Executive Schedule for each day they are engaged in the actual performance of their duties as members of the board. The Chairman of the Board shall be paid such compensation as is determined by the Association.

(6) Of the members of the board first appointed, six shall have terms of one year, six shall have terms of two years, and seven shall have terms of three years. Their successors and all other appointees shall have three year terms. A member of the Board may be removed only for cause.

(7) In the event of any default by the Association with respect to dividends on outstanding class B preferred stock, the holders may elect two additional members of the Board who shall hold office until the default is cured.

GENERAL POWERS OF THE ASSOCIATION

SEC. 504. (a) The Association shall have power—

(1) to adopt, alter, and use a corporate seal, which shall be judicially noticed;

(2) to sue and be sued, complain and defend, in its corporate name and through its own counsel, in any State, Federal, or other court;

(3) to conduct its business without regard to any qualification or similar statute in any State, the District of Columbia, or any other place subject to the jurisdiction of the United States;

(4) subject to such limitations as may be provided expressly in this title, to adopt, amend, repeal, and enforce such bylaws, rules, and regulations as may be necessary or appropriate to carry out the purposes or provisions of this title;

(5) to receive capital contributions, to issue capital securities and to incur liabilities as provided in this title;

(6) to enter into and perform contracts, agreements, and commitments;

(7) with the approval of the agency concerned, to make use of services, facilities, and property of any agency, department, board, commission, independent establishment of the executive branch in carrying out the provisions of this title and to pay for such use, such payments to be credited to the applicable appropriation that incurred the expense;

(8) to lease, purchase, or otherwise acquire, own, hold, improve, use, or otherwise deal in and with any property, real, personal, or mixed, or any interest therein, wherever situated;

(9) to sell, convey, mortgage, pledge, lease, exchange, and otherwise dispose of its property and assets;

(10) to accept gifts or donations of services, or of property, real, personal, or mixed, tangible or intangible, in aid of any of the purposes of the Association;

(11) to prescribe and impose fees and charges for services by the Association;

(12) to settle, adjust, and compromise, and with or without consideration or benefit to the Association, to release or waive in whole or in part, in advance or otherwise, any claim, demand or right of, by, or against the Association;

(13) to determine its necessary expenditures and the manner in which the same shall be incurred, allowed, and paid; and

(14) to do all things as are necessary or incidental to the proper management of its affairs and the proper conduct of its business.

(b) The board of directors of the Association shall have the power to select and appoint or employ such officers, attorneys, employees, and agents, to vest them with such powers and duties, and to fix and to cause the Association to pay such compensation to them for their services as it may determine, and any such action shall be without regard to the Federal civil service and classification laws. Appointments, promotions, and separations so made shall be based on merit and efficiency, and no political tests or qualifications shall be permitted or given consideration.

(c) The Association, including its franchise, capital, reserves, surplus, mortgages, or other security holdings, and income, shall be exempt from all taxation now or hereafter imposed by any State, territory, possession, Commonwealth, or dependency of the United States, or by the District of Columbia, or by any county, municipality, or local taxing authority, except that any real property of the Association shall be subject to State, territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed.

(d) The Association may secure directly from any department or agency of the United States information necessary to enable it to carry out this title. Upon request of the Chairman of the Board, the head of such department or agency shall furnish such information to the Association.

(e) The Federal Reserve banks are authorized and directed to act as depositories, custodians, and fiscal agents for the Association, for its own account or as fiduciary, and such banks shall be reimbursed for such services in such manner as may be agreed upon, and the Association may itself act in such capacities, for its own account or as fiduciary, and for the account of others.

CAPITALIZATION

SEC. 505. (a)(1) The capital stock of the Association shall consist of nonvoting common stock, which shall have such par value and such other characteristics as the Association may prescribe.

(2) The Secretary of the Treasury is authorized and directed to purchase common stock of the Association in such amounts as are specified in appropriations Acts, except that the total par value of such stock shall not exceed $100,000,000.

(3) The Association may issue additional common stock to the public, the proceeds of which shall be used first to retire common stock held by the Secretary of the Treasury. The common stock of the Association shall be transferable only as may be prescribed by regulations of the Secretary of the Treasury and, as to the Association, only on the books of the Association.

(b)(1) The Association is authorized to issue two classes of nonvoting preferred stock on such terms and conditions as the Board of Directors shall prescribe.

(2)(A) Proceeds from the sale of Class A preferred stock, which shall be issued to the Treasury of the United States, shall be available only for activities authorized under section 506.

(B) The Secretary of the Treasury is authorized and directed to make commitments to purchase Class A preferred stock at par value in such amounts as are provided in appropriations Acts and to purchase such stock in fulfillment of such commitments as requested by the Association to carry out the purposes of section 506 of this Act.

(C) The total par value of Class A preferred stock which the Secretary of the Treasury shall make commitments to purchase shall not exceed $700,000,000 prior to September 30, 1986, $1,500,000,000 prior to September 30, 1987, $2,300,000,000 prior to September 30, 1988, $3,100,000,000 prior to September 30, 1989, and $3,900,000,000 thereafter.

(3)(A) Proceeds from the sale of Class B preferred stock, which shall be issued with the approval of the Secretary of the Treasury, shall be available for activities of the Association authorized under the provisions of this title other than section 506.

(B) A share of Class B preferred stock which is issued shall be freely transferable, except that, as to the Association, it shall be transferred only on the books of the Association.

(C) The holders of Class B preferred shares shall be entitled to such rate of cumulative dividends and such shares shall be subject to such redemption or other conversion provisions as may be provided for at the time of issuance. The holders of such shares may elect two directors in the event of a default by the Association with respect to such dividends. Class B preferred shares may have such other characteristics as are necessary to permit such shares to be traded in major exchanges.

(c)(1) The Association is authorized, with the approval of the Secretary of the Treasury, to issue and have outstanding obligations having such maturities and bearing such rate or rates of interest as may be determined by the Association. Such obligations may be redeemed at the option of the Association before maturity in such manner as may be stipulated therein.

(2) The aggregate principal amount of outstanding obligations issued under this subsection shall not at any time exceed ten times the Association's capital (excluding the par value of the outstanding Class A preferred stock), capital surplus, general surplus, reserves, and undistributed earnings, except with the specific approval of the Secretary of Commerce.

(d) Before the Association may issue common or Class A preferred stock to the Treasury, it shall enter into an agreement with the Secretary of the Treasury to compensate the Government, through payments of dividends or otherwise, for its investment at a rate not less than (A) the average interest rate on all interest bearing obligations of the United States then forming a part of the public debt, adjusted to the nearest one-eighth of 1 per centum, plus (B) an allowance adequate in the judgment of the Secretary of the Treasury to cover administrative costs related to the purchase of such stock. Such agreements may provide for deferred payment of part or all of the compensation required by the previous sentence for such period, not to exceed five years, as may be necessary to carry out the purposes of this title. Payments of such dividends or other forms of compensation shall be treated as payments of interest on debt by the Association and shall be deposited into miscellaneous receipts of the Treasury.

INVESTMENT IN STATE-BASED BUSINESS DEVELOPMENT

SEC. 506. (a)(1) The Association is authorized to purchase and to make commitments to purchase securities which are issued by States or designated corporations to finance activities that are consistent with the purpose and objectives of this section.

(2) No assistance may be provided under this section for projects intended to facilitate the relocation of industrial or commercial plants or facilities from one area to another, unless the Association finds that the relocation does not significantly and adversely affect the unemployment or economic base of the area from which the industrial or commercial plant or facility is to be relocated.

(b)(1) The Secretary, in consultation with the Association, is authorized to designate States to be participating States or nonparticipating States under this section.

(2) The Association is authorized to certify that a statewide business investment strategy which is approved by a Governor is in conformance with the requirements of this section.

(3) The Secretary shall by regulation establish procedures and standards according to which such designations and certifications shall be made.

(c)(1) The Governor of a State shall have responsibility for notifying the Secretary of the State's intention to participate under this title and for submitting a statewide business development strategy for certification by the Association under subsection (b)(2).

(2) The Association shall give each Governor the broadest latitude consistent with the requirements of this title in (A) developing and revising the State's statewide business development strategy, and (B) implementing the strategy through such public or private agencies and using such forms of assistance as the Governor determines to be appropriate for the conditions of the State. The Association shall facilitate any efforts of governors of several States to jointly develop or implement regional business development strategies.

(3) The Secretary shall by regulation establish procedures according to which a State's Governor, with the approval of the Secretary, may designate a corporation to administer part of the State's business development strategy and to be eligible for investment directly by the Association under this section. Such a designated corporation must be a public, government-sponsored or private, public-purpose corporation and shall comply with all requirements of this title. The Secretary shall approve such designation only after finding that such direct investment by the Association is necessary to enable the State to implement its business development strategy efficiently.

(4) Before certifying a statewide business development strategy under subsection (b)(2), the Association shall determine that the Governor has demonstrated to the Association's satisfaction that the strategy was developed in consultation with municipalities and counties in the State that have carried out significant business development activities, and that the strategy makes adequate provision for (A) public accountability, (B) recordkeeping and financial controls that are consistent with accepted business practices, (C) staff capacity for investment analysis and other activities which are necessary to implement the strategy, (D) participation and risk sharing by private financial institutions, (E) targeting of assistance on those projects that will enable United States firms to achieve long-term competitiveness in international markets, (F) methods to preclude efforts that have as an appreciable effect the attraction of jobs and economic activity away from other jurisdictions in the United States, and (G) such other requirements as in the judgment of the Secretary are necessary to achieve the purpose and objectives of this title. Any determination of the Association may be appealed to the Secretary. Decisions of the Secretary are final.

(d)(1) As soon as feasible after a State has been designated a participating State, the Association shall enter into preliminary agreements with the Governor of the State in which—

(A) the Association shall affirm its intention to purchase securities which are issued by the State or by designated corporations within the State to finance implementation of the State's business investment strategy; and

(B) the Governor shall make such commitments to comply with the requirements of this title as the Secretary determines are necessary.

(2) The Association shall make commitments to purchase securities under this section for amounts not to exceed the sum of a State's subscription share, as determined under paragraph (3), and supplemental allocations, as determined under paragraph (4). Such commitments may remain in force for up to six years from the date of commitment so long as a State remains a participating State.

(3) The Secretary shall in each year establish for each State a subscription share which shall bear the same ratio to the additional amounts allocated under subsection (e)(1) of this section as the average, over the previous six years, of the ratios between—

(A) the population of that State and the population of all participating States;

(B) the population lag of that State and the population lag of all participating States;

(C) total employment in manufacturing, mining, and agriculture in that State, as determined by the Department of Commerce, and total employment in those sectors in all participating States; and

(D) the employment lag in manufacturing, mining, and agriculture in that State as determined by the Department of Commerce, and employment lag in those sections in all participating States.

For purposes of the calculations made in this subsection, a State shall be considered to be a participating State unless the Secretary has designated it to be a nonparticipating State. Subscription shares which become available as a result of action against States under paragraph (4) shall as soon as practical be added by formula to the subscription shares of other States. The Secretary may establish a minimum subscription share if he determines that there is a level of investment below which the Association would not significantly assist a State in implementing an effective strategy that is consistent with the provisions of this title. To compensate for any increases in States whose subscription share would otherwise fall below such a minimum, the Secretary may make pro rata reductions of subscription amounts above the minimum.

(4) The Association, according to regulations approved by the Secretary, may allocate amounts which become available under subsection (e)(2) to supplement the subscription shares in States with business development strategies that, in the judgment of the Association—

(A) show superior performance and promise in achieving the purpose and objectives of this title;

(B) have innovative elements that require funding in addition to the State's subscription share;

(C) respond to unanticipated business conditions in the State that adversely affect the ability of firms within the State to make investments that are consistent with the purpose and objectives of this title; or

(D) meet other criteria that the Association with the approval of the Secretary determines are necessary to carry out this title.

Supplemental allocations made to a State under this subsection in a year shall not be for amounts that exceed the State's subscription share under paragraph (3) in that year.

(e) When the Secretary of the Treasury makes commitments to purchase additional amounts of the Association's Class A preferred stock under section 505(b)—

(1) an amount equal to 80 percent of the par value of such stock shall be allocated for commitment by the Association to States according to a formula established by the Secretary under subsection (d)(3) of this section; and

(2) an amount equal to 20 percent of the par value of such stock shall be allocated for commitment to States at the discretion of the Association for activities approved according to procedures established under subsection (d)(4) of this section.

(f)(1) Purchase of securities by the Association pursuant to the commitments shall be made only after the Association finds that—

(A) the State has contributed to implementation of its statewide business development strategy, at least one dollar in State funds, as specified by the Secretary in regulation, for every three dollars the Association is to invest;

(B) the financial soundness of the State's proposed activities together with commitments by the State provide adequate assurance that the Association will receive payment of principal, interest, and other income due on its investment;

(C) the value of the securities to be purchased are in amounts which the State or designated Association can employ soundly within a reasonable period of time; and

(D) the State or designated Association is in compliance with requirements of this title.

(2) Securities eligible for purchase by the Association under this section shall include

such terms and conditions as the Association determines are appropriate to fully compensate the Association for its costs and risk. Such securities may provide for deferred repayment of principal so long as the State is a participating State, but they shall provide that all principal and accrued interest or other charges shall be due and payable when the Secretary, pursuant to subsection (h), designates the State to be a nonparticipating State.

(g) Income or repayments received from employment of funds invested by the Association in a State, may be deposited by the State in one or more revolving funds for reuse in ways that are consistent with the provisions of this title.

(h)(1) The Secretary shall, in consultation with the Association, regularly review the implementation of statewide business development strategies by participating States. Where the Secretary finds that a State has failed to comply with the requirements of this title, he shall notify the State of such finding, and he shall issue any further commitments only on the express condition that the State fully comply with the requirements of this title. If the Secretary finds, after giving notice under the preceding sentence, that a State continues to be in substantial noncompliance with the requirements of this title, he may require such State to repurchase some or all of the securities purchased by the Association under subsection (a) or he may designate such State to be a nonparticipating State in which case all outstanding commitments to such State which were previously made by the Association under this section shall be null and void.

(2) Amounts which become available as a result of action against States under this paragraph shall as soon as practicable be added by formula to the subscription shares of States against which such action is not taken.

(i) The Secretary shall report to the Congress no less frequently than annually his assessment of the degree to which activities of the Association and participating States are contributing to achievement of the purpose and objectives of this title.

SECONDARY MARKET OPERATIONS

SEC. 507. (a) The Association is authorized—

(1) to guarantee and to make commitments to guarantee the timely payment of principal and interest on obligations which are issued by approved financial institutions and which are backed by pools or trusts of qualifying business loans or participations in qualifying business loans meeting the requirements of this section; and

(2) to purchase such qualifying loans or participations from such institutions, to form pools or trusts of such qualifying loans or participations, and to issue or guarantee obligations backed by such pools or trusts.

Such obligations shall have such maturities and bear such rate or rates of interest as may be determined by the Association with the approval of the Secretary.

(b) Obligations issued by an approved financial institution are eligible for guarantees under this section if the financial institution meets minimum standards set forth in a regulation prescribed by the Association and approved by the Secretary. Such minimum standards shall include—

(1) a minimum net worth requirement;

(2) adequate supervisory mechanisms;

(3) a warranty compensation mechanism;

(4) prior approval of facilities;

(5) an adequate level of financial expertise;

(6) limitations as to the amount of guarantees with respect to any single borrower; and

(7) such other requirements as the Association determines to be necessary in order to carry out the provisions of this title in accordance with sound business practices.

(c) For purposes of this section, a qualifying business loan is a loan which—

(1) has a principal amount which does not exceed $2,000,000;

(2) has a maturity of not less than three years;

(3) is to be used for investments which are consistent with the purpose of this title;

(4) meets standards of quality generally applicable by private institutional investors; and

(5) meets such other criteria as the Association may prescribe.

(d) The Association shall establish requirements and standards to minimize the Association's risk of loss, including—

(1) minimum equity contributions by borrowers;

(2) minimum participation by loan originators;

(3) obligation of an agency or institution other than the Association to repurchase any loan in default or to exchange any such loan with one or more sound loans;

(4) insurance or guarantees on individual loans or participations;

(5) insurance on the pool or trust; and

(6) such other requirements as the Association determines to be appropriate for a given pool or trust.

(e) The Association shall establish and charge a fee for guarantees under this section. The amount of such fee shall be sufficient to compensate the Association fully for any risk of loss and for administrative costs incurred in the guarantee program.

(f) In the event the Association's losses on guarantees under this section exceed the funds available to cover such losses, the Association is authorized to issue, and have outstanding at any one time obligations having such maturities and bearing such rate or rates of interest as may be determined by the Association, with the approval of the Secretary of the Treasury, to be redeemable at the option of the Association before the maturity in such manner as may be stipulated in such obligations. The Secretary of the Treasury is authorized in his discretion to purchase any obligations issued pursuant to this subsection, as now or hereafter in force, and for such purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds of the sale of any securities hereafter issued under chapter 31 of title 31, United States Code, and the purposes for which securities may be issued under chapter 31 of title 31, United States Code, are extended to include such purchases.

(g) Upon the payment of any guarantee under this section, the Association shall be subrogated to the rights of the holder of the obligation regarding which the guarantee payment was made.

(h) The aggregate amount of guarantees under this section shall not exceed limitations contained in appropriation Acts.

INFORMATION SHARING

SEC. 508. The Association is authorized, either directly or by contract with governmental agencies or private organizations, to conduct such studies and research, to publish such reports, and to provide such technical assistance as may be necessary or consistent with the purpose and objectives of this title.

MISCELLANEOUS PROVISIONS

SEC. 509. (a) Funds held by the Association in excess of current needs may be invested by the Association only in securities or other obligations issued or guaranteed as to principal and interest by the United States or in deposits which are insured by the United States.

(b) An obligation issued or guaranteed by the Association shall be a lawful investment and may be accepted as security for all fiduciary, trust, and public funds the investment or deposit of which shall be under the authority and control of the United States or any officer or officers thereof. All stock obligations, securities, participations, or other instruments issued or guaranteed by the Association pursuant to this title shall, to the same extent as securities which are direct obligations of or obligations guaranteed as to principal or interest by the United States, be deemed to be exempt securities within the meaning of laws administered by the Securities and Exchange Commission.

(c) Any person, trust, corporation, partnership, association, business trust, or business entity created pursuant to or existing under the laws of the United States or any State shall be authorized to purchase, hold, and invest in obligations issued or guaranteed by the Association. Where State law limits the purchase, holding, or investment in obligations issued by the United States by such a person, trust, corporation, partnership, association, business trust, or business entity, such obligations shall be considered to be obligations issued by the United States for the purpose of the limitation.

(d) The Association shall insert appropriate language in all of its securities and other obligations issued or guaranteed under this title clearly indicating that such securities and obligations, together with interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or of any agency or instrumentality thereof other than the Association.

(e)(1) Section 5(c)(1) of the Home Owner's Loan Act of 1933 (12 U.S.C. 1464(c)(1)) is amended by adding at the end thereof the following:

"(S) NATIONAL INVESTMENT ASSOCIATION SECURITIES.—Investments in securities which are issued or guaranteed by the National Investment Association.".

(2) Section 107 of the Federal Credit Union Act (12 U.S.C. 1757) is amended—

(A) by redesignating paragraph (15) as paragraph (16); and

(B) by inserting after paragraph (14) the following:

"(15) to invest in securities which are issued or guaranteed by the National Investment Association, subject to such regulations as the Board may prescribe;".

(3) Section 5136 of the Revised Statutes (12 U.S.C. 24) is amended by adding at the end of paragraph seventh the following: "The limitations and restrictions contained in this paragraph as to an association purchasing for its own account investment securities shall not apply to securities which are issued or guaranteed by the National Investment Association, subject to such limitations as the Comptroller of the Currency may prescribe.".

(f) The Association is not an investment company for the purpose of the Investment Company Act of 1940.

OVERSIGHT BY CONGRESS AND THE EXECUTIVE BRANCH

Sec. 510. (a) The Association shall transmit quarterly and annual reports on its operations to the Secretary of Commerce who shall report annually to the Congress on such operations, together with recommendations for changes in the structure or functions of the Association.

(b) The Secretary shall review proposed regulations of the Association under sections 506 and 507 within 45 days of their publication for comment. Such regulations shall be deemed to be approved unless the Secretary disapproves the regulations prior to the expiration of such period, except that the Secretary may extend such period by not to exceed 30 days upon publication of statement that it is necessary to him to take such action.

(c) The Comptroller General of the United States is authorized to examine the books and records of the Association and shall conduct an annual audit of the operations of the Association. A report on such audit, together with such recommendations as may be appropriate, shall be transmitted to the Congress.

PLAN FOR PRIVATE OWNERSHIP

Sec. 511. The Secretary shall study methods for transferring ownership of the Association to the public. Not later than five years after the date of enactment of this Act, the Secretary shall transmit to the Congress a report on the results of such study, including therein any plan or other recommendation for such transfer.

TITLE VI—BALANCE OF PAYMENTS AND COMPETITIVENESS

PART A—DOMESTIC INDUSTRIAL ADJUSTMENTS

SHORT TITLE

Sec. 601. This part may be cited as the "Industrial Adjustment Act of 1984".

FINDINGS AND PURPOSE

Sec. 602. (a) Findings.—The Congress finds that—

(1) the current policy of open United States international trade requires special efforts to promote the economic adjustment of United States firms which compete with imported products;

(2) such policy of open United States international trade serves the general welfare of the United States if administered in a fair and reciprocal manner;

(3) it is unfair for United States firms, local communities, and employees, shareholders, and creditors of such firms to be subject to the burdens of an open United States international trade policy without an appropriate national policy to relieve such burdens; and

(4) any national policy to relieve the burdens of industries seriously injured by, or threatened with serious injury substantially caused by, increasing imports should be developed on a case-by-case basis.

(b) Purpose.—It is the purpose of this title to—

(1) promote international and domestic competitiveness;

(2) minimize unemployment;

(3) preserve and protect the interests of communities and creditors; and

(4) provide for the efficient use of the resources of the United States,

with respect to domestic industries which are seriously injured by, or threatened with serious injury substantially caused by, increasing imports over a temporary period.

ESTABLISHMENT OF TRADE ADJUSTMENT PLANS

Sec. 603. Chapter 1 of title II of the Trade Act of 1974 (19 U.S.C. 2251 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 204. TRADE ADJUSTMENT PLAN IMPLEMENTATION.

"(a)(1) At the same time as the Commission is conducting an investigation under section 201, the Council on Economic Competitiveness and Cooperation established under title I of the International Competitiveness and Cooperation Act (hereinafter in this section referred to as the 'Council') shall conduct an analysis as to the requirements for an adjustment plan for the industry with respect to which such investigation relates.

"(2) Within 30 days after the Commission reports to the President under section 201(b), the Council shall submit to the President—

"(A) a determination as to whether an adjustment plan is necessary, and

"(B) if the Council determines an adjustment plan is necessary, a recommended adjustment plan.

"(b) Any adjustment plan submitted under subsection (a)(2)(B) shall—

"(1) detail the specific actions to be taken by the Federal, State, and local governments, the industry involved in the investigation, the employees of such industry, and any other person under the plan to—

"(A) promote international and domestic competitiveness within such industry,

"(B) minimize unemployment within such industry,

"(C) preserve and protect the interests of the communities and creditors affected by such industry, and

"(D) promote the efficient use of the resources of the United States;

"(2) include a draft of a bill to amend or repeal provisions of existing statutes or to create statutory authority, as is necessary to carry out the actions described in paragraph (1);

"(3) provide a method by which persons described in paragraph (1) agree to undertake actions required under the plan if such plan takes effect;

"(4) provide a means of enforcing the performance of actions agreed to be taken under paragraph (3); and

"(5) a statement as to the reasons for each action required under the plan.

"(c)(1) After receipt of an adjustment plan under subsection (a)(2)(B), the President shall, not later than 60 days after the Commission reports to the President under section 201(b), make such plan available to the public.

"(2) The President may exclude from the requirement of paragraph (1) any information the President determines to be confidential.

"(d)(1) If the President elects to take action under section 202(a)(1)(A)(ii)(I), the President shall, not later than 90 days after the Commission reports to the President under section 201(b)—

"(A) make such changes in the adjustment plan submitted to the President under subsection (a)(2)(B) as the President determines appropriate,

"(B) submit the adjustment plan, as modified, to the Congress, and

"(C) if the President determines that it is necessary or appropriate to amend, repeal, or enact a statute of the United States to implement such adjustment plan, the President shall submit to the Congress—

"(i) a draft of a bill to accomplish the amendment, repeal, or enactment,

"(ii) a statement of any administrative action proposed to implement the requirement, amendment, or recommendation, and

"(iii) a statement of how existing law is to be changed and why such change is necessary or appropriate to carry out the adjustment plan.

"(3) At least 30 days before submitting a bill described in paragraph (2)(C)(i), the President shall begin consulting with the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives, and each other committee of the House or Senate which has jurisdiction over matters contained in such bill.

"(4) The bill submitted by the President under paragraph (2)(C)(i) shall be introduced in accordance with the provisions of subsection (c)(1) of section 151, and the provisions of subsections (d), (e), (f), and (g) of such section shall apply to the consideration of the bill. For the purposes of applying section 151 to the bill—

"(A) the term 'trade agreement' shall be treated as a reference to the adjustment plan, and

"(B) the term 'implementing bill' or 'implementing revenue bill', whichever is appropriate, shall be treated as a reference to the bill submitted by the President.

"(e) If the provisions of section 202(a)(3) apply, the President may take the actions described in subsection (d), except that the provisions of subsection (d)(4) shall not apply to any bill submitted by the President.

"(f)(1) If the President elects to take action under section 202(a)(1)(A)(ii)(II), the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives may—

"(A) report an original bill which—

"(i) requires the President to implement the adjustment plan submitted to the President by the Council (modified as either such Committee determines appropriate), and

"(ii) contains such amendments, repeals, or new statutory provisions as may be necessary or appropriate to carry out such adjustment, and

"(B) include in the report accompanying such bill the reasons for such plan.

"(2) Any bill reported under paragraph (1) shall be referred by the Presiding Officer of the respective House—

"(A) to the appropriate committee with jurisdiction over matters not in the jurisdiction of the Committee reporting the bill, or

"(B) if there is more than 1 such committee, jointly to such committees for consideration of those provisions within their jurisdiction.

"(3) No amendment that is not germane to the provisions of the bill shall be received in the Senate.

"(4) The provisions of paragraphs (2) and (3) are enacted by the Congress—

"(A) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

"(B) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

"(g) No adjustment plan shall take effect under this section until—

"(1) the bill described in subsection (d), (e), or (f) is enacted into law, and

"(2) agreement to take action required under the adjustment plan has been obtained from all persons required to take such action.

"(h)(1) The Commission shall provide the Council with such information as may be necessary to carry out the Council's responsibilities under this section.

"(2) Any adjustment plan recommended by the Council under subsection (a) shall not be—

"(A) subject to the requirements of the Administrative Procedure Act (section 551, et seq. of title 5), or

"(B) subject to judicial review.".

COORDINATION WITH SECTION 202 OF THE TRADE ACT OF 1974

Sec. 604. (a) In General.—Subsection (a) of section 202 of the Trade Act of 1974 (19 U.S.C. 2252(a)) is amended to read as follows:

"(a)(1) After receiving a report from the Commission containing an affirmative finding under section 201(b) that increased imports have been a substantial cause of serious injury (or threat thereof) with respect to an industry—

"(A) the President shall—

"(i) provide the import relief for such industry pursuant to section 203 which was recommended by the Commission unless the President determines that such relief is not in the national economic interest of the United States,

"(ii) if the President determines the import relief described in clause (i) is not in the national economic interest of the United States—

"(I) take the actions required by section 204(d) with respect to an adjustment plan and provide such import relief for the period described in paragraph (2), or

"(II) provide no import relief or import relief under section 203 in a manner not recommended by the Commission, and

"(B) the President shall evaluate the extent to which adjustment assistance has been made available (or can be made available) under chapters 2, 3, and 4 of this title to workers and firms in such industry and to the communities in which such workers and firms are located, and after such evaluation, may direct the Secretary of Labor and the Secretary of Commerce that expeditious consideration be given to the petitions for adjustment assistance.

"(2) If the President takes the action under paragraph (1)(A)(ii)(I), any import relief proclaimed by the President shall remain in effect until the earlier of the date on which—

"(A) any bill implementing the adjustment plan under section 204(d) is enacted and agreement to take action required under such adjustment plan has been obtained from all persons required to take such action, or

"(B) such relief is to expire under the recommendations made by the Commission.

"(3) After receiving a report from the Commission containing a negative finding under section 201(b), the President may take the action described in section 204(e) with respect to an adjustment plan.".

(b) Conforming Amendments to Section 203.—Section 203 of the Trade Act of 1974 (91 U.S.C. 2253) is amended as follows:

(1) Subsection (c) is amended to read as follows:

"(c) If the President reports under subsection (b) that the President is taking action under section 202(a)(1)(A)(ii), the Congress may take action with respect to an adjustment plan under section 204(f).".

(2) Subsections (d) and (f) are each amended by striking out "or (c)" each place it appears.

MONITORING OF PROGRAMS BENEFITING A SPECIFIC INDUSTRY

Sec. 605. (a) Collection of Information.—

(1) In general.—Whenever the Secretary of Commerce has reason to believe from information available to him (or provided to him by any other person) that a foreign government is planning to initiate or has initiated a program to promote a specific industry which imports products into the United States, the Secretary shall collect information with respect to the nature and extent of such government intervention, including, but not limited to, information with respect to—

(A) any subsidy as defined in section 771(5) of the Tariff Act of 1930 (19 U.S.C. 1677(5));

(B) special protection of the foreign home market through—

(i) formal governmental action, such as tariffs, quotas, licensing requirements, or investment restrictions, or

(ii) informal governmental action, such as preferential procurement, administrative guidance to the industry, or waiver of generally applicable antitrust laws;

(C) support of research and development programs;

(D) programs designed to encourage the provision of capital to a particular enterprise or group of enterprises or industry or group of industries;

(E) the promotion, support, or tolerance of, an industry cartel or cartels;

(F) the provision of conditional loans where the conditions for repayment are not likely to occur within twelve months of the date of the initiation of the investigation;

(G) the provision of capital, loans or loan guarantees which would not otherwise be available from commercial sources;

(H) encouragement or facilitation of the restructuring of certain industrial sectors to enhance their international competitiveness;

(I) industrial targeting; and

(J) the likelihood of imported merchandise being sold in the United States at less than fair value as a result of programs described in the preceding subparagraphs.

(2) Notice and consultation.—The Secretary shall—

(A) publish in the Federal Register notice of commencement of the monitoring under paragraph (1), and

(B) solicit comments and information both by published notice and through direct consultations with the domestic industry affected, importers, and the foreign government concerned.

(b) Initiation of Investigation.—If the Secretary determines, on the basis of information collected pursuant to subsection (a), that as a result of a foreign government promotional program there is a reasonable likelihood that goods are or will be sold in the United States at less than fair value, the Secretary shall initiate a countervailing duty investigation pursuant to section 702 of the Tariff Act of 1930 (19 U.S.C. 1671a), or an antidumping investigation pursuant to section 732 of the Tariff Act of 1930 (19 U.S.C. 1673a), or both.

(c) Information Base.—The Secretary of Commerce shall establish an Office of Trade Monitoring which shall be responsible for gathering, organizing, compiling, and maintaining information concerning foreign government programs to promote particular industries. Such information shall be made available on request to any agency of the United States Government, any Member of Congress, and any interested member of the public.

(d) Reporting.—The Secretary of Commerce shall analyze and report quarterly to the Congress on the information collected under this section together with an assessment of the likely impact of the programs being monitored on domestic industries and employment. The Secretary shall publish in the Federal Register a summary of such report.

Part B—Agency for International Development

AGENCY FOR INTERNATIONAL DEVELOPMENT

Sec. 611. It is the sense of the Congress that the Agency for International Development, in implementing its programs, shall take into account the following standards, consistent with the economic policy of the United States, and shall report annually to the Congress as to its conformity with such standards:

(1) AID programs shall encourage employment-based development that will alleviate urban crowding and reduce pressures for emigration from developing countries. Such development should emphasize service and infrastructure programs that improve the quality of life, such as hospitals and health facilities, sewerage systems, housing, agricultural production and distribution and communications systems.

(2) When consistent with these development priorities, AID programs should emphasize the application and use of American technology, thereby stimulating United States employment, particularly in areas in which the United States enjoys a substantial comparative advantage, such as agriculture, health technology, pharmaceuticals, telecommunications, extraction and development of energy resources and education technology.

(3) AID programs should take into account questions of international overcapacity in such industries as steel and petrochemicals.

(4) AID programs should be designed to reduce inflationary pressures by encouraging self-sufficiency in energy and food production.

By Mr. CHAFEE:

S. 2797. A bill to require that directors of certain corporations hold securities of those corporations; to the Committee on Banking, Housing, and Urban Affairs.

REQUIRING INDIVIDUALS TO OWN STOCK IN CORPORATIONS OF WHICH THEY ARE DIRECTORS

Mr. CHAFEE. Mr. President the irresponsible behavior of corporate managements toward shareholders has become a subject of growing and appropriate public concern. Managements and their boards of directors seem increasingly to be making decisions that serve much more directly the interest of management than they do the interest of the shareholders who own the corporation.

Recently we have seen at least two remarkable manifestations of this problem. One is the use and gross abuse of the golden parachute, a device by which managements seeking to defend against hostile takeovers provide themselves exceedingly rich benefit packages in the event of their dismissal from office. I hope that the changes in tax law just agreed in conference as part of H.R. 4170, the Omnibus Deficit Reduction Act of 1984, will curb this practice.

Another manifestation of corporate irresponsibility that has gained wide attention recently is that of greenmail, a scheme by which a financial sharpshooter creates a takeover threat by buying a lot of a company's stock, thus "forcing" the defending management to raid the assets of the company in order to buy back sufficient shares to regain control of the company.

Mr. President, these are simply two examples of an attitude that seems increasingly to characterize managements, that is, utter cynicism, disregard, and disrespect for the interests of the shareholder.

Golden parachutes and greenmail are not only abusive of stockholders' interests. They also hurt employees and consumers and thus the public interest generally. The management attitude that "I'll get mine first" effectively puts workers and consumers—as well as stockholders—last.

These management attitudes, it seems to me, are the central issue and one that ought to be addressed. In an effort to begin the discussion with a proposed solution, I am today introducing a bill that will require every director of a publicly held corporation to own at least 1,000 shares of the company of which he or she is a director. Under the bill, such an individual would not be required to own the shares at the moment of assuming directorship. If a new director cannot afford to buy the shares initially, the bill simply requires that all of that individual's director's fees be applied to the purchase of shares until 1,000 have been acquired. Thus the bill would not prevent individuals representing the public interest, such as consumer advocates and others, from sitting on corporate boards.

The reasoning underlying this bill is simple. It is the idea that if corporate boards would think like shareholders, they could prevent the company's managers from making decisions that are adverse to shareholders.

One of the more troubling aspects of the golden parachute and the greenmail practices is that they could be stopped by a determined board of directors. But clearly many corporate boards do not approach their responsibilities with the perspective of shareholders. Perhaps because they are frequently handpicked by management, they adopt the mentality of the management team, not that of the shareholder.

My bill is an effort to instill an increased measure of responsibility in the behavior of corporate boards of directors, who have the power to prevent the increasing management abuses that have been so troubling, and thus protect shareholders. At the same time I believe that more responsible corporate behavior will help protect workers and their jobs, and by encouraging wiser management, stimulate the creation of new jobs.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 2798. A bill to authorize the Secretary of Health and Human Services to make grants for the planning, development, establishment, and operation of poison control centers; to the Committee on Labor and Human Resources.

POISON CONTROL CENTERS

● Mr. INOUYE. Mr. President; today Senator SPARK MATSUNAGA and I are introducing legislation which would authorize the Secretary of the Department of Health and Human Services to make grants for planning and operating poison control centers.

I understand that more than 5 million poisonings occur each year in our Nation and that poisoning continues to remain the fourth most frequent cause of accidental death after motor vehicle accidents, drownings, and burns. Poisonings result in approximately 12,000 deaths per year. Unfortunately, about 90 percent of the reported cases involve children, thereby making poisonings the most common pediatric emergency.

Presently there are nerly 500 poison control or poison information centers already established in our Nation, many of which are colocated with hospital facilities, universities, or public health authorities. Some of these are presently receiving Federal funding under the provisions of the Emergency Medical Services Block Grant Program. I understand that in the areas of high military concentration, such as Honolulu, HA, military families can make up a high proportion of their clientele. In fact, in Honolulu, approximately 25 percent of our poison center's transactions are for local military personnel and their dependents, whom I might add often do not pay local taxes.

Mr. President, previous studies which have been brought to my attention conclusively indicate that when all poisoning episodes are considered, regional poison centers have been found to significantly reduce pediatric visits to hospital emergency rooms. For example, one study indicated that of those parents who did not call the poison center, 44 percent went to an emergency room, whereas less than 1 percent of the parents who did call the center went to the hospital. Essentially, Mr. President, various scientific and medical experts have informed me that a well-staffed poison center can effectively manage 85 percent of the acute poisonings which occur over the telephone. Simply stated, by spending money up front to establish poison centers, we will in the long run, save considerable funds in hospital expenses. In fact, I understand that approximately 600,000 hospital visits or admissions are attributed to poisonings annually.

Mr. President, I request unanimous consent that the text of my bill be included in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2798

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part B of title III of the Public Health Service Act is amended by inserting after section 315 the following new section:

"POISON CONTROL CENTERS

"SEC. 316. (a) The Secretary may make grants to appropriate public and private nonprofit entities for the planning, development, establishment, and operation of poison control centers.

"(b) A poison control center planned, developed, established, or operated with a grant under this section shall, with respect to the locality in which such center is established—

"(1) provide services for the appropriate and expeditious management and treatment of individuals who have consumed poisons or an overdose of drugs;

"(2) establish a twenty-four hour telephone line, at no charge to the caller, to—

"(A) answer requests for information concerning poisons and drugs;

"(B) receive requests concerning, and make recommendations for, the treatment in the home of individuals who have consumed poisons or an overdose of drugs;

"(C) coordinate the referral to hospital emergency rooms of individuals who have consumed poisons or an overdose of drugs who need such referrals, by contacting and providing appropriate information to the staffs of such emergency rooms;

"(D) provide information to health care professionals involved in the treatment of individuals who have consumed poisons or an overdose of drugs; and

"(E) monitor the treatment at home of individuals who have consumed poisons or an overdose of drugs in order to assure that adequate care is provided to such individuals;

"(3) create and implement educational programs in order to improve public awareness of problems relating to the consumption of poisons and drugs and methods to prevent such consumption; and

"(4) collect data relating to the operations of the center, including information concerning the individuals served by such center.

"(c) To carry out this section, there are authorized to be appropriated such sums as may be necessary.".●

By Mr. STEVENS:

S. 2799. A bill to amend chapter 10 of title 39 and chapter 57 of title 5, United States Code, to revise the authority relating to the payment of subsistence allowances to Government employees for periods of official travel, and for other purposes; to the Committee on Governmental Affairs.

CIVILIAN TRAVEL EXPENSE AMENDMENTS

Mr. STEVENS. Mr. President, I am introducing today the Civilian Travel Expense Amendments Act of 1984. This bill revises certain provisions of title 5 to establish a locality-based flat rate per diem reimbursement system for official Federal employee travel.

At present, civilian Federal employees are required to present receipts documenting actual travel expenses in order to receive reimbursement. They are entitled to a statutory maximum per diem allowance of up to $50 per day for travel within the continental United States. For travel to high rate areas or for times when the prescribed allowance is inadequate, the statutory maximum is up to $75 per day. When traveling outside the continental United States, including Alaska and Hawaii, the per diem allowance is not to exceed the locality per diem rate. Under this policy, an employee must substantiate the claim for expenses, and only those expenses up to the amount mentioned are paid.

The primary difficulty with the current system is that it is not only extremely costly to review and audit travel vouchers, it is also very time consuming. In a 1981 report, the General Accounting Office estimated the cost of processing travel vouchers in 1979 to be $400 million. The report indicates that much of this cost could be lessened by replacing the actual reimbursement method for standard per diem based on a locality flat rate.

The bill I am introducing would eliminate the actual expense reimbursement method and replace the high rate area category with a locality-based flat rate per diem system.

The Administrator of General Services would be authorized to establish a locality per diem allowance for official travel within the continental United States. The amount would be established at a maximum of $75 per day to compensate for the fact that the present allowance is woefully inadequate for increasing numbers of cities in this category. The President would prescribe the maximum locality rate for civilian travel outside the continental United States, including Alaska and Hawaii.

The new per diem reimbursement system includes not only the agencies whose employees are not covered by the current system, but also U.S. Postal Service employees traveling outside of the continental United States. This travel allowance procedure would be especially advantageous for those employees who must travel in remote areas. I believe a locality-based flat rate per diem would partially compensate for the inconvenience and, at times, danger of travel.

For example, in some Alaskan communities there are no suitable dining or lodging facilities to accommodate an official while on business. On frequent occasions, for example, postal employees have no other choice but to sleep on the floors of post offices and to carry their own food with them. The requirement that expense receipts be presented in order to obtain reimbursement is impractical in such instances. Where there are not facilities there can be no receipts. Such a policy is discouraging and unfair to Federal employees, particularly those who must travel to the more remote areas of this Nation. It has caused significant morale problems and helped lower productivity.

The bill also allows the Administrator of General Services to prescribe the conditions under which a special per diem allowance is to be paid: in certain emergency situations; when the applicable rate in itself is inadequate; and to cover certain temporary subsistence and transportation expenses of employees in law enforcement.

The Administrator of General Services would be required to review, at least every 2 years, agency travel and transportation expenses paid per fiscal year for those agencies paying more than $5 million for those expenses in either of the preceding 2 fiscal years. This would allow the mileage and per diem data to be collected at different times, which will avoid overburdening agency staffs with the task of gathering the spending data together every time.

This legislation has several positive aspects:

The simplicity of the locality-based flat rate per diem method of reimbursement makes travel vouchers easier to prepare and travel advance costs easier to estimate. It also significantly decreases administrative costs by streamlining the process of collecting the data and reviewing and auditing the travel vouchers. In fact, and I want to stress this point, the President's private sector survey on cost control, otherwise known as the Grace Commission, supported the concept and has pointed out that the reduced administrative and paperwork burden would save the taxpayers over $150 million over the next 3 years. This figure has been checked out and confirmed by GSA. It does not, however, include the cost saving that would result by including the U.S. Postal Service.

Finally, with the elimination of the receipt requirement, we once again are reaffirming our belief in the honesty of Federal employees. The current system assumes they are dishonest, that they must prove they are not cheating the Federal Government out of a few bucks here and there. This fact, combined with more adequate compensation for travel to remote and hazardous areas, should encourage employees to remain in the Federal service.

By Mr BENTSEN:

S. 2800. A bill to provide for an emergency immigrant education assistance program, and for other purposes; to the Committee on Labor and Human Resources.

EMERGENCY IMMIGRANT EDUCATION ACT

Mr. BENTSEN. Mr. President, today I am introducing the Emergency Immigrant Education Act of 1984. This bill seeks to provide some Federal relief for school districts which bear the additional costs associated with providing public education for disproportionately large numbers of alien children, many of whom are in the United States illegally.

Due to the failure of present Federal immigration policies, there has been a dramatic increase in the influx of illegal aliens that is testing the ability of schools to respond. Estimates prepared by the Bureau of the Census indicate that, conservatively speaking, about 2 million illegal aliens were counted in the 1980 census. Of these, nearly half were born in Mexico, which for the last 20 years has been the country from which most immigrants enter the United States.

Of the illegal aliens present in the United States in 1980, approximately 44 percent or 900,000, arrived between 1975 to 1980, almost double the number who entered during the 1960's and early 1970's. With respect to Mexican immigrants, 51.2 percent who were in the United States illegally in 1980 entered between 1975 to 1980 and amounted to 476,000 individuals, a total which exceeds the legal Mexican immigrant population by 60 percent.

Since Mexican nationals represent almost half of all the illegal aliens counted in 1980, and large numbers cross into the United State on foot and by automobile, it stands to reason that States along the northernmost border of Mexico are the first to experience the impact of immigration on community services.

Among the community services most directly affected by the increase in alien traffic is education, because according to Bureau estimates, Mexican-born illegal aliens tend to be relatively young—with 22 percent under the age of 15 and another 64 percent between the ages of 15 and 34, the prime childbearing years.

As a consequence of the U.S. Supreme Court ruling in Plyer against DOE (1982), States cannot refuse to provide children free education on the basis of their immigrant status. This prohibition has resulted in great financial strain for States and local school districts most heavily impacted by rising numbers of immigrants. According to estimates provided by the U.S. Department of Education, Texas schools have experienced a significant rise in the percentage of minority enrollment. There are no reliable data on the number of immigrant children enrolled in our Nation's schools. As a proxy however, it is useful to review the dramatic increase in the number of minority students. In 1972, minority children comprised 38 percent of the total enrollment. By 1982, this figure had risen to 48 percent with Texas ranking 5th—after the District of Columbia, Hawaii, New Mexico, and Mississippi—among States with large minority enrollments. Likewise, California had a minority enrollment of 27.6 percent in 1972. By 1982, the minority enrollment had increased nearly 46 percent. These are only two examples of the dramatic demographic changes documented over the last decade—changes which have no doubt been influenced by the failed immigration policies of recent years.

A Texas education survey for the 1982 to 1983 school-year estimates that there were more that 29,000 children of undocumented aliens enrolled in public schools across the State. The cost to the taxpayers of Texas during that year alone was nearly $76 million—much of which was borne by school districts in counties along the Mexican border where limited tax bases make it nearly impossible to raise needed revenue.

In Cameron County, an estimated 2,000 undocumented alien children have pushed total enrollment past 50,000; in Hidalgo County, where public school enrollment is approaching 80,000, illegal alien children number more than 3,000. And most of the illegal alien enrollment is clustered in the lower grades, causing pupil/teacher ratios to rise and resulting in overcrowded conditions at most elementary grades.

Mr. President, it is in the Nation's best interest to provide these children with the educational opportunities that will permit them to acquire the skills needed to compete as full members of the economic community. The school system's first task must be to provide the language and remedial instruction needed to allow these children to obtain the proficiency they require to perform at grade level. This process, however, can be exceedingly expensive because it is contingent on intensive instruction, in small group settings. A higher teacher/pupil ratio is required, and hiring of bilingual instructors is a major priority. All of these special considerations mean a greater financial commitment on the part of the school district.

The question, Mr. President, is simple. Should we expect local communities, many of which are in desperate financial straits, to take on additional costs resulting from inadequate Federal immigration controls? Or should the Federal Government shoulder a portion of its responsibility and supplement the community's educational efforts? The answer to this question is obvious; it is the failure of Federal immigration policy that has created the massive immigration of illegal alien families, and it is therefore the Federal Government's responsibility to extend sufficient support to the States and school districts to mitigate some of the additional fiscal burden.

The bill I introduce today reauthorizes emergency immigrant assistance for 5 years at a level of $150 million for fiscal year 1985, with increments of $5M per annum through 1989. Like the current program, allocations are based on a Federal per pupil expenditure of $500. This level of support represents about 20 percent of the cost of educating a student in Texas today. To qualify for participation in the program, a school district must demonstrate that it has at least 500 immigrant students enrolled, or that 3 percent of its total enrollment is comprised of immigrant children. Funds may be used for capital and/or programmatic expenses at the discretion of school officials.

Clearly supplemental Federal funding to support the efforts of school districts should be a priority for the Congress. Unless we are willing to sit by and refuse to accept responsibility for Federal policies, we must take action immediately. Without a good educational background these children will not be able to participate as fully productive members of their communities, indeed, many will be barred from a whole host of employment opportunities. Local education agencies need our help. Failure to respond to that need will jeopardize the educational and economic potential of thousands of young children and the communities in which they settle.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2800

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Immigrant Education Act of 1984".

DEFINITIONS

SEC. 2. As used in this Act—

(1) The term "immigrant children" means children who were not born in any State and who have been attending schools in any one or more States for less than three complete academic years.

(2) The terms "elementary school", "local educational agency", "secondary school", "State", and "State educational agency" have the meanings given such terms under section 198 (a) of the Elementary and Secondary Education Act of 1965.

(3) The term "elementary or secondary nonpublic schools" means schools which comply with the applicable compulsory attendance laws of the State and which are exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1954.

(4) The term "Secretary" means the Secretary of Education.

AUTHORIZATIONS AND ALLOCATION OF APPROPRIATIONS

SEC. 3. (a) There are authorized to be appropriated $150,000,000 for the fiscal year 1985, $155,000,000 for the fiscal year 1986, $160,000,000 for the fiscal year 1987, $165,000,000 for the fiscal year 1988, and $170,000,000 for the fiscal year 1989, to make payments to which State educational agencies are entitled under this Act and payments for administration under section 4.

(b) (1) If the sums appropriated for any fiscal year to make payments to States under this Act are not sufficient to pay in full the sum of the amounts which State educational agencies are entitled to receive under this Act for such year, the allocations to State educational agencies shall be ratably reduced to the extent necessary to bring the aggregate of such allocations within the limits of the amounts so appropriated.

(2) In the event that funds become available for making payments under this Act for any period after allocations have been made under paragraph (1) of this subsection for such period, the amounts reduced under such paragraph shall be increased on the same basis as they were reduced.

STATE ADMINISTRATIVE COSTS

SEC. 4. The Secretary is authorized to pay to each State educational agency amounts equal to the amounts expended by it for the proper and efficient administration of its functions under this Act, except that the total of such payments for any period shall not exceed 1.5 per centum of the amounts which that State educational agency is entitled to receive for that period under this Act.

WITHHOLDING

SEC. 5. Whenever the Secretary, after reasonable notice and opportunity for a hearing to any State educational agency, finds that there is a failure to meet the requirements of any provisions of this Act, the Secretary shall notify that agency that further payments will not be made to the agency under this Act, or in the discretion of the Secretary, that the State educational agency shall not make further payments under this Act to specified local educational agencies whose actions cause or are involved in such failure until the Secretary is satisfied that there is no longer any such failure to comply. Until the Secretary is so satisfied, no further payments shall be made to the State educational agency under this Act, or payments by the State educational agency under this Act shall be limited to local educational agencies whose actions did not cause or were not involved in the failure, as the case may be.

STATE ENTITLEMENTS

SEC. 6. (a) The Secretary shall, in accordance with the provisions of this section, make payments to State educational agencies for each of the fiscal years 1985, 1986, 1987, 1988, and 1989 for the purpose set forth in section 7.

(b)(1) Except as provided in paragraph (3) and in subsections (c) and (d) of this section, the amount of the grant to which a State educational agency is entitled under this Act shall be equal to the product of (A) the number of immigrant children enrolled during such fiscal year in elementary and secondary public schools under the jurisdiction of each local educational agency described under paragraph (2) within that State, and in any elementary or secondary nonpublic school within the district served by each local educational agency, multiplied by (B) $500.

(2) The local educational agencies referred to in paragraph (1) are those local educational agencies in which the sum of the number of immigrant children who are enrolled in elementary or secondary public schools under the jurisdiction of such agencies, and in elementary or secondary nonpublic schools within the districts served by such agencies, during the fiscal year for which the payments are to be made under this Act, is equal to—

(A) at least five hundred; or

(B) at least 3 per centum of the total number of students enrolled in such pubic or nonpublic schools during such fiscal year;

whichever number is less.

(3)(A) The amount of the grant of any State educational agency for any fiscal year as determined under paragraph (1) shall be reduced by the amounts made available for such fiscal year under any other Federal law for expenditure within the State for the same purpose as those for which funds are available under this Act, but such reduction shall be made only to the extent that (i) such amounts are made available for such purpose specifically because of the refugee, parolee, asylee, or other immigrant status of the individuals served by such funds, and (ii) such amounts are made available to provide assistance to individuals eligible for services under this Act.

(B) No reduction of a grant under this Act shall be made under subparagraph (A) for any fiscal year if a reduction is made, pursuant to a comparable provision in any such other Federal law, in the amount made available for expenditure in the State for such fiscal year under such other Federal law, based on the amount assumed to be available under this Act.

(c)(1) Determinations by the Secretary under this section for any period with respect to the number of immigrant children shall be made on the basis of data or estimates provided to the Secretary by each State educational agency in accordance with criteria established by the Secretary, unless the Secretary determines, after notice and opportunity for a hearing to the affected State educational agency, that such data or estimates are clearly erroneous.

(2) No such determination with respect to the number of immigrant children shall operate because of an underestimate or overestimate to deprive any State educational agency of its entitlement to any payment (or the amount thereof) under this section to which such agency would be entitled had such determination been made on the basis of accurate data.

(d) Whenever the Secretary determines that any amount of a payment made to a State under this Act for a fiscal year will not be used by such State for carrying out the purpose for which the payment was made, the Secretary shall make such amount available for carrying out such purpose to one or more other States to the extent the Secretary determines that such other States will be able to use such additional amount for carrying out such purpose. Any amount made available to a State from an appropriation for a fiscal year in accordance with the preceding sentence shall, for purposes of this Act, be regarded as part of such State's payment (as determined under subsection (b)) for such year, but shall remain available until the end of the succeeding fiscal year.

USES OF FUNDS

SEC. 7. (a) Payments made under this Act to any State may be used in accordance with applications approved under section 8 for supplementary educational services and costs, as described under subsection (b) of this section, for immigrant children enrolled in the elementary and secondary public schools under the jurisdiction of the local educational agencies of the State described in section 6(b)(2) and in elementary and secondary nonpublic schools of that State within the districts served by such agencies.

(b) Financial assistance provided under this Act shall be available to meet the costs of providing immigrant children supplementary educational services, including but not limited to—

(1) supplementary educational services necessary to enable those children to achieve a satisfactory level of performance, including—

(A) English language instruction;

(B) other bilingual educational services; and

(C) special materials and supplies;

(2) additional basic instructional services which are directly attributable to the presence in the school district of immigrant children, including the costs of providing additional classroom supplies, overhead costs, costs of construction, acquisition or rental of space, costs of transportation, or such other costs as are directly attributable to such additional basic instructional services; and

(3) essential inservice training for personnel who will be providing instruction described in either paragraph (1) or (2) of this subsection.

APPLICATIONS

SEC. 8. (a) No State educational agency shall be entitled to any payment under this act for any period unless that agency submits an application to the Secretary as such time, in such manner, and containing or accompanied by such information, as the Secretary may reasonably require. Each such application shall—

(1) provide that the educational programs, services, and activities for which payments under this Act are made will be administered by or under the supervision of the agency;

(2) provide assurances that payments under this Act will be used for purposes set forth in section 7;

(3) provide assurances that such payments will be distributed among local educational agencies within that State on the basis of the number of children counted with respect to such local educational agency under section 6(b)(1), adjusted to reflect any reductions imposed pursuant to section 6(b)(3) which are attributable to such local educational agency;

(4) provide assurances that the State educational agency will not finally disapprove in whole or in part any application for funds received under this Act without first affording the local educational agency submitting an application for such funds reasonable notice and opportunity for a hearing;

(5) provide for making such reports as the Secretary may reasonably require to perform the functions under this Act; and

(6) provide assurances—

(A) that to the extent consistent with the number of immigrant children enrolled in the elementary or secondary nonpublic schools within the district served by a local educational agency, such agency, after consultation with appropriate officials of such schools, shall provide for the benefit of these children secular, neutral, and nonideological services, materials, and equipment necessary for the education of such children;

(B) that the control of funds provided under this Act and the title to any materials, equipment, and property repaired, remodeled, or constructed with those funds shall be in a public agency for the uses and purposes provided in this Act, and a public agency shall administer such funds and property; and

(C) that the provision of services pursuant to this paragraph shall be provided by employees of a public agency or through contract by such public agency with a person, association, agency, or corporation who or which, in the provision of such services, is independent of such elementary or secondary nonpublic school and of any religious organization; and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this paragraph shall not be commingled with State or local funds.

(b) The Secretary shall approve an application which meets the requirements of subsection (a). The Secretary shall not finally disapprove an application of a State educational agency except after reasonable notice and opportunity for a hearing on the record to such agency.

PAYMENTS

SEC. 9. (a) Except as provided in section 3(b), the Secretary shall pay to each State educational agency having an application approved under section 8 the amount which that State is entitled to receive under this Act.

(b) If by reason of any provision of law a local educational agency is prohibited from providing educational services for children enrolled in elementary and secondary nonpublic schools, as required by section 8(a)(6), or if the Secretary determines that a local educational agency has substantially failed or is unwilling to provide for the participation on an equitable basis of children enrolled in such schools, the Secretary may waive such requirement and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this Act. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with section 557(b) (3) and (4) of the Education Consolidation and Improvement Act of 1981.

By Mr. THURMOND (for himself and Mr. HATCH) (by request):

S. 2802. A bill to provide for comprehensive reforms and to achieve greater equity in the compensation of attorneys pursuant to Federal statute in civil, criminal, and administrative proceedings in which the United States is a party, and in civil proceedings involving State and local governments; to the Committee on the Judiciary.

THE LEGAL FEES EQUITY ACT

Mr. THURMOND. Mr. President, I am introducing today an administration proposal—the Legal Fees Equity Act—to provide a comprehensive revamping of the federally mandated attorney compensation schemes applicable to civil, criminal, and administrative proceedings involving the United States and to civil proceedings involving State and local governments.

The proposed legislation would significantly raise the compensation rates for representation of indigent Federal defendants under the Criminal Justice Act (18 U.S.C. 3006A) and establish important guidelines for awards in civil, judicial and administrative proceedings against Federal, State, and local governments. The purpose of the legislation is to provide a statutory framework for a more equitable balance in compensation for professional legal services rendered in litigation involving the Government.

In seeking to attain this goal, with respect to Criminal Justice Act fees for attorneys representing indigent Federal defendants, the bill would:

Double the hourly rate of compensation, from $30 per hour for time in court and $20 per hour for out-of-court time to $60 and $40 per hour, respectively.

Double the maximum allowable compensation for various judicial proceedings. The new limits would be $2,000 per attorney for felony cases, $800 for misdemeanor cases, and $500 for posttrial and probation revocation proceedings.

With respect to Federal statutes authorizing the recovery of attorneys' fees from the United States or State or local governments in civil suits or administrative proceedings, the bill would:

Set a $75 per hour maximum rate for attorneys' fees awarded, and eliminate the use of bonuses and multipliers to escalate fee awards. This will compensate private attorneys general at a level commensurate with—but still significantly higher than—that of their Government counterparts, but provide a reasonable incentive sufficient to attract competent counsel.

Allow recovery of attorneys' fees only when a party has prevailed on the merits of its complaint, or where the suit is concluded by a favorable settlement agreement.

Allow recovery of attorneys' fees only for work performed on issues on which the party prevailed.

Permit the reduction or denial of the amount of fee awards, for example, where a party has unreasonably protracted the litigation; where the services provided were excessive with regard to the nature of the controversy; or where the fee award would unreasonably exceed the hourly salary of a salaried attorney.

Provide that monetary judgments be reduced—but not more than 25 percent—by the amount of the attorneys' fees allowed in the proceeding. Exceptions are allowed for suits under certain provisions of the Equal Access to Justice Act, suits for recovery of disputed taxes, or in cases of undue hardship.

Establish certain procedural requirements for attorneys' fee applications, including a 30-day time limit after final judgment for submitting fee applications, and require courts and agencies to develop additional guidelines.

Clarify the circumstances in which attorneys' fees may be awarded when a claim becomes moot or the party refuses to accept a reasonable settlement offer.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD, along with the letter of transmittal from the Department of Justice and accompanying section-by-section analysis.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2802

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled, That this Act may be cited as "The Legal Fees Equity Act."

SEC. 2. FINDINGS AND PURPOSES

(a) Congress hereby finds and declares that—

(1) Many Federal Statutes authorize awards of attorneys' fees to be made to parties who prevail against the United States, or against state or local governments, in judicial and administrative proceedings;

(2) The failure to provide standards to guide courts and administrative bodies in awarding such fees has led to inconsistent interpretations of these federal civil fee-shifting statutes, and in many instances to excessive awards of attorneys' fees under them;

(3) It is inappropriate for the federal government to impose on state and local governments the statutory requirements to pay awards of attorneys' fees without providing standards by which to make such awards;

(4) The limitation of $75 per hour recently prescribed by Congress for civil judicial and administrative proceedings under the Equal Access to Justice Act provides a reasonable and appropriate maximum hourly rate for the award of attorneys' fees against the United States, or against state or local governments, in judicial or administrative proceedings;

(5) It is inappropriate for awards of attorneys' fees to be made to parties who have not prevailed on the merits of their complaint against the United States, or against state or local governments, in judicial or administrative procedings;

(6) It is appropriate that parties in judicial or administrative proceedings against the United States, or against state or local governments, pay a reasonable portion of their attorneys' fees when monetary awards are recovered;

(7) Statutory provisions are necessary to control the circumstances and conditions under which awards of attorneys' fees and related expenses or costs may be made against the United States, or against state or local governments, in judicial or administrative proceedings; and

(8) There is a need to increase the level of compensation for attorneys who defend indigent defendants in federal criminal proceedings under the Criminal Justice Act, 18 U.S.C. § 3006A, which has not been amended since 1970.

(b) It is the purpose of this Act—

(1) To establish a uniform hourly rate that shall be the maximum compensation authorized to be awarded against the United States, or against state or local governments, in judicial or administrative proceedings to which any federal fee-shifting statute applies;

(2) To require that awards of attorneys' fees against the United States, or against state or local governments, in judicial or administrative proceedings to which any federal fee-shifting statute applies be made only to parties who have prevailed in the proceedings;

(3) To prescribe standards for the awarding of attorneys' fees and related expenses or costs against the United States, or against state or local governments, in judicial or administrative proceedings to which any federal fee-shifting statute applies; and

(4) To increase the maximum hourly rate of compensation payable to attorneys in federal criminal proceedings under the Criminal Justice Act.

SEC. 3. DEFINITIONS

For the purpose of this Act—

(1) "Attorneys' fees" means fees attributable to professional legal services performed by a person, or persons, licensed to practice law (but shall not include services by pro se claimants), or to services by enrolled tax practitioners with respect to proceedings before the United States Tax Court, plus overhead expenses, as defined in this Act, but does not include related expenses;

(2) "Fee-shifting statute" means any federal statute that provides for recovery by a party of attorneys' fees or related expenses against the United States, or against a state or local government,

(3) "Overhead expenses", except in extraordinary circumstances, shall include, but not be limited to, rent or mortgage payments, maintenance (including heating and cooling costs), furniture and supplies, reporters, treatises, and other books, secretarial and other clerical and librarian time (including computer word processing expenses), telephone services and calls, and mailing expenses;

(4) "Related expenses" means those expenses that may be awarded pursuant to a federal law, and which are actually incurred by the attorney in connection with judicial or administrative proceedings, but does not include attorneys' fees or overhead expenses, as defined in this Act, or costs enumerated in section 1920 of title 28, United States Code;

(5) "Party" means, for purposes of judicial proceedings, a party as defined by Rule 17 of the Federal Rules of Civil Procedure, or, for purposes of administrative proceedings, a party as defined in section 551(3) of Title 5, United States Code, which is an individual, partnership, corporation, association, unincorporated business, estate or public or private organization other than an agency. The term "party" does not include the

United States, or any state or local government, except when a state or local government opposes the United States in a judicial or administrative proceeding;

(6) "Judicial proceeding" means a civil proceeding in any court or under the jurisdiction of a judicial officer, in which a party may under federal statute be awarded attorneys' fees or related expenses;

(7) "Administrative proceeding" means any proceeding, other than a judicial proceeding, in which a party may by statute be awarded attorneys' fees or related expenses;

(8) "Administrative officer" means the official(s) or person(s) authorized by statute or regulation to decide the substantive issues being considered in an administrative proceeding, or the official(s) or person(s) designated by the head of the agency as the administrative officer(s) for the purpose of this Act;

(9) "Prevailed on the merits" means having succeeded on significant issues in the controversy and obtained significant relief in connection with those issues, and may include, where the party is a defendant in a suit by the government, obtaining the dismissal of the complaint;

(10) "Decision on the merits" means a final judgment by the court, within the meaning of Rules 54-58 of the Federal Rules of Civil Procedure, in which a party establishes entitlement to relief on the merits of the claim or claims brought in the proceeding, and includes a dismissal with prejudice or a dismissal pursuant to a settlement agreement;

(11) "United States" means the United States, or any agency of the United States, or any official of the United States acting in his or her official capacity;

(12) "State" means any state government, or any agency of the state government, or any official of the state government acting in his or her official capacity, and includes the territories and the District of Columbia; and

(13) "Local government" means any county, city, town, municipality, municipal corporation, school board, or other political subdivision created by a state, or any agency of such entity, or any official of such entity acting in his or her official capacity.

SEC. 4. SCOPE AND APPLICATION: RELATIONSHIP TO OTHER LAWS

(a) The provisions of this Act—

(1) apply to the award of attorneys' fees and related expenses authorized, pursuant to any federal fee-shifting statute, to be made against the United States, or against state or local governments, in any judicial or administrative proceeding, and

(2) establish minimum criteria and requirements for the award of attorneys' fees and related expenses to which this Act applies.

(b) Notwithstanding any other provision of law, no award of attorneys' fees or related expenses shall be made against the United States, or against state or local governments, in any judicial or administrative proceeding, except as expressly authorized by federal statute (other than this Act), and in accordance with the provisions of this Act. No such award shall exceed the amount determined under the provisions of this Act.

(c) The provisions of any applicable federal fee-shifting statute that establish criteria or requirements in addition to those provided in this Act for the award of attorneys' fees and related expenses in such proceedings, or that otherwise limit awards of attorneys' fees in such proceedings, shall apply in addition to the provisions of this Act. Where an award of attorneys' fees is authorized both under a federal fee-shifting statute and under the common law, such award shall be made in accordance with the provisions of the applicable federal fee-shifting statute and with the provisions of this Act.

(d) Nothing in this Act shall be interpreted—

(1) to create any right to an award of attorneys' fees or related expenses against the United States, or against state or local governments in any judicial or administrative proceeding, or

(2) to provide authority for any court or administrative officer to make such an award of attorneys' fees or related expenses in such proceeding.

(e) Awards of attorneys' fees and related expenses otherwise authorized under section 504 of title 5 of the United States Code of section 2412(d) of title 28 of the United States Code (the Equal Access to Justice Act) shall be made in accordance with the provisions of this Act, except that subsections (a)(1), (b)(4), (b)(5), and (c) of section 6 of this Act shall not apply.

(f) The provisions of this Act, except the amendment made by section 6(d) of this Act, shall not apply to compensation of attorneys in federal criminal procedings, or in civil habeas corpus proceedings under the Criminal Justice Act.

SEC. 5. ALLOWANCE OF ATTORNEYS' FEES

A party otherwise eligible to receive attorneys' fees and related expenses to which this Act applies must establish that—

(1) The party has prevailed on the merits against the United States, or against a state or local government;

(2) The attorneys' fees and related expenses for which the award is sought—

(A) resulted from work performed in connection with issues upon which the party prevailed, and

(B) such work was necessary to resolve the controversy;

(3) The application for attorneys' fees and related expenses is made in accordance with Section 7 of this Act;

(4) The attorneys' fees sought are not in excess of the amount permitted under section 6(a) of this Act; and

(5) The attorneys' fees sought are for services that are not excessive, redundant, or otherwise unnecessary.

SEC. 6 AMOUNT OF ATTORNEYS' FEES

CIVIL FEE-SHIFTING STATUTES

(a)(1) No award of attorneys' fees against the United States, or against a state or local government, to which this Act applies shall exceed $75 per hour.

(2) Bonuses or multipliers shall not be used in calculating awards of attorneys' fees.

(b) The court or administrative officer of an agency may reduce or deny the amount of attorneys' fees and related expenses otherwise allowable, based on a finding that—

(1) the prevailing party, during the course of the proceeding, engaged in conduct that unreasonably protracted the final resolution of the controversy;

(2) there is no bona fide attorney-client relationship with an identified client;

(3) the amount of attorneys' fees otherwise authorized to be awarded unreasonably exceeds the hourly salary of the attorney representing the party;

(4) the time and legal services provided were excessive with regard to the nature of the controversy;

(5) the amount of attorneys' fees otherwise authorized to be awarded unreasonably exceeds the monetary result or injunctive relief achieved in the proceeding; or

(6) a reduction or denial of the amount of attorneys' fees would otherwise be appropriate under the applicable fee-shifting statute.

Courts and administrative officers shall exercise their discretion in determining the amount of any reduction of an award under this subsection.

(c) The monetary judgment awarded in any judicial or administrative proceeding shall be reduced (but not by more than 25% thereof) by the amount of attorneys' fees otherwise authorized to be made against the United States, or against state or local governments. This subsection shall not apply to awards of attorneys' fees—

(1) as provided in section 4(c) of this Act;

(2) pursuant to section 7430 of the Internal Revenue Code; or

(3) where undue hardship would result.

CRIMINAL JUSTICE ACT FEES

(d) Subsection (d) of Section 3006A of Title 18, United States Code, is amended—

(1) by striking out "$30" in paragraph (1) and inserting in lieu thereof "$60";

(2) by striking out "$20" in paragraph (1) and inserting in lieu thereof "$40";

(3) by striking out the words ", or such other hourly rate, fixed by the Judicial Council of the Circuit, not to exceed the minimum hourly scale established by a bar association for similar services rendered in the district" in paragraph (1);

(4) by striking out "$1000" each place it appears in paragraph (2) and inserting in lieu thereof "$2000";

(5) by striking out "$400" in paragraph (2) and inserting in lieu thereof "$800"; and

(6) by striking out "$250" in paragraph (2) and inserting in lieu thereof "$500".

SEC. 7. TIMELY APPLICATIONS AND PROCEDURES

(a) In any judicial or administrative proceeding to which this Act applies, a party may seek an award of attorneys' fees and related expenses only within thirty days after either a decision on the merits by the court or the entry by an administrative officer of an agency of a final decision in an administrative proceeding. The party seeking an award of attorneys' fees shall submit to the court or agency such information as may be required by the court or administrative officer of the agency.

(b) Courts and agencies shall develop procedures, not inconsistent with this Act, for filing of applications for awards of attorneys' fees, which shall provide guidance as to what information should be required to be submitted pursuant to subsection (a) of this section, when such information should be submitted, and when determinations should be made concerning awards of attorneys' fees and related expenses. In no event shall an award of attorneys' fees and related expenses be made prior to entry of a decision on the merits by the court or entry by an administrative officer of a final decision of an administrative proceeding.

SEC. 8. MOOTNESS AND SETTLEMENT DEFENSES

No award of attorneys' fees and related expenses subject to the provisions of this Act may be made—

(1) where the government demonstrates that—

(A) the claims have become moot due to a change in government policy, and

(B) the pendency of the judicial or administrative proceeding was not a material factor in such change in policy; or

(2) for services performed subsequent to the time a written offer of settlement is made to a party, if the offer is not accepted and a court or administrative officer finds that—

(A) the relief finally obtained by the party is not more favorable to the party than the offer of settlement, and

(B) the failure of the party to accept the offer of settlement was not reasonable at the time such failure occurred.

SEC. 9. COMPTROLLER GENERAL REPORT

The Comptroller General of the United States shall submit on April 1 of each year a report to the President and the Congress on the amount of attorneys' fees and related expenses awarded during the preceding fiscal year against the United States, or against state or local governments, in judicial and administrative proceedings to which this Act applies. The courts and each agency shall provide the Comptroller General with such information as is necessary to comply with the requirements of this section.

SEC. 10. EFFECTIVE DATE

The provisions of this Act shall apply to any award of attorneys' fees and related expenses incurred subsequent to the enactment of this Act, including those incurred after such date in actions commenced prior to such enactment.

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AND
INTERGOVERNMENTAL AFFAIRS,
Washington, DC.

Hon. GEORGE BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: Enclosed for your consideration and appropriate reference is a legislative proposal "To provide for comprehensive reforms in compensation of attorneys pursuant to federal statute in civil, criminal, and administrative proceedings in which the United States is a party, and in civil proceedings involving state and local governments."

The proposal, known as the "Legal Fees Equity Act," would establish standards and procedures for awards of attorneys' fees in civil judicial and administrative proceedings against the United States, states, and local governments in cases where federal statutes allow such awards, and eliminates excessive awards in such cases. The proposal also provides for a significant increase in the hourly rate of compensation to attorneys who represent indigent criminal defendants in proceedings under the Criminal Justice Act, 18 U.S.C. §§ 3006A(d) (1) and (2). The Department of Justice supports the proposed legislation as a package, and will not support an increase in compensation to criminal defense attorneys without a corresponding reduction of currently excessive awards of attorneys' fees in civil cases.

Numerous federal statutes provide that parties to civil suits and administrative proceedings against the United States, states, or local governments may, in appropriate circumstances, recover "reasonable attorneys' fees" from government defendants. These fee-shifting statutes, for the most part, provide little or no guidance as to when an award of attorneys' fees is appropriate, or as to what constitutes a reasonable award. As a consequence, courts have reached conflicting interpretations of these statutes, and in some cases have made awards of attorneys' fees that greatly exceed the relief obtained by the parties in the proceeding. Multipliers and bonuses have been used to double, and even triple, normal commercial hourly rates. Attorneys' fee awards at rates in excess of $100 per hour are becoming increasingly common, with some attorneys' fee requests exceeding $400 per hour through the use of multipliers.

Federal, state, and local taxpayers are the ones who must bear the cost of these excessive attorney's fee awards that confer windfalls upon a select group of attorneys. These developments have fueled litigation over attorneys' fee awards that frequently overshadows the case on the merits, and have created a burgeoning area of practice for legal practitioners and publishers who hold themselves out as experts on how to obtain large awards of attorneys' fees against government defendants.

The need for legislation is, if anything, even more acute with respect to the award of attorneys' fees against state and local governments than against the federal government. As the liability of states and localities for damages and awards of attorney's fees has greatly expanded under new federal statutes and recent decisions of the Supreme Court, the obligation of Congress to define more clearly the circumstances and extent to which these entities should be liable for attorneys' fees under federal statutes has also grown. The sound functioning of our federal system demands that the national government should not impose upon the state governments an obligation to pay attorneys' fees in circumstances and amounts not limited by Congress.

Although civil attorneys have increasingly used federal fee-shifting statutes as a means of obtaining excessive awards against federal, state, and local government defendants, defense attorneys for indigent criminal defendants have been limited to maximum compensation of $30 per hour for time in court and $20 per hour for time out of court under provisions of the Criminal Justice Act that have not been changed since 1970.

We can see no justification for allowing the award of attorney's fees at the rate of several hundred dollars per hour in civil actions when attorneys representing defendants in criminal proceedings or habeas corpus actions can claim only $20 or $30 per hour. The current state of the law reflects a serious misallocation of resources, at the expense of the public treasury. This bill will provide greater equity by substantially raising the levels of compensation of Criminal Justice Act attorneys while at the same time preventing the excessive attorney's fee awards under civil fee-shifting statutes.

Accordingly, we have prepared a legislative proposal to raise the compensation rates under the Criminal Justice Act and to establish a number of important guidelines for awards of attorneys' fees in civil judicial and administrative proceedings against federal, state, and local government defendants. The intent is to achieve a more equitable balance in compensation among the various attorneys litigating for or against the government—attorneys for the government, defense attorneys paid under the Criminal Justice Act, and private attorneys receiving fees under free-shifting statutes. The salient features of the proposal are summarized below.

A. CRIMINAL JUSTICE ACT FEES

The bill would double the hourly rate of compensation for defense attorneys under the Criminal Justice Act. Thus, the Criminal Justice Act attorneys who now receive $30 per hour for time in court and $20 per hour for out-of-court time would receive $60 and $40 per hour, respectively. The maximum amounts payable to criminal defense lawyers for each category of proceedings also would be doubled. This is a very significant increase in the current levels of compensation under the Criminal Justice Act, which will bring them more in keeping with the compensation of attorneys who represents the government, and the level of attorney's fee awards allowable under this Act under civil fee-shifting statutes.

B. CIVIL FEE SHIFTING STATUTES

1. *Level of the Fee Cap.* The bill would set the maximum rate for attorney compensation in civil judicial and administrative proceedings under all federal fee-shifting statutes at $75 per hour, which is the same rate established in the recently-enacted Equal Access to Justice Act, 28 U.S.C. §§ 2412(d) and 5 U.S.C. § 504. The bill would, in all cases under federal fee-shifting statutes, eliminates bonuses and multipliers that courts have used excessively to escalate awards of attorneys' fees.

Because private attorneys in cases under federal fee-shifting statutes are, in one sense, doing "government legal work," it is inappropriate for the compensation taxpayers pay to "private attorneys general" who sue the government to exceed significantly the compensation paid to the "public attorneys general" who defend the government. The proposed legislation would compensate private attorneys at the level commensurate with (but still significantly higher than) that of their government counterparts, and would provide for a reasonable incentive sufficient to attract competent counsel in fee-shifting cases.

2. *Awards to Prevailing Parties.* The bill would allow recovery of attorneys' fees only when a party has prevailed on the merits of its complaint, or, in accordance with existing case law, where the suit is concluded by settlement agreement. In addition, the bill would allow recovery of attorneys' fees only for work performed on issues in the case on which the party prevailed, and only to the extent the work performed was not excessive, redundant, or otherwise unnecessary.

3. *Reduction of Fee Awards.* The bill would specify several bases for reducing or denying fee awards that otherwise would be allowed under federal fee-shifting statutes. Reduction of the award would be appropriate, for example, in cases where a party has unreasonably protracted the litigation; where no bona fide attorney-client relationship is found to exist; where the award is excessive in comparison to the monetary results achieved in the litigation; or where the services provided were excessive with regard to the nature of the controversy. The bill would also provide for reduction of the fee award when it unreasonably exceeds the hourly salary of a salaried attorney. As a guideline the proposal would require special scrutiny of awards at rates exceeding an amount double an attorney's hourly salary. Allowing twice the hourly salary should cover normal overhead expense and provide for a reasonable allowance in most cases. The provision would not require courts to limit awards to an amount twice the attorneys' hourly salary, but is designed to ensure that courts carefully review awards to salaried attorneys so as to avoid conferring windfalls at the expense of taxpayers.

The bill would also provide that, in any case where a party recovers a money judgment against a federal, state, or local government, up to 25% of the judgment shall be applied to the party's legal fees. This provision would not apply to suits under certain provisions of the Equal Access to Justice Act that allow attorneys' fees only when the government's position is not found to be substantially justified. This provision also would not apply to suits for recovery of disputed taxes under 26 U.S.C. § 7430, or in cases of undue hardship.

4. *Procedural Guidelines.* The bill would establish certain procedural requirements for processing of attorneys' fee applications under federal fee-shifting statutes, and would require courts and agencies to develop additional guidelines.

CONCLUSION

The Department of Justice urges prompt and favorable consideration of the proposed legislation, which would establish much-needed guidelines for awards of attorneys' fees in civil cases against federal, state, and local government defendants, and would sharply increase the compensation of attorneys under the Criminal Justice Act. Enactment of this legislation would assure that all attorneys paid by the government in civil and criminal cases are compensated at levels more nearly commensurate with those of their colleagues.

The Office of Management and Budget has advised this Department that the enactment of this proposed legislation would be in accord with the President's programs.

Sincerely,

ROBERT A. MCCONNELL,
Assistant Attorney General, Office of Legislative and Intergovernmental Affairs.

SECTION-BY-SECTION ANALYSIS

SECTION 2—FINDINGS AND PURPOSES

Numerous federal statutes provide that parties to civil suits and administrative proceedings against the United States, states, or local governments may, in appropriate circumstances, recover "reasonable attorneys' fees" from government defendants. These statutes have put a great burden on the courts because, for the most part, Congress has provided little or no guidance s to when an award of attorneys' fees is appropriate, or as to what constitutes a reasonable award. As a consequence, courts have reached conflicting interpretations of thes statutes—in some cases using "mulitpliers" and "bonuses" to double, and even triple, the normal hourly rates of the prevailing party's attorney. This has resulred in uncertainty at lest the appearance of arbitrariness or unfairness to litigants. Litigation over attorneys' fee awards frequently overshadows the case on the merits, and has led to the creation of a burgeoning are of practice for attorneys' fee litigators.

The problems evident in this area are in some respects even more serious with respect to the states and localities. Recen decision of the Supreme Cout have expanded greatly the liability of states and local governments to suits under various Federal statutes, and correspondingly to awards of attorneys' fees. As the liability of the states and localities has greatly expanded in recent years, the obligation of Congress to define more clearly the circumstances and extent to which they should be held liable for attorneys' fees under Federal statutes has also grown.

The purpose of the bill is to have Congress provide greater guidance to the courts and federal agencies for the award of attorneys' fees pursuant to federal statute, and to reduce the current uncertainties and disparities reflected in the present decisions. The bill is not intended to deny fees to attorneys for prevailing parties; only to set common standards and procedures that would apply to all awards of attorneys' fees against the United States, and against state and local governments. This will increase the fairness and equity of the current maze of fee-shifting statutes, and should increase public acceptance of these statutes which compensate private attorneys from the public treasury.

Another important purpose of the bill is to provide for greater balance between the high hourly rates of compensation for private attorneys who sue the government in civil litigation and the much lower hourly rates of compensation for attorneys who represent indigent criminal defendants in proceedings under the Criminal Justice Act ("CJA"), 18 U.S.C. § 3006A(d) (1) and (2). In contrast to hourly rates of over $200 (including multipliers) in some civil attorneys' fee awards, criminal defense attorneys have received the same rates of $20 and $30 per hour since 1970. The bill would double the current hourly rates under the CJA.

With respect to civil judicial and administrative proceedings, the bill is intended to provide guidance in the calculation of fee awards, and to limit the hourly rate of compensation to $75 per hour, which is the same rate established in the recently-enacted Equal Access to Justice Act, 28 U.S.C. § 2412(d)(1) and (d)(3) and 5 U.S.C. § 504(b). The bill would eliminate the use of bonuses and multipliers.

The bill is also intended to limit the recovery of attorneys' fees to those cases in which a party has prevalied on the merits of the complaint, and only for work performed on issues in the case on which the party prevailed. The bill also specifies several discretionary bases for reducing or denying fee awards that otherwise would be allowed under federal fee-shifting statutes—for example, where a party's conduct unreasonably protracted the litigation; or the requested fee award unreasonably exceeds the hourly salary of a salaried attorney—and provides, in any case where a party recovers a money judgment against a federal, state, or local government, for 25% of the judgment to be applied to the party's legal fees.[1]

SECTION 3—DEFINITIONS

Section 3 defines the terms used in the bill. "Attorneys' fees" are defined as fees attributable to professional legal services performed by a person, or persons, licensed to practice law, including enrolled tax practitioners who practice before the United States Tax Court. This definition is intended to limit awards to licensed practitioners, and not to allow awards to non-licensed, *pro se* claimants or law students.[2] The definition applies to all fee-shifting statutes, and is intended to cover all awards of fees that in fact reflect compensation of attorneys, however denominated, including those designated as "costs" by the court or administrative agency.[3] "Attorneys' fees includes "overhead expenses" but does not include "related expenses."

Expenses to be included as "overhead expenses" should be considered as such except in extraordinary circumstances. The list of overhead expenses is not exhaustive, and other appropriate expenses may be included as "overhead expenses." The list is intended to preclude considering these expenses as "related expenses," except in extraordinary circumstances.

"Related expenses" are those expenses that may be awarded pursuant to federal statute, are not "overhead expenses," and are actually incurred by the attorney as a result of judicial or administrative proceedings. The term is intended to be a generic term encompassing those expenses that can properly be awarded under federal law; it does not expand the types of expenses that may be awarded. "Related expenses" does not include "attorneys' fees."

This definition is not intended to affect case law under Title VII and 42 U.S.C. § 1988 which, in some instances, has authorized awards of costs beyond those specified in 28 U.S.C. § 1920 to include such items as lodging and travel expenses. *See, e.g., Northcross* v. *Board of Education*, 611 F.2d 624, 639 (6th Cir. 1979), cert denied, 447 U.S. 911 (1980). However, as noted, the definition of overhead expenses precludes considering the items enumerated there as "related expenses." The definition also excludes costs enumerated in 28 U.S.C. § 1920, and the bill is not intended to affect the allocation of costs enumerated in that section.

Courts and administrative officers may include as "related expenses" actual costs incurred for the services of paralegals and law clerks who assist attorneys in representing their clients.

The definitions of "decision on merits" and "prevail on the merits" are discussed in connection with the provisions of section 5(1) of the bill, which requires that a party seeking an award of attorneys' fees must prevail on the merits.

SECTION 4—SCOPE AND APPLICATION; RELATIONSHIP TO OTHER LAWS

Subsection (a) provides that the provisions of this bill are intended to apply to all awards of attorneys' fees against the United States, or any state or local government, and to establish minimum criteria for such awards. In this way, this bill will provide greater uniformity and order for the scores of attorneys' fee statutes that authorize awards of attorneys' fees and related expenses against the federal, state, and local governments.

Subsection (b) provides the general rule that, notwithstanding any other provision of law, the provisions of this bill would apply to, and modify, all federal fee-shifting statutes, including the Equal Access to Justice Act, 5 U.S.C. § 504 and 28 U.S.C. § 2412(b) and (d). No award of attorneys' fees and related expenses could exceed the amounts determined under the bill.

Subsection (c) provides that the criteria for the awards of attorneys' fees and related expenses established by this bill would not supersede more restrictive criteria contained in other statutes for making such awards. The provisions of this bill establish minimum criteria to be applied for determining and awarding attorneys' fees and related expenses or costs in judicial and administrative proceedings against the United States or against state or local governments.[4]

Subsection (d) provides that nothing in the bill shall be interpreted to create any right to an award of attorneys' fees or related expenses. Any right to such an award derives solely from the provisions of other laws.

The bill does not affect the award of attorneys' fees against the government in cases as those under the Federal Tort Claims Act, 28 U.S.C. §§ 2671 2680, or cases involving National Service Life Insurance or United States Government Life Insurance, under 38 U.S.C. § 784. Those statutes are not federal fee-shifting statutes, because the attorneys' fees are paid from the pre

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Footnotes at end of article.

vailing party's total award of damages or proceeds and are not a separate award entered against the government

Subsection (e) provides that, although the bill generally would apply to awards under the Equal Access to Justice Act ("EAJA"), the provisions of section 6(a)(1) (establishing a limitation of $75 per hour for attorneys' fees) and section 6(c) (reduction of fee awards in money damages cases) of the bill would not apply to awards made under 5 U.S.C. § 504(a)(1) and 28 U.S.C. § 2412(d)(1)(A) & (d)(3). Those sections of the EAJA provide that awards of attorneys' fees may be made unless the government proves that its position in the litigation was substantially justified. In addition, the factors listed for reduction of fee awards in paragraphs (4) and (5) of section 6(b) of the bill would not apply under those provisions of the EAJA.[5] The language and legislative history of those provisions of the EAJA reflect Congress's intent to award attorneys' fees to prevailing parties who meet the qualifications of that Act, unless the government's position was "substantially justified" or "special circumstances" would make an award of attorneys' fees unjust. The purpose of this subsection is to assure that the special charcteristics of the EAJA in this respect will not be affected by this bill. The exceptions described in this subsection would not apply to attorneys' fee awards under 28 U.S.C. § 2412(b).

Subsection (f) provides that the provisions of the bill shall not apply in federal criminal proceedings or civil habeas corpus proceedings in the federal courts, except for the provision in section 6(d) of the bill which would double the allowable amounts of attorneys' fees under the Criminal Justice Act, 18 U.S.C. § 3006A.

SECTION 5—ALLOWANCE OF ATTORNEYS' FEES

Section 5 of the bill establishes the prequisites to an award of attorneys' fees and related expenses against the United States, or against state or local governments, in any civil judicial or administrative proceeding to which a federal fee-shifting statutes applies. The party seeking such awards must establish, and the court or administrative officer must determine, (1) that the party prevailed on the merits of its complaint in the proceeding; (2) that the work for which the award is sought was performed in connection with issues on which the party prevailed and was necessary to resolve the controversy; (3) that the application is submitted in compliance with the procedural requirements of Section 7; (4) that the attorneys' fees sought do not exceed amounts authorized under Section 6; and (5) that the services for which attorneys' fees are sought are not excessive, redundant, or otherwise unnecessary.

As set forth in section 4(c) of the bill, the requirements of this section for awards of attorneys' fees, including the requirement that a party "prevail," are not intended to supersede other additional requirements established by law, such as those under 5 U.S.C. § 7701(g)(1) (where an award to a prevailing party must be "warranted in the interest of Justice.").

Nothing in this section is intended to change the burden of proof for determinations of "substantial justification" in applications for fee awards under the Equal Access to Justice Act, 5 U.S.C. § 504(a)(1) and 28 U.S.C. § 2412(d)(1)(A) & (d)(3). The burden remains on the government to prove "substantial justification" in connection with such applications.

Prevail on the Merits. Paragraph (1) would preclude awards of attorneys' fees and related expenses against the United States and against state and local governments unless the party seeking the award prevailed on the merits of its complaint. The definition of "prevail on the merits" focuses on whether the party was successful on significant issues in the controversy and obtained significant relief in connection with these issues. This is intended to be a more flexible standard than some formulations of this term. *Cf. Taylor* v. *Sterrett*, 640 F.2d 663, 669 (5th Cir. 1981) (a prevailing party for attorneys' fees purposes "has been successful on the central issue" in the case, and has "acquired the primary relief sought"). The relief sought need not be "central," but must be significant in terms of the result sought by the party. In this respect, the bill reflects the first part of the test enunciated by the Supreme Court in *Hensley* v. *Eckerhart*, 103 S. Ct. 1933 (1983) ("plaintiffs may be considered prevailing parties for attorneys' fees purposes if *they succeed on any significant issue in litigation* which achieves some of the benefit the parties sought in bringing the suit") (emphasis added).

This bill differs, however, from the second part of the *Hensley* formulation. The language of *Hensley* is subject to misreading, as occurred in *Laffey* v. *Northwest Airlines, Inc.*, No. 2111-70 (D.D.C. July 29, 1983). There, the district court found that the plaintiffs to be prevailing parties for all purposes even though they in fact failed to achieve the results sought in important respects.

The purposes of the bill is to state more precisely that the relief obtained by the party must be significant, not merely "some of the benefit" the party sought. The relief obtained should be significant in terms of the result sought by the party in bringing the suit. *Cf. Hensley* v. *Eckerhart*, 103 S. Ct. at 1943 ("A reduced fee award is appropriate if the relief, however significant, is limited in comparison to the scope of the litigation as a whole").

The requirement to show that the party has prevailed on the merits would also apply to statutes, such as the Clean Air Act, that authorize the award of attorneys' fees "when appropriate."[6]

This paragraph provides that the party must prevail in a "decision on the merits" of a court or a final disposition by an agency in an administrative proceeding. The Federal Rules of Civil Procedure generally define a final judgment as any order from which an appeal lies, including dismissals and default and summary judgments, and final judgments entered on less than all pending claims pursuant to Rule 54(b). The definition of "decision on the merits" is limited to those final judgments in which the party establishes entitlement to relief on the merits. Thus, an award of attorneys' fees would not be appropriate for a party who has prevailed only on a motion for preliminary injunction or for a temporary restraining order, where the merits of the suit have not been resolved. However, the definition would permit the award of attorneys' fees where the party defending against a suit brought by the government obtains the dismissal of a groundless complaint.[7]

The bill would not preclude so-called "interim awards" of attorneys' fees where the text or legislative history of an applicable fee-shifting statute indicates that Congress has authorized them, but such awards should be made only "to a party who has established his entitlement to some relief on the merits of his claims, either in the trial court or on appeal." *Hanrahan* v *Hampton*, 446 U.S. 754, 757 (1980) (per curiam). In *Hanrahan*, the Supreme Court noted that the legislative history of 42 U.S.C. § 1988 cited, as examples of appropriate circumstances for interim fee awards, two cases[8] in which the "party to whom the fees were awarded had established the liability of the opposing party, although final remedial orders had not been entered." Id. at 757. The Court found that the plaintiffs had not prevailed on the merits of any of their claims and reversed the award of attorneys' fees. Id. at 758. Further, the Court ruled that attorneys' fees are not to be awarded for nondispositive rulings regarding matters of discovery, evidence, or procedure. Id. at 759. *See also Smith* v. *University of North Carolina*, 632 F. 2d 316, 350-51 (4th Cir. 1980).

Paragraph (1) is not intended to modify existing case law providing that attorneys' fees may be awarded in cases where the litigation is terminated by settlement agreement, as long as the party seeking fees has prevailed on the merits of the relief sought.[9] Nor is the provision intended to preclude discussions between the parties of attorneys' fees, or the waiver thereof, before the decision of the merits by a court or the final disposition by an administrative officer, or to prevent the government from discussing liability for attorneys' fees in conjunction with liability on the merits as part of a settlement argeement, or from including in a settlement agreement provisions for attorneys' fees and related expenses or costs.

Necessary Work on Prevailing Issues. Under paragraph (2), a prevailing party seeking an award of attorneys' fees and related expenses against the United States, or against state or local governments, must show that the work for which fees are sought was performed in connection with issues, substantive or procedural, upon which the party prevailed, and was necessary to the resolution of the controversy.[10] This provision is not intended to preclude awards of attorneys' fees and related expenses where a party's pleadings contain meritorious alternative gounds for relief, based on the same facts as those on which the party prevailed, on which a court or administrative officer did not rule because the party prevailed on other grounds. In such instances, awards of attorneys' fees and related expenses may include amounts attributable to time expended on such alternative pleadings, if the court or administrative officer determines that the alternative pleadings were reasonably directed to the resolution of the merits of the controversy. Awards of attorney's fees and related expenses are not to be made in cases where the specific statutory provisions construed in the case do not provide for the award of attorneys' fees.[11]

Other showings. Paragraphs (3) and (4) require that the application for awards of attorneys' fees and related expenses be made in accordance with the provisions of this Act. Paragraph (5) requires the party seeking attorneys' fees to establish that the services for which fees are sought were not "excessive, redundant, or otherwise unnecessary."[12] Because intervenors are "parties" for the purposes of this bill, they may receive awards of attorneys' fees if they meet the requirements of the applicable fee-shifting statute and this bill, including the showing required by this paragraph.

SECTION 6—AMOUNT OF ATTORNEYS' FEES

Civil fee-shifting statutes

Paragraph 6(a)(1) establishes a maximum hourly rate of $75 for attorneys' fees awards against the United States, states, and local governments under federal fee-shifting statutes.[13] This provision shall not apply to awards under the Equal Access to Justice Act, 5 U.S.C. § 504(a)(1) and 28 U.S.C. § 2412(d)(1)(A) and (d)(3), because the EAJA has its own limit of $75 per hour, subject to specified exceptions.[14] In calculating the amount of any award of fees, section 6(a)(2) provides that multipliers or bonuses shall not be used.

The $75 per hour limit in subsection (a) is intended to assure that fees paid to private counsel in fee-shifting cases are brought more in line with the salaries of attorneys who represent the government in these cases, while providing sufficient incentive to attract competent counsel. This is appropriate, because many federal fee-shifting statutes are premised on the theory that groups or individuals who sue the government for the public benefit are acting as "private attorneys general." Attorneys' fees paid by taxpayers to these "private attorneys general" should be generally commensurate with the salaries paid by taxpayers to federal "public atorneys general."[15] Even the rate of $75 per hour set in the bill is well above the compensation of government attorneys.

It is emphasized that this subsection establishes only a maximum hourly rate of compensation, and that prevailing rates may in fact be less than the maximum allowed under the bill. Courts should give due consideration to the fees normally received by the attorney for similar work and other relevant factors. Attorneys fees may be awarded at hourly rates less than the maximum established by this bill.

Subsection (b) provides that courts or administrative officers may reduce or deny awards of attorneys' fees and related expenses against the United States, or against state or local governments, where it is determined that (1) the prevailing party unreasonably protracted the final resolution of the controversy; (2) there is no bona fide attorney-client relationship with an identified client; (3) the attorneys' fee unreasonably exceeds the hourly salary of a salaried attorney; (4) the time and legal services provided were excessive with regard to the nature of the controversy; (5) that the attorney's fee award otherwise allowable would unreasonably exceed the monetary result or injunctive relief achieved in the proceeding; or (6) the award would otherwise be unjust or inappropriate. The amount of any reductions pursuant to this subsection shall be at the discretion of the court or administrative officer. The fourth and fifth factors would not apply to awards under 5 U.S.C. § 504 and 28 U.S.C. § 2412(d) of the Equal Access to Justice Act. This exception is intended to maintain the status quo in the interpretation of the "special circumstances" provision of the EAJA, and not to affect the courts' construction of that term in the context of fee awards under the EAJA.

Paragraph (1) is patterned on the Equal Access to Justice Act, 28 U.S.C. § 2412(d)(1)(C) and 5 U.S.C. § 504(a)(3). Paragraphs (2) and (4) are similar to provisions for determining reasonable attorneys' fees in the Alaska Native Claims Settlement Act, 43 U.S.C. § 1619(d)(2). Paragraph (4) is derived from *Hughes* v. *Repko*, 578 F. 2d 483 (3d Cir. 1978), where the district court was directed to determine whether it was reasonably necessary to spend the number of hours claimed by the attorneys in order to perform the legal services for which compensation was sought.

Paragraph (3) provides that the court or administrative officer may consider, as a basis for reducing an otherwise allowable fee award, whether the award would unreasonably exceed the hourly salary of the party's attorney. This provision is intended to apply to all attorneys who are paid on a salaried basis, including in-house counsel and associates in a law firm. As a general guideline, an application for an award may be regarded as unreasonably excessive under paragraph (3) if it is more than twice the attorney's hourly salary. Twice the attorney's hourly salary should, in general, provide reasonable compensation and cover normal overhead expenses. The bill does not require that awards be limited to 200% of an attorney's hourly salary in all cases, but is intended to encourage courts and administrative officers carefully to review applications for awards that would exceed that level, and to reduce awards that would confer windfalls on attorneys.

Paragraph (5) is intended to address the anomalous result where attorneys receive far greater benefit from the litigation than their clients, such as in cases where $100,000 is awarded in attorneys' fees for a $30,000 judgment, or where $22,000 in attorneys' fees is awarded for only a $500 award to each of three clients. In other cases, the injunctive relief actually achieved in the case might be so limited that it does not warrant the amount of attorneys' fees otherwise allowable. *Cf. Hensley* v. *Eckerhart, supra*, 103 S. Ct. at 1941 (The award of full attorneys' fees to a party who has achieved only partial or limited success would be "an excessive amount"). In determining whether reduction of an award is appropriate, courts or administrative officers should consider both the monetary judgment achieved and any significant injunctive or other equitable relief obtained by the parties in the proceeding.

Paragraph (6) provides that the bases for reducing an award of attorneys' fees that are listed in this subsection are not meant to be exclusive, and courts and administrative officers should continue to consider other factors that are appropriate under existing law. *See Hensley* v. *Eckerhart, supra*, 103 S. Ct. at 1940-41. For example, the legislative history of the Civil Rights Attorney's Fees Award Act of 1976, 42 U.S.C. § 1988, provides that "special circumstances" are to be considered by courts in awarding attorneys' fees. Nothing in this bill is intended to preclude consideration of such "special circumstances" to reduce the amount of fee awards against the government.

Finally, nothing in this bill is intended to overturn cases such as *Christianburg Garment Co.* v. *Equal Employment Opportunity Commission*, 434 U.S. 412, 421 (1978), where plaintiffs were required to pay the defendant's attorneys' fees because the plaintiffs' claim was found to be "frivolous, unreasonable or without foundation, even though not brought in subjective bad faith."

Subsection (c) provides that, whenever a monetary judgment is awarded against the United States, or against a state or local government, the judgment shall be reduced (but not more than 25%) by the amount of attorneys' fees allowed in the proceeding. The rationale for this offset is not to reduce the attorneys' compensation, but to provide that a prevailing party should pay part of its legal expenses from any monetary award recovered in a judicial or agency proceeding. This provision would not apply to attorneys' fee awards under the Equal Access to Justice Act, 5 U.S.C. § 504(a)(1) and 28 U.S.C. § 2412(d)(1)(A) and (d)(3), where fee awards are available only where the government's position was not substantially justified. Cf. note 14, supra. It also would not apply to awards in cases brought for recovery of disputed tax payments under 26 U.S.C. § 7430, in order to avoid inconsistent adjudications under the Internal Revenue Code.[16] Finally, the provision would not apply where the reduction otherwise would result in undue hardship to the party in the circumstances of the case. This last exception is not intended to be routinely used, but in circumstances where a reduction of the judgment recovered by the party would clearly be unjust.

The 25% reduction in monetary awards to be applied toward attorneys' fees is similar to the provisions of the Federal Tort Claims Act, 28 U.S.C. § 2678, and section 206 of the Social Security Act, 42 U.S.C. § 406, which provide for compensation of attorneys from any monetary awards recovered by the parties.

Criminal Justice Act fees

Subsection (d) would amend the Criminal Justice Act, 18 U.S.C. § 3006A(d), to double the compensation rates for defense attorneys in criminal proceedings. The Act's current maximum compensation rates—which were last amended in 1970—of $30 per hour for time expended in court and $20 per hour for time expended out of court would be increased to $60 and $40, respectively. The Act would also double the maximum total compensation to $2,000 per attorney for felony cases, $800 per attorney for misdemeanor cases, and $500 per attorney for post-trial and probation revocation proceedings. The difference in the maximum hourly rate for Criminal Justice Act attorneys and attorneys in civil fee-shifting cases is appropriate because Criminal Justice Act attorneys, unlike those in fee-shifting cases, are compensated whether they win or not.

The bill also would delete the provision in 18 U.S.C. § 3006A(d)(1) that authorizes, as an alternative to the stated hourly rates, compensation at "such other hourly, rate, fixed by the Judicial Council of the Circuit, not to exceed the minimum hourly scale established by a bar association for similar services rendered in the district." The intent of the bill is to create a maximum hourly rate for attorneys who represent parties under the Criminal Justice Act.[17] However, the rates established in § 3006A are maximums, and the Judicial Council of the Circuit may, where appropriate, set a lower rate of compensation, consistent with guidance from the Judicial Conference of the United States.

SECTION 7—TIMELY APPLICATIONS AND PROCEDURES

Subsection (a) establishes a jurisdictional requirement that a party seeking an award of attorneys' fees and related expenses submit an application for such award within 30 days of a final decision on the merits by a court or the entry of a final disposition by an administrative officer. A final decision on the merits is defined as the entry of judgment under the Federal Rules of Civil Procedures, and includes a dismissal of the suit and a dismissal pursuant to a settlement agreement. Parties may not be awarded attorneys' fees and related expenses by a court or administrative officer if the fee award application is made after the 30 day time limit.

This requirement is consistent with the jurisdictional time for filing fee applications pursuant to the Equal Access to Justice Act, and is responsive to the Supreme Court's recent observation that courts can adopt procedural rules setting reasonable time limits for applications for attorneys' fee awards *White* v. *New Hampshire Department of Employment Security*, 455 U.S. 445 (1982).[18] Subsection (a) also requires the party seeking an award to submit such information as may be required by the court or administrative officer.

Subsection (b) directs courts and agencies to provide guidance to parties regarding the information required to be filed. Courts and agencies should, at the least, require submission of the following information: a statement of the basis of the claim for attorneys' fees; a statement that attorneys' fees are awardable under applicable law: a statement of the amount sought; a copy of any written fee agreement; and an itemized accounting of the hours expended and the specific tasks performed by the attorney in the proceedings.[19] Further, courts and administrative officers should require the submission of information to assist them in making the findings under section 6(b) of this bill, with respect to reduction of awards of attorneys' fees. Subsection (b) further requires courts and agencies to establish procedures regarding the timing of applications for attorneys' fees and supporting information, and the timing of judicial and agency rulings on these applications.[20]

To ensure that courts are consistent in issuing requirements for submission of information for fee applications, the bill anticipates that the Judicial Conference of the United States would prescribe guidelines for courts to follow in establishing these requirements. These guidelines would not supersede any requirements for submission of information required by law in conjunction with attorneys' fees applications. The bill also anticipates that agencies, when establishing requirements for submission of information in conjunction with fee applications, will follow the guidelines established by the courts.

Section 7(b) requires that these guidelines provide that attorneys' fees may be awarded only upon final judgments. The meaning of final judgment, including dismissals and so-called "interim awards" in the circumstances outlined by the Supreme Court in *Hanrahan* v. *Hampton, supra*, are discussed in connection with section 5(1) of the bill.

SECTION 8—MOOTNESS AND SETTLEMENT DEFENSE

Under existing law, a party will be held to be a prevailing party and entitled to recover attorneys' fees and related expenses or costs even if the claim has been mooted, if it is found that the suit was a "catalyst" for the change of policy that rendered the claim moot. *See, e.g., Maher* v. *Gagne*, 448 U.S. 122, 129-30 (1980). Subsection (a) would codify the standard by which pending litigation is determined to have been such a catalyst by requiring that the litigation be a "material factor" in the policy change. This is the standard that is currently being applied by most courts. *See, e.g., Morrison* v. *Ayoob*, 627 F.2d 669 (3d Cir. 1980), cert. denied, 449 U.S. 1102 (1981). This provision would ensure that courts do not place undue emphasis on chronology—that is, the fact that the plaintiff's case was pending when the government changed the policy that mooted the suit. Under this provision, governments would be encouraged to carry out planned policy reforms without fear of incurring liability for fees in pending suits, but would still be liable for attorneys' fees unless the government could prove that the suit actually was not a "material factor" in the policy change.

Subsection (b) would deny awards of attorneys' fees and related expenses for services performed after a written offer of settlement by the United States, or by state or local governments, if the party refuses the offer but is ultimately able to do no better when the case is resolved on the merits. This would provide an incentive to governments to make reasonable settlement offers, and encourage parties to give serious consideration to such offers.[21] This provision would not apply, if, at the time the settlement offer was made, the party's refusal to accept the offer was reasonable. The ten-day requirement and other procedural provisions of Rule 68 of the Federal Rules of Civil Procedure should provide guidance to courts and administrative officers in determining whether the failure of the party to accept the offer was reasonable.

SECTION 9—COMPTROLLER GENERAL REPORT

Section 9 requires the Comptroller General of the United States to submit an annual report to the President and the Congress on the amount of attorneys' fees and related expenses or costs awarded against the United States or against state and local governments under federal fee-shifting statutes in judicial and administrative proceedings. To assist the Comptroller General, courts and agencies should provide whatever information is needed. In preparing this report, the Comptroller General should use the reports prepared under the Equal Access to Justice Act by the Director of the Administrative Office of the United States Courts and the Chairman of the Administrative Conference of the United States, respectively, under 28 U.S.C. § 2412(d)(5) and 5 U.S.C. § 504(e).

SECTION 10—EFFECTIVE DATE

Section 10 applies the provisions of the bill to any award of attorney's fees and related expenses incurred subsequent to the enactment of the bill. Further, the provisions of the bill apply to actions commenced prior to enactment, but only for attorneys' fees and related expenses incurred after that date.

FOOTNOTES

[1] This 25% reduction would not apply to suits under certain provisions of the Equal Access to Justice Act, to suits for recovery of disputed taxes under 26 U.S.C. § 7430, or where undue hardship would result.

[2] Most courts have ruled that *pro se* litigants generally are ineligible for attorneys' fees awards. *See Cofield v. City of Atlanta*, 648 F.2d 986 (5th Cir. 1981); *Owens-El v. Robinson, 498 F. Supp. 877 (W.D. Pa. 1980); Crooker v. Department of Justice*, 632 F.2d 916, 922 (1st Cir. 1980); and *Burke v. Department of Justice*, 559 F.2d 1182 (10th Cir. 1977), *aff'g mem.* 432 F. Supp 251 (D. Kan. 1976). The D.C. Circuit, however, has awarded attorneys' fees under the FOIA to *pro se* prisoners and to law students who received 12 hours of course credit. *See Crooker v. Department of Treasury*, 663 F.2d 140 (D.C. Cir. 1980); *Jordan v. Department of Justice*, No. 81-1380 (D.C. Cir. Oct. 5, 1982). The definition of "attorney," however, is not intended to affect judicial interpretations regarding whether individual statutes authorize awards of attorneys' fees to licensed attorneys appearing *pro se*. For example in *White v. Arlen Realty & Development Corp.*, 614 F.2d 387 (4th Cir.) (*per curiam*), *cert. denied*, 447 U.S. 923 (1980), the Fourth Circuit denied an award of attorneys' fees to a plaintiff-attorney under the Truth-in-Lending Act.

[3] Generally, courts have followed the principle that attorneys' fees are not costs, but are separate, with attorneys' fees awards authorized by various fee-shifting statutes and costs authorized by 28 U.S.C. §§ 2412(a) and 1920. However, some statutes, such as Title VII of the Civil Rights Act and 42 U.S.C. § 1988, have been interpreted to make attorneys' fees part of costs. *See Delta Air Lines v. August*, 40 U.S. 346 (1981) (Title VII). If left unaddressed, parties could attempt to circumvent the $75 fee limitation and other provisions in this bill regarding attorneys' fees by seeking attorneys fees as costs under these statutes.

[4] For example 5 U.S.C. § 7701(g)(1) provides that attorneys' fees may be awarded if (1) the party has prevailed; and (2) the award of attorneys' fees would be "warranted in the interest of Justice. . . ." The second of these two criteria, which is not contained in the bill, would continue to apply.

[5] These discretionary factors authorize a reduction of the attorneys' fees award based on findings that the time and legal services were excessive with regard to the nature of the controversy, or that the amount sought unreasonable exceeds the monetary result of injunctive relief achieved.

[6] The Supreme Court in *Ruckelshaus* v. *Sierra Club*, 51 U.S.L.W. 5132, 5136 (U.S. July 1, 1983) (No. 82-242), held that the claimant must demonstrate that it enjoyed "some degree of success on the merits" in order to receive attorneys' fees under the Clean Air Act, which provides for such fees "when appropriate."

[7] *See* H.R. Conf. Rep. No. 96-1434, 96th Cong., 2d Sess. 21-22 (1980). *See also United States ex rel. Heydt* v. *Citizens State Bank*, 668 F.2d 444, 447 (8th Cir. 1982) (organization which successfully opposed IRS summons in order to protect the confidentiality of its members was a prevailing party under the EAJA; however, no attorneys' fees were awarded because the IRS position was substantially justified).

[8] *Bradley* v. *Richmong School Board.*, 415 U.S. 696 (1974) and *Mills* v. *Electric Auto-Lite Co.*, 396 U.S. 375 (1970), are cited in the legislative history of the Civil Rights Attorney's Fees Awards Act of 1976. S. Rep. No. 94-1011, 94th Cong. 2d Sess. 2, and H.R. Rep. No. 94-1558, 94th Cong., 2d Sess. 6 (1976).

[9] *See, e.g.*, *Ward* v. *Schweiker*, 563 F. Supp. 1173 (W.D. Mo. 1983). As the court stressed in *Parker* v. *Matthews*, 411 F. Supp. 1059, 1054 (D.D.C. 1976), *aff'd*, 561 F.2d 320 (D.C. Cir. 1977), the settlement should be carefully scrutinized to determine if an award of attorneys' fees is justified:

"[W]hether to award attorneys' fees where there has been a settlement of a Title VII lawsuit must be determined by a close scrutiny of the totality of the circumstances surrounding the settlement, focusing particularly on the necessity for bringing the action and whether the party is the successful party with respect to the central issue—discrimination."

[10] *See Hensley* v. *Eckerhart, supra*, 103 S. Ct. at 1940 ("[W]ork on an unsuccessful claim cannot be deemed to have been 'expended in pursuit of the ultimate result achieved.' . . . [T]herefore no fee may be awarded for services on the unsuccessful claim.").

[11] *See Smith* v. *Cumberland School District*, 703 F.2d 4 (1st Cir. 1983) (reversing district court's award of attorneys' fees where case was grounded on the Education for All Handicapped Children Act, which does not provide for the award of attorneys' fees, even though the plaintiff included allegations based on section 504 of the Rehabilitation Act of 1973 and 42 U.S.C. § 1983, which the courts did not reach), *cert. granted sub nom. Smith* v. *Robinson*, 52 U.S.L.W. 3342 (U.S. Oct. 31, 1983) (No. 82-2120). Thus, awards of attorneys' fees would not be appropriate "where the fee-triggering statute plays no role but that of allowing attorney fees." *Tatro* v. *Texas*, 516 F. Supp. 968, 984 (N.D. Tex. 1981), *aff'd*, 703 F.2d 823 (5th Cir. 1983).

[12] *See Hensley v. Eckerhart, supra*, 103 S. Ct. at 1940.

[13] In determining the total award of attorneys' fees, courts and administrative offices should continue the practice of determining the number of hours reasonably expended in the proceeding, multiplied by a reasonable hourly rate not exceeding $75. In deciding whether the hours claimed were "reasonably expended" under any fee shifting statute, the Supreme Court has admonished that "[h]ours that are not properly billed to one's client also are not properly billed to one's adversary pursuant to statutory authority." *Hensley v. Eckerhart*, *supra*, 103 S. Ct. at 1940, *citing Copeland v. Marshall*, 641 F.2d 880, 891 (D.C. Cir. 1980) (en banc). In arriving at the total fee award, the factors set forth in section 6(b) and those identified by the Su-

preme Court in *Hensley v. Eckerhart, supra,* 103 S. Ct. at 1940-41, should be considered.

[14] The provisions of the Equal Access to Justice Act, unlike other fee-shifting statutes, predicate awards of attorneys' fees not only upon a finding that the party prevailed, but also that the government was not substantially justified in its position. In light of the latter requirement and the EAJA's existing fee limitation provision, it is unnecessary to apply the general fee limitation of this bill to the EAJA.

[15] Federal fee-shifting statutes "should not be implemented in a manner to make the private attorney general's position so lucrative as to ridicule the public attorney general." *Johnson v. Georgia Highway Express, Inc., 488 F.2d 714, 719 (5th Cir. 1974).*

[16] Inconsistent adjudications could result because the tax laws permit taxpayers who contest many government tax claims either: (1) to pay the contested taxes and sue for a refund in a district court or in the Claims Court, or (2) to bring suit, without payment, in the Tax Court. A taxpayer who sued in the District or Claims Court and won would receive a monetary award. Presumably, 25% of this amount would otherwise be applied to reduce any attorneys' fees award. However, a taxpayer who sued in the Tax Court and won would not receive a monetary award but, instead, simply a determination that no liability existed. Thus, the 25% reduction would hinge entirely upon the taxpayer's choice of forum, an anomalous result that would otherwise channel many more cases to the already overburdened Tax Court.

[17] It should be noted that fee schedules set by bar associations have been held to violate the antitrust laws. *Golfarb v. Virginia State Bar Ass'n,* 421 U.S. 773 (1975).

[18] As noted by the Supreme Court in *White,* courts currently differ with respect to the time in which attorneys' fees awards must be sought. *Id.,* 455 U.S. at 450 n.9. Before *White,* some courts allowed only 10 days from the time of entry of judgment for filing of fee applications under Fed. R. Civ. p. 59(e); other circuits have imposed no time constraints. The Eighth Circuit has recommended a rule for filing attorneys' fee requests within 21 days after entry of judgment. *See Obin v. District 9, Int'l Ass'n of Machinists,* 651 F.2d 574, 583 (8th Cir. 1981).

[19] A requirement for this type of information is consistent with the District of Columbia Circuit's ruling in *National Ass'n of Concerned Veterans v. Secretary of Defense,* 675 F.2d 1319 (D.C. Cir. 1982), which required detailed documentation by a party seeking an award of attorneys' fees.

[20] For example, in some cases fee applications can be resolved immediately following a decision on the merits in the proceeding in order to permit a simultaneous appeal on the merits and of the fee award. This would prevent piecemeal appeals, and might be appropriate where no disagreement existed over the calculation of the award or where the determination required complete familiarity with the record. *See White, supra,* 455 U.S. at 454. In other cases, however, it might be preferable to defer attorneys' fees issues until all appeals on the merits have been completed and a final judgment has been entered. This might be appropriate in cases where the determination of attorneys' fees is difficult and likely to consumer more time than the appeal on the merits.

[21] Current federal fee-shifting statutes often provide little incentive for parties to settle cases early in the litigation. With respect to cases under 42 U.S.C. § 1988, *see* Fioretti, and Convery, *Attorney's Fees Under The Civil Rights Act—A Time for Change,* 16 J. Mar. L. Rev. 261, 277-78 (1983):

"Aside from the 'prevailing party' issue, the present application of § 1988 results in a lack of incentive for plaintiff's attorneys to enter into pretrial settlements. The more hours the attorney spends on the case, the higher his potential fee award. The motivation then is not to settle, but to proceed to trail, where the hourly rates are even higher.

"Nor is such a result in the plaintiff's best interests. The purpose of the Civil Rights Act as a whole is to protect those who have suffered a constitutional tort. It naturally follows that if an early settlement is possible, the plaintiff, the protected party under the Act, should be compensated swiftly. However, a plaintiff's attorney, who during the early phase of the litigation has spent relatively few hours in preparation, may lack incentive to settle until compensable hours have reached a significant level. Thus, the overriding goal of the Civil Rights Act is thwarted and litigation is encouraged. The already crowded courts are further congested, so that the taxpayer suffers as well."

By Mr. SPECTER (for himself, Mr. HEINZ, Mr. BIDEN, Mr. ROTH, Mr. D'AMATO, Mr. MOYNIHAN, and Mr. BRADLEY):

S. 2803. A bill to amend the Delaware River Basin compact to allow the sale of bonds at market rates; to the Committee on the Judiciary.

SALE OF CERTAIN BONDS AT MARKET RATES

Mr. SPECTER. Mr. President, I am today introducing a bill to amend the Delaware River Basin compact to allow the sale of bonds at market rates.

The Delaware River Basin Commission [DRBC] was formed by compact in 1961 and its signatory parties consist of the United States, Pennsylvania, Delaware, New Jersey, and New York.

One of the DRBC's many authorities in that compact is to sell bonds, but at a 6-percent interest rate ceiling. That rate is, of course, unrealistic today and has been deficient for quite some time. This amendment will not authorize any increased Federal spending or obligation and should not be controversial. In fact, this amendment will allow the compact to be more competitive in the bond market, thus sustaining its own operations. As we have seen, this administration supports a policy whereby the local entities must participate more in the financing of Federal water projects. This amendment will give the Commission the flexibility to finance its local share of any Federal water supply project.

All four States involved in the compact have amended section 12.9 of the compact which sets the ceiling at 6 percent. It is now time for Congress to act similarly since all five parties to the compact must act to amend common legislation which created the Commission.

Congressman WILLIAM J. HUGHES of New Jersey introduced similar legislation (H.R. 5782) on June 6, 1984. I urge my colleagues to join me in supporting this measure.

Mr. D'AMATO. Mr. President, I rise today to cosponsor legislation offered by my distinguished colleague from Pennsylvania, Senator SPECTER. This bill would allow the Delaware River Basin Commission [DRBC] to sell bonds at market rates.

Under the terms of the compact signed by the United States, Pennsylvania, New York, New Jersey, and Delaware, the DRBC is authorized to issue bonds, but with a ceiling on the interest rate payable on those bonds of 6 percent. In today's market, this renders the bonds effectively impossible to sell. Consequently, this legislation would remove that cap and allow the DRBC to set the rates for those bonds as the market dictates.

This legislation is supported by the government of the State of New York, as well as by the other signatories to this agreement. Only compliance by the Federal Government stands in the way of allowing the DRBC to issue the bonds necessary to its successful operation. This is a good and vital piece of legislation and I urge my colleagues to pass it swiftly.

By Mr. MATHIAS:

S. 2804. A bill to reimburse the city of Frederick, MD, for money paid by the citizens of such city to save and hold harmless valuable military and hospital supplies owned by the U.S. Government; to the Committee on the Judiciary.

FREDERICK, MD, REIMBURSEMENT LEGISLATION

Mr. MATHIAS. Mr. President, 1984 is a year of many commemorations in the Free State of Maryland. This year we are observing the 350th anniversary of the founding of the colony by Lord Baltimore in 1634. In January, the whole Nation joined us in celebrating the bicentennial of the ratification of the Treaty of Paris in Annapolis by the Congress of the new United States. This treaty officially ended the Revolutionary War and paved the way for our country to join the family of nations. It was also 170 years ago this September that a Maryland lawyer, Francis Scott Key, penned the words to the "Star Spangled Banner" during the British bombardment of Fort McHenry in Baltimore Harbor.

Next month, on July 9, we will mark the 120th anniversary of a little-known event in the history of our country but one of great importance to Marylanders and one that quite possibly changed the course of history.

On that day in 1864, Gen. Jubal A. Early, commander of the Confederate forces at Frederick, MD, demanded from the city $200,000 for support of his army. At the time, more than $1.5 million in Federal supplies were stored in Frederick. Rather than turning over the supplies, the patriotic citizens of Frederick borrowed money from the town's banks to pay the ransom. The negotiations delayed the Confederates long enough to prevent the capture of lightly defended Washington, DC, and to keep General Early from freeing several thousand Confederate prisoners held at Point Lookout in southern Maryland.

Mr. President, today for the 12th time since I entered the Congress of the United States, I am introducing the Frederick reimbursement bill. The bill will repay the financial obligation assumed by the city of Frederick in genuine service to the country.

Repaying the debt incurred by the citizens of Frederick—a debt carried by several generations of the town's people until it was finally paid off in taxes in 1951—has been the goal of

Maryland Members of Congress since 1889. In the 51st Congress, Representative Louis McComas introduced the first Frederick reimbursement bill and there has been a similar bill in each succeeding Congress.

The people of Frederick maintained their steadfast loyalty to the Union, saved the vital Federal supplies and delayed the Confederate Army until troops could be brought from the siege at Richmond to defend the Capital. In 1864, the town's tax revenue was only $8,000 but Frederick recognized its patriotic duty and met the ransom demands. The 87 years it took to retire the debt deprived the city of municipal services and capital improvements. I know of no other city, North or South, which made such a sacrifice.

The U.S. Government, not the people of Frederick, rightly owed the debt. My bill seeks only to insure that justice is done and that Frederick, MD, is finally recognized and reimbursed for its services to the Nation.

Mr. President, Frederick is not making a claim for the value of private property damaged or destroyed by the enemy, although Congress has enacted bills on numerous occasions authorizing the claims of private citizens for the value of their private property destroyed by the enemy. For example, the Congress has for many years recognized the merits of claims by native Americans that arise from colonial days; and it has reimbursed owners of fishing vessels for fines paid for the violation of fishing area limitations of various South American countries.

We are merely asking to be repaid what Frederick is justly entitled to for the actual costs on the following items:

One, bonds and certificates issued to the five banks from which the General Early money was obtained as security for the loan to the city on July 9, 1864, held by banks 1868-88.

Two, interest paid at 6 percent per annum by the city upon the bonds and certificates to the banks 1868-88, such interest being derived from taxes imposed by the city.

Three, interest on the tax loss to pay interest 1868-88, at 4 percent per year.

Four, tax exemption granted five banks from general special tax levy of 20 cents per $100 on capital stock, 1868-88.

Five, interest at 4 percent on tax loss in granting exemption to banks 1868-88.

Six, interest at 4 percent per annum on above costs to city to repay five banks for their respective loans, the bank loans having been made to the city in 1864, and compromise settlement agreement on debt payment of $125,225.21 of above bonds and certificates accepted July 1, 1868, paid July 1, 1888, by refunding debt, 1888-1970.

Seven, interest paid by city on 24 percent of refunding bond issues of 1888 in amount of $512,500 at 4 percent interest, bank bonds refunded in amount of $123,000, 1888-1917. Tax loss to pay interest on 24 percent at 4 percent, 1888.1917.

Eight, interest at 4 percent per annum on tax loss to pay 24 percent of interest 1888-1917, bonds having been partially amortized, 1888-1917.

Nine, interest at 4 percent on interest paid on bonds and on tax loss incurred to pay interest, 1917-70.

Ten, interest paid on 24 percent of refunding bond issue of October 1, 1917, at 4½ percent, attributable to refunded bank bonds, of issue of $380,000, October 1, 1917, to October 1951. Tax loss to pay interest on 24 percent at 4½ percent, 1917-51.

Eleven, interest at 4 percent of interest paid on bonds and on tax loss incurred to pay interest, 1951-70.

Mr. President, this is the 47th Congress in which the Frederick reimbursement bill has been introduced. It is my fervent hope that this will be the last Congress asked to consider this bill. Let it be said of the 98th Congress that justice at last was done to the gallant citizens of the courageous city of Fredrick, MD. I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2804

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the city of Frederick, Maryland, a sum not to exceed the actual cost to the city, including interest thereon when incurred, to make the payment as hereinafter stated, on the debt incurred until October 1, 1951, and simple interest at the rate of 4 per centum per annum on the cost to the city to liquidate the debt as incurred, until reimbursement is paid of the amount determined by the Secretary of the Treasury to be due as defined herein, as of the date of payment in full satisfaction to the claim of the city against the United States for reimbursement for the money paid by the city on July 9, 1864, upon demand of Lieutenant General Jubal A. Early (commanding general of the Confederate Armed Forces of over twenty thousand troops then surrounding the city) and under rumored threats that all the property in the city would be destroyed; the demand having specified $200,000, and in the alternative medical supplies of $50,000 at current prices, commissary supplies to the same amount, ordnance supplies with the same, and quartermaster's supplies of like amount (all of such being the property of the United States Government as part of the supply depot and hospital of the command headquarters of the Union Armed Forces in Frederick for the deployment of Union troops at strategic points along the Maryland shores of the Potomac River in western Maryland as a defense against invasion by Confederate troops across the Potomac and in defense of Washington from attack through Maryland, and to supply Union troops moved through the command area during the war; none of such demanded supplies being the property of Frederick) and with all Federal troops (including advance guard and their mobility supplies) having evacuated the city to be deployed for the imminent battle of the Monocacy, the city and the Government supply depot being left defenseless; after pleading negotiations throughout the day with the Confederate commend, which failed, and under stress of the rumored threats of destruction, the city demanded the money required of the banks of the city to be delivered to the Confederate general, the city promising the lending banks that the citizens of the city would be taxed to reimburse the banks, and taxes were imposed over a long period by the city to amortize the debt and through a series of refunding bond issues of the city, finally liquidated in the year 1951, at rates of interest of 6 per centum, 4 per centum, and 4¼ per centum and upon delivery of the money by the banks to the city and delivered to the Confederate general late in the day, by orders of the Confederate general none of the Government property was destroyed nor molested, and not only was Government property saved harmless, but the daylong negotiations, between city officials and Confederate officers, gave time for better strategic deployment of the limited Union Armed Forces at the Monocacy and the arrival of some reinforcements, and most importantly the relatively short battle of Monocacy, together with the stubborn resistance and difficulty of Frederick in raising the $200,000 demanded, lost a day in the march upon Washington by the Confederate Armed Forces and gave time for the successful reinforcement of the Union defense of Washington-thus the claim of Frederick is for action taken not only to save United States Government property from being destroyed, but also, at great financial cost to the citizens of Frederick to carry the debt, which contributed greatly in saving Washington from direct attack by over twenty thousand of the Confederate Armed Forces and allowing time for arrival of reinforcements for the Union Armed Forces for the defense of Washington.

By Mr. WARNER (for himself and Mr. TRIBLE):

S. 2805. A bill to designate certain public lands in Virginia as additions to the National Wilderness Preservation System; to the Committee on Agriculture, Nutrition, and Forestry.

VIRGINIA WILDERNESS ACT OF 1984

Mr. WARNER. Mr. President, today I join my colleague Senator TRIBLE in introducing the Virginia Wilderness Act of 1984.

The bill designates 11 areas of approximately 55,984 acres as part of the National Wilderness Preservation System.

These proposed wilderness areas represent less than 4 percent of Virginia's national forest lands.

Four areas totaling nearly 25,075 acres are designated for wilderness study which protects them from development but does not lock them into permanent wilderness status.

There are 157,240 acres released for multiple use management by the Forest Service which means roads may be built and the lands used for mining, timber production, petroleum production, and intensive recreational uses, all subject to Forest Service management plans.

With the exception of the wilderness study areas, the legislation closely parallels the RARE II recommendations of the Forest Service.

The Virginia Wilderness Act of 1984 reflects a delicate balance between the desire to preserve Virginia in its natural state and the need to promote economic growth.

It is the result of years of hard work by many interested Virginians, including sportsman, environmentalists, industrialists, property owners, and State and local officials.

Only after I hiked some of the proposed areas, conducted town meetings, met with representatives of local governments, businesses, and citizens groups, did my efforts culminate in a Senate bill.

Drafting of the legislation has involved extensive discussions to ensure the fairest possible alternative.

I truly believe that the bill assures that present and future generations will have the opportunity to visit Virginia wilderness areas without jeopardizing jobs or unduly hindering development of our natural resources.

The legislation will protect forever an irreplaceable part of our natural heritage, so that our children and grandchildren will have the opportunity to experience what we all too often take for granted.

It is especially appropriate that we move forward with the Virginia Wilderness Act in 1984—the 20th anniversary of the enactment of the Wilderness Act.

These lands offer outstanding recreational opportunities and will remain open for hiking, camping, hunting, and fishing.

It will not result in the condemnation of any private property or impair the rights of property owners.

All these lands are federally owned as part of the National Forest System, so no private property will be condemned, and no cost will be incurred by the Federal Government.

The areas earmarked for wilderness include nine areas in the Jefferson National Forest: Beartown in Tazewell County, Kimberling Creek in Bland County, Lewis Fork in Smyth and Grayson Counties, Little Wilson Creek in Grayson County, Little Dry Run in Wythe County, Mountain Lake in Giles and Craig Counties, Peters Mountain in Giles County, Thunder Ridge in Botetourt, Rockbridge, and Bedford Counties, and James River Face Addition in Rockbridge County.

Also included for wilderness designation are two areas in the George Washington National Forest. They are Ramsey's Draft in Augusta County and Saint Mary's in Augusta County.

On May 8 similar legislation, introduced by Congressman BOUCHER and Congressman OLIN, passed the House of Representatives by a vote of 376-20.

The Senate legislation differs from the House bill in two important ways:

First, it prohibits the establishment of buffer zones around the wilderness areas.

This would preclude the possibility of banning nonwilderness activities in tracts surrounding the wilderness designations, simply because they could be seen or heard from the wilderness areas themselves.

Second, the legislation directs the Forest Service, in conjunction with the Environmental Protection Agency and the State of Virginia, to study the effect on air quality in Covington, VA, of the designation of Barbours Creek, Shawvers Run, Rough Mountain, and Rich Hole as wilderness.

Opposition to Virginia wilderness designations has centered primarily on fears that Congress might in the future upgrade all wilderness areas to class I.

Because class I air quality standards are so stringent, economic growth could be blunted.

Designating lands as wilderness does not change their air quality standards under the Clean Air Act.

The proposed Virginia wilderness areas are class II, and they will remain class II if designated as wilderness.

Under existing law, the Governor of Virginia has the authority by administrative action to upgrade all class II areas in Virginia to class I regardless of whether they are wilderness or not.

Although I cannot guarantee that some future Congress will not unilaterally upgrade all wilderness areas to class I, two factors make this highly unlikely in my judgment.

These factors are the total number of wilderness sites throughout the United States which would be impacted and the number of wilderness sites which are in close proximity to urban areas.

As of 1980, at least 23 cities with populations in excess of 10,000 have class II wilderness sites within 20 miles of their borders.

Several of these cities are large and well-known such as Albuquerque, Salt Lake City, and Tuscon.

Formidable opposition could be anticipated if Congress took any action that might preempt the future economic growth of these prominent American cities.

Second, as of December 1983, there were more than 160 wilderness sites in the United States with a class II air quality designation.

More than 25 States have wilderness bills pending in this Congress so that by the end of 1984 the number of class II wilderness areas will increase substantially.

More and more States and their representatives in the Congress will have a stake in any upgrading of the air quality standards of wilderness areas.

I pledge to the citizens of the Commonwealth of Virginia that as long as I represent you in the U.S. Senate, Virginia wilderness areas will not be upgraded to class I by the Congress.

I urge Virginians to hold their future U.S. Senators and Governors to similar commitments.

Virginia wilderness advocates are on record in opposition to upgrading Virginia wilderness areas from class II to class I.

I intend to hold them to that commitment.

The fear of upgrading all wilderness areas to class I is especially vocal in the Covington area where unemployment hovers at 7.4 percent.

I fully sympathize with the desire of the citizens of the Allegheny Highlands to protect their jobs and preserve a climate that will encourage industrial expansion.

Westvaco Corp. is the economic lifeblood of the Allegheny Highlands.

I am delighted that they have announced their plans for a two-phased expansion and want to do everything in my power to assure that it takes place.

Under the legislation which Senator TRIBLE and I are introducing today, the four proposed wilderness areas within a 25-mile radius of Covington are given a wilderness study status which protects them from development but does not lock them into permanent wilderness status.

Meanwhile, the Forest Service will investigate the impact on air quality of the proposed industrial expansion at Covington and must report back to Congress within 2 years.

I wrote to Virginia Gov. Charles Robb seeking his views as the Commonwealth's chief industrial development officer on wilderness designation. I ask unanimous consent that the text of Governor Robb's letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMONWEALTH OF VIRGINIA,
OFFICE OF THE GOVERNOR,
Richmond, VA, May 30, 1984.

Hon. JOHN W. WARNER,
Russell Senate Office Building,
Washington, DC 20510.

DEAR JOHN: Thank you very much for your letter of May 8, 1984, in which you invite my views concerning certain aspects of HR 5121 which would establish approximately 56,000 acres of new wilderness area in Virginia.

Your letter refers to concerns expressed by some in the Covington area that approval of HR 5121 would post obstacles to further significant economic development in that part of Virginia. The basis of that concern appears to be a fear that at some future time wilderness areas created by HR 5121 would be required to meet very restrictive Class I air quality standards. As you know, under current federal law the proposed wilderness areas included in HR 5121 would be subject only to Class II air quality standards. There is nearly unanimous agreement that Class II standards pose no threat to economic development in the region.

The best information available to me suggests that those who have concerns about HR 5121 are not fearful that I or my successors would seek a change in the air quality standards applicable to wilderness areas in Virginia. The real difficulty seems to be a suspicion that some future Congress might act to approve a change from Class II to Class I standards.

I would be reluctant in any event to surrender powers conferred upon me under the provisions of the Clean Air Act which permit the Governor to request redesignation of air quality standards for wilderness areas within his state. There is an important principle of federalism at issue here. Quite apart from any point of principle, however, an agreement by me to surrender powers under the Clean Air Act would not allay the concerns of those who fear that approval of HR 5121 would impair economic development in parts of Virginia. Those doubts focus not on the executive branch of Virginia state government but upon possible future actions by the Congress.

Your letter also refers to S 2125, creating wilderness areas in Arkansas, which includes provisions making it clear that buffer zones restricting land use need not be established in areas which adjoin new wilderness sites in that state. Since debate in Virginia over the merits of HR 5121 has focused on air quality standards, I doubt very much that statutory language dealing with buffer zones immediately adjacent to designated wilderness areas would meet the objections of opponents to HR 5121.

I believe that the preservation of appropriate wilderness areas in Virginia is an important public policy objective. I know that you share this view, and I hope that, working with all interested parties, it may be possible for you and your colleagues in the Senate to evaluate the objections of those who perceive HR 5121 as a threat to future economic development.

Sincerely,

CHARLES S. ROBB.

Mr. WARNER. Mr. President, after I have had the opportunity to review the results of the study, I will examine the appropriateness of introducing legislation to designate these four areas—Rough Mountain, Rich Hole, Barbours Creek, and Shawvers Run—as wilderness.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was order to be printed in the RECORD, as follows:

S. 2805

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be entitled the "Virginia Wilderness Act of 1984."

DESIGNATION OF WILDERNESS AREAS

SEC. 2. In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131-1136), the following lands are hereby designated as wilderness and, therefore, as components of the National Wilderness Preservation System:

(1) certain lands in the Jefferson National Forest, Virginia, which comprise approximately six thousand three hundred and seventy-five acres, as generally depicted on a map entitled "Beartown Proposed Wilderness", dated 1984, and which shall be known as the Beartown Wilderness;

(2) certain lands in the Jefferson National Forest, Virginia, which comprise approximately five thousand five hundred and eighty acres, as generally depicted on a map entitled "Kimberling Creek", dated 1984, and which shall be known as the Kimberling Creek Wilderness;

(3) Certain lands in the Jefferson National Forest, Virginia, which comprise approximately five thousand seven hundred and thirty acres, as generally depicted on a map entitled "Lewis Fork", dated 1[illegible], and which shall be known as the Lewis Fork Wilderness;

(4) Certain lands in the Jefferson National Forest, Virginia, which comprise approximately three thousand four hundred acres, as generally depicted on a map entitled "Little Dry Run", dated 1984, and which shall be known as the Little Dry Run Wilderness;

(5) certain lands in the Jefferson National Forest, Virginia, which comprise approximately three thousand eight hundred and fifty-five acres, as generally depicted on a map entitled "Little Wilson Creek", dated 1984, and which shall be known as the Little Wilson Creek Wilderness;

(6) certain lands in the Jefferson National Forest, Virginia, which comprise approximately eight thousand two hundred and fifty-three acres, as generally depicted on a map entitled "Mountain Lake Proposed Wilderness", dated May 1, 1982, and which shall be known as the Mountain Lake Wilderness;

(7) certain lands in the Jefferson National Forest, Virginia, which comprise approximately three thousand three hundred and twenty-six acres, as generally depicted on a map entitled "Peters Mountain", dated 1984, and which shall be known as the Peters Mountain Wilderness;

(8) certain lands in the Jefferson National Forest, Virginia, which comprise approximately two thousand four hundred and fifty acres, as generally depicted on a map entitled "Thunder Ridge", dated 1984, and which shall be known as the Thunder Ridge Wilderness;

(9) certain lands in the Jefferson National Forest, Virginia, which comprise approximately two hundred acres, as generally depicted on a map entitled "James River Face Wilderness Addition", dated 1984, and which are hereby incorporated in, and shall be deemed to be part of, the James River Face Wilderness as designated by Public Law 93-633;

(10) certain lands in the George Washington National Forest, Virginia, which comprise approximately six thousand seven hundred and twenty-five acres, as generally depicted on a map entitled "Ramseys Draft", dated 1984, and which shall be known as the Ramsey Draft Wilderness; and

(11) certain lands in the George Washington National Forest, Virginia, which comprise approximately ten thousand and ninety acres, as generally depicted on a map entitled "Saint Mary's", dated 1984, and which shall be known as the Saint Mary's Wilderness.

MAPS AND DESCRIPTIONS

SEC. 3. As soon as practicable after enactment of this Act, the Secretary of Agriculture shall file a map and a legal description of each wilderness area designated by this Act with the Committee on Interior and Insular Affairs and the Committee on Agriculture of the House of Representatives and with the Committee on Agriculture, Nutrition, and Forestry of the United States Senate. Each such map and description shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in each such map and legal description may be made by the Secretary of Agriculture. Each such map and legal description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Department of Agriculture.

ADMINISTRATION OF WILDERNESS

SEC. 4 Subject to valid existing rights, the wilderness areas designated by this Act shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the date of enactment of this Act.

EFFECTS OF RARE II

SEC. 5. (a) The Congress finds that—

(1) the Department of Agriculture has completed the second Roadless Area Review and Evaluation program (RARE II); and

(2) the Congress has made its own review and examination of National Forest System roadless areas in the State of Virginia and of the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to National Forest System lands in States other than Virginia, such statement shall not be subject to judicial review with respect to National Forest System lands in the State of Virginia;

(2) with respect to the National Forest System lands in the State of Virginia which were reviewed by the Department of Agriculture in the second Roadless Area Review and Evaluation (RARE II) and those lands referred to in subsection (d), except those lands designated for wilderness study upon enactment of this Act, that review and evaluation or reference shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revisions of the plans, but shall review the wilderness option when the plans are revised, which revisions will ordinarily occur on a ten-year cycle, or at least every fifteen years, unless, prior to such time, the Secretary of Agriculture finds that conditions in a unit have significantly changed;

(3) areas in the State of Virginia reviewed in such final environmental statement or referenced in subsection (d) and not designated as wilderness or for wilderness study upon enactment of this Act shall be manged

for multiple use in accordance with land management plans pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1976, as amended by the National Forest Management Act of 1976: *Provided*, That such areas, need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of the initial land management plans;

(4) in the event that revised land management plans in the State of Virginia are implemented pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law, areas not recommended for wilderness designation need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of such plans, and area recommended for wilderness designation shall be managed for the purpose of protecting their suitability for wilderness designation as may be required by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law; and

(5) unless expressly authorize by the Congress, the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of the National Forest System lands in the State of Virginia for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

(c) As used in this section, and as provided in section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, the term "revision" shall not include an "amendment" to a plan.

(d) The provisions of this section shall also apply to National Forest System roadless lands in the State of Virginia which are less than 5,000 acres in size.

DESIGNATION OF WILDERNESS STUDY AREAS

SEC. 6. (a) In furtherance of the purposes of the Wilderness Act, the Secretary of Agriculture shall review, as to their suitability for preservation as wilderness, the following lands in the State of Virginia:

(1) certain lands in the George Washington National Forest, which comprise approximately nine thousand three hundred acres, as generally depicted on a map entitled "Rough Mountain and Rich Hole", dated 1984, and which shall be known as the Rough Mountain Wilderness Study Area;

(2) certain lands in the George Washington National Forest, which comprise approximately five thousand six hundred acres, as generally depicted on a map entitled "Rough Mountain and Rich Hole", dated 1984, and which shall be known as the Rich Hole Wilderness Study Area;

(3) certain lands in the Jefferson National Forest, which comprise approximately five thousand eight hundred and seventy-five acres, as generally depicted on a map entitled "Barbours Creek", dated 1984, and which shall be known as the Barbours Creek Wilderness Study Area; and

(4) certain lands in the Jefferson National Forest, which comprise approximately four thousand three hundred acres, as generally depicted on a map entitled "Shawvers Run", dated 1984, and which shall be known as the Shawvers Run Wilderness Study Area.

(b) In carrying out the review required under this section, the Secretary shall give public notice at least sixty days in advance of any hearing or other public meeting concerning a study area.

(c) Subject to valid existing rights, the wilderness study areas designated by this section shall, until Congress determines otherwise, be administered by the Secretary so as to maintain their presently existing wilderness character and potential for inclusion in the National Wilderness Preservation System.

(d) The Forest Service, in consultation with the Environmental Protection Agency and the State of Virginia, shall evaluate and report to Congress no later than two years after the date of enactment of this act on the effects on air quality of the proposed industrial development site at Covington, Virginia, on the areas designated as wilderness study by this act. The Forest Service shall provide interim reports annually to the appropriate committee of Congress.

SEC. 7. Congress does not intend that designation of wilderness areas in the State of Virginia lead to the creation of protective perimeters or buffer zones around each wilderness area. The fact that nonwilderness activities or uses can be seen or heard from areas within the wilderness shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

Mr. TRIBLE. Mr. President, I am very pleased to join Senator WARNER in introducing a bill adding 55,984 acres of Virginia national forest land to the National Wilderness Preservation System. The bill sets aside another 25,075 acres for wilderness study. Our proposal protects areas of unique beauty and natural resources and at the same time addresses concerns about economic development.

The bill adds 11 areas to the Wilderness Preservation System. Each area was throughly studied for inclusion in the system during the RARE II process; three were designated by the Congress in 1975 as wilderness areas since the early 1970's. The Forest Service endorses all 11 for inclusion in the system.

The areas possess exceptional wilderness qualities: Virgin stands of hemlock and spruce, mature hardwood forests, excellent wildlife habitat for black bear, Virginia white tail deer, wild turkey, and other species. The Applachian Trail and native trout streams traverse a number of the areas. The recreational and sport opportunities are unparalleled for hunting, trapping, hiking, camping, and fishing. Individually and collectively, these areas deserve the protection of permanent wilderness status.

The bill places another four areas into the wilderness study category. Study designation protects them from development and preserves their wilderness qualities, while the Forest Service continues to study them for possible future inclusion in the permanent wilderness system.

Without passage of a Virginia wilderness bill this year all the areas in the bill, as well as the 157,240 acres to be returned to multiple use, would have to be managed as wilderness through the end of the next forest planning cycle in 1995. It's important that these surplus lands, which were reviewed for wilderness designation but which do not meet all the criteria, be opened to timbering and oil and gas exploration.

Despite strong statewide support for a Virginia wilderness bill, concerns have been voiced about the future of industrial expansion in areas adjacent to wilderness. Some fear an upgrade from class II to class I. However, a thorough review of the law and the facts convinces me that it is inconceivable that an upgrade will occur.

Creating jobs for the future is important to every State and can be guaranteed only by continued economic growth through industrial expansion.

Congress recognizes that decisions about industrial expansion and air quality controls should be left to the States. The Clean Air Act gives sole authority to the Governor to upgrade any area within a State.

In order to upgrade, the law requires the Governor to hold thorough public hearings coupled with extensive analyses of the potential health, economic, social, environmental, and energy impacts of the upgrade. Also, the Governor must consult with the Federal Government when the lands involved belong to the Federal Government, such as wilderness areas.

All parties—national and Virginia environmental organizations, the Governor of Virginia and Virginia's two U.S. Senators have all indicated that they not only would not seek, but would oppose, such an upgrade of wilderness from class II to class I.

However, in an effort to put to rest any final fears about the impact of wilderness designation on economic development, our bill requires the Secretary of Agriculture to study the impact of air quality standards in four study areas. The Secretary is required to report back to Congress with his findings in 2 years. This study will provide us with a basis for appropriate action in the future.

In summary, Mr. President, I believe that this bill is a balanced approach to wilderness preservation in Virginia. It is the culmination of years of discussion and compromise among all interested parties. I strongly urge that the Committee on Agriculture proceed swiftly to approve this important measure.

By Mr. DECONCINI:

S. 2806. A bill to amend title 39, United States Code, to provide that voter registration forms, absentee ballots, and certain related matter may be mailed by election agencies free of postage; to the Committee on Governmental Affairs.

FREE-POSTAGE ELECTION PARTICIPATION ACT

Mr. DeCONCINI. Mr. President, our Federal elections are intended to give all Americans the freedom to choose. The choice that is expressed in national elections depends upon a responsible public; that is why our Government's constitutional structure has remained so stable for nearly 200 years. Our elections are not like those of authoritarian countries, where the only choice is to vote for the present government. Furthermore, our system is constantly refined. It continually seeks to serve the public more efficiently so all may have the chance to register and vote.

Mr. President, today I introduce a bill which will assist election agencies with absentee voting and voting registration procedures. First, the bill proposes that any election agency may send, free of postage, absentee ballots for any Federal election, and voting instructions pertaining to such ballots. In addition, the election agency may also send, free of postage, voter registration forms and instructions pertaining to such forms, enabling individuals to register to vote in Federal elections.

Any envelope or other cover used by an election agency under the first provision shall, in the right hand corner, bear the words "Federal Election Materials," or words to that effect specified by the Postal Service. Any envelope or other cover used by an election agency in sending mail matter under the second provision shall bear the words "Voter Registration Materials."

Statistics show that there is an increase in all forms of voter registration. In the 1980 general election, 71 percent of the total eligible population registered to vote; in the 1984 general election, it is estimated that 74 percent of the eligible population will register. As part of this increase, my colleagues should note that over 5 million people are expected to vote absentee in this coming election. Also, nearly 5 million people, many of them either in hospitals or areas far from registration sites, will be eligible to register through the mail. To accommodate these increases and future increases, I feel we should provide additional assistance to election agencies.

We are the only Western democracy with no uniform written code for Federal elections. Instead, we have a complex mixture of Federal constitutional amendments, Federal laws, and case decision; State legislation and codes, and local election procedures which comprise our election system. We elect an estimated 500,000 Federal, State, and local officials through this complicated system of laws and regulations. Any proposal to make this process less complicated and more efficient while retaining local autonomy can only be beneficial. The bill I propose will help election agencies with their mailing system, and will shift some of the extraneous cost burden involved with elections away from State and local offices to the Federal Government.

Mr. President, if this bill is passed, the taxpayer will directly benefit. The chief beneficiaries will be all those in need of absentee ballots—including many elderly and handicapped people—and all those who must register by mail. Therefore, this bill will help ensure that all people who are eligible to vote, can vote, and perhaps it may encourage more people to vote.

It is our obligation to provide political rights for all citizens of the United States by helping to ensure that election institutions are run as efficiently as possible. This practice will ensure political freedom, and all people must maintain their political freedom in order to maintain equality. Clearly it is the Federal Government's responsibility to share some of the financial burden with election agencies during Federal elections. This is the reason why I introduced this bill, and I recommend it to my colleagues.

By Mr. MURKOWSKI:

S.J. Res. 323. Joint resolution designating August 1984 as "Polish American Heritage Month"; to the Committee on the Judiciary.

POLISH AMERICAN HERITAGE MONTH

● Mr. MURKOWSKI. Mr. President, our country is a land almost completely comprised of immigrants. Our origins are different, our ethnic groups are different, our reasons for leaving our homelands are different. Yet we've come and worked together to make our country what it is today. I'd like to take this opportunity to introduce a joint resolution which recognizes a particular ethnic group that has long been an integral part of our country—the Polish Americans.

The very first Pole came to Jamestown in 1608. No steady stream of immigration followed for nearly two centries, but those individuals that were in America made important contributions to the status of this country. During the Revolutionary War, Count Casimir Pulaski was a leading cavalry officer, Thaddeus Kosciuszko, a military engineer under George Washington, and Haym Solomon, a major financier of the war. The Poles' military roles increased as their population did; Brig. Gen. Wlodzmierz Krzyzanowski and Brig. Gen. Col. Jozef Karge were only 2 of the 6,000 Poles that served during the Civil War on both sides.

The Civil War represented not only increased participation by Poles in the American military, but the turning point in their immigration to the United States. Between 1870 and the close of World War I, 2.5 million Poles arrived in America. Most immediately went to Polish communities already established in the Northeast and upper Midwest. There, their admirable character and hard work have resulted in strong Polish American communities.

But Poles' contributions extend beyond their participation in American military efforts and their communities cultural contributions to America's melting pot. Many individuals of Polish descent have contributed greatly to the United States. They include:

Ignacy Paderewski and Wanda Landowska, native Polish artists known worldwide;

Zbigniew Brzezinski, past National Security Adviser to President Carter;

Ron Jaworski, quarterback for the Philadelphia Eagles;

Loretta Swit, actress on the renowned television series, "M*A*S*H";

And His Holiness Pope John Paul II, leader of the Roman Catholic Church.

Mr. President, it is obvious that Poles have contributed to many aspects of American life—politics, the arts, education, religion, and others—and I feel they should be recognized for their efforts. As a result, I'd like to introduce a joint resolution designating August 1984 as "Polish American Heritage Month." This date, incidentally represents the 40th anniversary of the Polish-American Congress. This would give 8 million Polish-Americans, as well as their fellow countrymen, the chance to celebrate their history and their many commendable achievements. I urge my colleagues to cosponsor this joint resolution.●

By Mr. HATCH (for himself and Mr. KENNEDY):

S.J. Res. 324. Joint resolution designating the month of November 1984, as "National Christmas Seal Month"; to the Committee on the Judiciary.

NATIONAL CHRISTMAS SEAL MONTH

Mr. HATCH. Mr. President, I am pleased to introduce a point resolution today declaring the month of November 1984 as "National Christmas Seal Month." Christmas Seals, the fundraising effort started by the American Lung Association in 1907, enables the American Lung Association, its medical section, the American Thoracic Society, and its 144 federated associations throughout the country, to fund research and public education to further the control and prevention of lung diseases and some of their related causes.

This year the association is conducting a new public education program targeted at 9-, 10-, and 11-year-old children. "Marijuana: A Second Look," teaches America's youth about the hazards of marijuana smoke to the lungs. This, and other public education programs sponsored through community action programs, helps to educate the public, patients, and their families about all forms of lung diseases and their causes.

Since chronic, obstructive pulmonary diseases are among the fastest rising causes of death in our country, this voluntary effort becomes even more important. It is for this reason that I am pleased to introduce this joint resolution and urge my colleagues to swiftly adopt it.

Mr. President, I ask unanimous consent to have the text of the point resolution printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

S.J. Res. 324

Whereas among the fastest rising causes of death in our country are chronic obstructive pulmonary diseases. More than seven million Americans, among them over two million children, suffer from asthma. More than two million of our people have emphysema. Almost eight million Americans suffer from chronic bronchitis. Before the end of this decade it is projected that deaths from lung cancer will surpass breast cancer as the leading cause of cancer deaths among American women.

Whereas one out of 12, or more than 17 million Americans are afflicted with chronic diseases of the lung. The consequence is more than 225,000 deaths annually, with a cost to the Nation of more than $29.4 billion in medical expenses, lost wages and untold dollars in lost productivity.

Whereas the American Lung Association—the Christmas Seal people—is an nonprofit public health organization supported by individual contributions to Christmas Seals and other donations. It is this Nation's first national voluntary health organization. Founded in 1904 to combat tuberculosis, today the Association, its medical section the American Thoracic Society and its 144 federated Associations throughout the country, are dedicated to the control and prevention of all lung diseases and some of their related causes. These included smoking; air pollution and occupational lung hazards.

Whereas since 1907, Christmas Seals have been used by the Association to raise funds through private contributions, to pioneer and develop health education programs in our schools. The tradition remains strong. This year, 60 million homes will receive Christmas Seals.

Whereas this year, the Association is conducting a new public education program, "Marijuana: A second Look"—which is targeted to 9, 10 and 11-year-old children. It is not waiting until marijuana smokers begin suffering from profound lung diseases before it acts. The program is teaching America's youth about the hazards of marijuana smoke to lungs. Once again, the Association is taking a leadership role in protecting this country's lung health.

Whereas through its community lung Associations, the American Lung Association helps educate the public, patients and their families about all forms of lung diseases and their causes, and sponsors community action programs. In the past decade, it has provided more than $10.8 million for research programs specifically designed to investigate prevention and control of lung diseases. It has pioneered in the development of self-management programs as an adjunct to medical care of asthma both for children and adults. And it conducts vigorous campaigns against cigarette smoking and air pollution: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November, 1984, is designated "National Christmas Seal Month". The President is requested to issue a proclamation calling upon all Government agencies, educational, philanthropic, scientific, medical, health care organizations and professionals, and the people of the United States to observe that month with appropriate ceremonies and activities.

ADDITIONAL COSPONSORS

S. 155

At the request of Mr. Inouye, the name of the Senator from West Virginia [Mr. Randolph] was added as a cosponsor of S. 155, a bill to amend subchapter I of chapter 73 of title 38, United States Code, to provide for the payment of incentive special pay to Veterans' Administration psychologists who obtain certain board certification in a professional specialty.

S. 919

At the request of Mr. Sasser, his name was added as a cosponsor of S. 919, a bill to amend the Equal Access to Justice Act, and for other purposes.

S. 1676

At the request of Mr. Durenberger, the name of the Senator from Illinois [Mr. Percy] was added as a cosponsor of S. 1676, a bill to provide that registration and polling places for Federal elections be accessible to handicapped and elderly individuals, and for other purposes.

S. 2241

At the request of Mr. Denton, the name of the Senator from Alaska [Mr. Stevens] was added as a cosponsor of S. 2241, a bill to clarify the obligations of broadcasters to legally qualified candidates for public office, and for other purposes.

S. 2258

At the request of Mr. Moynihan, the names of the Senator from South Dakota [Mr. Pressler] and the Senator from Minnesota [Mr. Durenberger] were added as cosponsors of S. 2258, a bill to grant a Federal charter to the 369th Veterans' Association.

S. 2380

At the request of Mr. Heinz, the name of the Senator from Tennessee [Mr. Sasser] was added as a cosponsor of S. 2380, a bill to reduce unfair practices and provide for orderly trade in certain carbon, alloy, and stainless steel mill products, to reduce unemployment, and for other purposes.

S. 2470

At the request of Mr. Denton, the names of the Senator from Minnesota [Mr. Boschwitz], the Senator from North Carolina [Mr. East], and the Senator from Utah [Mr. Hatch] were added as cosponsors of S. 2470, a bill to provide for the national security by allowing access to certain Federal criminal history records.

S. 2505

At the request of Mr. Ford, his name was withdrawn as a cosponsor of S. 2505, a bill to provide a right of first refusal for metropolitan areas before a professional sports team is relocated, and for other purposes.

S. 2554

At the request of Mr. D'Amato, the name of the Senator from West Virginia [Mr. Randolph] was added as a cosponsor of S. 2554, a bill to amend the Urban Mass Transportation Act of 1964.

S. 2650

At the request of Mr. Kasten, the name of the Senator from Pennsylvania [Mr. Heinz] was added as a cosponsor of S. 2650, a bill to enable the Consumer Product Safety Commission to protect the public by ordering notice and repair, replacement, or refund of certain toys or articles intended for use by children if such toys or articles create a substantial risk of injury to children.

S. 2710

At the request of Mr. Wallop, the name of the Senator from New Jersey [Mr. Bradley] was added as a cosponsor of S. 2710, a bill to amend the Federal Power Act to provide for more protection to electric consumers.

S. 2725

At the request of Mr. DeConcini, the name of the Senator from New Jersey [Mr. Bradley] was added as a cosponsor of S. 2725, a bill to amend part A of title XVIII of the Social Security Act with respect to payment rates for hospice care.

S. 2743

At the request of Mr. Grassley, the names of the Senator from Maine [Mr. Cohen], the Senator from Utah [Mr. Garn], and the Senator from New York [Mr. D'Amato] were added as cosponsors of S. 2743, a bill to designate a portion of 16th Street NW., Washington DC, on which the Embassy of the Union of Soviet Socialists Republics is located, as "Andrei Sakharov Avenue."

S. 2766

At the request of Mr. Thurmond, the name of the Senator from Maine [Mr. Mitchell] was added as a cosponsor of S. 2766, a bill to amend chapter 44, title 18, United States Code, to regulate the manufacture and importation of armor-piercing ammunition.

S. 2790

At the request of Mr. Durenberger, the name of the Senator from Oregon [Mr. Hatfield] was added as a cosponsor of S. 2790, a bill for the relief of the law firm of Reynolds, Caronia & Gianelli of Hauppauge, NY, attorneys for the parents of Baby Jane Doe.

SENATE JOINT RESOLUTION 253

At the request of Mr. Pressler, the name of the Senator from Oklahoma

[Mr. Nickles] was added as a cosponsor of Senate Joint Resolution 253, joint resolution to authorize and request the President to designate September 16, 1984, as "Ethnic American Day."

SENATE JOINT RESOLUTION 305

At the request of Mrs. Hawkins, the names of the Senator from Indiana [Mr. Lugar], the Senator from South Dakota [Mr. Abdnor], the Senator from North Dakota [Mr. Burdick], the Senator from Rhode Island [Mr. Chafee], the Senator from Mississippi [Mr. Cochran], the Senator from New York [Mr. D'Amato], the Senator from Illinois [Mr. Dixon], the Senator from Minnesota [Mr. Durenberger], the Senator from Arizona [Mr. Goldwater], the Senator from North Carolina [Mr. Helms], the Senator from South Carolina [Mr. Hollings], the Senator from Hawaii [Mr. Inouye], the Senator from Idaho [Mr. McClure], the Senator from New York [Mr. Moynihan], the Senator from Oregon [Mr. Packwood], the Senator from Michigan [Mr. Riegle], the Senator from Alaska [Mr. Stevens], the Senator from Idaho [Mr. Symms], the Senator from South Carolina [Mr. Thurmond], and the Senator from Massachusetts [Mr. Tsongas] were added as cosponsors of Senate Joint Resolution 305, joint resolution to designate the week of September 10, 1984, through September 16, 1984, as "Teenage Alcohol Abuse Awareness Week."

SENATE JOINT RESOLUTION 307

At the request of Mr. Garn, the names of the Senator from North Dakota [Mr. Andrews], the Senator from Minnesota [Mr. Boschwitz], the Senator from North Dakota [Mr. Burdick], the Senator from Rhode Island [Mr. Chafee], the Senator from Florida [Mr. Chiles], the Senator from Maine [Mr. Cohen], the Senator from New York [Mr. D'Amato], the Senator from Connecticut [Mr. Dodd], the Senator from Kansas [Mr. Dole], the Senator from New Mexico [Mr. Domenici], the Senator from Minnesota [Mr. Durenberger], the Senator from Washington [Mr. Gorton], the Senator from Alabama [Mr. Heflin], the Senator from South Carolina [Mr. Hollings], the Senator from Kentucky [Mr. Huddleston], the Senator from Kansas [Mrs. Kassebaum], the Senator from Wisconsin [Mr. Kasten], the Senator from Idaho [Mr. McClure], the Senator from Georgia [Mr. Nunn], the Senator from Michigan [Mr. Riegle], the Senator from Massachusetts [Mr. Tsongas], the Senator from Wyoming Mr. Wallop], and the Senator from California [Mr. Wilson] were added as cosponsors of Senate Joint Resolution 307, joint resolution to designate July 20, 1984, as "Space Exploration Day."

SENATE JOINT RESOLUTION 311

At the request of Mr. Levin, the names of the Senator from South Carolina [Mr. Hollings], the Senator from Illinois [Mr. Dixon], and the Senator from South Carolina [Mr. Thurmond] were added as cosponsors of Senate Joint Resolution 311, joint resolution to designate the week of October 13, 1984, through October 19, 1984, as "National Independent Laboratory Week."

SENATE JOINT RESOLUTION 314

At the request of Mr. D'Amato, the names of the Senator from Hawaii [Mr. Inouye], and the Senator from Alaska [Mr. Stevens] were added as cosponsors of Senate Joint Resolution 314, joint resolution to designate 1984 as the "Year of the St. Lawrence Seaway" and June 27, 1984, as "St. Lawrence Seaway Day."

SENATE JOINT RESOLUTION 319

At the request of Mr. Dole, the names of the Senator from Texas [Mr. Tower] and the Senator from Iowa [Mr. Grassley] were added as cosponsors of Senate Joint Resolution 319, joint resolution to amend the Agriculture and Food Act of 1981 to provide for the establishment of a commission to study and make recommendations concerning agriculture-related trade and export policies, programs, and practices of the United States.

SENATE CONCURRENT RESOLUTION 101

At the request of Mr. D'Amato, the names of the Senator from Ohio [Mr. Glenn] and the Senator from Wisconsin [Mr. Kasten] were added as cosponsors of Senate Joint Resolution 101, concurrent resolution to commemorate the Ukrainian famine of 1933.

SENATE CONCURRENT RESOLUTION 118

At the request of Mr. Grassley, the names of the Senator from Maine [Mr. Cohen], the Senator from Utah [Mr. Garn], and the Senator from New York [Mr. D'Amato] were added as cosponsors of Senate Concurrent Resolution 118, concurrent resolution expressing the sense of Congress that the portion of the street in the District of Columbia on which is located the Embassy of the Union of Soviet Socialist Republics, and the portion of any street in any other city in the United States on which is located a consular office or mission of the Union of Soviet Socialist Republics, should be named "Andrei Sakharov Avenue."

SENATE CONCURRENT RESOLUTION 119

At the request of Mr. Pell, the name of the Senator from Illinois [Mr. Dixon] was added as a cosponsor of Senate Concurrent Resolution 119, concurrent resolution expressing the sense of the Congress concerning infringements of religious freedom by the governments of the Warsaw Pact states.

SENATE CONCURRENT RESOLUTION 123

At the request of Mr. Durenberger, the name of the Senator from Oregon [Mr. Hatfield] was added as a cosponsor of Senate Concurrent Resolution 123, concurrent resolution relating to payment of attorneys' fees to the family of Baby Jane Doe.

SENATE CONCURRENT RESOLUTION 124

At the request of Mr. Heinz, the names of the Senator from Rhode Island [Mr. Chafee], the Senator from Maine [Mr. Cohen], the Senator from New York [Mr. Moynihan], the Senator from California [Mr. Wilson], the Senator from Arkansas [Mr. Pryor], the Senator from Minnesota [Mr. Boschwitz], the Senator from Massachusetts [Mr. Tsongas], the Senator from Hawaii [Mr. Matsunaga], the Senator from Hawaii [Mr. Inouye], the Senator from Mississippi [Mr. Cochran], the Senator from Kansas [Mr. Dole], the Senator from North Dakota [Mr. Burdick], the Senator from North Dakota [Mr. Andrews], the Senator from Illinois [Mr. Dixon], and the Senator from New Jersey [Mr. Bradley] were added as cosponsors of Senate Concurrent Resolution 124, concurrent resolution expressing the sense of the Congress that the Senior Companion Program be commended on its 10th anniversary for its success in providing volunteer opportunities for older Americans.

SENATE CONCURRENT RESOLUTION 126—DESIGNATING MONTANA AS THE OFFICIAL GATEWAY TO THE 1988 CALGARY OLYMPICS

Mr. BAUCUS (for himself and Mr. Melcher) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. Con. Res. 126

Whereas the 1988 Winter Olympics will be held at Calgary, Alberta, Canada;

Whereas thousands of people from the United States will journey to Calgary to join in the Olympic festivities with our Canadian neighbors;

Whereas the State of Montana is contiguous with the entire southern border of Alberta and is a natural passageway to the Winter Olympics in Calgary;

Whereas the State of Montana and the Province of Alberta have long been friendly neighbors; and

Whereas traveling by land, Alberta can be entered from the United States only by way of the State of Montana: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), to express the sense of the Congress that the State of Montana shall be designated as the official Gateway to the 1988 Calgary Olympics.

● Mr. BAUCUS. Mr. President, in 1988, the city of Calgary, in Alberta, Canada, will host the winter Olympics.

There is little that attracts more attention in the sports world and few events which can compete for sheer drama, competition, and showmanship than the winter Olympics.

Americans from all States will be drawn to Calgary for this event and we can expect them to travel by car, bus, train, and plane. We also expect many foreign travelers from the world over.

Before, during and after the games, many of these travelers will take the time to enjoy other attractions along the way. The tourism industry will thrive, and with it, our balance of payments and international trade. Let us not forget that travel is now the second largest retail industry as well as the second largest private employer in the United States.

Montana, also, will likely provide training grounds for competitors at its famous mountain nordic and downhill ski areas and for skaters in Olympic-size facilities.

Given the great importance of the Olympic games, let me point out, Mr. President, that any person traveling by land from the United States to Calgary will likely pass through Montana since Montana abuts the entire southern border of the Province of Alberta.

Mr. President, Montanans are preparing to roll out the red carpet to welcome travelers along their way.

Many travelers and winter sports enthusiasts are expected to stop in Montana and enjoy some of the finest skiing in the world.

As a result, it gives me great pleasure to offer today the following concurrent resolution declaring Montana as the official gateway to the 1988 winter Olympics in Calgary.

This designation will greatly enhance and support the efforts being made by many communities and the State's promotion division to provide travelers the safest and most enjoyable trip to the Olympics possible.

Mr. President, this concurrent resolution simply recognizes the fact the majority of land travelers to Calgary will enter and exit through Montana. My concurrent resolution lets travelers know that they will be warmly welcomed.

I urge my colleagues to support this effort so Montanans can help our friendly neighbor to the north in making the 1988 winter Olympics a success.●

SENATE RESOLUTION 416—RELATING TO EXCELLENCE IN EDUCATION

Mr. KASTEN submitted the following resolution; which was referred to the Committee on Labor and Human Resources:

S. Res. 416

Whereas education is the major foundation for the future strength of the Nation;

Whereas the National Commission on Excellence in Education has called on the educational institutions of the Nation to commit to achieving excellence in education;

Whereas national polls show the public citing student lack of interest in school as one of the key problems facing the schools;

Whereas the role of students in the improvement of education is even more important than the role of teachers, parents, and administrators;

Whereas education research shows that motivation accounts for between 11 to 20 percent of the variance in classroom achievement; and

Whereas there have been substantial declines over the past ten to fifteen years in high school student averages in aptitude for learning, in achievement from learning, and in motivation for further learning: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) student motivation is an important element of educational excellence;

(2) educators are urged to devote more research to ways to motivate students; and

(3) educators, parents, business persons and others interested in improving education should develop recommendations for inspiring student motivation in schools throughout the Nation.

Mr. KASTEN. Mr. President, throughout history, our Nation has thrived on the fruits of our education system. Education has been and will continue to be a major foundation for the future strength of this country. So it is with a sense of urgency that we heed recent warnings about the decline of American education.

Since the release of "A Nation at Risk," the report by the National Commission on Excellence in Education, numerous education reports have been published. The consensus is this: Our education system has been steadily declining over the past decade and is in need of reform.

The Commission's blunt assessment of American education has served not only as a catalyst for other education studies, but more importantly, it has rejuvenated the public's interest in education and spurred a nationwide push for reform. The public's reaction, as outlined in the Secretary of Education's recent report, "A Nation Responds," has been overwhelming; 35 States have already approved changes in high school graduation requirements and 13 others are considering such changes.

This wave of reform sweeping the country is encouraging. Without diminishing the importance of reform action already taken, we must realize that these initiatives are only a beginning. As Secretary Bell noted in "A Nation Responds," "* * * difficult, seemingly intractable problems of implementation and practicality remain to be understood and attacked."

To date, the majority of reform measures have focused on graduation requirements, teacher qualifications and the amount of time spent in school. These are all important factors in developing educational excellence. But in our quest for excellence, we must not overlook the importance of students' willingness to help improve the quality of learning in our schools. We must devote more attention to the role of student motivation in educational excellence.

Earlier this year, I visited students in high schools across Wisconsin to discuss various education reform proposals. I surveyed over 4,000 students, from urban and rural areas, in public and private schools. The unanimous message was this: The key to educational excellence is not improving the curriculum, it is not improving teachers, but rather, it is improving student motivation. Students noted that while good teachers and a strong curriculum may contribute to a good education, they will not improve education unless accompanied by student motivation.

Research has already shown that motivation is an important element of educational productivity. It is widely accepted, for example, that educators must provide a learning environment which maintains students' motivation if all students are to benefit maximally from the education system. One researcher found that before children enter school, they possess the kind of motivational characteristics that we desire to create in formal educational environments and that they have positive perceptions of their competence and high expectations.

Additional studies have validated the substantial decline over the past 10 to 15 years in high school students averages in aptitude for learning and in motivation for further learning. National polls show the public listing "pupils' lack of interest in school" as a key problem facing education. Given these findings, I believe we must make student motivation an integral element of all efforts to improve education.

Mr. President, on behalf of current students and future generations, I ask my colleagues to join me in recognizing the importance of student motivation and further, in calling on parents, educators, and others interested in education reform to develop recommendations for inspiring student motivation in schools throughout the Nation.

SENATE RESOLUTION 417—GRATUITY TO MARY P. METCALF

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. Res. 417

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Mary P. Metcalf, daughter of Ann W. Metcalf, an employee of the Senate at the time of her death, a sum equal to ten and one-half months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

AMENDMENTS SUBMITTED

CLEAN WATER ACT AUTHORIZATION

SYMMS AMENDMENT NO. 3339

(Ordered to lie on the table)

Mr. SYMMS submitted an amendment intended to be proposed by him to the bill (S. 431) to amend the Clean Water Act, as amended, to authorize funds for fiscal years 1983, 1984, 1985, 1986, and 1987, and for other purposes; as follows:

(a) Section 304(g) of the Clean Water Act is amended by inserting at the end thereof the following new paragraph:

"(3) For the purpose of carrying out Section 307(e) of this Act, the Administrator shall publish, within sixty days after the date of enactment of the Clean Water Act Amendments of 1983, a listing of all pollutants covered by categorical pretreatment standards promulgated, or proposed under this Act.

(b) Section 307 of the Clean Water Act is amended by inserting at the end thereof the following new subsections:

"(e)(1) Notwithstanding subsection (d) of this section, the Administrator or, where appropriate, the State, may, after notice and opportunity for public hearing, modify any permit issued under Section 402 for a publicly owned treatment works to operate an alternative local pretreatment system in accordance with this subsection. Such alternative local pretreatment system shall be sufficiently comprehensive to effectively control the introduction into such works of pollutants that may interfere with, pass through, otherwise be incompatible with such works or that would interfere with the attainment or maintenance of designated uses for the receiving water body, or interfere with the safe use or disposal of sludge.

"(2)(A) Not later than 180 days after enactment of the Clean Water Act Amendments of 1983, the owner or operator of any treatment works intending to operate an alternative system shall file with the Administrator or, where appropriate, the State, a request for a permit modification under this subsection specifying the pollutants for which a modification is requested and supporting documentation demonstrating that:

"(i) such owner or operator is in compliance with or otherwise satisfies all requirements of Section 402(b)(8) of this Act;

"(ii) such owner or operator is in compliance or on a schedule to comply with applicable effluent limitations under Section 301(b)(1)(B) and (b)(1)(C);

"(iii) such owner or operator has in place an enforceable system of local pretreatment requirements including, where appropriate, numerical limits consistent with the requirements of subsection (e)(1) of this section;

"(iv) such owner or operator has sufficient funds, equipment, and personnel to administer such an alternative local pretreatment system;

"(v) such owner a operator has adequate legal authority and technical and administrative capability to monitor and enforce compliance with all requirements of the alternative local pretreatment system;

"(vi) such owner or operator has an adequate sampling and monitoring program to ensure continued compliance with all requirements of the alternative local pretreatment system, including periodic monitoring and at least annual reporting to the Administrator or, where appropriate, the State, regarding compliance with the requirements specified in this subsection; and

"(vii) such owner or operator demonstrates that its ability to safely use or dispose of sludge resulting from the operation of the treatment works will not be impaired during the life of the permit, as modified.

"(B) The Administrator or, where appropriate, the State shall, upon receipt of a complete permit modification request meeting the requirements of sub-paragraph 2(A) of this subsection, stay, until final determination pursuant to subparagraph (C), the applicability of categorical pretreatment standards for existing sources introducing pollutants into such treatment works. Upon a determination that the permit modification request is incomplete, the Administrator, or where appropriate the State, may grant a stay not to exceed 120 days pending satisfactory completion of the request by the owner or operator.

"(C) Not later than 120 days after receipt of a complete permit modification request under this subsection, the Administrator or, if appropriate, the State shall determine whether such request is granted. If a request under this subsection is granted, the permit shall be modified to authorize the owner or operator to operate an alternative local pretreatment system in accordance with subparagraph (2)(A) of this subsection, and categorical pretreatment standards for any pollutant specified in such request shall be stayed until such time as approval may be rescinded pursuant to the requirements of subparagraph (F) of this subsection. The owner or operator shall submit an annual report to the Administrator or, if appropriate, the State to certify continued compliance with subparagraph (2)(A) of this subsection.

"(D) If a permit modification request under this subsection is denied, the Administrator or if appropriate, the State, shall provide written notification (including a statement of reasons for such denial) to the owner or operator. The owner or operator, in turn shall promptly notify each affected source. Each such source shall immediately thereafter be subject to applicable categorical standards, and shall achieve compliance in the shortest possible time but in no case later than the time specified pursuant to subsection (b)(1) of this section.

"(E) If the Administrator issues categorical pretreatment standards after a permit has been modified under this subsection and such standards regulate any pollutant not covered by such modification, the owner or operator may submit a supplemental request specifically addressing those additional pollutants. The Administrator or, if appropriate, the State shall consider any supplemental requests in accordance with subparagraphs (A) through (D) of this subsection.

"(F) Upon a finding that any of the applicable requirements of this subsection are not being met by the owner or operator of a treatment works whose request has been approved and, after notice and consultation with State and local authorities (or, if appropriate, the Administrator), the Administrator or, if appropriate, the State may, after public hearing, modify or rescind the permit modification authorizing the owner or operator to operate an alternative local pretreatment system, or may establish such additional requirements for the treatment works as may be necessary to achieve the purposes of this subsection. Upon the recision of the permit modification, each affected source shall achieve compliance with applicable categorical standards in the shortest possible time as determined by the Administrator or, if appropriate, the State."

"(f)(1) As a condition of the modification of any permit pursuant to subparagraph 307(e)(2)(C) of this Act, the Administrator or, where appropriate, the State shall require the owner or operator to establish a monitoring program, including biological toxicity assessment as necessary, sufficient to verify the adequate protection of the receiving waters. The owner or operator shall conduct such program in accordance with guidance published by the Administrator after consultation with affected States and publicly owned treatment works. The owner or operator shall report the findings of such programs to the Administrator or, where appropriate, the State not later than three years from the date of modification of its permit pursuant to subparagraph 307(e)(2)(C) of this Act and annually thereafter.

"(2) Based upon review of the findings submitted pursuant to paragraph (1) of this subsection, the Administrator or, where appropriate, the State may modify the permit of the owner or operator issued under Section 402 of this Act to specify compliance with the requirements of an action plan including, as appropriate, effluent limitations for one or more toxic pollutants, to ensure the attainment or maintenance of designated uses for the receiving waters into which the treatment works discharges.

"(3) Upon a demonstration satisfactory to the Administrator or where appropriate, the State that the owner or operator is in compliance with the requirements of such action plan, the Administrator or, where appropriate, the State may extend the stay of the applicability of categorical pretreatment standards pursuant to paragraph (e)(2)(c) of this section to include new sources as defined under Section 306 of this Act.

(c) Section 402 of the Clean Water Act is amended by adding at the end thereof the following new subsection:

"(m) In issuing a permit under this section, the Administrator shall not require pretreatment by dischargers of conventional pollutants identified pursuant to Section 304(b)(4) of this Act as a substitute for municipal treatment adequate to meet the requirements of a permit issued under this section for a treatment works (as defined in Section 212 of this Act) which is publicly owned if such discharger is in compliance with all applicable requirements of local pretreatment programs approved under subsection (b)(8) of this section. Nothing in this subsection shall affect the Administrator's authority under Sections 307 and 309 of this Act, affect State and local authority under Sections 307(b)(4) and 510 of this Act, relieve such treatment works of its obligations to meet requirements established under this Act, or preclude such works from pursuing whatever feasible options are available to meet its responsibility to comply with its permit under this section."

IMPROVING THE QUALITY OF MATH AND SCIENCE INSTRUCTION

HATFIELD (AND OTHERS) AMENDMENT NO. 3340

Mr. HATFIELD (for himself, Mr. LEAHY, and Mr. DIXON) proposed an amendment to amendment No. 3152 proposed by Mr. DENTON to the bill (S. 1285) to improve the quality of mathematics and science teaching and instruction in the United States, and for other purposes; as follows:

On page 1, line 3, after "for any" strike out all through the end of the amendment and insert in lieu thereof the following: "public secondary school which receives Federal financial assitance and which has a limited open forum to deny equal access or a fair opportunity to, or discriminate against, any students who wish to conduct a meeting within that limited open forum on the basis of the religious, political, philosophical, or other content of the speech at such meetings.

"(b) A public secondary school has a limited open forum whenever such school grants an offering to or opportunity for one or more noncurriculum related student groups to meet on school premises during noninstructional time.

"(c) Schools shall be deemed to offer a fair opportunity to students who wish to conduct a meeting within its limited open forum if such school uniformly provides that—

"(1) the meeting is voluntary and student-initiated;

"(2) there is no sponsorship of the meeting by the school, the government, or its agents or employees;

"(3) employees or agents of the school or government are present at religious meetings only in a nonparticipatory capacity;

"(4) the meeting does not materially and substantially interfere with the orderly conduct of educational activities within the school; and

"(5) nonschool persons may not direct, conduct, control, or regularly attend activities of student groups.

"(d) Nothing in this title shall be construed to authorize the United States or any State or political subdivision thereof—

"(1) to influence the form or content of any prayer or other religious activity;

"(2) to require any person to participate in prayer or other religious activity;

"(3) to expend public funds beyond the incidental cost of providing the space for student-initiated meetings;

"(4) to compel any school agent or employee to attend a school meeting if the content of the speech at the meeting is contrary to the beliefs of the agent or employee;

"(5) to sanction meetings that are otherwise unlawful;

"(6) to limit the rights of groups of students which are not of a specified numerical size; or

"(7) to abridge the constitutional rights of any person.

"(e) Notwithstanding the availability of any other remedy under the Constitution or the laws of the United States, nothing in this title shall be construed to authorize the United States to deny or withhold Federal financial assistance to any school.

"Sec. . As used in this title—

"(1) The term 'secondary school' means a public school which provides secondary education as determined by State law.

"(2) The term 'sponsorship' includes the act of promoting, leading, or participating in a meeting. The assignment of a teacher, administrator, or other school employee to a meeting for custodial purposes does not constitute sponsorship of the meeting.

"(3) The term 'meeting' includes those activities of student groups which are permitted under a school's limited open forum and are not directly related to the school curriculum.

"(4) The term 'noninstructional time' means time set aside by the school before actual classroom instruction begins or after actual classroom instruction ends.

"Sec. . If any provision of this title or the application thereof to any person or circumstances is judicially determined to be invalid, the provisions of the remainder of the title and the application to other persons or circumstances shall not be affected thereby.

"Sec. 4. The provisions of this title shall supersede all other provisions of Federal law that are inconsistent with the provisions of this title.".

HATCH AMENDMENT NO. 3341

Mr. HATCH proposed an amendment to the bill S. 1285, supra; as follows:

On page 39, between lines 23 and 24, insert the following:

(2) the term "equipment" includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the functioning of a particular facility as a facility for the provision of educational services, including items such as instructional equipment and necessary furniture, printed, published, and audiovisual instructional materials, and books, periodicals, documents, and other related materials;

Redesignate the succeeding clauses in section 303 accordingly.

On page 40, beginning with "and" in line 5, strike out through line 6 and insert in lieu thereof a comma and the following: "the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands;

"(6) the term 'State agency for higher education' means the State board of higher education or other agency or officer primarily responsible for the State supervision of higher education, or if there is not such officer or agency, an officer or agency designated by the Governor or by State law.

On page 44, line 2, beginning with "allotment" strike out through "agencies" in line 5 and insert in lieu thereof the following: "amount received by the applicant in any fiscal year may be expended on administrative expenses".

On page 46, beginning with line 4, strike out through line 8 on page 47 and insert in lieu thereof the following:

SUBMISSION OF APPLICATIONS

Sec. 307. Each applicant within a State which desires to receive a grant under this title shall submit the application prepared in accordance with section 306 to the State agency on higher education or the State educational agency, as the case may be, for approval and shall submit the approved application to the Foundation under section 306. Each such application shall be submitted jointly by the local educational agency in the case of activities described in section 305(a), or an institution of higher education in the case of activities described in section 305(b), and each business concern or other party that is to participate in the program for which assistance is sought.

On page 47, strike out lines 10 through 13, and insert in lieu thereof the following:

Sec. 308. (a)(1) The Foundation shall establish criteria for approval of applications under this title.

(2) No application may be approved by the Foundation unless the State educational agency or the State agency for higher education, as the case may be, determines that the application is consistent with State plans for elementary and secondary education or State plans for higher education, as the case may be, in the State.

(b) The Foundation shall adopt approval procedures designed to assure that there is equitable distribution of grants.

RIEGLE AMENDMENT NO. 3342

Mr. RIEGLE (for himself, Mrs. HAWKINS, Mr. MATSUNAGA, and Mr. ANDREWS) proposed an amendment to the bill S. 1285, supra; as follows:

At the end of the amendment insert the following new title:

TITLE —

SHORT TITLE

Sec. . This title may be cited as the "School Facilities Child Care Act".

STATEMENT OF FINDINGS AND PURPOSE

Sec. . The Congress finds that—

(1) the need for day care for the young school-age child before school, afterschool, during school holidays, and during school vacations when parents must work, is a national problem, affecting more and more families every year;

(2) approximately six million children, between the ages of six and thirteen take care of themselves when they return home from school;

(3) unsupervised children run physical and psychological risks, including accidents and feelings of loneliness and fear;

(4) research studies have indicated increased likelihood of alcohol and drug abuse and delinquent behavior among unsupervised "latchkey" children;

(5) the number of existing child care programs designed to meet the needs of young schoolchildren for before and afterschool supervision are scarce, frequently filled to capacity, and often unable to subsidize care for children from families with limited financial resources;

(6) the Federal Government has a role in the promotion of quality and adequate child care services which contribute to the well-being of children and families; and

(7) the use of school facilities as the site for before and afterschool care offers effective utilization of existing resources.

(b) Recognizing that the parent is the primary influence in the life of the child and that the parent must have ultimate decisionmaking authority on issues relating to the welfare and care of the child, it is the purpose of this title—

(1) to encourage the development of partnerships among parents, elementary and secondary school educators, and child care providers designed to serve the interests of school-age children in need of before and afterschool care;

(2) to promote the availability of child care services to school-age children in need of services;

(3) to provide financial assistance to public agencies and private nonprofit organizations using available school facilities for before and afterschool child care services;

(4) to provide assistance to families whose financial resources are insufficient to pay the full cost of services for before and afterschool care; and

(5) to encourage State and local educational agencies, private nonprofit organizations, and community organizations to assess the need for school-age child care services and to promote public awareness of the need to provide adult supervision of school-age children and the availability of programs to provide such services.

DEFINITIONS

Sec. . As used in this title—

(1) the term "community center" means facilities operated by nonprofit community-based organizations for the provision of recreational, social, and educational services to the general public;

(2) the term "elementary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965;

(3) the term "equipment" has the same meaning given that term by section 198(a)(8) of the Elementary and Secondary Education Act of 1965;

(4) the term "institution of higher education" has the same meaning given that term under section 1201(a) of the Higher Education Act of 1965;

(5) the term "local educational agency" has the same meaning given that term under section 198(a)(10) of the Elementary and Secondary Education Act of 1965;

(6) the term "school-age children" means children aged five through thirteen;

(7) the term "school facilities" means classrooms and related facilities used for the provision of elementary and secondary education;

(8) the term "secondary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965;

(9) the term "Secretary" means the Secretary of Health and Human Services;

(10) the term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands; and

(11) the term "State educational agency" has the meaning given that term under section 198(a)(17) of the Elementary and Secondary Education Act of 1965.

PROGRAM AUTHORIZED

Sec. . (a) The Secretary of Health and Human Services is authorized, in accordance with the provisions of this title, to make grants to public agencies and private nonprofit organizations having the capacity to furnish school-age child care services to assist such agencies and organizations to establish school-age child care services in school facilities or in community centers in communities where school facilities are not available.

(b)(1) There are authorized to be appropriated $15,000,000 for the fiscal year 1985 and for each of the succeeding fiscal years ending prior to October 1, 1987. Amounts appropriated pursuant to the first sentence of this subsection shall remain available until expended.

(2) Not more than 5 per centum of the amount appropriated in each fiscal year under paragraph (1) shall be available for administrative expenses.

APPLICATIONS

Sec. . Each public agency or private nonprofit organization, having the capacity to furnish school-age child care services, which desires to receive a grant under this title, shall submit an application to the Secretary at such time, in such form, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall—

(1) describe the need for and the type of child care services to be furnished in school facilities of an elementary or secondary school or an institution of higher education or community center in the community;

(2) provide assurances that the applicant has knowledge of and experience in the special nature of child care services for school-age children;

(3) provide assurances, in the case of an applicant that is not a State or local educational agency or a private nonprofit elementary or secondary school, that the applicant has or will enter into an agreement with the State or local educational agency or institution of higher education or private elementary or secondary school or community center containing provisions for—

(A) the use of facilities for the provision of before or afterschool child care services (including such use during holidays and vacation periods),

(B) the restrictions, if any, on the use of such space, and

(C) the times when the space will be available for the use of the applicant;

(4) provide an estimate of the costs of the establishment of the child care service program in the facilities, including the proposal for a fee schedule for child care services;

(5) provide for the establishment of a sliding-fee schedule based upon the services provided and family income adjusted for family size for children receiving services assisted under this title;

(6) provide assurances that the parents of school-age children will be involved in the development and implementation of the program for which assistance is sought under this title;

(7) provide assurances that the applicant is able and willing to seek to enroll racially, ethnically, and economically diverse as well as handicapped school-age children in the child care service program for which assistance is sought under this title;

(8) provide assurances that the child care program is in compliance with State and local licensing laws and regulations governing day care services for school-age children to the extent that such regulations are appropriate to the age group served;

(9) provide assurances that the applicant will participate in data collection and evaluation activities relating to the program for which assistance is sought and will report such information as the Secretary may reasonably require to carry out section ;

(10) describe the liability insurance coverage which the applicant intends to purchase; and

(11) provide such other assurances as the Secretary may reasonably require to carry out the provisions of this title.

(b) In approving applications under subsection (a) of this section, the Secretary shall—

(1) assure that there is an equitable distribution of approved applications both with respect to States and between innercity, urban, suburban, and rural areas;

(2) give priority to applications from applicants in communities in which there is the greatest need for child care services for school-age children and in which there is a shortage of economic resources for the provision of child care services for such children; and

(3) give consideration to applicants who can illustrate an identifiable base of support from the community in the form of financial or in-kind contributions from other agencies, parents groups, business concerns, or civic organizations.

NEEDS ASSESSMENT; REPORT

Sec. . (a) The Secretary shall carry out a program of collecting data from recipients of assistance under this title designed to provide a national needs assessment for child care services of school-age children in the United States. The data shall include the number of children served, the number of children awaiting care, the income distribution of families, and the percentage of families requiring reduced or waived fees.

(b) Not later than 160 days after the end of each fiscal year, the Secretary shall prepare and submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate a full and complete report of its activities under this title during the preceding fiscal year, together with a needs assessment of the availability of, and need for Federal support for, child care services for school-age children in each State in the United States.

NATIONAL CLEARINGHOUSE ON SCHOOL-AGE CHILD CARE

Sec. . From the amount reserved under section —(b)(2), the Secretary shall establish and operate a clearinghouse on school-age child care programs. The clearinghouse shall collect and disseminate to the public information pertaining to programs and services available for the provision of school-age child care, together with ways of coordinating such programs and services with other programs and services, including education and recreation, provided to school-age children. The clearinghouse shall also provide technical assistance to public agencies, private nonprofit organizations, and groups of parents desiring to establish local school-age child care programs or services. The Secretary is authorized to enter into contracts with qualified public agencies and private organizations to operate the clearinghouse established or designated under this section. The Secretary is also authorized to accept donations from public and private organizations and individuals for the purpose of operating the clearinghouse.

PAYMENTS

Sec. . (a) From the amounts appropriated under section —, the Secretary shall pay, in accordance with the provisions of this title, the amount required to carry out the services described in each application approved under section —.

(b) Payments under this title shall be made as soon after the approval of the application as is practicable.

ADMINISTRATION

Sec. . (a) In order to carry out the provisions of this title, the Secretary is authorized to—

(1) appoint and fix the compensation of such personnel as may be necessary;

(2) procure temporary and intermittent services of experts and consultants as are necessary to the extent authorized by section 3109 of title 5, United States Code;

(3) prescribe such regulations as the Secretary deems necessary;

(4) receive money and other property donated and bequeathed, or devised, without condition or restriction other than it be used for the purposes of this title; and to use, sell, and otherwise dispose of such property for the purpose of carrying out the functions of the Secretary under this title;

(5) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code; and

(6) enter into contracts, grants, other arrangements, or modifications that are necessary to carry out the provisions of this title.

(b) The Secretary shall submit to the President and to the Congress an annual report of the program authorized by this title.

WITHHOLDING

Sec. . Whenever the Secretary, after reasonable notice and opportunity for a hearing to any applicant, finds that there has been a failure to comply substantially with the provisions set forth in the application approved under section —, the Secretary shall notify the applicant that further payments will not be made under this title until he is satisfied that there is no longer any failure to comply. Until the Secretary is so satisfied, no further payments shall be made under this title.

AUDIT

Sec. . The Comptroller General of the United States, and any of his duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any applicant and any contractee receiving assistance under this title that are pertinent to the sum received and disbursed under this title.

RIEGLE (AND OTHERS) AMENDMENT NO. 3343

Mr. RIEGLE (for himself, Mrs. HAWKINS, Mr. ANDREWS, Mr. STENNIS, Mr. MATSUNAGA, Mr. BRADLEY, Mr. SASSER, and Mr. BINGAMAN) proposed an amendment to amendment No. 3342 proposed by him (and others) to the bill S. 1285, supra; as follows:

On page 6, line 18, insert the following after "this title." "(12) provide assurances that the applicant will use the funds received under this Act only to supplement and, to the extent practicable, increase the level of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the purposes of establishing and operating child care service programs, and in no case to supplant funds from such non-Federal sources."

BUMPERS AMENDMENT NO. 3344

Mr. BUMPERS proposed an amendment to the bill S. 1285, supra; as follows:

At the appropriate place in the bill, add the following new title:

"TITLE . GRANTS FOR TEACHER TRAINING INSTITUTES IN THE HUMANITIES

"SECTION 1. (a) The Congress finds that—

"(1) it is in the national interest to have citizens who are broadly educated. Our nation's schools must prepare young people for active participation in community life and a democratic society. This is not possible without knowledge and understanding of the humanities.

"(2) in order to ensure that our nation's children acquire the conceptual and analytical skills necessary and have an appreciation for the traditions and values of Western and non-Western cultures, studies in the humanities are essential.

"(3) it is necessary to improve the quality of instruction in the humanities and it is not possible to accomplish this goal unless our nation's teachers have the necessary background and training in the humanities.

"(b) It is therefore the purpose of this title to authorize a national program for improving the quality of education which would make grants to institutions of higher education for the establishment and operation of teacher institutes for the enhancement of subject matter skills of public and private elementary and secondary * * *.

"(c) This title may be cited as "The Humanities Excellence and Teacher Training Act of 1984."

"Sec. 2. (a) The Secretary shall make grants to an institution of higher education (or a consortium of such institutions) in each state whose application is approved under subsection (b) for the purposes of conducting summer humanities training institutes for the professional development of the proficiency of elementary and secondary school humanities teachers. Any institution or consortium whose application is so approved shall receive an amount equal to not more than $3,000 multiplied by the number of teachers, not to exceed two hundred, enrolled in such institute.

"(b) Any institution of higher education or consortium desiring to receive a grant in its state shall submit an application to the Secretary at such time, in such form, and containing such information and assurances as the Secretary may require. No such application may be approved by the Secretary unless the application—

"(1) contains a description of the proposed program of instruction, and the extent to which eligible classroom teacher participants will be involved in the planning and design of the institutes;

"(2) contains an estimate of the number of teachers, including the number of teachers from private elementary and secondary schools, to attend the institute, and describes the selection procedures;

"(3) describes the nature and location of existing facilities to be used in the operation of the institute;

"(4) specifies the teaching and administrative staff for the institute including the involvement of faculty from both the humanities and education departments and educators familiar with the operation of humanities programs in public elementary and secondary schools;

"(5) specifies the academic credits, if any, to be awarded for the completion of the courses of study to be offered at the institute;

"(6) provides a schedule of stipends to be paid teacher participants in the institute, including (A) allowances for subsistence and other expenses for teachers attending the institute and their dependents and (B) provisions assuring that there will be no duplication of Federal benefits paid to participants;

"(7) provides adequate assurances that teachers from the state who wish to participate will be selected on the basis of recommendations from a principal or other supervisory official and a demonstrated commitment to the teaching of the humanities discipline or disciplines studied in the institute; and

"(8) provides assurances that the institution of higher education will seek to enroll at least eighty qualified teachers in the institute;

"(9) is approved by the state educational agency as being consistent with state policies in elementary and secondary education and humanities.

"(c) Awards under this section shall be made to the institutions (or consortia) on the basis of excellence of the program proposed in the application, taking into consideration such elements as library resources, faculty achievement, and humanities learning facilities.

"(d) Funds available to institutions under this section may be used to cover costs associated with enrollment in an institute, including tuition, fees, administration, and living expenses.

"(e) In making grants under this section, the Secretary shall assure, to the maximum extent consistent with the purposes of this title, that there is an equitable distribution of institutes established and operated under approved applications among States and within States. The Secretary shall award not less than one institute in each State.

"(f) No grant to a single applicant may exceed $500,000 in any fiscal year.

"Sec. 3. No grants shall be made or contracts entered into under this title except to such extent, or in such amounts, as may be provided in the appropriation Acts.

"Sec. 4. For the purposes of this title:

"(1) The term "institution of higher education" means any institution of higher education, as defined under section 1201(a) of the Higher Education Act of 1965, which is located within a State, and includes a community college or junior college.

"(2) The term "Secretary" means the Secretary of Education.

"(3) The term "State" means any of the several States, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

"(4) The term "humanities" measn both modern and classical languages, literature, history, and philosophy; and language arts and social studies when taught in elementary schools.

"(5) The term 'State educational agency' has the same meaning as in section (198)(a)(17) of the Elementary and Secondary Education Act.

"Sec. 5. There are authorized to be appropriated to carry out this title $50,000,000 for fiscal year 1985, $60,000,000 for fiscal year 1986, and $70,000,000 for fiscal year 1987."

MARINE MAMMAL PROTECTION ACT

PACKWOOD AMENDMENT NO. 3345

Mr. STEVENS (for Mr. PACKWOOD) proposed an amendment to the bill H.R. 4997, an act to authorize appropriations to carry out the Marine Mammal Protection Act of 1972, for

fiscal years 1985 through 1988, and for other purposes, as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

TITLE I

SEC. 101. The first sentence of section 101(a)(2) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1371(a)(2)) is amended to read as follows: "For purposes of applying the preceding sentence, the Secretary—

"(A) shall insist on reasonable proof from the government of any nation from which fish or fish products will be exported to the United States of the effects on ocean mammals of the commercial fishing technology in use for such fish or fish products exported from such nation in the United States; and

"(B) in the case of yellowfin tuna harvested with purse seine in the eastern tropical Pacific Ocean, and products therefrom, to be exported to the United States, shall require that the government of the exporting nation provide documentary evidence that—

"(i) the government of the harvesting nation has adopted a regulatory program governing the incidental taking of marine mammals in the course of such harvesting that is comparable to that of the United States; and

"(ii) the average rate of that incidental taking by the vessels of the harvesting nation is comparable to the average rate of incidental taking of marine mammals by United States vessels in the course of such harvesting.".

SEC. 102. Section 104(h) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1374(h)) is amended—

(1) by inserting "(1)" after "(h)"; and

(2) by adding at the end thereof the following paragraphs:

"(2)(A) Subject to subparagraph (B), the general permit issued under paragraph (1) on December 1, 1980 to the American Tunaboat Association is extended to authorize and govern the taking of marine mammals incidental to commercial purse seine fishing for yellowfin tuna during each year after December 31, 1984.

"(B) The extension granted under subparagraph (A) is subject to the following conditions:

"(i) The extension shall cease to have force and effect at the time the general permit is surrendered or terminated.

"(ii) The permittee and certificate holders shall use the best marine mammal safety techniques and equipment that are economically and technologically practicable.

"(iii) During the period of the extension, the terms and conditions of the general permit that are in effect on the date of the enactment of this paragraph shall apply, except that—

"(I) the Secretary may make such adjustments as may be appropriate to those terms and conditions that pertain to fishing gear and fishing practice requirements and to permit administration;

"(II) any such term and condition may be amended or terminated if the amendment or termination is based on the best scientific information available, including that obtained under the monitoring program required under paragraph (3)(A); and

"(III) during each year of the extension, not to exceed 250 coastal spotted dolphin (Stenella attenuata) and not to exceed 2,750 eastern spinner dolphin (Stenella longirostris) may be incidentally taken under the general permit, and no accidental taking of either species is authorized at any time when incidental taking of that species is permitted.

"(C) The quota on the incidental taking of coastal spotted dolphin and eastern spinner dolphin under paragraph (2)(B)(iii)(III) shall be treated—

"(i) as within and not in addition to, the overall annual quota under the general permit on the incidental taking of marine mammals; and

"(ii) for purposes of paragraph (2)(B)(iii)(II), as a term of the general permit in effect on the date of the enactment of this paragraph.

"(3)(A) The Secretary shall, commencing on January 1, 1985, undertake a scientific research program to monitor for at least five consecutive years, and periodically as necessary thereafter, the indices of abundance and trends of marine mammal population stocks which are incidentally taken in the course of commercial purse seine fishing for yellowfin tuna in the eastern tropical Pacific Ocean.

"(B) If the Secretary determines, on the basis of the best scientific information available (including that obtained under the monitoring program), that the incidental taking of marine mammals permitted under the general permit referred to in paragraph (2) is having a significant adverse effect on a marine mammal population stock, the Secretary shall take such action as is necessary, after notice and an opportunity for an agency hearing on the record, to modify the applicable incidental take quotas or requirements for gear and fishing practices (or both such quotas and requirements) for such fishing so as to ensure that the marine mammal population stock is not significantly adversely affected by the incidental taking.

"(C) For each year after 1984, the Secretary shall include in his annual report to the public and the Congress under section 103(f) a discussion of the proposed activities to be conducted each year as part of the monitoring program required by subparagraph (A).

"(D) There are authorized to be appropriated to the Department of Commerce for purposes of carrying out the monitoring program required under this paragraph not to exceed $4,000,000 for the period beginning October 1, 1984, and ending September 30, 1988.".

SEC. 103. (a) Section 201(b)(1) of the Marine Mammal Act of 1972 (16 U.S.C. 1401(b)(1)) is amended by striking the second sentence thereof and inserting in lieu thereof the following: "The President shall make his selection from a list of individuals knowledgeable in the fields of marine ecology and resource management, and who are not in a position to profit from the taking of marine mammals. Such list shall be submitted to him by the Chairman of the Council on Environmental Quality and unanimously agreed to by that Chairman, the Secretary of the Smithsonian Institution, the Director of the National Science Foundation and the Chairman of the National Academy of Sciences.".

(b) The first sentence of section 206 of such Act of 1972 (16 U.S.C. 1406) is amended by adding immediately before the period at the end thereof the following: "; except that no fewer than 11 employees must be employed under paragraph (1) at any time".

SEC. 104. Section 7 of the Act entitled "An Act to improve the operation of the Marine Mammal Protection Act of 1972, and for other purposes", approved October 9, 1981 (16 U.S.C. 1384 and 1407) is amended—

(1) by amending subsection (a)—

(A) by inserting "(other than section 104(h)(3))" immediately after "title 1", and

(B) by striking out "for fiscal year 1984," and inserting in lieu thereof "for each of fiscal years 1984, 1985, 1986, 1987, and 1988,";

(2) by striking out "and $2,000,000 for fiscal year 1984." and subsection (B) and inserting in lieu thereof "$2,000,000 for fiscal year 1984, $2,500,000 for fiscal year 1985, and $3,000,000 for each of fiscal years 1986, 1987, and 1988."; and

(3) by striking out "for fiscal year 1984." in subsection (c) and inserting in lieu thereof "for each of fiscal years 1984, 1985, 1986, 1987, and 1988.".

SEC. 105. Section 2(c) of the Fishery Conservation Zone Transition Act (16 U.S.C. 1823 note) is amended—

(1) by striking out "July 1, 1984" in each of paragraphs (1) and (2) and inserting in lieu thereof "December 31, 1985";

(2) by striking out "May 3, 1983" in paragraph (1) and inserting in lieu thereof "May 8, 1984";

(3) by striking out "May 3, 1983" in paragraph (2) and inserting in lieu thereof "May 7, 1984"; and

(4) by amending the last sentence thereof by striking out "Each such governing international fishery agreement" and inserting in lieu thereof "The government international fishery agreements referred to in paragraphs (1) and (2) shall enter into force and effect with reapact to the United States on July 1, 1984; and the governing international fishery agreement referred to in paragraph (3)".

SEC. 106. Notwithstanding any provision of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.), and upon certification by the Secretary of State to the President of the Senate and the Speaker of the House of Representatives that a new governing international fishery agreement in conformity with such Act has been negotiated by the United States and the European Economic Community, the existing governing international fishery agreement referred to in section 2(a)(7) of the Fishery Conservation Zone Transition Act (16 U.S.C. 1823, note) may be extended or reinstated, as the case may be, and may be in force and effect with respect to the United States, for the period of time ending on the earlier of (1) the effective date of the new governing international fishery agreement, or (2) September 30, 1984.

TITLE II

SEC. 201. (a) The Secretary of Commerce shall provide for the establishment of a National Coastal Resources Research and Development Institute (hereinafter in this title referred to as the "Institute") to be administered by the Oregon State Marine Science Center.

(b) The Institute shall conduct research and carry out educational and demonstration projects designed to promote the efficient and responsible development of ocean and coastal resources, including arctic resources. Such projects shall be based on biological, geological, genetic, economic and other scientific research applicable to the purposes of this title and shall include studies on the economic diversification and environmental protection of the Nation's coastal areas.

(c)(1) The policies of the Institute shall be determined by a Board of Governors composed of—

(A) two representatives appointed by the Governor of Oregon;

(B) one representative appointed by the Governor of Alaska;

(C) one representative appointed by the Governor of Washington;

(D) one representative appointed by the Governor of California; and

(E) one representative appointed by the Governor of Hawaii.

(2) Such policies shall include the selection, on a nationally competitive basis, of the research, projects, and studies to be supported by the Institute in accordance with the purposes of this title.

(d)(1) The Board of Governors shall establish an Advisory Council composed of specialists in ocean and coastal resources from the academic community.

(2) To the maximum extent practicable, the Advisory Council shall be composed of such specialists from every coastal region of the Nation.

(d) The Advisory Council shall provide such advice to the Board of Governors as such Board shall request, including recommendations regarding the support of research, projects and studies in accordance with the purposes of this title.

(e) The Institute shall be administered by a Director who shall be appointed by the Chancellor of the Oregon Board of Higher Education in consultation with the Board of Governors.

(f) The Secretary of Commerce shall conduct an ongoing evaluation of the activities of the Institute to ensure that funds received by the Institute under this title are used in a manner consistent with the provisions of this title.

(g) The Institute shall report to the Secretary of Commerce on its activities within 2 years after the date of enactment of this Act.

(h) The Comptroller General of the United States, and any of his duly authorized representatives, shall have access, for the purpose of audit and examination, to any books, documents, papers and records of the Institute that are pertinent to the funds received under this title.

(i) Employees of the Institute shall not, by reason of such employment, be considered to be employees of the Federal Government for any purpose.

(j) For the purposes of this title, there are authorized to be appropriated in each fiscal year $5,000,000, commencing with fiscal year 1985.

SEC. 202. For purposes of sections 1305(c), 1315, and 1363 of the National Flood Insurance Act of 1968 (42 U.S.C. 4012(c), 4022, and 4104) and section 202(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106(a)), the flood elevation determination made by the Director of the Federal Emergency Management Agency with respect to Cameron Parish in the State of Louisiana, and published in the Federal Register on July 28, 1983, and November 22, 1983, shall not be considered final before the expiration of the one-year period following the date of enactment of this Act.

TITLE III

SEC. 301. Section 7(e) of the Fishermen's Protective Act of 1967 (22 U.S.C. 1977(e)) is amended by striking "October 1, 1984" and inserting in lieu thereof "October 1, 1987".

SEC. 302. (a) Section 3 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1978) is amended—

(1) by striking "Secretary of the Treasury in the amount certified to him by the Secretary of State" in the first sentence of subsection (a) of inserting in lieu thereof "Secretary of State in the amount determined and certified by him"; and

(2) by amending subsection (b)—

(A) by inserting "determination and" immediately before "certification" in the first sentence thereof; and

(B) by striking "the Treasury" in the second and third sentences and inserting in lieu thereof "State".

(b) Section 5(a)(1)(A) of such Act of 1967 (22 U.S.C. 1975(a)(1)(A)) is amended by striking "the Secretary of the Treasury" and inserting in lieu thereof "him".

(c) The first sentence of section 9 of such Act of 1967 (22 U.S.C. 1979) is amended by striking "Secretary of the Treasury" and inserting in lieu thereof "Secretary of State"; and by striking "certified to him by the Secretary of State" and inserting in lieu thereof "determined and certified by him".

SEC. 303. (a) Section 2 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1972) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) any vessel of the United States is seized by a foreign country on the basis of claims to jurisdiction that are not recognized by the United States, or on the basis of claims to jurisdiction recognized by the United States but exercised in a manner inconsistent with international law as recognized by the United States;"; and

(2) by amending the matter appearing between subparagraph (D) and clause (i) of paragraph (2) to read as follows:

"the Secretary of State, unless there is clear and convincing credible evidence that the seizure did not meet the requirements under paragraph (1) or (2), as the case may be, shall immediately take such steps as are necessary—"

(b) Section 4 of such Act of 1967 (22 U.S.C. 1974) is amended by striking "any fishery convention or treaty to which the United States is a party" and inserting in lieu thereof "any applicable convention or treaty, if that treaty or convention was made with advice and consent of the Senate and was in force and effect for the United States and the seizing country at the time of the seizure.".

(c) The amendments made by subsections (a) and (b) apply with respect to seizures made after April 1, 1983, by foreign countries of vessels of the United States.

TITLE IV

SEC. 401. This title may be cited as the "Commercial Fishing Industry Vessel Act".

SEC. 402. Subtitle II of title 46, United States Code, "Shipping", is amended as follows:

(1) Section 2101 is amended by—

(A) amending clause (11) thereof to read as follows:

"(11) 'fish' means finfish, mollusks, crustaceans, and all other forms of marine animal and plant life, except marine mammals and birds.";

(B) inserting immediately after clause (11) the following:

"(11a) 'fishing vessel' means a vessel that commercially engages in the catching, taking, or harvesting of fish or an activity that can reasonably be expected to result in the catching, taking, or harvesting of fish.

"(11b) 'fish processing vessel' means a vessel that commercially prepares fish or fish products other than by gutting, decapitating gilling, skinning, shucking, icing, or brine chilling.

"(11c) 'fish tender vessel' means a vessel that commercially supplies, stores, refrigerates, or transports fish, fish products, or materials directly related to fishing or the preparation of fish to or from a fishing, fish processing, or fish tender vessel or a fish processing facility."; and

(C) adding the following at the end of clause (21):

"(E) on a fishing, fish processing, or fish tender vessel, means an individual transported on the vessel except—

"(i) the owner;

"(ii) a representative of the owner;

"(iii) the managing operator;

"(iv) the master;

"(v) a crewmember engaged in the business of the vessel who has not contributed consideration for transportation on board and who is paid for services on board;

"(vi) an employee of the owner, or of a subconractor to the owner, engaged in the business of the owner;

"(vii) a charterer of the vessel;

"(viii) a person with the same relationship to a charterer as a person in subclause (ii) or (vi) of this subclause has to an owner; or

"(ix) a guest who has not contributed consideration for transportation on board.".

(2) Section 3301 is amended by adding at the end thereof the following:

"(11) fish processing vessels.

"(12) fish tender vessels.".

(3) Section 3302 (b) and (c) is amended to read as follows:

"(b) A fishing vessel, including a vessel chartered part-time as a fish tender vessel, is exempt from section 3301(1), (7), (11), and (12) of this title.

"(c)(1) A fish processing vessel of not more than 5,000 gross tons in exempt from section 3301(1), (6), (7), (11), and (12) of this title.

"(2) A fish tender vessel of not more than 500 gross tons is exempt from section 3301(1), (6), (7), (11), and (12) of this title.".

(4) Section 3304 is amended by adding at the end thereof the following:

"(d) A fishing, fish processing, or fish tender vessel that transports not more than 12 individuals employed in the fishing industry in addition to the crew is not subject to inspection as a passenger or small passenger vessel.".

(5) Section 3306 is amended by adding at the end thereof the following:

"(g) In prescribing regulations for fish processing or fish tender vessels, the Secretary shall consult with representatives of the private sector having experience in the operation of these vessels. The regulations shall reflect the specialized nature and economics of fish processing or fish tender vessel operations and the character, design, and construction of fish processing or fish tender vessels.".

(6) Section 3702 is amended by—

(A) amending subsection (c) to read as follows:

"(c) This chapter does not apply to a fishing or fish tender vessel of not more than 500 gross tons when engaged only in the fishing industry."; and

(B) amending the first sentence in subsection (d) to read as follows: "This chapter does not apply to a fish processing vessel of not more than 5,000 gross tons.".

(7)(A) The analysis of part B is amended by striking—

"41. Uninspected vessels........................ 4101
"43. Recreational vessels........................ 4301"

and inserting in lieu thereof the following:

"41. Uninspected vessels generally..... 4101
"43. Recreational vessels........................ 4301
"45. Fish processing vessels.................. 4501".

(B) The title of chapter 41 is amended to read as follows:

"Chapter 41—UNINSPECTED VESSELS GENERALLY"

(C) Part B is amended by adding the following immediately after chapter 43:

"Chapter 45—FISH PROCESSING VESSELS

"Sec.
"4501. Application.
"4502. Regulations.
"4503. Equivalency.
"4504. Penalties.

"§ 4501. Application

"(a) This chapter applies to an uninspected fish processing vessel entered into service after December 31, 1987, and having more than 16 individuals on board primarily employed in the preparation of fish or fish products—

"(1) on the navigable waters of the United States; or

"(2) owned in the United States and operating on the high seas.

"(b) This chapter does not apply to the carriage of liquid bulk dangerous cargoes regulated under chapter 37 of this title.

"§ 4502. Regulations

"(a) For each vessel to which this chapter applies, the Secretary shall prescribe regulations for—

"(1) navigation equipment, including radars, fathometers, compasses, radar reflectors, lights, sound-producing devices, nautical charts, and anchors;

"(2) life saving equipment, including life preservers, exposure suits, lifeboats or life rafts, emergency position indicating radio beacons, signaling devices, bilge pumps, bilge alarms, life- and grab-rails, and medicine chests;

"(3) fire protection and firefighting equipment, including fire alarms, portable and semi-portable fire extinguishing equipment, and flame arrestors;

"(4) the use and installation of insulation material;

"(5) storage methods for flammable or combustible material; and

"(6) fuel, ventilation, and electrical systems.

"(b) In prescribing regulations under subsection (a) of this section, the Secretary shall—

"(1) consider the specialized nature and economics of fish processing vessel operations and the character, design, and construction of fish processing vessels;

"(2) consult with respresentatives of the private sector having experience in the operation of these vessels to ensure the practicability of these regulations; and

"(3) not compel alteration of a vessel to which the exemption applies or item of equipment on that vessel, or of the construction of a vessel or manufacture of a particular item of equipment which is begun before the effective date of the regulation.

"§ 4503. Equivalency

"A vessel to which this chapter applies shall be deemed to comply with the requirements of this chapter if it has an unexpired certificate of inspection issued by a foreign country that is a party to an International Convention for Safety of Life at Sea to which the United States Government is currently a party and shall not be required by the Secretary to alter or replace the equipment or structural requirements required under this chapter.

"§ 4504. Penalties

"If a vessel to which this chapter applies is operated in violation of this chapter or a regulation prescribed under this chapter, the owner, charterer, managing operator, agent, master, and individual in charge are each liable to the United States Government for a civil penalty of not more than $1,000. The vessel also is liable in rem for the penalty.".

(8)(A) Item 7111 in the analysis of chapter 71 is amended to read as follows:

"7111. Oral examinations for licenses.".

(B) Section 7111 is amended to read as follows:

"§ 7111. Oral examinations for licenses

"An individual may take an oral examination for a license to serve on a fishing, fish processing, or fish tender vessel not required to be inspected under Part B of this subtitle.".

(9)(A) The analysis of chapter 73 is amended by inserting immediately after item 7311 the following:

"7311a. Able seamen—fishing industry.".

(B) Section 7301(a)(1) is amended by striking "decked fishing vessels" and inserting in lieu thereof "fishing, fish processing, fish tender vessels".

(C) Section 7306(b) is amended by adding at the end thereof the following:

"(6) able seaman—fishing industry.".

(D) Chapter 73 is amended by inserting immediately after 7311 the following:

"§ 7311a. Able seamen—fishing industry

"For service on a fish processing vessel, an individual may be rated as able seaman—fishing industry if the individual has at least 6 months' service on deck on board vessels operating on the oceans or the navigable waters of the United States (including the Great Lakes).".

(E) Section 7312 is amended by adding at the end thereof the following:

"(f) Individuals qualified as able seamen—fishing industry under section 7311a of this title may constitute—

"(1) all of the able seamen required on a fish processing vessel entered into service before January 1, 1988, and of more than 1,600 gross tons but not more than 5,000 gross tons; and

"(2) all of the able seamen required on a fish processing vessel entered into service after December 31, 1987, and having more than 16 individuals on board primarily employed in the preparation of fish or fish products but of not more than 5,000 gross tons.".

(10) Section 8102 is amended by

(A) inserting "(a) immediately before the first paragraph; and

(B) adding at the end thereof the following:

"(b) The owner, charterer, managing operator, agent, master, or individual in charge of a fish processing vessel of more than 100 gross tons shall keep a suitable number of watchmen trained in firefighting on board when hotwork is being done to guard against and give alarm in case of a fire.".

(11) Section 8104 is amended by—

(A) striking "100 gross tons," in subsection (b) and inserting in lieu thereof "100 gross tons (except a fishing, fish processing, or fish tender vessel),";

(B) striking "fishing" in subsection (c) and inserting in lieu thereof "fishing, fish processing, fish tender,";

(C) striking "a fishing or whaling vessel," in subsection (d) and inserting in lieu thereof "a fishing, fish tender, or whaling vessel, a fish processing vessel of not more than 5,000 gross tons,"; and

(D) adding at the end thereof the following:

"(k) On a fish processing vessel subject to inspection under part B of this subtitle, the licensed individuals and deck crew may be divided, when at sea, into at least 3 watches.

"(l) Except as provided in subsection (k) of this section, on a fish processing vessel, the licensed individuals and deck crew may be divided, when at sea, into at least 2 watches if the vessel—

"(1) entered into service before January 1, 1988, and is more than 1,600 gross tons; or

"(2) entered into service after December 31, 1987, and has more than 16 individuals on board primarily employed in the preparation of fish or fish products.

"(m) This section does not apply to a fish processing vessel—

"(1) entered into service before January 1 1988, and not more than 1,600 gross tons; or

"(2) entered into service after December 31, 1987, and having not more than 16 individuals on board primarily employed in the preparation of fish or fish products.".

(12)(A) Section 8701(a) is amended by—

(i) striking "fishing or whaling" and inserting in lieu thereof "fishing, fish tender, or whaling";

(ii) striking "and" after the semicolon at the end of clause (4);

(iii) striking the period at the end of clause (5) and inserting in lieu thereof a semicolon; and

(iv) adding at the end thereof the following;

"(6) a fish processing vessel entered into service before January 1, 1988, and not more than 1,600 gross tons or entered into service after December 31, 1987, and having not more than 16 individuals on board primarily employed in the preparation of fish or fish products; and

"(7) a fish processing vessel (except a vessel to which clause (6) of this subsection applies) with respect to individuals on board primarily employed in the preparation of fish or fish products or in a support position not related to navigation.".

(B) Section 8702(a) is amended by—

(i) striking "fishing or whaling" and inserting in lieu thereof "fishing, fish tender, or whaling";

(ii) striking "and" after the semicolon at the end of clause (4);

(iii) striking the period at the end of clause (5) and inserting in lieu thereof a semicolon; and

(iv) adding at the end thereof the following:

"(6) a fish processing vessel entered into service before January 1, 1988, and not more than 1,600 gross tons or entered into services after December 31, 1987, and having not more than 16 individuals on board primarily employed in the preparation of fish or fish products; and

"(7) a fish processing vessel (except a vessel to which clause (6) of this subsection applies) with respect to individuals on board primarily employed in the preparation of fish or fish products or in a support position not related to navigation.".

(13) Section 10101(a) is amended by adding at the end thereof the following:

"(4) "fishing vessel" includes—

"(A) a fish tender vessel; or

"(B) a fish processing vessel entered into service before January 1, 1988, and not more than 1,600 gross tons or entered into service after December 31, 1987, and having not more than 16 individuals on board primarily employed in the preparation of fish or fish products.".

(14) Section 11108 is amended by striking "a fisherman employed on a fishing vessel" and inserting in lieu thereof "an individual employed on a fishing vessel or any fish processing vessel".

(15) Section 11109(c) is amended to read as follows:

"(c) This section applies to an individual employed on a fishing vessel or any fish processing vessel.".

(16) Section 12101 is amended by adding at the end thereof the following:

"(6) 'fisheries' includes planting, cultivating, catching, taking, or harvesting fish, shellfish, marine animals, pearls, shells, or marine vegetation in the navigable waters of the United States or in the fishery conservation zone established by section 101 of the Magnuson Fishery Conservation and Management Act of 1976 (16 U.S.C. 1811).".

Sec. 403. (a) Before January 1, 1990, a fishing, fish processing, or fish tender vessel, that is (1) not more than 500 gross tons and (2) in operation, or contracted for purchase to be used as a vessel of this type, before July 1, 1984, may transport cargo to or from a place in Alaska not receiving weekly transportation service from a port of the United States by an established water common carrier, except that the service limitation does not apply to transporting cargo of a type not accepted by that carrier.

(b) A fish processing vessel entered into service before January 1, 1988, and more than 1,600 gross tons or entered into service after December 31, 1987, and having more than 16 individuals on board primarily employed in the preparation of fish or fish products is exempt from section 8702(b) of title 46, United States Code, until 18 months after the date of enactment of this Act.

(c) As used in subsections (a) and (b) of this section, the terms "fishing vessel", "fish processing vessel" and "fish tender vessel" shall have the meaning given to such terms in section 2101 of title 46, United States Code.

EMIGRATION OF IGOR V. OGURTSOV

PERCY AMENDMENT NO. 3346

Mr. STEVENS (for Mr. Percy) proposed an amendment to the resolution, Senate Resolution 294, expressing the sense of the Senate that the Government of the Soviet Union should allow Igor V. Ogurtsov to be released from exile and allowed to emigrate to the West without renouncing his views and for other purposes, as follows:

On page 3, lines 23 and 24, strike "Republics, Yuriy Andropov." and insert in lieu thereof "Republics."

NOTICES OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I wish to announce that the Committee on Rules and Administration has given its final approval to the plan for installing computers in Senators' offices.

The highlights of the plan are:

Contracts have been approved with three computer companies—Honeywell Information Systems, Data General Corp., and Prime Computer Corp.—to supply the computer systems.

Each Senator may choose the equipment to be installed from among these three vendors.

Vendors will provide full support to offices, including training.

Senators are expected to prepare an automation plan and to commit to use the equipment for at least 3 years.

Installation will be made in phases. This will allow offices to assimilate the new systems in easy stages and will help us get everyone off to a quick start.

A meeting to explain how offices may arrange for installation of this equipment will be held on Friday, June 29, at 11 a.m. in the Dirksen Auditorium. I urge all Senators to have their office managers at that meeting.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, June 27, to hold a hearing to mark up S. 2181, the Financial Institutions Competitive Equity Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL ECONOMIC POLICY

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on International Economic Policy of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, June 27, at 10 a.m., on Free Trade—Myth or Reality: The Auto Industry—a case study.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. BAKER. Mr. President, I ask unanimous consent that the Rules Committee be authorized to meet during the session of the Senate on Wednesday, June 27, in S-224, the Capitol, to hold a business meeting to discuss the funding for the Indian Affairs Committee and the creation of the Joint Inaugural Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

DRUNK DRIVING AMENDMENT TO H.R. 4616

● Mr. DOLE. Mr. President, this Senator has long supported efforts to rid our Nation's highways of drunk drivers. As one of two Senators on the President's Commission on Drunk Driving, I supported efforts to confront the many and varied causes of the tragedy of drunk driving.

The Commission made many different recommendations on means to improve the way our Nation trys to stop those who have drunk too much from getting behind the wheel and killing themselves and others. However, at the heart of all of these recommendations was the realization that no change in law, no matter how stringent, would be effective without a grassroots change in public opinion of drunk driving. As long as our society accepts drunk driving as almost a part of our folklore, there will be no great strides toward making our highways safe.

Yesterday, I was faced with a difficult decision. I support efforts to save the lives of our Nation's young. However, I also support efforts to save the lives of all of our citizens from the drinking driver. This Senator believes that the measure passed yesterday focuses too directly on drinking and not enough on driving.

Drunk drivers of any age, whether 16 or 61, are killers. It is important that Congress does not sit back and believe that it has done all that is necessary to help our States combat drunk driving, for it has not. Raising the drinking age to 21 does not affect 85 percent of the drivers responsible for alcohol-related accidents.

Also, I am sensitive to the charge that yesterday's action tramples on States' rights. It has been said that we should not force the States to do what some have very recently voted not to do. I agree that Congress should refrain whenever possible from jumping into a problem traditionally handled by the States. Yet, when a problem takes on interstate proportions, it is the responsibility and duty of Congress to step in and act. I do not believe that our action runs roughshod over the States. Rather it is the beginning of a long overdue partnership. A partnership which will combine the resources of the Federal and State governments to work to rid our roads of the drunk driver.

Incentive grants for mandatory sentencing provided in the version passed by the Senate are a positive step toward such a partnership. Yet, grants have proven in the past to be insufficient by themselves. Our action yesterday is not the end of our responsibility. Until we have combined education, sentencing reform, and enforcement to such a degree that we as a people accept the magnitude of the tragedy that is drunk driving, we still will have much to do.

I urge my colleagues to concentrate on the whole problem of drinking and driving and avoid attacking the drinking aspect alone. Life at any age is too precious to sacrifice to the drunk driver.●

A SALUTE TO A NARCOTIC OFFICER

● Mr. CHILES. Mr. President, I rise to salute one of the unsung heroes of the frontline battle against drug trafficking in our Nation.

We are all mindful of the devastating impact that illicit drugs have had on our great country. The purveyors of this social cancer have filled their bank accounts to overflowing with billions of dollars at the expense of thousands of innocent lives.

The State of Florida has had to deal with more than its share of this problem. We have called upon resources from the four corners of our land to combat the corrupting influence of drugs.

It is for this reason that I rise to commend a narcotic officer from the State of California on his retirement from a distinguished career in law enforcement on July 5.

Sgt. Fred McKnight of the Los Angeles Police Department Narcotics Division has justly earned the universal respect of his colleagues throughout the United States of America. In his 25-year law enforcement career, he has unselfishly given of himself through an uncompromising dedication to duty in the highest ideals of his profession.

He has pursued the highest levels of the organized drug trafficking underworld, wherever they might be. His tenacity and innovative professionalism has brought many of the major figures in the narcotics traffic to the bar of justice.

Sergeant McKnight's pursuit of excellence has led to substantial successes in the entertainment industry as a screenwriter in a number of television programs. He has brought the true picture of our police to the TV screen and ensured that the law enforcement community is portrayed in a factual manner that all of our citizens can trust and respect.

Most recently, Sergeant McKnight was a key figure in the investigation of an international group of marijuana traffickers, operating in the Caribbean, Florida, and California. The far-reaching implications of this operation can be traced from the shores of Florida to the beaches of Grenada.

Sergeant McKnight has made significant contributions to this Nation's drug control efforts and we salute him at this very important milestone in his career.●

SOMETHING SPECIAL FROM WISCONSIN

● Mr. KASTEN. Mr. President, with the advent of summer, many of us look forward to enjoying the warm weather activities the summer months provide. Summertime is a time to relax and enjoy the outdoors. Even though the thought of summer conjures up different thoughts for all, I believe you will find that, to the old and young alike, summertime is the best time for ice cream.

Since 1904, when the first ice cream cone was introduced at the St. Louis World's Fair, the American consumer has developed a healthy appetite for ice cream products. Last year, 587 million gallons of ice cream were consumed in the United States. Our Nation's ice cream industry uses 10 percent of all the milk produced by our dairy farmers and ice cream sales totaled close to $3.5 billion last year.

Two weeks ago, the Senate passed a joint resolution proclaiming the month of July as "National Ice Cream Month" and July 15 as "National Ice Cream Day." As a cosponsor of this resolution, I would like to share with my colleagues an article that appeared in yesterday's Washington Post.

This article describes how the University of Wisconsin's own dairy farm caters to the demands of its students for quality dairy products. The most popular of the dairy's products is homemade ice cream, which costs as little as 55 cents per dip. Although the dairy produces 22 flavors at a time, 75 flavors form the menu.

An invitation is extended to all, to stop by Babcock Hall at the University of Wisconsin in Madison to sample something special from Wisconsin.

Where will you find the finest dairy products made in this country? Nowhere else, but in Wisconsin!

I ask that the article to which I referred be printed in the Record.

The article follows:

[From the Washington Post, June 20, 1984]

IN DAIRYLAND: SCHOOLED IN THE ART OF CONCOCTING AND THE JOY OF CONSUMING

(By Phyllis C. Richman)

Ice cream is more than fun food in Wisconsin. It is big business, tradition, patriotism. Wisconsin students grow up practically pledging allegience to dairy products, since state law requires that every elementary and high school, public and private, "shall give instruction in the true and comparative vitamin content and food and health values of dairy products and their importance for human diet."

While elsewhere in the country nutritionists are concerned about college students giving short shrift to calcium in their diets in light of soft drinks being their number one snack, no such fears haunt Wisconsin dieticians. Not only is this perhaps the only major university that serves butter rather than margarine in its dormitory cafeterias; in the past year the 6,700 dormitory residents polished off 112,000 gallons of milk, 30,000 pounds of butter, 105,000 pounds of cheese, 4,500 gallons of bulk ice cream and 280,000 ice cream cups. The university's bill for yogurt alone was $57,600. And virtually all of those dairy products were manufactured by the university's own dairy.

One of the main activities on campus is waiting in line at Babcock Hall to buy the university's homemade ice cream. This most popular of the dairy's products is sold at three campus outlets for 55 cents a single dip, 83 cents a double.

While the dairy produces 22 flavors at a time, it has a repertoire of 75 flavors. So any day, half the flavors are standard (chocolate, vanilla, coffee, butter pecan and the like) and half are rotated (buttermint toffee, pecan pie, chocolate peanut butter, sunflower).

No matter what the mix, though, "chocolate goes over big," says Tom Blattner, manager of the dairy. Whether brownie or mocha fudge, cherry chocolate cake or chocolate cookie bits, chocolate sells out all the time. And if anything has brought the University of Wisconsin's ice cream national fame it is orange custard chocolate chip (chocolate chips, egg yolks, orange flavor, orange pulp, artificial color), which was invented for a brown-and-orange Halloween theme but now knows no season.

Unlike the east and west coasts, though, Madison, Wis., has no love for sherbets. They "virtually don't move around here," said Blattner; in Wisconsin they like rich food.

Basically the dairy exists as a research facility, most of the research these days being in whey processing and how to turn this waste product from a deficit into a useful protein source. Ice cream cones are just a byproduct of the research, though along the way they and the rest of the dairy sales on campus (cheese, yogurt, milk, butter) pay for the dairy's operation. In fact, all of the dairy's products are sold on campus, since the dairy is restricted from selling off campus so that it does not compete with commercial dairies. The university's dairy products are cheaper than commercial ones, since they are priced merely to recover ingredients costs, labor and distribution costs, rather than reap any profit.

Part of the ongoing research is devising new flavors, so the repertoire is constantly changing. In any case, pecan pie ice cream still needs some work—there are machinery problems, and the rippling still isn't satisfactory. But double cherry custard is doing just fine. Then there are the best-forgotten flavors: marshmallow pineapple divinity, jelly drop (which one critic suggested "was probably concocted by a transfer student from Minnesota"). New flavors are made in a 50-gallon batch and transferred to three-gallon containers to try out as cones in the stores.

The key to the university ice cream's reputation, says Blattner, is its freshness. Milk for the ice cream is delivered daily from two university-owned facilities and five local farms, and the ice cream is produced four to five days a week. This, as well as the yogurt and cheese making, takes place in Babcock Hall, the country's largest university dairy under one roof, according to Blattner. It has been there since 1949, when it moved from Hiram Smith Hall, which Blattner says was the first dairy school in America.

Ice cream making is a relatively simple process, but still "ice cream can be assembled in many different ways," says Blattner. If you want to make inferior ice cream, here is what you can do: You can use corn syrup instead of cane sugar, which makes the ice cream taste like cereal. You can whip a lot of air into it so the customer gets less for the money. You can freeze it too slowly so the crystals are large and the ice cream is coarse. You can store it in temperatures that fluctuate so that the melting and refreezing of the water content forms ice shards and the ice cream gets coarser. You can add bulk more cheaply with dried whey products rather than fresh fluid milk.

If you want to make it well, you do it the Wisconsin way, with only fresh fluid milk. You maintain a high butterfat content for creaminess (at Wisconsin it is about 12 percent, which is not as high as most luxury ice creams, but respectably above the state minimum of 10 percent). You keep your "overrun" or airiness down; at Wisconsin it is 75 to 80 percent (5.1 pounds to the gallon), although the legal maximum is 100 percent (4.5 pounds to the gallon). You pay close attention to the mechanical condition of your machinery, inspecting the freezer blades daily for sharpness. And you maintain total control over what happens to the ice cream after you make it so that indifferent shippers or purveyors can't let it thaw and refreeze. Because the ice cream is sold on campus, right where it is made, and by the same people who make it, that's easy for the university.

You also select your flavoring ingredients carefully—your candies, nuts, fruits and flavors. This university's vanilla, Blattner explains, comes from pure vanilla extract at $120 a gallon rather than artificial vanilla at $15 a gallon. The flavoring agents are bought mostly in Chicago, particularly from a "flavor shop" called Guernsey Dell, which sells such modern-day ice cream flavorings as brownie bits, cheesecake flakes and chocolate cookie pieces.

The University of Wisconsin is not a purist among ice cream makers. It does use flavorings, syrups, canned purees and extracts as well as fresh fruits, where some might use only fresh fruits; and it does use artificial colors. According to Blattner, some natural food pigments, those of strawberries for instance, are not stable at the ph level of ice cream, and therefore turn brown.

The basement of Babcock Hall houses the sensory analysis lab, where suppliers of ingredients are chosen. That's where panels of faculty members and graduate students taste ice cream made with different levels of flavoring to choose the products and the intensity of flavor for making the ice cream. Periodically consumer panels are set up in the ice cream stores.

High intensity is not what these tasters are choosing. In fact, the flavors might charitably be called delicate. "We like to describe our flavors as clean," said Blattner, adding "pure" and and "representative" to the description. But not all the flavors are mild, he hastened to add. Some are "double" flavors—double chocolate, for instance—for people who like intense flavors.

Clearly, though, Wisconsin tastes differ from east-coast tastes, not only in the lack of interest in sherbets but also in a greater preference for nut and candy flavors than for fruit flavors, and for blander mixes. Wisconsin's ice cream can't be beat, though, for the universal appeal of its smoothness. No crystals on the tongue here. No mishaps or hesitations in the freezing process, no careless handling in the storage and transportation.

It is not just imagination that makes ice cream taste better when you can hear it being made next door.●

NOTICE OF DETERMINATIONS BY THE SELECT COMMITTEE ON ETHICS

● Mr. STEVENS. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The Select Committee has received a request for a determination under rule 35 which would permit Mr. Wallace Burnett, of my staff, to participate in a program sponsored by Tamkang University, to be held in Taipei, Taiwan, from July 1-8, 1984.

The committee has determined that participation by Mr. Burnett in the program in Taiwan, at the expense of Tamkang University, to meet with government officials to discuss United States-Taiwan relations, is in the interests of the Senate and the United States.

The Select Committee has received a request for a determination under rule 35 which would permit Mr. William Mattea, of Senator DIXON's staff, and Ms. Linda Zemke, of Senator GARN's staff, to participate in a program sponsored by Tamkang University, to be held in Taipei, Taiwan, from July 1-8, 1984.

The committee has determined that participation by Mr. Mattea and Ms. Zemke in the program in Taiwan, at the expense of Tamkang University, to meet with government officials to discuss United States-Taiwan relations, is in the interests of the Senate and the United States.

The Select Committee has received a request for a determination under rule 35 which would permit Ms. Barbara A. Block of the staff of Senator CHARLES PERCY, to participate in an educational program in Taipei, Taiwan, sponsored by Tamkang University, from July 1-8, 1984.

The committee has determined that participation by Ms. Block in the program in Taiwan, at the expense of Tamkang University, to discuss United States-Taiwan relations, is in the interests of the Senate and the United States.●

TRIBUTE TO JOHN BERRY

● Mr. WILSON. Mr. President, the great French observer, Alexis de Tocqueville, once observed that one of the great attributes of America is the penchant of its natives to volunteer their time and energies on behalf of their fellow man.

He made that observation in 1831 and was truly taken by what he saw and reported as great and real sacrifices to the public good on the part of Americans.

I'm happy to report that in 1984 that spirit observed by de Tocqueville is very much alive and well in the United States. There are a thousand stories about Americans giving freely of their time, energy, and money for those less fortunate or those in need.

Today, Mr. President, I wish to commend to you one particular gentleman, a fellow Californian and San Diegan, who has made great and real sacrifice his whole life in the community he loves so much.

His name is John Berry and it happens to be John's birthday today and a particularly proper occasion to share with you the gift John has been to my community.

After a distinguished career in public service, John Berry has undertaken a career of volunteer service which spans from the Navy League to the Boy Scouts, just to name a few. He is volunteer caseworker for many public office holders, including myself, and serves as a valuable resource and liaison to the military community.

It is said, in fact, that you can't put together a program in San Diego unless John Berry volunteers his time to it.

Mr. President, mindful of time, I will keep it short. But I wanted to take just a moment to give a well deserved thank you and an expression of a job well done to such an outstanding volunteer.

John, you proved de Toqueville right and we are very proud of you.●

LINDA JOHNSON

● Mr. RIEGLE. Mr. President, I rise to commend the outstanding civic contributions made by Ms. Linda Johnson, of Grand Rapids. She is an individual whose dedication to quality education and to the people of Grand Rapids has greatly enriched the community. Ms. Johnson is leaving her posts as president of the Grand Rapids Board of Education and dean of students at Grand Valley State College to assume, in August, an appointment as the Commissioner for Human Rights for the State of Minnesota.

Linda Johnson grew up in the Chicago area and earned her bachelor's degree from Northern Illinois University. She continued her education in Michigan, earning a master's degree from Central Michigan University and a doctorate in education from Western Michigan University. Both Michigan institutions have acknowledged her contributions by naming her as a distinguished alumna. In 1978, she received the Business and Professional Women's Award, and in 1979, she received the Leadership Award of the National Caucus of Black and Minority School Board Members. She has also been an invaluable asset to my Military Academy Screening Committee, which selects the best candidates for admission to our academies.

During her 7 years as a member of the Grand Rapids Board of Education, Ms. Johnson earned a reputation as a professional and dedicated educator and public servant. On behalf of the people of Grand Rapids and all of Michigan, I wish Linda every good fortune as she undertakes new challenges in Minnesota. She will be sincerely missed in Michigan, and her unsurpassed community service will not be forgotten.●

PRESS FREEDOM IN LATIN AMERICA

● Mr. RIEGLE. Mr. President, the Council on Hemispheric Affairs and the Newspaper Guild recently published their second annual survey of press freedoms in Latin America. The first COHA/TNG press freedom study was widely praised by journalists throughout the Americas, as well as the rest of the world, as a very positive contribution in drawing attention to the daily hazards and hardships faced by members of the working press in Latin America.

Below are excerpts from the country-by-country survey, dealing with the status of press freedom in four Central American countries: El Salvador, Guatemala, Honduras, and Nicaragua. These reports clearly demonstrate the endangered state of freedom of the press in countries which have witnessed increased U.S. involvement in recent years.

I recommend these excerpts to my colleagues' attention, and urge all Members to review the complete report entitled "Press Freedom in Latin America 1983/84," which can be obtained from the Washington office of the Council on Hemispheric Affairs. I ask that the material referred to above be printed in the RECORD.

The material follows:

PRESS FREEDOM IN LATIN AMERICA 1983-84

EL SALVADOR

Background: Through various changes in government since 1979, when the dictatorship of Gen. Carlos Humberto Romero was overthrown, predominantly right-wing violence has posed a constant threat to press freedom in El Salvador. Neither the reform-oriented governments of 1979 and early 1980, nor the elected, if military-dominated provisional government of President Alvaro Magana, have effectively curbed violence linked to security forces, that has silenced the nation's press and butchered journalists, both domestic and foreign.

Bombings have led newspapers to become armed fortresses. The building of the right-wing daily El Diario de Hoy is enclosed by a high stone wall and protected by armed guards. La Prensa Grafica has similarly elaborate security measures.

The Magana administration has failed to rein in the violence against the press, which remains highly intimidated. An added source of control is the media's ownership. Wealthy right-wing Salvadorans living in Miami ensure that their publications practice self-censorship and maintain conservative news policies and editorial slants that do not threaten the status quo.

1983: Violence against the civilian population of El Salvador continued high, and the press was among the sectors affected despite a decline in reports of overt incidents, which may be due to the fact that it is almost totally cowed by the authorities and right-wing terrorists.

Indicative of the degree of self-censorship is the fact that in compiling a report intended for the U.S. Congress, distributed Jan. 16, 1984, the State Department found it useful to cite the total number of politically motivated killings reported in the Salvadoran press to establish "improvement" in the country's human rights situation. While such murders were reported in the press at an average rate of 100 per month, four other sources of human statistics, including the Archdiocese of San Salvador, gave tolls as high as 500 such assassinations a month.

The scope of restrictions also expanded to include textbooks. A Catholic school was warned by a paramilitary group to remove all copies of a text deemed "Marxist."

In addition, the continuing civil war has created terror in the population at large, drastically reducing the willingness of Salvadorans to talk to reporters, and it is growing more difficult for foreign and local media to find reliable sources of information.

Incidents:

In early January two journalists, David Helvarg, an American and Michael Rosengren, a Swede, were arrested. They were later released without any explanation.

U.S. journalists Michael Luhan, a freelancer for the Dallas Morning News, and Swedish reporters Jens Rydstrom and Tom Thulin disappeared after making contact with rebel forces Feb. 14. All three were released unharmed in March.

Interior Minister Isidro Lopez Carmeno theatened Feb. 14 to close foreign press offices for what he termed "abuses and lies on the country's situation."

On March 13 a German newswoman and a colleague were killed while in the company of rebel troops when their group was attacked by a military patrol.

T. J. Western of AP Radio, and Joan Ambrose Newton of NBC radio, who was visiting Western, were both arrested March 27 and accused by police of links with "subversive" groups. The two were released several hours later after the U.S. Embassy intervened on their behalf.

The Defense Minister, Gen. Jose Guillermo Garcia, announced March 29 that he had filed legal action against UPI for sending biased reports about an alleged dismissal of military officers.

On April 18 San Salvador Radio reported that the Interior Minister had ordered the station not to broadcast on the "internal affairs" of the armed forces.

The insurgent Farabundo Marti National Liberation Front (FMLN) ordered San Vicente correspondent Ramiro Paredes July 22 to broadcast a rebel communique under threat of death. Paredes aired the message the following day under protest.

On Sept. 9 UPI bureau chief Arthur Allen left El Salvador after hearing from U.S. Embassy officials that they could no longer assure his safety in the country. Allen had become involved in a disagreement with Major Jose Ricardo Pozo over two articles he dispatched that contended that the Treasury police had arrested the wrong person in the case of the murder of U.S. Navy Lt. Commander Albert A. Schaufelberger.

Radio Cadena Central and Radio Mil Ochenta announced they would suspend their newscasts due to bomb attacks on their offices.

In October, El Mundo, San Salvador's only evening paper, announced it would no longer run paid political advertisements. According to the editors, the newspaper received warnings from the Secret Anti-Communist Army, a right-wing para-military group, to stop printing announcements from unions or "other Communist groups," such as the Mothers of the Disappeared. El Mundo had begun publishing paid political ads earlier in 1983, a move that had led to calls from government officials asking that the practice be ended, but since no official order had been forthcoming, the paper had continued its policy.

Members of the guerrilla group Clara Elizabeth Ramirez Metropolitan Front seized four radio stations—Mil Ochenta, El Mundo, Vanguardia and Clasica—in Sal Salvador to transmit a message against the leaders of the People's Liberation Front. The action was apparently motivated by an internal dispute within what was understood to be a small splinter faction of the leftist rebels.

On Feb. 5, 1984 the Catholic radio station La Voz Panamericana reported that members of its staff had received death threats from presidential candidate Roberto D'Aubuisson, the leader of the Nationalist Republican Alliance (ARENA), who is widely reported linked to the country's death squads. D'Aubuisson reportedly called to complain that the radio had aired international news dispatches that connected him with the murder of San Salvador Archbishop Oscar Romero on March 24, 1980.

GUATEMALA

Background: Since 1954, the military's dominant role in politics and continued violence by right-wing paramilitary organizations have had a devastating effect on press freedom in Guatemala. As a result of these conditions, Guatemalan news media have long tailored their reports to suit the ultra-conservative regimes that have ruled the country. The press has also been subject to left-wing violence aimed at terrorizing representatives of the established order, extorting funds or merely pubicizing political manifestoes.

Intimidation of journalists by means of threats, kidnappings and killings has created a climate in which reporters are sure to practice self-censorship. Many others have fled the country. While in Mexico City, Agustin Byron, president of the Association of Democratic Newsmen of Guatemala, said in April 1983 that at least 60 Guatemalan journalists had been forced into exile to protect their lives as a result of the brutal repression of Guatemalan regimes over the past five years.

Under the rule of Gen. Efrain Rios Montt, who seized power in March 1982, even the fiction of press freedom was abandoned by the suspension of constitutional guarantees and the declaration of a state of siege four months later. Under Decree Law 45-82, which supplanted the constitution during his regime, the government prohibited publication of all but official news concerning the army's campaign against insurgent forces. In addition, the authorities subjected the country's radio and television broadcasts to censorship by the General Directorate of Broadcasting.

1983: The constitutional status of freedom of expression was volatile throughout 1983, although the generally depressing situation remained substantially the same as in prior years. On March 23, the state of siege restrictions were lifted, but they were reimposed June 29 when Rios Montt declared a "state of alarm" and implemented strict censorship of the media, including prohibition of "news, manifestoes or declarations concerning the public order." The new curbs were imposed in expectation of a coup, which took place Aug. 8, when Gen. Oscar Mejia Victores, the Defense Minister, ousted Rios Montt and placed himself in the presidency.

Mejia lifted the state of alarm and brought back Rios Montt's Fundamental Statute, which had guaranteed free expression except under undefined "limitations imposed by law." The change of government did little to relieve journalists' justifiable fears of reprisals from gangs of the left and the right.

Mejia's regime has no record of direct intimidation of journalists, but its involvement in growing levels of human rights violations and its continued sanctioning of right-wing elements, as well as the government's refusal to investigate attacks on reporters considered leftist sympathizers, have made the general's initial promises of legal protection hollow.

Guatemala's worsening economic crisis also has taken its toll on the open exchange of views and led to the attrition of radio stations and periodicals due to bankruptcy.

On Jan. 18, Radio Nuevo Mundo reported that the programming of Guatemala City's government Domestic Service was encroaching on the nation's decentralized independent radio stations. Radio TGQ, "The Voice of Quetzaltenango," is among those most affected, as its programs on local arts and culture have been replaced with broadcasts from the capital city.

Incident:

The owners of Radio Fraternidad in Quetzaltenango were murdered in May. The bodies of Victor Manuel Morales, his brother Benito and his nephew Antonio showed they had been abused and mutilated before they were shot.

Pedro Julio Garcia, editor of Guatemala City's conservative Prensa Libre, was taken hostage by the Guatemalan Communist Party, a guerrilla organization, Oct. 9. The party demanded, and obtained, publication of a manifesto in Central American newspapers and in The Washington Post, Los Angeles Times and Miami Herald. Garcia was released Oct. 23.

HONDURAS

Background: During the recently ended span of almost 20 years of military-controlled government, Honduras's mostly private media operated free of formal censorship and experienced little coercion. Article 75 of the constitution does provide for prior censorship in the interest of "protecting ethical and cultural values," but it has never been invoked. However, the practice of journalism is restricted to members of the official Honduras News Association (HNA). Hopes that the relatively democratic election of civilian Roberto Suazo Cordova would be the beginning of a positive political development have been disappointed.

Honduras' apparently benign record is largely due to the fact that three of the four major newspapers, El Heraldo, La Prensa and La Tribune, follow conservative editorial lines, usually in accord with government policy.

A far different picture emerges in the case of the liberal newspaper Tiempo, which has been consistently pressured and intimidated in attempts to change its editorial views. On Sept. 22, 1982, electrical power to the offices of Tiempo was shut off "on military orders," according to statements from the National Enterprise Workers to the paper's executive editor, Manuel Gamero. Tiempo's correspondents have also been threatened and arrested in the course of their work.

1983: During the second full year of the Suazo Cordova presidency, the press has operated in an increasingly repressive climate, as then-military chief Gen. Gustavo Alvarez Martinez became more evidently the real power behind the government. Alvarez's ascendency had been the result of a deepening U.S.-Honduran military relationship, which, together with the presence of CIA-funded anti-Sandinista guerrillas, increased the possibility of war with Nicaragua. The militarization of Honduras has brought physical harm to journalists and increased actions aimed at intimidating newspapers.

Incidents:

Tiempo correspondent Gustavo Palencia was arrested Feb. 25 at the Nicaraguan border as he was returning home from a week long vacation. Palencia was detained by police overnight and subjected to a mock execution.

On May 5 the Honduran government expelled UPI correspondent John Lantigua on grounds that the HNA had lodged complaints against him. However, officials of the journalists' group stated they had only asked for a clarification of Lantigua's status. Foreigners are prohibited from directing news organizations by Honduran law, and Lantigua was heading the local UPI bureau as a temporary replacement for the resident Honduran staffer, who was on a trip to Spain.

Reporter Noe Leiva Bardales was confronted by agents of G-2, the Honduran military intelligence, June 11 and ordered to hand over his identification. When Leiva insisted on the return of his press card, which identified him as working on the staff of Tiempo, the agents fired warning shots at him, allowing him to escape.

An antitank mine exploded near the Nicaraguan border on June 21, killing two foreign correspondents, Dial Torgerson of the Los Angeles Times and Richard Cross a freelance photographer.

Secret police raided the home of Tiempo reporter Teodora Diaz June 29, confiscating a large number of his books.

In August, three men barged into the hotel room of Jack Anderson's associate, Jon Lee Anderson, searched it, asked questions and then left, stating they were doing a "routine immigration check.

On November 14 two Tiempo reporters were detained while investigating arrests made by the Immigration Department. Although the reporters were freed, their credentials were confiscated.

NICARAGUA

Background: A broad-based popular uprising in 1979 put an end to four decades of dictatorship under the Somoza dynasty. The new Government of National Reconstruction formed in July 1979, included a number of groups in a democratic coalition led by members of the Frente Sandinista de Liberacion Nacional (FSLN).

On Aug. 16, 1979, the government issued the General Law on Communications Media, which requires organs of information to disseminate "truthful news within a coherent context." The law placed the media under the jurisdiction of the Minister of Culture, a portfolio held by Father Ernesto Cardenal, and required membership in the Journalists' Union in order to report the news. The latter requirement, a widespread custom in Latin America, was rescinded by the Council of State in 1980.

In September of that year, Decrees 511 and 512 were promulgated, restricting the dissemination of news deemed harmful to the nation's security and coverage of shortages of consumer products.

Growing fear of a U.S.-sponsored invasion—fueled by attacks by CIA-backed anti-Sandinista guerrillas operating from bases in Honduras—led to the declaration of a state of emergency March 15, 1982. Internally, the government also found itself at odds with part of the Catholic Church leadership, particularly Archbishop Obando y Bravo of Managua, the country's primate. The combination of these two factors contributed to the government's tightening grip on the news media.

The most visible form of press restriction has been the direct prior review exercised by the media section of the Interior Ministry. Newspapers are required to submit all copy to government censors, and newscasts are similarly controlled, although the majority of Nicaragua's broadcasting facilities already belong to the state. The electronic media fell under largely government control partly as a result of the nationalization of the extensive Somoza holdings, which had extended throughout the Nicaraguan economy. Television is thus a state monopoly.

The most notable exercise of government control over radio and television broadcasts has been the Sandinistas' demand that Archbishop Obando y Bravo submit his sermons to the Media Bureau prior to the broadcast of masses and that the programs not be limited solely to sermons of Obando, but the other priests participate as well. Rather than accept these conditions, the prelate refused to continue his broadcast sermons.

Nicaragua's three main newspapers are highly polemical. Barricada, the Sandinista movement's official organ, is practically an official gazette. It has gradually lost its original colorful approach to the news in favor of a duller, authoritative tone, largely a result of an excessive use of verbatim government communiques. La Prensa, on the other hand, is highly partisan, as well as an often tendentious critic of the government. Subjected to closings and severe censorship, as well as to purposeful delay in returning daily copy on the part of the Media Bureau, publication of La Prensa has been suspended an average of five issues a year. Nuevo Diario, produced by an independent group of pro-Sandinista journalists who formerly worked at La Prensa, is often more stridently pro-government than even Barricada. Adding color to the institutional conflicts between the three papers is the fact that editors competing with La Prensa's Pedro Joaquin Chamorro, son of a La Prensa editor assassinated by Somoza, are his uncle and his brother.

1983: For the first ten months of the year the authorities were heavy handed in their censorship of items seen as potentially injurious to the state, including even humor and sports news. La Prensa was closed down eight times, and its editor claimed that at times as much as 70 to 80 percent of his original copy was blue-penciled. Even the pro-government Nuevo Diario has at times been censored.

Sandinista officials have charged that La Prensa has often courted censorship by trying to print only those items carried by the international wire services that reflect most negatively on government policies. A two-week sampling of the paper by COHA appeared to support the accusation; there was a total absence of favorable references to the regime and some of its policies that had been carried at the time by the same services.

However, on one recent occasion a State Department visitor to La Prensa's office was shown an article, not of an anti-Sandinista nature, which cited COHA and that had been, in COHA's opinion, capriciously censored by the authorities.

In allegations to the Inter-American Press Association, La Prensa also claimed that several acts of violence against the paper's physical plant were committed in order to stifle its opposition voice.

Bowing, perhaps, to international pressure and a desire to improve its image, particularly in Western Europe, the government relaxed censorship of La Prensa considerably towards the end of the year. Although Chamorro recently noted that as of a few months ago, as much as 40 percent of all news items he submitted were banned, he acknowledged that no more than 10 percent of the copy is currently affected.

Since January 1984, however, there have been three cases in which La Prensa failed to publish, claiming government censorship as the cause. In one instance, the censors would not authorize publication of as much as 200 column inches of material. Similarly, a pastoral exhortation by the Catholic bishops of Nicaragua, favoring religious education in private and church-run schools, was banned.

In May, the government published regulations making TELCOR, the national communications agency, responsible for overall control of radio communications in the country. The new laws provide for suspension or restriction of broadcast rights in the event of a breakdown in public order, war or disaster.

The lack of press freedom has been a major point of contention between the Sandinistas and their domestic opposition. Many anti-Sandinista leaders have stated that they do not feel free elections can be held unless the National Security Law is lifted.

There has been some indication from the government, however, that there would be major modifications in the law to facilitate the media campaigns of opposition parties in the elections scheduled for Nov. 4, 1984.

INCIDENTS

In February 1983 the Nicaraguan Democratic Coordinating Board (CDN), a political opposition group, protested to the government regarding a "slanderous campaign" being mounted against it in the state-controlled media. The CDN stated that the government was allowing articles in Barricada and Nuevo Diario to claim that the group was aiding the "counterrevolution" but denying CDN leaders the right to reply.

Nicaraguan security officers Feb. 24 seized notes and a tape recorder belonging to journalists who were traveling on the San Juan River near the Costa Rican border. The materials were confiscated from Edgar Fonseca of the Costa Rican daily La Nacion and Jose Angel Moya, director of San Carlos radio newscasts, during a routine check of river boats passing a Nicaraguan army installation.

Anti-Sandinista guerrillas reported in March that the Nicaraguan government had shut down Radio Sport of Granada.

La Prensa did not publish May 3. Editor Chamorro claimed that censors had eliminated 90 percent of his front page material.

Jose Miranda Wilford was arrested July 18 at his home and held without charges. Miranda is the president of the Radio Workers' Union (SITRA). Nicaraguan opposition groups denounced his arrest as an attack on journalism.

La Prensa was ordered temporarily closed Aug. 13. The paper was cited for "contempt" of the authorities after publishing material banned by the censors, according to the Media Bureau, La Prensa resumed publication Aug. 15.

The authorities suspended the humor tabolid La Semana Comica for one month. The Media Bureau said the August 19-26 issue was published without prior review, in violation of the National Emergency Law.

La Prensa was unable to publish Aug. 23 because government censors delayed the return of the day's articles and prohibited the publication of "important material," according to the editor.

Also in August, Radio Mundial was shut down indefinitely by the government, ostensibly because of defects in its transmitter. Clandestine groups said the radio station was closed because it rejected a purchase bid by the government.

In September, Humberto Belli, former editorial page editor of La Prensa, went into self-imposed exile, stating he was subject to 3 to 10 years' imprisonment for criticizing the Sandinistas while traveling abroad. Belli said he considered it his "duty" to voice his opinions about the government, views that had been censored from the pages of La Prensa.

La Prensa failed to publish Oct. 4. The editor said delays by government censors and the elimination of too much copy were the reasons.●

THE 140TH ANNIVERSARY OF THE SCHOOL OF EDUCATION OF THE STATE UNIVERSITY OF NEW YORK AT ALBANY

● Mr. D'AMATO. Mr. President, I rise today in recognition of the 140th anniversary of the School of Education of the State University of New York at Albany. This school is recognized throughout the country for its outstanding contributions.

The school of education provides us with many qualified professionals. More than 1,600 students are enrolled and pursuing graduate degrees. Students attending this school pursue doctoral degrees in counseling psychology, curriculum and instruction, educational administration and policy studies, educational psychology and statistics, and reading. It accounts for about 20 percent of the doctoral degrees awarded each year by the State University of New York at Albany. This exceptional school of education has graduated many of our Nation's leaders.

The school of education has some of the most advanced educational programs in the country. It prepares students for a variety of occupations by supporting several nationally known research centers. These centers include the child research and study center, the capital area school development association, the center for educational research and policy studies, and the intensive English language program.

Graduates of programs in the school of education have made many major contributions. They have been an integral part in facilitating the growth and development of the educational system in this country. Alumni include university presidents, college deans, university faculty, superintendents, principals, and secondary teachers. Alumni are also included in the Federal and State Governments. The school of education has shown a special commitment to the enhancement of our educational system. In fact, it was honored as the 1984 winner of the New York State Outstanding Teacher Award.

At the school of education there are more than 100 faculty dedicated to the furtherance of graduate education. Their commitment to graduate education is not new. For many years, the school of education has shown the kind of foresight and stamina that makes this country great. Therefore, Mr. President, it is appropriate that we recognize and celebrate the 140th anniversary of the School of Education, State University of New York at Albany.●

WILSON FERREIRA AND THE FUTURE OF DEMOCRACY IN URUGUAY

● Mr. PELL. Mr. President, a blow for democracy in Uruguay was struck by Mr. Wilson Ferreira Aldunate this past Saturday when he and his son, Juan, returned from exile to their country. The arrest of the centrist National Party (Blanco) Presidential candidate, when the ferry taking him to Montevideo from Buenos Aires was intercepted by Uruguayan warships, could very well develop into the beginning of the new democracy in Uruguay after 11 years of military rule. As a result of the bold actions by Uruguay's military rulers, Wilson Ferreira's party has broken off talks with the military and there is a good chance that the other major party, the Colorado Party, will do the same in protest. The Broad Front, a leftist coalition and Ferreira's principal competition, also denounced the arrest. Newly united in common cause, the parties may be able to force the military into negotiations which can result in truly democractic and meaningful elections in November.

The Uruguayan authorities have chosen to place themselves under the spotlight of the world as supporters of democracy watch closely the judicial process and the treatment of the Ferreiras. Mr. Wilson Ferreira has not been shy about his criticism of the Uruguayan military rule during his exile, and thus far, the military has not proven its charge that he aided the former Tupamaro guerrilla movement. Democrats around the world are righty concerned because the system of justice under the military has been less than exemplary. Furthermore, Amnesty International has reported that torture of political prisoners is widespread; at least 96 prisoners have died in custody.

Mr. Wilson Ferreira has given up his freedom and put himself and his son at great personal risk in the cause of democracy in Uruguay. He has forced the military's hand by his return. Now Uruguay's rulers are challenged to demonstrate before the world that their system of justice can work fairly, that human rights abuses can be brought to an end, that fair elections with all political parties participating can take place, and that civilians can again govern a nation that was once considered the model democracy in South America.●

SPACE EXPLORATION DAY

● Mr. D'AMATO. Mr. President, I am delighted to join my most able and distinguished colleague from Utah as a cosponsor of Senate Joint Resolution 307. Senator GARN has done an excellent job in raising this country's awareness of the wonders of space and the benefits of its exploration. His introduction of Senate Joint Resolution 307 is another example of his untiring commitment to our Nation's growth. Therefore, I am most pleased to join Senator GARN in cosponsoring Space Exploration Day.

This year marks the 15th anniversary of the landing on the Moon by men on the Apollo 11. This even deserves special commemoration. It marked the beginning of a new era. Since that great moment, the winds of Mars have been measured, volcanos on a Moon of Jupiter observed, and America's space shuttle has permitted humans to work and walk in space. These are only a few of the countless events that have changed the direction of this country. We are now on the road to advanced technological strength, both on Earth and in space.

This resolution reminds us of the bold challenges we have made in the past and those that we must be prepared to make in the future. It was our quest for knowledge, our desire to go where no other had gone, and our commitment to being the very best that made this country great. We must, therefore, continue to remind our youth, tomorrow's leaders, that our country was made stronger because of this exploration. Now, our space program reflects technological skill of the highest order and the best in American character, sacrifice, ingenuity, as well as our unrelenting spirit of adventure.

Mr. President, this occasion reminds me of explorations of the past and of explorations for the future. Our country can obtain goals that are seen and unseen, as long as we use the knowledge and foresight that facilitated our present state-of-the-art in space. We show our unparalleled determination to make the world better and more peaceful by our continued commitment to space exploration. Therefore, it is appropriate, Mr. President, that we join in declaring July 20, 1984, as Space Exploration Day.●

USTTA FUNDS ESSENTIAL

● Mr. SASSER. I want to take this occasion to emphasize my support for the fiscal year 1985 funding level set for the U.S. Travel and Tourism Administration [USTTA]), an agency which I consider to be at the front line in pursuit of two national goals: First, the coordination of national policy for what some argue convincingly is our Nation's largest industry, the travel and tourism industry; and second, the direction and governmental assistance necessary to increase our Nation's share of international tourism receipts—an effort that will help the industry and the U.S. economy on the whole.

As a founder and cochairman of the Senate Tourism Caucus, I cannot underscore sufficiently the importance of the USTTA to these objectives.

It is imperative, therefore, that the Senate's proposed funding level of $13 million for the USTTA be maintained when this appropriations bill goes to conference with the House of Representatives.

Let me illustrate with additional detail the importance of the two national goals I have just defined.

First, there is the size of the U.S. travel industry and its importance to our national economy. Most economists and travel experts readily concede that travel and tourism constitute at least the second largest industry in the United States. Others argue with this contention, pointing out with some justification that the methodology in determining what constitutes a trip or travel is somewhat arbitary and open to dispute. Modification of the methodology would easily make it the Nation's largest business.

Even with the methodology in use, travel and tourism constitute either the first, second, or third largest industry in 41 of our States.

First or second in size, the travel and tourism industry's significance has never been lost on the members of the Senate tourism caucus. Nor has it been anything but paramount among my own concerns.

Take my home State of Tennessee for instance. My family and I spend a great deal of vacation time in the State. During 1981, we traveled across the State, visiting and staying at some of the hundreds of tourist attractions Tennessee has to offer, and attending some of the festivals and events one will find at any time of the year in the State.

The U.S. Travel Data Center says that during that year—the most recent for which such figures are available—travel and tourism generated 73,000 jobs in Tennessee. This is 4.2 percent of all the jobs in the State, making it the State's second largest employer. The industry's payroll exceeded a half-billion dollars; represented over $2.7 billion in expenditures; provided $113.4 million in taxes to the Federal Government, $97.5 million to the State, and $30.1 million to Tennessee's local governments; and made the State realize $25.09 for every dollar it budgeted for tourism.

First or second largest, the significance and importance of the industry to my home State is clear—as it is to the other States in which the industry is the first or second largest.

States, the data seem to suggest, are more sensitive to the importance of travel and tourism to their economy than is the U.S. Government. In fiscal year 1983-84, for instance, they spent $147 million on tourism promotion—that's over 10 times what we want to allocate the USTTA in this bill.

If the States are more sensitive to the economic importance of travel and tourism than is the Federal Government, we can certainly expect that other nations are at least as aware. And the data do indeed confirm this.

For instance, one thing which Egypt, Tunisia, India, France, Belgium, Jamaica, Italy, Canada, Switzerland, South Korea, Spain, Greece, Brazil, Mexico, Czechoslovakia all have in common is that they spend more on tourism promotion than does the United States, according to the most reliable data available.

Clearly, the case is before us. We owe more to the effort to promote travel and tourism to, and within these great United States of America. And this, too, is the thrust of the second major goal in which a fully funded USTTA is the key component.

In 1976, the year of our national bicentennial celebration, the United States held a 13-percent share of the world's 1976 $45 billion tourism market. Since then, our competitive position has declined; the U.S. share today is just 10 percent.

"It is no coincidence that the decline parallels reductions in funding for the Federal international promotion program," explained William D. Toohey, president of the Travel Industry Association of America, in discussing the decline earlier this year during a panel discussion. "Even though the private sector and many States and cities increased budgets during this period in an attempt to keep up with the expanding competitive markets, they could not possibly fill the void in declining Federal activities.

"It is important to note," he added, "that it is the Federal Government that is the appropriate entity to serve as a catalyst for a national tourism program to promote the United States as a destination for foreign travelers."

Mr. Toohey pointed out that the USTTA, "the only Federal tourism promotion entity, has not been able to compete on an equal basis against other governments in the international marketplace."

So, it was against this backdrop that the Travel Industry Association last year organized an international marketing plan development committee. The committee, with members and input from both industry and government officials concerned with travel and tourism, has worked to develop that plan—a plan to increase and maintain the competitive position of the United States in the international tourism market.

Principal among the objectives of the plan is the 13-percent share of international tourism receipts within 5 years.

Key to these efforts is a leadership role by the USTTA.

As it was stated at the same panel discussion by James C. Collins, senior vice president for marketing of the Hilton Hotels Corp. and chairman of the International Marketing Plan Development Committee: "The principal goal of the plan is to provide the U.S. Travel and Tourism Administration with a marketing strategy to return the United States to a 13-percent share of the international tourism market."

So, Mr. President, I must applaud my colleagues for the important step it has made in supporting a full-funded USTTA through this bill. In doing so, we show that we are aware of the importance of a vital industry and that we want to do what we can to promote U.S. competitiveness in this area. And I urge that this awareness be kept in mind in the conference committee consideration of this bill.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS

● Mr. STEVENS. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 which would permit Dr. James P. Lucier of Senator HELMS' staff, to participate in a program sponsored by a French educational foundation, Culture et Promotion Populaire, to be held in Paris from July 8-14, 1984.

The committee has determined that participation by Mr. Lucier in the program in Paris, at the expense of Culture et Promotion Populaire, to attend a conference on French journalists' perceptions of U.S. social and political developments is in the interests of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Ms. Cheryl Coodley of the staff of Senator BOB PACKWOOD, to participate in an educational trip in Taipei, Taiwan, sponsored by the Chinese Cultural University, from July 5-25, 1984.

The committee has determined that participation by Ms. Coodley in the program in Taipei, Taiwan, at the expense of the Chinese Cultural University, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.●

PROMOTION OF TECHNOLOGICAL INNOVATION IN COMPUTER SOFTWARE

● Mr. D'AMATO. Mr. President, I am pleased to be a cosponsor of Senate Concurrent Resolution 117, a resolution designed to promote technological innovation in the area of computer software and ensure copyright protection for those who develop this softwear.

Production of computer software and other information technologies has played an increasingly important role in our domestic economy. Today, more than 3,000 firms are directly or indirectly involved in manufacturing computer software. More than 500,000 Americans now are employed in the field. In addition, sales of U.S. manufacturers of computer equipment have become an integral part of our export trade. The United States is now the world leader in the development of computer technology. This position, however, is threatened by a plan put forward by the Japanese Ministry of Trade and Industry.

This proposal specifically concerns softwear copyright. Since 1964, the United States has considered computer software a work of authorship protected under copyright law. In turn, such protection has served to stimulate research, and development, and innovation related to computer software. Currently, most industrialized nations, including France, the Netherlands, the Federal Republic of Germany, the United Kingdom, Australia, Taiwan, and Japan afford copyright protection for computer software. Recently, the Japanese have initiated a proposal which would effectively abandon copyright protection for software. This action has caused a great deal of concern here in the United States.

As a Senator from a State which is a leader in computer research and production, I am particularly concerned over this action by the Japanese Government. Modification or elimination of that nation's current copyright protection surely would have an adverse impact on our domestic computer software industry and would result in a serious loss of American jobs.

Many American firms have made significant investments in the area of computer research and development. They should be permitted to receive a just return on those investments.

I remain hopeful that the Japanese Government will not reverse its current copyright policy. Such an action would seriously undermine trade relations between the United States and Japan.●

S. 919: EQUAL ACCESS TO JUSTICE ACT

● Mr. SASSER. Mr. President, it gives me great pleasure to join as a cosponsor of S. 919, an important piece of legislation extending the authorization of the Equal Access to Justice Act. As many of my colleagues know, the Equal Access to Justice Act is scheduled to sunset on September 30 of this year. This is quite literally an expiration date which many small business owners and individuals across this country cannot afford to live with.

The Equal Access to Justice Act protects individuals and small businesses involved in legal disputes with the Federal Government. Facing the greater resources of the Federal Government in such disputes was often chilling enough to prompt such individuals and firms into accepting inequitable out-of-court settlements. They simply could not afford the cost of protracted litigation. We responded to this injustice with the passage of the Equal Access to Justice Act. This act allows certain litigants to recover legal expenses in such disputes provided the Government is unable to substantially justify its purpose in pursuing the litigation. And as was shown in hearings before the Subcommittee on Administrative Practice and Procedure of the Judiciary Committee in April 1983, the act is working.

This act stands as one of the major pieces of regulatory reform legislation passed by Congress during my tenure in the Senate. This is so as the provisions of the Equal Access to Justice Act serve to restrict unwarranted and excessive activities of administrative agencies, in the words of Loren Smith, Chairman of the Administrative Conference of the United States. My colleagues will recall that the Administrative Conference is a Federal agency which studies and recommends improvements in the administrative procedures of all Federal departments and agencies.

I took particular interest in this issue, Mr. President, when I learned that the act was not being applied to agency boards of contract appeals. A series of court cases had determined that the act could not be applied in such instances without specific congressional language on this point. I responded to these opinions with S. 1029, which I introduced along with Senators BAUCUS and DIXON earlier this session. Our legislation provided the direct congressional language deemed necessary to extend the EAJA to agency boards of contract appeals.

During the hearings on S. 919 which I referred to earlier, many of the witnesses argued for extending the Equal Access to Justice Act as called for in our legislation. I was most pleased when first the subcommittee and then the full committee acted favorably on this suggestion and included a section in this reauthorization bill pertaining to agency boards of contract appeals.

As I have stated in the past, Mr. President, extending coverage under the Equal Access to Justice Act in this manner is an equitable idea. It is an idea which has broad support in the legal community and the small business community and I thank my colleagues on the Judiciary Committee for including the language of S. 1029 in S. 919.

Not only because of my interest in seeing the act extended along the lines I have discussed, but also as an ardent supporter of the Equal Access to Justice concept, I am proud to join in the effort to extend the act's authorization. The ability to have one's day in court has been rightly hailed as one of the great virtues of our system of government. This legislation makes that ability a reality for many Americans. I urge my colleagues to join with me in calling for expeditious consideration of this critical piece of legislation.●

FREEDOM AND JUSTICE IN IRAN

● Mr. LEVIN. Mr. President, it is with a spirit of hope that I join my colleagues and others who support democracy, freedom, and human rights in commemorating June 20, "the day of martyrs and political prisoners in Iran." The symbol of this event is the march of 500,000 people in Tehran which took place June 20, 1981. The 500,000 Iranians began as a peaceful demonstration demanding restitution of their democratic rights.

The Khomeini government and police force responded to this peaceful demonstration with even more repression. The police opened fire on the crowds, killing many and arresting even more. Within 24 hours of the demonstration, participants who had been arrested were executed, too.

The commemoration of the third anniversary of this day serves as a reminder of the atrocities committed by Khomeini's regime. Since the beginning of this repressive regime, tens of thousands have been executed or incarcerated as a result of their search for freedom.

We should let those courageous Iranians know that even as they suffer at the hands of the Khomeini regime, the American people and Government support their initiatives on the behalf of freedom, justice, and human rights in Iran.●

Mr. STEVENS. Mr. President, I ask my good friend, the distinguished Democratic leader, if he has any further business to come before the Senate.

Mr. BYRD. Mr. President, I thank my good friend. I have nothing.

ORDERS FOR THURSDAY

RECOGNITION OF SENATORS QUAYLE AND PROXMIRE

Mr. BAKER. Mr. President, I ask unanimous consent that on tomorrow, after the recognition of the two leaders, two Senators be recognized on special orders of not to exceed 15 minutes, to wit: Mr. QUAYLE and Mr. PROXMIRE, in that order.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I further ask unanimous consent that after the execution of the special orders, there be a period for the transaction of routine morning business until 11 a.m. in which Senators may speak for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BAKER. Now, Mr. President, on tomorrow, after the recognition of the two leaders, the execution of the special orders, and the expiration of the time for the transaction of routine morning business, which must occur at or prior to 11 a.m., the Senate will go into executive session for the purpose of considering 16 treaties. Under the order previously entered, there is a time limitation of 10 minutes equally divided for debate on these matters and provisions for four rollcall votes in respect to those treaties. It is anticipated that on tomorrow, shortly after we convene, that order may be changed by unanimous consent to provide a single vote instead of four votes in relation to those treaties.

Mr. President, it is anticipated that after the executive session is completed, the Senate will return to legislative session, and it is the intention of the leadership on this side to ask the Senate then to turn to the consideration either of a concurrent resolution in respect to the deficit reduction conference report just adopted or the State-Justice authorization bill. There may be other matters to be dealt with tomorrow, including perhaps the debt limit, and other matters that may come before the Senate.

RECESS UNTIL 10 A.M.

Mr. STEVENS. Mr. President, if there be no further business to come before the Senate, I move that the Senate stand in recess in accordance with the previous order.

The motion was agreed to; and, at 12:05 a.m., the Senate recessed until Thursday, June 28, 1984, at 10 a.m.

CONFIRMATION

Executive nomination confirmed by the Senate June 28, 1984:

DEPARTMENT OF STATE

Alberto Martinez Piedra, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guatemala.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

EXTENSIONS OF REMARKS

FARRAKHAN'S VENOM

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. ACKERMAN. Mr. Speaker, I rise to condemn in no uncertain terms the most recent statements of Louis Farrakhan. Once again, Farrakhan has expressed the kind of intolerance and bigotry which exemplifies the worst conceivable form of prejudice. Farrakhan's remarks, in which he labeled Judaism as a "gutter religion," must be denounced without reservation by all segments of American society.

It is high irony that this man is a prime supporter of Presidential candiage Jesse Jackson, who premised his campaign on the creation of a rainbow coalition. Jackson's continued refusal to disassociate himself from Farrakhan's venom is a sign that only certain components of the spectrum are welcome in the rainbow. How can a candidate for President, who purports to represent diverse segments of the populace, refuse to comment on these outrageous statements made by a key supporter?

In an interview on CBS Morning News, Jackson was asked to react to Farrakhan's comments that Judaism is a "gutter religion." He stated quite bluntly, "I have no reaction." Jackson's statement is repulsive and a disgrace to this country. It is inconceivable that someone running for President, who has personally suffered prejudice, can have no reaction—no sense of Jackson's stand is both shocking and extremely disturbing.

Our country is special, indeed. We are a democracy, which, although certainly not perfect, has managed to significantly improve the treatment of our citizens, largely as a result of the civil-rights movement. I think we must all acknowledge that the battle for equality for all Americans is far from over. There is an infinite amount of work to be done to eradicate the prejudice against minorities, biases which remain engrained in our society. Yet, Jesse Jackson, who claims that his candidacy is designed to focus attention on the need to end injustice, cannot find the personal will to express any thoughts on the blatant prejudice and hatred of one of his prime supporters. Had any of Walter Mondale's key supporters offered a similar statement to his constituents about Hispanics, Asians, blacks, Arabs, Jews, Native Americans, the handicapped, or any other minority group, condemnation would have been swift and uncompromising. Sadly, the response to this action has been conspicuous silence. By refusing to condemn Farrakhan's statement, Jackson is sanctioning this despicable and offensive behavior.

At this time, I am calling on Jesse Jackson to uphold the highest principles of pluralism and democracy, and unconditionally renounce the support of Louis Farrakhan, a man who is inciting anti-Semitism with impunity. I call upon all of my colleagues who are proud of their civil-rights records to condemn Louis Farrakhan, and to let Jesse Jackson know that there is no room in this country for the kind of hatred which has been espoused by this outspoken supporter of the Jackson candidacy.

The political leaders of our country have a moral obligation to address prejudice consistently and without hesitation. The profound anger of the American people both with Farrakhan's bile, and with Jackson's passive acceptance of it, must be expressed in unmistakably clear terms.

Our Nation can ill afford to listen in silence to these disgusting statements. Remarks by zealots like Farrakhan, if they are not roundly denounced, breed further insensitivity, hatred, and the potential for physical violence. I call on my colleagues to join me in expressing outrage at this most recent expression of hatred by Louis Farrakhan.●

A BIRTHDAY TRIBUTE TO A SPECIAL FRIEND

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. BROWN of California. Mr. Speaker, on June 30 one of my friends will celebrate his birthday. I feel fortunate in being able to call him a friend because it is a privilege I share with many others.

Ever since he came to Riverside General Hospital in 1953, Dr. Robert M. Zweig has formed friendships with neighbors, patients, and community leaders. In addition, any defender of clean air, environmental protection, and Riverside's green belt can claim that honor as well.

Talk about clean air is cheap. Everyone wants the quality of life in southern California's Sun Belt to remain high, but with a booming population, and a maze of freeway traffic, we must have dedicated professionals who will do more than hope for environmental quality. Bob does more than hope—he works hard, and he has the record to prove it.

In addition to lecturing on the health effects of air pollution at the University of California, Riverside, he is the chairman of the Clean Fuel Institute, and a member of the city's environmental protection commission and energy commission. He is also a member of the Lung Association, and of the citizen's advisory council to the South Coast Air Quality Board, to name just a few of his commitments.

The project that has captured his energies and talents for the last several years, however, is hydrogen gas. He has lectured everywhere from the Rand Corp. to Tokyo on the health benefits and clean air possibilities accrued from using this clean burning fuel. He is president of his own firm, Hydrogenics, which has done extensive work on hydrogen production and distribution, including an experimental bus.

I am sorry that I am not able to join the birthday roast in person, but I do join his wife, Dolores, his family, and his friends in wishing Bob a happy birthday, and offer my sincere thanks for his many years of hard work and a job well done.●

A CONGRESSIONAL SALUTE TO CAPT. DAVID G. KALB, U.S. NAVY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. ANDERSON. Mr. Speaker, this Friday, June 29 marks the end of the long and distinguished career on active duty of Capt. David G. Kalb, U.S. Navy. For the last several years, Captain Kalb served as supervisor of shipbuilding in Long Beach, CA.

Among Captain Kalb's many duties during his tenure of command has been supervising the highly successful construction of the FFG-class fast guided missile frigate by the Todd Shipyard in San Pedro. The ships built under this program have consistently come in ahead of schedule and within budget, and have received high words of praise for their high quality construction. His exceptional track record can certainly be attributed in large part to the professionalism demonstrated by Captain Kalb in his work with Todd Shipyard, as well as with

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

other Navy suppliers and the shipbuilders in the area.

Captain Kalb began his Navy career upon graduation from the U.S. Naval Academy in June 1960. Following graduation he served at sea aboard two destroyers, the U.S.S. *Lowry* and the U.S.S. *Douglas H. Fox*. He then spent 3 years as a graduate student at Webb Institute of Naval Architecture, earning a bachelor's degree in marine engineering and a master's degree in naval architecture.

To utilize the skills he had acquired at Webb Institute, he then began a series of stateside assignments at Navy shipyards. Those assignments include ship superintendent and new construction planning, and estimating assistant at the Puget Sound Naval Shipyard; supervisor of shipbuilding, conversion, and repair at New Orleans; assistant repair officer for surface ships and planning, and estimating officer at the Pearl Harbor Naval Shipyard; and most recently as supervisor of shipbuilding, conversion, and repair at the Long Beach Naval Shipyard.

Captain Kalb also had two interesting assignments overseas. In January 1970, he went to Saigon, Vietnam, where he was in charge of the program of building ferrocement ships and also served on the staff of the Naval Support in Saigon. His second overseas tour came in 1975, when he was assigned to El Ferrol, Spain, as resident shipbuilding liaison officer working with his Spanish counterparts in completing five guided missile frigates built there for the Spanish Navy.

Although his plans for retirement are somewhat uncertain, my wife, Lee, joins me in wishing Capt. Dave Kalb and his wife, Brenda Elaine, the very best of everything in the future.●

FOREST SERVICE RECREATION USE FEES

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. DASCHLE. Mr. Speaker, in 1982 the Forest Service initiated a campground concession program to permit the private sector to operate existing national forest campgrounds and other recreational sites which were developed, provided, or furnished at Federal expense.

South Dakota has been a major testing ground for the campground and recreational site concession program. In 1982, the Pactola recreation complex in the Black Hills National Forest was included in the program. In 1983, southside Sheridan Lake recreational facilities, also a portion of the Black Hills National Forest, were included in the concession program. In 1984, the Forest Service decided to incorporate north shore Sheridan Lake recreational facilities in the program as well.

Current law specifically prohibits the collection of a fee by the Forest Service for the use of visitor centers, scenic overlooks, picnic tables, drinking water, simple boat ramps, and other basic recreational facilities developed, administered, provided, or furnished at Federal expense.

However, one consequence of the Forest Service campground concession program on the Black Hills National Forest has been the collection of fees by concessionaires from the public for the use of basic recreational facilities. For example, the public is now being charged a fee of $3 per day for the use of a picnic site in the Sheridan Lake north and south picnic areas, and the use of north and south boat launches requires the payment of $1.25 per vehicle per day.

Because these user fees are prohibited by law, I have asked the Forest Service to prohibit the collection by concessionaires of user fees for basic recreational facilities such as picnic tables and simple boat ramps. In response, the Forest Service has agreed to review the campground concession program, but I am not optimistic the Forest Service will voluntarily agree to make the administrative changes needed so that the campground concession program will be in compliance with the law.

Consequently additional legislation which cannot be ignored or misinterpreted by the Forest Service appears necessary to prevent the collection of a fee for the use of picnic sites, simple boat ramps, and other basic recreational facilities. Today, I am introducing such legislation. Simply stated, this measure prohibits the collection of a fee by the Forest Service or a concessionaire for the use of drinking water, picnic tables, picnic sites, beaches, swimming sites, or boat ramps.

Mr. Speaker, I urge my colleagues to give speedy and favorable consideration to this legislation, and I also request that a copy of the analysis on this issue prepared by the Library of Congress at my request by included in the CONGRESSIONAL RECORD at the conclusion of my remarks.

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC, June 8, 1984.

To: Hon. Thomas A. Daschle; Attn: Mike Durishin.
From: American Law Division.
Subject: Special recreation use fees under the Land and Water Conservation Fund Act.

This memorandum is in response to your inquiry to us on the above subject. According to the background materials you sent us, the National Forest Service (NFS) has implemented a pilot campground program at the Pactola Recreation Complex in the Black Hills National Forest that involves contracts by the Forest Service permitting private concessionaires to maintain and operate campgrounds, picnic areas and boat launching areas in a recreational part of the National Forest. These concessionaires are charging user fees for these facilities. Although the position of the Forest Service was not stated in detail, they appear to assert that NFS has the authority to contract for these commercial activities (an issue beyond the scope of this memo), that the Land and Water Conservation Fund Act[1] (LWCFA) does not apply to the area in question because the area is not a "designated fee collection site", and that even if it did, any limitations in that Act apply only to special situations and otherwise the "charging of fees is lawful and appropriate."[2]

The issue of fee collections at federal recreational sites has evolved over the years from the program under the original LWCFA that permitted admission fees at essentially all federal owned outdoor recreation areas and user fees for camping and other special facilities provided by the federal government. In response to the original LWCFA, President Johnson issued Executive Order No. 11200[3] that provided for the designation of areas at which admission and recreation user fees would be charged. It should be noted that this Order was issued in the context of a statute that permitted fees at all federal areas. It then became clear that admission fees were not advisable at some areas, particularly where access could not be controlled. In addition, there was considerable confusion and lack of uniformity as to the user fees. Congress responded to fee related problems in several enactments.

In 1970, Congress required the Secretary of the Interior to make a comprehensive study of the fee program and to transmit his findings and recommendations to certain committees of Congress. After this was done, Congress responded with legislation making significant changes in the fee system. Congress recognized that collection of admission fees at some areas was a problem and that the distinction between admission fees and user fees had become "arbitrary and confusing."[4] Congress enacted legislation to clarify this distinction.

Beginning with 1972 legislation,[5] admission fees could be charge only at designated areas. As currently worded, these are units of the "National Park System administered by the Department of the Interior and National Recreation Areas administered by the Department of Agriculture. No admission fees of any kind shall be charged or imposed for entrance into any other federally owned areas which are operated and maintained by a Federal agency and used for outdoor recreation purposes."

Recreation use fees could be charged at federal areas other than those at which admission fees could be charged, and Congress clarified that such fees could not be charged for those facilities that visitors might reasonably expect to use, such as roads, trails, and picnic areas. Congress has since refined some of the details of the recreation use fees provisions and the relevant language now reads:

"Each Federal agency developing, administering, providing or furnishing at Federal expense, specialized outdoor recreation sites, facilities, equipment, or services shall, in accordance with this subsection and subsection (d) of this section, provide for the collection of daily recreation use fees at the place of use or any reasonably convenient location: *Provided,* That in no event shall there be a charge by any such agency for the use, either singly or in any combination, of drinking water, wayside exhibits, roads, overlook sites, visitors' centers, scenic drives, toilet facilities, picnic tables, or boat ramps: *Provided, however,* That a fee shall be charged for boat launching facilities only where specialized facilities or services such as mechanical or hydraulic boat lifts or facilities are provided: *And provided further,* That in no event shall there be a charge for the use of any campground not having the following—tent or trailer spaces, drinking water, access road, refuse containers, toilet facilities, personal collection of the fee by an employee of agent of the Federal agency operating the facility, reasonable vistor protection, and simple devices for containing a campfire (where campfires are permitted). At each lake or reservoir under the jurisdiction of the Corps of Engineers, United States Army, where camping is permitted, such agency shall provide at least one primitive campground, containing designated campsites, sanitary facilities, and vehicular access, where no charge shall be imposed. Any Golden Age Passport permittee, or permittee under paragraph (5) of subsection (a) of this section, shall be entitled upon presentation of such permit to utilize such special recreation facilities at a rate of 50 per centum of the established use fee."[6]

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[1] Act of September 3, 1964, Pub. L. 88-578, 78 Stat. 897, as amended.

[2] Letter from Max Peterson, Chief, U.S.F.S., to Congressman Daschle, April 27, 1984.

[3] February 26, 1965, 30 Fed. Reg. 2645.

[4] H.R. Rept. No. 742, 92d Cong., 1st Sess. at 7 (1971).

[5] Act of July 11, 1972, Pub. L. 92-347, 86 Stat. 459.

That the intent was to permit recreation use fees in appropriate circumstances at areas other than those designated to collect admission fees is evident from the face of the statute itself—the reference to "each Federal agency" and later to the Corps of Engineers clearly contemplates sites other than those within the National Park System or National Recreation Areas. Furthermore, the House report states:

"At all Federally operated outdoor areas (including designated admission areas), where a substantial investment has been made in special facilities for the exclusive use of an individual or group or where special services are provided at public expense, a special recreation user charge should be imposed. In most cases, these charges would reflect the direct and indirect costs to the Government, the public policy served, the cost of comparable public facilities, and other pertinent factors. They should be reasonable but they should also be realistic in terms of the benefits received.

"During both the Subcommittee and Full Committee deliberations, it was emphasized that specialized facilities do not include the basic recreation facilities which are commonly associated with, or incidental to, day use of an outdoor area. No special charge is intended to be imposed, under this provision of the bill, for the use of roads, trails, overlooks, visitor centers, wayside exhibits, lightly developed or back country campgrounds, or for picnic areas. Practically all visitors can be expected to use all or most of the facilities on a given visit. Admission—particularly free admission—would be meaningless if a charge is to be imposed for the use of these relative modest facilities.

"At some outdoor areas, however, there are well-developed campgrounds and other sophisticated facilities. Each agency should develop charges for these areas and facilities based on what they offer to the visitor, because they generate operating expenses or an investment of funds that would not be required to satisfy the needs of the average visitor. If, for example, an agency administers a campground and provides modern sanitary facilities, showers, electrical hookups and other conveniences for the comfort of the visitor, then a higher rate would be justified. But if the campground is relatively rustic and offers fewer comforts and conveniences, then it should be classified at a lower rate. Where practically no services are provided and the campground is primitive, there should be no charge at all."[7]

Congress in 1974 clarified an earlier enactment as to the instances in which fees could be charged.[8] The House report on this measure states:

"In fact, by the terms of this bill, no charge is permitted to be imposed for the use of those facilities which are necessary to adequately serve the public. It specifies that no charge can be made, either singly or in combination, for the use of drinking water or toilet facilities; wayside exhibits, overlooks, roads or visitor centers; picnic tables; or nonmechanical boat launching ramps . . . For camping, *the various Federal agencies* may not charge unless all of the following facilities and services are available: . . . Any campsites not having all of the facilities enumerated are to be considered primitive campsites for which no charge is to be imposed by *any Federal agency.*

This legislation makes it absolutely clear that no fees are to be charged for the use of primitive campgrounds which contain only those nominal facilities which are essential for the protection of the natural values of the area itself and for the health and safety of the visiting public. Other campground areas will not have the same degree of development and the charges imposed should be reasonably proportional to the value received. (Emphasis added.)[9]

This House report also reproduced a letter from the Deputy Under Secretary of Agriculture commenting on the legislation that clearly demonstrates that the Department at that time understood the LWCFA to permit areas other than those designated to charge admission fees to charge user fees.

Therefore, if the Forest Service is now saying that all provisions of the LWCFA apply only to sites designated for admission fee collection, this position appears incorrect. If the Forest Service means that the Act regulates user fees only at those sites designated in accordance with the regulations promulgated in response to E.O. 11200,[10] this also appears incorrect since the Act governs user fees charged by "each federal agency." Therefore, the designation process under E.O. 11200 seems to be merely the procedural means by which fees may be imposed where appropriate. Failure of the agency to designate an area in accordance with their regulations would not authorize circumvention of the statute with respect to that area.

The Forest Service does appear to be correct, however, if they mean that the Act does not regulate all recreational use fees, since the Act applies to those circumstances in which a Federal agency is "developing, administering, providing *or* furnishing at *Federal* expense, specialized outdoor recreation sites, facilities, equipment, or services. . . ." (Emphasis added.)

If an agency is authorized by other provisions of law to contract with private concerns to develop, construct, and operate recreational facilities, the limitations of the Act do not seem to apply. Factual variations may produce a gradation of issues, however. If a private concessionaire completely developed and maintained facilities, it appears that fees may be charged even for facilities for which federal fees could not be. Where facilities were federally constructed, developed or financed and a private concern operates or maintains the facility for the managing federal agency, quite arguably the LWCPA limitations still apply.

If the managing federal entity could not itself charge a fee for the use of federally constructed simple facilities such as picnic tables or a rudimentary campground, arguably its agent cannot do so either. If an agency permitted private concessionaires to such an extent that all of the recreation related facilities in a federal area are commercially provided with the result that there is a conspicuous decline in the use of the area by the general public[11] for the purposes for which the federal reservation was made, it might be argued that Congressional intent as to that area has been frustrated.

It is not clear from the background materials whether the picnic areas and boat ramps in question were federally constructed, developed, or financed or were developed by the private commercial concerns. If there is further clarification of the particular facts involved or of the exact details of the position of the Forest Service, please let us know if we can be of further assistance.

PAMELA BALDWIN,
Legislative Attorney,
American Law Division.●

THE YEAR OF THE OCEAN

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mrs. SCHNEIDER. Mr. Speaker, I rise today in strong support of this resolution establishing July 1, 1984, as the beginning of national "Year of the Oceans." As a Member of Congress with the privilege of representing the ocean State—Rhode Island—I am particularly pleased that Congress and the President have agreed to set aside an entire year to celebrate this extraordinary natural resource.

One need only look at the small part of the ocean in my home State of Rhode Island to recognize the importance of the entire ocean to our existence. Narragansett Bay extends in from the ocean for 28 miles to the Port of Providence, and is one of the most beautiful and important bodies of water in the entire world.

Since the 1640's, Narragansett Bay has been an essential lifeline for transportation of commerce. The sloops which dotted the bay at that time have long since been replaced by freighters and barges, and the Port of Providence—the third largest in New England—now handles almost 9 million tons of cargoe per year.

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[6] 16 U.S.C. 460 1-6a(a).

[7] H.R. Rept. No. 742, ibid., at 8.

[8] Act of June 7, 1974, Pub. L. 93-303, 88 Stat. 192-194.

[9] H.R. Rept. No. 1076, 93rd Cong., 2d Sess. at 3 (1974).

[10] 36 C.F.R. 71.3.

[11] We note that the background materials state that the private operator will charge up to $40.00/night for camping fees.

The bay is not only a transporter of commerce, but is also a provider of commerce itself. The vast majority of clams found in clam chowder come from Narragansett Bay. The bay is also home of the third and fourth largest lobster ports in America, and a shellfishing industry which employs almost 3,000 people, with revenues of $60 million a year.

Finally, the esthetic beauty and recreational opportunities within Narragansett Bay spurs a $500 million tourist industry which creates 5,000 jobs a year. On any hot summer day, there are as many as 40,000 boats on the bay's waters, and 2 million people on the beaches stretched along its 426 miles. The more sedate and contemplative of us can fish for the tuna, swordfish, and blue fish which are found in the bay's waters. The bay and all of Rhode Island has been host for the last 50 years to the America's Cup, the greatest sailing competition in the world. I am sure that the ocean State will be the home port for the cup for another 50 years, as soon as our good friends from Australia agree to give us a chance to win back the cup.

Mr. Speaker, Rhode Islanders recognize the importance of the ocean because it touches our lives almost every day. I look forward to the coming year to impress upon all Americans the value of this resource. It is not a cliché to say that the ocean is the way of the future. As the Stratton Commission concluded in 1969:

> The way in which our country manages the seas in the years ahead will profoundly affect our economy, security, and ability to feed, clothe, and keep warm the world's population.

Again, I thank my distinguished colleagues for their farsightedness in establishing a Year of the Ocean, and I say let us use the next year to prepare for the challenges which face us in the years ahead.●

WASHINGTON REPORT

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. PEASE. Mr. Speaker, one of the most fascinating shows of the 1984 session of Congress was the conference committee on H.R. 4170, the mammoth tax and spending reduction bill. Referring to the conference committee process as a show is meant as no sign of disrespect. While very serious hard work was involved, it certainly was a show.

I described the proceedings to my constituents in my most recent weekly newspaper column. It follows:

> One of the most fascinating "shows" of the 1984 session of Congress has been the conference committee on H.R. 4170, the mammoth tax and spending reduction bill now nearing the end of the long legislative process.
>
> The conference committee—made up of House and Senate members—has had the responsibility of compromising the differences between the House and Senate versions of the bill.
>
> That's no small task. There were 386 sections of the bill over which the House and Senate disagreed.
>
> Referring to the conference committee process as a "show" is meant as no sign of disrespect. While very serious hard work was involved, it certainly was a show.
>
> The setting for conference committee meetings was the ornate, cavernous committee room of the House Ways and Means Committee, with its high ceilings and portraits of former committee chairmen staring down from the walls.
>
> In the center of the elevated, hand-carved committee platform sat chairman Dan Rostenkowski of the House Ways and Means Committee and chairman Bob Dole of the Senate Finance Committee, two of the most able men in the U.S. Congress.
>
> To Dole's left were eight other senators as conferees on behalf of the Senate. To Rostenkowski's right were a dozen (the number varied for different parts of the process) House conferees including (for the 104 spending sections of the agenda) me.
>
> Behind the senators and representatives on the platform were two dozen expert staff members constantly handling documents to and whispering in the ears of conferees.
>
> In front of the committee members' platform was a long witness table with another dozen expert tax policy staff members from the House Ways and Means Committee, the Senate Finance Committee, the Joint Committee on Taxation, and the U.S. Department of the Treasury. Arrayed behind them were yet another two dozen staff people from the same organizations. Each was surrounded by stacks of books and documents to provide instant answers to questions raised by conferees.
>
> Newspaper and television reporters came next, scribbling away in an effort to make sense out of the confusion.
>
> And then, behind, to the side of, around, everywhere, there were 300 or 400 lobbyists filling every chair, every standing spot, every nook and cranny of the huge room.
>
> The lobbyists were there as high-priced spectators, anxiously watching and waiting to see how their clients' fortunes would be affected by conference decisions, acutely aware that the change of a few words in the tax code could cost or save their clients tens of millions of dollars in taxes.
>
> Speaking of millions of dollars, lawyer-lobbyists might commonly charge $200 per hour which means that, in total, a half million dollars a day or more in legal fees was being run up by those lobbyist-spectators and charged to their clients.
>
> Against that backdrop, the House and Senate conferees did their work for hour after hour, day after day, with formal sessions often punctuated by long recesses during which House and Senate conferees met in separate caucuses to grapple with technical differences, to plot strategy, to devise offers and counter offers.
>
> On the 386 conference items in disagreement between the House and Senate bills, the House goal was to get the Senate conferees to agree to the House provisions. Of course, the Senate aim was just the opposite.
>
> Typically on any group of 10 items, the House might yield to the Senate on three provisions, the Senate might recede to the House on three items, and the conferees would agree to compromise language on the other four.
>
> Tedious work it was. Productive work it was. But, also, it was high theater, a fascinating process to watch and even more fascinating to participate in.●

THE 50TH ANNIVERSARY OF THE NEW YORK CITY HOUSING AUTHORITY

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. GREEN. Mr. Speaker, I am very proud to announce that the week of June 24 through June 30, 1984, has been proclaimed "Public Housing Week" to honor the 50th anniversary of the creation of the New York City Housing Authority. Not only does the New York City Housing Authority rank No. 1 in the Nation as far as size, the housing authority enjoys an undisputed reputation for excellence in the management and maintenance of its housing inventory.

A careful scrutiny of the New York City Housing Authority's operations will leave even the most skeptical observer impressed. This city agency provides affordable housing for over 500,000 individuals in 172,000 low-rent public housing units. In addition, 100,000 tenants receive rental subsidies through the section 8 leased housing program. In total, the Housing Authority has responsibility for providing housing for over 600,000 people in approximately 210,000 rental units. These statistics are amazing in and of themselves. The tenant body makes up about one-twelfth of New York City's population, and is larger than the total number of residents living in the State of Montana or the city of Buffalo.

Today the public housing program is often criticized as being too expensive and a concept which is no longer workable. Urban housing authorities are faced with a number of serious social and economic problems. Some critics would even say that the number and extent of such problems increase proportionately to the size of the housing authority. That characterization is not true for New York City and, in fact, the New York City Housing Authority demonstrates that such a nationwide assessment is unfair.

Over the last 50 years, not one of the housing authority's vast inventory of project apartments has been destroyed, abandoned, or declared unusable for its original housing purpose. Another generalization which does not apply to New York City involves the composition of the public housing tenant population. Working families comprise 49 percent of all families living in public housing, while only 25 percent receive welfare benefits.

Mr. Speaker, it is an honor for me to bring to your attention the remarkable accomplishments of this remarkable housing agency. I am sure all would agree that the New York City Housing Authority truly deserves national recognition on its 50th anniversary. I would like to take this opportunity to compliment Joseph Christian for his superb leadership during the last 11 years as housing authority chairman. The dedication of Joe Christian is readily apparent, along with the commendable performance of John Simon, general manager, and the other commissioners and key agency personnel. In closing, I would like to invite my colleagues to personally visit the housing projects in New York City and join me in my continued admiration for the quality living environment provided by the housing authority.●

CONGRESSIONAL SALUTE TO JESS ROBINSON—1983-84 PRESIDENT, SAN PEDRO PENINSULA CHAMBER OF COMMERCE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. ANDERSON. Mr. Speaker, on June 29 the San Pedro Peninsula Chamber of Commerce will hold its annual installation banquet. I wish to use this opportunity to extend my congratulations to outgoing president, Jess Robinson, for his exemplary handling of this position during his tenure.

Jess Robinson was born in Richfield, ID, and graduated from Belmont High School in Los Angeles in 1942. He served in the Army Air Corps from 1943 until 1946, spending 2 years with the 392d Bomb Group in England.

In 1957, he and his wife, Abbey, turned a $200 investment into Trampoline, Inc. The operation thrived and initiated a boom in trampoline use in 1960.

They bought Gymnastic Supply Co. in San Pedro in 1967, expanding the firm into GSC Athletic Equipment and increasing sixfold the amount of business transacted under their management. The firm is presently a national catalog house that sells sporting goods to schools. They employ up to 50 persons.

Abbey passed away from cancer in 1981, and 3 years later, Jess was married to the former Julie Bettencourt. In addition to his work with the San Pedro Peninsula Chamber of Commerce, his civic contributions include serving as president of Fisherman's Fiesta, Inc., and of the Miraleste Hills Homeowners Association; a two-term member of the board of the San Pedro Peninsula Chamber of Commerce; and leadership roles in the Catalina Island Yacht Club and the National Sporting Goods Association.

I share the admiration and respect in which the San Pedro community holds Jess Robinson, and consider it a privilege to applaud one who shines as an example of leadership, entrepreneurial skill, and solid citizenship.

My wife, Lee, joins me in congratulating Jess Robinson on a fine job, and in wishing him and his wife, Julie, and their children, Dar, Troy, Wes, Stacey, and Todd, all the best in their future endeavors.●

TORTURE: A LINGERING PHENOMENON

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. LANTOS. Mr. Speaker, today with a number of my colleagues I joined our distinguished colleague from Florida, the chairman of the Foreign Affairs Committee, in cosponsoring a resolution reaffirming that it is the policy of the United States to oppose the use of torture throughout the world and urging the President to take appropriate action to reaffirm that policy in our foreign actions.

Mr. Speaker, millions of people throughout the world suffer acts of torture too brutal to imagine. They are victimized by their own governments—the very institutions which should protect them. The institutionalization of torture must be opposed by the United States with every means at its disposal wherever it occurs—both in unfriendly as well as in friendly countries.

Despite universal condemnation, the practice of torture as a tool of state policy remains widespread. Today, torture is systematically practiced in at least one out of every three countries in the world, according to a recent study by Amnesty International. Nearly 100 countries—from Latin America and Africa to Europe and the Middle East—utilize torture as a political tool to harass its opponents, to muzzle its critics, and to silence its detractors.

Hitler's bloody empire in World War II demonstrated that human beings can, and do sink to inhuman depths in their conduct with their fellow man. When the United Nations established as one of its first acts the Universal Declaration of Human Rights, the nations who subscribed to that document were explicit about the rights of the individual against torture: "No one shall be subject to torture or to cruel, inhuman, or degrading treatment or punishment." There is no doubt that this right is absolute; no nation should deviate from this standard of conduct.

Yet many countries do deviate. Words and treaties, we are reminded over and over, are easier to make conform to human rights than deeds.

Torture takes many forms: deprivation of water and food; beatings and physical violation; enforced wakefulness; electric shocks to the head or genitals. Occasionally children are tortured while the parent watches helplessly. One torture victim testified at a recent hearing on torture before the Subcommittee on Human Rights and International Organizations. This Turkish victim of torture, Sahebeddin Buz, gave a moving and eloquent description of the torture to which he was subjected: Beatings, electric shock treatments, and being forced to stand unmoving for days. He is just one of the many thousands of people who have had their lives shaken—often permanently—by torture.

The victim of torture is often anonymous—someone who is unknown beyond family and friends. For years these individuals have suffered alone. But now, with the recent campaign by Amnesty International, these victims have acquired names and faces to the outside world. Like Tamara, a 3-year-old Chilean child, who was whipped and placed in a barrel with ice water until she almost drowned. Like Vladimir Tsurikov, a 35-year-old Soviet citizen, who was given mind-altering drugs because of his desire to emigrate. These and countless others are the victims of torture—not wild and violent revolutionaries, but average people.

The victim of torture does not conform to any easily identifiable type: They are men and women of all social classes, ages, trades, and professions. They are children. They are married couples who are tortured together. They are priests and housewifes, students and handymen, rich and poor.

A few months ago, Amnesty International's Washington representative, Ms. Pat Rengell, spoke on the phenomenon of torture to a special seminar of the Congressional Human Rights Caucus, which I chair with our colleague John Porter. She discussed with a large group of congressional staff the problem of torture and steps Congress could take to combat this phenomenon. Following that seminar, the Human Rights Caucus established an Ad Hoc Committee on Torture to focus congressional attention and activity on this issue.

I urge my colleagues to join us in insuring the passage of our resolution condemning torture in foreign nations, and I commend Amnesty International for its campaign against torture.●

BILLY CANADA

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. DARDEN. Mr. Speaker, often misfortune and tragedy serve to bring communities and concerned friends closer together. Such was the case with the illness and death of Billy Canada.

When Billy Canada, a 27-year-old Cobb County, GA, firefighter, went into the hospital in the spring of 1983, he was admitted to have gall bladder surgery, a relatively routine operation. During the surgery, however, the doctors discovered that a malignant tumor had damaged Billy's liver beyond repair. A liver transplant was Billy's only hope for survival.

To obtain a liver transplant, Billy needed a suitable donor. Equally as important, Billy and his family needed money to finance the surgery. As a Cobb County employee, Billy's insurance would pay 80 percent of the costs. Still, another $25,000 to $30,000 would be needed just to pay Billy's portion.

Without hesitation, Billy's coworkers in the Cobb County Fire Department came to his aid. Soon the whole community was involved in the fundraising efforts. Billy Canada stickers, T-shirts, and other items were sold. The Cobb County Sheriff's Department played a team of Cobb County officials in a softball game with the proceeds going toward Billy's medical expenses. A cake sale, a dance, and a flea market were held to help Billy Canada. The Cobb County community raised approximately $100,000, meeting Billy's share of the transplant costs and, later, helping to defray heavy maintenance expenses. Contributions came also from other localities, including as far away as Oklahoma.

As a State representative, I participated in these activities. I played in the softball game and purchased T-shirts for my children who still wear them with pride.

On September 7, 1983, Billy underwent 10½ hours of transplant surgery receiving the liver of a 23-year-old Michigan man. The transplant was a success, and by November 22, Billy had returned to work.

Unfortunately, illness struck Billy again in March. He returned to the Memphis hospital where his transplant surgery had taken place to be treated for an ulcer. While removing part of Billy's stomach, doctors discovered an inoperable tumor in another area. Billy returned to Cobb County where on May 14 he checked into Kennestone Hospital, suffering from infection and complication; 8 days later Bill Canada passed away.

Those of us who are residents of Cobb County will forever remember Billy Canada: a 5-foot 6-inch firefighter with a booming voice. We will remember the fight which Billy Canada waged against cancer, and we will remember the way in which Billy Canada brought us all closer together. Mr. Speaker, in days in which violence and hatred usually receive top billing, I believe it is important that we pause to remember the love, charity, friendship, and support which one community gave one man and the sense of purpose and unity Billy Canada gave in return.●

THAT ILLUSIVE FREE LUNCH

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. MICHEL. Mr. Speaker, the Congress takes the taxpayers to lunch just about every day it is in session. Taxpayers always feel satisfied, until they realize later that in one way or another, they've been stuck with the tab.

Such is the message of a penetrating editorial published June 13, 1984, in the Peoria Journal Star, my hometown newspaper.

The editorial touches the very heart of National Government and what's wrong with it. Contemporary American government is a paradox. It is perceived as burdensome bureaucracy, an oppressor of individual freedoms, and a costly wasteland of laws and regulations, yet it is also perceived as the source of all wisdom, financial assistance, and personal and National security.

As the editorial reminds us, every citizen seeking relief from government excesses, also encourages government to be excessive.

"The silent majority has long ago communicated to its leaders that it wants everything it can get its hands on, and all the leaders are expected to do is figure out how to make somebody else pay for it," the editorial concludes.

Is there such a thing as a free lunch? The Journal Star says those who think so are whistling "Dixie," and I agree. Here is what the Journal Star had to say:

The article follows:

[From the Journal Star (Peoria, IL), June 13, 1984]

WHISTLING DIXIE

In a letter to the editor of the Wall Street Journal, Sen. Jesse Helms, R-N.C., says that the underlying problem of the federal deficit is that Congress has promised more than it can deliver.

"Unless and until the taxpayers send the message to Congress that enough is enough, the pressure to raise taxes will continue to rise," he warns. "But if the vast, all-too-silent majority of citizens—who, after all, are paying the bills—will object in no uncertain terms, the country can be spared the disastrous results of additional tax increases."

He is whistling Dixie, which is not too surprising for a senator from North Carolina.

The all-too-silent majority is not going to send Congress any strong message to cut spending if the spending turns out to be in programs that the all-too-silent majority is interested in. The all-too-silent majority wants low taxes and big government services, the exact formula for deficits.

Congress promises more than it can deliver because the all-too-silent majority—and the loud minority as well—keep pressuring Congress for more and more services, good ones and bad ones but always more and more of them.

Nearly all of us are to blame. Americans no longer rely on themselves and their families and their neighbors and their employers for sustenance. For a solution to virtually every problem that comes up, we turn to one government or another, but mostly the federal government.

Every time any government tries to cut something, a special interest group rises up in protest. We've seen it lately in Springfield, where the legislative leaders decided the state's special commissions, which are noted for sinecures and patronage, ought to be abolished. Immediately, feminists rose up to say it was all right to abolish all commissions except the Commission on the Status of Women.

We want special education and gifted education and regular education. We want scholarships, low-tuition public universities for everybody and low-interest college loans.

We want unemployment compensation and workmen's compensation. We want enough courtrooms and judges to handle all of our lawsuits, both legitimate and frivolous. We want enough jails to lock up every felon.

We want to eliminate hazardous wastes, acid rain, slums and every other disagreeable thing. We want paved superhighways to everywhere, and a 55 mph speed limit enforced.

We want nuclear regulation, consumer product safety, synthetic fuels, weather radio stations, occupational safety and space exploration.

We want urban renewal, rent subsidies and industrial development bonds, even for lawyers' offices. We want national public radio and national public television.

We want clear rivers and clean air, and cheap gasoline—but no drilling of wells in public lands or in offshore waters.

We want subsidies for tobacco growers and cures found for lung cancer and heart disease.

We want government old-age pensions, even for the rich, and free, or at least cheap, medical care for everybody. We want government subsidies for the arts and for convention centers and basketball arenas.

We want well-paid teachers and neighborhood schools and mass transit and stocked lakes for fishing. We want the rights of the poor and the weak and the minorities and the endangered species protected—and government agencies to see to it.

We want the Chryslers and the Continentals bailed out. We want to be protected from the Russians and from the Japanese imports.

That's just some of the stuff that comes to mind. We've probably overlooked another 500,000 or so.

There is no way we can have all these things and have low taxes, too.

That's why they're at work now in Washington, trying to agree on a "down payment" on the deficit. That is a new political phrase, not unlike last year's "revenue enhancement," meaning we're in for another tax increase.

It will be the fourth one since the celebrated Reaganomics tax cuts of 1981, but it will be minor compared to the one that is coming in 1985, once the election is out of the way. It may be called tax reform, but it won't mean lower taxes.

The silent majority has long ago communicated to its leaders that it wants everything it can get its hands on, and all the leaders are expected to do is figure out how to make somebody else pay for it.

Let's quit kidding ourselves; there is nobody to pay for it except us.●

IN SUPPORT OF HOUSE JOINT RESOLUTION 511

HON. WILLIAM CARNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. CARNEY. Mr. Speaker, I rise today in support of House Joint Resolution 511, a measure designating the 1-year period beginning July 1, 1984, and ending June 30, 1985, as the "Year of the Ocean," and the first day of such year as "Ocean Day." I am proud to be a cosponsor of this important piece of legislation, which was introduced by our late colleague the Honorable Edwin B. Forsythe on March 8, 1984.

House Joint Resolution 511, is the result of a nonpartisan effort to increase awareness of the vast resources within, and the developmental potential of, our ocean waters. Representative Forsythe envisioned an awakening in the people of this Nation to the expansive resource which surrounds our country. He realized, however, that in order to continue to develop and fully utilize this resource, we must maintain the health of the marine environment.

Thus, the purpose behind the enactment of this measure is to foster both the development and the protection of our aquatic resources. In furtherance of this purpose, this legislation will encourage general public participation in managing and setting the direction for use of our ocean resources.

The Year of the Ocean and Ocean Day will generate activities across the Nation which will allow and encourage the public to utilize and become aware of the value of the oceans. The public will be presented with the opportunity to discuss the management and future development of the marine resources. The general public will have a say in the creation and furtherance of a long-range national oceans policy.

Mr. Speaker, this joint resolution is a result of over a year's effort to focus national attention on our aquatic and marine resources. Representative Forsythe would be both pleased and proud that this Congress and this Nation recognize the need to define issues and priorities as we move toward a new era of greater ocean development. By passing this resolution we will be paying tribute to the memory of Representative Forsythe and will help to promote the vast resources of the oceans and the need to live in harmony with them.●

OMAHA STOCKYARDS CELEBRATE CENTENNIAL

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. DAUB. Mr. Speaker, the Omaha Stockyards will commemorate their centennial on August 13. Though Omaha is diversified and a center for insurance, communication, and transportation, our city remains famous for the stockyards that traditionally have served the cattle, hog, and sheep growers of our region and Nation.

In 1884, Alexander Hamilton Swan and a group of businessmen established the stockyards. At this time, the stockyards were only a "whistle stop" for livestock on their way east. The market served the needs of huge cattle herds in western Nebraska and Wyoming. The yards were prosperous and often competed with and surpassed the Chicago market in a battle to be the world's largest meatpacking center.

Today, the Omaha Stockyards are fourth in the Nation when considering hogs, cattle, and sheep. When considering cattle alone, the Omaha Stockyards are first in the Nation. About 1.5 million head of cattle pass through the Omaha market annually.

Mr. Speaker, I commend the stockyards on their numerous contributions to the State of Nebraska and the Nation over the past 100 years. Their exceptional achievements are representative of the hard work which is necessary to succeed in the changing livestock industry and should assure their prosperity over the next century.●

DOMESTIC CONTENT LEGISLATION

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. DENNY SMITH. Mr. Speaker, I'm pleased that the Commerce Committee recently held a hearing in Portland, OR, on the important subject of domestic content legislation. As I stated in my testimony before the Senate committee, this legislation would have a detrimental impact on Oregon's economy.

My strong opposition to domestic content legislation is reinforced by the potential devastation it could have on Oregon's No. 1 industry—agriculture.

This bill invites retaliatory actions by our foreign trading partners, at a time when Oregon's business and government leaders are trying to stimulate trade. Any law which impedes or hinders this objective is simply unthinkable.

Oregon beef and wheat would be prime targets for retaliatory actions and that threat should not be underestimated. It was not long ago that the Europeans retaliated by restricting imports of chemicals, sporting good equipment, and fire alarms in response to U.S. policy on specialty steel.

Oregon's farmers are not the only ones who have everything to lose and little to gain from this legislation. Oregon's port facilities are major employers. In fact, Port of Portland's records reveal that 269,618 cars crossed the Portland docks in 1983, translating into 9,332 related jobs statewide.

Domestic content legislation is anti-jobs legislation. As an elected representative from a State which has suffered record high unemployment, I have urged the Senate Commerce Committee to look beyond the borders of Michigan while considering this bill. Even if passage of the Fair Practices in Automotive Practices Act would solve the problems of the auto industry, which I don't believe it would do, the cure would be poison to workers in Oregon's ports and on Oregon's farms.

Thank you, Mr. Speaker, for allowing me to point out the serious ramifications of this legislation for the import and export interests in Oregon. Domestic content legislation is not in the best interests of my State, or our Nation.●

STATEMENT ON A BILL TO ALLOW CIVIL SERVICE RETIREMENT CREDIT FOR AGRICULTURAL EXPERIMENTAL STATION WORKERS AND NUCLEAR SCIENTIST WORKING FOR THE UNIVERSITY OF CALIFORNIA AND LABORATORIES WITHIN CALIFORNIA

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● Mr. WOLF. Mr. Speaker, during my tenure in Congress, I have been a strong supporter of fair and equitable retirement benefits for all Federal employees. It is extremely important that we reward our career Federal employees for their contribution and dedication to the operation of this great Nation's Government.

In this spirit, I am introducing legislation which would permit Federal employees and retirees to receive Federal retirement credit for years of employment in Department of Agriculture agricultural experiment stations and as nuclear scientists at the University of California and at laboratories within California who worked for the Energy Research and Development Administration or the Atomic Energy Commission. These Federal employees received little, if any, retirement credit of any type for their vital service to the Federal Government.

There are approximately 300 eligible Federal employees and retirees who would be able to take advantage of this legislation. They would join other groups, such as members of the Peace Corps, Radio Free Europe employees, and County Agricultural Stabilization and Conservation Committee members, in receiving this type of credit. These two groups, like their predecessor groups who have received civil service retirement credit, were funded by, supervised by, and given assignments by Federal agencies and employees to such an extent that they were treated as Federal employees. This legislation would help correct the benefit deficiency situation encountered by these Federal workers during noncreditable service periods of employment for the Federal Government.

I urge my colleagues to join me in this effort.

SECTION-BY-SECTION ANALYSIS

(A Bill to Credit Years of Service to the Civil Service Retirement System for Service as Nuclear Scientists in the State of California and in Agriculture Experiment Stations)

This bill amends sections 8332 and 8339 of Title 5 USC to credit years of service for federal retirement purposes.

(a) Section 8332(b) of title 5 USC credits, under coverage of the Civil Service Retirement System (CSRS), years of service for work done as Nuclear Scientist for the University of California and in laboratories located in California, and in Agriculture Experiment Stations.

(b) Section 8332(b) of title 5 USC. OPM requests confirmation of creditable service for persons covered in this act from the employing state agencies.

(c) Section 8332 of title 5 USC identifies exactly the individuals covered and the extent of that coverage.

(n)(1) Identifies the agricultural experiment workers by the authority which established their positions (7 USC 361a-361i) in 1887.

(2)(A) Allows for the years of service in accordance with this subsection to receive Civil Service Retirement Credit (CSRC) for periods of service before Januray 1, 1984.

(B) Allows for maximum credit of ten (10) years of creditable service toward Civil Service Retirement (CSR).

(3) Designates that the scope of the legislation includes all of the United States and territories under U.S. control.

(o)(1)(A) Identifies the nuclear scientists by the authority and amended authority which establishes their positions as a result of the Atomic Energy Act (AEC) of 1946 (60 stat. 758).

(B) Further identifies their ongoing existence after the AEC became part of the Department of Energy and is now the Energy Research and Development Administration.

(2)(A) Allows for the years of service in accordance with this subsection to receive CSRC for periods of service before January 1, 1984.

(B) Allows for maximum credit of ten (10) years of creditable service toward CSR.

Sec. 2. Section 8339 of title 5 USC:

(o) This section calls for deducting any retirement funds received from any other retirement fund sources and social security benefits, as a result of years of service credited under this legislation, from CSR annuities or survivor annuities.

Sec. 3. (a): This section makes the implementation date of this legislation the first day of the full month following enactment.

Active federal employees must pay-in to the system according to already established OPM procedures for the periods of service covered by this legislation. Only periods of service before January 1, 1984 are creditable toward CSRC. These employees have 12 months after enactment to petition OPM for CSRC under this act. OPM has 30 days to process that request, and within that period, must establish a pay-in schedule for those qualified petitioners.

Retired federal employees may pay-in to the CSRS to receive an additional annuity benefit for periods of service covered under this act before January 1, 1984. These retirees have 12 months from date of enactment to petition OPM for this additional CSRC. OPM then has 30 days to process that application, to include making pay-in arrangements to qualifed petitioners and increasing their retirement or survivor annuities.

H.R. 5935

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 8332(b) of title 5, United States Code, is amended—

(1) by striking out "and" after the semicolon at the end of paragraph (12);

(2) by striking out the period at the end of the second paragraph (13) and inserting in lieu thereof a semicolon; and

(3) by adding after such paragraph (13) the following new paragraphs:

"(15) subject to sections 8334(c) and 8339(i) of this title and subsection (n)(2) of this section, service performed before January 1, 1984, by an individual in the employ of a State whose principal duties related to the carrying out of a Federal-State cooperative program described in subsection (n) of this section, only if he later becomes subject to this subchapter; and

"(16) subject to sections 8334(c) and 8339(i) of this title and subsection (o)(2) of this section, service performed before January 1, 1984, by an individual in the employ of the University of California, State of California, whose principal duties related to the conduct of research and development activities described in subsection (o) of this section, only if he later becomes subject to this subchapter.".

(b) Section 8332(b) of title 5, United States Code, is further amended by adding at the end thereof the following new sentence: "The Office of Personnel Management shall accept the certification of the head of the appropriate State employing agency, or his designee, concerning the service referred to in paragraph (15) or (16) of this subsection, respectively.".

(c) Section 8332 of title 5, United States Code, is amended by adding at the end thereof the following new subsections:

"(n)(1) The Federal-State cooperative program described in this subsection for which creditable service is allowable under subsection (b)(15) of this section is the Federal-State cooperative program of agricultural experiment stations authorized by the Act entitled 'An act to establish agricultural experiment stations in connection with the colleges established in the several States under the provisions of an act approved July second, eighteen hundred and sixty-two, and of the acts supplementary thereto, approved March 2, 1887 (7 U.S.C. 361a-361i).

"(2) Service creditable under subsection (b)(15) of this section with respect to any employee shall not exceed the lesser of—

"(A) the aggregate period of creditable service performed by such employee under this section before the effective date of this subsection; or

"(B) ten years.

"(3) For the purpose of this subsection and subsection (b)(15) of this section, 'State' includes the fifty States and Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territories of the Pacific Islands, the territories of Hawaii and Alaska prior to statehood, and the District of Columbia.

"(o)(1) The research and development activities described in this subsection for which creditable service is allowable under subsection (b)(16) of this section are research and development activities—

"(A) in any of the fields specified in section 3(a) of the Atomic Energy Act of 1946 (60 Stat. 758) or a corresponding subsequent provision of such Act or a successor Act, and

"(B) conducted under a contractual or other arrangement with the Atomic Energy Commission or a successor agency.

"(2) Service creditable under subsection (b)(16) of this section with respect to any employee shall not exceed the lesser of—

"(A) the aggregate period of creditable service performed by such employee under this section before the effective date of this subsection; or

"(B) ten years."

SEC. 2. Section 8339 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) An annuity which is computed in part on the basis of service described in paragraph (15) or (16) of section 8332(b) of this title shall be reduced by the portion of any annuity the annuitant or his survivor receives from a State on account of such service or by that portion of any social security benefits the annuitant or his survivor receives on account of such service.".

SEC. 3. (a) The amendments made by this Act shall take effect the first day of the first month which begins after the expiration of the 30-day period beginning on the date of the enactment of this Act.

(b) An annuity or survivor annuity—

(1) which is based on the service of an individual who performed service described in paragraph (15) or (16) of section 3332(b) of title 5, United States Code, as amended by this Act, and

(2) which commences on or after the effective date of the amendments made by this Act,

shall be computed in accordance with such amendments.

(c)(1) An annuity or survivor annuity—

(A) which is based on the service of an individual who performed service described in paragraph (15) or (16) of section 8332(b) of title 5, United States Code, as amended by this Act, and

(B) the commencement date of which is before the effective date of the amendments made by this Act,

shall be recomputed in accordance with the amendments made by this Act, if application therefor is made to the Office of Personnel Management within 12 months after the date of the enactment of this Act.

(2) Any change in an annuity or survivor annuity resulting from a recomputation under paragraph (1) shall be effective beginning on the first day of the first month which begins after the expiration of the 30-day period beginning on the date such application is made.

(d) For purposes of this section, a reference to an "annuity" or "survivor annuity" shall be considered to be a reference to an annuity or survivor annuity under subchapter III of chapter 83 of title 5, United States Code.●

COMMEMORATING THE SENIOR COMPANION PROGRAM UPON THE CELEBRATION OF ITS 10TH ANNIVERSARY

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 26, 1984

● **Mr. ROYBAL.** Mr. Speaker, today I have introduced a sense-of-the-Congress resolution along with 94 original cosponsors, to commemorate the 10th anniversary of the Senior Companion Program. Senator JOHN HEINZ, the respected chairman of the Senate Special Committee on Aging has introduced Senate Concurrent Resolution 124 an identical resolution in the Senate and together it is intended to honor the tireless efforts of the seniors who participate in the Senior Companion Program.

The Senior Companion Program is one of the three older American volunteer programs administered by the ACTION Agency. Senior companions are low-income persons 60 years of age or older who utilize their life experiences, wisdom, and skills, in providing friendship and care in daily living to the frail isolated elderly, particularly those at risk of institutionalization.

The companions are assigned to home bound, hospice care, acute care, mental health, and substance abuse components of their local projects. All assignments are aimed at helping others live as fully and as independently as possible. Senior companions provide 20 hours of service per week, for which they receive a stipend of $2 an hour.

There are currently 76 ACTION funded projects and 9 Senior Companion Programs totally supported by non-Federal funded resources across the Nation. They currently have 5,000 volunteers who reach nearly 20,000 elderly in need of care annually.

The Senior Companion Program fosters the independence and enhances the self-esteem of senior companion volunteers themselves, while meeting a critical community need of care for the frail elderly. Over the past 10 years senior companions are credited with enabling older persons at risk of institutionalization to remain in the more satisfying setting of their own homes.

The sense-of-the-Congress resolution recognizes the tremendous accomplishments of volunteers serving in this valuable program. As chairman of the Select Committee on Aging, I am honored to be able to take this opportunity to pay tribute to the older Americans who participate in this most meaningful program. And, I am certain my colleagues will agree that the success the Senior Companion Program is a tribute to the caring spirit of all Americans.

The text of the resolution follows:

H. CON. RES. —

Whereas the 10th anniversary of the Senior Companion Program, one of the Older American Volunteer Programs administered by the ACTION Agency, will be observed during 1984;

Whereas older American volunteers constitute a major untapped resource for addressing community needs;

Whereas the Senior Companion Program provides a volunteer peer support system, with a stipend for each volunteer, utilizing the experiences, wisdom, and skills of low-income persons over the age of 60 in providing personal services and friendship to the frail, isolated elderly;

Whereas the Senior Companion Program provides opportunities for older Americans to be involved as responsible, knowledgeable members of their communities while remaining independent, self-confident, and productive well into their own later years; and

Whereas the Senior Companion Program enables the frail elderly at risk of institutionalization to be cared for in the more satisfactory independent living setting of their own homes, resulting in substantial financial savings to individuals and taxpayer-financed health care provision programs: Now, therefore be it

Resolved by the House of Representatives (the Senate concurring), That the Senior Companion Program is commended on its 10th anniversary for its success in providing volunteer opportunities for older Americans to utilize their experience and abilities as caregivers to the frail elderly in their communities.●

WIRETAPPING BY REAGAN ADMINISTRATION

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● **Mr. WEISS.** Mr. Speaker, I note with considerable alarm that wiretapping by the Federal Government has enjoyed renewed popularity under the Reagan administration.

Secret electronic surveillance of American citizens—whether to fight crime or gather intelligence—has great potential for abuse. Congress moved to curb the widely publicized wiretap abuses of the FBI during the Nixon administration in the late 1970's by strengthening the oversight provisions in our surveillance laws.

But the spirit of that action has been lost on the Reagan administration. The number of wiretaps placed by Federal law enforcement and intelligence agenices last year was more than any other year since 1971.

Herman Schwartz, a professor of law at American University, has written an atricle for the Nation describing this disturbing increase and effectively arguing against the need for excessive wiretapping. I recommend it to my colleagues.

The article follows:

[From the Nation, June 16, 1984]

BUGGING BINGE—THE INTRUSIVE EARS OF THE LAW

(By Herman Schwartz)

Not since the Nixon Administration went on a binge in the early 1970s has electronic eavesdropping by Federal law enforcement agencies been as rampant in the United States as it is today.

Wiretapping and bugging became legitimate tools of law enforcement in 1968, when Congress passed the Omnibus Crime Control and Safe Streets Act, which specifies they can be used by authorities, with court approval. Since that time, electronic eavesdropping devices have been planted in houses, offices, churches and other places where people speak in confidence. Once authorized, such intrusions are difficult to limit, particularly when the wiretappers want to hear everything, as is often the case. The widespread snooping into the private lives of Americans takes a toll: it inevitably undermines the trust that people need to feel in order to speak openly, to work together effectively and to share intimacies freely.

In the Nixon era, the Federal Bureau of Investigation eavesdropped mostly on small-time gamblers during business hours in an unsuccessful effort to rack up a good box score of convictions and identify the king-pins of organized crime. In the process, the conversations of a relatively small number of innocent people were overheard. No longer. As part of a perennial—and futile—war on drugs, the Reagan Administration is concentrating its wiretapping and bugging on suspected trafficers.

During Carter's term, there was an average of 24 drug-related taps a year; by contrast, of the 208 reported taps authorized for 1983, 140 were for narcotics investigations. Each drug tap catches many people in many conversations, as the eavesdroppers listen in twenty-four hours a day, often in residences or offices. Last year the average reported Federal tap caught 177 people in 2,057 conversations; that comes to 36,816 people overheard in more than 427,000 conversations. As drug use increases among people not normally involved in criminal activity, more innocent conversations, often of the most intimate nature, are intercepted.

The Supreme Court has encouraged this dragnet by allowing eavesdroppers to ignore Congress' mandate that they make a good-faith effort to minimize their interceptions. As a result, only 15 percent of the intercepted conversations are what the government characterizes as "incriminating" (whatever that means), and according to several studies, that percentage is overstated. Thus, even by prosecutors' figures, at least 85 percent of everything overheard has no criminal connection.

Wiretapping in drug cases is not just sweeping; it is expensive: only surveillances in racketeering investigations cost as much. In 1983 Federal wiretaps reportedly averaged more than $65,000 each because of the increasing proportion of drug taps; thirty-two reportedly cost more than $100,000 each. The average tap in Federal investigations unrelated to racketeering or drugs costs about $50,000. And none of those figures include the cost of lawyers' and judges' time.

Of the investigations that utilize wiretaps, drug cases produce the highest proportion of convictions. In 1981-82, for example, 130 taps and bugs were installed for narcotics investigations; 56 of those, or 43 percent, were associated with convictions; of the 114 taps in nondrug cases, only 28, or 25 percent, were associated with convictions. Still, various studies indicate that often the wiretap contributed little or nothing to obtaining the conviction.

Wars on drugs are wasteful public relations ploys anyway. The authorities may get a handful of big hauls but they rarely catch the big operators. In 1982 a state police eavesdropping specialist told Police Magazine, under a promise of anonymity, "The best you usually can hope for is to get the people who actually handle the drugs from day to day." As for penetrating the upper strata of organized crime, "you get to a certain level and then you stop," said a Connecticut police intelligence expert. "If you stumble onto something big, it's more by chance than anything else." That is why some experienced district attorneys, like Mario Merola of the Bronx, who once considered wiretapping the weapon of choice in fighting drugs, rarely use it now. Only New York, New Jersey and Florida continue to wiretap heavily, and the way they use the taps often makes no sense. In 1983, seventeen wiretaps were installed in Suffolk County, New York. In the drug-inundated Bronx, however, there were none; Brooklyn and Buffalo had only one each.

In addition to law enforcement wiretapping, national security taps under this Administration soared for the third straight year. Those taps are allowed under the Foreign Intelligence Surveillance Act of 1978 (FISA) which sets a looser standard than the Omnibus Act of 1968. During 1979 and 1980 an annual average of 320 national security surveillances were ordered. But in 1981, President Reagan's first year in office, the figure jumped to 433; in 1982 it was 475, and in 1983, 549. Although most taps authorized under FISA are supposed to be directed against foreign agents, Americans are being increasingly targeted. What dire threat to national security justifies this steadily growing intrusion on individual liberty?

On May 9, 1984, the House Intelligence Committee issued its annual report on wiretapping under FISA and, as usual, it didn't say much. This committee and its Senate counterpart are supposed to oversee the agencies that operate under the statute, to make sure that it is not being abused; but their oversight does not inspire confidence [see Schwartz, "How Do We Know FISA Is Working?" The Nation, October 29, 1983]. The only way to determine whether the statute is working properly is to review applications individually. As the committee admitted ruefully, however, the ones that the Administration made available for committee inspection were censored in such a way as "to reduce significantly the utility of the review process." Yet that didn't stop the committee from concluding, on the basis of "extensive discussions" with Administration officials, that the system was operating well. The committee warned, however, that since "effective oversight must be based on a more permanent foundation than good working relationships," it will in the future insist on reviewing the original, uncensored applications and "expects the Department of Justice to cooperate in this effort." Lots of luck.

In this fourth year of an Administration committed not only to wiretapping but to censorship, lie detectors and other repressive devices, it is impossible to resist invoking George Orwell's nightmare masterpiece. If Reagan is reelected, however, and especially if he gets the chance to make a few more Supreme Court appointments like Sandra Day O'Connor, 1984 may come to look like the good old days.●

A CALL TO CONSCIENCE

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. MAVROULES. Mr. Speaker, it is my duty as a Member of this body and an American concerned with human rights to participate in this congressional vigil on behalf of Soviet Jewry. As American citizens, accustomed to practicing the faith of our choice in total freedom, it is difficult for us to conceive of an environment in which one is persecuted for his or her religious practices. This environment exists in the Soviet Union, where Russian citizens of Jewish faith have been denied religious freedom and their right to emigrate.

For some time now, I have focused my efforts on four distinguished Soviet Jewish meterologists—Dr. Michael Fuchs-Rabinovinch, Dr. David L. Laikhtman, Prof. Leonid Dikii, and Dr. Lev Gandin.

These four meteorologists have applied to emigrate, have been refused permission, and subsequently have been forced to retire early or have been fired from their positions in academia. The reasoning for their refusals, given by the Government, has been that these meteorologists possess state secrets.

The Soviet Union has already agreed to share so-called state secret information with meteorological bureaus of the 35 nations that signed the Helsinki accord. Furthermore, there is an international agreement to the effect that all weather forecasting positions are completely unclassified. Last year, in the Extension of Remarks, I called your attention to the plight of Dr. Michal Fuchs-Rabinovinch of Moscow.

Today, I would like to tell you about Dr. David Laikhtman of Leningrad.

Dr. Laikhtman is highly respected in international meteorological circles. He specializes in atmospheric boundary layer physics. For many years, he was in charge of the dynamic meteorology chair of the Leningrad Hydro-Technological Training Institute. He is an author of several books and textbooks, as well as many papers.

In June 1979, Dr. Laikhtman's son, Boris, and his wife applied to emigrate to Israel. Later that year, they received a refusal from Moscow, the reason being that the whole family had not applied to emigrate. After much deliberation, Boris' father, David, decided that both he and his wife would also apply to emigrate. They did so late in 1980. Within 1 month, the entire family was refused on the grounds it was against the interest of the Government.

Shortly after the Laikhtmans received their refusal, David Laikhtman was forced to retire early from his position. His son, Boris, was demoted at his job in the Physics Technical Institute in Leningrad and was later fired. He now works at a factory doing menial tasks while his ill wife is unable to work. Both families live on a small pension from David and a meager salary which Boris earns.

We cannot let these, and countless other cries for help from Jewish citizens in the Soviet Union go unanswered. I urge all of my colleagues to join in voicing our outrage to the Soviet Government. Perhaps together, we can bring an end to this gross deprivation of human rights.●

INVESTIGATION INTO MINING OF NICARAGUAN HARBORS

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. WAXMAN. Mr. Speaker, in May, a group of more than 200 concerned attorneys in Los Angeles sent a letter to Attorney General William French Smith calling for a preliminary investigation and the appointment of an independent counsel for a full criminal investigation of the administration's involvement in the mining of Nicaraguan harbors. The letter cited numerous possible legal violations as well as 28 U.S.C. section 592, which requires a preliminary investigation whenever information containing a specific allegation of a crime is presented by a credible source. The text of the letter, which was published in the Los Angeles Daily Journal on May 4, is reprinted below. I commend it to the attention of my colleagues:

LAWYERS COMMITTEE FOR ETHICS IN
INTERNATIONAL RELATIONS,
Los Angeles, CA, May 2, 1984.

Re: Ethics in Government Act, 28 U.S.C. Sections 591, et seq.

Hon. WILLIAM FRENCH SMITH,
Attorney General of the United States, U.S. Department of Justice, Washington, DC.

DEAR ATTORNEY GENERAL SMITH: This is to request that pursuant to The Ethics In Government Act (28 USC § 591, et seq.), you cause to be conducted a preliminary investigation and apply to the Federal District Court for the appointment of an independent counsel to conduct a full criminal investigation of the information set forth herein. That information is taken from reports carried by the Los Angeles Times and the New York Times, from which it would appear that persons in the Administration have engaged in activities which may be violative of the criminal laws of the United States, particularly the Neutrality Act and statutes prohibiting the export of explosives and combining to destroy the property of nations with which we are not at war, all as more fully set out below. Those reports further contain information to the effect that this conduct has been authorized by President Reagan and CIA Director William Casey.

Americans working for the Central Intelligence Agency on ships off Nicaragua's Pacific Coast have been supervising the mining of Nicaraguan harbors in recent months. Harbors mined include Corinto, Puerto Sandino and El Bluff. Administration sources state that the mining operation marks the first time since the United States began supporting Nicaraguan rebels three years ago that Americans have become directly involved in military operations against Nicaragua. Administration sources have stated that the actual placement of the mines inside Nicaraguan territorial waters is handled by an elite group of Latin American commandos trained, financed and supervised by the Central Intelligence Agency.

On April 7, 1984, The New York Times reported that an Administration official said that Americans made and deployed the mines. The same report states that Nicaraguan rebel sources have said the mining was undertaken by special C.I.A. unit that included guerrillas from the Nicaraguan Democratic Front and the Democratic Revolutionary Alliance as well as other American intelligence operatives, reportedly including Salvadoran nationals. The New York Times reported on April 8, 1984, that Administration sources stated that unlike previous activities of the Nicaraguan rebel forces, monitored by American advisers from Honduras, the mining operations are under the "immediate control" of American advisers.

These actions resulted from a National Security Planning Group meeting in February 1984. On April 9, 1984, Senator Barry Goldwater wrote a letter to William J. Casey C.I.A. Director, confirming that the mining operation was initiated with the "written approval of the President" in February, 1984. In Senator Goldwater's words, "[t]his is an act violating international law." While federal law required the President to "fully inform" congressional intelligence committees of operations abroad in a "timely fashion," many recent statements of members of the intelligence committees indicate that they were not appropriately informed of the covert mining operations.

A spokesman for the C.I.A., Dale Petersen, refused to confirm or deny the reports of U.S. participation in the mining of Nicaraguan waters. On Sunday, April 8, 1984, Secretary of Defense Weinberger refused to comment on other officials' reports that the C.I.A. had directed the activities.

On April 8, 1984, the United States notified the United Nations that it was withdrawing from the jurisdiction of the World Court regarding any actions in Central America. The Reagan Administration disavowed World Court jurisdiction over any disputes "with any Central American state or any dispute arising out of or related to events in Central America." This was done in an effort to avoid jurisdiction in the case filed by the Nicaraguan government seeking a declaration of the illegality of the United States government's actions in Nicaragua under international law.

Since the United States is not at war with Nicaragua, the mining operations could be construed as an illegal blockade. A state of belligerency in a requisite to a legal blockade under international law.

The British government has advised the Reagan administration that it disapproves of the mining operations as a threat to the freedom of navigation. State Department officials have conceded that other nations have also expressed their disapproval of the mining operations.

The French Foreign Ministry has publicly stated that the mining of Nicaraguan ports has already prevented ships carrying "humanitarian supplies" from Europe from unloading their cargoes.

The mining operations jeopardize the fragile structure of international law that has been arduously constructed since World War II.

We believe that the Administration's actions are dismaying to all concerned with the rule of law. Particularly, it appears as if the conduct aforesaid violates the Neutrality Act, 18 USC § 960. The section provides that: "Whoever, within the United States, knowingly begins or sets on foot or provides or prepares a means for, or furnishes the money for, or takes part in, any military or naval expedition or enterprise to be carried on from thence against the territory or dominion of any foreign prince or state, or of any colony, district, or people with whom the United States is at peace, shall be fined not more than $3,000 or imprisoned not more than three years, or both."

It further appears that conduct described above violates Title 18, United States Code, Section 956, in that the persons involved conspired and agreed to injure or destroy property of the Republic of Nicaragua, other Governments and private companies and individuals, including ocean vessels and their cargoes.

Said conduct as reported indicates that United States Government officials of extremely high rank have provided and are providing financial, technical and other support to groups of Nicaraguan exiles and other mercenaries involved in mining the ports of Nicaragua and that United States Government personnel have provided and continue to provide explosives and mines, instructors, a mother ship from which mining operations are coordinated and other forms of support as yet unknown to the undersigned. The Neutrality Act prohibits military expeditions or enterprises from the United States against any country at peace with the United States. *Wiborg* v. *United States*, 163 U.S. 632, 647 (1895); The Three Friends, 166 U.S. 1, 56 (1896).

The term "military enterprise" is not limited to official invasion, but includes any type of military enterprise or expedition. *Wiborg* v. *United States*, 163 U.S. 632. The statute applies to foreign exiles as well as United States citizens. Charge to the Grand Jury—Neutrality Laws, 30 F. Cas. 1017, 1018 (C.C.D.N.Y. 1866) (No. 18,264). The law "brands as an offense against the Government the first effort or proposal by individuals to get up a military enterprise in this country against a foreign one . . . [T]he first incipient step taken with a view to the enterprise, by the engaging of men, munitions of war, [or] means of transportation" is a violation of the Neutrality Act. *United States* v. *Ybanez*, 53 F. 536, 538 (C.C.W.D. Tex. 1892).

Training, enlisting, contributing funds, clothing or provisions furnishing transportation, or providing arms, in the United States, are all prohibited by the Act when undertaken in contemplation of a military expedition against another country. *United States* v. *Hughes*, 70 F. 972, 976 (E.D.S.C. 1895); *United States* v. *Lumsden*, 26 F. Cas. 1013, 1015 (C.C.S.D. Ohio 1856) (No. 13,641); *United States* v. *O'Sullivan*, 27 Fed. Cases 367, 377 (S.D.N.Y. 1851) (No. 15,974); see also, Note, Nonenforcement of the Neutrality Act: International Law and Foreign Policy Powers Under the Constitution, 95 Harvard Law Review 1955, 1962-3 (1982).

The history of the Neutrality Act, the statements of its framers and judicial precedent all show that the Act was intended to and does apply to all citizens and officers of the Government no matter what their rank. In fact, in 1858, in the midst of debate over private expeditions against Nicaragua, Senator Slidell introduced a resolution to amend the Neutrality Act and permit Presidential support for private expeditions. Congressional Globe, 35th Congress, 1st Session, January 28, 1858, pages 461-562, Senate Report No. 20, January 28, 1858. Senator Slidell's proposal failed and the Neutrality Act has remained substantially unamended to the present time. As stated by Supreme Court Justice William Patterson in 1807: "The President of the United States cannot control the [Neutrality Act], nor dispense with its execution, and still less can he authorize a person to do what the law forbids."

It further appears as if the conduct summarized earlier is in violation of Title 18, United States Code, Section 922, by reason of the approval of the shipment of mines and other explosives in foreign commerce for the purposes described above.

Finally, we believe that the conduct referred to above may well constitute a significant violation of Public Law 97-377, the continuing resolution of appropriations: "None of the funds provided in this Act may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice, or other support for military activities to any group or individuals, not part of a country's armed forces, for the purpose of overthrowing the Government of Nicaragua. . . ."

We note that 28 U.S.C. Section 592 requires a preliminary investigation whenever information containing a specific allegation of a crime is presented by a credible source. An investigation may not be avoided because of the Attorney General's political loyalty to or support for the policies of the President. The Ethics In Government Act specifically "provides a mechanism for the court appointment of a temporary special prosecutor [later changes to "special counsel"] when necessary in order to eliminate the conflict of interest inherent when the Department of Justice must investigate and prosecute high-level executive branch officials." House Report No. 95-1307, 95th Congress, 2nd Session, Page 1 (1978).

We trust that this information will receive your careful attention. Should you require additional information to complete your preliminary investigation within the specified 90-day period, please contact Peter Schey, 256 South Occidental Boulevard, Los Angeles, California 90057. Telephone: (213) 388-8693.

As concerned members of the legal profession, we wish to join with those members of Congress who have called for an investigation of the Administration's conduct under the Ethics In Government Act in relation to the recent mining of Nicaraguan harbors.●

HAZARDOUS WASTES

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, June 27, 1984, into the CONGRESSIONAL RECORD:

Few residents of Seymour complained when a local businessman decided to recycle hazardous wastes in 1969 on land leased from the town. In a few years, however, the company was burning wastes openly, and there were charges that it was dumping wastes into sewers and a nearby stream. Wastes piled up on the site as the company fought all efforts to shut down its operations, but in 1980 it abandoned the site and went into bankruptcy, leaving behind 60,000 leaky barrels containing deadly chemicals such as cyanide and arsenic.

The situation in Seymour is but one example of today's greatest environmental challenges. Before the federal government began regulating the disposal of hazardous wastes in 1976, toxic, corrosive, explosive, and flammable materials could be dumped anywhere. The legacy of that neglect is apparent only now. The Environmental Protection Agency (EPA) expects to find at least 22,000 hazardous waste dumps in the United States. The discovery of sites at the rate of 170 per month has caused EPA to revise this estimate steadily upward. Worse yet, a 1983 EPA study uncovered contamination or evidence of it at 90 percent of 929 sites surveyed; serious environmental damage, such as the fouling of groundwater, was found at 25 percent. As many as 2,200 of the sites require urgent cleanup. Equally alarming is the fact that the nation goes on generating nearly 270 million metric tons of hazardous waste per year, much of which is not disposed of properly.

The anger and frustration that grip the residents of a town like Seymour have resulted in political action, however tardy and inadequate. In 1980, Congress passed the "superfund" bill, which now authorizes EPA to respond without delay when a hazardous substance is, or may be, released into the environment. The gist of the law is that the parties responsible for the problem, be they operators of dumps or generators or carriers of wastes, should bear the costs of cleaning up. EPA may sue these parties to recover costs. There is no limit on liability if the problem stems from negligence, and responsible parties that do not cooperate may be hit with fines in addition to costs. But as a practical matter, responsible parties often are unavailable or insolvent, and EPA pays. Whether its response is a temporary "removal" action or a permanent "remedial" action, the cost is covered by the superfund, $1.6 billion raised betwen 1981 and 1985 by a tax on petroleum (87.5 percent) and by federal appropriations (12.5 percent).

Despite our hopes for the superfund law when it was enacted four years ago, the number of dumps alone shows that it has fallen far short of its objectives. With engineering studies costing up to $600,000, removal and containment of wastes up to $6 million, and cleanup of fouled groundwater up to $30 million per site, the rapidly shrinking superfund can pay for the cleanup of 170 sites at most, and that only if EPA recovers all of the $44 million per year that it expects from polluters. Total costs of cleanup may run from $10 billion to $40 billion, far beyond the superfund's capacity.

The law has other drawbacks, too. One is EPA's slowness in getting its program started. It has taken EPA four years to clean up only six sites, and in that time scores of sites have been added to a national priority list that may top 1,000. As of late 1983, engineering studies had begun at only 80 sites, design work at a mere 19, and construction at only 15. Also, EPA has been criticized for "sweetheart deals" with polluters, for using superfund grants to influence the 1982 elections, and for gross mismanagement leading to the resignation of more than 20 EPA officials and the conviction of the superfund's administrator.

Almost all sides agree the law should be renewed and improved before it expires in 1985. Congressional committees have already begun to focus on the superfund, but their job will not be easy. Legislators will have a hard time deciding how large the superfund should be because there is no consensus on how many sites should be cleaned up, nor on how clean any site should be. Oil and chemical companies have reason to object to the current superfund tax that they pay, and so they want to keep that tax from increasing. A tax on wastes would be fairer, but it would encourage people to dump wastes in secret. Considering the huge budget deficit, any increase in federal appropriations will be hard to come by.

Several other issues will have to be sorted out as well. Congressional unhappiness with management of the superfund probably will result in orders to EPA to do many things that the agency had discretion to do before, and to do them in accordance with strict timetables and standards of performance. Compensation for people who are injured by exposure to hazardous waste—an issue that nearly derailed the original bill—is certain to come back in force. Most states and localities want a larger superfund, but with the federal government paying more and the states less.

A House committee completed action on a new superfund bill last week. It wants to replenish the superfund with $9 billion between 1986 and 1990 by raising the tax on petroleum, levying a new tax on wastes, and authorizing new federal payments; allow people living near dumps to petition EPA for a study which, if positive, would force EPA to take emergency steps to help them; permit people injured by exposure to hazardous wastes to go to federal court to sue those responsible, who would be strictly and jointly liable; require EPA to expand the national priority list and clean up within five years all sites on the list at the time of enactment; set cleanup standards which would protect public health; increase penalties for violations of the law; and cover 90 percent of the costs incurred by states maintaining and operating cleaned up sites.

While the final form of a new superfund bill is not yet clear, there is no doubt in my mind that Congress must make the superfund bigger, tougher, and quicker. Hazardous waste dumps pose grave threats to our environment and our health. We are only mopping at the surface of a sea of waste today. I believe that Hoosiers want well-managed federal and state agencies, supported by sufficient funds and rigid timetables, attacking with vigor these unsightly sources of poison.●

OVERREGULATION OF THE BROADCASTING INDUSTRY

HON. W.J. (BILLY) TAUZIN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. TAUZIN. Mr. Speaker, I would like to place in the RECORD this Washington Post editorial of May 7, 1984, since it focuses attention on what I consider to be a serious problem of overregulation of the broadcasting industry by the Federal Government.

[From the Washington Post, May 7, 1984]

GOVERNMENT'S HAND ON THE DIALS

With all the deliberate speed of a protracted TV mini-series, the effort to give broadcasters a big station break from the heavy hand of government regulation drags on—or off, as the case seemed to be the other day when the latest year-long negotiations collapsed. At issue is how much, if any, control the government—make that read, Federal Communications Commission—should have over what you see and hear on television and radio. The growth and variety of broadcasting today argues strongly for getting government out of the program directors' offices, but getting it out hasn't been easy.

This latest breakdown came just as the National Association of Broadcasters was striking up is annual convention in Las Vegas, along with nearly three dozen all-expense-paid members of Congress who were on hand to pick up $1,500 to $2,000 apiece from the NAB for guest appearances. The broadcast industry—and we note right here The Post Company's past ownership of radio stations and continued interest in television, which is a matter of record—has long argued that broadcasters should be freed from the stacks of rules and paper work that now govern programming.

At one time, many broadcast-days ago, there was some justification for the controls. In 1934, there were fewer than 590 radio stations in the country. That meant that most of them had to be "general purpose" stations. As users of such limited airwaves, these stations had a responsibility to serve something called the total public.

But consider the options nowadays, with thousands of stations competing on AM, FM, VHF, UHF, cable and satellites. There may be no guarantee of around-the-clock gems for your listening and viewing pleasure, but certainly there is more specialized programming and—this helps, to—competition for attention. A lively marketplace, in which people can pick and choose, tune in or out, serves at least as well as, if not better than, whatever diet of sights and sounds a government insists upon.

The best controls on radio and television are already in place—at the fingertips (and even remote controls) of every listener.●

CONGRESS MUST SUPPORT NUCLEAR ENGINEERING EDUCATION

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mrs. LLOYD. Mr. Speaker, of late there has been much written in the news media about the morose state of the nuclear power industry. Articles have appeared that have described in great detail the dismal financial positions of several utilities around the country. The articles go on to describe how thousands of people are losing their jobs as a result of the termination of construction activities at several nuclear facilities around the country. From such articles, it is easy to come to the conclusion that nuclear power industries are facing complete demise. To those of us who believe that nuclear power is an essential ingredient to a secure American energy future, it is clear that these events are most disturbing. Indeed, what is even of more concern is the fact that many of our young people are being discouraged from entering nuclear engineering and related technologies as careers. The situation does not fare well for our energy future.

However, a recent article entitled "Nuclear Job Outlook Booming," Knoxville Journal, May 23, 1984, would seem to portray an entirely different picture. Indeed there are many jobs in the nuclear engineering profession that are available, and this situation should remain with us for several years to come. I hope that my colleagues who read this article will recognize the need to continue strong congressional support for nuclear engineering education programs. It is my belief, and the belief of many of my colleagues, that the situation will change as our economy improves and the demand for electric power increases. Congress must take a long-term view and support education in fields of nuclear engineering and I believe this article will serve to reinforce this support.

[From the Knoxville (TN) Journal, May 23, 1984]

Nuclear Job Outlook Booming

(By Randell Beck)

Oak Ridge.—As Tennessee Valley Authority engineers brace for more layoffs, nuclear plant owners are enjoying a miniboom which defies some predictions that the industry is dying.

Nationwide, private and government jobs in the nuclear energy field are expected to increase 20 percent by 1990—employing more than 310,000 persons, compared to about 255,000 today.

"There is good, strong growth in several areas, particularly reactor operations and maintenance," said Larry Blair, an economist and director of labor and policy studies at Oak Ridge Associated Universities.

Although some utilities like TVA have deferred or cancelled contruction of their plants, Blair said, "there are enough plants being built that there will be growth for at least another five years."

Blair and another ORAU economist, Joe Baker, have finished a study which seems to dispel some of the gloom that has surrounded the nuclear industry since 1980.

The study was one for the Department of Energy, the largest government employer of nuclear engineers and technicians. Jobs at the Energy Department have increased with new emphasis on the production of nuclear weapons.

Among the findings of that and other recent studies by the Department of Energy:

While large utilities such as TVA and Commonwealth Edison of Illinois will continue to lay off employees, most plant owners will have openings for engineers, chemists, physicists and reactor operators.

With no new plants ordered, utilities have shifted emphasis to making reactors safer and easier to operate. Engineers and scientists will be asked to pinpoint safety problems before they occur.

Jobs will be scarcest among manufacturers like Westinghouse Electric Corp. and General Electric Co., and architectural and construction firms in America. Some of those firms, however, may avert layoffs by building plants overseas and continuing work on operating plants.

Persons trained as health physicists or reactor operators have the brightest future. Openings in both fields are expected to increase about 7 percent a year for at least the next five years.

TVA and Commonwealth Edison once had the most ambitious construction programs in the nation. Beginning in 1980, however, the utilities realized electricity demand did not justify all those plants.

Still ailing from the effects of those cancelled and deferred reactors, TVA plans additional layoffs by early June. Hardest hit will be engineers in the old Office of Engineering, Design and Construction. Employment in that office dropped from 25,300 in January 1981 to 11,600 in January 1984.

Construction at TVA's Watts Bar Nuclear Plant near Dayton, Tenn., and Bellefonte Nuclear Plant at Scottsboro, Ala., continues.

But jobs are scarce at TVA, which has frozen new hirings until after the current reorganization.

Not so at smaller utilities. The difference, said ORAU's Blair, may be that TVA and Commonwealth didn't just hire a company to build a plant. They design, build and maintain their own facilities.

"Things have been much harder for TVA," Blair said. "It did all its architectural and engineering work. . . . And when deferrals and cancellations began, there was not a need for all the engineers."

Utilities building one or two nuclear plants, Blair said, weren't hurt badly. Houston Lighting & Power Co., for example, is part owner of a nuclear plant nearing completion in south Texas.

"We are doing very well," said Dr. Don Beeth, a nuclear engineering specialist for the project. "It's a boom project. Things aren't bogged down like they were a couple of years ago."

Today there are 86 operating nuclear reactors supplying 13 percent of America's power needs.

Of the 52 reactors with construction permits, 22 are expected to be in operation within the next two years. An additional 17 reactors are more than half completed.

Those facts, coupled with recent modifications of existing plants, will keep the industry thriving for several years, experts say.

"There is a question of how long (the small boom) will go on," Blair said, "but statistics show the industry and job situation has not declined nearly as much as we thought it would."

Although no new reactors have been ordered since 1978, hurting the big manufacturers, many engineers at those firms have kept busy adjusting existing plants to stiffer federal regulation.

Since the Three Mile Island accident in 1979, safety standards for the nuclear industry have increased so dramatically that engineers will be busy into the 1990s altering equipment in plants already operating. Experts call that retrofitting.

"There is so much design work at existing plants," said P.F. Pasqua, head of the department of nuclear engineering at the University of Tennessee. "They (utilities) get something fixed and, lo and behold, something new comes along that they have to retrofit.

"It is a never-ending cycle," he said.

With the emphasis on safety, experts say, jobs for health physicists—persons trained in radiation monitoring and waste management, for example—will be plentiful.

UT's 16 graduating seniors in nuclear engineering won't have a problem finding jobs. The average starting pay for undergraduates is about $27,000 a year. There are 90 undergraduate students enrolled in nuclear engineering at the university.

"We are getting inquires all the time (from utilities) expressing job opportunities," said Pasqua. Although giant manufacturers like Westinghouse are not building many reactors, he said, "the company is hiring. . . . The job market is very good."

Blair agrees.

"People think the nuclear energy field is in some sense dead," Blair said, "but if you look over the next four or five years, you see growth that will offset the losses."●

OSTEOPOROSIS—A SILENT EPIDEMIC

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Ms. SNOWE. Mr. Speaker, I am pleased to introduce legislation today which would designate the first week of May 1985 as "Osteoporosis Awareness Week."

With this legislative initiative, I hope to bring attention to a debilitating condition which strikes 15 to 20 million of our older Americans. Although older men are often afflicted by a senile form of osteoporosis, this is a disorder which mainly affects older women. Osteoporosis currently poses a threat to one-fourth of women after menopause.

Older women are the fastest growing segment of our population, making osteoporosis a rapidly increasing problem. It is estimated that osteoporosis costs the Nation $1 billion annually in health care expenditures, and experts predict that by 1990, this figure will have increased to over $3 billion.

Osteoporosis is a thinning of the bones. This debilitating bone degeneration is associated with aging and loss of estrogen. Men are affected by osteoporosis too, but women—particularly thin, white women—are prone to lose bone mass at a rate twice that of men. According to some estimates, the postmenopausal woman can lose as much as 38 milligrams of calcium a day, which results in approximately 1 percent overall calcium loss each year. The deprivation of this important element weakens the bones, causing fractures—in fact, an estimated 1 million fractures a year.

Every year, 200,000 osteoporotic women over the age of 45 fracture one or more of their bones. Among those who live to age 90, more than one-third of women and 17 percent of men will suffer a hip fracture that will prevent them from fully regaining normal activity and may result in institutionalization. Severe cases of osteoporosis can, therefore, often mean the end of independent living and the beginning of dependency in the older individual.

It has been estimated that more than 40,000 elderly American women die every year of complications of hip fractures—10,000 more than those who die annually from breast cancer. In addition to bone fractures, this bone condition can also cause the body to collapse on itself; the dowager's hump is an example of the progressive shortening of the spine and is one of the few visible signs of osteoporosis. On the average, people lose an inch in height as they age. A woman suffering from vertebrae collapse, can eventually lose a total of 8 inches or more from her adult height. These fractures and the resultant deformity and disability is accompanied by a great deal of physical and emotional pain.

The cause of osteoporosis is not yet clearly understood. It has been suggested that, along with a lowering estrogen level, a sedentary lifestyle and a low calcium intake can also allow this bone condition to develop. Those individuals with a family history of osteoporosis are at increased risk as well.

The best treatment of the disorder is prevention. Studies have shown that 80 percent of bone fractures resulting from thinning of the bones can be avoided with increased intake of calcium and estrogen—50 percent of all fractures could be avoided with the use of calcium alone. Younger women in their thirties and forties need to be especially aware of the importance of daily exercise and calcium intake. For years, doctors believed that calcium was not that essential in the diet of adults. This thinking, however, is now changing in view of the evidence that an adequate daily intake of calcium may be the best weapon in the prevention of osteoporosis.

Most Americans do not realize they are calcium-deficient with an average daily intake of 450 to 550 milligrams. It is now recommended that individuals should, first take calcium supplements of 1,000 milligrams a day in their thirties and 1,300 milligrams a day after age 40; second, exercise daily by such weight-bearing exercises as walking or jogging; third, reduce caffeine intake and stop smoking.

By designating the first week in May, "Older Americans Month," as "Osteoporosis Awareness Week," I hope to focus attention on this serious problem and also to help warn our elderly population and those soon to be elderly. Through an active education program, perhaps through the Department of Health and Human Services [HHS], the State and area agencies on aging, and the National Institutes of Health, we can reduce the incidence of osteoporosis and the pain, deformity, disability, and expenditures associated with the disorder. To this end, I urge my colleagues' support and assistance.

Joint resolution to designate the week of May 1 through May 7, 1985, as "National Osteoporosis Week"

Whereas 15 to 20 million persons in the United States are afflicted with osteoporosis, a degenerative bone condition;

Whereas approximately 25 percent of older women and 17 percent of older men in the United States develop osteoporosis;

Whereas approximately $1 billion is expended annually in the United States for health care costs relating to osteoporosis;

Whereas osteoporosis is associated with the loss of estrogen and calcium that occurs in the aging process;

Whereas women past menopause are especially susceptible to osteoporosis;

Whereas hip fracture complications related to osteoporosis often result in loss of independence for older persons;

Whereas more than 50,000 older women and many older men die each year in the United States as a result of such complications; and

Whereas the best treatment for osteoporosis is prevention through education: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of May 1 through May 7, 1985, hereby is designated "National Osteoporosis Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate activities.●

IS U.S. SUPPORT FOR THE CONTRAS ILLEGAL?

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. BEILENSON. Mr. Speaker, the Lawyers Committee for Ethics in International Relations, a distinguished group of lawyers from the Los Angeles area, has written to Attorney General William French Smith questioning the legality of U.S. covert actions against the Government of Nicaragua. Specifically, the Lawyers Committee cites the Ethics in Government Act, the Neutrality Act, title 18 of the U.S. Code, and Public Law 97-377 as the basis for its challenge.

Mr. Speaker, I believe that the Lawyers Committee has raised an important point that has disturbing implications. Many of us have long argued that the Reagan administration's policy of destabilizing Nicaragua's Sandinista government has served instead to consolidate its strength, as well as harming innocent civilians and bringing the United States and its allies in the region closer to armed conflict with Nicaragua.

However, the charge that our Government is engaging in a systematic violation of domestic and international law raises a new dimension to the situation. If the President's policy is perceived as illegal, it, like the war in Vietnam and the Watergate scandals, will eventually erode confidence and trust in the U.S. Government and will serve to obscure the real differences between our democracy and totalitarian regimes. Thus, ironically, U.S. covert actions against the Sandinistas could ultimately boomerang, and damage our interests in Central America and throughout the world.

Mr. Speaker, I urge all of my colleagues to read the Lawyers Committee's cogent and timely letter to Attorney General Smith:

Lawyers Committee for Ethics
In International Relations,
Los Angeles, CA, May 2, 1984.

Re: Ethics in Government Act, 28 U.S.C. Sections 591, et seq.

Hon. William French Smith,
Attorney General of the United States, U.S. Department of Justice, Washington, DC.

Dear Attorney General Smith: This is to request that pursuant to The Ethics In Government Act (28 USC §591, et seq.), you cause to be conducted a preliminary investigation and apply to the Federal District Court for the appointment of an independent counsel to conduct a full criminal investigation of the information set forth herein. That information is taken from reports carried by the Los Angeles Times and The New York Times, from which it would appear that persons in the Administration have engaged in activities which may be violative of the criminal laws of the United States, particularly the Neutrality Act and statutes prohibiting the export of explosives and combining to destroy the property of nations with which we are not at war, all as more fully set out below. Those reports further contain information to the effect that this conduct has been authorized by President Reagan and CIA Director William Casey.

Americans working for the Central Intelligence Agency on ships off Nicaragua's Pacific Coast have been supervising the mining of Nicaraguan harbors in recent months. Harbors mined include Corinto, Puerto Sandino and El Bluff. Administration sources state that the mining operation marks the first time since the United States began supporting Nicaraguan rebels three years ago that Americans have become directly involved in military operations against Nicaragua. Administration sources have stated that the actual placement of the mines inside Nicaraguan territorial waters is handled by an elite group of Latin American commandos trained, financed and supervised by the Central Intelligence Agency. On April 7, 1984, The New York Times reported that an Administration official said that Americans made and deployed the mines. The same report states that Nicaraguan rebel sources have said the mining was undertaken by a special C.I.A. unit that included guerrillas from the Nicaraguan Democratic Front and the Democratic Revolutionary Alliance as well as other American intelligence operatives, reportedly including Salvadoran nationals. The New York Times reported on April 8, 1984, that Administration sources stated that unlike previous activities of the Nicaraguan rebel forces, monitored by American advisers from Honduras, the mining operations are under the "immediate control" of American advisers.

These actions resulted from a National Security Planning Group meeting in February 1984. On April 9, 1984, Senator Barry Goldwater wrote a letter to William J. Casey, C.I.A. Director, confirming that the mining operation was initiated with the "written approval of the President" in February, 1984. In Senator Goldwater's words, "[t]his is an act violating international law." While federal law required the President to "fully inform" congressional intelligence committees of operations abroad in a "timely fashion," many recent statements of members of the intelligence committees indicate that they were not appropriately informed of the covert mining operations.

A spokesman for the C.I.A., Dale Petersen, refused to confirm or deny the reports of U.S. participation in the mining of Nicaraguan waters. On Sunday April 8, 1984, Secretary of Defense Weinberger refused to comment on other officials' reports that the C.I.A. had directed the activities.

On April 8, 1984, the United States notified the United Nations that it was withdrawing from the jurisdiction of the World Court regarding any actions in Central America. The Reagan Administration disavowed World Court jurisdiction over any disputes "with any Central American state or any dispute arising out of or related to events in Central America." This was done in an effort to avoid jurisdiction in the case filed by the Nicaraguan government seeking a declaration of the illegality of the United States government's action in Nicaragua under international law.

Since the United States is not at war with Nicaragua, the mining operations could be construed as an illegal blockade. A state of belligerency is a requisite to a legal blockade under international law.

The British government has advised the Reagan administration that it disapproves of the mining operations as a threat to the freedom of navigation. State Department officials have conceded that other nations have also expressed their disapproval of the mining operations.

The French Foreign Ministry has publicly stated that the mining of Nicaraguan ports has already prevented ships carrying "humanitarian supplies" from Europe from unloading their cargoes.

The mining operations jeopardize the fragile structure of international law that has been arduously constructed since World War II.

We believe that the Administration's actions are dismaying to all concerned with the rule of law. Particularly, it appears as if the conduct aforesaid violates the Neutrality Act, 18 U.S.C. § 960. The section provides that: "Whoever, within the United States, knowingly begins or sets on foot or provides or prepares a means for, or furnishes the money for, or takes part in, any military or naval expedition or enterprise to be carried on from thence against the territory or dominion of any foreign prince or state, or of any colony, district, or people with whom the United States is at peace, shall be fined not more than $3,000 or imprisoned not more than three years, or both."

It further appears that conduct described above violates Title 18, United States Code, Section 956, in that the persons involved conspired and agreed to injure or destroy property of the Republic of Nicaragua, other Governments and private companies and individuals, including ocean vessels and their cargoes.

Said conduct as reported indicates that United States Government officials of extremely high rank have provided and are providing financial, technical and other support to groups of Nicaraguan exiles and other mercenaries involved in mining the ports of Nicaragua and that United States Government personnel have provided and continue to provide explosives and mines, instructors, a mother ship from which mining operations are coordinated and other forms of support as yet unknown to the undersigned. The Neutrality Act prohibits military expeditions or enterprises from the United States against any country at peace with the United States. *Wiborg v. United States*, 163 U.S. 632, 647 (1895); *The Three Friends*. 166 U.S. 1, 56 (1896). The term "military enterprise" is not limited to official invasion, but includes any type of military enterprise or expedition. *Wiborg v. United States*, 163 U.S. 632. The statute applies to foreign exiles as well as United States citizens. *Charge to the Grand Jury—Neutrality Laws*, 30 F. Cas. 1017, 1018 (C.C.D.Y. 1866) (No. 18,264). The law "brands as an offense against the Government the first effort or proposal by individuals to get up a military enterprise in this country against a foreign one. . . . [The] first incipient step taken with a view to the enterprise, by the engaging of men, munitions of war, [or] means of transportation" is a violation of the Neutrality Act. *United States* v. *Ybanez*, 53 F. 536, 528 (C.C.W.D. Tex. 1892).

Training, enlisting, contributing funds, clothing or provisions furnishing transportation, or providing arms, in the United States, are all prohibited by the Act when undertaken in contemplation of a military expedition against another country. *United States* v. *Hughes*, 70 F. 972, 976 (E.D.S.C. 1895); *United States* v. *Lumsden*, 26 F. Cas. 1013, 1015 (C.C.S.D. Ohio 1856) (No. 13, 641); *United States* v. *O'Sullivan*, 27 Fed. Cases 367, 377 (S.D.N.Y. 1851) (No. 15,974); see also, *Note, Nonenforcement of the Neutrality Act: International Law and Foreign Policy Powers Under the Constitution*, 95 Harvard Law Review 1955, 1962-3 (1982).

The history of the Neutrality Act, the statements of its framers and judicial precedent all show that the Act was intended to and does apply to all citizens and officers of the Government no matter what their rank. In fact, in 1858, in the midst of debate over private expeditions against Nicaragua, Senator Slidell introduced a resolution to amend the Neturality Act and permit Presidential support for private expeditions. Congressional Globe, 35th Congress, 1st Session, January 28, 1858, pages 461-562, Senate Report No. 20, January 28, 1958. Senator Slidell's proposal failed and the Neutrality Act has remained substantially unamended to the present time. As stated by Supreme Court Justice William Patterson in 1807: "The President of the United States cannot control the [Neutrality Act], nor dispense with its execution, and still less can he authorize a person to do what the law forbids."

It further appears as if the conduct summarized earlier is in violation of Title 18, United States Code, Section 922, by reason of the approval of the shipment of mines and other explosives in foreign commerce for the purposes described above.

Finally, we believe that the conduct referred to above may well constitute a significant violation of Public Law 97-377, the continuing resolution of appropriations: "None of the funds provided in this Act may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice, or other support for military activities to any group or individuals, not part of a country's armed forces, for the purpose of overthrowing the Government of Nicaragua . . ."

We note that 28 U.S.C. Section 592 requires a preliminary investigation whenever information containing a specific allegation of a crime is presented by a credible source. An investigation may not be avoided because of the Attorney General's political loyalty to or support for the policies of the President. The Ethics In Government Act specifically "provides a mechanism for the court appointment of a temporary special prosecutor [later changed to "special counsel"] when necessary in order to eliminate the conflict of interest inherent when the Department of Justice must investigate and prosecute high-level executive branch officials." House Report No. 95-1307, 95th Congress, 2d Session, Page 1 (1978).

We trust that this information will receive your careful attention. Should you require additional information to complete your preliminary investigation within the specified 90-day period, please contact Peter Schey, 256 South Occidental Boulevard, Los Angeles, California 90057. Telephone: (213) 388-8693.

As concerned members of the legal profession, we wish to join with those members of Congress who have called for an investigation of the Administration's conduct under the Ethics In Government Act in relation to the recent mining of Nicaraguan harbors.

Very truly yours,

SIGNED BY 350
LOS ANGELES ATTORNEYS.●

ARMS CONTROL: COULD THE IAEA SAFEGUARDS EXPERIENCE BE OF VALUE?

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mrs. LLOYD. Mr. Speaker, nuclear arms control is a subject that is receiving an increasing amount of attention these days from the Congress, the administration, and other world leaders, and verification is one of the most troublesome issues at the heart of the controversy. Although there is a prior experience with verifying pledges for nuclear arms control, there is experience with international inspection of nuclear materials to detect noncompliance with commitments not to divert such materials from civil uses for weapons or other military purposes.

These inspections are those safeguards activities which are carried out by the International Atomic Energy Agency [IAEA] for the purpose of verifying compliance with the 1968 Treaty on Non-Proliferation of Nuclear Weapons. Although these IAEA safeguards functions do not assure that countries are not making nuclear weapons, the inspections do verify that nuclear materials in peaceful uses are not being diverted for weapons fabrication. Compared to what might be required for international verification of arms control agreements, the IAEA safeguards experience is limited.

Nevertheless, the Soviet Union has begun negotiations with the Agency to put some of its civilian nuclear installations under safeguards. The fact that the Soviet Union is willing to consider accepting the IAEA inspection system indicates that the IAEA experience could be explored for some relevance to potential nuclear arms control verification systems. Indeed, Dr. Hans Blix, Director General of the IAEA, has addressed this possibility on several occasions.

Mr. Speaker, I would like to submit for my colleagues' consideration a briefing paper prepared by Dr. Warren Donnelly of the Congressional Research Service, which discusses Dr. Blix's observations and examines the potential usefulness of the IAEA experience to verify various aspects of nuclear arms control agreements.

NUCLEAR ARMS CONTROL: THE IAEA SAFEGUARDS VERIFICATION EXPERIENCE

(By Warren H. Donnelly, Office of Senior Specialists)

ISSUE DEFINITION

Ever since the 1960s, verification has been an issue upon which many nuclear disarmament proposals have foundered. However, since 1970 pledges by national governments not to make nuclear weapons have been verified by international inspection (safeguards) of the International Atomic Energy Agency (IAEA). At issue is the possible value of IAEA safeguards experienced for arms control verification.

BACKGROUND

The verification of international agreements to freeze production of nuclear weapons (or materials to make them) and of treaties to limit or reduce nuclear armament has long been a troublesome question. International inspection in theory is one way to verify pledges of some approaches to nuclear arms control such as cutoff of production of nuclear explosive materials. However, there is no prior experience with it. There is experience, though, with international inspection of nuclear materials to detect noncompliance with commitments not to divert them from civil use for weapons or other military purposes. This inspection service began with the international statute of 1956 that created the International Atomic Energy Agency. Initially the inspections were limited to nuclear materials voluntarily put under safeguards. Then in 1968 international inspection got a big push in the Treaty on Non-Proliferation of Nuclear Weapons, which obligated each non-nuclear weapons member state to accept safeguards of the IAEA "for the exclusive purpose of verification of the fulfilment of its obligations assumed under this Treaty with a view to preventing diversion of nuclear energy from peaceful uses to nuclear weapons or other nuclear explosive devices." These safeguards apply to all nuclear materials in all peaceful nuclear activities within the territority of such a non-weapons state, under its jurisdiction, or carried out under its control anywhere. Technically, the purpose of present IAEA safeguards is to provide assurance that nuclear materials in civil use are not diverted to make nuclear weapons or explosives, or to signal when it cannot provide such assurances. The enforcement of international commitments not to make nuclear weapons or sanctions against violators of such commitments is not part of the Agency's safeguards function.

IAEA safeguards do not verify that a country is not making nuclear weapons, only that nuclear materials in peaceful use are not being diverted to that purpose. The Agency has authority to observe certain permitted thing, not to determine directly anything that is not permitted. So verification has to be accomplished by observing the legitimate, not by snooping for the illegitimate.

As seen by the IAEA today, the political objectives of safeguards are:

To assure the international community that States are complying with their nonproliferation and other "peaceful use" undertakings;

To deter (a) the diversion of safeguarded nuclear materials to the production of nuclear explosives or for other military purposes and (b) the misuse of safeguarded facilities with the aim of producing unsafeguarded nuclear material.

Note, states conclude safeguards agreements voluntarily with the Agency and the IAEA has no other authority to apply safeguards. The assurance obtained from IAEA's safeguards as an independent and objective auditor is held to increase confidence between states and to help to diminish political insecurity, which is often a powerful motivation for a state to acquire nuclear weapons.

Establishment of IAEA safeguards marks the first time that sovereign states have invited an international organization to perform inspections within their territories on large and sensitive installations. Note too that IAEA inspections are carried out in several nuclear weapons states—the United States, the United Kingdom and France—not to prevent proliferation but to demonstrate that they can open their same nuclear installation to international inspection. The Soviet Union is moving toward such voluntary IAEA inspection. In July 1982, it offered at the United Nations to place a part of its peaceful nuclear installations under safeguards. Negotiations to that end are now in progress between the Agency and the Soviet Union.

The idea.—Verification of arms control agreements to stop development, testing, production and deployment of nuclear weapons, and perhaps to reduce existing nuclear arsenals, clearly is a critical matter that needs no further justification of its importance here. International measures while desirable in principle may be resisted by the Soviet Union because of its highly suspicious attitude towards the possibility of espionage by international inspectors. On the other hand, the Soviet Union presently is negotiating with the International Atomic Energy Agency for international inspection of some Soviet nuclear power facilities. So there seems to be some hope.

Since the Agency's inspection experience is limited in comparison with the likely requirements for verification of arms control agreements, it is pertinent to look to seek where its experience would be most useful. Table 1 gives some indications of the potential usefulness of the Agency's experience and organization, and the possible advantages over a new organization.

TABLE 1.—POTENTIAL USEFULNESS OF IAEA EXPERIENCE TO VERIFY VARIOUS STEPS OF NUCLEAR ARMS CONTROL

Step	Usefulness of IAEA experience	Usefulness of IAEA organization	Advantages over a new organization
Cessation of testing	Little	Some	Little.
Cessation of development	None	Little	Little.
Cessation of production of:			
Nuclear weapons materials	Substantial	Substantial	Substantial.
Nuclear warheads	None	Little	Little.
Vehicles (missiles, etc.)	None	None	None.
Disposition of nuclear weapons materials in inventories.	Substantial	Substantial	Substantial.
Cessation of further deployment of nuclear weapons.	None	Little	Little.
Diversion of civil nuclear materials to production of warheads.	Major	Major	Major.

Commentary on the idea.—The idea that IAEA inspection experience could be relevant for verification of arms control agreements has been mentioned recently by Dr. Hans Blix, director general of the International Atomic Energy Agency. On several occasions he has called attention to the inspection system of his Agency as the "only working international system of verification." For example, on May 19, 1983, in an address to the Bar Association of the City of New York, he said:

"Verification is the issue on which most disarmament proposals have come to a dead-end. In IAEA safeguards we have the first and so far the only working international system of verification. This is the first time that sovereign states have permitted an impartial international organization to send its staff into their territories and to carry out inspection on large and sensitive installations. It is interesting that NWS, too, including the Soviet Union and the United States, have shown readiness to accept this system on some peaceful installations."

This idea has received some recognition in Soviet writing. A recent article in the Soviet journal International Affairs said that "the significance of the IAEA safeguards system lies in the fact that it can in many ways provide a prototype for organizing control in other areas of limiting arms, especially nuclear arms."

Dr. Blix warns, however, about illusions of "quick fixes" via adoption of IAEA inspection. Nonetheless, the IAEA is now safeguarding sensitive nuclear materials in many countries. It is safeguarding stocks of separated plutonium and highly enriched uranium as well as the plants that produce these materials in Western Europe and Japan. These plants are similar to many of those used by the nuclear weapons states to produce nuclear explosives. If there were an agreement to reduce or cut off such production, IAEA safeguards techniques could help to verify these commitments. Likewise, IAEA type verifications might be useful if the nuclear weapons states agreed to dismantle some nuclear weapons and to subsequently store, use, or dispose of the salvaged nuclear materials. The IAEA's verification system is under continuous development to improve its effectiveness, particularly for safeguarding of sensitive nuclear materials. From the Agency's viewpoint, there are no inherent limitations that would limit further improvements or adaptations for use in disarmament.

With this in mind, Dr. Blix concludes that it is vital for the world's first experiment in international verification to succeed and be seen to succeed.

Some limitations.—Some arguments can be expected against this idea. For example, if the inspections were to include both facilities for production of nuclear materials and also those where warheads are designed and produced, substantial objections could be expected. It seems unlikely that any nuclear weapon state, including the United States, would allow close scrutiny of its weapons by foreign inspectors from nonweapon states. Even if the inspection were to be limited to facilities that produce plutonium or highly enriched unranium for warheads, opposition could be expected. Likely arguments are that IAEA safeguards can be applied only to installations identified in advance, and IAEA inspectors have no right to roam the territory of a state in search of possible clandestine installations. However, in an age of satellite surveillance, such roaming rights might not be necessary. Also, the IAEA has no police powers. It can only sound an alarm, and cannot assure prompt or effective international response. Then too, there have been criticisms of the reliability of IAEA safeguards. Doubts were expressed by some Members of Congress following Israel's bombing of Iraq's large research reactor in 1981, and the U.S. Nuclear Regulatory Commission has expressed doubt that IAEA safeguards would give desired assurance in some situations.

In the light of some indications of Soviet interest in this idea, perhaps it would be worthwhile for the United States to start bilateral discussions on a low and informal level to explore technical possibilities. The Soviets could have some interesting ideas. On the other hand, it is probably not feasible to go beyond an elementary analysis of how the Agency's experience could be useful until something reasonably specific begins to receive serious consideration. On the whole, the IAEA's experience probably has something useful to offer for a limited part of a nuclear arms control agreement, but it should not be oversold.

These potential doubts about the usefulness of IAEA inspection systems and technology will not be resolved easily, and may become more intense if nuclear arms control talks get to ways and means of verification. Nonetheless, the idea of drawing upon IAEA inspection and verification experience is likely to come up. If and when it does, there may be little time for analysis. In that case, any analysis by the Executive Branch and the Congress can save time, improve understanding, and lead to better decisions.●

MEMORIAL TO C.O. PEARSON

HON. TIM VALENTINE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. VALENTINE. Mr. Speaker, I regret to note with sorrow the passing yesterday of Conrad O. Pearson, a valiant and courageous leader in North Carolina's black community.

A distinguished attorney and great humanitarian, Mr. Pearson started the legal proceedings that eventually led to several landmark court decisions to eliminate institutional unfairness in the South.

Last December, I was honored to have him chair a committee to nominate an intern for my Durham district office. I was inspired by his lifetime contribution to freedom, equality, friendship, goodwill, and justice for and among men and women of all races.

Although some may not have known him by name, C.O. Pearson touched the lives of thousands through his life's work of championing the causes of civil rights and social justice. He was a spiritual giant of a man who lent a steady hand to progress when all around him was turbulent. He will be greatly missed.

Mr. Speaker, Conrad O. Pearson was a friend of mine, and my personal loss gains meaning when I reflect on how much a single human being can accomplish during his short stay on Earth. An article in today's Durham Morning Herald mentions a few of Mr. Pearson's accomplishments, and I ask that it be inserted in the RECORD.

[From Durham Morning Herald, June 27, 1984]

DURHAM CIVIL RIGHTS LEADER AND LAWYER, PEARSON, DIES

Conrad Odelle Pearson, a prominent civil rights leader and lawyer, died Tuesday at his home at 403 Cook Road. He was 82.

"A lot of history will go to the grave with him," said George Frazier, president of the Durham chapter of the NAACP. "His contributions to black people and to the nation will never be able to be measured because they are so far-reaching."

In 1933, Pearson filed the case of Thomas R. Hocutt v. The University of North Carolina, Wilson, et al. the first lawsuit in the South against a state-supported university for the admission of a black to the graduate school. Even though the case was lost on a technical point, it was forerunner of civil rights cases in desegregating state-owned universities.

Pearson also filed suits that led to the opening of the UNC Law School, the UNC graduate school and the undergraduate school to blacks.

As chairman of the redress committee of the NAACP State Conference of Branches, he handled desegregation cases against boards of education in Hendersonville, Stanly County, Asheboro, Pitt County and Perquimans County.

Pearson was the first NAACP state general counsel, a position he retired from in the late 1950s, Frazier said.

Pearson directed the defense of many of the demonstrators at sit-ins in the late 1950s and early 1960s. He also handled cases involving discrimination in the integration of hospitals and organizations throughout the state.

In Durham, Pearson was one of the founders of the Citizens Committee on Negro Affairs, now the Durham Committee on the Affairs of Black People.

Before he retired in the late 1970s, he was a professor of law at N.C. Central University. "Over the years, he trained and directed so many young black attorneys as they came into the field," Frazier said.

Pearson was assistant state attorney general under Robert Morgan and Morgan's successor, Rufus Edmisten.

Pearson remained active in the Durham chapter of the NAACP until his death. He was honored in 1979 at the organization's fifth annual Freedom Fund Dinner and was one of the first to receive the Francis Ellis Rivers Award given by the NAACP Legal Defense Fund.

"I consulted with him regularly on situations and things that the NAACP was involved with," Frazier said. "I considered him a great counsel. He was a man full of wisdom, knowledge, experience and insight."

"One thing he and I were working on at the time of his death was a project that demonstrates the kind of man he was," Frazier said. "There's an old cemetery near Colonial Street where slaves and black people were buried. He wanted to clean it up and put a fence around it. He always felt people should have a lot of respect for the dead."

Pearson was a native of Greensboro and moved to Durham to live with his grandparents at an early age. He graduated from

Whitted School in 1918 and received his undergraduate degree from Wilberforce Univeristy. He received his law degree in 1932 from Howard University. He received an honorary doctor of laws degree from NCCU in 1970.

He was a member of St. Jospeh's AME Church, the A.S. Hunter Lodge Number 825, the John Avery Boys Club, the George H. White Bar Association, the N.C. Association of Black Lawyers and Kappa Alpha Psi Fraternity, Inc.

A graveside service will be conducted at 11 a.m. Friday in Beechwood Cemetery by the Rev. W. W. Easley.

Pearson is survived by his wife, Mrs. Mildred Harris Pearson.

Instead of flowers, contributions may be made to the Durham Chapter of the NAACP.●

TALENTED TEACHERS: SUPPLY AND DEMAND

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. WYDEN. Mr. Speaker, for the last 1½ years we have been inundated with reports citing the challenges facing our schools and the teaching profession.

Last year, the Carnegie Foundation for the Advancement of Teaching released its results of an extensive study of the teaching profession which cited statistics showing that fewer students are choosing teaching as a career; that the average teacher salary dropped from $10,164 to $8,926 between 1973 and 1983—a loss of purchasing power of 12 percent; and that teachers face a tremendous salary disadvantage compared with other professionals—a gap that widens the longer they continue teaching.

This year, new statistics are showing that not only are there tremendous obstacles ahead for those entering the teaching profession, but that this country now faces a potential shortfall in our teaching work force.

It is time for this country to take action to avert the crisis in teaching. Last week, the House Education and Labor Committee unanimously reported out H.R. 4477, the Talented Teachers Act of 1983, a bill I introduced along with my colleagues, Representatives PAUL SIMON, WILLIAM GOODLING, and E. THOMAS COLEMAN, which would target Federal help to teachers in two key areas: recruiting outstanding students who graduated in the top 10 percent of their high school class to become teachers and offering fellowship rewards to keep talented teachers in the classroom.

I would like to share with my colleagues a New York Times article about the teacher shortage and urge them to support the Talented Teachers Act when it is considered by the House.

[From the New York Times, June 24, 1984]

TEACHER GLUT IS COMING TO AN END; TAKE NOTES

(By Edward B. Fiske)

After more than a decade in which the job prospects for education graduates were bleak, the country may be headed for a major teacher shortage.

There is already a shortage in math, science and vocational education. Current and prospective teachers in these areas are being lured into industry by higher salaries. And urban districts, such as New York City's cannot find enough teachers for public schools in disadvantaged neighborhoods.

Five years from now, however, the shortages may be felt across the board in elementary schools, and by the following year they could start to affect high schools as well. The National Center for Education Statistics, the research arm of the Department of Education, estimates that as early as next year, the supply of new teachers will no longer meet demand. Based on current trends, three jobs will be available for every two education graduates by the early 1990's.

The shortage is developing at a time when school officials, under intense political pressure to improve academic quality, are trying to be more selective about whom they hire. Whether such efforts can be sustained in a seller's market is an open question.

LOWERING STANDARDS

In Louisiana, Thomas G. Clausen, the state Superintendent of Education, provoked controversy when he announced that he planned to lower the passing scores on a number of teachers certification tests to "close the gap" between supply and demand.

Yet there are some signs that students are looking ahead and giving more thought to teaching as a career.

The problem is rooted in demographics. In the late 1970's, after declining for a decade and a half, the number of babies born began to increase, as more women of the baby boom generation started having children and some women who delayed having babies apparently decided to do so. As a result, kindergarten classes have been getting bigger since 1982, and school enrollment is expected to increase, grade by grade, for the foreseeable future. Elementary school enrollment will rise from 30.2 million this September to 34.1 million in 1992, according to projections by the National Center for Education Statistics. Although high school enrollment will continue to decline from 13.7 million this fall until it reaches a low of 12.1 million this fall until it reaches a low of 12.1 million in 1990, it will then begin to rise.

Because of these changes, the center estimates that the number of elementary school teaching jobs, which has been dropping since 1979, will reach an all-time high by 1992. The number of high school positions will decline until 1990 and then start to increase. "The growth projected at the elementary school level may mean that nearly 19 percent more elementary school classroom teachers will be working in 1992 than in 1982," said Vance Grant of the center's staff. By the mid-1990's, he added, there will be a corresponding growth in high school jobs.

One element of the equation is the supply of new teachers. With job prospects in recent years so dismal, the number of college graduates in education has plummeted, from 317,000 in 1972 to 146,000 this year. Between 1970 and 1982, the proportion of college students majoring in education dropped from just over one-third to 15 percent. "We have as many education faculty members—45—as we do education majors," said Charles R. Dees Jr., vice president of Seton Hall University in South Orange, N.J. In New York State, the number of provisional teaching certificates issued declined by more than half, from 34,770 in 1974 to 16,189 in 1981.

WOMEN WORK ELSEWHERE

The difficulty of finding enough teachers has been compounded by the fact that some of the social factors that assured a steady flow in the past—a lack of other employment opportunities for women and the prospect of upward mobility for those who were the first in their families to graduate from college—are no longer as relevant as they once were.

Projections of a coming teacher shortage are based on a number of assumptions, some of which can change. If more states follow the lead of California, Tennessee and Florida in raising salaries, more students may be attracted to teaching. Last fall, California began raising the starting salaries of teachers 30 percent over three years, to a maximum of $18,000 by 1986. The North Carolina Legislature last week passed an education package raising teachers' salaries by 15 percent. The National Center for Education Statistics estimates that a gradual increase in the precentage of education majors from 15 to 21 percent by 1992 would "probably be sufficient to offset an overall shortage."

There are some signs that a turnaround may be under way. Pennsylvania State University, for example, recently reported that it had admitted 540 new education students for next year, a 28 percent increase over last year and the first big rise in 12 years.

New Jersey and other states are trying to attract liberal arts graduates into teaching by easing education course requirements. New York City has temporarily waived its standard requirement of six education credits in order to fill the 3,500 vacancies it expects to have in September. Although educators hope such efforts will help avert the shortage, they say students often make their career choices based on the present rather than the future. "Everyone reacts to the job market they see and then gets in the long line," said Raymond Castillo of the career services office at Arizona State University in Tempe, Ariz., where the number of education majors has dropped from 1,500 to 500 in the last decade. "When you talk about jobs in teaching, though, you're not talking about projections. You're talking about children who are already born and are simply waiting to make their presence felt. This is a good time to get in the short line."●

THE WATER QUALITY ACT OF 1984

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. ROE. Mr. Speaker, section 50 of H.R. 3282, the Water Quality Act of 1984, which passed the House on June 26, 1984, designates a Great Lakes International Coordination Office in the Environmental Protection Agency.

The head of this Office is to serve as principal liaison person on Great Lakes matters to the International Joint Commission, United States and Canada, with regard to the development and implementation of specific action plans to carry out the responsibilities of the United States under the Great Lakes Water Quality Agreement of 1978. In view of the mention of the International Joint Commission, which was established by treaty between the United States and Canada, the committee, as a matter of courtesy and comity, consulted with the chairman of the Committee on Foreign Affairs of the House of Representatives. The chairman of that committee stated that he had no objection to the inclusion of this provision in H.R. 3282 and requested that his letter be included in the report. The letter follows:

COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, DC, May 2, 1984.

Hon. JAMES J. HOWARD,
Chairman, Committee on Public Works and Transportation, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: It is my understanding that an amendment is under consideration to H.R. 3282, The Clean Water Quality Renewal Act, which would achieve the goals of the Great Lakes Water Quality Agreement of 1978. I have reviewed the provisions of the proposed amendment and, without prejudice to the jurisdiction of the House Foreign Affairs Committee over this matter, have no objection to its inclusion in H.R. 3282 for consideration in the House. If the Amendment is adopted by your Committee, I request that this letter be included in the report on H.R. 3282.

Thank you for your consideration of this matter.

With best wishes, I am
Sincerely yours,
DANTE B. FASCELL,
Chairman.●

LESS CONTROL, MORE AMNESTY FOR ILLEGAL ALIENS

HON. ED BETHUNE

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. BETHUNE. Mr. Speaker, the amnesty provisions in the immigration bill we passed are a sham and a slap in the face to millions of aliens who are obeying our immigration laws.

The title of this bill, Immigration Reform and Control, is now a misnomer. It should be called the "immigration out-of-control" bill. Action here in the House was exactly the opposite of what is needed to develop a workable immigration policy.

Instead of heading in the direction of reform and control, many of the provisions provided less control but more amnesty. This House has undermined the rule of law by throwing up our hands over the illegal immigration problem.

We should be cracking down on illegal immigrants instead of just granting amnesty. I know that we can't catch all illegal immigrants, but we don't catch all the bank robbers, murderers, or thieves, either. But we do catch some of the criminals and we do prosecute them. I think this provides a deterrent to crime, just as I think cracking down on illegal immigrants would provide a deterrent to illegal entry into this country.

Granting amnesty to the millions of illegal aliens is like throwing in the towel before even trying to find a solution. We have millions of people who want to come to this country, and we have laws that set out the procedures for doing so. With this bill, we're telling people it's OK to ignore these laws. I'm sure there are a lot of folks in other countries who have been waiting patiently to come to the United States legally who are probably kicking themselves for following our immigration procedures.

Mr. Speaker, by granting amnesty, I think we've done nothing but encourage further illegal immigration and further lawbreaking. All an illegal alien has to do is get into our country, stay for awhile, and eventually Congress will cave in and let him or her stay forever! It seems as if Congress is saying to the public that if enough people violate a law, Congress will change the law. We did so with amnesty for draft dodgers and now we're doing it again with illegal aliens. What's next?

Our southern border is about 2,000 miles long. On the average, there are only 450 border patrol agents guarding our border. It was disturbing to learn that we have more policeman guarding the Capitol grounds, which is about 281 acres, than we have watching over our borders. More border patrol agents may help, but we could have done a lot more with this bill.

Mr. Speaker, we had a chance to regain control of our borders with this bill. We blew it.●

SHIRLEY POHL, OF DAYTON, NAMED TO LEAD MEDICAL LABORATORY TECHNOLOGISTS

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. HALL of Ohio. Mr. Speaker, I would like to take this opportunity to pay tribute to Miss Shirley Pohl, a constituent and a very special Dayton native who has scaled the heights of her profession.

Miss Pohl, who is currently managing director of the Department of Laboratory Medicine at Good Samaritan Hospital in Dayton, will shortly take office as the president of the International Association of Medical Laboratory Technologists. This is just the latest achievement in what has been a truly remarkable career.

Since graduating from the University of Dayton in 1957 with a B.S. degree in medical technology, Miss Pohl has served her profession in virtually every capacity at the local, State, and national levels. She served for 7 years on the board of directors of the American Society for Medical Technology as secretary, president-elect, president, and past president.

Miss Pohl's colleagues have long recognized her leadership and have given her many honors over the years. She has been selected as the chief U.S. delegate to the International Association of Medical Laboratory Technologists in 1974, 1976, 1978, and 1980. As an adviser to the World Health Organization, Miss Pohl participated as a lecturer and faculty member for the 1983 WHO Management Workshop. In 1975, Miss Pohl was honored as the Outstanding Medical Technologist of the Year by the American Society for Medical Technology. At the 1982 IAMLT Congress, she received the coveted Merz & Dade Award for continued dedication to the laboratory field. The University of Dayton has recognized Miss Pohl's special contributions twice, naming her for a Special Achievement Award in 1976 and a Distinguished Alumnus Award in 1983.

Despite her busy professional schedule, Miss Pohl somehow finds time to remain active in church and community affairs, as well as numerous fundraising and volunteer projects for the Good Samaritan Health Foundation.

I am pleased to congratulate Miss Pohl on her selection as president of IAMLT and commend her on her distinguished service to the medical laboratory technology field.●

THE JAMESTOWN POLES

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. COYNE. Mr. Speaker, Polish Americans and the Central Council of Polish Organizations of Pittsburgh will commemorate the 365th anniversary of the enfranchisement of the Jamestown Poles on August 14, 1984, at Pittsburgh's Kennywood Park. The Polish American community, which traces its roots to 1608, has grown to be a culturally significant ethnic group in the melting pot of America.

In 1608, at the request of Capt. John Smith, a small group of Polish artisans arrived at Jamestown on the supply ship *Margaret and Mary*. As records of

Captain Smith's appeal to the Colony Council at London indicate, the shipment of a few Poles was "in preference to bringing thousands such as we have now" since the English colonists "did not know what a day's work is."

In Captain Smith's progress report of 1609, he further revealed that the Polish colonists proved to be diligent workers who must be retained so that "* * * skill does not perish * * *".

At this point, I would like to include in the Record a description of the Jamestown Poles prepared by the Pittsburgh Central Council of Polish Organizations.

The material follows:

Capt. John Smith Invites Poles

When Captain John Smith was named president of the Jamestown Colony on September 10, 1608 one of the first appeals to the Colony Council at London was his petition which in part he stated: "They send for carpenters, husbandmen, fishermen, and for glass-men, pitch and tar makers to German and Poland till we able to sustain ourselves". He then further emphasized, "this is in preference of bringing thousands such as we have now". Then he also added this significant statement, "they (English) did not know what a day's work is except the Poles". (Edward Arber Works of Captain John Smith, p. 94). When there was criticism of bringing Poles, Captain John Smith defended his request by asserting this, "as for hyring of the Poles and Dutch, to rake pitch and tarre, glass-miles, (glass grills) and soap ashes; was most necessarie and well".

THE POLES ARRIVAL

It was aboard the second supply ship, "Margaret and Mary" under the command of Captain Newport that unknown number's of Poles came to the Jamestown Colony. According to contemporary records there were, "Eight Dutchman and Poles, and four others unnamed, making seventy in all". We learn from the narrative, that the first names of three of Dutchmen, were Adam, Francis and Samuel. They proved to be undesirable additions to the Colony. (See Conway Whittle Sam, "Conquest of Virginia" p. 823).

To determine the full names of the Poles it is almost impossible in view of the fact that records of the Virginia Company were almost completely destroyed sometime between 1623 and 1631 and 1634 by Privy Council's order. (Phillip L. Barbour, Letter to the author 9-5-75).

In the course of perusal of the Virginia Company's records, we do come across different Poles who are referred to only by their first name.

CAPT. JOHN SMITH REPORT ON PROGRESS

In his story, "The General History of Virginia etc.", Captain Smith says that he was responsible for the general development in the colony by "putting them to work" and added that, "in three months (February-April 1609) we made three or four last of Tarr, Pitch and Soap Ashes; produced a try all of Glasse . . ."

To what extent the Poles or any other group participated in "producing trall of Glasse" is not directly mentioned and probably will remain a moot question.

However there are direct references as to what the Polish colonists did viz: "For Hemp, and Flaxe, Pot Ashes and Soap Ashes, Pitch and Tarre there is a "Thirdly, for Pitch and Tarre, we advise and require, that the Polanders returned in part to these works, with such other assistance as shall be necessary. The like we desire for Potashes and Soap-ashes, when there shall be fit store of hands to assist them; Requiring in the meantime, that care be generally taken, that servants and apprentices be so trained in these works, as that the skill does not perish together with the masters". (Kingsbury Vol. III, page 278-279).

The commemorative services Committee consists of the following members: Joseph A. Borkowski, Chairman; Anthony Studnicki, Jean Zakrzewski, Irene Sulkowski, Mattie Siwicki, Casimir Gruzewski, Henry Drak, Wallace Klonowski, Irene Adams, Eugenia Landa, Lorraine Duffola, and John Alexandrowicz.●

REAFFIRMING OUR COMMITMENT TO AMERICA'S VETERANS

HON. DONALD JOSEPH ALBOSTA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. ALBOSTA. Mr. Speaker, 40 years ago today—on June 27, 1944—President Roosevelt signed into law the Veterans Preference Act of 1944. This legislation put together, in one comprehensive package, a variety of statutes, Executive orders, and regulations, dating back to the Civil War, which afforded preference in employment to those who served in the Armed Forces. The Committee on Civil Service, in reporting out this measure in the 78th Congress, stated its intent that "the Federal Government should set the pace" in providing reemployment and rehabilitation to veterans.

In the years since the enactment of the Veterans Preference Act, many veterans of World War II, Korea, and Vietnam have continued to serve their country in a variety of capacities in the Federal Government. By the end of fiscal year 1982, about 800,000 civil service employees benefited from veterans preference. Now, as Americans become more adamant in their desire to avoid further military conflict, I fear the recognition due our veterans may be weakened by circumstances our predecessors could not foresee.

In particular, I am referring to one portion of the Veterans Preference Act, which provided that the positions of guard, messenger, elevator operator, and custodian, in the civil service, would be reserved for veterans preference eligibles, as long as preference eligibiles are available; 40 years later, however, I am greatly concerned about the decreasing opportunity for veterans to obtain secure employment in the four positions reserved for them by law. Research by the Subcommittee on Human Resources, which I chair, clearly indicates that this decrease is due, in large part, to the conversion of many of these positions to contract performance.

That is why, on June 7, I introduced H.R. 5799, with bipartisan support from 27 original cosponsors. This bill, I believe, provides a much-needed legislative solution to this problem, while still addressing the needs of other groups which may be affected by actions our predecessors made in good faith. H.R. 5799 would prohibit the separation of a veterans preference eligible from one of these positions, as the result of a contract award. Also, preference eligibles would be given priority consideration when vacancies occur, or new positions become available.

In a 1944 letter to the House Committee on Civil Service, President Roosevelt stated, "* * * the Federal Government, functioning in its capacity as an employer, should take the lead in assuring those who are in the armed services that when they return special consideration will be given to them in their efforts to obtain employment." I hope that in 1984, the 98th Congress will not stand by, as veterans who needed the special benefit provided in title 5, U.S.C., section 3310, and veterans who may still need this advantage, find themselves foresaken by the Government they served.

This morning, the Committee on Post Office and Civil Service approved H.R. 5799. As we take a moment to remember the circumstances which prompted the 78th Congress to codify special benefits and protections for veterans, I urge my colleagues to join me in reaffirming our Government's commitment to these men and women, by passing H.R. 5799 when it reaches the House floor in the near future.●

TOWNHALL MEETINGS

HON. STEVE BARTLETT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. BARTLETT. Mr. Speaker, this spring I held seven townhall meetings in my congressional district. Hundreds of citizens attended those meetings and I would like to share with my colleagues the message I got from citizens at those townhalls.

People in this country have a very realistic view of the state of the economy and contend that the Federal deficits projected for 1985 and beyond are an extremely serious problem which must be resolved. They also recognize that the deficit is a symptom of a larger problem—the relative size of Government in relation to the total economy.

The tax increase approach to deficit reduction would end the recovery by reducing private-sector growth while doing nothing to slow Government's claim on resources. By about a 2-to-1 margin, my constituents favor cutting Federal spending to reduce the deficit, resulting in a decrease in the amount of money Government takes away from productive use in the economy.

I distributed a questionnaire at each townhall meeting to get my constituents' feelings about various proposals to reduce the growth in Federal spending. Here is what they said: 81 percent favored a constitutional amendment mandating that Congress adopt a balanced budget; 89 percent supported giving the President line-item veto authority; 63 percent supported eliminating cost-of-living adjustments for 1 year for Federal military and civilian employee retirement and disability benefits; 71 percent favored the 2-percent solution proposal to slow the increase in entitlement program costs; 85 percent favored revising the civil service retirement program to make it more comparable to private-sector plans; 73 percent supported requiring States to contribute to the food stamp program; 74 percent favored repeal of Davis-Bacon laws; and 52 percent supported freezing all Government spending at current levels.

My constituents, and I believe a majority of the American people, realize that the best Government policy is one which encourages private-sector investment, work, and savings—and that is an approach which lowers levels of taxation and spurs job creation.

There are 6 million more people at work today than in December 1982 as a result of the economic recovery. We must continue that momentum in the economy and to do that successfully, we must tackle the deficit problem.●

NATIONAL DRINKING AGE

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. HORTON. Mr. Speaker, both the House and the Senate are considering legislation that would establish a national drinking age at 21 years. This national drinking age is being established as an answer to this Nation's very serious drunk driving problem.

For a number of reasons, I am concerned with this action. First, if the Congress wants to enact a national drinking age, then let's consider that as a matter of public policy. This backdoor approach of denying States who fail to enact a 21-year drinking age a percentage of their highway construction funds is inappropriate.

If we debate the pros and cons of a national drinking age, I think we might be surprised. Drinking and driving don't mix—at any age; 18- to 21-year-olds account for 9 percent of the drinking population yet 17 percent of all alcohol-related accidents. Yes; this is high, but what of the 83 percent of the accidents that a drinking age doesn't address? And how do other age groups meet these statistical tests? The House wasn't given any of this information or these answers when it passed the drinking age rule by voice vote earlier this month.

Further, raising the drinking age doesn't address the problem. On the contrary, many law enforcement officials and organizations argue that a higher drinking age encourages the occurrence of large, unsupervised parties. This is especially true in the rural areas of our country. After these parties are over, there can be literally 100 and more drunk drivers on the same road, in the same area, at the same time.

Mr. Speaker, at 18, young Americans are leaving school, starting their careers, getting married, attending college, or joining our Nation's armed services to fight for and defend their country, if need be. Surely a law raising the drinking age won't stop members of this age group if they choose to drink.

Education, peer pressure, and swift enforcement of strict drinking laws are the answers that I believe can best solve our Nation's serious drinking and driving problem. People at all ages must come to understand the very real dangers they pose to themselves, their passengers, and others on the road, when they get behind the wheel of a car after having drunk to excess. A drinking age does little to accomplish this.

Mr. Speaker, I want to share with my colleagues an example of how education addresses this problem. At the Sodus High School in Wayne County, NY, a group of students, led by Tom Shirtz and Jerry Sullivan, formed a group called SADD—Students Against Drunk Driving. They conduct seminars, provide counseling and oversee a public relations campaign emphasizing the dangers of drunk driving. In short, these two students, and others at the school, are telling their peers that drinking and driving isn't funny and isn't cute, that it is a very serious and dangerous matter.

It is precisely this type of peer reenforcement, combined with education and enforcement of strict drunk driving laws, that can best address this problem. Raising the drinking age misses the mark. Let's get back on track. I think we can learn from the students at Sodus High. They show us the important, but I think overlooked, role that peer education can and should play in this issue. They are to be commended, and I believe their program should serve as a model for schools across the country. Students Against Drunk Driving—SADD—a responsible approach to solving a difficult problem.●

COST OF HUMAN NEGLECT

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. CLAY. Mr. Speaker, much has been discussed about decreasing the Federal budget and its deficit. We all agree that the budget needs to be cut down to a more manageable size. However, I do question where certain cutbacks have been made. As a result of recent cuts in Federal money for outreach programs for young mothers who need prenatal care there has been a frightening increase in the rate of infant deaths. In St. Louis, the rate of deaths among infants increased from the previous year with alarming figures that shows the death rate for black infants was more than double the rate for white infants.

In a country as rich as ours with great technological advances being made daily, there is no excuse for this unconscionable neglect of our young. I would like to take this opportunity to share the following news article which highlights the increased infant mortality rate in the St. Louis community.

[From the St. Louis Post-Dispatch]

INFANT DEATHS UP 13.5 PERCENT IN ST. LOUIS

(By Roger Signor)

The rate of infant deaths increased in St. Louis last year by 13.5 percent over the previous year, while the rate in St. Louis County during that period declined, health officials say.

The death rate for black infants remains significantly higher than the rate for white infants in both the city and the county, officials noted.

Last year, 131 infants up to 12 months of age died in St. Louis, compared to 117 the year before. In the county, 136 infants died last year, compared to 158 in 1982.

Last year, the rate of deaths for infants in the city jumped to 16.1 for 1,000 live births, compared to 14.2 deaths for 1,000 births the year before.

The death rate for black infants was more than double the rate for white babies. Last year, the rate for blacks was 20.7 for each 1,000 births and 8.7 for whites.

In St. Louis County, the overall infant mortality rate last year dropped to 9.8 for each 1,000 births, from 11.1 in 1982—a 13 percent decrease. But the county's death rate for black infants also was twice that of white babies.

Rates are calculated in proportion to each 1,000 live births to keep population shifts from distorting the true impact of a health problem.

Some doctors say recent cuts in federal money for outreach programs for young mothers who need prenatal care probably contributed to the increase in deaths.

Health Commissioner William B. Hope agreed that such cutbacks have weakened efforts to enroll poor, teenage mothers in prenatal care programs.

But yearly fluctuations in death rates can be misleading, he said. "We had had a precipitous drop in the infant death rates from 1981 to 1982," he said. The rate in that period dropped by 27 percent.

But Hope says one factor has remained fairly constant over the past 10 years. Infant mortality rates among black infants consistently stays higher than the death rates for white infants.

"In addition, we had more than 800 low-birth-weight babies born in the city last year—which is unacceptable," Hope said. "There are too few young mothers enrolled in prenatal care programs."

Federal money for maternal and child health has been cut about $100,000. That has resulted in the loss of about 15 nutrition specialists and nurses, who had helped pregnant mothers get prenatal care, Hope said.

Dr. Corrine Walentik, director of the neonatal intensive-care unit at City Hospital, said about one-third of the young pregnant women in the city got inadequate prenatal care.

"It was penny-wise and pound-foolish for the (federal) government to cut back in outreach programs," she said. "You pay for it down the road."

In addition to increased mortality rates, the financial cost is great, Dr. Walentik said, In 1980, a study showed that the average cost for hospital care for premature, low-birth-weight infants ranged from $25,000 to $30,000, she said.

C. Richard Blount, director of the Women, Infants and Children program in Missouri, said, "What these people are talking about is real. While the money for my nutritional supplemental program is there, cuts in federal funding for support staff has eroded."

More than 10,500 women are enrolled in the program in St. Louis; an additional 5,600 are enrolled in St. Louis County. Blount says his program has not suffered from federal cutbacks.●

SWAPO AND THE SOVIETS: TERRORISTS THREAT IN SOUTHERN AFRICA

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. PHILIP M. CRANE. Mr. Speaker, the recent meeting between U.S. Secretary of State George Shultz and the Multi-Party Conference of the internal political leaders from South West Africa/Namibia is a welcome sign. I believe that it signals an end to the previous U.S. policy of turning a blind eye on United Nations designation of SWAPO [South West African People's Organization], the Soviet-backed and directed terrorist group trying to seize control of Namibia, as the sole and authentic representative of the Namibian people.

Ever since Soviet leader Leonid Brezhnev announced in 1973 that "our aim is to gain control of the two great treasure houses upon which the West depends—the energy treasure house of the Persian Gulf and the mineral treasure house of Central and Southern Africa," the Soviets have been stepping up their support for the SWAPO terrorists in their bid to take over Namibia from their protected bases in southern Angola.

Namibia is the site of the world's largest uranium mine, a fact that is not lost on the Soviets. But it is also the site of most of the world's supplies of platinum and chromium. If the Soviets are successful in gaining control of these critical minerals upon which the United States is now 100 percent import dependent, our technological capabilities as well as our defense industry will be severely threatened. We will be subject to Soviet economic and diplomatic blackmail and will either have to pay exorbitant prices or be denied access to these minerals altogether.

In spite of this fact, U.S. taxpayers are called upon annually to give over $1.2 billion to support the United Nations—approximately 25 percent of the total budget. The U.N., on the other hand, provides better than $25 million each year to finance SWAPO. In other words, the United States furnishes money to the U.N., which is in turn used to advance goals that are directly opposed to U.S. interests. In this connection, a recent article in the Washington Times entitled "How the Soviets Use SWAPO" is worthwhile reading. I commend it to each of my colleagues.

[From the Washington Times, June 14, 1984]

HOW SOVIETS USE SWAPO

(By Albert L. Weeks)

On June 10, the Washington Post carried a story about Namibia under the headline: "Nujoma Spurns S. African Offer." Reading the Post foreign service correspondent Lexie Verdan's story, a person would get the impression that poor old Sam Nujoma leader of the South-West Africa People's Organization (SWAPO), is trying his very best to find a "reasonable" solution to Namibia's quest for independence. But evil Apartheid South Africa is frustrating his noble effort.

Namibia is a U.N. protectorate, but for more than a decade has been a SWAPO breeding-ground for guerrilla warfare. Because the Republic of South Africa knows that SWAPO gunsights and insurgency are trained on it, above all—as freely proclaimed by Mr. Nujoma—it has had to take precautionary measures. These have included occupation of border areas adjoining Namibia and South Africa.

Meanwhile, the last time Namibians themselves had a chance to state their political preferences, SWAPO rejected the plan to hold an election and unleashed guerrilla warfare. That was in 1977, just a few years before the Salvadoran guerrillas likewise showed contempt for expression of the popular will and began the attempt to shoot their way into power. For the past several years, the United States and like-minded countries have tried to use U.N. auspices to find a viable, democratic solution to Namibian independence and internal security. On its part, Johannesburg has expressed support for an enterprise that would truly guarantee unfettered elections in Namibia, laying down of guerrilla arms, so that loyal opposition in Namibia could remain loyal instead of destructively subversive.

What those like Lexie Verdon, and they are legion in contemporary journalism, never tell readers is that Sam Nujoma is nothing but a Soviet Uncle Tom in the very worst sense. No sincere black liberator he, Mr. Nujoma is an outright collaborator with Soviet expansionism in the Third World. In that function, he shares uniforms with the likes of the late Neto and the present Angolan leader dos Santos, Muhammad Husani in South Yemen, Mengistu Haile Mariam in Ethiopia, Daniel Ortega in Nicaragua—i.e., the whole rogues gallery of Soviet stooges.

In other words, Sam Nujoma is the kind of dark-skinned Quisling that black African leader Julius Nyerere of Tanzania (formerly, with the sonorous cognomen of Tanganyika and the beautiful triangular postage stamps) had in mind, apparently, when he described a few years ago how Soviet-backed "new imperialism" threatened sub-Saharan Africa.

If words are wise men's counters, here are some of Mr. Nujoma's carefuly selected words of wisdom. All of them were addressed to his favorite protector and supplier of arms, the U.S.S.R. The occasion under which he spoke the following sentences was the latest party congress of the Soviet Communist Party, held in the Kremlin "Palace of Congresses," February-March, 1981. Mr. Nujoma's words to the comrades give moment to the old Russian aphorism, equivalent to our birds-of-a-feather: "They're made from the same dough," he and the communists. And the Soviet dough is sour.

Mr. Nujoma addressed the 26th CPSU Congress with the warm opening, "Beloved comrades." Excerpts from what Sam Nujoma said ran as follows:

"The U.S.S.R. is the champion of the rights and human worth of all people on earth."

"The Soviet Union pursues a principled course in support of national-liberation movements, defending them against the evil, anti-socialist, extortionist, and slanderous campaign by the imperialists."

"The Communist Party of the Soviet Union has always been and remains the natural political and ideological ally, true comrade, reliable supporter, and source of inspiration for all colonial peoples [thunderous applause]."

"Whether the struggle takes place in Africa, Asia, Latin America or other regions of the world, all these peoples know that all their hopes rest with the Soviet Union and its selfless assistance."

"Imperialism seeks to perpetuate its harsh exploitation and plundering of the rich resources within Namibia."

"Imperialism is a truly rotten monster (sic), against whom the only recourse is to extract his poisonous stinger."

"SWAPO seeks to create a new order in Namibia, one that will see the triumph of socialism."

"The Namibian people, under the leadership of SWAPO, know no other course than armed struggle, leading to the destruction of the enemy and throwing him out of Namibia."

"The day of our victory approaches, and we are deeply grateful to the Soviet Union for its unflagging solidarity with our struggle and for its material help."

"Hail to Marxism-Leninism! Hail to the CPSU, the party of Lenin! Hail to the friendship between the CPSU and SWAPO, between the revolutionary Soviet people and the struggling people of Namibia!"

Years ago unreconstructed Marxists like Erich Fromm, the psychologist, said they were sure that communist verbal bravado was like a rain-dance ritual: mere words, mere posturing, signifying nothing. But the late Mr. Fromm, perhaps, failed to see that when words are backed up with AK-47s (to name only one revolutionary weapon in the Soviet arsenal of exported arms), something more tangible than a meaningless litany is going on.

In a Pravda article last year, Adm. Sergei Gorshkov, the Soviet navy's commander-in-chief, declared that his naval policy, in essence, was one that is aimed, he wrote, at "cutting off" imperialism.

The admiral undoubtedly had the Cape sea route in mind when he wrote this. This is the geostrategic water road by which oil and food reach Western Europe and America. Or was he perhaps mindful, as he was in his two books, of those Southwest African rich resources of which Mr. Nujoma spoke? These are the strategic minerals found in the region—including Namibia and a dozen other countries—upon which the United States and its allies are almost totally dependent. The area contains way more than half of most of the critically needed minerals that go not only into jet and rocket engines, for example, but also into submarines and other craft and equipment.

Chromium, cobalt, tantalum, tungsten, columbium—all vital materials used in a jet or rocket engine—are found mainly in the south African area. The West must import, in most cases, between 75 and 100 percent of its supply of such minerals precisely from this resource-rich sub-Saharan African region. Cutting off—i.e., denying—these raw materials to the West is one of the principal callings of Adm. Gorshkov's ever-increasing, ever-modernizing, and ever deeper "blue-water" navy.

And so, Lexie Verdon, SWAPO and Sam Nujoma are integral parts of that Soviet strategic goal. How about letting your readers in on that little secret next time?●

HONORING MONSIGNOR PAUL A. LENZ

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. MURTHA. Mr. Speaker, I am often reminded that the greatest strength of America lies in the courage and compassion of its individual citizens. It is an honor for me to insert these remarks into the CONGRESSIONAL RECORD recognizing a native son of the congressional district I represent whose life exemplifies that strength and spirit of America.

On Sunday, July 1, Msgr. Paul A. Lenz returns home to Gallitzin, PA, to celebrate a belated 35th anniversary as a Roman Catholic priest. The official anniversary date was April. 2.

Monsignor Lenz attended public school in Gallitzin and Altoona Catholic High School. In 1946, he graduated from St. Vincent College in Latrobe, and 3 years later completed his seminary studies at the same school. He also did graduate work at St. Vincent's and Penn State University.

He was ordained a priest April 2, 1949; he was named Papal Chamberlain on December 16, 1960, and given the title of monsignor; on December 10, 1982, he was named a prelate of honor by Pope Paul II. He is a priest of the diocese of Altoona-Johnstown and has served that diocese in a number of different capacities including 17 years as diocesan director of the Society for the Propagation of the Faith, and 5 years as assistant editor of the diocesan newspaper, the Catholic Register. From 1951 to 1969, he served as pastor of various parishes and taught theology at Mount Aloysius Junior College and St. Francis College.

In 1970, Monsignor Lenz volunteered to work in Paraguay, South America, as a missionary in rural and jungle areas. Returning to the United States in 1974 he served as pastor of St. John the Evangelist in Bellefonte. In 1976, he was named as executive director of the Bureau of Catholic Indian Missions. In addition, Monsignor Lenz serves on the board of directors of the National Catholic Development Conference, International Liaison, and other national organizations.

Those accomplishments in themselves are impressive, but more impressive are the comments of the people who know him. One friend told me, "Monsignor Lenz is best known to those less fortunate. An unassuming man, he is quick with a smile, a handshake, and a personal greeting to everyone he meets. This becomes evident when the 'Padre' as he is known at his favorite lunch spot, talks to the waitresses and waiters in their native tongue, Spanish. They know he cares. He knows them by their first names, and always takes time to greet them and inquire about their families."

And Father Larry Lorenzoni, a Salesian priest from San Francisco, who will join in Sunday's celebration said "Monsignor Lenz is a genuine human being, a concerned Christian, and a prince of a priest; strict with himself because he believes, lenient and liberal with others because he loves. If friends could be made to order, I would ask for one like him."

And Msgr. Philip P. Saylor who serves the Altoona-Johnstown Diocese as pastor of St. John the Evangelist Parish in Lakemont commented that "there are very few clergymen who have dedicated themselves so consistently and continuously to the missionary endeavors of the church as has Monsignor Lenz. His commitment to the sacredness of life, of whatever age, race, nationality, and creed is an inspiration to us all."

Joining at the celebration of the Mass at St. Patrick's Catholic Church in Gallitzin—the same church where he was baptized and offered his first Mass—will be the Most Reverend James J. Hogan, D.D., bishop of the diocese of Altoona-Johnstown, who will preside at the Mass. The homily will be delivered by Bishop Jerome Pechillo, auxiliary bishop of Newark, NJ, who was the founding bishop of Coronel Oviedo in Paraguay where Monsignor Lenz served as a missionary.

Concelebrants at the Mass include two of the monsignor's cousins—Father Frank Parrish, S.J., chaplain of the Knights of Columbus in California, and Monsignor Francis B. McCaa, pastor of the Holy Name Church in Ebensburg. In addition to those I have already mentioned joining in the celebration will be Father Ted Zuern, S.J., an associate of Monsignor Lenz, Father Arnold Gaus, pastor of St. Patrick's Parish, and Father Donald Pelotte, provincial of the Blessed Sacrament Fathers in the United States.

It is an honor for me to join in the celebration through these remarks, recognizing the wonderful life and commitment of Msgr. Paul A. Lenz.●

HOUSE CHOOSES PRUDENT APPROACH TO MITIGATING LAKE ACIDITY

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. RAHALL. Mr. Speaker, while those who have been seeking to impose upon the Nation a costly program to allegedly control acid rain have suffered a setback with the defeat of H.R. 3400 in the Subcommittee on Health and the Environment, yesterday the House struck a resounding chord in support of a more prudent and cost-effective approach to mitigating any aquatic effects of high acidity when it passed H.R. 3282, the Water Quality Renewal Act.

This legislation contains two programs aimed at utilizing liming and other mitigation methods to reduce acidity in lakes and other waters. I have long advocated this as being a more effective and reasonable approach to improving the water quality of acidified lakes as opposed to placing new controls on utility emissions hundreds of miles away from impacted areas.

The first of this two-pronged attack on lake acidity is a State grant program to be administered by the EPA. A State would survey water quality deterioration which has resulted from high acidity and devise methods and procedures which would restore water quality.

The methods and procedures used by the States may include innovative methods of neutralizing and restoring the buffering capacity of lakes and methods of removing toxic metals and substances mobilized by high acidity.

The EPA, upon approval of a State submission, would make grants not to exceed 80 percent of the costs of the mitigation effort. The bill authorizes $25 million per year for this program through fiscal year 1989.

The concept for this program is based on legislation sponsored by my colleague on the Committee on Public Works and Transportation, Brian Donnelly of Massachusetts. In addition, the program is similar to that suggested by legislation which I have introduced, H.R. 1405, and contains language from that bill. The point here is that representatives from Massachusetts in the heart of New England, and from West Virginia in the heart of the Appalachian coal fields, can work among themselves to solve any problems associated with acid deposition.

The second program provided by H.R. 3282 charges the EPA Administrator in conjunction with the Fish and Wildlife Service, with a demonstration program to restore acidified lakes and watersheds through liming. The bill authorizes $25 million per year for this effort.

Mr. Speaker, as one with a great concern for water quality, I am pleased the House has accepted and passed H.R. 3282.●

DAVID BRODY PROFILED IN TASS?

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. KEMP. Mr. Speaker, David Brody, the Anti-Defamation League's talented Washington representative, has truly "arrived": he has been profiled in TASS. It is not often that the propaganda arm of the Soviet Government does an indepth feature on a prominent member of the B'nai B'rith.

But it seems that just as the Soviets have become accustomed to stealing Western technology, so too do they steal news reports. If the TASS wire service piece on Mr. Brody had a decided New York flavor to it, that was because it was a near verbatim translation of a New York Times article of a year ago, with the noticeable addition of some original Soviet anti-Zionist slurs.

"Washington Talk" columnists William Farrell and Warren Weaver called attention to this Soviet imitation in their article, "Get Me TASS Rewrite," which I ask be printed in the Record. I also ask that the orginal New York Times feature on Mr. Brody, "An 'Unelected Member' of the Senate," be included as well.

I will leave it to TASS to publish the Soviet dispatch and in the meantime, keep up the good work Dave.

[From the New York Times, May 14, 1984]

GET ME TASS REWRITE

(By William E. Farrell and Warren Weaver, Jr.)

Soviet correspondents, it seems, can also succumb to the age-old journalistic practice of rewriting their competitors. In a January copy of Sovetskaya Moldaviya, a Kishinev daily, appears a Tass dispatch that bears a striking resemblance to a profile of David Brody, Washington lobbyist for the Anti-Defamation League of B'nai B'rith, that ran on this page a year ago.

The Tass article begins as almost a translation of the New York Times article, discribing how Mr. Brody is accorded senatorial privileges in riding the Capitol subway and elevators. Then phrases that were not in the original begin appearing; B'nai B'rith is described as "completely under the control of Zionist circles" and Mr. Brody as opposing bills "which do not correspond to the interests of Tel Aviv 'hawks.'"

A quotation from Mr. Brody, explaining his position on aid to Israel, is materially altered. The Times version: "You can't win over the Arabs by weakening Israel. If Israel receives the aid it needs, it's in a better position to compromise; a weakened Israel cannot." The Tass version: "You will not get the good will of the Arabs by weakening Israel. If Tel Aviv receives the assistance it needs, then the U.S.A. will be in a better position."

After about 400 words, the Russian writer parts company with the original story altogether to discuss the impact on Congress of "Zionist and pro-Israel organizations" and the current volume of United States aid to Israel. He concludes, entirely on his own, that "all the doors and loopholes on Capitol Hill are open for David Brody, which he sees in his dreams crowned by the Zionist symbol, the six-pointed Star of David."

[From the New York Times, May 26, 1983]

AN "UNELECTED MEMBER" OF THE SENATE

(By Martin Tolchin)

Washington, May 25.—"Senators Only" said the sign in front of the Capitol subway, but David Brody was waved aboard by Senator Charles E. Grassley, Republican of Iowa, whom he thanked for signing a resolution opposing the sale of advanced weaponry to Jordan.

"Senators Only" said the sign above the elevators in the Capitol, but Mr. Brody was escorted onto the car by Senator Jesse Helms, Republican of North Carolina, whom he congratulated on North Carolina State's N.C.A.A. basketball championship.

"Dave Brody is the unelected member of the U.S. Senate," said Senator Charles McC. Mathias Jr., Republican of Maryland, who is an old friend.

Mr. Brody, who will be 67 years old next month, is a short, kinetic institution who seems to know just about everyone in Government. He is the Washington representative of B'nai B'rith's Anti-Defamation League, and, like those of many other lobbyists, his office walls are lined with signed photographs of Presidents and other White House notables. "What would we do without friends?" wrote Vice President Bush, and James A. Baker 3d, the White House chief of staff, called Mr. Brody "oftentimes a strong ally, occasionally a worthy adversary, but always a friend."

It is the Senate, however, where Mr. Brody presses his campaigns, which focus on aid to Israel and support of civil rights legislation. Some other lobbyists for Jewish organizations consider him a loner because of his failure to coordinate his activities with them, and some Capitol Hill people regard him as overly persistent. But most consider him effective.

STRATEGY ON AID TO ISRAEL

"Dave Brody can get in and out of more senators' offices quicker than any person I have ever met in my life," said former Vice President Walter F. Mondale.

Mr. Brody's present concerns include the foreign aid authorizaton bill, which contains an increase in aid to Israel, and legislation that would put teeth into a fair housing bill. On aid to Israel, Mr. Broder tells senators, "You can't win over the Arabs by weakening Israel. If Israel receives the aid it needs, it's in a better position to compromise; a weakened Israel cannot." On the fair housing bill be tells them, "Without effective enforcement, the bill doesn't mean very much."

Mr. Brody is a full-service lobbyist. He introduces senators to constituents, fund-raisers, reporters and "people I think they should meet." He gives personal advice. He suggests positions on a wide range of subjects, including those in which his organization is disinterested.

"I don't come around only when I need something," Mr. Brody said."I come around to chat on a general exchange of views. I don't have a heavy-handed, demanding style."

OF FRIENDS AND AWACS

"He's given me valuable advice," said Senator Howell Heflin, an Alabama Democrat. "He has a broad range of interests."

Mr. Brody doesn't seem to care if a senator is a Democrat or Republican, liberal or conservative. Some of his closet friends in the Senate voted for the sale of Awacs to the Saudis, which Mr. Brody lobbied hard, and unsucessfully, to defeat. "Somebody can be against you on one issue, and with you on the next," he said.

His manner can be direct. When Senator Lloyd Bentsen, the Texas Democrat, told him that Israel needed another Golda Meir, Mr. Brody replied, "Senator, if you have the power to resurrect Golda Meir, that's fine with me, but Golda Meir also had problems with our government.

Mr. Brody does considerable entertaining at home, often bringing senators together with the Israeli Ambassador. Rolf Pauls, former German Ambassador to Washington, once quipped that he had seen more senators at Mr. Brody's home than on the Senate floor.

Mr. Brody, a native New Yorker who is a graduate of City College and Columbia Law School, came to Washington in 1940 to work for the Department of Agriculture, and joined the league in 1949. He was promoted to chief Washington representative in 1965.

His style has evolved over the decades. "Maybe I am a loner," he said. "I have my own style. You have to be able to relate to people, even when you find yourself in disagreement. You have to deal with members as individuals, and know what their concerns are. I'd have a very narrow range of friends if we had to agree on every issue."●

HARRY CHAPIN BILL

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. DORGAN. Mr. Speaker, 3 years ago this July, I joined a number of my colleagues on the floor of the House to mourn the tragic death of a great humanitarian, Harry Chapin. Today, with the support of Mr. Downey of New York and Mr. Jeffords of Vermont, I am introducing legislation to further honor this man, striking a gold medal in his memory.

My first exposure to Harry Chapin came in the early 1970's when the young folk singer appeared on Johnny Carson's "The Tonight Show." At that time, Harry demonstrated more than just his well-known musical talent; he also demonstrated his commitment to end the scourge of world hunger.

It was this same commitment, combined with seemingly endless energy, that made Harry Chapin a force for decency and dignity around the world and particularly here on Capitol Hill where he testified compellingly for the creation of a Presidential Commission on World Hunger. These qualities also led him to form the Food Policy Conference, to organize World Hunger Year, and to perform hundreds of benefit concerts, the proceeds of which were donated to fight world hunger.

The bill that I have proposed in conjunction with Mr. Downey and Mr. Jeffords is intended to celebrate these very characteristics that made Harry Chapin, the man—the inexhaustible altruism, the magnificent sense of selflessness. I also hope that passage of this legislation will be a sign from Congress that Harry Chapin's commitment to end world hunger survives, and that the national conscience that he stirred in the 1970's and 1980's remains awakened to this global challenge. To a human being such as Harry Chapin, we owe at least that much.●

THE PERSECUTION OF THE YAKIR FAMILY

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. GRADISON. Mr. Speaker, in July 1979 I had the opportunity to visit the Soviet Union. While in Moscow, I met with Yevgeny Yakir and his family. The Yakir's had applied for a visa to emigrate in 1974 and were patiently and anxiously awaiting permission to leave the Soviet Union.

Over the years, I have made efforts to contact the Yakir's not on any official business, but to further cultivate a friendship that developed during my stay in the U.S.S.R. I broke bread at the home of Yevgeny [Gene] and his wife Rima. We discussed our families and I learned that their son Alexandr was in central Asia on an archeological dig.

To my great dismay, I have learned that the Yakir family is the target of severe and unjustified persecution by Soviet authorities.

As I later realized, the Yakir's son, Alexandr, was called up in the draft soon before I visited the family in Moscow. On June 18, Alexandr Yakir was arrested in Moscow on a 5-year-old charge of draft evasion. The investigation into his case will be closed on June 28. Cases of this nature usually take 6 months to investigate. The trial of Alexandr Yakir is also expected to take place very quickly.

Since I had met with the Yakir family 5 years ago, Yevgeny has lost his job, and every effort to go into business on his own—to avoid charges of parasitisim—have been thwarted. His health is deteriorating and he has not been permitted to see his son since he was imprisoned several weeks ago.

I deplore the manner in which the Soviet Government has ignored the basic human rights of the Yakir family. This persecution is unjust and exemplifies the policy of anti-Semitism which is so prevalent in the Soviet system.

I ask my colleagues to join me in protesting this case of outright persecution and harassment. Yevgeny Yakir has called for our help and I intend to do all I can to see that justice is not denied his son, and that he and his family are eventually granted permission to emigrate.●

TO DESIGNATE MONTANA THE GATEWAY TO THE 1988 WINTER OLYMPICS

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. WILLIAMS of Montana. Mr. Speaker, today I am presenting a concurrent resolution which would designate the State of Montana as the "Official United States Gateway to the 1988 Calgary Olympics." The 1988 Winter Olympics will be held at Calgary, AB, Canada. Montana is the gateway to this Olympics because the State of Montana is contiguous with the entire southern border of Alberta and is the only land entry point to Alberta from the United States.

Actual ticket sales to the Calgary Olympics are projected at more than 1 million which will make the 1988 winter Olympics the highest attendance event of this kind ever to be held in this area. Many of these people will be traveling through Montana to get to the Olympics and will take this opportunity to extend their vacation by visiting some of Montana's scenic tourist sites and famous winter resorts. Already, Montana's ski resorts have spent $10 million in 1983-84 to upgrade lifts and runs for Olympic visitors. This, then, is an important opportunity to promote regional tourism with our Canadian friends.

The 1988 winter Olympics are truly a major economic venture for Alberta and the surrounding provinces and States. The indirect and direct income impacts to Alberta alone are estimated at over $750 million. Montana and Alberta are planning and working together to promote joint tourism. Both areas have been committed to tourism as an important economic activity which utilizes our natural resources in a renewable way.

The State of Montana and the Province of Alberta have long been friendly neighbors. Interested individuals in the private and public sectors in Montana are working with Canadians to make the 1988 winter Olympics a special event. Montana State government has announced "Count Down to Calgary," a plan to coordinate activities between Montana and Alberta. Efforts include promoting ticket sales, lessening visitation restrictions between the two countries, and easing customs procedures. Montanans have been working to promote our high quality winter sports facilities as training sites for Olympic teams.

We Montanans have always had a unique "hands across the border" relationship with our northern neighbors. Officially designating Montana's Big Sky Country, the "Gateway to the Olympics" will facilitate these efforts of friends helping friends.●

IMPORTANCE OF CONSUMER EDUCATION

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. ADDABBO. Mr. Speaker, the importance of consumer education is not only essential in the United States, but it is necessary for consumers around the world. Well-informed consumers improve business for multinational companies wherever they may operate. Recently, it was brought to my attention that during National Consumers Week, Avon Products, Inc., a New York company, sponsored a number of activities which promoted consumer education and hosted a study tour for consumer educators from Japan. I would like to share the highlights of this visit, as well as the other activities and their contribution to heightening consumer awareness.

The lead event was a 10-day, 4-city tour for a group of leading consumer educators from major universities in Japan including Tokai, Waseda, and the president of Kinjo Gakuin University. In addition, two members of the Japanese media and the vice president of the Housewives' Association of Japan were participants.

The purpose of the tour was to provide an opportunity for these Japanese visitors to gain firsthand knowledge of consumer education programs in U.S. schools, as well as those provided by Federal agencies, consumer organizations, the media, and business.

The tour included meetings with media in New York; visits to high schools and elementary schools in Philadelphia, PA; Flint, MI; Haslett, MI; colleges in New York and Frederick, MD; and a stop at Ypsilanti, MI, home of Eastern Michigan University's Consumer Resource Center. In Washington, DC, the group met with the U.S. Office of Consumer Affairs, the Consumer Product Safety Commission, and the Consumer Federation of America.

In addition, numerous consumer educational materials were made available to students and members of the public. Particularly of interest was a pamphlet entitled "How You Select the Professionals in Your Life," prepared in cooperation with the American Association of Retired Persons [AARP]. This pamphlet helps consumers ask the right questions when choosing professionals such as dentists, nurse-practitioners and financial advisers, and provides resource listings for additional information.

In conjunction with the displays of consumer educational materials, tours of Avon facilities were made available to students, business and community leaders. All of these activities, along with the visit of the Japanese consumer experts, illustrate the ever-increasing importance of worldwide, high-quality consumer awareness.●

ALARMING TRENDS IN SUICIDE MUST BE REVERSED: WE NEED FEDERAL ACTION NOW

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. LANTOS. Mr. Speaker, suicide is a devastating public health and social problem in this country. It is an ominous and tragic social indicator of our troubled times.

Some 30,000 Americans—over 80 individuals each day—will take their own lives this year. Yet even this shocking figure, based on the most recent data compiled in 1981, may underestimate the problem. The actual number probably is much higher, but is intentionally or erroneously underreported. A more accurate annual projection for the United States is probably closer to 100,000 suicides.

Additionally, for every suicide reported 10 others are attempted. This means that while there may be 30,000 suicides this year, there also will be approximately 300,000 more attempted. Most of those who attempt suicide are not mentally ill, but are normally healthy people experiencing severe life crises. Crises and intolerable stress can occur in any life. Thoughts of suicide are more common than we like to believe. An unwillingness to talk about it, to confront the problem, and to dispell the myths surrounding this ongoing tragedy, contribute to our inability as a society to reduce a rising suicide rate.

DRAMATIC INCREASE IN YOUTH SUICIDE

The statistics on youth suicide are especially appalling. According to the most recent national data more than 5,600 young men and women under age 25 took their lives in 1981. The rate of suicide attempts among youth is estimated at 100 attempts to 1 death. Since 1950, suicides among 15- to 24-year-olds have increased 300 percent, from 4.5 to 12.8 per 100,000 people. Suicide is the second leading cause of death in this age group. Although traffic accidents are the first cause of youth mortality, many authorities believe that a significant portion of traffic accidents may be suicides or suicidal gambles with death.

While the suicide rate has gone up for both young women and men over the last three decades, the rate of increase in males has risen most dramatically. The death rate for males, who generally use more lethal means, is three times higher than for females. Young women, however, attempt suicide three to four times more often than young men. The rate of death by suicide for women is now increasing faster than for men. The suicide rate is also increasing noticably for young black males and among children.

This problem touches every corner of our country, respecting no age, ethnic, regional, or socioeconomic group. Young people in economically and academically successful families are among those at high risk. Youth suicide victims often are academically and socially successful, and rarely are scholastic failures or social outcasts.

STRESS AND FAMILY BREAKDOWN CONTRIBUTING FACTORS

The dramatic increase in teenage suicide is frequently attributed to the breakdown of the family. Today only 38 percent of all teenagers live with both natural parents. Family life is in disarray. Divorce rates are higher than ever before in history. Pressures and stress on the family may be greater in these times when both parents must be employed full time. Also thought to contribute to youth suicide is the increase in geographic mobility with its potential for disruption, uprooting, and loneliness. Models of violence and the romanticism of death displayed on television and in films may also play a role in teen suicide. Religion, which for some provides spiritual strength in times of despondency, is often alien to many young people. Altogether, current social conditions leave youth especially vulnerable and at risk.

The stress of adolescence does not alone explain the phenomenon of suicide contagion among youth. Eight young people in Plano, TX, and another eight in Westchester NY, took their lives within the past year. There were three adolescent suicides in 1 month in a Milwaukee suburb. The Center for Disease Control in Atlanta has identified a dozen apparent clusters of suicides among teenagers and young adults around the Nation. The cluster effect is a new and tragic pattern.

SUICIDE REMAINS HIGHEST AMONG THE ELDERLY

Concern with adolescent suicide must not be allowed to obscure the fact that more than 40 percent of suicides occur among the elderly. Suicide rates peak in the 20-year-old age group, taper off in the thirties and forties, and rise rapidly in the fifties and sixties. Many elderly people feel that their lives are over, often they are sick and in pain, they routinely feel lonely and abandoned by their families, and they face dwindling financial resources. Our society must take care not to let suicide be the final answer to the problems of aging.

THE COSTS OF SUICIDE

While the costs of suicide are great both in loss of life and in the waves of grief and suffering felt by friends and loved ones, we have not confronted this expensive problem in a direct way. The taboos surrounding suicide are many and varied. The stigma of suicide clings to those who unsuccessfully attempt it, and to the family and friends of those who complete the act. Our Judeo-Christian roots have taught us to view suicide as murder. Indeed, many laws regarding suicide and attempts at suicide reflect this punitive point of view.

THE NEED FOR FEDERAL ACTION

For more than a decade the Federal Government has made little effort to address this problem. A tiny, underfunded unit for suicide research exists in a remote branch of the National Institute of Mental Health within Public Health Service. No Federal funds are targeted for prevention programs of research on prevention models through this unit. Those projects which are funded generally support biochemical research, clinical searches for physiological causes of suicide, and do not support research on prevention models.

As a legislator and an economist, I claim little expertise in this special health field. I do, however, know the importance to my own district in San Mateo County of the outstanding crisis intervention center with its model program for education about and prevention of suicide. This center, along with another in Los Angeles, spurred California to be the first State in the Nation to pass legislation mandating a statewide youth suicide prevention school program. I believe we need to look to California for a national model for reducing the tragic problems associated with suicide, not only in adolescence, but across all ages.

Mr. Speaker, the time has come for the Federal Government to take action in an effort to deal with this tragic national problem. Yesterday, with 10 of my colleagues, I introduced H.R. 5931 which makes a modest but important initial effort to do this. My legislation does not presume to recommend solutions or to dictate directions. It does, however, take the first step to establish a short-lived national commission to do the essential work of gathering statistics and information regarding suicide, and making specific informed recommendations for national policy. The commission will be composed of 15 professionals from a diverse array of fields with expertise in both the medical and social aspects of suicide. As these individuals collect and review the pertinent information, they will clarify the issues which have inhibited progress in this field, and present guidelines for Federal action including research priorities and dissemination of successful models of prevention.

I urge the support of my colleagues for this legislation. It is a modest beginning, but it is a reasonable approach to identifying solutions for a seriously neglected national tragedy.●

TRIBUTE TO BISHOP-DESIGNATES WILLIAM C. NEWMAN AND JOHN H. RICARD

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Ms. MIKULSKI. Mr. Speaker, I would like to take this opportunity to pay my respects to and bring to the attention of the House of Representatives the two new Roman Catholic bishops in Baltimore. Monsignor William C. Newman and Rev. John H. Ricard, S.S.J., have recently been appointed by Pope John Paul II as the new auxiliary bishops to the Archdiocese of Baltimore. Monsignor Newman, former superintendent of education for the archdiocese, will serve as eastern vicar; Father Ricard, the first black priest to be named bishop, will serve as urban vicar.

The accomplishments of these two Baltimore auxiliaries are truly amazing. Bishop-Designate Newman, other than being superintendent, has also served as the secretary and notary of the Archdiocesan Tribunal, Principal of St. Paul Latin High School and rector of the Cathedral of Mary our Queen. Bishop-Designate Ricard is a practicing psychotherapist and psychoanalyst. He has been a part-time associate professor at the Catholic University of America's National Catholic School of Social Service and is presently a doctoral candidate at that university.

It is obvious that both of these men are highly qualified for their appointments. Bishop P. Francis Murphy described the appointments as a "significant moment in the history of the archdiocese." This is indeed true and I hope that all of my colleagues will join me in honoring Monsignor Newman and Father Ricard upon their appointments as auxiliary bishops to the Archdiocese of Baltimore.●

50TH ANNIVERSARY OF THE FEDERAL HOUSING ADMINISTRATION

HON. CHARLES McC. MATHIAS, JR.

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Wednesday, June 27, 1984

● Mr. MATHIAS. Mr. President, June 27 is the 50th anniversary of the Federal Housing Administration. The FHA, one of the many New Deal programs devised to cope with the Great Depression's affect on the homebuilding industry, was regarded as a rather radical concept at the time. Today it is part and parcel of many home purchase transactions, especially for first-time buyers, and has proved itself as a stabilizer of the housing finance system and the homebuilding industry.

Since 1934, more than 16 million American families have been able to purchase a home, thanks to FHA. Many of those families could not have done so without the mortgage insurance provided by FHA.

What is most remarkable, over the years FHA has become largely self-supporting thanks to homebuyers' mortgage insurance premiums of one-half of 1 percent on the outstanding principal balance of their mortgages. By 1940, 6 years after its creation, FHA was paying all its expenses from its mortgage insurance premium income. And in 1954, FHA repaid the U.S. Treasury for its initial operating expenses. This is the kind of Federal agency we need more of as we struggle to control Federal spending.

The Federal Housing Administration has been a model of a social purpose agency benefiting large numbers of Americans with minimal impact on the Federal budget because if its self-supporting user fees.

Even more extraordinary, FHA led the way in the creation and public acceptance of the long-term, fixed-rate conventional mortgage. Prior to its creation in 1934, home purchases were financed with short-term credit, mortgages of 3 to 11 years. Downpayments were very large—as much as one-half the price of the home—with a balloon payment due on the outstanding balance at the end of the 3 to 11 years. Home ownership in those days was the exception rather than the rule.

Today the pattern of home ownership has been reversed in large part due to FHA and its mortgage insurance programs; 64 percent of American households own their own home, one of the highest rates of home ownership among developed countries in the world. Thanks to FHA, the American dream of a home of one's own has become a reality for many Americans.

Today FHA, as a part of the U.S. Department of Housing and Urban Development, continues to lead the way in the mortgage insurance field and the concept of credit worthiness. FHA broke new ground in its willingness to insure mortgages for low- and moderate-income families and first-time home buyers and for existing housing in older neighborhoods. A chart prepared by the U.S. League of Savings Institutions profiling the FHA buyer compared to the conventional homebuyer tells it all. The FHA buyer is predominantly a first-time buyer, younger, with a more moderate income, purchasing a moderate-priced, existing home. I ask unanimous consent that this table appear at this point in the RECORD.

The table follows:

PROFILE OF THE FHA VERSUS CONVENTIONAL HOME BUYER NATIONWIDE: 1983

Characteristic	FHA 1st-time home buyers	FHA repurchaser home buyers	All FHA home buyers	All conventional home buyers
Borrower median age (years)	28.0	33.1	30.0	34.4
Household size (percent):				
1 or 2	61.5	43.4	52.9	51.3
3 or more	38.5	56.6	47.1	48.7
Marital status (percent):				
Single	31.9	20.4	27.8	25.8
Married	68.1	79.6	72.2	74.1
First-time buyers			65.5	39.7
Purchase price:				
Less than $30,000 (percent)	8.0	1.6	7.2	10.0
$30,000 to $49,999 (percent)	32.2	14.6	28.7	20.8
$50,000 to $79,999 (percent)	54.8	52.5	52.2	33.8
$80,000 to $119,999 (percent)	4.7	27.9	10.9	19.9
$120,000 or more (percent)	0.4	3.4	1.0	15.5
Median price	$53,504	$69,011	$56,120	$65,000
Age of home:				
New (percent)	21.0	20.2	23.5	19.1
Existing (percent)	79.0	79.8	76.5	80.9
25 or more years (percent)	40.0	21.8	32.3	34.2
Median size of home (square feet)	1,189	1,398	1,223	1,452
Condominium buyers (percent)	1.6	3.7	1.9	10.9

PROFILE OF THE FHA VERSUS CONVENTIONAL HOME BUYER NATIONWIDE: 1983—Continued

Characteristic	FHA 1st-time home buyers	FHA repurchaser home buyers	All FHA home buyers	All conventional home buyers
Annual household income:				
Less than $15,000 (percent)	9.2	5.5	6.6	6.0
$15,000 to $24,999 (percent)	32.7	11.5	26.9	19.1
$25,000 to $34,999 (percent)	35.5	28.2	34.0	22.9
$35,000 to $44,999 (percent)	18.3	26.9	21.5	18.7
$45,000 or more (percent)	4.2	27.9	11.0	33.2
Median income	$27,483	$35,997	$29,988	$35,987
Importance of second income (percent)[1]	66.0	49.1	61.9	53.6
Total monthly housing expense (percent):				
$300 or less	2.7	0.7	2.5	7.6
$301 to $600	40.2	24.4	39.3	35.2
$601 to $900	50.4	56.9	49.9	29.8
More than $900	6.7	17.9	8.3	27.4
Median monthly housing expense:				
Total	$650	$733	$672	$709
Mortgage payment	$488	$558	$508	$524
Real estate taxes	$48	$57	$49	$65
Utilities	$100	$100	$100	$100
Hazard insurance	$14	$18	$15	$20
Downpayment:				
10 percent or less (percent)	71.1	41.7	64.1	26.6
20 percent or more (percent)	10.2	36.0	17.2	45.7
Median downpayment	$2,999	$10,021	$3,190	$12,000
Housing expense exceeding 25 percent of household income (percent)	59.8	43.3	49.6	39.6

[1] Percentage of households with two adults in which income contributed by a second earner accounted for 10 percent or more of total household income.

Source: U.S. League of Savings Institutions.

Mr. President, I think it is safe to say that a significant number of Americans today would not own their own homes were it not for the Federal Housing Administration.

So I salute this venerable agency on its golden anniversary and with it many happy returns of the day. FHA's remarkable service to homebuyers and the credit institutions which support their purchases is a fine example of a public program that has more than proved its worth.●

NATIONAL INFRASTRUCTURE ACT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. HAMILTON. Mr. Speaker, one useful byproduct of our national economic afflictions has been increased attention to the issue of productivity. Unfortunately, the discussion has not focused upon one important component of economic efficiency: the condition of our infrastructure.

While we have stressed the development of a fifth generation of computers, we have neglected the preservation of the current generation's transportation and water systems. Years of declining investment in our basic life-support systems have undermined our Nation's productive and commercial capacity. Between 1971 and 1981, spending by all levels of government on highways, bridges, mass transit, water, and sewer dropped from 1.5 percent of GNP to 0.78 percent.

The longer we delay restoring our transportation and water systems, the harder and more expensive the task will become. But the issue is larger than paying for public works projects. The ability to move people and goods quickly and to provide an adequate supply of clean water is essential for future economic growth.

Fearing that we could face a crisis of growing proportions, the Joint Economic Committee commissioned an advisory panel under the direction of its former chairman, Henry Reuss, to study the condition of our infrastructure and to make recommendations on how to finance its repair and construction. The study was based on a survey of 23 States, and its conclusions represent the best available data.

The advisory panel discovered a severe problem. Although the country's regions have differing requirements, all have widespread needs. While the Northeast and Midwest encounter growing deterioration of facilities built decades ago, the South and the West cannot keep up with new demands for expansion.

The advisory panel estimated that to meet tomorrow's demands, the United States must increase planned spending by $450 billion through the year 2000. It estimated that to finance repair and reconstruction of highways and bridges, we will need $720 billion through the end of the century. Of that, only $455 billion will be available under existing programs, leaving a shortfall of $265 billion. For water supply and distribution, the spending gap is $41 billion; for wastewater collection and treatment, $49 billion; and for mass transit, $88 billion.

The advisory panel found that, while the financial requirements are large, they are also manageable. Although the $450 billion needed for infrastructure spending in the next decade and a half is a large sum, it is within our means. The Joint Economic Committee's estimates are less alarming than some, which have put the cost of needed investment in the trillions.

We cannot ignore these needs. If we do, we will endanger the health of our economy. The public takes its transportation and water systems for granted. We had better not.

What can we do? The Joint Economic Committee has made several recommendations. These include establishing a capital budget to help define our resources and needs, reviewing obsolete technical standards which impair intelligent investment, and, where appropriate, granting the States greater latitude to determine how to spend scarce Federal infrastructure dollars.

But, most important, Congress, we believe, should establish a National Infrastructure Fund, which would help the States address the deterioration the JEC Advisory Committee, as well as others, have so conclusively documented.

That is why we are today introducing the National Infrastructure Act to create such a fund. This bill rests on five assumptions.

First, infrastructure renewal and development is of clear national importance. Each State, as our study has shown, will have unmet needs in the next 15 years.

Second, because of the budget crisis, the Federal Government is unable to respond to the emergency by simply increasing spending, as it has done in the past.

Third, we must establish a new long-term, sustained commitment to building and repairing public works which recognizes the advantages of our Federal system of Government.

Fourth, infrastructure renewal represents an investment in the future. It is not wasted money, particularly when, as we are proposing, Federal loans are repaid.

Finally, as I have already noted, a competitive national economy depends upon a sound infrastructure.

The National Infrastructure Fund, which we are proposing, would be financed by the U.S. Treasury at the rate of $3 billion a year for 10 years. It would be a small office in the Treasury Department, whose sole function would be to make 20-year, interest-free loans available to the States and to make certain that they are repaid. It will allocate funds to the States according to a formula based on population, though that could be modified.

The States, in turn, will set up infrastructure banks or revolving funds which will lend the money to finance infrastructure construction and repair. This money will be paid back to the State fund through taxes and/or user fees in equal, annual increments, thereby permitting the original Federal loan to finance more infrastructure construction and/or repair. We calculate that $30 billion in loans will create about $76 billion in new infrastructure spending over the 30-year period the program lasts.

The States will be required to spend the loans only on roads, bridges, mass transit, water supply and distribution systems, and sewerage systems. These, we consider, the core, life-support systems of our economy. Each state will determine how to allocate its Federal funds. Obvisouly, New Mexico's priorities will differ from New York's, but each will decide separately how to invest its capital. The States will be required, however, to set aside at least 30 percent of its loans for municipal and county governments to invest.

The States will not be permitted to substitute the funds for projects which otherwise would have been carried out. Nor will they be permitted to provide the non-Federal share of the cost of any project from the loan. The National Infrastructure Fund is designed to supplement existing programs.

After 1 year, the States will be required to pay a percentage of their loan, determined by the Secretary of the Treasury, into a sinking fund in the National Infrastructure Fund. There, the deposits will earn enough interest to repay the original repayable grant. This will limit the impact of the program somewhat, but it will ensure repayment. At current interest rates, we estimate those combined payments will be about $526 million per year.

After the States have completed repaying their last loan, 30 years after the program begins, a permanent pool of infrastructure capital equal to the interest income earned by the sinking fund will remain. We calculate that will be around $25 billion. This money will continue to be recycled to finance additional infrastructure projects.

The Comptroller General and the Secretary of the Treasury will be empowered to review compliance, conduct audits, and to issue reports to Congress on the status and operation of the program.

As I noted earlier, we regard infrastructure expenditures as an investment in the future. The projects funded will have a real and tangible value. They should not, therefore, be regarded as operating expenses. Rather, they represent an investment for which, as any good business recognizes, it is proper to borrow. We have consequently proposed that the moneys appropriated for the National Infrastructure Fund, which will be repaid, be considered off-budget in a separate capital account.

This proposal has three overriding attractions. It provides a steady, dependable stream of capital to the States so that managers can plan for future needs. It leaves selection and direction of projects with State and local governments, though the projects would be restricted to infrastructure needs whose impact on the national economy is greatest: roads, bridges, mass transit, sewerage, and water supply and distribution systems. Finally, because the funds would be repaid, the cost to the Treasury will be contained.

We must increase investment in infrastructure. Because our economy depends on it, we have no alternative. Failure to increase investment in infrastructure will only crimp our economy's competitiveness in the future, something we can ill afford.

SECTION-BY-SECTION ANALYSIS—NATIONAL INFRASTRUCTURE ACT

SECTION 1. SHORT TITLE

Section 1 provides that this Act may be cited as the "National Infrastructure Act".

SECTION 2. FINDINGS AND POLICIES

This section addresses the findings and policies regarding the Nation's infrastructure.

Subsection (a) states that the Congress finds that—

(1) by the year 2000, the gap between anticipated revenues and infrastructure needs will be $450 billion;

(2) public capital investment at all levels of government have declined in recent years by more than 50%;

(3) infrastructure needs affect all regions of the country;

(4) delay in meeting infrastructure needs further compounds the costs; and

(5) a sound infrastructure system is essential to a healthy national economy.

Subsection (b) states the policy of the United States that—

(1) the declining trend in public capital investment should be reversed;

(2) infrastructure investment should be based on a long-range and sustained plan;

(3) states should be given greater latitude in managing infrastructure projects; and

(4) a federal infrastructure program should be established to assist state and local governments.

SECTION 3. ESTABLISHMENT OF FUND

Subsections (a), (b), (c). These subsections establish a National Infrastructure Fund (NIH) with the Treasury of the United States to provide funds for interest-free repayable grants to States. Guaranteed appropriations to the Fund will be made at a rate of $3 billion per fiscal year for ten years beginning in fiscal year 1985.

Subsection (d) establishes as part of the NIF a separate account to be known as the "Sinking Fund Account", to receive funds repayable by the States. Repayment will begin in the second year of each loan and will be completed at the end of twenty years. The Secretary of the Treasury will invest these funds in interest-bearing obligations of the United States. Rate of repayment will be determined by the Secretary considering the interest to be earned on such obligations. The Secretary shall report to the Congress at the end of each fiscal year on the financial condition of the Account, and on its expected condition during the succeeding five fiscal years.

SECTION 4. REPAYABLE GRANTS

Subsection (a). This section provides the criteria under which the $3 billion will be distributed to the qualifying States. Funds will be allocated using the same ratio as the State population bears to the total population of the States for each fiscal year.

Subsection (b). Provides that funds will be available to each State on October 1 of each fiscal year.

Subsection (c). Grants shall be repaid as instructed under subsections (d) and (e) of this section.

Subsection (d). States shall make annual payments in the amounts determined by the Secretary to repay the grant by the end of a 20 year period. This determination will consider interest income earned on the obligations secured for the Sinking Fund Account under Section 3(d) of this Act.

Subsection (e)(1). Adjustments will be made in the payment schedule to ensure that the aggregate amount of payments received and the interest earned is equal to the amount of each grant. Any deficit in the amount will be paid by the States, and any excess will be returned to the States.

Subsection (e)(2). Upon completion of repayment of each twenty year loan, the Secretary shall transfer the funds to the general fund of the Treasury.

SECTION 5. QUALIFICATIONS FOR REPAYABLE GRANTS

This section defines the qualifications of the States for repayable grants. This Act requires that there be an agreement between the Secretary of the Treasury and the States that includes the following provisions:

(1) the States must establish an infrastructure revolving fund within the Treasury of the State;

(2) the infrastructure funds will be used by the States within a reasonable period, as deemed acceptable by the Secretary, to make interest-free loans to State and local government departments, agencies and instrumentalities;

(3) these loans will be made in accordance with State laws and procedures regulating loans to governmental entities from States funds. These loans will be repaid in annual payments starting in the second year of each loan with final payment as soon as practicable, but within the life of the project or the end of the 20-year period beginning when the loan is made, whichever is sooner. These loans will be used for construction and improvement of highways, streets, bridges, and water supply and distribution systems; and acquisition, construction and improvement of mass transportation facilities and equipment; and waste water treatment facilities. Loans are only for projects which otherwise would not be carried out within a 24-month period initiated at the time of the loan. Loans may not be utilized to provide the non-Federal share of the cost of any project carried out under any other provision of Federal law, nor will they be used to pay the cost of operation and maintenance of any project. Loans will be repaid with user fees and dedicated taxes to the extent practicable.

(4) The State will not use amounts from the infrastructure revolving fund to repay loans made under paragraph 2 of Section 5 of this Act.

(5) At least 30% of the funds allocated to a State will be used to make interest-free loans to local government departments, agencies and instrumentalities.

(6) Repayment of the grant by the States will be in accordance with Section 4 of this Act.

(7) The States shall adhere to accounting, audit and fiscal procedures guidelines designated by the Secretary after consulting with the Comptroller General of the United States.

(8) After reasonable notice, the State shall make available to the Secretary and the Comptroller General such records necessary to review compliance and operations under this Act.

(9) The State will comply with the requirements of Sections 6 and 7 of this Act.

SECTION 6. AUDITS, INVESTIGATIONS, AND REVIEWS

Subsection (a). This section provides that each State shall have an annual independent audit of the financial statements of the State to ensure compliance with this Act under the government auditing standards as issued by the Comptroller General.

Subsection (b) allows that audits being performed in compliance with other laws of the United States may be substituted for the required audit under this Act for a fiscal year.

Subsection (c) A State may submit a written waiver of the audit requirement if the financial statements of the State are annually audited by independent auditors under State law and if the State certifies that the audit adheres to the government auditing standards, and that the audit applies to the fiscal year of the waiver.

Subsection (d). The Secretary may waive these auditing requirements for a State for a fiscal year under the following provisions, when the State demonstrates progress in complying with these regulations, and:

(1) the financial statements are not auditable; or

(2) the audit is conducted, but is not independent or does not adhere to the issued auditing standards;

Subsection (e). An opinion on an audit shall be provided to the Secretary as required and the audit will be made available by the State within 30 days for public inspection.

Subsection (f). The Secretary will set specific time limits to perform audits and reviews, or investigations of possible violations of this Act.

Subsection (g). The Comptroller General shall review the activities of the Secretary and the States necessary for Congress to evaluate compliance and operations under this Act.

SECTION 7. PUBLIC HEARINGS

Subsection (a). This section requires that the States hold at least one public hearing prior to issuing an interest-free loan under this Act. This hearing shall encourage public participation providing opportunities for written and oral questioning relative to the proposed loan.

Subsection (b). Adequate notice shall be provided by the State of all hearings relative to this Act, including, but not limited to, newspaper notice.

SECTION 8. REPORTS

Subsection (a). Before June 2, of each fiscal year the Secretary is directed to report to Congress on:

(1) the status and operation of the funds during the prior fiscal year; and

(2) the administration of this Act, including a report on the distribution of funds to the States and any legislative recommendations for improving the program.

Subsection (b). Each State government receiving funding shall submit a report at the end of each fiscal year as prescribed by the Secretary. This report shall state an account of the funds received in terms of the amounts and purposes, and the differences between the planned and actual budget.

SECTION 9. BUDGET TREATMENT

This section provides that the amount of repayable grants made to the States under this Act shall not be included in the budget of the U.S. Government and shall be exempt from statutes governing budget outlays.

SECTION 10. POPULATION INFORMATION

This section establishes the criteria for determining the State populations to be used in this Act. The Secretary of Commerce shall provide adjusted population figures based on the 1980 census, to more accurately reflect current populations.

SECTION 11. DEFINITIONS

This section provides the definitions for the terms "construction" and "State", as used in this Act.●

FAREWELL TO CHIEF JAMES M. POWELL

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. DYSON. Mr. Speaker, I would like at this time to pay tribute to Chief James M. Powell of the U.S. Capitol Police Force. As you know, Chief Powell will retire from the force this Saturday, June 30. After 44 years of service in law enforcement, the venerable Chief Powell is going to get a well-deserved rest.

Since many members of the U.S. Capitol Police Force live in my district, including my brother, officer Lee Dyson, I know firsthand that Chief Powell has done an outstanding job. He was instrumental in bringing the U.S. Capitol Police Force from a small security force 20 years ago, to the 1,220-man police squad it is today. Under his supervision, safety has been provided to Members, foreign dignitaries, heads of state, and the general public. Chief Powell's performance in this position of tremendous responsibility is truly commendable.

Mr. Speaker, Chief Powell was born in Chapel Hill, TN, and was appointed to the metropolitan police department on November 1, 1940; 18 years later he was promoted to captain and assigned to the Capitol detail as supervisor of the plainclothes division. In 1965 he was appointed chief of the Capitol Police Force.

Throughout his career, he has been involved in tough situations. During World War II he was a key officer in breaking up a gas ration stamp racket in the District. In 1950, as detective sergeant, he was the first plainclothesman on the scene after the attempted assassination of Harry S. Truman, and later assisted in the apprehension of one of the two would-be assassins.

Mr. Speaker, since his appointment to the head position of the Capitol Police Force, Mr. Powell has skillfully handled a number of delicate situations. He guided the Capitol Police through the social unrest of the late 1960's and the early 1970's. He successfully handled a plethora of tasks ranging from crowd control and bomb threats to organizing high-level diplomatic meetings with heads of state.

Mr. Speaker, too often we have taken for granted the fine work of Chief Powell and his staff. On the occasion of his retirement, I implore my colleagues to join me in wishing Chief Powell the best of luck and health in his retirement years. He will be fondly remembered.●

TRIBUTE TO OLEKSIY TYKHY

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. COUGHLIN. Mr. Speaker, I rise today to express my deep concern over continuing abuse of human rights in the Soviet Union. Recently, yet another violation of these rights has outraged myself and my colleagues. This is the death of Oleksiy Tykhy, a Ukrainian human rights activist and one of the founders of the Ukrainian Helsinki Group.

In 1975, Tykhy and nine other Ukrainians established the Ukrainian Helsinki Monitoring Group in order to ensure Soviet compliance with the human rights provisions of the Helsinki Accords. The members of this group have subsequently been harassed, imprisoned or exiled by Soviet authorities. For his activities as a member of this group, Mr. Tykhy was sentenced in 1977 to 10 years in a labor camp and 5 years internal exile. It was learned recently from the External Representative of the Helsinki Group, as well as from reliable dissident sources, that Tykhy died in a Soviet jail in early May of this year, following surgery for stomach ulcers. It was also revealed that, at the time of his death, Mr. Tykhy weighed only 90 pounds, was severely undernourished, and was suffering from tuberculosis, severe anemia and a liver disease.

Mr. Tykhy was not a radical rebel or agitator. He was a teacher who was proud of his Ukrainian heritage. After being arrested in 1957 for allegedly expressing "Ukrainian nationalist sentiments," Tykhy was imprisoned until 1964, at which time he was unable to obtain a teaching position.

The death of Oleksiy Tykhy reaffirms the desire of the Soviet Government to rid the Ukraine, and indeed the Soviet Union, of all dissent. By maintaining a police state and by the cruel treatment of scholars such as Andrei Sakharov and Tykhy, the Soviet authorities violate the 1975 Helsinki Accords and continually deny Soviet citizens the most basic of human rights.

Incidents of Soviet repression such as the mistreatment of Tykhy are abominable and must be brought to the attention of the rest of the world. The United States must remain firm in its support of freedom and human rights throughout the world and in its support of those brave and determined Soviet citizens who share our desire to speak freely and be treated humanely.●

SHIPPING ACT TAKES EFFECT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. BIAGGI. Mr. Speaker, on Monday, June 18, 1984, the Shipping Act of 1984 went into effect. This day marked a memorable event for the U.S. Merchant Marine. Hopefully it will improve the international ocean commerce transportation of the United States.

This represents the culmination of 7 years of bipartisan and administration efforts to clarify the provisions of law that relate to liner shipping. It is proof of the ability of all interested and affected parties to cooperate and compromise. It is the most important maritime regulatory legislation since the Shipping Act of 1916.

Among its most important features are reduction in delay and cost of regulation, improvements in the administration of agreements and activities that are subject to regulation by the Federal Maritime Commission. It concerns the interests of ocean carriers, as well as shippers, ports, freight forwarders, importers, and consumers, in general.

As the original author and as the chairman of the subcommittee that was primarily responsible for its passage, I am looking forward to seeing more American ships and more American jobs in our maritime industry.

In concluding I want to express my deep appreciation and gratitude to all those who have contributed their time and energy to the development of this landmark legislation that should help maintain a strong, healthy, and competitive U.S.-flag merchant marine.●

DAMAGING TRADE DEFICIT

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. HERTEL of Michigan. Mr. Speaker, we hear a great deal about the damage which the Federal deficit is doing to our economy—and there is no doubt that it is a major problem. But we hear less about another deficit which is even more damaging—the trade deficit. The United States is becoming a nation which imports vastly more than it can afford and must borrow abroad to pay for this extravagance. At the same time, many of our own industries are stagnant, declining, or threatened. Most expert observers believe that no turnaround in the trade deficit is in the offering.

This is not a situation which can be tolerated for long without leading to the same dire consequences which have befallen other nations, such as Brazil and Argentina, which have gone down the same slippery slope. Earlier this week my colleague from Michigan gave a speech to a group of financial executives which set out the problem, and the complete absence of any administration policy, in clear and forceful terms.

The speech follows:

REMARKS BY HON. JOHN D. DINGELL

I have been asked to speak here today on the subject of trade policy in general and domestic content in particular. I am sure that in your circles you often hear people speak of the "increasing protectionist sentiment in Congress" the way ancient Christians used to speak about sin and blasphemy in Rome. And so you have come to the den of iniquity to hear it for yourselves. First of all, I should reassure you that you will not suffer the same fate the Christians often suffered when they went to Rome.

Let me first give you my view of the problems which confront this country before I get into solutions such as domestic content.

These problems arise from fundamental changes in the world economy and the U.S. position within it. In the first twenty-five years after WW II foreign imports were a small proportion of our total purchases and exports a small proportion of our total production. Thus, even large percentage changes in either one had very little impact on our domestic economy. At the same time, U.S. firms were overwhelmingly dominant at home and abroad. Further, the Bretton Woods system permitted us, even when imports exceeded exports, to finance the deficit by printing money which the rest of the world had agreed to accept at fixed rates. In this context a pure free trade policy was clearly in our interest: The downside risk was minor because of the small potential impact of increased imports or decreased exports on the U.S. industry plus the fact that we could finance deficits without borrowing. The upside benefits of an open world economy, given the dominance of U.S. firms, was correspondingly great. This is nice work if you can get it—and for over two decades we did. But things began to change in the early 70's and the world is now dramatically different for the U.S. Yet our thinking is still rooted in those "golden years."

Foreign trade now matters a very great deal to the U.S. Large increases in imports or decreases in exports can have devastating effects. Second, Bretton Woods is gone. Now, if our current account goes into deficit we have to borrow to cover the gap. Finally, other governments have not acquiesced to the dominance of U.S. companies and have responded with large scale aid to their firms. As a result, U.S. firms are being displaced from their former dominance in many key industries. Aircraft, autos, heavy construction equipment, consumer electronics, machine tools, shoes, and fasteners are a few examples.

In this new world of 1980's the U.S. cannot blithely assume that removing all trade barriers will work to our benefit. The downside risks are now very great. Entire U.S. industries are vulnerable to trade fluctuations. Nor is this merely a question of "old smokestack industries." It is just as true with "high tech." For instance, all industrialized nations believe that they must have a piece of the "computer/telecommunication" action and all are committed to preventing U.S. firms from monopolizing this industry. Everyone is busy force-feeding their domestic computer, telecommunications, and similar industries to ensure these goals. They will not stop doing so just because the U.S. lectures them about free trade. Thus we may well see situations arise in these "high tech" industries similar to what happened in steel. Twenty-five years ago everyone believed that you had to have a steel industry to be a viable modern economy. So everybody built one and now we have worldwide overcapacity. There is a ferocious dog fight over whose capacity gets shut down. Victory in this fight is not determined solely by which industry is the most efficient. The U.S. industry, taken as a whole, is relatively low cost by worldwide standards. It is certainly low cost enough to dominate most of its domestic market when the cost of transportation is added to the true production costs of most of its competitors. But, because we require our industry to stand on its own feet while others subsidize their industries, our industry is getting the short end of the competitive stick. A similar dynamic has operated in the commercial aircraft market and all but one U.S. aerospace firms have effectively been forced out of the market. The same thing can easily occur in the telecommunications and computer industries.

Secondly, if things go wrong and we import more than we earn, we have to borrow to finance the gap. Currently we are running a huge and increasing trade deficit. The red ink is spreading alarmingly and U.S. foreign debt is skyrocketing. Recently, C. Fred Bergstein, Director of the Institute for International Economics testified that "no reversal of the steady deterioration of the past three years, let alone a return to tolerable levels for the deficit, is in sight."

If this continues the U.S. will soon become a net international debtor for the first time since WWI. The Administration does not appear to be greatly concerned. Martin Feldstein testified at the Senate Finance Committee in February that, in his view, the current account deficit was not a problem because inflows on the capital account were balancing it. This is sheer sophistry. It is the nature of double entry bookkeeping that there must always be accounting balance—even when you are headed for bankruptcy. It is like saying that a man who earns $20,000 a year but spends $30,000—increasing his debt by $10,000 every year to cover the difference—does not have a problem because his "capital account covers his account deficit."

Indeed one could have made Feldstein's argument for Brazil, Argentina, Mexico, Turkey or any of the countries who, in the 70's and early 80's, were importing far more goods than they could afford and were borrowing massive amounts to pay for them. those countries are now saddled with enormous debts that will undermine their economies for the rest of the century—to say nothing of the western financial system. Yet the U.S. is currently on a similar path. We are buying imports far beyond our capacity to pay with earnings from exports. We are borrowing huge sums abroad to pay for these extravagant imports while simultaneously shutting down our own industries. Nor does this apply to consumption goods only. More and more we are buying our capital goods abroad as well—which increases still further the analogy to Brazil, Mexico, or Argentina.

Some people profess not to be worried about the decline of our industry—they argue that we should become a economy based on services—especially sophisticated services. To these people I suggest the example of Great Britain. Over the last 10 or 15 years Britain has become by far the most advanced service economy in Europe. Its telecommunications system is the most sophisticated. Its banking investment, insurance, computer services, consultancy and similar industries are well ahead of other Europeans. Simultaneously, Britain has permitted the most rapid run down of its industrial base. The bottom line? Over the last 10 to 15 years Britain has declined from being one of the richest countries in Europe to one of the poorest, and the trend is continuing. Indeed, if it had not been for the windfall of North Sea Oil, it would be far poorer still.

In short, the U.S. is rapidly becoming a Nation which cannot make the things it needs for consumption or production; which cannot sell enough abroad to buy these things and therefore must constantly borrow more and more. Individuals and firms who do this eventually go bankrupt. The same is true of countries. There is no reason to believe that, just because we are the U.S.A. we are somehow magically immune to this fate: if we do not like this prospect we will have to do something to avert it.

So—what to do? The Administration clearly wants to believe there is no problem and steadfastly opposes virtually any active policy. Many others, including some people within the Administration, admit there is a problem but place the whole blame on the high value of the dollar. Personally, I doubt that the high dollar is the only problem but it certainly is extremely important. But do we see any sign of a policy to deal with it? Almost the only suggestion I hear is to get the Federal deficit down. Now, that may be an excellent idea for other reasons but it is not at all clear that it would necessarily bring the dollar down anytime soon. Even if it would, we all know that it will take at least the rest of the decade to get the Federal deficit under control unless Reagan is defeated or has a dramatic change of heart. Thus, if your only answer is "reduce the Federal deficit," you do not really have a pragmatic answer to the high dollar problem that could work in the next three or four years. Can we stand that many more years of rapidly declining industries and rapidly mounting foreign debt? If the high dollar is such a huge problem, why should we not do something about it now? There are things we could do. One example was suggested by Senator Dole several months ago. An across-the-board import surcharge is the functional equivalent of a currency devaluation—and it raises revenue which could be used to reduce the Federal deficit. Existing law already permits the President, in the event of severe balance of payments difficulties, to impose such a surcharge. This would be strong medicine and there may be better ways to accomplish the same goal. But, it would be strong action aimed directly at the high dollar problem. Currently we are simply sitting around complaining about it while our industries crumble and the debt mounts up—evidently on the assumption that, if we wait long enough, laissez-faire will fix everything in the long run. As Keynes said—in the long run we are all dead.

Another approach to our problems is to address the question of industrial investment directly, rather than through currency exchange rate. An example is the domestic context bill. If the incentives facing business—including the high dollars, foreign protection, and government targeting practices—are so overweighted in favor of the importing into the U.S. rather than producing here, then we must change those incentives to bring them more into balance. And we must do so in ways which do not undermine or destroy our basic social values; such as our commitment to child labor laws, a safe clean and healthy environment and a decent standard of living after retirement.

Domestic content is an attempt to do exactly that. It is not a quota bill—indeed, the only quotas in it are penalties for noncompliance. What it says is: We need an auto industry in this country. In terms of jobs, output, backward and forward linkages, and our standard of living, the auto industry is absolutely crucial. Further, we have the largest and most lucrative auto market in the world. We purchase and will continue to purchase an average of 10 million cars a year. Given out style of life, and the dispersion of our economic activities we cannot buy less for any sustained period of time without suffering a decline in our standard of living. But we also cannot tolerate the virtual disappearance of this industry—as has happened with televisions, fasteners, and other smaller industries. We cannot afford to buy 18 million cars abroad because we cannot export enough to pay for them and we do not want to increase our already excessive borrowing. Therefore, we say to the world's auto firms, if you want the benefits of selling in our lucrative market, you have to give us a fair share of the jobs and investment associated with those sales. But auto companies also need the discipline of competition and sufficient flexibility to respond to competition. The Domestic Content bill is designed to provide these as well. The legislation states that any compnay may sell any number of cars they want in the U.S. but it must produce a portion of the associated value—added in the U.S. The sliding scale chosen is based on economies of scale in auto production. Thus, it does not make sense to require a company which sells only 75,000 cars in this country to produce 90 percent of value added here since that cannot be done economically. Instead, the formula states that below 100,000 sales there is no requirement for U.S. value added. Above that the proportion is equal to the number of sales divided by 10,000. Thus, if you sell 300,000 cars, 30 percent of your value added must be American, if you sell 600,000, 60 percent must be. It is entirely possible to meet this goal and still be cost efficient. Indeed, with recently announced expansion plans of Nissan and Honda, we now believe that every auto company except Toyota is already, or will shortly be, in compliance with the formula. And Toyota is starting to show movement. This strongly supports our belief that the amount of domestic content required by the bill is reasonable and can be complied with without sacrificing efficiency or competition. The real impact of the domestic content bill is not so much on current practice but on future investment. It would serve clear notice to the world that the U.S. intends to remain a diversified industrial economy. It will not allow itself to become over-specialized and hence over-dependent on foreign trade for its essential consumption and investment goods and hence excessively vulnerable to the fluctuation of the international marketplace or policies of other governments.

Domestic content makes sense for automobiles—both in terms of the economics of this unique industry and as a general statement about the U.S. future. But it is not a panacea for all our trade or industrial difficulties. Other measures have to be considered on their merits for other sectors and problems.

It is, however, one example of a firm, pragmatic action which could, and I believe should, be taken to start getting the United States back in control of its own destiny. And it is this, above all, which must urgently be done. If we do not get control of our destiny, others will. That is just as true economically as it is militarily—and perhaps more so.●

SPARING THE GREAT WHALES

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. OBERSTAR. Mr. Speaker, for 20 years after it began operations in 1949, the International Whaling Commission, established under the 1946 International Convention for the Regulation of Whaling, was little more that a whalers club. Every attempt to reduce quotas, or to achieve other whaling reforms in the IWC, was met with objections filed by whaling nations, relieving them of the obligation to comply. As a result, the Commission presided impotently over the progressive destruction of virtually all of the planet's remaining stocks of large baleen whales.

One after another through the 1950's and 1960's, Antarctic and North Pacific stocks of Blue, Humpback, Fin, and Sei whales were massacred by huge pelagic fleets, and reduced to remnants. Only when each remnant had ceased to have the least commercial significance—when each had become, in whaler's parlance, "commercially extinct"—did the whaling nations agree upon action to protect the whales.

In the early 1970's conservationists around the world rallied in an effort to reform the Whaling Commission in time to prevent a kind of "final solution" to whaling. They quickly learned that whaling nations were not interested in preventing the extinction of these magnificent animals, nor in fine speeches at the IWC, nor in world public opinion; they were interested only in yen, and dollars, and rubles. It was only when the United States threatened to use the trade sanctions contained in the Pelly amendment to the Fisherman's Protective Act against nations objecting to quota reductions in IWC, that reforming the Commission became possible.

Slowly through the 1970's, although some stocks continued to decline, the massacre was brought under control. People throughout the world rallied to the effort, and many additional nations adopted conservation positions at the IWC.

In 1979, I joined with Senator PACKWOOD and Senator MAGNUSON in sponsoring an amendment to strengthen our conservation position within IWC by augmenting our economic deterrent against whaling violations. The Packwood-Magnuson-Oberstar amendment requires that the Secretary of Commerce certify any nation engaged in fishing operations or trade and taking which diminishes the effectiveness of the International Convention for the Regulation of Whaling. The fishing allocation in the U.S. Economic Zone of a nation so certified must be reduced by at least 50 percent during a remedial period of 1 year after the date of certification. Then, unless the certifiable actions cease, the allocation must be terminated totally.

Since passage of the Packwood-Oberstar amendment, the IWC has voted a cessation of all commercial whaling, to begin in 1986. Three nations: Japan, the Soviet Union, and Norway have posted objections to the cessation decision. No one knows if they will continue whaling under these objections when the time comes. That decision will be made by those countries, in part, on their assessment of the strength and credibility of the deterrents we maintain against such actions; in part, upon their answer to the question: "Will it cost us more to continue than to desist?"

Mr. Speaker, it is to further strengthen our deterrent, and thus maintain the epochal decision of IWC to give whales a chance—at last—to replenish, that I have again joined Senator PACKWOOD and other colleagues in proposing further strengthening language to the 1979 amendment to eliminate all discretion as to its use against whaling nations which continue whaling after the effective date of the IWC cessation. I believe that once the whaling nations bluntly realize there is no way that they can halt this sanction, whether by spending $1 million a year hiring fisheries lobbyists, as Japan has done; whether by forming alliances with domestic industries; whether by diplomacy, or by any other means, they will be far less likely to defy the IWC in 1986.

Let me emphasize that our amendment to eliminate discretion was not based on any judgment that there was likely to be administrative stalling, although we did recognize, given the historic record of certifications under the Pelly amendment and the pressures likely to be applied, that discretion might have been exercised. But our chief interest is to make the rules of the game absolutely clear to everyone who must develop policy and make decisions on this issue. Our goal is to eliminate any chance for misjudgment—particularly for the misjudgment that the United States can be "faced down" on certifying.

In making our resolve unmistakable, this amendment will encourage rational thought and rational policies. I have high hopes that it will save a great deal of difficulty for all parties involved, and help end, at last, one of the most destructive and brutal activities in which humans have engaged.

For much of this century, the whaling industries assembled fleets each year in the Antarctic which, at their peak, far surpassed in tonnage, and surpassed even in horsepower and number of canons, the fleet with which Great Britain retook the Falklands/Malvinas Islands.

It is way long past the time that this war on whales, too, come to an end.●

TOM NICHOLSON—ADMINISTRATOR OF THE YEAR

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. EVANS of Illinois. Mr. Speaker, at a time when this country's educational system is being attacked on all fronts, it is refreshing to hear of individuals who are doing more than their share to ensure that the youth of America are as well prepared for life as we have been.

One such man is Tom Nicholson of Lynn Center, IL. Mr. Nicholson was recently named "Administrator of the Year" by the Illinois Council of Local Administrators for his contributions to vocational education throughout Illinois.

Tom has taught at Orion High School for the past 16 years, serving as vocational director for 15 of those years. His many professional awards include being named Illinois "Teacher of the Year" in 1975. His selfless dedication to excellence has been instrumental in guiding Orion's vocational program to a position of preeminence in the State of Illinois, and Tom has helped countless numbers of students in planning their futures.

Tom is a brilliant example of many teachers and administrators throughout America who give their all to provide a better education for the young people of our community, the leaders of tomorrow. I urge my colleagues to join with me in commending Tom Nicholson and his accomplishments.●

THE LIVESTOCK PRODUCER DISASTER ASSISTANCE ACT OF 1984

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. DASCHLE. Mr. Speaker, I am today introducing the Livestock Producer Disaster Assistance Act of 1984. This legislation provides needed disaster assistance to livestock producers who are unable to qualify for traditional disaster assistance programs because they are the victims of a double disaster, livestock losses caused by a natural disaster and the current economic crisis in agriculture.

Mr. Speaker, for 4 consecutive days in late April heavy accumulations of snow combined with strong winds to produce blizzard conditions crippling western South Dakota and portions of several other Great Plains States and causing widespread livestock losses. In the seven county area of Butte, Custer, Fall River, Harding, Lawrence, Meade, and Perkins Counties in western South Dakota, 13,000 cattle and 15,000 sheep have been reported lost due to this severe storm and value of livestock storm losses in the area is almost $5 million.

In early May, I held a meeting in Belle Fourche with livestock producers to assess storm losses and current disaster assistance programs. Producers who had suffered storm losses and needed disaster assistance wouldn't be able to qualify for a Farmers Home Administration disaster emergency loan because of the continuing economic crisis in agriculture. High production costs, low market prices, declining land values, and high interest rates had eliminated the collateral these producers needed to qualify for a Farmers Home Administration disaster assistance loan to purchase replacement livestock.

The legislation I am introducing today establishes a disaster assistance program for livestock producers who are the victims of this double disaster. In brief this legislation makes it possible for qualifying producers to continue livestock production by leasing for a period of 5 years livestock selected by the producer which is purchased by the Department of Agriculture for lease to the producer. During the lease period, producers will make an annual lease payment equal to not more than 15 percent of the proceeds received from the marketing or the offspring of the livestock leased to the producer and livestock culled by the producer. To maintain a productive herd, the producer may retain a percentage of the female offspring produced each year by the livestock leased under this program. When the producer has improved his financial condition and can assume debt, he can purchase the livestock which has been leased and terminate the lease agreement. Because this program is a disaster assistance program, the number of livestock leased to a producer cannot exceed the number of livestock lost as a result of a disaster and the purchase price of the livestock leased to a producer cannot exceed a maximum of $400,000.

Mr. Speaker, the Livestock Producer Disaster Assistance Act of 1984 incorporates valuable contributions made by many people. In particular, I want to acknowledge the suggestions and assistance which I've received from western South Dakota livestock producers who recognized the need for a disaster assistance program which responds to the double disaster which their friends and neighbors have experienced.

I urge my colleagues to give this legislation prompt consideration and I request that the text of the Livestock Producer Disaster Assistance Act of 1984 be printed in the Record at this point.

H.R. 5947

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

This Act may be cited as the "Livestock Producer Disaster Assistance Act of 1984".

FINDINGS AND PURPOSE

Sec. 2. Congress finds that low product prices combined with devastating natural disasters from time to time plunge many efficient and experienced livestock producers into extraordinary economic distress. In many cases this distress is so severe that the producers are unable to obtain the credit necessary to enable them to continue their farming operations. The purpose of this Act is to prevent the loss of these livestock producers, to the detriment of American agriculture and to American consumers, by making available to them assistance through a program of livestock leasing to be carried out by the Secretary of Agriculture through the Commodity Credit Corporation.

Sec. 3. The Agricultural Act of 1949 is amended by adding at the end thereof the following new title:

"TITLE B—LIVESTOCK LEASING

Sec. "501. The Secretary shall make livestock available, through leases, to eligible livestock producers in accordance with the terms and conditions of this title.

Sec. "502. Notwithstanding any other provisions of law, for purposes of this title—

"(a) 'eligible producer' means a person—

"(1) who produces livestock;

"(2) whose livestock operations have been found by the Secretary, under section 321 of the Consolidated Farm and Rural Development Act, to have been substantially affected by a natural disaster in the United States or by a major disaster or emergency designated by the President under the Disaster Relief Act of 1974;

"(3) whose financial condition makes it impossible to obtain sufficient credit at reasonable terms from private lenders or from the Secretary through the Farmers Home Administration to continue livestock operations; and

"(4) who, with the assistance of the program carried out under this title, has the experience and resources necessary to assure a reasonable prospect for carrying out a successful livestock operation.

"(b) 'livestock' means cattle (other than dairy cattle), swine, sheep, and goats.

"Sec. 503. (a) The Secretary shall purchase livestock as provided in this section for use in the program established under this title.

"(b) The Secretary shall purchase such livestock under such terms and conditions as the Secretary may prescribe, except that the Secretary shall purchase for lease to any eligible producer livestock that are selected by such producer and approved by the Secretary as suitable for purposes of the program established under this title.

"(c) The Secretary shall make such arrangements for the maintenance, care and transportation of livestock purchased under this section as the Secretary considers necessary.

"Sec. 504. (a) The Secretary shall lease to an eligible producer the livestock selected by such producer and purchased by the Secretary under section 503. The lease agreement shall provide that—

"(1) the period of the lease shall be five years, but such period shall be extended for an additional five years at the option of the eligible producer;

"(2) title to the leased livestock, except livestock marketed under paragraph (4), shall remain in the Secretary;

"(3) the eligible producer shall at all times exercise due care with respect to the livestock leased to such producer by the Secretary;

"(4) the eligible producer shall, except as provided in paragraph (7), market (A) the offspring of the livestock leased to the eligible producer, and (B) leased livestock culled by such producer with the approval of the Secretary;

"(5) the eligible producer shall pay to the Secretary each year of the lease period, as consideration for the lease agreement, an amount equal to not more than 15 per centum of the proceeds from the marketing during the year of livestock under paragraph (4);

"(6) the balance of the proceeds from the marketing described in paragraph (5) shall be available to the eligible producer for such purposes as the Secretary may specify;

"(7) the eligible producer may retain, to maintain the producer's foundation herd or flock of leased livestock, at least—

(A) 10 per centum in the case of cattle;

(B) 30 per centum in the case of swine; and

(C) 20 per centum in the case of sheep and goats;

of the female offspring produced each year of the lease period by the livestock leased from the Secretary, and any such offspring retained by the eligible producer shall, for purposes of this title, be considered livestock leased by the Secretary to the eligible producer and title thereto shall remain in the Secretary;

"(8)(A) the Secretary for good cause and upon prior written notice to the eligible producer, or (B) the producer, upon prior written notice to the Secretary, may terminate the lease, in which event, at the option of the eligible producer, the leased livestock shall either be promptly tendered to the Secretary or purchased by the eligible producer, at his option, at either their original purchase price as paid by the Secretary or at their current fair market value, as established by the Secretary;

"(9) risk of loss to the livestock leased to an eligible producer by the Secretary shall be borne by the eligible producer except to the extent that the producer establishes that the producer exercised due care with respect to the livestock; and

"(10) the eligible producer shall bear all costs associated with livestock leased from the Secretary, including the cost of any insurance on such livestock obtained at the option of the producer.

"(b) The lease agreement may contain such other reasonable terms and conditions as the Secretary may prescribe.

"(c) The Secretary may not lease to any eligible producer under this section a number of livestock exceeding the number thereof lost through the disaster or emergency referred to in section 502(a)(2), or livestock having a value that exceeds $400,000.

"Sec. 505. At any time during the period of the lease, the eligible producer may purchase all of the livestock leased from the Secretary, at the option of the eligible producer, at either their original purchase price as paid by the Secretary or at their current fair market value, as established by the Secretary.

"Sec. 506. (a) The Secretary shall, by regulation, provide for an appeal procedure under which a person who is adversely affected by any determination made under this title may seek administrative review of such determination.

"(b) The provisions of section 412 of this Act shall not apply with respect to determinations made by the Secretary under this title.

"Sec. 507. The Secretary shall carry out the provisions of this title through the Commodity Credit Corporation, using the funds of the Corporation."

Sec. 4. Notwithstanding any other provision of law, the Secretary of Agriculture shall issue regulations that implement the provisions of this Act on October 1, 1984.

Sec. 5. The provisions of this Act shall become effective on October 1, 1984.●

PUERTO RICAN VOTERS—THE ROAD TO DISCOVERY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. BIAGGI. Mr. Speaker, as we approach the November elections, considerable attention is being focused on voter registration drives and other efforts to get more Americans to vote. The need for such efforts are clear. While the median voter turnout rate for the 28 Western democracies is over 82 percent, the U.S. voter turnout rate was a dismal 52.6 percent in 1980. I have long been concerned about the dangerously low voter turnout rate in our Nation and I have authored a number of legislative proposals aimed at improving this critical situation. Last November I delivered a speech to the National Puerto Rican Coalition, which discussed these proposals and focused special attention on the Hispanic voting experience in our country. At this time, Mr. Speaker, I would like to insert the full text of that speech, which I delivered on November 19, 1983:

Puerto Rican Voters—The Road to Discovery

I am truly honored to be here today to address the National Puerto Rican Coalition on what is one of the most critical challenges facing our great nation—how do we get more Americans to vote? As one who has studied this issue and proposed several major legislative remedies, I view the problem as one affecting all Americans regardless of ethnic or racial background.

However, in our search for solutions let us take into account the special considerations of ethnic and racial groups. For instance, I am very much aware that our nation's 2.1 million Puerto Ricans face some unique voting obstacles that require particular attention. I will attempt to identify them and propose some solutions in the context of an overall analysis of the problem.

In less than one year, we will conduct national elections to choose a President, Vice President, all 435 members of the House and one-third of the Senate. Soon after, we will be analyzing more than just the results of those elections, we will be looking at how many people voted and who those people were. I contend that the difference between a record high and record low rate of participation may rest on what actions Congress takes on a variety of electoral reform proposals that have been offered to stimulate voter turnout.

Let's first look at the national data. U.S. voter participation has dropped in every presidential election since 1960—from a high of 62.8 percent in 1960 to a low of 52.6 percent in 1980, a decline of more than 10 percentage points. In fact, the 52.6 percent turnout rate in 1980 was the lowest for a presidential election in 32 years. In non-presidential election years the figures have been far worse, with only 38.6 percent of the voting age population participating in the most recent national elections held in 1982.

Puerto Rican voters are even less likely to participate in our nation's electoral process. For instance, of the eligible Hispanic voters in our nation—14 percent of whom are Puerto Rican—only 30 percent went to the polls in 1980. This dismal figure contrasted sharply with the 60 percent of other whites who turned out, and 50 percent of the eligible black voters who participated in 1980. Even more distressing is the fact that unlike black voter turnout, which is on the increase, turnout among Hispanic Americans has been on a steady decline during the last three presidential elections.

There appear to be several identifiable reasons why Puerto Ricans vote less than the general population. These reasons include age, language barriers, education, income, regional dispersion and voter registration obstacles.

Before I elaborate on those points, let me share one additional fact with you. On the Island of Puerto Rico, 90 percent of those eligible to vote are registered, and 80 percent of those registered actually do vote. Clearly, then, we can disregard the thought that Puerto Ricans might have some mysterious trait in their heritage that makes them averse to voting.

The age factor appears to be adversely affecting Puerto Rican voter turnout, perhaps more than any other group. The median age for Puerto Ricans in the United States is only 20.7 years, as compared to the 30.3 year national median. This means that the overwhelming majority of Puerto Ricans eligible to vote fall into the youngest age categories that traditionally vote the least. For example, only 40 percent of elgibile 18-24 year-olds vote, and 60 percent of eligible Americans between the ages of 25 and 44 vote. This is in sharp contrast to the 70 percent of Americans age 45-64 who vote and 68 percent of those Americans age 65 and above who vote.

Last month, Harvard University and ABC, Inc., sponsored a Symposium on American Voter Participation. I was proud to attend that Symposium, along with fifty other public officials, journalists and scholars, including former Presidents Carter and Ford, as well as representatives from the Hispanic community. At the Symposium, the issue of language, or communication, barriers to voting was discussed. A key point raised by the Executive Director of the Voter Education Project, Inc., Mrs. Geraldine G. Thompson, was that minority and disadvantaged voters are often "intimidated" by the relatively complicated procedures necessary to cast a ballot in this country, a problem that is often exacerbated by election officials at the voter registration office or polling place who either will not or cannot make the procedures easier to understand. As a result, many of these persons become one-time voters, never returning to the polling place due to a sense of embarrassment and failure. I believe the scenario described by Mrs. Thompson has special relevance for Puerto Rican and other Americans whose principle language is not English.

In an attempt to alleviate the language problem for Puerto Rican and other ethnic voters, the Congress passed a law in 1975 requiring that areas of the country with more than five percent single language minority group must furnish bilingual election materials. As a leading supporter of that effort, I once again joined the majority of my congressional colleagues just last year in extending the bilingual election requirements for an additional 10 years, until August 6, 1992.

All the news regarding bilingual election laws is not good, however. On November 8, the citizens of San Francisco voted by a 62 percent majority to repeal the bilingual ballot. I consider this to be a most irresponsible action by the citizens of San Francisco, which under current law is required to have both Chinese and Spanish ballots for their substantial non-English speaking population. To make matters worse, one of my colleagues in the Congress has introduced legislation (H.R. 4429) to repeal the bilingual ballot provisions of the Voting Rights Act. Although there is not any significant support at the federal level for repeal of the bilingual election law, these two developments are quite disturbing.

Studies show that the poorly educated vote less than the better educated. This factor also seems to be working against Puerto Ricans. For example, the 1980 Census reports that 26 percent fewer Hispanics complete high school than the general population—46.2 percent to 72.1 percent. Further, we know that Hispanics have an alarming underachievement level at elementary and secondary school.

Another voter turnout fundamental is that poor people vote less than rich people. Since we know that the poverty rate among Hispanics is an intolerable 30 percent, and that the median family income for Hispanic Americans is $7,200 less than the national median income ($16,228 to $23,433), we must also assume that fewer Puerto Ricans vote due to their lower income levels.

Regional voting patterns also appear to be having a negative effect on Puerto Rican voter participation. Eighty percent of the Puerto Rican-American population is concentrated in just six states—New York, New Jersey, Illinois, Connecticut, Massachusetts, and Pennsylvania—all of which are located in the northern half of the United States. This is signifcant because from 1960 to 1980, Northern voter turnout dropped about 14 points, while Southern turnout increased by about 10 points.

Voter registration obstacles appear to be having a very negative effect on all American voters, but this is particularly true for the Puerto Rican community. In 1980, as in other U.S. elections, the number of registered voters was dramatically less than the number of eligible voters. For example, there are 60 million Americans who are eligible to vote, but not registered. This means that nearly 30 percent of the American electorate is not registered to vote. Simply put, if you are not registered, you cannot vote in the U.S.—with one exception. In the state of North Dakota, there is no registration requirement. Interestingly North Dakota's voter turnout rate in the 1980 election was 64.3 percent—more than 11 points higher than the national average.

However, while the voter registration rate among all eligible Americans is distressing, the voter registration rate among Puerto Ricans and other Hispanics is far worse. The 1980 Census reported that there were 8.2 million Hispanic Americans who were eligible to vote. Yet, only three million (or about 36.6 percent) were actually registered to vote. This means that in 1980, there were approximately 5.2 million (or 63.4 percent) Hispanics, who were eligible to vote but were not registered.

It is also important to note that the six states with the heaviest concentrations of Puerto Ricans—New York, New Jersey, Illinois, Connecticut, Massachusetts, and Pennsylvania—also have some of the toughest voter registration requirements in the country. For example, of those states, only Connecticut allows its voters to register less than 24 days before an election, and neither my home state of New York—with the largest number of Puerto Rican voters—Pennsylvania, nor Connecticut have voter registration offices that are open in the evening or weekends.

Perhaps the problem is easiest to understand in its simplest form. The 1980 Census indicates that the Puerto Rican population in the 50 states jumped from less than 1.5 million in 1970 to over 2.1 million today. This represents a 40 percent increase. Yet, during that same period, Puerto Rican and other Hispanic voter turnout dropped some eight percentage points—from 38 percent in 1972 to 30 percent in 1980. The meaning from all of this? Puerto Rican and other Hispanic Americans are under-represented at the polls. For example, Hispanic Americans represent 5.2 percent of the voting age population, but only 2.3 percent of the actual voters--an under-representation ratio of 44 percent.

In New York City, which is home to 893,375 Puerto Ricans, or 9.8 percent of the City's total population, this problem of under-representation at the polls becomes especially critical. As one who represents the 19th Congressional District in New York, an area with a 12.5 percent Puerto Rican population—one of the highest percentages in the country—I am deeply concerned about this problem and I have offered some solutions.

Two of the problems leading to a lower Puerto Rican vote—age and regional dispersion—obviously cannot be remedied by an act of Congress. But, we can better educate our young people about the political process and why voting is so important. We can even combine that effort with a voter registration drive, and then target such a program for areas of the country with particularly low voter turnout rates—or perhaps even areas with large numbers of Puerto

Rican residents. I have authored such a proposal.

Specifically, my bill, H.R. 4207, would provide federal funds for voter education programs and voter registration drives in our nation's schools—an "investment in democracy," if you will. This measure would authorize that $22.5 million in federal funds be spent over three years to allow elementary and secondary schools, as well as colleges and universities to establish programs to instruct teachers, students and their communities about voting and its importance. Mock elections and model congresses would be just two of the many worthwhile educational activities that could be funded by my legislation.

Too many Americans, especially young Americans, forget that voting is not only our right, but our duty. We must do more to instill this sense of responsibility in our nation's youth. What better place to teach people about the importance of voting than in the classroom?

Many Puerto Ricans do not even realize they have the right to vote when they become residents of mainland America. Clearly, my voter education proposal would help to address that problem as well.

My bill would also encourage schools to serve as voter registration areas, an idea suggested at the Symposium on American Voter Participation by former President Jimmy Carter. Recent studies show that time consuming and often complicated voter registration procedures in this country discourage millions of Americans, especially young people, from participating in the election process. A simple solution would be to teach young people about voter registration requirements and then allow students and other community residents to register in the schools.

A key ingredient to this proposal is that it would bring the registration procedure into the neighborhoods and make it easier for people to understand the registration procedure. For the Puerto Rican community it would be especially helpful, since it would help to personalize the voter registration process and make it less intimidating.

The importance of overcoming current voter registration obstacles cannot be overemphasized, especially as a means of getting more Puerto Ricans to vote. In fact, if we compare only those Puerto Ricans and other Hisapanics who are registered to vote against other groups of registered Americans, we find there is very little difference in their turnout rate. For example, in the 1980 presidential election turnout among registered Hispanics was 82 percent, turnout among registered blacks was 84 percent, and turnout among other registered whites was 89 percent.

I have cosponsored another bill, H.R. 4367, which also seeks to ease the voter registration obstacles in this nation. This legislation would encourage states to adopt more effective voter registration methods. Specifically, the measure would authorize the federal government to provide incentive grants to those states that adopt specific types of voter registration programs, including door-to-door canvassing on a non-partisan basis (a system used in Canada, where 98 percent of the eligible voters are registered), same-day registration, postcard registration, and registration when contracting for utility services or getting a driver's license.

I have also cosponsored a bill, H.R. 2746, which would require that voter registration forms be attached to documents that are returned by citizens to the federal government. Attaching a voter registration application when issuing federal tax forms would be one example of how this proposal would make it much easier to register.

In addition,whatever resources are available should be directed toward voter registration campaigns in areas of the country that have a significant Puerto Rican population. This method has proven particularly successful in helping to mobilize black voters. I am very pleased to see that the National Puerto Rican Coalition is taking the lead in this vital endeavor.

As mentioned earlier, significant strides have been made to ease language barriers, but much more can and should be done. First, it is important for all of us here today to respond quickly and loudly against any attempts to weaken or eliminate our nation's bilingual election laws. In fact, Puerto Rican Americans present the strongest possible argument for bilingual elections, since our government recognizes and encourages Spanish as the native tongue of Puerto Ricans, while allowing them unrestricted access to the mainland and the ballot box. The 1965 landmark case of the United States v. County Board of Elections of Monroe County, New York clearly protects the bilingual rights of all Puerto Rican Americans.

Responding to the fears expressed earlier about voter intimidation, I believe more should be done to help Puerto Rican and other ethnic groups whose principle spoken language is other than English. This includes assuring that officials at the voter registration office and at the polling place are capable of providing adequate assistance for those voters who have difficulty with the English language.

And, if these reasons are not enough to justify the need for bilingual election assistance, then the fact that our nation has the seventh largest Spanish speaking population on earth certainly is.

To some extent the educational and economic situation for Puerto Rican Americans is improving. However, progress has been slow, there have even been some unfortunate setbacks, and there is a long way still to go. As a ranking member on the House Education and Labor Committee, I am committed to more job training and employment opportunities, as well as a quality education for our nation's Puerto Rican and other minority populations. As we advance in these areas, we can also expect some corresponding voter turnout gains.

Reflecting for a moment on the fact that voter turnout in Puerto Rico is dramatically higher than our own, I believe it is significant to note that election day in Puerto Rico is an official holiday. All stores and shops are closed, all employees are excused from work, and public events are prohibited, as is the sale of liquor. Some have proposed that we should make our election day a national holiday, as well. However, opponents argue that since national holidays are also paid holidays, this would be a most expensive proposition, especially during this time of fiscal austerity. In fact, a Congressional Research Service study conducted in 1979 estimated that the federal government alone loses $140 million on a national holiday, with state and local governments losing $615 million.

I believe there is a suitable alternative that would make voting more convenient, as it is in Puerto Rico, but without the added costs of another holiday during the work week. Legislation I first introduced prior to the 1980 elections would change all federal general elections from Tuesday to Sunday. In addition, this bill, H.R. 84, would require all polling places across the country to open and close at the same time—12 to 9 p.m. EST, or 9 a.m. to 6 p.m. PST—during presidential elections. These changes would apply for a six-year experimental period beginning with the 1984 presidential election.

My same-time/Sunday voting bill aims to alleviate two major voting obstacles—voter inconvenience and early election night projections by the media.

This legislation is based largely on the proven success Sunday voting has had in other western democracies. In the 28 western democracies, 18 of which vote on Sunday, the median voter turnout rate for 92 elections held between 1969 and 1982 was 82.77 percent—more than 30 percentage points higher than our own, and more than 52 points higher than the Puerto Rican and other Hispanic American voter turnout rate.

A major concern I had prior to introducing this bill was the impact it might have on our nation's churches. So, I surveyed leading religious leaders from around the country and was impressed by the very positive response the idea received. For example, the U.S. Catholic Conference, the largest Catholic organization in the United States, wrote, "I cannot see how Sunday voting would react negatively on church obligations but might rather emphasize the moral aspects of voter responsibility for all citizens . . . voting on Sunday, then, could be quite consistent with Catholic social ministry."

I have also received assurances from a number of election officials around the country that my bill would not result in any significant cost increases. In fact, I recently contacted election administrators in the 50 states and the District of Columbia about same-time/Sunday voting. Of the 13 states that responded, three indicated the proposal would increase election costs, eight indicated there would be minimal or no impact on election costs and two of the states did not address the issue.

Some have suggested that we should incorporate a 24-hour voting period with my Sunday voting scheme. Having listened to the arguments in favor of this proposal, I am becoming more and more convinced that such an idea has a great deal of merit.

We know that declining voter participation is a national problem, but I do not profess for a minute that the government has, or should have all of the solutions. We must remember that democracy, in order to sustain itself, must be nourished by individual participation on the part of our citizens—all of our citizens. Voting is a profoundly individual responsibility. Government can make the process easier, but the act of voting must be done by the individual. I appeal to each and every one of you to exercise this important right, and to urge others to do the same.

In simple terms, our nation's current election process is failing us miserably. As a result we are all losers, but as I think we all agree here today, Puerto Rican and other Hispanic Americans appear to be suffering the most, and thus have the most to gain from an effective get-out-the-vote strategy.

Due to an increasing lack of voter participation, our democratic society is growing weaker and our government is becoming less representative of its citizenry. At the same time, well-organized and big spending extremist and special interest groups are growing in power and influence. This is a very dangerous problem—one that demands a strong and immediate response.

Today, as we celebrate "Puerto Rico Discovery Day," I propose that we help improve this deteriorating situation by working together to discover the Puerto Rican voter.●

THE REVEREND DR. BELVIE H. JACKSON: DEVOTED COMMUNITY LEADER

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. OTTINGER. Mr. Speaker, I rise to call to the attention of my colleagues the dedication to community and church of the Reverend Dr. Belvie H. Jackson, pastor of the Greater Centennial A.M.E. Zionist Church in Mount Vernon, NY. Dr. Jackson has been endorsed by the New York Annual Conference of Zion as a candidate for bishop in that church. Dr. Jackson has devoted his life to the service of people of all denominations, as exemplified in recent years in my home district in Westchester County, NY.

Now in his 16th year as pastor at Greater Centennial, Dr. Jackson still serves a well organized and full congregation. He has led the effort to make Greater Centennial one of the leading congregations in the New York metropolitan area. Among the parish's accomplishments under his direction are: the completion of the Greater Centennial Homes, a 157 housing unit; a Federal credit union; the coordination of Ebony Economic Enterprizes—a group of churches and community organizations; the construction of Ebony Gardens, 140 units of middle-income housing; and the purchase of a new bus and parsonage for the church. Having worked with Dr. Jackson in many of these efforts to better our community, I can truly say that he is a man who cares and who accomplishes.

Realizing that a religious leader must also be an active community leader, he is also a member of a number of local service organizations in Westchester. He is a charter member of Nimrod Lodge No. 96, Prince Hall Masons; past grand chaplain of Prince Hall Grand Lodge; a member of the Mount Vernon NAACP; a member and vice president of the A.M.E. Zion Ministerial Alliance of Greater New York; chairperson of the Clergy Committee of the Westchester Industrialization Center; a member of the Mount Vernon Rotary; the past president of the Mount Vernon Council on Churches; and a member of the Mount Vernon Police Advisory Council.

Rev. Jackson's service however, is not limited to his immediate community. He has represented his denomination at the World Methodist Council, and has volunteered his services to churches in Ghana, Nigeria, Liberia, South America, Jamaica, London, the Virgin Islands, and the Bahamas.

The Reverend Jackson is a well-prepared, stable man. Dedicated to his family, his church, his community, and his nation. He is an activist, an educator, a motivator, inspirer and developer, and most of all—a leader. I ask my colleagues to join me in paying tribute to this exemplary individual.●

IT WAS A NICE WAY TO SAY THANK YOU

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. DYSON. Mr. Speaker, few areas in the world can compare with the Eastern Shore of Maryland. Beautiful waters, mild temperatures, and friendly people create an environment aptly called the land of pleasant living. One of our greatest assets is clearly the people who live on the Eastern Shore. The land of pleasant living would not be so, were it not for people like: Lemuel H. "Bo" Benton, Thomas Ewing, Albert Stant, Bernard F. Dadds, Elmer Kessler, J. Thomas Rhodes, and C. Harper Starkey. Recently, Queen Annes County, MD, recognized these outstanding individuals for their public service to the county. It has been estimated that the sum total of service to Queen Annes County by these seven individuals totals 172 years.

Mr. Speaker, I proudly represent Queen Annes County here in the Congress. I say proudly because this county publicly thanked these individuals for this public service. I believe it is noteworthy to include in the RECORD today a copy of an editorial which appeared in the Star Democrat on June 21, 1984. It apropriately applauds Queen Annes County and its board of county commissioners for honoring these public servants.

IT WAS A NICE WAY TO SAY THANK YOU

Queen Anne's County did a nice thing last week. It honored, as it does annually, a handful of citizens for outstanding county service.

There was Lemuel H. "Bo" Benton, the former Queen Anne's County and Sudlersville Town Commissioner, for instance, who was cited for his work on a number of boards and commissions, including those related to criminal justice, recreation and the elderly.

There was Thomas Ewing, owner of Holly's Restaurant, who worked with the county's election board for 22 years and with the Goodwill Fire Co. for 55 years.

There was Queenstown Bank President Albert Stant, a life member of the Queenstown Volunteer Fire Co., who served on the county's Civil Service Board since its start in 1967.

And there were four others—Bernard F. Dadds, a volunteer fireman and election board member; Elmer Kessler, an election board member and former bicycle shop operator; J. Thomas Rhodes, a mailman and leader in education, 4-H and various good-works clubs; and C. Harper Starkey, a former election official who was the county's tax assessor for 13 years. One county commissioner said the seven had given a total of 172 years service to the county.

What was nice about the awards is that it was done so publicly and so formally by the county commission. Of course there can be all sorts of pitfalls in such events, not the least of which is that the awards can become something of political price available only to county office holders and friends, colleagues and acquaintances of the politicians who bestow them. Still, it seems a wonderfully open way to honor those who have given so much to their various communities.

Other counties—or perhaps a major civic group—might want to consider following the Queen Anne's lead and honoring their own public servants. What better way to say thanks?●

TRIBUTE TO TILLAMOOK CREAMERY ASSOCIATION

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. AuCOIN. Mr. Speaker, I rise today to honor one of Oregon's oldest and finest businesses. The Tillamook County Creamery Association, makers and distributors of the world famous Tillamook Cheese is currently celebrating their 75th year of operation. Since its inception, the creamery has been producing dairy products which meet rigid in-house standards, subsequently marketing this now famous product nationwide, and making Tillamook Cheese a near household name.

Since 1894, when a young Canadian named Peter McIntosh arrived in Tillamook County, dairy farmers have banded together to produce a dairy product that was superior to any other cheese around. A gold medal at the St. Louis Worlds Fair in 1904 was the first of many awards that has helped make Tillamook Cheese such a respected product. For the past 75 years, with the assistance of local dairy farmers, the Tillamook County Creamery Association has continued to oversee the cheesemaking process.

Over 100,000 gallons of fresh, whole milk is received daily at the Tillamook creamery from over 220 local dairies which make up the unique cooperative system utilized by the creamery. These dairymen who provide the creamery with the milk products are an independent group of hard working, dedicated Oregonians. For the most part, these dairymen and women do not take part in the milk diversion program and operate their dairies without Federal assistance.

Inspired by the leadership of men like Dave Leuthold, president of the

Oregon Dairymen's Association and Danny Hill, head of the North Coast Dairymen's Association, the Tillamook County dairymen have worked together in helping make Tillamook Cheese one of America's foremost cheeses. When times are tough in the coastal county, the local dairymen face the challenges with a strong sense of commitment to their cooperative venture and pride for their products. The spirit of the Tillamook County dairymen is symbolized by people like Rudy Fenk who serves on numerous local, regional, and national dairy boards to ensure that the Oregon dairymen receive their well-deserved recognition and representation.

But using only the finest quality natural raw milk is not the sole reason for Tillamook Cheese's success. It has taken a special know-how, a trained eye, and quite possibly, a few well-kept cheesemaking secrets to produce the delicious Tillamook Cheese.

A commitment to excellence and a strong spirit of dedication to perfection has made Tillamook Cheese an institution in Oregon. The plant which produces the golden cheese has become the second largest tourist attraction in the State, opening its doors to the curious from all over the country. Under the guidance of Peter Sutton, director of the Tillamook Creamery Association, 31 million pounds of cheese were produced in 1983, and the forecasts for an even larger 1984 seem to be right on schedule.

I salute the hundreds of men and women who have given so much of themselves to the Tillamook Creamery Association over the past 75 years to insure that the cheese and dairy products produced would be the finest in the Nation.●

CONGRESSIONAL SALUTE TO BRIGHT STAR INDUSTRIES, SUBSIDIARY OF KIDDE, INC., UPON ITS 50TH GOLDEN ANNIVERSARY IN CLIFTON AND 75TH DIAMOND JUBILEE IN NEW JERSEY

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. ROE. Mr. Speaker, On Thursday, July 12, 1984, the people of the city of Clifton, my congressional district and State of New Jersey will join with the Honorable Charles F. Bishop, president, other offices and employees of Bright Star Industries, subsidiary of Kidde, Inc., Clifton, NJ, in celebration of the company's 50th anniversary in the city of Clifton and 75th anniversary in the State of New Jersey.

Mr. Speaker, as we reflect on the history of our country and our representative democracy, second to none among all nations throughout the world, we can readily recognize the importance of industry in our Nation's economic growth and development. Industry built this country and our basic wealth and the preponderance of the jobs in both production and service industries have been developed by the industrial complex of our Nation. The foundation of New Jersey's and our Nation's basic economic strength and our leadership in world production is based upon the widespread scope of our small- and medium-sized businesses.

Bright Star Industries is a worldwide leader in the production of industrial flashlights, lanterns, and dry cell batteries. The company was founded by Isadore Koretsky, a Russian immigrant, in 1909. Mr. Koretsky first started making batteries at night in the basement of his home on Brite Street in Manhattan, NY, and selling them on the streets during the daytime. He subsequently established the company in a loft in Hoboken, NJ.

In July 1934, the company was relocated to Clifton, in an area known as Lakeview, NJ. The buildings had previously been occupied by the J.E. Barbour Linen Thread Mill.

Mr. Koretsky—the founding father—died shortly after World War II and the firm remained in the Koretsky family until 1955 when it was purchased by Mr. Charles Frost. In 1978, Bright Star was acquired from the Frost family by Kidde, Inc., and is now a subsidiary of this Fortune 500 corporation.

The State of New Jersey as the most urban State, one of the original Thirteen Colonies and the cradle of industry and research in our Nation was a highly suitable location for this young enterprising entrepreneurship. Closely paralleling the history of many firms of this age, Bright Star has progressed through many phases and profiles of product development and market positions. Statistically speaking and considered from almost any standpoint, New Jersey is one of our Nation's leading States substantially contributing to maintain our critical balance of payments through the flow of international commerce into and out of the country. With the rapidly increasing productivity of world industrial nations, fierce competition beset many of our small- and medium-sized businesses but the rising affluent society of these industrializing nations also provided the challenge of outstanding new and expanded opportunities in a broad scope of untapped market potential. Bright Star Industries rose to the occasion.

In recent years the policy of Bright Star Industries has been to concentrate and specialize its product lines—and marketing—into many key industrial trades. The firm produces dry cell batteries, the widest assortment of industrial flashlights, lanterns, specialty and industrial portable lighting products in the world. These products are not generally available in consumer outlets. Sales are in the 50 States, with export sales to approximately 75 nations.

It is important to note that for the results of its efforts to search out and innovate new techniques to achieve the maximum economic advantage in their international trade expansion program, in 1974 the U.S. Secretary of Commerce presented to Bright Star Industries the President's "E" Certificate for Export Service for its outstanding contribution to the export expansion program of the United States.

Bright Star builds its own battery production machinery, which is also sold throughout the world. Training courses are conducted on the Clifton, NJ, premises for the personnel of machinery customers. Installations of this production equipment can be found in the Far East, Near East, Africa, and in South America.

Clifton, NJ, is the location of Bright Star's headquarters and manufacturing facilities for the production of industrial flashlights, lanterns, and dry cell batteries. The plant is 200,000 square feet in size, located on 9 acres of land, and employs 400 employees.

Mr. Speaker, the success of the opportunity of America is embodied in the history of Bright Star Industries. I appreciate the opportunity to present this brief profile of the growth and development that has been accomplished by the management and production of the personnel of Bright Star Industries whose aspirations and success in the mainstream of our Nation's business enterprises for the past three-quarters of a century does indeed portray a great American success story.

As we celebrate the 50th golden anniversary of its headquarters in Clifton, NJ, and the 75th diamond jubilee anniversary of its founding in New Jersey, we do indeed salute the officers and employees of Bright Star Industries of New Jersey whose contributions to the quality of life and way of life here in America have truly enriched our community, State, and Nation.●

GREGORY PECK AND LAUREN BACALL TO RECEIVE RUDOLPH VALENTINO AWARD

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. WAXMAN. Mr. Speaker, in Los Angeles on July 2, 1984, Gregory Peck and Lauren Bacall will be presented with the prestigious Rudolph Valentino Award for Lifetime Achievement in the Cinematic Arts. The Valentino Award is sponsored by the Puglia region of Italy, the "twin State" of California, and the Italian Ministry of Tourism and Entertainment. The awards are part of the Thalians' presentation on behalf of their Community Mental Health Center at Cedar-Sinai Hospital in Los Angeles.

Both of these outstanding performers are eminently qualified for this honor. Ms. Bacall's screen presence has a significant impact on the quality of women's roles in the 1940's and thereafter. Mr. Peck epitomizes the romantic leading man, his quiet intelligence and strength have consistently set him apart. Each has extensive film credits and a talent which is unparalleled.

On the 11th anniversary of this award, I would like to take the opportunity to share with my colleagues some of the achievements of the man for which it is named.

Rudolph Valentino came to this country from the Puglia region when he was just 18 years old. In his tragically short life he produced only a few memorable films. Nevertheless, Rudolph Valentino played an important and unprecedented role in American film history. At the height of his popularity, the movie-going public flocked not to see his films, but to see him. The term "fan," derived from the more appropriate word "fanatic," applied most certainly to many of his followers. It is hard for many of us today who grew up with not only movies, but also with television as an integral part of our lives to understand the impact this man had on the American public.

The popularity and dynamism of Rudolph Valentino and his contemporaries propelled the fledgling Hollywood film industry into national and international renown. Hollywood and the movies became the epitome of the American dream, which was shared and often envied by the entire world. Valentino was clearly a pioneer of that era.

Today, films are a multibillion-dollar industry. The industry may have outgrown its modest beginnings in the small geographic area known as Hollywood, which I am proud to represent. But the history in this area is unmatched for its hold on the American imagination. Rudolph Valentino made his home in the Whitley Heights neighborhood of my district. Even today, 58 years after his death, his final resting place, just a few miles away, still brings a steady flow of visitors. All who are part of this great industry, as well as those of us who look to films for our entertainment, take this occasion to note the special contribution of Rudolph Valentino to American film history. And I am sure that my colleagues will join me in congratulating Lauren Bacall and Gregory Peck on their outstanding achievements recognized by the receipt of the Rudolph Valentino Award.●

IN RECOGNITION OF THE DUBLIN AMATEUR RADIO CLUB

HON. J. ROY ROWLAND

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. ROWLAND. Mr. Speaker, this past weekend I was privileged to visit the National Amateur Field Day activities of ham radio operators held in Dublin, GA. This activity involving amateur radio operators across the United States is a demonstration of the ability of ham radios to set up and operate a station under emergency conditions. This year's activities were held at the Dublin Riverview Park on the weekend of June 23 and 24, 1984. Members were present for 28 hours continuously. In addition, all operations of the field day were powered by emergency sources; thus, the weekend simulated true emergency conditions.

The American Radio Relay League has been sponsoring the National Field Day events for nearly 50 years. Field days are held annually on the last weekend in June. Although field days demonstrate amateur radio response in simulated emergencies, the organization has also been helpful during times of real emergency. For example, amateur radio operators were instrumental in restoring communications to areas of South Carolina devastated by tornadoes in March 1984.

I am particularly pleased that my hometown of Dublin has sponsored local field day activities for many years. The Dublin Amateur Radio Club, dedicated to public servcie, assists the local community by providing communications during inclement weather, power outages, and even 10,000-meter road races; 18 members participated in this year's field day in Dublin. During the weekend, Dublin members contacted other amateur radio operators as far away as Canada and California.

I would also like to take this opportunity to present an example of the importance of the work of the Dublin Amateur Radio Club. One Dublin member provided valuable information to the State Department during the landing of U.S. military forces on Grenada. The Middle Georgian, a ham operator for 30 years, received radio messages from the American medical students on Grenada during the fighting for more than 2 hours, and relayed the information to Government officials and representatives of the medical school in New York.

Mr. Speaker, the members of the Dublin Amateur Radio Club reflect the ability of our citizens to respond to emergency situations. The Dublin Amateur Radio Club is to be highly commended for their participation in the national field day exercises. I thank them for their concern in this area of such national importance.●

BRIGHAM YOUNG UNIVERSITY SEX DISCRIMINATION

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. HANSEN of Utah. Mr. Speaker, in the 1970's, Brigham Young University, the largest church-run university in the Nation, engaged in a running battle with the Department of Health, Education, and Welfare over what HEW claimed was sex discrimination at BYU. However, what HEW called sex discrimination, BYU called adherence to cherished religious and traditional values.

HEW accused BYU of sex discrimination because the university demanded that its students live in sex-segregated housing on and off campus. HEW maintained that BYU should allow coeducational dormitories. In addition, during the 1970's, the Federal Government charged BYU with sex discrimination because it maintains one set of dress standards for men and a totally different one for women. BYU also found it necessary to defend its right to discipline or to refuse admission to any female student who had had an abortion.

Fortunately, a religious exemption clause in title IX allowed BYU to continue its abortion, dress, and dormitory policies. However, before BYU could be safe from these Federal intrusions, the university had to spend much time and money defending its religious beliefs in a long and hard fight with HEW and the Federal courts. This was time and money that could have been spent much better on providing education for students attending BYU.

Under section 901(a)(3) of title IX, religious exemptions to the title are allowed only if an educational institution is controlled directly by a religious organization. Unfortunately, this section has been interpreted very narrowly. A full 218 schools have applied for religious exemptions to certain civil rights restrictions, but only two—Brigham Young and St. John's—have received the exemptions. The remaining 216 applications are still pending a final decision by the Department of Education.

Many schools which have extremely close ties with a certain church or churches, but are not directly controlled by that church, have not yet been granted exemptions. As I have said, only two schools have received exemptions, and those only after long and expensive court fights.

What we have here is a question of freedom of conscience and freedom of religion. Granted, many private schools have the freedom to forgo indirect Federal aid in the form of student grants and loans. However, a large number of private schools would probably go under if they refused students receiving Federal grants and loans. In essence, the schools would feel the keen pressure to be better fed than dead.

It is blatantly unfair to refuse Federal grants and loans to students who attend institutions which desire to uphold a religious and traditional moral heritage.

It is truly ironic that if certain amendments are not passed to the so-called Civil Rights Act of 1984, the immense financial power of the Federal Government could be employed to, in essence, to destroy or beat into submission institutions which strive to follow traditional and religious values. This misuse of power should surprise no one who observed how many civil rights proponents who opposed discrimination in the 1960's eventually embraced, in the 1970's, reverse discrimination in the form of affirmative action quotas and goals.

Many of my colleagues who supported civil rights in 1964 argued then—and rightfully so—for tolerance and pluralism in our society. Sadly, the same civil rights legislation which was designed to promote tolerance and pluralism will be used to discriminate against private and religious-oriented schools which desire to follow traditional moral values.

Yesterday, the U.S. House of Representatives passed a revision of title IX. In light of its passage and the possibility that private and religious schools will come under closer Federal scrutiny for civil rights violations, I feel compelled to defend the rights of religious minorities whose beliefs might come in conflict with what the majority in America might consider discrimination.

The denial of Federal loans and grants to students who attend traditional schools places these students and schools under a tremendous financial burden. This burden is unfair and unjust.

Therefore, I urge the Department of Education to broaden its regulatory definition of title IX, section 901(a)(3). In this section, a school can gain a religious exemption from the civil rights laws if that "educational institution * * * is controlled by a religious organization. * * *"

What does controlled mean? As I have said, many schools would not be able to exist without the support of a certain church, but that church does not actually control the everyday workings of that university. Many of these schools and their students which are indirectly, but not directly, controlled by churches hold their religious beliefs just as dearly as those schools which are controlled directly by a church.

In the name of freedom of religion and freedom of conscience, I urge the Department of Education and the Secretary of Education to reverse the unjust and narrow interpretation of title IX, section 901(a)(3).

I urge the Secretary to broaden, as much as possible, the definition of "controlled" in the law. I truly believe the regulators in the Department of Education should work under the assumption that educational institutions controlled—directly or indirectly—by religious organizations should receive religious exemptions from title IX.

The word "controlled" in section 901(a)(3) needs to be more precisely defined, and I believe it should be more broadly defined. I urge the Secretary of Education to rewrite the regulations regarding section 901(a)(3) to broaden the definition of educational institutions "controlled" by religious organizations to allow for more freedom of religion in our Nation.

The pending 216 applications for religious exemption under title IX are ample proof that section 901(a)(3) is being too narrowly defined and that the process of granting exemptions needs to be streamlined and expedited. I urge the Secretary to act on this matter with the greatest speed and urgency possible.●

COMMON SECURITY RESOLUTION: AN ALTERNATIVE TO WAR

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. BROWN of California. Mr. Speaker, nearly 2 years ago, after a lively debate on a nuclear freeze initiative, I introduced the common security resolution. This resolution reaffirms our commitment to the McCloy-Zorin agreement of 1961, officially known as the Joint Statement of Agreed Principles for Disarmament Negotiations. It encourages the negotiations of a multilateral disarmament agreement, binding upon all nations, and the establishment of an international body for verification. Disarmament would proceed in phases, insuring that no country secures a military advantage over another. At the beginning of the 98th Congress I reintroduced the resolution, which now has over 50 cosponsors.

I am pleased that there is now a Senate version, Senate Concurrent Resolution 125, of the common security resolution. This bill was introduced last week by Senator PERCY and several of his colleagues, Mr. HATFIELD, Mr. CRANSTON, Mr. MATSUNAGA, Mr. STAFFORD, and Mr. SARBANES. The intent of this legislation, bearing an identical title, is to set up a framework for peace—true, lasting peace. For far too long, the United States and the world have lacked a cohesive framework for achieving peace. Instead, we work at it haphazardly, and for the most part, escalate dramatically each year the number of weapons and international tensions. We are diverting vast amounts of resources into a fruitless search for security, and are risking daily the chance of an accidental or purposeful nuclear tragedy.

I believe that it is fitting that both the Senate resolution, and the identical version I am submitting today, be introduced at this time. The House and Senate are in the midst of negotiations on the defense authorization bill. While we continue to increase our arsenal at unprecedented rates, we make token concessions on arms control. Most of our arms agreements are antiquated at the time of their negotiation and ratification. Despite our rhetoric, both the United States and the Soviet Union are adept at only negotiating those items which are either technically outdated or unfeasible. The moment it suits either of us to set aside a treaty, we do so.

This resolution is not an illusion, but an attempt at real disarmament—an attempt to make the world a safer place for ourselves, our children, and our grandchildren. This multilateral, verifiable approach to both nuclear and conventional disarmament acknowledges that peace is not a technical problem, nor a military problem, but essentially a political and social problem. Eminent physicist Victor F. Weisskopf noted this in his article, "Reflections of a Physicist on the Global Challenge":

> What we need is a new attitude toward the rule of force. There is no issue at stake which could conceivably justify the resort to nuclear weaponry. Political differences must be tolerated. Today, in the nuclear age, it is impossible to change the political system of another nuclear power by force. People and governments are not yet aware of this. We must find a way for nations to coexist which is not based upon the threat of mutual annihilation.

I urge my colleagues in the House to join me, and those in the other body to join Senator PERCY, in this endeavor. Let us be among a new generation of politicians who prefer the substance of arms control over the political advantages of arms control rhetoric. Let us be among the new generation whose holiday greeting, "Peace," lasts throughout the year. Let us have true common security not only within our own country, but throughout the world.

The resolution follows:

H. Con. Res. —

Resolved by the House of Representatives (the Senate concurring)

Whereas the United States has, as its ultimate goal, a world which is free from the scourge of war and the dangers and burdens of armaments, a world in which the use of force has been subordinated to the rule of law, and a world in which international adjustments to changing circumstances are achieved peacefully;

Whereas the United States and the Soviet Union signed a "Joint Statement of Agreed Principles for Disarmament Negotiations," known as the McCloy-Zorin Agreement, which was presented by both nations to the United Nations General Assembly and endorsed unanimously on December 20, 1961; and

Whereas the McCloy-Zorin Agreement calls for an international accord on general and complete disarmament in stages with agreed verification measures, agreed procedures for the peaceful settlement of disputes, establishment of a United Nations peacekeeping force, and creation of an international disarmament organization to implement control and inspection of the disarmament process to ensure that no military advantage is gained by any participant and that there is equal security for all.

Whereas a decent respect for the opinion of humankind makes it incumbent on this great free Nation to set forth its vision of the world at peace and declare its willingness to move with all deliberate speed in concert with others to negotiate the agreements, conditions, and institutions for world peace and security and the rule of law: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President should be encouraged in his efforts to achieve deep cuts in the amounts of nuclear weapons held by each nation and to establish a peace which will endure.

Sec. 2. The Congress calls upon the President to direct renewed consideration within the government and to initiate discussions with the Soviet Union of the "Joint Statement of Agreed Principles for Disarmament Negotiations" for the purpose of assessing the relevance and validity of these principles today.

Sec. 3. (a) The President is requested to report to the Congress by December 31, 1984, on the steps he has taken respecting this resolution.

(b) The President is requested to submit a final report to the Congress by September 30, 1985, on the United States Government's reassessment of the Joint Statement and on the progress made in discussions with the Soviet Union.

Sec. 4. The Congress further encourages private organizations, foundations, and citizens to assess the continued relevance and validity of the Joint Statement and to determine a practical approach to achieve the agreed principles set forth therein.●

CIVIL RIGHTS ACT OF 1984

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. BEDELL. Mr. Speaker, yesterday, we had the opportunity to reaffirm our commitment to a very fundamental principle, namely that institutions which benefit from public funds ought not discriminate on the basis of race, national origin, sex, handicap, or age. The Civil Rights Act of 1984 is the vehicle for this commitment and I would like to express my strong support for this legislation.

In the Grove City College against Bell decision, the Supreme Court ruled that title IX of the 1972 Education Amendments does not apply to all activities at a recipient institution, but only to the particular program receiving Federal funds. This decision pointed out a major flaw in the wording of title IX, despite the fact that from 1964—when the first of the civil rights acts was passed—until 1980, every executive branch agency with civil rights responsibility interpreted the coverage of the statutes to be institutionwide and enforced.

I commend the Judiciary Committee for taking such prompt action to correct and clarify the language of all of our civil rights acts so that congressional intent is clear on this matter. Although the Grove City decision applied only to title IX of the 1972 Education Amendments—barring sex discrimination in any educational "program or activity" receiving Federal aid, the decision has far reaching implications for the other three civil rights acts which were based on virtually identical language. These three acts are: Title IV of the Civil Rights Act of 1964 which prohibits discrimination based on race, color, or national origin in all federally assisted programs; section 504 of the Rehabilitation Act of 1973, which bars discrimination against the handicapped in federally assisted programs; and Age Discrimination Act of 1975, which prohibits discrimination based on age in federally assisted programs.

The Civil Rights Act of 1984 seeks to restore the pre-Grove City interpretation of these important civil rights statutes. These civil rights acts have served our Nation well from 1964 to 1980, and I was pleased to support this legislation so that we can insure continued progress in this area for future generations.●

INTRODUCING LEGISLATION AMENDING ADMINISTRATION OF THE WINDFALL PROFIT TAX ACT OF 1980

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. STARK. Mr. Speaker, the General Accounting Office recently completed a major review of the Internal Revenue Service's administration of the crude oil Windfall Profit Tax Act of 1980. This is perhaps the largest and most complex tax ever levied on a U.S. industry, and certainly one of the most challenging laws ever given to the IRS to enforce. It is intended to tax the difference between the free market price of oil and its price as controlled by Department of Energy regulations.

There is no subject more important to the security and well-being of this Nation than its need to maintain a credible energy program. Therefore, the GAO's study is both important and welcome at this time.

On the whole, the GAO was satisfied that the IRS had set up a viable compliance effort for the tax. However, the GAO did determine that two legislative changes are needed to improve the effectiveness of how the tax is administered. These are summarized in the report as follows:

NOTICES OF TAX DUE

The Congress should expand IRS' authority to issue notices of additional tax due as a result of examinations of oil properties. IRS presently is limited by law to the issuance of a single notice of tax due per taxpayer each year. Thus, issuance of notices of tax due with respect to a single oil-producing property in any given year means that IRS would be prohibited from issuing the subject taxpayers any further notices that year.

Yet many producer-taxpayers invest in multiple oil properties managed by different parties. IRS thus has found it necessary to refrain from issuing notices until it has consolidated the results of numerous examinations of oil properties. If IRS were able to issue notices of tax due after each examination, both the government and taxpayers could benefit. The government would benefit from faster collection of additional taxes due; taxpayers would benefit from reduced interest charges on any additional tax they must pay.

COURT APPEALS

The Congress also should modify the law governing court appeals of IRS decisions. Under present law, each individual producer in an oil property has the right to appeal any IRS decision to the courts. Where individual circumstances can very, this appeal right is both necessary and appropriate. But there are certain oil property-related issues which do not vary from one individual producer to another.

For example, the kind of oil obtained from a particular well necessarily is the same for all producers owning an interest in that well. Therefore, it is inefficient and duplicative to allow each individual producer to appeal that issue separately to the courts. Accordingly, there is a need for legislation to prevent duplicative court appeals.

The Department of the Treasury agrees with the GAO's legislative proposals to the Congress, and has suggested amendments to the Internal Revenue Code that would incorporate them.

Yesterday I introduced legislation (H.R. 5934) to correct the problems identified in the GAO report. I hope that these statutory changes will strengthen the IRS' ability to successfully administer the windfall profit tax, and in so doing, enhance voluntary compliance with our tax laws.

The integrity of our tax base is a matter of vital concern to every American. Therefore, we should fully support his timely tax reform initiative.●

A MEDAL FOR HARRY CHAPIN

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. DOWNEY of New York. Mr. Speaker, today, my colleagues, Mr. DORGAN and Mr. JEFFORDS, and I introduced a bill to award to Harry Chapin posthumously a gold medal in recognition of Harry's strong commitment to finding a solution to the problem of world hunger.

Just 3 years ago this summer, Harry Chapin died in a tragic automobile accident and the Members of this House paid tribute to his willingness to use his rare gifts to awaken all of us to the plight of poor and hungry people here in the United States and around the world.

It is particularly fitting that we should recognize Harry's efforts at this time, for this summer we also mark the 10th anniversary of the World Food Conference. It was at this conference, held in Rome in 1974, that the nations of the world committed themselves to developing the means to increase food production, to eradicate hunger and to raise the economic growth rate in developing countries. The conference also called for increased support for the development of means to deal with famines, for increased food assistance and for an improved system of storing food. Those who attended the World Food Conference were spurred by the harrowing vision of the Sahelian famine.

Today, the people of Africa are suffering again from serious food shortages brought on by drought and civil strife. Our resources for dealing with this problem are being tested and I hope that we are able to meet the challenge. Congress has appropriated additional funds for emergency famine relief and people around the country have actively been working to bring the issue of the African famine to the fore. Both actions are part of Harry's legacy of an increased awareness about the problem of hunger—and more important, a commitment to do something about the problem.

I urge my colleagues to support this bill to recognize Harry's achievement and I hope that we all will redouble our efforts to find a solution to one of the most serious problems which confronts us today.●

CLARK NATWICK—CONGRESSIONAL PUBLIC SERVICE AWARD RECIPIENT FOR PACIFICA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. LANTOS. Mr. Speaker, the Congressional Public Service Award Advisory Committee for Pacifica has chosen an outstanding individual to receive the 1984 award for their community. I would like to share with my colleagues some of the significant accomplishments of this first award recipient of Pacifica.

Clark Natwick, who has been an active and contributing citizen of the city of Pacifica for over 20 years, is not an average person. His personal time and work, as well as his organizing efforts, have ranged over a wide spectrum of community concerns: environmental protection and conservation; civil rights; world peace; youth programs and activities; as well as both local and national government.

A teacher by training and a printer by trade, he has given most generously of the product of his printing press without charge, be it bookmarks for the Friends of the Library or fliers for a youth concert.

Among the many activities which he has inspired, worked at, and organized have been Keep Pacifica Scenic, an environmental action group; Ecology Action, Pacifica's successful recycling center now in its 14th year; the National Cyclo-Cross meet held here in December 1981; and the successful and well-attended Pacifica Peace Fairs in 1970 and 1971. It was Clark's unflagging concern which aroused the effort to reestablish Sanchez Library when it was closed in 1978, and it was this effort which ultimately resulted in the excellent, recently completed library which is now enjoyed by the whole community.

When local artist and businessman Frank Wright was seriously ill with the cancer from which he ultimately died, Clark planned and set up an exhibit of Wright's paintings for display to the public. Wright was touched and delighted. The event was not only an example of sensitivity and caring, it was timely.

I commend Pacifica Advisory Committee for its excellent choice and congratulate Clark Natwick Archibald for his selection as the first recipient of the city's Congressional Public Service Award.●

AMEND THE FAIR LABOR STANDARDS ACT

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. DENNY SMITH. Mr. Speaker, I am introducing legislation today which would give managerial employees of restaurants, motels, hotels, and apartment complexes their deserved status under the law while removing an unnecessary regulatory burden off the backs of their employers. My bill would amend section 213 of the Fair Labor Standards Act to exempt managerial employees of restaurants, motels, hotels, and apartment complexes from the minimum wage and overtime provisions of the act. The exemption is patterned after the existing exemption for executive employees and includes the same requirement that no more than 40 percent of the employee's time can be spent on work that is not directly or closely related to his managerial activities. The principal difference between this exemption and the already existing executive exemption is that there would be no requirement that the manager supervise any set number of employees. This change would not alter the nature of the employee's managerial duties, but rather it takes into consideration the kind of work performed at restaurants, motels, hotels, and apartment complexes.

The need for this legislation was first brought to my attention by a businessman in Oregon who is involved in property management, including motels and apartment complexes. In order to run his businesses, he hires qualified managers to perform managerial duties and compensates them on the basis of a monthly salary, which is well above the minimum wage.

Until recently, he did not realize that his managers were not recognized as such under the law. Congress provided for exceptions to the overtime and minimum wage requirements of the Fair Labor Standards Act because of the nature of some jobs. For instance, it is widely accepted that the responsibilities of a company manager may not always fall into the rigid schedule of a 40-hour week. Where a workers responsibilities didn't always fit into a regular workweek, Congress created an exemption for those employed in bona fide executive, administrative, or professional capacities.

The job responsibilities of restaurant, motel, hotel, and apartment complex managers are closely allied with the duties of those employees who fall under the existing exemption category. Current law and regulations fail to recognize the responsible nature of the work of managerial employees who must ensure that their restaurants, motels, hotels, and apartment complexes run efficiently and profitably. The manager represents the owner in dealing with employees, vendors, contractors, and the public. He must review tenant applications, negotiate leases, arrange and collect rents, negotiate contracts with service contractors, monitor the performance of those contracts, select and supervise employees such as assistant managers, office clerks, groundskeepers, and janitors. In addition, these managers are given substantial freedom and latitude in determining the manner, method, and timing for performing their work, and their working hours can't be confined within a rigid 40-hour workweek. Based on their responsibilities, they should also be exempted from the overtime and minimum wage requirements of the Fair Labor Standards Act.

Because the law ignores the responsible character of the positions held by managers of restaurants, hotels, motels, and apartment complexes, it demeans their responsibilities, denies them their deserved status, and has been a needless burden on employers who wish to give their managers the freedom to perform their duties as they see appropriate.

The employers of these managers already recognize and compensate their managers on the basis of their responsibilities. It is time that the law also recognized the nature of their jobs and duties. I urge my colleagues to join me in support of this legislation which is so important to the restaurant, hotel, motel, and apartment businesses.●

THE CASE OF LOUIS FARRAKHAN

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. McGRATH. Mr. Speaker, I rise to strongly protest the most recent outrageous statements uttered by the leader of the Nation of Islam, Louis Farrakhan. I trust every Member of this body is as disgusted as I by the hateful, contemptible comments spewing from the mouth of a man claiming to be a spokesman for God.

While it is the unequivocal obligation of every national political and religious leader to condemn these bigoted remarks, the greatest responsibility lies on the shoulders of the individual who is responsible for bringing Mr. Farrakhan the wide-ranging media exposure his outbrusts now command. The refusal to disavow the Nation of Islam leader's support is little else but a tacit endorsement of his divisive and arrogant demagoguery.

Mr. Farrakhan has demonstrated a gross misunderstanding of religious history. By labeling Judaism, "a gutter religion" replete with "false religious practices" he has assassinated the base of his own religion, and Christianity as well. His twisted mind no longer simply launches attacks on the Jewish people and the State of Israel, but has now taken to judging the United States and England as "participants in a criminal conspiracy" for our collective role in the "outlaw act" of establishing the State of Israel.

Mr. Speaker, I am sickened by the escapades of Mr. Farrakhan. His clear and grotesque anti-Semitic, anti-American philosophy must be condemned in the strongest possible terms if this perverse man is to be silenced.●

OLYMPIC BASEBALL ON CAPE COD

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. STUDDS. Mr. Speaker, for the first time in history, the summer Olympics this year will include, on a demonstration basis, competition on the baseball diamond. In preparation for international competition, the U.S. baseball team yesterday visited the town of Chatham—which I have the privilege of representing in the Congress—to play an exhibition game against an all-star roster from the Cape Cod Baseball League.

As baseball fans are well aware, the Cape League is one of the finest amateur leagues in the country, and has helped develop the talents of many young men who later excelled in the major leagues; 99 years ago, the league chartered four local teams representing Cape Cod towns. Today, 175 players from across the United States comprise the rosters of eight Cap franchises which play a 49-game schedule each summer.

The Cape League was delighted to host the Olympic team for an exhibition game last night at Veterans Field in Chatham. Before the game, the league and its many local supporters sponsored a public clambake with all the Cape Cod trimmings to officially welcome our Olympic baseball team. We take particular pride that the Olympic team roster includes a number of athletes who have played in the Cape Cod League.

More than 3,500 people saw the U.S. team display some late-inning heroics to edge the Cape All-Stars, 5 to 4. I would like, therefore, to take this opportunity to acknowledge the hard work and dedication of our Olympic athletes and of our own Cape Cod ball clubs. We'll certainly be rooting for our team in Los Angeles next month.●

CONSCIENCE VIGIL FOR SOVIET JEWRY

HON. SALA BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mrs. BURTON of California. Mr. Speaker, I am pleased to participate in the annual call to conscience vigil for Soviet Jewry.

Some 8 years ago I joined a delegation of American Congressmen in the company of my husband, Phillip, that made an official visit to the Soviet Union. One of the most memorable experiences on that trip was when we met with a number of refuseniks, including Anatoly Shcharansky. All of us were moved by their courage, and their passionate belief in the justice, and rightness of their cause.

Anatoly Shcharansky was arrested in March 1977 because of his work for human rights. During his time in prison, he has launched two hunger strikes and refused to submit to Soviet officials who prod him to confess to committing crimes against the Soviet State. Mr. Shcharansky has not seen his dedicated wife, Avital, since the day after their marriage. Today, he remains in prison, in ill health, determined never to give up the fight for basic human rights and freedoms for Soviet Jews. This man's courage and dedication does not go unnoticed. He is a symbol of Soviet Jewry.

Let us remember today the courage and the strength of Anatoly Shcharansky and other Soviet Jews, and rededicate ourselves to ending the horrible injustices they suffer.●

AL SHANKER ASKS "WHY NOT NURTURE DEMOCRACY ABROAD?"

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. KEMP. Mr. Speaker, Al Shanker, the very able leader and president of the American Federation of Teachers, has written a column I'd like to share with all. Mr. Shanker asks why we shouldn't provide funds for the National Endowment for Democracy?

The breadth of support for the NED from across the political spectrum is remarkable, ranging from Senator DODD and Lane Kirkland to Senator

HATCH and President Reagan. The reason for that support, in my view, is that all of us as Americans appreciate that we must agree about something fundamental before we can disagree about policy directions. What it is that we must agree about is the superiority of the democratic process and the illegitimacy of despotism.

For those committed to democratic principles, it follows that the United States should encourage the democratic revolution abroad. Certainly democracies can't be generated instantly in every nation in the world. Democracy goes hand in hand with a foundation of free institutions in the absence of which it is not genuine—for instance, in Sandinista Nicaragua. But it is just as certain that the groundwork necessary for democracy—for example, free labor unions, free enterprise, and free markets, political organizations, and business associations—must be laid. And the United States should be helping that effort through organizations like the NED.

Just as support for the NED comes from across the spectrum, so does the opposition. Some so-called liberals don't like it because they fear the whole notion of committing ourselves to supporting democracy everywhere. They are fearful of making objective distinctions between democracy and tyranny, and so the United States finds itself practically helpless to encourage others to imitate our form of government. Some so-called conservatives, on the other hand, wrongly think democracy is unique to America and no other people in the world—apart from Europe—have the ability or perhaps the intelligence to sustain it.

Those views are neither liberal nor conservative. Liberalism, rightly understood, means that freedom is a universal idea, a self-evident truth applying to all people by nature and by God. Conservatism, rightly understood, looks to traditional American ideas, and the most traditional is the Jeffersonian idea of the Declaration of Independence, that all human beings are created equal in their right to self-government. Liberals and conservatives who are true to their own beliefs should both be fighting to save the NED.

Al Shanker calls for "a bit of courage" to keep this worthwhile project alive. Frankly, if we can't show a little courage on this issue, it is hard to imagine any pro-democratic institution Congress could consistently support. The logical conclusion is that the United States should have only two choices in foreign policy: interventionism or isolationism. But there is a third choice, and the NED is an example of that third way.

I certainly want to applaud the courage and wisdom of Al Shanker.

Shanker's article follows:

Why Not Nurture Democracy Abroad?

(By Albert Shanker)

During the last few weeks I've learned how hard it is for a democratic country like ours to do things and to do them right. Only a few months ago the Congress passed and the President signed a law which funded a private nonprofit corporation called the National Endowment for Democracy (NED). Now NED is fighting for its funding . . . and its life.

The basic reasons for NED are clear. For decades there has been a struggle between the U.S.S.R. and its bloc on one side and the U.S.A., Western Europe and their friends on the other. The struggle is not basically over which flag will fly over more territory, but over the question of how many people will have the right to enjoy the benefits of democracy. A look at the changes which have taken place in the world over the last four decades does not give an optimistic picture. It's true that wherever people are free to vote and choose their own form of government, they never choose the Soviet model. But nevertheless that model expands because it can use armed force without fear of internal criticism. It can spread money to its agents and sympathizers in other countries without worrying about press leaks or internal political dissension over who is getting the money or whether the projects are worthwhile. In any struggle, if one side is doing something while the other is doing little or nothing, the outcome is clear.

We in the United States do have something to promote and sell, something to offer in competition. Why not actively promote the idea of democracy? And why not continue to do it through government agencies like A.I.D. and U.S.I.A.—but add to them the strength of those free institutions which exist in our society and not in the Soviet Union's . . . or for that matter, in dictatorships of the right? Institutions whose very existence shows the difference between our system and theirs—free trade unions, private business enterprise, independent political parties. Why not give a small amount of money ($31 million out of our annual budget of about $900 billion)? Each of these groups would not be using the money to do what the United States Government asks them to do. Rather the government would provide money to these groups for activities each of them wants to do to help indigenous democratic institutions, at their request. The AFL-CIO would help strengthen free labor unions in other countries. The United States Chamber of Commerce would strengthen business groups abroad and promote the philosophy of free enterprise, while the Republican and Democratic Parties would help strengthen their democratic counterparts around the world, again at the request of these existing foreign organizations.

But on May 31, with NED only a few months old, the House voted to cut off all of its funds for next year. And now the only hope is that the Senate will continue to support NED. Why the turnaround? Well, some in Congress don't seem to mind having the United States do nothing while the Soviet Union scores gains. Others don't like the idea of our political parties being "tainted" by government money. But most are just afraid that when one or another of the parties in NED occasionally makes a mistake in how the money is spent—and occasional mistakes will certainly be made—their election opponents will hit them hard for voting for NED.

We can either do something to promote democracy around the world or decide to do nothing. If we decide to do something, we can do it exclusively through government agencies or we can also do it through private and free democratic institutions. (Of course, if we limit our efforts to government agencies, there will be many groups and institutions in other countries which either cannot or will not accept help from a foreign government.)

There is no doubt that our promotion of democracy around the world will be more effective if conducted openly by a private, nongovernmental group of Americans. The idea is good. It's worth trying. It may or may not work. But those ready to kill NED before it has had enough time to develop a track record either don't give a damn about promoting democracy—or are overly worried about demagogic attacks by political opponents. A bit of courage is called for.●

PERSONAL EXPLANATION

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. CLINGER. Mr. Speaker, on June 22, 1984, I was absent from the floor of the House of Representatives for a part of the day. Had I been present, I would have voted in the following fashion:

Rollcall No. 262: Military construction authorization, the House passed the measure to authorize construction at military installations for fiscal year 1985; "yea"; and

Rollcall No. 263: Federal pay equity, the House agreed to the rule (H. Res. 526) providing for the consideration of the measure to promote pay equity and to eliminate certain discriminatory wage-setting practices within the Federal civil service; to establish a performance management and recognition system; and to improve the Senior Executive Service, "yea".●

FUNDING FOR ARKANSAS TRANSPLANT CENTER

HON. ED BETHUNE

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. BETHUNE. Mr. Speaker, I want to take this opportunity to commend my colleague from Maine, JOHN R. MCKERNAN, JR., for introducing his amendment to H.R. 5580, the Organ Transplant Act.

This amendment, which I supported and which passed the House, would make organ transplant centers eligible to receive immunosuppressive drugs from the Department of Health and Human Services following organ transplant surgery.

The University of Arkansas Medical Center and the Arkansas Children's

Hospital were two of many centers which performed less than 25 organ transplants in 1983 and would be unable to take advantage of the benefits provided under an experimental 2-year program for transplant centers. This amendment remedied the problem and enables the health care facility in the State which has performed the most transplants of the organs to receive funding. These two transplant centers are important to the people of Arkansas who need organ transplant surgery, and the University of Arkansas Medical Center, who performed the most organ transplants in 1983 and will receive the funding, will be able to meet the needs of these people.

I thank my colleague for this amendment and am pleased that it passed.●

MR. FARRAKHAN'S OUTRAGEOUS REMARKS

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. OBEY. Mr. Speaker, I am appalled, but not necessarily surprised, by the most recent bigoted statements made by Mr. Farrakhan.

His latest outburst, in which he said that the Jewish religion was a "gutter religion," indicates that he himself operates virtually full time from the political and intellectual gutter.

That statement and others he has made demonstrate that he is an intellectual thug and they demonstrate that there is no legitimate reason for any responsible person to give his views any weight whatsoever.

His principal contribution to the public dialog has been to raise the level of hatred and misunderstanding in this country.●

AMERICAN HONDA 25TH ANNIVERSARY

HON. MICHAEL DeWINE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. DEWINE. Mr. Speaker, I rise today to recognize the 25th anniversary of American Honda. Over the last quarter century American Honda has been a fine example of a foreign company that has chosen to come to America and use American workers, and American resources to compete in our economy.

Not only was American Honda the first motorcycle company to mass-merchandise their product, they also created several related industries. These include safety equipment, motorcycle accessories, and motorcycle publications.

American Honda was the first Japanese automaker to manufacture cars in the United States. Its U.S. plant has reached its original production capacity and has begun an expansion that will double the plant's output. Honda has also announced that it will build engines in the United States.

American Honda has donated some 15,000 minibikes to the YMCA for use in fighting drug abuse. Over the past 5 years, Honda has donated over $3.5 million in equipment to vocational schools nationwide. Since 1959 American Honda has participated in such events as the Tournament of Roses Parade, the Academy Awards, and various world fairs.

American Honda has succeeded admirably. I congratulate Honda on its 25 years of success, and I wish them well in the future.●

THE LOUISIANA WORLD'S FAIR—THRILL OF A LIFETIME

HON. GILLIS W. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. LONG of Louisiana. Mr. Speaker, the proof of the pudding is in the eating, and the proof of the World's Fair is in the going. As one who's been, I can say with authority and enthusiasm that it is exciting, interesting, and just plain fun.

As a little additional testimony, there follows just one of the many letters I've received from fair goers that give a firsthand view of the many attractions awaiting visitors to New Orleans.

I encourage all of my colleagues to include the World Exposition in their travel plans and encourage them to commend it to their constituents.

> . . . The lines were long but it was worth it after I saw the beauty of historic Louisiana—everything that symbolized the State was there, even our beloved French Cajun culture and its music. The magnificent display of the Mardi Gras King and Queen coronation is worth the price. I loved it!
>
> We plan to go again several more times and have written and urged our friends in San Francisco, San Diego, Oklahoma City, Albuquerque, Brooklyn and numerous friends in Texas to come see the splendor of the century, the Louisiana World's Fair.
>
> And too, there were plenty of hotel rooms. We stayed at a nearby motel for less than $40.00.
>
> The people of New Orleans were extremely courteous and so helpful. I felt a deep pride for Nouvelle Orleans, the queen city of the South for being the gracious city that she is. The many compliments from outsiders had nothing but praise for the fair and New Orleans. The citizens should be very proud of what has been accomplished by means of the World's Fair. The Aqua Swimmers, the Korean Dancers, and the Canadian Pavilion is a must. By all means visit the Union Pacific and Chrysler Pavilions. The gondolas over the Mississippi River were more than I had expected and very thrilling to ride. The monorail give a bird's eye view of the whole fair ground.
>
> And there was plenty of food for everyone. The Reunion Hall of Pete Fountain had outstanding prices. Yes, I am going back because it is the thrill of a lifetime.
>
> CLIFF FUSELIER,
> *Alexandria, LA.*●

FILBERT QUALITY STANDARDS

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. DENNY SMITH. Mr. Speaker, I was pleased to join my colleagues from Oregon in introducing H.R. 5871, which would inject fairness into the marketing of filberts, or hazelnuts as they are also called. This legislation, which is identical to a bill already introduced in the Senate by Senators MARK HATFIELD and BOB PACKWOOD, would impose a prohibitive tariff on imported hazelnuts that don't meet the same quality standards as U.S. hazelnuts. It would also increase the tariff on imported filberts from 8 to 16 cents per pound to reflect current economic and competitive conditions.

The decision to introduce this legislation was made after attempts to seek an administrative remedy proved futile. I've worked with the filbert industry to try to convince the U.S. Department of Agriculture to clamp down on inferior quality filbert imports, but our pleas have fallen on deaf ears. Unrelated political considerations have won out over fairness to the U.S. filbert grower and to the American consumer.

Some of my colleagues may not be as familiar with the filbert as the walnut or the almond. But this situation is changing as the popularity of the filbert grows in the United States. This tasty little nut is used primarily in baked goods, candy, or canned and sold as a specialty nut. Much of the growth in this industry can be attributed to the efforts of domestic growers to cultivate the American consumer's taste for filberts by upgrading the nut's quality. That is one of the reasons why this legislation we introduced is so vital.

The U.S. filbert industry is made up of small businessmen and women whose orchards are primarily located in Oregon and Washington. Most of these orchards only average between 24 and 100 acres of hazelnut trees. Compared to its foreign competitors, the United States, which only produces 4 percent of the world's filbert needs, is a small force in the hazelnut market.

Turkey on the other hand, produces 70 percent of the world's filbert requirements and because of its market dominance, is in a position to set the world price. Italy is also a major producer of filberts, growing 22 percent of the nuts produced in the world. Both of these countries export to the United States. The problem for U.S. growers is that imported filberts don't have to meet the same quality standards that are followed by U.S. filbert growers. As a result, both Italy and Turkey have shipped us inferior quality nuts.

This situation isn't fair to the U.S. filbert grower. It's frustrating for domestic growers to concentrate resources on improving the marketability of their product when they have no control over the quality of foreign hazelnuts on the market. U.S. producers not only face competition from Turkish and Italian filberts, but they also compete with other nuts such as almonds and walnuts. Producers of these nuts impose strict quality standards in order to maintain the quality product that consumers expect and demand.

To be competitive with these other nuts, U.S. filbert growers believe they also must maintain high quality standards. Filbert growers are trying to encourage the consumption of filberts and some growers believe that one of the main reasons why hazelnuts haven't been used more extensively in the United States is because there hasn't been a good supply of high quality nuts.

In order to improve the market for filberts, U.S. producers want to ensure that imported filberts are of high quality. To the domestic grower, it is not only a matter of equity, but also an issue of increasing the filbert's market share in the specialty nut market. When a consumer eats a filbert, he doesn't know whether it was grown in the United States or somewhere else. But if he eats rancid nuts from Turkey, the reputation of the entire industry suffers.

It isn't a question of whether Turkey or Italy can meet our quality standards. Both nations produce quality nuts. Unfortunately, the United States has become what some people consider to be a dumping ground for inferior quality filberts that Turkish and Italian growers have been unable to sell in Europe. One of Turkey's biggest markets is the Federal Republic of Germany which imposes strict standards on its imported filberts. Turkey meets these standards in order to sell its product to the Germans. If they can do it for their European customers, why shouldn't Turkey or Italy be required to sell high quality filberts to U.S. users?

The case for imposing a prohibitive tariff becomes even more compelling because of the unfair competition facing U.S. growers. There is strong evidence to suggest that both Italian and Turkish growers benefit from subsidies. There is evidence to show that the Turks buy and sell through a government cooperative with significant subsidies. The Italians received a 6 cents per pound shelled export subsidy from the European Economic Community in 1983. Compare this subsidy to the price the American grower receives for his product, and it amounts to almost 10 percent per pound.

The U.S. grower, on the other hand, receives no subsidy for producing filberts. He relies on market forces, and in recent years, the price of hazelnuts has been driven down by unfair competition.

When U.S. growers face unfair competition from foreign suppliers, the least that can be expected is that imported filberts should have to meet the same quality standards as those produced in this country.

In addition to imposing a prohibitive tariff on inferior quality filberts, this legislation would double the existing tariff on hazelnuts from 8 to 16 cents per pound. Increasing the tariff would make it comparable to the tariff on walnuts, which is at 15 cents per pound, and the duty on almonds, which is at 16.5 cents per pound. The tariff on filberts hasn't been increased since 1948 and over time inflation has eroded its effectiveness. If the tariff had been indexed for inflation, it would now have to be at 32 cents per pound to have the same effect. An increase of 8 cents is not likely to result in substantial decreases in filbert imports. Instead, it would make competition fairer by offsetting the subsidies which benefit Italian and Turkish growers.

U.S. filbert growers are at a crossroads. Because of their efforts over the last few years, they now produce a top quality product that could expand the filbert market substantially in future years. But at the same time, they face unfair competition from foreign competitors who unload defective hazelnuts on U.S. consumers.

If U.S. growers are to be effective in meeting their goal of expanding consumer demand, this legislation must be enacted. The industry is more willing to meet its competition head on, but the competition must be fair. It has to take place on a level playing field where all sides compete equally. I urge my colleagues to support this important legislation to assist U.S. filbert growers.●

MARGOT GAYLE HONORED BY NATIONAL TRUST FOR HISTORIC PRESERVATION

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. GREEN. Mr. Speaker, I would like to thank the House for this opportunity to recognize the accomplishments of one of the outstanding citizens of my district.

On May 11, the National Trust for Historic Preservation honored Ms. Margot Gayle of Manhattan with an award for her work over the past 15 years to preserve historic buildings, and in particular for her efforts as founder of the Victorian Society in America and the Friends of Cast Iron Architecture. As the National Trust for Historic Preservation stated in its award to Ms. Gayle, these two civic organizations have had an "enormous impact in sensitizing Americans to their 19th-century architectural heritage."

Through the efforts of Ms. Gayle and the civic-minded members of the organizations she founded, many historic buildings in New York City have been saved from destruction and have been put to use as homes, art galleries, business offices, and in one case, as a library.

Mr. Speaker, it is due to the selfless work and dedication of exemplary citizens such as Ms. Gayle that an important part of our Nation's architectural heritage has been preserved.●

TEENAGE ALCOHOL ABUSE AWARENESS WEEK

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. WAXMAN. Mr. Speaker, today I am pleased to introduce House Joint Resolution 611, designating the week of September 10 to September 16, 1984, as "Teenage Alcohol Abuse Awareness Week."

Alcohol represents the most widely used drug among young people between the ages of 12 and 17; 75 percent of all U.S. high school students drink, and 20 percent experience serious alcohol-related problems in school, with family, or friends, or with the law.

Alcohol abuse among young people often leads to other serious problems. Nearly half of high school students who drink do so in their cars. As a consequence, alcohol-related car accidents have become the No. 1 killer of young people. Studies also indicate that problem teenage drinkers are more likely to use illicit drugs and smoke cigarettes than nondrinkers. In addition, problem adolescent drinking increases sharply with advancing age, becoming an even more serious adult problem.

Researchers cite many reasons for problem drinking among our Nation's youth, including low self-image, peer pressure, poor adult role models, and inherited biochemical and physiological traits. Although Americans are showing increased awareness and concern about the problems associated with alcohol abuse, in order to halt its spread among young people it is crucial that they and their parents be educated about the factors contributing to teenage alcohol abuse.

Family Circle magazine is undertaking a major effort to inform the public of the catastrophic effects of alcohol abuse by young people. Family Circle's October 2 issue will be released during Teenage Alcohol Abuse Awareness Week and will contain an in-depth discussion of this important subject.

I urge all Members to join me in cosponsoring this important resolution. Passage of House Joint Resolution 611 will encourage other activities and programs necessary to achieve these educational objectives by informing young people and their parents about the causes, dangers, and means of preventing teenage alcohol abuse.

Without objection, I insert the full text of House Joint Resolution 611 in the RECORD at this point:

H.J. RES. 611

Whereas alcohol abuse among teenagers is a growing problem in the United States;

Whereas teenagers do not seem to be aware that alcohol can be the most dangerous of all drugs; and

Whereas the youth of this Nation need to be educated to the dangers of alcohol abuse: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 10, 1984, through September 16, 1984, is designated as "Teenage Alcohol Abuse Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the week with appropriate programs and activities.●

TRIBUTE TO MICHAEL GLADNICK

HON. FRANK HARRISON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. HARRISON. Mr. Speaker, on July 8, 1984, an outstanding young man from Hazleton, PA, will be awarded the highest distinction in Boy Scouts.

Michael Gladnick will receive the Eagle Scout Court of Honor at a ceremony to be held in his honor. This represents an outstanding achievement and one in which all of us can take justifiable pride.

We all know that the youth of today represent the leaders of tomorrow, and in this case, Michael is so duly honored.

Mr. Speaker, I join with Michael's family and friends in paying tribute to this outstanding young person.●

SPINA BIFIDA MONTH

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. MAZZOLI. Mr. Speaker, spina bifida, which results from the failure of the spine to close properly during prenatal development, is a most common birth defect, occurring in 1 of every 1,000 births. Yet, spina bifida remains a little known and little understood handicapping condition.

On June 18, 1984, I introduced House Joint Resolution 595, designating October 1984 as "National Spina Bifida Month." I took this action to increase public awareness of spina bifida.

Even though many of the March of Dimes and Easter Seal children have had spina bifida, a large segment of the American population unfortunately is not familiar with this crippling defect. Facilities and specialized medical professionals to provide the most effective treatment for children and adults with spina bifida are limited nationwide.

I hope the proclamation of October as Spina Bifida Month will help to stimulate the interest necessary to increase research into the causes and treatments of this birth defect.

I urge my colleagues to join me in sponsoring this important resolution.●

A POLICY BASED ON THE COOPERATIVE ASSASSIN

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. STARK. Mr. Speaker, I am happy to say that U.S. Ambassador to El Salvador Thomas Pickering is probably breathing easier today than he was on Monday. For today, Roberto D'Aubuisson is in Washington rather than San Salvador.

Yesterday's Washington Post reported that last month our intelligence people discovered a plot to assassinate Mr. Pickering, and that Herr D'Aubuisson was linked to that plot.

Today Mr. D'Aubuisson is here in Washington so that the Reagan administration can convince him to cooperate with U.S. policy.

I suppose a man that draws straws for the privilege of murdering the archbishop of San Salvador during Mass would consider the assassination of a mere top ranking U.S. official a cooperative gesture.

Why, Mr. Speaker, do the President's men think that Roberto D'Aubuisson will cooperate with Napoleon Duarte? If we are to take Presidents Reagan and Duarte at their word our mutual goal is to carry out democratic reforms, economic reforms, human rights reforms that are exactly what D'Aubuisson and his backers reject. Does President Reagan believe that Duarte and D'Aubuisson share a vision for the future of El Salvador?

The future of El Salvador will be a continued nightmare of torture and bloodshed as long as U.S. policy is based on seeking a military defeat of the left while accommodating the right.

Our current policy is based on the cooperative assassin.

Rest easy while you can Ambassador Pickering, there are plenty of sleepless nights ahead.●

CRUELTY AGAINST SOVIET JEWS

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. CARR. Mr. Speaker, in remembrance of the infamous Leningrad trials 14 years ago, Congress must reiterate the urgent call for emigration reform in the Soviet Union. Last year was the worst yet for Jewish people wishing to emigrate from the U.S.S.R., for only 1,300 exit visas were granted. This year, the pace of visas permitted has slowed to a trickle. The struggle to leave the Soviet Union has become increasingly difficult for all citizens, yet almost impossible for those desiring to go to Israel.

I would like to call particular attention to a special woman named Stella Goldberg, who has been trying to leave the Soviet Union since 1970 to join her husband in Israel. Ms. Goldberg was a concert pianist with the Moscow Concert Organization, yet was removed from that position when she sought to emigrate.

Ms. Goldberg's plight is typical of Soviet refuseniks in that she has not only found it extremely difficult to obtain permission to leave, but has been punished severely for her desire to do so. Jews seeking to emigrate are frequently harassed, fired from their jobs, and tried in court on phony charges. They are often sentenced to long prison terms or put into mental institutions and many are forced into internal exile. In recent years, very few Jews have made it past this long wait and bureaucratic entanglement.

Tragically, the denial of basic emigration rights is only one of the Soviet Union's violations of the rights of its Jewish citizens. The anti-Semitism of the Soviet system seems to touch every aspect of daily life, especially Jewish religious life. Jews may not print prayer books, hold congregations, nor maintain a central organizational structure. Such rules are a blatant violation of the Helsinki accords and the International Covenant of Civil and Political Rights, to which the Soviet Union is a signatory.

Soviet Jews have been brave in their fight for a humane existence in an inhumane and unyielding nation. As a democracy, our Nation must continue to lead in calling attention to their fight and pressuring the Soviet Union to abide by basic international human rights agreements. I want to thank my colleagues for joining this fight through the congressional call to conscience vigil for justice and religious freedom for all Jews in the Soviet Union.●

TRIBUTE TO JOSEPH MILLARD REESE, SPANISH-AMERICAN WAR VETERAN

HON. ED JENKINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. JENKINS. Mr. Speaker, it is with sadness and pride that I rise today to pay tribute to Joseph Millard Reese, who served in the Spanish-American War.

Mr. Reese's death Saturday, June 23, 1984, and his burial today not only leaves Georgia without a living veteran of the Spanish-American War, but his passing after 104 years diminishes the verbal history available of that war and era.

His belief that the explosion and sinking of the steamship *Maine* 2 days after his 18th birthday was "an inside job" did not deter him from enlisting May 9, 1899. He served for 3 years, mostly in the Philippines and in Cuba. One of the battles he fought and won during his tour of duty was against malaria.

He returned to north Georgia where he first worked as a stonecutter and then operated a florist shop and greenhouses for 45 years before he retired in 1965.

Joseph Reese's contributions did not go unnoticed, especially in his later years, as he was visited often by veterans' officials and honored on his 100th birthday in a ceremony at his home in which he was presented an American flag from President Jimmy Carter.

Today, we honor the memory of Joseph Millard Reese, the war veteran, and Joseph Millard Reese, the citizen who returned from war to his community to continue his contributions in his everyday life.●

PERSONAL EXPLANATION

HON. DONALD JOSEPH ALBOSTA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. ALBOSTA. Mr. Speaker, it is with sincere regret that I was not present to cast my vote yesterday on H.R. 5490. I was unavoidably detained on urgent business and could not return to the floor in time to vote. Had I been present, I would have certainly voted in favor of this important bill.

The bipartisan effort which passed this necessary legislation yesterday advanced the high ideals contained within the Civil Rights Act of 1964 and similar laws so as to insure that all people will be treated fairly. I am particularly pleased that my colleagues on both sides of the aisle joined in this critical endeavor and advanced the cause of basic civil rights.

My commitment to civil rights is unquestionable and I am sorry that I was not able to make my position known by casting a favorable vote.●

PRESIDENT'S VOLUNTEER ACTION AWARD TO TOM RADER

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. COELHO. Mr. Speaker, last month, Mr. Tom Rader, a constituent of mine from Dos Palos, CA, was one of the recipients of the 1984 President's Volunteer Action Award. The award was established in 1982 to "honor those individuals and groups who make unique contributions to their community through volunteer service." I cannot think of a person who exemplifies the spirit of selfless volunteerism more than Tom Rader.

Over the years, Mr. Rader has been involved in a wide range of volunteer service for his community. He organized, supervised, and presently maintains a juvenile work program for the city of Dos Palos, and is a volunteer probation officer with the Merced County Probation Department. He helped to pioneer Merced County's involvement in the inmate-youth counseling program at San Quentin Prison, and has established a much-needed neighborhood watch program in Dos Palos. He has volunteered his time for gun safety programs, and he collects and distributes food and other goods to needy families who are not eligible for welfare. He is presently a voluntary veterans' counselor at the Los Banos campus of Merced College.

Mr. Rader can relate especially well to the veterans he counsels at Merced College, because he is a veteran. In fact, he lost both of his arms, his feet, and one leg in Vietnam when a mortar exploded beside him in 1967. Yet he has been able to overcome this disability and use his talents to help his community and those less fortunate than himself. Tom Rader's selflessness provides a model for us all. I congratulate him for receiving this award and I thank him on the behalf of Merced County for the service he has provided.●

STANDING ON STEPS

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. MARTIN of North Carolina. Mr. Speaker, today we celebrate the opening display of the third annual Congressional Art Competition, "An Artistic Discovery." I was again pleased to sponsor this competition in the Ninth District of North Carolina. Our local contest was won by Miss Ann Vernon of Myers Park High School in Charlotte. Her painting, "Standing On Steps" is included in the collection which will grace our halls for the next year.

As you know, Mr. Speaker, the Congressional Art Competition is funded entirely by donations, with no expenditure of Federal tax moneys. I would like to express my thanks and pay tribute to the public-spirited corporations which provided the necessary financial backing for the Ninth District Congressional Art Competition.

Funding and services were provided by: North Carolina National Bank; International Business Machines; and Wachovia Bank & Trust Co. Their donations and cooperation are greatly appreciated for this worthwhile cause.●

MAHAN KEPT OLD LOG CABIN IN THE FAMILY

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. SHELBY. Mr. Speaker, I would like to share with my colleagues in the House of Representatives a story that appeared recently in the Birmingham News. It is a delightful account about how Dr. Mike Mahan, a Brierfield dentist, went in search of a log cabin and found the very home of his Tennessee ancestors, which he now uses as his office. Following is the enjoyable story.

> "Three Mahan brothers—John, James and Edward—left Tennessee to fight with Andrew Jackson in 1814. A fourth brother, Thomas, stayed in Tennessee.

"They whipped the British at New Orleans, and then set out for home. On the way back to Tennessee, some of them wandered through what is now Shelby and Bibb counties in Alabama.

"They liked the lay of the land in Alabama, and decided to stay. Meanwhile, the family of Thomas Mahan continued to live near Sevierville, Tenn., in a log cabin built in 1790."

In 1974, Dr. Mike Mahan was practicing dentistry in Montevallo, and he was looking for a log cabin.

He wanted a Tennessee cabin, because that's where his folks had come from, and because they were well-built.

"Tennessee mountaineers built their log cabins as permanent homes," said Mahan, sitting in a barber chair his father used to cut hair in his Montevallo barber shop. "They were notched beautifully."

So Mahan made three trips to Tennessee, looking for a log cabin. If he liked it, he would buy it, and move it to Alabama.

"I was up there one Sunday, near Sneadville, and I saw this guy up there on a hill, working in his garden. I stopped the car and went up there, and asked him if he knew of any log cabins around there.

"Nope, he said, and went on working in his garden.

"I bragged on his tomatoes, and bought four baskets, and he began to warm up to me. How much you get for them peppers? I asked him. Dollar a basket, he said, and I bought four boxes.

"Finally, when I had a jeep full of vegetables, I asked him again: Did he know of log cabins around there.

"Well, he said, Mrs. Mahan's got one over there, and he told me where the cabin was.

"I drove over to a farm house near the cabin, and there was a little boy playing in the front yard.

"He came up to me and said: My name's Mike Mahan, what's your? and I said, well, that's my name, too. I'm Mike Mahan, too.

"And the little boy called into the house: Granny, there's somebody named Mahan out here.

"Well, to make a long story short, I bought that cabin and took it apart, log by log, and numbered them, and put 'em on a truck to Brierfield.

"So now I practice dentistry in this Mahan log cabin, built in 1790, and right down the hill is Mahon Creek.

"It makes me feel good, to think my great-great-great-grandfather visited in this house.

"I'm in such contact with the past, my whole life revolves around what has gone on before. This log cabin is a piece of me today. When I touch it, I feel all those things that happened a long time ago."

Mahan and his wife live in Montebrier, a rambling white house built about 1850, only a few steps across the road from his log cabin/dentist's office. His wife is Dr. Linda Mahan, dean of students at the University of Montevallo. One of their two daughters is married, and the other is a high school student.

Mahan took me upstairs to his bedroom at Montebrier, and there was a coffin at the foot of his bed. It was full of quilts.

"I've got a thing about dying. I'm not afraid of death, I'm here to live every day as full as I can. But a lot of people get ready for death in different ways.

"In the old days, when you died, they didn't have embalming, and you got pretty ripe after a couple of days, so they buried you quick in a pine box. A lot of times, people would get their pine boxes made in advance, so they could be buried quick. And they kept quilts in the coffins, until they were needed.

"Well, I told Linda what I wanted when I die. I don't want to be embalmed, and I don't want to be hauled in a hearse. I want to be buried in a pine box, and I want to be carried on the top of our little fire truck the one they call Little Red.

"I'm the fire chief in Montevallo, and I have told those firemen that if they don't do what I say, I will come back and haunt them.

"Anyway, this man named Lewis Mayson came up here to restore an old house, and he promised to make me a pine box. I had just about given up on him when I got a call from Mobile: Come and get your pine box.

"I got me a pickup truck and went down there and hauled it back home. Now it sits at the foot of our bed. We keep quilts in it.

"And it gives me a good feeling to know I'll be buried in it. I hope they bury me in the yard over there . . . just dig a hole and drop me down."

Mahan wants to have "one of the busiest dental practices in Alabama, with a lot of restorative work. And I'd like to have about 25 percent of my patients under 12 years old."

He and his wife want to work together, helping people with dental work in poor countries around the globe.

Mahan says there are two things he lives by. One, he said, came from a sign in a hot dog stand in Wilton.

"It was one of those old fashioned blue signs, with sparkle on 'em. And one of 'em quoted Ben Franklin: To avoid criticism, say nothing, do nothing and be nothing. And old Ben was right, you can't avoid criticism if you're going to DO something.

"But if you go along this way, you get cocky, and you get to feeling that you are indispensable. I have a poem that I keep in my wallet, that I read when I begin to get too cocky sometimes."

Dr. Mahan is truly an inspiring individual. The strong sense of pride he has for his family background is worthy of the highest praises. I am honored to be able to share this delightful story with my colleagues in the House of Representatives, and certainly wish him well in his future endeavors.●

UNSATISFACTORY MEDICARE PROVISIONS

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. FEIGHAN. Mr. Speaker, I am disappointed that the House today approved some very unsatisfactory medicare provisions that will hurt our senior citizens as well as our doctors. By sacrificing intelligent debate for instant deficit-reduction gratification, we have once again addressed a very serious issue in a truly myopic fashion.

I voted against this legislation for several reasons. I absolutely oppose forcing this Nation's elderly to foot the bill for Medicare's financial problems. Medicare is teetering on the brink of bankruptcy, not because benefits are too high or taxes are too low, but because health care inflation is raging out of control. Making Medicare beneficiaries pay billions of dollars more for essential health care services is not the answer. If we are going to save Medicare from bankruptcy, we are going to have to address the fundamental issue of this entire debate: how can we contain the skyrocketing cost of health care?

The legislation that was passed today will undoubtedly infuriate and alienate this country's doctors. I ask my colleagues why this was necessary.

This legislation contains a set of sanctions that is supposed to encourage the acceptance of Medicare reimbursement as payment in full. In fact, these sanctions are an insult to the integrity of practicing physicians. While I support a freeze on physician fees, I oppose the severe penalties and costly bookkeeping that will unfairly burden physicians and make them reluctant to treat any elderly patient. Enforcing these regulations will be a bureaucratic mess and a dangerous intrusion into the sacred doctor-patient relationship.

Solving the Medicare dilemma will require a reasoned, deliberate, and cooperative debate. We must address in that debate the needs and concerns of doctors and hospitals.

If we are going to contain the cost of health care in this country and consequently save medicare, we are going to need a lot of cooperation and consensus from patients, hospitals, and doctors. We also need more long-range thinking and less slapdash legislation from those of us in Congress who care about making essential health care services affordable for all Americans.●

FEDERAL INSANITY DEFENSE

HON. PETER W. RODINO JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 26, 1984

● Mr. RODINO. Mr. Speaker, all Democratic members are notified that the Committee on the Judiciary intends to seek a rule that would prohibit certain germane amendments to H.R. 3336, governing the Federal insanity defense. The requested rule would permit consideration of seven amendments, each of which was offered during consideration of the legislation by the Committee on the Judiciary.●

NAACP DIAMOND JUBILEE

HON. ALAN WHEAT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. WHEAT. Mr. Speaker, the Nation's oldest and largest civil rights organization, the National Association for the Advancement of Colored People, is celebrating its 75th year as a champion in the struggle for freedom and human rights of all Americans.

In 1909, when the organization was founded, conditions of black Americans were, at best, dismal and growing worse by the day. A small, but eminent, group of citizens from all over the United States, black and white, responded to the call for an end to the eventual demise and further oppression of black Americans and the beginning of full citizenship rights. On the centennial of the birth of Abraham Lincoln, these concerned Americans gathered in New York City to participate in a conference which led to the organization of the NAACP.

Early organization aims were to create a truly democratic society, a society in which racial injustice was eliminated and equality of opportunity was brought within reach. This would be done peacefully by relying on the available vehicles of the press, the ballot, and the courts. Therefore the blueprint for the proposed organization was designed to cover all areas of injustice. The early organizers perceived a strong legal department to carry to the courts case after case until they were compelled to end separate laws for some, a publicity bureau to research and publicize human atrocities, a political bureau to ensure representation, a civil rights bureau to investigate alleged injustices, and an industrial bureau to "deal with the colored man in relation to labor" and jobs.

At a time when the Federal Government and the courts offered no relief, the NAACP had no small task before it in 1909. In the face of overt and violent racial hostility, it conducted a forceful crusade against lynching and fought to end discrimination and segregation in employment, industry, education, voter registration, election laws, the armed services, housing, transportation, accommodations, and eating establishments.

Over the past 75 years, the NAACP has fought many hard fights, won major victories, suffered many disappointments and undergone changes in structure and leadership. But it survived and today remains at the forefront of the continuing fight for freedom, dignity, and equality. Today's struggle is as great as it was 75 years ago. As it was then, it is now, not a black struggle—but a human struggle. For as long as one man is in bondage, so is all of mankind.

According to a Census Bureau report, in the 1970's black Americans suffered sharp setbacks in employment and in the social areas:

> The disproportionate impact on blacks of the economic downturn beginning in 1974 and of the relatively sluggish economy through 1983 effectively brought to a halt the momentum of overall social and economic improvement apparent of the beginning of this decade.

Dr. Benjamin Hooks, the executive director of the NAACP, in a recent statement warned that we are in danger of losing some rights we have won if we do not do something about the high unemployment now sustained by black Americans.

I join my fellow Americans in a tribute of thanks and applause to the NAACP on the occasion of their diamond jubilee celebration. The status of black Americans has advanced significantly, and the NAACP can take pride in its role in achieving that success. But the struggle continues.●

TRIBUTE TO MAJ. GEN. HARRY W. BROOKS, JR. (U.S. ARMY, RETIRED)

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. STARK. Mr. Speaker, I would like to bring to the attention of my colleagues the accomplishments of Harry W. Brooks, Jr. He was born in Indianapolis, IN, and entered the Army as a teenager. After 29 years of service, he retired as a major general, the sixth black American to achieve this rank.

General Brook's military record is exemplary and his decorations include the Distinguished Service Medal, Legion of Merit, Bronze Star with Oak Leaf Cluster, Meritorious Service Medal, Air Medal with six Oak Leaf Clusters, Korean Order of National Security, and the Vietnamese Cross of Gallantry.

Major General Brooks has been just as active in civilian life and has earned additional honors. These include the Kiwanis International Distinguished Service Award, NAACP Freedom Award, NAACP Meritorious Service Award, Pittsburg Courier Top Hat Award for Outstanding Civic Achievements, and the 1982 Public Relations New Gold Key Award. He is a 33d degree Mason and a Shriner. General Brook's contributions to his community are exceptional too. He has served as a director of the chamber of commerce in Hawaii, a member of the Aloha Council Boy Scouts Executive Board. Additionally, he was on the board of trustees, Gannett Newspaper Foundation, and he is a member of the Hawaii Advisory Committee, U.S. Commission on Civil Rights.

On July 13, Californians will honor General Brooks with a dinner at the Oakland Hilton Hotel. Proceeds from the dinner will benefit California Impact, a youth training and employment program. It is fitting that General Brooks is associated with this organization as his life provides a role model for youth. Through education, perseverance, and dedication, Maj. Gen. Harry W. Brooks, Jr., has distinguished himself personally and professionally.

I join his friends and colleagues in congratulating him on a job well done and in sending best wishes for every future success.●

PREVENTION OF NUCLEAR WAR

HON. JAMES M. SHANNON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. SHANNON. Mr. Speaker, the principal challenge confronting humanity today is the prevention of nuclear war. Unless we can stop the relentless accumulation of nuclear weapons, refute the mad doctrine of fighting and winning a nuclear war, return to arms control negotiations and agreements, and reduce the risk of war by accident or misjudgment, we will have no world to pass on to our children. This issue supersedes all others.

I am extremely dissatisfied with this administration's feeble record on arms control issues. Where the previous six Presidents have produced arms control agreements, from Eisenhower's 1959 Antarctic Treaty to Kennedy's 1963 Limited Test Ban Treaty to Johnson's 1968 Non-Proliferation Treaty to Nixon's 1974 Threshold Test Ban Treaty to Ford's 1976 Peaceful Nuclear Explosions Treaty to Carter's SALT II Offensive Arms Treaty, this President has produced absolutely nothing. Indeed, he is on record as having never supported a nuclear arms control agreement. It is no great surprise, then, to learn that the START talks have stopped, the INF talks are in indefinite recess, the President has refused to resume comprehensive test ban negotiations, and SALT II remains in limbo. The situation is dismal.

Given the gravity of our predicament, I am today introducing the security and general disarmament resolution, a package of legislative initiatives that will pull us back from the brink of nuclear confrontation and revive the arms control process. These measures, taken in conjunction with a comprehensive, bilateral nuclear freeze, offer hope for ending this arms race and restoring peace and security to the Nation. The four primary components of the act are the creation of a

Nuclear War Risk Reduction Center, a request to the President that he resubmit to the Senate for ratification the SALT II Treaty, the Threshold Test Ban Treaty, and the Peaceful Nuclear Explosions Treaty, a request to the President that he work to secure the signing of a comprehensive test ban treaty and the declaration of nuclear no-first-use policy.

These four ingredients will resuscitate the faltering arms control process. The Nuclear War Risk Reduction Center, replacing a communication system grown antiquated, would greatly reduce the risk of war through misperception, miscalculation, or misjudgment. The second element of the resolution—asking the President to resubmit SALT II, the Peaceful Nuclear Explosions Treaty, and the Threshold Test Ban Treaty—will establish the foundation of an effective arms control policy. The third component will follow through on this beginning by asking the President to take whatever actions are needed to secure completion of a comprehensive test ban treaty between the United States, the United Kingdom, and the Soviet Union, a treaty the previous five Presidents have all favored. And, finally, the fourth provision—a statement that the United States embraces the no-first-use policy of nuclear weapons which the Soviet Union has committed to—reverses the insane drive to first-strike strategy and begins the long walk back to peace and normalized relations. We should make it as unthinkable to use nuclear weapons first against the Soviet Union as it is to use nuclear weapons first against France or Great Britain. Once we establish the principle that no nation will initiate nuclear armageddon, we can begin the arduous but crucial process of progressive and selective disarmament.

Mr. Speaker, I would urge all of my colleagues to cosponsor the security and general disarmament resolution, and to join with me in renewing our determination to end the arms race and to change the course of this administration's cavalier nuclear policies. There is nothing less at stake than the survival of the world.●

INTRODUCTION OF NATIONAL INFRASTRUCTURE ACT

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. HOWARD. Mr. Speaker, today I am joining with my colleague from Indiana, Mr. HAMILTON, the vice chairman of the Joint Economic Committee, in introducing the National Infrastructure Act.

According to the survey that was done by the Joint Economic Committee called "Hard Choices: A report on the Increasing Gap Between America's Infrastructure Needs and our Ability to Pay for Them," this Nation is faced with a $1 trillion bill for highways, roads, mass transit systems, water supply and wastewater treatment systems for the rest of the century. Based on current effort, however, we will be $450 billion short of meeting that goal.

Failure to meet those pressing infrastructure needs will lead us in a downward cycle as investment and productivity will be reduced. With less economic output, we will find it even more difficult to meet those infrastructure costs. Meanwhile, the quality of life that is so dependent on a properly functioning infrastructure will begin to decline.

The figures are of staggering magnitude. They are:

An estimated need of $720 billion for bridge and highway repairs by the year 2000. It is estimated that 45 percent of our bridges are obsolete or structurally deficient. In the Surface Transportation Assistance Act of 1982, we added funds to pay for these problems and recycled funds to target repairs. But it is still estimated that we will be $265 billion short for the rest of the century.

An estimate that for other transportation needs, especially mass transit, we will have only half the $178 billion that will be needed for the rest of the century. The Surface Transportation Assistance Act of 1982 for the first time provided a dedicated source of funding for mass transit with the penny-a-gallon gas tax but it is still estimated that we will be $88 billion short.

An estimate that we will need $96 billion for water supply and distribution systems for the rest of the century. Faced with inadequate sources of water supply, contamination of water supply and deterioration of systems, we can provide only $55 billion, leaving us with a deficit of $41 billion. This problem was starkly underlined in New Jersey during the drought of 1881 when the residents of north Jersey were unable to use water in a Hunterdon County reservoir because of a lack of a connecting pipeline.

The bill for wastewater collection and treatment is estimated at $163 billion. Our resources, however, are estimated at $114 billion. That means we are lacking $49 billion. The lack of resources is clearly demonstrated in New Jersey where there are $2.5 billion in projects ready to be built but the State receives $100 million in construction grant funds under the Clean Water Act.

The National Infrastructure Act obviously will not solve all these problems. But through some innovative financing techniques, it will provide funds for State and local governments to expand their own infrastructure initiatives. The legislation is designed for simplicity with no Federal strings and an emphasis on local decisionmaking.

The act creates a National Infrastructure Fund in the Department of the Treasury which will be funded at $3 billion annually through an advance entitlement. The fund will distribute the money to the States on the basis of population with no complicated formula or requirements.

The States will be required to establish revolving loan funds for distribution of the funds. At least 30 percent of the money must be allocated for local governments within the State.

The money is to be repaid to a sinking fund within the National Infrastructure Fund over a 20-year period at no interest. The repaid money can be recycled during the life of the program allowing a $30 billion investment by the Federal Government to reach $76 billion. With that investment combined with State and local funds, a large part of that infrastructure deficit will be removed.

I am pleased that this bill has received support from the chairman on Surface Transportation, Mr. ANDERSON, and the chairman of the Subcommittee on Water Resources, Mr. ROE, and the chairman of the Subcommittee on Economic Development, Mr. OBERSTAR.

The committee intends to have hearings this year on this measure. Because of a lack of time, we will be unable to seek approval of the bill until next year. However, next year will be the year of infrastructure in the Committee on Public Works and Transportation. We do intend to move strong legislation to deal with our Nation's infrastructure problems.

Mr. Speaker, I wish to thank the gentleman from Indiana for his contributions to this bill. He has recognized the need for the Federal Government to play a major role in the upgrading of the infrastructure and he has taken action. The work of the Joint Economic Committee has been of great value.

This type of bill is vitally needed to ensure that our citizens have the basic necessities of a functioning transportation system and water supply and treatment systems.

I urge my colleagues to give serious consideration to this funding approach.●

DEFICIT REDUCTION NEEDED

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. FEIGHAN. Mr. Speaker, for those of us who want real deficit-reduction, the tax package that passed today is no cause for celebration. I voted against this legislation because it is a weak and misguided attempt to cut the monstrous Federal deficit that threatens to drown our economic recovery.

For every tax loophole that was closed, two more were opened. More than half the spending cuts came from medicare and other safety-net programs.

I went through this legislation section by section and came up with the following figures: the House of Representatives cut spending by $13 billion and opened up new tax loopholes that will cost the Treasury $18 billion. This is not deficit reduction. This is a dangerous shell game that deceives the American people and keeps the Federal deficit skyrocketing out of control.

Genuine deficit-reduction will require significant spending cuts to be made in several areas. Congress must take some decisive action and solve the deficit problem that plagues us all. The legislation that passed today was not the answer. It was just more of the same problem.●

TRIBUTE TO GEORGE C. SPENCE, SR., OF DEMOPOLIS, AL

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. SHELBY. Mr. Speaker, I would like to share with my colleagues in the House of Representatives a story that appeared recently in the Demopolis Times. The article recognizes and honors Mr. George C. Spence, Sr., of Demopolis, who has dedicated 36 years of his life and 100 percent of his time to the Demopolis Lions Club. His main interest has been concerned with the Alabama Sight Conservation Association, Inc. Following is the article as it appeared in the newspaper.

> At their recent State Convention, the Lions of Alabama elected George C. Spence Sr. of Demopolis as president emeritus of Alabama Sight Conservation Association Inc.
>
> Spence was given this honor by his fellow Lions in appreciation of his outstanding dedication and leadership, his contributions to the cause of sight conservation and in recognition of his achievements as a distinguished humanitarian and Lion.
>
> As a dedicated Lion, Spence has enjoyed 36 years of perfect attendance with the Demopolis Lions Club, giving 100 percent of his time and efforts to all the Lions projects. He has served as president of the Demopolis Lions Club twice; he has represented the Lions of Alabama as district governor and has been named four times by the incumbent District Governors as their deputy.
>
> Not only has Spence been involved in projects concerning the community, he also has worked on a statewide involvement by serving in various capacities of responsibility with Alabama Sight, the Lions No. 1 state project. He served as chairman of the District Advisors of Alabama Sight, having himself served as district advisor for 18 years. He served as chairman of the Alabama Lions Eye Bank, which saw an increase of donated eye tissue of 62 percent.
>
> Currently, he is serving as chairman of the Alabama Lions East-West Championship Baseball Games, which are in their 41st year. Spence has coached Babe Ruth Baseball for Demopolis for 15 years and was recognized by the Demopolis Chamber of Commerce as "Citizen of the Year 1982". He is serving as a member of the board of directors of the Demopolis Area Chamber of Commerce.
>
> W.R. "Ray" Belew of Florence, president of Alabama Sight, stated that all could learn a lot from the dedication of fellow Lion, George Spence. His efforts in the name of Lionism for Alabama Sight, have allowed Alabama Sight to continue its sponsorship of complete eye care for the medically indigent of Alabama.
>
> The Lions of Alabama Sight, have sponsored 8,000 to 10,000 patient visits a year. This means thousands of eye exams, glasses, prescription medicines and surgeries. At any one point in time, Alabama Sight maintains an average of 8,500 on its roll of qualified individuals. While one eye exam, a pair of glasses or a surgery does not have as much meaning to the general public, the collective figures represent a significant contribution by the Lions of Alabama.
>
> On the other hand, a pair of glasses to a little girl having trouble reading her lessons, means everything to her and her family. Spence has worked very diligently in the Demopolis area to identify those individuals needing eye care and has seen to it that they have gotten Alabama Sight sponsorship.
>
> George and his wife Clara Mae have two children, George, Jr. living in Demopolis, and daughter Harriet of Robertsdale.

George C. Spence, Sr., is truly an outstanding individual. His devotion to the Lions Club and Alabama Sight has helped provide needed services to the citizenry of Demopolis and the people of Alabama.

I am honored to be able to share this story with my colleagues in the House of Representatives about this fine gentleman who resides in Alabama's Seventh Congressional District.●

OVER-THE-COUNTER SALE OF DIET PILLS CONTAINING PHENYLPROPANOLAMINE [PPA]

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Ms. OAKAR. Mr. Speaker, in the May 14, 1984, issue of the Washington Post there appeared a full-page advertisement listing numerous over-the-counter products containing phenylpropanolamine [PPA]. This costly piece of advertising was financed by Thompson Medical Co., a pharmaceutical company known to be a major manufacturer of over-the-counter diet pills containing PPA.

After receiving extensive testimony from expert witnesses as well as from victims of strokes suffered after taking these diet pills, I was compelled to introduce legislation to remove all diet pills containing PPA from the over-the-counter market and require that they be put under prescription. The conclusion of those hearings was that these weight loss preparations were neither safe nor effective. I sponsored the bill, H.R. 4675, to make these drugs into prescription drugs so that qualified physicians had the choice of prescribing them after thoroughly examing the patient.

The advertisement which I am referring to is negligent in that it implies that all preparations containing phenylpropanolamine [PPA], are under attack. PPA has a decongestant effect. It also, when combined with other chemicals which act as repressants, does not cause the dangerous spike in blood pressure. There is a benefit/risk factor at play here. In other preparations, the benefit outweighs the risk. However, in over-the-counter diet pills containing PPA there is little or no benefit and much risk.

Most of the preparations advertised—excluding the weight-loss preparations—are used in the treatment of short-term symptoms or illnesses and, therefore, are less likely to be harmful because of the short duration of ingestion of the chemical. On the other hand, the majority of people who purchase diet aid preparations are obese and may, therefore, suffer from other hidden diseases such as high blood pressure or diabetes. For these people, diet pills containing PPA—taken over a long period of time which might be thought necessary for significant weight reduction—could prove extremely and permanently harmful.

The Food and Drug Administration is taking an inordinate amount of time to complete its review of the findings relevant to diet pills containing PPA. The review should have been completed in 1977, and the FDA states that it will not be completed until the year 2000. It has been noted that the molecular structure of PPA is similar to that of amphetamines and that the chemical has a similar effect to speed. While the FDA continues to casually consider the ill effects of PPA, the weight loss medications continue to be advertised as safe and effective and the statistics on PPA-diet pill victims continue to rise.

I ask my colleagues to join me in cosponsoring H.R. 4675. This bill is a responsible piece of legislation which deals with the matter of over-the-counter diet aids containing PPA.

Additionally, Mr. Speaker, I insert the full text of the Thompson advertisement into the RECORD at this point. I am also submitting a letter sent to me by the grieving parents of a 30-year-old victim who died from complications that resulted from her being given diet pills containing PPA:

JUNE 19, 1984.

DEAR REPRESENTATIVE OAKAR: We have recently read that you are advocating a number of legislative initiatives to safeguard the public from drugs like PPA.

We would like to support your legislation, and help you in any way we can. Our daughter, Debra Atlas received diet pills containing PPA from "diet doctors" in California, became addicted to them, and after taking them for several years, suffered high blood pressure and irregular heart beats. She was then given diuretics to treat her high blood pressure. She developed hypokalcemia (potassium deficiency) and that plus the heart irregularity led to her sudden death November 3, 1981. She was 30 years old.

An autopsy was performed, and the results are as indicated. We did send a copy of the medical reports to the Food and Drug Administration, and we are not surprised to learn that others apparently have suffered dire consequences of PPA.

You have our blessings to outlaw such drugs—and punish the culprits manufacturing or prescribing them.

Very sincerely,

——— ————.

[ADVERTISEMENT]

HERE'S A SHORT LIST OF SOME OF THE EVERYDAY PRODUCTS THAT CONTAIN PPA

A.R.M.® Allergy Relief Medicine Tablets
Advanced Formula Dristan® Decongestant/Antihistamine/Analgestic Capsules
Allerest® Allergy & Sinus Medicine
Allerest® Sinus Pain Formula
Allerest® Time Release Allergy Medicine
Appedrine® Appetite Control Tablets
Bayer® Children's Cold Tablets
Bayer® Children's Cough Syrup
BQ® Cold Tablets
Bristol® Naldecon-DX® Pediatric Syrup
Bristol® Naldecone-ex® Pediatric Drops
Cheracol Plus™ Cough Plus Cold Formula
Children's Allerest® Hay Fever and Allergy Medicine
Children's Cotylenol® Chewable Cold Tablets
Children's Cotylenol® Liquid Formula
Children's Hold® Cough Suppressant & Decongestant
Comtrex® Multi-Symptom Cold Reliever
Congespirin® for Children Liquid Cold Medicine
Contac® Capsules
Contac Jr.® Children's Cold Medicine
Control Appetite Control Capsules
Coricidin® Cough Syrup
Coricidin® "D"® Decongestant Tablets
Coricidin® Demilets® Tablets
Coricidin® Sinus Headache Tablets
Corsym™ Nasal Decongestant, Antihistamine Syrup
Coryban®-D Cold Capsule
Dexatrim® Regular Strength Capsules
Dexatrim® Extra Strength Capsules
Dexatrim® Caffine Free Extra Strength Capsules
Dexatrim® Extra Strength Plus Vitamin Capsules
Dietac® Diet Aid Capsules
Dietac® Maximum Strength Diet Aid Capsules
Dorcol® Pediatric Cough Syrup
4 Way® Cold Tablets
Halls® Mentho-Lyptus® Decongestant Cough Formula
Norwich® Head & Chest™ Decongestant/Expectorant Cold Medicine
Novahistne® Elixir
Ornacol® Cough & Cold Capsules
Ornex® Decongestant/Analgesic
Pertussin® Complex D Cough and Cold Formula
Prolamine™ Appetite Control Capsules
Robitussin CF® Cough Formula for Children and Adults
Romilar® III Decongestant Cough Syrup
St. Joseph® Cold Tablets for Children
Sinarest® Three-Way Sinus Relief
Sine-Off® Extra Strength No Drowsiness Formula Capsules
Sine-Off® Extra Strength Aspirin Free Tablets and Capsules
Sine-Off® Sinus Medicine Tablets
Sinugen® Tablets (Hudson)
Sinulin® Tablets
Squibb® Spec-T® Sore Throat Decongestant Lozenges
Sucrets® Cold decongestant Formula
Triaminic® Allergy Tablets
Triaminic® Cold Syrup
Triaminic® Expectorant
Triaminic® DM® Cough Formula
Triaminic-12® Tablets
Triaminicin® Tablets
Triaminicol® Multi-Symptom Cold Syrup
Triaminicol® Multi-Symptom Cold Tablets with Cough Suppressant
Trind® Antihistamine/Nasal Decongestant
Trind DM® Cough Suppressant/Antihistamine/Nasal Decongestant
Vicks® Cremacoat™ 3 Throat Coating Cough Medicine
Vicks® Cremacoat 4 Throat Coating Cough Medicine
Vicks® Daycare® Multi-Symptom Colds Medicine
Vicks® Formula 44 D® Decongestant Cough Mixture
Vicks® Headway® Tablets and Capsules

It's amazing how many products contain PPA (Phenylpropanolamine).

Because PPA—like many medications—has more than one proven use, and is found in a range of products from decongestants to appetite suppressants.

But what's even more amazing is that millions of people use these products. Time and time again.

And the reason they use them is because these products work. And people believe in them.

Which is precisely our point.

Because in numerous medical studies conducted since PPA was first introduced in the 1930's PPA has proved to be both effective and trustworthy.

So when a child of yours has a cold or you want to lose a few pounds, it's good to know you can turn to products with PPA with complete confidence.

(For more information about PPA write Thompson Medical Company, Box 5264, New York, New York 10150.)

PPA. A trusted ingredient in responsible self-medication for 50 years●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, June 28, 1984 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 29

10:00 a.m.
*Labor and Human Resources
Business meeting, to consider S. 2568, Civil Rights Act of 1984, and the nomination of Rosemary M. Collyer, of Colorado, to be General Counsel of the National Labor Relations Board.
SD-430

JULY 6

9:30 a.m.
Joint Economic
To hold hearings on the employment/unemployment situation in June.
SD-106

JULY 20

9:30 a.m.
Labor and Human Resources
To hold hearings on the practice of defensive medicine by the medical profession in an effort to avoid malpractice suits and its effects on the quality of medical care.
SD-430

JULY 11

10:00 a.m.
Joint Economic
International Trade, Finance, and Security Economics Subcommittee
To hold hearings on the effects of nuclear war on the national economy.
SD-628

JULY 25

10:00 a.m.
Governmental Affairs
Intergovernmental Relations Subcommittee
To hold joint oversight hearings with the House Committee on Government Operations' Subcommittee on Intergovernmental Relations and Human Resources to review the activities of the Advisory Commission on Intergovernmental Relations.
2154 Rayburn Building

JULY 26

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings to discuss whether tax law should encourage employers to provide certain fringe benefits.
SD-215

JULY 27

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To continue hearings to discuss whether tax law should encourage employers to provide certain fringe benefits.
SD-215

JULY 30

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To resume hearings to discuss whether tax law should encourage employers to provide certain fringe benefits
SD-215

JULY 31

9:30 a.m.
Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings on comparable worth issues, including Senate Concurrent Resolution 83, to establish a commission to study and recommend methods to ensure pay equity in the legislative branch of the Federal Government.
SD-124

AUGUST 6

10:00 a.m.
Commerce, Science, and Transportation
National Ocean Policy Study Subcommittee
To hold oversight hearings on contracting out certain functions of the National Oceanic and Atmospheric Administration, Department of Commerce.
SR-253

SEPTEMBER 18

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To resume oversight hearings to examine the scope and impact of certain occupational diseases.
SD-430

11:00 a.m.
Veterans Affairs
To hold hearings to review the legislative priorities of the American Legion.
SR-325

CANCELLATION

JUNE 28

10:00 a.m.
Environment and Public Works
To resume hearings on proposals to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (Superfund).
SD-406

SENATE—*Thursday, June 28, 1984*

(Legislative day of Monday, June 25, 1984)

The Senate met at 10 a.m., on the expiration of the recess and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

For promotion cometh neither from the east, nor from the west, nor from the south. But God is the judge: he putteth down one, and setteth up another.—Psalm 75:6, 7 (KJV).

Sovereign Lord, we pray for the Democratic Convention. In these closing weeks of preparation, be with those who are responsible for arrangements. Guide them as logistics are finalized and grant safe travel to leadership, delegates, and the press as they journey to San Francisco and return.

Thou knowest Lord, the forces that will conspire to harass or exploit the convention and we ask that the Democratic Party may be spared any exigency or confrontation that would frustrate or embarrass. Protect all who participate from illness and bodily harm. May controversies be resolved in ways consistent with the best and finest political tradition.

Endow the leaders with wisdom, strength and patience and may the highest purposes be realized and Thy will be done. To Thy honor and glory we pray. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

Mr. STEVENS. Mr. President, I thank the Chair.

SENATE SCHEDULE

Mr. STEVENS. Mr. President, let me begin by reminding Senators that at 11 a.m. under the previous order the Senate will go into executive session to consider 16 treaties under a very short limitation of debate.

There will be four rollcall votes back to back. Those four rollcall votes will be tabulated as 16 separate votes under the orders that have been previously entered.

POSTHUMOUS PRESENTATION OF THE MEDAL OF FREEDOM TO HENRY JACKSON

Mr. STEVENS. Mr. President, President Reagan has honored the accomplishments of a great American, the late Senator Henry "Scoop" Jackson by posthumously awarding him the Medal of Freedom. Senator Jackson was a great Senator. He was also my close personal friend for almost 30 years. I remember when I first came to the Senate, Senator Jackson worked with me in almost every instance to try to work out the policies that applied to our new State. Going back 25 years, I remember so well sitting in the galleries about this time—it was really 26 years now, about this time of year—as the Senate considered the bill on the statehood for Alaska which Senator Jackson managed on the floor. It is thanks to his tremendous efforts in securing the Senate passage of that bill as it was passed by the House without any amendment that has led to Alaska now being able to enjoy its 25th anniversary as a State of the Union.

Members of the Senate will recall that Senator Jackson was involved in all of the major issues that have come before the Senate in Alaska's first 25 years as a State: the Alaska Pipeline Act, the Alaska Native Claims Settlement Act, the Alaska Lands Act, and a bill to create the 200-mile limit that we call the Magnuson Act. Without his guidance, the history that has been written so far for my State could have been quite different.

It is my belief that all of the friends of Scoop Jackson are pleased that the President has honored him by acknowledging the contributions that Senator Jackson made to our country and his significant role here in the Senate.

Mrs. Helen Jackson, Scoop's wife, and his son, Peter, his daughter, Anna Marie, were at the ceremony, and I am certain they were justly proud of Senator Jackson's many accomplishments.

I ask unanimous consent that the remarks that President Reagan made at the ceremony at which the Medal of Freedom was awarded to Senator Henry "Scoop" Jackson be printed in the RECORD at this point.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF THE PRESIDENT AT POSTHUMOUS PRESENTATION OF THE MEDAL OF FREEDOM TO HENRY JACKSON

THE ROSE GARDEN

The PRESIDENT. Ladies and gentlemen, honored guests, and Mrs. Helen Jackson—thank all of you for coming here today. Won't you please be seated?

We're here to honor Henry "Scoop" Jackson who was one of the great senators in our history and a great patriot who loved freedom first, last and always.

It's less than a year since his death, but already we can define with confidence the lasting nature of his contribution. Henry Jackson was a protector of the nation, a protector of its freedoms and values. There are always a few such people in each generation. Let others push each chic new belief or become distracted by the latest fashionable reading of history. The protectors listen and nod and go about seeing to it that the ideals that shaped this nation are allowed to survive and flourish. They defend the permanent against the merely prevalent. They have few illusions.

Henry Jackson understood that there is great good in the world, and great evil, too, that there are saints and sinners among us. He had no illusions about totalitarians, but his understanding of the existence of evil didn't sour or dishearten him. He had a great hope and great faith in America. He felt we could do anything. He liked to quote Teddy Roosevelt: "We see across the dangers the great future, and we rejoice as a giant refreshed . . . the great victories are yet to be won, the greatest deeds yet to be done."

Scoop came to the Congress in 1941, a year when the locomotive of history seemed wrenched from its tracks. In Europe, the ideals of the West were under siege; in America, isolationists warned against involvement. Scoop watched history unfold. He watched Norway, the country of his immigrant parents, fall to Hitler. He came to see some conclusions about the world. And from then until the day he died, he rejected isolationism as an acceptable way for a great democracy to comport itself in the world. This view sprang from the heart of the FDR tradition of foreign policy. We accept our responsibilities in the world; we do not flee them.

Henry Jackson absorbed within himself the three great strains of thought that go to the making of a noble foreign policy: the love of freedom, a will to defend it and the knowledge that America could not and must not attempt to float along alone; a blissful island of democracy in a sea of totalitarianism.

Scoop Jackson was convinced that there's no place for partisanship in foreign and defense policy. He used to say, "In matters of national security, the best politics is no politics." His sense of bipartisanship was not only natural and complete—it was courageous. He wanted to be President, but I think he must have known that his outspoken ideas on the security of the nation would deprive him of the chance to be his

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

party's nominee in 1972 and 1976. Still, he would not cut his convictions to fit the prevailing style.

I am deeply proud—as he would have been—to have Jackson Democrats serve in my administration. I am proud that some of them have found a home here.

Scoop Jackson believed in a strong defense for only one reason: Because it would help preserve the peace by deterring military violence.

He believed in arms control because he wanted a more secure world. But he refused to support any arms control initiative that would not, in his judgment serve the security interests of the nation and ensure the survival of the West. His command of the facts and his ability to grasp detail were legendary. At Congressional hearings, people often learned more from his questions than they did from anyone else's answers.

And, it was very much like Scoop to see that there was a growing problem in Central America—and to see that the challenge of protecting freedom and independence there would require the commitment of Democrats and Republicans alike. He conceived the Bipartisan Commission on Central America and became one of its most active leaders.

He knew that stable, democratic institutions cannot be achieved in that region without the security that American assistance can provide. He saw the Commission's work completed, and, if he were alive today he would be working tirelessly to get its recommendations accepted by the Congress.

Scoop helped shape national policy on dozens of complex issues—on strategic planning and arms control, on the Soviet Union and Central America, on human rights, and Israel, and the cause of Soviet Jewry.

His support for Israel grew out of his knowledge that political decisions must spring from moral convictions. It wasn't some grand geopolitical abstraction that made him back the creation of Israel, it was seeing the concentration camps first hand at the end of the war. At Buchenwald he saw the evil, as he said, "written on the sky"—and he never forgot.

He said the Jews of Europe must have a homeland. He did everything he could to strengthen the alliance between the United States and Israel, recognizing that we are two great democracies, two great cultures, standing together. Today both nations are safer because of his efforts.

He never stopped speaking out against anti-semitism in the Soviet Union. And he was never afraid to speak out against anti-semitism at home. And he—Scoop Jackson just would not be bullied.

He conceived and fought for the Jackson Amendment to the Trade Act of 1974. There's hardly a soul among the hundreds of thousands of Soviet Jews who later found freedom in the West who was not sustained in the struggle to emigrate by the certain knowledge that Scoop was at his side.

Scoop was always at the side of the weak and forgotten. With some people, all you have to do to win their friendship is to be strong and powerful. With Scoop, all you had to do was be vulnerable and alone. And so when Simas Kudirka was in jail in Moscow it was Scoop who helped mobilize the Congress to demand his release.

When Baptists in the Soviet Union were persecuted, it was Scoop who went again and again to the floor of the Senate to plead their cause. When free trade unionists were under attack in Poland, Scoop worked with the American Labor Movement to help them.

A few years ago, he was invited to visit the Soviet Union. The invitation was withdrawn when he said he could not go without calling on Andrei Sakharov. If Scoop were here today, I know he would speak out on behalf of Sakharov—just as Sakharov, a man of immense courage and humanity stood up in Moscow and hailed the Jackson Amendment as a triumph of "the freedom loving tradition of the American people."

Scoop Jackson was a serious man. Not somber, or self-important, but steady and solemn. He didn't think much of the cosmetics of politics. He wasn't interested in image. He was a practitioner of the art of politics, and he was a personage in the affairs of the world. But there was no cause too great or too small for his attention.

When he wasn't on the floor of the Senate, or talking to the leaders of the world, he was usually in his office on the phone—consoling a constituent in a moment of grief, tracking down a lost social security check, congratulating an honor student, or helping a small businessman who was caught up in red tape.

The principles which guided his public life guided his private life. By the time he died, dozens of young men and women had been helped through school by a scholarship fund that he established and sustained. No one knew the money came from Scoop, until a change in the financial disclosure laws many years later forced him to 'fess up. He had never told the voters; he'd never even told his own staff.

Other people were embarrassed when the disclosure laws revealed their vanities. Scoop was embarassed when it revealed his virtues.

One night last September, Scoop worked a long day and went home with a cold. There he fell into the sleep from which he never emerged. The next day, it was as if Washington had changed. Something was missing, some big presence.

A few days later, in a eulogy for Scoop, it was pointed out that there's a room in the Senate where members of the public are greeted. And on the walls of that room are the portraits of five of the greatest U.S. Senators, men chosen by the members of the Senate to reflect the best that chamber ever knew. There's Robert Taft, who, like Scoop, was Mr. Integrity, and LaFollette, who like Scoop, often swam against the tide. There's Calhoun, who loved the South as Scoop loved the West, and Webster, who tried, like Scoop, to be a force to hold the nation together, in spite of its differences. And there's Henry Clay, a gifted man, who, like Scoop, would have been a great President.

It happens that there is no appropriate space on the walls of that room for another portrait.

So I'm joining those who would suggest to the Majority Leader that the Senate make room and commission a portrait so that Scoop Jackson can be with his peers. And when it's all done and in place, I'd be very proud to be among those who would go to the Senate and unveil it, Republicans and Democrats alike, a bipartisan effort in memory of the great bipartisan patriot of our time.

And, now, I am deeply honored to present to you, Mrs. Helen Jackson, the Medal of Freedom in honor of your husband, Senator Henry Jackson of the State of Washington.

Let me read the citation: "Representative and Senator for more than four decades, Henry Martin-Jackson was one of the greatest lawmakers of our century. He helped to build the community of democracies and worked tirelessly to keep it vigorous and secure. He pioneered in the preservation of the nation's natural heritage, and he embodied integrity and decency in the profession of politics. For those who make freedom their cause, Henry Jackson will always inspire honor, courage and hope." (Applause.)

Mrs. JACKSON. Mr. President, I'm proud to accept this great honor the nation has bestowed on my husband.

I accept this award not only on behalf of Anna Marie, Peter and myself, but also on behalf of all of those who worked with Scoop and shared his causes and convictions over the years.

As Scoop used to say, "If you believe in the cause of freedom, then proclaim it, live it and protect it, for humanity's future depends upon it."

Mr. President, we thank you for today from the bottom of our hearts. (Applause.)

FEDERAL ELECTION CAMPAIGN ACT, AS AMENDED—SEMIANNUAL REPORT

Mr. BAKER. Mr. President, the FECA, as amended, requires that political committees authorized by or for Senate candidates not active in 1984 elections (i.e., committees authorized by candidates who ran for Federal office prior to 1984 or candidates who are involved in future elections) file a semiannual report by July 31, 1984. These reports should be filed with the Senate Office of Public Records, 232 Hart Building, the office designated to receive these reports as custodian for the Federal Election Commission. For further information, please contact that office at 224-0322.

FEDERAL ELECTION CAMPAIGN ACT—JULY 15 QUARTERLY REPORT

Mr. BAKER. Mr. President, the Federal Campaign Act, as amended, requires that the Principal Campaign Committee of each Senate candidate seeking election in 1984 must file a quarterly report by July 15, 1984. Reports sent by registered or certified mail must be postmarked no later than July 15, 1984. Reports hand delivered or mailed first class must be received no later than the close of business July 15, 1984. The Senate Office of Public Records, the office designated to receive these reports as custodian for the Federal Election Commission, will be open Saturday, July 14, from 10 until 2, and Sunday, July 15, from 12 until 3, for the purpose of accepting these filings. The Public Records Office is located in suite 232 of the Hart Building. If further information is needed, please contact that office directly on 224-0322.

THE EXECUTIVE CALENDAR

Mr. STEVENS. Mr. President, I would like to inquire of my good friend, the distinguished Democratic leader, if he would now be agreeable to go into executive session for the purpose of considering nominations on the Executive Calendar, commencing with calendar No. 664 through the nominations on that calendar to and including calendar No. 699 on page 16.

Mr. BYRD. Mr. President, I am happy to respond to the question by the distinguished acting majority leader. I am glad to say that those nominations, beginning with No. 664 and going through calendar No. 699, have been cleared on this side.

EXECUTIVE SESSION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of considering the nominations on the Executive Calendar from calendar No. 664, on page 7 of the calendar, through and including calendar No. 699, on page 16 of the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that all the nominations I have indicated be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Without objection, the nominations are considered and confirmed en bloc.

The nominations confirmed en bloc are as follows:

U.S. ARMS CONTROL AND DISARMAMANT AGENCY

Thomas H. Etzold, of Rhode Island, to be an Assistant Director of the United States Arms Control and Disarmament Agency.

AIR FORCE

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Bernard P. Randolph, 434-46-9726, United States Air Force.

The Following-named officer under the provisions of Title 10, United States Code, Section 601, to be reassigned to position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Lt. Gen. John T. Chain, Jr., 161-28-[illegible]18FR, United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. David L. Nichols, 509-28-0901FR, United States Air Force.

The following-named officer for appointment in the grade of lieutenant general on the retired list pursuant to the provisions of Title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. James W. Stansberry, 106-20-0475, United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assign to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Melvin F. Chubb, Jr., 490-44-9740FR, United States Air Force.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of Title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. George D. Miller, 197-20-5982FR, United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be reassigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Lt. Gen. William J. Campbell, 387-26-0119FR, United States Air Force.

The following-named officer for appointment to the grade of general on the retired list pursuant to the provisions of Title 10, United States Code, Section 1370:

To be general

Gen. Billy M. Minter, 443-20-2212FR, United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be general

Lt. Gen. Charles L. Donnelly, Jr., 287-24-0955FR, United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Charles J. Cunningham, Jr., 197-26-1874FR, United States Air Force.

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of Sections 593, 8218, 8373, and 8374, Title 10, United States Code:

To be major general

Brig. Gen. Alfred B. Cole, 415-27-7175FG, Air National Guard of the United States.

Brig. Gen. Richard J. Geehan, Jr., 023-20-3025FG, Air National Guard of the United States.

Brig. Gen. John L. Matthews, 529-38-0878FG, Air National Guard of the United States.

Brig. Gen. Robert W. McDonald, 467-34-0794FG, Air National Guard of the United States.

To be brigadier general

Col. Ernest Z. Adelman, 500-40-2316FG, Air National Guard of the United States.

Col. Vernon E. Baldeshwiler, 388-30-2505FG, Air National Guard of the United States.

Col. Donald B. Barshay, 297-24-8474FG, Air National Guard of the United States.

Col. Edward A. Belyea, 364-32-5091FG, Air National Guard of the United States.

Col. Robert G. Chrisjohn, Jr., 478-50-3723FG, Air National Guard of the United States.

Col. Richard M. Eslinger, 334-22-8094FG, Air National Guard of the United States.

Col. Francis F. Hazard, 113-18-0713FG, Air National Guard of the United States.

Col. Stanley V. Hood, 432-26-4446FG, Air National Guard of the United States.

Col. Homer H. Humphries, Jr., 267-32-0558FG, Air National Guard of the United States.

Col. Otto K. Korth, Jr., 473-26-9255FG, Air National Guard of the United States.

Col. Edward S. Mansfield, 024-28-1209FG, Air National Guard of the United States.

Col. James R. Mercer, 254-36-4612FG, Air National Guard of the United States.

Col. John L. Smith, 406-42-6812FG, Air National Guard of the United States.

Col. Arthur P. Tesner, 370-30-3224FG, Air National Guard of the United States.

Col. William R. Turnipseed, 417-52-9853FG, Air National Guard of the United States.

Col. Revere A. Young, 448-24-6918FG, Air National Guard of the United States.

The following-named officer for appointment to the grade of general on the retired list pursuant to the provisions of Title 10, United States Code, Section 1370:

To be general

Gen. James V. Hartinger, 298-12-6337FR, United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be general

Lt. Gen. Robert T. Herres, 521-30-4808FR, United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Duane H. Cassidy, 194-26-268 FR, United States Air Force.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of Title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. Charles G. Cleveland, 121-18-3678FR, United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be reassigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Lt. Gen. Kenneth L. Peek, Jr., 314-30-4967FR, United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Thomas C. Richards, 573-36-4941FR, United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Edward L. Tixier, 525-40-7833FR, United States Air Force.

In the Army

The following-named officer to be placed on the retired list in grade indicated under the provisions of Title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. David E. Grange, Jr., 115-18-1345, (Age 59), United States Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Lt. Gen. Joseph T. Palastra, Jr., 576-28-7763, United States Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be reassigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. William H. Schneider, 467-44-5291, United States Army.

The following-named officer for appointment in the United States Army to the grade indicated under the provisions of Title 10, United States Code, sections 611(a) and 624:

Col. John L. Fugh, 577-48-9337, Judge Advocate General Corps, United States Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of Title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. Joseph K. Bratton, 472-24-0434, (Age 58), United States Army.

The following officers for appointment as Reserve Commissioned officers in the Adjutant General's Corps, Army National Guard of the United States, Reserve of the Army, under the provisions of Title 10, United States Code, Sections 593(a) and 3392:

To be brigadier general

Col. Nathaniel G. Troutt, 428-38-1553.

Col. Edward D. Baca, 525-74-2555.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be reassigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. James M. Rockwell, 121-20-9150, United States Army.

Navy

The following named officer, under the provisions of Title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Robert E. Kirksey, 379-26-5649/1310, U.S. Navy.

The following named officer, under the provisions of Title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, section 601:

To be vice admiral

Rear Adm. William F. McCauley, 505-30-1971/1110, U.S. Navy.

The following named officer, under the provisions of Title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, section 601:

To be vice admiral

Vice Adm. Joseph Metcalf, III, 031-30-0814/1110, U.S. Navy.

The following named officer, under the provisions of Title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Henry C. Mustin, 570-40-4316/1110, U.S. Navy.

The following named officer, to be placed on the retired list in the grade indicated under the provisions of Title 10, United States Code, section 1370.

To be vice admiral

Vice Adm. Gordon R. Nagler, 214-20-8462/1110, U.S. Navy.

Department of State

Clint Arlen Lauderdale, of California, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Cooperative Republic of Guyana.

Owen W. Roberts, of New Jersey, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Togo.

John William Shirley, of Illinois, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Republic of Tanzania.

Leonardo Neher, of Maryland, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Upper Volta.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the nominees were confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask that the President be notified immediately of the confirmation of his nominees.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. STEVENS. Mr. President, I wish to put the Senate on notice that we are attempting to clear a change in the existing order pertaining to the 16 treaties. We are hopeful that we can get an agreement, in view of the long day that is ahead of us, that we have one vote rather than four votes on those matters. If that occurs, that one vote would occur as scheduled at 11:10 a.m. It would be my hope that all Senators would agree to that change so that we can proceed to try and dispose of a rather heavy calendar ahead of us, and terminate the work of the Senate fairly early today.

The order provides for a period for 10 minutes of debate on the treaties beginning at 11 o'clock, so the rollcall vote would actually take place following that debate. It is our hope that we can have just one vote.

I am pleased that my good friend from West Virginia, the distinguished Democratic leader, is attempting, along with us, to clear that change. There will be an announcement on that later.

Mr. President, I yield the floor.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The minority leader is recognized.

Mr. BYRD. I thank the Chair.

Mr. President, I agree with the distinguished acting majority leader. I think it would be to the advantage of everyone if these four votes could be compacted into one rollcall vote.

Under the order as it now stands, the first of the four rollcall votes would begin about 10 minutes after 11. Senators have been put on notice for at least the last 2 days, I think, that these four votes would occur with the first one beginning at 11:10 a.m. I would think that all Senators who are going to be here today will be here at 11:10 a.m. I would hope that we can get agreement on both sides to proceed with one vote only to count for the four votes.

Mr. President, if we consider the time usually taken on a rollcall vote, a minimum of 15 minutes, the Senate would save 45 minutes, or all Senators would save 45 minutes.

I hope the request will be allowed. I will be back with the distinguished assistant Republican leader very shortly to inform him of the results on our side.

Mr. President, I would be very happy to yield to the distinguished acting Republican leader.

Mr. STEVENS. I thank my good friend.

Mr. President, I suggest that we turn to the special orders at this time.

RECOGNITION OF SENATOR QUAYLE

The **PRESIDING OFFICER.** Under the previous order, the Senator from Indiana [Mr. QUAYLE] is recognized for not to exceed 15 minutes.

TEMPORARY SELECT COMMITTEE TO STUDY THE SENATE COMMITTEE SYSTEM

Mr. QUAYLE. Mr. President, today, I am publishing notice that the Temporary Select Committee to study the Senate committee system will hold hearings on July 31 and August 2. I would like to call to the attention of Senators the fact that this select committee has quite a broad jurisdiction and that we are certainly very amenable to suggestions on the path that individual Senators think we should embark upon.

I have conversed with the majority leader and other Senators. I am pleased that the majority leader will be the first to testify. The Senator from Kentucky is cochairman of the select committee. I hope the minority leader will also come forth.

Mr. President, I think what is important is that we all have an idea of how the committee will operate. It will take the time of individual Senators to come forth with specific ideas. I believe we are going to see certain reforms enacted. We will have to work to try to develop a consensus which I think can be achieved.

I think all Senators want reform; we are all concerned about proliferation of committees and subcommittees; we all have trouble running from one meeting to another and being unable to be in several places at the same time; we all deplore the regurgitating of speeches as we debate the same issue time after time as it comes to us from one committee after another. While we share in the problems, we have very different ideas of the solutions and we all know that many solutions are propounded but few are adopted.

Senators will recall that, in the language of the resolution establishing the Temporary Select Committee, our assigned task is to conduct a thorough study of the Senate committee system, the structure, jurisdiction, number and optimum size of Senate committees, the number of subcommittees, committee rules and procedures, media coverage of meetings, staffing and other committee facilities.

By December 15, the Select Committee is to submit to the Senate a final report of its findings, as well as recommendations which promote optimum utilization of Senators' time, optimum effectiveness of committees in the creation and oversight of Federal programs, clear and consistent procedures for the referral of legislation falling within the jurisdiction of two or more committees, and workable methods for the regular review and revision of committee jurisdictions.

Mr. President, this is not a subject that we Senators can, should or want to delegate to our staffs. This is a subject that requires our personal attention and consideration. I urge all of my colleagues to participate in the process of institutional reflection so that the Select Committee's recommendations for the new Senate convening next January will truly represent this body's perspective on committee reorganization.

In the broadest sense, Mr. President, the members of the Select Committee must seek to represent the interests of the entire Senate; 12 of us are at your service: Senator FORD is our cochairman; Senators MATHIAS, GARN, WALLOP, KASTEN, and RUDMAN are from this side of the aisle, while Senators LONG, MATSUNAGA, JOHNSTON, MELCHER, and DIXON are the minority members of the Select Committee.

The Select Committee has had two meetings and one theme has emerged very clearly: We want to make recommendations that reflect a broad spectrum of consensus and that have some reasonable chance of actually being implemented. To develop that consensus we actively solicit the participation of every Senator in our venture. We want to hear from our colleagues—whether through testimony at our hearings, the submission of written views or through more informal contacts with the members of the committee.

Many proposals for the reform of the committee system have been made, and I am attaching a brief summary of recent recommendations prepared by the CRS. We plan to examine past proposals carefully to see if we would recommend again what has been proposed before. But we are also interested in new proposals and we have discussed four possible ways of proceeding. These are by no means exclusive but are shown here just to enable Senators to understand the kinds of decisions that the committee will be making.

These 2 days of hearings will certainly give us a good start in the direction that we ought to go. I suppose that, looking at this situation, there are basically four ideas we could explore, as I said.

We may examine the jurisdiction of Senate committees and recommend merger, abolition or redrawing of jurisdiction boundaries.

We may examine the number of assignments of Senators to committees and subcommittees and recommend methods for limiting the number of assignments.

We may examine the assumption of need for separate authorization, appropriations and budget committees and recommend merger or restructuring of the separate jurisdiction over these processes.

We may examine the causes that have led the Senate to reject consolidation of jurisdictions and reduction of numbers of assignments and recommend methods means of reducing the barrier to enactment of such proposals dealing with the barriers to enactment.

While the Select Committee has resolved not to begin drafting its report and recommendations until after the November 6 elections, we do plan to start sorting through the options presented to us in testimony or in person next month immediately so that by September we can provide the Senate some sense of the direction it seems to want to go. At that point, we will seek further input as we approach the stage of refining the proposals the Select Committee will make by December 15.

I appreciate the Senate's attention to this important matter. If Senators have any questions about earlier reorganization plans, or if Members want to disseminate organizational concepts or detailed blueprints, I hope they will contact the Select Committee's members or our staff director, Bob Guttman, who will be working out of our office in SR-B42 (224-2740).

Mr. President, the word "reform" sort of takes on a life of its own. I think reform means different things to different people. But I think this will be the first serious look by the Senate since the Stevenson-Brock committee by sitting Senators at the committee structure. It will also be the first serious look at the process and the committee structure we have had since the initiation and the institution of the budget process.

I am hopeful that we shall be able to have as much input in the discussion as possible. I know I have talked to a lot of individual Senators on both sides of the aisle in the last week or 10 days concerning this topic. I think it goes without saying that there is a lot of interest, particularly a lot of interest in what in fact may be done. But we certainly are not there yet. There are no plans that have been submitted.

I presume that certain plans and ideas would be forthcoming in the testimony, at least the 2 days of testimony that we are going to have, by individual Senators and others who are interested in the issue.

Mr. President, I have a report by the Congressional Research Service of selected proposals for revising the Senate committee system. I ask unanimous consent that those proposals be printed in the RECORD. I think examining these proposals will certainly give us some food for thought, some ideas of where we may want to go or may not want to go.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

Selected Proposals for Revising the Senate Committee System

(Compiled by Roger H. Davidson, Walter J. Oleszek)

The purpose of this compendium is to provide Members and staff with an inventory of recent proposals to revise the structure and procedure of Senate committees. Many are recommendations presented to the 1976-77 Stevenson-Brock Committee (the Temporary Select Committee to Study the Senate Committee System) and the 1983 Pearson-Ribicoff Study Group Report (after former Senators James Pearson and Abraham Ribicoff). In addition, there are recommendations suggested by individual Senators and others.

This inventory of committee revisions is neither exhaustive nor inclusive; rather, it is designed to highlight some of the major topics that fall within the Select Committee's purview and to stimulate and encourage Senators and staff aides to offer suggestions of their own. The listing deliberately omits recommendations to change Senate floor procedure, such as the filibuster, enforcement of germaneness, or multiple consideration of the same subject. Such matters are beyond the mandate of the Select Committee, except as they directly affect the Senate committee system.

Edward M. Davis III assisted in preparing an earlier compilation from which this present listing is adapted. Needless to say, these proposals do not constitute recommendations of the compilers or of the Congressional Research Service.

A. COMMITTEE JURISDICTIONS

1. Functional jurisdictions

Consolidate existing committees into 12 or 13. Those committees proposed for merger would be: Budget (functions absorbed by Appropriations and Finance), Veterans Affairs (subsumed by Armed Services), Small Business (Banking, Housing and Urban Affairs), Special Aging (Labor and Human Resources), Select Ethics (Rules and Administration), Select Indian Affairs (Energy and Natural Resources), and Select Intelligence (Appropriations, Armed Services, and Foreign Relations). All joint committees would terminate, with their functions taken over by standing committees with legislative jurisdiction. (Pearson-Ribicoff Study Group, 1983)

Reduce the number of committees and organize them around functional categories. (Stevenson Committee.)

Restructure committee jurisdictions to coincide with the functional categories of the budget. (Stevenson Committee.)

Require a restatement of committee jurisdiction each Congress. (Stevenson Committee.)

Reorganize existing committees into 12 legislative committees with a total membership of 100. (Stevenson Committee.)

Reduce the fragmented and overlapping jurisdiction of committees. (Senator Boren, The Washington Post, July 13, 1983, p. A19.)

Reorganize the Senate committee system so that functions now divided among several committees could be combined into one panel. (Senator Kennedy, The Boston Globe, January 23, 1983, p. 2.)

2. Transportation

Consolidate all transportation matters within the jurisdiction of the Committee on Commerce, Science and Transportation. (Stevenson Committee.)

3. Environment

Consolidate all environmental matters within the jurisdiction of the Committee on Environment and Public Works. (Stevenson Committee.)

4. Social Security and Medicare

Transfer jurisdiction over Social Security, Medicare, and Medicaid from the Senate Finance Committee to the Committee on Labor and Human Resources. (Stevenson Committee.)

5. Regulation

Create a Select Committee on Regulatory Commissions and the United States Economy. (Stevenson Committee.)

Create a Select Committee on Federal Responsiveness and Accountability. (Stevenson Committee.)

6. Narcotics control

Create a Select Committee on Narcotics Abuse and Control in order to investigate drug abuse and related problems and to review Presidential recommendations for their solution. The Committee would have no legislative authority. (S. Res. 29, 97th Congress.)

7. National Security Committee

Establish a National Security Committee by merging the committees on Armed Services and Foreign Relations. (Stevenson Committee.)

Establish a Joint Committee on National Security. This body would perform policy review and coordination (paralleling the National Security Council), provide central linkage to the President and the NSC, and oversee the intelligency community. (Commission on the Organization of the Government for the Conduct of Foreign Policy, 1975.)

8. Science and technology

Create a Science and Technology Committee to parallel its counterpart in the House. (Stevenson Committee.)

9. Employment policy

Establish a single committee to oversee employment policy, bringing together authority scattered among Labor and Human Resources, Public Works, and Finance. (Senator Kennedy, The Boston Globe, January 23, 1983, p. 2.)

10. Health

Create a Health Committee that would have authority over both the financing of health care and the quality of health care. (Senator Kennedy, The Boston Globe, January 23, 1983, p. 2.)

11. Appropriations

Realign Appropriations subcommittee jurisdictions to coincide with the functional categories used by the House and Senate Budget Committees. (Stevenson Committee.)

12. Joint committees

Abolish all joint, temporary, special, and select committees and merge their jurisdictions with the appropriate standing committees. (Stevenson Committee.)

Consolidate the jurisdiction of the Joint Economic Committee with the Committee on Banking, Housing and Urban Affairs. (Stevenson Committee.)

13. Rules Committee

Create a Committee on Rules, the membership of which would be limited to the majority and minority leaders, the party whips and secretaries, and the President pro tem. (Stevenson Committee.)

The Senate needs something like the House Rules Committee. (Senator Bumpers, Congressional Quarterly Weekly Report, September 4, 1982, p. 2182.)

14. Review of jurisdictions

Direct the Committee on Rules and Administration to undertake a periodic review of committee jurisdictions and require the Committee to report its findings prior to a day certain after the beginning of a new session of Congress. (Stevenson Committee.)

Maintain a Permanent Select Committee on Committees with rotating membership in order to effect a continuous review of the committee system. (Stevenson Committee.)

15. Organization

Require a two-thirds vote of the full Senate in order to create a new standing committee. (Stevenson Committee.)

B. COMMITTEE ASSIGNMENTS

1. Committee size

Equalize the size of the standing committees of the Senate. (Stevenson Committee.)

2. Select committee membership

Provide that membership in a select committee shall not qualify as a determinant of the total number of committees on which a Senator may serve. (Stevenson Committee.)

Prohibit continued service on any standing, special, select or joint committee if a Senator has served on that committee for any eight of the previous twelve calendar years. (Stevenson Committee.)

3. Committee representativeness

Base the appointment of Senators to standing committees on the concept of geographical representativeness. (Stevenson Committee.)

4. Limitations

Limit the service of Members on a committee to a certain number of years. (Stevenson Committee.)

Limit Members to three committees—one from each of three groups fashioned so that each Senator would be appointed to committees that have across-the-board representation. (Pearson-Ribicoff Study Group, 1983.)

5. Minority chairmanships

Authorize members of the minority party to chair subcommittees. (Stevenson Committee.)

6. Rotating chairmanships

Require the periodic rotation of committee chairmanships. (Stevenson Committee.)

Require the periodic rotation of committee chairmanships and membership, providing a minimum period of time before a Member can return to the committee or committees from which he or she has been rotated. (Stevenson Committee.)

7. Reassignment by party leaders

Grant party leaders new tools of influence, such as the freedom to reassign Senators who will not go along with the party's program. (Senator Biden, Congressional Quarterly Weekly Report, September 4, 1982, p. 2182.)

8. Chairmanship limitations

Reduce the number of committees and subcommittees on which a Member can serve to 8 instead of 11, the division being service on 2 major and 1 minor committee while allowing 2 subcommittee assignments for each major committee and one subcommittee assignment for each minor committee. (Stevenson Committee.)

Prohibit all standing committee chairmen from chairing any subcommittee. (Stevenson Committee.)

Prohibit chairmen and ranking minority members from serving on any other committee (except Budget). These Members could not serve as subcommittee chairmen on the full committee they chair, but would hold ex officio membership on all committees. (Stevenson Committee.)

9. Expansion of chairmanships

Allow every Senator, regardless of party, to chair one committee or subcommittee. (Stevenson Committee.)

C. COMMITTEE STAFFING

1. Nonpartisan/minority staff

Appoint all committee staff on a non-partisan basis. (Stevenson Committee.)

2. Staff exchange

Permit the exchange of staff between and among committees. (Stevenson Committee.)

3. Limitations

Strictly limit the hiring of any further staff until the number of staff have fallen to 80 percent of current levels. (Stevenson Committee.)

4. Pooling

To save money, find ways to pool staff resources so there are experts available to all Members instead of each Senator individually. (Committee on Rules and Administration. Television and Radio Coverage of Senate. Hearings, 97th Congress.)

5. End staffed subcommittees

Prohibit subcommittees from employing separate staffs and processing legislation. This would mean that subcommittees would be staffed by the full committees, to the extent they needed staff support. (Pearson-Ribicoff Study Group, 1983.)

D. COMMITTEE ADMINISTRATION, RULES, AND PROCEDURE

1. Committee activity reports and calendars

Require committees to provide written summaries of meetings and hearings on a daily basis. Authorize the Rules and Administration Committee to create a central office for the compilation and distribution of these summaries. (Stevenson Committee.)

Require all committees to publish semi-annual calendars containing a tentative schedule of planned activities. (Stevenson Committee.)

Require committees to make public all information regarding their activities, including roll call votes. (Stevenson Committee.)

2. Codification

Codify and make uniform all rules pertaining to committee procedures. (Stevenson Committee.)

3. Proxy voting

Abolish proxy voting on any matter considered in committee. (Stevenson Committee.)

4. Reports

Insure that all committee reports contain a pro-con analysis of the measure being reported and highlight areas of controversy. (Stevenson Committee.)

5. Disposition and control of committee records

Require that legislation terminating committees provide for the disposition of their records so as to insure availability to Members and committees of both Houses of Congress. (Stevenson Committee.)

In consultation with the Secretary of the Senate, the Senate Historical Office, and the Archivist of the United States, require each committee to establish a schedule for transferring non-current records to the Archives, provide guidelines to insure proper labeling and indexing, and permit disposal of purely routine material. (Stevenson Committee.)

Adopt a resolution allowing public access to archived, non-current committee records after a certain period of time, twenty-five to thirty years after their creation, except where a committee decides that personal privacy or national security would be endangered by doing so. Require the publishing of committee policy governing access to non-current records. (Stevenson Committee.)

6. Hearings

Require that at least one Senator be present at every subcommittee or full committee hearing, even if witnesses are not giving sworn testimony. (Congressional Quarterly, 10/24/81, p. 2070.)

The Senate should encourage committees to hold more hearings in all parts of the country. (Senator Baker, The New York Times Magazine, April 1, 1984, p. 69.)

E. SUBCOMMITTEES

1. Ad hoc subcommittees

Allow for the creation of ad hoc subcommittees consisting of the members of two or more standing committees to consider cross-jurisdictional matters. (Stevenson Committee.)

2. Subcommittee longevity

Restrict the life of subcommittees to the length of the Congress in which they are established. (Stevenson Committee.)

3. Subcommittee limitation

Reduce and limit the number of subcommittees. (Stevenson Committee.)

4. Ex-officio membership

Authorize the participation of any member of a committee in the activities of any of that panel's subcommittees provided that the Member notify the subcommittee chairman and that his presence shall not be used in order to establish a quorum. (Stevenson Committee.)

5. Jurisdiction of subcommittees

Require committees to establish subcommittees with legislative jurisdictions. (Stevenson Committee.)

Prohibit subcommittees from processing legislation, limiting their functions to "the conduct of hearings, compilation of data, and resumes of proposed legislation." (Pearson-Ribicoff Study Group, 1983.)

6. Agendas

Require committee chairmen in collaboration with subcommittee chairmen to establish subcommittee agendas. (Stevenson Committee.)

7. Staff

Allow subcommittee chairmen the right to hire staff. (Stevenson Committee.)

F. REFERRAL OF LEGISLATION

1. Multiple referrals

Authorize the Presiding Officer to divide single measures which involve multiple subjects into two or more bills for referral to the appropriate committees. (Stevenson Committee.)

Allow bills to be referred to more than one committee any time after the second reading. (Stevenson Committee.)

Designate one panel as a lead committee in joint or sequential referrals so that all reports would be directed through it for synthesis and coordination. (Stevenson Committee.)

Allow Senators more time to review measures which are scheduled for joint referral under unanimous consent procedure. (Stevenson Committee.)

2. Time limit

Establish a time limit within which sequential or split referrals of legislation must be reported. (Stevenson Committee.)

Provide that bills received from the House of Representatives which were passed by at least a three-fourths vote of that body shall be referred to committee for a period of time not to exceed 90 calendar days. (Stevenson Committee.)

3. Referral by title

Refer measures by title or section. (Stevenson Committee.)

G. COMMITTEE SCHEDULING

1. Block scheduling

Devote certain days of the week exclusively to committee business and other days exclusively to Senate floor sessions. (Culver Commission.)

Set aside certain times during the week when only major committees will be allowed to meet, allowing minor committees to meet exclusively during the remainder of the week. (Stevenson Committee.)

Schedule all committee work before 1:00 p.m. and all legislative floor sessions after 12:00 noon. (Stevenson Committee.)

Reserve one day each week for committee meetings, with no floor sessions except in extraordinary circumstances. The Majority leader would be permitted to adjust this schedule as directed by the demands of floor business. (Stevenson Committee.)

Begin each session of Congress by reserving three days of each week for committee meetings and two for floor proceedings, altering the number of committee and floor days as the session progresses and allowing the Majority leader to suspend the rule when necessary. (Stevenson Committee.)

2. Scheduling conflicts

Prohibit any committee from scheduling a formal meeting when at least three of its members cannot attend due to other committee meetings previously scheduled for the same time. (Stevenson Committee.)

3. Agendas

Establish target schedules in each committee and subcommittee at the start of the session. These schedules should list prospective business meetings, hearings, markups, and oversight activities. (Culver Commission.)

Require all Senate committees to act according to "an announced agenda agreed to at the beginning of each Session." Committees would remain free to hold hearings on any subject and could file written reports recommending legislation for the Senate to take up in the future; but committees could not report legislation outside the agreed-upon agenda unless a motion to report such a matter was agreed to. (Pearson-Ribicoff Study Group, 1983.)

H. COMMITTEE OVERSIGHT

1. Oversight of agency rulemaking

Require that a Senate committee, within 30 days of any executive rule or regulation which the affected committee deems has exceeded statutory authority, make reports so stating and recommend appropriate action by Congress. (S. Res. 281, 94th Congress.)

2. Departmental question period

Provide a period of time in each session during which Senators may question heads of executive departments and agencies. (S. Res. 136, 94th Congress.)

3. Legislative veto

Establish a procedure for congressional review and approval of newly promulgated or revised departmental and agency rules allowing a specified period of time for such review and approval before the rule in question is allowed to lapse. (H.R. 1776, 97th Congress.)

4. Oversight subcommittees

Require each standing committee of the Senate to establish a subcommittee on legislative review. (Stevenson Committee.)

Prohibit the creation of legislative oversight committee on standing committees. (Stevenson Committee.)

5. Methodology

Require the Comptroller General, in consultation with the Congressional Budget Office and the Senate Governmental Affairs Committee, to develop a standard oversight methodology to be used by Senate committees (except Budget and Appropriations) in order to examine the programs they have authorized. (Stevenson Committee.)

6. Sunset

Initiate a process for the systematic review of executive departments, agencies and specific programs in order to modify, terminate or justify their continued existence. (H.R. 2, 97th Congress; S. 2, 96th Congress; H.R. 5858, 96th Congress.)

7. Information gathering

Require each standing committee to submit a questionnaire to the Federal departments and agencies within its jurisdiction in order to obtain information on the effectiveness of various programs. (Stevenson Committee.)

8. Oversight of budget outlays

Delegate oversight authority for all budget outlays to the Senate Budget Committee. (Stevenson Committee.)

9. Oversight reports

Require committees to publish annual reports of proposed oversight activities at the beginning of each session of Congress and report on its oversight findings upon the completion of each session. (Stevenson Committee.)

10. Hearing officers

Allow designated staff to conduct non-legislative oversight investigations in public session. (Stevenson Committee.)

11. Oversight agendas

Develop a coordinated legislative oversight agenda at the beginning of each Congress by requiring the publication of committee oversight plans and the reporting of results. (Stevenson Committee.)

12. Leadership investigation of oversight issues

Require the joint leadership in consultation with the chairmen and ranking minority members of the standing committees to examine on a regular basis those legislative areas where oversight should be undertaken, recommending action accordingly. (Stevenson Committee.)

I. THE BUDGET PROCESS

1. Basic alterations

Abolish the Budget Committee and shift its functions to a subcommittee comprised of Members from the Appropriations and Finance committees. (Pearson-Ribicoff Study Group, 1983.)

Consideration might be given to whether or not the Senate really needs a separate authorization and appropriations process, and whether their consolidation might not result in a reduction in the congressional workload, and in more cohesive and clear statements of legislative intent. (Senator Tower, Congressional Record, March 6, 1984, p. S2371.)

Revise the committee system by establishing one committee to handle authorizations, appropriations, and budget matters. Called the Appropriations Committee, the panel would have 11 subcommittees that absorb the current Class A authorization committees. In addition, there would be four other committees: Finance, Foreign Relations, Governmental Affairs, and Judiciary. This plan focuses only on the Class A committees and does not address the Class B and C committees. (William Hildenbrand, National Journal, June 16, 1984, p. 1167.)

2. Two-year cycle

Institute a two-year budget authorization process. (H.R. 1010, 97th Congress; S. 1683, 97th Congress; Pearson-Ribicoff Study Group, 1983.)

3. Staggered authorizations

Stagger the authorization process over a number of years so that only a few committees would be required to report authorizing legislation in any given year. (Task Force on Budget Process. Budget Act review. Hearings, 96th Congress.)

4. Multiyear budget targets

Establish multiyear budget targets as a suplement, where applicable, to the annual budget process. (See Task Force on Budget Process. Budget Act review. Hearings, 96th Congress.)

5. Reporting dates

Change the current reporting dates required by the Congressional Budget Act. (S. 1683, 97th Congress; H.R. 1010, 97th Congress.)

J. MISCELLANEOUS PROPOSALS

1. Reduction of the 3-day rule

Reduce from three to two the number of days during which committee reports must be made available to Members before they may be considered in the Senate, that number to include Saturdays, Sundays and legal holidays if the Senate is in session on such days. (S. Res. 9, 96th Congress.)

2. Reports coincident with committee jurisdictions

Require that provisions of a reported bill which are within the jurisdiction of a committee or committees which did not report the measure would be subject to a point of order or a motion that would strike them from the bill. Such provisions then would be referred to the appropriate committee or committees. (Stevenson Committee.)

3. Committee amendments

Limit committee amendments to areas within the jurisdiction of the reporting committee. (Stevenson Committee.)

ORDER FOR DEBATE ON EXECUTIVE TREATIES AND FOR ONE ROLLCALL VOTE

Mr. STEVENS. Mr. President, I ask unanimous consent that the previous order pertaining to the vote on executive treaties be changed so that there be a period of 10 minutes of debate commencing at 11 a.m., equally divided between Senators PERCY and PELL; and that, following that period of debate, there be one rollcall vote which will count as 16 votes on the 16 treaties which are listed in that previous order.

Mr. BYRD. Mr. President, reserving the right to object, will the distinguished assistant majority leader add to his request that no motions other than the motion to reconsider and the motion to table the motion to reconsider, no debate other than during the 10 minutes, and no other nominations other than those that have been set forth in the previous order be in order?

Mr. STEVENS. Mr. President, I am happy to amend my request. That was our understanding previously. I am happy to make certain that that is the new order. I ask unanimous consent that my request be so amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I withdraw my reservation. I thank the distinguished Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, the Senate is awaiting a Senator who has a special order. I remind the Senate that there will be a period for the transaction of routine morning business until the hour of 11 a.m. following the special order that will occur shortly.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized for 15 minutes.

Mr. PROXMIRE. I thank the Chair.

STAR WARS—WHAT IS THE ASTRONOMICAL COST OF THIS EXTENSION OF NUCLEAR WAR?

Mr. PROXMIRE. Mr. President, some call President Reagan's strategic defense initiative or SDI Star Wars. Some call it an antiballistic missile defense. As this Senator has recently discussed in detail in another speech on the floor of the Senate, this Reagan nuclear weapons proposal has its appealing justification. In analyzing the justification given by the administration for SDI, this Senator did not discuss the cost of the program in detail. Today I will do just that. The cost of Star Wars is the subject of this speech.

General Abramson and other witnesses have told the Appropriations Committee what the cost of initiating major research on SDI will be in 1985.

General Abramson, by the way, is the head of the Star Wars operation. He knows more about it. He has been their champion. He has been their principal advocate before the Senate.

The administration asked for about $2 billion for next year for SDI. That would have constituted a 71-percent increase in spending for this purpose for 1984. Neither General Abramson nor his assistants were able to cite a single program of this size in the Defense Department that received such a big recommended percentage increase in spending in 1985. Both the Senate and the House reduced this increase but the close to 50-percent increase that will emerge from conference will still constitute far and away the biggest percentage increase in spending any Government program that spends more than $1 billion. Spending on SDI research would race ahead in the next 5 years if the administration has its way. They are asking the Congress to appropriate $25 billion during this period just for research on this strategic defense initiative.

Now, keep in mind that this $25 billion would not produce any defensive nuclear weapons nor deploy such weapons. How big a splurge is this compared to other programs for spending money in space? The entire cost of the Apollo project that put Americans on the moon and brought them back—the greatest space spectacular in history—was $25 billion. But Star Wars would spend that same sum just as a research starter without producing a single weapon and with zero deployment. What will it cost for producing and deploying an antimissile arsenal, a full SDI system?

Mr. President, not only does no one know, unfortunately, no one connected with the program even wants to guess. But should we not know? Should we not at least have some idea? Will it cost several hundred billion? A trillion? Several trillion? What will the Congress be called on to spend per year when spending on this program hits its maxmium? Fifty billion a year? A hundred billion a year? Two hundred billion? More? We do not know. No one knows. We should find out.

Mr. President, the most authoritative basis for the administration's estimates of the cost of this program a summary report entitled: "Ballistic Missile Defenses and U.S. National Security" by Fred S. Hoffman.

The report has one section on costs that I will quote in its entirety. Here it is—get this:

> We do not yet have a basis for estimating the full cost of the necessary research program nor the cost of systems development or various possible defensive deployment options. It is clear, however, that costs and the tradeoffs they require would present important issues for defense policy. While not insignificant, total system costs would be spread over many years. There is no reason at present to assume that the potential contributions of defensive systems to our security would not prove sufficient to warrant the costs of deploying the systems when we are in a better situation to assess their costs and benefits.

Talk about a copout. Star Wars makes the SST fiasco seem like a practical moneymaking cinch. What the administration is telling us is that they do not have the slightest idea how much this operation will cost. They do not even know how much the research, which eventually will tell us how much the cost will be, will cost us. But so what? They even tell us we do not have any reason to suspect that the eventual cost, which they cannot even begin to guess, will be too great to justify Star Wars benefits.

Mr. President, how long would you keep a purchasing agent on your payroll who told you he intended to buy something for your company whose cost would be as deep as the ocean as high as the sky but he could not even guess at how much it would be? The administration wants this Congress to commit itself to spend $25 billion over the next 5 years without the slightest understanding of what the ultimate costs or benefits might be, not even an outside estimate.

All of us are concerned about the massive Federal deficits that threaten such economic havoc for this country over the next 5 or 10 years.

I do not think anybody in the Senate has done more to hold down spending than the present Presiding Officer, Senator HUMPHREY of New Hampshire. He has been in the forefront of voting against extravagant spending programs.

We fear the distortion of interest rates flowing from these continuous huge deficits. We recognize the burdensome and depressing effect of increased taxes if we let Federal spending continue to race ahead and simply hike taxes to reduce the deficit. So what's the key to escaping this dilemma? It's obvious. We have to hold down spending. And here is precisely where the cost of SDI or Star Wars comes in. Many economic experts recognize that we have locked in much of our Federal spending tightly. We have made annual increases virtually inevitable. We cannot realistically control much of it. We will not reduce it. This is true of social security pensions, most of the cost of medicare and medicaid, and veterans' pensions. We also have a massive conventional Military Establishment whose cost we know will in all likelihood continue year after year to increase relentlessly. And on top of all this now comes the SDI or Star Wars nightmare. The cost will be so big that even those closest to it will give us no idea how massive a burden it will impose.

Now, Mr. President, this Senator intends to vigorously oppose this monstrous spending maching, regardless of its cost, for reasons I have previously set forth. But certainly this time even the proponents of the program should agree that we should know where we are going in spending before we set out. We should have some limits beyond which we will not go.

After all, this SDI program does not purport to stop nuclear war. At its best—in the very unlikely, one-in-a-hundred possibility it could prevent all enemy ballistic missiles from striking America—it would still do nothing to stop cruise missile or other nuclear attacks. And if it did stop intercontinental missile attacks, for how long would it work before a new technology overwhelmed it? Five years? One year? Six months? We should not fund this program until we have some idea-at least the outside limits—of what it will cost.

THE PLIGHT OF THE FALASHA JEWS

Mr. PROXMIRE. Mr. President, the Falasha Jews have a long, a tragic history in Ethiopia, and have endured persecution, poverty, and slaughter. The very name "Falasha" reflects how the non-Jewish populace feel toward the black Jews of Ethiopia. In the native Ethiopian language Falasha means "stranger" or "intruder," despite the fact that the Falashas have been in the region 3,000 years. The Falashas themselves prefer to be called Beta Israel, or of the house of Israel.

Before the 17th century, the Falashas were rulers of an extensive section of Ethiopia. Prolonged warfare among Christian, Muslim, and Jewish kings of Ethiopia took its toll on the Falashas. One Christian king even called himself "The Exterminator" of the Jews. The Falashas became defeated and isolated. Thousands were killed. All Falashas were forbidden to own land, and large numbers were made to work as tenant farmers. Others were forced to become artisans, and since many Ethiopians look upon artisans as sorcerers, the Falashas were feared and hated.

Conservative estimates number the Falasha population of the 19th century at a quarter of a million. At the turn of this century there were 100,000. Those killed were victims of torture and annihilation. Nearly 7,000 lost their lives during the Marxist takeover in 1974, when the Jews became trapped between revolutionary and counter-revolutionary crossfire. In

1982 there were less than 25,000 Falashas.

Treatment of the Falashas has not improved under the Marxist regime. The authority in the Gondor region, where most of the Falasha Jews are living, has a specific anti-Semitic policy which he labels "Ethiopia First." The Falashas are pressured to assimilate. This pressure sometimes has taken the form of rape, mutilation, and sale into slavery. The Jewish schools and synagogues have been closed as a warning that the pursuit of Jewish beliefs and teachings is not acceptable to the authorities. Falasha families are torn apart by the conscription of young men into the armed forces. They are never heard from again.

The case of the Falashas shows us that attempts to destroy the Jewish faith didn't end with the Holocaust. The Falasha Jews presently are attempting to emigrate to Israel, a goal made difficult by the Ethiopian regime. Though many have escaped Ethiopia and now are either in Israel or in the Sudan awaiting immigration rights, the 14,000 left in Ethiopia still face religious persecution. Those captured trying to escape Ethiopia are tortured and beaten.

It is tragic that once again Jews are singled out for inhumane treatment and that they are not allowed to practice their religion. We should show our disapproval for such persecution any way we can. Ratification of the Genocide Treaty would be a strong statement this Senate could and should make to condemn all violations of religious freedoms. That's why I urge this body to move toward ratification of this most important treaty.

Mr. President, I yield back my time.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. There will now be a period for the transaction of routine morning business to not extend beyond 11 a.m.

JOBS FOR THE FUTURE: BLUEPRINT FOR RENEWAL

Mr. PELL. Mr. President, I am pleased to join in cosponsoring the comprehensive jobs for the future bill introduced yesterday by the minority leadership. This legislation is a blueprint for national revitalization. It is noteworthy because it addresses what might be termed the forgotten problems of today's economy: The workers displaced by technological advances and foreign competition; unemployed youths who need basic skills; new citizens who need literacy training; middle-aged workers who need new skills, and all those who for whatever reason have been passed over and neglected by current programs and policies.

As a participant on the task force which produced this legislation, I appreciated having the opportunity to contribute several sections which deal with human resources, recognizing that economic strength and vitality rests on a work force which is literate, skilled, and educated to its maximum potential.

Title III of this legislation stresses the need to upgrade and improve our educational system as an integral and overall part of strengthening our national economy.

First, we propose that the chapter I program of educational assistance to children from economically disadvantaged families be expanded to cover programs at the secondary level. Federal compensatory educational assistance is, today, largely confined to the early elementary grades. Yet, study after study has disclosed a very desperate need to make sure that Federal aid for basic skills instruction is one of the most critical, unmet needs in our Nation's secondary schools.

Second, we urge the retargeting of vocational education so that the Federal law includes a much greater emphasis upon the needs of disadvantaged youth and the training and retraining of the adult worker. In this regard, I am very encouraged that the proposals contained in this bill have been incorporated to a very considerable degree in the provisions of S. 2341, the Vocational Education Act of 1984. That bill has been reported out of the full Committee on Labor and Human Resources, and I am very hopeful that it will be given favorable Senate floor consideration when we return in July.

Third, our bill proposes an increase in the authorization for adult education. The provisions of S. 2496, the Adult Education Act Amendments of 1984, include an increase in the authorization in the first year and room for the figures supported in this legislation in the out years. S. 2496 has also been reported out of the Committee on Labor and Human Resources, and is now awaiting consideration by the full Senate. As in the case of the vocational education legislation, I am hopeful that my colleagues will act quickly and favorably on this bill when it reaches the floor.

Fourth, we propose two programs to assist gifted students. One of these would be a Federal merit scholarship program at the postsecondary level and the other would be a gifted and talented education program at the elementary and secondary levels. These programs are very necessary if we are to address adequately the needs of those young people who, in years ahead, we will turn to for leadership in all aspects of this Nation's economic, political, and cultural life. To fail to provide the assistance these students need to develop their potential would not only be wrong but would also rob our Nation of the full benefit of their talents.

We also propose two measures to improve instruction in science, math, and foreign languages. One would provide a special forgiveness incentive in the Guaranteed Student Loan Program for students who enter the teaching profession in math and science. The other is emergency legislation to improve science, math, and foreign language instruction at the elementary and secondary levels. Major provisions of this proposal have already been incorporated in S. 1285, the Education for Economic Security Act, which was approved by the Senate yesterday.

Title IV of the comprehensive bill contains a separate provision with considerable promise for innovation in vocational education and job training. This is the training technology transfer bill, which would facilitate the transfer and conversion of computerized training programs developed by Federal agencies which can be used to train the civilian work force, particularly for the benefit of small businesses. A hearing is scheduled tomorrow, June 28, before the Education Subcommittee on an independent version of this legislation, S. 2561, which I introduced on April 11.

Finally, I might note that the comprehensive bill includes in title VI, on international competitiveness, a section directing the Agency for International Development to encourage the application and use of American technology to promote service industries and infrastructure programs in Third World countries. I am happy to report that this section has already been incorporated into S. 2582, the foreign assistance authorization bill now pending on the Senate calendar.

Mr. President, the jobs for the future bill is far-reaching and visionary, but it stops short of unwarranted intervention in the free market economy. The fact that several of its component parts are already moving through the legislative process is indicative of the need for this type of legislation. I congratulate the distinguished minority leader and the distinguished senior Senator from Massachusetts, who chaired the task force, for their efforts and vision in developing this legislation and placing it before the Senate.

REAR ADM. JONATHAN T. HOWE

Mr. PERCY. Mr. President, it is with mixed emotions that I report to the Senate the departure of Rear Adm. Jonathan T. Howe from the State Department's Bureau of Politico-Military Affairs. He has served his country exceedingly well in that important position.

Admiral Howe has appeared before the Foreign Relations Committee on many occasions. His testimony and his answers to our questions were always candid, accurate, and insightful. He has a clear grasp of politico-military affairs and the interrelationships among the many diverse issues. He has been a solid supporter of our needed force modernization programs and a balanced, sensible arms control agenda.

His dedication to our Nation's security, his objectivity in analyzing the full range of politico-military issues that now confront our Government, and his persistence and success in pursuing solutions has been amply demonstrated. His contribution has been invaluable. We will all miss him.

Admiral Howe is leaving Washington in early July to assume command of Cruiser-Destroyer Group 3 in San Diego. This is an enormously important assignment with great responsibility and clearly demonstrates that the Navy also recognizes the value and potential of Jon Howe.

Mr. President, I wish to express my personal thanks to our friend Jon Howe and, on behalf of the Foreign Relations Committee, I wish him the very best in the future. In a different way, Jon Howe will continue to make his distinctive and vital contribution to our Nation's security.

TRIBUTE TO JAMES H. ROWE, JR.

Mr. BAUCUS. Mr. President, the force of Jim Rowe's hand was felt in American policies and politics for nearly half a century. His contributions will manifest themselves far into the future. For those who knew Jim personally, his memory will remain an important part of our private lives and our professional endeavors.

Jim's career transcended so much of America's history. From his clerkship to Supreme Court Justice Oliver Wendell Holmes, to his more recent role as a trusted adviser to America's Presidents, Jim retained his unique capability to communicate at all levels. His early years in Butte, MT gave him a sense of individualism that Washington found refreshing and powerful. Jim had the capacity to bring his western outlook to the most urbane situations, and his candor always went to the heart of any discussion.

Those who learned to listen to Jim's counsel found an intelligence tempered with a historical perspective unlike any I have ever encountered. Thinking back over the meetings I attended with Jim, I found that he was usually the last to arrive, and the first to leave. But despite his lack of patience for lengthy meetings, Jim spoke the least, and said the most.

Judicial nominations were one of the areas where I benefited most from Jim's advice. With reputations and professional careers on the line, he always gave sensitive and probing perspectives while fiercely fighting to uphold high standards for the legal profession he loved.

Jim's son captured the essence of his father's career and private life in his eulogy last Thursday morning. The Rowe family has made remarkable contributions to our Nation, and I mourn with them the loss of a unique man. I ask unanimous consent to have printed in the Record young Jim Rowe's eulogy, along with an abbreviated collection of Montana and National Press articles.

There being no objection, the material was ordered to be printed in the Record, as follows:

James H. Rowe, Jr., 1909-84

WASHINGTON NATIONAL CATHEDRAL, JUNE 21, 1984

Good morning. On behalf of the Rowe family, I want to thank you all for joining us to pay tribute to my father, James H. Rowe, Jr.

Before I begin, I have a personal message for my wife and my sisters. They have all told me that I must be short. Well, the other lady in my life has overruled you. Mom has asked her favorite son to take his time. So put your stopwatches away and relax.

Dad loved this cathedral. Although he was not a particularly religious person, he felt a strong attachment here, for it was on these grounds that all of his children were educated and his daughter Betsy was married downstairs in Bethlehem Chapel. After suffering a major heart attack in 1962, dad would circle the cathedral and Cleveland Park as he successfully regained his health. This regimen of walking in solitary splendor represented his own personal thanksgiving.

Dad's home is down the street from here on a sleepy alley named Highland Place. The Rowes have lived there for a third of a century in that rambling, whiteframe house. It has been and will remain our vantage ground.

I remember coming home from school one day in tears. "Mom", I cried, "politics stinks!" "Why?", she said. I explained that a favorite classmate would soon be leaving town because his father, a Congressman, had just been defeated. "That happens" she replied as she tried to console her 10-year old son with the prospect of summer rendezvous. "I'm glad that dad has never run for office and I hope he never will" I exclaimed. Mom responded, "wouldn't you even like the idea of daddy being the President and living in the White House?" "No", said I, "It's in the wrong neighborhood."

Our open door policy at home has been a magnetic force in this city. Individuals of all ages and backgrounds have camped there. Discussing and debating. Playing cards and playing charades. Hunting Easter eggs and hitting home runs. Campaigning and counseling. Celebrating and crying. The Bundys, the Whites, the Gesells. Mom and dad reigned but everyone was treated fairly. In talking about President Roosevelt's greatness, dad would always point to F.D.R.'s way with people. He said that "the boss" created a bilateral relationship with anyone he saw more than once. This was the rule at Highland Place.

This too has been a historical house:

The Kennedy administration trying to hush up Alfred, "Uncle Al", Friendly's scoop of the Cuban missile crisis during my parent's 25th wedding anniversary party;

President Johnson captivating us on Christmas Day 1968 and confirming once again dad's description of him being the most brilliant of Presidents that he had known;

Vice presidential candidates-to-be Humphrey and Muskie being quietly examined in an empty house after dad so thoughtfully exiled us to Cape Cod;

Senator Mansfield, his earliest friend and dad's most dedicated contemporary, weighting the position of majority leader with his fellow Montanan;

And Grace Tully, that most gallant of ladies, telling for the last time her memories of that fateful day in Warm Springs when she kissed F.D.R. goodbye.

I leave to historians dad's New Deal accomplishments and his political significance.

Dad was first and foremost a Montanan, a true man of the West. Independent. Skeptical. Proud. Irish. These were the characteristics of his parents, James and Josephine, and his sister Helen. His birthplace, Butte, Montana would flourish during his adolescence. Its population would exceed 100,000 by 1920 with 20,000 miners digging on what was called the "richest hill in Earth". After excelling in high school, his father sent him to a Jesuit preparatory school for seasoning. Worried that the priesthood might not be his son's best vocation, senior Rowe sent the younger east for college.

Dad arrived in Cambridge in 1927. Years later dad would thrust his 50th class reunion report in my face and tell me to turn to a certain page. "Oh no," said I, "Harvarditis has set in again!" "No, no," said he, with more that the customary twinkle in his eye. I was perplexed for I saw that he had marked not his own entry but the closing sentence of one of his classmate's entries which read—

"[T]he only classmate I've seen is Jim Rowe, whom some of us in McKinlock Hall in the freshman year of 1927-1928 came to know as that wild-eyed cowboy from Montana."

Dad did encounter some initial academic setbacks. His father quickly sent off a letter to the freshman dean stating, "my son is fairly big and he'd probably make a good truck driver. Do you think he'd be a better truck driver. Tell me and I'll take him out of there." This needling encouragement from afar contributed to his seven glorious years at the college and then the law school.

Dad's career was the law. He served as Justice Oliver Wendell Holmes last secretary. Justice Holmes had fought in the Civil War and talked to another soldier who had fought in the Revolutionary War. Imagine—our country's entire history has been witnessed by these three men. Dad and his beloved colleague Thomas "Tommy the Cork" Corcoran were with the Justice at his death. Later these two comrades would team together again in private practice.

Dad called his administrative practice "boring" and perhaps that is understandable for one who had drafted, executed and administered the laws of the New Deal. But for me, a trip downtown to 15th and K was a rare treat. Dad would practice law there for 37 years, in the same cubbyhole of an office. The hallways seeped with history but were utterly without pretension. Today a young associate would turn his nose up at such digs. But even, as a small boy, I knew that no other firm around had the infectious charm and brilliance of these special practitioners. Lady Bird Johnson, the best of first ladies and the finest of friends, visited our family twice during these last few days. She would call Corcoran, Youngman and Rowe "a firm of stars blessed with singular men."

Dad's love for the people in the companies he represented gave him his joy. In return he received unwavering loyalty from his clients. They too loved him as much as we do. He never retired.

Our childhood days at home were hardly tranquil. In his 25th class reunion report dad would describe us "as three entirely too young children, who alternately delight us and drive us to the outer edges of irritation and despair." Dad was no bargain either. At times he could be, as we all know, more than a little difficult. Although he may have first developed his distinctive bark during his "bird dog" days of the New Deal, he certainly honed his tongue on his offspring. The daily inquisitions at the dining room table were only made bearable by Rennie's and Ollie's cooking and mom's grace. Our school lessons paled in comparison to his masterly probing. He was silenced only by our asking him, "Parlez-vous Francais?" French was truly pa's greatest failing.

His older daughter, Betsy, however, soon stunned her father with her academic achievements. She too has already enjoyed a distinguished legal career. Like her mother she would marry a handsome and rugged westerner who came East for schooling and high governmental service. Together, Betsy and Doug Costle, would produce two grandchildren, Caroline and Douglas. Each brought dad much joy. "I have lived too long" he would say. "Imagine, my granddaughter has been named a Ronald Reagan academic scholar." Her decision, however, to go to Harvard next fall more than made up for it. "Douglas" he would boast to his classmates is a "superjock, the first in our clan."

His other daughter, Clarissa, whom I only half jokingly call "the favorite" child, would inherit dad's lighthearted and left-handed ways. From mom, she got her true eye for beauty and her passionate concern for the great outdoors. She married Stephen, an educator, soon to be businessman, and they brought Jessica Batzell into our lives. This delightful two-year old brightened dad's last years with her Shirley Temple curls and joyous personality. We pray, however, that Jessica possesses her mother's leftist leanings and not Shirley's political views.

I too would share dad's fondness for law, government and, most importantly, people. I too have benefited greatly from the needling and loving encouragement of a proud father. Not surprisingly, I married a beautiful, independent and demanding woman. On my wedding day, dad would whisper, "you too have married above yourself." Lisa's Yale education and banking background brought her much amiable ribbing from dad. She quickly atoned, however, by providing him with chocolates and by moving to Washington.

His godson Bardyl would resemble his second father with his thoughtful generosity, striking demeanor and zestful personality.

Dad's greatest accomplishment, bar none, was his marriage to mom. Adjectives can not begin to describe this magnificent lady. She first met dad almost 50 years ago at a party on Connecticut Avenue. As she recalled that meeting again last week", she said that they stayed up talking for hours. "At that time," mom would chuckle, "only Republicans could afford to throw parties. We were surrounded by them that night and it was as if father and I spoke Greek to one another." Her sister Jean gave us a few more details this week. Jean Friendly, the younger half of the glamorous Ulman girls, "it was scandalous. Jim and Libby sat on a bathtub and talked until dawn." Mom and dad continued to talk in their own special language for 46 years of married life.

Mom's career is also well known in this city. As a journalist, labor leader and urban planner, she too made history. In keeping with his liberal views, dad encouraged mom's work and was always her biggest supporter. She would turn down her fondest of friends, President Johnson, when he asked her to run the city of Washington. For at the same time, she oversaw what she so aptly called "the buttoning and unbuttoning" of dad's life, which by itself, was a full-time job.

Dad's handling of the practicalities of life never changed over the years. His old roommate judge, Reilly would pack the groom's belongings for my parents' trip to Montana to show off the bride. Thinking that the porter would expect a young man on the way up to have at least two bags, Uncle Gerry purchased a second suitcase and lovingly filled it with his old tennis balls. In return, dad told Reilly that it was time for him to leave his bachelor digs in order to keep an eye on dad's new marriage quarters. Reilly arrived on the doorstep for a needed rest and unlocked the door. The house was bare—father's only acquisition had been the extra key.

Mom and dad were true companions but physical proximity was not a necessary ingredient in this magnificent union. On dad's 70th birthday, mom would look on contentedly from afar as dad was surrounded at the head table by a representative sampling from his legion of younger female admirers.

During these last years of the Carter and Reagan administrations, dad would grumble that he had been relegated to the role of "accompanying spouse." this was particularly true when mom's position on the White House Historical Association would enable him to return to his old domain. Fortunately in the recent years mom and dad took the time "to smell the roses along the way," especially as they circled the globe together. Few men have ever travelled in such style.

As their children, we loved nothing more than their storytelling. The stories of their past experiences gave us many lessons for the future but our parents shared instead an intense curiosity about the here and now. As dad lay dying those last few days, he pointed to the Post and the Journal for the news of today and not at older tomes or clippings. This newspaper fetish would be remembered by all but most particularly by his children's spouses. They would wonder whether this idiosyncrasy arose from pa's surprising shyness or from his everlasting affection for news.

It is fitting that dad will be laid to rest at Arlington National. He rarely spoke about his war experiences and never mentioned his medals. At age 36, he left his second-ranking post at the Justice Department, his wife and young child for the Pacific Theatre Operations. Once again he experienced history first hand. One of his aircraft carriers, the U.S.S. *Sewanee*, was the first ship to be hit by Kamikazes, some 40 years ago during the battle of Leyte Gulf. His gun crew was decimated but dad survived to lead the firefighting that saved many lives and salvaged the ship. He would go on to receive two Presidential Citations for bravery, eight Battle Stars and a Naval Commendation Ribbon.

This remarkable valor would reappear later in life. First, as he survived a 6-week stay on the critical list after his heart attack and later, with his lengthy battle with congestive heart failure. He never ever complained about his physical ailments. After outliving by two weeks his doctors' and family's expectations, he drifted off in peace, surrounded, as he knew, by his family in the home he loved so much.

The only maxims he handed down to his children were the ones he said he had received from his father. First, never get in a fight with a policeman. Second, never bet against the Yankees.

Well, I learned from and listened to this marvelous man over the years. The lessons for my future children are these:

First, institutions change over time and the Yankees are no exception;

Second, do not let your ambition cloud your judgement;

Third, never retire;

Fourth, and most important of all, family and friends mean much more than power and praise.

Dad, to paraphrase your old mentor, Justice Holmes, "You touched our hearts with fire." You also touched our minds. You exemplified life as Justice Holmes defined it in another speech. He said: "I think that, as life is action and passion, it is required of a man that he should share the passion and action of his time at peril of being judged not to have lived."

My, how you have lived. Goodbye you wild-eyed cowboy. We love you. We shall miss you. Today we salute you. Tomorrow we shall begin to glory in your memory.

[From Great Falls Tribune, Jan. 15, 1938]

Butte Man Assistant to President's Son

James Roosevelt's job as liaison between the president and dozens of independent federal agencies has reached such proportions that a full-time assistant has been employed.

He is James H. Rowe Jr. of Butte, Mont., who will begin work in a few days. Now an attorney in the securities commission, he came here to join the NRA.

[From Great Falls Tribune, July 13, 1939]

President Appoints Butte Man—James H. Rowe, Jr., Is on Administrative Assistants' Staff

WASHINGTON, July 12.—President Roosevelt today named Lauchlin Currie of Maryland, William R. McReynolds of Michigan and James H. Rowe, Jr., of Butte, Mont., as three of the six administrative assistants authorized under the government reorganization act.

Currie now is an economist with the federal reserve board.

McReynolds is administrative assistant to Secretary Morgenthau in charge of treasury personnel.

Rowe is assistant to Brig. Gen. Edwin M. Watson, presidential secretary. He was formerly secretary to James Roosevelt, when the president's son was a member of the White House secretarial staff.

White House officials said they did not know when the three other aides might be selected.

The appointments do not require senate confirmation. The positions pay $10,000 a year.

The White House said however, that McReynolds is a civil service employee and would remain on civil service rolls, drawing his present salary while on duty at the White House in order not to lose civil service status and retirement privileges.

[From Great Falls Tribune, July 1, 1948]

MENTION ROWE TO SUCCEED GAEL SULLIVAN

WASHINGTON, April 30.—James H. Rowe, Jr., former White House staff member and government attorney, was reported today among those being considered for the job of executive director of the Democratic national committee.

Gael Sullivan has resigned the post, effective May 10, to become executive vice president of the Theater Owners of America.

Rowe, 38, is now a member of the Hoover commission investigating reorganization of the government departments.

He served in many capacities in the Roosevelt administration. For two years before the war he was an administrative assistant to the late president. A native of Butte, Mont., Rowe was on the Democratic committee staff during the 1936 campaign.

[From Great Falls Tribune, Apr. 3, 1983]

YOUNG MONTANAN HELPED F.D.R., BECOME D.C. "INSIDER"

Butte native James Henry Rowe, Jr., 73, is a well recognized Washington, D.C. "insider" who came to the city in 1934 as a law clerk for the retired Supreme Court Justice Oliver Wendell Holmes and was one of the bright young men who helped President Franklin Roosevelt implement the New Deal.

Rowe's father ran a real estate and insurance business as Lawlor and Rowe in the Rialto Building at the corner of Park and Main in Butte. He was also in the paint business on Granite Street. He owned the Rialto Theater.

Rowe, still active in the practice of law, finished high school at a Jesuit prep school in Santa Clara, Calif., after a Butte High School teacher's suggestion that he go to school there.

He went to Harvard and got a law degree, returning to Butte only during the summers to work as a reporter for the old Butte Daily Post where he did most every kind of job available. "Wasn't everyone a reporter at one time?" he asked in a telephone interview.

After law school in 1934 he went to work for Frank Walker, a Butte native who had become a lawyer and theater owner in New York City and was running the National Emergency Council, Roosevelt's coordinating group to keep all the new agencies straight.

Later that year he went to Holmes' office on the recommendation of Felix Frankfurter, a Harvard law school faculty member and later a member of the high court himself.

"It was great working for a man like that: he was a wise old man." Rowe said of Holmes, who was in his 90s. "We talked a great deal about the Civil War in which he was a combat officer."

When Holmes died in 1935 Rowe was invited to join the Reconstruction Finance Corp, the federal agency involved in economic development, by another of Holmes' former law clerks Thomas G. Corcoran, who became known as "Tommy the Cork," a well known architect of much of Roosevelt's regulatory legislation.

It began an association with Corcoran that ended with Corcoran's death in 1981. After World War II Rowe joined Corcoran in private law practice.

Other jobs Rowe held during the Roosevelt years included working for the Democratic National Committee during the 1936 campaign, assistant to James Roosevelt, FDR's oldest son then secretary to the president in 1938, and administrative assistant and confidant to F.D.R. from 1939-1941.

He also worked at Department of Labor, Public Works Administration, Department of Justice and Securities and Exchange Commission during the Roosevelt years.

"Lawyers moved from one agency to another quickly," he said.

Rowe served in the Navy on aircraft carriers in the Pacific as a lieutenant during World War II.

When he returned from the war he served as a technical adviser at the Nuremberg trials of war criminals accused of mass murdering Jews. Then he worked on the government reorganization effort known as the Hoover Commission as an attorney.

Rowe chuckled about his appointment to the commission by House Speaker Sam Rayburn, noting that a New Dealer like himself was probably a thorn in former president Herbert Hoover's side.

He started in the private practice of law in 1948 and then entered the partnership with Corcoran and since has been what the Washington Post calls a "back-room power" in Democratic politics.

Rowe recently gained renewed public attention with the publication of Robert Caro's biography "LBJ: Rise to Power." In the book Caro tells how Rowe befriends a young, ambitious Texas congressman in the late 30s, getting him access to Roosevelt and thereby helping launch Lyndon Johnson's eventual rise to the presidency. "When Johnson wanted to see the president he started with me," said Rowe.

The book shows Johnson as a double-crossing, conniving politician with little substance, fueled only by the desire to become president of the United States, with a drive that would stop at nothing to attain that goal. Rowe has nothing but contempt for the book and Caro. "I can't say enough bad about him (Caro)," he said.

During Johnson's presidency Rowe said he spoke often with the president and was offered positions which he turned down.

Rowe credits his position in the FDR administration to the president's lack of prejudices against the young. "He would try anything and he tried not to be bound up by the Civil Service," said Rowe.

Although Rowe always has held lofty position or great influence since leaving Montana, he never has forgotten his roots.

He has stayed in touch with the state's congressional delegation and returns occasionally. The most recent visit was a year ago to Butte while on a trip to Seattle. He said he stopped to see friends including Jack and Bob Corette (retired Montana Power Co. officials) and Jack McCaffery, a Butte lawyer.

He no longer has any family in the state nor any property however.

Rowe also has raised money for Montana congressional candidates over the years.

Rowe recalls growing up with Montana's former U.S. Sen. Mike Mansfield, who became majority leader and is now ambassador to Japan.

"He (Mansfield) will tell you I was manager of his campaigns," said Rowe. "But he never needed a manager. I raised money for him and we were very close while he was here and I have visited him in Japan."

He believes Mansfield will hold onto the ambassador job despite rumors that he plans to resign. "The job is not as tough as being in the Senate," he said.

Rowe thinks the late U.S. Sen. Lee Metcalf was the brightest representative Montana has sent to the Senate in his time.

His feelings about the late U.S. Sen. Burton K. Wheeler are mixed. "He was a very good senator in the earlier days. I didn't think much of him in the later years although his children are friends of mine. He turned against Roosevelt and was wrong in his foreign policy." Wheeler fought U.S. entry into World War II.

Although Montana has been blessed with strong Senate delegations, the current senators, Max Baucus and John Melcher, don't measure up to senators of the past, he maintains. "Take a Metcalf and a Mansfield at the same time. That's hard to beat," he said.

Rowe thinks that Reagan's economics are "a lot of nonsense." "I don't understand Reaganomics and I don't think Reagan does," he said.

He thinks the economy is heading in the direction of a depression and believes that government should react to it in the way Roosevelt did by creating public works programs. He was encouraged by passage of a Civilian Conservation Corps bill backed by Reagan but doesn't think there are enough jobs in it.

Rowe said he doesn't know who will be the Democratic nominee for president in 1984; "I'd say Mondale but I'm not certain." He thinks Mondale would be the best candidate for Montana because of the similarities between Montana and Minnesota.

He thinks Senate Minority Whip Alan Cranston, D-Calif., is the most able candidate running for president however.

JAMES HENRY ROWE, JR.

"I was 28 when I first went in the White House," James H. Rowe Jr. recalled in an interview last year about his life and times in Democratic politics since the New Deal. "Roosevelt said, 'Your job is to be a bird dog.' I said, 'What does that mean?' 'Just run around town and find out what's happening.' So that's what I said. . . . Pretty good job." And quite an understatement, as any veteran of the Washington political scene knows. Mr. Rowe, who died Sunday at the age of 75, did "run around town" for more than 40 years, from the back rooms of party power to those centers of the capital city where legislative ideas were brewing in the charged atmosphere of the New Deal.

Political Washington was quite different then, Mr. Rowe would note, describing the tight White House circle in which FDR's trusted assistants with "a passion for anonymity" worked long and furiously on legislation, rules, regulations—and the votes to put them on the books, which was one of the missions Mr. Rowe executed with polish and results. "There were three secretaries and, I think, one assistant secretary. . . . While we were building the arsenal for democracy and getting ready for the war, it started expanding. It's never stopped since."

Together with his colleague in the White House then and in law practice later, the late Thomas G. Corcoran, Mr. Rowe relied on a combination of personal contacts, charm and exchanges of valuable information to brief presidents and to road-test presidential ideas. To Democrats, he would become, and remain until his death, a respected "professional politician" whose commitment to his party's progressive interests and its long-term strength did not yield to the passing fancies of any wing. Mr. Rowe was a man marked by humor, loyalty and great generosity—and one who affected a certain curmudgeonly, almost playful crankiness, lest anyone say what a nice guy he really was.

He once noted of young congressman Lyndon Johnson, "He had tremendous energy, swept around, knew everybody." This, of course, was precisely what Mr. Johnson and countless other colleagues, friends and admirers of Jim Rowe cherished over the years—and one of the things those who survive him will remember and greatly miss.

[From the Washington Post, June 19, 1984]

JAMES H. ROWE, LAWYER, AIDE TO FDR, DIES AT 75

(By J.Y. Smith)

James H. Rowe Jr., 75, who served in the White House under President Franklin D. Roosevelt and went on to play an influential but largely unheralded role in the political and governmental life of the capital for more than 40 years, died of a heart ailment June 17 at his home in Washington.

Mr. Rowe, a Harvard-trained attorney from Butte, Mont., came to Washington in 1934 as the New Deal was taking form. He contributed to the political, social and economic programs that gave it meaning and in the process sharpened his own perceptions of the people, events and power play in Washington. Thus his counsel was sought by occupants of the White House even though his formal government service lasted little more than a decade. By reason of his judgment, his influence was greater than the positions he held.

In addition, Mr. Rowe, to one degree or another, knew or worked for all of Roosevelt's successors. His own opinion was that Roosevelt was the greatest and Lyndon B. Johnson the brightest.

Mr. Rowe started as an attorney with the National Emergency Council. Soon after, he became the secretary to Associate Supreme Court Justice Oliver Wendell Holmes Jr., as great as honor as any that could befall a young lawyer at that time. A previous occupant of that position was Thomas. G. Corcoran, an innovator and power in New Deal circles and a man with whom Mr. Rowe was to be associated until Mr. Corcoran's death in 1981.

After a year with Holmes, Mr. Rowe worked for the Reconstruction Finance Corp. Later he was on the staffs of the Securities and Exchange Commission and the Public Works Administration, where he dealt with matters involving public utilities. Colleagues he met along the way, in addition to Corcoran, included Ben Cohen, an intellectual who shared FDR's vision of government for people, not interests; William O. Douglas, a member of the SEC and later an associate justice of the Supreme Court; Abe Fortas, a brilliant student of Douglas at Yale Law School whom Lyndon Johnson sent to the Supreme Court many years later; Rexford Guy Tugwell, a power in planning and agriculture; Raymond Moley, who later made a mark in journalism, and many others.

The issues were plain. In an interview with The Washington Post in 1983, Mr. Rowe recalled that "Rex Tugwell used the phrase that got him into trouble, saying 'We will roll up our sleeves and make America over." The press raised hell about it, and business. We privately thought that was just what we were doing, and it was clear that there was a black-and-white situation.

"The businessmen and bankers were bastards and we knew it, and something had to be done. And they thought we were bastards. We worked all the time on legislation or rules and regulations."

One of the important bills Mr. Rowe worked on was the Public Utilities Holding Company Act of 1935. He helped Corcoran and Cohen draft it. The sponsor of the bill in the House was Sam Rayburn of Texas, the speaker and a close friend of Mr. Rowe. The issue of public power was a rallying point for many of the warriors, young or old, of the New Deal.

The issue also was of prime importance to Lyndon Johnson, who won a special election to Congress in 1937. His job was to ensure the construction of the Marshall Ford Dam on the Colorado River and to provide electric power to the farmers and ranchers of the Texas hill country. He sought help from Corcoran, Fortas, Mr. Rowe and others.

By this time, Mr. Rowe had gone to the White House. Through Corcoran, he had garnered a job as a speech writer for James Roosevelt. This brought him to the attention of the president, who hired him as an assistant with an order to keep his eyes and ears open. In time, Mr. Rowe took charge of FDR's appointments.

It was because he could invoke the name of the White House that he was able to help Johnson not only with the dam, but with Johnson's work as chairman of the House Democratic congressional campaign committee. LBJ took over this work for the 1940 election. He dispensed money to Democratic candidates and saw that they got other favors, such as public works projects for their districts. On orders from FDR, Rowe used his access to cabinet departments and other agencies to see that these projects were forthcoming.

In "The Years of Lyndon Johnson: The Path to Power," a brilliant biography published in 1982, Robert Cargo gives a memorable picture of Mr. Rowe and Johnson awaiting returns on election night in 1940 and then sharing the good news with Roosevelt on the telephone from Hyde Park.

Mr. Rowe always described Roosevelt as a man of enormous charm. A favorite anecdote concerned a time that Mr. Rowe, then 29, advised the president to handle a personnel problem a certain way. The president said he would do as suggested, but do it in his own way. When Mr. Rowe persisted, the president replied, "I do not have to do it your way and I will tell you the reason why. The reason is that, although they may have made a mistake, the people of the United States elected me president, not you."

In 1941, after three years at the White House, Mr. Rowe went to the Justice Department as an assistant attorney general. During the latter part of World War II, he served in the Navy. In 1945 and 1946, he was an official of the Nuremberg war crimes tribunals.

He then returned here and went into a private law practice with Corcoran. He never retired.

Throughout his years in private life, Mr. Rowe remained a man known to the world of power and influence. His experience commanded respect and his views carried weight. In 1967, he headed a committee for the reelection of Johnson. When Johnson announced that he would devote full time to searching for peace in Vietnam and that under no circumstances would he seek reelection, Mr. Rowe gave his help to Vice President Hubert H. Humphrey, the eventual Democratic nominee.

But by his own account there never was a time in his life quite like the years of the New Deal.

"When Tommy Corcoran died I did his eulogy in the church," Mr. Rowe told this newspaper in 1983. "I said something about, 'With the possible exception of the Founding Fathers there's never been [such] a period.' And I'm not so damned sure about the Founding Fathers, but I didn't say so. They were pretty good, I admit."

Mr. Rowe's survivors include his wife, the former Elizabeth Holmes Ulman, whom he married in 1937, of Washington; three children, Elizabeth Rowe Costle of Falls Church, Clarissa Rowe of Arlington, Mass., and James H. Rowe III of Washington, and three grandchildren.

[From New York Times, June 19, 1984]

JAMES ROWE, NEW DEAL AIDE AND AN ASSISTANT TO ROOSEVELT

(By Seth S. King)

WASHINGTON, June 18.—James H. Rowe Jr., a lawyer and former special adviser to President Franklin D. Roosevelt, died Sunday night at his home here after a long illness. He was 75 years old.

Mr. Rowe, who was born in Montana, was one of the first and most active of the corps of young Harvard-trained lawyers, known as the Brains Trust, who streamed into Washington at the beginning of Roosevelt's first term.

As one of the original New Dealers, Mr. Rowe quickly became a familiar and prominent figure in Depression-era Washington as he marched through the layers of the new bureaucracy. His New Deal career started with the post of attorney for the National Emergency Council, which became the creative center for the myriad New Deal agencies, and ended in 1943, when he began a two-year hitch as a Navy lieutenant in the Pacific.

His peak of influence and prominence in the Roosevelt years was reached in 1938, when he served in the White House as a special assistant and policy-maker.

HEARTS TOUCHED WITH FIRE

A warm, witty man who often drew laughs with his self-deprecating humor, Mr. Rowe may have best described himself in the eulogy he delivered at the funeral of Thomas G. Corcoran, another of Roosevelt's Brains Trust and Mr. Rowe's postwar law partner. Mr. Rowe quoted from a Memorial Day speech of Justice Oliver Wendell Holmes, saying the following phrase could well be applied to the young New Dealers as well as to Mr. Holmes' old Civil War comrades: "Through our great good fortune, in our youth our hearts were touched with fire."

In the years from 1934 until his war service, Mr. Rowe detoured for a brief period in 1935 to serve as secretary to Justice Holmes and again in 1936 to work for the Democratic National Committee.

In the other years of the New Deal, Mr. Rowe served with the Reconstruction Finance Corporation, which provided emergency loans to thousands of small businesses failing in the Depression; with the Public Works Administration, the agency that helped start the New Deal's hundreds of public works projects, and with the Securities and Exchange Commission.

After serving as a technical adviser to the International Military Tribunal that tried

Nazi leaders at Nuremberg, Germany, Mr. Rowe began a successful private law practice in Washington with Mr. Corcoran.

Soon after, Mr. Rowe cheerfuly admitted to friends that he and many of his New Deal colleagues had stayed on to Washington to do very well indeed financially. "But quite frankly," he said, "a lot of us are bored to death."

Confessions of boredom seemed strange to Mr. Rowe's acquaintances who watched him serve on scores of Federal boards and commissions, including the first Hoover Commission on Government reorganization and the Foreign Service Selection Board. He was also chairman of the joint United States-Puerto Rican Commission to advise the island's people on the impact of remaining a commonwealth or seeking statehood. From 1965 until 1971 he also was a member of Harvard's Board of Overseers.

In 1960 he managed Senator Lyndon B. Johnson's unsuccessful campaign to win the Democratic Presidential nomination. In 1968 Mr. Rowe was Vice President Hubert H. Humphrey's Presidential campaign manager.

He is survived by his wife, Elizabeth, former chairman of the National Capital Planning Commission; two daughters, Elizabeth Costle of Washington and Clarissa Batzell of Boston; a son, James H. Rowe 3d of Washington, and four grandchildren.

A memorial service is to be held Thursday at 11:30 A.M. at the National Cathedral here.

[From the Washington Post, June 24, 1984]

UNDER THE INFLUENCE OF JAMES ROWE

(By David S. Broder)

James H. Rowe Jr. was a member in good standing of the Washington Establishment. When he died last week at the age of 75, the obituaries—particularly a touching reminiscence by Cokie Roberts on National Public Radio's "All Things Considered"—made the appropriate point that he was almost the last of a generation.

He was a law clerk to Supreme Court Justice Oliver Wendell Holmes Jr., a young staff man at Franklin D. Roosevelt's White House, the draftsman and lobbyist for some of the key legislation of the "second New Deal." He was a Justice Department official, a member of the prosecution staff at the Nuremberg war crimes trials and the principal author of the original draft of the famous political strategy memo for Harry S. Truman's 1948 election upset. As an influential Washington lawyer, he was the personal and political counselor to Lyndon B. Johnson, Hubert H. Humphrey and a host of other Democratic officeholders, plus the occasional Republican who had the good sense to seek his advice.

As a Washington insider, he was an object of suspicion by class, if not by name—to a wide variety of the city's critics. He exemplified what Ronald Reagan derided as "the Washington buddy system," what Jesse L. Jackson calls "the power structure," and what Gary Hart terms "the old arrangements," as a source of corruption to the democracy.

For 50 years, Jim Rowe was a walking refutation of those suspicions. He moved among—and became one of—the politically influential without ever losing the down-home directness and instinctive democracy he brought east with him from his home in Butte, Mont. Harvard Law School did not saddle his speech with legal or bureaucratic euphemisms. He was as candid in his expressions and as devoid of flattery as his longtime friend from home, former senate majority leader Mike Mansfield, for the last eight years the venerated U.S. ambassador to Japan.

I met Jim Rowe at a Midwest Democratic conference in Milwaukee in 1959, where he was undertaking some volunteer missionary work for his friend Humphrey in advance of the 1960 presidential campaign. Inside the first five sentences, he was telling this totally inexperienced reporter that the rather prominent Democratic politician I had been interviewing "isn't worth a damn. He's as dumb as dirt." He was right.

That conversation began a friendship and informal political tutorial that continued until his death. The last conversation—during the spring—focused on the fumblings of Walter Mondale's campaign, the fortunate political circumstances of President Reagan, and the parallels, real and imagined, between 1984 and Truman's 1948 upset year.

Thinking back over the hours of talk over the 25 years, I realize that the first comment was characteristic. If there was one thing Jim Rowe could not tolerate, it was political incompetence. Amateurism offended him. His establishmentarianism was nonelitist. He reminded everyone that the New Deal—which he regarded as a political creation second only to the original Constitution—was the handiwork of young and previously unknown people. Long after his own generation had reached and passed the pinnacle of power, he would ask, "Who's good among the new people? Do you see any new stars?"

But he understood clearly that it takes a special order of intelligence and skill to make the American political system operate at its highest levels and at its full potential, and that the proper training ground for that leadership is politics itself.

In a 1983 interview, he told Robert G. Kaiser of The Washington Post: "I've always felt that we ought to pick our presidents from a very narrow class. They all ought to be professional politicians. They should have spent their lives at it. You can see that in Roosevelt. I think the most important part of his life, that people never watch, was the eight years here as assistant secretary of the Navy. He knew everything about Washington before he became president. He was governor of the largest state and therefore had to be a good administrator. He had one campaign as vice president under this belt. He was a very experienced, professional fellow."

He was equally clear-eyed on the limitations of experience. Though Johnson and Humphrey and Mansfield were among his closest friends, he was anything but romantic in his view of the U.S. Senate and its products. "If you gave me one amendment to the Constitution I could draft, pass and ratify myself," he once remarked, "it would be: No Senator of the United States shall be eligible for the office of President. . . . Those fellow can't run anything."

I mourn the loss of a friend and teacher. This city and this country have lost a great citizen.

[From the Washington Post]

DEMOCRATS ARE RUNNING HARD BUT MAY HAVE LOST THEIR WAY

(By Haynes Johnson)

Of Jim Rowe's funeral it can be said that it served as a perfect celebration of past achievements mixed with sorrow at a passing political era that he represented superbly.

Everything combined, as it should have, to produce a sense of the changing of the guard.

The day itself marked the shifting of seasons from spring into summer. The setting inside the grand Washington Cathedral was appropriately stately. The mourners evoked a sense of fleeting time: the ranks of the old New Dealers assembled to pay last respects to one of the best of their breed were notably and visibly diminished.

His minister contributed to the feeling by reading, from Ecclesiastes, the famous verses beginning: "To every thing there is a season, and a time to every purpose under the heaven: A time to be born, and a time to die. . . ." His son, in a eulogy, touched chords of history. He recalled that his father, as a young attorney newly come to Washington from Harvard by way of Montana, had been secretary to Oliver Wendell Holmes Jr. in 1934.

That great Supreme Court justice, grievously wounded as a Union officer during the Civil War, liked to tell his young assistants of his acquaintance with a Revolutionary War soldier. And Rowe, in the recounting, would wonder aloud at his good fortune to know an extraordinary man whose experience spanned all of American history—just as he himself would become so closely associated with another great public servant, Franklin D. Roosevelt, whose political leadership profoundly affected American life long after his death.

It was a splendid service and, for this observer at least, something else: a requiem for the present sad state of the Democratic Party that James H. Rowe Jr. served so well.

Democrats, despite the popularity of the Republican White House occupant, enter this presidential election campaign with numerous advantages.

They remain the majority political party. They have increased their hold over the nation's statehouses and claim 35 of the 50 governors. They continue to control city halls by a vast margin. They have added to their overwhelming superiority in the House and stand a fair chance of regaining control of a Senate they have lost only once in two generations.

Unlike Republicans, whose ranks are composed primarily of elder, wealthier, white men, Democrats have politically positive demographics: more women, professionals, workers, minorities and more "average" Americans.

They have, in fact, about every advantage but one, and that is the crucial, fatal, missing factor. They don't stand for anything.

At no point in recent political history have Democrats so resembled a collection of miscellaneous groups bound largely by one guiding principle, self-interest.

Their three leading figures after the primary process speak to three different constituencies: Jesse Jackson for the blacks; Gary Hart for the successful, well-educated young, Walter Mondale for struggling older citizens. The task, it is said, is for them to "unite" when they convene in San Francisco next month. But unite around what? What is the glue, the cement, that binds them? Aside from parceling out more individual rewards for blacks, unions, women, gays, Hispanics, teachers, the elderly, what specifically do they represent?

Democrats lack a cause, a passion, a sense of identity and clearly definable political purpose that Americans can understand and support.

Even voters who say they will support the Democratic presidential nominee this year often are motivated by a negative spirit. They are against Ronald Reagan more than they are for the Democrats.

A recent letter from a woman in Virginia, disputing a point made here about Reagan, was a case in point.

"I think you're wrong," she writes, "as many others are, too, when you say many people are affected by the president's choking back tears, pumping iron, making patriotism fashionable again, etc. These things have nothing to do with arms control, fairness, the national debt and interest rates! I feel sure there are many people out here who feel the same way. Time is running out on me (73 yrs.) I've voted for over 50 years, but once again, like so many other times, I'll be voting *against* someone (Reagan). Just one more time, I'd like to vote *for* someone!"

At this point in their history, the same question can be asked of the Democrats. What are they *for?* Unless they convincingly answer that question, they will not regain control of the White House, nor will they deserve to.

On the day before Jim Rowe's funeral, a political trip took me to Bridgeport, Conn., a Democratic stronghold. It provides an example of the kinds of political problems dividing and weakening Democrats.

One Democrat there offered an analysis of the party's condition worth passing on. He's Tom Bucci, 36, a liberal attorney and political activist whose grandfather immigrated from Italy to Bridgeport. When it comes to political philosophy, Bucci has no doubt about where he stands. He says the FDR progressive tradition of the Democratic Party deeply influenced his parents and continues to affect him.

Jim Rowe, who helped craft much of the best of that FDR New Deal record, would have been pleased at Bucci's words and passionate political convictions.

"The party's still recoiling from Reagan's defeat of Carter," Bucci said intensely, gesturing vigorously. "It's in a quandary—not a state of flux—a quandary. A state of self-doubt, you might say. We have to move forward, but we also have to go back to traditional Democratic principles. We're here to serve the people and we're interested in fairness. In the last off-year elections, the Democrats hit on the theme that Reaganomics was not fair. We've lost that thread. That should be our unifying cry. The fairness of the Reaganomics and the Reagan policies have to be attacked. We can unify behind that.

"We have to be sure the policies of the Democratic Party are attuned to the present times and present conditions. But we don't have to be apologetic or defensive about our principles. They're still good: government is there to serve the people and help the people, and it's not there just to serve private industries and corporations and business and to fine-tune the tax code for their benefit and their purposes."

Bucci won't be at the Democratic National Convention in San Francisco next month, and that's a pity. The delegates, and the entire party, could profit from his views.

They ought to invite him there to speak. I'll bet Jim Rowe would be the first to cheer if he could.

REMARKS BY MINISTER FARRAKHAN

Mr. GLENN. Mr. President, earlier this month I took the floor of this Chamber to denounce an irresponsible attack on the character of my Senate colleague from Ohio. Today I rise to condemn an equally irresponsible attack by a man who has affiliated himself with my own political party.

Last Sunday, Nation of Islam leader Louis Farrakhan described Judaism as—and I quote—"a gutter religion" and further suggested that those nations, including the United States, which helped to create Israel and which now support her are—and again I quote—"criminals in the sight of Almighty God".

Nor is this the first time that Minister Farrakhan's rhetoric has transcended the bounds of propriety and decency. A few weeks ago, he described Adolph Hilter—the butcher responsible for the slaughter of 6 million Jews—as—and again I quote—"wickedly great". Prior to that, Mr. Farrakhan threatened the life of a journalist whose only crime was to have reported the truth.

What has emerged here, Mr. President, is a pattern; an ugly pattern of racist rhetoric and incendiary language—and a pattern of behavior that has no place in the political process of our Nation.

Now I recognize that there are those who insist that Minister Farrakhan is merely exercising his right to freedom of speech. Others may say that his words have been taken out of context. But let us be honest with one another. There is no context which could possibly justify these remarks—and no excuse which could possibly explain them away. And in my judgment, the fact that Mr. Farrakhan has attached himself to the Presidential campaign of a prominent Democratic candidate impels our party to repudiate those remarks in the strongest possible terms.

Indeed, if there is one thing we Democrats have long stood and spoken for, it is for an end to bigotry, hatred, and intolerance.

What we need now in the United States is not more hostility between races or religions.

What we need now is not more reckless talk that sows suspicion between blacks and whites or Jews and Gentiles.

And what we need now is not more self-appointed spokesmen for Democratic candidates who call into question Israel's fundamental right to exist in freedom and security.

What we need now are those who will reassert our commitment to Israel and who will reaffirm our call for racial and religious harmony.

What we need is, in the immortal words of Dr. Martin Luther King—

> To speed up that day when all God's children, black men and white men, Jews and Gentiles, Protestants and Catholics, will be able to join hands and sing in the words of the old Negro spiritual, "free at last, free at last, thank God Almighty, free at last."

Mr. President, that is the kind of society the Democratic Party must seek—and that is the kind of society that "in the sight of Almighty God"—God willing, we shall one day have. Toward that end, I am today calling upon all Democrats of conscience to repudiate the vicious remarks of Minister Farrakhan—and I call upon Minister Farrakhan to cease his outrageous assaults upon the deeply held values and convictions of the Democratic Party.

PAUL NIPKOW TELEVISION AWARD

Mr. PERCY. Mr. President, 1984 marks the 100th anniversary of an invention which literally transformed the way we look at our world. In 1884, a German inventor, Paul Gottlieb Nipkow, received a patent for the first complete television system.

Mr. Nipkow created an electronic scanning device, since known as the Nipkow disk, which revolutionized the development of television. He showed in principle for the first time how a picture could be transmitted electrically, and he developed the necessary technology to realize his vision. His idea was to dissect pictures with a light-sensitive cell, a lens, and a rotating scanning disk. As a result of his breakthrough, Paul Nipkow received a patent in 1884 in Germany for a complete television system. In February 1928, the Nipkow disk was used to send a picture 3,000 miles by radio from London to New York City.

The Los Angeles Center of Television Study of the National Association for Better Broadcasting has proclaimed 1984, "Nipkow Centennial Year; Development of the First Television System," in tribute to the achievement of this remarkable German inventor. The Greater Los Angeles Press Club has joined in honoring Paul Nipkow in 1984. The purpose of the Nipkow Centennial Year celebration is to "stimulate accelerated worldwide study of television history and to provide an opportunity to undertake a review and analysis of television's impact on society."

Starting this year, the Los Angeles Center of Television Study will provide annual awards called the Paul Gottlieb Nipkow Memorial Awards. The awards will be given to individuals who have contributed significantly to the world communications field.

I commend the Los Angeles Center of Television Study and its director and my friend, Syd Cassyd, for creating the Nipkow Award. As we recognize the 100th anniversary of television, we should pay tribute to Paul Gottlieb Nipkow, whose knowledge and insight has so greatly affected the way we look at our world. I ask unanimous consent that the proclamation by the Los Angeles Press Center be inserted in the RECORD.

There being no objection the proclamation was ordered to be printed in the RECORD, as follows:

[By The Greater Los Angeles Press Club]

NIPKOW CENTENNIAL YEAR

A PROCLAMATION

The Center of Television Study of the National Association for Better Broadcasting has proclaimed 1984 Nipkow Centennial Year; Development of the First Television System. Its purpose is to stimulate accelerated worldwide study of television history and to provide an opportunity to undertake a review and analysis of television's impact on society.

Television systems have taken on an increasingly vital role in every facet of economic, political and social programs. It has expanded in entertainment, medicine, education and government. While there have been remarkable advances in both the technology of television and its applications few people give much thought to the pioneers such as Paul Gottleib Nipkow, whose name and contributions to the art and science of television is known to very few people.

Experimentation in the combination of light-sensitive materials and electrical force were made as early as 1873, historians tell us, and Mr. Nipow laid down his principles of television operation in 1884. This became the basis for all television developments until television tube patents were applied for in the United States in 1923. Nipkow's invention was used for that first 50 years of television.

Through partnership of all elements of the television arts and sciences, we now have an opportunity to promote a greater understanding of science and mass communications.

Now, therefore, in keeping with the goals of the Greater Los Angeles Press Club, through its Foreign Press Relations, in expanding the role of the press, we join in saluting this Nipkow Centennial Year 1984.

JO MOSHER, *President.*

DEMOCRACY AND HUMAN RIGHTS IN TAIWAN

Mr. KENNEDY. Mr. President, Chiang Ching-kuo was inaugurated on May 20 in Taipei for his second term. He pledged to "advance constitutional democracy by communicating more openly with the people concerning their wishes." Mr. Lee Teng-hui was sworn in as Vice President. This was an historic first—the first time a native-born Taiwanese who had never lived on the Chinese mainland assumed this post.

Sunday, May 20, also marked another occasion—the 35th anniversary of the Kuomintang's declaration of a state of emergency and the imposition of martial law on the island. Many Taiwanese have been in jail cells for years and are in prison today because martial law continues.

The inauguration of a president could have been an occasion for compassion. Apparently it was not. It could have been an occasion for magnanimity. Regrettably, it was not.

For those in military prison, Sunday instead was another bleak anniversary of martial law. Three weeks ago a dozen prominent opposition leaders—both in and outside prison—staged a hunger strike to protest the lack of democracy, and to urge the release of political prisoners and an end to martial law.

The time has long since passed to lift all martial law restrictions. Unlike in 1949, there is no serious threat of military invasion. Taiwan has developed a capable defense force. Democratic government, however, can never flourish under the repressive measures associated with martial law. They suppress legitimate debate and restrict participation in the political process. They violate fundamental human rights. And they undermine Taiwan's relations with the United States.

Taiwan is no longer a society on a war footing. Its economic achievements have been hailed throughout the world. Per capita gross national product is the fourth highest in East Asia. It is our sixth largest trading partner. Inflation and unemployment have been kept at low levels. Land reform and other policies have narrowed dramatically the gap between the rich and poor on the island.

But progress toward democracy and restoration of respect for human rights has not kept pace. Martial law is an obstacle on the path toward genuine civil liberty in Taiwan. Because of continued reliance on martial law and its associated provisions, basic liberties are still denied on Taiwan. Restrictions remain on press and political freedom. Formation of such basic institutions of democracy as new political parties is banned. Political and religious leaders remain subject to arrest and imprisonment. Military tribunals mete out tough sentences to civilian defendants. When security forces step in under martial law provisions to counter what they consider "subversion," as they did in Kaohsiung City on December 10, 1979, the results are harsh.

Legislative and religious leaders—including Rev. C.H. Kao, the courageous leader of the Presbyterian Church, and Assemblyman Lin Yi-hsiung—remain imprisoned.

Some progress has been made. Native Taiwanese dominate local elections and now constitute over 80 percent of the ruling Kuomintang Party. Restrictions have been reduced in practice on freedom of speech and assembly. Last year nine long-term political prisoners were released from military jail; and seven civilians imprisoned on lesser charges in connection with the Kaohsiung Incident were released from civil prisons.

But these steps do not lessen the urgency of releasing political and religious leaders and ending abuses to human rights, which many members of the legislature on Taiwan have courageously advocated.

Ties between the United States and the people on Taiwan are based on a clear American commitment to their security and well-being. I am proud of my own role in the Senate as a principal sponsor of the Taiwan Security Resolution, now part of the law of the land. In that resolution, Congress reassured the people on Taiwan about our concern for their security and prosperity and for lasting peace in the area.

The legislation on which our ties are based also reaffirm as an American objective "the preservation and enhancement of the human rights of all the people on Taiwan." Political repression on Taiwan blight our mutual interest and strains that friendship. Only the full restoration of individual liberty is a sound basis for continued, close ties between our two peoples. Our relationship deserves nothing less.

On this 35th anniversary of martial law on Taiwan, I renew my call for the release of political and religious prisoners. I renew my call to the authorities on Taiwan to guarantee basic human rights and liberties—including freedom of speech, freedom of assembly and freedom to organize political parties. I renew my call to broaden further participation in the Government by all inhabitants of the island. And I renew my call for an end to the repressive reign of martial law and associated emergency provisions.

DEMOCRACY IN PANAMA

Mr. KENNEDY. Mr. President, the people of Panama recently held a national election for the Presidency of that country. The election was very close, and it was hotly contested. Although some groups have claimed that there were certain irregularities in the counting of the votes, one thing is clear and beyond dispute: the candidates ran robust, open, genuinely competitive campaigns. The voters of Panama were free to participate openly and aggressively, and the issues were fairly presented to the electorate.

The people of Panama deserve congratulations for their commitment to the democratic process. We know that the democratic process is frequently untidy and often frustrating. But it is also the single best hope for maintaining human freedom and achieving peaceful change.

Now that the results have been certified, the people of Panama should unite behind their new President, Nicholas Barletta. We know Mr. Barletta to be a dedicated public servant and a committed democrat, and I believe that he will be a great leader of the Panamanian nation. The real test for the people of Panama will now be to look beyond narrow partisan interests and to work together on behalf of the greater good, for the common welfare of the people of Panama.

I recently met with an old friend, Ambassador Gabriel Lewis, from Panama. My colleagues will remember the pivotal role that Ambassador Lewis played in negotiating the Panama Canal Treaty. He also played an important and influential role in securing the release of our hostages from Iran.

In the course of my meeting with Ambassador Lewis, we discussed the hopes and aspirations of the Panamanian people. While great progress has been made in Panama in recent years, there is much yet to be done. The future stability of Panama depends upon the ability of the Panamanian people to continue their extraordinary record of economic growth and development. The people of the United States should be ready, willing, and able to extend a helping hand to the people of Panama in these next few years, as they embark on a new administration and a new experiment in democratic government. We wish them good luck and Godspeed.

INTERNATIONAL WEEK OF SOLIDARITY WITH ETHIOPIAN JEWS

Mr. PERCY. Mr. President, this week, June 24-July 1, is the International Week of Solidarity with Ethiopian Jews. Throughout the week, friends of Ethiopian Jews around the world have joined to show support for the dwindling Ethiopian Jewish community. In my State of Illinois, a number of rabbis who are members of the Chicago Board of Rabbis have held special events and dedicated special prayers to mark the occasion.

Only 14,000 to 17,000 Jews remain in Ethiopia, which once hosted a vital Jewish community of half a million people. In spite of centuries of oppression and forced assimilation, the Jews of Ethiopia have managed to preserve their faith and their heritage for 2,750 years. Today, they are faced by the problems of civil war, severe drought, disease, and continuing restrictions on the free practice of their religion.

The American Association for Ethiopian Jews, whose national office is located in Highland Park, IL, has worked tirelessly on behalf of the oppressed Jews of Ethiopia. I commend their leadership, including Nathan Shapiro and Marilyn Diamond, and I join them in the hope that the Jewish community of Ethiopia will be saved. In this week of solidarity, let us all demonstrate our unity with this unique people who have preserved their tradition with such tenacity and strength.

U.S. AIR FORCE CONTRACT PROMOTES AFFIRMATIVE ACTION FOR THE CATHOLIC MINORITY IN NORTHERN IRELAND

Mr. KENNEDY. Mr. President, earlier this year, Shorts Bros. of East Belfast in Northern Ireland won a multiyear $600 million contract from the U.S. Air Force for 18 Sherpa transport aircraft and support services to facilitate troop deployments in NATO. The contract was awarded after a lengthy international competition—and after a commitment by Shorts to pursue an affirmative action program to hire additional Catholic workers and to insure that the benefits of this major contract will flow more fairly to both the Protestant and Catholic communities.

The Shorts plant is located in a Protestant section of Belfast and has an overwhelming Protestant work force. After the contract was awarded, however, there were indications that one of the steps the firm might take to meet Catholic recruiting goals was an expansion of its operations into West Belfast, the Catholic section of the city.

Earlier this week, the Irish News, a Catholic newspaper in Belfast, revealed that Shorts does intend to expand employment opportunities for Catholic workers by establishing a factory in West Belfast. I welcome this promising development and I ask unanimous consent that the article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Irish News, June 26, 1984]

WEST BELFAST CHOSEN FOR NEW SHORTS FACTORY

(By William Graham)

BELFAST.—Announcement is expected within the next few days that planemakers Shorts are to open a factory in West Belfast—initially employing 200 workers—it was learned last night.

The opening of a West Belfast plant will supplement Shorts' main operation in the east of the city.

Reliable sources told The Irish News last night that negotiations between Shorts' management and top officials from Northern Ireland's Industrial Development Board regarding the setting up of the factory are now at an advanced stage.

Sites for the operation have already been looked at and it is understood that the training section at the De Lorean factory may prove suitable.

Politically it is known that the important decision to establish a West Belfast plant is not unconnected with Shorts' winning a multi-million pound contract to build Sherpa aircraft for the U.S. Air Force.

Last night SDLP leader John Hume, when asked to comment on the expected announcement by Shorts, said he had always believed that the winning of the U.S. contract by the Belfast aircraft makers would be of benefit to all the people of Northern Ireland.

Shorts won the U.S. order in March against stiff international competition and in spite of a campaign by the American-based Irish National Caucus, who attempted to block it on the grounds that the firm allegedly discriminated against Catholics.

The U.S. contract is for 18 Sherpa aircraft for the USAF, with an option on another 48 planes, plus support services, which could add up to a total of 460 million pounds. Shorts spent more than 500,000 pounds in tendering for this order, which involved the preparation of 27 separate volumes totaling 10,500 pages.

In the teeth of Irish National Caucus opposition, Shorts received solid support from some key American politicians such as Tip O'Neill (Speaker of the House of Representatives) and Senators Edward Kennedy and Daniel Moynihan.

It is known that these politicians gave their backing after consulting SDLP Leader Mr. Hume, who had given his full support to the contract.

The Northern Secretary of State Mr. Prior and the management of Shorts were highly appreciative of work done to achieve the USAF contract, but there was an insistence by some leading American politicians, including Tip O'Neill, that Shorts had to show, through employment practices, indications of a more broad recruitment policy.

It is speculated that one of the reasons for locating in West Belfast was Catholics have been apprehensive of going to work at the Shorts factory in overwhelmingly protestant and loyalist East Belfast.

One way of getting over this problem was to look for a site in the west of the city and it is understood that Shorts' management were quite keen to do this.

A study by the Fair Employment Agency some years ago showed that only 4.5 percent of the firm's skilled workers were Catholics. The report pointed out that the company blamed lack of suitably skilled Catholics and pointed to the poorer rate of applications from Catholics for apprenticeship. Following this an FEA survey of recruitment to Shorts over the six months to September, 1983 showed improvement at recruiting level with a Catholic success rate of 7.84 percent of applications to a Protestant rate of 6.02 percent.

After the original FEA investigation, Shorts agreed to operate a program of affirmative action to increase the proportion of Catholics in the firm. In March, after Shorts landed the USAF contract, Mr. Prior expressed confidence that the aerospace company would employ more Catholics in its existing work force as well as in its future operations.

Also, at that time, company Chairman Sir Phillip Foreman described the U.S. contract as the best possible news for every one of the 6,000 workforce and probably the most significant order the company has ever received.

He said: "We always felt that we had the best aircraft for the job and that we would win if the contract was awarded on merit." This has been borne out by the fair way in which the U.S. authorities have conducted the negotiations with all the competitors.

However, in March, the Irish National Caucus Director, Mr. Sean McManus, suggested that the British government had won the contract because they were able to deceive the U.S. administration by quoting the FEA. This claim was rebutted by Terry Carlin, Northern officer of ICTU who pointed out that "Part of the company's bid included a commitment to honor fair employment practices in job creation."

In the U.S., the Caucus had circulated a report showing under-representation of Catholics in 21 categories of employment at Shorts.

CHAMPIONS OF ENDING WORLD HUNGER

Mr. CRANSTON. Mr. President, I am pleased to bring to my colleagues' attention the efforts of a group working to eliminate world hunger, World Runners International Foundation. By running an international relay race this summer, World Runners will draw attention to the tragedy of hunger and malnutrition. Along their route the runners intend to build the support of individuals and communities for working to end hunger-related deaths in the world.

The runners are already underway. Relay 1984 began June 12 from the United Nations in Geneva, Switzerland. The run through Western Europe and across the United States will take 54 days and include 9 countries—Switzerland, Austria, Germany, France, The Netherlands, Great Britain, Canada, Mexico, and the United States. The runners will carry a message, proclaiming that "Hunger is Unacceptable."

The efforts of World Runners exemplify the growing worldwide concern for the problems of starvation, malnutrition and disease caused by global food shortages. I commend the enthusiasm and hard work the World Runners are devoting to peace by working to end poverty and famine.

EDUCATION FOR ECONOMIC SECURITY ACT

Mr. BINGAMAN. Mr. President, I am very pleased to be a cosponsor of S. 1285, the Education for Economic Security Act along with 39 of my colleagues. This legislation reflects a strong bipartisan effort, incorporating the work of several Senators. Each ought to be commended for their contribution. The collective work represents the Senate's effort in the improvement of the quality of teaching and instruction of math, science, and foreign languages.

This bill is not the total answer, but it is a first step toward what I hope will be a sustained Federal interest and commitment for quality math and science instruction. The stakes are high. Amidst the mass of statistics decrying our comparative educational disadvantages with other countries, the Federal Government has the obligation to provide leadership and to curb further educational decline. As the National Commission on the Excellence in Education states:

> The educational foundations for our society are presently being eroded by a rising tide of mediocrity that threatens our very future as a nation and a people.

S. 1285 comes before us at a time when there is a demonstrable need for curative action in the math and science area. This is supported by education study after education study deploring the current state of American education. The acute shortage of trained math and science teachers and the qualitative decline in math and science instruction has repeatedly been highlighted as a critical area that needs our immediate attention.

I serve on the Armed Services Committee and continually see how our scientific and technological literacy impacts on our economic well-being both nationally and worldwide, and how it impacts on our national defense.

The future job market will require that young people have scientific and mathematical skills. For example, within the next 7 years it can be anticipated that the number of data processing mechanics is expected to grow 148 percent by 1990, computer analysts by 108 percent, programmers by 74 percent, computer operators by 88 percent, and office machine service personnel by 81 percent. Projections by futurists anticipate that by 1990 between 40 to 50 percent of the American work force will use electronic technical equipment on a daily basis.

The need for a technically trained work force bears directly on our national security and defense. I understand that the military services are presently having difficulty finding qualified technically trained individuals. Fifty-seven percent of present civilian vacancies in the Air Force are for engineers, and the Navy reports that it could only fill 53 percent of its needs for entry level engineers. According to Department of Defense officials, the armed services will experience need for individuals with an aptitude for math and science, and technical ability.

The National Commission on Excellence in Education concluded we must improve out educational standards to put back excellence in our children's education. S. 1285 seeks to do just that by improvement of teacher competency.

Title I of the bill allocates money to the National Science Foundation to conduct programs in summer teacher institutes, material development, excellence in teaching awards, congressional merit scholarships, and faculty exchanges. Title I continues successful teacher training concepts employed by the NSF in prior years.

The majority of funding under S. 1285 is pursuant to title II's directive of improving math and science instruction at the elementary and secondary levels by teacher training and retraining, plus inservice training opportunities. Seventy percent of title II funds go to local education agencies with the remaining 30 percent to institutions of higher education. Title II would assist teachers in obtaining state of the art technical knowledge in their respective fields.

Title III establishes the concept of partnerships in education whereby the NSF will award matching grants to cooperative efforts between local and State officials, educators, and business and industry leaders. The formula requires the private sector to contribute 30 percent of the cost, the local education agencies 20 percent with the balance, matched by the Federal Government.

Title IV of the act authorizes the President to make awards to individuals in the teaching profession who have demonstrated outstanding ability and extraordinary dedication in the math and science area.

Mr. President, in my State of New Mexico, this legislation is of particular relevance because of the high concentration of science and technology and the State's growing interest in the high-tech area. Two national laboratories are located in New Mexico, Los Alamos and Sandia Laboratories. At a math and science hearing held early last year in New Mexico, I heard testimony by the deputy director of Los Alamos National Laboratory, Dr. Robert Thorn. He stated:

> How well the Laboratory is able to continue competing for well trained and technically competent staff depends in good measure on the ability of secondary schools to graduate students with skills adequate to meet college level and technical-training entrance requirements in a time of drastically increasing demand.

At the same hearing, New Mexico State Senator Tim Jennings, testified that New Mexico education requirements for math and science, and foreign languages were in need of review and improvement.

More stringent high school graduation requirements seem to be in order for New Mexico and other States. Statistics bear this out when at present only one-third of the 17,000 school districts require graduates to take more than 1 year of mathematics or science. Even more appalling, seven States require no mathematics. S. 1285 provides impetus toward improved coordination so that qualified secondary and post secondary graduates keep pace with private sector demands.

S. 1285, I am pleased to note, has throughout an emphasis on programs designed to increase access and achievement of women and minority groups in the math and science areas. New Mexico has a sizable Mexican-American and American Indian population. The need is especially critical with American Indians where according to recent statistics only 0.3 percent Indian individuals have Ph.D's in engineering and physical sciences respectively; 0.4 percent in math; and 0.5 percent in science education. S. 1285 would assist in improved representation of minority groups in the scientific community.

Overall, S. 1285 is a laudible first step, and I encourage my colleagues to support its passage.

S. 2731, AMERICAN FOOTWARE ACT OF 1984

Mr. SYMMS. Mr. President, on Friday, June 22, the Finance Committee held a hearing on S. 2731, the American Footware Act of 1984. This bill would restrict the importation of nonrubber footware to a level of 400 million pairs annually. The provisions of this legislation concern me, and I have been moved to prepare this statement. The loss of jobs to unfair foreign competition is something we in the Senate must guard against. Our responsibility to the American worker in this regard is not something this Senator takes lightly. And yet we must also guard against unnecessary intervention which would hamper mutually beneficial trade. We must protect the free flow of goods which binds the global community.

The proponents of this bill speak of an industry on its last legs. They present an image of closed factories and unemployed Americans.

Yet, Mr. President, my observations reveal something quite different. This industry is not dying, but is an example of American ingenuity and adaptability. This is an industry which increased its profits as a percentage of net from 6.8 to 8.8 percent, between 1979 and 1983. In this same period, the profit percentage for all U.S. manufacturing fell from 7.7 to 5.9 percent.

This is also the industry which underwent a rigorous International Trade Commission [ITC] section 201 investigation which found unanimously—5 to 0—that no injury had resulted from imports, and that protectionist measures were, therefore, uncalled for.

It is necessary that we do not underestimate the importance of this decision. We must remember that the ITC was created for the precise purpose of establishing an independent, expert and dispassionate process for evaluating the merits of these complex and often emotional issues.

While it cannot be argued that the level of imports is up in recent years, we must examine how this affects our domestic footwear producers. In examining the impact of these imports I discovered that there are two footwear markets in the United States. One is a medium- to high-priced brand name market which is dominated by domestic producers. In fact, domestic production accounts for 70 percent of this market. The second market is for low cost unbranded footwear which is dominated by imports. It is this group which accounts for the vast majority import escalation. This fact reveals that imports are not significantly displacing domestic production.

In light of this it becomes clear that the implementation of S. 2731 will not notably improve employment in the footwear industry. Passage would instead result in a 40-percent increase in the price of imported footwear. This additional cost would aggregate to over $6.4 billion in the first 5 years. A price increase of this kind on nonluxury items is felt more acutely by those who can least afford it, the poor. This bill also creates an environment in which retaliatory quotas are more than a possibility; they are a probability.

In addition, this bill would increase a scramble among retailers for the limited supply of imported shoes. In this scramble the large retail chains, with direct access to manufacturers would have a decided advantage over the small independent retailers. Large companies would benefit at the expense of the small.

The passage of S. 2731 would not improve employment in the domestic nonrubber footwear industry. It would instead create a series of unaddressed problems. S. 2731 would have the effect of subsidizing a profitable industry.

The domestic nonrubber footwear industry is not in dire straits. It is not on the verge of collapse. Our domestic footwear industry, in the words of ITC Commissioner Paula Stern, "Has not only coped, but it has succeeded."

For this reason, I am in opposition to S. 2731.

ACES OF THE FIRST AIR WAR, 1914-18

Mr. HELMS. Mr. President, the eyes of the Nation, indeed the world, were focused early this month on the 40th anniversary of D-day, June 6, 1944, a grateful nation remembered the sacrifices made on that day, and the days that followed, in the liberation of Western Europe by Allied forces.

In August we will be observing another anniversary. Seventy years ago, World War I, "the war to end all wars," began. Before it was over, American blood stained the fields of France. Like the men, a generation later, who stormed the beaches of Normandy, they were willing to give their lives so that others might live in freedom. Just repeating the names like the Marne, Chateau-Thierry, Belleau Wood, and the Argonne is enough to conjure up the horror of that conflict.

But, Mr. President, that war also spawned a new breed of warrior, one who sometimes was locked in single combat far above the impersonal mass slaughter on the ground. He was, of course, the airman. Aviation was in its infancy. The first sustained flight by a heavier than air powered craft took place on December 17, 1903, when the Wright brothers' *Flyer* took off at Kitty Hawk. The first aeroplane for possible military use was not delivered to the U.S. Army until August 1909. At the start of World War I the aeroplane was generally viewed as being of dubious military value. But in 4 years it had become a powerful strategic weapon. Aviation at the time was novel enough, and dangerous enough, to excite universal admiration. Still, it was the "Ace," the individual flyer who was able to achieve five confirmed victories over his opponents in the air, that stood out above all others. Despite the seriousness of their work, some viewed it as a game. They were lighthearted youths who, because of the often individualistic nature of their contests, were dubbed "Knights of the Air." They were also among the real pioneers of aviation and this country owes these men a great deal.

Now their ranks are thin. Like so many of their doughboy counterparts on the ground, the final rollcall has sounded for most of our first air aces. Soon they all will be gone and their names, and the feats they achieved, will slip into the history books along with their comrades from earlier wars. Those aces from the first air war who remain today are truly remarkable men. This Nation should be proud of them and find a way to honor them for the contributions they have made to our country and to the progress of aviation.

Fortunately, Mr. President, in recent years those American aces who are still living have received some recognition for what they achieved over the skies of France in that long-ago war. This has been due to a small band of dedicated men who have organized meetings and reunions for them and who have worked hard to make sure they have not been forgotten. I would mention three examples of what they have done and what could well serve as a model for what I believe the Nation as a whole should do for those few who remain.

Over Armistice Week, November 7-12, 1981, in Paris, the first meeting of World War I aces from all nations was held. Never before had former allies and former enemies met together. On this occasion they met together. On this occasion they met in a spirit of peace and friendship, enemies no more. They came from Canada, France, Germany, Great Britain, Hungary, Italy, South Africa, and the United States; 35 of the some 60 known surviving aces of World War I were able to attend. Since then, a number of them have passed on. Seven American aces were there. They were A. Raymond Brooks, Douglas Campbell, Charles G. Grey, Duerson Knight, Kenneth L. Porter, Robert M. Todd, and George A. Vaughn. Although not officially an ace, the last living member of that famous volunteer group, the Lafayette Escadrille, Charles H. Dolan, was a specially invited guest. Sadly, he died within 2 months after his return from this reunion.

The original idea of such a meeting of all World War I aces came from Col. Francis Lombardi, at that time the last surviving World War I ace from Italy. Colonel Lombardi had tried to organize this get together in Italy during 1978 but because of the Moro assassination and political unrest in Italy at that time he was unable to have the meeting. The organizing group for the Paris gathering called themselves the "Aces of the First War, 1914-18 Committee," carried out Colonel Lombardi's dream.

Among the other World War I aces attending was the distinguished Lord Balfour, Under Secretary of State for Air during the Churchill war years. Lord Balfour served as master of ceremonies at the aces final banquet the evening of November 11.

The prime mover for this gathering was John M. Kent who is an active United Airlines captain. He was ably assisted by a committee that included two American World War I aces, Ken Porter and George Vaughn, in addition to the other members: Roland Giuntini, James J. Parks, M.D., Rick Glasebrook, Neal W. O'Connor, Leonce Lansalot-Basou, John Gordon, John T. McCoy, World War II ace Robert S. Johnson, Charles C. Dert, Doris and Rip Munger, Murray Warren, Robert J. Newson, David S.M. Glasebrook, James E. Lockridge, World War II British ace Robert Stanford-Tuck and World War II German ace Karlfried Nordmann. All expenses for transportation, hotels, and meals were met by contributions of participating corporations and individuals who wanted to make it possible for this one last "Gathering of Eagles" from all the countries involved in World War I.

Several airlines including United Airlines, Air France, Air Canada, Eastern Airlines, and South African Airways provided transportation including red carpet service for the air heros. Donations were received from W.R. Grace & Co., Combs Learjet, Trust Houses Forte Hotels, and Grand Metropolitan Hotels in addition to contributions from interested friends of the aces. However, without the personal interest and generous support of HRH Prince Bandar Bin Sultan and HRH Prince Bandar Bin Faisal, both fighter pilots from the Saudi Arabian Air Force, the meeting would have most likely been canceled. Prince Bandar is now the Saudi Arabian Ambassador to the United States.

Mr. President, the second gathering to honor our flyers from the 1914-18 War occurred in Denver and at the U.S. Air Force Academy in Colorado Springs, August 25-28, 1983. Primarily it was to honor the surviving members of the Lafayette Flying Corps which comprised American volunteer pilots in French service and which was formed when the original Lafayette Escadrille could not hold all those who wished to serve. The impetus behind this reunion was Dr. James J. Parks who had also been a vice-chairman of the meeting in Paris. His main coorganizers were John Kent, who had been so instrumental in the Paris gathering of aces, and Col. Russ Tarvin.

There were then nine known surviving members of the Lafayette Flying Corps. But only three, Henry Forster, Charles G. Grey, and Reginald Sinclaire, were able to attend. Their ranks were bolstered, however, by the presence of five of the U.S. aces who had attended the Paris reunion. They were Ray Brooks, Doug Campbell, Ken Porter, Bob Todd, and George Vaughn. Again, support for this event came from private sources. Two days were spent at the Air Force Academy where there was ample opportunity for the old flyers to trade experiences with today's new generation of birdmen.

Finally, I would like to mention an event that is taking place in New York City at the Wings Club today, June 28. The noted aviation artist, John T. McCoy, who also assisted in the Paris reunion, has created four paintings which are to be first in a series entitled "American Aces of the First Air War." Mr. McCoy's works have appeared in many magazines, in private and corporate collections, and at the Air Force Academy, in the Air Force Museum in Dayton, and the National Air and Space Museum in Washington. Each of these paintings depicts the exact moment when four of our living American flyers from World War I became an ace and these, too, will ultimately hang in the Air Force Museum. The paintings will be unveiled to the public for the first time on this occasion and the four men, each of whom is the subject of one of the paintings, will be on hand and will be honored at a reception to follow. The four aces are Ray Brooks, Doug Campbell, Ken Porter, and George Vaughn. Let me speak briefly about each of these remarkable men and outstanding patriots.

Ray Brooks was serving in the 22d U.S. Aero Squadron and became an ace on September 14, 1918, when in a single dogfight he downed two German fighter planes for his fourth and fifth confirmed victories. He went on to attain a total of six victories during the war. One of the Spad fighters he flew has been in the Smithsonian Institute since 1919.

Doug Campbell holds two distinctions. He was both the first all-American trained flyer to down an enemy plane in World War I and he also was the first all-American trained flyer to become an ace. Campbell served in the famous "Hat-in-Ring" 94th U.S. Aero Squadron, along with the U.S. "ace of aces," Capt. Eddie Rickenbacker. In the combat in which he gained his sixth confirmed victory, he was seriously wounded which sidelined him for the rest of the war.

Ken Porter was a flight commander in the 147th U.S. Aero Squadron and scored his fifth victory on the morning of October 12, 1918. He also ended the war with six official victories but unofficially had several more aircraft and balloons to his credit.

George Vaughn actually saw his first combat with a veteran British unit, the No. 84 Squadron of the Royal Air Force, in which he scored a total of six victories. He then transferred to the 17th U.S. Aero Squadron where he gained seven more. His total of 13 confirmed victories rank him as our country's highest scoring living American ace.

Mr. President, all four of these men were decorated with the Army Distinguished Service Cross, our Nation's second highest award for extraordinary heroism in action against an enemy. In addition, for his record while serving with the British, Vaughn received their Distinguished Flying Cross and Campbell and Porter were awarded the French Croix de Guerre.

But these honors were long ago and apart from the kind of recognition they have recently received thanks to the dedicated individuals who have organized the reunions and meetings that I have mentioned. These aces, and the names of the handful of other American aces from the first air war who are still with us, are all but forgotten today.

As we honor the brave men of D-day, as we pay homage and respect to those who served in Vietnam as we did recently in the impressive ceremonies surrounding the burial of the Unknown Soldier of that conflict, so should these gallant warriors of an earlier time be remembered.

Mr. President, Congress should establish a World War I Aces Day this fall and bring these men and their families to Washington where they can receive the national acclaim they so richly deserve.

It is an old debt that we would pay and we should do it before the opportunity is lost forever.

WILDLIFE HABITAT CANADA

Mr. BAKER. Mr. President, I would like to take this opportunity to note the recent creation in Canada of an organization dedicated to the preservation of Canadian wetlands. Wildlife Habitat Canada is a foundation whose primary purpose is to reverse the decline of wetlands acreage across Canada.

Many people value wetlands for their intrinsic qualities. They may wish to preserve those areas as a legacy to future generations or as a bar to the development of the final vestige of natural areas. Others value the varied and abundant flora and fauna that may be found in the wetlands, and the opportunities for hunting, fishing, boating, and other recreational activities. While these recreational benefits may be quantified to some extent, the other intrinsic values of the wetlands are, for the most part, intangible. For this reason, the justification for protecting wetlands has often focused on the importance of the ecological services or resource values that wetlands provide, which are more scientifically and economically demonstrable than intrinsic qualities. These ecological aspects include floodpeak production, ground water recharge, water quality improvement, shoreline stabilization, food-chain support, and food and habitat.

The relative values and services provided by wetlands often can vary widely between wetland areas and from one region of the country to another. Some wetlands may provide benefits which are primarily local or regional in character; others may be national or even international in scope. Because of the wide variation among individual wetlands, the significance of their ecological services and intrinsic values must be determined on an individual or regional basis.

Having said all that, Mr. President, I wish to congratulate our neighbors to the North for their relative foresight and strong national commitment toward the preservation of wetlands. The importance of Canadian wetlands to the abundance of wildlife, particularly migratory waterfowl, which our two nations share cannot be overstated. It may well be that in the context of North America, the international benefits of wetlands protection are most pronounced. Over the years, the effort to conserve and preserve wetland resources has often been the province of private sector initiatives on the part of such groups as the Audubon Society or Ducks Unlimited. The Canadian Government has long supported the efforts of these organizations. Last fall, the Canadian ambassador to the United States, Mr. Allan Gotlieb, hosted a reception to honor Ducks Unlimited and the Washington-area supporters of D.U. This gracious gesture is indicative of the importance Canada and the United States place on preserving our remaining wetlands. The new foundation is another step in Canada's long history of these endeavors. I find it refreshingly encouraging that the Canadian Government has seen fit to supplement that endeavor through Wildlife Habitat Canada. The foundation, to be incorporated as a federally chartered nonprofit corporation, will undertake a national program to encourage Government agencies, nongovernmental organizations, and the private sector to join in the protection and wise use of wildlife habitat. I trust that in enhancing wildlife and wetland resources we shall all be rewarded by the Canadian effort, and I heartily thank and congratulate our northern neighbor.

Mr. COCHRAN. Mr. President, I join Senator BAKER today in congratulating the new foundation in Canada upon its creation and the purpose it recognizes—the coordination of government and private efforts to restore, maintain, and protect Canada's wetlands and the wildlife inhabitants that it shares with the United States.

This year has been a hallmark year for the recognition of the importance of efforts in this country to secure wildlife refuges.

1984 is the 50th anniversary of our Duck Stamp, the sale of which has secured 3.5 million acres of wetlands and wildlife habitats in the United States. The establishment of Wildlife Habitat Canada this year underscores Canadian interest in our mutual concern for preservation.

Both countries have suffered severe losses of wetlands, and I'm encouraged to see us both making efforts to reverse that trend.

I wish for the foundation much success in its efforts to protect essential wildlife habitat.

Mr. CHAFEE. Mr. President, it is with great pride that I join my distinguished colleagues, Senators BAKER and COCHRAN, in paying a well-deserved tribute to the wildlife preservation efforts of our Canadian neighbors.

In recognizing the great importance of maintaining their national wetlands, the Canadian Government has chartered this nonprofit corporation: Wildlife Habitat Canada. The organization promises to encourage both government and private sector interests to join in the campaign for the protection of wetland areas. Such positive actions by the Canadian Government, along with others like the Ducks Unlimited reception hosted by Canadian Ambassador Allan Gottleib which I had the pleasure of attending, have made clear their commitment to the protection of wildlife habitat. In the past, initiatives in this area have, as Senator BAKER pointed out, been the concern of the private sector. Now, due to the Canadian Government's novel effort, this safeguarding of wildlife habitat will be, not only a private interest, but also a national priority.

Once again, Mr. President, I congratulate both the Canadian Government and Wildlife Habitat Canada for their impressive efforts in the name of wetland and wilderness protection.

RETIREMENT OF VICE ADM. EUGENE A. GRINSTEAD, SUPPLY CORPS, U.S. NAVY

Mr. STENNIS. Mr. President, I want to pay tribute today to one of the Nation's top uniformed logistics experts, Vice Adm. Eugene A. Grinstead, Supply Corps, U.S. Navy, who is retiring after 41 years of dedicated service. Since 1981 he has been Director of the Defense Logistics Agency which has its headquarters in Alexandria, VA.

Starting as a student and midshipman in the Naval Reserve, Admiral Grinstead was initially trained as an underwater demolition officer. In 1946, however, he joined the Supply Corps and transferred to the Regular Navy. Since that time he has worked in logistics positions of increasing responsibility, spending much of his time in supply billets associated with naval aviation. In March 1977, he became Commander, Naval Supply Systems Command and 33d Chief of the Supply Corps. From that position he moved on to become the seventh Director of the Defense Logistics Agency.

As Director of DLA, which acquires and distributes more than 2.2 million consumable items for all of the armed services, Admiral Grinstead has stressed programs designed to improve availability of supplies and services to men and women in uniform. Operating a worldwide network of supply and service installations at several hundred sites around the world, he has been in charge of some 50,000 employees—most of them civilians.

Under his leadership DLA has, for example, developed programs to provide intensive management to critical parts for more than 500 weapon systems. It has perfected systems to supply needed nonstocked medical equipment by air for U.S. hospitals in Europe and Asia. His overriding goal has been to make DLA a more effective support agency for his military "customers."

President Reagan has nominated and the Senate has confirmed Admiral Grinstead's retirement as a Vice Admiral—the rank he has held as Director, Defense Logistics Agency—a rank which is seldom attained in the Navy Supply Corps. As he steps into that well-deserved retirement, our good wishes go with him.

IN MEMORY OF LEENDERT BINNENDIJK

Mr. PERCY. Mr. President, Hans Binnendijk is known and respected by many Members of the U.S. Senate, the U.S. House of Representatives, ambassadors and diplomats to the United States, many of our own Foreign Service Officers serving in Washington and abroad, members of the staffs of both bodies as well as the executive branch of Government and all who know him as friend and adviser. In his role as deputy chief of staff of the Foreign Relations Committee, I have had the opportunity to work closely with him for several years.

Recently, Hans lost his father, Leendert Binnendijk, and delivered a memorial statement about him as philosopher, scholar, researcher, teacher, freedom fighter against Hitler, friend, neighbor, and as Hans concludes, "a caring father and grandfather, a man of simple material needs, and a man of charm and optimism."

Our sympathy goes to Hans, his wife Mary Locke, a respected professional member of the Foreign Relations Committee staff and a specialist on the Far East, to his sister Annette, to his daughters Anika and Dana, and to the rest of his family and friends. I extend my own deepest sympathy and I ask unanimous consent that the memorial written by his son Hans to Leendert Binnendijk be incorporated in the RECORD so that we might not only know more of a fine father but also of a devoted son.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

IN MEMORY OF LEENDERT BINNENDIJK

(By his son Hans)

We bury my father today. But we bury only his tired body. His spirit will live into eternity and his personality will live on in our memories.

Let us take a moment to reflect on this man who spent 70 years on earth as a father, a scholar, a friend, and a neighbor.

He was not a religious man, but he had the calm serenity and gentleness that comes from inner peace. He studied the Dutch philospher Spinoza, who looked inward to the human psyche to find spiritual strength. Dad would agree with Spinoza's conclusions that nothing begins or ends with itself, that the world is from eternity to eternity, and that man cannot be separated from this eternity.

Dad's professional life was also based on the conclusions of Spinoza, Bacon, and Descartes who during the Renaissance rejected the dogma that followed from Aristotle's deductive reasoning. Dad agreed with these Renaissance philosophers that man can understand only so much as he has observed in Nature. Then Dad set out to do just that. He learned the secrets of the universe through detailed observation and mathematical calculation. Dad's colleagues here today can attest to the contribution his writings have made to the advancement of human knowledge.

While Dad's professional love was research, he was one of the finest teachers I have met. Teaching for him was simplifying complex concepts rather than impressing people with knowledge. I recall often coming to him the night before an astronomy or calculus exam and asking for help. He would quickly condense the essence of the material into a short summary that even I could understand. I confess now before his colleagues that I might not have made it through college without Dad's tutorials.

In his family life, my father provided a loving and stable home. He married my mother in 1944 after a long courtship and then moved his new family to America after the war. While there was not much financial security in these early years, there was emotional security, which meant much more to young children. He taught us the work ethic and gave us the gift of high regard for academic achievement which sustained Annette and myself through graduate school. When my mother grew ill ten years ago, he selflessly cared for her every need day and night for two and a half years. More recently he became "Opa" to my daughters Anika and Dana, who used to love to sit with him and hear him read stories. During the last six months of his illness, we were all able to draw strength from these deep family bonds.

Dad's personal needs were simple. He was very much a product of the depression and the occupation of Holland during World War II. He saw his father lose all his financial assets during the 1930's and saw Holland lose its freedom under Hitler. Beans and potatoes sustained him physically throughout the difficult World War II period. He often told stories of his travels through the occupied Dutch countryside in search of staples that could be bartered in exchange for an article of clothing. He fought Hitler in his own way, by distributing information broadcast by the BBC. Beans, potatoes, and freedom became prerequisites for his happiness, and his home was always stocked with all three.

The lessons of the depression led Dad to frugality and hard work, both good Dutch traits. His frugality was often endearing. His colleagues may recall that he would park his car ten blocks away from the office each day to avoid paying the parking lot fee. I recall having to account for each penny of my allowance, and that lasted through graduate school. But his frugality was not mistaken for a lack of generosity. Indeed, not only did he finance Annette's and my studies, but he gladly helped family, friends, and neighbors when they were in financial difficulty.

Discipline and concentration dominated his work habit. I recall him most clearly sitting at his desk working on astronomical publications while we children were at the other end of the room watching a loud television set. Only supreme concentration and a bit of deafness allowed him to proceed with his work.

Dad did not have a gregarious personality, but he had a very positive attitude towards life. It was always Mom who organized his social life. Among friends, however, Dad had an irresistible charm that grew as you engaged him in discussions on the subjects he loved best: astronomy and history. Dad always kept the optimist's creed on his desk, and even during the last six months of his life he refused to let his illness undermine his spirit

This is the way I will remember my father, as a caring father and grandfather, an able teacher, a dedicated scholar, an enlightened philosopher, a man of simple material needs, and a man of charm and optimism.

PRESIDENTIAL MEDAL OF FREEDOM AWARDED POSTHUMOUSLY TO HENRY MARTIN JACKSON

Mr. WARNER. Mr. President, for those who had the privilege of serving with Senator Henry Jackson, the ceremony yesterday at the White House brought back moving memories. The citation and remarks of our President, with the Jackson family in attendance, should be a part of the RECORD of the Senate which "Scoop" loved and by which he was beloved.

(The citation and remarks are printed earlier in today's RECORD.)

WHAT REALLY HAPPENED IN SUMUBILA?

Mr. DENTON. Mr. President, the Senate must revisit the issue of U.S. material and moral support for the anti-Sandinista forces now fighting in Nicaragua. It is a sensitive matter, but one of great importance for the people of that country, and indeed for our entire Nation.

Whatever the action taken by the Senate and the House of Representatives, it will have a significant effect on the ability of the armed opposition to the Sandinistas to pursue its cause, which is the restoration of the integrity and the goals of the 1979 revolution against former President Anastasio Somoza. It will also have consequences for regional peace and stability, and a substantial effect on the Central American perception, as well as the global perception, of the reliability of the United States as an ally.

It is, therefore, crucial that the Senate deliberate carefully about the issue and not succumb to the rhetorical exaggerations and the popular misconceptions that have so far characterized the debate about Contra funding. We must carefully evaluate the charges and countercharges leveled here in Washington about the nature of the various groups opposed to the Sandinistas.

On July 28, 1983, Representative THOMAS DOWNEY labeled the Contras as "thugs, brigands, and thieves," a theme elaborated on by House Speaker THOMAS P. O'NEILL on May 24 of this year when he referred to the Contras as "rapists" and "marauders." Other people have sought to depict the anti-Sandinista groups as terrorists, indiscriminate in their violence. One such effort involved a public forum that was held in the Senate on May 25 to address the issue of human rights violations from both the left and the right in El Salvador and Nicaragua.

Among the witnesses were Marta Baltodano, head of the Nicaraguan Permanent Commission on Human Rights; three Miskito Indians from Sumubila, Nicaragua; and a Father Gundrum of the Capuchin Order. Following the hearing, a "Dear Colleague" letter was circulated; it distributed only the testimony of the three Miskito Indians and Father Gundrum about the activities of armed anti-Sandinista groups in Northeastern Nicaragua, notably of MISURA, the Miskito

Indian Contra group. The impression left by the "Dear Colleague" and its attachments had the effect of supporting contentions that the Contras are nothing but terrorists, murderers, and thugs, unworthy of U.S. support in their efforts to press the Sandinistas toward fulfillment of their 1979 pledge to the Nicaraguan people and to the Organization of American States.

The story told by the Indians revolved around an April 17 attack on Sumubila, Nicaragua, in which 7 people were killed, 15 wounded, and 39 kidnaped. The attack was allegedly carried out by MISURA partisans as an assault on a defenseless Miskito population, which resulted also in the destruction of the local health clinic, a basic grains warehouse, and a cocoa plantation project.

The witnesses offered no opinion about the purpose of the attack, although they stated clearly that the only shots fired were those fired by the Contra forces. One witness revealed that the camp had known for days that the Contras were coming. Indeed, that information had been provided by the Sandinistas, who, according to the testimony, did not provide any protection to the inhabitants of Sumubila.

If one understands the current situation on the Atlantic Coast, a careful reading of the testimony shows that it is misleading. The questioning failed to elicit enough information about the April 17 attack on Sumubila to make it possible to determine what actually happened. Furthermore, because the Sandinistas severely restrict travel to and from the region, it has been very difficult to verify the testimony. To my knowledge, only one individual has been permitted to travel to Sumubila since the assault, and that visit was made at the express invitation of the Sandinista government.

I do not know exactly what happened in Sumubila. I would like to know, but the testimony presented at the public forum raises more questions than it answers and certainly provides insufficient information for making judgments about the character of MISURA or, indeed, any of the anti-Sandinista forces. I submit that it is an inadequate basis upon which to make any judgments at all. There are good and cogent reasons for that view.

First, Sumubila is not a regular Miskito community. It is a relocation camp which was established in January 1982 in the Zelaya Department as part of a network of five camps housing approximately 8,500 Miskitos who were moved by the Sandinistas from their communities along the Coco River. The relocation was compulsory and arduous, and roughly half of the population of the Rio Coco region fled to Honduras rather than submit to it.

Although the Sandinista regime has told international commissions of inquiry that the relocation was one of a series of measures to protect the Miskito population against harassment by armed counterrevolutionaries, in fact it was an effective way to weaken Miskito resistance to Sandinista domination.

The process of relocation, combined with the intense persecution of the Miskito leadership, virtually destroyed the traditional Miskito social and political structure. It left the Miskitos, separated from their land and their cultural roots, wholly at the mercy of the Sandinista government.

Like all Nicaraguans in the "new" Nicaragua, the Miskitos of Sumubila were required to form and participate in the various Sandinista mass organizations. Threats against children were used to compel membership in the civil defense committees and the militia. Anyone who objects to serving in the Sandinista militia faces the prospect of separation from his children as well as other sanctions, and there are many such sanctions that are readily applied by a highly centralized organization that has effectively terrorized its victims and cowed them into submission.

The highly authoritarian organizational structure for controlling the residents of Sumubila is reinforced by the isolation of the camp and its location in a highly militarized region. Travel to and from the area requires the permission of the Ministry of Interior, headed by Tomas Borge, the man who is most responsible for the systematic repression that now characterizes Nicaragua. One must assume that the trip by the three Miskitos to Washington would have required Sandinista government approval, and that their return home would make them vulnerable to reprisal if they spoke freely while here.

The three Miskitos received a hero's welcome upon their return to Managua. Obviously their visit here was closely monitored. I can only wonder what precautions the Sandinistas took to ensure that they would conduct themselves appropriately during their trip.

Second, although the attack was presented as unprovoked and directed against defenseless women and children, one of the Sandinista-run newspapers itself contradicts that version of the event. On April 17, Barricada reported that there was a confrontation in Sumubila and that a "counterrevolutionary attack was heroically repelled by a handful of policemen, combatants, and Miskitos who formed the civil defense group. They managed to prevent the takeover of the settlement of 3,000 Miskitos despite their—the attackers—numerical advantage." I cannot help but wonder how they managed to do that without firing any shots, as the Miskito witnesses testified was the case.

In describing the defense group that battled with the MISURA forces in Sumubila, Barricada made a distinction between the Miskitos and the other participants in the civil defense group. That distinction is the same as the one made by one of the witnesses when he described the people who were wounded.

From the testimony, it is not clear who those other "combatants" or "civilians" were, or what their military capabilities were. We do know that, according to Barricada, the 70 comrades of the defense group were skilled enough to repel a 300-man Contra force.

As the public forum witnesses testified, there may have been no members of the Sandinista Popular Army in Sumubila on April 17. Clearly, however, there was an organized military or paramilitary unit, the "civil defense group." We must understand that, in addition to their sizable regular army, the Sandinistas have at least 55,000 men in their active reserve and militia, organizations that have a primary responsibility for internal security.

Third, the witnesses testified that 39 young people were kidnaped. Barricada says 32 were carried off against their will, and that more would have been taken had it not been for the effective response of the civil defense group. Stedman Fagoth, the MISURA leader, denies that anyone was kidnaped and has extended a gracious invitation for the sponsor of the public forum to visit the young Miskito men and talk with them about their reasons for joining the MISURA forces.

I am reminded of the last Miskito exodus. In December 1983, Bishop Schlaefer, of the Capuchin Order, accompanied 1,500 Miskitos from the relocation camp of Francia Sirpe to the Honduran border. The flight was aided and guarded by an armed MISURA escort. In that instance, while seeking to prevent the fleeing Miskitos from reaching safe haven in Honduras, the Sandinistas accused the MISURA of kidnaping the group and reported falsely that Bishop Schlaefer had been murdered. The Sandinistas failed in that endeavor, and the whole incident ultimately proved to be a major embarrassment to them.

One of the hearing witnesses testified that his eldest son, who allegedly had been kidnaped, returned to Sumubila after a few days and that the boy had been mistreated. If the boy provided some clue about the reason for the attack, or told his father about his few days with the MISURA forces, his father was unable to tell us. Over a month after the attack, the boy was still in the Sandinista health clinic, and the father, in his own words, had "hardly been able to speak to him." I wonder if the boy was being purposely detained, either to prevent him from telling what he knows or as a hostage to encourage his father to say only approved things about the Sumubila affair.

When we examine closely what we know about what happened in Sumubila on April 17, what we don't know is more important than what we do know. Was the MISURA purpose to liberate their Miskito brethren, an effort that was rebuffed by forces that included Sandinista militiamen? Was it an action aimed at halting other activities being carried out by the Nicaraguan Government' in the area? Or was it indeed an unprovoked and indefensible attack on civilians?

I am highly skeptical about the credibility of the account presented to the public forum. I am even more concerned about the use to which that account has been put.

Like all of my colleagues in the Senate, I reject terrorist acts and wanton disregard for human life. The MISURA and other Contra forces have also publicly rejected terrorist acts of the sort that the May 25 hearing purported to document. On the other hand, the Sandinistas rely on state terror to remain in power and to intimidate and control the Nicaraguan people.

I therefore urge my colleagues to be careful in their review of the May 25 hearing, and to reserve judgment until more is known. In the meantime, I ask that the following items be printed in the RECORD immediately following my remarks: A copy of the April 18 Barricada article with an English translation; a copy of the letter from the public forum's sponsor to Stedman Fagoth, the MISURA leader, and Fagoth's reply; and the text of Fagoth's appeal to the Congress for positive action on the Contra funding issue.

The senior Senator from Massachusetts is correct when he observes that "what we do has real consequences on real people." When we make our speeches and cast our votes, we change the lives of individual human beings.

I therefore conclude with the poignant and ringing words of Stedman Fagoth, who during his struggle to gain freedom for his people has endured torture and hardship at the hands of the Sandinistas:

> We the Miskito nation say, we shall survive; to the American public we say—'Viva una Nicaragua libre,' to the United States Congress we say, our destiny as a nation . . . is in your forthcoming vote.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

ENGLISH TRANSLATION OF APRIL 17 "BARRICADA" ARTICLE ON SUMUBILA ATTACK

BRUTAL ATTACK ON SUMUBILA IS REPELLED

A counterrevolutionary group of 300 mercenaries that brutally attacked yesterday at dawn the Miskito Settlement of Sumubila was heroically repelled by a handful of policemen, combatants, and Miskitos who formed the civil defense group, which despite the numerical disadvantage prevented the takeover of the settlement of 3,000 Miskitos.

During the attack on this civilian target, the counter-revolutionaries indiscriminately assaulted the Miskito population, resulting in the deaths of Grinseld Gonzales (23 years old), Donata Bana Saby (38) and a little girl of ten. Ten other women and four men, among them 5 children, were wounded and 32 other Miskitos were kidnapped.

At the same time, they destroyed the health clinic, a basic grains warehouse, and completely burned a cocoa plantation project which was to constitute one of the principal sources of employment for that community, whose production of rice and beans this year was a reason of pride for the people and a proof of the progress that was being achieved.

Military sources from Northern Zelaya emphasized that the total rejection of the Miskito population in the presence of the criminal attack was the key factor that permitted the small defensive force of some 70 comrades to repel the mercenaries and frustrate their plans for a massive kidnapping of Miskitos.

During the battle, policeman Maximo Cano Luna fell heroically, and Jaleo Solano Larios was gravely wounded.

The names of the wounded are: Miriam Makubel Wilson (23), Bercy Sampson Solomon (33), Gertrudis Astin (45), Asilita Omeldo Rabab (49), Alicia Omeldo Rabab ([illegible]0), Rut Grant (18), Irilia Zacarias Bans (4), Eduardo Palacios (15), Mauricio Gonzales (35), Balbino Martinez Walseman (13), y Candido Lopez Lacayo (33), Alba Zacarias Bans (12), Hermitania Zacarias Bans (6).

U.S. SENATE,
Washington, DC, May 31, 1984.

Mr. STEDMAN FAGOTH,
MISURA, Washington, DC.

DEAR MR. FAGOTH: On Friday, May 25, 1984, Senators Durenberger, Kassebaum and I heard testimony from three residents of the town of Sumubila in northeastern Nicaragua. They described a raid on their town that occurred on April 17, 1984. According to their reports, seven people were killed, fifteen were wounded and thirty-nine people were kidnapped.

It is our understanding and belief that this raid was carried out by paramilitary forces under the command and control of MISURA.

The purpose of this letter is to request information as to the whereabouts of the people who were kidnapped by MISURA from Sumubila and to ask that they be permitted to return to their hometown immediately.

I am enclosing a list of those individuals from Sumubila who were kidnapped, and I would respectfully request a response from you at the earliest possible moment.

Very truly yours,

EDWARD M. KENNEDY.

INDIVIDUALS KIDNAPED FROM SUMUBILA IN APRIL 17, 1984, RAID

Celia Ortega, 17 years old; Dinatri Toledo, 20 years old; Abercio Quant, 20 years old; Juan Paterson, 28 years old; Aidalina Coleman, 18 years old; Avelino Cox, Midinra, 38 years old; Raimundo Jonas, 24 years old; Simon Fedrick, 19 years old; Aidita Nuth, 15 years old; Ricardo Coleman, 17 years old; Palacio Celestino, 22 years old; Eduardo Coleman, 27 years old; Joas Douglas, 23 years old; Joel Fedrick, Daniel Douglas, 23 years old; Armando Lopez, 19 years old; Tomas Salinas Rodriguez, Raul Davis, Cristina de Miranda, Pedro Jose Miranda.

Elena Sanson, 18 years old, Carlos Sanchez, 19 years old; Roberto Valle, 29 years old; Johny Graan, 30 years old; Jorge Ibarra, 60 years old; Evaristo Chico, 22 years old; Gonzalo Simon, 22 years old; Mercedes Thomas, 20 years old; Emilio Soares, 45 years old; Gonzalo Paiz, 25 years old; Diego Saballos, 25 years old.

Solis Lopez, 26 years old; Dixon Rios, 23 years old; Fernardo Franklin, 27 years old; Grecorio Octavio, 28 years old; Alfonzo Padilia, 29 years old; Neopoldo Cuper, 30 years old; Aykel Selston, 27 years old; Fraymil Kittle (Acem), 23 years old.

JUNE 8, 1984.

Mr. EDWARD KENNEDY,
U.S. Senate, Washington, DC.

DEAR SIR: In response to your letter dated May 31, 1984 were we are accused by you of killing seven people, wounding fifteen, and thirty nine kidnapped, we, the Miskito Nation which to express our disbelieve in your accusations and our consternation and great surprise that a Senator of your stature, a leader who has tried to follow on his two brothers step, can, with total false unverified information reach such unconfounded conclusions.

We publicly invite you to physically accompany me next week or at your convenience to visit the exact location where they are within Nicaraguan territory, to meet with each and every one of those you claim we have kidnapped. Furthermore, you will be also able to find out their political ideology and the reasons they had when they did what they did in SUMUBILA. We also invite you Sir to visit with our mutilated indians, our invalid and share with us a plate of food as part of our hospitality, convince that your deep sense of human rights will certainly make you a different Senator after this trip.

We are waiting your reply Senator.

Very Truly Yours,

STEDMAN FAGOTH,
Jefe Estado Mayor, "MISURA".

I came to the United States representing my nation, the Miskito Indian Nation, to accused publicly certain liberal U.S. Congressmen and Senator who voted against the continuity of assistance to the Nicaraguan Contras. This assistance, necessary to prevent an holocaust on the Miskito Nation by the Sandinista government was vetoed recently. However, I traveled to Washington and through the good effort of State Representative Jenkings from Louisiana and others I was able to meet with an inumerable amount of Democratic and Republican Representatives in Washington. Their total recognition of real situation after hours of private meetings, certainly to my nation, today, is of great encouragement.

Our faith in this great Nation has been renovated, our new understanding of U.S. democratic congressional system and of their new understanding of the Nicaraguan situation will contribute to increase United States international leadership image through positive congressional action, and to them, we the Miskito Nation say, we shall survive, to the American public we say—"Paniva Una Nicaragua Libre" to the United States Congress we say, our destiny as an nation in extinction is in your forthcoming vote.

STEDMAN FAGOTH,
Jefe Estado Mayor de MISURA.

MEDICAL MISSION TO HONDURAS

Mr. DENTON. Mr. President, I rise to bring to the attention of my colleagues the report of a volunteer medical doctor who spent several weeks caring for Miskito Indian refugees along the Nicaraguan-Honduran border. During the several weeks that he was there, the doctor went to infrequently visited communities, where he treated families of the MISURA. MISURA is, of course, the Miskito Indian group that is opposed to the Sandinista regime in Nicaragua, and is led by Stedman Fagoth.

Although the doctor's visit took place nearly a year ago, I believe that it is important to consider his report now because of his unique perspective on the plight of Nicaragua's Miskito Indians and the insight he provides into the motives and concerns of MISURA.

Dr. Seiden's trip was sponsored by the Victoria and Albert Gildred Foundation, which was responding to a plea for assistance from the Miskitos. His decision to avoid the U.N.-sponsored refugee camps and to go to the more remote Miskito villages along the Rio Coco was his own. It demonstrates his courage and humanitarian concern, which are untarnished by the political considerations that have allegedly biased the services offered by the U.N. High Commission on Refugees.

As an introduction to Doctor Seiden's report, I read from Dr. Seiden's letter to President Reagan upon his return from Honduras:

> When I left for Honduras I knew little about what was going on down there. My attitude toward our intervention there was, "I can think of better ways for my tax dollars to be spent." After spending almost 3 weeks with the anti-Sandinista rebel group, MISURA, I've become a staunch supporter of your policy in Central America. Though I feel strongly that the best way to keep democracy, freedom, and economic development spreading there is through improvement of education, health, and industry,* * * unless we stop Castro's influence militarily, there will be no place left in the Americas to send our humanitarian efforts.

Mr. President, I ask unanimous consent that Doctor Seiden's report appear in the RECORD immediately following my remarks. I commend it to my colleagues, and I urge them to review it carefully.

Thank you, Mr. President.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

MEDICAL MISSION TO HONDURAS

(By Othniel J. Seiden, M.D.)

A few weeks ago I'd have said, "There's little adventure left in this world . . . and certainly none for me." I can now attest it would have been a misstatement. Even when I volunteered to go to Honduras for the Victoria and Albert Gildred Foundation for Latin American Health and Education, I couldn't have suspected it would take me to jungle villages where no medical doctor had ever been before . . . or to refugee camps where Miskito Indians, victims of Nicaragua's Sandinista government, suffer a new type of political extortion at the hands of the United Nations service teams known as ACNUR. Least of all could I have dreamed I'd spend time with the leaders of "MISURA," a major group of Contras made up of Miskito, Sumo and Rama Indians. The name Misura is made up of the first two letters of each tribe name . . . Mi-Su-Ra.

Like the majority of North Americans, I hardly knew where Honduras was, much less anything of its people, problems or economy. I had an inkling that President Reagan was sending troops to the area for some kind of military maneuvers and wondered if there wasn't some better way he could spend my tax dollars. I was certainly confused about the role of Honduras in the Central American wars that involve Nicaragua and El Salvador. My experiences during three weeks of giving medical services to the refugees on the Honduras-Nicaragua border have done much to change my philosophy on giving U.S. aid to foreign nations and has left me with a thorough understanding of what the wars in Central America are all about.

My first foreign night was spent in the Maya Hotel in Tegucigalpa, the capital city of Honduras. It is a fine hotel, and the only hint that this was to be an unusual stay was the obvious invasion of CBS, NBC, and ABC video news people. They were to cover U.S. troop maneuvers. I had no idea I would be in any way concerned with any of this.

Let me enter a note here. The names I use from here on are fictitious unless I state otherwise. The reason for this is that many of the refugees I dealt with, either as patients or those who helped me get into the villages where patients were to be seen, still have relatives in Nicaragua. Many are in Sandinista prisons or are in positions of jeopardy. Not knowing who might read this report I do not want repercussions to befall anyone, especially those refugees who make trips back into Nicaragua from time to time at great risk.

That first evening in Tegucigalpa I was met by Mr. Wycliffe Diego (his real name), Coordinator of Health for the Miskito Indian Refugees. He and three other Miskitos struggled through the language barrier with me (I speak only English, German and some Yiddish). Thanks to what powers there be, the Miskito Indians are trilingual, almost all speak English, Spanish and Miskito. They explained to me that I'd be picked up early the next morning, 8:00 a.m., and taken to an airfield to begin my adventure into the refugee camps.

The drive was beautiful even if the road through the Honduran mountains was less than ideal. They asked a lot about me, my country, why I came here, what I knew about the refugee problems, how I felt about the wars in Central America. . . . We talked about President Reagan and how happy they were he was sending troops to Honduras for military maneuvers and how they hoped it would slow Fidel Castro's and Russia's influence in Central America. In retrospect I realize now that they were finding out all they could about my philosophy, feelings, motives, etc. They were subtle, friendly, clever and after five hours on the road to San Pedro they know a lot more about me than I knew about them.

I guess they liked what they found out about me because as we approached San Pedro they asked me if I'd be willing to go into their small Miskito Indian villages and see where a real medical need existed. They explained that the ACNUR people treated patients only in the official United Nations Refugee Camps and that there were thousands of refugees in the little villages in remote areas the U.N. teams refused to go to. I agreed to go under two conditions: that what I was going to do could not be in any way construed as a political involvement by the organizations I represented, and that I was exercising my own judgement and that I would have to have supplies furnished since I had neither medications nor tools of my trade. We struck our agreement.

Then after some minutes Wycliffe Diego, whom I shall refer to as Cliff from now on, informed me that one of the others in the truck knew of a pharmaceutical firm in San Pedro that might be willing to give us some medications. We stopped off at the plant, a large building and indeed they gave us two large cases filled with a broad spectrum of antibiotics, antihistamines, vitamins, cough medications, aspirin and numerous other things I thought we might need.

We drove to a large home where we seem to have been expected. We were fed and there I met several new persons, including a man who looked to be in his early thirties, Stedman Fagoth (his real name). The table conversation repeated much of the questioning of the morning's truck ride. It appeared Mr. Fagoth was satisfying himself that I was who and what I claimed to be, a physician from the U.S. who was willing to give three weeks of my time and talents to a tribe of Indians I'd never heard of before. I guess my conversation satisfied him. He told me to get a good night's sleep, that tomorrow I'd be flown to a remote town on the Atlantic Coast about thirty miles from the Nicaragua-Honduras border.

At about 5:00 pm the next day we reached the Coco River, the border between Honduras and Nicaragua. They saw the concern on my face as we turned up it. "Don't worry, we control that area of Nicaragua," one of the Miskitos assured me. However, they hugged the Honduran edge of the river and broke out weapons for each of the "crew." We continued up the Coco for the better part of an hour. Just before dusk, which is about 6:00 pm in Honduras the year round, we turned into a narrow tributary on the Honduran bank and were met by two Indians in a dugout canoe. They escorted us up that tributary for about a half mile and there was Eliah, a Miskito Indian village.

It was like stepping back in time. I felt I should be doing an article for National Geographic. Thatch roofed huts on tall stilts first caught my eye. At the same time I had caught the eyes of the natives. Gringos are not a common sight in that part of the world. My companions announced that I was an American doctor come to help them with their medical needs. I could see awe on their faces . . . but I couldn't fully appreciate it. I was exhausted from exposure on the sea and to the sun, thirsty and I think a little feverish. Coming to this place as night was falling just added to the culture shock. I waded ashore on wobbly legs. They took all my luggage and supplies. Throughout my journey they never let me carry my own things. There was a constant desire to help me all they could.

We walked through the village to the biggest of the huts and turned in. "This is where you will stay while you are here," I was informed. I was to stay with a family, in their home, in their care, for all my needs. I climbed the ladder up to my room, a dark small place with a "bed" in one corner, the only furniture in the tiny space. The bed turned out to be cowhide stretched over a wooden frame. Hard? It was like sleeping on a drum head. But I was so exhausted it didn't matter.

After breakfast, I set out to take my first real look at the village. It was much less a culture shock in the daytime. The first thing I noticed was a lot of uniformed, armed young men. "Contras!" The Contras are anti-Sandinista rebels who are backed by the Honduras and U.S. military. Most are Nicaraguan refugees who are carrying on a fierce struggle against the self-appointed Communist government in Nicaragua.

At this point in time I had little opinion as to the politics involving Central America. I wanted to reach these areas where medical help was needed, and the Contras were the only group who could get me there.

One of the Contras who spoke exceptionally good English took me to the medical hut. It was not as nice as the place I'd been given to be my "home away from home." He introduced me to another Contra who was the medical officer. He spoke poor English. My interpreter told me he had been a medical student in Nicaragua prior to the Sandinista takeover. He was in his last year of studies when he was arrested and escaped. He'd been in Honduras since 1980. Together we made the rounds and housecalls, throughout the entire village. I treated some forty people that day, teaching as much as I could to the "corpsman" who would have to maintain the "practice" after I left. He was a very talented young man and I learned a few things from him about insect bites, fungi common to the area, local remedies for certain illnesses. He, of course, had much more experience with malaria than I. One boy we saw had fallen out of a coconut tree the day before and fractured both forearms. The Contra had splinted both arms quite expertly. Of course we had no plaster to cast the arms so there was little more I could contribute. I'm quite sure the boy will do well under the care of this young Contra. He and I had long discussions through our interpreter and I was able to answer many questions that he had.

Other problems, and these were prevalent throughout the many villages I traveled, were fungus disease of the skin, nausea and vomiting, diarrhea, cataracts, scarred sclera of the eyes. Much of this was inflicted by Sandinista torture, as were the torn out fingernails, scarred backs and feet, crushed hands and severed tendons. Boils and pustules of the skin were fairly common and urinary infections were also. I doubt that the urinary problems were venereal or TB. Trauma was not too frequent a problem. Malnutrition and dehydration was seen only when I stayed in a United Nations refugee camp about which I'll go into more detail later. Malaria was a problem but mainly among those Miskitos who came out of Nicaragua.

Of all the problems I saw in the three weeks, the worst were those caused by torture inflicted by the Sandinistas. More about that later.

It was while I was in this village, Eliah, that I found out that Stedman Fagoth was the top man in Misura, leader of this Contra movement since its beginning. My time in Honduras would be closely linked with him for the duration for without him and his Contras I could not have moved about to accomplish what I did. I must emphasize again that I had not been brought here to give medical aid to the Contras, but was being made available to the refugees by the Contras.

After three days in this area, Fagoth, four armed Contras and I started back to Puerto Lempira, this time in a faster boat, a twenty foot fiberglass outboard. It took us only eight hours this time even though we stopped at three other villages along the way. I can't go into the locations of these villages for security reasons. The villages were smaller and health problems were far less than in Eliah.

It was after dark when we returned to Puerto Lempira and that night I slept on a floor in a warehouse with a sack of rice as a pillow. I was too tired to mind the hardness of the floor but when I realized that I was surrounded by roaches I wasn't too happy. Fortunately an idea struck me. I sprayed a line around my blanket with insect repellent. They didn't cross, for which I was most thankful!

The next morning we left by truck for some of the U.N. refugee camps. The first we stopped at was Tapanlaya. It was a small camp, desolate, depressing. There was no medical facility there. It was the first place in which I saw malnutrition and dehydration. Intermittent fever, lethargy and weakness were the most common symptoms. Compared to the camps I had seen before this was the most depressing. I could understand why these people preferred to stay in the villages of their own people rather than in U.N. camps. I did what little I could there and then we went on the main U.N. refugee camp at Mocoron.

Mocoron was enormous in comparison. Two-thousand refugees still lived there. It had been reduced from nearly twenty thousand. There was an airfield and the ACNUR medical clinic. We drove directly into the camp and I moved in with the refugees. The same illnesses prevailed there, but I again saw malnutrition, dehydration, and for some reason, a higher incidence of urinary infection with flank tenderness and dysuria. Pushing fluids and sulfa tablets seemed to do the trick.

When I asked about their diet I was told that ACNUR, five letters that stand for five Spanish words meaning United Nations High Commission for Refugees, allowed each refugee 3 lbs. of red beans, 1½ pounds of rice and ½ pound of flour per week. In the Contra camps the ration was considerably more supplemented with small quantities of meat and fruits and vegetables that are brought back from raids into Nicaragua. To make matters worse, the refugees reported that if the ACNUR people suspect that any member of a family is a member of the Contras the U.N. will cut off food supply to the family. To me this seems a form of political extortion. The Miskito Indians consider the U.N. people as very leftist and I saw no evidence to argue the point.

While in Mocoron I saw about sixty patients. I asked them why they didn't go the ACNUR clinic and they told me the doctors treated everything with one aspirin tablet. I don't know how true this is, but I never found anything else they told me to be untrue. I saw several people who had been labeled as having TB by ACNUR. When I asked them what tests had been run on them to make the diagnosis they answered, "None!" Finally, I decided to go up to the clinic to see it for myself. I tried to ask questions of the staff, but all claimed they spoke no English. The Indians told me they do speak English. I saw about five nurses, a couple of lab technicians and one doctor. I seriously doubt that no one could speak English.

In Mocoron I had a chance to talk to many of the refugees about conditions under the Sandinistas. They told me of arrests without giving a reason or trial, of genocide, of people disappearing. They spoke of torture and showed me fingernails that had been torn out, hands that had been crushed, scarred backs from whippings and scarred bottoms of feet from the same treatment. Many had tendons that had been cut. A favorite of the Sandinistas was to cut Achilles tendons and to sever tendons in the wrists that made the thumbs and forefingers useless on the dominant hand. Many of the refugees had scarring of the sclera of the eyes. They told me that a common torture was to throw pepper and sand in the eyes while hands were tied to chairs.

In the two days that I lived among the refugees in Mocoron I never saw anyone from the ACNUR medical or administrative staff enter the refugee area. I feel it is unfair to criticize ACNUR too severely without their having a chance to explain their side of the story but I certainly feel a thorough investigation of their administrative, medical and political practices would be in order.

From Mocoron we continued south toward the Nicaraguan border. I was settled into a thatch roof structure with open walls in the main camp of the Misura Contras. This would be my base camp until I was ready to return home. This base, known as C.I.M.M., was a military encampment and training center for the Contras. Again, I was not here to treat military personnel but would live here and would hike into numerous refugee camps throughout the area to treat those Miskito Indians who refused to go to the U.N. camps. ACNUR refuses to give any food or medical care to these people and it is here the need is greatest.

One of the saddest sights in the military camps was to see boys between nine and fourteen in cut down uniforms. I was told that these children actually go into Nicaragua on raids and that those in this area had all been in at least two times and most upward of six times. All had seen action and carried weapons. I asked Fagoth what kids like these could understand of war and the answer was simple and to the point. He said: "We call them 'wortoguya,' the littlest ones. They know if they point their rifle accurately a Sandinista will die and if enough Sandinistas die, then maybe one day their father or mother or brother or sister might come out of prison alive.

All along the border on the Honduras side there were villages built by the Contras and Miskito Indians of Honduras to house refugees from Nicaragua. Several hundred people live in each of these settlements. Food is obtained for them by the Contras and the Miskito Indians of Honduras. They eat better than the refugees in the U.N. camps. They have a larger allotment of rice and beans, some fish and meats and fruit and vegetables that the Contras bring over from their raids into Nicaragua. I ate with these people as well as those in the U.N. camps and the food was more varied and more plentiful.

The type of illnesses were the same as I had seen in other areas but there was none of the malnutrition that I saw in the U.N. camps. Again there were "medics" and a few exiled Nicaraguan nurses to help me. I spent many hours with these medical people answering their questions, teaching them what I could about continuing care and left them some medications that they could use in continuing care.

Upon returning to Puerto Lempira on my way back out I had a long conversation with Wycliffe Diego. I explained to him that it was really impractical to have physicians travel from one village to another as I did. As interesting as the experience was it was not an efficient way to bring medical care to the Miskito Indians of Honduras or the refugees. I felt it was necessary that I saw their conditions and needs but it would be better to have a central clinic where modern lab facilities could be established and where a physician could work far more effectively. Puerto Lempira would be an almost ideal location for such a medical facility. It is within a few hours of almost all the villages I visited and patients could be easily transported in by truck or boat. Two outboard motor boats could get patients in from the coastal villages and trucks from those places to the south and inland.

The Miskito Indians suggested that they could build the structure if physicians and supplies could be sent in. I recommended the idea to the Victoria and Albert Gildred Foundation and they felt it was a viable idea. I hope that in the near future there will be established in Puerto Lempira the Victoria and Albert Gildred Foundation Atlantic Coast Clinic for Central America. I would love to be the first volunteer physician to man it.

MOUNTAIN BROOK HIGH SCHOOL

Mr. HEFLIN. Mr. President, it is an honor for me to rise today and pay tribute to one of our Nation's outstanding secondary schools. Mountain Brook High School in Mountain Brook, AL, recently has been named among the nation's top 202 secondary schools in a study conducted by the Department of Education.

This prestigious honor was bestowed upon Mountain Brook High School after an intense study of 555 nominated schools. The chief State school officer in 48 participating States and the District of Columbia put forth schools for nomination that he or she felt represented excellence in the field of education. A panel of education experts then chose 260 of the nominated schools for visits, where qualities such as school facilities, student performance, and community involvement were closely scrutinized. From these 260 schools, the panel found 114 high schools and 88 middle schools it felt exemplified superior educational goals as well as superior performance.

Mountain Brook High School has been recognized by the Department of Education for its numerous achievements. The study sighted Mountain Brook's High quality students as outstanding among the nominated schools.

Mr. President, I wish to commend Mountain Brook High School as well as the Mountain Brook community for this distinguished honor. The recognition of this award should be shared among thousands of individuals, including teachers, students, parents, and civic leaders. However, I particularly want to mention two people who obviously have been instrumental in the growth and the direction of Mountain Brook High School. The principal, Tom Norris, enjoys great support from faculty, students, and parents, and deserves much of the credit for the school's success. Also, Dr. Darrell McClain, superintendent of the Mountain Brook school system, truly has helped move the school in a positive direction, as shown by the Department of Education's study.

Mr. President, I join with all Alabamians and indeed the Nation, in congratulating Mountain Brook High School for its outstanding achievements and this great honor.

BUSH MIDDLE SCHOOL

Mr. HEFLIN. Mr. President, it is an honor for me to rise today and pay tribute to one of our Nation's outstanding secondary schools. Bush Middle School of the Birmingham City School System in Birmingham, AL, recently has been named among the Nation's top 202 secondary schools in a study conducted by the Department of Education.

The prestigious honor was bestowed upon Bush Middle School after an intense study of 555 nominated schools. The chief State school officer in 48 participating States and the District of Columbia put forth schools for nomination that he or she felt represented excellence in the field of education. A panel of education experts then chose 260 of the nominated schools for visits, where qualities such as school facilities, student performance and community involvement were closely scrutinized. From these 260 schools, the panel found 114 high schools and 88 middle schools it felt exemplified superior educational goals as well as superior performance.

Bush Middle School has been recognized by the Department of Education for its numerous achievements. The study sighted the positive attitude of both Bush's faculty and students as outstanding among the nominated schools.

Mr. President, I wish to commend Bush Middle School as well as the school's community for this distinguished honor. The recognition of this award should be shared among hundreds of individuals, including teachers, students, parents, and civic leaders. However, I particularly want to mention two people who obviously have been instrumental in the growth and the direction of Bush Middle School. The principal, Ralph Sheetz, enjoys great support from faculty, students and parents, and deserves much of the credit for the school's success. Also, Dr. Walter Harris, superintendent of the Birmingham City System, truly has helped move the school in a positive direction, as shown by the Department of Education's study.

Mr. President, I join with all Alabamians, and indeed the Nation, in congratulating Bush Middle School for its outstanding achievements and this great honor.

PHARMACY ROBBERY LEGISLATION ENACTED INTO LAW

Mr. HEFLIN. Mr. President, I am pleased by the action of the President in signing Senate bill 422, the pharmacy crime legislation.

Since coming to the U.S. Senate in 1979, I have vowed to make a national war on violent crime and fighting crime aid to our States, our No. 1 priority, after a solution to our Nation's economic problems.

Federal sanctions for vicious criminals who attempt, or in fact obtain dangerous controlled substances from pharmacies were a key component of such a sound national law component strategy.

To help achieve these objectives, I introduced in the 97th Congress and earlier in this Congress, the National War on Violent Crime Act, Senate bill 315. A key title of this act addressed the epidemic of pharmacy robbery.

Three years ago, June 8, 1981, I introduced this key title as a separate bill, S. 1339. I stressed the need for the legislation at that time, in part, as follows:

> Today I would like to introduce legislation I believe will help arm our law enforcement officials in their continuing war on crime in America. This bill will amend title 18 of the United States Code to make the robbery of a controlled substance from drug stores a federal crime.
>
> For many years now, our Federal agents from the Drug Enforcement Administration and the Federal Bureau of Investigation have waged an increasingly effective campaign to halt the flow of illegal drugs in our Nation's cities and suburbs.
>
> However, because our federal agents have made such progress in disrupting the illegal drug trade on our streets, the drug pushers have now begun to turn to our local retail drug stores to fill their supplies. These drug traffickers have found an outpost to continue their illegal dealings where our federal agents are not legally authorized to tread.
>
> And, the endangered victims of this new assault are the men and women who own, manage and work in our nation's pharmacies. The drug-related robbery of a pharmacist is neither an isolated nor a unique crime in our country today—it is, rather, a serious, widespread and ever-growing phenomena.
>
> Withour our action on this bill, I fear this phenomenum will flourish, and the cost to our society will not only be in the continued marketing of illegal drugs, but also in the death and injury of our nation's pharmacists.
>
> Our pharmacists, their employees and their customers need the able protection of our federal crime fighters. It is up to us in Congress to see that these issues increasingly victimized citizens receive that protection.
>
> For the sake of our pharmatists who literally live in daily fear of these "drug merchants" roaming our streets, I believe it is

imperative that we move this bill through as quickly as possible.

It will close the weak point in our battle against drug crimes, and it will help save the lives of our nation's retail druggist.

I think all of us in this body are concerned about the high crime rate in this country. It is paramount that we act now to return our streets and neighborhoods to the decent, hardworking people of this nation. I believe this bill is an important step in that direction.

Today, I reaffirm my remarks except the word "law" can be substituted for "bill'. Mine was not the only legislation on this important subject. Several of my distinguished colleagues, including Senators SASSER and JEPSEN introduced legislation to achieve this worthly goal. Representative TOM LUKEN and others were especially instrumental in assuring a vote in the other body.

In conjunction with introduction of my pharmacy crime bill, 3 years ago, I brought to your attention an article entitled, "NARD Crime Bill—12 Years of Advocacy," which provided detailed documentation of the true advocate for the new law: the National Association of Retail Druggists.

I know that many of my colleagues, in both Houses, have congratulated NARD for a job well done. I certainly concur with Senator SASSER's observation that "it is their persistence and their concern that has resulted in a pharmacy crime law. It is a well earned victory for NARD and the pharmacists of the Nation.

As noted in the recent Senate consideration of Senate bill 422, much has occurred since February when we unanimously sent Senate bill 422 to the House. The bill manager reported that the situation in the House has evolved from pronouncements that there would be no bill reported by the Judiciary Committee to several versions of the House bill, including H.R. 5105, H.R. 5222, each more akin to the Senate version, culminating in the final House passed amended version of Senate bill 422.

The final bill incorporates many improvements made since introduction of H.R. 5105, which provided Federal jurisdiction for such crimes if the amount of drugs taken exceeded $1,000; or if serious bodily injury was involved.

Senator JEPSEN, the bill manager, explained the change in the valuation and injury criteria as follows:

> The $500 base of jurisdiction is a distinct improvement of H.R. 5105, which established $1,000 as a standard. The bodily injury requirement is decidedly broader than the language earlier passed by the House in H.R. 5222. "Significant bodily injury" was substituted for "serious bodily injury." This is a real broadening in jurisdiction. Of course, "serious" is narrow in that it means "grave" whereas "significant" means "meaningful" which is far broader. Additionally, the earlier definition of bodily injury was further expanded to read injury which involves a "risk of death" as distinguished from a "substantial risk of death" and further the definition was modified by substituting "significant physical paid". Certainly numerous injuries would not have triggered federal jurisdiction under the H.R. 5222 definition of bodily injury would clearly be included in this amended approach. Examples of these would be a bullet wound in the hand, leg, or shoulder or a bloody painful pistol whipping, or for that matter, a pistol whipping.
>
> Likewise, trauma suffered by a pharmacist so that he or she is psychologically prevented again from practicing pharmacy in public or at least for a period of time, would be included under the new version of injury.

Mr. LEVIN. Mr. President, I wonder if I could ask the distinguished Senator from Iowa a few questions about this bill so that we might clarify the intent of the langauge?

Mr. JEPSEN. I would be happy to respond to the questions of my good friend from Michigan.

Mr. LEVIN. Would the Senator please take a moment and explain how he intends the attempt provision to work, particularly as it relates to the $500 criterion?

Mr. JEPSEN. Certainly. As the Senator knows, the amended language provides that one basis for prosecution is if the replacement cost of the material or compound to the registrant was not less than $500.

In the case where a person attempts to commit a robbery or burglary for controlled substances, but is unsuccessful, the prosecution need only show that $500 or more of controlled substances were on hand and could have been taken. Likewise, if a robber or burglar succeeds in taking controlled substances which cost less than $500, but more than $500 of controlled substances were on hand, the robber or burglar may still be prosecuted for attempted robbery or burglary of the required amount. The prosecution need only show the amount and cost of the controlled substance on hand. If the defendant wishes to contest the charge on the ground that he intended to take less than $500 worth of the controlled substance, then he will either have to take the stand and testify to that effect, or submit other competent evidence to show that he did not intend to take $500 of controlled substances.

Mr. LEVIN. I appreciate that explanation. Could the Senator also tell me how he intends the interstate commerce provision to be applied?

Mr. JEPSEN. I would be happy to explain that provision. It is my belief that this provision should be broadly defined. Thus, this bill would not only reach persons who traveled from State to State committing or attempting these crimes, but those who traveled in interstate commerce, for example, on an interstate highway or transit system on their way to or from committing or attempting such a crime.

It is also intended that use of any facility in interstate or foreign commerce to facilitate such taking or attempt be read to include use of the telephone or mails in planning or committing such a crime. I would point out to my colleague that equally important is where a weapon is acquired in interstate commerce and is used or threatened to be used in taking controlled substances, that weapons acquisition is to be viewed as use of a facility of interstate commerce to help commit the crime. In order to prove acquisition of a weapon in interstate commerce, the prosecution need only show where the weapon was manufactured, if the State is different than where the crime occurred.

In summary, we have rendered a good law and as a member of the Senate Judiciary Committee, you can rest assured that I will work to see that it is properly implemented and enforced.

The increased threat of violence and crimes in pharmacies is a direct result of the stringent controls imposed by the CSA. It is only fitting that the resources and facilities of the Federal Government be made available to protect pharmacies and apprehend criminals bent on circumventing the controls of the law.

Government competition, with their businesses and recent high interest rates, are economically killing small business. At least our members will personnally survive any economic assault on their livelihoods. It is a cold reality, however, that some—an ever increasing number—will not survive the robbers' assaults. Other pharmacists and their customers—your constituents—will live, yet carry the scars of wounds, actual and emotional, for life. Still others will no longer pursue a retail druggist profession that as recently as September, George Gallup found is held in high esteem—second only to clergy by the American public.

The brutalization of our pharmacies has created other, more subtle havoc: Customers denied access to essential pharmaceutical products; accelerated levels of stress and burnout, including some who have sold their stores; and tragically, a growing number of pharmacy school graduates, full of free enterprise enthusiasm, who have declined a marketplace career.

Again, I echo the comments of my colleagues to NARD, and ask unanimous consent that the NARD statement on final passage of Senate bill 422 by the Senate be printed in the RECORD at the conclusion of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

NARD VICTORY: CONGRESS PASSES PHARMACY CRIME LEGISLATION

ALEXANDRIA, VA, May 21, 1984.—Long-sought-after pharmacy crime legislation has received congressional approval and is awaiting signature by President Reagan. Due in large measure to the heroic and tenacious lobbying efforts of the National Association of Retail Druggists, the new law will add burglary and robbery of pharmacies to obtain controlled substances to the list of present federal non-violent drug diversion offenses, and provide substantial federal penalties for such drug related violence.

The final passage of S. 422 ends a 15-year effort by NARD to correct inequities in the 1970 Controlled Substances Act, which left the nation's pharmacists—and particularly independent retail pharmacists—vulnerable to violent acts perpetrated by gunmen on store owners, their employees and customers.

NARD Executive Vice President William E. Woods, who brought this issue to the attention of Congress in 1969, commented: "NARD deeply appreciates the generous support of its friends in Congress and the Reagan Administration who have addressed this vital grievance confronting our members and others who have, for too long, practiced the honorable profession of pharmacy providing vital health care services in the shadow of potential violence while experiencing an increasing epidemic of actual violence. The final legislation contains significant federal jurisdiction over violent pharmacy crime."

Senator Roger Jepsen (R-IA), the leading proponent of the legislation, opened a May 17 Senate debate on the bill with a special acknowledgement of the NARD and its staff "in particular, Mr. William Woods."

"Progress toward the Senate approach has not been without controversy. The National Association of Retail Druggists has fought steadfastly at each step in the legislative process to broaden the House version," Jepsen reported to his Senate colleagues. He recounted the evolution since February from House pronouncements that the House Subcommittee on Crime would report no bill to later introduction of a series of bills "including H.R. 5105, H.R. 5222, each more akin to the Senate bill," Jepsen noted.

Many acknowledge enactment as a decided victory for the National Association of Pharmacist's Political Action Committee (NAPPAC), a key component of NARD's legislative program. When prospects were grim in the House late last summer, it was Congressmen Tom Luken (D-OH), Tom Bliley (R-VA) and Henry Waxman (D-CA) working closely with NARD who generated the political pressure that made any action by the House of Representatives possible. Each of these three important members of Congress has been strongly supported by NAPPAC. NAPPAC is the only political action committee which represents the interests of independent retail pharmacy. APhA, NWDA, and most other pharmacy organizations do not have political action committees.

NARD's efforts on behalf of pharmacy crime legislation were praised by Senator Jim Sasser (D-TN) who noted: "I would like to commend NARD for their efforts on this bill. They have labored long and hard for this legislation and its passage is an important and well-earned victory for them." Senator Howell Heflin (D-AL), who with Sasser strongly support the Jepsen/Thurmond bill (S. 422), echoed the Tennessee Senator's congratulations to NARD.

Before voting, several Senators explained in detail how the House legislation had been significantly expanded. In response to questions, Senator Carl Levin (D-MI), who also worked closely with NARD and Senator Jepsen, reported that (1) the use of a weapon would trigger federal jurisdiction, and (2) that an unsuccessful robbery could be prosecuted as an attempt to rob, or (3) that if less than $500 of drugs was actually taken, the criminal could be prosecuted for an attempt to take the required trigger amount. Importantly, under S. 422 the crime of attempt carries the same penalty as the robbery of $500 of controlled drugs.

Similarly, Senator Jepsen explained that many injuries, not covered by H.R. 5222, would trigger federal prosecution including "a pistol whipping * * * or trauma suffered by a pharmacist so that he or she is psychologically prevented from * * * practicing public pharmacy for a period of time."

Additional features of the bill sent to the President include: authority for DEA to investigate any pharmacy robbery or burglary; authority to prosecute cases granted to local U.S. attorneys; an annual report by the Attorney General to Congress detailing the new federal effort to curb pharmacy crimes, especially robberies; direction to the Attorney General to prosecute at least as many as presently directed at non-violent diversion such as forgery; and penalties of 20 years/$25,000 for robbery; 10 years/$25,000 for conspiracy; 25 years/$35,000 if an assault or weapon is involved; and life/$50,000 if death occurs.

While detailing the broader scope of federal jurisdiction in the bill, Senate Judiciary Chairman Strom Thurmond (R-SC) observed: "I have strong reservations . . . I will accept this figure for now. However, we will be closely monitoring its effect to determine if changes are needed in the future." Jepsen added, "that I am fully prepared to come back next year and see that those limits are either lowered or removed completely." The Iowa Senator told his colleagues however that, "any further amendment would prove fatal" to the effort when returned for House Judiciary Subcommittee approval.

Passage of S. 422 was achieved when NARD and its members engaged in an aggressive lobbying campaign to modify onerous provisions of the H.R. 5105 $1000 trigger and H.R. 5222, which received unexpected and unbridled support from a member of other pharmacy organizations and which would not have provided adequate protection for the nation's pharmacists. Hundreds of NARD members responded to recent NARD legislative alerts by documenting the extent of violent crimes they had experienced first-hand from armed robbers in search of controlled substances. The responses typically demonstrated the damage, both physical and emotional, such crimes imposed on their victims. As one pharmacist said: "I'm quite sure that none of you have had a .45 magnum held to your head. Well, I have. How many of you would like to work side by side with me for a day, not knowing if your next customer will pull out a prescription or a gun to obtain these federally controlled dangerous drugs?"

Many state pharmacy executives and NARD members across the country also responded and played a key role in enactment of the final bill.

NARD President James H. Vincent praised the widespread bipartisan support shown for the legislation.

Special thanks to several dozen key Congressmen who, over the years, have worked to help provide federal protection for independent retail pharmacists from robbers who seek to obtain controlled drugs which are so profitable on the black market. The effort has always been bi-partisan. Starting in the Senate in 1973, the late Senator Frank Church (D-ID), was joined by Robert Taft, Hubert Humphrey, Paul Fanin, Birch, Bayh, and Clifford Hansen. In the House of Representatives in 1973, Congressman Robert Nix authored an identical bill and was joined by numerous colleagues. Among the present additional members of the House who have taken a strong stand on behalf of independent retail pharmacy are the following who have introduced bills: Luken, Bliley, Don Fuqua, Bill Lehman, Stan Parris, Austin Murphy, Ike Skelton, John Hammerschmidt, Romano Mazzoli, Hamilton Fish, Bill Hefner, Richard Shelby, and Robert Roe. In the Senate during the last several years, Senator Jepsen has provided the critical leadership in the 96th, 97th and 98th Congresses. His efforts have been strongly supported by Senators Thurmond, Paul Laxalt, Charles Grassley, Heflin and Sasser who each introduced complementary bills in recent Congresses.

When William Woods was asked to assess the impact of the legislation, he observed:

"It is not perfect, yet legislation seldom is. It is the product, though, of a total commitment to getting the best possible law for NARD members. There is no doubt that we had to take the gloves off in recent months, but to fully represent our members is not a popularity contest with other pharmacy associations. As our ally, Senator Jepsen, told the Senate, we fought every step of the way to improve the final bill."

"While other associations gave their 'total support' to a bill with a $1000 trigger, NARD fought to lower it to include weapons under interstate commerce and to expand the injury trigger. Some pharmacy groups, including NACDS, actually lobbied against S. 422 expressing a performance for H.R. 5222," he said.

Without this massive NARD effort, Woods suggested there would be no bill. "If the other pharmacy groups who only recently started to talk about the issue of pharmacy crime, had not compromised so early, the final version of S. 422 would have been even more satisfactory to the pharmacy profession."

Concluding, he said, "We now have a respectable Federal law making robbery and burglary to obtain controlled drugs a Federal crime, and now let's make sure it works to provide necessary additional protection for independent retail pharmacists, their employees and their customers. If it does not work, the pharmacists of the nation are sure to know that NARD will be in the next Congress fighting for changes that will provide more protection."

CLYDE PRICE, ALABAMA BROADCASTER OF THE YEAR

Mr. HEFLIN. Mr. President, I take this opportunity to pay tribute to Clyde W. Price, a man truly dedicated to the field of broadcasting. As owner and operator of Tuscaloosa, AL's WACT-AM and FM, Clyde's commitment to public service and broadcast professionalism is a credit to the entire communications industry.

His tireless efforts for the improvement of Tuscaloosa through his profession and civil involvement, his years of dedicated service to the broadcast industry of Alabama, and his leadership in the vital issues of the Nation's communications industry were recognized and rewarded on June 2, 1984, when he was recognized as Alabama Broadcaster of the Year by the Alabama Broadcasters Association.

Broadcasting is a vital service to the public, maintaining effective communication between various sectors of our society and keeping the public generally informed. The tremendous public service rendered by the broadcasting field is frequently taken for granted, but Clyde Price's outstanding concern and professionalism could not go unnoticed.

In addition to his broadcasting duties, Clyde serves his community in many other ways. Displaying both a natural leadership ability and a sense of civic duty, he served as President of the Alabama Broadcasters Association in 1972-73 and is a long-time board member of the National Association of Broadcasters.

He serves on the Associated Press National Board of Directors and Broadcast Pioneers; is vice president of the West Alabama Chamber of Commerce; past president of the Exchange Club; member of the Industrial Development Board and the Arthritis Foundation; chairman of the board of First State Bank of Tuscaloosa; board member of the Y.M.C.A. and the American Red Cross.

A graduate of the University of Alabama, Clyde Price received the Distinguished Alumnus Award from the department of broadcast and film communication at the university in 1976.

His better half, the former Carol Bailey, has been his partner for 33 years. A father and grandfather, his two sons, Walter and Ronald, are associated with him at the station.

Perhaps more importantly, Clyde has achieved his success in both broadcasting and life while earning the respect of his colleagues. In his introduction of Clyde Price to the A.B.A. Convention, Jim Stewart of Foley, AL, quoted from many letters of recommendation written in Clyde's behalf. I would like to offer a few of these quotes:

> A first class citizen and a first class broadcaster;
>
> Has given of time and substance in every possible way to the A.B.A.;
>
> Has effectively contributed to the growth and good of the community both as a top station operator as well as just a good citizen;
>
> A conscientious, dedicated broadcaster;
>
> Active and hard-working man who expends energies in the best in-interests of our great industry;
>
> We commend the honoree as a professional and * * * as a person;
>
> I have met few broadcasters with the interest and dedication of the honoree;
>
> Committed to informing the audience and to explaining the impact of events in Alabama and the world * * * to the lives of the listener;
>
> A proven reputation of dependability and earnestness;
>
> A long-time supporter of area activities;
>
> One of the outstanding leaders of the community;
>
> The honoree's concern for others has been evidenced by the hours devoted to many causes;
>
> Like a family member to many * * * appeals to a wide variety of individuals from every walk of life due to vast knowledge and years of experience, as well as genuine concern for his fellowman;
>
> The honoree's interests range from state of the art technology to training and guiding those entering our industry;
>
> Has given himself to others.

This ability to excel in both the broadcast field and in community, State, and National service has earned Clyde W. Price—the syrup sopper—recognition as Alabama's Broadcaster of the Year. For his fine work and service to our State, I commend him.

Thank you, Mr. President.

ENTERPRISE HIGH SCHOOL

Mr. HEFLIN. Mr. President, it is an honor for me to rise today and pay tribute to one of our Nation's outstanding secondary schools. Enterprise High School in Enterprise, AL, recently has been named among the Nation's top 202 secondary schools in a study conducted by the Department of Education.

This prestigious honor was bestowed upon Enterprise High School after an intense study of 555 nominated schools. The chief State school officer in 48 participating States and the District of Columbia put forth schools for nomination that he or she felt represented excellence in the field of education. A panel of education experts then chose 260 of the nominated schools for visits, where qualities such as school facilities, student performance, and community involvement were closely scrutinized. From these 260 schools, the panel found 114 high schools and 88 middle schools it felt exemplified superior educational goals as well as superior performance.

Enterprise High School has been recognized by the Department of Education for its numerous achievements. The study sighted Enterprise's community support as outstanding among the nominated schools.

Mr. President, I wish to commend Enterprise High School as well as the Enterprise community for this distinguished honor. The recognition of this award should be shared among thousands of individuals, including teachers, students, parents, and civic leaders. However, I particularly want to mention two people who obviously have been instrumental in the growth and the direction of Enterprise High School. The principal, David Carter, enjoys great support from faculty, students, and parents, and deserves much of the credit for the school's success. Also, Thad Morgan, superintendent of the Enterprise school system, truly has helped move the school in a positive direction, as shown by the Department of Education's study.

Mr. President, I join with all Alabamians, and indeed the Nation, in congratulating Enterprise High School for its outstanding achievements and this great honor.

Also, Mr. President, I ask unanimous consent that newspaper article concerning this award from the Enterprise Ledger be printed in the RECORD.

Thank you, Mr. President.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Enterprise Ledger, June 15, 1984]

ENTERPRISE HIGH SCHOOL RATED IN NATION'S TOP SECONDARY SCHOOLS FOR EXCELLENCE

(By Angela O'Donnell)

"Community support" was one key element in the selection of Enterprise High School as one of 114 secondary high schools nationally recognized, City School Superintendent Thad Morgan, and EHS Principal David Carter emphasized at a morning press conference today.

Carter said that he was notified of EHS's selection by phone Thursday afternoon by Secretary T.H. Bell's office.

Carter told a gathering of media that during an on-site evaluation, made by Dr. Joe Richardson, members of the committee of the secondary school recognition program, he was told that an underlying current in successful school programs is usually community support.

The process of evaluation of the schools considered for recognition includes an intensive look at all aspects of the program, Carter continued, particularly academic factors such as test scores; curriculum; and success of the former students. One of the first things the evaluator looks at, he said, is the advanced and college preparatory courses.

"We consider this an honor for Enterprise High School. Enterprise, and the state of Alabama," Carter said, and noted that Alabama schools made the list as finalists.

When asked whether the rating would give school officials more "pull" in gaining community support, Morgan said that. "We couldn't ask for more support than we are already getting . . . it reflects very well on the community . . . We have tremendous support of the public schools in this community."

Carter referred to the rating as a "report card", It shows the community that the support they have given us had paid off and that it does work."

The schools (recognized) included Vigor High School, Mountain Brook High School, Homewood High School, Enterprise High School, Bush Middle School in Birmingham and Homewood Middle School.

The rating could make more funding available, Morgan said, adding that he could find ways of using the money for improvement.

Some of the credit for the success of Enterprise High School includes the work of many people, Morgan said, and included in that number the school system personnel in kindergarten through the twelfth grade; the community; the city school board; and the city government. Part of the help from the school board, he added, is the fact that he is allowed to take care of the day-to-day operations of the schools.

"It keeps our system nonpolitical, and allows me to make objective decisions."

Morgan said that Tim Alford, Jim Reese, and Perry Vickers deserved recognition for their work in compiling a presentation for the selection program on the school.

Although Morgan and Carter said that EHS would not be able to re-apply next year, they do not intend to rest on their laurels. "We are going to re-assess and see what we can do better," Morgan said.

Mayor G.C. "Don" Donaldson was asked for his remarks following the announcement of the honor, and said: "I couldn't be more pleased and elated . . . though I can't say I'm surprised. I want to congratulate Mr. Morgan and the school board . . . and everyone, the staff, the students. Enterprise did it, all of the people helped . . . The entire community deserves the credit."

HOMEWOOD HIGH SCHOOL AND HOMEWOOD MIDDLE SCHOOL

Mr. HEFLIN. Mr. President, it is an honor for me to rise today and pay tribute to one our Nation's outstanding secondary school systems. Two schools from the Homewood city system in Homewood, AL, have been recently named among the Nation's top 202 secondary schools in a study conducted by the Department of Education.

This prestigious honor was bestowed upon Homewood High School and Homewood Middle School after an intense study of 555 nominated schools. The chief State school officer in 48 participating States and the District of Columbia put forth schools for nomination that he or she felt represented excellence in the field of education both on the high school and middle school levels. A panel of education experts then chose 260 of the nominated school for visits, where qualities such as school facilities, student performance, and community involvement were closely scrutinized. From these 260 schools, the panel found 114 high schools and 88 middle schools it felt exemplified superior educational goals as well as superior performance.

Both Homewood High School and Homewood Middle School have been recognized by the Department of Education for their achievements. The study cited Homewood's community support and quality of students as outstanding among the nominated schools. The high school can also boast that 80 percent of its graduates go on to study at 4-year colleges.

Mr. President, I wish to commend Homewood High School and Homewood Middle School as well as the Homewood community for this distinguished honor. The recognition of this award should be shared among thousands of individuals, including teachers, students, parents, and civic leaders. However, I particularly want to mention three people who obviously have been instrumental in the growth and the direction of the Homewood city system. The principal of the high school, Jack Furr, enjoys great support from faculty, students, and parents, and deserves much of the credit for the school's success. Donald Cornutt, the middle school's principal, has truly helped move his school in a positive direction, as shown by the Department of Education's study. Finally, Dr. Michael Gross, superintendent of the Homewood city system, deserves special recognition not only for his current work but also for his involvement in the building of the system some 10 years ago.

Mr. President, I join with all Alabamians, and indeed the Nation, in congratulating both Homewood High School and Homewood Middle School for their outstanding achievements and this great honor.

Thank you, Mr. President.

VIGOR HIGH SCHOOL

Mr. HEFLIN. Mr. President, it is an honor for me to rise today and pay tribute to one of our Nation's outstanding secondary schools. Vigor High School in Prichard, AL, recently has been named among the Nation's top 202 secondary schools in a study conducted by the Department of Education.

This prestigious honor was bestowed upon Vigor High School after an intense study of 555 nominated schools. The chief State school officer in 48 participating States and the District of Columbia put forth schools for nomination that he or she felt represented excellence in the field of education. A panel of education experts then chose 260 of the nominated schools for visits, where qualities such as school facilities, student performance and community involvement were closely scrutinized. From these 260 schools, the panel found 114 high schools and 88 middle schools it felt exemplified superior educational goals as well as superior performance.

Vigor High School has been recognized by the Department of Education for its numerous achievements. The study sighted the positive attitude of Vigor's students as outstanding among the nominated schools.

Mr. President, I wish to commend Vigor High School as well as the Prichard community for this distinguished honor. The recognition of this award should be shared among thousands of individuals, including teachers, students, parents, and civic leaders. However, I particularly want to mention two people who obviously have been instrumental in the growth and the direction of Vigor High School. The principal, Billy Salter, enjoys great support from faculty, students, and parents, and deserves much of the credit for the school's success. Also Dr. Abe Hammons, superintendent of the Prichard school system, truly has helped move the school in a positive direction, as shown by the Department of Education's study.

Mr. President, I join with all Alabamians, and indeed the Nation, in congratulating Vigor High School for its outstanding achievements and this great honor.

Thank you, Mr. President.

AUBURN UNIVERSITY'S NEW PRESIDENT, DR. JAMES E. MARTIN

Mr. HEFLIN. Mr. President, today I rise to recognize the new president of one of my State's fine institutions, Auburn University. On February 15 of this year, Dr. James E. Martin assumed the duties of the office of president at Auburn. He brought with him an outstanding list of qualifications, and, most importantly, an impeccable character.

Auburn University has been blessed through the years with outstanding individuals, both as faculty and students. The largest land-grant university in the State, Auburn enjoys a rich heritage and a hopeful outlook for the future. The selection of Dr. Martin culminated several months of searching by a selection committee, and I believe that this selection will prove to be very beneficial in the years to come.

Dr. Martin is a native of Alabama and a graduate of Auburn. He attended Auburn on an athletic scholarship for basketball and track, and earned a B.S. in agricultural administration; then, he continued on to North Carolina State where he received his M.S. in agricultural economics. Following 2 years of service in the U.S. Army, Dr. Martin attended Iowa State where he earned his Ph.D. in agricultural economics. Between the athletics and academics at Auburn, Dr. Martin also found time to meet the lovely lady who later would become his wife, Ann Freeman. Dr. Martin's academic achievements speak well of him, but the more important qualifications lie within the man.

As I mentioned previously, Dr. Martin is an alumnus of Auburn. It is this close connection that makes his appointment as president of the university so special. It is quite an honor for a man to be asked to return to his alma mater and become its president, especially a university as beautiful as Auburn. Those who have ever visited the campus at Auburn have surely noticed the friendly atmosphere that makes the "loveliest village of the plains" so special. Even Dr. Martin told the press that Auburn was the only place that could ever take him away from his previous position, as president of the University of Arkansas.

Dr. Martin's presidency at Arkansas was quite a successful venture that even earned him national recognition. His insistence on higher admission standards for the university earned him much praise from around the Nation. He was also the motivating force behind a fund raising drive that collected over $10 million for the university. Dr. Martin's outstanding achievement at Arkansas opened the eyes of many people to this man of outstanding ability.

As one may deduct from this brief statement about Dr. Martin, he is a man of both education and character. His drive to achieve, combined with his native intelligence, has created a successful life that holds a very promising future. As an Alabamian, I feel privileged to have a university as fine as Auburn, and a man as outstanding as Dr. Martin at its helm. I would like to offer Dr. Martin and Auburn University my sincerest congratulations and praise. I know Auburn will continue to provide Alabama and the Nation with educated leaders for tomorrow. Mr. President, I ask unanimous consent that the inauguration speech of Dr. Martin and a speech entitled "The Future of the State University," delivered by Edward Bloustein, president of Rutgers University and chairman of the National Association of State Universities and Land-Grant Colleges, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Inaugural Address

(By James E. Martin)

Governor Wallace, members of the board of trustees, faculty, staff and students of Auburn University, alumni, distinguished guests and friends—we are assembled today to participate in the beginning of a new administrative era following a 128-year history of educational service by the institution now known as Auburn University. During its illustrious and productive history, Auburn University has directly influenced or indirectly affected the lives of practically every citizen of Alabama and many in the region. More recently, it has developed a widely regarded reputation for high-quality undergraduate and graduate resident instruction, a growing applied and basic research program, and public service programs which have given it State, regional, national, and international visibility as a comprehensive university as well as Alabama's premier land-grant university. In addition, Auburn University has earned distinction as a friendly campus, having dedicated faculty and staff, a highly-intelligent student body, an ideal educational environment in the "loveliest village of the plains," and the pervasive Auburn spirit that alumni and friends feel deeply, but find difficult to translate adequately into words. Thus, each of us views this institution from a different perspective, possessing our own individual definition of Auburn University.

Dr. Arthur G. Hanson, chancellor of the Texas A&M University, shared John Masefield's definition of a university with me on the occasion of this inauguration. To provide a common definition consider Masefield's words:

"There are few earthly things more splendid than a university . . . it is a place where those who hate ignorance may strive to know . . . where those who perceive truth may strive to make others see . . . where seekers and learners alike, banded together in the search for knowledge, will honor thought in all its finer ways . . . there are few earthly things more splendid than a university . . . wherever a university stands, it stands and shines; where it exists, the free minds of men, urged on to full and fair inquiry, may still bring wisdom into human affairs."

Auburn University is certainly such a place, and has served in a most admirable fashion all who have walked its hallowed halls or otherwise benefited from its existence.

Today, Auburn University officially recognizes new administrative leadership. The opportunity to serve this fine institution, and the citizens of Alabama, as Auburn University's fourteenth president represents the highest honor which could be bestowed upon an alumnus. In accepting this tremendous challenge, I draw great comfort from the certain knowledge that the dedicated efforts of the past have produced the strong and dynamic university which exists today. I also draw strength from the confidence that, within its people, Auburn possesses the qualities which will assure continued progress to prominence.

I leave to the historians the task of assessing the quality and quantity of Auburn university's past contributions to society. This history will highlight unique individual achievements by Auburn's faculty and alumni, numerous significant contributions to man's knowledge through its research, and thousands of citizens whose lives have been enriched because of our cooperative extension, public service and continuing education programs. Also included will be a description of the growth in the size of the faculty, the student body, the number of new degree programs at the undergraduate and graduate levels, the new facilities for instruction and research in engineering and the biological, natural and social sciences, and expanded programs in the arts and humanities. It will document Auburn's contributions to the social and economic development of the state and region through its outreach programs and services to youth, adults, individual firms and businesses, and professional organizations and commodity groups. It will include the development of an urban campus, Auburn University at Montgomery, and the beginning of this camplus' contributions to education in the Montgomery area. Most importantly, it will recongize the emergence of Auburn as a national university of distinction.

We can do nothing to change the facts surrounding Auburn's first 128 years. We can neither enhance nor detract from those accomplishments which are already a matter of record. It is our task, however, to undertake the planning which will build upon Auburn's sound foundation and previous accomplishments. I believe the ingredients are present for Auburn to make even greater contributions, assuming a leading role in today's rapidly-expanding, high-technology and knowledge-oriented society.

The maximization of future contributions by Auburn University will require the development and execution of a plan for its future. It has been said that no individual or group plans to fail. However, society is filled with groups of individuals and institutions who failed to plan. Because Auburn is such a unique assembly of people and facilities, and because it can have such a significant impact on society, a well-developed plan for the future is essential. To be effective, any such plan for Auburn's future should include consideration of ten basic areas.

First, a review of internal governance and communication within the university is essential. Sound management in modern times will requires that all university constitunts participate fully in developing recommendations for administrative consideration. Provision should be made for improved communications to enhance the understanding and commitment of the faculty, staff and students to the goals which are established for the university's future.

Second, a review of the administrative structure and organization of the university should consider new combinations of disciplines, personnel, staff, and equipment and facilities which would strengthen the programs of the university. The review should consider renaming several schools as colleges, the possible upgrading of one or more departments to school status, and the establishment of new departments. A plan for such organizational changes could improve efficiency with respect to the use of existing educational resources and enhance the continued growth and quality of the university's research program from extramural support.

Third, the university should conclude its current review of its academic calendar and commit itself to a plan of action and calendar which produces the most efficient use of faculty time and university resources. The question of whether Auburn is to remain on a quarter system or convert to a semester system should be resolved early in the planning process.

Fourth, the university must continue its tradition of providing the region's highest-quality instruction. This commitment should involve plans for greater supervision and contact between senior faculty and freshman and sophomore students. Contact should include not only more senior faculty teaching lower division courses, but provisions for additional time for faculty-advising of students. These changes imply additional resources for new faculty needed to reduce the existing high student-faculty ratios in several disciplines.

Fifth, we must embrace a plan which will lead to expanded programs of applied and basic research. With proper incentives and an improved and equitable faculty evaluation and reward system, Auburn University will move to become one of the top fifty research universities in the Nation. This strengthened research program would generate increased grant and contract activity, which in turn support a more ambitious graduate program and contribute positively to the State's economy. Such a program also would serve as a catalyst in attracting to Alabama new technology firms and employers. I envision our grant and contract research program doubling during the next five years. If we succeed, our faculty would create the equivalent of a new $16 million annual research industry through our grants program.

Sixth, to support the additional faculty involved in the instructional program, the expanded research programs and the new graduate students employed in the research programs, consideration must be given in our plan to the expansion of our library and computer resources. I am committed to the goal of having our library qualify for membership in the Association of Research Libraries by 1990. ARL membership of our library will enhance the instruction, research and public service programs of the university. We must also explore new avenues of providing access to sufficient computer equipment so as to ensure "computer literacy" of our graduates and adequate computer capacity for our research scientists.

Seventh, our plan must contain provisions for strengthening our general extension and continuing education programs. Continuing education facilities are needed in Auburn to support workshops, seminars and conferences. We must forge new models for cooperative relationships with businesses and industry. Our school of business can provide leadership in this endeavor. Auburn University possesses tremendous capability for expanded programs of educational assistance at the State, regional, national and international levels. However, adequate facilities for such purposes are essential if this potential is to be realized. In addition, methods of easing the process of matriculation between Alabama's junior and community colleges and Auburn University will continue to be explored.

Eighth, professional programs, such as agriculture, architecture, engineering, pharmacy and veterinary medicine, are extremely important for Auburn University and for the State's economy. These programs provide instruction for the majority of the baccalaureate and graduate degrees awarded in these professions in Alabama. Thus, we have a special obligation to ensure the highest level of quality in these programs.

Ninth, Auburn's plan must include provisions for a continued increase in its endowment funds from private and corporate sources, since it is unlikely that State-assisted universities will ever be provided resources by the Federal or State Governments adequate to support the highest quality of education. The Auburn generations fund, our current capital campaign, has proved that alumni and others view this institution as a worthy place to invest resources for the future. Additional endowment funds are critical if we are to provide educational opportunities in the form of scholarships for outstanding students and a student environment most conducive to quality instruction.

Tenth, and perhaps most important, faculty and staff are vital ingredients to the quality of our programs, and we must develop plans for professional renewal through sabbatical leaves, off-campus opportunities with other university and industry colleagues, and appropriate consulting assignments. A strong professional renewal program is essential if Auburn is to remain competitive in attracting and retaining outstanding faculty and staff.

As we chart a course for Auburn's future, these ten elements of our plan must be refined. They must be defined in quantifiable terms of resource requirements and identifiable results within a specific time frame. Only by stating our goals in measurable terms can we assess our progress, with respect to achieving the desirable margin of excellence in Auburn's instruction, research and extension programs.

Those of us privileged to serve this institution must recognize our accountability to the citizens of Alabama, our responsibility to our students, and our potential to add strength and quality to the programs of an already outstanding university. In fact, with continued increases in State support of the magnitude recommended to the Alabama Legislature by Governor Wallace, we must intensify efforts to improve the non-State support along with the quality of our programs.

The development and execution of a well-conceived plan will generate returns which far exceed the value of the resources expended. Auburn University indeed can become Alabama's unquestioned center for the application of wisdom to the many dimensions of human affairs on a State, regional, national and international level. To this end I pledge my full support to the board of trustees, the citizens of Alabama, the faculty and staff, students, and Auburn's alumni and friends. I further pledge my full cooperation to those individuals and organizations whose mutual interests are development of the teaching, research and service programs which will elevate an excellent Auburn University to a preeminent institution.

I accept the presidential medallion, this beautiful and highly significant symbol of the Office of President, Auburn University.

THE FUTURE OF THE STATE UNIVERSITY

(By Edward J. Bloustein)

Distinguished guests, ladies and gentlemen:

I am pleased to be able to join you here at Auburn University, one of America's great state research universities, and I am delighted to participate in honoring Dr. James E. Martin on his inauguration as the fourteenth president of Auburn.

I intend to speak to you today about the future of the Nation's state research universities, but, with your sufferance, I would like to begin with some brief general observations on the nature of social change.

Many of us unconsciously assume on occasion that one or another part of the world we cherish bears the mark of eternity, and the experience suffuses warmth and comfort. It is an attitude of mind which nourishes not only personal contentment, but loyalty, and social and political stability as well.

But Charles Darwin taught us long ago to beware lest the emotional and political comfort we thus indulge not be mistaken for rational and scientific appraisal. A faculty colleague of mine, George Levine, recently took the occasion to observe that Darwinism is as much a way of thinking, as it is a theory of biology. It tells us that the Platonic search for eternal essences and final causes may not be as important to our understanding of the world in which we live as the study of origins and change. Darwin, said my colleague, "seems to have domesticated change" as a tool of intellectual insight.

Some of you may remember the magisterial last sentence of "The Origin":

"There is a grandeur in this view of life, with its several powers, having been originally breathed into a few forms or into one; and that, whilst this planet has gone cycling on according to the fixed law of gravity, from so simple a beginning endless forms most beautiful and most wonderful have been, and are being, evolved."

In the beginning, almost a century and a quarter ago, the primal land-grant college and state university was of a simple form. But "whilst this planet has gone cycling on according to the fixed law of gravity" new forms of land-grant colleges and state universities, "forms most beautiful and most wonderful have been, and are being, evolved." Although I cannot assure you with any confidence, as Darwin did, of "a grandeur" in this view of the life of state universities, I ask you now to follow their pattern of evolution with me.

Our state universities were conceived in the Jeffersonian populist tradition of education for democratic citizenship. Although brought forth into the world in a national framework by the federal Land-Grant Acts of 1862 and 1890, they were chartered by the states in the service of local public needs. They educated, primarily at the undergraduate level, a relatively small number of each state's own young men and women, particularly in agriculture and engineering. Indeed, a distinguished historian has characterized their beginnings as a flourish of state 'boosterism'. Their form and finances, no less than what they did and aspired to, bespoke their local origins and intentions.

How our state universities have changed, grown, and prospered! They currently educate millions of students, from within their own states and from without, citizens and foreigners alike, in the fullest range of graduate and professional, no less than undergraduate programs. Moreover, together with some twenty-five leading independent research universities, they conduct perhaps 80% of all of the basic research in the United States—research vital to national prosperity and security. They still serve state pride, to be sure, but they do it by undertaking a national mission, with increasing amounts of their financial support coming from the national budget.

Four simultaneous, intersecting, and interactive conditions, operating slowly and insensibly over long years, but conspicuously and at a gallop since the end of the Second World War, have remade our state universities. Exponential growth in everything they are and do, a profound change in the other types of colleges and universities in the Nation, completely new and surprisingly mixed forms of financial support, and a transformed American economy dependent as never before on knowledge, in general, and science, in particular—these combined have served as a powerful engine of transformation of our state universities. Let me turn to speak of each of these conditions in some more detail.

First, see what the fruits of the expansion of state universities have been. All the colleges and universities of the Nation have extended their scope, but the state universities have done so at a particularly quickened pace. The increase in the numbers of their students and of their faculty, in the size and variety of their programs, and of their physical facilities, is startling. In enrollment alone, from 1960 to 1980, these institutions more than doubled, going from 1,000,000 to 2,150,000 students.

More startling than enrollment growth, has been the change in the character of the student population served. In the early history of the land-grant movement, students came primarily for an undergraduate education, and they came predominantly from the rural areas in which individual state universities were located, rural areas to which they intended to return after graduation.

This early homogeneity of student population and purpose has by now been completely transformed. Beginning in the aftermath of World War II, with the generation of returning veterans, and continuing through the aftermath of the Civil Rights Movement of the 60's, with the generation of minority students, and students of urban America's working classes, an enlarged and manifestly more diverse student population sought educational alternatives and programs never before considered within the province of the traditional state university. Moreover, they came from further and further afield nationally and internationally, and many intended to wander still further after graduation.

A larger, better prepared, more diverse, and more specialized faculty came into the state universities to serve this new student population and their new needs. Whereas the state universities were at one time predominantly institutions for undergraduate study, with a smattering of research, graduate, and professional programs, during the period since World War II, this emphasis has been virtually reversed. Measured by the academic qualification of their faculty, the magnitude and sophistication of the research they undertake, and the portion of it which is externally funded, measured by published research, by the multiplication of the number of post-baccalaureate programs and students, and by the growth of libraries and laboratories—judged by any or all these factors, the state universities of the 80's must be seen as mutations, rather than simply as lineal descendants of the state universities of the last century.

If we look to the more general environment of higher education, we can discover a second strand of change to which the state universities have responded. In most states of the Nation, there was a time when the state university was the only institution in which a poor student, or one with moderate income, could enroll in an undergraduate liberal arts program. This is no longer so.

The 50's and 60's saw the growth of an entirely new two-year public community college system in which a liberal arts program became available at low cost. These decades also witnessed the transformation of the system of state teacher colleges or normal schools into 4-year liberal art colleges which provide wide access. Finally, the 50's and 60's also spawned important developments in our independent colleges and universities: new ones, with little or no endowment, sprang up with the purpose of providing low-cost education to students who would have formerly attended state institutions. At the same time, the more traditional independent colleges and universities began to assume the burden of providing access to students of poor or moderate income through endowment and other sources of financial aid. The scale of what has happened is shown by these comparisons: in 1960, community colleges enrolled 400,000 students; in 1980, they enrolled 4,330,000. During the same period, state college enrollment grew from 750,000 to nearly 3,000,000, and private sector enrollment rose from 1,470,000 to 2,640,000.

The transformation of the surrounding landscape of higher education has affected powerfully both the composition of the student body and the public service mission of the state university. The community and the state colleges now enroll many of the undergraduates who would have formerly enrolled in the state universities. In turn, state universities now have the choice of enlarging the enrolled proportion of the best high school graduates. In turn, this more academically select student body heads more often than in the past for graduate and professional education, and increasingly, as well, these students are recruited on a national, even an international, basis.

Public service, which was once the almost exclusive purview of the state university, is now shared widely with all other segments of higher education. The community and state colleges have adopted much of the previous training mission of the state universities at the non-credit and certificate level. Likewise, large and small independent institutions, searching for state and federal financial support, and attempting to maximize the benefit to be derived from their research efforts, have now incorporated into their missions many aspects of the public service role formerly undertaken by state universities.

Besides the new centrality of research in state universities, and the marked change in other sectors of higher education, a third factor—the development of a multiplicity of funding sources—has also been at work in transforming the state university system. Large-scale federal financial support of research programs which stimulate industrial growth and provide for defense preparedness has been awarded with regard to whether an institution is state supported or independent. This catholicity of federal support has accelerated the trend towards concentration on research which was already at work in the state universities, and as important, it vastly expanded the non-state resources expended within those universities. Whereas they were once supported almost exclusively by one source of tax dollars, they now have two such sources.

On the other hand, federally supported student aid programs undertaken since the end of World War II have not only expanded the proportion of federal dollars in state university budgets they have also begun to bring a significant proportion of tax dollars into the budgets of independent colleges and universities. In 1960, the U.S. Office of Education had $25 million available in student aid; in FY 1980-81, the figure was $4.3 billion for Pell Grants and campus based programs (NDSL, SEOG, CWSP), granted without regard to whether a student is enrolled in a public or independent college or university. Some large portion $1.8 billion, or 42.7%, of that total is expended in independent institutions of higher education.

In order to provide students with freedom of choice of enrollment between public and independent institutions, many states have also provided financial aid to students of independent institutions. The vast increase in federal and state student tuition assistance programs, and the enormous federal expenditure for research, must be seen in the large context of state programs of direct institutional aid to independent institutions, and of the financial subsidy afforded to public and independent institutions alike by a tax system which provides that charitable gifts are given on, and university endowment earns income on, a tax-free basis.

To be sure, there was a time when the state universities were almost exclusively state funded; when they received few federal tax dollars, either directly or as a result of the tax benefits of private giving and non-taxable earnings on endowment. This was also a time when tuition at public institution was low or non-existent, and when independent institutions had little or no state or federal support, directly or indirectly. But what is the situation now?

Typically, state universities now receive only 20 to 40 percent of their support from state revenues, with the remainder divided between fees—now frequently above 30% of educational cost—and federal or private sources. Just as typically independent universities now receive as much as 20 to 30 percent of their support from state and federal revenues, with the remainder divided between fees—which constitute as a percentage of their budgets only some 13% more than they do in state university budgets—and federal indirect support through gifts and endowment, or private contract support. What are the implications for the planning and financing of higher education at the institutional, state, and federal levels of these dramatic ways in which the income side of the higher education budget has changed?

The fourth marked break with the past which raises fundamental new questions about the future of state universities is the advent of the post-industrial age. This is obviously not the time for an extended analysis of the new economic world in which we live; it is enough to say that what is variously known as the technetronic, or information, or service economy makes demands on higher education which are lightyears removed from those of the era in which the state universities arose.

States which were once predominantly agricultural and whose state universities served that predominant interest now invest heavily in high technology. They do so partly because even the future of American agriculture is seen to turn on new developments in the scientifically advanced field of molecular biology; more broadly, however, they do so because the successful application of advanced science to agriculture has increased its productivity markedly, thereby freeing resources to support the diversification of the economic base of even what were previously our most agriculturally oriented states.

By its very nature, high technology requires an extraordinarily large investment in basic scientific research, much of which is best undertaken in a univesity, rather than an industrial setting. The corporate structures to be served very frequently are of a national and international, rather than purely local, character. The kinds of scientific collaboration involved require links between business enterprises and universities, and between public as well as independent univesities, throughout the country. And the industrial base of this development if integrally related to the national defense, which in its turn has become more and more dependent on higher and higher levels of science which are frequently best undertaken in a university setting. State universities which were founded to boost local pride and serve local agriculture and manufacturing are now vital components of national economic and defense policy.

To summarize, the constantly accelerating 20-year evolution of our state universities urgently requires that we reach informed and widely agreed upon conclusions to at least the following questions:

1. What is the appropriate role of research, graduate education, and professional training in contemporary state universities, and what implications do the changes in this role have for their planning, financial support, and accountability?

2. What kinds of students should they enroll?

3. What is the special public service role of state universities, how does this integrate into the rest of their mission, and how is it distinguishable from that of the other segments of higher education?

4. Who should pay for, and who should benefit from this new mix of research, undergraduate and graduate education, and professional training at the state university? And how should their increasing reliance on student fee monies and tax supported voluntary giving affect institutional planning, governance, and public accountability of, and public responsibility for, state universities?

5. What are the implications for public comprehensive research universities of the convergence of their mission with that of independent comprehensive research universities, of the increasing levels of state and federal subsidy of those latter universities, and of the relatively recent emergence of the community and state college systems?

It was in order to help answer such questions that the National Association of State Universities and Land-Grant Colleges, of which I am Chairman this year, established a special study committee, which I also chair. We plan to undertake the first major study of state universities in two decades;

the first attempt to reexamine and restate the mission of these institutions since they were founded over a century ago.

Our program will take place in three phases. First we have commissioned a series of working papers from leading scholars on issues which are central to the the mission of the state universities. These papers will then serve as the centerpieces of five regional conferences to take place during 1984-1985, and to be co-sponsored by the National Association, the National Governors' Association, and the National Conference of State Legislatures. The third part of our program of study will consist of a national wrap-up conference in the fall of 1985 in which we hope to reach a consensus of educators and state and federal legislators on the role of state universities as we approach the year 2000.

The familiar world of higher education you and I once knew, in which privately supported colleges and universities, local and national, were sharply differentiated from publically supported state and community colleges and universities is a thing of the past. There is now an entirely new, and much more complex higher education landscape, in which is to be found a kind of state university unlike any we have known in the past, a state university which I suspect is more like the comprehensive independent research universities than like either other public institutions of higher education, or independent colleges.

To borrow from Darwin again, out of what the Morell Act "originally breathed into a few forms" of state university more than a century ago, "endless forms most beautiful and most wonderful" have evolved. Good sense requires us, as a result, to reassess their mission, their structure of planning, accountability and support, as well as their relationship to the other institutions of higher education in our national system. With the help of this university and its sister universities and colleges throughout the Nation, I hope we will accomplish this purpose, much to our Nation's and our own good.

Thank you and good fortune to this university and its new president!

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The time for morning business has expired.

EXECUTIVE SESSION

TREATIES

The PRESIDING OFFICER. Under the previous order, the hour of 11 a.m. having arrived, the Senate will now go into executive session to consider 16 treaties, Calendar Orders Nos. 16 through 18, 21, 22, and 24 through 34.

Thereupon, the Senate proceeded to consider the following treaties:

Ex. T, 96-2, Convention with Canada with respect to Taxes on Income and Capital;

Treaty Doc. No. 98-7, Protocol Amending the Tax Convention with Canada;

Treaty Doc. No. 98-22, Second Protocol Amending the 1980 Tax Convention with Canada;

Treaty Doc. No. 98-21, Protocol to the Tax Convention with the French Republic;

Treaty Doc. No. 98-11, Estate and Gift Tax Convention with the Government of Sweden;

Treaty Doc. No. 98-4, Supplementary Convention on Extradition with Sweden;

Treaty Doc. No. 98-15, Convention with France on the Transfer of Sentenced Persons;

Treaty Doc. No. 98-16, Extradition Treaty with Thailand;

Treaty Doc. No. 98-17, Extradition Treaty with Costa Rica;

Treaty Doc. No. 98-18, Extradition Treaty with Jamaica;

Treaty Doc. No. 98-19, Extradition Treaty with Ireland;

Treaty Doc. No. 98-20, Extradition Treaty with Italy;

Treaty Doc. No. 98-23, Convention on the Transfer of Sentenced Persons;

Treaty Doc. No. 98-24, Convention on Mutual Legal Assistance with the Kingdom of Morocco;

Treaty Doc. No. 98-25, Mutual Legal Assistance Treaty with Italy; and

Treaty Doc. No. 98-26, Treaty with Canada relating to the Skagit River and Ross Lake in the State of Washington and the Seven Mile Reservoir on the Pend D'Oreille River in the Province of British Columbia.

Mr. BAKER. Mr. President, is there controlled time?

The PRESIDING OFFICER. Under the previous order, there will be a total of 10 minutes debate on the resolutions of ratification to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Relations or their designees.

Mr. BAKER. Mr. President, I ask unanimous consent that it be in order to suggest the absence of a quorum and the time to be charged equally.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, today the Senate considers 16 treaties approved by the Committee on Foreign Relations with recommendations that the Senate give its advice and consent to each agreement.

Two of these are tax treaties and three are protocols to existing tax conventions—Calendar Nos. 16, 17, 18, 21, and 22. I know of no opposition to any of these agreements. Hearings on these agreements took place on April 26. They were unanimously approved by the Foreign Relations Committee on May 21 and have the full support of the Reagan administration. Reports on each of these agreements are available to all Members at their desks.

The five tax agreements before us are additions and modernizations of the broader network of bilateral tax treaties which the United States maintains to relieve our citizens from the burden of double taxation and excessive withholding rates. They are all relatively routine agreements, with the exception of a few issues in some of them, each of which is treated in the committee reports.

Mr. President, given the number and range of the tax treaties before the Foreign Relations Committee, we take special care to consult closely with the tax-writing committees of the Congress. I ask unanimous consent to have printed in the RECORD at this point a copy of the detailed testimony of Mr. Richard Gordon, Deputy Chief of Staff of the Joint Committee on Taxation, on each of these agreements.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

"PREPARED STATEMENT OF RICHARD A. GORDON, DEPUTY CHIEF OF STAFF, AND H. PATRICK OGLESBY AND ALAN L. FISCHL, LEGISLATION ATTORNEYS, STAFF OF THE JOINT COMMITTEE OF TAXATION, HEARING BEFORE THE SENATE COMMITTEE ON FOREIGN RELATIONS

INTRODUCTION

It is our pleasure to appear before you to provide staff assistance on the tax treaties and protocols that are currently under consideration by your Committee. Our staff has prepared pamphlets discussing each treaty and protocol before you; these pamphlets give article-by-article descriptions of the treaties and protocols and generally indicate those provisions that differ significantly from those normally found in U.S. tax treaties. The summaries of each of these pamphlets highlight the provisions of the proposed treaties which present significant policy issues.

In preparing for this hearing, we analyzed the treaties, and also spoke with a number of attorneys, accountants, and business people who are familiar with the treaties. In this process, we worked closely with staff of the Senate Committee on Foreign Relations and with the Treasury Department.

In our testimony before the Committee in 1981 and 1983 in connection with tax treaties and protocols then under consideration by the Committee, we discussed at some length the purpose, function, and overall desirability of tax treaties. We will not repeat that testimony today. (Our 1981 testimony appears in "Tax Treaties: Hearings Before the Senate Comm. on Foreign Relations on

Various Tax Treaties," 97th Cong., 1st Sess., 39-53 & 77-99 (1981).) In general, tax treaties have two main purposes. They are intended to reduce double taxation and to avoid tax avoidance and evasion. The latter purpose generally is achieved in U.S. tax treaties by means of a mutual agreement procedure and a provision for the exchange of information. Tax treaties also perform the important secondary function of removing impediments to international investment and to the free flow of capital generally.

Before you for consideration are proposed new income tax treaties with Canada and Denmark (and proposed protocols to those treaties), a proposed protocol to the existing income tax treaty with France, and proposed estate and gift tax treaties with Sweden and Denmark. The latter would be the first U.S. estate and gift tax treaties with Sweden and Denmark.

In light of the materials already provided to you, we will not describe the features of each treaty in this presentation. Instead, we would like to focus our discussion today on the relatively important tax policy issues presented by various provisions in these treaties.

The proposed treaties and protocols are, for the most part, noncontroversial. The treaties and protocols, however, raise several issues. The proposed income tax treaties with Canada and Denmark contain special foreign tax credit provisions that may allow U.S. residents to credit more foreign tax than would be allowed otherwise under the Internal Revenue Code. These two treaties, along with the proposed portocol to the French treaty, contain anti-treaty shopping provisions that are less comprehensive than those of the U.S. model treaty and some recent U.S. tax treaties. Because Denmark, under its internal law, does not impose a withholding tax on interest derived by nonresidents and, under the proposed treaty, taxes dividends paid by Danish companies to U.S. shareholders at a very low effective rate, treaty-shopping potential under the proposed Danish income tax treaty could be a significant concern. Treaty-shopping potential appears less of a concern under the proposed Canadian treaty and under the proposed protocal to the French treaty since both Canada and France are high-tax countries. In particular, both countries generally impose substantial withholding taxes on payments from domestic sources to foreign entities.

Another issue raised by the proposed income tax treaties with Canada and Denmark is whether treaties should allow U.S. persons U.S. tax deductions to which they would not otherwise be entitled under the Internal Revenue Code. The Canadian treaty would permit a deduction for contributions to certain Canadian charitable organizations and the Danish treaty a deduction for certain child support payments to Danish children. The granting of deductions by treaty was criticized by the Chairmen of both the Ways and Means and Finance Committees in statements submitted to this Committee in connection with its consideration of treaties in 1981. While there are special considerations in the case of Canada, the Danish provision breaks new ground and raises serious questions.

The proposed income tax treaties with Canada and Denmark also define the countries more broadly than the present treaties to include expressly their respective portions of the continental shelf. This makes it clear that income earned by U.S. residents from natural resource extraction, principally of oil, along the Canadian and Danish portions of the continental shelf will be from Canadian and Danish sources, respectively, and therefore generally will be taxable by those countries under the new treaties. Under the present treaties with Canada and Denmark, such income of U.S. residents arguably would not be taxable by Canada or Denmark.

Both Canada and Denmark have imputation tax systems. In general, these systems partially relieve the double taxation of corporate earnings by providing resident shareholders with a tax credit for dividends received from resident companies. The question whether countries with imputation systems should extend relief to nonresident shareholders in income tax treaties, therefore, arises. The proposed treaty with Denmark, like the existing treaties with the United Kingdom and France, would grant a limited imputation credit to U.S. shareholders for dividends received from Danish companies. The proposed treaty with Canada would not extend imputation relief to U.S. shareholders. However, the proposed treaty would reduce the present treaty rate of withholding tax on dividends, thus arguably providing some relief from double taxation of corporate earnings to U.S. investors in Canadian companies.

The proposed treaty with Canada allows the United States to impose its tax on Canadians who dispose of U.S. real property interests, but allows continuation of the present treaty exemption through at least 1985, and allows Canadian investors a stepped-up basis that prevents U.S. tax on appreciation that occurs prior to the end of the year in which the treaty enters into force. In addition, it prevents the United States from imposing its tax on social security benefit payments to Canadian residents who are not U.S. citizens.

The estate tax treaty with Sweden is not controversial, but the estate tax treaty with Denmark raises a serious issue. That treaty effectively requires the United States to allow a 100-percent marital deduction for transfers by Danes or Danish decedents, while Denmark will be able to tax transfers by Americans and American decedents. This lack of reciprocity is a serious concern. These and other issues are discussed in greater detail below.

In the past, the Committee has recommended a reservation or an understanding on a particular provision of certain treaties and protocols. However, in most cases the provisions of the treaties and protocols before you today are not sufficiently troublesome or controversial that recommendation of a reservation or understanding with respect to any particular treaty provision need be seriously considered. The one provision on which we recommend a reservation is the lack of a reciprocal martial provision in the Danish estate tax treaty. Also, we believe in certain instances the Committee may want to consider stating in its report accompanying the resolution approving ratification that a particular provision is intended to be interpreted in a certain way or that the policy reflected in a particular provision is not viewed as precedent for future U.S. tax treaty negotiations. Indeed, in some of these areas the Committee may want to recommend that, subsequent to ratification of these treaties, the policies embodied in certain provisions be reexamined by the Treasury Department, both in the context of legislative changes and in the context of the U.S. treaty negotiating positions.

One concern that we do have with these, and other recent U.S. income tax treaties, is their complexity, specificity and resulting length. Both the Canadian and Danish income tax treaties are examples, although Canada, because of the level of investment and population flows, is unique. It would be useful for the Committee to remind the negotiators that, as indicated above, tax treaties have two, and only two main purposes: the mitigation of double taxation, and the prevention of tax avoidance and evasion. It often appears that the fact that treaties are general efforts at minimizing double taxation rather than mini-internal revenue codes is obscured. As our Internal Revenue Code has shown, attempting to deal in a very specific and highly technical way with every problem lead to greater and greater complexity. The more complex the rules become the easier it is for taxpayers to manipulate them to avoid tax, which in turn leads to disrespect for the tax system generally. We are concerned that the fine tuning seen in recent treaties is an extension of that trend to treaties, and that attempts at meshing precisely two complex systems will lead not to the elimination of double taxation, but rather to elimination of tax in both countries.

While we do not recommend any specific action on these treaties with resepct to the complexity issue, we believe this tendency toward complexity is something that should be avoided in the future.

I. INCOME TAX TREATY (AND PROPOSED PROTOCOLS) WITH CANADA

The proposed income tax treaty with Canada, as amended by two proposed protocols, is generally consistent with other U.S. income tax treaties and with the U.S. model income tax treaty. However, it differs in a number of respects from other U.S. treaties and from the U.S. model.

The proposed treaty, without the two protocols, was the subject of hearings before this committee in 1981. At that time, our staff and others raised a number of issues.[1] The Chairmen of the tax-writing committees of Congress expressed particular concern about the taxation of Canadian investors in U.S. real property. The two protocols have made some significant changes in the proposed treaty since this Committee held hearings on the proposed treaty in 1981. Some of those changes protect the United States' tax base. Most significantly, the treaty now conforms more closely than it did to the U.S. tax rules that apply to foreign investors in U.S. real property (although it does not conform totally). The rules that still do not conform are transition rules. Some changes, however, reduce the United States' tax base, such as the obligation not to tax U.S. social security payments made to Canadian residents. In addition, the treaty provision that makes Canadian taxes creditable is now retroactive to taxable years beginning in 1981 and thereafter. These taxes may have been creditable even without the treaty, though.

Importance of ratification

The proposed treaty with Canada deals with many issues that have arisen over a number of years. The present treaty, as amended, is over 40 years old and does not adequately address the current economic relationships between Canada and the United

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[1] For the convenience of the Committee, our prepared statement contains relevant portions of our 1981 testimony.

States. Canada is our most important trading and investment partner. Also, its physical proximity and the similarity between the two countries in language and in background make the personal relationships between the two countries among our closest. The proposed treaty contains a number of provisions that reflect these close personal and economic contacts. For example, it solves some problems of concern to persons who move between the two countries, and permits a deduction to residents of the one country for charitable contributions to universities in the other country which they or their family attended. It contains rules that may help to settle disputes as to the taxation of persons who move from one country to the other for short periods of time. It provides and coordinates rules relating to taxation of capital gains. It solves some problems involving corporate reorganizations, and it improves the administrative provisions in the present treaty.

Among the most significant benefits provided to United States taxpayers under the pending treaty is a reduction in dividend withholding rates from the present 15 percent to 10 percent if the recipient owns 10 percent of the voting stock of the paying corporation. Furthermore, when compared to the existing treaty, the proposed treaty contains significantly expanded protection for United States taxpayers against discrimination by Canada.

In some cases, a particular taxpayer or industry receives better treatment under the present treaty than under the proposed treaty. Since the treaty is essentially a compromise between the conflicting interests of the two countries which have changed in a variety of respects since the present treaty was entered into, that result is not unexpected. The central issue is whether the final agreement represents a bargain which is sufficiently favorable overall to the United States that it should be ratified.

The proposed treaty was under negotiation for approximately nine years. We have talked with a number of former Treasury officials involved in the negotiation process. They generally believe that the treaty is the most favorable result they could expect on a number of the important points such as nondiscrimination and the withholding rate on dividends. In general, they believe the treaty to be a good one and a vast improvement over the present treaty.

For a number of reasons, the pressure from Canadian business groups to agree to a new treaty may be less substantial than for the United States. One is that there is more U.S. investment in Canada than Canadian investment in the United States. Accordingly, the larger share of the benefits of the reduction in source taxation of direct investment dividends accrues to the United States taxpayers. Thus the reduction in the withholding tax on direct investment dividends from the present 15 percent to 10 percent in the proposed treaty is a significant concession by Canada.

Even for those Canadian businesses investing in the United States, the proposed reduction in the U.S. tax on dividends paid by U.S. subsidiaries to Canadian parent companies apparently is not that significant because much of that investment is routed through the Netherlands. This is due to a form of treaty-shopping by which many Canadian direct investors may be able to receive dividends from the United States at the 5-percent tax rate provided for in the treaty between the United States and the Netherlands. This result is possible because under the Dutch-Canadian treaty there is no Dutch withholding tax on certain dividends paid from Dutch companies to their Canadian shareholders.

Discussed below are the significant issues that were brought to our attention in the course of our analysis of the treaty and discussions with outside persons, other staff and staff from the Treasury.

Nondiscrimination

The United States generally insists that its tax treaties contain a broad nondiscrimination provision that would prohibit the treaty partner from discriminating against United States investors. At the insistence of Canada, the nondiscrimination provision in the proposed treaty is not as comprehensive as that sought by the United States or as that contained in the United States or the OECD Model treaties or the United Nations Model. It is much broader than that contained in the present Canadian treaty which only applies to individual United States citizens resident in Canada. We understand that the provision is the broadest agreed to by Canada in any of its treaties. We also understand that a number of United States negotiators generally believe that Canada simply would not agree to a broader provision.

The area of concern is the treatment of Canadian corporations owned by U.S. shareholders. The U.S. model would prohibit Canada from taxing that Canadian corporation any less favorably than a similarly situated Canadian corporation owned by Canadian shareholders. In contrast, the proposed treaty only prohibits Canada from taxing a Canadian corporation owned by United States interests less favorably than a Canadian company owned by residents of any third country. For example, a Canadian company owned by United States residents cannot be taxed in a more burdensome manner than a Canadian company owned, for example, by a Swiss resident is required to be treated under the Swiss-Canadian income tax treaty. However, a Canadian subsidiary of a United States company can be taxed in a more burdensome manner than a Canadian company owned by Canadians. In effect, the United States is given most favored nation status. The present treaty does not provide for such most favored nation treatment.

The effect of this article on U.S. and Canadian investors is not reciprocal. The United States has obligated itself to treat foreign-owned U.S. corporations as well as U.S. corporations. Granting most-favored nation status to Canada obligates the United States to treat Canadian-owned U.S. corporations as well as U.S.-owned corporations. Canada does not promise, however, to treat U.S.-owned Canadian corporations as well as Canadian-owned Canadian corporations. There is an argument, however, that the duty of nondiscrimination that the treaty imposes on the United States does not represent a substantial concession by the United States, because the United States does not discriminate against foreign-owned corporations.

Staff understands that the Canadian tax system contains other features that discriminate against foreign-owned Canadian companies. One particular area is that Canada may require a higher ratio of equity to debt of foreign-owned corporations than of locally owned corporations. However, the requirement would appear to be an appropriate anti-avoidance requirement and, as such, consistent with the overall purpose of the treaty.

Some might question the wisdom of entering into a treaty with a developed country that permits a broad form of discrimination. Such a provision might be viewed as precedent for future negotiations particularly with developing countries that tend to want to discriminate to encourage local ownership of resources. Furthermore, it has been the long-standing policy of the United States not to agree to discriminatory treatment. The discriminatory treatment permitted here is prohibited by the OECD model convention. See Article 24(b). Canada reserved its position on the entire article. Commentary on the Articles of the OECD Model Convention, Article 24, paragraph 61, pg. 174.

However, our discussions have given us little reason to doubt that Canada is unlikely to grant nondiscrimination protection to United States controlled Canadian companies.

On balance, we do not believe that the nondiscrimination article presents a serious enough problem to warrant action. Rejection of the treaty (or a reservation that Canada rejects) will not by itself end the discrimination by Canadians against United States-owned Canadian companies.

If the Committee feels that the nondiscrimination issue is of special importance, it may wish to include a statement in its recommendations emphasizing its concern and urging the Treasury to resist strenuously similar provisions in future treaties. It may, however, wish to distinguish between developed and developing countries for this purpose.

Natural resource income

The present treaty contains an overall 15-percent limit on the rate of tax that either country can impose on investment income paid to residents of the other country. The proposed treaty, consistent with the U.S. model and general tax treaty standards, removes this overall limitation but replaces it with limitations on the level of source-basis taxation of various types of investment income. However, minerals rents and royalties are income from real property which under the real property article (Article VI) may be taxed without limit by the country of source. Accordingly, the Canadian tax on mineral royalties will be increased to the Canadian statutory rate (25 percent of the gross royalty). The United States rate will increase to the statutory 30-percent rate. The proposed treaty contains a transition rule that will keep the lower 15 percent rate for one additional year only.

The provision will primarily affect United States persons who receive royalty income from natural resource operations in Canada. There are, however, Canadian royalty interests in United States resources and the United States Treasury will increase its revenues in those cases.

The exclusion of mineral royalties from any treaty limitation on the level of withholding taxes is consistnet with present United States treaty policy and the OECD model convention. It is consistent with most current United States tax treaties.

In connection with the 1981 hearings on this treaty, affected United States taxpayers argued that investments were made taking into account the 15-percent limit in the current treaty, and raising the tax on the royalties from that investment could make them noneconomic. Also, some expressed concern that once the present treaty is approved Canada will increase its tax on royalties, perhaps significantly. However, in an Exchange of Notes dated June 14, 1983, the United States and Canada have agreed to resume negotiations promptly if either country increases the statutory tax rate that now applies to natural resource royalties paid to nonresidents.

It would be difficult to recommend strong action with respect to a provision that reflects current United States and international standards. However, we are not starting from scratch, and thus certain alternatives might have been considered. One would be to grandfather existing mineral interests by giving them the current 15-percent rate. Another would be to have a longer transitional period followed by a phase out of the limitation. This would give investors time to adjust. An alternative would be to provide a much higher limit, for example 25 or 30 percent, which would permit Canada to increase the tax burden on United States mineral resource investors, but would give some comfort, beyond that of the Exchange of Notes, to United States investors against greatly increased Canadian taxation. These approaches were apparently rejected, and we believe that the Exchange of Notes reflects the best resolution of any problems.

Benefits under Canadian integrated tax system

In 1972, Canada introduced a new system of taxing income from corporations that partially combines or integrates the tax paid by the corporation on its earnings with any tax paid by the shareholder with respect to distributions from the corporation.

Under the Canadian system, a Canadian corporation pays tax at the normal rates whether or not the earnings are distributed. At the shareholder level, shareholders who are Canadian residents include the dividend in their income and also "gross-up" the dividend by an amount equal to 50 percent of the dividend. That is, the shareholder reports as income the dividend plus an amount equal to 50 percent of the dividend. The shareholder may then credit an amount approximately equal to the gross-up against his tax otherwise due. The credit offsets both Canadian and provincial tax to reach this result. Unlike some other systems, like that of Denmark, no cash refund is made if the credit exceeds the taxpayer's total Canadian tax liability.

The intent of this system is to partially relieve double taxation of distributed corporate profits. At times, the effect can be the total elimination of Canadian tax on dividends. Nonresident shareholders do not get the imputation credit. Accordingly, nonresident shareholders may be subject to a higher combined corporate and personal tax than a Canadian would be.

Relief is granted to United States shareholders by United States treaties with France and the United Kingdom, both of whom also have partially integrated corporate tax systems. In those two treaties, the relief takes the form of a refund to the U.S. shareholder of the appropriate amount of tax paid at the corporate level. As discussed below, relief, in the form of an imputation credit, would also be granted to United States shareholders under the proposed new United States treaty with Denmark. In the proposed Canadian treaty, no refund to U.S. shareholders is provided. However, at least partial relief is granted by the limitation on dividend withholding taxes. It should also be noted that under Canadian law, a nonresident shareholder does not "gross-up" his dividend from a Canadian corporation by the amount of the imputation credit. Accordingly, the amount of the U.S. shareholder's taxable dividend is lower than that of a Canadian shareholder.

The Canadian situation is distinguishable in certain respects from that with the United Kingdom and France. The French relief is limited in that it applies only to portfolio investment. Both France and the United Kingdom have generally extended relief to investors from other countries comparable to that extended U.S. investors. The policies of the United Kingdom and Canada are different. The United Kingdom has traditionally welcomed United States investors and the granting of imputation relief is consistent with that philosophy.

By contrast, the Canadians have refused to extend the imputation credit in their treaties. The Canadians are not seeking United States investors in their industries. Also, Canadians have made what they consider to be a significant concession to the United States in lowering the dividend withholding rate at source to 10 percent from the present 15 percent.

Some concern has been expressed that the treaty without specific relief for U.S. shareholders will be precedent for negotiations with other countries, particularly Germany.

If the Committee considered relief for United States shareholders under imputation systems important, it could urge the Treasury not to agree to future treaties without such relief, at least with certain countries. However, this could tie Treasury's hands and preclude future treaties that on balance may be in the United States' national interest.

Canadian investment in United States real property

The proposed treaty also contains certain provisions that would limit the United States taxation of Canadian investment in United States real estate provided for in the Foreign Investment in United States Real Property Tax Act that was enacted at the end of 1980. However, the proposed first protocol has brought the proposed treaty into closer conformity with the U.S. tax rules taxing foreign investors in U.S. real property than when this Committee held its hearing on the treaty in September 1981.

The Act generally applies to tax the gain on sales made after June 18, 1980. The legislation specifically overrode real estate rules in existing treaties if those rules conflicted with its provisions. However, the legislation did not apply in those cases until January 1, 1985.

The present treaty contains a reciprocal exemption from tax for gains from the disposition of real estate. Accordingly, under the present treaty, Canadian and United States residents could continue to sell property located in the other country free of source country tax.

Under the legislation a foreign investor is taxed on his entire gain realized on the sale of United States real estate regardless of when purchased. Congress decided not to give a step-up in basis (or fresh start) to fair market value as of the effective date of the legislation. Under the proposed treaty, however, gain would in effect be taxable only to the extent it occurred after the treaty goes into force. Taxpayers can show the actual amount of appreciation or use a monthly proration rule. The fresh-start basis provided in the treaty will principally be of benefit to Canadian investors in U.S. real estate because the Canadian capital gains tax has a general fresh start as of 1975.

In addition, the proposed treaty contains a special effective date rule that allows taxpayers to benefit from the rules of the current treaty that are more favorable than those of the proposed treaty through the first taxable year that begins on or after January 1 of the year of ratification. The effect of this rule, for Canadian investors in U.S. real property, is to allow treaty exemption for U.S. real estate gains of Canadian investors through the first taxable year that begins on or after January 1 of the year of ratification, even in cases where the step-up in basis is not available. If ratification occurs in 1984, then U.S. real estate gains of Canadian investors will generally be exempt through at least all of 1985. In the case of some fiscal year taxpayers, gains will be exempt through November 30, 1986. Treaty exemption for non-Canadian investors will end at the end of 1984.

This delayed effective date may allow Canadian investors additional time to plan and to arrange their affairs to avoid virtually all U.S. and Canadian tax on the appreciation of the U.S. real property prior to the delayed date. For example, if a Canadian corporation owns all the shares of a U.S. corporation whose principal asset in U.S. real property that it uses in a U.S. business, and if the U.S. corporation liquidates into the Canadian corporation, the liquidation is free of Canadian tax. Moreover, the Canadian corporation takes a stepped-up basis for Canadian tax purposes in the U.S. real property. The present treaty, as extended through at least 1985, exempts the transaction from U.S. tax as well. The Canadian corporation takes a carryover basis for U.S. tax purposes, but if it sells the property before the delayed effective date, the sale may well be free of U.S. tax. The sale will bear Canadian tax only to the extent of the appreciation between the liquidation and the sale. Thus, the transfer during this period avoids any significant U.S. or Canadian tax on appreciation that occurs before the delayed effective date of the proposed treaty, even for property not eligible for the treaty's step-up rule. A proper purpose of income tax treaties is to prevent double taxation, but it is questionable policy to extend current rules that eliminate U.S. tax on income that is not subject to tax in any other county.

Notwithstanding the arguments against the extension of current treaty rules for an additional year, the extension benefits some U.S. owners of Canadian real estate and U.S. recipients of Canadian resource royalties.

Exempt organizations

Unlike other United States tax treaties generally, the proposed treaty would exempt charitable organizations of either country from tax imposed by the other to the extent they are exempt in their home country. In addition, Canadian private foundations which receive substantially all their support from non-United States persons would be exempt from the 4-percent United States excise tax on income of private foundations. An exemption is also provided for pension funds but the exemption is limited to interest and dividends received from sources within the other country. Accordingly, Canadian pension funds could invest in debt obligations of United States persons and stock of United States corporations free of tax.

It is our understanding that this provision represents a concession primarily to Canadian charities and pension funds. The Committee should be aware that in recent years bills have been introduced that would grant an even broader exemption to foreign pension plans. These bills have not been reported out of Committee. United Kingdom and Dutch pension plans have expressed an interest in the exemption. It can be anticipated that approval of this provision in this treaty will encourage them to seek similar relief.

Foreign tax credit

The proposed treaty specifically provides that taxes paid under Canada's general corporate income tax system are creditable income taxes under the treaty. The proposed treaty also contains a provision generally found in United States income tax treaties to the effect that it will apply to substantially similar taxes that either country may subsequently impose. It also contains a provision that it will apply to taxes on capital that either country may later impose.

In general, for most taxpayers there appears to be little doubt that the taxes described as creditable under the treaty are creditable in any event. The only significant question as to the creditability under the Code rules of any of the Canadian taxes covered by the treaty appears to be confined to the Canadian corporate tax as it is imposed on income from the exploitation of natural resources. Natural resource companies are subject to special rules that deny them certain deductions in computing their Canadian general corporate tax. The denial of these deductions creates some uncertainty as to whether the general corporate tax as imposed on such income qualifies for a foreign tax credit under the Code.

The proposed treaty makes creditable the general Canadian corporate tax even though Canada has enacted a low flat-rate tax on natural resource revenues that is not deductible in computing income under the general rules of Part I of the Canadian Income Tax Act. The original Treasury technical explanation indicated that an 8-percent tax on oil and gas production revenues would not affect the creditability of the general corporate tax. Canada has now imposed a flat rate tax on natural resource income with an effective 12-percent rate. Treasury now indicates that the general corporate tax will be creditable under the treaty notwithstanding imposition of the nondeductible resource tax at this higher rate. While the proposed treaty would resolve the doubt as to creditability of the Canadian corporate tax as presently imposed on natural resource income, that treaty credit only applies if Canada does not make substantial changes in the tax. It is unclear whether or how much Canada could raise this tax without affecting the creditability of the general Canadian income tax as applied to natural resource income.

The Internal Revenue Service has ruled that the general corporate tax was creditable before Canada imposed the full effective 12-percent non-deductible tax that now applies, but has not ruled on the tax as in effect currently. It is not clear that the Service would rule that the current tax is creditable. In this particular case, however, it can be argued that the economic substance of the tax is sufficiently comparable to United States notions of what constitutes an income tax even with a higher gross receipts tax that it does not require a major departure from applicable tax policy principles to treat the Canadian tax as a creditable tax. Thus, the treaty in this case can be viewed as merely overcoming any possible technical obstacles to the creditability of the Canadian tax under the Code rules.

Another issue is whether Canadian taxes that are creditable only by virtue of the treaty should be permitted to offset U.S. tax by income from other foreign countries. Before amendment by the proposed protocol, the proposed treaty would not have allowed that result. Treasury regulations issued between the signing of the proposed treaty and the proposed first protocol that define foreign taxes that are creditable may make these taxes creditable without regard to the treaty. After amendment by the proposed protocol, the proposed treaty allows any taxes that are creditable only by virtue of the treaty to offset U.S. tax on income from other foreign countries. If the treaty allows taxpayers to credit otherwise noncreditable Canadian taxes that are high, U.S. taxpayers who pay such taxes may have an incentive to invest in low tax foreign countries rather than in the United States. However, any Canadian taxes on extraction income that the treaty makes creditable can be used only to offset U.S. tax on low-taxed foreign extraction income.

Allowance of deductions to U.S. persons

The proposed treaty contains two provisions that give United States taxpayers deductions not permitted under the Code. This represents an expansion of general treaty policy, although one of the provisions, the allowance (on a reciprocal basis) of charitable deductions for contributions to Canadian charities, is in the present treaty.

The proposed treaty contains a provision that would permit United States persons to deduct expenses incurred in attending business conventions in Canada. At the time this provision was negotiated, deductions for conventions held in all foreign countries, including Canada, were subject to substantial restrictions pursuant to amendments to the Code made by the 1976 Act. However, the Code was amended in 1980 to permit deductions for conventions in Canada and Mexico on the same basis as those held in the United States and its possessions. Accordingly, the treaty provision would no longer have any impact on United States taxpayers attending Canadian conventions. In 1983, Congress passed the Caribbean Basin Initiative, which permits deductions for conventions in certain Caribbean Basin countries that agree to exchange tax information with the United States on the same basis as U.S. conventions.

Unless a contrary intention is expressed by the Senate, however, the inclusion of this provision in the treaty could be taken as precedent for other negotiations. It should be noted that Canada also has statutory provisions denying Canadian taxpayers deductions for attending foreign business conventions, so the principal impact of the provision is to allow Canadians deductions for Canadian tax purposes for attending business conventions in the United States.

The proposed treaty also permits United States persons a deduction for contributions to Canadian charities and Canadian persons a contribution to United States charities. The present treaty (like the proposed treaty with Israel) contains a similar provision.

It has been argued that treaties should not be used to grant deductions to United States persons because they are not necessary to limit double taxation. On the other hand, the special relationship between the United States and Canada may warrant special rules in this case.

Antitreaty shopping provisions

Most recent U.S. treaties (and the U.S. model) contain provisions that limit the use of the treaty by corporations and other legal entities to those that are controlled by persons who are residents of the treaty partner. The United States has recently terminated a number of treaties that afforded treaty shopping opportunities. The proposed treaty contains only limited antitreaty shopping provisions. These provisions deny treaty benefits only to certain trusts and to Canadian nonresident owned investment companies.

While an argument might be made that a broader anti-treaty shopping provision is appropriate, Canada is a high tax country that imposes taxes on resident entities at rates comparable to U.S. rates. Canada also imposes significant withholding taxes on payments from Canadian entities to foreign investors. Also, Canada has a history of concern about tax avoidance and evasion, and has recently repealed the rules that allow creation of nonresident owned investment companies (although existing nonresident owned investment companies can continue to exist). The one concern would be that abuse possibilities could develop in the future, and it has proved difficult to renegotiate treaties once abuses develop.

Exemption for Social Security payments to Canadian residents

The proposed treaty would eliminate the United States tax on social security benefit payments to Canadian residents (unless they are U.S. citizens). This tax was part of a comprehensive legislative solution to social security problems. The tax on nonresident aliens goes into the Social Security Trust Fund. The treaty's prohibition on U.S. tax on Canadian residents would reduce the Fund's receipts by about $10 million each year.

In imposing the tax on social security benefit payments to nonresident aliens in 1983, Congress indicated that it did not intend to override treaties in force at the time of the enactment of the legislation, such as those with Japan and the United Kingdom, that prevent U.S. taxation of social security payments made to residents of the treaty partner (unless they are U.S. citizens). It can be argued that this tax, although recently enacted, should not be subject to special scrutiny. In enacting the tax on foreign investors in U.S. real property, by contrast, Congress overrode treaties, and sought to limit the extent to which future treaties could override that legislation. However, it can be argued that failure to override should not be construed as indicating a willingness to waive jurisdiction to impose the tax in the future.

Denial of Canadian tax deductions for advertising carried by U.S. broadcasters

Since 1976, Canadian tax law has denied deductions, for purposes of computing Canadian taxable income, for an advertisement directed primarily to a market in Canada and broadcast by a foreign television or radio station. Canadian law contains a similar provision for print media. The purpose of this provision was to strengthen the market position of Canadian broadcasters along the U.S.-Canadian border.

At the time Canada adopted this provision, the United States and Canada were renegotiating the income tax treaty between the two countries. The Treasury Department negotiators raised U.S. concerns with the Canadians, but the Canadian negotiators refused to discuss this provision.

At one time it was suggested that the treaty should address this point. Recently, however, the Senate Committee on Finance reported legislation that would deny deductions or expenses of advertising primarily directed to U.S. markets and carried by a foreign broadcaster, if the broadcaster were located in a country that denied its taxpayers a deduction for advertising directed to its markets and carried by a U.S. broadcaster. Although the bill does not mention Canada by name, Canada is the only known country to which the bill would apply. This legislation would not violate the proposed treaty, and it requires only an Act of Congress, and not the consent of Canada.

Canadian legislation interpreting treaties

The Canadian Government has introduced legislation (the proposed "Income Tax Conventions Interpretation Act") in Parliament that would provide that, absent an indication to the contrary, undefined treaty terms are to have the meaning that they have under internal law as it changes from time to time. This legislation would overrule *The Queen* v. *Melford Developments, Inc.*, 82 Dominion Tax Cases 6281 (1982), decided by the Supreme Court of Canada, which held that such treaty terms have the meaning they had under internal law at the time of the making of the treaty. The view that treaty terms change with internal law as it changes from time to time generally comports with the U.S. view of the meaning of treaty terms.

That proposed Canadian legislation, as originally introduced, would have applied retroactively. It would have specified that, notwithstanding any tax treaty, Canada includes and has always included the Canadian Continental Shelf. Therefore, Canada would have the right to tax income arising on its Continental Shelf. The retroactive application of the legislation's proposed definition of Canada was of particular concern to U.S. drilling contractors that operated on the Canadian Continental Shelf. The Canadian Government has reintroduced the proposed Income Tax Conventions Interpretations Act, but has made it prospective for taxable years ending after June 23, 1983. In addition, a January 26, 1984, competent authority agreement has substantially restricted the ability of Canada to impose tax on U.S. drilling contractors that operate on the Canadian Continental Shelf. This restriction applies retroactively as well as prospectively.

In addition, the proposed Income Tax Interpretation Act prevents non-Canadian taxpayers from using treaties to lower their Canadian taxes below the taxes that comparable Canadian taxpayers would pay. The current U.S.-Canada treaty allows the deduction of all expenses reasonably allocable to a Canadian permanent establishment of a U.S. resident. By statute, however, Canada does not allow taxpayers (whether or not Canadian residents) to deduct certain expenses, including the petroleum and gas revenue tax or provincial income or mining taxes or resource royalties. Canada, by statute, allows a "resource allowance" deduction; this deduction is at least incurred in the petroleum business. Some U.S. taxpayers with Canadian permanent establishments contend that they may deduct, for Canadian purposes, (1) both the statutory resource allowance and (2) the actual expenses that Canada's statute makes nondeductible. The proposed Canadian legislation makes it clear that nonresidents of Canada that do business in Canada through Canadian permanent establishments may deduct only the amounts deductible by a comparably situated Canadian resident. This legislative provision, too, will apply only to taxable years ending after June 23, 1983.

II. INCOME TAX TREATY (AND PROTOCOL) WITH DENMARK

The proposed new income tax treaty with Denmark, as amended by the proposed protocol, is similar to a number of recent U.S. income tax treaties and to the U.S. and OECD models.

The income tax treaty and protocol with Denmark deal with a number of issues that have arisen over the years. The present treaty with Denmark is over 30 years old. It no longer adequately addresses the economic relationship between Denmark and the United States.

The proposed treaty and protocol provide some benefits to U.S. taxpayers not found in the existing treaty. In 1976, the Danish corporate and individual income taxes were partially integrated to reduce the double taxation of corporate earnings. Double taxation of these earnings is reduced under Danish law by granting Danish resident shareholders an imputation credit against Danish tax equal to a percentage of the amount of dividends received from Danish resident companies. The proposed treaty and protocol provide an imputation credit to U.S. investors in Danish resident companies. The effective rate of Danish tax on Danish-source dividends paid to certain U.S. corporate investors is reduced to one-quarter of one percent as a result of the Danish imputation credit, coupled with the reduction of the Danish withholding tax rate applicable to Danish-source dividends paid to these investors that is carried over from the existing treaty. The effective rate of Danish tax on Danish-source dividends paid to other U.S. investors is reduced to 2.25 percent as a result of the imputation credit, coupled with the reduction of the Danish withholding tax rate carried over from the existing treaty. The imputation credit and the Danish imputation system are discussed in more detail below.

The proposed protocol benefits U.S. oil companies by providing that the income tax imposed under the Danish Hydrocarbon Tax Act adopted by Denmark in 1982 will be creditable for U.S. foreign tax credit purposes. In the absence of this provision, income tax imposed under the Danish Hydrocarbon Tax Act probably would not be creditable under Treasury regulations governing the creditability of foreign taxes. This provision, too, is discussed in more detail below.

If the Committee decides to recommend that the Senate advise and consent to the ratification of the proposed treaty and protocol, quick action would benefit many U.S. taxpayers. The imputation credit will be available for Danish-source dividends paid or credited on or after the first day of the second month following the date the treaty and protocol enter into force. Once the proposed treaty and protocol enter into force, the credit against U.S. tax for Danish hydrocarbon taxes paid by a U.S. taxpayer will be available retroactively for taxable years beginning after 1982.

In general, we are not aware of any substantial controversy concerning the proposed treaty and protocol. The protocol and treaty do, however, contain a few provisions worthy of special note, two of which have already been mentioned briefly. These provisions, and the issues they raise, are discussed below.

Imputation credit

As indicated above, the treaty contains an important, new provision under which U.S. residents generally receive a credit against Danish tax with respect to dividends received from Danish resident companies. Subject to some exceptions, the effect of this credit, coupled with the reduced rates of withholding tax on dividends also provided in the treaty, is to reduce to nearly zero the effective Danish rate of tax on dividends paid by Danish resident companies to U.S. investors.

The inclusion of this provision reflects Denmark's introduction in 1976 of a credit (or imputation) system for Danish resident shareholders and Danish resident companies which integrates in part the corporate income tax with the individual income tax. The intent of this system is to partially relieve double taxation of distributed corporate profits.

Under the Danish imputation system, Danish resident shareholders subject to full tax liability in Denmark on dividends from Danish resident companies generally receive a tax credit equal to a percentage of the gross dividend. The credit was 15 percent of the gross dividend for years of assessment 1978/79 through 1981/82. It was increased by the Danish Parliament in the summer of 1981 to 25 percent for years of assessment beginning with 1982/83. The 15 percent credit in effect before 1982/83 offset approximately 25 percent of the Danish corporate tax paid on distributed profits.

The legislation introducing the imputation system did not change the prior rule of Danish law that Danish parent companies do not include in taxable profits dividends received from Danish resident subsidiaries if the parent holds at least 25 percent of the share capital or cooperative share capital of the subsidiary during the whole of the taxable year in which the dividends are received. Because of this rule, no tax credit is attached to such dividends.

Under Danish law, the imputation credit either is applied against a resident shareholder's Danish income tax liability or, if the credit exceeds such liability, is refunded to the shareholder. Shareholders who have no Danish tax liability obtain a refund on demand. The dividend subject to tax is "grossed up" by the amount of the credit; that is, a Danish shareholder is required to include in taxable income the amount credited or refunded to him as well as the amount of the cash dividend.

In the absence of a tax treaty, no imputation credit is allowed by Denmark with respect to dividends paid to nonresidents of Denmark. In addition, dividends from a Danish subsidiary are taxed by Denmark when paid to a nonresident parent company (as opposed to a resident parent company) owning at least 25 percent of the share capital of the subsidiary. Thus, a higher tax burden is imposed on dividends paid to nonresident shareholders than is imposed on dividends paid to Danish resident shareholders. The proposed treaty and protocol substantially reduce, but do not eliminate, this disparity.

Under the proposed treaty's imputation credit rules, dividends paid by a Danish resident company to, and beneficially owned by, a U.S. direct investor (a U.S. company which holds directly at least 25 percent of the share capital of the company paying the dividends) are distinguished from dividends paid by a Danish resident company to a U.S. portfolio investor (a U.S. company owning less than a 25 percent share capital interest in the company paying the dividend or any U.S. resident individual). A U.S. direct investor is entitled to a credit equal to five percent of the gross amount of dividends paid to it by a Danish resident company. Under the treaty, Denmark may charge a U.S. direct investor a tax on the aggregate amount of the dividends and the tax credit at a rate not exceeding five percent. A U.S. portfolio investor is entitled to a credit equal to 15 percent of the gross amount of dividends paid to it by a Danish resident company. Under the treaty, Denmark may charge a U.S. portfolio investor a tax on the aggregate amount of the dividends and the tax credit at a rate not exceeding 15 percent.

The aggregate amount of the dividend and the credit will be treated as a dividend to the U.S. resident for purposes of the U.S. foreign tax credit. Thus, the U.S. resident's foreign-source income for purposes of the foreign tax credit limitation will be increased by the amount of the credit as well as by the amount of the dividend. The creditable tax will be five percent or 15 percent, as the case may be, of the aggregate amount of the dividend and the credit.

As originally drafted, the proposed treaty set the imputation credit for U.S. direct investors equal to one-third of the credit to which a Danish resident individual would have been entitled. The proposed treaty set the credit for U.S. portfolio investors equal to the credit to which a Danish resident individual would have been entitled. At the time the proposed treaty was signed, Danish law provided for a 15 percent credit for Danish residents. As indicated above, the credit was increased to 25 percent for years of assessment beginning with 1982/83. By setting the credit for U.S. direct investors at five percent of gross dividends and for U.S. portfolio investors at 15 percent of gross dividends, the proposed protocol, therefore, cuts back the treaty credit available to U.S. investors, freezing it at the level that the proposed treaty would have provided for years of assessment before 1982/83. Under the proposed protocol, U.S. investors in Danish resident companies will be eligible for a smaller imputation credit than Danish shareholders in Danish resident companies. As a result, U.S. shareholders may be subject to higher Danish corporate and personal income taxes in connection with dividends received from Danish resident companies than Danish shareholders are. The issue is whether the United States should insist on the same tax relief for U.S. investors in Danish resident companies as Danish shareholders receive under Danish law.

In considering this issue, it is important to recognize that the agreement of Denmark to extend the imputation credit to U.S. shareholders, particularly to U.S. direct investors, is an important concession by Denmark. The proposed treaty represents only the third time that a country with a tax system which integrates corporate and shareholder taxation has agreed to extend its imputation credit to U.S. portfolio investors, and only the second time that such a country has agreed to extend its imputation credit to U.S. direct investors. The proposed income tax treaty with Canada, for example, which, like Denmark, has an imputation system, does not extend the Canadian imputation credit to U.S. shareholders. The granting of the imputation credit to U.S. shareholders under the proposed treaty with Denmark will significantly reduce the amount of Danish tax paid by U.S. investors with respect to dividends received from Danish resident companies.

The two countries that presently, by treaty, grant U.S. portfolio investors an imputation credit with respect to foreign-source dividends are France and the United Kingdom. The U.S. treaties with these countries provide U.S. portfolio investors (defined more narrowly than under the proposed Danish treaty) with an imputation credit equal to the credit a French or U.K. resident would have received. By contrast, the proposed protocol would effectively provide U.S. portfolio investors with an imputation credit equal to ⅗ths (15%/25%) of the credit a Danish resident would receive currently under Danish law.

The only country that presently grants U.S. direct investors an imputation credit with respect to foreign-source dividends is the United Kingdom. The U.S.-U.K. treaty provides U.S. direct investors (defined more broadly than under the proposed treaty) with a credit equal to one-half of the credit an individual U.K. resident would be entitled to were he the recipient of the dividend. By contrast, the proposed protocol would effectively provide U.S. direct investors with a credit equal to one-fifth (5%/25%) of the credit an individual Danish resident currently would be entitled to under Danish law, were he to receive the dividend.

Some concern has been expressed that permitting U.S. shareholders in Danish resident companies a smaller imputation credit with respect to dividends than Danish shareholders in such companies receive may be harmful precedent for negotiations in the future with countries having imputation systems, particularly Germany.

If the Committee considered equal relief for U.S. shareholders under imputation systems important, it could urge the Treasury not to agree to future treaties without such equal relief, at least with certain countries. However, this could tie Treasury's hands and preclude future treaties that on balance may be in the United States' national interest.

Hydrocarbon Tax Act

The Danish Hydrocarbon Tax Act generally imposes a tax on income in connection with preliminary surveys, exploration and extraction of hydrocarbons in Denmark. The tax is assessed separately from the regular Danish income and corporate taxes and amounts to 70 percent of the aggregate taxable income of fields showing profits. Regular Danish corporate and income taxes are deducted in computing taxable hydrocarbon income. Other special deduction and allowance rules also apply.

The protocol treats the Danish hydrocarbon tax, and any substantially similar tax, as a creditable tax for U.S. foreign tax credit purposes. No determination has been made by the U.S. Treasury Department or Internal Revenue Service concerning the creditability of the Danish hydrocarbon tax. Questions such as whether the hydrocarbon tax is a creditable income tax under general Internal Revenue Code concepts or whether it is a substantially similar tax to the creditable tax described in paragraph (1)(a) of Article I of the present treaty have not been resolved administratively or judicially. However, under the Treasury's new foreign tax creditability regulations, promulgated in October 1983, it would appear that income tax specifically imposed under the Danish Hydrocarbon Tax Act probably would not be creditable.

The Danish hydrocarbon tax is creditable under the protocol, subject to certain limitations. In addition to the general rules found in tax treaties, the protocol will permit Danish hydrocarbon taxes to offset U.S. taxes on Danish oil and gas extraction income only. Thus, a "per-country" limitation applies to the use of the credit for hydrocarbon tax. A limited carryback and carryforward of taxes not used in the current year is also provided. Under the Internal Revenue Code, the credit for taxes on foreign oil and gas extraction income is subject to a separate limitation too but it applies on a worldwide basis only, not on a per-country basis.

Similar provisions making the United Kingdom's Petroleum Revenue Tax and Norway's Submarine Petroleum Resource Tax creditable are contained in the third protocol to the U.S.-United Kingdom treaty and the protocol to the U.S.-Norway treaty, respectively. In the case of the U.S.-United Kingdom treaty, there was a threatened reservation on the provision. In response, the per-country limitation was inserted in that protocol.

The issue is the extent to which treaties should be used to provide a credit for taxes that may not otherwise be creditable and, in cases where a treaty does provide creditability, to what extent the treaty should impose limitations not contained in the Code. In considering this issue, it is important to keep in mind that the Danish treaty credit for the Danish hydrocarbon tax, because it will probably be larger than any credit otherwise allowed under Treasury regulations, may reduce the U.S. taxes collected from U.S. oil companies operating in the Danish sector of the North Sea.

Another question raised is whether a controversial issue in U.S. tax policy such as the tax credits to be allowed U.S. oil companies on their foreign extraction operations should be resolved through the treaty process rather than the regular legislative process. Also at issue is whether Denmark should be denied a special treaty credit for taxes on oil and gas extraction income when Norway and the United Kingdom, its North Sea competitors, now receive a similar treaty credit under the U.S. income tax treaties with those countries currently in force.

A related issue involves the imposition of the regular Danish corporate tax on U.S. oil drillers. The proposed treaty defines "Denmark" and the "United States" more broadly than the present treaty to include expressly the U.S. and Danish portions, respectively, of the continental shelf. Exploration and extraction of natural resources, the income from which is subject under Danish internal law to Danish tax, is presently concentrated along the Danish portion of the continental shelf in the North Sea. While the matter is not free from doubt, it is arguable that under the present treaty's more restrictive definition of Denmark, U.S. oil drillers are not subject to Danish corporate tax in connection with their North Sea operations. This is because, under the more restrictive definition of Denmark, income from operations along the continental shelf arguably is not from Danish sources. Thus, the proposed treaty may subject U.S. oil drillers operating along the Danish portion of the continental shelf to Danish corporate tax for the first time. This raises the issue whether the United States should agree to allow its oil drillers under the new Danish treaty to be subject to a tax from which they are possibly exempt under the existing treaty.

U.S. insurance excise tax

Among the U.S. taxes covered by the proposed treaty is the Federal excise tax imposed on insurance premiums paid to foreign insurers. This tax is covered to the extent that a foreign insurer does not rein-sure the insurance risks in question with a person not entitled to relief from the tax under the proposed treaty or another U.S. treaty. Covering the U.S. insurance excise tax under the treaty means that, under the "business profits" and "other income" articles of the treaty, any income of a Danish insurer from the insurance of U.S. risks would not be subject to the insurance excise tax, except in situations where the risk is reinsured with a company not entitled to the exemption, if that insurance income is not attributable to a U.S. permanent establishment maintained by the Danish insurer. This treatment is a departure from the existing tax treaty with Denmark and other older U.S. tax treaties, although it appears in some more recent treaties such as the present treaties with France and Hungary. Staff is not aware, however, of any Danish insurers currently insuring U.S. risks.

The U.S. excise tax on premiums paid to foreign insurers is a covered tax under the U.S. model tax treaty.

Antitreaty shopping provision

Most recent U.S. treaties contain a provision that limits the use of the treaty to corporations controlled by persons who are residents of the treaty partner. These provisions are intended to prevent third country residents from establishing a company in a treaty partner in order to take advantage of reduced withholding rates. They also function to deter residents of one treaty partner from attempting to take advantage of reduced withholding rates by establishing a company in the other to borrow from residents of a third country without a treaty with the United States or with a treaty that does not provide for reduced withholding tax on interest. These practices are known as "treaty-shopping."

The anti-treaty shopping provision of the treaty is less strict than the anti-treaty shopping provision found in some recent U.S. tax treaties, but more restrictive than the anti-treaty shopping provisions in older U.S. treaties.

This provision is also less strict than that of the current (1981) U.S. model, although the U.S. model provision is only one of several approaches that the Treasury Department considers satisfactory to prevent treaty-shopping abuses. For example, the provision generally limits the use of the treaty not, as the U.S. model does, to corporations 75 percent of whose stock is owned by persons who are residents of the treaty partner in which the corporation is a resident, but to corporations in which 50-percent ownership is shared by either residents of the treaty partner of which the corporation is a resident, residents of the other treaty partner, U.S. citizens, publicly traded companies that are residents of the two countries, the two countries themselves, or any combination of them. The recently enacted treaties with Australia and New Zealand maintain the U.S. model's 75-percent standard, but like the proposed treaty, they expand the class of qualified beneficial owners.

As another example, under the proposed treaty, a business organization is generally denied treaty benefits if more than 50 percent of its gross income is used to make interest payments to persons other than those just named. By contrast, under the 1981 U.S. model treaty, a business organization is denied treaty benefits if its income is used in substantial part to meet liabilities to third-country residents who are not U.S. citizens. Because the income-use rule of the proposed Danish anti-treaty shopping provision refers to using income "to make payments" rather than "to meet liabilities," third-country investors might arguably meet the test by lending through an investing entity that is a resident of Denmark (and that satisfies the 50-percent ownership test discussed above) on a zero coupon (original issue discount) basis. In that case, the Danish investing entity might not "make payments" to the third-country investor until the zero coupon obligation matures. Before that time, the income-use rule may not be violated and, consequently, interest received by the Danish investing entity from the U.S. borrowers may be eligible for the treaty exemption from U.S. tax. On the other hand, the Treasury Department's technical explanation of the proposed treaty and protocol indicates that payments will be considered to be made under the treaty's income-use rule with respect to a zero coupon obligation when interest accrues for Danish tax deduction purposes.

Also, the recent treaties with Australia and New Zealand, it should be noted, have no protective income-use rule of any kind.

The liberalized anti-treaty shopping provision of the proposed treaty may create a potential for abuse. Treaty-shopping potential in the case of Denmark may be more serious than in the case of some other U.S. treaty partners because of the absence of any Danish withholding tax on interest payments from a Danish conduit to third country investors; Denmark is relatively unusual among U.S. treaty partners in not imposing a withholding tax on interest derived by nonresidents.

Experience has shown that if abuses develop after a treaty is ratified it is very difficult to negotiate solutions. The Committee might consider recommending a delay of ratification pending negotiation of an anti-treaty shopping provision that conforms more closely to that of the U.S. model treaty if it considers this potential serious. It must be recognized, of course, that insistence by the United States on such a provision might result in the refusal of Denmark to accept the treaty. In the alternative, the Committee may wish to include in its resolution of ratification of the proposed treaty and protocol an understanding consistent with the Treasury Department's interpretation of the "make payments" language of the income-use rule.

Allowance of deductions to U.S. persons

The proposed treaty contains a provision that gives U.S. taxpayers a deduction not permitted under the Code. Under the proposed treaty, child support payments by a U.S. citizen or U.S. resident to a Danish resident under 18 years of age pursuant to a Danish court decree may be taxed by Denmark and the United States must allow a deduction for the payments. Under U.S. law child support payments are not taxable income to the recipient and the payor may not deduct the payments.

The issue is whether treaties should be used to allow U.S. persons deductions to which they would not otherwise be entitled. As a general rule, treaties have not given U.S. persons such deductions. On the other hand, this is arguably an appropriate function of treaties in limited cases because it adjusts U.S. rules to take into account conflicting tax rules of the treaty partners and the particular tax relationship between the two countries. Three treaties allowing U.S. persons deductions to which they would not otherwise be entitled have been considered recently by the Committee—the proposed income tax treaties with Canada, and Israel and the treaty with Jamaica. The treaty with Israel has been approved by the Senate.

The issue of the granting of deductions to U.S. persons by treaty has been brought to the attention of this Committee in the past. In September of 1981, the Chairman and ranking minority Member of the Ways and Means Committee and the Chairman of the Finance Committee submitted statements to this Committee, as part of the record of the hearings on the proposed Canadian and Israeli treaties, in which they expressed serious reservations with granting deductions by treaty. This Committee, in reporting favorably the proposed treaty with Israel, indicated its concern with granting deductions to U.S. persons by treaty. The Report stated that the Committee might recommend a reservation in the future.

Normally, with this history, we would urge that the Committee seriously consider a reservation on the deduction provision. This case, however, deserves special consideration because the deduction provision was in the proposed Danish treaty as negotiated before the September 1981 hearings, when the deduction issue was brought generally to the Committee's attention. The Committee still may wish to recommend a reservation. In the alternative, the Committee might consider strong language in its Report suggesting that deductions should not be granted by treaty in the future.

III. PROTOCOL TO INCOME TAX TREATY WITH FRANCE

The proposed protocol to the existing income tax treaty with France was negotiated at the request of the United States after France's introduction of a wealth tax, effective January 1, 1982. The protocol would amend the treaty to cover this tax and would generally provide U.S. citizens residing in France with a five-calendar year exemption from the tax for their assets situated outside France. If the Committee decides to recommend that the Senate advise and consent to the ratification of the proposed protocol, quick action would benefit U.S. citizens residing in France, since the five-year exemption and other wealth tax provisions of the protocol will apply retroactively to the date of inception of the wealth tax.

The proposed protocol also makes a number of other noncontroversial changes to the existing treaty. Some of these changes deal with specific problems that have arisen in the administration of the treaty since it entered into force in 1968 or since the two earlier protocols to the treaty entered into force in 1972 and 1979. Other changes generally modernize the existing treaty, bringing it into closer conformity with the U.S. model treaty. Some of the more significant of these changes, along with the changes relating to the French wealth tax, are discussed below.

French wealth tax

Effective January 1, 1982, France introduced a tax on large net wealth (l' impot sur les grandes fortunes). The tax applies to certain assets, wherever situated, of French resident individuals, including U.S. citizens, and certain assets situated in France of nonresident individuals, if the value of the individual's assets exceeds certain thresholds. The protocol would amend the existing treaty to treat the new French wealth tax as a covered tax and would provide reciprocal rules for the imposition of capital taxes generally. Because the United States does not currently impose a Federal wealth tax, these reciprocal provisions would have current effect only with respect to the French wealth tax.

The proposed protocol would provide a five-calendar-year exemption from the French wealth tax for assets situated outside France belonging to certain U.S. citizens residing in France. This exemption is intended to benefit U.S. citizens who live in France for relatively short periods of time such as employees of multinational corporations transferred abroad on temporary assignment. Some U.S. citizens residing in France requested a wealth-tax exemption for their non-French assets lasting for their entire periods of French residency, whatever the duration. Such an exemption is somewhat difficult to rationalize and was not vigorously sought by our negotiators.

Under the protocol, assets situated outside France that U.S. citizens residing in France who are not French nationals own on January 1st of each of the five years following the calendar year in which they become French residents are excluded from the wealth tax base of assessment for each of those five years. Thus, for example, if a qualifying U.S. citizen became a resident of France on December 31, 1983, the five-year period would run through December 31, 1988; the non-French assets which the U.S. citizen owned on January 1 of the calendar years 1984, 1985, 1986, 1987, and 1988 would be exempt from the French wealth tax. If the U.S. citizen became a resident of France on January 2, 1984, the exemption period would, in effect, be almost six years long: the U.S. citizen would not be subject to French wealth tax in 1984 on his non-French assets because he was not a French resident on January 1, 1984; in addition, the five-year treaty exemption would run from January 1, 1985 through December 31, 1989.

The five-year exemption may be available more than once. If a U.S. citizen ceases to be a French resident for at least three years, then becomes a French resident again, another five-year exemption period will begin on January 1 of the year following the calendar year in which the individual again becomes a French resident.

The five-year exemption from the French wealth tax does not apply to assets situated in France. Thus, U.S. citizens who reside in France only temporarily may nonetheless be subject to the wealth tax with respect to certain French-situs assets to the extent the value of such assets exceeds the threshold exemption provided under French law. Also, U.S. citizens not resident in France may be subject to the wealth tax with respect to French-situs assets.

Interest

The proposed protocol would amend the treaty to provide a general exemption from tax at source for interest. This reflects the U.S. position on source country taxation of interest, as expressed in the U.S. model. Under the existing treaty, the rate of source country tax on interest is generally limited to 10 percent, with a full exemption granted only for interest on bank loans.

Antitreaty shopping provision

The proposed protocol would add an anti-treaty shopping provision to the existing treaty which, like some other older U.S. income tax treaties, does not contain such a provision. The anti-treaty shopping provision of the protocol generally would limit the use of the treaty by corporations to corporations controlled by U.S. residents, U.S. citizens, French residents, companies whose shares are publicly traded in France or the United States, or the two countries themselves. The proposed anti-treaty shopping provision is similar to those included in the U.S. income tax treaties with New Zealand and Australia, ratified in 1983. It is somewhat less strict than the anti-treaty shopping provision of the U.S. model treaty.

While an argument might be made that a stricter anti-treaty shopping provision is appropriate—particularly because of the protocol exemption from source—country withholding tax for interest—potential for abuse under the proposed anti-treaty shopping provision does not appear serious. France is a high tax country. Experience under the existing treaty indicates that French internal tax rules and French tax treaties with third countries make France relatively unattractive to third-country residents seeking to obtain benefits under the U.S.-France treaty. In particular, France generally imposes significant withholding taxes on payments from French residents to persons outside France. In addition, it is our understanding that the anti-treaty shopping provision of the U.S. model is only one of several approaches that the Treasury Department considers satisfactory to prevent anti-treaty shopping abuses.

The one concern would be that abuse possibilities could develop in the future. It has proved difficult to renegotiate treaties once abuses develop.

Other changes

Other significant changes to the existing treaty that would be made by the proposed protocol include the following: The protocol would replace the present treaty rule that income not dealt with elsewhere in the treaty is taxable by the source country with the current U.S. model treaty rule that items of income not dealt with elsewhere in the treaty that are derived by a resident of either country are taxable by the country of residence only. The proposed protocol would amend in several respects the provisions of the treaty which deal with the avoidance of double taxation. The protocol would adopt, with one significant variation, the U.S. model treaty regime for taxing artistes and athletes. Finally, the proposed protocol would specifically allow refunds to be made regardless of the statute of limitations or other procedural limitations of the countries.

Mr. PERCY. Mr. President, the Joint Committee on Taxation has been extremely helpful to the Foreign Relations Committee in its consideration of the numerous tax treaties which have been submitted to the Senate during the last 3 years.

The next three categories of agreements concern extradition, mutual legal assistance, and prisoner transfer. The committee conducted a hearing on these agreements on June 14, 1984, at which time Mr. Daniel McGovern, deputy legal adviser, Department of State; Mr. Mark Richard, deputy assistant attorney general, Criminal Division, Department of Justice; Mr. Nick Navarro of Dade County, FL, and Mr. Richard Atkins of Philadelphia, PA, testified. The witnesses indicated that, if carefully implemented and enforced, the agreements can serve significant law enforcement and humanitarian objectives.

On June 19, 1984, the committee approved these agreements without dissent.

The six extradition treaties now before the Senate are bilateral agreements between the United States and Costa Rica, Italy, Ireland, Jamaica, Thailand, and Sweden (Calendar Nos. 24, 26, 27, 28, 29, and 30). Each of these treaties is intended to facilitate law enforcement cooperation between the United States and the prospective treaty partners. These treaties are expected to be especially helpful in assisting U.S. law enforcement authorities in prosecuting international narcotics trafficking aimed at the United States or involving U.S. nationals. They each represent a continuing effort by the United States to modernize our extradition treaties to keep pace with and anticipate emerging patterns of crime around the world. Detailed committee reports on each of these treaties are available at every Member's desk.

The two mutual legal assistance treaties, now under consideration, are bilateral agreements with Morocco and Italy (Calendar Nos. 32 and 33). These treaties cover mutual legal assistance in criminal matters and represent the fifth and sixth of their kind for the United States. Previous treaties have been entered into with Switzerland, Turkey, Colombia, and the Netherlands.

The new treaties are intended to meet the diverse needs of the numerous enforcement agencies that may be involved in criminal proceedings. Where mutually agreeable, informal procedures will be employed to obtain evidence and/or testimony. Where informal procedures are inappropriate, formal requirements have been established through which the treaties' objectives of legal assistance can be achieved.

The treaties will address a variety of criminal activities, including drug trafficking, fraud, the avoidance of American securities law, evasion of American taxes, and the financing of organized crime. Detailed committee reports on both of these agreements should be available at every Senator's desk.

The two prisoners transfer treaties now before the Senate are with France (Calendar No. 25) and a multilateral agreement involving the member states of the Council of Europe and the United States and Canada (Calendar No. 31).

The problem of Americans imprisoned abroad for a variety of offenses, especially drug-related ones, has mushroomed during the past 15 years. In 1983, over 3,000 U.S. citizens were arrested abroad, and over 1,800 remained in jail at the end of that year. This is not just an American problem but involves citizens of many other countries, particularly those of Western Europe.

The solution that developed to cope with this growing problem was the implementation of treaties on the transferability of penal sanctions, otherwise known as prisoner transfer treaties. The underlying purposes of such treaties are to assist in law enforcement, relieve the country in which a foreigner may be imprisoned of an unwanted economic and administrative burden, and promote the social rehabilitation of the offender in his home country where he may be placed in a more favorable environment and where he may receive the support of family and friends.

The United States has previously entered into bilateral prisoner transfer treaties with Mexico, Canada, Panama, Peru, Bolivia, and Turkey. In general, these treaties allow the return of prisoners to their home country to serve out their foreign sentence, provided that a set of conditions are met. In 1977, the United States enacted implementing legislation to authorize the transfer of offenders to and from foreign countries (18 U.S.C. 4100-4115).

The agreement with the Council of Europe countries and Canada is the first multilateral prisoner transfer agreement to which the United States is a party. It was formulated by a committee of experts from 15 Council of Europe member states and observers from the United States and Canada. The convention was opened for signature on March 21, 1983, to all member states of the Council and to the United States and Canada. The United States signed the convention on March 21. As of March 15, 1984, 16 other countries had signed the convention: Austria, Belgium, Canada, Cyprus, Denmark, France, Federal Republic of Germany, Greece, Liechtenstein, Luxembourg, Netherlands, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.

The major advantages of concluding a multilateral treaty with Council of Europe member states are the establishment of uniform procedures and the saving of resources that would be required to negotiate and bring into force bilateral treaties with member states. About one fourth of all U.S. citizens imprisoned in foreign jails are serving their sentences in Council of Europe member states. Detailed committee reports on both prisoner transfer agreements are available at every Member's desk.

The last international agreement to be considered by the Senate today is the Skagit River and Ross Dam Treaty (Calendar No. 34). It was approved without dissent by the Foreign Relations Committee on June 19. The Skagit River and Ross Dam Treaty settles a problem with Canada which has existed for over 40 years. As a result of this treaty, the city of Seattle will receive the additional electrical capacity it needs and the Province of British Columbia will not be unnecessarily flooded to provide this capacity. Both countries receive benefits from this agreement, and I am not aware of any objections to the treaty. A committee report on the Skagit River and Ross Dam Treaty is available at every Member's desk.

Mr. President, I recommend that the Senate give its advice and consent to all 16 of the treaties, conventions, and protocols under consideration.

Mr. PELL. Mr. President, I rise to join with our distinguished chairman in urging the Senate to give its advice and consent to the 16 treaties, conventions, and protocols before us. These treaties govern bilateral issues of taxation, law enforcement, prisoner transfer, and extradition. They represent important progress in our Government's ability to cope with illegal drug trafficking, tax evasion, U.S. securities law violations, and organized crime. Each of these agreements was carefully drafted and negotiated. Hearings were held by the Committee on Foreign Relations on each of these agreements, and each was approved by the committee without dissent. These are noncontroversial agreements which, when approved by the Senate, will enhance international cooperation in legal assistance and law enforcement. I strongly urge my colleagues to support adoption of the agreements before us.

Mr. PERCY. Mr. President, I understand the distinguished Senator from Washington would like to make a statement on the Skagit River/High Ross Dam Treaty. I yield to him for that purpose.

The PRESIDING OFFICER [Mr. Trible]. The time of the Senator from Illinois has expired.

Mr. DODD. Mr. President, I would be glad to yield 1 or 2 minutes to the distinguished Senator from Washington.

SKAGIT RIVER-HIGH ROSS DAM TREATY

Mr. GORTON. Mr. President, I am pleased to rise in support of the Skagit River/High Ross Dam Treaty between the United States and Canada.

This treaty resolves a longstanding, environmental dispute between the two countries and it is a major tribute to the Governments of the United States and Canada that this matter was resolved in a cooperative manner to the satisfaction of both countries. The treaty settles a dispute that has been ongoing for 42 years between the coty of Seattle, WA, and the province of British Columbia on terms that are fair and acceptable to both entities.

The city of Seattle and the province of British Columbia signed a formal agreement on March 30, 1984, which provided the framework for this treaty. Specifically, the agreement provides that city of Seattle will not raise the High Ross Hydroelectric Dam on the Skagit River in Washington State which would have resulted in the additional flooding of 7 square miles of the Skagit Valley in British Columbia. In return for not raising the dam, which Seattle is entitled to do, the city will purchase, at a comparable price over an 80-year period, the equivalent amount of electrical power that would have been provided by raising the dam. The city will pay a yearly sum to British Columbia which is computed as the sum that would have been paid to bondholders had the city sold bonds and constructed the higher dam. In addition, British Columbia receives the right to flood into the United States behind its dam on the Pend d'Oreille River by raising the height of Seven Mile Dam an additional 15 feet. The agreement also establishes an environmental endowment fund to beautify the existing Ross Dam reservoir and to creat additional trails and facilities in the Canadian and United States portions of the Skagit Valley. The establishment of the endowment fund is a unique international enterprise, and will be jointly managed by Seattle and British Columbia.

The agreement also specifies that, if British Columbia stops providing the agreed amount of power to Seattle, the city has the unilateral right to construct the final stage of the Ross Dam. If this occurs, the province would then have an obligation to return to Seattle the cost of raising the dam at that time, minus the capitalized value of any remaining yearly payments. The financial obligations of British Columbia and Seattle under the agreement are guaranteed by this treaty between the United States and Canada.

I commend the diligent and tireless efforts of the International Joint Commission to work with officials from the city of Seattle and the province of British Columbia and representatives from the Governments of the United States and Canada to resolve this long-standing dispute which had strained relations between the two countries. The Seattle-British Columbia Agreement, and the resulting treaty, deal equitably and constructively with all the concerned parties. The treaty is an excellent example of international cooperation and I urge my colleagues to join me in supporting it.

Mr. President, I thank both the Senator from Illinois and the Senator from Connecticut.

HIGH ROSS-SKAGIT RIVER TREATY

● **Mr. EVANS.** Mr. President, I rise in support of the High Ross-Skagit River Treaty between the United States and Canada. The treaty represents a remarkable and unique example of cooperation between our two countries, and between British Columbia and Washington State. I hope that this successful cooperation can be extended into other fields, such as a United States-Canada Salmon Treaty. I plan to work hard toward achieving that objective.

This treaty has a long history that demonstrates the changing perceptions our two peoples have toward energy supply and protection of the environment. The initial license to construct the High Ross Dam on the Skagit River was granted to Seattle City Light in 1927—57 years ago. The dam site is located 20 miles south of the Canadian border in the northwestern part of the State, a beautiful area dominated by the rugged Cascade Mountains. Seattle planned to construct the dam in four stages, which was envisioned to provide a large portion of the electric power requirement for the growing population of the Seattle area. Two other dams on the Skagit, Gorge, and Diablo, were developed by Seattle City Light.

The dilemma resolved by this treaty began in 1942 when the International Joint Commission [IJC] issued an order of approval for the dam to be raised to the fourth stage. Few seemed to be aware at that time of the environmental consequences of raising the dam an additional 120 feet and flooding approximately 5,000 acres of scenic recreational land in British Columbia. Both countries were gearing up industries for wartime production; the aluminum companies were being lured to the Northwest; and everyone seemed to agree that we needed more power. At an IJC hearing in Seattle in late 1941 on this issue, the lone objection to the treaty was raised by the British Columbia game commissioner who protested that a valuable fly fishing stream was being lost. But construction work on the dam continued unrelentlessly. Seattle City completed work on the third stage in 1953.

The 1960's marked a different story, however. The struggle was sparked by the signing of a compensation agreement between the city of Seattle and British Columbia in 1967 to construct the fourth stage of the dam. Environmentally conscious citizens, especially in Canada, began to organize in opposition to the joint plan. As Governor, I recall meeting with many of these groups and listening to their concerns. Then as now, I believed that there was some alternative solution to provide electric power to Seattle and to preserve a beautiful valley.

Thus I am particularly pleased to see that British Columbia and Seattle have reached an agreement that both governments have approved in this treaty before us. The agreement is a unique and creative way to resolve a troublesome dispute. The long-term contract for a supply of electricity from British Columbia Hydro to Seattle provides the electrical equivalent of the construction of the fourth stage of Ross Dam. In return Seattle's agreement to forego construction will preserve a unique river valley in British Columbia. British Columbia also gains additional hydroelectric capacity by receiving the right to raise the pool elevation at a hydro facility on the Pend Oreille River in the eastern part of the province an additional 15 feet, which will flood additional acreage in U.S. territory.

Furthermore, the agreement is unique in that it establishes an Environmental Endowment Fund to examine the potential for developing joint environmental improvements and recreation facilities in the area. One of the ideas under discussion is the creation of an International Joint National Peace Park along the model of the Waterton-Glacier Park in Montana and Alberta.

Mr. President, I wish to congratulate the IJC for its diligent work and persistence in the negotiation of this agreement. In particular, I wish to commend Keith Bulen and Richmond Olsen of the IJC for the key roles they played in bringing about this success story. There are many others on both sides of the border who deserve congratulations and whose work will be remembered by generations yet unborn.

Mr. President, I urge my colleagues to join me in voting for this important and historic treaty.●

● Mr. LUGAR. Mr. President, I would like to take this opportunity to recognize a fellow Hoosier who has been instrumental in the negotiation of this historic treaty with Canada. The Honorable L. Keith Bulen of Indianapolis, a longtime friend and associate, and Commissioner with the International Joint Commission, played a key role in bringing a resolution to the longest standing major environmental dispute between the United States and Canada. Through patience, persistence, and hard work, Commissoner Bulen, and his Canadian counterpart, Commissioner E. Richmond Olson of Ottawa, Ontario, forged an equitable compromise which resolved a 42-year, often acrimonious dispute over the proposed raising of the High Ross Dam by Seattle, and the consequent flooding of British Columbia lands.

In his remarks at the treaty signing ceremony on April 2, 1984, Secretary Shultz commended the tireless efforts of all who participated in the long and difficult diplomatic negotiations, and specifically recognized the contribution of the International Joint Commission, saying "I don't know what name history will give today's treaty, but if there is justice, the Bulen-Olson Treaty would fittingly memorialize their efforts."

Mr. President, it gives me great pleasure to propose that we follow Mr. Shultz' suggestion, and henceforth refer to this document as the "Bulen-Olson Treaty."●

THAI PRISONER TRANSFER TREATY

Mr. PERCY. Mr. President, this afternoon the Senate considers the Treaty on Cooperation in the Execution of Penal Sentences Between the United States and the Kingdom of Thailand (Calendar No. 35). The Foreign Relations Committee conducted a hearing on the treaty on June 14, 1984, at which time the administration strongly urged Senate advice and consent of the treaty. The committee approved the treaty without dissent on June 21, 1984.

Earlier today the Senate approved two other prisoner transfer treaties. What are the reasons for entering into these kinds of agreements? The problem of Americans jailed abroad for a variety of offenses, especially drug-related ones, has mushroomed during the past 15 years. In 1983, over 3,000 U.S. citizens were arrested abroad and over 1,800 remained in jail at the end of that year. This is not just an American problem but involves citizens of many other countries, particularly those of Western Europe.

The solution that developed to cope with this growing problem was the implementation of treaties on the transferability of penal sanctions, otherwise known as prisoner transfer treaties. The underlying purposes of such treaties are to assist in law enforcement, relieve the country in which a foreigner may be imprisoned of an unwanted economic and administrative burden, and promote the social rehabilitation of the offender in his home country where he may be placed in a more favorable environment and where he may receive the support of family and friends.

The United States has previously entered into bilateral prisoner transfer treaties with Mexico, Canada, Panama, Peru, Bolivia, and Turkey. In general, these treaties allow the return of prisoners to their home country to serve out their foreign sentence, provided that a set of conditions are met. In 1977, the United States enacted implementing legislation to authorize the transfer of offenders to and from foreign countries (18 U.S.C. 4100-4115).

Senator HAWKINS chaired the committee hearing on the Thai Prisoner Transfer Treaty, and I wish to commend her for the fine work she has done in reviewing the treaty to make sure that it will not hamper U.S. efforts to combat international narcotics trafficking. I am confident, based on assurances made to the committee by the Department of Justice, that the Thai Prisoner Transfer Treaty will be a productive and effective bilateral agreement between our Government and the Government of Thailand.

Mr. President, I strongly recommend Senate approval of the Prisoner Transfer Treaty between the United States and Thailand.

Mr. DODD. Mr. President, I suggest the absence of a quorum and ask that the time be charged to both sides.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that I may proceed for 1 minute notwithstanding the previous order.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. BAKER. Mr. President, I thank the Chair.

I thank the minority leader. He just advised me that he is in a position now to clear our going to another appropriation bill which is here and available.

Mr. President, I ask unanimous consent that after the Senate returns to legislative session under the order previously entered the Senate then proceed to the consideration of the Commerce, Justice, State, and Judiciary appropriations bill H.R. 5712.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. BAKER. I thank the Chair. I yield back all time remaining.

The **PRESIDING OFFICER.** All time having expired, under the previous order, the Senate will now go into executive session to conduct one rollcall vote to count as 16 rollcall votes on the resolutions of ratification to 16 treaties, Executive Calendar Nos. 16, 17, 18, 21, 22, and 24 through 34.

The question is on agreeing to the resolutions of ratification.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 100, nays 0, as follows:

[Rollcall Vote Nos. 163—Ex. T—98-2
164—Canada—98-7
165—Canada—98-22
166—France—98-21
167—Sweden—98-11
168—Sweden—98-4
169—France—98-15
170—Thailand—98-16
171—Costa Rica—98-17
172—Jamaica—98-18
173—Ireland—98-19
174—Italy—98-20
175—98-23
176—Morocco—98-24
177—Italy—98-25
178—Canada—98-26]

YEAS—100

Abdnor
Andrews
Armstrong
Baker
Baucus
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
East
Evans
Exon
Ford
Garn
Glenn
Goldwater
Gorton
Grassley
Hart
Hatch
Hatfield
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Huddleston
Humphrey
Inouye
Jepsen
Johnston
Kassebaum
Kasten
Kennedy
Lautenberg
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McClure
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Percy
Pressler
Proxmire
Pryor
Quayle
Randolph
Riegle
Roth
Rudman
Sarbanes
Sasser
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Tower
Trible
Tsongas
Wallop
Warner
Weicker
Wilson
Zorinsky

The **PRESIDING OFFICER.** Two-thirds of the Senators present and having voted in the affirmative, the resolutions of ratification are agreed to.

The resolutions of ratification agreed to are as follows:

CONVENTION WITH CANADA WITH RESPECT TO TAXES ON INCOME AND CAPITAL

PROTOCOL AMENDING THE TAX CONVENTION WITH CANADA

SECOND PROTOCOL AMENDING THE 1980 TAX CONVENTION WITH CANADA

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the United States of America and Canada With Respect to Taxes on Income and on Capital (the Convention), together with a related exchange of notes, signed at Washington on September 26, 1980: the Protocol Amending the 1980 Convention (the First Protocol), together with a related exchange of notes, signed at Ottawa on June 14, 1983; and the Second Protocol Amending the 1980 Convention (as amended by the First Protocol), signed at Washington on March 28, 1984.

PROTOCOL TO THE TAX CONVENTION WITH THE FRENCH REPUBLIC

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Protocol to the Tax Convention between the United States of America and the French Republic with respect to Taxes on Income and Property, signed at Paris on January 17, 1984.

ESTATE AND GIFT TAX CONVENTION WITH THE GOVERNMENT OF SWEDEN

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Government of Sweden for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Estates, Inheritances, and Gifts, signed at Stockholm on June 13, 1983.

SUPPLEMENTARY CONVENTION ON EXTRADITION WITH SWEDEN

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Supplementary Convention on Extradition Between the United States of America and the Kingdom of Sweden, signed in Stockholm on March 14, 1983.

CONVENTION WITH FRANCE ON THE TRANSFER OF SENTENCED PERSONS

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention Between the United States of America and the Republic of France on the Transfer of Sentenced Persons, signed at Washington on January 25, 1983.

EXTRADITION TREATY WITH THAILAND

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty Between the United States of America and the Kingdom of Thailand Relating to Extradition, signed at Washington on December 14, 1983.

EXTRADITION TREATY WITH COSTA RICA

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty of Extradition Between the United States of America and the Republic of Costa Rica, signed at San Jose on December 4, 1982, together with a related exchange of notes signed on December 16, 1982.

EXTRADITION TREATY WITH JAMAICA

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty of Extradition Between the United States of America and the Government of Jamaica, signed at Kingston on June 14, 1983.

EXTRADITION TREATY WITH IRELAND

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty of Extradition Between the United States of America and Ireland, signed at Washington on July 13, 1983.

EXTRADITION TREATY WITH ITALY

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty of Extradition Between the United States of America and the Republic of Italy, signed at Washington on October 13, 1983.

CONVENTION ON THE TRANSFER OF SENTENCED PERSONS

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention on the Transfer of Sentenced Persons drawn up within the Council of Europe with observers from the United States and Canada as adopted by the Council of Ministers, and signed on behalf of the United States at Strasbourg on March 21, 1983.

CONVENTION ON THE MUTUAL LEGAL ASSISTANCE WITH THE KINGDOM OF MOROCCO

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty of Mutual Legal Assistance Between the United States of America and the Kingdom of Morocco, signed at Rabat on October 17, 1983.

MUTUAL LEGAL ASSISTANCE TREATY WITH ITALY

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty of Mutual Legal Assistance with a related memorandum of understanding Between the United States of America and the Italian Republic, signed at Rome on November 9, 1982.

TREATY WITH CANADA RELATING TO THE SKAGIT RIVER AND ROSS LAKE IN THE STATE OF WASHINGTON AND THE SEVEN MILE RESERVOIR ON THE PEND D'OREILLE RIVER IN THE PROVINCE OF BRITISH COLUMBIA

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty between the United States and Canada relating to the Skagit River and Ross Lake in the State of Washington, and the Seven Mile Reservoir on the Pend D'Oreille River in the Province of British Columbia, signed at Washington on April 2, 1984.

Mr. **RUDMAN.** Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. **RUDMAN.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. **RUDMAN.** Mr. President, I ask unanimous consent that the Senate return to legislative session.

The **PRESIDING OFFICER.** Without objection it is so ordered.

COMMERCE - JUSTICE - STATE - JUDICIARY APPROPRIATIONS, FISCAL YEAR 1985

The **PRESIDING OFFICER.** Under the previous order, the Senate will now proceed to the consideration of H.R. 5712, which the clerk will now report.

The assistant legislative clerk read as follows:

A bill (H.R. 5712) making appropriations for the Department of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1985, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Appropriations with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts intended to be inserted are shown in italic.)

H.R. 5712

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1985, and for other purposes, namely:

TITLE I—DEPARTMENT OF COMMERCE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the general administration of the Department of Commerce, including not to exceed $2,000 for official entertainment, **[**$36,590,000**]** *$35,990,000.*

SPECIAL FOREIGN CURRENCY PROGRAM

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses for the promotion of foreign commerce and for scientific and technological research and development, as authorized by law, $500,000, to remain available until expended: *Provided,* That this appropriation shall be available, in addition to other appropriations to the Department of Commerce, for payments in the foregoing currencies.

BUREAU OF THE CENSUS

SALARIES AND EXPENSES

For expenses necessary for collecting, compiling, analyzing, preparing, and publishing statistics, provided for by law, **[**$85,406,000**]** *$85,500,000.*

PERIODIC CENSUSES AND PROGRAMS

For expenses necessary to collect and publish statistics for periodic censuses and programs provided for by law, **[**$84,214,000**]** *$81,000,000,* to remain available until expended.

ECONOMIC AND STATISTICAL ANALYSIS

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, of economic and statistical analysis programs, **[**$30,787,000**]** *$31,450,000.*

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For economic development assistance as provided by the Public Works and Economic Development Act of 1965, as amended, and Public Law 91-304, and such laws that were in effect immediately before September 30, 1982, $198,500,000: Provided, That during fiscal year 1985 total commitments to guarantee loans shall not exceed $150,000,000 of contingent liability for loan principal.

SALARIES AND EXPENSES

For necessary expenses of administering the economic development assistance programs as provided for by law, $28,350,000: Provided, That these funds may be used to monitor projects approved pursuant to title I of the Public Works Employment Act of 1976, as amended, title II of the Trade Act of 1974, as amended, and the Community Emergency Drought Relief Act of 1977. Notwithstanding any other provision of this Act or any other law, funds appropriated in this paragraph shall be used to fill and maintain forty-seven permanent positions designated as Economic Development Representatives out of the total number of permanent positions funded in the Salaries and Expenses account of the Economic Development Administration for fiscal year 1985.

INTERNATIONAL TRADE ADMINISTRATION

OPERATIONS AND ADMINISTRATION

For necessary expenses for international trade activities of the Department of Commerce, including trade promotional activities abroad without regard to the provisions of law set forth in 44 U.S.C. 3702 and 3703; full medical coverage for dependent members of immediate families of employees stationed overseas; employment of Americans and aliens by contract for services abroad; rental of space abroad for periods not exceeding five years, and expenses of alteration, repair, or improvement; purchase or construction of temporary demountable exhibition structures for use abroad; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed $165,200 for official representation expenses abroad; awards of compensation to informers under the Export Administration Act of 1979, and as authorized by 22 U.S.C. 401(b); purchase of passenger motor vehicles for official use abroad **[**and motor vehicles for law enforcement use**]**; **[**$198,898,000**]** *$186,037,000,* to remain available until expended**[**, of which: not to exceed $1,700,000 is for Executive direction, Administration; not to exceed $895,000 is for consulting and related services; and not to exceed $1,000,000 is for periodicals**]**: *Provided,* That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities. **[**During fiscal year 1985 and within the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed $7,500,000. During fiscal year 1985, total commitments to guarantee loans shall not exceed $15,000,000 of contingent liability for loan principal.**]**

MINORITY BUSINESS DEVELOPMENT AGENCY

MINORITY BUSINESS DEVELOPMENT

For necessary expenses of the Department of Commerce in fostering, promoting, and developing minority business enterprise, including expenses of grants, contracts, and other agreements with public or private organizations, $49,885,000, of which $36,000,000 shall remain available until expended: *Provided,* That not to exceed $13,885,000 shall be available for program management: *Provided further, That the Minority Business Development Agency shall maintain a permanent position and full-time office in the city of Pittsburgh, Pennsylvania: Provided further,* That none of the funds appropriated in this paragraph or in this title for the Department of Commerce shall be available to reimburse the fund established by 15 U.S.C. 1521 **[**on account of the performance of a program, project, or activity, nor shall such fund be available for the performance of a program, project, or activity, which had not been performed as a central service pursuant to 15 U.S.C. 1521 before July 1, 1982, unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such action in accordance with the Committees' reprograming procedures**]** *for charges not certified by the Department's Inspector General as proper payment for the services charged.*

UNITED STATES TRAVEL AND TOURISM ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the United States Travel and Tourism Administration, **[**as provided for by law,**]** *including travel and tourism promotional activities abroad without regard to the provisions of law set forth in 44 U.S.C. 3702 and 3703;* employment of aliens by contract for services abroad; rental of space abroad for periods not exceeding five years, and expenses of alteration, repair, or improvement; *purchase or construction of temporary demountable exhibition structures for use abroad;* advance of funds under contracts abroad; payment of tort claims in the manner authorized in the first paragraph of 28 U.S.C. 2672, when such claims arise in foreign countries; and not to exceed [$5,000] *$8,000* for representation expenses abroad; [$8,583,000] *$13,000,000: Provided, That not later than January 1, 1985, the Secretary of Commerce shall establish offices of the United States Travel and Tourism Administration in Italy, the Netherlands, and Australia, and that such offices be in addition to rather than in lieu of any offices of the United States Travel and Tourism Administration that existed in foreign nations on April 1, 1984.*

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of activities authorized by law for the National Oceanic and Atmospheric Administration, including acquisition, maintenance, operation, and hire of aircraft; *399 commissioned officers on the active list;* construction of facilities, including initial equipment; alteration, modernization, and relocation of facilities; and acquisition of land for facilities; [$1,114,551,000] *$1,123,686,000,* to remain available until expended, *of which $2,000,000 shall be available for emergency beach rehabilitation in the State of New Jersey, notwithstanding any other provision of this paragraph*; and in addition, $27,000,000 shall be derived *by nonexpenditure transfer* from the Airport and Airways Trust Fund; *and in addition, $24,900,000 shall be derived by nonexpenditure transfer from the Fund entitled "Promote and develop fishery products and research pertaining to American Fisheries"; and in addition, $9,300,000 shall be derived by nonexpenditure transfer from the Fund entitled "Coastal Energy Impact Fund": Provided, That unobligated balances in the account "Coastal Zone Management" are merged with this account on October 1, 1984: Provided further, That grants to States pursuant to section 306 of the Coastal Zone Management Act, as amended, shall not exceed $2,000,000 and shall not be less than $450,000: Provided further, That the National Oceanic and Atmospheric Administration is authorized to accept a contribution of real or personal property from any public or private source, and to undertake a project in cooperation with any Federal or State agency, or any private person or entity: Provided further, That upon reimbursement by the Secretary of the Navy for the cost of the NOAA-D spacecraft, the Administrator shall make the spacecraft available for the Navy Remote Ocean Sensing System, and the Secretary of the Navy shall provide the Administrator with access to the civil data produced by the system: Provided further, That of the funds appropriated in this paragraph, necessary funds shall be used to fill and maintain a staff of three persons, as National Oceanic and Atmospheric Administration personnel, to work on contracts and purchase orders at the National Data Buoy Center in Bay St. Louis, Mississippi, and report to the Director of the National Data Buoy Center in the same manner and extent that such procurement functions were performed at Bay St. Louis prior to June 26, 1983, except that they may provide procurement assistance to other Department of Commerce activities pursuant to ordinary interagency agreements. Where practicable, these positions shall be filled by the employees who performed such functions prior to June 26, 1983.*

FISHERMEN'S CONTINGENCY FUND

For carrying out the provisions of title IV of Public Law 95-372, not to exceed $250,000, to be derived from receipts collected pursuant to that Act, to remain available until expended.

FOREIGN FISHING OBSERVER FUND

For expenses necessary to carry out the provisions of the Atlantic Tunas Convention Act of 1975, as amended (Public Law 96-339), the Magnuson Fishery Conservation and Management Act of 1976, as amended (Public Law 94-265), and the American Fisheries Promotion Act (Public Law 96-561), there are appropriated from the fees imposed under the foreign fishery observer program authorized by these Acts, not to exceed $4,500,000, to remain available until expended.

FISHERMEN'S GUARANTY FUND

For expenses necessary to carry out the provisions of the Fishermen's Protective Act of 1967, as amended, $1,800,000, to be derived from the receipts collected pursuant to that Act, to remain available until expended.

[FISHERIES LOAN FUND

[For expenses necessary to carry out the provisions of section 221 of the American Fisheries Promotion Act of December 22, 1980 (Public Law 96-561), there are appropriated to the Fisheries Loan Fund, $3,000,000 from receipts collected pursuant to that Act: *Provided,* That during fiscal year 1985 not to exceed $300,000 of the Fisheries Loan Fund shall be available for administrative expenses.]

PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Patent and Trademark Office, including defense of suits instituted against the Commissioner of Patents and Trademarks, $101,631,000, and, in addition, such fees as shall be collected pursuant to 15 U.S.C. 1113 and 35 U.S.C. 41 and 376, to remain available until expended.

NATIONAL BUREAU OF STANDARDS

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

For necessary expenses of the National Bureau of Standards, [$125,545,000] *$123,985,000,* to remain available until expended, *of which $500,000 shall be made available to establish a regional radiation calibration center at the University of Arkansas, and* of which not to exceed $5,229,000 may be transferred to the "Working Capital Fund".

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, as provided for by law, of the National Telecommunications and Information Administration, [$13,537,000] *$13,944,000,* of which $700,000 shall remain available until expended.

PUBLIC TELECOMMUNICATIONS FACILITIES, PLANNING AND CONSTRUCTION

For grants authorized by section 392 of the Communications Act of 1934, as amended, [$25,000,000] *$30,000,000,* to remain available until expended*: Provided, That not to exceed $1,200,000 shall be available for program management as authorized by section 391 of the Communications Act of 1934, as amended.*

GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

SEC. 101. During the current fiscal year, applicable appropriations and funds available to the Department of Commerce shall be available for the activities specified in the Act of October 26, 1949 (15 U.S.C. 1514), to the extent and in the manner prescribed by said Act.

SEC. 102. During the current fiscal year, appropriations to the Department of Commerce which are available for salaries and expenses shall be available for hire of passenger motor vehicles; services as authorized by 5 U.S.C. 3109; and uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902).

SEC. 103. No funds in this title shall be used to sell to private interests, except with the consent of the borrower, or contract with private interests to sell or administer, any loans made under the Public Works and Economic Development Act of 1965 or any loans made under section 254 of the Trade Act of 1974.

RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION

OPERATING-DIFFERENTIAL SUBSIDIES

(LIQUIDATION OF CONTRACT AUTHORITY)

For the payment of obligations incurred for operating-differential subsidies as authorized by the Merchant Marine Act, 1936, as amended, $377,750,000, to remain available until expended.

RESEARCH AND DEVELOPMENT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for research and development activities, as authorized by law, $3,000,000, to remain available until expended, and in addition, $7,000,000, to remain available until expended, which shall be derived by transfer from the unobligated balances of the Ship Construction account.

OPERATIONS AND TRAINING

For necessary expenses of operations and training activities authorized by law, $72,467,000, to remain available until expended: Provided, That reimbursements may be made to this appropriation from receipts to the "Federal ship financing fund" for administrative expenses in support of that program.

GENERAL PROVISIONS—MARITIME ADMINISTRATION

Notwithstanding any other provision of this Act, the Maritime Administration is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Maritime Administration and payments received by the Maritime Administration for utilities, services, and repairs so furnished or made shall be credited to the appropriation charged with the cost thereof: Provided, That rental payments under any such lease, contract, or occupancy on account of items other than such utilities, services, or repairs shall be covered into the Treasury as miscellaneous receipts.

No obligations shall be incurred during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act, or in any prior appropriation Act and all receipts which otherwise would be *deposited to the credit of said fund shall be covered into the Treasury as miscellaneous receipts.*

Federal Communications Commission

SALARIES AND EXPENSES

For necessary expenses for the Federal Communications Commission, as authorized by law, including uniforms and allowances therefor, as authorized by law (5 U.S.C. 5901-02); not to exceed $200,000 for land and structures; not to exceed $200,000 for improvement and care of grounds and repair to buildings; not to exceed $3,000 for official reception and representation expenses; purchase (not to exceed twelve) and hire of motor vehicles; special counsel fees; and services as authorized by 5 U.S.C. 3109; $94,111,000. Not to exceed $300,000 of the foregoing amount shall remain available until September 30, 1986, for research and policy studies.

Federal Maritime Commission

SALARIES AND EXPENSES

For necessary expenses of the Federal Maritime Commission, including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-02; $12,292,000: Provided, That not to exceed $1,500 shall be available for official reception and representation expenses.

Federal Trade Commission

SALARIES AND EXPENSES

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed $2,000 for official reception and representation expenses; the sum of $64,311,000: Provided, That the funds appropriated in this paragraph are subject to the limitations and provisions of sections 10(a) and 10(c) (notwithstanding section 10(e)), 11(b), 18, and 20 of the Federal Trade Commission Improvements Act of 1980 (Public Law 96-252; 94 Stat. 374).

International Trade Commission

SALARIES AND EXPENSES

For necessary expenses of the International Trade Commission, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, $24,030,000.

Marine Mammal Commission

SALARIES AND EXPENSES

For necessary expenses of the Marine Mammal Commission as authorized by title II of Public Law 92-522, as amended, $929,000.

Office of the U.S. Trade Representative

SALARIES AND EXPENSES

For expenses necessary for the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by 5 U.S.C. 3109, $13,782,000: Provided, That not to exceed $68,000 shall be available for official reception and representation expenses.

Securities and Exchange Commission

SALARIES AND EXPENSES

For necessary expenses for the Securities and Exchange Commission, including services as authorized by 5 U.S.C. 3109, and not to exceed $2,000 for official reception and representation expenses, $105,337,000.

Small Business Administration

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, of the Small Business Administration, including hire of passenger motor vehicles and not to exceed $2,500 for official reception and representation expenses; $205,500,000. In addition, $65,000,000 for disaster loan making activities, including loan servicing, shall be transferred to this appropriation from the "Disaster loan fund".

WHITE HOUSE CONFERENCE ON SMALL BUSINESS

For necessary expenses of the White House Conference on Small Business as authorized by Public Law 98-276, $4,000,000, to remain available until expended.

REVOLVING FUNDS

The Small Business Administration is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to its revolving funds, and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for the "Disaster loan fund", the "Business loan and investment fund", the "Lease guarantees revolving fund", the "Pollution control equipment contract guarantees revolving fund", and the "Surety bond guarantees revolving fund".

BUSINESS LOAN AND INVESTMENT FUND

For additional capital for the "Business loan and investment fund", authorized by the Small Business Act, as amended, $408,000,000, to remain available without fiscal year limitation. During fiscal year 1985, total commitments to guarantee debentures for the program authorized by title III of the Small Business Investment Act of 1958 shall be $250,000,000; and total commitments to guarantee loans and debentures for the programs authorized by title V of the Small Business Investment Act of 1958 shall be $500,000,000.

SURETY BOND GUARANTEES REVOLVING FUND

For additional capital for the "Surety bond guarantees revolving fund", authorized by the Small Business Investment Act, as amended, $8,910,000 to remain available without fiscal year limitation.

This title may be cited as the "Department of Commerce *and Related Agencies* Appropriation Act, 1985".

TITLE II—DEPARTMENT OF JUSTICE

General Administration

SALARIES AND EXPENSES

For expenses necessary for the administration of the Department of Justice, [$81,147,000] *$71,150,000*[, *of which $18,000 is to remain available until expended for the Federal justice research program.*

[WORKING CAPITAL FUND

[For additional capital, $6,000,000 to remain available until expended.]

U.S. Parole Commission

SALARIES AND EXPENSES

For necessary expenses of the United States Parole Commission, as authorized by law, [$8,986,000] *$8,446,000.*

Legal Activities

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For expenses necessary for the legal activities of the Department of Justice, not otherwise provided for, including not to exceed $20,000 for expenses of collecting evidence, to be expended under the direction of the Attorney General and accounted for solely on his certificate; and rent of private or Government-owned space in the District of Columbia; [$176,153,000] *$191,454,000*, of which not to exceed $6,000,000 for litigation support contracts shall remain available until September 30, 1986; and of which $3,079,000 shall be for the Office of Special Investigations[; and, in addition $22,698,000 for expenses necessary for the activities of the Civil Rights Division].

SALARIES AND EXPENSES, ANTITRUST DIVISION

For expenses necessary for the enforcement of [antitrust, consumer protection] *antitrust* and kindred laws, $43,519,000.

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION

For expenses necessary to carry out the activities of the Foreign Claims Settlement Commission, including services as authorized by 5 U.S.C. 3109; allowances and benefits similar to those allowed under the Foreign Service Act of 1980 as determined by the Commission; expenses of packing, shipping, and storing personal effects of personnel assigned abroad; rental or lease, for such periods as may be necessary, of office space and living quarters of personnel assigned abroad; maintenance, improvement, and repair of properties rented or leased abroad, and furnishing fuel, water, and utilities for such properties; insurance on official motor vehicles abroad; advances of funds abroad; advances or reimbursements to other Government agencies for use of their facilities and services in carrying out the functions of the Commission; hire of motor vehicles for field use only; and employment of aliens; $929,000.

SALARIES AND EXPENSES, U.S. ATTORNEYS AND MARSHALS

For necessary expenses of the offices of the United States attorneys[, marshals, and bankruptcy trustees;] and marshals; including acquisition, lease, maintenance, and operation of aircraft, [$433,533,000] *$421,051,000.* [In addition, section 408(c) of Public Law 95-598, the Bankruptcy Reform Act of 1978, as amended by Public Law 98-166, is further amended by inserting 1985 in lieu of 1984.]

SUPPORT OF U.S. PRISONERS

For support of United States prisoners in non-Federal institutions, [$53,240,000;] *$58,240,000*, [and in addition, $15,000,000] *of which $5,000,000* shall be available under the Cooperative Agreement Program for the purpose of renovating, constructing, and equipping State and local jail facilities that confine Federal prisoners: *Provided*, That amounts made available for constructing any local jail facility shall not exceed the cost of constructing space for the average Federal prisoner population for that facility as projected by the Attorney General: *Provided further*, That following agreement on or completion of any federally assisted jail construction, the availability of such space shall be assured and the per diem rate charged for housing Federal prisoners at that facility shall not exceed direct operating costs for the period of time specified in the cooperative agreement.

FEES AND EXPENSES OF WITNESSES

For expenses, mileage, compensation, and per diems of witnesses and for per diems in lieu of subsistence, as authorized by law, including advances; for use of facilities required as command posts in the protection of witnesses, and for official phone calls made from command posts; $40,600,000, of which not to exceed $500,000 may be made available for planning, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for protected witness safesites.

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

For necessary expenses of the Community Relations Service, established by title X of the Civil Rights Act of 1964, [$33,934,000] *$33,500,000* of which $27,561,000 shall remain available until expended to make payments in advance for grants, contracts and reimbursable agreements and other expenses necessary under section 501(c), the Refugee Education Assistance Act of 1980, Public Law 96-422, for the processing, care, maintenance, security, transportation and reception and placement in the United States of Cuban and Haitian entrants: *Provided*, That notwithstanding section 501(e)(2)[(8)] *(B)* of the Refugee Education Assistance Act of 1980 (Public Law 96-422; 94 Stat. 1810), funds may be expended for assistance with respect to Cuban and Haitian entrants as authorized under section 501(c) of such Act.

INTERAGENCY LAW ENFORCEMENT

[ORGANIZED CRIME DRUG ENFORCEMENT]

PRESIDENTIAL COMMISSION ON ORGANIZED CRIME

For expenses necessary for the Presidential Commission on Organized Crime, [$2,500,000] *$1,500,000.*

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For expenses necessary for detection, investigation, and prosecution of crimes against the United States; including purchase for police-type use of, not to exceed one thousand seven hundred passenger motor vehicles of which one thousand five hundred fifty will be for replacement only, without regard to the general purchase price limitation for the current fiscal year, and hire of passenger motor vehicles; acquisition, lease, maintenance and operation of aircraft; and not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; [$1,147,358,000] *$1,147,223,000*, of which not to exceed $23,000,000 for automated data processing and telecommunications and $1,000,000 for undercover operations shall remain available until September 30, 1986; and of which $10,000,000 for research related to investigative activities shall remain available until expended: *Provided*, That notwithstanding the provisions of title 31 U.S.C. 3302, the Director of the Federal Bureau of Investigation may establish and collect fees to process fingerprint identification records for noncriminal employment and licensing purposes, and credit not more than $13,500,000 of such fees to this appropriation to be used for salaries and other expenses incurred in providing these services: *Provided further*, That $12,782,000 shall remain available until expended for constructing and equipping new facilities at the FBI Academy, Quantico, Virginia: *Provided further, That not to exceed $45,000 shall be available for official reception and representation expenses.*

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Drug Enforcement Administration, including not to exceed $70,000 to meet unforseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; purchase of not to exceed five hundred seventeen passenger motor vehicles of which four hundred eighty-nine are for replacement only for police-type use without regard to the general purchase price limitation for the current fiscal year; and acquisition, lease, maintenance, and operation of aircraft; [$333,258,000] *$329,988,000*, of which not to exceed $1,200,000 for research shall remain available until expended and $1,700,000 for purchase of evidence and payments for information shall remain available until September 30, 1986.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, *including payment of allowances (at a rate not in excess of $4 per diem) to aliens for work performed while held in custody under the immigration law;* including not to exceed $50,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General and accounted for solely on his certificate; purchase for police-type use (not to exceed six hundred eight, of which four hundred sixteen shall be for replacement only) and hire of passenger motor vehicles; acquisition, lease, maintenance and operation of aircraft; and research related to immigration enforcement; [$591,043,000] *$570,417,000*, of which not to exceed $400,000 for research shall remain available until expended: *Provided*, That none of the funds available to the Immigration and Naturalization Service shall be available for administrative expenses to pay any employee overtime pay in an amount in excess of $20,000 except in such instances when the Commissioner makes a determination that this restriction is impossible to implement.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary for the administration, operation, and maintenance of Federal penal and correctional institutions, including purchase (not to exceed forty of which thirty are for replacement only) and hire of law enforcement and passenger motor vehicles; [$494,831,000] *$497,700,000; and in addition, $4,450,000 shall be derived by transfer from the unobligated balances of the "Buildings and facilities" account*: *Provided*, That there may be transferred to the Health Resources and Services Administration such amounts as may be necessary, in the discretion of the Attorney General, for direct expenditures by that Administration for medical relief for inmates of Federal penal and correctional institutions.

NATIONAL INSTITUTE OF CORRECTIONS

For carrying out the provisions of sections 4351-4353 of title 18, United States Code, which established a National Institute of Corrections, [$12,500,000] *$15,000,000*, to remain available until expended.

BUILDINGS AND FACILITIES

For planning, acquisition of sites and construction of new facilities; purchase and acquisition of facilities and remodeling and equipping of such facilities for penal and correctional use, including all necessary expenses incident thereto, by contract or force account; and constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account, [$82,556,000] *$97,806,000*, to remain available until expended: *Provided*, That labor of United States prisoners may be used for work performed under this appropriation.

FEDERAL PRISON INDUSTRIES, INCORPORATED

The Federal Prison Industries, Incorporated, is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available, and in accord with the law, and to make such contracts and commitments, without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase of not to exceed five (for replacement only) and hire of passenger motor vehicles, except as hereinafter provided.

LIMITATION ON ADMINISTRATIVE AND VOCATIONAL EXPENSES, FEDERAL PRISON INDUSTRIES, INCORPORATED

Not to exceed $2,044,000 of the funds of the corporation shall be available for its administrative expenses, and not to exceed $6,920,000 for the expenses of vocational training of prisoners, both amounts to be computed on an accrual basis and to be determined in accordance with the corporation's prescribed accounting system in effect on July 1, 1946, and shall be exclusive of depreciation, payment of claims, expenditures which the said accounting system requires to be capitalized or charged to cost of commodities acquired or produced, including selling and shipping expenses, and expenses in connection with acquisition, construction, operation, maintenance, improvement, protection, or disposition of facilities and other property belonging to the corporation or in which it has an interest.

OFFICE OF JUSTICE ASSISTANCE

JUSTICE ASSISTANCE

(INCLUDING TRANSFER OF FUNDS)

For grants, contracts, cooperative agreements, and other assistance authorized by the Justice Assistance Act of 1984, as amended, including salaries and expenses in connection therewith, [$88,738,000] *$142,041,000*, to remain available until expended: *Provided*, That [$23,618,000 of this amount shall be for a criminal justice assistance program, to be available only upon enactment of authorizing legislation;] *$7,000,000 shall be available to carry out the Missing Children's Assistance Act of 1983 (S. 2014) as reported to the Senate:* [and] *Provided further, That $70,000,000 shall be available* for grants, contracts, cooperative agreements, and other assistance authorized by title II of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, including salaries and expenses in connection therewith[, $70,240,000, to remain available until expended]. *In addition, $5,000,000 for the purpose of making grants to States for their expenses by reason of Mariel-Cubans having to be incarcerated in*

State facilities for terms requiring incarceration for the full period October 1, 1984 through September 30, 1985 following their conviction of a felony committed after having been paroled into the United States by the Attorney General: Provided, That within thirty days of enactment of this Act the Attorney General shall announce in the Federal Register that this appropriation will be made available to the States whose Governors certify by February 1, 1985 a listing of names of such Mariel-Cubans incarcerated in their respective facilities: Provided further, That the Attorney General, not later than April 1, 1985, will complete his review of the certified listings of such incarcerated Mariel-Cubans, and make grants to the States on the basis that the certified number of such incarcerated persons in a State bears to the total certified number of such incarcerated persons: Provided further, That the amount of reimbursements per prisoner per annum shall not exceed $12,000. The obligated and unobligated balances of funds previously appropriated to the Office of Justice Assistance, Research, and Statistics, Law Enforcement Assistance and Research and Statistics appropriations shall be merged with this appropriation.

General Provisions—Department of Justice

Sec. 201. A total of not to exceed $75,000 from funds appropriated to the Department of Justice in this title shall be available for official reception and representation expenses in accordance with distributions, procedures, and regulations established by the Attorney General.

Sec. 202. Notwithstanding any other provision of law or this Act, materials produced by convict labor may be used in the construction of any highways or portion of highways located on Federal-aid systems, as described in section 103 of title 23, United States Code.

Sec. 203. (a) Subject to subsection (b) of this section, authorities contained in Public Law 96-132, "The Department of Justice Appropriation Authorization Act, Fiscal Year 1980", shall remain in effect until the termination date of this Act or until the effective date of a Department of Justice Appropriation Authorization Act, whichever is earlier.

(b)(1) With respect to any undercover investigative operation of the Federal Bureau of Investigation or the Drug Enforcement Administration which is necessary for the detection and prosecution of crimes against the United States or for the collection of foreign intelligence or counterintelligence—

(A) sums authorized to be appropriated for the Federal Bureau of Investigation and for the Drug Enforcement Administration, for fiscal year 1985, may be used for purchasing property, buildings, and other facilities, and for leasing space, within the United States, the District of Columbia, and the territories and possessions of the United States, without regard to section 1341 of title 31 of the United States Code, section 3732(a) of the Revised Statutes (41 U.S.C. 11(a)), section 305 of the Act of June 30, 1949 (63 Stat. 396; 41 U.S.C. 255), the third undesignated paragraph under the heading "Miscellaneous" of the Act of March 3, 1877 (19 Stat. 370; 40 U.S.C. 34), section 3324 of title 31 of the United States Code, section 3741 of the Revised Statutes (41 U.S.C. 22), and subsections (a) and (c) of section 304 of the Federal Property and Administrative Service Act of 1949 (63 Stat. 395; 41 U.S.C. 254 (a) and (c)),

(B) sums authorized to be appropriated for the Federal Bureau of Investigation and for the Drug Enforcement Administration, for fiscal year 1985, may be used to establish or to acquire proprietary corporations or business entities as part of an undercover investigative operation, and to operate such corporations or business entities on a commercial basis, without regard to section 9102 of title 31 of the United States Code,

(C) sums authorized to be appropriated for the Federal Bureau of Investigation and for the Drug Enforcement Administration, for fiscal year 1985, and the proceeds from such undercover operation, may be deposited in banks or other financial institutions, without regard to section 648 of title 18 of the United States Code and section 3302 of title 31 of the United States Code, and

(D) proceeds from such undercover operation may be used to offset necessary and reasonable expenses incurred in such operation, without regard to section 3302 of title 31 of the United States Code,

only, in operations designed to detect and prosecute crimes against the United States, upon the written certification of the Director of the Federal Bureau of Investigation (or, if designated by the Director, a member of the Undercover Operations Review Committee established by the Attorney General in the Attorney General's Guidelines on Federal Bureau of Investigation Undercover Operations, as in effect on July 1, 1983) or the Administrator of the Drug Enforcement Administration, as the case may be, and the Attorney General (or, with respect to Federal Bureau of Investigation undercover operations, if designated by the Attorney General, a member of such Review Committee), that any action authorized by subparagraph (A), (B), (C), or (D) is necessary for the conduct of such undercover operation. If the undercover operation is designed to collect foreign intelligence or counterintelligence, the certification that any action authorized by subparagraph (A), (B), (C), or (D) is necessary for the conduct of such undercover operation shall be by the Director of the Federal Bureau of Investigation (or, if designated by the Director, the Assistant Director, Intelligence Division) and the Attorney General (or, if designated by the Attorney General, the Counsel for Intelligence Policy). Such certification shall continue in effect for the duration of such undercover operation, without regard to fiscal years.

(2) As soon as the proceeds from an undercover investigative operation with respect to which an action is authorized and carried out under subparagraphs (C) and (D) of subsection (a) are no longer necessary for the conduct of such operation, such proceeds or the balance of such proceeds remaining at the time shall be deposited in the Treasury of the United States as miscellaneous receipts.

(3) If a corporation or business entity established or acquired as part of an undercover operation under subparagraph (B) of paragraph (1) with a net value of over $50,000 is to be liquidated, sold, or otherwise disposed of, the Federal Bureau of Investigation or the Drug Enforcement Administration, as much in advance as the Director or the Adminstrator, or the designee of the Director or the Adminstrator, determines is practicable, shall report the circumstances to the Attorney General and the Comptroller General. The proceeds of the liquidation, sale, or other disposition, after obligations are met, shall be deposited in the Treasury of the United States as miscellaneous receipts.

(4)(A) The Federal Bureau of Investigation or the Drug Enforcement Administration, as the case may be, shall conduct a detailed financial audit of each undercover investigative operation which is closed in fiscal year 1985,

(i) submit the results of such audit in writing to the Attorney General, and

(ii) Not later than 180 days after such undercover operation is closed, submit a report to the Congress concerning such audit.

(B) The Federal Bureau of Investigation and the Drug Enforcement Administration shall each also submit a report annually to the Congress specifying as to their respective undercover investigative operations—

(i) the number, by programs, of undercover investigative operations pending as of the end of the one-year period for which such report is submitted,

(ii) the number, by programs, of undercover investigative operations commenced in the one-year period preceding the period for which such report is submitted, and

(iii) the number, by programs, of undercover investigative operations closed in the one-year period preceding the period for which such report is submitted and, with respect to each such closed undercover operation, the results obtained. With respect to each such closed undercover operation which involves any of the sensitive circumstances specified in the Attorney General's Guidelines on Federal Bureau of Investigation Undercover Operations, such report shall contain a detailed description of the operation and related matters, including information pertaining to—

(I) the results,

(II) any civil claims, and

(III) identification of such sensitive circumstances involved, that arose at any time during the course of such undercover operation.

(5) For purposes of paragraph (4)—

(A) the term "closed" refers to the earliest point in time at which—

(I) all criminal proceedings (other than appeals) are concluded, or

(II) covert activities are concluded, whichever occurs later,

(B) the term "employees" means employees, as defined in section 2105 of title 5 of the United States Code, of the Federal Bureau of Investigation, and

(C) the terms "undercover investigative operation" and "undercover operation" mean any undercover investigative operation of the Federal Bureau of Investigation or the Drug Enforcement Administration (other than a foreign counterintelligence undercover investigative operation)—

(i) in which—

(I) the gross receipts (excluding interest earned) exceed $50,000, or

(II) expenditures (other than expenditures for salaries of employees) exceed $150,000, and

(ii) which is exempt from section 3302 or 9102 of title 31 of the United States Code,

except that clauses (i) and (ii) shall not apply with respect to the report required under subparagraph (B) of such paragraph.

RELATED AGENCIES

Commission on Civil Rights

SALARIES AND EXPENSES

For expenses necessary for the Commission on Civil Rights, including hire of passenger motor vehicles, $12,747,000.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SALARIES AND EXPENSES

For necessary expenses for the Equal Employment Opportunity Commission as authorized by title VII of the Civil Rights Act of 1964, as amended (29 U.S.C. 206(d) and 621-634), including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; not to exceed $19,500,000 for payments to State and local enforcement agencies for services to the Commission pursuant to title VII of the Civil Rights Act, as amended, and sections 6 and 14 of the Age Discrimination in Employment Act; $161,155,000, of which not less than $10,500,000 shall be for systemic programs.

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

For payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974, as amended, $297,550,000: Provided, That the funds appropriated in this paragraph shall be expended in accordance with the provisions under the heading "Legal Services Corporation, Payment to the Legal Services Corporation" contained in Public Law 98-166 except that "fiscal year 1984", wherever it appears in such provisions, shall be construed as "fiscal year 1985"; "fiscal year 1983", wherever it appears in such provisions, shall be construed as "fiscal year 1984"; "January 1, 1984" shall be construed as "January 1, 1985"; "$6.50" shall be construed as "$7.61"; and "$13" shall be construed as "$13.57": Provided further, That notwithstanding the preceding proviso, no more than $1,158,000 shall be expended for the budget category entitled "Program Improvement and Training", no more than $1,829,000 shall be expended for the budget category entitled "Delivery Research and Experimentation", and no more than $11,283,000 shall be expended for the budget category entitled "Support for the Provision of Legal Assistance": Provided further, That none of the funds appropriated in this Act for the Corporation shall be used, directly or indirectly, by the Corporation to promulgate new regulations or to enforce, implement, or operate in accordance with regulations effective after April 27, 1984 unless the Appropriations Committees of both Houses of Congress have been notified fifteen days prior to such use of funds as provided for in section 509 of this Act: Provided further, That none of the funds appropriated by this paragraph shall be used to pay for travel by directors of the Corporation (except as necessary to travel to Washington to attend meetings of the Board of Directors), the President of the Corporation, or employees of the Corporation who work in Washington, D.C.

This title may be cited as the "Department of Justice *and Related Agencies* Appropriation Act, 1985".

TITLE III—DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

SALARIES AND EXPENSES

For necessary expenses of the Department of State and the Foreign Service, not otherwise provided for, including obligations of the United States abroad pursuant to treaties, international agreements, and binational contracts (including obligations assumed in Germany on or after June 5, 1945) expenses authorized by section 9 of the Act of August 31, 1964, as amended (31 U.S.C. 3721), and section 2 of the State Department Basic Authorities Act of 1956, as amended (22 U.S.C. 2669); telecommunications; expenses necessary to provide maximum physical security in Government-owned and leased properties and vehicles abroad; permanent representation to certain international organizations in which the United States participates pursuant to treaties, conventions, or specific Acts of Congress; expenses of the United States-Japan Advisory Commission; acquisition by exchange or purchase of vehicles as authorized by law, except that special requirement vehicles may be purchased without regard to any price limitation otherwise established by law; [$1,281,032,000] *$1,269,901,000,* of which $26,459,000 shall remain available until September 30, 1986.

[REOPENING CONSULATES

[For necessary expenses of the Department of State and the Foreign Service for reopening and operating certain United States consulates as specified in section 103 of the Department of State Authorization Act, fiscal years 1982 and 1983, $1,929,000.]

REPRESENTATION ALLOWANCES

For representation allowances as authorized by section 905 of the Foreign Service Act of 1980, as amended (22 U.S.C. 4085), and for representation by United States missions to the United Nations and the Organization of American States, $4,500,000.

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

For expenses, not otherwise provided, to enable the Secretary of State to provide for [extraordinary protective services in accordance with the provisions of section 605 of Public Law 98-164, $6,000,000, and to provide for] the protection of foreign missions in accordance with the provisions of 3 U.S.C. 208, $7,000,000.

ACQUISITION, OPERATION, AND MAINTENANCE OF BUILDINGS ABROAD

For necessary expenses for carrying out the Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 292-300), [$234,007,000] *$211,000,000,* to remain available until expended.

ACQUISITION, OPERATION, AND MAINTENANCE OF BUILDINGS ABROAD (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States for the purposes authorized by section 4 of the Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 295), [$23,353,000] *$19,353,000,* to remain available until expended.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

For expenses necessary to enable the Secretary of State to meet unforseen emergencies arising in the Diplomatic and Consular Service, to be expended pursuant to the requirement of 31 U.S.C. 3526(e), [$4,400,000] *$4,000,000.*

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

For necessary expenses to carry out the Taiwan Relations Act, Public Law 96-8 (93 Stat. 14), $9,800,000.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the Foreign Service Retirement and Disability Fund, as authorized by law, $106,738,000.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties, conventions, or specific Acts of Congress, $522,570,000: *Provided,* That none of the funds appropriated in this paragraph shall be available for a United States contribution to an international organization for the United States' share of interest costs made known to the United States Government by such organization for loans incurred on or after October 1, 1984, through external borrowings.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

For payments, not otherwise provided for, by the United States for expenses of the United Nations peacekeeping forces, [$55,400,000] *$47,400,000.*

INTERNATIONAL CONFERENCES AND CONTINGENCIES

For necessary expenses authorized by section 5 of the State Department Basic Authorities Act of 1956, contributions for the United States share of general expenses of international organizations and representation to such organizations, and personal services without regard to civil service and classification laws, $10,000,000 to remain available until expended, of which not to exceed $207,000 may be expended for representation as authorized by law.

INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for, to meet obligations of the United States arising under treaties, conventions, or specific Acts of Congress, as follows:

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

For necessary expenses for the United States Section of the United States and Mexico International Boundary and Water Commission, and to comply with laws applicable to the United States Section; and leasing of private property to remove therefrom sand, gravel, stone, and other materials, without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5); as follows:

SALARIES AND EXPENSES

For salaries and expenses, not otherwise provided for, including preliminary surveys, $12,000,000: *Provided,* That expenditures for the Rio Grande bank protection project shall be subject to the provisions and conditions contained in the appropriation for said project as provided by the Act approved April 25, 1945 (59 Stat. 89): *Provided further,* That the Anzalduas diversion dam shall not be operated for irrigation or water supply purposes in the United States unless suitable arrangements have been made with the prospective water users for repayment to the Government of such portions of the cost of said dam as shall have been allocated to such purposes by the Secretary of State: *Provided further,* That not to exceed $1,800,000 of the amount appropriated in this paragraph shall be available for reimbursement of the city of San Diego, in the State of California, for expenses incurred in treating domestic sewage received from the city of Tijuana, in the State of Baja California, Mexico.

CONSTRUCTION

For detailed plan preparation and construction of authorized projects, to remain available until expended, [$2,100,000] *$2,600,000.*

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for, [$3,800,000] *$3,620,000*: for the International Joint Commission, including salaries and expenses of the Commissioners on the part of the United States who shall serve at the pleasure of the President; salaries of employees appointed by the Commissioners on the part of the United States with the approval solely of the Secretary of State; travel expenses and compensation of witnesses; not to exceed $3,000 for representation; and the International Boundary Commission, for necessary expenses, not otherwise provided for, including expenses required by awards to the Alaskan Boundary Tribunal and existing treaties between the United States and Canada or Great Britain.

INTERNATIONAL FISHERIES COMMISSIONS

For necessary expenses for international fisheries commissions, not otherwise provided for, [$9,482,000] *$9,400,000*: *Provided*, That the United States share of such expenses may be advanced to the respective commissions.

Other

[U.S. BILATERAL SCIENCE AND TECHNOLOGY AGREEMENTS

[For expenses, not otherwise provided for, to enable the United States to participate in programs of scientific and technological cooperation with Yugoslavia; $2,000,000, to remain available until expended.]

PAYMENT TO THE ASIA FOUNDATION

For a grant to the Asia Foundation, [$10,000,000] *$9,900,000*, to remain available until expended.

[SOVIET-EAST EUROPEAN RESEARCH AND TRAINING

[For expenses not otherwise provided to enable the Secretary of State to reimburse private firms and American institutions of higher education for research contracts and graduate training for development and maintenance of knowledge about the Soviet Union and Eastern European countries, $5,000,000.]

CONTRIBUTION TO UNITED STATES-INDIA FUND FOR CULTURAL, EDUCATIONAL AND SCIENTIFIC COOPERATION

There is hereby provided to the President $110,000,000 worth of Indian rupees, which are owned by the United States in India or owed to the United States by the Government of India, [for deposit in] *for investment by the Treasury to generate earnings which shall be available to* the United States-India Fund for Cultural, Educational, and Scientific Cooperation as authorized by title IX of Public Law 98-164.

General Provisions—Department of State

Sec. 301. None of the funds appropriated in this title shall be used (1) to pay the United States contribution to any international organization which engages in the direct or indirect promotion of the principle or doctrine of one world government or one world citizenship; (2) for the promotion, direct or indirect, of the principle or doctrine of one world government or one world citizenship.

Sec. 302. Funds appropriated under this title shall be available for expenses of international arbitrations and other proceedings for the international resolution of disputes arising under treaties or other international agreements, including international air transport agreements, and arbitrations arising under contracts authorized by law for the performance of services or acquisition of property abroad.

Sec. 303. Funds appropriated under this title shall be available, except as otherwise provided, for salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980 (94 Stat. 2071); allowances and differentials as authorized by subchapter III of chapter 59 of 5 U.S.C.; services as authorized by 5 U.S.C. 3109; expenses as authorized by section 2 (a), (c), and (e) of the State Department Basic Authorities Act of 1956; and hire of passenger or freight transportation.

RELATED AGENCIES

Arms Control and Disarmament Agency

ARMS CONTROL AND DISARMAMENT ACTIVITIES

For necessary expenses, not otherwise provided for, for arms control and disarmament activities, including not to exceed $28,000 for official reception and representation expenses, authorized by the Act of September 26, 1961, as amended (22 U.S.C. 2551 et seq.), $19,468,000.

Board for International Broadcasting

GRANTS AND EXPENSES

For expenses of the Board for International Broadcasting, including grants to RFE/RL, Inc., $100,498,000, of which not to exceed $52,000 may be made available for official reception and representation expenses: Provided, That not to exceed $15,000 shall be available for engineering consultant fees, and no such fees shall be paid after January 1, 1985 at any time the Board's Director of Engineering position is vacant.

Commission on Security and Cooperation in Europe

SALARIES AND EXPENSES

For expenses necessary for the Commission on Security and Cooperation in Europe, as authorized by Public Law 94-304, $550,000 to remain available until expended: Provided, That not to exceed $6,000 of such amount shall be available for official reception and representation expenses.

Japan-United States Friendship Commission

JAPAN-UNITED STATES FRIENDSHIP TRUST FUND

For expenses of the Japan-United States Friendship Commission as authorized by Public Law 94-118, as amended, from the interest earned on the Japan-United States Friendship Trust Fund, $1,600,000, to remain available until expended; and an amount of Japanese currency not to exceed the equivalent of $1,200,000 based on exchange rates at the time of payment of such amounts, to remain available until expended: Provided, That not to exceed a total of $2,500 of such amounts shall be available for official reception and representation expenses.

U.S. Information Agency

SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary to enable the United States Information Agency, as authorized by Reorganization Plan No. 2 of 1977, the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq.), and the United States Information and Educational Exchange Act, as amended (22 U.S.C. 1431 et seq.), to carry out international communication, educational and cultural activities, including employment, without regard to civil service and classification laws, of persons on a temporary basis (not to exceed $270,000, of which $250,000 is to facilitate U.S. participation in international expositions abroad); expenses authorized by the Foreign Service Act of 1980 (22 U.S.C. 3901 et seq.), living quarters as authorized by 5 U.S.C. 5912, and allowances as authorized by 5 U.S.C. 5921-5928; and entertainment, including official receptions, within the United States, not to exceed $20,000; $527,356,000, of which not to exceed $7,303,000 of the amounts allocated by the United States Information Agency to carry out section 102(a)(3) of the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2452(a)(3)), shall remain available until expended: Provided, That not to exceed $674,000 may be used for representation abroad: Provided further, That receipts not to exceed $500,000 may be credited to this appropriation from fees or other payments received from or in connection with English-teaching programs as authorized by section 810 of Public Law 80-402, as amended.

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Department of the Treasury determines to be excess to the normal requirements of the United States, for necessary expenses of the United States Information Agency, as authorized by law, $8,000,000, to remain available until expended.

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

For expenses of Fulbright, International Visitor, Humphrey Fellowship and Congress-Bundestag Exchange Programs, as authorized by Reorganization Plan No. 2 of 1977 and the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq.), $124,052,000. For the Private Sector Exchange Programs, $8,948,000, of which $1,500,000, to remain available until expended, is for the Eisenhower Exchange Fellowship Program.

ACQUISITION AND CONSTRUCTION OF RADIO FACILITIES

For an additional amount for the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception, $85,000,000, to remain available until expended.

RADIO BROADCASTING TO CUBA

For an additional amount, necessary to enable the United States Information Agency to carry out the Radio Broadcasting to Cuba Act (providing for the Radio Marti program or Cuba Service of the Voice of America), including the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception, $12,000,000, to remain available until expended.

CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST

To enable the Director of the United States Information Agency to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960, by grant to any appropriate recipient in the State of Hawaii, $19,000,000: Provided, That none of the funds appropriated herein shall be used to pay any salary, or to enter into any contract *providing the payment thereof, in excess of the highest rate authorized in the General Schedule of the Classification Act of 1949, as amended.*

NATIONAL ENDOWMENT FOR DEMOCRACY

For grants made by the United States Information Agency to the National Endowment for Democracy as authorized by the National Endowment for Democracy Act, $31,300,000.

This title may be cited as the "Department of State *and Related Agencies* Appropriation Act, 1985".

TITLE IV—THE JUDICIARY

Supreme Court of the United States

SALARIES AND EXPENSES

For expenses necessary for the operation of the Supreme Court, as required by law, excluding care of the building and grounds, including purchase, or hire, driving, maintenance and operation of an automobile for the Chief Justice, hire of passenger motor vehicles; not to exceed $10,000 for official reception and representation expenses; and for miscellaneous expenses, to be expended as the Chief Justice may approve; $14,143,000, *of which $834,000 shall be derived by transfer from "Bicentennial Expenses, the Judiciary"*.

CARE OF THE BUILDINGS AND GROUNDS

For such expenditures as may be necessary to enable the Architect of the Capitol to carry out the duties imposed upon him by the Act approved May 7, 1934 (40 U.S.C. 13a-13b), including improvements, maintenance, repairs, equipment, supplies, materials, and appurtenances; special clothing for workmen; and personal and other services (including temporary labor without regard to the Classification and Retirement Acts, as amended), and for snow removal by hire of men and equipment or under contract without compliance with section 3709 of the Revised Statutes, as amended (41 U.S.C. 5); $2,242,000, of which $275,000 shall remain available until expended.

U.S. Court of Appeals for the Federal Circuit

SALARIES AND EXPENSES

For salaries of the chief judge, judges, and other officers and employees, and for all necessary expenses of the court, $5,150,000.

U.S. Court of International Trade

SALARIES AND EXPENSES

For salaries of the chief judge and eight judges; salaries of the officers and employees of the court; services as authorized by 5 U.S.C. 3109; and necessary expenses of the court, including exchange of books and traveling expenses, as may be approved by the court; $6,070,000: *Provided*, That travel expenses of judges of the Court of International Trade shall be paid upon written certificate of the judge.

Courts of Appeals, District Courts, and Other Judicial Services

SALARIES OF JUDGES

For salaries of circuit judges; district judges (including judges of the district courts of the Virgin Islands, Guam, and the Northern Mariana Islands); judges of the United States Claims Court; and justices and judges retired or resigned under title 28, United States Code, sections 371, 372, and 373; $74,540,000.

SALARIES OF SUPPORTING PERSONNEL

For the salaries of secretaries and law clerks to circuit and district judges, magistrates and staff, circuit executives, clerks of court, probation officers, pretrial service officers, staff attorneys, librarians, the supporting personnel of the United States Claims Court, and all other officers and employees of the Federal Judiciary, not otherwise specifically provided for, [$370,255,000] *$374,400,000*: *Provided*, That the secretaries and law clerks to circuit and district judges shall be appointed in such number and at such rates of compensation as may be determined by the Judicial Conference of the United States: *Provided further*, That the number of staff attorneys to be appointed in each of the courts of appeals shall not exceed the ratio of one attorney for each authorized judgeship.

DEFENDER SERVICES

For the operation of Federal Public Defender and Community Defender organizations, the compensation and reimbursement of expenses of attorneys appointed to represent persons under the Criminal Justice Act of 1964, as amended, and the compensation of attorneys appointed to represent jurors in civil actions for the protection of their employment, as authorized by law; [$42,760,000] *$42,000,000*, to remain available until expended.

FEES OF JURORS AND COMMISSIONERS

For fees and expenses and refreshments of jurors; compensation of jury commissioners; and compensation of commissioners appointed in condemnation cases pursuant to Rule 71A(h) of the Federal Rules of Civil Procedure; [$43,500,000] *$42,000,000*, to remain available until expended: *Provided*, That the compensation of land commissioners shall not exceed the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code.

EXPENSES OF OPERATION AND MAINTENANCE OF THE COURTS

For necessary operation and maintenance expenses, not otherwise provided for, incurred by the Judiciary, including the purchase of firearms and ammunition, [$102,581,000] *$102,000,000*, of which $5,500,000 shall be available for contractual services and expenses relating to the supervision of drug dependent offenders.

BANKRUPTCY COURTS, SALARIES AND EXPENSES

For salaries and expenses of the judges and other officers and employees of the Bankruptcy Courts of the United States, not otherwise provided for, [$117,500,000] *$116,950,000*.

SPACE AND FACILITIES

For rental of space, alterations, and related services and facilities for the United States Courts of Appeals, District Courts, Bankruptcy Courts, and Claims Court, [$143,026,000] *$142,000,000*.

COURT SECURITY

For necessary expenses, not otherwise provided for, incident to the procurement, installation, and maintenance of security equipment and protective services for the United States Courts in courtrooms and adjacent areas, including building ingress-egress control, inspection of packages, directed security patrols, and other similar activities; $25,500,000, to be expended directly or transferred to the United States Marshals Service which shall be responsible for administering elements of the Judicial Security Program consistent with standards or guidelines agreed to by the Director of the Administrative Office of the United States Courts and the Attorney General.

Administrative Office of the U.S. Courts

SALARIES AND EXPENSES

For necessary expenses of the Administrative Office of the United States Courts, including travel, advertising, hire of a passenger motor vehicle, and rent in the District of Columbia and elsewhere, [$28,500,000] *$28,250,000*, of which an amount not to exceed $5,000 is authorized for official reception and representation expenses.

Federal Judicial Center

SALARIES AND EXPENSES

For necessary expenses of the Federal Judicial Center, as authorized by Public Law 90-219, $9,330,000.

General Provisions—The Judiciary

Sec. 401. Appropriations and authorizations made in this title which are available for salaries and expenses shall be available for services as authorized by 5 U.S.C. 3109.

Sec. 402. Appropriations made in this title shall be available for salaries and expenses of the Temporary Emergency Court of Appeals authorized by Public Law 92-210.

Sec. 403. The position of trustee coordinator in the Bankruptcy Courts of the United States shall not be limited to persons with formal legal training.

Sec. 404. Notwithstanding any other provision of law, the Administrative Office of the United States Courts, or any other agency or instrumentality of the United States, is prohibited from restricting solely to staff of the Clerks of the United States Bankruptcy Courts the issuance of notices to creditors and other interested parties. The Administrative Office shall permit and encourage the preparation and mailing of such notices to be performed by or at the expense of the debtors, trustees or such other interested parties as the Court may direct and approve. The Administrator of the United States Courts shall make appropriate provisions for the use of and accounting for any postage required pursuant to such directives. The provisions of this paragraph shall terminate on October 1, 1985.

This title may be cited as the "Judiciary Appropriation Act, 1985".

[TITLE V—RELATED AGENCIES

[DEPARTMENT OF TRANSPORTATION

[Maritime Administration

[OPERATING-DIFFERENTIAL SUBSIDIES (LIQUIDATION OF CONTRACT AUTHORITY)

[For the payment of obligations incurred for operating-differential subsidies as authorized by the Merchant Marine Act, 1936, as amended, $377,750,000, to remain available until expended.

[RESEARCH AND DEVELOPMENT

[(INCLUDING TRANSFER OF FUNDS)

[For necessary expenses for research and development activities, as authorized by law, $3,000,000, to remain available until expended, and in addition, $7,000,000, to remain available until expended, which shall be derived by transfer from the unobligated balances of the Ship Construction account.

[OPERATIONS AND TRAINING

[For necessary expenses of operations and training activities authorized by law, $80,807,000, to remain available until expended: *Provided*, That reimbursements may be made to this appropriation from receipts to the "Federal ship financing fund" for administrative expenses in support of that program.

[GENERAL PROVISIONS—MARITIME ADMINISTRATION

[Notwithstanding any other provision of this Act, the Maritime Administration is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Maritime Administration and payments received by the Maritime Administration for utilities, services, and repairs so furnished or made shall be credited to the appropriation charged with the cost thereof: *Provided*, That rental payments under any such lease, contract, or occupancy on account of items other than such utilities, services, or repairs shall be covered into the Treasury as miscellaneous receipts.

[No obligations shall be incurred during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act, or in any prior appropriation Act and all receipts which otherwise would be deposited to the credit of said fund shall be covered into the Treasury as miscellaneous receipts.

[None of the funds provided in this Act for the Maritime Administration shall be used for enforcement of any rule with respect to the repayment of construction differential subsidy for permanent release of vessels from the restrictions in section 506 of the Merchant Marine Act, 1936.

[ARMS CONTROL AND DISARMAMENT AGENCY

[ARMS CONTROL AND DISARMAMENT ACTIVITIES

[For necessary expenses, not otherwise provided for, for arms control and disarmament activities, including not to exceed $28,000 for official reception and representation expenses, authorized by the Act of September 26, 1961, as amended (22 U.S.C. 2551 et seq.), $19,468,000.

[BOARD FOR INTERNATIONAL BROADCASTING

[GRANTS AND EXPENSES

[For expenses of the Board for International Broadcasting, including grants to RFE/RL, Inc., $100,498,000, of which not to exceed $52,000 may be made available for official reception and representation expenses.

[COMMISSION ON CIVIL RIGHTS

[SALARIES AND EXPENSES

[For expenses necessary for the Commission on Civil Rights, including hire of passenger motor vehicles, $12,747,000, of which: $2,299,000 is for reports, studies, and program monitoring as authorized by section 5(a)(1) and section 5(a)(5) of Public Law 98-183; $1,642,000 is for hearings, legal analysis and legal services as authorized by section 6(f) and section 5(a)(1), section 5(a)(2) and section 5(a)(5) of Public Law 98-183; $4,999,000 is for field operations as authorized by section 5(a)(1) and section 5(a)(5) of Public Law 98-183; $831,000 is for publications preparation and dissemination as authorized by section 5(a)(4) of Public Law 98-183; $1,217,000 is for Federal evaluation as authorized by section 5(a)(3) and section 5(a)(5) of Public Law 98-183; $1,231,000 is for liaison and information dissemination as authorized by section 5(a)(4) of Public Law 98-183; and $528,000 is for a clearinghouse library as authorized by section 5(a)(4) of Public Law 98-183.

[COMMISSION ON SECURITY AND COOPERATION IN EUROPE

[SALARIES AND EXPENSES

[For expenses necessary for the Commission on Security and Cooperation in Europe, as authorized by Public Law 94-304, $550,000 to remain available until expended: *Provided*, That not to exceed $6,000 of such amount shall be available for official reception and representation expenses.

[EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

[SALARIES AND EXPENSES

[For necessary expenses for the Equal Employment Opportunity Commission as authorized by title VII of the Civil Rights Act of 1964, as amended (29 U.S.C. 206(d) and 621-634), including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; not to exceed $19,000,000 for payments to State and local enforcement agencies for services to the Commission pursuant to title VII of the Civil Rights Act, as amended, and sections 6 and 14 of the Age Discrimination in Employment Act; not to exceed $400,000 for the Office of the Chairman; not to exceed $904,000 for the Offices of the Commissioners; not to exceed $269,000 for the Office of Congressional Affairs; not to exceed $839,000 for the Office of Public Affairs; and not to exceed $563,000 for the Office of Special Projects; $160,255,000.

[FEDERAL COMMUNICATIONS COMMISSION

[SALARIES AND EXPENSES

[For necessary expenses for the Federal Communications Commission, as authorized by law, including uniforms and allowances therefor, as authorized by law (5 U.S.C. 5901-02); not to exceed $200,000 for land and structures; not to exceed $200,000 for improvement and care of grounds and repair to buildings; not to exceed $3,000 for official reception and representation expenses; purchase (not to exceed twelve) and hire of motor vehicles; special counsel fees; and services as authorized by 5 U.S.C. 3109; $94,111,000. Not to exceed $300,000 of the foregoing amount shall remain available until September 30, 1986, for research and policy studies.

[FEDERAL MARITIME COMMISSION

[SALARIES AND EXPENSES

[For necessary expenses of the Federal Maritime Commission, including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-02; $12,292,000: *Provided*, That not to exceed $1,500 shall be available for official reception and representation expenses.

[INTERNATIONAL TRADE COMMISSION

[SALARIES AND EXPENSES

[For necessary expenses of the International Trade Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, and not to exceed $2,500 for official reception and representation expenses, $26,088,000.

[JAPAN-UNITED STATES FRIENDSHIP COMMISSION

[JAPAN-UNITED STATES FRIENDSHIP TRUST FUND

[For expenses of the Japan-United States Friendship Commission as authorized by Public Law 94-118, as amended, from the interest earned on the Japan-United States Friendship Trust Fund, $1,600,000, to remain available until expended; and an amount of Japanese currency not to exceed the equivalent of $1,200,000 based on exchange rates at the time of payment of such amounts, to remain available until expended: *Provided*, That not to exceed a total of $2,500 of such amounts shall be available for official reception and representation expenses.

[MARINE MAMMAL COMMISSION

[SALARIES AND EXPENSES

[For necessary expenses of the Marine Mammal Commission as authorized by title II of Public Law 92-522, as amended, $929,000.

[OFFICE OF THE U.S. TRADE REPRESENTATIVE

[SALARIES AND EXPENSES

[For expenses necessary for the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by 5 U.S.C. 3109, $13,782,000. *Provided*, That not to exceed $68,000 shall be available for official reception and representation expenses.

[SECURITIES AND EXCHANGE COMMISSION

[SALARIES AND EXPENSES

[For necessary expenses for the Securities and Exchange Commission, including services as authorized by 5 U.S.C. 3109, and not to exceed $2,000 for official reception and representation expenses, $106,737,000.

[SMALL BUSINESS ADMINISTRATION

[SALARIES AND EXPENSES

[(INCLUDING TRANSFER OF FUNDS)

[For necessary expenses, not otherwise provided for, of the Small Business Administration, including hire of passenger motor vehicles and not to exceed $1,500 for official reception and representation expenses; $199,387,000; and for grants for Small Business Development Centers as authorized by section 21(a) of the Small Business Act, as amended, $30,000,000. In addition, $45,000,000 for disaster loan making activities, including loan servicing, shall be transferred to this appropriation from the "Disaster loan fund".

[WHITE HOUSE CONFERENCE ON SMALL BUSINESS

[For necessary expenses of the White House Conference on Small Business as authorized by Public Law 98-276, $2,000,000, to remain available until expended.

[REVOLVING FUNDS

[The Small Business Administration is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to its revolving funds, and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for the "Disaster loan fund", the "Business loan and investment fund", the "Lease guarantees revolving fund", the "Pollution control equipment contract guarantees revolving fund", and the "Surety bond guarantees revolving fund".

[BUSINESS LOAN AND INVESTMENT FUND

[For additional capital for the "Business loan and investment fund", authorized by the Small Business Act, as amended, $323,000,000, to remain available without fiscal year limitation; and for additional capital for new direct loan obligations to be incurred by the "Business loan and investment fund", authorized by the Small Business Act, as amended, $242,000,000, to remain available without fiscal year limitation.

[SURETY BOND GUARANTEES REVOLVING FUND

[For additional capital for the "Surety bond guarantees revolving fund", authorized by the Small Business Investment Act, as amended, $8,910,000 to remain available without fiscal year limitation.

[U.S. INFORMATION AGENCY

[SALARIES AND EXPENSES

[For expenses, not otherwise provided for, necessary to enable the United States Information Agency, as authorized by Reorganization Plan No. 2 of 1977, the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq.), and the United States Information and Educational Exchange Act, as amended (22 U.S.C. 1431 et seq.), to carry out international communication, educational and cultural activities, including employment, without regard to civil service and classification laws, of persons on a temporary basis (not to exceed $270,000, of which $250,000 is to facilitate U.S. participation in international expositions abroad); expenses authorized by the Foreign Service Act of 1980 (22 U.S.C. 3901 et seq.), living quarters as authorized by 5 U.S.C. 5912, and allowances as authorized by 5 U.S.C. 5921-5928; and entertainment, including official receptions, within the United States, not to exceed $20,000; $537,143,000 of which not to exceed $7,303,000 of the amounts allocated by the United States Information Agency to carry out section 102(a)(3) of the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2452(a)(3)), shall remain available until expended: *Provided*, That not to exceed $674,000 may be used for representation abroad: *Provided further*, That receipts not to exceed $500,000 may be credited to this appropriation from fees or other payments received from or in connection with English-teaching programs as authorized by section 810 of Public Law 80-402, as amended.

[SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

[For payments in foreign currencies which the Department of the Treasury determines to be excess to the normal requirements of the United States, for necessary expenses of the United States Information Agency, as authorized by law, $8,000,000, to remain available until expended.

[EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

[For expenses of Fulbright, International Visitor, Humphrey Fellowship and Congress-Bundestag exchange programs, as authorized by Reorganization Plan No. 2 of 1977 and the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq.), $122,352,000. For the Private Sector Exchange Programs, $7,448,000.

[ACQUISITION AND CONSTRUCTION OF RADIO FACILITIES

[For an additional amount for the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception, $100,966,000, to remain available until expended.

[RADIO BROADCASTING TO CUBA

[For an additional amount, necessary to enable the United States Information Agency to carry out the Radio Broadcasting to Cuba Act (providing for the Radio Marti program or Cuba Service of the Voice of America), including the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception, $8,500,000.

[CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST

[To enable the Director of the United States Information Agency to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960, by grant to any appropriate recipient in the State of Hawaii, $19,000,000: *Provided*, That none of the funds appropriated herein shall be used to pay any salary, or to enter into any contract providing the payment thereof, in excess of the highest rate authorized in the General Schedule of the Classification Act of 1949, as amended.]

TITLE [VI] *V*—GENERAL PROVISIONS

SEC. [601.] *501.* No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. [602.] *502.* No part of any appropriation contained in this Act shall be used to administer any program *(except the United States-India fund for Cultural, Educational, and Scientific Cooperation under title IX of Public Law 98-164)* which is funded in whole or in part from foreign currencies or credits for which a specific dollar appropriation therefor has not been made.

SEC. [603.] *503.* No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. [604.] *504.* The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. [605.] *505.* None of the funds appropriated or otherwise made available by this Act shall be available to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.

SEC. [606.] *506.* No funds appropriated under this Act may be used for any action by the Attorney General or by the Secretary of State which is not in compliance with the provisions of the Refugee Act of 1980.

SEC. [607.] *507.* If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the Act and the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

SEC. [608.] *508.* None of the funds in this Act shall be available for payment of that portion of Standard Level User Charges (SLUC) for space owned by the Government of the United States that is in excess of a 7 per centum *rate* increase over [the amounts paid for] such charges in fiscal year 1984.

[SEC. 609. None of the funds appropriated in title II and title V of this Act may be used for any activity to alter the per se prohibition on resale price maintenance in effect under Federal antitrust laws: *Provided*, That nothing in this provision shall prohibit any employee of a department or agency for which funds are provided in titles II and V of this Act from presenting testimony on this matter before appropriate committees of the House and Senate.]

SEC. 509. (a) None of the funds provided under this Act shall be available for obligation or expenditure through a reprograming of funds which: (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out any functions or activities presently performed by Federal employees; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprograming of funds.

(b) None of the funds provided under this Act shall be available for obligation or expenditure for activities, programs, or projects through a reprograming of funds in excess of $250,000 or 10 per centum, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 per centum funding for any existing program, project, or activity, or numbers of personnel by 10 per centum as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress, unless, the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprograming of funds.

SEC. [610.] *510.* None of the funds appropriated or otherwise made available by this Act *to the Department of Justice or the Federal Trade Commission* may be obligated or expended to issue, implement, administer, conduct or enforce any antitrust action against a municipality or other unit of local government, except that this limitation shall not apply to private antitrust actions.

[SEC. 611. Except as otherwise provided in this section, each dollar amount contained in this Act is hereby reduced by 4 per centum. This section shall not apply to amounts on page 14 line 16, page 14 line 17, page 18 line 3, page 25 line 6, page 27 line 22, page 27 line 25, page 31 line 4, page 38 line 9, page 42 line 22, and page 35 line 5.]

SEC. 511. Section 7(b) of the Radio Broadcasting to Cuba Act is amended in the second sentence by striking out, "(replaced less" and inserting in lieu thereof "replaced (less".

This Act may be cited as the "Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1985".

Mr. RUDMAN. Mr. President, today I am pleased to bring before the Senate on behalf of the chairman of the subcommittee, the Senator from Nevada [Mr. LAXALT], H.R. 5712, a bill to appropriate money for the Departments of Commerce, Justice, and State, the Judiciary and related agencies for fiscal year 1985. This bill was carefully crafted by the Appropriations Committee. It provides the needed resources to fund a number of very important law enforcement, foreign policy, and commerce-related initiatives. At the same time, the totals are under the subcommittee's budget allocation. It is a good bill, one that meets all the requirements of an appropriations measure and one that deserves the support of the Senate.

H.R. 5712, as amended by the Senate Appropriations Committee, totals $11,471,988,000. This amount includes $11,250,110,000 in new discretionary budget authority, and $221,878,000 in mandatory accounts. The budget allocation for the subcommittee totals $11.3 billion in discretionary spending. Thus, we are $49,890,000 below our allocation. However, I believe that in conference, the bill will have to absorb some increases to fund programs popular with Members of the House. The Senate conferees will need all the room we can get to write a conference report that remains within our budget allocation.

I think it should be pointed out that the bill as reported to the Senate is nearly $1 billion over the amount appropriated for the same programs in fiscal year 1984. This level of increase far exceeds a strict freeze level. However, both the White House and the Senate leadership have given the subcommittee an extra allowance due to the critical nature of its programs. Thus, I have been assured that if this bill stays under $11.3 billion in new budget authority for discretionary programs, it will be in line with the Omnibus Deficit Reduction Act of 1984, as well as the Senate budget allocation, and would be signed into law by the President. In short, Mr. President, both the White House and the Senate budget process are willing to provide enough room for us to write a bill that adequately funds the programs under its jurisdiction. With that concession, it would be a shame if we couldn't get a bill enacted into law.

At the end of my statement, I will provide details about all the accounts in the bill, but at this time, I would like to highlight a few items. The bill provides $198 million for economic development grants to continue to fund job-producing projects throughout the United States. It provides the full budget request for the Patent and Trademark Office, part of the multiyear effort to modernize that operation and to get the backlog of patent applications down. It provides $30 million to the National Telecommunications and Information Agency to expand the coverage of public television and radio and to replace old worn-out facilities. It provides the resources to the National Oceanic and Atmospheric Administration to undertake a number of new and exciting studies.

In the Justice area, the bill provides $69 million more for the INS in 1985 than has been appropriated for that agency in 1984. This will start the process of controlling our borders. The administration's efforts to stop organized crime drug smuggling are continued and expanded. And, the bill continues the Department's prison construction program—the largest in Federal history. For the Justice related agencies, the bill provides the full budget request for the U.S. Commission on Civil Rights and the Equal Employment Opportunity Commission and a $22.5 million increase for the Legal Services Corporation.

In the State area, the bill continues to fund the administration's vital foreign policy initiatives. The bill provides $85 million to modernize the radio transmitters used by the Voice of America. It increases academic and cultural exchanges by 33 percent. Finally, it continues a process of strengthening the reporting and analysis functions of the State Department.

As you can see, Mr. President, this bill has much to recommend it. I ask unanimous consent that a more detailed list apear at the end of my opening statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. RUDMAN. Mr. President, this bill is truly bipartisan. It would have never reached the floor without the help and assistance of every member of the subcommittee. I particularly thank the ranking minority member, Senator HOLLINGS. His knowledge of the programs and the agencies covered by this bill is invaluable to the committee, and I must say personally to this Senator, who is after all only in his fourth year on the committee as compared to Senator Hollings' very long service. His advice is constantly good. Every other member of the subcommittee has also actively participated in the drafting of the bill. All are responsible for the achievements of this bill. I extend to each my heartfelt thanks.

EXHIBIT 1

HIGHLIGHTS—H.R. 5712

(PARTIAL LIST)

FISCAL YEAR 1985 COMMERCE, JUSTICE, STATE, THE JUDICIARY AND RELATED AGENCIES APPROPRIATION BILL

Title I—Department of Commerce and Related Agencies

Department of Commerce

For the Department of Commerce, the Committee recommends an appropriation of $2,137,008,000. This recommendation includes:

General Administration	$35,990,000
Special Foreign Currency Program	500,000
Bureau of the Census	85,500,000
Periodic Censuses and Programs	81,000,000
Economic and Statistical Analysis	31,450,000
Economic Development Administration	198,500,000
International Trade Administration	186,037,000
Minority Business Development Agency	49,885,000
United States Travel and Tourism Administration	13,000,000
National Oceanic and Atmospheric Administration	1,123,686,000
Patent and Trademark Office	101,631,000
National Bureau of Standards	123,985,000
National Telecommunications and Information Administration	13,944,000
Public Telecommunications Facilities, Planning, and Construction	30,000,000

Related Agencies (Commerce)

Federal Communications Commission	94,111,000
Federal Trade Commission	64,311,000
International Trade Commission	24,030,000
Marine Mammal Commission	929,000
Office of U.S. Trade Representative	13,782,000
Securities and Exchange Commission	105,337,000
Small Business Administration	205,500,000
SBA Business Loan and Investment Fund	408,000,000

Title II—Department of Justice and Related Agencies

Department of Justice

For the Department of Justice, the Committee recommends an appropriation of $3,675,564,000. This recommendation includes:

General Administration	71,150,000
United States Parole Commission	8,446,000
Legal Activities	191,454,000
Antitrust Division	43,519,000
U.S. Attorneys and Marshals	421,051,000
Support of U.S. Prisoners	56,240,000
Fees and Expenses of Witnesses	40,600,000
Community Relations Service	33,500,000
Federal Bureau of Investigation	1,147,223,000
Drug Enforcement Administration	329,988,000
Immigration and Naturalization Service	570,417,000
Federal Prison System	497,700,000
National Institute of Corrections	15,000,000
Federal Prison System—Buildings and Facilities	97,806,000
Office of Justice Assistance Research and Statistics	147,041,000

Related Agencies (Justice)

Commission on Civil Rights	12,747,000
Equal Employment Opportunity Commission	161,155,000
Legal Services Corporation	297,550,000

Title III—Department of State and Related Agencies

Department of State

For the Department of State, the Committee recommends an appropriation of $2,249,782,000. This recommendation includes:

Administration of Foreign Affairs	1,269,901,000
Acquisition, Operation, and Maintenance of Buildings Abroad	211,000,000
Contributions to International Organizations	522,570,000
Contributions for International Peacekeeping Activities	47,400,000
International Conferences and Contingencies	10,000,000
Related Agencies (State)	
Arms Control and Disarmament Agency	19,468,000
Board for International Broadcasting	100,498,000
Commission on Security and Cooperation in Europe	550,000
U.S. Information Agency	815,656,000
Title IV—The Judiciary	
Total, the Judiciary	983,741,000

Mr. RUDMAN. Mr. President, I now yield to the Democratic floor manager for any opening statement he may have.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. I thank the distinguished acting chairman of our subcommittee.

Mr. President, our acting chairman, the distinguished junior Senator from New Hampshire [Mr. RUDMAN], has fully outlined the major provisions of this bill. I will not detain the Senate with unnecessary repetition, but want to commend our acting chairman for the outstanding way he has handled this bill.

I am reminded that I, too, was pressed into service as acting chairman early in my membership on the State, Justice, Commerce Appropriations Subcommittee. In 1971, the late Senator McClellan asked me to take that responsibility when he was involved in a tough primary. It has always been an interesting bill to me. The Senator from New Hampshire has certainly mastered the many factors involved with the funding of the Departments of Commerce, Justice, and State, the Judiciary, and the several related agencies assigned to our subcommittee. Senator RUDMAN has been professional in every respect. He has been very considerate of the minority side, and he has put together a good bill on which we can all agree.

On behalf of the minority, I want to thank our acting chairman for his response to the items of particular importance to the minority Members. Within our recommendations, there are funds to restore the economic development assistance and the trade adjustment assistance programs. We provide a significant boost to the Office of Textiles and Apparel, particularly for automation in the apparel industry. We have restored the administration's unwise cuts to NOAA's budget, as well as beginning a major expansion of our ability to forecast severe storms.

The subcommittee has always maintained solid support of our law enforcement agencies. Last year we gave the FBI its first billion dollar appropriation and this bill provides the full 538 additional FBI personnel requested. Likewise, we support the full number of other law enforcement positions requested by the Justice Department, including 872 new Immigration and Naturalization Service personnel.

Of special interest to me was: The $1 million recommended for an Ocean Service Center in Charleston, SC; the additional $500,000 for the State and local enforcement agencies funded by the Equal Employment Opportunity Commission; the identification of the Martin Luther King, Jr. Center in Atlanta for participation in the educational and cultural exchange programs; and the continued expansion and modernization of the Voice of America and Radio Free Europe and Radio Liberty.

Mr. President, we have worked out a good bill that is within our overall budget allocation. We have some amendments, that the acting chairman and I have reviewed and in most instances, support. We definitely disagree on the general provision regarding the antitrust actions against municipalities, and I expect a good debate on that. We are ready to proceed with the bill and amendments.

We were allocated some $11.5 billion, and the summation is on the back page of the report. We are under the budget. We are at $11.471 billion. So the subcommittee has held the line set within the budget and I believe has made the proper allocations throughout.

Whatever the Senate's judgment is with respect to the FTC and the National Endowment for Democracy, there is no reason why we cannot handle this bill very quickly on the floor today.

I thank the Senator from New Hampshire.

Unless any Members on our side wish to speak, we will start proceeding in the way the chairman would like to proceed.

Mr. RUDMAN. I thank my friend from South Carolina for his gracious remarks. He is a pleasure to work with on this committee.

Mr. President, in accordance with section 904 of the Budget Act, I move to waive section 303 of that act with respect to the pending measure, H.R. 5712, as reported from the Committee on Appropriations, and any amendments thereto. I make this motion because, as the Chair knows, we do not have a budget resolution at this time. In order to bring the pending appropriations measure before the Senate, such a motion is necessary.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the committee amendments—with the exception of the committee amendment on page 51, beginning on line 11 and continuing on line 12; the committee amendment on page 72, line 4, beginning with the word "to" and continuing through the word "Commission" on page 72, line 5; and the committee amendment on page 72, beginning on line 16 and continuing through line 19—be considered and agreed to en bloc, and that the bill as amended be considered as original text, for the purpose of further amendment, with the understanding that no points of order shall be waived by reason thereof and that the excepted committee amendments may be temporarily laid aside by agreement of the floor managers.

Mr. HELMS. Mr. President, reserving the right to object, I wish to make an inquiry of the Senator. He is referring to the Legal Services Corporation. Is that correct?

Mr. RUDMAN. No.

Mr. HELMS. I object, Mr. President.

The PRESIDING OFFICER. Objection is heard.

Mr. RUDMAN. Mr. President, if I understand the Senator from North Carolina correctly, I believe he would like us to further except at this time the portion on page 37 beginning with line 5, through line 14 on page 38.

Mr. HELMS. Mr. President, I think we will save time if we have a small conference, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RUDMAN. Mr. President, I also include in my prior request, in terms of exceptions, that we include line 5 on page 37, through line 14 on page 38. I believe that is what the Senator from North Carolina wants.

Mr. HELMS. That is correct.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. RUDMAN. Mr. President, I believe the Senator from North Carolina would like to address this issue, and so I yield the floor.

Mr. HELMS. I thank the distinguished Senator from New Hampshire, who is managing this bill.

Mr. President, I raise a point of order against the indicated amendment, on line 5 of page 37 through and including line 14 on page 38, that it is legislation on an appropriations bill.

The **PRESIDING OFFICER.** The point of order is well taken. The amendment falls.

Mr. **RUDMAN.** Mr. President, I appeal the ruling of the Chair, and I ask for the yeas and nays.

The **PRESIDING OFFICER.** Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. **HELMS.** Mr. President, I want to make it clear that I raised the point of order that the amendment constitutes legislation on an appropriations bill in clear violation of rule XVI of the Standing Rules of the Senate.

The **PRESIDING OFFICER.** Is there further debate? If not, the questions is, Shall the decision of the Chair stand as the judgment of the Senate? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. **STEVENS.** I announce that Senator from North Carolina [Mr. East] is necessarily absent.

The **PRESIDING OFFICER** [Mr. Kasten]. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 27, nays 72, as follows:

[Rollcall Vote No. 179 Leg.]

YEAS—27

Armstrong
Cochran
Denton
Garn
Goldwater
Grassley
Hatch
Hawkins
Hecht
Helms
Humphrey
Jepsen
Long
Mattingly
McClure
Nickles
Proxmire
Quayle
Simpson
Symms
Thurmond
Tower
Trible
Wallop
Warner
Wilson
Zorinsky

NAYS—72

Abdnor
Andrews
Baker
Baucus
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Cranston
D'Amato
Danforth
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
Evans
Exon
Ford
Glenn
Gorton
Hart
Hatfield
Heflin
Heinz
Hollings
Huddleston
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Lautenberg
Laxalt
Leahy
Levin
Lugar
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Nunn
Packwood
Pell
Percy
Pressler
Pryor
Randolph
Riegle
Roth
Rudman
Sarbanes
Sasser
Specter
Stafford
Stennis
Stevens
Tsongas
Weicker

NOT VOTING—1

East

So the decision of the Chair was overruled.

Mr. **RUDMAN.** Mr. President, I move to reconsider the vote by which the decision of the Chair was overruled.

Mr. **HOLLINGS.** I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **HELMS** addressed the Chair.

The **PRESIDING OFFICER.** The Senator from North Carolina.

Mr. **HELMS.** I thank the Chair.

Mr. President, I hope Senators will consider what they have just done. The distinguished Parliamentarian advised the Chair correctly. In other words, the Parliamentarian told the Chair what the rule of the Senate is relating to the subject. There is no dispute about that between the distinguished Senator from New Hampshire—and my friend—Mr. Rudman. He agrees that the Chair ruled correctly, yet the Senate has just voted to overrule the Chair when the Chair was correct.

This Senator wants to compliment the Parliamentarian, and say to him that the shoe has been on the other foot from time to time insofar as the Senator from North Carolina is concerned, and I have had to swallow hard and uphold the Chair. We have a fine Parliamentarian.

I believe, Mr. President, that if the Senate embarks on this business of abiding by the rules of the Senate only when it suits the Senators' fancy that we are on a slippery slope. But the Senate has spoken. I accept that.

Mr. President, in a moment I am going to ask for the yeas and nays on this amendment. But before I do that, let me read to the Senate a letter from the Honorable Donald P. Bogard, president of the Legal Services Corporation who describes the substantive impact of this amendment that the Senate just voted in effect to uphold. And I have no doubt in my mind that the Senate will go on pellmell to support this amendment, when I ask for the yeas and nays, and the rollcall begins. This letter is dated June 26. It says:

> Dear Senator Helms: Thank you for your inquiry concerning the impact of H.R. 5712 on the Legal Services Corporation.
>
> The bill as reported by the Senate Appropriations Committee would prevent the Legal Services Corporation, even under a confirmed Board of Directors, from performing its fiduciary responsibilities for the funds appropriated. The bill would specify the identity of every recipient of the appropriated funds and the amount of its grant. It purports to render unenforceable 8 sets of regulations already promulgated, including those to curb illegal lobbying activities, prevent the hoarding of funds, and prevent discrimination against rural areas. It would subject future regulations to the informal veto of the Appropriations Committee. It would deny funds to our Washington staff to audit grantee activities and financial practices, investigate complaints, defend the Corporation against suit, or assist in the resolution of EEO complaints in the local programs.
>
> These provisions make the enforcement of the remaining prohibitions against lobbying, politically oriented training, etc., impossible. Therefore, we would prefer adoption of a simple appropriations measure with no legislative provisions, to the onerous provisions reported by the Senate Appropriations Committee. The provisions politicize all significant areas of decision making by LSC. We can do a far better job of operating an effective, nonpolitical program which emphasizes the delivery of legal assistance to eligible clients if the Committee amendments are deleted.

Mr. President, in part because of the substantive problems raised by Mr. Bogard, I made the point of order a little while ago. I had hoped that Senators would consider what they are doing. But apparently, the Senate felt otherwise inclined, and, as I said earlier, I accept that.

Mr. President, I ask for the yeas and nays on the amendment.

The **PRESIDING OFFICER.** Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. **RUDMAN.** Mr. President, I will be brief. I want to say to my good friend from North Carolina, I am sure he had every reason to believe the letter he read was accurate. It is, in fact, inaccurate.

Let me tell my good friend the experiences that this Senator had with the Legal Services Corporation.

Roughly 8 weeks ago we had a hearing. It became apparent that Legal Services Corporation was being mismanaged. For instance, it turned out they had been reprogramming funds and were totally unaware of the fact there was a law that covers reprogramming.

Because of the concern in the Appropriations Committee for what they seemed to be doing, we asked them a series of questions, like most committees do, for the record, and gave them a full 6 weeks to answer the questions.

We called them, we harassed them, we wrote them, and we did not receive answers.

As a matter of fact, the day of the subcommittee markup we received no answers. The day of the full committee markup we received no answers. Finally, yesterday, we received the answers.

Mr. **HATCH.** Will the Senator yield?

Mr. **RUDMAN.** I want to finish this one point and then I will be happy to yield without losing my right to the floor.

The fact of the matter is I want to comment on the point of order of the Senator from North Carolina, which certainly under the rules of the Senate he was quite correct in raising.

The problem we have with Legal Services Corporation is for 4 years we have not had an authorization bill. If we were to strike the language from the appropriations bill, all controls on the corporation and its grantees would evaporate. We would leave it solely to that corporation and its unconfirmed board to decide everything, and congressionally imposed controls on lobbying in the field would no longer exist.

The fact is that this language, while being permissive, in many ways is very restrictive. I think Mr. Bogard by that letter demonstrates a fine disregard for the facts.

I yield.

Mr. HATCH. I think it is outrageous that these people have not cooperated with the Appropriations Committee. There has been nobody more concerned about the Legal Services Corporation or about the problems it has raised through the years or about the excesses it has gone through, who has done more to show those excesses and those problems.

I am convinced that the distinguished Senator from New Hampshire and others on the Appropriations Committee are working with us to make sure that this corporate board has the flexibility to be able to function as a corporate board. In fact, we are going to have a colloquy that will resolve most of the problems.

What I am concerned about, I want to tell my dear friend from North Carolina, is we have put a lot of reforms into this appropriations bill. We did it last year. It is the first time we have really gotten together, those who are ardent supporters of the Legal Services Corporation and those who are not.

I can tell the Senator those reforms are absolutely crucial.

One of the big problems we have had, I bring to the attention of my dear friend from North Carolina, is that the board has not really been able to function as a support. We had almost all of the board members come before our committee, which is a very complex and divisive committee on this issue, very much in disagreement with each other. All but two came out unanimously by a vote of the committee.

We have had all of these people held up during their period of time, and I think that is ridiculous, too.

I appreciate the problems that the distinguished Senator from North Carolina and others have had with this corporation. I think we have brought out point after point after point as to how this corporation really has been run in the past and the excesses it has subscribed to and actually implemented.

My concern is that the confirmed board, and I call the attention of the distinguished Senator from New Hampshire to this point, will have the freedom to make the funding decisions that previous boards have made. I believe they will make adequate and good decisions. I believe there is really no contest with regard to 9 out of the 11 board members. I think we ought to get as many of those board members through as we can, and then we ought to take on the two and get them through.

That is all I am saying. I ask my distinguished friend to comment on this. Of course, I agree to have our colloquy for the RECORD that will clarify a lot of the problems that our friend from North Carolina has had.

Mr. HELMS. The Senator from New Hampshire has the floor, but I wonder if he will yield for a moment.

Mr. RUDMAN. I am happy to yield.

Mr. HELMS. These nominations were reported out 9 months ago?

Mr. HATCH. No, this year. Several weeks ago. None of them came out unanimously from the committee. We have had nothing but problems.

Mr. HELMS. Will the Senator describe for the Senator from North Carolina what is going on with the holdup of these nominations?

Mr. HATCH. I cannot describe it. All I can say is there are certain people who have put holds on these nominees. I think it will be incumbent on the majority leader to call up those nominations and resolve the issues. None will go through quickly.

Mr. HELMS. Perhaps it will be well for the RECORD if one or the other of the Senators would indicate the present composition of the board, how many members, how many vacancies, and so forth.

Mr. HATCH. There are only four members on the board, as I understand it, and they are recess appointments.

Mr. RUDMAN. I believe there are five with six vacancies. The five are recess appointments.

Mr. HELMS. I see.

Mr. HATCH. And they have been that way for well over a year. So the point of the distinguished Senator from North Carolina is well taken.

Mr. RUDMAN. Nobody would be more pleased than the Senator from New Hampshire to see this board confirmed and let them run Legal Services Corporation. The point that I made earlier, and I have great respect for the Senator from North Carolina, is the Senator from North Carolina is precisely correct in what he said about this being legislation on an appropriations bill. But there are times in life when you have to do the practical thing. Were we not to put language in this appropriations bill we would have an uncontrolled situation in the Legal Services Corporation. Hopefully we can get these 9 or 11 people confirmed and be off to something more important.

Mr. HATCH. Will the Senator yield for one other point?

Mr. RUDMAN. I yield.

Mr. HATCH. Without this language in this bill we can lose the reforms we have actually worked on and which I think everybody is proud are in this bill. I think the distinguished Senator from New Hampshire has done a tremendous job in working with us to try to resolve these problems. I believe our colloquy will resolve further problems that exist. I just call upon my friend to assert strongly that once the board is confirmed it will have the complete power to operate as prior boards.

Mr. RUDMAN. Subject to those provisions that the Senator is aware of.

Mr. HATCH. Mr. President, I have several questions concerning the portion of H.R. 5712 that provides appropriations for the Legal Services Corporation. I would like to address these questions to my distinguished colleague from New Hampshire, who has worked so diligently on this bill and has seen to it that the bill has moved quickly through the Appropriations Committee. I want again to express my gratitude for the courtesy and cooperation that he has shown my staff and me, as we have attempted to address the controversial and complex issues surrounding the Corporation.

My first question to my distinguished colleague concerns language in the report which states as follows:

> This appropriation provides an 8.2-percent increase for all non-census-based field positions (field programs or components thereof, whose funding levels are not based on the poverty population within the geographical area they serve), national support (including the clearinghouse), State support, special programs, and the regional training centers.

My questions are these: If a Board is confirmed by the Senate, would they be bound to provide an increase to all Corporation programs and activities or would they be free to determine, as previous Boards have done, who to fund and at what level? Would they be free, for example, to move money from a national support activity over to the direct delivery of legal aid? Perhaps stated more broadly, how do the programming procedures work and how do they interact with the report language adopted by the committee?

Mr. RUDMAN. To address the questions in reverse order, the manner in which the reprogramming procedure works is thoroughly explained on pages 87 and 88 of the committee's report on this bill (S. Rept. 98-514). It is basically a "report and wait" provision under which an agency must inform the House and Senate Appropriations Committees of any changes they wish to make in their congressionally approved budgets and give the two committees the opportunity to comment thereon. The provision works to the advantage of the agencies involved since they retain the ability to respond to unforeseen or changing circumstances.

The alternative would be for Congress to enact into law a budget in such detail that agencies would have no flexibility over the course of the fiscal year. I should note that the reprogramming provision has been law for the last several years and the Legal Services Corporation has failed to abide by it. Furthermore, when this issue was raised at the Corporation's fiscal 1985 budget hearing, they asked for permission to reply for the record and have, 8 weeks later, still failed to do so.

In the case of the Corporation's budget, the reprogramming requirements apply to the functional areas or activities as laid out in the Corporation's budget submission to Congress and specified in the committee's report on this measure. Since funds have not been earmarked for specific grantees or contractors, the reprogramming procedure would not apply to a specific decision by the Corporation to fund or deny funding to such grantees or contractors. Of course, to the extent there are other applicable provisions of law that address this question, the Corporation would still be bound by those.

With regard to the first question, the Corporation has the flexibility to shift funds around between functional areas subject, of course, to the reprogramming procedures I have just outlined.

Mr. HATCH. I understand that the Corporation is currently conducting a study of the effectiveness and value of the existing network of national and State support centers, and that completion of this study is expected in the fall. If that study is completed, and the Corporation wishes to take steps to implement the findings from this study, would they be free to do so under the existing language of H.R. 5712?

Mr. RUDMAN. Yes, of course, but any such steps would be subject to the reprogramming requirements enunciated in the bill.

Mr. HATCH. Concerns have arisen regarding the allocation formula for basic field programs, specifically that the formula will protect specific grantees even if there is a confirmed board. Would the Senator from New Hampshire elaborate on these concerns?

Mr. RUDMAN. The purpose of the allocation formula for the basic field programs is to ensure that specified minimum levels of funding are available throughout the country for legal services to the poor. Assuming a confirmed Board, it would not prevent the Corporation from denying refunding to an existing basic field program. I should note that this is another provision which the Corporation has brought upon itself. The Corporation would like to equalize funding for basic field programs throughout the country, a goal I share. However, rather than adopting a reasonable plan under which that goal could be reached over several years, the Corporation last year insisted that it would equalize every basic field program's funding level immediately. That would have led to 30 or 40 percent of reductions for a number of grantees, nearly doubled the funding for others, and led to dramatic changes in funding levels for most programs and created tremendous disruption throughout the country. Our suggestion that they phase in toward that goal was ignored.

This year, the Corporation did not even come up with a comprehensive plan, leaving the provison adopted by Congress last year as the only alternative by default. This is something that the Corporation should attempt to address in an intelligent manner, and if they do so, the statutory funding formula can be dispensed with next year. I might add that the Corporation has, under the bill, the flexibility where two programs have been combined to equalize funding levels across the areas being served.

Mr. HATCH. Following up on this point, would a confirmed Board be free to issue regulations which specified how nonfield programs can spend their money?

Mr. RUDMAN. Yes, subject, of course, to the reprogramming provision in the bill.

Mr. HATCH. The answer by the Senator from New Hampshire goes to another concern with the bill; namely, the portion of H.R. 5712 which requires the Corporation to provide the House and the Senate Appropriations Committee with 15-day notice of all regulations issued after April 27, 1984, or that will be issued in 1985, prior to their promulgation in fiscal year 1985.

Under current law, as I am sure the Senator will agree, a notice provision may be warranted, especially given the record of the Corporation in complying with requests from the Senator's committee for information. Yet, in most instances, this notice requirement and the traditional reprogramming requirements adopted by this body address how a Federal agency or department will spend funds, what formula will be used, and how that formula is to be interpreted. The provision included in H.R. 5712 goes much further and would cover all substantive actions taken by the Corporation as well.

Thus, if the purpose of the provision is to invest in these two committees either a formal or informal veto power over all of the Corporation's activities, then I believe the provision is both unwarranted and illegal. Not only would it be unconstitutional, it would also violate the oft repeated congressional desire to keep the Corporation politically independent. For the first time since its inception, Congress would be involving itself in the day-to-day operations of the Corporation. It is hard to imagine how the Corporation could be further politicized.

Consequently, I ask my distinguished colleague, is this provision simply a notice requirement or by it does he mean to provide these two congressional committees with an informal veto over every activity and decision of the Corporation?

Mr. RUDMAN. The concerns raised by the Senator from Utah regarding the application of section 509, the reprogramming section of this bill, to all regulations issued by the Legal Services Corporation effective after April 27, 1984, are not unreasonable. The reprogramming procedures are, under normal circumstances, intended to address questions regarding how appropriated funds are spent, questions that fall within the jurisdiction of the Appropriations Committee. The application of reprogramming to policy issues is, I would concede, unusual.

The committee and the Senate, with regard to the Legal Services Corporation, is faced with an extraordinary problem, one that called for a somewhat unusual response. Before addressing that situation, I should emphasize that it is my hope, and I believe I can speak for the members of the Appropriations Committee, that this is a one time action and that it will not be necessary to include the provision in the fiscal year 1986 appropriations bill.

The committee adopted the provision only after considerable internal discussion and after careful consideration of a number of alternatives. The course chosen was the only one that addressed itself to all the aspects of the problem in a scalpel-like, as opposed to shotgun, fashion. Basically the situation we faced was as follows:

First, the Corporation, in February, published a proposed regulation regarding legislative and administrative advocacy, a regulation commonly known as the lobbying regulation, although that is something of a misnomer since the legal services programs around the country are flatly prohibited from lobbying as most Members of Congress understand the term.

The proposed regulation was, in large part, intended to implement statutory language by the Appropriations Committee and somewhat modified on the Senate floor last year following extensive negotiations between the Senator from Utah, myself, and other Senators. Many Senators felt that the portions of the proposed regulation far exceeded the scope of the statutory language and 18 Senators, including myself, wrote Robert McCarthy, chairman of the Corporation's Board on March 27 expressing that view. The Corporation's response was totally inadequate and, on April 28, the Corporation's Board promulgated the regulation with no significant modifications.

At the Commerce-Justice-State appropriations Subcommittee hearing on May 2, nearly 20 questions were either asked or submitted for the record on that one regulation alone. For most of the questions asked live, the Corporation's President was going to provide additional information for the record. Neither that additional information nor the answers to the questions submitted for the record were received until yesterday, 8 weeks later and 2 weeks after the committee markup.

Accordingly, the committee faced three choices. The problem could be ignored, a position that had no support. A provision could be included in this bill overturning the regulation, a course that was not adopted because it was a meataxe approach to a problem that Senators felt could be resolved if the corporation would answer questions and engage in some two-way communication. The third course was to block the regulation until such time as the corporation decided to talk to us. That is what this provision does.

The second problem the committee faced was a disturbing pattern on the part of the Corporation to issue new regulations, or instructions to grantees, with the minimum or no opportunity for public comment. A consistent disregard for the spirit, if not the letter, of the Sunshine Act and relevant provisions of the Legal Services Corporation Act and the Corporation's bylaws was developing. The most recent example of this came when the Corporation recently promulgated a regulation revising their bylaws. The proposed regulation was issued April 19, 1984, with the minimum 30-day comment period required by law. The comment period closed on May 18 and the Corporation's Board met on May 19 and adopted the proposed regulations without change.

Obviously, the public's comments were not reviewed. Major changes in the terms and conditions of grants, such as an increase in the funds that have to be earmarked for the private bar and procedures to handle fund balances, were issued last year without any opportunity for public comment or review whatsoever. This is entirely unacceptable. The provision in our bill, by forcing the final version of the regulations to be on the table for 15 days, addresses this problem by slowing the Corporation's rush to regulate down just a little.

Parenthetically, it should be noted that most of the Corporation's most significant policy changes are being delayed by court injunctions. If they stopped long enough to think a little and listen to Congress, that problem might be avoided. Certainly, Congress has an interest in avoiding it since tax dollars are, in most instances, paying for both sides in the litigation as well as the court costs.

Finally, it is the committee's view that the Corporation has failed to comply with the so-called mandatory refunding provision. That provision was first enacted into law in fiscal year 1983 and the relevant conference report, House Report 97-780, clearly states that the provision applies to the terms and conditions of grants as well as the dollar amounts. The Corporation failed, however, to respond to the committee's questions on that point and the committee, accordingly, felt it had no choice but to come up with an appropriate response.

Although the actual workings of the reprogramming provision were discussed earlier, I shall quickly review it in terms of the regulations. The Corporation decides what it wants by way of a new regulation. It then submits that regulation to both the House and Senate Appropriations Committees, and waits no less than 15 days. During that 15 days, they will hopefully reflect a little on what they have done and listen to comments from Congress. Presumably, all problems will be worked out and thereafter they are free to promulgate the regulation.

One other comment is in order. The Corporation has brought this provision on itself by its own actions. Hopefully, the lesson will be learned and it will exist for 1 fiscal year only. Certainly, I do not want to be in the business of reviewing every regulation they choose to promulgate. The Corporation, however, whether through incompetence, stupidity, or malice, is currently doing the worst job of any agency with which I am in the least bit familiar and there is a possibility that the problem cannot be solved without a thorough house cleaning. There is a full slate of Board nominations pending on the Senate's Executive Calendar. Addressing this problem should be their highest priority.

Mr. HATCH. I believe, then, it would be fair to say that the purpose of this provision is not to grant these two committees with formal veto power over the Corporation's regulations. What I hear my colleague from New Hampshire saying is that the purpose behind this provision is to ensure that the Corporation keeps these two Committees informed of their activities and provides this information on a timely basis.

Mr. RUDMAN. That is correct.

Mr. HATCH. Mr. President, the report language accompanying H.R. 5712 states that the Appropriations Committee feels that the regulations promulgated by the Corporation implementing last year's statutory language on lobbying were not in keeping with the expressed language and intent of the lobbying provisions found in Public Law 98-166. Since the Senator from New Hampshire and I were the principal cosponsors of these provisions, I was most concerned with his apparent condemnation of the implementing regulations. This issue is perhaps the single most important aspect of last year's compromise because lobbying by the Corporation represents the heart of the controversy surrounding the legal services program.

As the report language now stands, a third party might believe that the Appropriations Committee and by implication, the Senate, feels that all of the promulgated lobbying regulations are at odds with the statute. In fact, I believe that the overwhelming majority of those regulations are acceptable, yet there are provisions which might give rise to questions. Would my colleague be more specific as to the actual provisions in the regulations which he feels are contrary to the language of the statute?

Mr. RUDMAN. I appreciate the inquiry by the Senator from Utah. Clearly, each and every section of the regulation, which is over eight pages long in the Federal Register, is not bad. As I indicated earlier, it is portions of the regulation, albeit important portions, which are the problem. I would also note that the committee, had it felt that the lobbying regulation was hopeless and could not be revised to more accurately reflect the underlying statutory language, it could and probably would have included bill language simply nullifying it. It chose not to follow that course for a more modest one of forcing the Corporation to come up to the Hill and talk about what they are doing. It should also be noted that part of the problem may simply be one of communication. The fact is that much of what is in the regulation is open to varying interpretations. Efforts at clarification have failed because of the Corporation's past refusal to respond to questions posed by the Appropriations Committee.

Having said that, I list some of the specific concerns. However, this is not an all inclusive list and it should not be construed as such. First, the requirement that legal services programs can only respond to requests from legislators or agency officials when the request is or will be placed in writing has no justification whatsoever. Second, the provision relating to administrative advocacy is at best indecipherable and at worst could be construed to prohibit administrative advocacy beyond the legislative intent.

Third, a provision in Public Law 98-166 which precludes communications to legislators on behalf of clients if such communication is the result of participation in a coordinated effort to provide communication, the purpose of which was to prevent legal services programs from getting involved in grassroots lobbying campaigns, has been interpreted to prevent legal services attorneys from consulting with experts in a field who may be legislatively active. Leaving aside the issue of whether the attorney would even know what the expert is doing, that provision of the regulation would limit the sources of expertise that can be drawn on in violation of their Code of Professional Responsibility.

Fourth, section 1612.5(c)(2) of the regulation precludes the use of LSC funds to pay dues to any organization, other than a bar association, a "substantial" purpose or function of which is to take positions on matters before legislative or administrative bodies. The word "substantial" is undefined and the provision could preclude a legal services program from joining legitimate State or local human service provider groups, such as the New Hampshire Social Welfare Council, that express views on public policy issues

Fifth, the prohibition in section 1612.5(d) on the making of "indirect suggestions" to eligible clients to engage in lobbying and the prohibition in section 1612.(c)(6) on "assist(ing) others to influence legislation through legislative liaison activities" could both be construed to prevent neutral reporting on legislative matters, functions routinely and properly undertaken by a number of LSC grantees.

Sixth, the Corporation appears to have imposed reporting and paperwork requirements which go well beyond the already burdensome requirements Congress enacted with Public Law 98-166 last year.

Let me reiterate again that this is not an exclusive list of the concerns that I and other Senators have, just some of the major ones. Frankly, I believe that many of these concerns could be worked out if there was just some open, two-way communication between interested Members of Congress and the Corporation. They, unfortunately, have been unwilling or unable to engage in such a dialog.

Mr. HATCH. Finally, the report language as it now reads indicates that action taken by the Corporation, should some Board members be confirmed and others not, would not be valid solely because a quorum could be established with confirmed members.

I find this language troubling from two aspects. First, it can be interpreted to mean that any vote involving a recess appointee is per se invalid. I personally thought that last year when this point was discussed at some length, it was agreed that until at least six members of the Board were confirmed by the Senate, the Corporation was under a presumptive refunding requirement. On the other hand, once six members were confirmed, they were free to make funding decisions on their own, as previous Boards have done.

The report language could also be interpreted as an absolute bar to any recess appointee to the Board voting, regardless of the number of confirmed Board members.

This interpretation raises the second issue. What happens if the Senate confirms the President's nomination of all 11 nominees, and 1, due to death or some other reason, can no longer serve on the Board. Would his or her replacement, if a recess appointee, be barred from exercising the traditional functions of a Board member? Moreover, what happens if the Senate confirms 9 or 10 of the nominees and the President makes a recess appointment to fill the open seat or seats. Would such a recess appointee be barred from serving on the Board and voting on all issues that the Board will have before it?

Mr. RUDMAN. Let me start out by stating that I believe the committee's report language clarifying the two statutory provisions, one now entering its third year, is buttressed by the plain language of the statute. However, neither the statutory provision nor the report language is designed to address a situation where the President has to make a recess appointment because a Director of the Corporation has died or suddenly resigned. The intent of both the statutory language and the clarifying report language has been to address the situation that has existed over the past several years; namely, the President has been unwilling to submit a full slate of Directors, who serve for fixed terms and cannot be removed by the President, who the Senate will confirm, and has attempted to undermine the independence of the Corporation by operating it with recess appointees who serve at his pleasure.

That does not now appear to be the case. The President has submitted 11 nominees to the Board of the Corporation and all 11 are now before this body. The two kinds of scenarios mentioned in my colleague's question are simply not what we are addressing with the statutory provision and the report language.

Mr. HATCH. Will the Senator yield for one other question?

Mr. RUDMAN. I yield.

Mr. HATCH. I believe we should support the distinguished Senator from New Hampshire, that we should vote down this amendment. I believe the amendment will not accomplish that which the distinguished Senator from North Carolina would like to accomplish. I believe there has been a good faith effort to resolve these problems. I intend to vote for the committee amendment and I call upon my colleagues to vote for it as well. I intend to vote with the distinguished Senator from New Hampshire.

Mr. RUDMAN. I yield the floor.

● Mr. CHILES. Mr. President, today, I want to call attention to an issue of great concern to me and to a number of my colleagues on the Appropriation Committee. That is the attitude toward open government at the Legal Services Corporation.

During recent weeks I have heard reports of the Board's unwillingness to fully comply with the spirit of the Government in the sunshine act. I have been told that open meetings of the Legal Service's Board often appear to be little more than stage presentations. There is little debate among Board members over important decisions, leading observers to conclude that most critical issues are actually resolved beforehand, behind closed doors. I have also heard of instances in which meetings have been rescheduled to inconvenient locations with short notice to the public. As the author of the sunshine act, I'm disturbed by these reports. I feel compelled to remind the Corporation's Board, that the act presumes Board decisions will be made in meetings, and that these meetings will be open to the public unless the subject matter falls into one of the act's narrow exemptions and it is determined the public would be better served by keeping the information confidential.

The new bylaw adopted by LSC are a particular area of concern for they contain tools which could be used to frustrate public access to Board meetings. First, they provide that special meetings of the Board may be conducted over the telephone. It is unclear to me how the public will be able to attend a conference call meeting of the Board, or how a transcript can be made of such a meeting in the event it is properly closed under one of the sunshine exemptions. The bylaws should be improved by language making clear that the telephone will only be used as a way to let absent board members participate in a meeting in which a quorum is physically present.

Second, the bylaws say any decision that can be made in a meeting may also be made without a meeting if all the directors agree in writing to the procedure. I understand that many of the simple, routine matters of running a Federal agency can be handled efficiently by notation voting without violating the spirit of open government. But it is obviously inappropriate for substantive decisions to be made outside of the meeting structure.

The Senate Appropriations Committee has just been over this same issue with the Interstate Commerce Commission. This important regulatory body was so opposed to sunshine it simply did not meet from October 1982 until April 1984. Like Congress, multimember agencies are collegial bodies and their decisions should be reached through debate and compromise with the public looking on. To the extent that members of Federal agencies determine agency policy without meeting, they are not properly doing their job.

Finally, I am concerned by the creations of "emergency proceedings" under which the Board may adjourn a meeting if it finds the acts of the public audience to be disruptive, reschedule the meeting at a different location, and invite representatives of the public to attend. The very inclusion of such a provision demonstrates an unfortunate hostility between the Board and the interested public which is antithetical to the principles of open government. The public and the Board must work cooperatively to make open meetings successful. The public should not attempt to disrupt meetings or interfere with the conduct of agency business. By the same token, the Board should not be overly sensitive to efforts by the public to make their views known. I'm extremely concerned this provision will be used to reschedule meetings to a distant location to prevent members of the interested public from attending. Such tactics are clearly violative of the spirit of the law. I remind the Board that open meetings are not invitation only affairs.

Moreover, when meetings are legitimately rescheduled, the public should be given as much notice as possible. If the meetings is held in a location that is many miles from where meetings are ordinarily held, the Board should, ideally, demonstrate its good faith by giving the public more notice than the 7-day minimum required by the act.

In conclusion, Mr. President, I want to send clear notice to the Board of the Legal Service Corporation that Congress is concerned about complaints that the Board is attempting to discourage public access to Board meetings. The Sunshine Act establishes a presumption of openness in the decisionmaking processes of Federal agencies. This is a presumption that Congress takes seriously and I, for one, intend to keep an eye on the Board's sunshine record.●

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, let me first note that the Senator from New Hampshire stated accurately the position of the Appropriations Committee and our consideration of this provision and what the President of the Legal Services Corporation is contending for. He is off base. The full Committee on Appropriations considered this matter and that is it. It is not outrageous. It is totally in line with the facts of the case.

I did want to add a note of bipartisanship in behalf of the distinguished Parliamentarian.

The Parliamentarian made his ruling; he did his duty as he saw it. We, as Senators, when we want to pass things and put a little legislation on the bill—my senior Senator from South Carolina, the chairman of the Committee on the Judiciary, has been sitting dutifully for an hour—to do what? Put legislation on this appropriations bill.

And the Senator from North Carolina is interested in the cities having the right to issue taxi regulations. I know the Senator from North Carolina is a great disciple of the Government that is closest to the people. Amen. So do not come around here and raise a point of order on him. Do not do that.

Mr. President, it is not an insult to the Parliamentarian. He has done his job. And of course, the Senate has expressed its will.

Mr. RUDMAN. Mr. President, I believe everybody who wishes to speak has spoken. I believe the yeas and nays have been ordered.

The PRESIDING OFFICER. The Senator is correct.

The question is on agreeing to the committee amendment. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 78, nays 22, as follows:

[Rollcall Vote No. 180 Leg.]

YEAS—78

Abdnor
Andrews
Baker
Baucus
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Burdick
Chafee
Chiles
Cohen
Cranston
D'Amato
Danforth
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
Evans
Exon
Ford
Glenn
Gorton
Hart
Hatch
Hatfield
Hawkins
Heflin
Heinz
Hollings
Huddleston
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Lautenberg
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Nunn
Packwood
Pell
Percy
Pressler
Pryor
Quayle
Riegle
Roth
Rudman
Sarbanes
Sasser
Simpson
Specter
Stafford
Stennis
Stevens
Trible
Tsongas
Warner
Weicker
Wilson

NAYS—22

Armstrong
Byrd
Cochran
Denton
East
Garn
Goldwater
Grassley
Hecht
Helms
Humphrey
Jepsen
Mattingly
McClure
Nickles
Proxmire
Randolph
Symms
Thurmond
Tower
Wallop
Zorinsky

So the committee amendment (page 37, line 5) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SECOND EXCEPTED COMMITTEE AMENDMENT: PAGE 51, LINE 11

Mr. RUDMAN. Mr. President, I understand that the pending matter is the second committee amendment.

The PRESIDING OFFICER. The clerk will report the next excepted committee amendment.

The assistant legislative clerk read as follows:

On page 51, lines 11 and 12, insert "and Related Agencies."

AMENDMENT NO. 3347

Mr. RUDMAN. Mr. President, I send a second-degree amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. RUDMAN], for himself, Mr. THURMOND, and Mr. GORTON, proposes an amendment numbered 3347 to the amendment on page 51.

Mr. RUDMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike "Agencies", at the end of the amendment and insert the following: "Agencies and United States Information Agency Appropriation Act, 1985".

ADMINISTRATIVE PROVISION

SEC. (a) Sections 4, 4A, and 4C of the Clayton Act (15 U.S.C. 15, 15a, and 15c) shall not apply to any law or other action of or official action directed by, a city, village, town, township, county, or other general function unit of local government in the exercise of its regulatory powers, including but not limited to zoning, franchising, licensing, and the establishment or provision of public services on an exclusive or nonexclusive basis in a manner designed to ensure public access or otherwise to protect the public health, safety, or welfare, but excluding the purchase or sale of goods or services on a commercial basis by the unit of local government in competition with private persons, where such law or action is valid under State law.

(b) No damages, interest on damages, costs, or attorney's fees may be recovered under section 4, 4A, or 4C of the Clayton Act (15 U.S.C. 15, 15a, and 15c) from any unit of local government or official thereof acting in his official capacity.

SEC. 2. Funds appropriated to the Department of Justice or the Federal Trade Commission may be obligated or expended to issue, implement, administer, conduct or enforce any antitrust action against a municipality or other unit of local government, notwithstanding Section 510 or any other provision of the "Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies.

Mr. RUDMAN. Mr. President, in a moment, I am going to ask unanimous consent to lay this amendment aside temporarily, for the purpose of accommodating an amendment to be offered by the Senator from Georgia, which will be accepted by the committee.

At this point, I state for the record that the second-degree amendment I have just sent to the desk deals with the issue of antitrust immunity; and the amendment is sent to the desk on behalf of Senator THURMOND, the chairman of the Judiciary Committee; myself, and the Senator from Washington [Mr. GORTON]. I will explain the amendment in detail later.

At this point, I ask unanimous consent that the pending amendment be laid aside for the purpose of considering an amendment to be offered by the Senator from Georgia.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AMENDMENT NO. 3348

(Purpose: To provide funds for the Small Business Administration's 501 State Development Company program)

Mr. NUNN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Georgia [Mr. NUNN] proposes an amendment numbered 3348.

Mr. NUNN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 17, line 22, before the period insert the following: ", and of such funds, $5,000,000 to be made available for loans for the program authorized by section 501 of the Small Business Investment Act of 1958".

Mr. NUNN. Mr. President, the amendment I am offering today would provide a limited amount of money from funds already made available under this bill for the Small Business Administration to continue its financial partnership with the State Development Company Program administered by SBA. The bill, as reported by the Senate Appropriations Committee, includes an additional $52 million for capital for the repurchase of loans guaranteed by the agency. Under my amendment, $5 million of these funds provided to the Small Business Administration for fiscal year 1985 under the Business Loan and Investment Fund will be used for a continuation of loans for the State Development Company Program. No additional funds will need to be appropriated if this amendment is agreed to.

Pursuant to the laws of individual States, an economic development authority, or business development corporation, may be formed. These entities derive their private capital by borrowing funds from member financial institutions. Under section 501 of the Small Business Investment Act of 1958, SBA is given explicit statutory authority to make long-term, direct loans only to these State development companies. In 1982, there were 24 State development corporations, although only 16 were active. Bank financings made in conjunction with 501 companies totaled over $71 million, with almost half of the assistance going to manufacturing firms. Now, there are 18 active corporations, including in Georgia.

However, during the past several years, the Congress and the agency have limited access to the direct loan funds of the agency, which has had the unintended effect of cutting off a source of funds to these State development corporations. In this interim period, the State development companies have relied on the funds previously made available to them by SBA, and on the increase in their private capital contributed by member financial institutions.

To my knowledge, neither the Congress nor the SBA has actively sought to terminate the authority of these State development corporations. The amendment I am offering today will provide $5 million for fiscal year 1985 so that SBA can continue this program.

Mr. President, this is a needed but temporary fix. For the past 2 years, I have proposed legislation that would provide additional authority to the Small Business Administration to make assistance available to 501 companies through the sale and guarantee of debentures. In this Congress, I introduced S. 745 for that purpose. This bill was cosponsored by Senators TSONGAS, BURDICK, WALLOP, CHILES, HUDDLESTON, SASSER, BAUCUS, LEVIN, DIXON, BOREN, SIMPSON, and PELL. The bill was incorporated without substantive amendment into S. 1323, the SBA authorization bill which passed the Senate on October 7, 1983. That authorization bill has been stalled in conference with the House over provisions unrelated to the 501 authority. I hope that we will be able to reach agreement on that conference report in the very near future.

Mr. President, I recognize that there are a number of questions that have been raised about the relationship between the 501 State development corporations and the 503 certified development corporations enacted in 1980. I was a principal cosponsor of that latter provision as well. There are differences, as was clearly identified during the Senate Small Business Committee's hearings on S. 745, and other bills, on April 13, 1983. I am willing to reassess the similarities and differences between all of the development company programs authorized by title V of the Small Business Investment Act of 1958 during the next Congress. But in the interim, I am not prepared to see this proven 501 program atrophy through a lack of attention or funding.

Mr. President, I appreciate the cooperation which the chairman of the Small Business Committee, Senator WEICKER, and my successor as ranking Democratic member on that committee, Senator BUMPERS, have provided me on this matter. I also appreciate the support of the chairman and ranking member of the Commerce, Justice Appropriations Subcommittee in considering this amendment.

Mr. President, we have talked with the Senator from New Hampshire and the Senator from South Carolina about this matter. The staff has discussed it.

I repeat: No additional funds will need to be appropriated if this amendment is agreed to. It is a shifting of funds. I think all parties agree that there is enough in this $52 million account to be able to accommodate this shift without disrupting any programs.

I thank my colleagues for their cooperation in facilitating this amendment, and I hope it will be accepted by the Senate.

Mr. RUDMAN. Mr. President, let me simply state that this matter has been cleared with the ranking minority member, and it has been cleared with the chairman of the Small Business Committee.

The Senator from Georgia has stated quite correctly how the amendment works and what it does.

We are willing to accept that amendment.

I yield to my friend from South Carolina.

Mr. HOLLINGS. Mr. President, on behalf of our side of the aisle, we accept the amendment.

Mr. NUNN. I thank our colleagues.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Georgia.

The amendment (No. 3348) was agreed to.

Mr. NUNN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUDMAN. It is my understanding that we now return to the second-degree amendment that is now pending.

The PRESIDING OFFICER. The Senator is correct.

Mr. RUDMAN. It is my understanding that the Senator from Alaska [Mr. STEVENS] had also a very brief amendment which the committee could accept which he was going to offer at this time.

I would wish to have a few moments delay to give him that opportunity.

Mr. President, for those Senators who have inquired as to the committee's view on the timetable, we believe that there will be about an hour debate on this pending amendment, followed by a rollcall vote. We also believe there will be probably close to an hour debate on the National Endowment for Democracy which will follow this. We hope it will be about an hour debate. Following that we do not believe there will be other items of controversy to be considered.

So if all goes well, hopefully we can get through this bill by some time between 3:30 p.m. and 4 p.m. this afternoon.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorom call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

Mr. RUDMAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUDMAN. I believe that we would have to agree to waive the pending committee amendment before that amendment could be considered. Is the Senator from New Hampshire correct?

The PRESIDING OFFICER. The Senator is correct. There is a pending amendment.

Mr. RUDMAN. Mr. President, I suggest the absence of a quorum so I may discuss this with my friend.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I send an amendment to the desk.

Mr. RUDMAN. Mr. President, will the Senator withhold?

Mr. STEVENS. I withhold.

THE PRESIDING OFFICER. There is an amendment pending.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the committee amendment be laid aside for the purpose first of consideration of an amendment to be offered by the Senator from Alaska [Mr. STEVENS] and, second, an amendment to be offered by the Senator from Montana [Mr. MELCHER].

THE PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3349

(Purpose: To increase the amount appropriated for the Fisheries Oceanography Coordinated Investigations program under the National Marine Fisheries Service)

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

THE PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 3349.

On page 7, line 16, strike out "$1,123,686,000" and insert in lieu thereof "1,124,286,000".

On page 7, line 20, strike out the semicolon and insert in lieu thereof "and, of which $600,000 shall be available to the Fisheries Oceanography Coordinated Investigations program for a joint research project sponsored by the University of Alaska and the Hawaiian Oceanic Institute on factors influencing the year class strength of subarctic bottom fishes;".

Mr. STEVENS. Mr. President, this amendment provides for a small increase in the fiscal year 1985 appropriation for the National Marine Fisheries Service.

This additional appropriation is required to support urgently needed research on the sub-Arctic ecosystem. In the past several years, many traditional fisheries of the Bering Sea and north Pacific region have suffered serious declines. Landings of Alaskan king crab, tanner crab, dungeness crab, and shrimp have all dropped quite dramatically. At the same time, fisheries for pollock and other species have become increasingly important to the Alaskan fishing industry. Unfortunately, little is known of the population dynamics of many bottom dwelling assemblages of fish. These fish are becoming subject to increasing levels of exploration. In order to make prudent management decisions, research is urgently needed to develop an understanding of the ecosystem which supports these fisheries. Recent concern about the well being of marine mammal populations in the north Pacific is a further indication of the importance of this research.

This amendment will provide $600,000 to fund north Pacific—Bering Sea fisheries oceanography research. Provision of support for this program will allow scientists to investigate mechanisms and processes by which fish spawning, growth, and survival are controlled. This research will provide the necessary background information to optimize the management of Marine fish stocks for greater economic benefit to the United States. Funds will go to the University of Alaska and the Hawaiian Oceanic Institute to conduct a joint study of the sub-Arctic ecosystem.

We must provide some measure of support for this vital program. I urge my colleagues to join me in supporting this amendment. It will provide our fishery managers with the tools required for wise management of our fisheries.

Mr. RUDMAN. Mr. President, the Senator from Alaska has described the amendment accurately. It has been cleared on both sides. I believe the Senator from South Carolina has also cleared this amendment on his side. I yield to him for any comment he may wish to make before moving that we accept the amendment.

Mr. HOLLINGS. Mr. President, we accept the amendment on this side.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Alaska.

The amendment (No. 3349) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I thank the managers of the bill for their courtesy.

Mr. RUDMAN. Mr. President, I believe under the previous order it will now be in order to recognize the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana is recognized.

AMENDMENT NO. 3350

(Purpose: to make it the sense of Congress that, in cooperation with Mexico, newly enacted authority under section 416 of the Agriculture Act shall be used on an expedited basis to make surplus wheat and milk available to help feed Guatemalan refugees in Mexico)

Mr. MELCHER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Montana (Mr. MELCHER) proposes an amendment numbered 3350.

At the appropriate place, add the following new section:

"It is the sense of the Congress that in cooperation with the Government of Mexico, the newly enacted authority under section 416 of the Agricultural Act dealing with U.S. surplus wheat and dairy products shall be used on an expedited basis to make these commodities avaiable to help feed the Guatemalan refugees in Mexico."

Mr. MELCHER. Mr. President, I purposely did not ask to dispense with the reading of the amendment because I think in reading the amendment in full it tells the whole story.

We have had this proposal before us. We put it on a bill. It was on the supplemental bill a couple months ago, and it was washed out in conference.

It is necessary to have this type of sense of Congress resolution passed simply to show to the Mexican Government that we are willing to participate in their undertaking to supply the nourishment and the shelter to the refugees, the Guatemalan refugees in Mexico.

It is also necessary in dealing with this that we stress in this resolution to the State Department and to the Department of Agriculture that we want to expedite the new regulations on 416.

This language will do that.

It is not objectionable to anyone in the Senate, and has the full concurrence of the authorizing committee and I believe the backing of every Senator who has looked at it.

Mr. RUDMAN. Mr. President, the amendment as proposed by the Senator from Montana is acceptable. I believe the Senator from South Carolina has also cleared that amendment. I move that we accept the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Montana [Mr. MELCHER].

The amendment (No. 3350) was agreed to.

AMENDMENT NO. 3347

Mr. RUDMAN. Mr. President, will the Chair please state the pending business?

The PRESIDING OFFICER. The pending business is the Rudman amendment to the excepted committee amendment on page 51.

Mr. RUDMAN. I thank the Chair.

Mr. President, I think we are now ready to proceed with the issue that is popularly known as the FTC-taxicab issue. I anticipate a number of Senators wish to be heard on it. I would certainly appreciate it, as would my friend from South Carolina, if they would come to the floor within the next hour so that we might move this expeditiously.

The amendment is offered as an alternative to language in the bill adopted in the Appropriations Committee which would strip the FTC and the Department of Justice of their enforcement powers.

The Appropriations Committee rider establishes bad precedent and bypasses the Judiciary Committee which has reported legislation on the issue that is currently pending on the Senate Calendar. Because the Appropriations Committee rider is misguided, we are offering the Judiciary Committee's bill as a substitute. And the chairman of the committee, Senator THURMOND, will be here on the floor shortly to state the position of that committee.

In order to fully understand the issue, let me provide some history on the issue. In 1982, the Supreme Court, in Community Communications Co. against City of Boulder, held that local governmental units are not immune from the operation of the Federal antitrust laws unless their anticompetitive activity is in furtherance of a "clearly articulated and affirmatively expressed State policy." Hence, the Court did not eliminate antitrust immunity for local governments, but simply stated that broad, home rule grants of immunity are not enough.

Recently, after concluding a long study of the taxicab industry, the FTC filed complaints against two cities on the basis that their regulatory activities "were and are to the prejudice and injury of the public and constituted and constitute unfair methods of competition in or affecting commerce in violation of section 5 of the Federal Trade Commission Act."

Instead of the enforcement stripping legislation contained in the bill, what we are offering here today as an alternative is legislation which was unanimously reported out of the Judiciary Committee. I commend this alternative to my colleagues as a more responsible approach to the issue. The amendment would do two things.

First, it would provide that local government units may not be sued for treble damages under sections 4, 4A, or 4C of the Clayton Act. Injunctive relief under section 15 of the Clayton Act, however, may still be obtained against local governments.

Second, the substitute would set forth the conditions under which private parties, acting pursuant to the direction of general function local government units, may also claim immunity from damage suits, so long as the criteria contained in the amendment are met.

The amendment is a far better solution for a number of reasons:

Unlike the appropriations rider, the legislation does not provide a blanket shield for local governments to establish local monopolies free from Federal consumer protection activities designed to provide the benefits of competition.

Instead, the substitute amendment would allow enforcement agencies to protect the public, but would protect taxpayers from paying damages for the anticompetitive activities of their local government regulators.

The enforcement stripping rider is misdirected for two reasons: First, the cities' real concern ought to be with private suits for which they could be liable for treble damages. The FTC cannot seek damages and seeks only to enjoin anticompetitive regulatory activities. Indeed, in testimony before the House Judiciary Committee, Kenneth Gibson, mayor of Newark, NJ, on behalf of the U.S. Conference of Mayors, states:

> "The best solution on the remedies side would be to eliminate damages all together and to allow governmental plaintiffs, such as the FTC, the Attorney General and the state attorneys general to bring injunction actions to deter unfair or egregious actions by governments.

Second, it would be noted that a number of cities have removed restrictions on entering the taxi business and/or permitting discount taxi fares. These cities include Milwaukee, Madison, Jacksonville, Charlotte, NC, Seattle, Spokane, San Diego, Oakland, Berkeley, and Sacramento. Furthermore, there are a number of ongoing private antitrust actions and a number of cities are either facing multimillion damage awards or are in the process of revising their rules on the issue under threat of litigation. These include Miami, Chicago, and Manchester, NH. The amendment, under those circumstances, will have the effect of sticking a finger in the leaking dam, but, in the process, it will set a precedent we shall regret.

The FTC actions would not prevent local governments from effective regulation of taxicabs by which they can protect the public from incompetent drivers, unsafe vehicles, and other matters of local, public concern.

Proponents of the enforcement stripping rider suggest that Federal enforcement of antitrust laws violate federalist principles. As one who strongly supports federalism, I take particular exception to this argument. In fact, the States are completely and totally in control. To prevent Federal intervention, or, for that matter, private antitrust actions, the States may simply pass legislation granting specific antitrust immunity for local governments, which I understand has now been done at least in one State.

The attempt to defund legal enforcement efforts is improper. Instead, the alternative now before the Senate, reported by the Senate Judiciary Committee, would provide local governments with protection from treble damage suits, but maintain effective antitrust enforcement.

Mr. President, there is just one other item I wish to address, and I think it is rather interesting. We have a letter here dated the 14th of June of this year from the Office of Gov. Bob Graham of Florida addressed to the Secretary of State of Florida.

It is very interesting because, as I understand the Governor's letter, he is essentially saying he would not favor a grant of antitrust immunity at the local level for taxicab regulation for the very reason that Governor Graham states that he is interested that consumers in his State get a fair shake. Accordingly, he vetoed a bill approved by the Florida legislature on the issue.

Now, let me just say a couple of words about my friend from South Carolina and the action he took in subcommittee. I could understand that action—I did not support it, but I could understand it—because at the time we took the action in the Appropriations Committee, there was no assurance whatsoever that there would, in fact, be any action from the Judiciary Committee prior to this bill being reported. There was the hope of some legislation, but we did not know.

And I cannot argue completely with the motivation of the Senator from South Carolina who, obviously, was concerned about the effect that could be had on the cities from this particular FTC action and particularly what could happen with treble damage suits that were pyramided on these actions brought by the FTC. But the reason for that amendment has gone.

The amendment now before us was carefully studied by the Judiciary Committee and supported by the National Conference of Mayors and I certainly hope that our colleagues will look at this issue very carefully. This is balanced approach between protecting the cities and, at the same time, not offending the rights of consumers. I hope that the full Senate will support this amendment.

Mr. PACKWOOD. Will my colleague yield for a question?

Mr. RUDMAN. I am pleased to yield to my friend from Oregon.

Mr. PACKWOOD. I know the Judiciary Committee had hearings on this subject last year and again this year. How many hearings were held in the Senator's subcommittee and in the full Appropriations Committee?

Mr. RUDMAN. To my knowledge, there were certainly none in the subcommittee or any before the full committee.

Mr. PACKWOOD. I know there was none in the House on this subject. What we have is a rider offered by the Appropriations Committee on a subject for which, to the best of the Senator's knowledge, there have been no hearings?

Mr. RUDMAN. The Senator is correct, unfortunately.

Mr. PACKWOOD. As opposed to an amendment, a well-thought-out, crafted amendment, from the Judiciary Committee, which will solve a broad panoply of problems, unlike the approach taken by the Appropriations Committee rider?

Mr. RUDMAN. I agree completely with my friend, the chairman of the Senate Commerce Committee, that, in fact, this is a very carefully thought-out piece of legislation.

Chairman Thurmond has crafted a piece of legislation which very properly balances the rights of all the interested parties and removes the greatest threat to the cities of the treble damages.

Mr. PACKWOOD. As a matter of fact, as I look at the appropriations rider, it does not free the cities from the potential of treble damages from private suits.

Mr. RUDMAN. The Senator is absolutely correct.

Mr. PACKWOOD. So if the municipalities are worried, they should be much happier with the Judiciary Committee action, because it eliminates treble damages, than the Appropriations Committee action.

Mr. RUDMAN. I would have to assume that is correct.

Mr. PACKWOOD. It is interesting that this rider was not added a day or two after the Boulder case, while it was a relatively recent case. Boulder has been kicking around for about a year.

Mr. RUDMAN. At least a year, 1½ or 2.

Mr. PACKWOOD. The genesis of this rider was the taxicab investigation. I do not want to say what the outcome of the suit will be. There has been no outcome of the suit. For all I know, for all anybody else knows, the defendants may win. It is one more example of coming to this Congress in midstream in an investigation undertaken by an agency—that happens to be the Federal Trade Commission here but it could be any agency—without knowing what the outcome is going to be and saying "stop."

I have had of course contacts from taxicab companies in Oregon. Most of us have had contacts from the taxicab companies, at least in our States where there may exist some clubbiness in the awarding of taxi franchises. I think what we really have here is a situation where in many areas taxicab franchises are the benefits of the cozy cocoon of cronyism. I do not mean that in an evil sense. It can happen quite easily in towns where the regulated establishment knows the regulator establishment, and the establishment "knows" what is good for the public. Franchises are awarded to "good" people. And "bad" people are kept out.

But "bad" is a very subjective definition. It is interesting to look at the comparison between New York City and Washington, DC. Washington, DC, for all practical purposes, has almost no taxicab regulation. They have a fare structure, but in terms of entry, anybody can enter. In this town that is heavily black you have a heavy preponderance of black taxicab owners entering the business. In New York, a town that is heavily black and heavily ethnically Latin, you have a disproportionately small number of blacks and Latins in the taxicab business, because there you have a franchise system where the allocations are made by the city, and try as they might, minorities have had a difficult time in getting in.

In New York, in order to get in—they have a limited number of franchises—you have to buy your way in. You have to have a medallion. A medallion costs somewhere between $80,000 and $90,000 just to get in the business. That does not guarantee the first 10 cents of fare. You have to buy the medallion from somebody else who has the medallion. Then you have to recoup the cost in your fares.

What we have discovered in preliminary studies is where entry in the taxicab business is relatively wide open, the fares are lower, the competition keener, and the entry freer. But where the franchises are awarded by the company's cocoon system, you find the fares higher, the services worse. That is a substantive argument about taxicabs, and I think that the amendment of the Senator from South Carolina—it was already added in the House bill—was a reaction to that situation clearly, because it did not arise a few days after the Boulder case of years ago that my distinguished colleague from New Hampshire referred to.

I hope that this Senate would act on the amendment offered by the Senator from New Hampshire, the Judiciary Committee amendment, which is a well-crafted, thought-out piece of legislation. The amendment does not say that the cities are exempt from the antitrust laws. It does say that they cannot be sued for treble damages, which is a justifiable fear of any town, be it 500 or 5 million in population. It does allow them to be sued to prohibit them from clearly violating the antitrust laws and allows the Federal Government to demand injunctive relief—that is: "quit doing it." But they do not have to pay any money damages.

What we seek is to benefit consumers, and end a buddy system in the awarding of all kinds of municipal monopolies to private persons. We are not talking just about taxicabs; in the Boulder case we were talking about telecommunications and the awarding of franchises in that field. If we want to protect the public and ensure access in entry, and if at the same time we want to protect the city against punitive treble damages that can bankrupt some cities in a large antitrust case, then I would very, very much hope that we would follow the advice of my distinguished colleague from New Hampshire and adopt his amendment.

I thank the Senator.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, my distinguished colleague, Senator Rudman, offers a substitute amendment to section 510 of the bill. I was the chief proponent of section 510, which was accepted by the Appropriations Subcommittee and was overwhelmingly approved by the full House.

Section 510 prohibits funding for 1 year for Department of Justice or Federal Trade Commission suits against the cities for anticompetitive city regulations or agreements. Currently, the Federal Government may sue even if the regulation in question was enacted to protect the health, safety, and welfare of the cities' citizens. This provision would prohibit the FTC for 1 year from seeking injunctive relief to terminate these city actions and would prohibit the Department of Justice for 1 year from seeking civil penalties, criminal fines, and/or jail sentences as a result of city actions. This provision would not affect private party suits.

Senator RUDMAN's substitute approach—like S. 1578, Senator THURMOND's bill—prohibits city officials from being sued for monetary damages, including suits by private parties. But it does not go far enough. The cities need relief from Federal Government suits to terminate city actions, as provided by section 510, as well as from monetary damages, as provided by the Rudman amendment and S. 1578. I would certainly support accepting Senator RUDMAN's amendment in addition to the language already in the bill.

Mr. President, I must admit that when this matter first came to my attention I could scarcely believe it. Right now we are seeing the biggest oil mergers in American history threaten competition, consumers, and our energy independence. We are seeing a wave of resale price fixing squeezing the discount stores where consumers get their best bargains. And yet when this Congress tries to light a fire under the Federal Trade Commission in order to get a little antitrust enforcement, the Commission responds by initiating a lawsuit against local governments over taxicab regulations.

I think it is safe to say that isn't what we had in mind.

There's further irony in all this, especially when you look at it from the standpoint of the municipal official. I ask my colleagues to think back to the days when they were mayors, or city council members, or county commissioners. If they have ever served at this level of government, they know the meaning of the word "accountability." When times are tough—as they have been these past several years—these local officials face the difficult prospect of finding a way to maintain necessary government services without resorting to the unlimited credit card that we here in Washington are so fond of using. And those local officials who cannot formulate innovative policies to keep their government running in the black don't have the luxury of pointing their fingers at some faceless colleagues or proclaiming that "you can't do anything in an election year." If they did, their constituents would have only one response: "There isn't gonna be any reelection for you."

So now a bureaucratic arm of the Federal Government—the antithesis of accountability—has the audacity to tell these municipal officials that it knows what's best for their constituents on matters of regulatory policy? I have heard that the FTC has some novel methods, but this antitrust approach is totally unprecedented and downright ridiculous. In effect, the Commission is saying that a city's adoption of taxi regulations after consultation with the industry amounts to an illegal conspiracy. That is troubling, indeed. Consultation is a necessary element of responsible government—and I dare say that this body would be in deep trouble if it were banned outright.

The intent of our Federal antitrust laws is to protect the public from businesses which conspire to restrain trade in order to maximize profits. They are clearly not intended to prevent municipal governments from enacting ordinances to protect the safety and welfare of their citizens. Until several years ago, the city and county governments of our Nation had no reason to worry about the possibility of being sued by the Federal Government for violation of antitrust laws. A 1943 U.S. Supreme Court decision, in the case Parker against Brown, held that Federal antitrust laws do not prohibit a State from exercising its sovereign powers to impose restraints upon competition. The case involved a raisin marketing program imposed by the State of California which prevented raisin growers from freely selling their product. The Court held that the program was exempt from the antitrust laws because it was enacted by the State legislature and that the antitrust laws were not intended to restrain a State or its officers from engaging in activities directed by the legislature.

Two more recent cases, however, have given city officials causes for concern. In 1978, the Supreme Court ruled in City of Lafayette against Louisiana Power & Light Co. that the "State action" exemption from antitrust laws applies to municipalities only when it is clear that the State has authorized cities to engage in the type of anticompetitive conduct in question. The Court said in its decision that the exemption only exists for cities when there is a clearly articulated and affirmatively expressed State policy to limit competition, as well as a mechanism by which the State can actively supervise a certain municipality's otherwise anticompetitive conduct.

This approach was further defined by the Court in a 1982 decision, Community Communications Co. against City of Boulder. In this case, a city council imposed a 3-month moratorium on the installation of new cable television systems while the council drafted a comprehensive cable TV ordinance. One company sued the city, claiming that the moratorium ordinance was an unreasonable restraint of trade. The city, however, had been granted "home rule" status by the State legislature; that is, the legislature had expressly granted the city every power to conduct municipal affairs. It defended the suit by claiming that its home rule status qualified the city for an antitrust exemption under the Parker against Brown State action doctrine. But the Supreme Court disagreed, saying that the city could point to no legislation specifically authorizing the type of anticompetitive restraint represented by the moratorium ordinance. Thus, said the Court, the city enjoyed no exemption from antitrust laws.

Now the FTC has decided to take the ball and run with it. The Commission has initiated lawsuits against the cities of New Orleans and Minneapolis over their right to regulate taxicabs. We have reached a point where mere utterance of the phrase "antitrust liability" has come to induce fear in local officials across the Nation. And for good reason. The City of Lafayette and the City of Boulder cases have, in effect, stripped municipalities of the automatic antitrust immunity they once enjoyed, thus opening the gates for a flood of costly and time-consuming litigation.

What are the ramifications of this new FTC adventure? As far as I am concerned, there is just no end to it. My position is supported by Justice Rehnquist's dissent in the City of Boulder case. Writing for himself, Chief Justice Burger, and Justice O'Connor, Justice Rehnquist wrote:

> Unless the municipality could point to an affirmatively expressed state policy to displace competition in the given area sought to be regulated, the municipality would be held to violate the Sherman Act and the regulatory scheme would be rendered invalid. Surely, the Court does not seek to require a municipality to justify every ordinance it enacts in terms of its procompetitive effects. If municipalities are permitted only to enact ordinances that are consistent with the procompetitive policies of the Sherman Act, a municipality's power to regulate the economy would be all but destroyed.

In his dissent, Justice Rehnquist makes it clear that municipalities could be sued for almost any action which replaces competition with regulation—no matter what the intent. For instance, a city might enact restrictive zoning ordinances to protect the peaceful and quiet environment in certain neighborhoods. But under the current interpretation, that city could be sued by the FTC for antitrust violations because the developer feels that such laws infringe on his ability to compete with other developers in the area. He might want to put a shopping center in a purely residential area, and if the city tries to stop him it could be sued.

Or consider this: A municipality chooses to use its police power to regulate the number of pawn shops as a means of controlling the spread of weapons. Here is the expression of a concern for the safety of local citizens, but its also restraint of trade. The city could be sued for violation of antitrust laws—and yet it could not claim as a defense that the regulation had other, more important benefits, such as the protection of its citizens. The antitrust laws do not take into account such defense because they were not written to be applied to governmental entities.

Without a doubt, under the current interpretation a municipality would be subject to a lawsuit for violation of antitrust laws over other regulatory issues—the issuance of occupational licenses, or the granting of exclusive franchises to utility services, even if the city fathers had determined that such regulations are in the best interests of their constituents. In addition, we simply cannot expect local officials to run to their respective State governments each time they wish to pass an anticompetitive ordinance. This is what is required under the current Supreme Court interpretation, and it has the potential of foisting a huge legislative and bureaucratic monster upon both State and local governments—something which no one wants.

By allowing the Federal Trade Commission to sue municipal governments, we are asserting that local officials have no legitimate right to exercise control over local entities when the intent is merely to protect the safety, health, and welfare of their citizens.

I say that right is at the very foundation of our governmental system. It is a right which Congress must preserve. My colleague from South Carolina, Senator THURMOND, has sponsored legislation—which has been reported from the Judiciary Committee—to immunize local governments from the antitrust laws—a bill made necessary by the recent Supreme Court decisions in this area. I am proud to cosponsor it. But like Senator RUDMAN'S amendment, his bill only deals with eliminating the monetary threat faced by cities and city officials who are sued for violation of the antitrust laws. My amendment would go further by preventing the Federal Government from initiating suits against cities for injunctive relief to cause them to stop whatever activity they're engaging in. I remind my colleagues again that my amendment has received overwhelming House approval. It is not just the threat of treble damages which worries local officials, but also the tremendous cost of defending the city in what would often turn out to be very lengthy and very expensive litigation. That is why the National League of Cities endorses both the Thurmond and the Hollings approaches as a complete solution to the problem.

I ask my colleagues to consider the plight of citizens who reside in any of these municipalities that would be sued by the FTC. On one hand, they would be sending their tax dollars to Washington to finance the cost of the Commission's lawsuits. And on the other hand, their local tax moneys would be paying for their municipality's defense from these very same lawsuits. I can tell you one thing—if I found out I was paying the expenses of both sides of a lawsuit, I'd hit the roof. And I imagine many other people would do the same if this were allowed to happen.

My amendment would bar the FTC from spending any money to sue local governments for 1 year—time enough to give the Congress a chance to fully address this issue. Although it is evident that my colleagues in the Senate and those over on the House side are fully aware of the urgency of this issue, it is still less than certain that a bill could be passed in this session, given the short legislative schedule. Therefore, it is important that the Congress provide some relief to local governments until it has a chance to work out a more permanent solution.

Mr. President, local officials are fully competent to promulgate regulations that protect the safety and welfare of their citizens. What is more, they have an accountability to their constituents which is unparalleled by most Members of Congress. If the citizens of Minneapolis and New Orleans don't like the regulatory policies of their elected officials, then let them show their displeasure at the ballot box. The Federal Government should not be in the business of suing local governments. Such actions are counterproductive, and they bring forth the frightening prospect of taxpayers financing both sides of expensive litigation. Our cities should have the same antitrust immunity as that currently enjoyed by our States.

Mr. President, let me make clear—I am afraid by making it clear I am making it totally confusing because it is totally and clearly confusing. But what is being done here as you have heard from a majority—and I think the majority of the Appropriations Committee should be heard for it is highly misleading for the manager of the bill to come up, state what is appropriate, what is responsible, what is being done, and enforce the minority to have to stand and protect the majority of the Appropriations Committee on this particular bill.

It is highly unlikely, Mr. President, that the Judiciary Committee will pass a formative amendment to the Antitrust Act with respect to treble damages for the municipalities, or with respect to injunctions. The entire case history has been presented in the remarks just accepted with respect to the Parker case, the city of Boulder, CO, and the other cases. The result of it all is we are facing over on the House side a Judiciary Committee that has not indicated a disposition to go along with the Judiciary Committee on this side.

We are dealing of course with an appropriations bill. Most of the lawyer-Senator members on the Subcommittee of State, Justice, Commerce also are on the Judiciary Committee. So this was fully discussed in the subcommittee markup when my amendment was accepted. It was thought that the main problem we were threatened with at this particular time was the Federal Trade Commission suits against the cities. I will discuss the Federal Trade Commission, the conduct of going out into the new fields, not fulfilling its designated responsibilities, and going about in the most arbitrary and infractious manner.

But be that as it may, we lawyers looking at it in the proper fashion said yes, let the Judiciary Committee work its will, and we would support it.

I support, Mr. President, the proposition that the city should be immune to treble damages. But that is only a limited relief. We will discuss that when the distinguished senior Senator from South Carolina comes back to the floor. But that is only limited and is not the major threat. One major threat, of course, and problem caused, as the League of Cities has pointed out—we will complete that in the RECORD, too, later—is with the Federal Trade Commission.

So after deliberate consideration of our subcommittee we went along with the rider that none of the funds be expended by either the Department of Justice or the Federal Trade Commission to enforce antitrust provisions against the municipalities of America. That is the majority position, and well considered. And we can get a vote on that again a little bit later. Senator RUDMAN could get the first vote. The other side has been breaking down fairly well the walls of the Congress to be sure they got the first vote.

You can move to recommit the bill and put our amendment back in and we will get the first vote. I am obligated to the distinguished parliamentarian who advises accordingly. So we can still get the first vote, but then by doing that, I think there would be more confusing. The ultimate is not for HOLLINGS to win over THURMOND, with parliamentary maneuvers on the floor. But I hope the cities can prevail on the floor of the Senate today, because there is a fundamental involved that does not need hearings I say to the Senator. If you do not understand the fundamental between the national and the local, State and municipal governments of this land, then we are all suffering from battle fatigue.

We cannot balance the budget, we cannot pay our bills, we cannot do anything to get the Government moving, but all of a sudden, after a total departure in responsibility, with this "I am concerned" politics, and absolutely doing nothing this year, all we have is a reelection machine going in the national Congress and in this administration. If we can come forth ourselves and all get reelected, then we will be happy and adjourn. But in the meanwhile, we are now all of a sudden worried about the cities.

Cities would be involved in a conspiracy if they consulted with a taxi driver. Would that not be wonderful? That is what a violation of the Sherman Act requires. So you almost have the local government lock-jawed from actually discussing the problems of safety, health, and welfare of the citizens of the community.

And we are leading the way on the floor of the Senate for that kind of nonsense.

I happen to have been one of the appointees of our distinguished President on Federalism. The distinguished chairman of this subcommittee, Senator LAXALT of Nevada, was chairman. We called it the Laxalt Commission or Committee on Federalism. He chaired our movements and we had hearings galore. We invited the Senator from Oregon and everyone around. We had almost a 2-year bout in 1981 and 1982 talking about just this particular principle.

I do not know how many hearings the Judiciary Committee had, or the number of witnesses which testified about treble damages.

I know the people of America streamed in, mayors, State officials, county officials, and otherwise, to the Commission on Federalism. They made it absolutely clear, as the President is trying to make it, that the best government is that closest to the people of America. This is the old Jeffersonian principle. I was glad to see a Republican President adopt some Jeffersonian and Democratic principles as his initiative on first becoming President.

I rather appreciated that. I did not think we needed further hearings then or need them now. In trying to do our duties, we did not put in the legislation.

Maybe the distinguished Senator from North Carolina will return because he championed that day.

You can raise a point of order about legislation on an appropriations bill, because that would change the fundamental law. We did not want to do that today. We were, as the House of Representatives has determined by an overwhelming vote on the House side, determining that we ought to bar the Federal Trade Commission from further proceedings in this particular field. If we could do it in an appropriations bill with a lifetime of 1 year, then we would allow the Judiciary Committees, not only on the Senate side but on the House side, to have the two bodies get together and have a law on whatever the will of Congress would be in an orderly fashion.

I think we have a consummate majority, I hope we do, on the floor of the Senate who want to relieve the cities from harassment.

We Democrats lost in 1980 because the President, then candidate Reagan, said, "We are going to get the Federal Government off your backs."

Now not having done any of our jobs with respect to the budget, defense, or anything else around here, we are discussing the city of New York and the city of Washington, DC.

I have been to New York as much as the distinguished Senator from Oregon has. I made it a habit for the 4 years we were trying to attract industry to South Carolina.

I do not remember being driven by a majority taxi driver. Let the record stand on that one. I am the witness.

If we are going to start comparing, if we want to go into the merits of so-called deregulation, the antitrust proceedings, I have none other than the greatest consumer advocate of the greatest, Michael Pertschuk. He received every award from every consumer group that you can possibly think of. I do not even believe the distinguished Presiding Officer, who fights in the vanguard of the consumers of America at every particular turn, can come up with a record of one Federal Trade commissioner, Michael Pertschuk, who worked in Congress over 20-some years in this particular field.

I quote on this particular score: "Studies commissioned by the Department of Transportation and others of cities where taxi service was deregulated do not demonstrate that the public benefits."

So much for that.

If we are to get into the merits of it, I think I have better authority than the city of New York and the city of Washington. We have had those studies over there. But that is not the point.

We are not to be burdened here on the floor of the national Congress about the cities of America and whether or not they are operating their taxi services properly, if someone is being overcharged; whether or not a monopoly is given, because they could well be doing it for other reasons. I just feel strongly on the fundamental involved here that the cities of America should not be harassed.

Of course, the Senator from New Hampshire says the more responsible approach, if you had to divide the two, would be the least responsible or I should say lesser responsible. In that, we still have the cities subject to harassment for the simple reason we have now on the one hand the cities of America being told by the Federal Trade Commission that their adoption of taxi regulations, after consultation with the industry, is a matter of conspiracy.

That intimidates any city father.

Incidentally, having been a professional in Government holding office for 32 years at every particular level, and I hope we have some former mayors in this body, you would have to know that it is difficult to get those to serve in these capacities in this day and age. A mayorality job is perhaps the most difficult in the country. But as its difficulties are being solved with all of the fluctuations and changes in societal practices, we find now they should at least be relieved of the Federal Government breathing down their neck for consulting with the constituencies in their several cities.

It is not only that, but here it is now contended on the floor of the Senate that the municipalities in order to defend themselves, which the Judiciary Committee bill does not really do, have to go out and get antitrust lawyers.

I remember back some years ago that a substantial client came to this particular Senator and asked that I represent him on an antitrust case a city of the size of a couple hundred thousand, my hometown in Charleston, SC. I said, "You do not want me. There are only two lawyers really to handle those cases in this town or who would know anything about them." And he said yes, he knew those two lawyers but they had already refused to handle the case and I had to handle it. I had to go to school and learn. And so I have been to the circuit court of appeals on antitrust measures. I spent 3 years on one particular case. I learned that that is a very lucrative field. I had a classmate who had one of these antitrust suits that he handled for 13 years. He is now retired in Florida.

That gives you some idea. If you are the mayor of the town, now you have to go out and find not just a lawyer but an antitrust lawyer. And that crowd is retained for x thousands of dollars at hundreds and hundreds per hour; this is an antitrust case. But do you know what has happened? Under this amendment of the Senator from New Hampshire and the senior Senator from South Carolina, we city dwellers are not only going to have to pay the taxes to find and hire that antitrust lawyer to defend the city against the Federal Government, we will have to pay our Federal taxes for that Federal crowd in Washington to bring the suit.

We have not only put a $200 billion deficit burden on every productive citizen, whether he is in business or on the farm, we not only have put a 25-percent penalty on everything manufactured in the factory or produced on the farm, but we have now found a wonderful way for the taxpayers of America to pay for both sides of a lawsuit. How wonderful. You pay your Federal taxes for the national "nanny," the Federal Trade Commission, to come down and tell you how to run the city of Phoenix, AZ, or Scottsdale where we are having a hard time; the air right now gets hazy some evenings. It gets even more hazy in the Congress with these kinds of premises. If the municipalities of America cannot handle, if you please, the proposition of taxi service, then we are really going down the tube.

Mr. President, I have an article that appeared on the front page of the Washington Post last week on Chevron versus the National Resources Council. This is good. We are making progress in this country, as the article states:

> In uncommonly strong language, the court rebuked the Court of Appeals of the District of Columbia which had set aside a particular industry growth policy.

Here is what the unanimous decision said:

> Federal judges who have no constituency have a duty to respect legitimate policy choices made by those who do.

Here we have the city fathers, the councilmen, the mayors, with constituencies and a responsibility to those constituencies. You could paraphrase that to say:

> Federal Trade Commissioners who have no constituencies have a duty to respect legitimate policy decisions made by the city fathers who do.

Maybe Congress is going loco but the Court is not. It is coming in on a beam; the policy is to be made at the local level by the city fathers.

Mr. President, I see other Senators want to say a word, so I will stop at this particular time for further discussion, but I want to emphasize that the majority of the Appropriations Committee put a rider on, which is deleted by the Rudman amendment but is still contained in another part later on in the bill, with respect to funds being expended.

I have no doubt how we will come out in conference, but we might want to clear that up. What I am opposing is the idea that you can only eliminate treble damages but let the Federal Trade Commission run amuk. I have no better authority on the eccentric priorities of the FTC than a letter, which I want to read to educate my colleagues, from some fine, outstanding Members over on the House side who really worked hard over the many, many years that I have worked with them. It is dated June 5, 1984, from John D. Dingell, chairman of the Committee on Energy and Commerce, and James J. Florio, chairman of the Subcommittee on Commerce, Transportation and Tourism, our Commerce Committee counterparts on the House side, to James C. Miller III, chairman of the Federal Trade Commission:

> Dear Chairman Miller: We are writing to urge that the Federal Trade Commission heed the recent action of the House of Representatives of the FTC appropriations bill as a signal that the Commission should return to vigorous implementation of its traditional mandate.
>
> The overwhelming rejection of the effort to remove a restriction of the FTC's authority to bring actions against cities was one of the most devastating votes of no confidence in the program of a Federal agency in memory. At the same time, for the second year in succession, the House enacted a provision signaling its desire that you cease ignoring the Supreme Court's *per se* ban on resale price fixing and enforce the law to protect consumers. The point is obvious. The eccentric priorities that have been imposed during the last three years by the Commission majority are without support. The recent zeal to bring a few novel cases in an untested area of the law does not make up for the abandonment of enforcement in virtually all other respects.
>
> The Commission's self-inflicted wounds are comparable to the recent conduct of the Environmental Protection Agency and the Civil Rights Commission in tending to discredit in the eyes of the public the agency's performance of the vital responsibilities entrusted to it. One reason both of us voted to oppose the restriction of the FTC's authority was to record our support for the long term integrity of the agency, in the hope that it will survive the current misconceived course.
>
> During the last three years, we have held hearings and corresponded with you about the breakdown of law enforcement at the Federal Trade Commission. In addition to your failure to enforce the law against resale price fixing, we have noted with dismay your attempt to dismantle the law against false advertising. Having been rebuffed by Congress when you sought a legislative change in the law, you have attempted to weaken the law against such deception by administrative fiat. Important consumer protection rules, such as the one relating to hearing aids, which is of particular importance to the elderly, seem to have disappeared in the offices of commissioners and FTC senior staff. Other important rules and cases have been abandoned. Your relaxed approach to mergers has created consternation in communities throughout the country and was repudiated in the Mobil-Marathon case by a Federal court. Your refusal to supply information to the attorneys general of the States in connection with their efforts to scrutinize the current merger wave is inexplicable.
>
> We are aware of your previous attempts to reply to some of the foregoing concerns. We remain, to put it mildly, unpersuaded. We take the opportunity of the recent House action on the FTC's appropriation to urge you to reverse course and to give consumers the full protection they expect and to which they are entitled.

Mr. President, these gentlemen who voted against the House rider but said they felt so strongly they had to deliver this letter and message to the Federal Trade Commission itself. The FTC is not doing its job. You know it, I know it. Now the FTC is running around and trying to assume a job that is not really delegated to them.

Between the States and the Federal Trade Commission, obviously, the local entity has the accountability to the electorate with local newspapers reporting to the people. The Federal Trade Commission has no such accountability.

In summary, the House vote on this issue told the FTC to get on with the work and the fundamental responsibility of the Federal Trade Commission and to leave the mayors of America and the cities of America alone.

Mr. President, I am delighted to yield to the distinguished Senator from Minnesota.

Mr. DURENBERGER. Mr. President, I thank my colleague from South Carolina for yielding. I rise in support of the amendment of my distinguished colleague from New Hampshire (Mr. Rudman). This amendment is identical to S. 1578, as amended, which was reported unanimously from the Judiciary Committee. I congratulate the Chairman of that committee for his handling of this matter. He has succeeded in crafting a bill that is both good law and politically acceptable to all parties involved. One can ask for no more than this.

Mr. HOLLINGS. Mr. President, will the distinguished Senator from Minnesota yield?

Mr. DURENBERGER. Yes, Mr. President.

Mr. HOLLINGS. Of course, the amendment was not read. He says it is identical. The amendment before the Judiciary Committee only deals with Federal damages. This amendment also deals with the localities and the Federal departments and, therefore, they are not identical. It continues to be stated.

Mr. DURENBERGER. I appreciate the clarification, Mr. President.

I must be frank: Had the Judiciary Committee not acted to address this problem, I would probably be down here today supporting the prohibition contained in the appropriations bill against the use of FTC funds for the enforcement of Federal antitrust law against local governments. I would not have been comfortable in that support, because I do not believe funding restrictions make very good law as a rule, especially in an area as complex as antitrust. But without the masterful work of the chairman of the Judiciary Committee, such a rider would have offered the only alternative in this session of the Congress to address the problem or proliferating antitrust suits against local governments.

Thankfully, I do not now have to make the difficult choice between going along with the FTC funding restriction or doing nothing. We are now in a position to choose a positive approach with the Judiciary Committee's bill that takes us most of the way toward solving the local antitrust dilemma. Let me take just a few minutes to explain why, as chairman of the Subcommittee on Intergovernmental Relations, I believe that we should not take the funding restriction approach presently in the bill unless it is absolutely necessary. And then, let me demonstrate why such an approach is no longer necessary, since we now have the opportunity to address the problem properly by adopting the Rudman amendment.

Why is the FTC rider a dangerous approach? The first reason is that such a rider sets a very bad precedent. Congress has in the past amended the FTC authorizing legislation to restrict its activities. But what this rider proposes to do is to halt an ongoing law enforcement case by cutting off funds for its prosecution in the middle of the action. This represents an intrusion into the mandate of an independent regulatory agency. If Congress truly feels this particular activity is inappropriate for the FTC to conduct, we should consider the issue on its merits. If we conclude the FTC should be precluded from this type of activity, we should appropriately amend the authorizing legislation, not tack on a funding restriction to an appropriations bill. As far as I know, the Commerce Committee has not even looked at this matter, and this is the committee that should carefully weigh any such restriction on this independent regulatory agency's mandate.

The second reason the funding restriction is undesirable is that it addresses the least troublesome aspect of the entire municipal antitrust issue in a way destined to have unanticipated consequences. The FTC by law may not seek damages in an antitrust enforcement action. It may only seek injunctive relief. Given the current state of affairs out there in the country, the FTC may in fact have been doing Minneapolis and New Orleans a favor by bringing its action. There is good evidence, at least in the case of Minneapolis, that by doing so, the FTC forestalled a private antitrust suit in which the city would be subject to treble damages. Were the funding restriction to pass, it would likely provide Minneapolis little protection. In fact, it may just encourage a private party to go ahead and bring an action for treble damages. Given the fact that the city has had antitrust actions brought against it a couple of times before in the matter of taxi cabs, I would be very uneasy were the FTC suit to be halted. If the FTC believes it has a model case to prosecute, so will a private party who is locked out of the taxi cab business. We may in fact end up doing local governments a real disservice by adopting this funding restriction.

The amendment offered by Senator Rudman addresses the complex problem facing local governments in a sensible manner. It may not go far enough, correcting as it does only the remedies section of the law. But realistically, Mr. President, this is the only hope we have this year of making a start to solving this difficult dilemma. Given where we started with this issue 9 months ago, I am amazed the chairman of the Judiciary Committee has been able to bring us this far along. Every one of the local public interest groups supports his committee's bill, and I believe we would be foolish to pass up the opportunity we have presented to us.

If there are Senators who believe the FTC should not in any way be involved in antitrust proceedings against local governments, they should take it up in the appropriate committee. But it would be shortsighted to pass up a real opportunity to make good antitrust law, just for the thrill of slapping the wrist of a regulatory agency with which we may disagree.

So, Mr. President, when I testified before the Judiciary Committee on the intergovernmental relations concerns for antitrust policies, I supported the original Thurmond bill, but I said I thought his legislation needed to go further than it did at that time. So I am happy today to see that the chairman of the committee has already gone along the lines I have suggested.

Of all the intergovernmental concerns I expressed at that hearing, all but one has been addressed in the amendment we have before us now. The one suggestion not incorporated is a major one. It deals with the status of home rule cities under Federal antitrust laws. I convey to my colleague [Mr. Rudman] and my absent colleague from South Carolina, the chairman of the Judiciary Committee [Mr. Thurmond], that I understand full well the reason this issue is not addressed in the amendment before us. The status of home rule cities goes directly to the question of immunity under the law, and I realize this body has not yet reached agreement on the immunity question.

But, this should not prevent us from going forward where there is wide agreement on the question of remedies. To my colleagues who would go further than the amendment of the Senator from New Hampshire, let me just say I take the chairman of the Judiciary Committee at his word that early in the next Congress the committee will return to the question of local government immunity. So, while the amendment before us does not go far enough to clarify Congress' intent on the extent of immunity local governments enjoy under Federal antitrust law, it does represent a very good start to striking the balance we seek. I think we should take the opportunity afforded us today by the Senator from New Hampshire and adopt his amendment.

I thank my colleague from New Hampshire for yielding me time on this amendment.

Mr. RUDMAN addressed the Chair.

The PRESIDING OFFICER [Mr. Hecht]. The Senator from New Hampshire.

Mr. RUDMAN. Mr. President, I see the distinguished chairman of the Judiciary Committee has returned to the floor and before making any other comments at this time on the pending amendment, I inquire of the distinguished chairman of the committee whether or not he wishes to seek recognition at this time.

Mr. THURMOND. Mr. President, I would like to seek recognition.

Mr. RUDMAN. Then I yield the floor, Mr. President.

Mr. THURMOND. Mr. President, I rise in support of the amendment offered by the distinguished Senator from New Hampshire. This amendment incorporates the substance of legislation recently reported by the Committee on the Judiciary, S. 1578, which addresses the issue of local government antitrust liability.

Mr. President, the pending amendment does two things. First, it provides that local government units may not be sued for damages, either single or treble, under the Clayton Act. Injunctive relief under section 16 of the Clayton Act, however, could still be obtained against local governments. Second, the amendment sets forth the conditions under which private parties, acting pursuant to the direction of general function local government units, may claim immunity from antitrust damage suits. If the criteria of subsection 1(a) of the bill are met, private parties may be sued for injunctive relief only. If the criteria are not met, private parties may still be subject to treble damage actions.

This legislation is the result of over 2 years of study by the Judiciary Committee regarding the application of the Federal antitrust laws to local governments. Since the Supreme Court's decision in *Community Communications Co., Inc.*, v. *City of Boulder*, 455 U.S. 40 (1982), there has been great concern among local government officials over the uncertain antitrust liability they face.

Mr. President, this amendment is not a complete solution to the complex dilemma now facing local governments regarding the antitrust laws. I am satisfied, however, that at this time it is a solid, responsible approach.

The amendment properly balances the need to protect taxpayers from treble damage awards with the desirability of providing some remedy against allegedly unlawful conduct.

Last week, the text of the amendment received endorsements from the National League of Cities, the U.S. Conference of Mayors, the National Association of Counties, and the National Conference of State Legislatures, I am grateful for this support and look forward to the committee continuing its work on this important issue with input from these and other interested groups.Mr. President, I firmly believe the language this amendment would replace is both inadequate and ill-conceived. As well-intentioned as the proponents may be, the current section 510 of H.R. 5712 does not address the most serious concern regarding local antitrust liability—treble damages. The amendment Senator Rudman offers today—a measure which was reported by the Judiciary Committee—makes the policy determination that treble damage awards are inappropriate when taxpayers must foot the bill.

Mr. President, let me address the question of Federal intervention in local matters. The distinguished junior Senator from South Carolina and others have argued that the Federal Government should not be challenging the manner in which cities regulate taxicabs or any other activity.

Mr. President, the law on this matter is very clear. The ability of the Federal Government, or anyone else for that matter, to sue cities for antitrust violations is controlled solely by the States. If the States of Louisiana and Minnesota want to halt these suits against New Orleans and Minneapolis, they can do so immediately. Contrary to the arguments by proponents of the amendment we now seek to delete, their amendment actually takes away power from the States and puts it in the hands of the Federal Government. Thus, while Federal intervention is denounced, in reality they are adding to it. I urge my colleagues to make sure my facts are correct and read the Supreme Court cases that give the States, and the States only, the right to control whether local governments are subject to Federal antitrust suits. These cases are *City of Lafayette* v. *Louisiana Power and Light Co.*, 435 U.S. 389 (1978) and the *Boulder* decision I mentioned previously.

Mr. President, let met conclude by saying a word on behalf of those whose interest is at stake—the public. I take no position on the merits of these FTC suits, or any other private suits against cities. However, we must consider whether there may be instances where local government activities are not sanctioned by a particular State and are harmful to consumers in the form of higher costs or restricted supply. In the final analysis, the decision of what is best in the public interest lies with each State. The pending amendment would preserve the right of each State to make that decision. The provision the amendment seeks to replace would take that right away from the States. For these reasons, Mr. President, I urge support of the pending amendment.

Mr. President, I commend the able and distinguished Senator from New Hampshire for offering this amendment. I compliment him for the fine job he is doing in connection with this matter.

Mr. President, I believe a statement was made that the House would not act on this matter. I have in my hand a press release issued by the Honorable Peter W. Rodino, Jr., chairman of the Judiciary Committee of the House. It is headed "Committee To Act on City Antitrust Bill." I will read a portion of it:

> Washington.—A House Judiciary Subcommittee will vote on legislation to limit the antitrust liability of local governments when the House returns from its July recess, Rep. Peter W. Rodino, Jr., Chairman of the Judiciary Committee, announced today.
>
> Rodino also stated that the full Judiciary Committee will take up the legislation soon after the Subcommittee completes its work.
>
> The Subcommittee on Monopolies, which the New Jersey Democrat also chairs, has held three days of hearings on this proposed legislation. Rodino noted that the number of antitrust suits filed against local governments has been steadily increasing since 1978 when the Supreme Court first indicated that municipalities do not enjoy the same antitrust protection afforded states.

Mr. President, I will not bother to read the rest of this press release, but I ask unanimous consent that the entire press release be printed in the Record.

There being no objection, the press release was ordered to be printed in the Record, as follows:

Committee To Act on City Antitrust Bill

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"Without legislation, cities and other local governments may be saddled with substantial legal costs, or even treble-damage judgments. Worse yet, government officials may be paralyzed, refusing to take action they otherwise deem to be in the public interest lest financial ruin befall them and the public treasury," Rodino said. "We need a more rational basis for determining when such suits should be entertained and what remedies should be available against local governments and their officials."

Rodino cautioned, however, that local governments occasionally do commit acts that have no legitimate government purpose and that do substantial competitive injury to private businesses.

"An injured business should still have a remedy for such abuses," Rodino said.

Rodino said he will introduce two bills offering alternative approaches to this issue.

The first would provide local governments a standard for obtaining early dismissal of antitrust cases that challenge legitimate governmental activity. Injured parties, however, could still obtain injunctive relief and actual damages if they demonstrate that the local government's action was not reasonably undertaken to protect the public health, safety, or welfare, and violated the antitrust laws. But no damages or costs could be collected from local government officials personally, and the local government could collect attorneys' fees against an unsuccessful plaintiff.

The second bill would avoid any substantive changes in the antitrust law. It simply restricts the remedies available in private actions against local governments to injunctive relief. This alternative is similar to the approach taken in a bill approved by the Senate Judiciary Committee.

Rodino said the Subcommittee would review comments received on the alternative approaches before marking up legislation on July 25.

Mr. METZENBAUM. Mr. President, I need not rise on this floor to talk about the Sherman Act and the fact that it reflects the national policy of competition.

I rise, though, because I am concerned about the question of cities which are not willing to permit free competitive forces to act in their community.

As a matter of fact, when I came to the floor, I heard some mention about taxicab facilities and about the competitive aspects of the taxicab business. Let me stand here proudly, with my head held high, and say to my colleagues in the Senate that we do not have competition in the city of Cleveland. We have no competition whatsoever. We have one company, and it has had the monopoly for so many years that I cannot remember. I want my colleagues to know that the city of Cleveland probably has the worst taxicab service of any city in the country.

We are very proud of that fact. It is terrible service. And it is without competition, and we are unable to do anything about it because the taxicab company has always had a very close political relationship so that no one comes into our community to compete.

So I say to you that when you are taking up this matter please understand that you are helping the city of Cleveland keep out competition and as a consequence you are assuring my fellow residents in that community of some of the poorest taxicab service of any city in the entire Nation.

As a matter of fact, the city of Washington, DC, has no limitation with respect to competition and the facts are that there are 13½ licenses for 1,000 population in Washington; whereas Cleveland and Columbus each have only 0.7 taxicabs per 1,000 population.

I am willing to agree that Washington is more of a community that gets thousands of visitors each year, but the disparities are still quite obvious, and the facts are that this city does and one can find a taxicab when he needs one, and you cannot do nearly that well in the city of Cleveland.

I think that the Rudman-Thurmond amendment comes up with what I would consider to be a reasonable solution. I am aware of the problems that have to do with the fact that some cities have been hit with antitrust judgments that are literally prohibitive and overwhelming in nature. But the fact is the Rudman-Thurmond approach provides a satisfactory answer to that. It provides for the availability of injunctive relief rather than monetary damages. I think it makes sense for us to accept that as the resolution of this issue rather than permitting the cities to go about their merry way and award noncompetitively contracts providing for exclusivity.

This compromise bill makes it possible to protect the city and give relief from fear of massive antitrust judgments. However, I believe that we would be going far too far if we were to accept the amendment of my distinguished colleague and good friend from South Carolina which would literally prohibit any Government suits being brought against the cities for engaging in anticompetitive practices.

Taxicabs just happen to be a focal point with respect to this issue. But there are hosts of contracts that cities give out on a noncompetitive basis for no other reason than for political reasons because they want to choose one company over another company.

I do not think that is good business. I do not think that is good law. I do not think it is good public policy.

I would hope that we would see fit to accept the Rudman-Thurmond approach, accept it as the final solution of this matter.

I think the cities can live with it, that they will be able to operate well without taking the extra step of denying the Federal Government the right to hold the cities equally responsible with other defendants or other transgressors who fail to permit free competition to operate.

I yield the floor.

Mr. HOLLINGS. Mr. President, most respectfully, and I do not know where my senior colleague is, but I wanted to comment because the distinguished senior Senator from South Carolina discussed letting the States control this issue with State legislation every time the cities need to regulate. He was saying what the Supreme Court stated in an opinion interpreting the Federal law.

Antitrust law does not come down from on high; it comes from a Congress. It has been on the statute books for numerous years, and in order to receive protection from it, what the distinguished Senator is saying is "Leave it to the States," but he should complete that thought. Instead of protecting the municipalities we read affirmatively from the face of the amendment by the distinguished Senator from New Jersey and senior Senator from South Carolina under section 2, and I read from that amendment:

> Funds appropriated to the Department of Justice of the Federal Trade Commission may be obligated or expended to issue, implement, administer, conduct or enforce any antitrust action against a municipality or other unit of local government.

The amendment says that we want the Federal Trade Commission and the Department of Justice to issue, implement, administer, conduct, or enforce antitrust action against the municipality. That is what it says. It did not say this is a States' rights amendment. I do not see anything here about the State. The amendment discusses the Federal Government Department of Justice and the Federal Government Federal Trade Commission. I see on the face of this national nannyism.

The Senator from Ohio says that Cleveland does not have a good taxi service. We will take judicial notice of that.

But it is a misplaced priority for the Federal Government to concern itself with this today, and not deficits, not the high interest rates.

But on this score we know where we are headed on this one. We are going to tell the municipalities how to run the taxi service and if need be we want that Department of Justice to get in there and that Federal Trade Commission to enjoin and, of course, if there is any doubt about the obedience of that particular injunction then we want to fine, levy fines on those city fathers from Washington.

We have a lot of money to spend up here. The poor fellow gets elected, and he gets fined by the Federal Government. Wonderful deal we are having here in the U.S. Congress.

I never heard of such nonsense. We are really playing with mischief.

Take a zoning ordinance. This is a fundamental function of the municipal government. The Federal Trade Commission could sue a city because the zoning regulations were anticompetitive. Such a zoning ordinance might prohibit commercial activity such as a parking lot that a developer wanted to put into the middle of a residential section. The Federal Trade Commission could find the zoning ordinance in violation of antitrust law because the ordinance only allows residences in the residential areas of America. The antitrust laws were not written with suits against the cities in mind and they do not allow defenses based on the fact that zoning ordinances are beneficial. Pawn shops are customarily limited at the local level. That helps us in law enforcement.

We are not trying to restrict trade. On the contrary, we are trying to chase down the burglars, the robbers, the criminals in the local community.

We find if we put a particular high license on those businesses, we limit them. But, no, the Federal nanny is going to come under this particular amendment and say, "Now, you are really restricting trade, having only three pawnshops," in my hometown in South Carolina. You should have 33, with a lot more competition there.

When the city fathers are looking after safety, when they are trying to control crime, they should not be violators of the Federal Trade Commission Act and subject to suit.

Mr. President, perhaps the better way to approach this is to accept the first part of the amendment with respect to treble damages. The second part that I just read would contradict the particular provision later in the bill and so I would then submit an amendment to restore it. I do not want anything on my part to hurt the municipalities. I am not trying to prevail—in fact, if I fail, I will have a good talking point because I will go back home and tell them how the distinguished senior Senator, that great disciple of local government who ran for President on that in 1948, the great champion of States rights and local rights, says, "Let's go now and get the Federal Trade Commission and the Justice Department on the municipalities." That is what it says. They cannot get away from this language.

Here we have come, after 50 years of distinguished public service and after giving a full pail, like Bossy the cow, we have just kicked it over and said we are not having enough law enforcement at the Federal level. We have got to get them on their backs. And the best place to get them on their backs is the city fathers and the mayors of the cities of America. That would be a wonderful thing because we do not have good taxi service in Cleveland. Wonderful.

Does the Senator want to accept this amendment and let me offer mine and maybe we will debate it further?

Mr. RUDMAN. Mr. President, I wish to say to my friend from South Carolina that I enjoy listening to him. He is one of the most entertaining Members of this body and one of the most talented.

I do think a couple of comments are publicly in order about my friend from South Carolina's recounting of history and the future in terms of what terrible things might happen.

No. 1, the Senator from South Carolina knows, as well as the Senator from New Hampshire, having been the Governor of his great State, that the State of South Carolina, or any State, could make a finding, and legislate for that police power of the State, that certain items are necessary to public safety, and there is no way under Federal law that the Federal Trade Commission or anybody else is going to intrude. As a matter of fact, I want to read at this point just a couple of things that I think are very important because the record ought to be clear on what the Boulder case says. I am going to read from page 843 of the Boulder case in which the court said, among other things:

> Respondent argues that denial of the *Parker* exemption in the present case will have serious adverse consequences for cities, and will unduly burden the federal courts. But this argument is simply an attack upon the wisdom of the longstanding congressional commitment to the policy of free markets and open competition embodied in the antitrust laws. Those laws, like other federal laws imposing civil or criminal sanctions upon "persons," of course apply to municipalities as well as to other corporate entities. Moreover, judicial enforcement of Congress' will regarding the state action exemption renders a State "no less able to allocate governmental power between itself and its political subdivisions. It means only that when the State itself has not directed or authorized an anticompetitive practice, the State subdivisions, in exercising their delegated power, must obey the antitrust laws.

The fact of the matter is that all the State of North Carolina or the State of New Hampshire—or, in fact, as the State of Louisiana has just done—has to do is to go up to that State legislature and simply pass a law which says that in State X, such and such an activity shall be immune from antitrust action, and we bestow extended sovereign immunity on that municipality. That is the end of it. I do not care what we write here in the Congress—that is the end.

But there are some States in this country that evidently do not have that much confidence in their local municipal governments and they wonder what kind of shenanigans are going on in places like Cleveland. According to my friend from Ohio, he said it, they have got some very interesting monopolistic situations.

Let me just conclude and then talk about what the Senator from South Carolina, I think, has very sensibly suggested procedurally.

If, in fact, the Senator from South Carolina was correct on this, I do not think I would be holding in my hand these letters, one from the National League of Cities—which endorses the Thurmond amendment; it does not mention the amendment of the Senator from South Carolina, and I am not proposing it does, but endorses that—and also the U.S. Conference of Mayors, the National Association of Counties, and the National Conference of State Legislatures.

In addition to that, Public Citizen, which is Congresswatch, and a number of other groups well known to Members of this body, have also endorsed this legislation. I think we will probably have a further debate, although, hopefully, not extended, on what really is meant by the Boulder case and what the implications are of denying the FTC and the Justice Department its proper jurisdiction.

But I would say to my friend from South Carolina that, procedurally, I think he is absolutely correct. If he is willing to do so, I would suggest, since I guess we both agree that the Boulder decision needs legislative remedy and that the Judiciary Committee action is proper, although the Senator from South Carolina, of course, believes it does not go far enough, I think we ought to accept it, if that is in the mind of my friend from South Carolina, and then move on to the next proposal of the Senator from South Carolina. Is that my understanding of what my friend wishes to do?

Mr. HOLLINGS. Yes; I think we can do that.

Mr. LAUTENBERG. Mr. President, the National Endowment for Democracy is intended to support worthy private initiatives to promote abroad the democratic principles that are basic to the American system.

Mr. President, around the world, we are engaged in a great contest of ideas. The totalitarian and authoritarian regimes are engaged in a well-funded effort to persuade people that their way is the correct way. They portray the United States in a false and unfavorable light. They encourage the destabilization of democracies, through propaganda, covert action, and overt programs.

The United States must respond, and it must respond in a variety of ways. We support programs like Radio Marti and Radio Free Europe to spread news about the world to people living in nations that deny basic freedoms. We utilize a variety of student exchange and fellowship programs, to bring students from abroad to the United States, to learn about how our system of govenment and our economy work, and to send our students abroad, to learn and to share their idealism and values with others.

An important role in the contest of ideas is and must continue to be played by private groups—like the AFL-CIO, the American Chamber of Commerce, our political parties, universities and a variety of other private, independent groups.

The American labor movement has acted to promote democratic principles in Central America, and to utilize trade unionism as a constructive mechanism for the promotion of democracy, as opposed to a mechanism for radicalization of nations. The American business community has much to teach entrepreneurs in developing countries about private enterprise. However, these groups cannot accomplish the job by themselves. The National Endowment for Democracy, pursuant to strict guidelines, would provide grants to these and other deserving private groups.

Mr. President, I have often said that we cannot pursue our foreign policy goals through the use of military means alone. Our failure to win the great contest of ideas is what puts us in the position of considering resort to military force to fight the growth of authoritarianism and totalitarianism. We must encourage economic growth, social reform, and the promotion of democratic values.

I believe the National Endowment is one tool that should be tested. I urge my colleagues to join me in opposing efforts to deny funding to the Endowment.

Mr. RUDMAN. Mr. President, unless there is further debate, I move that this amendment be accepted.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from New Hampshire (Mr. RUDMAN).

The amendment (No. 3347) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3351

Mr. HOLLINGS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from South Carolina [Mr. HOLLINGS] proposes an amendment numbered 3351, as a substitute for committee amendment on page 51.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

> In lieu of the language proposed to be inserted, insert the following "and related agencies".
>
> SEC. . None of the funds appropriated or otherwise made available by this Act to the Department of Justice or the Federal Trade Commission may be obligated or expended

to issue, implement, administer, conduct or enforce any antitrust action against a municipality or other unit of local government, except that this limitation shall not apply to private antitrust actions.

(b) Sections 4, 4A, and 4C of the Clayton Act (15 U.S.C. 15, 15a, and 15c) shall not apply to any law or other action of or official action directed by, a city, village, town, township, county, or other general function unit of local government in the exercise of its regulatory powers, including but not limited to zoning, franchising, licensing, and the establishment or provision of public services on an exclusive or nonexclusive basis in a manner designed to ensure public access or otherwise to protect the public health, safety, or welfare, but excluding the purchase or sale of goods or services on a commercial basis by the unit of local government in competition with private persons, where such law or action is valid under State law.

(c) No damages, interest on damages, costs, or attorney's fees may be recovered under section 4, 4A, or 4C of the Clayton Act (15 U.S.C. 15, 15a, and 15c) from any unit of local government or official thereof acting in his official capacity. This title may be cited as the "Department of State and related Agencies and United States Information Agency Appropriations Act, 1985."

Mr. HOLLINGS. Mr. President, I thank the distinguished Senator for the parliamentary guidance on this particular score.

Let me read—and this position was verified no later than last night—from the National League of Cities. In fact, they put it in the Nation's Cities Weekly dated June 11.

> City officials should contact members of the Appropriations Committee to urge support of the Hollings amendment when the committee takes up the bill this Tuesday. The Federal Trade Commission's proposed antitrust actions in the taxicab area represent a clear attempt to usurp local authority to regulate taxicabs and it is essential that Congress take action to prohibit such activities by Federal agencies.

Mr. RUDMAN. Will the Senator yield for one moment? I would like to ask the Senator what he is reading from again.

Mr. HOLLINGS. The Nation's Cities Weekly, dated June 11.

Mr. RUDMAN. I wonder if the Senator from South Carolina might like to read into the RECORD a letter addressed to this Senator dated June 26, 1984, from the National League of Cities. I do not think those two things are consistent.

Mr. HOLLINGS. Do not get so overanxious.

Mr. RUDMAN. Are you going to put that in the RECORD, also?

Mr. HOLLINGS. Yes, I have never seen such an itchy bunch, Mr. President. They do not know how to lose this point. There is no mayor going to call up and thank me, but if I get defeated I will have all the mayors meeting in my office for another 2 years.

You ought to learn something from RUSSELL LONG up here. We will hold a class later on.

Mr. President, I have a letter dated June 26 from Alan Biels, executive director. This was prompted—the staff is running around—by their staff:

> We understand the Dear Colleague of June 25 states that the National League of Cities endorses the approach—

That was the fatal word—

> the approach of both your FTC rider barring antitrust actions against cities and S. 1578, which would provide injunctive relief only in antitrust actions against cities. NLC endorsed your amendment to the State Justice Commission appropriations bill when the Appropriations Committee considered the amendment. We subsequently endorsed the broad relief provided by S. 1578. At no time, however, have we explicitly endorsed merging the two approaches in an appropriation bill.

I am not saying they should merge now; not with my amendment. I am asking it be merged. I agree with them. I want to take the amendment that is endorsed. They said last night that it is still endorsed. We not only carried it through the subcommittee, but we carried it through the full committee. I hope we can now carry it through the full Senate. So I would be delighted to read this letter. It makes good sense to me.

Mr. RUDMAN. I thank my friend from South Carolina.

Mr. HOLLINGS. I do not want to jockey about not having the two approaches. The question is whether or not, Mr. President, they endorse this particular amendment, and I say categorically the League of Cities do. I have checked it with them. If somebody can find out why we are debating that they oppose my amendment, I want to see those who come up here and say so, because this is really what started the whole matter over in the House side. It was the League of Cities, the mayors of the town, and the city fathers. That is why you find it on this particular bill. For 2 years—you are right—they have been over there listening, for 2 years, and nothing. It does not take 2 years to find out where the responsibility lies for the taxi service in a town in America. We have important things here in this National Congress. They have not done anything for 2 years.

That is why they have come in this particular State, outlined their endorsement, and saying we cannot wait on these Judiciary Committees. We find out that legislation is having a tough time, and obviously you could see how it would be filibustered perhaps. So what we wanted right on this appropriations bill to be provided is that we would be harassed by the national nanny. Let us get into the capacity of the national nanny to not only harass but to divide.

Mr. President, most advisedly, when this came to my attention, I picked up the Wall Street Journal. You read your local papers, and you get in the habit here of reading the Post, the New York Times, and the Wall Street Journal. A Wall Street Journal editorial endorsed the FTC action. I said this is really turnabout because I have been reading the Wall Street Journal, and they are about as opposed to the national nanny as any group could possibly be, and religiously so.

So on June 15, when they said hacking away at the FTC, I just kept reading that and could not imagine my own eyes.

I ask unanimous consent that the editorial be included in the RECORD at this time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HACKING AWAY AT THE FTC

Attacking the bureaucratic intrusions of the Federal Trade Commission has in the past been a favorite pastime in many corporate board rooms and on Capitol Hill. We admit that we too have participated in the sport on occasion. Congress is now engaged in its latest round of FTC bashing over the commission's antitrust actions against two municipalities. This time, we find ourselves on the FTC's side.

The issue involves the FTC's effort to introduce competition into the taxicab industry—an effort certain to be applauded by anyone who has stood in the rain at rush hour trying to hail a cab. The commission is trying to encourage cities to change their monopolistic taxi licensing rules to put more cabs on the streets and foster price competition while maintaining safety standards. The effort is an outgrowth of the highly successful transportation deregulation of the trucking and airline industries—two genuinely bright accomplishments of the Carter administration.

The commission last month issued complaints against Minneapolis and New Orleans, charging that the cities and taxi companies had reached agreements to keep out competitors and to fix prices. For instance, the commission charged New Orleans with anti-competitive practices such as encouraging local cab companies to agree on fare increases after which the city formally adopted the agreed-upon rates. Minneapolis, the commission said, agreed to prohibit suburban cab firms from competing for passengers within the city limits.

The FTC believes that such anti-competitive practices drive up prices and limit the availability of taxis. As Walter Williams wrote on this page earlier this week, this particularly affects the poor, elderly and handicapped, who after businessmen are the most frequent users of cabs. In cities where entry restrictions have been removed and where fare discounting is permitted, taxi rates are about 10% to 15% below the regulated markets, according to a commission study.

True to form, Congress is merrily ignoring the economic sense of the commission's position. Without benefit of hearings, the House last month overwhelmingly passed a rider to an appropriations bill that would prohibit the expenditure of funds in connection with antitrust actions brought by the federal government (i.e. the FTC) against municipalities. We hope the members will give some thought to debating the merits of the FTC's taxicab case.

Mr. HOLLINGS. I then wrote the Chairman of the Federal Trade Commission and questioned about FTC contacts with the press. My inquiries indicated that they were doing exactly what the law prohibited. I said I would talk advisedly because here is the Federal statute. "No part of the money appropriated by an enactment of the Congress shall, in the absence of expressed authorization by the Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or other written matter, or other device, intended, or designed to influence in any manner a Member of Congress to favor or oppose, by a vote or otherwise, any legislation or appropriation by Congress," and so forth.

It goes on before and after the bill. This was raised in my early years up here in the U.S. Senate. And it has to be read very carefully. There are decisions on the particular score. Necessarily when the Members inquire you are going to have to receive information from the Federal agency. Necessarily the Federal agency has a duty. We have an office over there. I do not object to the public being informed.

The various agencies of Government are constantly getting inquiries so that they respond to those inquiries, and they inform. I am not objecting to that. I rather support it. That is commonsense. Mr. President, I think this is a good provision in our statutory law of the U.S. Government because we do not want to be using money to keep influencing us. It is just sort of a vicious cycle. We appropriate money to be influenced more, to be appropriated and influenced more, and everything else of that kind. It would be bad if we bogged down in that situation. On this score, Mr. President, the Federal Trade Commission is bogged down. There is no question.

I ask unanimous consent, Mr. President, that the letter that I wrote to Chairman Miller, of the Federal Trade Commission, be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, DC, June 15, 1984.

Hon. James C. Miller III,
Chairman, Federal Trade Commission,
Washington, DC.

Dear Mr. Miller: Upon reading the editorial in today's Wall Street Journal, and investigating further, I understand that this editorial was solicited by your office. The question immediately comes to my mind, is the Federal Trade Commission writing the editorials of the Wall Street Journal? I also am informed that materials for articles and editorials have been mailed by the FTC to newspapers regarding the relative merits of Sec. 510 of H.R. 5712, as recommended by the Appropriations Subcommittee on Commerce, Justice, State, The Judiciary, and Related Agencies; and S. 1578.

If this is the case, it is not only shocking, it is criminal. Enclosed for your reference is a copy of Section 1913 of Title 18 of the United States Code. As you will note, it is against the law to use appropriated funds to influence a Member of Congress, directly or indirectly, to favor or oppose any legislation or appropriation by Congress.

I would appreciate having an explanation of the Commission's lobbying activities with regard to H.R. 5712 and S. 1578.

I also request that I be supplied with the following information with regard to the making of phone calls and materials distributed with regard to H.R. 5712 and S. 1578:

1. On whose instructions were such telephone calls made and materials distributed?

2. Who in the Commission knew about the making of the calls and distribution of the materials?

3. Separate memorandums prepared by each person who made calls to any newspaper regarding H.R. 5712 and S. 1578, listing each call they made, the date and newspaper called, and including an explanation of the characterization they made regarding the relative merits of the legislation in each instance.

4. Copies of all correspondence and materials furnished newspapers with regard to H.R. 5712 and S. 1578. Where identical correspondence and materials were distributed, one copy and a list of all recipients will suffice.

Inasmuch as H.R. 5712 has now been reported and Senate consideration is possible at any time, the above information is required by June 19, 1984.

In addition, I request the official record of all long distance telephone calls, including FTS calls, since May 29 through June 14, 1984, made by employees of the Office of the Chairman, Office of Congressional Relations, Office of Public Affairs, and the Director's Office of the Bureau of Competition. Such records should be annotated to indicate all calls to newspapers by identifying the name of the newspaper in each instance. This information should be supplied within 48 hours after the basic telephone records are available to the Commission.

Sincerely yours,
Ernest F. Hollings.

Enclosure.

SECTION 1913. LOBBYING WITH APPROPRIATED MONEYS

No part of the money appropriated by any enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation; but this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to Members of Congress on the request of any Member or to Congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business.

Whoever, being an officer or employee of the United States or of any department or agency thereof, violates or attempts to violate this section, shall be fined not more than $500 or imprisoned not more than one year, or both; and after notice and hearing by the superior officer vested with the power of removing him, shall be removed from office or employment.

(June 25, 1948, ch. 645, 62 Stat. 792.)

Mr. HOLLINGS. That particular letter, a group of other letters, and correspondence is on each Senator's desk in a portfolio. That letter, June 15, asked about this particular practice, cited the Wall Street Journal, and the letter that I received back—dated before June 15—is from the distinguished Chairman of the Federal Trade Commission. Here is what they say.

I ask unanimous consent that this correspondence be printed in the Record.

There being no objection, the correspondence was ordered to be printed in the Record, as follows:

Federal Trade Commission,
Washington, DC, June 21, 1984.

Hon. Ernest F. Hollings,
U.S. Senate,
Washington, DC.

Dear Senator Hollings: Since receiving your letter of June 15th, I have made efforts to gather the information you requested so as to be as responsive as possible to your concerns in the short time available. Before responding to the four specific questions in your letter, I would like to provide some background to place the events in question in proper perspective.

The Commission's decision of May 10th to issue complaints challenging the taxicab regulations of Minneapolis and New Orleans attracted a considerable amount of public attention. At that time appropriate members of Commission staff responded to media inquiries in keeping with the Commission's historic policy of providing such information so the public knows what we are doing. When a debate arose over qualifying our appropriation to prevent expenditure of any monies to prosecute these cases, efforts consistent with this policy were made to provide as much information as possible about this issue. In fact, in the course of an interview with a reporter from the Bureau of National Affairs on June 7th, I was asked and answered questions about the appropriations rider.

While I agree totally that it is improper and indeed illegal to use appropriated funds to sponsor what are known as grassroots campaigns to support or oppose particular legislative initiatives, I do not believe that normal and routine communication with the media on issues of public importance is or should be prohibited. The public has a right to know what we in government are doing, and one of the primary means by which it is informed, for better or worse, is through the media of this country. And I assure you that the actions in this instance were undertaken with the objective of providing information solely for the purpose of informing the public and that purpose alone.

With respect to the concern expressed in your letter about the possible violation of Section 1913 of Title 18 of the United States Code, based on the facts known to me at this time and on advice of Commission counsel, I do not believe that the law was violated. I am unaware of any reported legal decisions involving a substantive interpretation of the statute. However, I understand the Justice Department in the past has defended various civil actions against persons alleged to have violated it. I also understand that the General Accounting Office ("GAO") has interpreted a similar statute, known as the "publicity and propaganda statute," § 607-(a) of the Treasury, Postal Service and General Government Appropriation Act, 1980, Pub. L. No. 96-74 (September 29, 1979), 93 Stat. 559, 575 (as quoted in "Principles of Federal Appropriations Law (1982) at 3-132). According to GAO's interpretation, the statute is to be narrowly construed to prohibit only grassroots compaigns to lobby citizens to write their elected representatives. In my judgment and on advice of Commission counsel, the actions by Commission staff in this instance are within the area of permissible activity under law.

Turning to the individual questions you posed in your letter, I shall attempt to answer them separately:

1. On whose instructions were [sic] such telephone calls made and materials distributed?

Based on what I have been able to determine, calls were made and materials distributed following conversations involving the Commission's Bureau of Competition ("BC"), Office of Public Affairs ("OPA"), and Office of Congressional Relations ("OCR"). Based on the available facts, while it appears that the main actors were the heads of these respective units, I cannot answer precisely what person or persons issued instructions for these actions to be taken because there appear to have been different persons involved at different stages. To attribute all the events to any one person or groups of people would seem inaccurate; even identifying who may have been responsible for any particular act is difficult at best. The most responsible answer available at this point is found at Tab A, which contains the separate memoranda requested by question 3. In that connection, while I cannot recall the details, I should state that I may have had general conversations with the heads of BC, OPA and OCR on the overall subject.

2. Who in the Commission knew about the making of the calls and distribution of the materials?

I cannot answer this question precisely, because I do not know and have not been able to determine exactly who was aware beyond the individuals who have furnished the memoranda submitted with this letter. There may be more individuals, but I do not know that for a fact. To answer the question completely would require a much more extensive inquiry than has been possible in the time available.

3. Separate memorandums prepared by each person who made calls to any newspaper regarding H.R. 5712 and S. 1578, listing each call they made, the date and newspaper called, and including an explanation of the characterization they made regarding the relative merits of the legislation in each instance.

Attached at Tab A are memoranda prepared by the authors at the request of the Office of General Counsel pursuant to my instruction after receipt of your letter. Based upon conversations between our Office of Congressional Relations and with Mr. Kane of your staff, the responses are limited to calls made between May 29th and June 14th of this year.

4. Copies of all correspondence and materials furnished newspapers with regard to H.R. 5712 and S. 1478. Where identical correspondence and materials were distributed, one copy and a list of all recipients will suffice.

Attached at Tab B are the requested materials.

With respect to the official records of long-distance telephone calls during the period in question, I have been advised that we do not have them, nor can we get them for several months. I shall, of course, supply them as soon as they are received and have expressed to the responsible person my desire for them as soon as possible because of your request.

In closing, I wish to assure you that no one at the Commission has sought to engage in any activity in violation of the law. As I mentioned before, and as the Commission stated in its published "Citizen's Guide to the Federal Trade Commission," our public affairs policy is guided by "the public's right to know what [we are] doing." We try to fulfill that duty through a variety of means, including contact with national, local, and trade press. That was our sole objective in this case. But I certainly recognize now more than I did before how much care must be taken to avoid creating contrary impressions, and I pledge to do so with renewed vigilance.

Sincerely yours,

JAMES C. MILLER III,
Chairman.

BUREAU OF COMPETITION,
FEDERAL TRADE COMMISSION,
Washington, DC, June 20, 1984.

Memorandum to: Jack Carley.
From: Tim Muris.
Subject: Senator Hollings' Letter of June 15, 1984.

You have asked me to prepare a memorandum responding to the points raised in the above-referenced letter.

It may be useful to begin with some background. I often talk to reporters, usually on referral from OPA. I also have on occasion talked to editorial writers at the Washington Post and New York Times. My understanding from OPA, confirmed by my dealings with reporters and editorial writers, is that members of the press repeatedly ask us to call them whenever an issue in which we are involved is likely to attract significant attention.

Turning to the taxi issue, we in BC discussed with OPA [1] the fact that there would likely be considerable media interest in the taxicab cases if the Commission acted favorably on our recommendation to issue complaints. In preparing the press release and other materials to be distributed on the day the complaints were issued, I asked members of OPA whether it would be a good idea to inform a broad group of newspapers and editorial boards. It was agreed that it would be because there would likely be press (including editorial) interest and it would be useful to explain our actions as accurately as possible.[2] We discussed how the cities in which the cases were involved, as well as national papers that cover us routinely (such as the New York Times, the Wall Street Journal, the Chicago Tribune, and the Washington Post), would be good places for us to distribute materials. We told OPA of our interest in wide distribution of the conclusions of the Bureau of Economics' report, supported by the Bureau of Competition, in favor of taxicab deregulation. I relied on OPA's expertise to meet the goal as much as possible. OPA felt that a very broad distribution to newspapers and editoral boards in mid-May was premature, pending knowledge of the initial press interest. OPA dealt, as far as I know, with newspapers they thought, based on their experience with them, would likely be interested in the issue.

Before the issuance of the complaints, Chairman Miller was informed of the plans for press coverage. He stated that a few points should be clearly emphasized, as reflected in his public statement of May 10. As is established practice, he made clear that those talking to reporters could only provide information and answer questions, not lobby on the ultimate merits of the cases.

Other than the call I made on May 10 to Michael Barone, an editorial writer for the Washington Post, and a follow-up letter on the same date (attached), to my knowledge all calls were made by OPA. Through OPA, the Directors of the Dallas and Chicago Regional Offices attempted to meet with reporters and editorial boards in Chicago, Minneapolis, and New Orleans (I do not know if they succeded in each city). The materials sent in mid-May to editorial boards and reporters have already been given to your office, and I believe were widely distributed by OPA as well as in Congress to members of our relevant committees and to members of the delegations of the states involved in the cases.

I was out of the office shortly after issuance of the complaints, up to which time, to my knowledge, the effort at making our actions widely available continued. When I returned to the office, on May 28, it was clear that there was more press interest in this issue than there had initially been part because of the interest in the Congress (the rider had moved to the floor of the House). In a conversation with OPA, we again briefly discussed the need to obtain as wide a dissemination as possible to those newspapers likely to be interested in this issue. (We hoped, of course, that any press coverage that did appear would be favorable or, at least, balanced.) Again, I discussed press coverage briefly with the Chairman.

Throughout, as newspapers to contact, we discussed emphasis on those in which substantial taxicab deregulation has occurred (because the cities' experience may have sparked interest) and the prestigious national papers (e.g., Wall Street Journal, New York Times, Chicago Tribune, Washington Post, Los Angeles Times, and St. Louis Post-Dispatch (because of these papers' past interest in our issues). The importance of some of the major newspapers who cover jurisdictions with members of the committees that have direct responsibilitiy over the FTC (because of the general interest of newspapers in issues on which their members of Congress face immediate votes) was also discussed.

OPA reports to the Chairman, as does the Bureau of Competition. I do not tell them how to perform their function, although, of course, we determine the substance of Bureau actions on which OPA distributes information, review press materials for accuracy, and discuss how our often technical actions can be explained to laymen. To my knowledge, OPA is well aware of the rules against lobbying and merely informs the press of the Commission's position and actions on various issues.

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[1] By OPA, I generally mean conversations with Neal Friedman, Acting Director of OPA during the relevant time. In meetings concerning the publicity that would follow the issuance of the complaints, there were other members of OPA present.

[2] We have had many editorials and stories on our issues in the past. Some were, we felt, misleading, and would not have been so if we had talked to the writer. On the taxi issue, we expected that some groups would probably oppose us, and, thus, there would be a greater likelihood of critical coverage.

Regarding the information that was distributed, I assume that the original press materials, developed for the complaints, were used. Also, several factsheets were prepared on request from members of Congress, and were also given to OPA. These included, after the issue of the rider became relevant, the Commission's position opposing the rider, endorsed by all five Commissioners.

The only additional materials that I sent to reporters, other than the letter of May 10, are:

(1) Attached letter to Wall Street Journal of June 4, suggesting that an op-ed piece by me on this issue would be appropriate. Over a week later, a Mr. John Fund of the Wall Street Journal called, stating that they had already run an op-ed on taxis (which ran after my letter) and were not interested in another.

(2) Another letter to Michael Barone (June 5, 1984), reflecting an additional conversation we had and forwarding materials that he requested.

If you desire additional information, please let me know.

Federal Trade Commission,
Washington, DC.

To: Neal Friedman.
From: Linda Singer.
June 18, 1984.
Re call outs to editorial page editors on taxi issue.

I was only here for the first round of call outs on taxis June 4 and June 5. I contacted the following papers and people:

Wisconsin State Journal in Madison—Bill Becher.

Milwaukee Journal—Dave Behrendt.

Milwaukee Sentinel—Quincy Dadisman and Ken Roesslein.

In all three instances, I told the editors we currently had an issue at the Commission which might be of interest to them and their readers. It concerned two administrative complaints we issued against cities on the regulation of taxi cabs.

I told them that Congress was currently considering a rider to our appropriations bill that would prohibit our pursuing these actions. I also pointed out that it is among the first few times, if not the first time, Congress has tried to stop in its tracks an ongoing law enforcement action.

I basically read the information from the news release and the factsheet. I pointed out how it was an important consumer protection issue, as well as a competition issue and that taxis a primary means of transportation for the poor and elderly, except in large cities well served by mass transportation. I offered to provide them with written information, if they were interested.

After we got the information the next day on the Milwaukee and Madison experiences, I called again to offer the additional information.

Becher at the Wisconsin State Journal and Behrendt at the Milwaukee Journal asked me to send material and they would read it. I believe you made a follow up call to Behrendt.

At the Milwaukee Sentinel, the regular editor was out, and Dadisman was subbing when I first called. When I called the following day, he said he had given the material to Ken Roesslein. I called Roesslein and said we had some data on how well taxi deregulation had worked in Milwaukee and asked if he would be interested. He said yes, but that he didn't think he'd do a piece now, and would see what happened in the Senate.

Federal Trade Commission,
Washington, DC, June 18, 1984.

MEMORANDUM

To: Neal Friedman.
From: Susan Ticknor.
Re Taxi calls.

On June 14, I called:

Bill Sweisgood, Editorial Page Editor, Florida Times Union, 1 Riverside Ave., PO Box 1949-F, Jacksonville, Fla. 32231, 904-359-4111.

Otis Perkins, Editorial Page (not editor), Jacksonville Journal, 1 Riverside Ave., PO Box 1949-F, Jacksonville, Fla. 32231, 904-359-4111.

I told them I was calling from the Federal Trade Commission and wanted to inform them about an issue. I explained that the Senate Appropriations Committee had before it a rider to our appropriations bill that would prohibit the FTC from spending any money on actions against cities. I reminded them Senator Childs was on that committee. I told them the issue arose from the 2 administrative complaints the FTC filed against New Orleans and Minneapolis. I explained to them, not in great detail, the thrust of the taxi charges—that these cities did not have an antitrust exemption, that the Supreme Court had ruled that cities were liable under the federal antitrust laws, that the taxi restrictions were allegedly raising prices, lowering the number of taxis available and hurting the "transportation disabled."

I then said that the proposed rider would cut off the suit and would block it before hearings even started. Neither of the two people I talked to had heard about the issue, but both were interested. I offered to send them some back-up material that they could read and study at their leisure. They both accepted that offer.

On June 4, I called:

Wiley McKeller, Editorial Page Editor, Harrisburg Patriot-News, 812 Market St., Harrisburg, PA 17105.

Edwin Guthman, Editorial Page Editor, Philadelphia Inquirer, 400 N. Broad St., Philadelphia, PA 19101.

Joseph Plummer, Editorial Dept., Pittsburgh Post-Gazette, 50 Blvd. of the Allies, Pittsburgh, PA 15230, 412-263-1669.

My conversations with these three men were similar to the ones described above. However, I did not offer to send them materials. Mr. Guthman and Mr. Plummer requested me to send them the papers. I sent the package to them and also to Mr. McKeller.

Federal Trade Commission,
Washington, DC, June 18, 1984.

To: Neal Friedman.
From: Barbara Rosenfeld.
Re Calls made to newspapers on appropriations rider.

On June 4 and June 14 I made calls to the following persons:

June 4: John Zakarian, Editorial Page Editor, Hartford (CT.) Courant. Joe Plummer (editorial writer), Pittsburgh, (Pa.) Post-Gazette.

June 14: Robert Pittman, Editorial Page Editor, St. Petersburg (Fla.) Times. Edwin Roberts, Editorial Page Editor, Tampa (Fla.) Tribune. Lou Salome, Editorial Page Editor, Miami (Fla.) News. Robert Rankin editorial writer, Miami (Fla.) Herald.

In each case I identified myself as calling from the Federal Trade Commission's Office of Public Affairs in Washington, and said something similar to the following:

"I'd like to bring to your attention an issue I think you might be interested in. It concerns a vote on the FTC's appropriation which will be coming before the Senate (House) Appropriations Committee next week. As you know, of course, Senator (Congressman) —— sits on the Appropriations Committee.

"The Committee will be voting on a rider to the FTC appropriations bill. The rider would have the effect of prohibiting the FTC from continuing its enforcement activities in cases it has brought against the cities of Minneapolis and New Orleans for acting with taxi companies in those cities to limit competition in the taxi industry. The issue, as we see it, is a consumer issue—we feel that limits on the number of taxicabs in a city hurt consumers by keeping the number of available cabs down and prices up, and that is particularly harmful to people who are dependent on taxi service, such as elderly and low-income consumers. The FTC's actions aim at eliminating restraints on taxi competition.

"Another important issue in this matter is the unusual procedure by which this action would limit FTC action—by a rider on the appropriations bill, rather than through the usual process of consideration and action by a Congressional committee."

(At this point, if not before, they all asked if we had written materials we could send them, which I said we would be happy to do.)

[Memorandum to Senator Hollings]

Federal Trade Commission,
Washington, DC, June 18, 1984.

From: Larry Harlow.
Subject: Response to Your Letter of June 15, 1984.

At the request of the Office of Public Affairs, I responded to an inquiry OPA had received from Ms. Kate Stanley of the Minneapolis Star. The note from OPA to me asking me to respond to Ms. Stanley indicated that she had four areas of interest:

1. The exact wording of the taxicab rider.
2. The arguments Representative Sabo made in support of his rider.
3. Was there any discussion in the House Appropriations Committee of the issue when Representative Sabo offered his amendment?
4. What is the FTC's reaction?

As I recall, my conversation with Ms. Stanley centered on these issues. I believe I first spoke with her on May 30; in response to her request that I keep her informed of any developments, particularly concerning the timing of further Congressional action on H.R. 5712, I had at least one followup conversation with her, perhaps on May 31.

At the request of OPA, I also attempted to return a call to a reporter in New Orleans, but he wasn't in when I called. I can't recall his name, or his newspaper. Finally, I remember answering calls from Mike Isikoff of the Washington Post concerning the status of H.R. 5712, and our concerns with the taxicab rider.

I don't believe I had any other conversations with reporters and editorial writers.

June 6, 1984.

Dear ——:

Thank you for your time on the telephone today concerning the taxicab issue. I am sending you the following background material:

A fact sheet on the appropriations rider blocking the FTC's law enforcement effort in the taxicab industry.

A fact sheet on the FTC suits against the cities of Minneapolis and New Orleans.

Questions and answers concerning the taxi issue.

Thank you for your interest in this important issue. If you have any further questions, please do not hesitate to call 202-523-1730.

Sincerely,

NEAL FRIEDMAN,
Deputy Director.

This letter was also signed by the following with their direct telephone numbers inserted:

Barbara Rosenfeld, News Director (202-523-1585)
Susan Ticknor, Public Affairs Officer (202-523-1892)
Dee Ellison, Public Affairs Officer (202-523-1891)
Linda Singer, Public Affairs Officer (202-523-1847)
David Behrendt, Milwaukee Journal, 333 W. State St., Milwaukee, Wisconsin 53201
Mr. Ken Roesslein, Milwaukee Sentinel, 918 N. 4th Street, Milwaukee, Wisconsin 53201
George Melloan, Editorial Page, Wall Street Journal, 22 Cortlandt, New York, N.Y.
Quincy Dadisman, Milwaukee Sentinel, P.O. Box 371, Milwaukee, Wisconsin 53201
Edwin Guthman, Editor, Editorial Page, Philadelphia Inquirer, 400 N. Broad Street, Philadelphia, Pennsylvania 19101
James W. Scott, Editor, Editorial Page, Kansas City Star, 1729 Grand Avenue, Kansas City, Missouri 64108
John Lofton, Editorial Page, St. Louis Post-Dispatch, 900 Tucker Blvd., St. Louis, Missouri 63101
John Zakarian, Editorial Page Editor, Hartford Courant, 285 Broad Street, Hartford, Connecticut 06115
Russ Harney, Associate Editor, News and Courier, 134 Columbus Street, Charleston, South Carolina 29402
Charles Wickeberger, The State, George Rogers Boulevard, Columbia, South Carolina
Bill Becker, Wisconsin State Journal, 1901 Fish Hatchery Road, P.O. Box 8058, Madison, Wisconsin 53708
Wiley McKeller, Editor, Editorial Page, Harrisburg Patriot-News, 812 Market Street, Harrisburg, Pennsylvania 17105
Joseph Plummer, Editorial Department, Pittsburgh Post-Gazette, 50 Blvd. of the Allies, Pittsburgh, Pennsylvania 15230
Edwin Guthman, Editor, Editorial Page, Philadelphia Inquirer, 400 N. Broad Street, Philadelphia, Pennsylvania 19101
James W. Scott, Editor, Editorial Page, Kansas City Star, 1729 Grand Avenue, Kansas City, Missouri 64108
John Lofton, Editorial Page, St. Louis Post-Dispatch, 900 Tucker Blvd., St. Louis, Missouri 63101
Bill Becker, Wisconsin State Journal, 1901 Fish Hatchery Road, P.O. Box 8058, Madison, Wisconsin 53708
Wiley McKeller, Editor, Editorial Page, Harrisburg Patriot-News, 812 Market Street, Harrisburg, Pennsylvania 17105
John Zakarian Editor, Editorial Page, Hartford Courant, 285 Broad Street, Hartford, Connecticut 06115
Russ Harney, Associate Editor, News and Courier, 134 Columbus Street, Charleston, South Carolina 29402
Charles Wickeberger, The State, George Rogers Boulevard, Columbia, South Carolina 29202

Date: Through Jun 14, 1984 6:23 pm EDT.
From: FTC Office of Public Affairs / MCI ID: 215-5379.
To: Mr. Harold Hughes, Assoc. Editor, Portland Oregonian, 1320 S.W. Broadway, Portland, OR 97201.
To: Mr. Otis Perkins, Editorial Page, Jacksonville Journal, 1 Riverside Ave, Jacksonville, FL 32231.
To: Mr. Robert Rankin, Editorial Page, Miami Herald, 1 Herald Plaza, Miami, FL 33101.
To: Mr. Bill Sweisgood, Editorial Page, Editor, Florida Times Union, 1 Riverside Avenue, Jacksonville, FL 32231.
To: Mr. Robert Pittman, Editor, Editorial Page, St. Petersburg Times, 490 First Avenue South, St. Petersburg, FL 33731.
To: Mr. Edwin Roberts, Editor, Editorial Page, Tampa Tribune, 202 S. Parker Street, Tampa, FL 33601.
To: Mr. Lou Salome, Editor, Editorial Page, Miami News, 1 Herald Plaza, Miami, FL 33152.
Subject: TAXIFACTS.
Handling: ONite.

Dear Editor: Thank you for your interest in our material concerning taxicab regulation in cities. The Senate is scheduled to vote on this matter next Tuesday.

If you have any questions after reading the enclosed material, please feel free to call Neal Friedman, Deputy Director of the FTC's Office of Public Affairs, at 202-523-1730.

Reports in Congress To Block FTC Taxicab Cases

FTC complaints challenging anticompetitive taxi regulation:

On May 10, the FTC issued complaints against Minneapolis and New Orleans challenging combinations among the cities and taxi companies to keep out competitors and to fix prices.

Less than two weeks later, on May 23—without benefit of hearings or any other prior consideration, and apparently inspired solely by the issuance of these complaints—the House Appropriations Committee passed a rider to an appropriations bill that prohibits the expenditure of funds in connection with "antitrust actions" brought by the federal government against municipalities.

On May 31, the full House refused to eliminate the rider—again without benefit of any study of the complex substantive issues involved.

The Senate Appropriations Committee will consider this issue soon, probably on June 7.

The taxi cases are consistent with the FTC's mission and legitimate policy objectives:

Restrictive economic regulation of taxi services harms the public by fostering higher fares, longer waiting times for cabs, and reduced employment opportunities for would-be cab drivers.

Illegal combinations in the $3.4 billion taxicab industry may result in fares 10 to 15% higher than competitive levels. A 1984 study commissioned by DOT concludes that such regulation costs consumers $790 million per year and reduces taxi jobs by over 38,000.

The burden of higher fares falls disproportionately on the "transportation disadvantaged," i.e., poor, elderly, and handicapped people.

The FTC cases will not displace needed consumer protection regulations concerning such matters as driver licensing, vehicle safety, and liability insurance coverage.

The FTC's action in this area is fully consistent with, and seeks the same benefits as achieved through, regulatory reform in other transportation industries.

An appropriations rider is an inappropriate means of addressing the applicability of the antitrust laws to municipalities:

Hasty passage of legislation to halt ongoing administrative proceedings sets a poor precedent and raises the appearance of special treatment for special interests.

The impetus for the rider is contrary to the clear Congressional intent in passing the FTC Act, which was designed to create an independent agency with special expertise and with power to define and prohibit "unfair methods of competition."

The rider undercuts the careful, ongoing deliberations in both the House and Senate Judiciary Committees on the applicability of the antitrust laws to municipalities.

The rider is misguided; it bypasses the primary concern of the cities:

Cities have a legitimate concern over their possible liability for treble damages. However, the FTC is merely seeking the removal of anticompetitive regulations. FTC antitrust enforcement does not subject cities to monetary damages.

Preventing the FTC from pursuing the taxi cases does not eliminate the underlying potential violations of the Sherman Act. Local governments are still exposed to treble damages. For example, private plaintiffs have filed antitrust suits based on taxi regulations, and are seeking treble damages of hundreds of millions of dollars, against Dade County, Florida and Chicago, Illinois.

FTC complaints challenging anticompetitive taxi regulation:

The Commission has issued complaints against Minneapolis and New Orleans, challenging combinations to set taxi fares and to exclude competition. These agreements with taxicab operators result in anticompetitive taxi regulations that restrict the available supply of cabs and prevent fare competition.

For example, the Complaint against Minneapolis charges the city with agreeing with local cab owners to enact ordinances that, among other things, prevent suburban cab firms, which do business all around Minneapolis, from competing for passengers within Minneapolis city limits.

The Commission charged New Orleans with anticompetitive practices such as encouraging local cab companies to agree on fare increases, after which the city formally adopts the agreed-upon fares.

Harm to the public:

Restrictions on the number of cabs and lack of price competition in the taxicab industry harms the general public. Fares in cities limiting the number of taxis (such as the two municipalities charged) are appreciably higher than fares in comparable cities with open entry to the taxicab market.

The burden of higher fares disproportionately affects the poor, elderly, and handicapped, who are dependent on taxis for essential trips.

Artificial restrictions on the number of cabs permitted eliminates employment opportunities for would-be cab drivers.

Commission actions do not affect legitimate taxi regulation:

The Commission is challenging only those regulations that hurt consumers by restricting competition.

Cities do not need to prohibit fare competition among taxicabs (below some fare ceiling) or to prevent individuals or firms from entering in order to protect the public.

The Commission's actions do not affect needed regulations concerning driver licensing, vehicle safety, and liability insurance coverage.

The role of the FTC relating to municipal regulation of taxis:

The Commission's action in this area is fully consistent with the regulatory reform movement, particularly as it affects transportation industries (e.g., airline, truck, and intercity bus deregulation).

The U.S. Supreme Court has ruled *(City of Lafayette* (1978), *City of Boulder* (1982)), that antitrust laws may strike down anticompetitive municipal regulations unless based on a clear and affirmative state policy to displace competition.

The Commission's interest in this industry is not new; it investigated restraints to trade in the Chicago taxi market in the 1970's.

FTC action does not subject cities to monetary damages; Commission's remedial powers are flexible and can be fashioned to allow legitimate municipal authority.

TAXICAB QUESTIONS AND ANSWERS

1. How will this action benefit consumers?

Consumers will have available to them more taxis at a lower cost and with less waiting time than in cities that artificially restrict the number of cabs available and prevent discounting of fares.

2. What types of consumers will benefit most from the FTC's action?

Those consumers who will benefit most from greater availability of taxi transportation at lower cost are those most dependent on taxis for essential transportation—people who do not own or cannot drive cars and for whom public transportation is not a viable option. According to the taxi industry, 60 percent of all taxi services are used by this group, the "transportation disadvantaged," consisting primarily of the elderly, handicapped, and people with low incomes. As one might expect, the other groups who most use taxis are tourists and business people.

3. What effect will open entry have on taxi service?

Allowing open entry, instead of artificially restricting the number of licensed cabs, should lead to more taxis available, less waiting time, and lower prices in cities that permit fare discounting. There also should be more service options available, such as discounts for bulk purchases of taxi services by governmental users, business, and other group purchasers (for example, apartment complexes for senior citizens). Service should improve to the less desirable areas of cities as more cabs are available and competition increases the incentive to obtain business.

4. What effect will open entry have on taxi rates?

Open entry, combined with the elimination of restrictions on discounting, should lower taxi rates. Offering reduced fares is one way for new entrants to attract business. This will create downward pressure on fares charged by other taxi companies, as they seek to retain market share. This competitive activity will keep prices from rising above the competitive level.

5. How were these cities selected as targets?

The FTC undertook a systematic look at taxi regulation in the largest cities in the United States. The inquiry focused on cities where consumers and potential entrants into the taxi business were being harmed, where there was evidence of a combination between the cities and the taxi companies unreasonably in restraint of trade, and where the state had not established an exemption from the antitrust laws for the city to regulate taxi transportation.

6. What is the likely impact in other cities?

A number of other cities have removed restrictions on entering the taxi business and/or have permitted discounting of taxi fares because it is good public policy. These cities include Milwaukee and Madison, Wisconsin; Jacksonville, Florida; Charlotte North Carolina; Seattle and Spokane, Washington; San Diego and Sacramento, California; and Phoenix and Tucson, Arizona. We hope other cities will see that the public and consumer benefits that competition brings in other areas of the economy are equally applicable to the taxi industry.

7. Why is the FTC suing the cities rather than the individual cab companies?

The FTC is suing cities because it is only the cities that can provide the relief the FTC is seeking—the removal of regulations that harm consumers. Suits against individual cab companies would not provide as effective a remedy. The FTC does not sue for monetary damages; it will simply seek to have the cities change their regulations. The U.S. Supreme Court has made it clear that cities are subject to the antitrust laws, and thereby opened a more effective way for the FTC to remedy competitive problems in the taxi industry.

8. Will driver expertise and vehicle safety decline as a result of FTC actions?

The removal of anticompetitive taxi regulation should have no detrimental effect on driver competence and vehicle safety. In fact, some cities that have removed price and entry restrictions believe they have improved vehicle safety and driver competence by concentrating directly on rules that deal with safety, competence, financial responsibility, appearance of vehicles and drivers, and other factors. We support regulations designed to promote safety and other legitimate public concerns, and will work with cities to devise such regulations in ways that do not harm consumers. The rules that prevent people from getting into the taxi business and that prevent fare discounting are the source of the anticompetitive problems in the taxi industry.

9. Is it true the Department of Transportation-commissioned studies show deregulation has failed?

No. The latest DOT-commissioned study actually recommends antitrust initiatives, among other ways, to remedy problems. The earlier studies report no problems in the crucial radio-dispatched segment, which in these two cities is roughly 90 percent of the market.

10. Is there a conspiracy?

Minneapolis and New Orleans are not empowered by their states to fix fares or exclude competitors. In both cities, the FIC's complaint alleges that fares are set and competitors excluded as a result of joint action by taxi firms and the cities. Such joint actions, absent state legislation, form an illegal combination under the antitrust laws.

BUREAU OF COMPETITION,
FEDERAL TRADE COMMISSION,
Washington, DC, May 10, 1984.

MR. MICHAEL BARONE,
The Washington Post,
Washington, DC.

DEAR MIKE: As promised, I enclose the materials regarding the taxicab complaints the Commission issued today against Minneapolis and New Orleans.

There are at least two distinct issues here, one concerning whether taxicab deregulation is sound public policy and one concerning the propriety of suing cities. Regarding the first, the evidence reveals that regulation restricting entry and fare competition harms consumers, particularly the poor, who disproportionately use cabs. For example, a recent report commissioned by DOT estimated that consumers lose $790 million from these regulations and that deregulation would create some 38,000 new jobs. (Of course, we are not opposed to regulations dealing with cab safety, insurance, driver qualification, fare posting, and other reasonable steps.)

All of the material enclosed directly discusses the taxicab issue, except the report from our Planning Office discussing legislative proposals to grant cities antitrust immunity. Concerning this second issue, the Planning Office report concludes that cities have not had serious problems under antitrust laws, making an exemption unnecessary. If a change in the law is to be made, the report recommends that eliminating treble damages would be superior to the blanket exemption. To the extent the report implies that cities should be subject to the full range of antitrust rules, I disagee. Although cities have won most of the cases to date, the threat of treble damages for traditional municipal activities is too great of a burden to place on elected officials. I favor the injunction-only option as relieving cities of their most serious problem, but still scrutinizing their anticonsumer acts to some extent. (If plaintiffs can only obtain injunctive relief, they are much less likely to bring frivolous suits.)

I find this option preferable to the Thurmond Bill that the Antitrust Division recently endorsed. Thurmond would make cities totally liable for their commercial activities and totally immune for other activities. This commercial/non-commercial distinction is extremely difficult to make in practice. Moreover, as far as I understand, the Antitrust Division does not believe that Thurmond's Bill is the only possible solution to the problem.

If I can be of further help in discussing this or any other issue, please call me at 523-3601.

Sincerely yours,
TIMOTHY J. MURIS,
Director, Bureau of Competition.

FEDERAL TRADE COMMISSION,
Washington, DC, June 4, 1984.

MR. TIM FERGUSON,
The Wall Street Journal,
New York, NY.

DEAR MR. FERGUSON: I am writing to suggest you consider printing an opinion piece in The Wall Street Journal on the subject of efforts now underway in Congress to halt FTC actions challenging anticompetitive taxicab regulations under the antitrust laws.

On May 10, the FTC issued complaints against Minneapolis and Chicago challenging combinations with taxi companies to maintain anticompetive economic regulation of taxicabs. The House of Representatives recently approved a rider that would prohibit the FTC from spending funds to pursue these complaints. The Senate Appropriations Committee will consider this issue soon, probably on June 7. This effort in the Congress is misguided, both in substance and in form.

It seems highly inappropriate to address a complicated substantive issue, such as the applicability of the antitrust laws to municipalities, through the appropriations process, without even the benefit of hearings. This is especially true here, because the Senate and House Judiciary committees, which have jurisdiction over antitrust matters, have been carefully considering a number of proposals relating to municipal antitrust liability.

Moreover, we believe these cases fall clearly within the FTC's mandate to maintain competition. Restrictive economic regulation of taxi services harms the public by fostering higher fares, longer waiting times for cabs, and reduced employment opportunities for would-be cab drivers.

It would be preferable, of course, if all cities would see the wisdom of eliminating harmful taxi regulation. However, some cities are reluctant, for whatever reason, to remove taxi regulation that harms consumers. We believe that the discipline of the antitrust laws is necessary to achieve competition in the taxi industry and that injunctive actions such as these by the FTC are far less of a potential burden on cities than private treble damage actions which the appropriations rider would leave untouched.

I am certain that your readers would find this issue to be of considerable interest.

Sincerely yours,

TIMOTHY J. MURIS,
Director.

FEDERAL TRADE COMMISSION,
Washington, DC, June 5, 1984.

Mr. MICHAEL BARONE,
The Washington Post,
Washington, DC.

MIKE: As promised, I enclose the materials regarding the "taxicab" rider, including editorials supporting our effort in the New York Times, Chicago Tribune, and Minneapolis Star-Tribune.

There are at least three issues here. The first concerns whether Congress should legislate through appropriation riders. Particularly in this case, when the rider was passed without hearings and is aimed at stopping cases in litigation, the rider process is an especially undesirable method of passing substantive legislation.

The second issue involves the merits of our lawsuits against Minneapolis and New Orleans. The evidence shows that regulation restricting entry and fare competition harms consumers, particularly the poor, elderly, and handicapped, who disproportionately use cabs. For example, a recent report commissioned by DOT estimates that consumers lose $790 million from these regulations and that deregulation would create some 38,000 new jobs. (We do not oppose regulation of cab safety, insurance, driver qualification, fare posting, and other reasonable steps.)

The final issue concerns whether cities should have antitrust immunity. Although cities have won almost all of the cases to date, the threat of treble damages for traditional municipal activities is a very great burden to place on elected officials and taxpayers. Nevertheless, cities can and do engage in anticompetitive acts, as our taxi complaints indicate. (Another obvious example concerns the efforts of airports to eliminate the competition of discount rental car companies.) Accordingly, I believe that cities should have limited exposure under the antitrust laws. Thus, we favor legislation limiting the liability of cities to cease and desist orders or other injunctive relief. (If plaintiffs are only able to obtain only injunctive relief, they are much less likely to bring private lawsuits, particularly in questionable cases.)

As indicated, the Senate Appropriations Subcommittee on Commerce, State, Justice and related matters is likely to vote on this measure on June 7. If I can be of further assistance on this or any other issue, please call me at 523-3601.

Sincerely yours,

TIMOTHY J. MURIS,
Director, Bureau of Competition.

He says exactly what we all agree with. "While I agree totally that it is improper and indeed illegal to use appropriated funds to sponsor what are known as grassroot campaigns to support or oppose particular legislative initiatives.* * *" However, the statute did not talk about grassroots. It said through a Member of Congress. Grassroots is not in the statute. I have defended enough of these people on trial as a lawyer to know when the witness or the defendant is beginning to move around a little. The Chairman of the Federal Trade Commission in his letter moves around a little here.

He says: "* * * I do not believe that normal and routine communication with the media on issues of public importance is or should be prohibited," which I agree with. He continues: "The public has a right to know what we in government are doing, and one of the primary means by which it is informed, for better or for worse, is through the media of this country." Let us see whether they are informing the media or they are using that particular role to influence.

When I got his answer back, I, of course, looked quickly to see whether he was just trying to give information or whether they were trying to influence a vote. I picked up the letter of June 4, 1984, from the Director of the Bureau of Competition, Federal Trade Commission, addressed to Mr. Tim Ferguson, Wall Street Journal, 22 Cortland Street, New York, NY.

I ask unanimous consent, Mr. President, that this letter be included in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL TRADE COMMISSION,
Washington, DC, June 4, 1984.

Mr. TIM FERGUSON,
The Wall Street Journal,
New York, NY.

DEAR MR. FERGUSON: I am writing to suggest you consider printing an opinion piece in The Wall Street Journal on the subject of efforts now underway in Congress to halt FTC actions challenging anticompetitive taxicab regulations under the antitrust laws.

On May 10, the FTC issued complaints against Minneapolis and Chicago challenging combinations with taxi companies to maintain anticompetitive economic regulations of taxicabs. The House of Representatives recently approved a rider that would prohibit the FTC from spending funds to pursue these complaints. The Senate Appropriations Committee will consider this issue soon, probably on June 7. This effort in the Congress is misguided, both in substance and in form.

It seems highly inappropriate to address a complicated substantive issue, such as the applicability of the antitrust laws to municipalities, through the appropriations process, without even the benefit of hearings. This is especially true here, because the Senate and House Judiciary committees, which have jurisdiction over antitrust matters, have been carefully considering a number of proposals relating to municipal antitrust liability.

Moreover, we believe these cases fall clearly within the FTC's mandate to maintain competition. Restrictive economic regulation of taxi services harms the public by fostering higher fares, longer waiting times for cabs, and reduced employment opportunities for would-be cab drivers.

It would be preferable, of course, if all cities would see the wisdom of eliminating harmful taxi regulations. However, some cities are reluctant, for whatever reason, to remove taxi regulation that harms consumers. We believe that the discipline of the antitrust laws is necessary to achieve competition in the taxi industry and that injunctive actions such as these by the FTC are far less of a potential burden on cities than private treble damage actions which the appropriations rider would leave untouched.

I am certain that your readers would find this issue to be of considerable interest.

Sincerely yours,

TIMOTHY J. MURIS,
Director.

Mr. HOLLINGS. I thank the distinguished presiding officer.

I read the first sentence. Here is the first sentence. I say to the Senator from New Hampshire that I really want you to hear this sentence, because you are an old-time prosecutor and attorney general.

> I am writing to suggest you consider printing an opinion piece in the Wall Street Journal on the subject of efforts new underway in Congress to halt FTC action.

So he is trying to influence votes. He asks for an opinon piece. He is not simply giving information.

Then, Senator, I looked up there, and there was a memo in response from the Federal Trade Commission to Jack Carley from Neal Friedman, dated June 20, 1984. I ask unanimous consent that this be included in its entirety.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL TRADE COMMISSION,
Washington, DC, June 20, 1984.

MEMORANDUM

Re Hollings letter.
To: Jack Carley.
From: Neal Friedman.

On June 4, 1984 I placed telephone calls to Mr. Russ Harney, Associate Editor of the Charleston (S.C.) News and Courier and Mr. Charles Wickeberger, an editorial writer for the Columbia (S.C.) State. On approximately the same date, I spoke with David Behrendt, an editoral writer for the Milwaukee Journal; Peter Passell, an editorial writer for the New York Times, who frequently contacts our office concerning FTC-related issues; and George Melloan, an editorial writer for the Wall Street Journal.

I explained to each that the FTC had recently sued the cities of New Orleans and Minneapolis concerning their regulation of taxi service and briefly outlined the allegations in the suits. I further explained that a rider was being proposed for our appropriations bill that would have the effect of preventing the FTC from pursuing these law enforcement investigations. I explained that it was highly unusual for Congress to involve itself in law enforcement investigations through the appropriations process, and that even those commissioners who had not supported the taxicab suit had joined in a letter to Congress expressing concern over this proposed action.

I pointed out that, outside of the major cities, the primary users of taxi service were the poor and the elderly, and that the commission was hoping to encourage state and local governments to do away with those aspects of their taxi regulations that restricted new entrants and raised prices.

Finally, I suggested that this might make a topic for an editorial and asked whether the writer would be interested in further information. In each instance the answer was affirmative and the information was sent.

In no case did I suggest what the editorial should say, nor did I make any comments on the relative merits of the legislation. I had further conversations with Passell and Bill Krulewicz (who took over from Melloan at the Wall Street Journal) on subsequent occasions, but have no record of the dates. The writers initiated these calls for the purpose of obtaining answers to specific questions.

Mr. HOLLINGS. This memorandum states:

On June 4, 1984, I placed telephone calls to Mr. Russ Harney, Associate Editor of the Charleston (S.C.) News and Courier and Mr. Charles Wickenberger, an editorial writer in the Columbia (S.C.) State.

He goes on down and says:

Finally, I suggested that this might make a topic for an editorial.

So they are not asking for editorials against Senator HOLLINGS.

Let us see if there was any doubt about that, whether it was against us in trying to influence the vote.

What do we find out, Mr. President, from the News & Courier?

Only a few days ago, a news article appeared. I will refer to it at this particular point. It was dated June 27. That is yesterday, Mr. President, I have updated information here. It is a News & Courier story, Mr. President.

Mr. President, I ask unanimous consent that the news story in its entirety be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOLLINGS CHARGES ILLEGAL FTC LOBBYING TACTICS

(By Edward D. Murphy)

The Federal Trade Commission lobbied illegally through the press in its efforts to block restrictions on antitrust actions against cities, Sen. Ernest F. Hollings, D-S.C., charged Tuesday.

The News and Courier was contacted by the FTC and encouraged to write an editorial about the proposed restrictions, according to Hollings spokesmen Michael Fernandez and Russell F. Harney, associate editor of The News and Courier.

The News and Courier did not write an editorial on the issue, however, Harney said.

Hollings said the law prohibits Federal agencies from using appropriations, "directly or indirectly . . . to influence in any manner a member of Congress to favor or oppose . . . any legislation or appropriation."

Hollings contends that the FTC "initiated a highly targeted, illegal lobbying campaign" to pressure members of the Senate Appropriations Committee to drop the proposed restrictions on the FTC.

The FTC has denied Hollings' charges about the lobbying and said the actions in contacting the press were "normal and routine," the Senator said.

An amendment to an appropriations bill before the committee should restrict the FTC and the Department of Justice from antitrust actions against municipalities. Hollings is a chief proponent of the restrictions.

Harney said he was contacted last week by Neal Friedman, who said he was deputy director of public affairs for the FTC.

Friedman asked if the party would be interested in doing an editorial on the issue, Harney said. The issue involved a court suit against a Midwestern city involving taxes, Harney said Friedman told him. Additional material arrived in the mail the next day, Harney added.

But Harney said the material indicated the issue was more than the one case Friedman mentioned, and he recognized that the restrictions on the FTC antitrust actions were a particular concern of Charleston city officials.

After looking into it further, Harney said, "I saw it as a precursor of the FTC coming in here and talking about horse-drawn wagons."

"I felt that he (Friedman) had selected me because it (Charleston) is Hollings' hometown and it just disturbed me," Harney said. "I felt like we had been had."

Harney said he did not write the editorial the FTC official was suggesting and does not plan to write one on the subject.

The State newspaper in Columbia was also contacted by the FTC about a possible editorial, Fernandez said.

Mr. President, I am not trying to be laborious. This is a serious matter. I am only trying to brief these things to save the time of the body because we want to get on with the vote. But I want them to understand what this national nanny can do.

The Federal Trade Commission lobbied illegally through the press in its efforts to block restrictions in antitrust actions against cities, Senator Ernest F. Hollings charged Tuesday.

The News and Courier was contacted by the FTC and encouraged to write an editorial about the proposed restrictions, according to Hollings' spokesmen Michael Fernandez and Russell Harney, Associate Editor of the News and Courier.

"The News and Courier did not write an editorial on the issue, however," Harney said. Hollings said the law prohibits,* * *

I quote further:

But Harney said the material indicated the issue was more than the one case, Friedman mentioned, and he recognized that the restrictions on the Federal Trade Commission antitrust actions were of particular concern to Charleston city officials.

After looking into it further, Harney said, "I saw it as a precursor of the FTC continuing coming in here and talking about horse-drawn wagons. I felt that he (Friedman) had selected me because it (Charleston) is Hollings' hometown and it just disturbed me," Harney said. "I felt like we had been had."

"I felt like we had been had," I say to the Senator from New Hampshire.

Mr. President, there was no question in my mind as to what they were doing. Anyone, any sane, reasonable, and prudent person, can look at that and understand what they were doing.

This Senator has not talked to Mr. Harney or Mr. Wickenberg. I avoided doing that so there would not be any countercharge about influence, calling, or anything else.

I might say that I like the News & Courier, I say to the Senator from New Hampshire. They like me. But they love Senator THURMOND. Let us make that clear. We will take judicial notice.

I get along with them fine. They are very nice. They are fair, decent, responsible, with fine editorials. I like them and they like me, but they love Senator THURMOND. They will write most anything about him.

The body should take official notice that this action by the FTC was illegal and uncalled for.

Mr. President, if there be doubt in the distinguished Senator's mind, here is another memo that I ask unanimous consent to be printed in the RECORD.

There being no objection, the memorandum was ordered to printed in the RECORD, as follows:

[From the Federal Trade Commission]

Memo: Neal Friedman.
From: Janet Bass.
Re contact with Portland Oregonian.

I called the Portland Oregonian on Thursday, June 14 and spoke with Harold Hughes, acting editorial page editor.

I told him I was calling to discuss the recent full House and Senate Appropriations Subcommittee votes concerning the rider placed on the FTC's budget bill that would bar the agency from spending money on lawsuits against municipalities; more specifically, the administrative complaints against Minneapolis and New Orleans over their taxicab regulations. I explained that stopping an ongoing investigation is a precedent.

I said the FTC does not feel the appropriations committee is the proper jurisdiction to settle Congress' problem with the FTC action. A more appropriate committee would be the Judiciary Committee, which had just voted to prohibit the agency from seeking monetary relief from municipalities. I mentioned that the FTC is seeking only injunctive relief, not monetary relief.

I told Mr. Hughes that Senator Mark Hatfield, who sits on the Senate Appropriations Committee, voted for the rider to the FTC's appropriations bill and that the full Senate is scheduled to take up the matter next week.

This is an issue, I continued, that the paper's readers will be interested in, and may I send him some information concerning the issue. The editor was very anxious to receive the material.

Mr. HOLLINGS. This is a memo to Neal Friedman from Janet Bass concerning "Contact with Portland Oregonian." Now we have heard from the Senator from Portland, OR.

I called the Portland Oregonian on Thursday, June 14, and spoke with Harold Hughes, acting editorial page editor.

I told him I was calling to discuss the recent full House and Senate Appropriations Subcommittee votes.

Mr. President, statutory law says you should not be using this to influence votes. They just pleaded guilty to the charge here.

I said the FTC does not feel the Appropriations Committee is the proper jurisdiction.

Here they are, putting editorials out and feeding them back in on the Senate floor.

I told Mr. Hughes that Senator Mark Hatfield, who sits on his Senate Appropriations Committee, voted for the rider to the FTC's appropriations bill and that the full Senate is scheduled to take up the matter next week.

So they are going after the Hatfield vote.

Mr. RUDMAN. Mr. President, will the Senator yield?

Mr. HOLLINGS. I am delighted to yield.

Mr. RUDMAN. Mr. President, I say to my friend from South Carolina that I join him in outrage that bureaucrats paid by the Federal Government are attempting to influence this Congress to implement policies that they believe. I just agree completely. That ought to be looked into. I am glad the Senator raised the issue.

I do not believe the FTC or anybody else, whether that is a literal reading of the statute or not, has any business spending taxpayer money going around this country trying to turn various newspapers against Members of the Congress to do A, B, C, or whatever. I agree completely

However, I would only say to my friend from South Carolina that that may be true, and I agree with him, but I do not think it necessarily bears on the issue that we are debating here.

The Senator is probably as skilled a trial lawyer as I have ever met. The Senator has done an excellent job in getting us all kind of angry at the FTC. I think that is a good way of deflecting the issue.

If we have a vote here, we are not voting whether the FTC is good or bad, but whether or not they are doing what they ought to do. I want to be on the record as joining the Senator from South Carolina on what he has done. The issue that he has raised is important and I join in.

Mr. HOLLINGS. Mr. President, if the distinguished Senator is joining me, do not talk about deflection. I am not talking about deflection. I am pointing. I am charging, on the basis of this record of this particular case before the U.S. Senate. This has to do exactly with it.

Here is another one. I will cut them short.

This memorandum is from Dee Ellison to Neal Friedman, regarding "Telephone calls involving the taxi issue."

On June 4, I called editorial page editors of two newspapers at your request.

I spoke with: James W. Scott, editorial page editor of the Kansas City (Missouri) Star—

And—

Mr. John Lofton, editorial page writer of the St. Louis (Missouri) Post-Dispatch.

I also told the editorial page editors of the rider passed by the House on May 31 and said that the Senate Appropriations Committee would be considering the issue soon.

I noted that Senator Eagleton of Missouri was on the Senate Appropriations Subcommittee.

This is no deflection. You cannot say it has no bearing. It has every bearing on this matter.

I ask unanimous consent that this memorandum be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

FEDERAL TRADE COMMISSION,
Washington DC, June 18, 1984.

Memorandum to: Neal Friedman.
From: Dee Ellison.
Re telephone calls involving the taxi issue.

On June 4, I called editorial page editors of two newspapers at your request.

I spoke with:

James W. Scott, Editorial Page Editor of the Kansas City (Missouri) Star (he told me that the Kansas City Council has just voted to change their monitoring system with regard to taxis and that he was very interested in this issue); and

Mr. John Lofton, editorial page writer of the St. Louis (Missouri) Post-Dispatch (when I first called, Mr. Lofton was tied up and I spoke with Ms. Jan Kelly, a secretary, who asked me to send any materials I had. I did so, and reached Mr. Lofton by phone the next morning).

In each instance, I asked if they were aware of the complaints the Commission had issued because it had reason to believe Minneapolis and New Orleans had acted anticompetitively in the taxi industry. I also told the editorial page editors of the rider passed by the House on May 31 and said that the Senate Appropriations Committee would be considering the issue soon I pointed out that it is extraordinary for Congress to intervene once the FTC has brought a complaint. I noted that Senator Eagleton of Missouri was on the Senate Appropriations Subcommittee. Each person asked me to send whatever materials I had.

Mr. HOLLINGS. We can go on. Here is the next one, but I have already included in the RECORD. Calls are being made to newspapers. It was almost like a telephone bank that you use in political campaign.

In each case I identified myself as calling from the Federal Trade Commission's Office of Public Affairs in Washington, and said something similar to the following:

'I'd like to bring to your attention an issue I think you might be interested in. It concerns a vote on the FTC's appropriation which will be coming before the Senate (House) Appropriations Committee next week. As you know, of course, Senator (Congressmen) ——— sits on the Appropriations Committee.'

So they had a blanket approach to a bull's-eye group. Mr. President, you can look down all the papers. They have Senator CHILES. They went into Florida, to the Times Union, in an editorial.

I reminded them that Senator CHILES was on the committee.

Mr. President, in all of that, they were not informing the public of America.

They went to Senator SPECTER's newspapers in Pennsylvania. He is on the committee.

They went to Senator KASTEN, the Senator from Wisconsin, and Senator PROXMIRE.

Mr. President, you can go right down the list. They went into seven to nine communities of the membership on the committee solely from the record that they furnished. There were trying to influence the vote. That is now vicious they are on this particular score.

Mr. President, I think they have compromised themselves as an impartial body enforcing anything against a municipality. I am ashamed of them.

As our colleagues Congressmen DINGELL and FLORIO pointed out, with all the things that need to be done—we have been on to them to enforce the laws over there to protect the consumers—they have telephone banks, daisy chains, call-in editorial writers, targeted to the Senators on the Appropriations Committee and telling them about their votes.

We can look at that statute and we can look at the factual record and it is not to make people like or dislike. I think we have an affirmative duty in the U.S. Senate to make sure that each mayor does not have to go to his State capital against this kind of conduct. On the contrary, the majority committee view, which is my amendment, should prevail. The committee has looked at it, studied it, and recommends to the full body—as the House of Representatives does—that this amendment pass.

I yield the floor, Mr. President.

Mr. RUDMAN. Mr. President, I shall be very brief. I see my friend from Washington is here. I am going to yield to him in just a moment.

Let me simply say that the Senator from South Carolina has outlined some activities on the part of certain members of the Federal Trade Commission, which, from what he says, are probably improper. That does not mean that the issues that they were attempting to influence people about were improper or bad. It means that some people over there have some pretty poor judgment.

I just want to say that we now have in the Judiciary Committee bill on the Boulder case, given these cities, if this gets through the Congress, the freedom not to worry about damages. That is what they were concerned about, treble damages. We believe, unless we adopt this amendment, the right of Federal agencies to impose injunctive acts, if it is necessary, exists.

The most important point that ought to be in this record, that nobody ought to overlook, is that the State legislature—I shall say once more under the Boulder case—the State legislature may, by a simple action, confer total immunity—total immunity—on any and all of its municipalities and political subdivisions.

Therefore, it seems to me that what we have with the Hollings amendment is, to some extent, an intrusion into the rights of the FTC and the Department of Justice as they exist under law. What we have done with the Thurmond amendment is take care of the precise problem that the National League of Cities has been concerned about; that is, treble damages.

Finally, if they are really concerned about it, let their legislatures, as the Louisiana legislature recently did, I understand, pass immunity. Then there will be no jurisdiction whatsoever.

I yield the floor.

Mr. HOLLINGS. Mr. President, I yield myself just a second just to correct the record.

This is only an annual appropriation bill. This is not total immunity by any manner or means. Congress is going to have to work its will on this particular score, and I hope it will. I hope it will come through the Judiciary Committee.

As my colleagues know, the disposition of this Senator is, I hope it will give total immunity.

But it is not the Federal Trade Commission as it exists under the law, Mr. President, it is the Federal Trade Commission as it exists under outlaw.

I yield the floor.

Mr. GORTON. Mr. President, I have listened both with pleasure and with increasing outrage to the statements of the distinguished Senator from South Carolina about lobbying on the part of members of the Federal Trade Commission with respect to this legislation. I am, however, in agreement with the Senator from New Hampshire that our vote on this issue should be on our view on the policy issue and not the lobbying practices of the Federal Trade Commission.

I address a question the answer to which can come from either the Senator from New Hampshire or the Senator from South Carolina about the substantive nature of what we are going to vote on. This question arises out of a true-life, a hands-on experience of the largest community in the State of Washington with the deregulation of taxicab services.

I suppose, in distinction to the earlier speech by the Senator from Ohio this afternoon about the ill effects of monopoly, that this may well be a perfect example of the ill effects of unrestrained competition in a field in which competition does not work very well.

A year or two ago, the city of Seattle, King County, WA, deregulated taxicab service, both from the point of view of those who could provide the service and with respect to price. I may say to both of the Senators who are managing this bill that that experiment turned out to be an unmitigated disaster. Very rarely do customers of taxicabs lean into the cab when they have gotten one to determine what the price of the ride is going to be and whether there may be competitive service available. We had, I suppose, a few people who live in the community but far more tourists and students and the like take taxicabs from Seattle to the airport, only to find themselves charged $50, or $75, or $100 for that service, thereafter to be told that there was no governmental regulation of those fares and it is too bad that they were not aware of that proposition. They were simply subjected to those charges.

In other words, an experiment in a field like this, to which the American people have become accustomed to regulation, an experiment with total deregulation—at least with respect to fares—in my view, in our community, which is probably typical of medium to large cities in the country, was a complete failure. Whether it would be a failure with respect to entry into the taxicab business—that is to say, who can drive taxis under what circumstances and so on—I cannot say. My own inclination is to believe that competition in that respect may well be a good idea.

May I ask either of the managing Senators, first, what is the scope and the thrust of the Federal Trade Commission investigation which this amendment seeks to subvert? Is it general or has it been aimed only at entry or only at fares and the like?

Second, is the amendment of the Senator from South Carolina directed at taking the Federal Trade Commission out of everything relating to the regulation of local taxis?

Mr. HOLLINGS. The answer is yes, generally, on the first question; and everything, positively, on the second part of the question.

Mr. GORTON. If the Senator will yield, is it the position of the Federal Trade Commission, to the best of his knowledge, that local governments should not be permitted to control the fare structure of local taxi services?

Mr. HOLLINGS. That is right, Mr. President. The Federal Trade Commission feels that it has and it is a split decision, three to two.

Mr. RUDMAN. Mr. President, the Senator is correct. I just want to put one caveat to my friend from Washington. What the FTC is talking about is the right of setting rate floors. That is quite different from the whole question of regulated rates. To set rate floors is what they are particularly interested in because of what that implies in terms of the competitive market. So I do think there is some implication of the scope.

Mr. GORTON. The Federal Trade Commission, I ask my friend from New Hampshire, has no objection to the setting of rate ceilings?

Mr. RUDMAN. I believe the Senator is correct.

Mr. GORTON. Does the Senator from South Carolina agree with that?

(Mr. ARMSTRONG assumed the chair.)

Mr. HOLLINGS. I do not agree with that, Mr. President. I believe it is fundamental, with our President, Ronald Reagan, to get the Government off the backs of the people of America, and more particularly, the bureaucracy—unelected, unaccountable to any constituency—off the backs of the city mayors who are elected and do have a constituency and are accountable. All of these problems, whether you try to particularize as to fares, to routes, to monopoly—all of that comes out in these local elections and the local people are best to control their own local affairs. That is what this amendment does.

I did not even want to get into the merits of it. I have a big file in here to argue the specific taxi case that I got from the Federal Trade Commission because they have had some hearings. I think that is what is really the mistake of this particular venture: Here we in Washington, now, are going to take on, in whatever community the FTC has in mind—can you see us sitting around up here, particularly the Federal Trade Commission with its limited funds? We have had a particularly difficult time with the Federal Trade Commission doing its job.

We have been allocating different things to it. If you can remember, we got involved with respect to automobiles, funeral homes, all of the different things with riders on them. And this chairman of the State-Justice-Commerce has resisted any of the riders on the bills. It is overwhelmingly grounded in merit. As a result of the letter to the chairman over there, Congressman DINGELL and Congressman FLORIO said they are opposed: Make no mistake, Federal trade commissioners, here are the duties that you are not doing; and there is not enough money in the Federal Treasury for you to have hearings and determine as indicated as to limits on rates, routes, service for the poor, lifeline for senior citizens. All of those things go into a local decision, as we well know, and are best made at the local level.

Mr. RUDMAN. If the Senator will yield for a moment, the best evidence sometimes is the actual matter before us, and I happen to have it in my hand. Rather than talk in generalities, I think I will answer the Senator very specifically—and I think I am correct in what I originally said in my answer to the Senator from Washington—what they have said in their case, in the matter of the city of Minneapolis, which is, of course, one of the significant cases—and I see my friend from Minnesota perked up his ears when I mentioned Minneapolis—the fact is that they are talking about raising, fixing, stabilizing, maintaining, or otherwise interfering or tampering with rates charged for taxicab service, depriving interests and intrastate consumers of taxicab service in and from Minneapolis of the benefits of free and open competition. In the papers that have been filed, you will find they refer to rate floors. I think that the FTC, for all it can be charged with, cannot be charged with attempting to go in and totally deregulate. I do not think that is what they have been trying to do. They have been trying to get rid of some anticompetitive factors.

Mr. GORTON. With all due respect to the Senator from New Hampshire, I think he had my vote until he read the article. It sounds to me like what the Federal Trade Commission is demanding is a total deregulation of taxicab rates, by what he read. And if that is the case, I stand here as witness to the fact that it does not work.

Mr. RUDMAN. At any rate, I will give this to the Senator from Washington, who is a very able lawyer, and he can draw his own conclusion.

Mr. GORTON. I thank my friend.

Mr. JOHNSTON. Mr. President, I strongly support the amendment introduced by my distinguished colleague from South Carolina in limiting the ability of the FTC and the Justice Department to challenge regulatory actions by cities in fiscal year 1985. More importantly, I support efforts to restrict the recent action by the FTC to deregulate the taxicab industry by limiting city regulation in Minneapolis and New Orleans under the antitrust laws.

The city of New Orleans has for many years engaged in a comprehensive and coherent system of regulation of the entire for-hire passenger-motor-vehicle industry, which includes tour buses, limousines, and sightseeing buses, as well as taxicabs.

New Orleans has endeavored to promote and protect the health, safety, and welfare of its citizens and of the millions of tourists each year who visit the city.

The FTC, in its complaint against the city of New Orleans, seeks total deregulation of taxicab fares. If the FTC is successful, New Orleans would thus be denied both the authority needed to prevent price gouging as well as other regulatory powers it has long exercised.

The FTC alleges in its complaint that the city has combined, contracted, or agreed with taxicab companies to set taxicab fares to the detriment of the consumer. This is simply not true. Even the FTC's own data disputes that claim. In the FTC's ranking of the price of a 3-mile taxicab ride in 32 cities, New Orleans is ranked 17th, with a fare of $3.70.

Moreover, the FTC has reported that it considers San Diego and Seattle to be models of successful deregulation, yet the same 3-mile ride in San Diego would cost $4.60, and in Seattle, $4.40, both higher than the New Orleans rate.

Therefore the FTC's own data confirms that the city of New Orleans provides more taxicabs, at lower fares, than either of the FTC's premier examples of deregulation, that is, San Diego and Seattle.

The FTC's actions, if successful, would have the worst effect on the transportation disadvantaged, the poor, the elderly, and the handicapped, who have no alternatives to taxicab services. The attempts of the city of New Orleans to protect the transportation disadvantaged are under attack by the FTC.

While treading lightly on mergers and acquisitions by large corporations, it is surprising that the FTC has chosen to focus part of its antitrust efforts on purely local concerns such as the taxicab industries in New Orleans and Minneapolis.

The city of New Orleans currently regulates the taxicab industry in order to provide efficient service at reasonable rates to both its citizens and visitors. The FTC seeks to subvert the comprehensive system of regulation, long in place in the city of New Orleans, and to replace it with no regulatory system at all which statistics and experience demonstrate could create chaos where order now exists.

I strongly urge my Senate colleagues to adopt this most important amendment.

Mr. BOSCHWITZ. Mr. President, I am pleased that the Senate has been able to move forward on Senator THURMOND's bill (S. 1578) limiting the liability of local governments under antitrust laws. Although the amendment that passed is not as broad as the bill Senator THURMOND introduced originally, it offers important protection for local governments. The Federal Government and private parties will still be able to sue for injunctive relief in antitrust actions, but the local governments would not be open to paying treble damages.

I also support Senator HOLLINGS amendment to prohibit funds under this appropriations bill from being used to engage in antitrust actions against local governments, such as the actions filed recently by the Federal Trade Commission against the cities of Minneapolis and New Orleans challenging authority to regulate taxicabs. My purpose is not to defend or condemn Minneapolis' regulation of taxicabs, in my opinion that is a political decision to be made by the voters and councilmen in Minneapolis, not by the bureaucrats in Washington.

Senator THURMOND's bill, offered as an amendment by Senator RUDMAN, is a step in the right direction. I am convinced that step would not have been taken this year if the language restricting appropriations for pursuing antitrust actions against local governments had not been offered. I wrote Senator LAXALT as chairman of the Commerce, Justice, State Subcommittee more than a month ago and asked that the funding restriction amendment be included in the appropriations bill. That amendment was a catalyst that got Senator THURMOND's bill moving. However, I still think more needs to be done. My objection is to the Federal Government using its time and resources to harass local governments. The argument has been made that the State can prevent cities in the State from being sued by giving them immunity from antitrust suits. But, the fact remains that the Federal Government is suing local governments and interfering with their political process and decisionmaking. That is not an appropriate role for the Federal Government. So, I supported Senator THURMOND's bill and will support Senator HOLLING's amendment.

Mr. HOLLINGS. Mr. President, I ask for the yeas and nays on the amendment

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Hollings amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Idaho [Mr. McCLURE] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 36, nays 63, as follows:

[Rollcall Vote No. 181 Leg.]

YEAS—36

Abdnor
Bentsen
Boren
Boschwitz
Bumpers
Burdick
Byrd
Chiles
D'Amato
DeConcini
Dixon
Dodd
Exon
Ford
Hart
Hatfield
Heflin
Hollings
Huddleston
Inouye
Johnston
Laxalt
Levin
Long
Mathias
Matsunaga
Melcher
Moynihan
Nunn
Pell
Pryor
Randolph
Sarbanes
Sasser
Stennis
Zorinsky

NAYS—63

Andrews
Armstrong
Baker
Baucus
Biden
Bingaman
Bradley
Chafee
Cochran
Cohen
Cranston
Danforth
Denton
Dole
Domenici
Durenberger
Eagleton
East
Evans
Garn
Glenn
Goldwater
Gorton
Grassley
Hatch
Hawkins
Hecht
Heinz
Helms
Humphrey
Jepsen
Kassebaum
Kasten
Kennedy
Lautenberg
Leahy
Lugar
Mattingly
Metzenbaum
Mitchell
Murkowski
Nickles
Packwood
Percy
Pressler
Proxmire
Quayle
Riegle
Roth
Rudman
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Tower
Trible
Tsongas
Wallop
Warner
Weicker
Wilson

NOT VOTING—1

McClure

So the amendment (No. 3351) was rejected.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire has the floor and is recognized.

The Senator may proceed.

Mr. RUDMAN. I thank the President, and I yield to my distinguished friend from South Carolina.

Mr. THURMOND. Mr. President, I take this opportunity to commend the able and distinguished Senator from New Hampshire for the great job that he has done on this bill. I am confident that the action of the Senate today is the wise, sound course. It will preserve the rights of the States in this matter and we are very pleased that the vote turned out as it did.

We express our appreciation to the able Senator from New Hampshire.

Mr. HOLLINGS. Mr. President, will the Senator yield?

Mr. RUDMAN. I yield.

Mr. HOLLINGS. Mr. President, I wish the RECORD to show, because I have been asked the questions, that it is not my particular function to lobby the bill, but over on the other side the committee supported this provision. Actually the amendment just voted down is a committee amendment that appears later in the bill. So it is in the bill now.

I wish the RECORD to show as a result of all the confusion down here in the well, the so-called Hollings amendment was an attempt on behalf of the managers of the bill to present the majority committee amendment for the Appropriations Committee.

I think a lot of Senators voted on that particular point in the mistaken knowledge thinking they were voting for the committee amendment when they voted no.

Mr. RUDMAN. Mr. President, I wish to respond to my friend from South Carolina that I think it was fairly clear on our side that there was no reference on this to this being the committee position. It was listed as myself, Senator THURMOND, the Justice Department, Senator GORTON and also indicated Senator HOLLINGS position on that same card. So I do not think anyone on our side misunderstood what they were voting on.

Mr. President, for Senators' information, we now plan to accept three or four amendments since those Senators are now on the floor. We then intend to go to a debate involving the National Endowment for Democracy which, I believe, will take about an hour or an hour and a half. That will have at least probably one or two rollcall votes. Once that is concluded, then the committee will be ready to wind up the bill. I thought Members might want to have that information.

Mr. President, I ask unanimous consent that we temporarily lay aside the pending committee amendment so we may proceed out of order.

The PRESIDING OFFICER. Is there objection?

Mr. RUDMAN. Mr. President, a parliamentary inquiry. Is the Senator from New Hampshire correct that there is still a pending committee amendment?

The PRESIDING OFFICER. The Senator is correct. The business before the Senate is the committee amendment, as amended.

Mr. RUDMAN. Is the Senator from New Hampshire correct that unanimous consent must be obtained to lay that aside to proceed out of order to another amendment?

The PRESIDING OFFICER. The managers acting jointly have authority to set aside the committee amendment.

Mr. RUDMAN. We are then going to set aside that amendment. That does not require unanimous consent, is the Senator from New Hampshire correct?

The PRESIDING OFFICER. Unanimous consent has been granted to the managers to lay the committee amendment aside.

Mr. RUDMAN. Under the previous order?

The PRESIDING OFFICER. Under the previous order.

Mr. RUDMAN. I thank the Chair for clarifying that situation.

I yield the floor to the Senator from Wisconsin, Senator KASTEN.

Mr. SARBANES. Mr. President, will the manager yield for a question?

Mr. RUDMAN. I am delighted to yield.

Mr. SARBANES. Does the manager have a unanimous order that allows them to lay aside the committee amendment and designate who then is to offer an amendment?

Mr. RUDMAN. I would say the answer to that is certainly not. We had, I say to my friend from Maryland, attempted to expedite the business of the Senate to get people out of there at a reasonable hour and a number of Senators had come to me and asked if they could be heard. If I have not considered a request of the Senator from Maryland, I certainly apologize. I thought that everyone understood that Senators wished to be recognized.

Mr. SARBANES. I just want to know what the procedure is. Are we now in a situation in which, in effect Members wishing to offer an amendment or to be recognized must go through the manager of the bill because the manager of the bill has a unanimous consent request that gives him that degree of control over the proceedings on the floor?

Mr. RUDMAN. The Senator from Maryland, of course, knows that that is not even permissible under the rules. We are simply trying to go in order with those amendments which the committee is going to accept on both sides of the aisle. Obviously, the Senator can seek recognition in his own right.

Mr. SARBANES. How does one get it if the amendment has to be laid aside on the basis of the request of the manager of the bill?

Mr. RUDMAN. I suggest the Senator make a parliamentary inquiry there.

Mr. SARBANES. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. SARBANES. Is it possible for a Member to offer an amendment simply by seeking recognition of the Chair, or must the managers of the bill lay aside the pending amendment?

The PRESIDING OFFICER. The Chair will advise the Senator that under the rules the committee amendment must be considered and disposed of before other amendments can be taken up but that, of course, it would be in order to offer an amendment to the committee amendment.

Mr. SARBANES. What is the nature of the unanimous consent that has been granted under which the Senate is now proceeding?

The PRESIDING OFFICER. The managers have been given unanimous consent to lay aside temporarily the committee amendment.

Mr. SARBANES. In perpetuity, or just on this one occasion?

The PRESIDING OFFICER. The managers have been granted joint authority to lay aside the committee amendment at any time.

Mr. SARBANES. And upon the disposition of an amendment for which the committee amendment is laid aside, does the committee amendment then recur?

The PRESIDING OFFICER. The Chair would point out that the authority granted to the managers is to lay aside the committee amendment, not to call up other amendments. Once the committee amendment has been laid aside, any Senator might seek recognition for the purpose of offering an amendment or for other purposes.

Mr. SARBANES. And once that amendment is disposed of, does the committee amendment then recur?

The PRESIDING OFFICER. The Senator is correct.

Mr. SARBANES. And it is then necessary for the managers to lay it aside again in order for a Member to offer an amendment?

The PRESIDING OFFICER. Unless a Senator would wish to offer an amendment to the committee amendment.

Mr. SARBANES. I thank the Chair.

Mr. RUDMAN. Mr. President, I believe there are now a number of Senators who have indicated to me they were going to seek recognition. I invite them to do so.

AMENDMENT NO. 3352

(Purpose: To requiring the President to submit a report on all U.S. appropriated funds provided to the United States)

Mr. KASTEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Wisconsin [Mr. KASTEN], for himself and Mr. NICKLES, proposes an amendment numbered 3352.

Mr. KASTEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

At the appropriate place in the bill insert the following new language:

SEC. . Not later than March 31, 1985, the President shall transmit to the Speaker of the House of Representatives and the President of the Senate a full and complete report detailing the amount and source of appropriated funds, directly or indirectly, which are provided to the United Nations and its specialized agencies by the United States during the calendar year 1984.

Mr. KASTEN. Mr. President, the amendment I am offering is an attempt to get a complete accounting of all U.S. Government funds which are provided to the United Nations and its specialized agencies.

This bill contains an accounting of those funds which we provide to the United Nations and some of the specialized agencies via the so-called assessed contributions, whereas the foreign assistance bill, which comes under the jurisdiction of the Foreign Operations Appropriations Subcommittee, which I chair, provides an accounting of all voluntary contributions. In addition to these funds, I have found from time to time that other sums from sources are provided to the United Nations. For example, the Agriculture Department may provide funding of technical assistance or personnel support for food or agricultural related conferences, or HUD might fund technical assistance or personnel support on U.N. conferences relating to housing. The point is that right now we cannot get an accurate answer to the question: "What is the total amount of U.S. funding which goes to the United Nations or its specialized agencies?" The figure that is usually given is simply the total in this and the foreign operations bills, and that is not correct. My amendment makes an attempt to at least on a one-time basis get a full accounting of such funding so that we can finally have an accurate picture of the extent to which the United States supports United Nations activities.

I believe this is a rather noncontroversial amendment, which I hope the managers of the bill can support.

Mr. NICKLES. Mr. President, I am pleased to cosponsor this amendment offered by my good friend, Mr. KASTEN, who has demonstrated excellent leadership in attempting to control the growth of spending by the United States for the United Nations.

The Senator from Wisconsin has given many speeches on the floor of this body pointing out the fallacies that presently exist in the operations of the many organizations in the United Nations. The first "Report to Congress on Voting Practices in the United Nations," initiated by an amendment by Mr. KASTEN to the Department of State authorization last year, has pointed out the discrepancies in the policies of many member nations toward the United States.

Another section of the State authorization legislation, mandated by my amendment, calls for an examination of the extent and levels of U.S. financial contributions. This report will be forthcoming in the near future but will probably not cover the scope of contributions beyond the assessed and voluntary contributions to the United Nations by the United States.

The U.S. contribution to the regular operating budget for the United Nations has grown from $63 million in 1974 to over $200 million in 1982; the International Labor Organization from $11 million in 1974 to over $30 million in 1982; and Unesco has grown from $22 million in 1974 to $69 million in 1982. These are expenses readily available but many other contributions are fairly well unknown making it nearly impossible to ascertain the total U.S. spending to the U.N. budget.

This amendment, emphasizing the need for an accurate accounting of all moneys going to any activities sponsored by the United Nations, will continue to demonstrate the concern by many in the Congress to control the financial contributions to the United Nations by the United States.

I urge my colleagues to support this amendment to the fiscal year 1985 appropriations for the Department of State. Again, I thank the Senator from Wisconsin for his leadership in this issue.

Mr. KASTEN. Mr. President, I ask unanimous consent to add the Senator from Oklahoma [Mr. NICKLES] as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, the Senator from Oklahoma will be added as a cosponsor of the amendment.

Mr. RUDMAN. Mr. President, this amendment offered by the Senator from Wisconsin has been cleared on both sides. I do not see Senator HOLLINGS on the floor, but I do know this had been cleared on both sides. I move the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is agreeing to the amendment of the Senator from Wisconsin [Mr. KASTEN].

The amendment (No. 3353) was agreed to.

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question recurs on the committee amendment.

Mr. GORTON. Mr. President, I ask the manager to lay aside the committee amendment, if he will, so I may introduce an amendment. As a matter of fact, I will ask him to lay it aside so I may introduce two consecutive amendments.

Mr. RUDMAN. Mr. President, I believe it would be in order, before proceeding to what the Senator from Washington has just asked, to have action on the second committee amendment, as amended by the recent rollcall vote; am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. RUDMAN. Mr. President, I would then move the adoption of the second committee amendment, as amended.

The PRESIDING OFFICER. Is there further debate on the committee amendment?

Mr. RUDMAN. Mr. President, would the Chair please withhold?

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RUDMAN. Mr. President, I renew my previous request.

The PRESIDING OFFICER. Is there further debate on the second committee amendment? If not, the question is on agreeing to the committee amendment.

The second excepted committee amendment, as amended, was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. I thank the Chair.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. RUDMAN. Mr. President, I move to lay aside the pending committee amendment for purposes of an amendment to be offered by the Senator from Washington.

The PRESIDING OFFICER. The manager has that authority. The pending committee amendment is laid aside.

The Senator from Washington is recognized.

AMENDMENT NO. 3353

Mr. GORTON. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Washington [Mr. GORTON] proposes an amendment numbered 3353.

At the appropriate place in the bill, insert the following new language: "None of the funds appropriated or made available by this Act may be used to enforce or give effect to any restriction on the export of unprocessed western red cedar harvested from state lands pursuant to a harvesting contract entered into prior to October 1, 1979."

Mr. GORTON. Mr. President, I rise to offer an amendment to clarify that it remains the intent of Congress that certain contracts to export timber continue to be "grandfathered," that is, not subject to the prohibition on such exports contained in the Export Administration Act. I believe this amendment has been cleared on both sides, and is noncontroversial, but a bit of history may clarify the situation for those Senators unfamiliar with this issue.

In 1979 we passed the Export Administration Act. Section 7 of that act—the so-called short supply section—prohibited the export of western red cedar harvested from State or Federal lands. Subsequent to the passage of that act, the prime sponsor of the red cedar provision in the House came forward with a grandfather language which preserved the right of harvesters to sell abroad that lumber for which contracts to harvest had been in place prior to the passage of the Export Administration Act, and this grandfather language was inserted into the fiscal 1981 State-Commerce-Justice appropriation bill. It was also continued in the 1982 and 1983 continuing resolutions.

This Congress, both the House and the Senate passed amendments to the Export Administration Act which makes that grandfather language permanent. Those amendments are now in conference, and although I hope and expect that we will get final action on these amendments before the end of the session, prudence dictates that we be prepared for the possibility that we will fail in this effort. Although the Commerce Department is at present continuing to issue the necessary export licenses, on the ground that congressional intent is clear in the pending Export Administration Act amendments, they would be without a clear expression of congressional intent should those amendments fail to pass this session.

Again, then, this amendment is narrowly drawn, and simply indicates that it remains the intent of Congress, as it has been for the past 4 years, that timber harvested under a contract which existed prior to October 1, 1979, continue to be grandfathered from the export prohibitions on timber contained in the Export Administration Act.

Mr. RUDMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. RUDMAN. Mr. President, the Senator from Washington has accurately described the amendment that he offers. It has been cleared on both sides. We are prepared to accept the amendment.

I ask my friend from South Carolina if he wishes to comment on it.

Mr. HOLLINGS. Mr. President, we accept the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Washington [Mr. GORTON].

The amendment (No. 3353) was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3354

(Purpose: Add provision relating to certain disaster assistance)

Mr. GORTON. Mr. President, do I have the right to offer another amendment?

Mr. RUDMAN. Mr. President, the floor manager has the authority to grant laying aside the pending amendment.

Mr. GORTON. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON], for himself and Mr. HATFIELD, Mr. PACKWOOD, Mr. EVANS, Mr. WILSON, and Mr. CRANSTON, proposes amendment No. 3354

Mr. GORTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

SEC. . (a) For purposes of paragraph (2) of section 7(b) of the Small Business Act (15 U.S.C. 636(b)), the Administrator of the Small Business Administration shall, with respect to small business concerns involved in the fishing industry, treat the recent El-Nino-related ocean conditions as a disaster to which such paragraph applies.

(b) For purposes of subsection (a)—

(1) the term "recent El Nino-related ocean conditions" means the ocean conditions (including high water temperatures, scarcity of prey, and absence of normal upwellings)—

(A) which occurred in the eastern Pacific Ocean off the west coast of the North American Continent during the period beginning with June 1982 and ending at the close of December 1983, and

(B) which resulted from the climatic conditions occurring in the Equatorial Pacific during 1982 and 1983;

(2) the term "fishing industry" means any trade or business involved in—

(A) the catching, taking, or harvesting of fish (whether or not sold on a commercial basis),

(B) any operation at sea or on land, in preparation for, or substantially dependent upon, the catching, taking, or harvesting of fish, and

(C) the processing or canning of fish (including storage, refrigeration, and transportation of fish before processing or canning); and

(3) the term "fish" means finfish, mollusks, crustaceans, and all other forms of marine animal and plant life other than marine mammals and birds.

Mr. GORTON. Mr. President, the last 3 years the Pacific coast experienced an unusual combination of ocean and weather conditions known as El Nino, that has devastated the fishing industry. El Nino is characterized by warmer ocean temperatures and intense atmospheric effects. The warmer waters inhibit the normal upwelling process which brings nutrient rich colder waters from the ocean depths. Upwelling areas, like those of the west coast, provide the organic production base for nearly one-half of the world's fish.

Mr. President, the effect of that disaster on fishermen all up and down the west coast was truly disastrous, perhaps the worst disaster in the last several decades.

On my behalf, and in behalf of the junior Senator from Washington [Mr. EVANS], together with four Senators representing Oregon and California, I have introduced this amendment to make those fishermen eligible for small business disaster loans from the Small Business Administration.

This amendment does not add to the overall authority of the Small Business Administration, and it is the intent that this amendment see to it that all applications be made in 120 days, dealt with promptly, and that the program not be a permanent one.

The National Marine Fisheries Services, in the Department of Commerce, directly attributed the failure of west coast fisheries in 1982-83 to El Nino, which it categorized as the worst such fisheries disruption in 50 years. The damage to the fishing industry in Washington State was staggering. For example:

In Jefferson County, the average salmon catch for the 5 years prior to El Nino was $11,500 per permit, but in 1982-83 it sank to just $138 per permit.

In Skagit County, the salmon catch was reduced by 80 percent in 1982-83, and parts of Clallum County saw their salmon catch reduced as much as 90 percent for the period.

A statewide survey of fishing income found that from 1978 to 1982 the average fishing income was $13, 250 per year, but in 1983 it was just $1,318.

The Governors of Washington, Oregon, and California all declared their States disaster areas, as required by law, for the purpose of receiving loan assistance from the SBA. All three Governors petitioned the SBA for loan certification and were turned down.

There have been a number of comparable physical occurences with disasterous economic effects that have qualified for SBA physical disaster loan funding. Just this spring the SBA approved loans to North Dakota farmers who lost sheep due to the cold weather and winter blizzards—somewhat analagous to warm water destroying the fisheries catch. The SBA has also approved loans for California storm damage resulting from El Nino-created weather conditions, and for economic injury that Midwest farmers incurred as a result of droughts. Some of these situations had a fairly attenuated connection to a physical disaster. Indeed El Nino may have been more unforeseeable and unavoidable than any of these disasters; you can seed clouds to try to save crops; you can shelter sheep to save them from the scourge of winter—but we cannot dump ice in the Pacific to save the fish, we had no preventative measures available.

Given this background it is frustrating that we have been unable to get assistance for the fishing industry. But in light of the fact that the United States has sent approximately $100 million in aid to South America for El Nino disaster relief, while refusing to acknowledge that our own fishing industry has suffered significant economic damage from El Nino, such a denial seems incomprehensible.

The House included El Nino disaster loan authorization in its SBA authorization bill, but that legislation is hopelessly deadlocked in conference over other issues, and the fisherman need the loans immediately.

This amendment declares that El Nino conditions which existed between June 1982 and December 1983 constitute a physical disaster for purposes of the SBA program. This provision does not create any new appropriations, entitlements or even grant assistance under the existing program. It simply allows the fishing industry to apply for aid from the existing loan pool. The fishing industry will be subject to the same restrictions and limitations as other industries that suffer disaster related damages. The SBA will still have strong authority to review, and deny, individual loan applications. The fisherman only seek access to the same loan pool as the victims of floods, droughts, hurricanes, blizzards, and other disasters that adversely affect local economies.

The amendment is carefully designed to ensure that it does not become an entitlement for industry. The fisherman must demonstrate an ability to repay the loans, and demonstrate that their injury is directly attributable to El Nino. Businesses with only a peripheral relationship to fishing will not be eligible for the loans.

It is the intent of this amendment that the SBA take immediate steps to implement this program, and that it provide a minimum of 120 days from the date of enactment for El Nino victims to file applications for these loans. West coast fisherman are in desperate straits, and it is essential that we expedite this loan process.

Mr. HATFIELD. Mr. President, I am pleased to join my colleagues, Senators GORTON, EVANS, and PACKWOOD, in the introduction of this amendment to the Departments of Commerce, Justice, State, and Judiciary appropriations bill. As you know, the proposed amendment will expand the eligibility for disaster assistance to include the beleaguered west coast fishing industry which has been severely impacted by the El Nino phenomenon.

This unexplained warming of the Pacific Ocean currents has resulted in weather conditions which have had a devastating impact on the fishing industry on the west coast. For example, in Oregon the catch of salmon is down by 65 percent from the normal levels, the shrimp harvest is down 67 percent, and the crab catch is off by 37 percent. It is critical that these fishermen be afforded the opportunity to apply for low-interest disaster assistance loans from the Small Business Administration. The amendment that we introduce today declares very simply that the El Nino conditions which existed during the period of June 1982 to December 1983 be treated as a disaster under the Small Business Administration Program. This amendment already has been considered and adopted by the House of Representatives.

Mr. President, qualification for application under this program is no guarantee that the loans will be granted. However, it does provide an opportunity to be considered for eligibility. This brings me to my key point, that is the bureaucratic structure should be sensitive to the changing needs of the communities they are chartered to serve. I was tremendously disappointed at the unwillingness of the SBA to respond to the problems within the fishing industry as a result of the recent El Nino-related ocean conditions. Providing SBA eligibility to fishermen will open the only door for Federal assistance to cover losses caused by this natural disaster.

The economic situation which plagues fishermen in Oregon certainly will not be cured by this eligibility for disaster relief. However, it is an important act of good faith, by what is often perceived as an insensitive bureaucratic monster. This is no panacea, but a ray of hope in the all-too-often darkness of the bureaucratic process. Certainly, if we can provide $98 million through the Agency for International Development to Peru, Ecuador, and Bolivia in recognition of the economic impact of El Nino, we also must recognize El Nino as a natural disaster for the U.S. fishermen.

Mr. WEICKER. Mr. President, the amendment offered by Senator GORTON would require SBA to treat the damage caused to the fishing industry between June 1982 and December 30, 1983, resulting from El Nino-related ocean conditions in the Pacific Ocean off the west coast, as a disaster for purposes of determining eligibility under SBA's Economic Injury Disaster Loan Program. I understand the devastation to the fishing industry caused by El Nino and the rationale for defining El Nino as a disaster because of the great numbers of fish displaced by these unusual ecological conditions. However, I am concerned about the impact of this amendment and want to make sure that all of its ramifications are understood. The Economic Injury Disaster Loan Program is clearly a lending program; all loans made under this program must be repaid and only applicants who can show a "reasonable ability to repay" will be eligible for assistance. Do you agree, Senator GORTON, that this amendment would simply make qualified applicants eligible for this loan program and that injured parties receiving loans must have the ability to repay them?

Mr. GORTON. Exactly, Senator WEICKER, that is and was my intent in offering this amendment.

Mr. WEICKER. Senator GORTON, I am also concerned, under your amendment, about the types of businesses your amendment would permit to receive loan assistance. Do you intend, for example, that motels, field distributors, and other peripheral businesses would qualify for assistance?

Mr. GORTON. Senator WEICKER, my intent is that only the fishing industry and businesses substantially dependent upon the fishing industry, such as fish processors, canners, and those involved in the storage, refrigeration, and transportation of the catch would be eligible.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

Mr. RUDMAN. Mr. President, will the Senator yield?

Mr. MITCHELL. I yield.

Mr. RUDMAN. Mr. President, it is my understanding that the amendment of the Senator from Washington is the second amendment now pending at the desk.

Mr. GORTON. Mr. President, the Senator is correct.

Mr. RUDMAN. With no action taken?

Mr. GORTON. With no action taken.

Mr. RUDMAN. Mr. President, if the Senator will yield, that amendment has been cleared on both sides. The statement of the Senator from Washington is quite accurate in every detail.

Is my friend from South Carolina ready to proceed?

Mr. HOLLINGS. Mr. President, we are ready to accept it.

Mr. EVANS addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. EVANS. Mr. President, I wish to join my colleagues in offering this amendment to allow the fishing industry and related small businesses affected by the unusual ocean condition known as El Nino to apply for disaster relief loans administered by the Small Business Administration.

The fishing industry along the Pacific coast has suffered substantial and unrecoverable losses due to El Nino. Fishery resources on which this industry depends have simply failed to return; catch levels in 1983 of salmon, crab, and other species were as much as 90 percent below normal annual levels. The average income of Washington State fishermen has plummeted and entire communities have suffered.

This amendment requires the Small Business Administration to treat El Nino as a disaster for the purposes of the Small Business Act disaster relief loans. Applications submitted by affected businesses will be considered pursuant to the guidelines and regulations established by the SBA. This amendment is simply a responsible and cost-effective remedy for the devastated economies of our coastal communities.

I thank my colleagues for the opportunity to address this matter of great importance.

Mr. RUDMAN. I move the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Washington [Mr. GORTON].

The amendment (No. 3354) was agreed to.

Mr. GORTON. I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GORTON. I thank the Senator from New Hampshire.

AMENDMENT NO. 3355

(Purpose: To prohibit funds to be used to transfer certain real property located in the State of Maine, except under certain condition)

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Mr. MITCHELL. Mr. President, under the authority previously granted, I ask unanimous consent to lay aside the previous amendment for the purpose of considering the amendment which I am about to offer.

Mr. RUDMAN. Mr. President, the floor manager has the authority under the original order to lay aside the pending amendment.

The PRESIDING OFFICER. The Senator from Maine.

Mr. MITCHELL. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine (Mr. MITCHELL), for himself and Mr. COHEN, proposes an amendment numbered 3355.

Mr. MITCHELL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows.

On page 12, insert between lines 8 and 9 the following:

SEC. 104. No funds in this Act, or any other Act, may be used within two years after the date of enactment of this Act, to transfer title to the parcel of real property located on McKown Point, West Boothbay Harbor, Maine (General Services Administration control number 1314-30174-23), unless such transfer is to the State of Maine, and contains conditions and use restrictions similar to those in the transfer of the adjacent parcel of real property on September 26, 1978 (General Services Administration control number 1314-30174-23-015-0800).

Mr. MITCHELL. Mr. President, this amendment relates to the transfer of 1.4 acres of federally owned real property located adjacent to the West Boothbay Harbor Laboratory, a marine biological research center operated by the State of Maine. This additional land would be used as additional facility space by the State of Maine.

Prior to 1974, the Department of Commerce owned two pieces of property. The larger—7.1 acres—piece was transferred to the State in 1978 on the condition that it be fully utilized as a marine research center. There is a strong Federal interest in continuing scientific use of the facilities as there is a strong State interest.

The laboratory has continued to dedicate itself to service through research and to concern itself with marine species and marine ecosystems that will provide information necessary to manage the commercial and recreational fisheries of the State's territorial waters. This is the only major fisheries research laboratory in the United States that is located in the Gulf of Maine.

The Department of Commerce would now like to dispose of the smaller, adjoining—1.4 acre—piece of property. The State of Maine would like to acquire this land on terms similar to the 1975 agreement between the Maine delegation and General Services Administration [GSA].

The inability of the State to acquire the property would severely limit the State's ability to expand its marine research programs in response to increasing demands, or to do so only by acquiring additional property at exorbitant expense to the State.

The pending amendment will facilitate the transfer which I have described. I have cleared this language on both sides of the aisle and understand that the amendment is acceptable to the managers of the bill. I ask for its adoption.

● Mr. COHEN. Mr. President, the amendment that my colleague Senator MITCHELL and I are offering today will provide the State of Maine with the opportunity to purchase from the Department of Commerce a 1.4-acre parcel of property which is important to the State's and to the Federal Government's marine research efforts in the Gulf of Maine.

For more than 40 years, Maine and the Federal Government have jointly carried on fisheries and other marine research on McKown Point, in West Boothbay Harbor, where this property is located.

In 1978, under an agreement which is identical to that which we are proposing today, the State of Maine acquired an adjacent 7.1-acre parcel from the Department of Commerce with the stipulation that the property be used only for the continuation of marine research. Since that time, the State has met that requirement and its marine research needs have increased.

Now that the Department of Commerce intends to sell its last holdings at the Boothbay Harbor complex, both the Governor and the Department of Marine Resources of the State of Maine have demonstrated to me their strong interest in acquiring title to this piece of property.

Maine intends to acquire this property under terms that will be determined in the future by the General Services Administration.

Both the State of Maine and the Federal Government will benefit from this transfer because it will allow for the continuation of a strong partnership of interest that we all share in better understanding, conserving, and managing our marine resources.

This amendment will help to ensure this tranfer and I ask for its immediate adoption.

Mr. President, I ask that a recent letter that I have received from Gov. Joseph Brennan be inserted in the RECORD.

The letter follows:

STATE OF MAINE,
OFFICE OF THE GOVERNOR,
Augusta, ME, June 20, 1984.
Mr. JACK L. COURTEMANCHE,
Administrator, General Services Administration, GSA Building, Washington, DC.

DEAR MR. COURTEMANCHE: I understand that the National Marine Fisheries Service (NMFS), Department of Commerce, is considering disposal of the property known as the "Welch House" on McKown Point, West Boothbay Harbor, Maine 04575, formerly part of the federal property tranferred to the State of Maine in 1978.

The State of Maine has a special interest in that property and I, therefore, urge you to provide the state government with the opportunity for first refusal if NMFS does, indeed, decide to dispose of the property.

I wish to outline the nature of Maine's special interest in the property for your consideration. From 1939 until 1974 the federal government and the State of Maine jointly carried on fisheries and marine research on McKown Point. During part of that period fisheries research was carried on at the property in question. In 1974 the federal government terminated its activities at the site and in 1978 turned over all property (with the exception of the property in question) to the State with the explicit understanding that the property be fully utilized for the continuation of marine research. We have met that commitment and while NMFS retained title to the "Welch House," by contractual agreement with NMFS, that property has for ten years been used also for marine research and indeed is integral and essential to the marine research programs being carried in West Boothbay.

The former federal property, acquired by the State in 1978, is fully utilized for the agreed-upon purposes to the extent that both state and private funds are now being raised to expand the existing facilities. This planned expansion has proceeded on the assumption the existing marine research programs would have continuing access to the "Welch House." The loss of the "Welch House" would seriously affect the State's ability to continue to carry on its marine research programs.

The aggregate of the research programs at McKown receive in the order of $2 million of federal grants and contracts annually; there is a strong federal interest in continuing scientific use of the "Welch House" as there is strong state interest. Specifically, at this moment, the "Welch House" itself supports research programs of direct interest to the National Oceanic and Atmospheric Administration, the National Aeronautics and Space Administration, the Office of Naval Research, the National Science Foundation and the National Academy of Sciences. By way of demonstrating my direct interest in that work, I have partially funded the satellite imagery analytical equipment in use in the "Welch House" from the Governor's Discretionary Fund.

This is to inform you, in short, of Maine's strong interest in acquiring title to this property. The State would be quite willing to acquire the property under conditions similar to those by which we acquired the federal property disposed of in 1978; in effect, with a state commitment to use the property for the nation's as well as the state's interest.

I urge you to give my request and expression of interest your careful attention.

Sincerely,

JOSEPH E. BRENNAN,
Governor.

Mr. COHEN. Mr. President, I ask that there be printed in the RECORD at this point an article which describes the marine research which is conducted at the site affected by my amendment.

The article follows:

[From Fisheries magazine, Jan.-Feb. 1982]

LABORATORY SERIES—WEST BOOTHBAY HARBOR LABORATORY

Address: Marine Resources Laboratory, Maine Department of Marine Resources, McKown Point, West Boothbay Harbor, Maine 04575.

LABORATORY FUNCTIONS

Objectives.—The Laboratory is dedicated to service through research and is concerned with scientific research on marine species and marine ecosystems that will provide the information necessary to manage the commercial and recreational fisheries of the state's territorial waters. The Laboratory is developing a multidisciplinary approach to studying marine ecosystems in view of the fact that the stocks of finfish and invertebrates harvested by Maine fishermen are to a great extent governed by ecological interrelationships.

Individual research programs and projects are primarily species oriented since the social and economic benefits derived from the fisheries are directly linked to single species fisheries. Scientists and technicians are encouraged to expand their interests and studies beyond the scope of their programs. This interactive approach to research is characterized by a number of joint studies conducted by the staff and with other research and educational institutions.

Key personnel: Director: Dr. Richard W. Langton; Assistant Director: Walter R. Welch; Division of Basic Biology: Clement J. Walton; Division of Resource Services: John W. Hurst, Jr.

AREAS OF EXPERTISE

Research conducted at the Laboratory is concerned primarily with the development of predictive capabilities. The Basic Biology Division studies population dynamics, biology, and ecology of different species in order to anticipate changes in stock abundance and recruitment to the fisheries. Long-term studies of lobsters, green crabs, marine worms, shrimp, herring, alewives, and some groundfish species are presently being conducted. A number of discrete studies have been completed on a variety of fish species and invertebrates, including soft-shell clams, surf clams, quahogs, scallops and cancer crabs. Background data for these studies are obtained by continuously monitoring 10 environmental variables at the laboratory. Continuous temperature records maintained at the Laboratory extend back to 1949 and temperature data are available as early as 1905.

The Resource Services Division conducts research, management, and monitoring studies that are primarily concerned with public health. The long-term programs include monitoring of bacterial levels in fish and shellfish, management of the state's pollution control program for intertidal and estuarine areas, monitoring the abundance of Gonyaulax tamerensis var. excavata, a dinoflagellate causing paralytic shellfish poisoning, and the monitoring and management of marine resources affected by toxic wastes and pesticides. The program of field and laboratory research in this division also includes work on fish and shellfish pathology with the staff monitoring aquaculture operations to control the importation of exotic species and prevent diseases.

UNIQUE LABORATORY FEATURES

This is the only major fisheries research laboratory in the United States that is located in the Gulf of Maine. The laboratory complex consists of fourteen buildings situated at the tip of a peninsula. Facilities include two piers, two separate wet labs with running seawater systems, a number of research vessels including a small dragger and an 83-foot research vessel for offshore work. Wet lab facilities include a refrigerated seawater system and adequate tank space for research on a wide vaiety of boreal plants and animals.

The Laboratory has an aquarium that is open to the public and features displays of marine fish and invertebrates of the Maine coast; a hands-on tide pool and a seal pool are aquarium features enjoyed by visitors and are a great favorite with visiting school groups. There is a small, but specialized, library with more than 2,000 books and monographs and approximately 500 serial titles. One section of the library is devoted to information on fishing gear, gear technology, and fisheries production and is available to the fishing industry. This fishermen's lending library operates by mail and is a part of the communication and education work of the Department.

Other facilities include carpentry and machine shops for gear servicing and fabrication and the repair and maintenance of boats, vehicles, and marine engines. The laboratory is equipped with computer terminals linked to the University of Maine's IBM 370 computer. There are a large array of software programs and four terminals including CRT interactive terminals, a high speed printer, disc storage, and plotting equipment. A large proportion of the research programs at the Laboratory utilize the computer equipment and there is an ongoing computer training program for all of the staff.

LABORATORY HISTORY

Summary.—In 1937 the Maine legislature provided funds to establish a lobster hatchery at McKown Point. In 1946 the operations of the hatchery were expanded to include research on lobsters and then, in 1950, the research mandate was expanded to include other species. In 1965 federal funds, available under Public Laws 88-309 and 89-304, permitted the state to expand the research programs and construct new laboratory facilities. The federal government maintained a laboratory on McKown point until the National Marine Fisheries Service closed this facility in 1973. The state took over the laboratory and employed many of the former federal scientists to continue their research programs.

In 1974 state support enabled a private marine research laboratory to establish operations on the point. Since then the Bigelow Laboratory for Ocean Science has developed a research program concentrating on various aspects of primary production and today they share the McKown Point facilities with DMR scientists. This marine research complex presently houses 105 scientists, technicians, and support staff engaged in research on a wide array of problems in basic and applied marine science.

COOPERATING AGENCIES

The Marine Department of Marine Resources and the Bigelow Laboratory for Ocean Science share in basic and applied research programs on Gonyoulax tamerensis var. excavata and larval fishes. The laboratory has ties with the University of Maine and three of the staff scientists are University faculty members. The laboratory provides research and training opportunities for students at Bates College and the University of New England in addition to the University of Maine.

Research and management activities of the laboratory are coordinated with other state agencies such as the Department of Environmental Protection, the State Planning Office, and the Department of Inland Fisheries and Wildlife. There are also close ties with the National Marine Fisheries Service and the U.S. Public Health Service. Information exchange and cooperative work are undertaken with the New England Fishery Management Council, the Atlantic States Marine Fisheries Commission, the Northwest Atlantic Fisheries Organization, various Canadian fishery agencies, and a number of other organizations including the state lobster and herring industry councils, groundfish cooperatives, the Maine aquaculture industry, and a number of fishermen's groups.●

The **PRESIDING OFFICER**. The Senator from New Hampshire.

Mr. **RUDMAN**. Mr. President, the Senator was quite accurate in describing the amendment at the desk. It has been cleared on both sides.

Mr. **HOLLINGS**. Mr. President, we have cleared the amendment.

Mr. **RUDMAN**. Mr. President, I move adoption of the amendment.

The **PRESIDING OFFICER**. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 3355) was agreed to.

Mr. **MITCHELL**. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. **RUDMAN**. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **RUDMAN**. Mr. President, the minority floor manager and I ask unanimous consent to lay aside temporarily the pending amendment to consider an amendment to be offered by the Senator from Delaware.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The Senator from Delaware.

AMENDMENT NO. 3356

(Purpose: To maintain central authority of the organized crime and drug enforcement task forces)

Mr. **BIDEN**. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER**. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. BIDEN] proposes an amendment numbered 3356.

Mr. **BIDEN**. Mr. President, I ask unaimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendment is as follows:

On page 18, line 14, strike 71,150,000 and insert 70,950,000.

On page 19, line 9, strike 191,454,000 and insert 190,258,000.

On page 20, line 17, strike 421,051,000 and insert 400,258,000.

On page 22, strike line 14, through 17 and insert the following:

ORGANIZED CRIME DRUG ENFORCEMENT

For expenses necessary for the detection, investigation, prosecution, and incarceration of individuals involved in organized criminal drug trafficking not otherwise provided for, $95,846,000, of which $1,500,000 for the Presidential Commission on Organized Crime.

On page 23, line 5, strike 1,147,223,000 and insert 1,112,490,000.

On page 24, line 13, strike 329,988,000 and insert 292,564,000.

Mr. **BIDEN**. Mr. President, I understand that both managers of the bill are prepared to accept this amendment.

Very briefly, what the amendment would require is that the Department of Justice continue to centrally manage the Organized Crime and Drug Enforcement Task Force Program. This is consistent with the action of the Judiciary Committee in our work on the Department of Justice authorization bill.

The central control, in my view, is essential to a coordinated drug enforcement program. This amendment costs no additional funds, but simply provides for better management structure.

If we are even to make progress at all, or ever to make any progress, in the fight against drug trafficking, the Federal Government must have a sound strategy and a coordinated program that is centrally located.

That is what this amendment seeks to do.

Mr. President, this amendment will require the Department of Justice to maintain central control over the Organized Crime and Drug Enforcement Task Forces. This was a proposal unanimously supported by the Judiciary Committee in our recent consideration of the Department of Justice authorization bill, and passed by the full Senate on June 14, 1984.

Let me quote from our report on the Department of Justice authorization bill:

> The committee concluded in fiscal year 1984 that one of the keys to effective coordination in the Task Force efforts was centralized funding. Similarly, with respect to fiscal year 1985, the committee concluded that the Department has not made an adequate case for transferring the funding of these activities from a centralized line-item to the individual agencies involved.

What I am proposing is to continue exactly what the Department of Justice proposed in the first budget request for this program in 1982. Let me quote from that Department of Justice budget submission:

> Second only in importance to the funding is the request for the establishment of a single appropriation under the authority of the Attorney General. The very essence of the Task Forces as proposed is their flexibility, which is vital to the success of the program. The single appropriation will permit Federal law enforcement resources to be shifted in response to changing patterns of organized crime drug activity. The single appropriation will provide the Attorney General with a necessary management tool permitting him to reallocate resources among the organizational components of the Task Forces as well as between regions without undue delay.
>
> As the Cabinet officer with responsibility for the Task Forces, the Attorney General must also have authority over the resources approved for the effort. Failure to provide this authority will weaken the Attorney General's ability to coordinate the activities of the many organizations from the three Cabinet agencies comprising this effort. Finally, it is believed that the single appropriation will reduce competition among the participating agencies. Previously, such efforts have evidenced competition for resources among individual agencies at the expense of the overall effort. From the perspective of the Congress, the single appropriation will facilitate the legislative oversight and review processes.

I do not want to belabor the point, but I have had for some time a real concern about coordination and central administration of our drug enforcement and interdiction program.

Mr. President, we passed a so-called drug czar bill back in February by unanimous consent. The bill would give, for the first time, the Attorney General budgetary authority to carry out our entire drug program both internationally and domestically. The intent, as I have stated on numerous times in the past on the Senate floor, is to cut through the redtape and bureaucracy that exists between the various departments and agencies that work on the drug problem.

Two years ago we funded 12 drug task forces that were to be made up of Treasury, Justice, and Tranportation agencies. The purpose was to work in unison, as a task force, to get the job done. The program was to be under the direction of the Attorney General.

Today we have a request to break out the funds from a central account to each individual agency. That to me spells the end of a joint task force approach. That means each of the agencies will take their allocation and devote time to the task force as they deem fit. It could even result in agencies reprogramming funds committed for the Drug Enforcement Task Force to any number of initiatives.

As the ranking member of the Judiciary Committee, I cannot support a proposal that lowers the priority of our drug enforcement effort nor can I support a proposal that further subdivides the administration of the Organized Crime and Drug Enforcement Task Force Program. This proposal will only lead to less coordination and more duplication of our drug enforcement and interdiction program.

At a time when drugs on American streets are purer, cheaper, and causing more overdose deaths and hospital emergencies than ever in our history, I cannot support this proposal. We must mount a coordinated response that joins the best of our many Federal agencies in the fight against drug trafficking. That is the intent of my amendment and I ask for the support of my colleagues.

Mr. RUDMAN. Mr. President, the Senator from Delaware has accurately described the amendment. It has been cleared on both sides. I would vote acceptance of the amendment.

Mr. HOLLINGS. Mr. President, we have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3356) was agreed to.

Mr. BIDEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, the minority manager and myself ask unanimous consent that the pending amendment be temporarily laid aside so that Mr. WEICKER may offer his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3357

(Purpose: To delete funds for the National Endowment for Democracy)

Mr. WEICKER. Mr. Presdient, I send an amendment to the desk on behalf of myself and Senator DOLE and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

> The Senator from Connecticut [Mr. WEICKER], for himself, Mr. DOLE, and Mr. HOLLINGS proposes an amendment numbered 3357.
>
> On page 51, strike lines 6 through 10.

Mr. WEICKER. Mr. President, this amendment eliminates $31.3 million from the National Endowment for Democracy. That we might better understand exactly what the National Endowment for Democracy consists of, it consists of the Republican National Committee, the Democratic National Committee, the AFL-CIO, and the Chamber of Commerce.

That is big business, big labor, and big politics. This is a $31.3 million slush fund in order that these institutions, these four institutions, might best convey the meanings of our political beliefs to the world.

I would suggest to my colleagues, and I do not intend to make a long speech, that there are many ways that we can do that without having to channel money through these particular institutions.

My amendment calls for the elimination of the moneys for the Endowment entirely. It is my understanding that the Senator from New Hampshire has an amendment in the nature of a second-degree amendment to call for the elimination of the moneys that go to the Republican and Democratic National Committees. It is also my understanding that hard on the heels of this will come an amendment from the distinguished Senator from South Carolina which will take these moneys and transfer them into fellowships, Humphrey fellowships and Fulbright scholarships.

That is as good a point as any to start off with.

If you want to know how democracy can communicate best, believe me, it communicates well through the Humphrey fellowships and the Fulbright scholarships.

It is a matter of bringing students from all over the world to our shores and ours going abroad.

Can you think of a better way for this Nation to communicate than through our young people, through the idealism that they represent, communicating that abroad, and bringing persons to our shores that they might see the greatest educational system in the world at work in a democracy?

We do not need the AFL-CIO or the Republican National Committee or the Chamber of Commerce or the Democratic National Committee to do that. We do not need any middleman. Let our young people speak for what we believe in and let us show what we have to the young people of the world.

As most of you know, I sit as chairman of Labor—HHS in the Appropriations subcommittee that has charge of all financing of education, health, and science. I was talking to my good friend, Dr. Krause, Chairman of the National Institute of Allergy and Infectious Diseases. Malaria kills about 5 million people around the world. It is not a great problem in this country but it is in the world. We are within a very short space of overcoming the disease of malaria. We are on the verge of developing an effective malaria vaccine. Can you imagine what Dr. Krause could do with $31 million to conquer malaria? Can you think of anything better that would speak for democracy and what we are capable of doing if we could eradicate malaria?

Education, science, I could go down the whole checklist. I will not take the time of my colleagues to do it, to say that yes, we can certainly present a face to the world that will have people believing in our system. But we do not need the middlemen of the Republican National Committee, or the Chamber of Commerce, or the AFL-CIO, or the Democratic National Committee.

I understand, for example, if you want to know how ridiculous these little projects are, the Chamber of Commerce, in using their funds last year, used NED funds for travel to international conferences in Stockholm, Bonn, and Brussels.

Can anybody tell me why Bonn, Stockholm, and Brussels need any lessons in democracy?

The AFL-CIO decided to get themselves involved in national elections down in Panama and contrary to law they attempted to influence the recent elections which prompted the U.S. Ambassador to Panama to cable Washington and ask "that this hair-brained project be discontinued * * * before it hits the fan." That was our Ambassador on the use of the funds by the AFL-CIO.

When it comes to my two friends the political parties, believe me, they better not be spending one nickel abroad talking about democracy. They better get people of the United States interested in their own elections. This country is bored to death with what the Republican National Committee and the Democratic National Committee put out there, both in the way of candidates and ideas. You do not have to take my word for it, Mr. President. Just take a look at who is voting. Nobody is voting because nobody cares.

So instead of worrying about whether or not we are going to get the world interested in democracy, I suggest we had better get the United States interested in its own political system.

Actually, Mr. President, this would all be ludicrous—it would be ludicrous if it were not for the daily tragedy out there on the streets of this country as to persons who are not having their most basic needs met.

I repeat, we are talking $31 million. My colleagues have looked into the faces of misery in the past several years, and I do not have to stand here and give any lectures or do any moralizing. They know this is big money. They know the needs that are unmet in our own country.

They also know that if there is a way to spread the word of our political beliefs, it can be done far better without going through the middlemen of the AFL-CIO, the Republican National Committee, the Democratic National Committee, and the Chamber of Commerce.

There is only one reason, Mr. President, why this has any credibility or any standing on the floor, because when you talk about these institutions, you are talking about the establishment. If you ever had to go ahead and focus on the establishment, here you have it. Here you have it.

I have never seen such pressure and lobbying among Democrat and Republican, conservative and liberal. Everybody wants to cut these funds because this is "us." This is a little money for us. How can anybody be critical, because really, does not everybody belong to the Democratic National Committee, the Republican National Committee, the AFL-CIO, the Chamber of Commerce? That really is the whole United States.

Well, maybe they think they are the whole United States, but they are not. There are about 249 million other people out there who probably do not belong to any of those organizations but very much believe in their democratic institutions and systems. They certainly want the rest of the world to know about it, but they are quite capable of doing it themselves.

Mr. President, I hope we shall go ahead and eliminate these funds. It is my intention to vote for the amendment of the Senator from New Hampshire if it is offered, which in effect will take down mine. But it is also my intention then to turn around and vote for the amendment of the Senator from South Carolina to see these moneys used in a positive way.

I want everybody out there to know what it is that is going on here. I hope that as each of those Members goes out and campaigns, if you do not remember one other thing, ask them how they voted on the National Endowment for Democracy. That is a good indication of whether somebody ought to return here or not. I realize that is a little pressure being put on, but the pressure is being put on us by these four pillars of the establishment who are more interested in themselves than they are any manifestation of the brightness of our democracy.

Mr. HOLLINGS. Mr. President, I join the distinguished Senator from Connecticut, the former chairman of our subcommittee, in his amendment. As he has indicated, I do have an amendment to transfer the funds from the National Endowment for Democracy over into the other section of the bill, to the USIA, for our Fulbright-Hubert Humphrey scholarship program.

This is not any light maneuver, Mr. President, let me remind my colleges. I do not stand to politically identify, although I am happy in the highest sense of politics to identify with the Senator from Connecticut on this score. He is as right as rain. I have never seen, in 32 years of public office, such a raucous, outrageous raid on the Federal Treasury of some $31.3 million. It was 18; it is going up. I tried to find out what they are doing.

Let me go into the pressure being brought, because the Senator was very clear about that. After my unsuccessful trip to the White House, I had a lot of good volunteers who had helped me and who were looking for jobs. I do not know why it was, but they were all looking to be located at the National Endowment for Democracy. All I needed to do was call the chairman of the party, and they would get the job.

Of course, you had to put 2 and 2 together. If you called the chairman of the party committee, bingo $31.3 million. So I had some very close, intimate supporters rather disillusioned with their support of me because I could not help them get the job where all it needed was a couple of phone calls, maybe one, to the chairman of our party.

They have really brought the pressure on this thing, and I am trying to find out what they are doing. You would be astounded at some of the support.

I am astounded at my friend, George Will. He is entitled to a lapse every now and then, and he sure fell overboard on this one. I read his column. You had the other side of the spectrum. Morton Kondracke put one in. They have been working both sides of the street. This is $31 million. Whoopee for democracy, with no sensibility whatsoever into the dire straits that this Government is in financially.

Mr. President, we are in deep, deep trouble. This so-called downpayment is no downpayment at all. The fact is that interest cost increases and cost-of living adjustments exceed the downpayment. So when you look at the botton line, what you have really done is gone up $209 billion in deficits, rather than reduce it. When you use this lingo around this place—deficit downpayment—you think you are reducing it. But when you read the bottom line, you find out you have increased it.

We are in desperate trouble. The market is reflecting it, the international economy is reflecting it, the Third World countries, with the rise in interest rates, are about to go bankrupt. With it all, we have been squeezing. We have been trying our level best to try to cut some of these payments and hold back on some of these programs.

The distinguished Senator from Connecticut is right on target. I worked on that particular bill—it used to be health, education, and welfare, now health and human resources. I just updated some of the things that we had on education. Nine hundred thousand disadvantaged children lost title I services; 900,000 of them.

Here we are going around in this great city of ours, "stay the course" when 900,000 had to drop the course. They will never read and write.

I heard that at midnight last night. There was the distinguished Senator from Arkansas, talking of math and science—we jump around like monkeys on a string to get words around here, and you find out what is popular. All of a sudden, math and science, math and science. I heard the distinguished Senator from Arkansas very properly referring to the distinguished Senator from Rhode Island, who sponsored a distinguished program with Pell grants and loans.

He said, "Senator, we need money to get the people with the cultural background for this country." He made the statement that he would not vote for anyone for public office who did not have a background in history; what we need is more money for history, teaching about the Constitution, democracy, in this country. You know the best thing we can give them at midnight? And you know, the best we could give him at midnight was a meal ticket to go study it. We said we will study that because we are out of money.

I started to get up, but it was late. I just kept my chair. If we can get all our students to go overseas, then we can send the Republican Party and the Democratic Party the AFL-CIO and the chamber of commerce; we have millions for that. They can tell them about democracy, as the Senator from Louisiana would articulate. You just have got to get our students out of the country, and if we can get them out of the country, we got the political parties, the AFL-CIO that are going to come and tell them.

What are they going to tell them? I hope they do not give them our scores. I do not pass the test in any of that crowd. I just got my report card from the Democratic Party. I am back on the floor and delighted to serve in the U.S. Senate. You know what they think of me in the Republican Party. The AFL-CIO always puts out scores, and I get right in midcourse there, about 50. I flunk. And then along comes the chamber as to what they think about democracy. They grade you, and I flunk that one, too. And now I am supposed to, in a sober moment, start giving them millions for what they think about democracy.

We are suffering from battle fatigue in this State. We cannot get on with our responsibilities. Congress just held up $10 billion of highway trust funds paid for by the highway users. We do not allocate $10 billion every year. And we come around here and nibble around with a $5 billion bill in order to create 300,000 jobs and merrily sing, "jobs bill, jobs bill, everybody for the jobs bill." Five billion bucks which we do not have to create 300,000 jobs where we could take $10 billion that we do have and put it in highway construction to do the job.

They are trying to legalize marijuana and make tobacco illegal in this town. They have it all screwed up. They come in here on Federalism, and now they have my hero and leader for the State's Rights Party in 1948 assaulting the municipalities of America with a Federal bureau. The Senate just voted it. It is the most interesting thing I have ever seen—wonderful. So they are giving up on local government now and they are going to start running the cities. And incidentally, if there is any doubt where we stand, we are for politics and less finance up here. Send all the moneys to the political parties, do away with the students; the Pell grants are cut. We have no money for the Senator from Rhode Island. We have been cutting those. And that is a wonderful investment.

We find for the handicapped children Federal funding declined 9.1 percent since this administration has come to town. With regard to women and infant children feeding, I noticed that over in Baltimore a couple of weeks ago they had run out of money. They only have an allocation for about 53,000 and due to—well, let us call it lax administration—they were really trying to do it for 60,000. No money was stolen. But it did not go to deserving expectant mothers or deserving children who fit under the program.

They just took in too many. You see, we are only funding that at a 50-percent level. So we run out of money for women and infant children's feeding. We cannot find money for that, but we can find $30 million for politics as usual, to hire everybody.

I could go right on down the list. The Head Start Program, is handling only 18 percent of those that are eligible. That is all that have been able to get into that. Why? Due to a shortage of funds.

Every time you go to the chamber of commerce they say "Cut spending." Every time I run into one of those people, "cut spending, cut spending," yet they are up here asking for money to go out and politic.

And just the other night—they get you at every angle—I was invited to a little speech. They had five of them who came up and said that I was going to ruin their program. I said, "What is the program? You have $18 million and I cannot find what you are doing." They said, "Senator, what we are going to do is have all the ambassadors come to San Francisco to see the Democratic Convention, to see how Government works."

Well, I know a cheaper route than the $1,500 it takes to go to San Francisco. We can buy them all a color TV set and they will learn more about America by cutting the darn thing off, I can tell you that right now.

We are trying as Democrats to hide all of these differences. That is what we are all doing—hustling around and hugging and loving so we will not hear anything about what America is all about. We will just have a love-in out there in San Francisco.

But you can imagine me going back to South Carolina to the disadvantaged women and infant children, going on to college campuses and everywhere I went—and I have traveled for 2 years about the Pell grants and student loans—"No, no, we got to cut. We got to cut." How do I defend all of a sudden giving $30 million to send ambassadors across the continent to San Francisco and set up there with their free paid trip and watch the Democratic Convention?

I guess, if they are going to do it, the Republican Convention is going to send them to Dallas. That is just absolutely unforgivable. We cannot be wasting the public's money. We lose all credibility. I say this advisedly. We love these organizations. They are respected in their own right. But they are not the crowd to deliver democracy, I can tell you that here and now. We have entities—I noticed one of the particular articles—and we will give them all—come around with one of these editorial writers how in Portugal they had the similar kind of situation. In Germany they have one of these. I have been invited on it. They eat apple strudel and grunt at each other. They said they went into Portugal and saved the Portugese Government. How? By influencing the election. And you know the next paragraph in that same editorial said, "We are not going to use the money to influence elections because we got in trouble down in Panama." They have people writing editorials who do not know what they are writing.

Mr. WEICKER. Will the Senator yield for a question?

Mr. HOLLINGS. Yes.

Mr. WEICKER. I wonder, since from time to time I get into some difficulty with my own party, whether or not the Senator might arrange for my way to be paid to San Francisco to watch his convention so I might learn what democracy is all about?

Mr. HOLLINGS. The Senator talks funny. I could get him passed as one of those diplomats. In fact, he dresses like one from time to time. I could get the distinguished Senator out there and put him up in the gallery and I think the TV would have something to cover. We are wondering now what to cover. We want to give people who went to war a medal or something. I think we are going to put on a program for those who went to war and those who did something else or served in public office. We are trying to think of different skits, and the Senator would be magnificent to assist in putting on a skit out there.

In fact, I will not have to wait for it. I can collect the funds around here to send the Senator, if he will go. We can still go with his amendment and mine. But remember, if he is so disposed, we will get the funds to get the Senator from Connecticut to San Francisco, I can tell him that right now.

Mr. President, the hour is late. There are other Senators who want to talk. But right to the point of where we are missing out, I have tried to fathom this foreign policy and I tell you where this fits in. I do not want to give a long story, but we are continuing in foreign policy "Marshall aid, Marshall aid, Marshall aid." I have been through every President. I was down in Latin America. Let us be specific. You had Operation Pan America with Dwight Eisenhower, Alianza para Progreso with John F. Kennedy, the Caribbean Initiative under President Reagan, and the trouble is the money goes to the government and does not get through to the hungry poor. It is usually a military government. It goes to the military for protection, corruption, Geneva bank accounts. It is like delivering lettuce by way of a rabbit; it just does not get through. They are still hungry. We have been doing it for 35 years.

But there is another way, and that is, as after World War II. We furnished markets for the despaired Governments of Japan, Singapore, Hong Kong, Korea, and Taiwan. We developed dynamic, competitive, free-loving democratic societies by developing a middle class. In my judgment, this is fundamental to our foreign policy. At a later time we will get into first how to get a trade policy. You need a globalization of our quotas. We are into a trade war. There is no use to run around. I ran them off the campuses everywhere I went, and I have been to all of them now, about Smoot-Hawley and what have you. And we are down to the nitty-gritty. It is Government to Government enterprise. We have to compete. All of them are moving to a globalization. We cannot throw the burden of unemployment on this country.

I can take 10 percent of the textiles from the People's Republic of China; 20 percent of the shoes—I say to the shoeman from New Hampshire—from Korea; 30 percent of the electronics from Taiwan; 40 percent of the handtools from Japan; and reallocate that down to Latin America.

In Panama, I say to the Senator from New Hampshire, they had 26,000 high school graduates with no chance of a job. We have a wonderful new President down there, Nicky Barletta, and he is going to try to move Hong Kong to Panama City. He knows what he is doing, trying to develop job opportunities.

If we can start developing and furnishing markets for Central America, rather than Marshall aid—I do not mind the aid, but develop a middle class, where there is a piece of the action and stability in the country—then we can have free elections.

Part and parcel of that are the fundamentals of our student exchange program. We started it, and the Soviets now have emulated and improved on it. So in Panama, where we have about 120 students, I say to the Senator from Utah, they have over 1,000 that go to the Communist world—universities and colleges. There is a 10-to-1 ratio down there. And they are not mining harbors. They are mining minds. We are fiddling around here with the chamber of commerce and the Democratic Party, and we cannot get a popularity vote in this country.

In my Democratic Party, all the polls show that I am behind. I want to catch up with Senator DOLE and the Republicans.

Nicky Barletta, incidentally, graduated from North Carolina State. He knows something about America.

We can get the heads of these countries. Otherwise, 5 years from now we are going to be whining on the floor of the Senate: "I don't know what's the matter with them down there. We gave them the Panama Canal."

We are losing our shirts. We should be putting this into student exchange, develop future leaders, develop markets, give stability to those societies, but not 30 million bucks for the political parties and the AFL and the chamber of commerce. The AFL and the chamber of commerce have more money than the Government has, I say to the Senator from Louisiana. We are broke. We are running at $200 billion—and I cannot mentally go through the maneuvers of going out and borrowing the money to send it to the AFL or to the chamber of commerce.

The parties are going to be broke. We are trying to catch up, but you will find they will be broke. I do not see where they get the time and the effort, with travels and meetings and everything else.

At a later time, the Senator from Connecticut and I will have to sit down and educate the Senate about the various exchange programs and the money.

Somebody asked about the United Nations, but we can go into all these things. We send them to the Helsinki Conference, and the Soviets identify who might go along, and then they find themselves in an insane asylum.

We had better learn better in the U.S. Senate not only about fiscal responsibility but about the allocation of resources—if we had the resources.

Mr. President, I am delighted to yield to the Senator from Kansas.

The PRESIDING OFFICER [Mr. SPECTER]. The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, I certainly share the views of the Senator from South Carolina.

We had a vote last night on raising taxes, and we had a lot of great speeches—that we should not vote for a tax bill because we should cut spending.

This is one program we do not need. There are probably a thousand others, if you look, that we do not need, in all the appropriations bills. There are a lot of exchange programs we do not need. This is one we should kill off early.

I did not hear all of the Senator's speech, but he convinced me in the first few seconds that he was on the right track.

I do not have any quarrel with the Democratic Party or the Republican Party, the chamber of commerce or the AFL-CIO. If we are going to give it to them, they will take it, and they will have worldwide travel agencies. People will travel all over the world. There is no accounting, and they are not subject to the Freedom of Information Act. Nobody will know where the money is going, except, as the Senator said, the union did use some to influence an election in Panama.

I cannot believe that my President dreamed this thing up. This is not Ronald Reagan. This is somebody else who pushed this through the White House; and how it got up here, I do not know. The President is for fiscal austerity. He wants to reduce spending. He does not want to raise taxes.

It falls to my lot from time to time to bring tax bills to this floor, and my colleagues say: "We are not going to vote for a tax bill. We should cut spending."

This one should be easy. It is not full-grown. It is easy to take care of in the stage it is in now. I assume it is the Weicker-Hollings amendment. I hope we do not water it down and just try to take out the political parties. That will not be better.

Then you have the chamber of commerce. They have not done anything but support reduced spending since I have been in Congress. This will give us a chance to get a little better rating in the Chamber bulletin, if we kill this amendment.

Mr. KENNEDY. Mr. President, I support the National Endowment for Democracy Act, and I urge the Senate to accept the level of funding recommended by the Appropriations Committee.

The purpose of the endowment is important, its programs are worthwhile, and it deserves a chance to fulfill its potential. The objections raised against the endowment are of concern—but only in the sense that they call for effective oversight by Congress. They certainly do not warrant rejecting the endowment altogether.

Other Democratic nations use this approach with significant success. West Germany, for example, fosters democracy around the world by training trade unionists, journalists, business men and women, lawyers, judges, and politicians, yet no such effort is being undertaken by the United States today. Private citizens and groups—with the support of the Government—deserve the opportunity to pursue these kinds of projects throughout the world. Without the support and participation of the Government, it might not happen at all—or private activities will be carried on that could disserve our national interest by serving only narrow ideological or partisan goals.

One of the most important activities of the endowment will be to encourage institution-building in the Third World. In these projects, business, labor, and government will work together with Third World journalists, religious groups, and business leaders to strengthen Democratic institutions in their countries.

In addition, the endowment will help to coordinate the peaceful challenge to Soviet ideology and totalitarian movements in the worldwide "War of Ideas." The Soviet Union spends vastly more money today than do Western countries to send their representatives to peace, youth, and cultural conferences throughout the world. The endowment can help to correct that imbalance and to promote the fundamental ideas of liberty and human rights for all peoples in all nations.

Projects such as these could be financed by the CIA—and have been in the past. But this endowment is a much better way to foster democracy—openly and above-board, in keeping with fundamental American values—and it deserves a chance to prove its worth.

Mr. RUDMAN. Mr. President, we had several votes in the committee, and those votes, although close, clearly were in favor of keeping this program. I voted with my friend from South Carolina and my friend from Connecticut in voting against this program.

I had intended at this point to offer a second-degree amendment which would have had the effect of striking the money for the political parties from this appropriation and thus reducing it by approximately $10 million; because, frankly, I think that to put Federal money, from the Federal Treasury, paid by taxpayers, into the coffers of the two great American political parties, for any reason, is an outrage.

But after hearing the debate here, it seems to me, as one of the two managers of this bill, that rather than have an amendment which may not be significant in terms of expressions of the will of the Senate, the Senate should have an opportunity to vote on the amendment offered by the Senator from Connecticut.

I frankly am undecided how I will vote on that, because I think there are some things in this program that have some merit, the excellent arguments heretofore notwithstanding.

Nonetheless, I know the Senator from Utah wishes to address the issue. He is a very distinguished member of that board and has a different perspective, and I believe I will withhold from offering that second-degree amendment, unless someone else should offer one. We should in my view have the opportunity of voting up or down on the Weicker amendment. If that should fail, I then intend to offer an amendment.

Mr. HOLLINGS. Mr. President, will the Senator yield for one point?

Mr. RUDMAN. I yield.

Mr. HOLLINGS. Mr. President, my staff just brought a note that the Ambassadors are being taken to the convention with private funds.

I only quoted what the NED staffs were telling me. If that was in error, I apologize. I just do not know what the true facts are.

I was told just the evening before last that that was the program that they had. I do not know for what they have been spending the $18 million, and I do not want to reflect on the Ambassadors.

This note says the Ambassadors are taken to the convention on private funds.

I do not know what the case is, but I put that in the RECORD at this time.

Mr. HATCH. Mr. President, I particularly appreciate the graciousness of the distinguished Senator from South Carolina in correcting his statement because one of the reasons we established the National Endowment for Democracy, with a Board of Directors, is to debate in that Board whether sending people to the national conventions is right or wrong. Those two particular items were debated in the Board of Directors, and, as I recall, we refused to allow that to occur. As a matter of fact, we rejected and criticized rather abruptly and rather strongly the proposals of one of the party institutes and limited the total amount of money for both of the two political party institutes.

So I particularly appreciate the comments of the distinguished Senator correcting that particular matter. I agree with the Senator. If that is what we are going to use the National Endowment for Democracy for, then I myself would have difficulty supporting it.

That is why we have the Board. That is why I am happy to serve on that Board.

I assure my colleagues here that as long as I serve on the Board of the National Endowment for Democracy, those funds are going to be utilized in the best possible way to encourage the exportation of democracy all over the world.

Now, we have had a lot of humor here today, and I admit I enjoyed it a great deal myself. As far as the class act on this floor, I think the distinguished Senator from South Carolina is as good as anyone. He is one of the people I most admire in this body.

But I want to talk a little bit about some of the realities. I want to chat just a little bit with my colleagues about some real considerations. I wish to chat about why $31 million is not enough but, nevertheless, that is what we decided to put into this matter and we decided when we did that to give this National Endowment for Democracy a chance.

Let me reflect back to a time before the National Endowment for Democracy came into being. I happen to have been all over the world looking at what the AFL-CIO trade union institutes have been doing.

At first, I was very skeptical of the work that they were doing. But as I have gone all over the world, I find that they are one of the most aggressive, decent, democratically instituted and democratically-oriented organizations in the world.

Let me just give one illustration where they played a particularly noble role in protecting our country's interests in doing what needed to be done in saving embarrassment to this country's foreign policy in exporting democratic principles, in convincing the world that they have something to add and something to contribute.

This is not some fairy tale that we can conjure up as we talk about spending too much money around here. This actually happened. The reason I know so much about it is that I participated in it. It happened to be last year, when the Arab nations decided to embarrass Israel at the International Labor Organization's annual conference in Geneva, Switzerland. I might mention that that organization is not very highly thought of here. Nobody knows what goes on at the ILO except those who are experts in the field. But in the rest of the world, it is one of the most important entities in all of the world and the largest U.N.-affiliated organization.

Every year, there are a number of meetings by the International Labor Organization which make a lot of difference throughout this world. I might add it is the only organization that I know of that enjoys tripartite representation. They have government representatives at this organization, labor representatives, and they have business representatives. And they have them from all over the world.

The Arab nations decided, for right or wrong—and I believe wrongly—to embarrass Israel, and so they brought a resolution to the International Labor Organization that was widely reported; and had it passed, it would have been one of the major propaganda triumphs of 1983. That resolution was brought to the floor, and I will tell you who led the fight against that resolution. It was all of our representatives, government, business, and labor, but the real leader of the fight happened to be a little man who happens to be the director of international affairs of the AFL-CIO, a fellow named Irving Brown. Side by side with Irving Brown was another man who we all have great respect for, Lane Kirkland, doing the business of this country at the expense of the AFL-CIO, and saving embarrassment to this country and to our State Department and to our foreign policy and protecting the interests of one of our most valued friends, Israel. Irving Brown led this fight, and I have to admit I flew all night long so I could get to Geneva, so I could work with him, so I could lend whatever help I could.

And I might add that partly in response to their request, we worked all day Friday, all day Saturday, and when I left on Sunday to return to the Senate, we did no know whether we could win or not on this resolution, the purpose of which was not only to embarrass Israel in 1983 but to expel Israel from the International Labor Organization in 1984. Where would the United States have been had this occurred?

When I left on Sunday morning, I have to admit that the representatives of the trade union institute told me they did not think we could win, but we had given it a heck of a try. When the next Tuesday's vote came up and we won, it was a major victory in the ILO.

I might add that I believe Irving Brown, Lane Kirkland, and a variety of the other people who worked those boards over there at the International Labor Organization had their expenses paid by the AFL-CIO, but they were acting in the best interests of the free world. They were acting in the best interests of our country. They were acting in the best interests of the principles of democracy.

I believe that is fair to say that the AFL-CIO spent much more than $31 million over the last number of years making sure that this country's principles are considered by countries all over the world.

Just another illustration of what they do to export democracy, and I do not think it is fair for us to sit here and say that they are wealthy, so they can do this all by themselves; just let them do our Government's work by themselves; let them pay for it.

I happen to know what they have been doing down in South Africa to fight against their apartheid and fight for free trade unions to end discrimination. The greatest strides that have been made have been made because some of these people are willing to pay their own way. They should have some help from the United States of America.

I might mention that the Soviet Union spends $3 billion a year in these activities to undermine democratic principles, to undermine the principles of democracy all over the world—$3 billion a year. We are standing here mumbling and joking about $31 million and saying because someone does not vote for another tax increase on the American people, because they did not get enough spending reductions, that we now should not have this. Come on. Every one of us votes for too much all the time around here. But is $31 million too much to combat $3 billion that the Soviet Union has been spreading all over this world to undermine everything that the trade union institutes, and I might add the U.S. Chamber of Commerce to its limited participation, have been doing? One of the things I like about the National Endowment for Democracy is it is getting the U.S. Chamber of Commerce to do some things in international circles that should be done and to compete with the AFL-CIO and the trade union institutes in doing what is really in the best interests of democracy.

The USIA and the NED respond to different legislative mandates. I get a little tired of hearing the false misconceptions about the National Endowment for Democracy. The Endowment's main purpose, as stated in the National Endowment for Democracy Act, is to "encourage free and democratic institutions throughout the world," as well as democratic pluralism and development through private sector initiatives.

USIA proposes, in exchanges and other programs conducted under the Smith-Mundt and Fulbright-Hayes Acts, to tell the whole story to the world to support U.S. foreign policy objectives and to increase mutual understanding between the people of the United States and the people of other countries. Those are worthwhile goals.

I say to the distinguished Senator from South Carolina that I do not think his idea of having more fellowships and more interchange of students is a bad idea. I think it is a good idea. And USIA certainly can continue to do that.

But we are talking about a different approach here. We are talking about something that can make a difference in this world. We are talking about a pittance compared to what the Russians are spending.

I might just quote from a declassified study of the CIA. So many of these people who are critical of this are constantly berating the CIA for its covert action. The National Endowment for Democracy, by the way, is an overt institution. Its proceedings are public. It is audited.

I do believe the distinguished Senator from Connecticut is sincere and I believe he should have a vote on his amendment. I just hope every colleague will vote it down and start recognizing that we have to fight for democratic principles around the world. And if $31 million will help us to begin that, I think it is worthwhile. If it will help to create some more maturity among the chamber of commerce and the two party institutes, then I am all for it. And I know that it will. I know that it has. I know that this board is making sure that it will in the future.

The Soviet leadership, according to this CIA study:

> Regards propaganda and covert action as indispensable adjuncts to the conduct of foreign policy by traditional diplomatic, military, and other means. Moscow is willing to spend large sums on propaganda and covert action.

I mentioned the rough estimate of $3 billion. They say that our rough estimate of $3 billion per year is probably a conservative figure. The Soviets have developed an extensive network of organizations, assets, and technical means for preparing and disseminating propaganda material.

In the Soviet Union, the ideological struggle or the use of propaganda and psychological warfare techniques is a vital element of state policy. Indeed, Soviet theoreticians have asserted openly that the battle of ideas intensifies during periods of relaxation and tension—détente, if you will—because the inevitable conflict between the Soviet Union and the West must be conducted by nonmilitary means.

The basic aims of the Soviet foreign propaganda covert actions are, one, to weaken the opponents of the U.S.S.R. and, two, to create a favorable environment for advancing Moscow's views and international objectives.

Mr. President, I would like to cite George F. Will's article. I think it is a credible article by a very, very bright man. Let me just read a couple of paragraphs from that.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 24, 1984]

IT'S NOT AN "ENDOWMENT FOR MISCHIEF"

(By George F. Will)

Perhaps certain congresspersons hold the truth in such high regard that they do not want it promiscuously displayed. Perhaps. But the attempt to kill in the cradle the National Endowment for Democracy looks like yet another instance of moral posing at the expense of a moral undertaking.

Some conservatives, eager to combine ostentation and frugality, want to be seen saving $31 million (a sum spent every two and a half hours on interest on the national debt). Some liberals, eager for heroism without risk or exertion, want to slay this butterfly on the pretext that it is a cleverly disguised dragon. They say NED will be an instrument for U.S. "intervention" in the internal affairs of despotism, and we all know that would be wrong. Don't we?

You might think that persons who are strenuously opposed to the use of force to advance U.S. interests, as with aid to Nicaraguan freedom fighters, and who condemn U.S. collaboration with autocrats, such as Marcos of the Philippines, would welcome NED. It is, after all, an act of creative plagiarism: the Reagan administration took the idea from two liberal Democratic congressmen, Dante Fascell of Florida and Don Fraser, now mayor of Minneapolis.

But a lot of latent hostility to the idea was brought down, like summer lightning, by reports that the AFL-CIO—this nation's most diligent private force for freedom—spent $20,000 of NED money on behalf of the moderate who won Panama's presidential election. Such assistance to friendly persons in elections may be problematic; certainly it will not be a part of NED's future agenda. NED's board has now forbidden the use of funds to finance campaigns of candidates for public office.

With federal and corporate funding, NED can do such things as: aid political prisoners and their families in places like Poland; assist harassed and fragile embodiments of democratic values, such as the "flying universities" (maintained by dissident intellectuals) in Poland; assist the organization of Cuba Committees in Europe, where there are many Cuban democrats in exile; support a magazine run by and for the thousands of Chinese students studying abroad, a magazine devoted to discussion of peaceful liberalization of China; send to places like South Africa and Chile law students skilled at litigation on behalf of human rights; assist the Democratic and Republican parties in sharing the skills of democracy. (Democracy is, after all, a learning art—with parties trying to take root in the stony soil of less fortunate countries.)

Now, what is there about such activities that causes a congressman—a conservative Republican—to describe NED as an "endowment for mischief"? If the U.S. government is to be forbidden, in the name of moral fastidiousness, from lending aid and comfort to freedom's brave and isolated friends, the U.S. policy amounts to unilateral moral disarmament.

The effectiveness of some things NED may do would be reduced by publicity. One advantage of its independent status is that it would not come under the Freedom of Information Act. This displeases those legislators who are eager to please those journalists who think that if Aristotle had been a clear thinker he would have said that the great goal of government is not justice but happy journalists.

NED has brought about another outburst of philistine moralizing of the "Grenada-was-as-bad-as-Afghanistan" sort. The anti-NED argument is: we would disapprove of foreign interventions in our democracy, therefore . . .

Therefore nothing. The moral status of an action is conditioned by the actor's intentions and results. We are a good nation interested in nurturing good things in nations afflicted with bad regimes. Besides, we tolerate all sorts of foreign attempts to shape opinion in our open society.

But in Washington in the sleepy summer season, occasions for indignation are distressingly scarce. Hence they are valued almost as much as air conditioning, the other necessary comfort. Many opponents have used NED's little appropriation as an excuse for preemptive indignation about imaginable violations of the ever stricter rules of political hygiene that are binding only on the United States.

There is a moral failing that theologians call scrupulosity." It involves seeing moral fault where there is none, or fanatically seeking perfect purity when that is not desirable or even possible. The assault on NED is, in part, another excuse of scrupulosity regarding foreign policy.

Congress, it sometimes seems, would like a foreign policy conducted by Emily Post with the Warren Court squinting over her shoulder lest there be any violation of procedural niceties. NED is not perfect. The controversy about it illustrates how pursuit of the perfect injures the good.

Mr. HATCH. He said:

> Some conservatives, eager to combine ostentation and frugality, want to be seen saving $31 million (a sum spent every two and a half hours on interest on the national debt). Some liberals, eager for heroism without risk or exertion, want to slay this butterfly on the pretext that it is a cleverly disguised dragon. They say NED will be an instrument for U.S. "intervention" in the internal affairs of despotism.

He goes on to say a little bit further in his article:

> It is, after all, an act of creative plagiarism. The Reagan administration took the idea from two liberal Democratic congressmen, Dante Fascell of Florida— —

Who serves with me on the board and who I think has made tremendous contributions, as I have observed this board— —

> and Don Frazier, now mayor of Minneapolis.

He concludes in just the last couple of paragraphs in this article—I do not want to read it all. He says:

> There is a moral failing that theologians call "scrupulosity." It involves seeing moral fault where there is none, or fanatically seeking perfect purity when that is not desirable or even possible. The assault of NED is, in part, another excuse of scrupulosity regarding foreign policy.
>
> Congress, it sometimes seems, would like a foreign policy conducted by Emily Post with the Warren Court squinting over her shoulder lest there be any violation of procedural niceties. NED is not perfect. The controversy about it illustrates how pursuit of the perfect injures the good.

Let me just make a couple of things clear, because I think it is time somebody stood up and spoke for the National Endowment for Democracy.

Mr. President, I rise today to give my whole-hearted support to the $31.3 million appropriation for the National Endowment for Democracy. As my colleagues are aware, the purpose of the NED is to promote democracy abroad. The NED is an important new organization that will play a vital role in the worldwide competition of ideas.

Unfortunately, there has been a great deal of misunderstanding and misinformation circulating about the NED. For instance, my good friend Hank Brown recently wrote in the Wall Street Journal that the Endowment is "a tax-supported Endowment for mischief."

Mr. President, criticisms such as this concern me greatly because they are based on inadequate or inaccurate information. As a member of the Board of the NED, I would like to set the record straight.

First, the NED is a private nongovernmental organization. The Endowment grants funds to other private groups which submit proposals for specific programs that will contribute to the growth of democracy. There are four major private groups that receive NED grants: The AFL-CIO's Free Labor Institute, the Center for International Private Enterprise of the Chamber, and the Republican and Democratic Party Institutes.

I have seen as I have mentioned, the excellent work of the labor institutes over the last several years and they have carried a large part of the load in sowing the seeds of democracy. With the support of the National Endowment for Democracy, they could be even more effective and they are going to keep doing it no matter what. I guess we can sit back and rely on them to do the job that we should be helping with, but they can be more effective and that is an additional point.

The chamber of commerce has also exhibited a spirit of bipartisan support for promoting democracy. The party institutes, although very new to the program of selling democracy, are maturing on a meeting-by-meeting basis. And they took some hard lumps at the last meeting. It was a maturation process for them. But they were willing to take them and willing to learn, willing to do something about it. I am convinced they will be very effective when they are given the chance. It is about time we in Congress recognized this.

We established it. Let us give it a chance. If, after giving it a chance, it does not work, heck, I will lead the fight to get rid of it.

Opponents of the NED have stated that the two party institutes will be allowed to use public funds for partisan purposes. This is incorrect. The two party institutes have agreed to make public their annual audits to ensure that no taxpayers' funds appropriated to the Endowment are in any way mixed with the funds of the Republican and Democratic Party National Committees. In fact, it was Charles Manatt and Frank Fahrenkopf the two chairmen, respectively, who personally proposed this measure at the most recent NED board meeting.

Another piece of misinformation that has been circulating about the NED is that it will not be subject to audits by the Congress or the public. Again, this is false. As a nongovernmental organization, the NED is not subject to the provisions of the Freedom of Information Act. But this does not mean the Endowment enjoys a cloak of secrecy. In fact, the NED Act includes standard auditing and reporting requirements. The Endowment and all of its grantees will be subject to the appropriate oversight procedures of the Congress. The Endowment will report regularly and thoroughly to Congress regarding all program activities. It is the intention of the NED to keep the Congress fully informed regarding all these activities.

To underscore this point, the NED board adopted a resolution directing the Endowment's president to implement an openness policy, ensuring that all proposals approved by the board, grant agreements between NED and its grantees, and other official documents of the Endowment are made available to the public upon request. We do the Freedom of Information Act one more.

Opponents of the NED claim it will duplicate already-existing programs, especially those of the U.S. Information Agency. In fact, however, the USIA and the NED have different legislative mandates and completely different goals, as I have stated before. The purpose of the USIA is to sell the United States abroad, while the purpose of the NED is to sell democracy abroad. As a nongovernmental organization, the NED will be free to conduct programs that USIA cannot support. For instance, efforts to strengthen democratic electoral processes—one of NED's legislated purposes—is a forbidden area for USIA. NED may also conduct exchanges and technical assistance programs that involve only one foreign country or two or more foreign countries, whereas USIA programs must involve America or Americans in some way.

I do not think it takes much brainpower to recognize the difference betwen the two, and the advantage we will have in exporting democracy with the rules that apply to the NED. The difference in the legislative intent of the act is clear and there should not be any overlap and we intend to make sure there is not.

Some critics have alleged that our Ambassador in Panama, Everett Briggs, has opposed NED funding in Panama as a kind of loose cannon or embarrassing matter. These opponents of the Endowment made available to the New York Times part of a classified telegram from Ambassador Briggs which was then quoted in the House floor debate to influence a narrow vote to defund the NED for 1985. Ambassador Briggs was deeply disturbed about the outcome of the House vote. He sent a subsequent cable stating that he is a strong and enthusiastic supporter of the NED, and that he believes it is "* * * very important that the NED be funded as originally envisaged." On the other hand, I take it at face value. He has called me, and I believe that it is at face value.

With regard to my good friend Hank Brown's criticism that the NED will be used to fund trips solely for the purpose of hobnobbing with foreign leaders, thus far I have not seen any evidence of this. However, if funding foreign travel is necessary to further democratic principles, then I say let's fund all we can. It would be a small price to pay in the worldwide competition of ideas, especially when you consider that the Soviets are spending an estimated $3 to $4 billion a year on their disinformation campaign aimed at breaking up the NATO alliance and destroying democracy. I think it is something we have to think about.

In a 1980 CIA study entitled "Soviet Covert Action and Propaganda," the Central Intelligence Agency reported to the House Select Committee on Intelligence that:

> The Soviet leadership regards propaganda and covert action as indispensable adjuncts to the conduct of foreign policy by traditional diplomatic, military and other means. Moscow is willing to spend large sums on propaganda and covert action—our rough estimate of three billion dollars per year is probably a conservative figure.

When this report was updated in 1982, it stated the figure for Soviet disinformation was considerably more than $3 billion per year.

The Soviets are deathly afraid of the competition the NED will bring to their strategy for global conquest, and they are using every methodology at their disposal to enhance their worldwide antidemocratic campaign. They would like to see the NED, which they term an "antisocialist orgy," derailed as quickly as possible.

The biggest sigh of relief, if we do what the distisnguished Senator from Connecticut wants to do on this matter, will come from the Soviet Union. I am convinced of that.

Mr. WEICKER. Would the distinguished Senator from Utah yield?

Mr. HATCH. Yes.

Mr. WEICKER. Would you clarify that remark? Is this in other words some sort of implication as to the purpose of the Senator's amendment?

Mr. HATCH. Of course not. But I am saying this: I know that the distinguished Senator from Connecticut is very sincere and dedicated to this position. I respect that position. He believes in it. But I am saying this: That the Soviets understand what the NED has been set up for. They are afraid of it. They do not want it to continue. They do not want to see this work occur. They do not want to have this competition in the world of ideas. They do not want to have us up here competing with them. I think they would breathe a great sigh of relief if the distinguished Senator from Connecticut's amendment passes.

But I understand that the amendment is in sincerity. He believes he is right on this matter. He believes there are other things that deserve funding before this. I respect him for that. So there is no implication whatsoever. I would feel, very, very sorry if my friend thought that.

Let me give you some of the Soviet reactions on the democracy program so that I might make my point maybe a little bit clearer because I do not know whether my distinguished friend and colleague has seen these. But the Soviet reaction to the democracy program and the National Endowment for Democracy has been shrill and abusive as reflected by virulent attacks in major Soviet media. Moscow is apparently concerned that these recent U.S. initiatives will be able to counter longstanding Soviet propaganda in Europe, and the Third World. Let me give you some following excerpts which indicate the Soviet line on these programs.

Let us take TASS.

> The United States attempts, under the pretext of "Protection of democracy," to usurp the right to interfere on a large scale in the affairs of other states . . . Large funds have been allocated . . . for infiltrating parties, trade unions, business circles.

This is by Pravda.

> This notorious "Program of Democracy" . . . is a fact the most cynical interference by Washington in the internal affairs of sovereign states. The new 'program' is one more link in the chain of ideologically subversive measures undertaken by the ruling circles of the United States against freedom-loving peoples . . . The ruling class in the US is mobilizing all of its strength: big business, the leaders of the bourgeois parties, the reactionary heads of unions, militarists, and others, in order to rebuild and reorganize its propaganda machine.

Novosti, political correspondent.

> . . . the United States, in keeping with its new program, will be not so much promoting itself as engaging in subversive activities against the socialist countries. In short, Project Democracy is a direct interference in the internal affairs of other nations . . .

Izvestia.

> (From an article entitled "Big Stick for Crusaders"). And how are these crusaders to be armed? . . . in the sovereign states which are the targets of this crusade for democratization American-style, it is important first of all to prepare leadership cadres . . . The picture is clear: Leaders in every country prepared by Washington. There will be a United States of the World, with its capital on the Potomac.

Radio Moscow.

> Leaders of the Republican and the Democratic parties have called upon Congress to support the efforts directed at organizing a so-called National Fund for Democracy . . . that fund is given the function of coordinating and financing the most important of the ideological diversions planned by the administration.

Well, I think you can say that they are alarmed by this. They are not happy with this. They know it is competing with them. If they knew how little funding we really have, I do not think they should be as afraid as they are, but it does not take a lot of funding for democratic principles to be espoused and to be spread throughout the world. It takes billions of dollars for their principles to make any headway.

Opponents of the NED really need to take these matters into consideration. I hope they will. During the debate over the NED, it is important not to lose sight of the larger picture. The basic question is: Should we be engaged in the international battle of ideas and values, or should we stand aside and do nothing?

When they learn the truth about the NED, I believe the Endowment's opponents will give their wholehearted support to this vital program. I hope I have gotten rid of some of the myths which have arisen. As President Reagan has stated: "We must work hard for democracy and freedom, and that means putting our resources, organization, sweat and dollars behind a long-term program."

Mr. President, that program is the National Endowment for Democracy. I am confident that the Endowment will be an effective tool for promoting democracy abroad—proving that for once, liberals and conservatives and business and labor can work together for common democratic goals.

I would like to put into the RECORD at this point a letter from President Reagan to Senator HATFIELD dated June 12, 1984.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, DC, June 12, 1984.

Hon. MARK O. HATFIELD,
Chairman, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR MARK: I have just returned from London where I met with the leaders of six of the world's major industrial democracies. At the end of this Summit, we signed a declaration on democratic values. This declaration, which I believe reinforces our basic beliefs and our best hope for political stability, social justice and peace in the world, must be reinforced with concrete actions.

The National Endowment is the cornerstone of our efforts to promote the growth of democratic institutions throughout the world. The Endowment is off to a sound beginning and should be given a chance to work. I am confident that this unique institution, which harnesses the energies and talents of private sector organizations, including business, labor and the two national political parties, will make an important contribution to the cause of democracy and to furthering the national purposes of our country. For this reason, I continue to oppose any amendment which would reduce the appropriation for the Endowment and which would eliminate funding for the two party institutes.

The authorizing legislation is sound, represents the public interest and has invoked from other countries strong statements of support and a willingness to cooperate.

It is often said that we must seek alternatives to military means in the defense and promotion of democracy. The National Endowment for Democracy is precisely such an alternative. We must be prepared to assist with adequate resources genuine and courageous democrats throughout the world—those seeking to stabilize new democracies, to encourage a transition to democracy wherever possible, or to keep alive the flame of freedom wherever tyranny exists. Such an effort is best undertaken openly and under private auspices. But it will need adequate resources.

At a time when the opponents of democracy lavishly support their allies, we cannot abandon the field of political competition. The cause is too important. The stakes are too great.

I therefore urge you to support the proposed appropriation for fiscal year 1985 of $31.3 million for the National Endowment for Democracy.

RONALD REAGAN.

Mr. HATCH. I would like to mention a few sentences to my colleagues from this letter:

> The National Endowment is the cornerstone of our efforts to promote the growth of democratic institutions throughout the world. I continue to oppose any amendment which would reduce the appropriation for the Endowment and which would eliminate funding for the two party institutes.
>
> It is often said that we must seek alternatives to military means in the defense and promotion of democracy. The National Endowment for Democracy is precisely such an alternative. We must be prepared to assist with adequate resources genuine and courageous democrats throughout the world—those seeking to stabilize new democracies, to encourage a transition to democracy wherever possible, or to keep alive the flame of freedom wherever tyranny exists. Such an effort is best undertaken openly and under private auspices. But it will need adequate resources.

It is an excellent article by our President. I have taken too long. I understand that. I apologize to my friends and colleagues. Let me just close. I think my colleagues can at least get some feeling as to how deeply I feel about this particular institution, about the potential that it really has, and how hard I have worked to try to make sure that their fears will always remain unfounded.

Let me say this: I do not think it is right for us to sit back and let other entities do the job that really we are capable of assisting with. I am not even saying we should do it, just assist. The beauty of this is the Government is not doing it. It is a private organization and these are private organizations that are carrying the burdens of these programs. They have a board very interested in them carrying this burden as well.

I am sure that not every grant will be totally satisfactory to me that this board will permit to be made. But I am sure that a great deal of effort is being put forth by everybody on that board and by the institutes themselves to do what is right with the limited funds they have.

Where they have indicated some excesses, we have cut their wings, clipped them back, and we will continue to do so. I have seen a bipartisan effort by both Democrats and Republicans to resolve these problems and to make sure this is a shining example and not some denigrated example that some of my colleagues feel it will become or that it may already be. I assure them that it is not.

I would also like to say that I think it is denigrating to a degree to the work that at least the free trade union institutes have been doing for years to indicate that they do not need some help from us. I think it is denigrating to a degree to not recognize the desire of the chamber which put forth an excellent proposal at our last board meeting, a well-thought-out proposal, that they intend to do what is right.

I really believe we ought to give them that chance.

I personally do not see how a National Endowment for Democracy will work as well as it should if the two major political parties in America do not, in a bipartisan spirit, have the maturity to go out, and espouse, and disseminate principles of democracy all over the world. Sometimes they may be in the best position to help some of these emerging nations, or nations trying to preserve democracy, to understand how to emerge or how to preserve. I think that is important.

I have taken too long, and I apologize. But I do think that this deserves more consideration than the short time that we have had to even start implementing this program. By the way, we have just approved a few grants. We have not even had a chance to see if it will work. I think the least we can do, since we went through this process before, is give four institutions a chance to see what they will do. Give them a chance to mature. Give them a chance to be able to do more.

The PRESIDING OFFICER [Mr. MATHIAS]. The Senator from Connecticut.

Mr. DODD. Mr. President, I will not take long.

Mr. President, I am reluctant, because I think this is the first time in my relatively short tenure in this Chamber that I have ever risen in direct disagreement to my senior colleague from the State of Connecticut, Senator WEICKER. But, I disagree with his amendment.

Let me say, if I can, Mr. President, at the very outset, about my colleague from Connecticut and my colleague from South Carolina, that while we disagree on this particular amendment, and others, no two individuals stand taller than these two when it comes to the issues of patriotism or the fight for democracy. I may disagree with them from time to time on specific votes. But this is not a battle over one's patriotism. This is a contest over an idea, whether or not this idea makes any sense for this body to support.

Mr. President, it does not take a great deal of imagination to attack the National Endowment for Democracy. There is not an audience in America from Maine to California where, if you stand up and go after foreign aid, you can avoid a standing ovation. We all know that people get upset when they hear about us investing dollars in things that have to do with programs offshore. We have seen that historically in this country, going back almost to the birth of our Nation. It is not significantly different today.

(Mr. ABDNOR assumed the chair.)

Mr. DODD. Certainly, $31 million is an understandable figure. People understand that quantity of money. Talk about $310 billion and you have lost the audience. But $31 million is within the realm of appreciation, of understanding.

And it is a lot of money. Anyone who would suggest otherwise is blind to the problems we face economically in this country.

I supported the Hollings amendment this year and the Kassebaum amendment. I supported the package on revenue and I will support the package that comes in on the budget as well, as a Democrat. I do not like every aspect of it. I would do things differently. But that is not the way ultimately we make decisions in this body. We take our best shots at things we think would set a better agenda. But, ultimately, we have to decide whether or not we are going to move forward on some of these issues.

It is also not an uncommon practice to identify some things we would like to spend money on that we are not. Certainly, I cannot disagree and would not for 1 second; in fact, I strongly agree with Senator HOLLINGS, Senator WEICKER, and others who have said that we ought to be doing more on the educational fronts. I believe that. I think it is outrageous that the Soviets and others spend far more of their income on attracting foreign students to their country to study their political and economic systems and send them back. I think it is outrageous that we are losing in that battle and suffering what that means in the long term to us. Certainly, there is the malaria program and there are other research programs. I will not suggest that the National Endowment for Democracy is better than the malaria program, the Humphrey program, or the Fulbright program.

That is not the issue here. The issue we have to decide is whether or not this is a good idea. Is it a good idea to have a National Endowment for Democracy? If it is not, let us get rid of it. Let us vote it down altogether and junk the idea.

It is not a question of comparing this program to other good programs or to things we do not do. Our choice here is to decide whether or not we think this idea has enough merit to make it worthy of our finance and support to the tune of $31 million this year.

The facts of life are that we are in trouble around the globe. We are not winning the contest of ideas. We are losing that fight. Our adversaries are investing far more of their GNP's in supporting and participating in the structural organization of a political mechanism which we find detrimental to our own interests and detrimental to peace in the world. We are losing that battle. I think educational programs would certainly help.

But one of the real problems in fostering democracy is the structural problem the institution-building in countries.

It is not just having an election, where we have bunting and straw hats and people showing up at voting booths, that makes a democracy.

Someone once said in Latin America that an election is only one note in the tune of democracy. I think that is true.

Building democratic institutions is hard work. It is laborious work. It takes strong incentives. It takes strong advice. It takes a willingness to work at it, not just for a few weeks or a few months, but year in and year out.

In this country of ours, over 200 years has set an example that is the envy of the world in building democratic institutions. No other nation on the face of this Earth has done as good a job as we have in building democratic institutions, and in no short measure those institutions have been built with the help of the American labor force, the American business community, and the two major political parties in this country.

They are largely responsible for that. To attack them as institutions—big labor, big business, big politics—is perhaps a good stump speech. But these organizations as institutions have contributed to the wealth of this Nation. And I do not speak just of our material wealth, but our wealth in terms of our values, our ideals, and the process we go through to see that democracy is perpetuated in this country. No one ought to be ashamed or no one ought to shy away from the recognition that those institutions deserve for building this kind of country.

So it only makes some sense to take these institutions and organizations and ask them to become involved in this process.

Thirty-one million dollars is a lot of money. But it is a very small amount to ask if we can really make a significant contribution to building democratic institutions in countries that are trying to do so.

This year we are going to spend, almost $2 billion in foreign military aid. I heard no speeches around here about foreign military aid. We have spent almost $100 million on the Contra operation in Nicaragua alone. And some people have stood up and supported it around here. They can make an argument for it. But is that building democracy, to suggest that we are not going to invest $31 million to try something that has a global implication? I do not understand that.

Why are we not willing to take a chance on something, to become involved a little bit, to say we have good institutions in America that want to become involved? Some of them have been involved for years, and have contributed significantly. The land reform program in El Salvador would never have survived had not been for the AFL-CIO down there fighting for it, investing in it, and working for those people.

We hear these speeches on the Fourth of July and Memorial Day about democracy. God knows, as someone who has disagreed with my colleagues here on the question of military aid and conditions for military support to El Salvador, I have heard the speeches about how I am against democracy and am supporting the insurgents. Now we have a chance to do something about democracy. Here is a real chance for us to put some meat into our rhetoric, to say that we are not only for democracy, but we are willing to invest in it—in the institution-building of democracy—not just to conduct an election, not just to see to it that candidates get the support of various political consultants in the United States, but to go down and see that we build these institutions.

This would not be not just the Government doing it, but people in the labor force, people in the business community, along with the support of people who have been involved in the political parties of our country.

What is so outrageous about that? In a year when we give speeches about terrorism, when we hear all the speeches about the problems of crumbling democratic institutions, about the spread of Marxism, we are unwilling, to spend $31 million to support institution-building, to try to build democratic governments.

I find that hard to accept, Mr. President, and it disturbs me somewhat to hear the kind of rhetoric we do on these things. Again, I cannot argue with the fact that I would like to see some rearranging of the priorities on our budget agenda. But to suggest somehow that this program ought to fail, that this program ought to be voted down, because we are not doing enough in some other area, is a logic which I find difficult to follow.

Is the National Endowment for Democracy a good idea? Is it a needed idea? Does it deserve support? That is the issue before us really, and we ought to say yes or no to that question and not try to strip this thing, patina by patina, if you will, until we have nothing but a shell of an organization that cannot do anything at all.

My colleague from Utah said it and I agree with him: If it does not work, we can scrap it, we can get rid of it. It will not take this Senator from Connecticut to get rid of that. I am sure there will be a chorus of Senators who will want to get rid of this program if it does not work. But why not give it a try, why not give it some support and draw upon the institutional memories and the expertise of the organizations which have helped contribute to building this Nation? That, it seems to me, is an idea worth backing, worth supporting, an idea which I think will contribute in a very real way to seeing democracy emerge, seeing democracy grow, seeing democracy blossom and flower in areas like Central America, Africa, and Asia. They want our help. They want more than just military aid. They want more than just CIA operations to overthrow governments. They want some real, up-front support to help their governments get on their feet.

The National Endowment for Democracy is not flawless. It has some things in it that I worry about, but I have never seen a program come through here that is flawless, and I have never seen a program yet that is perfect. It is an idea.

It is an idea that says let the American public put their money where their mouth is, let us really try to get behind institution-building to see to it that democratic governments have a chance to survive.

That is what this is all about. It is not about malaria, it is not about the Fulbright program, the Humphrey program, or any other program. It is about this program and whether or not it deserves our support. I believe it does.

Mr. President, I yield the floor.

Mr. MOYNIHAN. Mr. President, I wish to associate myself with the eloquent, persuasive remarks of my friend from Connecticut, in this case my junior friend from Connecticut, as distinct from his distinguished senior colleague, with whom I, too, find myself in the wholly unfamiliar and, in consequence, uncomfortable position of being almost incredibly, in disagreement.

I ask the Members of this body to recall or consider just how many evenings we have discussed defense appropriations and the like. So often we have heard the cause of democracy invoked in the large rotund style which is sometimes ours; we have expounded at length on the sacredness of that cause, the imminence of the peril to it, the consequent necessity of sacrifice. We regular hear pledges to devote whatever may be required in order to sustain the ideal. And not infrequently what we are talking about is the allocation of funds to provide arms overseas—$1.9 billion in the case of the Defense Military Aid Program, as the Senator from Connecticut has recently observed. Few Senators regularly vote against such legislation. I will not under most circumstances.

The disparity between the sums involved here—$1.9 billion in weapons as opposed to $31 million in ideas—cannot fail to impress. The latter sum does not seem to me extravagant or inappropriate.

It may help us to be reminded that democracy began as an idea. It is an institution that commenced in the minds of men, as the founders of this Republic repeatedly asserted. Before they wrote the Declaration of Independence and the Constitution they thought about it, and about what they had read and the debates they had attended, participated in, listened to * * * been persuaded by.

Thereafter they refined that idea which we as a nation so bravely brought into the 19th century and have ever since nurtured, and had such great expectations for.

I wonder if part of the hesitancy about supporting the National Endowment for Democracy does not, in fact, arise from an uncertainty as to whether the case for democracy any longer can be made and, if it can, indeed whether it ought to be made. How very different from the sentiments of the century past.

In the room in this Capitol that leads to the quarters of the Committee on Foreign Relations, one finds in an alcove a bust of Lord Bryce, whose "American Commonwealth," first published in 1888, was so widely read and translated. Indeed, as the pedestal beneath the bust states, Lord Bryce was not only "friend and ambassador to the American people," but also "interpreter of their institutions."

In a second edition, he replied to the question many people had asked him: Why is it that there seemed such great interest in his monumental study of American Government and its political institutions?

He said, "It is very simple. The world over, no matter what their present condition, it is the great hope and higher expectation of peoples that sooner or later they will find their way to American institutions."

That a foreign visitor would say this would not have surprised us then. A century ago we would all have thought it true ourselves. And we would have thought it desirable, if not necessary, to help the peoples of the world find their way to American-style institutions, the institutions of democracy.

Yet testimony has been presented on this floor which could lead one to believe that the "doctrine of American exceptionalism"—which in its earlier manifestations, in the writings of such as Thomas Paine, de Tocqueville, and Walt Whitman, was thought to mean our Nation beneficent and providential, to express, in Daniel Bell's words, "a well-nigh universal expectation that the United States would inherit the future"—has apparently come more recently to mean that the American experience is irrelevant or unnecessary to others in the world.

That earlier confidence was never so great as at the end of the First World War when perhaps there is no man in history before or since who has been so widely regarded in the world, so looked to in the world as Woodrow Wilson. And for what was he so looked to? As an exponent of the idea of democracy.

I see my friend from Maryland has risen, and I am happy to yield for a question or observation.

Mr. MATHIAS. I thank the Senator from New York. If he will yield for a question, and very briefly, it does seem to me that, as he so often does, the Senator has put his finger on the real crux of the problem before us. I ask the Senator from New York if there is any doubt that this is an important subject, if there is any doubt that the job of promoting democracy is not an important job, but as the Senator points out, it is a very delicate job, it is a very sensitive job to promote democracy and one that should be undertaken very cautiously. I am wondering if we have the kind of experience, at least with this new agency, which justifies rapid growth. Should we not go forward in a rather more prudent and cautious manner to develop the ability within the agency—before we suddenly begin to accelerate growth in size and create a bureaucracy that may not yet be able to do this job?

Mr. MOYNIHAN. If the Senator will allow me just to persist in these remarks a bit, I want to suggest to him that this is exactly what we are doing and have been doing. The assertion that the creation of the National Endowment for Democracy constitutes the launching of a new enterprise is wrong. It is, rather, an extension—and a long overdue and a modest extension—of an American enterprise of many years. Indeed the history of American involvement in the promotion of democracy goes back to those years at the end of the 19th century when, indeed, we did look upon the world as moving soon or late to our institutions and set out to teach and engage the world with respect to them.

Now, this did not spring from arrogance or ethnocentric assumptions. This is what the world itself proclaimed it wished to be.

May I note, moreover, going back a bit further, that one of the first institutions we created in this country, one of the first institutions democracy created, was the political party. Some of us, having been taught a bit of the history of European countries, will think of political parties as going back into the 17th century in those nations—Perhaps to the emergence of Whigs and Tories in England in the 1680's. Not so. Certain tendencies in government were identified as such—one became known, after a time, as a Whig or a Tory. The political party was created in the United States, as, subsequently, was the political platform. In my party, we have in recent days been drawing up the program of my party. Soon others will be drawing up the program of the party to which the Senator from Maryland belongs.

The oldest political party in the world is the Democratic Party in New York State. It was founded in the aftermath of a visit to New York by Thomas Jefferson, who met with Aaron Burr and went on a botanizing expedition up the Hudson River, out of which came the agreement to organize a party in support of what was called the Democratic Republican Party at the time and has had someone in office every year for two centuries.

Mr. MATHIAS. What kind of an expedition was that up the Hudson?

Mr. MOYNIHAN. A botanizing expedition.

Mr. MATHIAS. Ah, botanizing.

Mr. MOYNIHAN. They could not necessarily say they were on tavern tour. They said they were looking for exotic plants.

Mr. MATHIAS. It was an expedition for which Thomas Jefferson was admirably suited.

Mr. MOYNIHAN. He certainly was.

Mr. WEICKER. Will the distinguished Senator Yield? Is that why one reads on the label of the bottle "Made from imported botanicals"? [Laughter.]

Mr. MOYNIHAN. I see where the Senator has been of evenings late. [Laughter.]

I should like to suggest that political parties were embodiments of ideas. Indeed they began as such, but they also built structures. You have to give structure to an idea if it is to endure. a 2-century-old political party is something the world has never seen before, just as a 2-century-old democratic constitution is something the world has never seen before—but will 5 years from now.

Another thing that began to characterize American life—and de Tocqueville observed it—was the organization of private citizens for private purposes in pursuit of public aims.

The labor movement was the first such that we think of. The present day AFL-CIO observed its 100th anniversary 3 years ago. There can be not a dozen institutions—political or otherwise—in the world that can point to such continuity and stability of purpose and performance. It is worth noting the spirit that has guided the movement for this century and 2 years.

The Federation of Organized Trade and Labor Unions, predecessor to the AFL-CIO, was organized in 1881. From the first moment of this first enduring federation of unions, devotion to the enhancement of human rights and democratic liberties in other countries was at the center of its concerns.

The first convention adopted in 1881 called particular attention to what it considered to be the unjust imprisonment of:

> Hundreds of Ireland's honest spirits . . . in consequence of their heroic attempts to ameliorate the condition of her oppressed people.

That resolution, Mr. President, resolved to:

> Extend to these champions battling in the cause of human Liberty our hearty sympathy, and that we also extend to the oppressed of all nations struggling for liberty and right, the same encouragement and words of sympathy.

In 1910, Mr. President, the organization, now called the American Federation of labor, found in the administration of President Francisco Madero of Mexico hope for a progressive society in our neighboring country. They watched Gen. Victoriano Huerta engaged in trying to overthrow that government—which Huerta eventually did, murdering Mr. Madero in the process. The 1912 convention of the AFL went on record sending greetings to the Mexican people who, with Madero were: "Fighting to eliminate ancient wrongs and land tenure."

Some years later, Samuel Gompers, in his very last act as a leader of the American labor movement, was in Mexico meeting with the Mexican Federation of Labor to see if he could not bring our two nations together in this regard. He had a heart attack there. He asked to be carried across the Rio Grande that he might die on American soil. But his last act typically, even while much remained to do in America, was abroad.

In the same period, American business did likewise. Business organizations began very early in our history and organized at the end of the 19th century almost exactly as the labor unions did, and the Chamber of Commerce came into being. In 1919, at the Paris Peace Conference, labor and management joined together to create one of the most enduring of all the international institutions, the International Labor Organization.

It is not at all surprising that labor and business would join together again in 1983 to create the National Endowment for Democracy. It is in this sense parallel to the ILO, which consists of government, which has two votes in the national delegations, labor which has one, and business which has another

The United States was led to join the ILO when it did not join any other institution in the League. Why? Because there were people behind it, a labor movement and a business movement. Consequently, it endures and it retains a sense of constructive purpose which has evaporated in other, newer international bodies.

In this morning's New York Times, one notes a story with the headline: "Poland Is Criticized By An ILO Inquiry For Solidarity Curb." The Government of Poland has been formally found in violation of its solemn treaty obligations. By the General Assembly? By the Security Council? By the World Court? No. By the ILO? Yes.

That ought not surprise us. This is an institution that has stood for an idea—the idea of a free association of labor and free bargaining between labor and management. And it endures. It has been there since 1919, and it will be there when we are gone, because the ideas behind it endure.

I say to you, Mr. President, and to the Senator from Maryland, please think of the National Endowment as the beginning of a Government contribution, a very modest one, to an existing and ongoing effort that is almost a century old as it is. It does not surprise that this effort has become more formally affiliated with Government in recent years. This also is not unique to the endorsement. I was present in 1962 when the George Meany, in response to the request of President Kennedy, organized the American Institute for Free Labor Development as part of the Alliance for Progress. It was an effort by the labor movement to bring its skills to others who might need them, as well as to learn from others who could teach us. It too endures.

Many people may have wondered what those two American labor leaders who were murdered in San Salvador several years ago, Michael Hammer and Mark Pearlman were doing there. They were there working for the American Institute of Free Labor Development.

I recall a period when I was Ambassador to India. I would return to this country ever so often. I would try to see the Secretary of State. I would try to see the President. And sometimes I was successful. The one person I would see third, if not second or first, and who would always see me, was the head of the AFL-CIO; because he and his organization wanted to know how democracy was doing in India and how the labor movement was doing in India, and they cared.

During a fairly decent spell in that country—I was more than 2 years in India, the largest democracy in the world—I saw three Members of the U.S. Congress. Two were Senators, one of whom is now distinguished chairman of the Committee on Foreign Relations; one a Member of the House on a farewell tour around the world.

There was also one other Senator who was there somewhat by accident. His plane was sent through New Delhi, where he did not wish to go, because his ticket had been paid for in rupees.

Not a month went by however, that some member of the labor movement did not come by to see what we were doing and what we should be doing about it.

What is proposed in the Endowment for Democracy is that we should encourage them to do more on this. The President of the United States proposed this in an address to the British Parliament 2 years ago.

A private institution was later established. The National Endowment is a private institution, and the U.S. Government proposes to give it some funding. It has begun slowly. It continues to go slowly.

If we think of what we are up against in the world in terms of organized efforts to discredit democracy, surely this is small enough an effort by our Government to make democracy's case—an effort to enable those who understand that case to make it for us.

Mr. President, I note that there are those who see that potential. But can anyone point to any serious difficulty in 60 years of involvement of the American Government with the International Labor Organization, bringing representatives and business and representatives of labor and government around the world to conferences, to meetings, to seminars? Has that not succeeded in some large measure? In Europe, after the war? In a number of countries of our own hemishpere? Surely, it has.

Have we not found, in the specialized agencies of the United Nations, useful activities for private individuals, when official government actions have at times been less than praiseworthy?

The quadripartite nature of the Endowment's structure reaffirms that the American democracy is both public and private, and characterizes our democracy just as truly as the simultaneous existence of government and political parties characterizes our democracy—and did virtually from the outset, as if it were natural.

One thing the authors of the Federalist warned against was factions, and the first thing those same men did was to organize them. Why? Because it turned out parties were inseparable from the notion that free people would organize themselves to advance ideas.

This is the very same free people, two centuries later, seeking an opportunity to advance its ideas in a world where those ideas are bitterly contested, systematically misrepresented, and terrifyingly overwhelmed in the councils of nations the world over.

Need I remind the Senate that there are as many democracies in the world today as there were in 1945, and scarcely an additional one, while the number of nations has trebled. There are perhaps 35 or so democratic nations on Earth. There has not been a truly significant addition to that list in a generation, though Argentina offers promise, while the list of nations that have fallen into totalitarian or dictatorial forms continues to grow.

Of the 100 or so new nations created in the world since 1945, at least 90 began as democracies, and yet not 10 remain as democracies.

Is that a message to us? Does that not suggest that we have to make a better argument or find out why we do not succeed?

We need not always agree, even among ourselves, to find agreement in support of the proposition that the effort to promote democracy ought to be broadly based.

This Senator, it may be useful to record, has a lifetime approval rating of 27 percent by the Chamber of Commerce, but it is sinking to 26 percent in the current returns. Even so, I would trust them, if they would agree to stay out of the State of New York, as well as the State of South Carolina, I would welcome their activities in support of free enterprise and free societies.

I leave with one thought. I ask Senators to consider this: There have been approximately 100 new states created since 1945. Of those, 90 States began as parliamentary democracies, with free elections, an independent judiciary, a neutral civil service, and universal elections. I find it difficult to think of more than 10 of those 90 that have not lapsed into tyrannies of one or another form.

If we cannot keep more than 15 percent of the newborn democracies alive, it is time for us to ask if we ought not try a few new approaches. If we are unconcerned, then I ask my colleagues, What is happening to our beliefs? What is the world thinking about our future if we think democracy not worth promoting?

Mr. President, I will not detain the Senate. The distinguished Senator from South Carolina is on his feet. I hope he will spare his friend from New York his well-known capacity for dismantling an argument. The one I have just made is one I hope might stand as at least one Senator's view for at least the balance of this debate.

Mr. HOLLINGS. Mr. President. I say to my distinguished colleague from New York that it would never be my intent to dismantle him. I have a difficult time trying to equal and come up to the high discourse that the Senator from New York always engages in. In fact, he is just about my favorite in this body to listen to because he has a tremendous sense of history, and I not only enjoy listening to him but also learn every time he speaks.

He mentioned 100 democracies, of which there are now 10. If the National Endowment for Democracy is the approach to be used in order to turn this wave back from, say, communism, socialism, or whatever, to democracies, we are lost. He knows that, and I know that.

I admire his stand and his profound knowledge of the ILO. He did not go into it. I do not know whether he heard the Senator from Utah. But I do remember hearing on the floor of the Senate that the distinguished Senator from New York had written his original thesis at Harvard on the International Labor Organization, back in the midthirties. The reason for that particular debate, which was held on the floor of the Senate, was that we were going to finally get back into the ILO.

You see it just was not all of this wonderful thing about they got together in the Paris Conference, and it endures, and what a wonderful institutional thing it is.

I sat there with George Meany, and he said, "Give them notice."

The Senator from Utah was talking about going to this meeting where they were deriding the Israelis.

They were deriding the Israelis, the United States, and everyone else. So that the No. 1 man of the AFL-CIO says, "Oh. Cancel our dues."

That was a pretty traumatic situation.

We discussed it. We gave notice, and we did not pay for several years.

The Senator from Utah describes a very mild circumstance. We have had hard times disciplining the ILO. But do not let me in an enthusiasm that my friend calls dismantlement give a wrong impression of the AFL-CIO or Lane Kirkland.

We are in fantasyland today. We had the senior Senator from South Carolina favoring the Federal bureaucratic takeover of the cities and local governments. We have the champion of labor law reform who was fighting the AFL-CIO, pleading the AFL-CIO case. And now they relegated me to representing the Soviets in this particular amendment as a cosponsor with the distinguished Senator from Connecticut.

But as it is commented upon Lane Kirkland is a South Carolinian. We are extremely proud of him. He is most responsible, most respected, and labor in the international game of spreading democracy has done an outstanding job.

I described early on how we should develop a middle class. In the development of that middle class we should foist upon those governments the right to organize and the right to strike, the right to have labor unions. That develops a middle class quicker than any other instrumentality.

What we have in these Latin countries is the rich and the poor and they are not receiving the proper fruits from their labor and, of course, they set the wage scale and that goes for Mexico, and you can go right on down the boot.

We need to develop a strong labor movement in Central America where they would have the fruits of their labor and organize unionism that would be their pawn that we would develop that middle class. Lane Kirkland and the AFL-CIO has been in the vanguard, certainly in the vanguard with Solidarity in Poland that we have supported there.

And let me say this, that is what we have been doing. The inference here now is that somehow we have found a wonderful new idea to develop democracy. We have been in the contest as we say of our counterpart the Soviet how to engage. We say the best way to engage democracy for the free world is to develop a web of relationships and if we can with the Soviets in cultural exchange, scientific exchange, trade exchange, and olympic exchange, and everywhere we can we have confidence in the preference of the human being for freedom and in that way we will finally prevail.

Similarly, as we go about the world today, we try to develop a web of relationships at every level and on every subject and specifically the Senator from Utah would impress the colleagues to the effect of somehow or other now if you cut this you will cut out that wonderful scenario that he had in Geneva in the ILO.

We are giving at this moment $31,393,000 to the International Labor Organization.

In fact, if you will refer to page 67, you will see not only a half billion dollars, $522 million in different organizations but turning to pages thereafter, we easily equal the Soviet effort. We have not been niggardly. We have not been puny. We have not disregarded opportunities.

We have the Food and Agriculture Organization, the International Atomic Energy Agency, the International Telecommunications Union, the United Nations, World Health Organization, World Intellectual Property Organization, World Meteorological Organization, and all the Inter-American organizations, the Pan American Health Organization, the Pan American Institute of Geography and History.

You go down those. I will not read them all. You have the Bureau of International Expositions, Customs Cooperation Council, GATT, The Hague Conference on Private International Law, the International Agency for Research on Cancer. We are putting in another $1 billion there.

We have the International Bureau of the Permanent Court of Arbitration, and go right on down to the International Center for the Study of the Preservation and Restoration of Cultural Property, the Interparliamentary Union, International Seed Testing Association, International Hydrographic Organization, International Natural Rubber Organization, International Institute for Unification of Private Law, and the International Office for Epizootics.

Did you get it? Epizootics.

I am having the staff look that thing up. It is something about animals there. I would probably put in an amendment to get rid of epizootics in Washington. I could run for reelection on that one down home. You know what they would think epizootics was—them fuzzy liberals up here—yeah.

But in any event, while we have a little fun as we go down this is a serious matter. We have joined the issue. We are spreading democracy. We have tried it, and you are not going to get it with the National Endowment for Democracy and all the visitations and trips and little conferences. That is not the way.

We must develop a middle class to do that. We need labor. If you put in some extra money for the ILO and the AFL on Solidarity you will have the vote of the Senator from South Carolina because they know and they are working and they are trying to get land reform, and they have lost lives.

So we do not belittle—I do not know what the chamber of commerce has actually done honestly on this particular score. I can send down for the history and you can see that they have not had a great effort in this particular area.

In developing that middle class we have the figure finally now of 12,400 from Central America going to the Soviets and only 528 to the United States of America.

The Senator from Utah says sell the United States abroad, that is the function of the USIA. But we have a different function for NED, and that is to sell democracy.

I cannot tell the difference. I do not think there should be a difference.

The distinguished Senator is not in the Chamber. I would ordinarily ask about that.

But we should include in the article, and I ask unanimous consent to have printed in the RECORD an article by James J. Kilpatrick, "Draining a Superfluous Slush Fund."

There being no objection, the article was ordered to be printed in the Record, as follows:

DRAINING A SUPERFLUOUS SLUSH FUND

(By James Kilpatrick)

WASHINGTON.—The House of Representatives struck a blow for both prudence and frugality last week. In an unexpected rebellion against both President Reagan and the House leadership, members voted 226 to 173 to kill the fledgling National Endowment for Democracy. It was a nice day's work.

If you haven't heard of the National Endowment for Democarcy, do not be embarrassed. Not many others have heard of it either. Let me bring you up to date.

Back in June of 1982, President Reagan was in London addressing the British Parliament. In my partisan view, the president has relatively few really bad ideas, but when he has a really bad idea it is a beaut! He proposed to Parliament that the Western world set up new mechanisms for combating communism in Third and Fourth World nations by actively promoting democracy.

The Western world, and more specifically the United States, already has a dozen such mechanisms at work. In the public sector we call these mechanisms the State Department, the U.S. Information Agency, the Commerce Department, the Peace Corps and the Central Intelligence Agency, among others. We have public and private cultural exchanges; we have international fellowships and scholarships. The Girl Scouts trade young ladies back and forth around the world. We have book fairs; we have international seminars; we send tourists by the millions wherever airplanes fly.

But the opportunity to set up a new and needless federal agency is never to be spurned. Reagan's well-intentioned remark of 1982 materialized in November of 1983 into the National Endowment for Democracy, with a slush fund of $18 million of the taxpayers' money to spread around. In April of 1984, the endowment's board agreed to split the first year's pie in this fashion: $11 million to organized labor, to be spent by the AFL-CIO's Free Trade Union Institute; $1.7 million to organized business, to be spent by the U.S. Chamber of Commerce's Center for International Private enterprise; $1.5 million to the Democratic Party and $1.5 million to the Republican Party, to be spent through their separate Institute for International Affairs; and $2.3 million for administration of the endowment's suite of offices on Northwest 15th Street in Washington.

The administration has asked for $31.5 million to fund the endowment in fiscal '85. Last week the item floated to the floor as an infinitesimal part of an omnibus appropriations bill. To the chagrin of the endowment's supporters, the item crashed headlong into a couple of icebergs—Richard Ottinger, a liberal Democrat from New York, and Hank Brown, a conservative Republican from Colorado.

Brown had come to the floor hoping only to fire a couple of shots over the endowment's bow. He wanted amendments to make the agency's grants subject to public disclosure under the Freedom of Information Act, and he had some other ideas about oversight. Ottinger was in no mood for temporizing. His purpose was to sink this pretty little boast before it got any farther out to

> sea. Both gentlemen were incensed by reports that the Free Trade Union institute, using $20,000 in grant money, already had meddled in the Panamanian election.
>
> After a spirited debate, Brown and Ottinger routed the agency's defenders altogether. I wish I could predict that the action will stick, but the Republican-controlled Senate is likely to be more solicitous toward President Reagan's baby. By the time the bill emerges from conference, most of the money will have been restored, and a few window-dressing amendments will have been added.
>
> Well, Ottinger and Brown are right on this one. It is a bad business in every way to turn over tax funds to private entities to spend within the vague bounds of a "project application." In a draft report on this outfit, the General Accounting Office already is voicing reservations about the mischief that could be caused abroad by the partisan political activities of the grantees.
>
> The table of operations for this endowment parallels the maddening shell game played by the Corporation for Public Broadcasting, which provides grants for TV documentaries and then piously washes it hands of further responsibility. In public broadcasting, nobody is really accountable to anybody for anything. So it is with grants to promote democracy. What are nice boys like my brothers of the U.S. Chamber doing in a joint like this?

Mr. HOLLINGS. Mr. President, as far as the chamber of commerce, I think if there is one champion of the chamber, it would be Jack Kilpatrick, and he ends the article up and says:

> What are nice boys like my brothers of the U.S. Chamber doing in a joint like this?

Mr. MOYNIHAN. Mr. President, will the Senator yield for a quick observation and information?

Mr. HOLLINGS. I yield.

Mr. MOYNIHAN. As far as the International Office for Epizootics, the term "epizootics"—I looked it up—concerns disease in animals and is the equivalent to epidemics in man.

I would bet the Senator that $36,000 would get a pretty good vote from the Texas representatives in this body because, if I understand it, one of the principal concerns of epizootics is hoof and mouth disease and the spread thereof. One can lose a big spread in west Texas by epizootics.

Mr. HOLLINGS. Well, it spreads here on the floor of the U.S. Senate. Maybe I need treatment.

Mr. President, I can tell you here and now that we have to be awfully careful. We just cannot submit, and the Senator from Connecticut is right on target, he is doing this body a tremendous service—we have the lowest credibility in the Lord's world out there. The mayors are freezing their budgets. The Governors—38 of them—have frozen their spending, including Democratic Governors Blanchard of Michigan, Celeste in Ohio, Cuomo in New York. They raised revenues to try to provide needed services.

They are dead serious. They do not print money. They have balanced budgets.

Here we are willy-nilly down the line on a $200 billion binge with no idea of paying for it putting in a charade and calling it deficit reduction and cutting meaningful programs and turning instead to launch a multimillion dollar financing of the political parties and the AFL-CIO and the chamber of commerce overseas.

We have the Asian Foundation. I can go into all of the ones that we work with very, very closely.

Doing away with the NED would be a good step in the right direction not just for economy but for the way we sell democracy.

They are all hanging their hats on the labor movement, and they should, because they have credibility. They have moved overseas and should continue to move and we want to support that, as we have in this particular budget.

But let us not break ranks here with a slush fund, as characterized by Jack Kilpatrick. Let us show some awareness of what we are doing here and support the Senior Senator from Connecticut in the amendment.

Mr. DURENBERGER. Mr. President, I support the efforts to restore the full $31.3 million appropriation for the National Endowment for Democracy. In my view, the decision of the House of Representatives to cut funding for the NED was ill-considered and harmful to the interests of democracy throughout the world.

All too often, we in the United States fail to realize how uncommon democracy is in the world. We ignore the simple fact that democracy is continually being challenged and threatened by dictatorships of the left and of the right. I think that few writers have analyzed this threat to democracy more impressively and more strikingly than Jean-Francois Revel in this month's issue of Commentary. In this article, he writes:

> Not only do the democracies today blame themselves for sins they have not committed, they have formed the habit of judging themselves by ideals so inaccessible that the defendants are automatically guilty. Clearly, a civilization that feels guilty for everything it is and does and thinks will lack the energy and conviction to defend itself when its existence is threatened. Drilling the idea into a civilization that it deserves defending only if it can incarnate absolute justice is tantamount to urging that it let itself die or be enslaved.

At times, I think that many of us in the democratic nations forget that the struggle between the democracies and the dictatorships is not one of guns, or of planes, or of ships—but that, ultimately, it is a conflict of ideas. The Heritage Dictionary defines democracy in three ways: first, as government by the people, exercised either directly or through elected representatives; second, as a political or social unit based upon this form of rule; and, third, as a social condition of equality and respect for the individual within the community. These definitions are accurate enough, but I don't think that they really convey the freedom and the vitality that are characteristic of democratic societies. To me, democracy is embodied in the many freedoms which are guaranteed by our Constitution: Those of assembly, of speech, of the press, of religion—just to name a few. But with these freedoms come responsibilities which we, as citizens of a free society, have not always fulfilled. One of these responsibilities should be to encourage the growth of democracy. Adherents of democracy are constantly challenged by well-funded, well-organized efforts which are systematically supported by the many opponents of democracy. In my view, those who advocate totalitarian ideas must be challenged by concerted action on the part of the democratic nations. Today, we are faced with a stark choice: We can aid democratic institutions and groups through a private, publicly funded organization such as the National Endowment for Democracy, or we can follow the House's lead and do nothing at all.

When I reviewed the House debate on this matter, I could see that the opposition of a number of the members was based on some fallacious assumptions about the NED concept. I'm convinced that the House vote was a mistake. A few quotes from the House debate are instructive. Representative MILLER of California stated:

> I suspect there are other organizations in the United States or overseas or elsewhere that could use this $31 million, and if these people really have the best interests of democracy, of promoting the United States of America, promoting our way of life, our diversity, our controversy, then they ought to take it upon themselves as good citizens, not because the federal government gave them the money to do it . . . I say let us just see how it goes Let us see how interested they are in doing it. They can do it. They are free to do it. They have been doing it for years.

And from Representative OTTINGER of New York:

> But there is no accountability of how those groups are going to use this money. It is public money. If it is used improperly, as indeed it apparently was in Panama to influence an election, there is no way to control against the improper use of that money.

These are fine arguments, but they happen to be wrong. As Representative MILLER points out, any number of organizations would be more than glad to have an additional $31 million. I'm sure the same would hold true for every one of the 535 Members of Congress. However, I think that Representative MILLER may believe that encouraging the growth of democracy is some sort of passive exercise. Perhaps he feels that business as usual is preferable to making the effort of promoting such concepts of democracy as free trade unions, an independent judiciary, a free press, and so on.

Representative OTTINGER claims that the NED is not accountable to any public officials. However, the NED and its primary grantees will be audited annually by independent certified public accountants and that the results of these audits will be included in the annual report the NED will submit to Congress. Moreover, all of the accounts of the NED and its primary grantees are by law subject to audit by the General Accounting Office each fiscal year. The NED's Board of Directors, which is composed of prominent members of our Government, business, labor, and the media, have recently passed a resolution to ensure the NED's accountability to the public. The following information on the NED will therefore be made available to the public: All proposals approved by the NED Board; all grant agreements between the NED and its grantees; all reports on program implementation; all minutes of directors' meetings; all NED reports to Congress; and all audit results. I believe that the NED is prepared to be fully accountable to both the Congress and to the American people.

Mr. OTTINGER also raised the issue of the NED's participation in the recent election in Panama. While the involvement of the Free Trade Union institute on the behalf of one of the major Panamanian parties was regrettable, I am also convinced that there will be no such interference in the internal affairs of sovereign countries by the NED in the future. On June 8, the NED Board unanimously adopted a resolution which restricts all NED grants in the following way: "No funds provided hereunder shall be used to finance the campaigns of candidates for public office." Due to this guarantee, I feel that the NED fully intends to respect the sovereign rights of the countries which it may assist.

The NED has received criticism on several other issues. I believe that most of this criticism is unjustified. Some have attacked its efforts as being duplicative of those of the U.S. Information Agency. As stated in the Endowment Act, the NED's primary purpose is "to encourage free and democratic institutions throughout the world." USIA, by contrast, carries a congressional mandate to inform other nations about the United States and provides a distinctly American viewpoint on world events and cultures. As a private, nongovernmental agency, the NED has the flexibility that a U.S. Government agency does not have. There are many constructive organizations, foreign and domestic, which are prepared to accept funds from a private agency like the NED, but are not prepared or willing to accept official U.S. Government funding.

Others have criticized the inclusion of political party institutes in the framework of the NED. These institutes, which have been established by the Republican and Democratic Parties, could, in my view, be an important part of the effort to promote democracy and democratic institutions abroad. This is not a revolutionary idea nor would it constitute interference in the affairs of sovereign states. Ample precedents can be found for this idea—both the Socialist International and Christian Democrats International provide political advice and assistance to their affiliates throughout the world. Many American political consultants have advised political candidates since the late 1950's in countries as diverse as Venezuela, Great Britain, and Japan. Any assistance program to promote democracy abroad must strengthen democratic political parties. I believe that the political party institutes are the proper mechanism to accomplish this objective.

In closing, I think that it would be appropriate to see a bit of the range of opinion which supports the NED concept. We need only to look at the June 24 issues of the New York Times and the Washington Post to recognize the NED's broad base of support. In these papers, we find the conservative columnist George Will saying many of the same positive things about the NED that Albert Shanker, the president of the American Federation of Teachers is. And support for the NED does not come solely from Americans. The Inter-American Dialogue is composed of political, business, religious, and cultural leaders from countries throughout the Western Hemisphere. In their newly released report, these leaders have voiced their qualified support for the NED:

> We note the establishment of the new National Endowment for Democracy, a private foundation for support of democracy financed by the U.S. Government. The increased interchange that the endowment could facilitate among business, labor, political, and civic leaders of different countries might strengthen their sense of democratic solidarity; it would also increase their appreciation for the distinct forms that democracy takes in different countries. We are concerned, however, that the Endowment avoid interfering, or even appearing to intervene, in sensitive political affairs within any country. If the Endowment is to be broadly accepted and effective, it must support the full fabric of democracy rather than any particular ideology or partisan strand.

In recent weeks, Senator HATCH, AFL-CIO President Lane Kirkland, Representative DANTE FASCELL, and other members of the NED Board of Directors have done much to allay the concerns that were raised in the House debate on the NED. I would therefore urge strong support of Senator HATCH's effort to restore the full $31.3 million appropriation for the NED. Mr. President, I also ask that the articles by George Will and Albert Shanker be printed in the RECORD as well as the chapter on "Progress Toward Democracy" from the Report of the Inter-American Dialogue.

The material follows:

[From the Washington Post, June 24, 1984]

IT'S NOT AN "ENDOWMENT FOR MISCHIEF"

(By George F. Will)

Perhaps certain congresspersons hold the truth in such high regard that they do not want it promiscuously displayed. Perhaps. But the attempt to kill in the cradle the National Endowment for Democracy looks like yet another instance of moral posing at the expense of a moral undertaking.

Some conservatives, eager to combine ostentation and frugality, want to be seen saving $31 million (a sum spent every two and a half hours on interest on the national debt). Some liberals, eager for heroism without risk or exertion, want to slay this butterfly on the pretext that it is a cleverly disguised dragon. They say NED will be an instrument for U.S. "intervention" in the internal affairs of despotism, and we all know that would be wrong. Don't we?

You might think that persons who are strenuously opposed to the use of force to advance U.S. interests, as with aid to Nicaraguan freedom fighters, and who condemn U.S. collaboration with autocrats, such as Marcos of the Philippines, would welcome NED. It is, after all, an act of creative plagiarism: the Reagan administration took the idea from two liberal Democratic congressmen, Dante Fascell of Florida and Don Fraser, now mayor of Minneapolis.

But a lot of latent hostility to the idea was brought down, like summer lightning, by reports that the AFL-CIO—this nation's most diligent private force for freedom—spent $20,000 of NED money on behalf of the moderate who won Panama's presidential election. Such assistance to friendly persons in elections may be problematic; certainly it will not be a part of NED's future agenda. NED's board has now forbidden the use of funds to finance campaigns of candidates for public office.

With federal and corporate funding, NED can do such things as: aid political prisoners and their families in places like Poland; assist harassed and fragile embodiments of democratic values, such as the "flying universities" (maintained by dissident intellectuals) in Poland; assist the organization of Cuba Committees in Europe, where there are many Cuban democrats in exile; support a magazine run by and for the thousands of Chinese students studying abroad, a magazine devoted to discussion of peaceful liberalization of China; send to places like South Africa and Chile law students skilled at litigation on behalf of human rights; assist the Democratic and Republican parties in sharing the skills of democracy. (Democracy is, after all, a learning art—with parties trying to take root in the stony soil of less fortunate countries.)

Now, what is there about such activities that causes a congressman—a conservative Republican—to describe NED as an "endowment for mischief"? If the U.S. government is to be forbidden, in the name of moral fastidiousness, from lending aid and comfort to freedom's brave and isolated friends, the U.S. policy amounts to unilateral moral disarmanent.

The effectiveness of some things NED may do would be reduced by publicity. One advantage of its independent status is that it would not come under the Freedom of Information Act. This displeases those legislators who are eager to please those journalists who think that if Aristotle had been a clear thinker he would have said that the great goal of government is not justice but happy journalists.

NED has brought about another outburst of philistine moralizing of the "Grenada-was-as-bad-as-Afghanistan" sort. The anti-NED argument is: we would disapprove of foreign interventions in our democracy, therefore...

Therefore nothing. The moral status of an action is conditioned by the actor's intentions and results. We are a good nation interested in nurturing good things in nations afflicted with bad regimes. Besides, we tolerate all sorts of foreign attempts to shape opinion in our open society.

But in Washington in the sleepy summer season, occasions for indignation are distressingly scarce. Hence they are valued almost as much as air conditioning, the other necessary comfort. Many opponents have used NED's little appropriation as an excuse for preemptive indignation about imaginable violations of the ever-stricter rules of political hygiene that are binding only on the United States.

There is a moral failing that theologians call "scrupulosity." It involves seeing moral fault where there is none, or fanatically seeking perfect purity when that is not desirable or even possible. The assault on NED is, in part, another excuse of scrupulosity regarding foreign policy.

Congress, it sometimes seems, would like a foreign policy conducted by Emily Post with the Warren Court squinting over her shoulder lest there be any violation of procedural niceties. NED is not perfect. The controversy about it illustrates how pursuit of the perfect injures the good.

[From the New York Times, June 24, 1984]

SENATE MUST RESCUE FLEDGLING ENDOWMENT—WHY NOT NURTURE DEMOCRACY ABROAD?

(By Albert Shanker, President, American Federation of Teachers)

During the last few weeks I've learned how hard it is for a democratic country like ours to do things and to do them right. Only a few months ago the Congress passed and the President signed a law which funded a private nonprofit corporation called the National Endowment for Democracy (NED). Now NED is fighting for its funding . . . and its life.

The basic reasons for NED are clear. For decades there has been a struggle between the U.S.S.R. and its bloc on one side and the U.S.A., Western Europe and their friends on the other. The struggle is not basically over which flag will fly over more territory, but over the question of how many people will have the right to enjoy the benefits of democracy. A look at the changes which have taken place in the world over the last four decades does not give an optimistic picture. It's true that wherever people are free to vote and choose their own form of government, they never choose the Soviet model. But nevertheless that model expands because it can use armed force without fear of internal criticism. It can spread money to its agents and sympathizers in other countries without worrying about press leaks or internal political dissension over who is getting the money or whether the projects are worthwhile. In any struggle, if one side is doing something while the other is doing little or nothing, the outcome is clear.

We in the United States do have something to promote and sell, something to offer in competition. Why not actively promote the idea of democracy? And why not continue to do it through government agencies like A.I.D. and U.S.I.A.—but add to them the strength of those free institutions which exist in our society and not in the Soviet Union's . . . or for that matter, in dictatorships of the right? Institutions whose very existence shows the difference between our system and theirs—free trade unions, private business enterprise, independent political parties. Why not give a small amount of money ($31 milli out of our annual budget of about $900 billion)? Each of these groups would not be using the money to do what the United States Government asks them to do. Rather, the government would provide money to these groups for activities each of them wants to do to help indigenous democratic institutions, at their request. The AFL-CIO would help strengthen free labor unions in other countries. The United States Chamber of Commerce would strengthen business groups abroad and promote the philosophy of free enterprise, while the Republican and Democratic Parties would help strengthen their democratic counterparts around the world, again at the request of these existing foreign organizations.

The idea had strong support across the political spectrum: President Reagan, AFL-CIO President Lane Kirkland, party chairmen Frank Fahrenkopf of the Republicans and Charles Manatt of the Democrats, Senators Christopher Dodd, Pat Moynihan and Orrin Hatch, Representatives Dante Fascell and Jack Kemp, among many others. The National Endowment for Democracy was born, and I was one of the 15 members named to be on its Board of Directors.

But on May 31, with NED only a few months old, the House voted to cut off all of its funds for next year. And now the only hope is that the Senate will continue to support NED. Why the turnaround? Well, some in Congress don't seem to mind having the United States do nothing while the Soviet Union scores gains. Others don't like the idea of our political parties being "tainted" by government money. But most are just afraid that when one or another of the parties in NED occasionally makes a mistake in how the money is spent—and occasional mistakes will certainly be made—their election opponents will hit them hard for voting for NED.

We can either do something to promote democracy around the world or decide to do nothing. If we decide to do something, we can do it exclusively through government agencies or we can also do it through private and free democratic institutions. (Of course, if we limit our efforts to government agencies, there will be many groups and institutions in other countries which either cannot or will not accept help from a foreign government.)

There is no doubt that our promotion of democracy around the world will be more effective if conducted openly by a private, nongovernmental group of Americans. The idea is good. It's worth trying. It may or may not work. But those ready to kill NED before it has had enough time to develop a track record either don't give a damn about promoting democracy—or are overly worried about demagogic attacks by political opponents. A bit of courage is called for.

THE AMERICAS IN 1984: A YEAR FOR DECISIONS

(Report of the Inter-American Dialogue)

CHAPTER THREE: PROGRESS TOWARD DEMOCRACY

All participants in the Dialogue share a deep commitment to democracy—to the progressive achievement of social justice in a context of political freedom, broad participation, regular and free elections, and constitutional guarantees.

Democratic governments take different forms in different countries. Some are more effective than others at discharging their responsibilities. Democracy is never a panacea. Whatever their exact form, however, democratic governments are the best guarantors of fundamental human rights and civil liberties. They are also more likely than authoritarian regimes to enact equitable social and economic reforms that last. Broadly based and sustained commitments to social justice are crucial to reducing the political tensions within all countries of the Hemisphere. In countries torn by civil strife, these commitments are required for national reconciliation, durable peace, and true security. Democracy is basic to the well-being of the Hemisphere.

In last year's report, we called attention to the return to democracy underway in much of the Hemisphere. Although we were heartened by what we believed was a trend toward democracy, we recognized the difficulty of sustaining and expanding fragile political openings. A year later, we are still encouraged, but we are even more conscious of the obstacles. The deepening conflicts in Central America inhibit meaningful progress toward democracy there. The economic crisis throughout the Hemisphere threatens the stability of all governments, authoritarian and democratic alike. In this difficult context, the continuing expansion of democratic rule in South America is all the more impressive.

Although the sources of democracy are internal to each country, the prospects for its emergence and growth are affected by international developments. We want to set forth some recommendations for creating conditions more favorable to democracy throughout the Hemisphere. Because Chapter 2 of the report is devoted to Central America, this chapter concentrates on South America. We believe, however, that most of our recommendations would apply to all of Latin America and the Caribbean.

RECENT PROGRESS TOWARD DEMOCRACY

During most of the 1970s, authoritarian rule prevailed in every country of South America except Colombia and Venezuela. Even in Uruguay and Chile, where the tradition of continuous democratic government had been longest, the crises of the early 1970s led to military dictatorships. The authoritarian regimes promised to restore national unity, institutional order, economic development, and eventually to return to democracy. Some regimes seemed successful for a while, but all have failed on most of these fronts in recent years. Now, one by one, they are being compelled to accelerate the return to democracy.

No country in South America has changed from democratic to authoritarian rule in the 1980s. Venezuela has strengthened its democracy, which it has now enjoyed for thirty years. Its recent presidential elections brought another peaceful change of administration, despite the challenges of a guerrilla movement. Colombia has also demonstrated the resilience of its democratic institutions. It elected a new president last year who offered amnesty to those guerrillas who would lay down their arms.

Over the last several years, three other Andean countries—Ecuador, Peru, and Bolivia—have regained democratic rule. In each case a demoralized military regime gave way to an elected government, but the new governments have been buffeted by economic recession and the region-wide debt crisis. Prices of exports have fallen, costs of essential imports have risen, and unemployment is at record levels. Over the past year, floods and droughts have devasted much of the three countries' agriculture. Moreover, the Belaunde government in Peru has had to respond to the Sendero Luminoso, an increasingly bold terrorist movement. In the face of these difficulties, all three countries have so far been able to sustain their democracies.

Democracy in the Andean region is reinforced by the progress in Argentina and Brazil over the past year and by the democratic stirrings elsewhere in the Southern Cone. In November, Argentina elected a civilian government after eight years of military rule. We do not underestimate the difficulties confonting Argentine President Raul Alfonsin. Argentina has endured the traumas of a brutal internal conflict and defeat in the South Atlantic. Its economy is badly damaged, and its debt is staggering. Nevertheless, for all of the difficulties, the new political climate in Argentina is testimony to the powerful public sentiment supporting democracy. In a country where little seemed possible a few months ago, the return to democracy has restored hope for political reconciliation and civic decency.

What happens in Brazil over the next year may be critical to sustaining the momentum for democracy throught South America. In November, 1982, congressional and state elections in Brazil demonstrated the military's commitment to a measured political opening. Opposition governors now serve in the most powerful Brazilain states. A presidential election, conducted by a government-controlled electoral college, is scheduled for January, 1985. But after twenty years of military rule, in the midst of a calamitous economic situation, Brazilians are increasingly impatient for the election of a president by direct popular vote and for the full return to democracy.

Events in Brazil and Argentina have heartened democratic forces in neighboring Uruguay and Chile, where pressures are mounting for return to civilian rule. In Uruguay, the military government has announced a limited political liberalization. Demands have been rising to open the presidential elections, planned for November, 1984, to the full political spectrum. In Chile, the Pinochet regime has so far refused to consider elections before 1989, but popular pressures for an early political opening have increased.

Even Paraguay is not impervious to the democratic trend in South America. Its authorization regime would be severely tested if democratic governments emerged in all neighboring countries.

IN SUPPORT OF DEMOCRACY

There is a renewed conviction throughout the Hemisphere of the necessity for greater popular participation in politics. Americans—North and South—have long expressed their highest political aspirations in democratic terms. Even authoritarian governments, upon seizing power, typically promise eventual elections and justify their repression as preparation for the return to democracy. Such proclamations may seem cynical. They are, nonetheless, a recognition that democratic ideals are the prevailing norms in this Hemisphere. Dictatorships may be rationalized and abided temporarily, but support for them is inherently unstable. Regimes that cannot claim to rule with the consent of the governed lose their legitimacy.

Public acceptance of authoritarian rule has also declined sharply over recent years because military governments have so often failed to accomplish their stated goals. Despite their promises of economic growth and stability, and their success for a while, military regimes have been associated with the worst economic crisis in fifty years. Despite promises to restore national unity, they have pursued inequitable policies widening the division between rich and poor. They have sought to impose political order on their countries through repression and human rights violations. The result has been political division and social unrest. Most military regimes have been less successful than democratic governments in pursuit of their goals. And the cost of their efforts—in terms of social inequities and human rights violations—has been higher.

Against this record of authoritarian regimes, the arguments for democratic rule are compelling. Citizens have the right to be ruled democratically; democracy is a fundamental political and civil right. We also believe that democratic governments are more likely than authoritarian regimes to achieve other desired social goals. Democratic rule is the surest way to protect basic human rights, including freedom from arbitrary arrest, torture, murder, or "disappearance." Authoritarian regimes can pledge themselves to respect human rights and civil liberties; but in the absence of a free press, free trade unions, an independent judiciary, and other institutional arrangements for due process, individual citizens have no protection against arbitrary actions by the state.

Although poverty and inequality breed social unrest in all nations, revolutionary violence and a totalitarian outcome are far more likely to occur where free political participation and peaceful social reform are blocked. Democracy does not guarantee either equity or growth. It does, however, offer more promise of political reconciliation and of effective social and economic reform than do authoritarian regimes. Democracy provides greater economic opportunity for the individual and more equitable distribution of income. Without progress toward social and economic democracy, the stability of democratic government is uncertain. Political legitimacy requires both broad, popular participation in the election of democratic governments and effective action by those governments in meeting the basic needs of their peoples.

Progress toward democracy within individual countries and throughout South America is mutually reinforcing. By acting cooperatively, democratic governments can help to create an international climate more favorable to democracy in their own countries and to democratic transitions in nations under authoritarian rule. The return to democracy in most of South America also encourages the revival of the inter-American system through such shared values as respect for the rule of law, tolerance for political and ideological diversity, and belief in the sanctity of basic human rights.

DIFFICULTIES FOR DEMOCRACY

This is not the first time that South America has seemed on the verge of a democratic era. At the beginning of the 1960s, elected civilian governments emerged in most of the continent. That so many were shortlived underscores why it is important to do whatever is possible to strengthen the prospects for democracy now.

Historically, the greatest obstacle to democracy in South America has been the weakness of political, governmental, and civic institutions. Part of the explanation for the weakness of these institutions is the gulf between the poor majority and the rich that divides most South American countries. Extremes of wealth and poverty encourage political and ideological extremes. Even nations such as Chile and Uruguay, with strong democratic institutions and relatively high living standards, proved vulnerable in the early 1970s to extremists who rejected compromise and reform.

But the fragility of democracy in South America is not only the product of weak civilian institutions. It is also the result of military interventions that have thwarted the expressed will of electoral majorities. In much of South America, military establishments have regarded themselves as the guarantors of national order, reserving the right to intervene in politics when it becomes unduly chaotic or divisive. By disrupting constitutional procedures, albeit with the backing of an important segment of the middle class, military interventions have undermined civilian institutions and democratic processes.

During periods of military rule, the suppression of democratic institutions and civil liberties diminishes opportunities for citizens to participate in civic affairs and to gain political experience. When democracies are restored, they must not only rebuild civic, political, and governmental institutions but also train new political leaders.

Democracy faces special challenges at this juncture in South America. The failure of military regimes has been due in part to their inability to manage their economic crises fairly and effectively. Unless the new democratic governments gain broad support for their policies, which will require sacrifices from all citizens, they may once again open the way to the cycle of polarization, institutional breakdown, military intervention, and authoritarian rule. It will take enormous discipline on the part of governments, opposition politicians, businesses, trade unions, and everyday citizens to pursue the austerity measures necessary for paying debt obligations and stemming inflation. Heightened social instability, as indicated by the recent riots in Brazil and the Dominican Republic and strikes in Peru and Argentina, is a serious concern in Latin American and Caribbean countries facing economic crisis on an unprecedented scale.

The collapse of military authority in many countries is also due to the corruption of power and the violation of human rights and civil liberties. Democratic governments must show that they can maintain order, unity, and legality and that they will use power with both authority and restraint. To bring their nations back together, the new governments will have to restrain pressures for retribution against officials of the former regime. They will also have to incorporate into the political system members of the left and right who are prepared to abide by constitutional procedures. If democracy is to succeed, it must be founded on reconciliation.

The possibility of left-of-center reformist governments in some new democracies, combined with the near certainty of social unrest, will undoubtedly cause concern in the United States. If the conflict in Central America continues to escalate, some in the United States will be tempted to press an East-West view of the world on South American democracies seeking to pursue their national interests in their own ways. It would be tragic if the United States, out of concern over Soviet penetration in the Hemisphere, were to embark on another cycle of covert operations and destabilization policies. The United States would again be in the position of appearing to favor dictatorships over democracies. It would end up exacerbating the divisions within Latin American societies, encouraging ideological extremes, and weakening the underpinnings of inter-American relations. The United States and the South American democracies must understand their common long-term interest in seeking accommodation on specific issues and in protecting democracy in all its forms.

RECOMMENDATIONS FOR SUPPORTING DEMOCRACY

The success of the efforts to achieve democracy in the Southern Cone and Brazil and to reinforce it elsewhere in South America is crucial to the well-being of the Hemisphere. Despite their difficulties and imperfections, democratic governments are always preferable to authoritarian regimes. The continuing economic crisis in the region and the attendant social unrest add to our sense of urgency. We know that democracy requires sustained commitment over the long term. It is vital, however, to strengthen the democratic momentum already underway. Over the last two decades. South Americans have experienced the social costs of political polarization and authoritarianism; they now seek a return to the observance of human rights and civil liberties. To support democracy today in the region is to support self-determination and popular participation, together with political moderation, compromise, and reconciliation.

We remain skeptical about the capacity of governments, particularly their foreign policy agencies, to foster democracy by direct, politically-oriented assistance to other countries. Outside efforts to promote democracy easily become entangled with sensitive internal issues and may thereby be viewed as unilateral intervention. Other governments, especially those of larger and more powerful countries, can damage the prospects for democracy even when they mean well.

By its very nature, democracy must be achieved by each nation largely on its own. It is an internal process rooted within each country—in its history, institutions, and values; in the balance of its social and economic forces; and in the courage, commitment, and skill of its political leaders. As we stated last year, democracy is not an export commodity. It can and should be nurtured from abroad, but it cannot be transplanted from foreign countries.

We make ten recommendations for improving the prospects for democracy in the Americas, In a few instances, our recommendations call for positive action; in most, they call primarily for restraint.

1. Unilateral intervention in the internal affairs of other nations is antithetical to democracy. It contravenes international treaties and norms that are vital to the long-term peace and security of all nations in the Hemisphere.

Intervention violates the right of self-determination which is the underpinning of every democracy. In denying nations their right and responsibility to govern themselves, it provokes reactions of dependence or of defiance, each ultimately destructive of domestic and international relations. Moreover, in violating international treaties, intervention undermines respect for the rule of law. We call upon governments to refrain from activities, covert or open, which undermine the political autonomy or integrity of any other country. The principle of non-intervention must be respected throughout the Hemisphere. A revived inter-American system should monitor compliance with this principle.

2. The advancement of democracy in the Hemisphere should be a basic objective of all democratic countries, including the United States. Supporting democratic government as a tactic for some other end—such as combatting communism or promoting free enterprise—weakens democracy and discourages democratic leaders. For external support to be effective, it must be consistent and unwavering. A credible U.S. commitment requires patience, tolerance, and restraint, even when particular democratic governments and their policies are not to its liking. Over the long term, the United States and other governments should convey support not for particular political outcomes but for the democratic process itself. The same commitment is required of political leaders and ordinary citizens within each democracy. They, most of all, must be willing to stand by democratic rules and procedures despite disappointments and setbacks.

3. Foreign support for democracy is best accomplished within a multilateral or regional framework. The efforts of large countries acting alone, no matter how well-intentioned, may be construed as self-interested attempts to interfere in the internal affairs of weaker nations. On the other hand, cooperative measures by the region's democracies are more likely to be perceived as disinterested and legitimate.

4. The management of the debt crisis by South American governments, multilateral institutions, the U.S. Government, and the banking community greatly affects not only economic but also social and political stability in the Hemisphere. If governments are forced to embrace austerity programs in which the balance of payments and debt servicing take absolute priority, the resulting economic conditions may provoke social unrest and political disorder that would lead to default. Thus, in some cases, it is in the interest of everyone to reduce the burden of debt payments and to extend them over time.

Most of us believe that democratic governments, by virtue of their ability to seek compromise and consensus, are better equipped than military regimes to devise stable economic programs and to distribute the losses in real income equitably. Others of us are uncertain. Nevertheless, as stated in Chapter 1, we all believe that the prospects for the new democracies depend to a great extent on the financial leeway they are granted by the IMF and their creditors. Nothing could contribute more in the short term to improving the prospects of these governments than alleviating their current financial crisis and permitting them to focus on economic growth and equity.

Over the long-term, such development agencies as the World Bank, the Inter-American Development Bank, the U.S. Agency for International Development, and the South American governments themselves should increase their commitment to reduce poverty, improve income distribution, and create new jobs. Poverty-focused programs for basic education, primary health care, low-cost housing, small farmers, and small enterprises can yield high economic returns and strengthen the social underpinnings of democracy. We believe that the multilateral and bilateral development agencies should show preference for such programs in democratic settings, where their assistance will have the most beneficial effect.

5. The balance between civil and military authority in most Latin American democracies is likely to remain precarious. Relations between civilian governments and military officers recently returned to their barracks are extremely sensitive. Foreign governments should not allow their relations with the armed forces in another country to undermine that country's civilian authority. The United States and other foreign powers should be especially sensitive to this injunction in undertaking programs of military assistance and training. We also believe that arms control and disarmament measures should be pursued individually by each civilian government and jointly by the region's democracies. Such measures would not only reduce tensions between nations but also free resources for social and economic programs. To the extent that a revived inter-American system settles outstanding border disputes in keeping with our recommendations in Chapter 4, the rationale for reducing the size of armed forces will be enhanced.

6. Regular and free elections are essential to democracy. We recommend that a regional organization of democratic governments make available technical assistance in preparing elections and in verifying their fairness when such aid is requested. Outsiders, however, cannot guarantee fair elections. The best assurance of meaningful elections in a transition from authoritarian to democratic government is the prior establishment of the rule of law and negotiations among political opponents over specific electoral rules and procedures. Elections that are rigged or manipulated, whether by stuffing ballot boxes, intimidating candidates, preventing assemblies, or censoring mass media, encourage cynicism. Support by foreign governments for unfair elections undermines the idea of democracy and reinforces the view that political change must result from bullets rather than ballots.

7. Governments affect the international climate for democracy by the tone and quality of their diplomatic relations. We believe that diplomatic relations should be regulated by a presumption in favor of democracy. Relations between democracies should be warm and supportive. Their relations with authoritarian and totalitarian regimes should be more distant. We question the utility of ostracizing any country from the inter-American community. But regimes that practice repression should not be given foreign assistance. Democratic governments should pursue a policy of material and symbolic support—in bilateral relations and multilateral institutions—for other countries striving to achieve or to maintain their democracies.

8. The protection of human rights and the advancement of democracy are mutually reinforcing. We reaffirm our opposition to economic or military assistance to govern-

ments that systematically engage in violations of basic human rights. We recommend that democratic governments strengthen the integrity and professionalism of their judicial and law-enforcement systems and place them under independent civilian control. We regard the free flow of information as a vital safeguard against governmental excesses and caution against the damaging effects of government control over print or electronic media.

Regional or multilateral action to protect human rights is not intervention but an international obligation. We affirm our earlier recommendations for strengthening the Inter-American Commission on Human Rights. We strongly support those private organizations in the Hemisphere dedicated to monitoring and protecting human rights without partisan or ideological favor. Their vigilance and courage continue to make a civilizing mark on the societies of the Hemisphere.

9. Freely elected governments do not by themselves make democratic societies. They must be underpinned by economic, social, and civic institutions that express and mediate people's demands and assume responsibilities for advancing not only their own interests but also broader public interests. Foundations. universities, scientific and professional associations, labor unions, and other private institutions in the United States, Canada, or Europe can be helpful in working cooperatively with private institutions in South America. Their efforts can strengthen local institutions that are important for building pluralism and democracy and securing the rule of law. During periods of authoritarian rule, collaboration from abroad may help to keep alive centers of critical inquiry and democratic practice. Within democratic settings, such organizations give vitality to civic discourse. To protect the integrity of such transnational relationships, we urge that they be removed from governmental or partisan controls and conducted in ways that respect political diversity and avoid promoting ideological division.

10. We note the establishment of the new National Endowment for Democracy, a private foundation for support of democracy financed by the U.S. Government. The increased interchange that the Endowment could facilitate among business, labor, political, and civic leaders of different countries might strengthen their sense of democratic solidarity; it would also increase their appreciation for the distinct forms that democracy takes in different countries. We are concerned, however, that the Endowment avoid intervening, or even appearing to intervene, in sensitive political affairs within any country. We urge the Endowment to develop clear guidelines for its grant-making and to do so in full consultation with Latin Americans. If the Endowment is to be broadly accepted and effective, it must support the full fabric of democracy rather than any particular ideology or partisan strand. We recommend that the Endowment work cooperatively with regional or multilateral institutions and with well-established international organizations and private foundations. The experience of the Inter-American Foundation, a government corporation created by the U.S. Congress in 1969, is relevant. Rather than financing political organizations or activities, it has supported social and economic projects among grassroots organizations in Latin America and the Caribbean, which have encouraged local participation and self-reliance. We urge that the institutional autonomy and the nonpartisan character of the Foundation's program be maintained. These qualities, which would also serve the Endowment well, have been critical to the Foundation's acceptance by a broad spectrum of private, democratically-oriented organizations in the region.

In sum, our review of the recent authoritarian past of much of Latin America strengthens our democratic conviction. We believe that the danger of totalitarianism is more likely to stem from authoritarian regimes that thwart political participation than from democratic governments in any form.

The first and overwhelming responsibility for achieving and maintaining democracy rests with each country. We look to the leaders, citizens, and local organizations in each country to demonstrate the commitment, the discipline, and the tolerance needed to advance national reconciliation, to recreate hope for the future, and to achieve greater social justice. Other countries, especially the United States, can help. But we believe the most effective outside support may well be indirect—by rejecting policies that are unilaterally interventionist, cooperating in programs for the region that are multilateral, and assisting social and economic development.

● Mr. DOLE. Mr. President, spending $31.3 million for the National Endowment for Democracy is ludicrous. This is a new spending program—one that was created in November 1983. It cost $18 million in fiscal year 1984; now, the administration wants $31.3 million for operation of the Endowment in fiscal year 1985.

In the scheme of things, perhaps $31.3 million is not much in the interest of furthering democracy around the globe. This Senator suggests, however, that democracy would be better served by reducing the deficit by that amount, especially as we carefully consider how this money will be frittered away. The Senator from Kansas has voted against this Endowment from the outset, and hopes that colleagues who have voted for this program in the past will carefully review the short history of the program and conclude that we'd better nip this boondoggle in the bud.

My colleagues will recall that the funds are funneled through the AFL-CIO's Free Trade Union Institute [FTUI]; the National Republican and Democratic Parties' International Institutes; and the Center for International Private Enterprise of the National Chamber Foundation, a private affiliate of the U.S. Chamber of Commerce. Mr. President, there is something inherently wrong with a structure which funnels Federal money through four different organizations without any restrictions at all. It is as if we're trying to finance certain activities by the Federal Government, yet we don't want to be associated with or responsible for the activities we pay for. Because the National Endowment for Democracy is not subject to the Freedom of Information Act, it can operate without answering to the public. By contrast, the USIA, AID, and other such agencies are subject to the Freedom of Information Act and do answer to the public.

Mr. President, a review of the short history of the NED has removed any doubt in my mind about whether it would meet an early death. A New York Times article of May 28 states that some of the funds of the Endowment trusted to the AFL-CIO were in fact used to influence an election in Panama on behalf of a military supported candidate. The New York Times quotes our U.S. Ambassador as saying, in a cable:

> It would be embarrassing to the United States if the labor institute's use of endowment funds to support one side in Panama's elections became public knowledge. The Ambassador requests that this project be discontinued before the U.S. Government is further compromised in Panama.

Mr. President, I urge my colleagues to join me in deleting funding for the National Endowment for Democracy. Its goals are laudable, but the concept simply won't work.●

● Mr. RIEGLE. Mr. President, the fiscal year 1985 State Justice, Commerce appropriations bill which is now before the Senate for consideration, contains funding for an important program, the National Endowment for Democracy. The $31.3 million recommended by the Senate Appropriations Committee, will finance projects undertaken by the Endownment's four affiliated institutions: The National Democratic Institute for International Affairs [NDI]; The National Republican Institute for International Affairs [NRI]: The Free Trade Union Institute [FTUI] of the AFL-CIO, and the Center for International Private Enterprise [CIPE] of the Chamber of Commerce.

Senate action today will determine the fate of this program which was established by Congress 1 year ago in order to foster the growth of pluralistic values and democratic institutions abroad. Although the NED has not been in existence long enough to carry out its mandate, the House, on May 31, by a 226 to 173 vote, deleted the entire fiscal year 1985 appropriation for the Endowment. While I understand many of the concerns voiced by Members of the House just prior to that vote, I believe it is important that those concerns by put into perspective in light of recent actions taken by the Endowment's Board of Directors.

The main concerns raised during the House debate on the NED were: First, that some of the funds have already been used improperly to influence local elections in foreign countries and that potential for continued misuse exists; second, that information concerning activities of the Endowment are exempt from requirements of the Freedom of Information Act; and third, that there is insufficient accountability of the public funds used by the NED's institutions overseas.

In response to the disturbing charges that the FTUI may have used NED funds to directly support a candidate in the recent Panamanian elections, the Board of Directors of the Endowment, on June 8, adopted a resolution prohibiting the use of funds, either by the NED or by any of its grantees, to finance the campaigns of candidates for public office, either in the United States, or abroad. In addition, the Chairman of the NDI has offered his assurances that all of the Institutes will be subject to strict guidelines which prohibit the use of NED funds for any party activity in the United States and for any foreign campaign for public office.

On the issue of FOIA applicability, the Board of Directors of the Endowment adopted, during its June 8 meeting, a resolution directing the Endowment's President to implement an openness policy, ensuring that all proposals approved by the Board, grant agreements between NED and its grantees, and other official documents of the Endowment are available to the public upon request. Furthermore, the NDI has expressed its full support of any proposals—such as FOIA access—which assure the Congress and the public that the NDI is fully responsive to its mandate.

Finally, to ensure accountability of the public funds committed to the National Endowment's programs, all grants will be subject to the ongoing review of the NED's Board of Directors, which is composed of respected individuals spanning the political spectrum. In addition, the activities of the Endowment will be subject to regular congressional oversight through the authorization and appropriation process, as well as to review by the General Accounting Office which is empowered to review all of the papers and accounts of the organization.

Mr. President, the usefulness of the House debate which highlighted these key concerns is evidenced by the fact that, within 1 week of the House action, the Board of Directors of the Endowment undertook to define the parameters of the activities for which NED funds may be used. The responsiveness of the Board to the concerns of the Congress evidences its genuine interest in promoting the types of activities envisioned by the Congress when it created the Endowment last year.

Mr. President, much of the Congress' time has been consumed with consideration of the multi-billion-dollar defense authorization bill for fiscal year 1985. While we must maintain a strong military defense capability, we must not ignore the nonmilitary initiatives which can also contribute to a more stable world environment. I believe it would be a mistake, therefore, to deny funding to the National Endowment for Democracy which, with proper guidance and oversight, can greatly enhance the understanding and appreciation of our democratic system and values around the globe.●

Mr. WALLOP. Mr. President, this is one of those ideas that is easy to formulate attractively in general terms, but is very difficult to translate into specific actions that resemble the descriptions at all. The effort to define what the NED should be began 2 years ago. There is still no document anywhere that shows what it would do. There is no strategy for expending the money in ways that would advance the cause of democracy as President Reagan desires.

The Endowment, however, has built up a record since it received its first U.S. Government grant almost 2 years ago. That record is one of the single-minded pursuit of money. The General Accounting Office's report on the expenditure of the grant that funded the study upon which the institution we are voting on today is based, says that very little time was spent trying to figure out what would be done.

The time, energy, and taxpayers' money were spent doing two things: Figuring out what shares of the money each participant would get, and lobbying the Congress to make sure the money would flow. In other words, there was no study. There was an excuse for greed.

After $18 million were appropriated, the House had specifically eliminated participation by the two political parties, and the Senate had specifically not mentioned the parties in its appropriation, the parties nevertheless received their shares. The Congress notwithstanding, the people who made up the coalition that got the money out of Congress stuck together and divvied up.

The GAO report points out that the coalition that drew up the report never considered any approach to furthering democracy other than establishing these networks of institutes—that is, funding themselves.

The original Boards of Directors of the several institutes made enlightening readings. The same people who were proposing the venture were studying it, lobbying for the money, in some cases were committee chairmen managing the bill on the floor, and would later manage the spending. When I first raised this issue last year, there was much scurrying about. Several Members of both Houses dropped off the Board. Last year also, the GAO asked the Endowment why it had planned to deposit $18 million in a bank whose assets were only $25 million. The plans were changed hastily and the money deposited in Riggs.

The primary question, however, this year as last, is, how is the money to be spent? What is the taxpayer supposed to be buying here?

Are the goals of the Endowment formulated and understood in a way that is achievable? Are they sufficiently focused to achieve the goals set forth by the President? The answer has to be no. Where is the strategy for spending this money? Where is the list of sample projects? Where is the hearing record? They simply don't exist. We simply have people who want the money quietly.

What has the Endowment done with the money it has received?

I exclude from this question the money for the AFL-CIO. Labor has done more of what it has always done abroad. By and large, that has been good for the cause of freedom and democracy in the world. If the AFL-CIO were asking for more money for itself for these purposes, I would be inclined to give it, under the same oversight as in previous years.

What have the Endowment's various institutes done? The first act of the Democratic Party institute was to hold a cocktail party near the United Nations where contributors to the party could mix with diplomats at the United Nations, including Soviets. The subsequent programs are conferences, conferences, conferences and research: In other words, lots of trips to foreign capitals, lots of friendly dignitaries in Washington. Who will argue that the totalitarians of the world will tremble before this? The taxpayer, however, has reason to tremble.

The Republicans are not very different: conferences, conferences, travel, cocktails.

The chamber of commerce's program is only a little better. It does provide a little more money to a longstanding program to teach foreign businessman to take part in the political process. But the Americans who teach the courses live in freedom. The problem for most businessmen is that they don't. The road to greater elbow room for free business abroad runs through the institutions of each country. I doubt the instructors know more about the dangerous labyrinth of Mexican or Egyptian politics and administration than do local businessmen. At any rate, the rest of the chamber's program is, predictably, conferences.

If anyone thinks democracy will be advanced by such methods, he needs an education.

The Endowment itself is little better. It has funded a conference, of course. It is funding an exchange between some organizations in the State of Washington and their Chilean counterparts, a traditional function of USIA. It has funded the training of human rights lawyers to be sent into South Africa, Argentina, and the Philippines—places where they may do good or may help bring about even worse governments than are there now. It is also funding a Chinese language magazine for young people from mainland China studying in the United States. This is good.

Note, however, what the Endowment is not—repeat, not—doing. It has not expended one dime to make the subjects of totalitarian countries a bit more comfortable or hopeful, or to make their totalitarian masters' holds on them a bit shakier. The proof is in two actions the Endowment took. First, it funded a feasibility study for a center for human rights and peace, by Mr. Bukhouski. Now, Mr. Bukhouski is a very decent, articulate man, who has expressed publicly and in detail a variety of projects to advance democracy in Communist countries. Foremost among his suggestions has been the provision of material assistance to the families of political prisoners and others who have lost their jobs because they have run afoul of Communist authorities. Did the Endowment fund any of Mr. Bukhouski's actual projects? No. It funded a feasibility study for an institute. If that institute is ever funded, we can be sure it will be allowed to do mostly conferences.

What can lead us to the conclusion that the Endowment's board does not want to antagonize the Soviet Union and will never allow substantial funds to be used for such purposes? This month, the board approved a mere $66,000 for assistance to Polish political prisoners. But there was much opposition. In fact, the proposal was made only pursuant to a written threat by a Member of this body that his support in this vote hinged on the making of such a grant. In fact, the approval was made subject to further, later, review.

The point should be clear. An Endowment for Democracy worthy of the name would be putting most of its money into such projects. Instead, members of the Board and of the staff seem intent on giving money in ways that will garner political support from traditional groups involved in the formulation of foreign policy. In other words, the whole thing seems to be a rather shabby device for self-promotion and patronage—at the taxpayers' expense.

There is a need for doing what the President outlined before the British Parliament 2 years ago. But this is not the way. The project was begun badly, as the draft GAO report says. Mr. President, I ask unanimous consent that the draft report from the GAO and the account of expenditures for the National Endowment for Democracy be printed in the RECORD at this point. I would not want to be responsible for raising the American people's taxes to pay for this.

Mrs. HAWKINS. Mr. President, I rise in support of the National Endowment for Democracy. The National Endowment represents a bold new effort in American foreign policy. It provides us with the hope that the ideals and principles that we as a nation hold dear can be experienced by others who long to share them around the world. For too long we have acted as though democratic elements around the world will flourish without assistance, and that might be true in an ideal world. We live in a world that for the most part is hostile to the ideals and principles of democracy. We live in a world where torture and human rights violations are commonplace as we heard yesterday morning in a Foreign Relations Committee hearing. We live in a world inhabited by petty dictatorships and corrupt bueaucracies whose only goal is the selfish accumulation of wealth. We live in a world where the Soviet Union is dedicated to planting its Gulag philosophy wherever it can find root.

All around the world we find people who are as determined to choke out pluralism and democracy as we are to see it spread. We cannot afford to abandon our fellow democrats around the world. We Americans recall with appreciation the efforts of the French as our young Nation battled for independence and democracy. I believe that the National Endowment for Democracy will enable us to continue to repay our moral debt by helping others around the world who are also committed to democracy and pluralism.

What will the NED do? Through the contracts it approves it can help build up and train centrist parties so that they can compete with the extremists on the right and the left. It can help sponsor magazines or authors whose ideas will promote pluralism. It can help send attorneys skilled in laws involving human rights to countries in need, and so on. Is this kind of promotion of ideology new? Absolutely not. The Communists have been engaged in the promotion of their ideals by these means for decades and they continue today. So also do the European Socialist parties and the Christian Democratic parties around the world. In fact, in the area of public and open competition of ideas, we are virtually the only noncompetitor. This is a serious mistake and one which the NED helps correct.

Some may have doubts as to whether this kind of a program can work, and I believe that that is a legitimate concern. After all, if something, no matter how high-minded or noble doesn't work, then it doesn't make much sense to support it. The NED, I believe, however, will work. It will work because it involves promoting democratic ideals in much the same manner as the European Socialists, and unfortunately the Communists as well, have been able to successfully promote their agenda around the world. But there is also another reason for thinking the NED will work. From time to time, the CIA has engaged in covert political activities that have, with the benefit of time, been judged a success. I want to make clear that I am not talking about covert paramilitary operations such as the current operations in Nicaragua. I am talking about CIA funding for non-Communist political parties, newspapers, labor unions, church groups, and writers throughout post-World War II Western Europe. About these activities a former CIA Deputy Director of Intelligence, Dr. Ray S. Cline, has written:

> Many international labor and youth movements benefitted by having the CIA help non-Communist members oppose heavy-handed Communist efforts to seize control of all organs of mass opinion. Europeans made the major effort, but CIA support with money and information about Communist activities played a crucial part in preserving the multi-party political systems of Western Europe.
>
> In my view, the CIA especially deserves credit for encouraging left-wing intellectuals to find a democratic alternative in non-Communist organizations and enterprises. The Congress of Cultural Freedom, a genuine liberal intellectual movement in Europe, would have never got going without CIA help, and a number of first-class magazines of political commentary, such as Encounter and Der Monat, would not have been able to survive financially without CIA funds. Without CIA help emigre groups from the USSR and Eastern Europe could not have published in translation the many documents they have received from their old countries. This includes some of the celebrated Soviet samizdat protest literature describing life behind the Iron Curtain.
>
> These U.S. projects seldom involved direct U.S control but simply ensured through the intellectual influence of capable political action officers that honest non-Communist ideas were being presented. European opinion makes, supported by the CIA directly or indirectly and often without their knowledge created the free political environment in Western Europe in the 1950's. Without the countless covert political projects of the CIA, they could not have done so.

The advantage of the NED over the CIA is in the fact that its programs will be overt, not covert. There is no reason that we must be secretive about many of the actions we take to promote democracy around the world. Why would we need to be secretive about helping get samizdat literature published, or helping emigres from repressive regimes, or promoting organizations dedicated to human rights, or any of hundreds of projects that can help lay the foundation for democracy in countries around the world.

Certainly it would be optimistic to expect any single project to be the magic key for democracy, but scores or even hundreds of such projects can form a force for democracy and against totalitarianism and human rights abuses around the world. There is no reason to be ashamed of such a program, in fact, I believe that there is good reason to be proud of it. It shows that America's commitment to democracy, pluralism and human rights is more than words, but that we are ready to back up our words with actions. No longer will our words ring hollow.

I urge my colleagues to support the National Endowment for Democracy and thereby support this bold experiment in promoting democracy around the world.

Mr. WEICKER. Mr. President, first of all, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WEICKER. Mr. President it would be my hope we could go to a vote in the sense that I think everything has been said that needs to be said.

Mr. RUDMAN. Mr. President, I know of no other Senators who have advised me that they wish to speak on this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut [Mr. WEICKER]. The yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. LAXALT (when his name was called). Present.

Mr. STEVENS. I announce that the Senator from North Carolina [Mr. EAST], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Idaho [Mr. MCCLURE] are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina [Mr. EAST] would vote "nay."

Mr. BYRD. I announce that the Senator from California [Mr. CRANSTON], the Senator from Colorado [Mr. HART], and the Senator from New Jersey [Mr. LAUTENBERG] are necessarily absent.

I further announce that, if present and voting, the Senator from New Jersey [Mr. LAUTENBERG] would vote "nay."

The PRESIDING OFFICER [Mr. CHAFEE]. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 42, nays 51, as follows:

[Rollcall Vote No. 182 Leg.]

YEAS—42

Abdnor
Andrews
Armstrong
Baucus
Biden
Boren
Bradley
Bumpers
Burdick
Byrd
Chafee
Cochran
Dole
Exon
Glenn
Grassley
Heflin
Helms
Hollings
Humphrey
Jepsen
Kassebaum
Leahy
Mattingly
Melcher
Metzenbaum
Nickles
Nunn
Pressler
Proxmire
Pryor
Quayle
Randolph
Rudman
Stennis
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Zorinsky

NAYS—51

Baker
Bentsen
Bingaman
Boschwitz
Chiles
Cohen
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Domenici
Durenberger
Eagleton
Evans
Ford
Garn
Gorton
Hatch
Hatfield
Hawkins
Hecht
Heinz
Huddleston
Inouye
Johnston
Kasten
Kennedy
Levin
Long
Lugar
Mathias
Matsunaga
Mitchell
Moynihan
Murkowski
Packwood
Pell
Percy
Riegle
Roth
Sarbanes
Sasser
Simpson
Specter
Stafford
Stevens
Tower
Tsongas
Wilson

ANSWERED "PRESENT"—1

Laxalt

NOT VOTING—6

Cranston
East
Goldwater
Hart
Lautenberg
McClure

So Mr. WEICKER's amendment (No. 3357) was rejected.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. RUDMAN. Mr. President, for what purpose does the Senator wish me to yield?

Mr. KENNEDY. I want to inquire of the majority leader about a scheduling matter. I wondered if the Senator will yield for a minute or two until we are able to find out a particular scheduling matter.

Mr. RUDMAN. Mr. President, I am pleased to yield without losing my right to the floor.

(Mr. HECHT assumed the chair.)

Mr. KENNEDY. Mr. President, the Senator from Oregon and I wish to inquire of the majority leader about a particular measure referred to as H.R. 5490, the Civil Rights Act of 1984, which passed the House of Representatives 2 days ago by a vote of 375 to 32, an overwhelming vote. All but three Democrats in the House voted for the bill, and Republicans voted for it by a margin of over 4 to 1.

This bill is as close to motherhood on civil rights as I have ever seen. And the reason is clear. We settled these issues a decade ago. We decided that Federal funds should not be used to subsidize discrimination in any way, shape, or form, whether because of race, sex, age or disability.

The reason for the board bipartisan support for this bill is clear. It is not an expansion of civil right. It simply restores the law as it existed before the Supreme Court's unfortunate decision in the Grove City College case earlier this year. That is all the bill does—nothing more, but also nothing less. Let us not have any retreat from the progress we have made on civil rights.

In spite of its limited scope, this is the most important civil rights bill of this Congress. It is important legislation to prevent discrimination against the elderly, the handicapped, women and minorities in our society. The purpose of the bill is to reverse the Supreme Court's decision in the Grove City College case.

I hope that we may be able to inquire of the majority leader about his scheduling plan on this particular measure.

We have had the opportunity to talk privately to the majority leader previously, but it does seem to me that the Members of the Senate should have a clear understanding of when we may expect Senate action, in view of the overwhelming vote in the House of Representatives, the overwhelming interest in this legislation, and the overwhelming importance of it. I hope that we shall be able not only to get action on this civil rights measure, but that we shall also be able to obtain the active support of the administration by the time we debate it. I am just wondering what information the majority leader may be able to give us on that measure.

Mr. BAKER. Mr. President, if the Senator will yield, I shall be happy to respond.

Mr. KENNEDY. May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

The majority leader.

Mr. BAKER. Mr. President, I have had an opportunity to discuss this matter both yesterday and today with the Senator from Massachusetts, the Senator from Oregon [Mr. PACKWOOD], and today with the Senator from Utah, the chairman of the committee. The Grove City amendments, is one of the few amendments on which I have seen so little agreement and so much accord. Everybody seems to agree what they want it to do and nobody seems to know how to put it on paper.

I do not mean to be overly facetious, but I am advised that the administration wishes to support a position which they understand to be the status quo ante, before the Grove City decision. I understand that to be the position of the distinguished Senator from Oregon, the distinguished Senator from Massachusetts, and the general view of the chairman of the committee, the distinguished Senator from Utah [Mr. HATCH]. So far we have not been able to transfer that into useful language.

The Senator from Massachusetts yesterday began a rule XIV procedure to get this measure on the calendar, which he has every right to do and which I have no problem with. Today, I had a conversation with the distinguished Senator from Utah and I urged him to have his committee report a bill, any bill, so we can have the matter on the calendar so we can begin scheduling deliberations and get something set up and done.

Mr. President, the question really, I suppose, is whether or not we can do this bill during the 3 weeks between the two political conventions. The answer to that is I do not know. I should like to, but these things must take precedence: First, we are going as slowly as we can on appropriations bills. Therefore, those 3 weeks will be devoted first to the completion of the appropriations bills and supplemental appropriations bills and other matters related to appropriations bills. I do not know how much time that will take.

There are certain other matters that I have already committed to other Senators that I shall try to get up during that 3-week period. So before I can make any further assurance than that in respect to the 3-week period, I am going to have to go back and make sure I have looked at the calendar closely and make my best appraisal of what we can do and make sure it will fit the best I can.

So all I can say at this point to the distinguished Senator from Massachusetts and others who are on the floor and interested is that I do intend to schedule that bill. It is my hope that we can do it during those 3 weeks between the conventions. I am not certain, but I shall try.

I have discussed the matter with the chairman of the committee and it is my understanding that he will make some effort to see that the bill is reported. I am sure it is not a bill that everyone will support, but it will be on the calendar together with the bill the Senator from Massachusetts will bring under rule XIV. But it is a matter on which this Senator will make every effort on this side to address this issue.

Mr. PACKWOOD. Mr. President, may I make a suggestion to the distinguished chairman? Could we get from the chairman a firm markup date on which there will be a markup and a final vote? Frankly, I am afraid what Senator Kennedy and I were afraid will happen is that we shall be getting into September and September is as much taken up with appropriations as this time is.

Mr. HATCH. Mr. President, we concluded hearings on this bill last Tuesday so we could mark up on Wednesday. There was one Democrat and two Republicans who showed up at markup. At the markup the week before that, there were very few Democrats and very few Republicans who showed up.

I have a markup scheduled for tomorrow, because I have been proceeding with expedition. I do want to report it out. I do want to resolve it. I understand that I cannot get a quorum tomorrow. That is not necessarily from the Republican side.

So I am ready to set another day for markup and get it marked up. I intend to do that and I have acted in good faith to do that, regardless of the fact that I differ with the language in the bill, which is very broad language and goes far beyond what the sponsors of this bill have represented, I see, in the Senate.

Mr. KENNEDY. Mr. President, I want to point out to the majority leader that the specific language in the Senate bill introduced by Senator Packwood and myself and 61 other Senators has now been supported by four different Attorneys General under Republican and Democratic administrations and 13 heads of the Civil Rights Division under Republican and Democratic administrations—unanimously except for one, and that happens to be Mr. Reynolds, the head of that Division in the present administration. So that is where the problem is. The House of Representatives has voted 375 to 32 in favor of the identical language in the Senate.

We are all aware of the historical difficulty the Senate has often had in dealing with civil rights measures. We want to avoid as much of those difficulties as possible on this bill.

But we are uneasy about the intentions of Mr. Reynolds and the Department of Justice under this administration. It was Mr. Reynolds, after all, who strongly urged the Supreme Court to reach the decision it did in the Grove City College case, cutting back drastically on our existing laws against discrimination. Now, we hear from Mr. Reynolds that he does not like the language of our bill, because he thinks it goes too far. So those of us who strongly support this legislation are entitled to wonder about the position of the administration.

The amendments which have been offered in the Senate Labor Committee, for the most part, are measures which were considered by the House of Representatives and rejected. Mr. Reynolds may have objections but, he was not able to persuade anyone in the House of Representatives to embrace them.

All of us recognize that, given the limited time we have in the rest of the session, any individual Senator can block a particular bill and kill it. We do not want that to happen to this civil rights bill. And it will not happen if the Reagan administration ends its silence and gives this bill its support.

It seems to me that the request of the Senator from Oregon, that we try to agree on a definite time for the Labor Committee to report out the bill, is not an unreasonable request and certainly one that I would support. I also welcome the expression of interest by the majority leader that we can deal with this bill in 3-week session in July.

Mr. BAKER. Mr. President, I thank the Senator from Massachusetts and the Senator from Oregon and the Senator from Utah. Let me try to summarize the situation. Then I hope that that will suffice for this moment and we can get on with the bill.

Let me say parenthetically it is the intention of the leadership to finish this bill tonight. I hope we do not take much longer, but I had not thought it would take this long.

Once again, Mr. President, it is my hope that we shall have a bill reported on Grove City and on the calendar. It is certainly the privilege of the Senator from Massachusetts to put his bill on the calendar under rule XIV. So we will probably have two bills on the calendar.

There are ways to do it without putting it on the calendar, as Senators know, to get to this issue. One way or the other, it is the intent of the leadership on this side to address this question this session and it is the hope of the leadership on this side that we can do it during those 3 weeks. That is as far as we can go, and I hope Senators understand that there is no desire on my part to sidetrack or delay. It is just a question of trying to find time when we can do it.

Mr. HATCH. Will the Senator yield on that point?

Mr. BAKER. Yes, Mr. President.

Mr. HATCH. There is no desire on the part of the committee to delay, but I think it is incumbent on all members of the committee, especially those who are responsible for this bill, to show up for markup. I think we ought to pay attention to the committee process around here. I have called for two markups now and the people were not there.

I want a markup, I will set it up to do it again. It will have to be the earliest dates we can when we get back. I want everybody there and I hope to mark it up.

Mr. BAKER. Mr. President, I promise that I shall assist the distinguished chairman in trying to get a quorum there. I have a hard time trying to get Senators anywhere, but I shall be glad to try to do that.

Mr. RANDOLPH. Mr. President, will the majority leader yield?

Mr. BAKER. Mr. President, I am going to ask the distinguished managers in a minute how much longer we are going to be, but before I do, I want to yield to the distinguished Senator from West Virginia [Mr. Randolph].

Mr. KENNEDY. Mr. President, I am not sure whether I have lost the floor. I have a feeling it has happened. I think the Senator from New Hampshire had it and I asked him to yield briefly so I could inquire of the majority leader.

Mr. BAKER. Mr. President, the Senator did have the floor.

Mr. KENNEDY. I have only one question.

The PRESIDING OFFICER. The Senator from Massachusetts did not have the floor. The Senator from New Hampshire had the floor.

Mr. KENNEDY. Whatever the situation, Mr. President, I would like to ask a final question of the majority leader, whether the President, himself, has taken a position on this legislation, whether he is supporting this legislation or opposing it? Could the majority leader enlighten the Senate as to whether the President is supporting this legislation, which is supported now by 63 Senators, Republicans and Democrats? The question is, Where does President Reagan stand on the Civil Rights Act of 1984?

Mr. BAKER. Mr. President, I try very hard to say only those things that I know. I do not always succeed even in that. But in this case, I know I do not know. My impression is that the President does support the objective of restoring the status quo ante before Grove City, but I have not talked to the President directly about it. I can say to my friend from Massachusetts that at some point in these deliberations I will talk to the President, but I am not prepared now to speak for him.

Mr. KENNEDY. I thank majority leader.

Mr. RANDOLPH. Will the able majority leader yield to me?

Mr. BAKER. Mr. President, will the Senator from New Hampshire permit me to yield to the Senator from West Virginia?

Mr. RUDMAN. I am pleased to yield to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I respect all my colleagues. I wish to keep the record straight. I cooperate with the chairman of our committee on which I serve, Labor and Human Resources. It has been mentioned that certain Senators per se have not been present. I have been available on all occasions.

Mr. BAKER. Mr. President, I would never have expected anything less of the Senator from West Virginia, who was chairman of the Public Works Committee when I first came to the Senate and served with such great distinction, who continues to serve there, and is diligent in the extreme in the discharge of his duties.

Mr. President, may I inquire now of the distinguished chairman and ranking member, the distinguished managers of the bill, how many more amendments do you have? How long do you think it will take, and when can we finish?

Mr. RUDMAN. I reply, Mr. President, to the majority leader by simply saying that when this discussion is concluded, I will be offering an amendment on the National Endowment for Democracy for which there should be very little debate. We have discussed the issue. I should think we would have a vote very quickly. I thought, I say to the majority leader, that was going to be the last rollcall vote, unless someone called for a rollcall vote on final passage. It now appears that there are two other amendments which may require rollcall votes of which I am aware, one by the Senator from North Carolina [Mr. HELMS], which I will let him explain, and the second one by the Senator from Kansas [Mrs. KASSEBAUM], which deals, I believe, with United Nations funding.

I also understand the Senator from Ohio [Mr. METZENBAUM] has a concern with a certain NOAA siting of an ocean station and wishes to raise that issue. I do not believe that either the Kassebaum or the Helms amendment will take a great deal of debate. I cannot represent how long that third item will take because, frankly, I have not consulted with the Senator from Ohio. My best guess would be we ought to be out by 9 o'clock.

Mr. HOLLINGS. I agree.

Mr. BAKER. Mr. President, will the Senator yield further?

Mr. RUDMAN. I am delighted to yield.

Mr. BAKER. I heard the manager on the opposite side say he agrees, which constitutes a double finding of fact and is binding.

Mr. President, I was conversing with the minority leader a moment ago, and he asked me informally to give an outlook on the situation for the remainder of the day and tomorrow.

As I indicated earlier, it is the intention of the leadership on this side to attempt to finish this bill tonight. We will stay and do that. It is possible, Mr. President, I suppose, that we might take up the concurrent resolution to accompany the deficit reduction package from yesterday, although that is by no means certain and by no means essential. It might be tomorrow or it might be later, but we have to finish this bill tonight.

It is my understanding, Mr. President, that the conferees have not yet agreed on the bankruptcy conference. They seem very, very close, but they have not yet completed their work. But in any event, the House would act first in the normal course of events on that measure. So it seems unlikely that we will be able to get the bankruptcy conference report until tomorrow.

The House today adopted a rule with respect to the debt limit. It is my understanding, however, that the rule will not be presented to the House until tomorrow. Therefore, we will not have the debt limit until tomorrow.

So, Mr. President, it would appear to me that we are not likely to do much more than finish this bill tonight, if anything else. It would be the intention of the leadership to ask the Senate to come in at 10 a.m. tomorrow and to do the bankruptcy conference report, when it is available, and do debt limit when it is available, and to hope that we can be out in the early or midafternoon on Friday.

Mr. BYRD. Will the distinguished Senator who has the floor allow me to ask the majority leader a question?

Mr. RUDMAN. I am pleased to yield to the Democratic leader.

Mr. BYRD. I thank the Senator.

Mr. President, will the majority leader indicate when he expects to take up the legislative appropriations conference report? And as far as the two votes tomorrow, if it turns out to be two votes on bankruptcy and debt limit, would it be possible to have a voice vote; does he think?

Mr. BAKER. Yes, Mr. President, answering the last question first. I would urge Senators to consider the desirability of a voice vote on both of those matters tomorrow, that is, on debt limit and on the bankruptcy conference report.

Mr. President, on the matter of the legislative conference report, may I inquire of the Chair, is that measure here?

The PRESIDING OFFICER. That measure is here.

Mr. BAKER. Then I should have included that, Mr. President, we will do that tonight. But as far as I know, there is no controversy and there will probably be no rollcall vote on that.

Mr. MELCHER. Will the majority leader yield for a question?

Mr. BAKER. If the manager will permit.

Mr. RUDMAN. I will be pleased to yield to the Senator from Montana.

Mr. MELCHER. Are we to be advised on the House Concurrent Resolution 328—I believe that is the right number—the technical amendments to the Tax Reform Act of 1984?

Mr. BAKER. Mr. President, I do not know. I have consulted from time to time during the day on both sides to see when that matter was ready. I am ready any time. I think we should finish this bill first and either take it up tonight——

Mr. MELCHER. I am just inquiring whether it is likely to be something we take up tomorrow?

Mr. BAKER. Perhaps, Mr. President. We can do it either tonight or tomorrow, but I note no determination yet has been made on that.

Mr. DOLE. Will the Senator yield?

Mr. RUDMAN. I am pleased to yield to the Senator from Kansas.

Mr. DOLE. As I understand the procedure, we have to convene a meeting of the Finance Committee and report that resolution. We are trying to make certain that we have an agreement before we do that. If we do not have any agreement, we do not want to call a meeting. We still have not resolved the problem with the Senator from Montana. I hope we are fairly close. We would like to work it out. I think, once that is done, we will convene a meeting in a back room somewhere and report it out.

Mr. BAKER. I thank the Senator.

Mr. President, I thank now both managers and all Senators for their cooperation.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, may I impose on the managers one more moment?

Mr. RUDMAN. I am pleased to yield to the majority leader.

Mr. BAKER. It has been brought to my attention that we did not reconsider the vote by which the several treaties were ratified this morning. I ask unanimous consent that it may be in order now to go into executive session for the sole purpose of moving to reconsider the vote by which the treaties were ratified this morning and then returning immediately to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. BAKER. Mr. President, I move to reconsider the vote by which the treaties were ratified.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. I thank the Chair.

LEGISLATIVE SESSION

Mr. RUDMAN. Mr. President, I ask unanimous consent that we go back to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMERCE - JUSTICE - STATE - JUDICIARY APPROPRIATIONS, FISCAL YEAR 1985

The Senate resumed consideration of the bill.

Mr. RUDMAN. Mr. President, I want to announce before sending this amendment to the desk, for those Senators within earshot, that we may have a vote very early on, to save Senators traveling and then rushing back.

AMENDMENT NO. 3358

Mr. RUDMAN. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from New Hampshire [Mr. RUDMAN] proposes an amendment numbered 3358.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the Clerk suspend further reading of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 51, line 10, strike "$31,300,000" and insert the following: "$21,300,000: *Provided*, That none of the funds shall be awarded to the National Democratic Institute for International Affairs, the National Republican Institute for International Affairs, or any other organization connected in any manner with any political party operating in the United States.".

Mr. RUDMAN. Mr. President, may we have order?

The PRESIDING OFFICER. Will the Senator suspend? The committee amendments will have to be laid aside for the amendment to be in order.

Mr. RUDMAN. Mr. President, under the powers granted the managers of the bill previously, I ask unanimous consent that the pending committee amendment be laid aside and the Senate proceed to consider the amendment now at the desk.

The PRESIDING OFFICER [Mrs. KASSEBAUM]. The amendments are laid aside.

Mr. RUDMAN. Madam President, we have just had a fairly lengthy debate on the National Endowment for Democracy. I do not intend to prolong that debate. The Senate has spoken by vote of, I believe, 51 to 42. Obviously, the Senate believes there is some merit to the program.

In talking to my colleagues about this, the one part of this program that, to many, has little merit at all is the precedent of giving $5 million to the National Democratic Institute for International Affairs, part of the National Democratic Party, and $5 million to the National Republican Institute for International Affairs.

Quite frankly, Madam President, it seems to this Senator that the precedent of taking $10 million of taxpayer money and giving $5 million to the Republican Party and $5 million to the Democratic Party to somehow explain democracy around the world is a travesty. As a matter of fact, I do not think the Republican Party or the Democratic Party—and I say this not in criticism of any Members or leaders; I am just talking about the parties over the years—have done a particular poor job of explaining what they believe in to the American people.

In fact, I would be willing to wager that if you put together a multiple-choice test and gave it to 50,000 Americans and said: "Which of these are Republican principles and which are Democratic principles?" the collective American mark would be something under 10 percent. As a matter of fact, I do not think I would score much higher than 5 percent, myself. [Laughter.]

It gets down to a very simple matter. Are we going to go home on Saturday and tell our friends and constituents in our States that we took $10 million of their money and gave it to these two national committees to educate the world about democracy? It is absolutely absurd.

I know that these two organizations have a lot of clout around here. At last count, every Member of this body is either a Republican or a Democrat, and I have received more calls on this from "Republican officials" than there are snowflakes on Mount Washington in December.

The fact is that it is a bad idea whose time has not come. I have very little else to say about it. My amendment would strike that $10 million and would prohibit any money being used for any other organization connected in any manner with any political party operating in the United States.

Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HATCH. Madam President, I think it is easy to criticize the political institutes with regard to a National Endowment for Democracy, but I wish to clarify several points concerning the party institutes.

The party institutes are absolutely essential to the Endowment's program to promote democracy abroad. Political parties are pivotal institutions in any democracy. Any assistance program to promote democracy abroad must strengthen democratic political parties, and the most effective way to accomplish this is through parallel U.S. institutions.

Mr. President, the United States has suffered by not having appropriate political instruments to carry out party-related work. The establishment of the two party institutes—the National Republican Institute for International Affairs and the National Democratic Institute for International Affairs—constitutes an attempt to fill this vacuum.

Although international activity by political parties is a new idea in the United States, it is an established fact in many democracies, such as West Germany. In fact, European party institutes, with funds provided by their governments, are currently active within our own hemisphere.

Because the party institutes are a new concept in America, this has lead to skepticism and misunderstandings by both conservatives and liberals. As a member of the board of the NED, I would like to set the record straight.

The party institutes under the National Endowment for Democracy are not part of the political or campaign operations of either party. They are new—and entirely separate—institutions within the broad range of structures that comprise the Democratic and Republican Parties.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. CHILES. I must say that I am a little surprised.

Mr. HATCH. I cannot hear the Senator.

Mr. CHILES. Madam President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Staff members and Senators who wish to talk should retire from the floor.

Mr. CHILES. I am a little surprised, not to hear the Senator talk about this, not that the parties could not do a good job, not perhaps that they should not be doing the job. But I have heard the Senator from Utah talk many times about protecting the taxpayers' dollar and the power we take when we reach down there and take the taxpayers' dollars.

The problem I have with this matter is this: Is this a legitimate basis for our taking money from a taxpayer, to say that we are going to give it to a political party and that we want those parties to go over there and do good things with that money?

Mr. HATCH. The Senator raises a good point. I will tell him why. The Russians are spending $3 billion to $4 billion to undermine democratic principles.

Mr. CHILES. The Russians are doing a lot of things. Because the Russians go to Afghanistan and because the Russians do other things, I do not think the Senator from Utah and I would do that. Because the Russians do this, does the Senator think it justifies taking the taxpayers' dollars?

Mr. HATCH. The Russians are spending $3 billion to $4 billion a year in covert activity, undermining democratic principles. We big spenders are going to spend $31 million, only $5 million of which goes to these political party institutes.

Mr. CHILES. Can the Senator tell me how much the Republican Party has raised this year?

Mr. HATCH. I have no idea.

Mr. CHILES. We have heard a figure of $60 million.

Mr. HOLLINGS. That is the Senate campaign.

Mr. CHILES. Maybe that is the Senate campaign.

The question I have for the Senator from Utah is this: If the Republicans can raise $60 million—and I say the same thing to the Democrats—if this is a good purpose and something we should be doing for our country, should not the Republican Party and the Democratic Party be using some of that money that they have raised at their fund-raisers and in these mail campaigns we get, this trigger mail we send out and trigger people's emotions—should we not use that money, if we, as Republicans and as Democrats believe in it, for this all-American purpose, and not say we have to get the money from the taxpayer? We have to have Uncle Sam take the money from the taxpayers so that a political party can use the money. That is the problem.

Mr. HATCH. I understand the Senator's point. I believe the fact is that that would be a noble objective, and I wish both parties have the money to do it. Keep in mind that the party institutes are separate from the parties themselves, or are separate entities.

The Endowment's grant agreements ensure that NED funds provided to the institutes will not be used for domestic partisan political activity. Both institutes have voluntarily agreed to offer public audits to the Congress to show their compliance with the provisions of law regarding the separateness of NED funds and domestic partisan political activity.

I do believe that the activities of the parties are important. In the prior remarks I made, I went into a lot of reasons why I feel that the free labor institutes have been doing a great job at their own expense.

I have to admit that at one time I thought they were the only ones we should fund, because they have a proven track record.

I have to admit that one of the best proposals made to the board of directors was made by the chamber of commerce, very well put together, with a lot of effort put into it. I think they were excellent proposals. The party institute proposals were much less.

My point is this: We have not even had a chance to begin. We have approved very few grants thus far, and we have not even given the system a chance to work.

Mr. CHILES. We can let the parties use their own money in this, can we not?

Mr. HATCH. They could, if they want to.

Mr. CHILES. If they wanted to enough, they could do it.

The PRESIDING OFFICER [Mr. EVANS]. The Senator from Utah has the floor.

Mr. HATCH. Mr. President, I believe that the activities of the political parties are important and necessary. I believe that both of them have shown a propensity to do what is right. Their proposals were not up to the standards of the free labor institutes nor of the chamber of commerce, but the board took them to task for that, and they have agreed to work even more; and the board and others, including the free labor institutes and the chamber of commerce, have agreed to work in a bipartisan way to make sure that the funds are used in an effective and responsible way.

Mr. President, I believe the activities of the political institutes are important, necessary, and long overdue if we are to mount an effective challenge on behalf of democracy.

We seem unable to accept that international activity by political parties is now an unalterable feature of the international arena. Political parties from Europe and Asia are active within our own hemisphere. Many of these assistance programs run by other parties are conducted with funds provided by foreign governments for the international activities of these parties. Discussions with political leaders from Latin America and elsewhere begin, not with the question—"What are you going to do to help me?"—but rather with the question—"Where have your parties been?"

Mr. President, we should not deny ourselves the opportunity to affect the course of democratic political change merely because we are new to it. Our Government—in any of its iterations—cannot effectively involve itself in strengthening democratic political parties. To do so invites—and has already invited—charges of governmental interference in the internal affairs of another sovereign nation. Political parties, on the other hand, can involve themselves with democratic political parties abroad.

We have asked dozens of foreign leaders about the interference issue, and the same reply always comes back—the U.S. parties are the only ones not involved in these types of programs. Why is alleged interference not a problem for the Germans, the Venezuelans, the Soviets, and the Cubans?

Admittedly, our parties have much to learn in the process. International sophistication does not come overnight. But we also have much to offer, and these skills are available now. We are experts in political communication, infrastructure, the conduct of free elections, and this help is needed.

It is appropriate and necessary that we provide public funds for these activities. In several nations around the world public funds are provided to support international programs by political parties. There is no "implied consent" of our Government over the use of these funds as has been suggested; just as there is no implied consent over the activities of Asia Foundation, or the Inter-American Foundation.

Finally, ample provisions exist in both oversight and accountability to ensure that the Congress will have complete access to the programs and operations of the NED and the Party Institutes. This is first and foremost an open, overt enterprise. It has been tried covertly in the past, and there is no doubt that political assistance is offered most effectively in the open.

Mr. President, the two Party Institutes are still quite new. Like any new organization it will take a while for the Republican and Democratic Party Institutes to reach their full potential. The NED is not an Endowment for mischief as its critics claim. Instead, it is truly a bipartisan effort to encourage the growth of democracy abroad. For too long the United States has not even been a participant in the worldwide competition of ideas.

I believe we have a moral obligation to the millions of people in the world who are not enjoying the benefits of freedom to help establish the framework for peaceful, democratic change. We cannot effectively accomplish this goal without the Party Institutes. I urge my colleagues to vote against any measure that would strip the NED or the Party Institutes. Instead, the Republican and Democratic Party Institutes should be given a chance to do the job they were created to do. That job is to encourage the growth of democratic political processes throughout the world.

Mr. President, I think everybody knows the issue here. I suspect that it will be easy to knock out the political party institutes if the Senate so desires, but I believe it would be a mistake.

We agreed with this program a little over a year ago. I think the program is a good one. It has not had a chance to work.

If within another year the parties do not show the maturation and the ability to do with these moneys what really they say they will do and the board says they will do and others who put their interests on the line, then I believe we can knock them out at that time.

I hope our colleagues will not do that.

Mr. MATHIAS. Mr. President, will the Senator yield for a question?

Mr. HATCH. I am delighted to yield.

Mr. MATHIAS. The Senator said several time during the course of the afternoon that the institute is a new one, that it has not really had a chance to work yet.

Mr. HATCH That is correct.

Mr. MATHIAS. It is my understanding that the original appropriations for the Endowment was $18 million.

Mr. HATCH. I believe that is correct.

Mr. MATHIAS. Can the Senator tell us how much of that $18 million is still on hand?

Mr. HATCH. All I know is that the NED board did meet about a month ago and started issuing its first grants, and I do not believe they spent an awful lot of the $18 million.

I do not have those figures available. I apologize to the Senator. But I do not.

Mr. President, I urge my colleagues to give the party institutes a chance, to give the distinguished Senator the benefit of the doubt.

It will reduce the funds to the Endowment by $10 million and knock out the party institutes and leave the AFL-CIO Free Labor Institute and the Chamber Institute in existence.

I think all Members of the Senate understand that.

I just ask Members of the Senate to consider giving the party institutes an opportunity and a chance to prove that they can be mature with these funds and they can do a good job, and the $31 million might be used in some measure to offset the $3 or $4 billion of covert activity by the Russians.

The PRESIDING OFFICER [Mrs. KASSEBAUM]. The Senator from Connecticut is recognized.

Mr. DODD. Madam President, I shall take a couple of minutes here.

Much has been said by the distinguished colleague from Utah, but I wish to address the toughest question of all, and that is, of course, the question raised by our colleague from Florida as to why should we as taxpayers or the constituents we represent be underwriting or financing the two major political parties of this country.

It is an appealing argument, certainly one that would, I suppose, as I mentioned earlier, attract resounding applause in most political gatherings across the country, and I presume in a couple of weeks this will be the subject of some good stump speeches if this amendment is defeated and we decided to retain the National Endowment for Democracy intact.

Let me just, if I may, in a moment, suggest that my colleagues take that argument to its logical conclusion. There are a number of other entities which we subsidize and finance with taxpayer money. We are engaged in foreign aid programs which seek to support development in Third World countries and elsewhere. As a result of that, of course, American banks become involved and make a lot of money off that process.

The argument might be why do we do that? Why do we not just let the banks spend their money to engage in developing the countries and we just stay out of it? Why should we benefit them? Let them do it.

We always argue when we talk about the various institutions that we support, whether it be NATO or the Organization of American States, the World Health Organization, other such entities which most in here I gather would support or some of which we would support, the argument that we use, the underlying argument is that we are trying to promote democracy, that we believe that by supporting some of these institutions we are advancing Democratic ideals, not Republican ideals or democratic ideals with a small "d", but democratic values.

That is why we underwrite. That is why we support. That is why we promote these things. We think it is important.

Our two political parties, one of which is the oldest standing political party on the face of this Earth, have acquired some experience, some knowledge and have some institutional memory about how to make a democratic society function even better.

What we are suggesting by the inclusion of these parties and asking God forbid $5 million—I realize that is an item that again people will relate to more than $5 billion or $500 million—but $5 million on an experiment, on an idea, to assist in asking these institutions to go out and try and help us promote democracy.

Madam President, we saw an election in El Salvador a few weeks ago, heralded all across this country as a great victory for democracy because people went to the polls and they voted and they had the bunting and the bands and all the rest that constitutes what we perceive as a democratic election.

But an election does not make a democracy. It is one step in that process, but it falls far short of what ultimately has to be done if that country is to ultimately become a freestanding, strong democracy.

It is going to involve political parties in that country, the left, the right, and the center. In order to see that these countries have an opportunity to grow in their democratic traditions, it is not a bad idea to have the two major political parties of this country assist in that process. The fact that we spend $5 million on an experiment and idea of taxpayer money to promote and assist in that effort I do not think is a great deal to ask.

I realize when the speeches are made it will seem like it is. I said earlier in the debate we spent $1.9 billion last year on foreign military sales. There was no great debate in this Chamber over whether or not that was a good idea. I suppose that some will argue that it contributes to promoting democracy.

This is $5 million to support the building of democratic institutions. Democracy is hard work. It is not easy. Once accomplished, once achieved, it does not survive forever. It needs nurturing. It needs support. It needs education. It needs help and assistance.

We in this country in our two major parties have contributed in no small manner to the fact that we are a strong democracy today.

To be asked on an experimental idea to support this effort and to give these parties an opportunity to participate with taxpayer money, as difficult as it will be on the campaign trail, I suppose, for some to argue about why it is important to do so, it seems to me that it is worth supporting, to give it a chance. If it does not work I am sure, as I said earlier, there will be a legion of Senators and Congressmen standing up and calling for its demise, but with all the other dollars we spend where we do not even hear even 1 second of debate about it, the millions that are spent, and yet we are engaging in a lengthy debate around here about whether or not we are going to spend $5 million for the Republican Party and $5 million for the Democratic Party to promote democracy. And you would think that the budget of the United States hung in the balance.

Yet we see funds being spent far in excess of that amount with hardly any discussion or debate at all.

Madam President, I would hope, and I am not as optimistic as I would like to be, but I would hope that my colleagues would think this through and in a couple days there will be the Fourth of July and a lot of speeches about democracy all across this land. It might not be a bad idea in the Fourth of July speeches from New Hampshire, Florida, and Connecticut, if we talked about how the U.S. Senate before it recessed for the Fourth of July did something about democracy in the world and not just talked about it.

I yield the floor.

Mr. RUDMAN. Madam President, I do not wish to prolong this, but I cannot let that go by without a couple comments. The suggestion that to vote against this is somehow voting against spreading democracy is simply not credible.

Let us get down to specifics. We talk specifics around here sometimes but not too often. Let us get down to what this is all about, this great program that the Democratic Party and the Republican Party want 5 million bucks apiece for. Let us not put it in such noble terms.

In the first place, looking at the agenda of my party and the party of the junior Senator from Connecticut, I would say that they must have a powerful backing. I think the American hotel industry is behind this entire plan. That is what I really think.

Mr. HOLLINGS. Now you are getting there.

Mr. RUDMAN. That is what I really mean.

Mr. HOLLINGS. Amen, brother.

Mr. RUDMAN. As a matter of fact, the Democrats are a whale of a lot smarter than we Republicans because here the Western Hemisphere Leadership Conference—boy, that really sounds impressive—is going to be held in January. Is it going to be held in Hartford, maybe in Manchester, NH? Oh, no. In Miami.

They are going to bring Western Hemisphere leaders to Miami for 3 days, and they are going to talk about democracy. They are going to bring all kinds of groups here to Washington for consultations with Democratic leaders. They are going to have a followup conference on that; two more conferences. That is the junior Senator from Connecticut's party.

In my party, we are going to take a lot of people from our country down to South America to sit around and talk about their newly elected leader and how we run our Government and how they should run theirs, so forth and so on.

What it is is a travelog for a lot of folks who are going to have a wonderfully good time and probably impart a few good ideas.

I am not against American political leaders getting together for meetings. When I go back to New Hampshire, I say to my friend from Connecticut, and I do not give too many stump speeches, but I do not want to tell my friends in New Hampshire that we are taking $10 million of their money and using it for this purpose.

I believe that there are plenty of private foundations in America that can fund this.

Now, one last point. I see my friend from Delaware wants to speak. My friend from Utah, who is not on the floor, told us that these are separate from the national party; they are separate. Well, they may be. Let me tell you who the Republicans are that are on the Republican Institute: Richard Allen, the former National Security Adviser; Frederick Biebel, former White House liaison; Frank Fahrenkopf, I think you know that name; our colleague Paula Hawkins; Jack Kemp; Drew Lewis; William Middendorf; and so forth. I am sure there is no interface between that group of people and the National Republican Committee.

Let us talk about the Democrats. Well, we have Governor Celeste and Lynn Cutler and Congressman DYMALLY and Rosalyn Carter. I will not go on. You know the list. Let us not tell anybody here that these are not instruments of the Republican party and instruments of the Democratic party. Anybody who wants to vote here in this Senate tonight to give our political parties $10 million of taxpayers' money to have a wonderfully good time—and, p.s., maybe talk a little bit about democracy—let us vote for it. I will certainly vote no, and urge my colleagues to do likewise.

Mr. BIDEN. Will the Senator yield for a question?

Mr. RUDMAN. I yield the floor.

Mr. BIDEN. I would like to ask him a question.

Mr. RUDMAN. I would be delighted to answer.

Mr. BIDEN. Madam President, in fact, I seek the floor in my own right.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Madam President, I would like to ask my colleague if, in fact, the political parties on their own were doing what is going to be done and is being done with the taxpayers' money, would the Senator think it a good idea?

Mr. RUDMAN. I would answer, not particularly. I think there are better ways to spread democracy. And the finest way—and we can take a page from the book of the Cubans and the Soviets, and we can put some money aside to bring thousands of young people from around the world to see America, to see this country we live in, and let them go back to their countries and tell their compatriots what America is all about. Let us not do it with political leaders and party leaders. Let us let the ordinary folks come here and see what we have to offer, because we have a great deal to offer.

Mr. BIDEN. I appreciate the Senator answering my question.

I voted against this whole fund the first time and on the last vote we had. But I think it is somewhat disingenuous for people to suggest that if there is going to be a fund at all like this that the parties should not be involved. If, in fact, you are going to have this at all, it seems to me that, notwithstanding the fact that the notion of democracy can be better spread by sending young people and goodwill ambassadors from this country to spread the word, the fact of the matter is, unless I am mistaken, the building of the structure of political parties is, in fact, not the job for a sophomore in college. It is not the job for a well-informed academician. It is not the job of a business leader. It is not the job of a labor leader. It is the job of someone who has some knowledge about the really rigorous problem of how to build a party and how democracy is sustained.

Where has democracy been sustained anywhere in the world where there have not been freestanding competing political parties? Otherwise, you have a democracy that has short-lived breath, brought down by a particular leader, and you have personalities competing for access to run the country.

So, although I have voted against this program, if you are going to have a program at all—and that is the option I guess we are left with, right?—the option is since the attempt to knock it all out failed, the Senator from Delaware, as I understand my options, at this point, either votes to include the political parties—and that means there would be four players then, the chamber, labor, and the parties—or he votes the parties out and lets the chamber and labor in.

Now, that is the old Hobson's choice. I do not want any of it, but if you are going to have any of it, I would rather have the parties. Because this is the place, in fact, where they need help right now, if there is any place—and I am very skeptical that the parties will be able to do it. But I sure know one thing, bankers and labor leaders are not going to be able to give any insight to the present Government of El Salvador, how to structure, maintain, and coordinate a political party. And whether or not El Salvador makes it will depend, in large part, in my view, on whether or not there are viable political parties, for example.

So as is often the case here, we are given the choice of whether you want to lose your left arm or your right arm. We are given the Hobson's choice, and the Hobson's choice here, for those of us who do not like any of this, is, do you vote to make it worse by knocking out the parties or do you vote to make it not so bad by leaving them in? And, from where I stand, if you are going to have it at all, you might as well have the parties or it does not make any sense at all. I do not think it makes much sense to begin with, but it is marginally better with the parties.

I yield the floor.

Mr. CHILES. Madam President, I think the parties probably could add something to the process. I do not have any problem with the parties being involved, and if we are going to have this thing I think the parties would be important.

My problem is the financing of the parties to do that. I want to know how interested the parties are in this. I have heard them say how interested they are until you reach the point of saying: "Are you willing to put some of your money into it?" It is just as simple as that to me.

We made a lot of loans to a lot of countries. We found out, over a period of time, that if we were telling them they ought to have a telephone system, they would say, "Fine; that sounds good." And we put in all the money for that telephone system. Somehow they never got a telephone system because they did not care enough about it to put some of their money into it.

I think that is a problem that I have. I do not want to make great political speeches out of it or anything else, but I believe the difference in whether you are going to have some people going down and traveling first class, having a great time, having a lot of international conferences, or whether you are going to be sending some party workers down there is going to depend on where that money comes from; whether those are hard dollars somebody has had to raise. Then some budgeteer says, "Wait a minute, we are competing for those dollars. Those dollars might be used in JOE BIDEN's race or they might be used down there." I think they are going to be looked at totally differently.

Mr. BIDEN. Will the Senator yield?

Mr. CHILES. I have said to Chuck Manatt, "I do not know what I can do, but if you want to put on some kind of fund raiser for this, I will try to help."

I think it might be a good idea. I think we might be able to convince the people. I feel confident that our brethren on the other side, with their millions and millions of dollars that they have in their coffers, that they could do this if they felt that it was really necessary. That is the argument I make.

Mr. HOLLINGS. Madam President, I think we are about ready to vote. I just want to insert a page of the committee report. I ask unanimous consent that page 67 of the committee report be printed in the RECORD.

There being no objection, the page was ordered to be printed in the RECORD, as follows:

Contributions to international organizations—United Nations and specialized agencies

	Fiscal year 1984 request
Food and Agriculture Organization	$49,323,000
International Atomic Energy Agency	18,528,000
International Civil Aviation Organization	7,211,000
International Labor Organization	32,393,000
Intergovernmental Maritime Consultative Organization	548,000
International Telecommunications Union	3,327,000
United Nations	183,016,000
United Nations Educational, Scientific and Cultural Organization	25,403,000
Universal Postal Union	460,000
World Health Organization	61,146,000
World Intellectual Property Organization	529,000
World Meteorological Organization	4,617,000
Subtotal	386,501,000
Inter-American organizations	
Inter-American Indian Institute	103,000
Inter-American Institute for Cooperation on Agriculture	12,625,000
Organization of American States	43,433,000
Pan American Health Organziation	33,087,000
Pan American Institute of Geography and History	303,000
Pan American Railway Congress Association	25,000
Subtotal	89,576,000
Regional organizations	
Colombo Plan Council for Technical Cooperation	11,000
North Atlantic Assembly	336,000
North Atlantic Treaty Organization	17,477,000
Organization for Economic Cooperation and Development	20,286,000
South Pacific Commission	578,000
Subtotal	38,688,000
Other international organizations	
Bureau of Internatonal Expositions	20,000
Customs Cooperation Council	1,433,000
General Agreement on Tariffs and Trade	3,516,000
The Hague Conference on Private International Law	42,000
International Agency for Research on Cancer	897,000
International Bureau of the Permanent Court of Arbitration	8,000
International Bureau of the Publication of Customs Tariffs	38,000
International Bureau of Weights and Measures	309,000
International Center for the Study of the Preservation and Restoration of Cultural Property	405,000
International Cotton Advisory Committee	167,000
International Hydrographic Organization	47,000
International Institute for Unification of Private Law	54,000
International Natural Rubber Organization	206,000
International Office for Epizootics	36,000
International Organization for Legal Metrology	46,000
International Rubber Study Group	37,000
International Seed Testing Association	4,000
Interparilamentary Union	293,000
Lead and Zinc Study Group	24,000
Maintenance of Certain Lights in the Red Sea	19,000
World Tourism Organization	204,000
Subtotal	7,805,000
Total	522,570,000

Mr. HOLLINGS. The Senator from Delaware should know that it is not an either/or or a Hobson's choice. I have listed here some 35 or 40 different organizations. We have the International Labor Organization, putting $32 million into that. It goes all the way down to the International Office for Epizootics. Evidently the Senator was not on the floor when I mentioned that.

Mr. BIDEN. Epi who?

Mr. HOLLINGS. Epizootics. I knew the Senator would be interested in it. I got interested in it because they told me it was hoof and mouth disease, something that I probably suffer from. But the whole proposition is that we have developed a web of international relations and organizations. We are spreading democracy with the Asian Development Fund. I could go through all of them. I will not put the whole committee report in the Record. But it is very interesting that we are spending over $1 billion. It is not that we do not know what we are doing and have not made the attempt, it is just what the Senator hit on. You have not heard a platform meeting for the Democratic Party that has asked for us, the party, to spread democracy overseas. That is not in the platform.

Mr. BIDEN. If the Senator would yield; we could probably spread it here.

Mr. HOLLINGS. That is correct.

Mr. BIDEN. But the other party has all the money.

Mr. BIDEN. That is why we do not have any. That is why I cannot be too sympathetic about contributions.

Mr. HOLLINGS. We just closed down resolutions, and everything else. You will not find a resolution. But if you want to dissolve the Republican and Democratic Parties, bring that up as a resolution, and say, "Let us spend the millions of dollars of contributions to the political parties to run around the world on the hotel tour." As the Senator from New Hampshire pointed out, to travel around the world, sit in these exotic places, eat, catch the gout—the nearest thing to it is the law of the sea conference. We never could adjourn. We never could agree because all of these chieftains and heads of States would meet in Geneva. We would sit, burp, and eat. We never would agree. [Laughter.]

I have been a member of that. We never would agree. They loved these kinds of things. This is one magnificent boondoggle, and the Senator from New Hampshire has described it.

I hope we can reallocate these funds to the student exchanges which have worked.

The Soviets know what is working. They have some 12,478 out of Central America. We have less than 500. We are behind the eight ball. We ought to catch up on these exchanges. Then you could get the heads of states, like our friend Nicky Balatti who is now the President of Panama, who went to N.C. State. That is the way to spread democracy in a realistic way, but not with a hotel-restaurant eating contest.

Mr. MITCHELL. Madam President, last September I expressed my support for the National Endowment for Democracy and my hope that it would be constituted so as to include the political party institutes. My support for these institutes results from the success which similar organizations have met in the Federal Republic of Germany. These institutes have operated for almost 20 years and have bolstered international debate on a variety of vital issues. Venezuelan party foundations have achieved similar successes in Latin America.

As my colleagues are aware, the National Endowment for Democracy was authorized in the fiscal year 1984 State Department authorization legislation but by the time appropriations legislation reached the President, only $18 million was allotted to the endowment. No specific appropriations were approved for the National Democratic and National Republican Institutes of International Affairs.

While I continue to support giving the National Endowment for Democracy an opportunity to prove its worth, and while I hope that a formal role for the party institutes will be possible at some point in the future, I will oppose earmarking $5 million for each institute in the pending fiscal year 1985 State-Justice-Commerce appropriations bill. I base my opposition on a pledge I made earlier this year: To oppose to the maximum extent possible new spending in fiscal year 1985 because the Federal deficit is simply too large. This bill proposes to appropriate $31 million for the endowment this year, a large increase over last year. As much as I support the concept of the endowment I cannot support such an increase. Until we make greater strides in reducing this deficit, we cannot justify approving new spending except in the most exceptional, emergency circumstances.

Thank you, Madam President.

Mr. RUDMAN. Madam President, have the yeas and nays been ordered?

The PRESIDING OFFICER. Yes; the yeas and nays have been ordered.

The question is on agreeing to the amendment of the Senator from New Hampshire. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. HAWKINS (when her name was called). Present.

Mr. LAXALT (when his name was called). Present.

Mr. MOYNIHAN (when his name was called). Present.

Mr. STEVENS. I announce that the Senator from Arizona [Mr. Goldwater] and the Senator from Idaho [Mr. McClure] are necessarily absent.

Mr. BYRD. I announce that the Senator from California [Mr. Cranston], the Senator from Colorado [Mr. Hart], and the Senator from Mississippi [Mr. Stennis], are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 62, nays 30, as follows:

[Rollcall Vote No. 183 Leg.]

YEAS—62

Abdnor
Andrews
Armstrong
Baucus
Bingaman
Boren
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
D'Amato
Dixon
Dole
Domenici
Eagleton
East
Exon
Garn
Glenn
Grassley
Hatfield
Hecht
Heflin
Helms
Humphrey
Jepsen
Kassebaum
Kasten
Levin
Long
Mathias
Matsunaga
Mattingly
Melcher
Metzenbaum
Mitchell
Murkowski
Nickles
Nunn
Pressler
Proxmire
Pryor
Quayle
Randolph
Rudman
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Trible
Tsongas
Wallop
Warner
Weicker
Wilson
Zorinsky

NAYS—30

Baker
Bentsen
Biden
Boschwitz
Danforth
DeConcini
Denton
Dodd
Durenberger
Evans
Ford
Gorton
Hatch
Heinz
Hollings
Huddleston
Inouye
Johnston
Kennedy
Lautenberg
Leahy
Lugar
Packwood
Pell
Percy
Riegle
Roth
Sarbanes
Sasser
Tower

ANSWERED "PRESENT"—3

Hawkins
Laxalt
Moynihan

NOT VOTING—5

Cranston
Goldwater
Hart
McClure
Stennis

So Mr. Rudman's amendment (No. 3358) was agreed to.

Mr. RUDMAN. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Madam President, I thank my colleagues for their support on this amendment.

We shall now have an amendment on the same subject, offered by the ranking member, it is my understanding. Following that, we shall have amendments offered in some order by the Senator from Oklahoma [Mr. Nickles] and the Senator from North Carolina [Mr. Helms]; an amendment that will be offered by the Senator from Kansas [Mrs. Kassebaum], which I believe will be accepted by the committee. I understand that Senators Metzenbaum and Glenn have amendments. I know that the amendment offered by the Senator from Ohio [Mr. Glenn] will be accepted by the committee. I have yet to discuss the amendment of the Senator from Ohio [Mr. Metzenbaum]. It looks to me like, if we keep moving, we can finish up here in an hour or an hour and 15 minutes.

AMENDMENT NO. 3559

Mr. HOLLINGS. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from South Carolina [Mr. Hollings] proposes an amendment numbered 3359.

Mr. HOLLINGS. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 49 delete all after line 18 through line 10 on page 51 and insert in lieu thereof the following:

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

For expenses of Fulbright, International Visitor, Humphrey Fellowship and Congress-Bundestag Exchange Programs, as authorized by Reorganization Plan No. 2 of 1977 and the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq.), $135,916,000. For the Private Sector Exchange Programs, $8,948,000, of which $1,500,000, to remain available until expended, is for the Eisenhower Exchange Fellowship Program.

ACQUISITION AND CONSTRUCTION OF RADIO FACILITIES

For an additional amount for the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception, $85,000,000, to remain available until expended.

RADIO BROADCASTING TO CUBA

For an addditional amount, necessary to enable the United States Information Agency to carry out the Radio Braodcasting to Cuba Act (providing for the Radio Marti program of Cuba Service of the Voice of America), including the purchase, rent construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception, $12,000,000, to remain available until expended.

CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST

To enable the Director of the United States Information Agency to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960, by grant to any appropriate recipient in the State of Hawaii, $19,000,000: *Provided*, That none of the funds appropriated herein shall be used to pay any salary, or to enter into any contract providing the payment thereof, in excess of the highest rate authorized in the General Schedule of the Classification Act of 1949, as amended.

Mr. HOLLINGS. Madam President, this amendment deletes the full $21,300,000 appropriation now in the bill for the National Endowment for Democracy and increases the amount for Educational and Cultural Exchanges by $11,864,000. The increase for the exchanges would provide the full $135,916,000 expected to be authorized for these programs, including the Central American Initiative. Without this increase, only $11,236,000 would be available for the Central American Initiative instead of the $23,100,000 level by amendment provides.

This Senator yields to no one in his support of the exchange programs. When I assumed the leadership of the subcommittee in 1977, the allocation for the Fulbright and associated programs was only $40,048,000. Over the years, we have worked that up to $105,881,000. Similarily we have provided for the new Hubert H. Humphrey Fellowships as well as the other new exchange programs.

It is imperative that we fund the increased educational opportunities requested by the administration for Central America. In my mind this is a far greater way to promote democracy in these vital areas than the harebrained scheme of the National Endowment for Democracy.

Anyone who has visited Panama in the last 10 years, or any of the other Central American nations, knows that the Communists are beating us in providing these types of opportunities. The Soviets have promised 100 to 200 full scholarships a year to Patrice Lumumba University in Moscow. Our good friends in Panama are literally scared to death of a whole era of Panamanians being trained in Communist institutions. Current estimates are that 150 Panamanians are now at Patrice Lumumba, while our Government only sponsors 120 in the United States.

Dr. Ronald Trowbridge, who heads the Bureau of Educational and Cultural Affairs, recently reported on his visit to Central America. The Government official in Panama in charge of granting loans to Panamanian students to study abroad told him that the Soviet presence in the exchange field is dangerous. He found that only 40 percent of the faculty of the University of Panama has any graduate training and virtually the only applicants for open faculty positions are those trained in Communist countries, especially at Moscow's Patrice Lumumba. The director of the University of Panama indicated to him that the university sabbatical policy provides for salary only. Therefore, his faculty can only afford to travel to Mexico, Brazil, or Communist countries for research.

In the battle for the hearts and minds of the world, there is so much more we must do. Certainly, we can do much more by providing the necessary scholarships and fellowships that our Communist adversaries are so willing to underwrite, instead of sending politicians on junkets around the globe.

Mr. HOLLINGS. Madam President, this knocks out the entire amount. We have just voted to reduce the $31 million. We have knocked out the political parties and brought it down to $21 million to be administered by the AFL-CIO and the chamber of commerce. This amendment, in a sentence, still knocks out the Endowment—I do not want it misunderstood—the National Endowment for Democracy. In the amendment, I remove the entire $31 million and insert in lieu thereof $11,864,000 more for the student exchange in Central America.

Madam President, I believe in democracy, I believe in spreading it, and I believe this is a better way to spread it, rather than going with the Endowment for Democracy and going on the visitations and the various trips around and what have you. We are behind in Latin America, miserably behind, on what we first instituted, a spread of democracy through Fulbright, Humphrey, and other scholarships.

I ask unanimous consent that the statement I referred to by Ronald Trowbridge, Associate Director of the Bureau for Cultural and Educational Affairs, be printed in the RECORD. This is in support of the increased student exchange which we have been cutting back and denying.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PREPARED STATEMENT BY RONALD L. TROWBRIDGE, ASSOCIATE DIRECTOR, BUREAU OF EDUCATIONAL AND CULTURAL AFFAIRS

The Soviet Union and its allies are concentrating efforts to win the hearts and minds of Central Americans through higher education, providing through careful analysis full-ride scholarships to future grassroots leaders there. In 1977 the Soviet Union and its allies sponsored 1,125 academic scholarships to Central Americans; in 1982 that number rose alarmingly to 7,415. (World-wide, the figures are: 1978—48,700, increasing in 1982 to 102,400.) These students study in the Soviet Union, the Eastern bloc, or Cuba.

As director of the Bureau of Educational and Cultural Affairs, United States Information Agency, that is charged with implementing the academic exchange component of the National Bipartisan Commission on Central America (the Kissinger Commission), I have just returned from Central America, where I held numerous discussions with university rectors, professors, ministers of education, government officials, business leaders, American Ambassadors and Embassy officials. I noted three unifying strains: one, that they initiated mention of Soviet or communist infiltration in education; two, that this infiltration has sharply risen in the last "five to ten years," and, three, that something must be done urgently as a countermeasure "before it is too late."

Examples confirm this urgency. The government official in Panama, for instance, in charge of granting loans to Panamanian students to study abroad labelled the Soviet presence in the exchange field as "dangerous." The Rector of the University of Panama, Panama's largest university with 34,000 students, gave me an even more alarming account. Only 40 percent of his faculty have any graduate training, and for open faculty positions virtually the only applicants are those trained in communist countries, especially at Moscow's Patrice Lumumba. The Rector, a Ph.D. from Purdue University, said that while he does not want to hire these communist trained applicants, he has no choice. It is either that or not offer the classes. When I arrived in Panama the Rector of Patrice Lumumba University was there to meet with university officials and to attend a reunion of Panamanian graduates of Patrice Lumumba. The Rector of the University of Panama added, further, that since sabbatical policy provided salary only, his faculty could afford to travel only to Mexico, Brazil, or communist countries for research.

As but one more example in Panama, Chamber of Commerce members there are so alarmed by the Soviet or communist presence that they have banded together to raise funds to send Panamanian students to the U.S. for study.

In Costa Rica, the Vice Minister of Education told me that a counter to the communist aggregate in the area of academic exchange is necessary to keep democracy alive there, that the Soviets are far ahead of the U.S. in exchanges, that the relation between Costa Rican professors and students and the U.S. has "fallen off," that while the smaller upper class already cherishes U.S. values, the much, much wider middle and low classes need attention—the Soviets focusing their efforts here. He cited the example of the communists "astutely" choosing to educate a certain young man from an Indian reservation, who then returned to assume a position of influential leadership. We should focus our attention on youth, the Vice Minister observed, because "peace could only come from young people."

The Rector of a private university in Costa Rica echoed the same thoughts, adding that local businessmen hire the communist trained, whose degrees are recognized in Costa Rica, as these business leaders are not all that biased against communist training. He further observed that Costa Rican resentment against U.S. wealth enables the fertile ground upon which communist propaganda effectively spreads. The solution, he argued, is not economic aid or welfare to the Costa Ricans, but "communication," that is, education.

As one final example, the Rector of the University of Costa Rica, the oldest and most prestigious institution of higher learning in the country, signed in May 1982 an agreement with the Pushkin Institute of Russian Language in Moscow to train Costa Rican professors in Russian language, studies and politics in Moscow—the Soviets paying fully for the Costa Ricans, including "costs related to clothing."

Soviet attention in Central America in countries other than Panama and Costa Rica is even greater, their concentration and infiltration aimed not only at the pragmatic fields of education, technology, medicine, engineering, and communications, but even at bookstores and libraries. The Soviet Union is the world's fourth largest publisher of books in Spanish. In 1982, the Soviet Union produced 11.6 million copies of 391 titles in Spanish. Approximately 50 percent of these publications are in children's literature—the successor generation—and are characteristically allegorical attacks against capitalism and Western democracy. Moreover, the flood of Soviet and Marxist books to Managua, for example, is conspicuous. Well-printed large paperbacks, of the quality which normally sell for $6-8 in the U.S. (and considerably more in Central American bookstores), could be had in Nicaragua for the equivalent of fifty cents.

Unmistakably, the Soviet Union and its allies are making haste slowly in Central America through the sure-footed, long-term infrastructure of education. Will the U.S. even react in kind with our close neighbors?

Mr. HOLLINGS. My particular $11 million carries the full amount the President asked for in the budget. It is President Reagan's request, and I think this is a better approach. Those who want to sustain the National Endowment for Democracy will stick with this last vote because the National Endowment is sustained there. Those who want to use the student approach and not sustain the Endowment, then I hope they will stick with me in my amendment.

Mr. SYMMS. Will my colleague yield?

Mr. HOLLINGS. Yes, Madam President.

Mr. SYMMS. Madam President, I have been listening to the Senator from South Carolina discuss this this afternoon. A lot of what he said I agree with.

I would only make the observation after listening to this debate that if our State Department would do nothing more than take all the old used merchandise catalogs from Sears Roebuck and JC Penney and Montgomery Wards and pass them out around the world, they would do more to sell the good things about this country around the world than a lot of these things we are discussing and we would not have to be promoting democracy because it is a struggle of ideas and we are not selling the positive humanitarian aspects of our democratic system of this country. We do not tell the people the virtues of capitalism. Our bureaucrats who are paid by the American taxpayers do not go out and spread democracy, free enterprise, and capitalism enough. It happens occasionally. For those who do it, I praise them, but I think the Senator is on the right track. I would like to see this whole project wiped out. We already voted once to wipe it out and it failed, is that correct?

Mr. HOLLINGS. That is correct.

Mr. SYMMS. The Senator is trying to get students in Central America up here to school.

Mr. HOLLINGS. Right.

Mr. SYMMS. I compliment the Senator.

Mr. HOLLINGS. I thank the distinguished Senator. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. EXON. Madam President, I congratulate my friend and colleague from South Carolina. This whole thing should be wiped out in my opinion. But certainly the amendment that he has just offered makes far, far more sense than anything else that has been introduced here on this subject. I therefore ask unanimous consent that I be listed as a cosponsor of the amendment offered by the Senator from North Carolina.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Vermont is recognized.

Mr. LEAHY. I also ask unanimous consent to be listed as a cosponsor. I think it is an excellent amendment.

Mr. HOLLINGS. Madam President, I also ask unanimous consent to add the distinguished senior Senator from West Virginia, the Senator from Nebraska [Mr. ZORINSKY], the distinguished Senator from New Hampshire [Mr. RUDMAN], Senator CHILES, Senator GLENN from Ohio, Senator MATTINGLY from Georgia, and Senator MELCHER from Montana as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RUDMAN. Madam President, I think we are witnessing some new kind of rollcall. We are going to get this amendment accepted by acclamation.

This is a very sensible amendment. The money will do so much more good spent the way the Senator from South Carolina desires it be spent. I support it completely and I hope it is supported.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. HATCH. Madam President, I do not expect to take very long. Let us understand there is a difference between the National Endowment for Democracy and USIA. The USIA's purpose is an exchange of programs conducted under the Fulbright-Hayes Act. Its purpose is to tell America's story to the world, and I commend that purpose.

I would personally vote to increase funding for that which the distinguished Senator from South Carolina desires to do. They want to support U.S. foreign policy objectives to increase mutual understanding between the people in the United States and the people of other countries. In NED, the emphasis is on building free and democratic institutions and furthering the democratic cause. USIA's purpose is sufficiently narrow. It is basically to foster mutual understanding between the United States and other countries, and I support that. Its purpose is also to of influence foreign public opinion concerning the United States.

Now, we have stripped out this evening—the Senate has spoken—on the two party institutes. I can accept that. The Senate has spoken on it and that is the way it is. But that leaves two entities left in NED who have been doing a good job, and one in particular I think has set worldwide standards of doing a good job. That happens to be the Free Labor Institute of the AFL-CIO.

I spoke earlier of the fact that I have investigated these programs all over the world and I have seen the good they have done. I personally think it is wrong for us in the Senate to expect the AFL-CIO to continue to fund all of the efforts that they make, which I think are in the best interests of democracy around the world and the best interests of freedom around the world, especially when we can add to the process and help them in the process to be able to do a better job.

Now, the chamber of commerce submitted a very good proposal to the board showing responsibility and showing that they have the maturity to do a job that should be done. I mentioned honestly that the two party institutes did not submit proposals of the same quality or depth as these two other institutes. I believe, having watched what the Free Labor Institutes have done in the past, that they have done more for this country in a variety of ways than almost any other insitution. They have done it at the expense of AFL-CIO.

Now perhaps that is what the Members of this body will determine should be done. But I think we can enhance what they are doing to create democratic principles, to foster democratic principles, to help others to understand democratic principles, to bolster countries that are having a difficult time with democratic principles, and to teach the principles of freedom around this world.

They are trained; they are good; they are tough; and they are doing it. I think we could help them by keeping the National Endowment for Democracy alive.

The thing that I would feel the worst about, if the Senator's amendment passes—and keep in mind I am offering to join with him in raising more funds if we have to for the purposes that he is talking about—the thing that would make me feel the worst is that we would not even have given the National Endowment for Democracy a chance.

Mr. MATHIAS. Will the Senator yield on that point?

Mr. HATCH. I will be delightful to yield.

Mr. MATHIAS. I inquired earlier of the Senator how much of the funds that had already been given to the National Endowment for Democracy still on hand. The Senator said he did not think very much had been expended.

Mr. HATCH. By the two party institutes. The reason a lot has not been expended is because the board has met on initial programs, and during that board meeting we laid out a complete series of programs at least for the Free Labor Institute and also the chamber's institute that will expend those moneys in the appropriate way and at the appropriate time.

Mr. MATHIAS. I have been advised that once the USIA makes a grant to the National Endowment for Democracy, the money remains available until it is expended. Now, such a grant has been made, has it not?

Mr. HATCH. We have accepted some limited grant proposals at this time.

Mr. MATHIAS. But the grant made by USIA to the National Endowment for Democracy has been made, has it not?

Mr. HATCH. The Senator is correct.

Mr. MATHIAS. So that money is on hand and the life of the National Endowment for Democracy does not depend on the Hollings amendment then, because they have on hand the funds to continue to operate——

Mr. HATCH. For this year.

Mr. MATHIAS [continuing]. At a somewhat lower level for some months to come. I am wondering if the Senator from South Carolina would agree with that.

Mr. HOLLINGS. Well, there is no question that the foundation itself is a private foundation, is organized under the laws of the District of Columbia, so chartered, and I imagine would certainly cost——

Mr. MATHIAS. They have money on hand.

Mr. HOLLINGS. How much is left still?

Mr. MATHIAS. Nobody knows.

Mr. HOLLINGS. I have been trying to find out and I could not.

Mr. MATHIAS. They started out with $18 million, and the Senator from Utah has said they have not spent very much yet, so they have enough money to keep going for quite a while.

Mr. HOLLINGS. Oh, yes, sure.

Mr. MATHIAS. At least as far as we can determine at this point during the debate.

Mr. HATCH. Well, but not on an extended basis, not in a way that they can really justify the programs they have laid out and the rather extensive proposal that we have accepted as a board of directors.

My personal feeling is that the Senator's amendment actually will spell the end of the National Endowment for Democracy. I think that would be a very bad thing. I suppose they can spend whatever funds they have allocated thus far, and they intend to do so, in accordance with a very, very good set of proposals.

However, let us not fool anybody. If we do not fund this for the coming year, there is no reason to think we can have a program that has continuity, which is necessary to fight for the principles of democracy around the world.

I do not intend to take any more time of my colleagues. I think I have made the case that the labor institute and the chamber institute have been responsible. I think it would be tragic if we do not support them. I hope my colleagues will support me in voting down the well-intentioned amendment of the Senator from South Carolina.

I restate my conviction that I will stand with the distinguished Senator in trying to find funds for him, so that he can do what he wants to do, without taking it away from the National Endowment for Democracy.

Mr. PRYOR. Mr. President, I am pleased to support the amendment by the Senator from South Carolina.

Perhaps because of my long association with Senator Bill Fulbright, I have always been a strong supporter of increasing the level of international student exchanges. I can think of no finer monument to Senator Fulbright than the enormous success of the exchange program that bears his name. Not only have thousands of deserving students enjoyed an opportunity to expand their knowledge of foreign cultures through the Fulbright program, but many, many of today's leaders received part of their education through Fulbright scholarships. Some of these leaders are Prime Minister Margaret Thatcher of Great Britain, President Julius Nyerere of Tanzanina, former Chancellor Bruno Kreisky of Austria, former Chancellor Helmut Schmidt of West Germany, and Prime Minister Indira Gandhi of India.

The resultant good will fostered by the Fulbright program through its students has been an important element of our foreign relations with those nations and others and should not be underestimated.

Federal support for international exchange programs amounts to only 10 to 15 percent of total funding, but that Federal participation attracts private funds and provides a stable operating base.

I voted last year for the establishment of the National Endowment for Democracy. I believe strongly enough in our democratic ideals that I'd like to see them exported to other countries. The goals of the Endowment are laudatory, and the participants in the Endowment—the two political parties, the AFL-CIO, and the National Chamber of Commerce—should be commended for their efforts and their sincerity.

But I have enough questions about the implementation of this new program to make me wonder if it is the best approach to the dissemination of democratic ideals.

I have no reservations whatsoever about international student exchange programs, however. What better way to teach democratic values than to expose students directly to them?

We must remember that the vast majority of the world's population has no idea what democracy means. The concepts of a free press, political opposition, free and open dissent, private ownership of the press, and civil liberties must seem incomprehensible to those who have never experienced them.

This is certainly true in Central American countries, and I applaud Senator HOLLINGS for aiming his amendment at students from those countries. The fortunes of the United States and Central America are closely intertwined, and it is in our own best interest to increase understanding between the two.

I am afraid that the current perception of our system is a distorted one. We need to bring bright young Salvadorans and Guatemalans and Costa Ricans to the United States and let them carry back the message of what American democracy is all about.

The Senator from Connecticut, Mr. WEICKER, has spoken eloquently about his visit to Cuba, where he saw hundreds of African students being educated in Cuban secondary schools.

The Soviet bloc countries currently sponsor the education of 14 Central American students for every one student exchange with the United States. An estimated 4,000 young people are being trained now in Cuba. In the last 5 years, the Soviet bloc has increased its student exchanges with Central American countries by 700 percent.

For years now, we have engaged the Soviet Union in an arms race. I'd like to see us begin a second race—to outdo the Soviets in the area of international exchanges.

Mr. HOLLINGS. Madam President, I ask unanimous consent to add as cosponsors of the amendment the Senator from Connecticut, [Mr. WEICKER], the Senator from North Dakota [Mr. ANDREWS], and the Senator from South Dakota [Mr. PRESSLER], the distinguished presiding officer, the Senator from Kansas [Mrs. KASSEBAUM], and the Sentor from Arkansas [Mr. PRYOR] be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. LAXALT (when his name was called). Present.

Mr. STEVENS. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from Idaho [Mr. MCCLURE], and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

Mr. BYRD. I announce that the Senator from California [Mr. CRANSTON], the Senator from Colorado [Mr. HART], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER [Mr. WILSON]. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 44, nays 49, as follows:

[Rollcall Vote No. 184 Leg.]

YEAS—44

Andrews
Armstrong
Baker
Baucus
Biden
Boren
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Dole
East
Exon
Glenn
Grassley
Hatfield
Heflin
Helms
Hollings
Humphrey
Jepsen
Kassebaum
Leahy
Mathias
Mattingly
Melcher
Metzenbaum
Nickles
Nunn
Pressler
Proxmire
Pryor
Quayle
Randolph
Rudman
Symms
Trible
Tsongas
Warner
Weicker
Zorinsky

NAYS—49

Abdnor
Bentsen
Bingaman
Boschwitz
Cohen
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Domenici
Durenberger
Eagleton
Evans
Ford
Garn
Gorton
Hatch
Hawkins
Hecht
Heinz
Huddleston
Inouye
Johnston
Kasten
Kennedy
Lautenberg
Levin
Long
Lugar
Matsunaga
Mitchell
Moynihan
Packwood
Pell
Percy
Riegle
Roth
Sarbanes
Sasser
Simpson
Specter
Stafford
Stevens
Thurmond
Tower
Wallop
Wilson

ANSWERED "PRESENT"—1

Laxalt

NOT VOTING—6

Cranston
Goldwater
Hart
McClure
Murkowski
Stennis

So Mr. HOLLINGS' amendment (No. 3359) was rejected.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HATCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. RUDMAN. Mr. President, the minority floor manager and I agree to lay aside the pending amendment to briefly consider amendments to be offered by other Senators.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I will call up an amendment in just a moment. But I ask unanimous consent that I may yield to the distinguished Senator from Ohio, Mr. GLENN, who has an amendment which has been cleared on both sides, provided that I do not lose my right to the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Ohio.

Mr. GLENN. Mr. President, I thank the distinguished Senator from North Carolina.

AMENDMENT NO. 3361

(Purpose: To amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide death benefits for additional public safety officers)

Mr. GLENN. Mr. President, I send an amendment to the desk and ask for its immediate consideration. It has been cleared on both sides.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. GLENN], for himself and Mr. NICKLES, proposed an amendment numbered 3361.

Mr. GLENN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 36, between lines 10 and 11, insert the following new section:

SEC. 204. (a)(1) Section 1201 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796) is amended by adding at the end thereof the following new subsection:

"(g) The authority to make payments under this section shall be effective only to the extent provided for in advance by appropriation Acts.".

(2) Section 1202 of such Act (42 U.S.C. 3796a.) is amended—

(A) by striking out "or" at the end of clause (2);

(B) by striking out the period at the end of clause (3) and inserting in lieu thereof "; and "; and

(C) by adding at the end thereof the following:

"(4) to any person employed in a capacity other than a civilian capacity.".

(3) Section 1203 of such Act is amended—

(A) by striking out clause (3) and inserting in lieu thereof the following:

"(3) 'firefighter'—

"(A) means a person whose duties include performing work directly connected with the control and extinguishment of fires and who, at the time the personal injury referred to in section 1201 is sustained, is engaged in such work or in another emergency operation; and

"(B) includes a person serving as an officially recognized on designated member of a legally organized volunteer fire department;";

(B) by striking out clause (5) and inserting in lieu thereof the following:

"(5) 'law enforcement officer' means a person—

"(A) the duties of whose position include performing work directly connected with—

"(i) the control of crime or juvenile delinquency;

"(ii) the enforcement of the criminal laws; or

"(iii) the protection of Federal officials, public buildings or property, or foreign diplomatic missions; and

"(B) who, at the time the personal injury referred to in section 1201 is sustained, is—

"(i) engaged in the detection of crime;

"(ii) engaged in the apprehension of an alleged criminal offender;

"(iii) engaged in the keeping in physical custody of an alleged or convicted criminal offender; or

"(iv) assaulted or subjected to the conduct of criminal activity in the line of duty, and includes police, correction, probation, parole, and judicial officers;";

(C) in clause (6) by inserting "the United States," after "means"; and

(D) in clause (7), by striking out "fireman" and inserting in lieu thereof "firefighter".

(b) The amendments made by subsection (a) shall take effect with respect to injuries sustained on or after October 1, 1984.

Mr. GLENN. Mr. President, I am offering an amendment today to provide a $50,000 death benefit to the survivors of Federal firefighters and law enforcement officers who are killed in the line of duty. This measure would extend this benefit to the families of these Federal officers by amending the Public Safety Officers' Benefits Act. Since its enactment in 1976, this act has provided the same $50,000 death benefit to the survivors of State and local public safety officers.

Extending the same death benefit to both Federal and State and local public safety officers is a simple matter of fairness and equity. There is no distinction in the hazards that these officers face and sadly, in their profession, they suffer some of the highest death and injury rates in the country. Because these officers face the same dangers and risk of death, when they perish or are slain in the course of protecting our safety, there should be no disparity in the death benefits available to their survivors.

Several examples will illustrate the anomalous and inequitable operation of the current law.

The first example concerns the 1981 shooting incident involving the President. In addition to the President, a District police officer and a U.S. Secret Service agent were wounded. Had these officers died, only the family of the police officer would have been eligible to receive the $50,000 death benefit.

Another example concerns the mutual-aid agreements that most Federal fire departments participate in with their surrounding localities. If both a Federal and local firefighter are killed during a cooperative effort, again only the family of the State and local officer would be eligible to receive the $50,000 death benefit.

A final example concerns a Federal firefighter who is killed while serving as a volunteer for a local fire department. Although his survivors normally would be ineligible to receive the $50,000 death benefit, the opposite is true where a Federal firefighter serves in a local volunteer status.

In 1976, when the Public Safety Officers' Benefits Act was enacted, death benefits for State and local public safety officers were substantially less than the benefits available to their Federal counterparts. According to the International Association of Firefighters, the reverse is true today with many States having equivalent or greater death benefits than are available to the survivors of fallen Federal officers even before the $50,000 death benefit is taken into account.

Mr. President, in the 97th Congress, the Senate passed a death benefit measure which is virtually identical to the amendment that I am offering now. The House passed a similar measure but both measures failed of enactment. The Congress also passed the death benefit bill in the 96th Congress, although it was vetoed, in part because it was retroactive. This amendment is not. It is my understanding from supporters of this measure that if the death benefit bill reaches the President's desk, he will sign it. I would hope so.

My amendment, which is similar to the death benefit bill (S. 1163) that I introduced earlier this session, has the broad support of the law enforcement and firefighting community, including the International Association of Firefighters the Fraternal Order of Police, the International Association of Fire Chiefs, National Association of Police organizations, the Joint Council of National Fire Service Organizations, National Volunteer Firefighters Association, the American Federation of Government Employees, and the National Federation of Federal Employees. With this support, the impressive track record of the death benefit bill in Congress, and its negligible cost—$250,000 per year—and laudable purpose, I am confident that the Senate will pass my amendment.

Mr. President, Federal firefighters and law enforcement officers routinely risk their lives in the line of duty to protect many lives and secure the areas in which the Federal Government operates. These Federal firefighters and law enforcement officers deserve the same peace of mind as their counterparts on the State and local levels have from knowing that if they die in the line of duty their families will at least be afforded minimal financial security.

Mr. NICKLES. Mr. President: I am pleased to join Senator GLENN as a cosponsor in offering this amendment to provide a $50,000 death benefit to the survivors of a Federal law enforcement officer or firefighter whose death was the direct and proximate result of a personal injury sustained in the line of duty.

On March 22, 1984, I introduced S. 2472, the Federal Public Safety Officers' Supplemental Death Benefits Act of 1984, which Senator GLENN cosponsored. That bill would also have provided a $50,000 death benefit to the same Federal public safety officers. When I introduced S. 2472, it had been my hope that it would have been signed into law by now. Hopefully, this amendment can fulfill that wish in the near future.

There is much evidence of widespread support for this amendment. Two other bills, S. 1163 and S. 1716, have been introduced this Congress by Senators GLENN and DENTON, respectively, to provide this benefit. During the 97th Congress, the House of Representatives passed a death benefit bill similar in intent to this amendment by a vote of 327 to 82 and the Senate passed an amendment granting the benefits. Unfortunately, the House and Senate did not work in tandem to get a bill to the President's desk.

This Congress, the House has again passed a bill, H.R. 622, granting this death benefit. I hope the Senate will join with Senator GLENN in passing this amendment and that the House will accept it. We have come too close in the past to provide this benefit without finalizing our actions.

Mr. RUDMAN. Mr. President, this has been discussed on both sides. This is a matter which has passed the full U.S. Senate on two occasions. It deals with the benefits for certain Federal law enforcement officers who are killed in the line of duty. We will accept this and we hope that we may work it out at the conference with the House.

Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Ohio [Mr. GLENN].

The amendment (No. 3361) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GLENN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Vermont, provided I do not lose my right to the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

USIA

Mr. LEAHY. Mr. President, about 1 month ago, I read in the newspaper that the head of the U.S. Information Agency [USIA], Charles Wick, caused quite a stir in Japan when he requested an armored limousine and a police escort from our Embassy. Apparently our Embassy informed Mr. Wick that the U.S. mission did not have an armored limousine nor were any known to exist on the rental market in Japan.

According to the State Department, USIA has requested and received four personal armed bodyguards for Mr. Wick on all of Mr. Wick's foreign journeys—and there have been many of Mr. Wick's foreign journeys.

The Washington Post reported that: "the State Department cannot refuse requests to give Wick bodyguards because he is a longtime friend of President Reagan."

"The relationship between Wick and the President is the sole reason for his protection," said one diplomatic official. "There's a little paranoia involved. He perceives himself, because of his relationship with the President, to be more in danger than you or I might perceive him to be."

Mr. President, I am not sure that you or I would see the same threat to Mr. Wick—to the extent that he was made a special deputy U.S. marshal so he could carry a handgun at home, or to put in a $32,000 security system for his home.

Given these press reports, I would ask the committee, in the spirit of budget discipline, if it would request from the USIA a report on the amount of taxpayers' funds spent by USIA or any other Federal agency for bodyguard and other personal protection for Mr. Wick, either here or abroad.

Mr. RUDMAN. Mr. President, I think the Senator from Vermont raises a very interesting point. The committee will, in fact, look into the matter the Senator from Vermont raises.

Mr. LEAHY. I thank the Senator from North Carolina and the Senator from New Hampshire.

AMENDMENT NO. 3360

(Purpose: To impose sanctions on Bulgaria)

Mr. HELMS. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from North Carolina [Mr. HELMS], for himself, Mr. SYMMS, Mr. WALLOP, Mr. EAST, Mr. DODD, Mr. DENTON, and Mr. DOMENICI proposes an amendment numbered 3306.
>
> Add at the end of the Bill the following new section:
>
> "SEC. —. (a) Notwithstanding any other provision of this Act,
>
> (1) no funds shall be expended by the Department of Commerce to promote trade with Bulgaria including but not limited to expenditures for trade fairs, trade specialists, and the Bulgarian-U.S. Business Roundtable or any other such joint body,
>
> (2) no funds shall be expended by the Department of State to promote trade with Bulgaria,
>
> (b) It is the sense of Congress that Bulgaria should be declared to be engaged in state sponsored terrorism within the meaning of Sec. 6(1) of the Export Administration Act of 1979.

Mr. HELMS. Mr. President, I am honored to have as cosponsors of this amendment Senators SYMMS, WALLOP, EAST, DODD, and DENTON.

Mr. President, this amendment would prohibit the expenditure of funds by the Department of Commerce and by the Department of State to promote trade with Bulgaria. Further, as the clerk has just indicated when he read the amendment, it expresses the sense of Congress that Bulgaria should be declared to be what it is—engaged in state-sponsored terrorism.

Mr. President, in recent months the Department of Commerce and the Department of State have stepped up an extensive program to promote trade with Bulgaria. There is a great body of opinion that this is improper in light of the direct Bulgarian involvement in the plot to assassinate Pope John Paul II and in light of the farflung international operations of the Bulgarian Government to promote international terrorism and drug trafficking.

The world was shocked by the brutal attempt on the Pope's life on May 13, 1981. Even in the weeks and months immediately following the assassination attempt, reports emerged pointing a finger at the Kremlin and its satellites in Eastern Europe. It should not be forgotten that these reports were systematically ridiculed and downgraded by those in the West who did not want to see the Soviet Union exposed by the truth. Today, however, there has grown a conclusive body of evidence which links the Bulgarian Government directly to the assassination attempt and further evidence that links the attempt to the KGB and the Soviet Government. Claire Sterling, a writer of international renown, has just published a carefully researched book on the Bulgarian role in the papal assassination attempt. Paul Henze, an authority on international matters, has also recently published a book demonstrating the Bulgarian connection and the Soviet links to the assassination.

Mr. President, it is a matter for deep concern that the attempt to assassinate the Pope did nothing to introduce caution into the State Department and the Commerce Department with respect to dealings with the Soviet bloc. Indeed, just the opposite has occurred. In 1982, the Bulgarian Minister of Transportation made an official visit to the United States and in 1983 the Bulgarian Minister of the Chemical Industry made an official visit to the United States.

This spring, at a time when more and more information was establishing conclusive links between the Bulgarian Government and the attempt on the Pope's life, the pace of State Department and Commerce Department activities with Bulgaria and other Soviet bloc countries increased. It is a matter of public record that Richard Burt, Assistant Secretary of State, made a trip to East Germany, Hungary, and Bulgaria this past February. Mr. Burt was the highest U.S. official to visit East Germany since the establishment of relations in 1974. He also used the trip to pave the way for U.S. sponsored trade fairs in East Germany and in Bulgaria.

It may seem incredible to Members of this body that the U.S. Government would sponsor a trade fair with Bulgaria, a country which is known to our intelligence services as promoting international terrorism and drug trafficking. Nevertheless, such a trade fair did occur between May 14 and May 17 of this year in Sofia, Bulgaria.

Mr. President, the involvement of the Government of the United States to promote this trade fair and related commercial activity is outrageous in light of the information available concerning the Bulgarian role in the plot against the Pope's life. Indeed, the involvement of the Government of the United States to promote trade with Bulgaria is outrageous in the light of massive documentation about other activities sponsored by the Bulgarian Government involving the spread of international terrorism and international narcotics.

Mr. President, it is no secret that the Bulgarian Government's merchant marine fleet is assisting in the delivery of Soviet bloc weapons and munitions to the Sandinista Communist dictatorship in Nicaragua. We regularly read reports in the press noting these ships passing through the Panama Canal and delivering weapons and munitions in Nicaragua to help the Sandinistas spread death and destruction not only in their own country but also to spread death and destruction among the free peoples and nations of Central and South America.

The fact that the Bulgarian Government is directly involved in the international heroin trade is no secret. Just this month, during hearings in the House of Representatives, extensive documentation was presented showing the Bulgarian role in the international heroin traffic.

Mr. John C. Lawn, Acting Deputy Administrator of the United States Drug Enforcement Agency stated that:

> We can confirm that about 25 percent of the heroin reaching the United States transits at some point through Bulgaria.

Mr. Lawn went on to state flatly that the official Bulgarian state trading agency, Kintex, was deeply involved in this drug smuggling operation. He said:

> * * * the government of Bulgaria has established a policy of encouraging and facilitating the trafficking of narcotics through their corporate veil of Kintex.
>
> In virtually every report available to the DEA since 1970 about narcotics trafficking in and through Bulgaria * * * Kintex is mentioned as a facilitator of transactions.
>
> In turn, knowledgeable sources tell us that top ranking members of the Bulgarian Security Service or ex-Bulgarian ministers comprise the directorate of Kintex.

Mr. President, according to information reaching my office, the entire Kintex operation which is headquartered at 66 Boulevard Anton Ivanov in Sofia, Bulgaria, is run by the First Directorate of the Bulgarian Secret Police, the KDS. In turn, the KDS is run by the Soviet KGB which has several dozen KGB officers working inside the KDS.

During these same hearings, Mr. Paul B. Henze, a former State Department employee who is now working for the Rand Corp. and who has just published a book entitled, "The Plot To Kill the Pope," linked the Soviet Union directly to these Bulgarian activities. In addition, Mr. Henze testified that the narcotics activities are just a part of the overall global operations of the Kintex trading organization which is deeply involved in funneling weapons to the Middle East, Africa, and Central America.

Mr. Henze testified that:

> Bulgaria has been acting with the full endorsement, and in effect the urging, of the leadership of the Soviet Union.

Mr. President, it is high time that we send a message to the Bulgarian Government that we will not tolerate its activities sponsoring international terrorism and the international narcotics trade. The activities of the Bulgarian Government constitute a direct threat to the people of these United States.

Mr. President, my amendment is clear cut and direct. The amendment would stop all expenditures by the Department of State and by the Department of Commerce used to promote trade with Bulgaria. Further, the amendment states that it is the sense of Congress that Bulgaria be declared to be engaged in state sponsored terrorism.

Mr. President, I ask unanimous consent that an article from the Financial Times of London on February 23, 1984, concerning Richard Burt's trip to Eastern Europe be printed in the RECORD at the end of my remarks as exhibit 1.

Mr. President, I ask unanimous consent that an article from the Commerce Department magazine, Business America, entitled "Bulgaria Invites U.S. Firms To Discuss Trade Prospects In May" appearing on April 16, 1984, be printed in the RECORD at the end of my remarks as exhibit 2.

Mr. President, I ask unanimous consent that an Associated Press story by David Goeller of June 7, 1984, be printed at the end of my remarks as exhibit 3.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXHIBIT 1

U.S. OFFICIAL HOLDS TALKS IN EAST BERLIN

(By Leslie Colitt in East Berlin)

The U.S. Assistant Secretary of State for European Affairs, Mr. Richard Burt, has held high-level talks with the East German Communist Party and Government, in the first U.S. bid for many years to improve relations with that country.

Mr. Burt is the most senior State Department official to visit East Berlin since East Germany and the U.S. established diplomatic relations in 1974.

The U.S. diplomat was on the first leg of a three-nation tour of Eastern Europe to inform East Germany, Bulgaria and Hungary that the U.S. is prepared to begin a "more effective dialogue" with the Soviet Union and its allies. He left East Berlin yesterday for Sofia.

Mr. Burt had previously acknowledged at a Nato meeting in Brussels that there were apparently diverging interests in Eastern Europe over the deployment of new Soviet missiles in East Germany and Czechoslovakia.

Herr Erich Honecker, the East German leader, said earlier this year that no one was "pleased" in this country about the deployment, but that the U.S. was to blame, after introducing new medium-range missiles into Western Europe.

Czechoslovakia expressed a similar sentiment, although both countries have publicly assured Moscow of their readiness to assume a greater defence burden.

Bulgaria is believed to have been urged by Moscow to accept Soviet missiles on its territory but to have refused. Hungary, while not due to receive missiles, has been actively promoting a dialogue between itself and Western leaders.

The U.S. diplomat met Herr Oskar Fischer, the East German Foreign Minister, and Herr Hermann Axen, the East German Politburo member responsible for international relations.

They discussed the U.S. interest in resuming the Geneva missile reduction talks with Moscow, as well as bilateral issues such as trade, humanitarian questions and the unsettled claims by U.S. citizens for nationalised property in what is now East Germany.

Mr. Burt said afterwards that improved relations between the two countries could best be achieved by progress in these areas.

EXHIBIT 2

[From Business America, Apr. 16, 1984]

BULGARIA INVITES U.S. FIRMS TO DISCUSS TRADE PROSPECTS IN MAY

U.S. companies will have an excellent opportunity to explore trade prospects with Bulgaria during the May 14-17 Bulgarian-U.S. Business Roundtable hosted by the Bulgarian Chamber of Commerce and Industry. An optional visit to the Spring Consumer Goods Fair at Plovdiv is planned for May 14. The Roundtable will kick off on May 15 with presentations by ranking Bulgarian trade and economic officials on Bulgarian investment plans and import needs in the 1980s. The remaining two days will feature working groups on specific industry themes (see box on meeting schedule) and individual meetings between U.S. company representatives and Bulgarian foreign trade and enterprise officials.

Participating U.S. firms will have the opportunity to specify in advance to the Bulgarians their particular business interests and with which Bulgarian officials they would like to meet. For companies both familiar with, and new to, the Bulgarian market the Roundtable should be a valuable event.

THE BULGARIAN MARKET

Several features of the Bulgarian economy make it one of the most attractive markets in Eastern Europe. Economic growth, although reduced from the rates achieved in the 1970s, has continued at a strong 3.5 percent annual average rate since 1980. The 1984 economic plan calls for 4 percent growth. Bulgaria also enjoys a favorable financial situation. At the end of 1983 net hard-currency debt was estimated at $1.7 billion, the lowest in Eastern Europe. Finally, Bulgarian officials have indicated interest in expanding trade and economic cooperation with the West, including the United States. American firms able to demonstrate that their products and know-how can further Bulgarian economic goals could benefit from good sales prospects in Bulgaria.

Bulgaria is one of the smallest countries in Europe, but it has undergone rapid industrialization. Economic growth rates in the 1970s averaged 6-7 percent annually as the country developed basic industries such as metallurgy, machine building, chemicals, and petrochemicals. Industrial growth rates have been reduced in the 1980s but, at 3-4 percent per year, remain high even by world standards. Investment plans for the rest of the decade emphasize metallurgy, energy development, chemicals and rubber production, metal engineering, and electronics and electrical engineering. A number of U.S firms have concluded cooperation arrangements with Bulgarian partners in these areas. Of particular interest to the Bulgarians are process controls, and equipment and technology to reduce energy consumption and raw material inputs.

Bulgaria has made significant improvements in agriculture in recent years. Economic reforms introduced in 1979 have resulted in increased agricultural efficiency and exports. Bulgarian agricultural planners have expressed interest in Western irrigation methods, hothouse production techniques, planting/harvesting machines, and food processing technology.

Bulgaria is a highly trade-dependent country, with half of national income attributable to trade. Foreign trade turnover increased by 7 percent in 1983. While nearly 75 percent of Bulgaria's foreign trade is conducted with other COMECON countries, particularly the Soviet Union, the Bulgarians have begun to place greater emphasis on trade with the West. According to official Bulgarian statistics, 1982 imports from the West stood at $1.9 billion, while Bulgarian exports to the West totaled $1.3 billion. Over the next few years, Bulgaria will seek to balance trade with the West by emphasizing higher quality and more diversified exports to hard-currency markets. Imports of Western equipment and technology also will grow to help meet these goals. Prospects for increased Western exports to Bulgaria have been improved by the country's strong financial position.

The desire to increase trade and cooperation with Western countries led the Bulgarian government to introduce legislation in 1980 that permits Western equity investment on Bulgarian soil. The joint-venture decree permits foreign participation to exceed 50 percent and provides for 100 percent repatriation of operating profit and capital. To date, four joint ventures have been formed with Western companies, including one with an American firm to market process control equipment in Bulgaria. Several other joint projects are under discussion.

TRADE WITH UNITED STATES

Officials from both Bulgaria and the United States have expressed strong interest in diversifying commercial contacts and cooperation. The visits to the United States of Bulgarian Minister of Transportation Vasil Tsanov in 1982 and of Minister of Chemical Industry Georgi Pankov in 1983 established a number of new business contacts. In December 1983, Congressman Sam Gibbons, Chairman of the House Ways and Means Subcommittee on Trade, led a Congressional delegation to Bulgaria and other East European countries. Congressman Gibbons' delegation was received by Bulgarian President Zhivkov, who reaffirmed his country's interest in improved bilateral commercial relations.

While such bilateral exchanges have improved the atmosphere in trade relations, several commercial policy issues remain to be resolved with Bulgaria. Currently the United States does not extend most-favored-nation tariff treatment to Bulgaria, nor is the country eligible to receive U.S. government credits or credit guarantees. Lack of normalized trade relations to some extent has restrained bilateral trade levels. U.S. exports to Bulgaria totaled $66 million in 1983, and as in past years, consisted chiefly of agricultural products such as soybeans, tobacco, and corn. Similarly, U.S. imports from Bulgaria, which last year totaled $25 million, have been predominantly agricultural. Tobacco, cheese, wine, and rose oil account for three-fourths of Bulgarian sales to the U.S. market.

The Bulgarian-U.S. Business Roundtable is aimed at diversifying bilateral trade and economic cooperation. The Bulgarians have indicated particular interest in discussing business opportunities with U.S. producers of agricultural machinery and chemicals, machine tools, consumer goods, pharmaceuticals, food processing equipment, mining machinery, and port equipment.

Further information on the Bulgarian-U.S. Business Roundtable and on trading with Bulgaria can be obtained from Karen Jurew, Bulgarian Country Specialist at the Department of Commerce, Washington D.C., 202-377-2645, or from George Musorliev, Bulgarian Commercial Counselor, New York, 212-935-4646.

Exhibit 3

[From the Associated Press, June 7, 1984]

Bulgaria Said Major Transit Point for Heroin to United States

(By David Goeller)

One-fourth of all the heroin reaching the United States comes through Bulgaria with the toleration and perhaps active cooperation of the Bulgarian government, a House panel was told Thursday.

Witnesses from the State Department and Drug Enforcement Administration said there is evidence that much of the drug trafficking is done under the protective umbrella of Kintex, the official international trading company of the communist nation.

John C. Lawn, acting deputy DEA administrator, described Kintex as a "safe base" that makes it easy for narcotics smugglers, principally Turks, to ship drugs to Western Europe and the United States.

"We can confirm that 25 percent of the heroin reaching the United States transits at some point through Bulgaria," Lawn told the House Foreign Affairs Committee's task force on international narcotics control.

He testified that data collected by the DEA "indicates that the government of Bulgaria has established a policy of encouraging and facilitating the trafficking of narcotics through the corporate veil of Kintex."

"In virtually every report available to the DEA since 1970 about narcotics trafficking in and through Bulgaria . . . Kintex is mentioned as a facilitator of transactions," Lawn said.

"In turn, knowledgeable sources consistently tell us that top-ranking members of the Bulgarian Security Service or ex-Bulgarian ministers comprise the directorate of Kintex," Lawn said.

He said the U.S. government has received allegations "that the Bulgarians . . . have an officially sanctioned program for selling illegal drugs to Western Europe and using the proceeds from those drugs to finance illegal arm transactions and to bankroll terrorist groups."

Palmer said "there's no question" about the involvement of Kintex and added that the U.S. government has complained repeatedly to Bulgaria.

But, he said, because "our relations with Bulgaria are at rock bottom . . . there isn't much further punitive we can do."

Paul B. Henze, a former State Department official now with the Rand Corp., a private research organization, said narcotics are just part of illegal Kintex operations that also involve funneling weapons to the Middle East, Africa and Central America.

"Bulgaria has been acting with the full endorsement and approval and in effect the urging of the leadership of the Soviet Union," and Henze, author of the book, "The Plot To Kill the Pope."

"Bulgaria's support for narcotics operations cannot be separated from all the other forms of international illegality in which Bulgaria has long been involved," Henze testified.

Both Palmer and Lawn stopped short of accusing the Soviet Union of being behind alleged drugs and arms trafficking through Kintex, which reportedly operates the largest truck fleet in Europe.

Lawn said that while these operations bring much-needed "hard Western currency" into Bulgaria, "an ultimate goal of using drugs as a political weapon to destabilize western societies may be inferred."

Mr. SYMMS. Mr. President, will the Senator from North Carolina yield?

Mr. HELMS. I certainly yield.

Mr. SYMMS. I thank the Senator from North Carolina.

Mr. President, I rise in support of the Bulgaria sanction amendment that I am cosponsoring.

I believe that the evidence of the Bulgarian connection to the plot to assassinate Pope John Paul II on May 13, 1981, is overwhelming. I ask unanimous consent that the following article from the New York Times of June 10, 1984 entitled "Bulgaria Hired Agca To Kill Pope, Report of Italian Prosecutor Says," by Claire Sterling, be printed in the Record. This article, presents much of the evidence of the Bulgarian and Soviet KGB role in this evil deed.

Mr. President, I have long been intensely concerned that the United States do something to sanction Bulgaria and the Soviet Union for their outrageous, evil attack upon the Pope. I have written two letters to the President inquiring about the Bulgarian-Soviet role in the plot against the Pope, and so far I have heard nothing back. Claire Sterling's writings provide all the proof that is necessary.

Mr. President, I urge all my colleagues to join us in sanctioning Bulgaria by voting for this amendment. I thank my colleagues for their support.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, June 10, 1984]

Bulgaria Hired Agca to Kill Pope, Report of Italian Prosecutor Says

PLOT WAS EFFORT TO WEAKEN SOLIDARITY MOVEMENT, OFFICIAL SAYS IN HIS REQUEST FOR NINE INDICTMENTS

(By Claire Sterling)

Bonn, June 9.—An Italian state prosecutor has filed a report in court saying that the bulgarian secret services recruited the man who shot Pope John Paul II in 1981 in a plot to weaken the Solidarity movement in Poland.

The rise of the Solidarity labor union in Poland "and consequent social convulsions," the report says, were "perceived as a mortal danger" to Eastern Europe and were "mostly due to the fervid religious faith of the population, sustained and helped above all by the first Polish Pope in history."

These conclusions are in a 78-page report by State Prosecutor Antonio Albano, who is the equivalent of a district attorney. The report is based on some 25,000 pages of documentation gathered by Judge Ilario Martella in his investigation of the attempt to assassinate the Pope.

The report, which was filed in court May 8 and is still officially secret, asks for the indictment and trial of three Bulgarians and six Turks for conspiring to assassinate the Pope. The Turks include Mehmet Ali Agca, who has been convicted of shooting the Pope on May 13, 1981, in St Peter's Square.

Under Italian law, the report cannot be made public until Judge Martella issues his own comprehensive report, which is expected next month, when he rules whether there is to be a trial. The Prosecutor's report is not binding on the judge, but it is based on the same material the judge will use in his report. There has been virtually no public disagreement between the Prosecutor and the judge on the case, and most people think the report faithfully reflects the judge's views.

The prosecutor's report, which has come into my possession, makes these additional points:

Although the K.G.B., the Soviet intelligence and internal security agency, is not mentioned by name, the report, speaking of the turmoil in Poland, says "some political figure of great power took note of this most grave situation and, mindful of the vital needs of the Eastern bloc, decided it was necessary to kill Pope Wojtyla."

Mr. Agca was promised more than $400,000 by the Bulgarians to kill the Pope but has not received it.

The man who was supposed to help Mr. Agca escape was spirited out of Italy in a sealed diplomatic truck of the Bulgarian Embassy. The truck was sent to Bulgaria under a diplomatic procedure not used before or since by the Bulgarians. Since then no one has reported seeing the man, Oral Celik, a leader of Turkey's neo-Nazi Gray Wolves and a close friend of Mr. Agca.

Mr. Agca did not start to confess until a year after the shooting. He apparently concluded that he had been abandoned by the Turks and Bulgarians who he thought would manage to obtain his freedom.

The authorities think Mr. Agca's testimony against the Turks and Bulgarians is accurate, despite his earlier lies, because such a preponderance of the details he provided have been independently confirmed in the investigation.

FIRST REPORT OF FINDINGS

Although the Prosecutor's request for indictments has been reported, the broad outlines of the judge's findings are presented here for the first time.

They point to an elaborate conspiracy involving the Gray Wolves, the Sofia-based Turkish Mafia and, in the Prosecutor's words, "organs and institutions of the Bulgarian state."

The three Bulgarians facing indictment—Sergei I. Antonov, Todor S. Aivasov and Zhelyo K. Vasilev—were all operating in Rome when the Pope was shot. They are described as "agents of the Bulgarian secret service." Evidence also shows active involvement by the Bulgarian Embassy.

The confession of Mr. Agca, the Turkish gunman, also implicated the others who face indictment—Bekir Celenk, Omer Mersan, Musa Serdar Celibi, Omer Bagci and Mr. Celik, the man who was supposed to help Mr. Agca escape. Mr. Agca is described as "a despicable mercenary" and a liar. Nevertheless, the core of his confession seems to have stood up under severe magisterial scrutiny.

AGCA IS CONVINCING

"Every declaration of Agca's, every circumstance and detail, was checked and investigated," the report says. In the end, "Agca is convincing in his reconstruction of the crime."

Since Mr. Agca started to confess in May 1982, Bulgaria in particular has branded him a pawn in an imperialist plot against the Communist East, coached in prison by the Italian security services or the United States Central Intelligence Agency or both. Prosecutor Albano dismisses this as "archaic cold war propaganda."

"Nothing—I repeat, nothing—supports this theory," the Prosecutor adds. Speaking of the Italian security services, he says: "Agca had one sole meeting with the services, authorized in December 1981. He gave vague, uncertain and irrelevant replies to his visitors, who were utterly ignorant of the facts."

It was not until five months later that Mr. Agca "began spontaneously to collaborate with Italian justice." What follows is the State Prosecutor's description of the evidence found as the court's investigation proceeded. The narrative is based directly on his text, and the quoted matter is the language in his report. My own remarks appear in brackets.

MURDER OF AN EDITOR IN TURKEY SETS STAGE FOR AGCA TO SHOOT THE POPE

The Italian investigation began with the premise that Mr. Agca "did not act alone"; "was not mentally infirm but psychologically lucid and composed"; was "possessed of lively intelligence and savage criminal instincts," and was "the material executor of a broader conspiracy, conceived, decided upon, organized and perfected by other people elsewhere."

The behavior of this intelligent and lucid man of 23 baffled Italian interrogators from the start. Always insisting that he had acted alone, he showed no interest in striking a bargain with them, deliberately misled them or remained silent, refused to testify at his own trial and above all refused to appeal his life sentence. His "boastful indifference" to a lifetime behind bars seemed beyond understanding.

The key to this behavior would be found in Turkey.

For some years before fleeing his country in 1980, Mr. Agca earned "lucrative sums" by smuggling "arms, cigarettes, drugs, anything." His most powerful chiefs were, to use the terms used in Turkey, the Godfather of the Turkish Mafia, Abuzer Ugurlu, and the equally high-ranking Mafia boss Bekir Celenk, who were partners with different areas of responsibility in the underworld. for the most part, "this contraband passed through Bulgaria."

AGCA WAS NOT DISTURBED

Having been "trained in Syria," Mr. Agca felt "professionally efficient and ready for criminal and terrorist action." The same went for his friends in the Gray Wolves, the armed branch of the ultranationalist National Action Party and the dominant terrorist force of the extreme right. These friends included Oral Celik, Abdullah Catli and three or four others on the fringes of this case, all pushing drugs or running guns for the Turkish Mafia as well.

On Feb. 1, 1979, "on orders from the Turkish Mafia—that is, Abuzer Ugurlu—Agca participated in the murder of the Turkish editor Abdi Ipekci" for reasons that have never been ascertained. He was picked up the following June after an anonymous tip to the police.

"Agca was not disturbed. He promptly declared that he was the sole assassin and so maintained until the end of October 1979, when he threatened to identify his accomplices." He thereupon escaped from Istanbul's impregnable Kartal-Maltepe military prison, "walking calmly out the front door, thanks to the power of money and efficiency of the Mafia."

The Ipekci case "became Agca's operative model for safety from punishment." Eighteen months later, he would "show up in St Peter's Square in the insolent certainty that, even if arrested, he would get away with it."

In fact, Mr. Agca used the same procedure after his arrest in Rome, "saying he acted alone, offering a congeries of motives and illogical, unverifiable circumstances and sending cryptic messages to his accomplices and patrons." Among these last was his announcement in July 1981 of a hunger strike to come the following December, the same five-month period that elapsed between his arrest and escape from prison in Turkey.

In substance, he was giving his patrons to understand, indirectly but clearly, that he expected to be liberated, "by escape or exchange with some kidnapped Italian hostage or subversive plans for noisy terrorism beginning elsewhere and ending up at Ascoli Piceno," where he was held in solitary confinement.

Seen in that light, his early behavior in prison was plausible. So long as he expected to be liberated, his overriding concern was to protect his patrons. That explained his refusal even to appeal his life sentence lest the appeal lead to deeper judicial investigation.

"But Italy wasn't Turkey, and Ascoli Piceno wasn't Kartal-Maltepe, Agca, who had fired solely for money, had not even received the conspicuous sum agreed upon. He began to understand that nothing would come of all the promises, that he was alone and abandoned by all and had traded his life for nothing."

AFTER A YEAR, AGCA TALKS

That was when he began to talk, exactly a year after his arrest.

While Mr. Agca had undoubtedly harmed himself by telling so many tall stories, that did not necessarily ruin his credibility. "Can we dismiss him solely as a vulgar liar because he did not tell the complete truth at once?" the Prosecutor asks. "We must keep in mind that he was trying to bargain for his freedom with three interlocutors at the same time: his Turkish accomplices, his Bulgarian accomplices and Italian justice."

For all his erratic assertions and retractions, Mr. Agca's continuing confession "was coherent and firm in the substance of the charges he made" regarding his main accomplices: the Turkish Gray Wolf leaders Oral Celik and Musa Serdar Celibi, the Turkish Mafia boss Bekir Celenk and the Bulgarian nationals Sergei I. Antonov, Todor S. Aivasov and Zhelyo K. Vasilev. The Prosecutor has not asked for the indictment of the other Mafia boss, Abuzer Ugurlu, who is under indictment in Turkey in the Ipekci case.

"Their roles and behavior, closely connected to the plot, have never been modified or altered. Changes and contradictions in Agca's statements involved minor details and superfluous indications of times and places, which never affected the relevant aspects of the case."

PLANS ARE MADE AT MEETINGS IN BULGARIA ON HOW TO ASSASSINATE THE POPE

This is the substance of the story Mr. Agca told, borne out by independent witnesses and verifiable evidence.

In the first days of July 1980, "with a false Indian passport in the name of Yoginder Singh procured by Abuzer Ugurlu," the Mafia boss, Mr. Agca went to Sofia, Bulgaria. "An obliging functionary at Turkey's frontier in Kapikule waved him through" and he "entered Bulgarian territory without particular controls or formalities."

At once upon his arrival—"as he was advised to do in Turkey"—Mr. Agca looked up a fellow Turk named Omer Mersan in Room 911 of the Hotel Vitosha.

[Mr. Mersan's name was the only one Mr. Agca volunteered in his first Italian interrogation, along with the name and phone numbers of the Vardar Export-Import Company, which employed Mr. Mersan in Munich. According to Mr. Agca at that time, Mr. Mersan was "tied to people involved in the black market on a vast scale in Turkey." But no evidence to that effect would come to light until some two years later. Questioned by the West German police in those first weeks, Mr. Mersan confirmed his meeting with Mr. Agca in Room 911 of the Vitosha but denied helping him in any way or even knowing his true identity. He was released within 24 hours. C.S.]

During his stay in Bulgaria, Mr. Agca was in fact helped in several ways by Mr. Mersan, "a wheeler-dealer agent extremely well-connected with the Bulgarian authorities, dedicated to a traffic of arms, drugs and contraband of all kinds."

CONTACTS ARE ESTABLISHED

It was Mr. Mersan who "reserved Agca's room at the Vitosha, gave him money on the orders of Abuzer Ugurlu and furnished documents permitting his sojourn in Sofia. Mersan also put him in contact with Bekir Celenk, a potent Turkish Mafia boss."

Mr. Celenk in turn then arranged a meeting toward the end of July 1980 between Mr. Agca and a "'Sotir Kolev,' an agent of the Bulgarian secret services and a functionary of the Bulgarian Embassy in Rome." This was Mr. Aivasov, the embassy's treasurer.

Mr. Agca's close friend Oral Celik, also in Sofia by then, took part in that and three or four other such meetings in the Bulgarian capital.

During these meetings with "Kolev" that summer, agreement was reached on the "conceptual, organizational and contractual bases for the assassination of Pope Wojtyla, to be carried out in the spring of 1981."

The motive centered on Poland. "The Bulgarian secret services had a specific political interest in killing Pope John Paul II. The imposing rise of Solidarity in Poland in the summer of 1980 and consequent social convulsions constituted a most acute crisis for the socialist states of Eastern Europe. This was perceived as a mortal danger to their political cohesion and military strategy. And since Poland's ideological collapse was mostly due to the fervid religious faith of the population, sustained and helped above all by the first Polish Pope in history, the Polish rebellion might be greatly weakened and fragmented" by this Pope's "physical elimination."

SECRETS WRAPPED IN SECRETS

"As this is no mere rhetorical exercise but the history of our times, it is easy to see what really happened," the State Prosecutor says. "In some secret place, where every secret is wrapped in another secret, some political figure of great power took note of this most grave situation and, mindful of the vital needs of the Eastern bloc, decided it was necessary to kill Pope Woitvla."

[The report does not answer the question of whether or not the Soviet Union was involved. This is as close as it comes. C.S.]

The machinery of the plot would be set up like this:

"1. Through Bekir Celenk—bound to the Bulgarian services faithfully and for self-interest by reciprocal illegal activities—the Bulgarian services contracted with the Turkish terrorists Agca and Oral Celik for the organization and execution of the plan."

"2. The Bulgarian secret service was committed to:

"a. Payment, through Bekir Celenk, of three million deutsche marks [roughly $1.25 million. C.S.], to be evenly divided between Agca, Celik and the leader of the Turkish Gray Wolves' Federation in West Germany, Musa Serdar Celibi. Closely tied to Oral Celik as a fellow Gray Wolf, Celibi was also associated intimately with the Mafia boss Bekir Celenk."

"b. Safe and undisturbed refuge in the Bulgarian port of Varna, on the Black Sea."

"c. Arrangements and facilities for flight, for Agca and Celik, through immediate departure from Italy by TIR truck or diplomatic vehicle." trucks with TIR registration are bonded and can pass through customs points in Europe with a minimum of checking.

PLAN IS SET IN MOTION

From the end of July to the first days of August 1980, Mr. Celenk, the Mafia boss, met with Mr. Agca and Mr. Celik. On Mr. Celenk's instructions, Mr. Agca telephoned from Sofia to the Gray Wolf leader, Musa Serdar Celibi, in Frankfurt, to set the plan in motion.

In effect, he was arranging to rent Mr. Celibi's organization, whose services in Europe would provide him with safe houses, protective cover, security, intelligence-gathering and small amounts of cash when needed.

Mr. Celenk left Bulgaria early that August. "Kolev," Mr. Aivasov, returned to Rome at the end of the month.

On the night of Aug. 30, 1980, Mr. Agca met Mr. Celik and another Gray Wolf associate named Abdullah Catli—a lieutenant of the Godfather, Mr. Ugurlu—near the Turkish border post at Kapikule. Mr. Catli gave him a counterfeit passport, regularly stamped, in the name of Faruk Ozgun, and Mr. Agca boarded a tourist bus for Yugoslavia.

FOR 9 MONTHS, AGCA TRAVELS IN EUROPE AND OBTAINS THE PISTOL HE WILL USE

Over the next nine months, Mr. Agca wandered back and forth across Europe, seemingly without purpose. Reportedly, he was covering his tracks. Between holiday jaunts and evenings at discos, he was setting things up "for an attack as simple as taking candy from a baby. Firing some shots at the Pope in St. Peter's Square during a public audience was laughably easy."

Almost everything up to the moment of the shooting would be virtually untraceable later: phone calls, verbal agreements, meetings on the street, in bars, homes, restaurants and railroad stations. It was in arranging for safe flight afterward that the plan broke down.

When he reached Rome in November 1980, Mr. Agca's first step was to call the Bulgarian Embassy as arranged and meet "Sotir Petrov." This was Mr. Vasilev, secretary to the military attaché.

Mr. Vasilev, already told of the plans made in Sofia, was running the show in Rome. Among other things, he would take care of Mr. Agca's financial needs until the day of the shooting, five months afterward. [He is said to have spent the better part of $50,000 during that period. C.S.]

FREQUENT MEETINGS IN ROME

In November, December, January, April, and May, Mr. Agca met frequently with Mr. Vasilev; at Rome's Hotel Archimede, Doney' cafe on the Via Veneto, the Piccadilly Bar in Piazza Barberini and an apartment at 3 Via Galiani belonging to Mr. Aivasov, the "Kolev" he met in Sofia.

There, along with Mr. Aivasov and Mr. Vasilev, Mr. Agca met "Bayramic," who was Mr. Antonov, deputy director of Bulgaria's Balkan Air in Rome. All three were secret agents, but Mr. Antonov was plainly a subaltern who "took his orders from Vasiley."

[Mr. Antonov's arrest in Rome on Nov. 25, 1982, has inevitably focused public attention on him alone. Skeptics have argued that he looks a most unlikely master spy, and it now seems clear he was not, that he just happened to be caught while his superiors made their way back home. C.S.]

During one or more of Mr. Agce's meetings with these three, in January 1981, "a project was discussed to assassinate Lech Walesa," the leader of Solidarity, "if possible combining that with an attack on the Pope at the same time." Mr. Walesa was to have a private audience with the Pope during a five-day visit to Rome that month.

WALESA SUBPLOT IS DROPPED

Mr. Agca told Judge Martella about this subplot on Dec. 29, 1982, describing Mr. Walesa's itinerary in Rome, the exterior and interior of the Hotel Vittoria where Mr. Walesa stayed, the route from there to the Casa del Pellagrino, where he also stayed, the press room for his scheduled conference. A police check some days later confirmed these details. For reasons still unclear to the Prosecutor, the Walesa project was dropped.

In December 1980, Mr. Agca had a first meeting with Mr. Celibi, the Gray Wolves' leader, in a Milan hotel room. On March 31, 1981, at the Sheraton Hotel in Zurich, a final meeting was held to "work out definitive terms, settle money questions and assign tasks." Among those present were Mr. Agca, Mr. Celik, Mr. Celibi and Mr. Celenk, the Turkish Mafia boss. It was agreed that three million deutsche marks would be made available for the operation, "provided by Bulgaria and paid over by Bekir Celenk." The money would be spilt three ways: a third each for Mr. Celibi, Mr. Celik and Mr. Agca.

Before that meeting, Mr. Agca had gone to Vienna, where Mr. Celik joined him. A longtime and close associate of Mr. Celenk's in "illicit affairs," Mr. Celik telephoned the Turkish Mafia boss, who instructed him to go to an Austrian arms dealer called Otto Tintner for the Browning semiautomatic pistol that Mr. Agca would use in St. Peter's Square. Proceeding to Switzerland, they entrusted the weapon to a local Gray Wolf leader named Omer Bagci, who agreed to deliver it promptly on request.

THE FINAL PREPARATIONS

In April 1981, Mr. Agca returned to Rome, checked into the Hotel Torino and got back in touch with the three Bulgarians. "On Vasilev's advice Agca then went to Perugia," where he registered at the Foreign Language School to acquire student's credentials.

Back in Rome, he met with all three Bulgarian agents "to settle the final details."

Soon afterward, he took off for a two week holiday in Palma, Majorca. From there, he called Mr. Celibi in Frankfurt to ask if Mr. Celenk had come through with the money. Assured that the payment had been made to Mr. Celibi and Mr. Celik, Mr. Agca then called Mr. Celenk in Athens to be doubly sure. Mr. Celenk confirmed payment, and everything "was set to go." Four days later, Mr. Agca called Mr. Bagci in Switzerland and made a date to pick up the Browning at the Milan railroad station.

From Milan, Mr. Agca returned to Rome that same evening "for a scheduled meeting in Piazza Indipendenza with Vasilev and Oral Celik, who was in the city already." [On May 10, Mr. Agca and Mr. Celik each exchanged 1,000 Swiss francs for Italian lire, a couple of hours apart, at a Rome branch of the Banca Commerciale Italiana. C.S.]

"In a room at the Y.M.C.A., Vasilev showed Agca and Celik folders on the Vatican and photographs of the Pope. Then by telephone, Vasilev reserved a room for Agca at the Pensione Iva, not far from the Vatican, for May 11.

COUNTDOWN TO THE SHOOTING

"Between the afternoons of May 10 and May 13, Agca and Celik met Aivasov, Vasilev and Antonov, with whom they inspected St. Peter's Square several times. Together they went over the timing and placement and settled last-minute details on the particulars of escape and flight.

"At 1 P.M. on May 13, Agca, Celik, Aivasov and Vasilev met at the usual bar near Piazza Republica. Antonov was driving a blue car—perhaps an Alfa 2000—driven by Vasilev the previous day. After lunch near Piazza Barberini, the three went off in the same car to an address near Via Nomentana [where Antonov lived, C.S.]. Antonov left them and returned with a small valise containing two guns and two panic bombs for Oral Celik.

"Around 3 P.M., they drove on to the Vatican, parking in front of the Canadian Embassy in Via della Conciliazione. Together they made a final inspection of the square. Aivasov left. The other three had coffee in a nearby bar.

"Around 4 P.M., Antonov left also. Agca and Celik returned to St. Peter's Square, where Agca fired on the Pope shortly after 5 P.M."

That was when Mr. Celik was supposed to set off the panic bombs, creating confusion to cover Mr. Agca's escape. Instead, Mr. Celik fled the square. He was photographed on the run by Lowell Newton, a news editor for a Detroit television station, who saw a gun in his hand.

[Mr. Celik's failure to use the panic bombs is not explained in the Prosecutor's report. He does say, however, that Mr. Celik was Mr. Agca's best friend, "dearer to him than a brother." Mr. Celik had been sent to the scene with a gun. Some Italian investigators assume that he had orders to shoot Mr. Agca after the Pope was shot and that the panic bombs were meant to cover the killing of Mr. Agca rather than their joint escape. If so, Mr. Celik may simply have lost the nerve to carry out the order, but nobody knows for sure. C.S.]

With Mr. Celik's flight, for whatever reason, the vital last stage of the whole assassination plan—a swift exit to safe harbor for Mr. Agca and Mr. Celik—collapsed.

THE PLAN FOR A SEALED TRUCK

From the time Mr. Agca first mentioned the escape plan to the judge, on Dec. 22, 1982, he "asserted repeatedly that the three Bulgarian agents in Rome had promised to get him out of St. Peter's Square in Antonov's car, and then out of Italy by TIR truck." [The letters stand for Transport International Routier. The designation is used for trucks carrying cargoes across more than one European border. By international agreement, such trucks are sealed by customs in the country of departure and may cross borders unchecked until customs clearance at their final destination. C.S.]

The TIR truck would "apparently be set up for transporting diplomat's furniture, to reach Bulgaria by way of Yugoslavia," Mr. Agca contended. The Italian police found evidence to that effect.

Just over an hour after the Pope was shot, a "Bulgarian TIR Magirus, license number CK 3572 and trailer number CE 6176, left the Bulgarian Embassy in Rome for the Yugoslav frontier." It had come in from Sofia the day before "with a banal shipment of liquors and other beverages," according to the manifest, and its return cargo—"books, crockery, personal effects and so on"—was no less banal.

GRAVE SUSPICIONS

Despite the trivial nature of both cargoes, the Bulgarian Embassy had urgently requested the TIR's free passage across Italian borders both coming and going, with customs clearance on the embassy grounds. It was the first and last time that the Bulgarian Embassy resorted to such an urgent and extravagant customs procedure.

"The exceptional nature of this operation raises grave suspisions," the State Prosecutor writes. "Our Finance Police know all too well what can happen after a TIR truck is sealed. What was so immensely important and useful in the TIR's cargo that the Bulgarian Embassy should make such unique demands for urgency—Exactly on May 13, 1981?"

"We must conclude that on board that TIR truck, hidden among those personal effects, was Oral Celik."

[Whether or not this was so, there have been no reported sightings of Mr. Celik and no one has reported hearing from him, even in his own Gray Wolf circles, from that day to this. C.S.]

For the Prosecutor, "the circumstances surrounding this TIR truck are of fundamental relevance [in] giving Agca the right to be believed."

THE CORROBORATION OF AGCA'S ACCOUNT; WHY THE AUTHORITIES BELIEVE HIM

Judical belief in Mr. Agca's confession was apparently fortified by a mass of corroborative evidence. Only the highlights are included in the Prosecutor's report, which refers to still-secret numbered documents for the rest.

The credibility of Mr. Agca's confession depends on "documents, testimony and ascertained facts" establishing that what he said proved right, and what those he accused said proved wrong.

Some of his statement were "unverifiable because of insurmountable difficulties in the investigation." Of all the rest, "only two elements could be proved to be untrue." One was that Mr. Agca mistook Mr. Vasilev's height, saying Mr. Vasilev was shorter than he. Mr. Agca is actually the shorter. The other was that Mr. Agca lied about the identity of the man photographed in flight at St. Peter's Square—not Mr. Aivasov, as he contended at first, but his intimate friend, Mr. Celik.

Otherwise, his recollection of times, places and people appear to have been borne out to a remarkable degree.

He exactly described the rooms and exteriors of the Hotel Vitosha and four other hotels he claimed to have stayed at in Sofia during the summer of 1980. His assertions about the money deposited to Mr. Celibi's account in Frankfurt were established as "a certainty": the deposit was made while Mr. Agca was in Palma.

All those he said were his collaborators turned out to have been where he said they were at the crucial times between July 1980 and May 1981. Mr. Celik was the only one who could not be found for interrogation, but all the others perfectly matched his detailed descriptions in physical features and personal habits. [Mr. Vasilev's height was his sole error. C.S.]

THE DESCRIPTION OF ANTONOV

His accuracy in describing Mr. Antonov is particularly noteworthy. He described an eye defect of Mr. Antonov and his constant use of glasses to drive. He said he drove a Fiat 124 and occasionally a blue Peugeot, called his wife Rosy and had one child of 10, collected miniature liquor bottles as a hobby, loved flowers and often left some in the car, liked pop music, smoked cigarettes heavily and sometimes Havana cigars, disliked walking because of a tendency to fatigue and breathing difficulties, had a taste for whisky and spoke "a little English," although far less well than Mr. Vasilev and Mr. Aivasov.

Under questioning in prison, Mr. Antonov confirmed every one of these details himself. Even the shops he frequented to buy the miniature liquor bottles were found to be where Mr. Agca said they were. [The car he drove, although a Russian-made Lada, had the body of a Fiat 124. His admission that he spoke some English—and could therefore have communicated with Mr. Agca in that language—shattered a major Bulgarian argument in his defense, which was that he did not speak English. C.S.]

In addition, Mr. Agca "provided the location and description of Antonov's apartment, its contents, the street, the trees, the view from the windows, the floor of the building, the buildings opposite."

The details were correct.

BULGARIANS' ALIBIS REJECTED

The alibis cited by the Bulgarian authorities for both Mr. Antonov and his wife, Rossica, turned out to be useless. "It is certain and ascertained that Rossica did not leave Italy" on the decisive days in May when she claimed to have been in Sofia, the Prosecutor states. Mr. Antonov's alibi "for the afternoon of May 13" could not be verified either.

Although Mr. Agca's general descriptions of the other two Bulgarians were harder to check—Judge Martella could question them only once, in Sofia, with a dozen Bulgarian officials present—they proved no less accurate.

Mr. Aivasov's passport showed that he was in Sofia when Mr. Agca claimed to have met him there as "Kolev" "between the end of July and the second half of August 1980." Mr. Agca had described his features down to "the state of his dentures." He said Mr. Aivasov did not smoke, spoke good Italian and drove a Fiat 124. He referred to the presence of Mr. Aivasov's family in the Via Galiani apartment that May. He described the built-in wardrobe and large mirror in the hall, a desk in a room to the side, the rug in the dining room, the details of the bathroom. And he gave Mr. Aivasov's unlisted phone number, 327-2629—which existed despite insistent Bulgarian claims to the contrary.

"All this corresponds to the truth," the Prosecutor says, adding: "Aivasov's alibi for May 11, 12 and 13, 1981, has not only proved unverifiable but has been denied by witnesses and incontestable documents."

Mr. Vasilev's passport "confirms his presence in Italy during the months Agca claimed to have met with him": November and December 1980, January, April and May 1981. Agca's unerring description of him, his height aside, included "a small dark wart on his left cheek." According to the Prosecutor, "the wart is not visible in photographs." He added, "Only somebody who saw him face to face could notice it."

Particulars on Mr. Celenk, the Turkish Mafia boss, were equally precise. His passport showed that he had been in Sofia between late July and early August 1980, as Mr. Agca asserted, and in Switzerland on March 31, 1981, and in Athens when Mr. Agca claimed to have phoned him there early in May.

Among other characteristics described correctly by Mr. Agca were Mr. Celenk's liking for nightclubs and gambling casinos, a cigarette habit and "a specific way of walking, as if he had a slight limp in his right leg."

Mr. Agca's account of Mr. Celenk was fortified unwillingly by the Turkish wheeler-dealer living in Munich, Omer Mersan, "who—like so many others—only after infinite denials, ended by confirming various points Agca had made."

DETAILS ON THE OTHERS

Among these was Mr. Mersan's relationship with Mr. Celenk. Arrested in Munich at the end of 1983 on Judge Martella's request, Mr. Mersan was extradited to Italy on charges of having given "false testimony," largely about Mr. Celenk. After correcting it, he was shipped back to Germany. Despite his "conspicuous reticence," he had admitted by then to knowing Mr. Celenk for years and lying about it "to safeguard Celenk from any possible connection to Agca."

Judging from what he said, the State Prosecutor says, "Agca would seem to have told the truth about what happened in Sofia, since Mersan also admitted that he had been authorized by Abuzer Ugurlu to give Agca money there."

The Gray Wolf leader in Germany, Mr. Celibi, was also obliged in the end to admit his special "business connections" with Mr. Celenk. Arrested and extradited to Italy in October 1982, he appears to have admitted little more under interrogation in prison. Faced with the testimony of other witnesses, however, he was forced to confirm his meeting with Mr. Agca in Milan in December 1980, and witnesses have placed him at the gathering in Zurich the following March 31, with Mr. Agca, Mr. Celik and Mr. Celenk.

The Gray Wolf entrusted with Mr. Agca's Browning pistol in Switzerland, Mr. Bagci, has been imprisoned in Italy since his extradition in June 1982. He has confessed to keeping the gun in storage when Mr. Agca said he did and delivering it to Mr. Agca in Milan on May 9, 1981.

THE PROSPECTS FOR TRIALS

State Prosecutor Albano has now requested the formal indictment and trial of all these people: the Bulgarians, Sergei I. Antonov, Todor S. Aivasov and Zhelyo K. Vasilev; the Turkish Mafia boss, Bekir Celenk; Omer Mersan, his longtime business acquaintance; the Gray Wolf people, Musa Serdar Celibi, Omer Bagci and Oral Celik; and Mr. Agca himself.

Four would probably have to be tried in absentia. Mr. Aivasov and Mr. Vasilev, who had diplomatic immunity in Rome, cannot be extradited from Bulgaria. The extradition of Mr. Celenk from Bulgaria, where he has been since October 1982, seems unlikely, although the Prosecutor has asked for it. Mr. Celik has vanished.

Along with the other defendants now in prison, Mr. Agca would have to stand trial again, this time on charges of "importing weapons of war into Italy."

Despite widespread press reports, Mr. Agca will probably not have to face the curious charge of "self-slander and slander" that arose from his brief retraction of some testimony that had already been corroborated. Judge Martella sent him a communication that he was under investigation for such a charge last September in regard to certain confusing allegations of his in the Lech Walesa plot. The State Prosecutor has recommended that the charge be dropped.

Prosecutor Albano's report ends with an unusual tribute to Judge Martella, whose patient, meticulous and professionally dedicated labor "made it possible for me to perceive the logical design, the causes, the objectives, the moral miseries and penal responsibilities in this extraordinary case."

"No amount of praise could repay the Judge for the immense labor and spiritual solitude imposed upon him," it says.

LEGAL PROCESS ITALY USED

Under Italy's judicial process the State Prosecutor's office worked closely with an investigating magistrate to determine whether or not the evidence gathered was sufficient to warrant trial. The prosecutor makes his recommendation one way or the other when the investigation is done, and the investigating magistrate then makes the final ruling.

In the case of the shooting of the Pope, State Prosecutor Antonio Albano has been in close consultation with Judge Ilario Martella since the investigation began in November 1981 and has consistently supported the judge's position.

His support was reflected in five rulings by various judicial authorities rejecting appeals for the release of the Bulgarian prisoner Sergei I. Antonov.

He disagreed publicly with Judge Martella only once, last December, when the judge agreed to transfer Mr. Antonov from prison to house arrest for health reasons. Mr. Antonov had been refusing food and had lost about 15 pounds. On the day of the transfer, Mr. Albano appealed to the Tribunal of Liberty for Mr. Antonov's swift return to prison "because of the gravity of the charges against him" and as a "pretrial precaution." He feared Mr. Antonov might otherwise escape or be murdered, he said.

The Tribunal of Liberty ruled in the prosecutor's favor, and Italy's Supreme Court upheld this ruling, whereupon Mr. Antonov was sent back to prison.

While the prosecutor's recommendation is not binding on Judge Martella, most people take it for granted that his report faithfully reflects the Judge's views.

MAJOR EVENTS IN REPORT

1979

Feb. 1—Agca takes part in murder of Abdi Ipekci, a Turkish editor.

June—Agca is arrested in Turkey.

October—Agca threatens to identify his accomplices.

November—Agca escapes from Turkish prison.

1980

July—Agca goes from Turkey to Bulgaria, and Agca and Bulgarians start to plan assassination.

Aug. 30—Agca starts nearly nine months of travel around Europe, presumably trying to cover his tracks.

1981

March 31—Agca has final meeting in Zurich with co-conspirators to settle money questions and assign tasks.

May 9—Agca goes to Milan to pick up pistol.

May 13—Pope is shot.

July—Agca announces he plans a hunger strike in December, thus warning his sponsors that he expects them to arrange for his freedom.

1982

May—Agca starts to confess.

December—Agca tells of plan for escape after assassination.

1984

May 8—State Prosecutor's report is filed in court.

THE PEOPLE IN THE REPORT

These are the people mentioned in the report on the Italian investigation into the attempt to assassinate Pope John Paul II and what the report says their roles were:

Mehmet Ali Agca—Turk, convicted of shooting the Pope, indictment requested.

Todor S. Aivasov—Bulgarian, indictment requested.

Sergei I. Antonov—Bulgarian, indictment requested.

Omer Bagci—Turk, Gray Wolf in Switzerland with whom Agca stored the rifle used to shoot the Pope, indictment requested.

Bayramic—alias for Antonov.

Abdullah Catil—Turk, a Gray Wolf leader.

Bekir Celenk—Turk, underworld leader, indictment requested.

Musa Serdar Celibi—Turk, Gray Wolf leader, indictment requested.

Oral Celik—Turk, friend of Agca, a Gray Wolf leader, indictment requested.

Abdi Ipekci—Turk, editor murdered by Agca in 1979.

Sotir Kolev—alias for Aivasov.

Omer Mersan—Turk, indictment requested, business associate of Celenk and Agca's first contact in Bulgaria after escaping from prison in Turkey.

Faruk Ozgun—alias for Agca.

Sotir Petrov—alias for Vasilev.

Yoginder Singh—alias for Agca.

Otto Tintner—Arms dealer in Vienna who provided the weapon Agca used.

Abuzer Ugurlu—Turk, underworld leader.

Zhelyo K. Vasilev—Bulgarian, indictment requested.

Mr. DODD. Mr. President, will the Senator yield?

Mr. HELMS. I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I am a cosponsor of this particular amendment. I commend the Senator from North Carolina. He and I are not often together on issues. But I happen to in this particular case, dealing with what seems to me to be more than just cursory evidence.

A recent report by the Italian Government implicating the State of Bulgaria in the attempted assassination of the Pope I think is something that we cannot be silent upon. So I commend him for the amendment.

I would ask my friend from North Carolina in relationship to this amendment, while he does not as I understand the amendment directly go beyond the issue of trade and such activities—I will ask him the question, Mr. President, if I may—if an official of the Bulgarian Government that we were aware was involved even indirectly in the attempted assassination of the Pope, I would presume that my colleague from North Carolina would join me in objecting to the extension of a visa to such an individual. Would he agree with me on that?

Mr. HELMS. Yes; I would join him wholeheartedly.

Mr. DODD. I am sorry.

Mr. HELMS. In the Senator's hypothetical case, if there was evidence, of course.

Mr. DODD. I appreciate that answer, and I thank the Senator for that response.

I again am delighted to be a cosponsor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I am not necessarily prepared on this particular amendment but I have a few thoughts.

It strikes me that we are striking in the wrong direction. The attempted assassination of the Holy Father was a damnable act. There is no question about it, but even the Pope himself has given forgiveness to Mehmet Ali Agca. And at the present time, while the investigation momentarily indicates some Bulgarian complicity or participation for this horrendous act, the case is to be tried. I do not like to prejudge cases.

I do not like to inject politics, and I think the handling of the case by the Italian Government has been very outstanding. I hate it to be blemished by the political activity that might be taken on the floor of the U.S. Congress. We do not believe in prejudging people. We believe in trials, but we who are supposed to know something about the law and spread democracy—we have been here all afternoon spreading democracy—forget about the democracy. We are forgetting the procedures that we so revere, the trial procedures. We rush prejudge this one, and by gosh cut off the trade fair.

What have we done? For one thing, I do not happen to think the trade fair is a favor to Bulgarians. We argued earlier about the foreign policy of the United States, and this monster communism. I do not know how you beat it. Perhaps the better way to approach it—as we have said early on the floor today about the developing of a web of relationships in the battle for the minds and hearts—is to set up every practical exchange that we could possibly fashion. Whether it be cultural, whether it be by way of scientific, joint ventures in space, medicine, cancer research, the various exchanges that we have had with the eye institute at Johns Hopkins, the former Soviet Premier, and various other things of that kind—knowing all along the intent—that what we should do. We know the Communist conspiracy. We know the terrorism of communism. But we have not yet condemned it in that sense on the floor, such as to say let us start cutting off with the principal involved in this matter.

If anybody thinks having read the Sterling reports and the others that Bulgaria was the principal, they are naive. That went immediately to the KGB—and perhaps the way that was operated, the former Premier, former head of the KGB, then Premier of Soviet Russia, Andropov himself.

I do not see anybody getting at the target. I see a thrashing around here. In one way, and I do not want to seem to be facetious, we ought to say, "Let us, on account of terrorism, double trade fairs and see if we can get more trade fairs."

I can tell you what will happen, according to the Department of Commerce. The distinguished Senator from North Carolina is on the floor. In 1983, according to the Department of Commerce, we had $65 million in business in trade with Bulgaria. I am quoting the Department of Commerce and it was one-third North Carolina tobacco. They did not say just tobacco. Their words were "North Carolina tobacco."

The Senator from North Carolina said, "Do not raise tobacco. I did not say anything about tobacco. I said trade fairs."

He, too, must live in wonderland. If you live in Bulgaria and think they can be guilty of terrorism, they can be guilty of retaliation. They know retaliation and know how to do it, as Senators have done on this floor, because they have taken issue with the Senator from South Carolina and caused us trouble on the tobacco bills.

We used to pass them with rather a large vote. I have been here for years. The Senator from Georgia, Senator Talmadge, and I faced the opposition of the Senator from Utah, Senator Moss, and the Senator from Massachusetts, Senator KENNEDY. But we still passed them by overwhelming margins.

Now we see retaliation here on the floor. If they can read the language here, they will say right to the point that the Senator from North Carolina is trying to cut us off or sponsoring some embarrassments, or charging us with terrorism.

He might be very, very right. I happen to think he is right on the charge. But they would retaliate, and I am afraid we would be hurting some of our tobacco farmers, cutting our nose off to spite our face.

Being right on the point of the unforgivable act, an attempt on the life of the Holy Father, is one thing. But being able to, in a mature fashion, react is another thing. I would rather think that if we are really going down this road and think this is the way to punish, to highlight, to recognize or somehow or the other bring a consensus in behind stopping terrorism, then we ought to really start with the Soviets, we ought to go to Qadhafi in Libya. We ought to go to the organization that the Soviet Union trains and sponsors.

On this particular item, it was found, of course, that it went right straight into the KGB, the Soviets. And we do not mention the Soviets.

I think we ought to be able to act in a little bit more mature fashion.

You know, there is an old saying down in North Carolina, no matter how well the gun is aimed, if the recoil is going to kill the gun crew, you do not shoot it.

Your aim might be very good against this terrorism, to show the people of North Carolina that you and I are against it. I am against it, and I am confident that you are.

But I would seriously counsel with my colleague from North Carolina this is the wrong attempt on the one hand. It will not work to stop terrorism, a little trade fair. I would rather put trade fairs all over Bulgaria. Maybe we would get some opposition and stir up some freedom in this country of Bulgaria. But cutting off trade fairs will not help but it will hurt the Senator from North Carolina and the Senator from South Carolina directly. Therefore, I oppose the amendment.

Mr. HELMS. Mr. President, I would remind the Senator from South Carolina that the last tobacco legislation that passed this Senate passed by the widest margin in 10 years.

I do not know where the Senator got his figures about the imports and exports of tobacco, but I have the whole 9 yards if the Senator is interested.

For the 5-year average from 1976 until 1981 relating to tobacco, per year the U.S. imports of tobacco from Bulgaria—and remember, they produce tobacco over there, too—were $17.7 million. We exported to Bulgaria $1.8 million.

So I am not worried about any recoil, if the Senator will forgive me, I say to the distinguished Senator from South Carolina.

In 1981, the United States imported $18.2 million worth and exported to Bulgaria $9.8 million.

In 1982, the United States imported $17.6 million worth and exported $6.9 million. Some recoil, I would say to the Senator.

In 1983, the United States imported $25.8 million worth of tobacco from Bulgaria and exported $13.4 million.

I would point out further to the Senator that this amendment does not stop private sector trade.

For the rest of the Senator's argument, he can say he is against terrorism all he wants to. I am sure he is. I know this Senator is. We can talk about being against it, but when you come to the push and shove of it, you find a lot of people flaking out.

I yield the floor.

Mr. CHAFFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. HOLLINGS. Will the Senator yield for a minute?

Mr. CHAFEE. I yield.

Mr. HOLLINGS. $25 million is a figure given by the Department of Commerce from Bulgaria to the United States. I got that from a staff member on your side of the aisle. I cannot call the Department of Commerce now and get a better figure, but I am using your Department's figures there. I am not trying to mislead.

We will let the RECORD show about the close votes. We have been hustling. On the last vote, yes, if you can get an agreement, and if we get an agreement on the labeling bill and pass that, we will pass it overwhelmingly.

But when it comes down to the close votes, that is why we yielded on the so-called labels, because we cannot get the votes. That is why CHARLIE ROSE and those on the other side work hand in glove with us. We try to get the best we can under the circumstances. The RECORD will verify that.

The Senator from Rhode Island was very courteous in allowing me to proceed. I thank the Senator.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. HELMS. Will the Senator yield 30 seconds?

Mr. CHAFEE. Yes.

Mr. HELMS. Mr. President, I want to emphasize that my figures are correct. They came from the Department of Agriculture, which has the responsibility of knowing about the export and import of agricultural commodities. I thank the Senator for yielding.

Mr. CHAFEE. Mr. President, I hope an effort is not being made on the floor of the Senate tonight to make this a referendum on whether you are pro- or anti-terrorism. No one here is condoning terrorism. No one here is condoning the wicked actions that were taken against the Pope in the attempted assassination.

But this is pretty serious business we are dealing with here tonight. What the Senator from North Carolina is attempting to do is, late in the evening, bring up a measure on which there have been no hearings whatsoever.

We do not know whose trade is going to be affected by this. I do not know whether it is affecting the trade from my State or any other State. We do not know. But here is a measure that comes up late at night, with no forewarning whatsoever, an attempt to reduce our trade with Bulgaria, on the ground that Bulgaria sponsors terrorism.

Mr. President, there are established procedures to deal with this issue. The Secretary of Commerce and the Secretary of State determine, in accordance with provisions of the Export Administration Act, which nations support terrorism and whether trade sanctions should apply to those nations.

Mr. President, I do not think we should use trade restrictions in an effort to counter activities such as this without having the executive branch's input.

A trade embargo never works. This indeed is not a trade embargo; but it could be the first step toward a trade embargo.

Mr. President, it seems to me that this is the wrong way to go. We do not know whose trade is affected, we do not know what exports are involved or what imports. We do not know why Bulgaria is being singled out rather than other nations.

It was brought up that Bulgarian ships go into Nicaragua. So do Soviet ships, so do a lot of other nations' ships, some of them from countries which are our close allies. I do not think that is the basis that should be used, the criterion that should be used in deciding an issue such as this.

Mr. President, I hope this amendment is defeated. I think it is a bad business. I think it has not had adequate hearings. We do not know exactly what we are doing. Nobody knows what we are doing with this amendment. I urge that, at the proper time, it be defeated.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DANFORTH. Mr. President, it strikes the Senator from Missouri that there is a certain amount of deja vu with respect to this amendment. Certainly Bulgaria is not within the sphere of influence or the friendship category of the United States. But it seems that every time there is any problem between the United States and the Eastern bloc, foreign policy problems, outrages of various kinds perpetrated by Eastern bloc countries, the instantaneous reaction of our Government or people within our Government has to do with international trade.

The Soviets invade Afghanistan and immediately the cry goes up, "Let's do something about the Soviet Union; that is an outrage; we can't tolerate it. Let's take effective steps."

Those effective steps are always to cut off trade. At the time of the Korean Air Line episode, it was suggested by some that we should do something and do something effective, "Let us cut off trade." That was not done at that time because I think that it has grown to be recognized by the American people that ofttimes when we use trade as a weapon of foreign policy, we cause more injury to our own people than we do to people in other countries.

I do not know what damage we would cause Bulgaria if we never traded anything with them. I do not know what damage we would cause any Eastern bloc country if we never traded with them at all. My guess is that they could always go elsewhere for their business. I also do not know the extent of agricultural trade that we have or would intend to have with Bulgaria.

I do know that with respect to the Eastern bloc in general, American agriculture has been one of the main beneficiaries of trade. If we are again to get into the business of using trade as a tool of foreign policy, then I wonder whether the first victim of our approach is not going to be again the American farmer.

I think that this is a strategy which has backfired in the past and I think it is likely to backfire in the future. I recommend to the Senate that we reject this amendment.

Mr. MATHIAS. Mr. President, I wish to associate myself very briefly with the remarks of the Senators from Rhode Island and Missouri. The experience of the United States with restrictive trade measures in the last decade has not been very happy. As the sponsors of this amendment must know, there are vast fields of soybeans growing in Brazil today only because the United States placed restrictions on export of soybeans. So the farmers of Brazil saw an opportunity, seized it, and now have a flourishing economy in soybeans all because we declined to sell soybeans. That market is now gone forever. It is not something where you can turn the spigot off and on. Once you let that market go, it is gone.

There are, at the present time, compressor pumps being fabricated in the Soviet Union in plants that did not exist before we declined to sell compressor pumps for the European pipeline. That is now a business that is permanent, ongoing, competitive for all time with U.S. industry.

Those are just two examples of what happens when you apply restrictive trade measures in an attempt to achieve a political result, which is seldom, if ever, achieved. I join with the Senator from Rhode Island and the Senator from Missouri in hoping that the amendment will be defeated. It has nothing to do with how we may feel about the perpetrators of a great crime. It does have something to do with adopting appropriate measures to respond to that atrocity. I would not consider this an appropriate measure.

Mr. D'AMATO. Mr. President, I rise in support of the amendment by the distinguished senior Senator from North Carolina. This amendment is timely and necessary. It calls Bulgaria the terrorist state and hired assassin it is and it stops expenditure of U.S. funds for the purpose of promoting trade with Bulgaria.

Some may question this measure, because the Italian authorities have not yet tried and convicted the three Bulgarians and six Turks named in the state prosecutor's report. Some may say that we should wait for the verdict of the court before putting the Senate on record against Bulgaria. I disagree.

My colleagues may recall that I personally visited Italy in February 1983 to look into the investigation of the May 1981, attempted assassination of Pope John Paul II. During the course of this visit, it became clear to me that the Bulgarian connection is very real.

This amendment is a reasonable attempt to send a message to both Bulgaria and the State Department concerning terrorism and the investigation into the attempted assassination of the Pope. Clearly, we cannot take military action against Bulgaria. What other course of action is available to us? The only intercourse between the United States and Bulgaria we can reach is trade.

Accordingly, while some of my colleagues may resist the notion that we should cut the expenditure of U.S. funds to support trade with Bulgaria, it is the only concrete action we can take. I ask my colleagues, if Nazi Germany were still with us, and we were not at war with them, what would you say about spending U.S. funds to promote trade with them? Would you argue that we must remain in competition for their trade because if we didn't, the business would go to other nations? Is there no moral dimension to this issue?

I do not believe since only one of the three Bulgarians named by the prosecutor is in custody in Italy, that there will ever be a full explanation of the Bulgarian role in the assassination attempt. I am confident, however, based on the evidence in the hands of the Italian authorities, that they will prove Bulgarian state support, organization, and direction of this terrible crime.

Since the Soviet Union is known to control the Bulgarian secret service's operations through KGB officers acting as advisers to that service, and since this control is exercised from within Bulgaria, it is unlikely in the extreme that any hard evidence connecting the Soviet Union to this monstrous conspiracy will ever be uncovered. However, it is equally unlikely that the Bulgarians themselves conceived this murderous design which was intended to result in the cold-blooded murder of this truly holy man. As the Italian prosecutor said,

> Some political figure of great power took note of this most grave situation (in Poland) and, mindful of the vital needs of the Eastern Bloc, decided it was necessary to kill Pope Wojtyla.

When this motive is connected through the evidence in the hands of the Italian authorities with the means by which the deed was to be done, there is only one conclusion a thoughtful person can reach. The inescapable conclusion must be that the Soviet Union was the place where the plot was born, took form, and grew to be the instrument of death which was employed in Saint Peter's Square on May 13, 1981, through the gun in Mehmet Ali Agca's hand.

Let us take this action against Bulgaria to tell the whole world that we know who was responsible. Let us take this action against Bulgaria to tell our cautious bureaucrats in the executive branch that this issue is alive and will have to be faced. Let us take this action against Bulgaria to send a message to their masters in Moscow: We know who did the deed and we know who was behind it and we will not forget.

This is a small step forward for justice. If we can take enough small steps, we will reach the end of our journey—a world which understands and accpets the cold facts concerning the basic nature of the Soviet Union and its satellites. If we value our freedom and world peace, we will take this lesson to heart.

I urge my colleagues to support this amendment.

Thank you, Mr. President.

Mr. CHAFEE. Mr. President, I move to lay the amendment on the table and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay the amendment on the table.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from Idaho [Mr. MCCLURE], and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

Mr. BYRD. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from California [Mr. CRANSTON], the Senator from Colorado [Mr. HART], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER [Mr. SYMMS]. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 14, nays 79, as follows:

[Rollcall Vote No. 185 Leg.]

YEAS—14

Boschwitz
Chafee
Danforth
Durenberger
Evans
Hollings
Mathias
Matsunaga
Metzenbaum
Moynihan
Packwood
Pell
Stafford
Tsongas

NAYS—79

Abdnor
Andrews
Armstrong
Baker
Baucus
Biden
Bingaman
Boren
Bradley
Bumpers
Burdick
Byrd
Chiles
Cochran
Cohen
D'Amato
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Eagleton
East
Exon
Ford
Garn
Glenn
Gorton
Grassley
Hatch
Hatfield
Hawkins
Hecht
Heflin
Heinz
Helms
Huddleston
Humphrey
Inouye
Jepsen
Johnston
Kassebaum
Kasten
Kennedy
Lautenberg
Laxalt
Leahy
Levin
Long
Lugar
Mattingly
Melcher
Mitchell
Nickles
Nunn
Percy
Pressler
Proxmire
Pryor
Quayle
Randolph
Riegle
Roth
Rudman
Sarbanes
Sasser
Simpson
Specter
Stevens
Symms
Thurmond
Tower
Trible
Wallop
Warner
Weicker
Wilson
Zorinsky

NOT VOTING—7

Bentsen
Cranston
Goldwater
Hart
McClure
Murkowski
Stennis

So the motion to lay on the table was rejected.

(The following occurred later:)

Mr. FORD. Mr. President, I made a mistake in casting my vote on a motion to table amendment No. 3360, which is rollcall vote 185. I have talked to both sides. I have cleared this unanimous consent agreement that my vote be changed from "aye" to "nay" since it will not change the outcome of the legislation.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. FORD. I thank the Chair.

(The foregoing tally has been changed to reflect the above order.)

Mr. HELMS. Mr. President, I move to reconsider the vote by which the motion to lay on the table was rejected.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, could I inquire of the distinguished Senator from North Carolina if he might be willing to vitiate the yeas and nays on the amendment and let us have a voice vote on that?

Mr. HELMS. Mr. President, I want to go home.

I ask unanimous consent that the yeas and nays be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from North Carolina.

The amendment (No. 3360) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3362

(Purpose: To reduce discretionary funds in the bill by 4 percent)

Mr. NICKLES. Mr. President, I have an amendment at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> The Senator from Oklahoma (Mr. NICKLES) proposes an amendment numbered 3362.

Mr. NICKLES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 72 after line 19 add the following new section:
>
> "SEC. 512. Except as otherwise provided in this section, each dollar amount contained in this Act is hereby reduced by 4 per centum. This section shall not apply to amounts on page 7 line 22, page 8 lines 6

and 7, page 12 line 16, page 21 lines 17 and 18, page 24 line 22, page 33 line 12, page 36 lines 2 and 5, page 37 lines 18 and 19, page 41 line 13, page 45 line 15, and page 53 line 12."

Mr. NICKLES. Mr. President, I will alert our colleagues that I do not think this amendment is going to take very long to explain and I expect there will be a rollcall vote shortly.

Mr. President, the amendment that I have pending at the desk is very simple. It would place an across-the-board cut, which was in the House bill, of 4 percent for all dollar amounts except those in areas that are mandated and cannot be cut. The reason for this amendment is quite obvious.

Mr. President, this bill calls for a spending increase of $972 million over last year, an increase of 9.25 percent. That is an increase of about 6 percent over what inflation is.

We are not being very responsible. One of the good things that Harry Byrd did on almost every appropriation bill was to stand up right before the vote and remind Senators how much of an increase was in the bill.

There is almost a $1 billion increase, nearly a 10-percent increase over fiscal year 1984. It is $722 million more than the House-passed language.

I am embarrassed by the fact that the House of Representatives came up with something more prudent than this.

One of the things that the House language had in it was a 4-percent cut. The Senate Appropriations Committee did not deem it wise to include that cut. Instead we are increasing spending over last year $972 million. We are over the President's submission: $721 million over what the administration requested.

So this bill that we have before us is not very fiscally sound. Some would say it is within the rose garden agreement, but I think if that is true then the rose garden needs a little more pruning. We really have not done a very good job.

I am concerned. Last night we had a tax bill of $50 billion. Last night, right after we passed the tax bill, we passed a bill called the math-science bill to spend almost $1 billion. This bill spends in the first year $1 billion more than we spent last year. We will spend at least that much the following year and probably add 5 percent on top totaling $1½ billion. In the third year we will continue this pattern, amounting to $2 billion over this year's total.

So that means if you add the increases for the next 3 years in this small appropriation bill we will increase spending from the present level about $4.5 billion to $5 billion. In other words, in this little appropriation area we will actually spend or consume 10 percent of the tax raise that we passed last night.

I do not think that is being very prudent. I do not think it is very fiscally sound.

I think we have Congressmen and Senators all the time running back to the States and districts saying, "Yes, these deficits are terrible and we need to get them down." Then on voice vote we automatically increase spending well above what the inflation rates are.

The real world, Mr. President, cannot afford it. In the real world, if they had a deficit of any size or a percentage size as we find in the Federal Government today, they would not be increasing spending 10 percent as though there is no problem.

Mr. President, we had a deficit last year of $195 billion, and this type of spending increase is indicative that we will continue to have those types of deficits.

So the net essence of the amendment that I have to the bill is a reinstatement, basically, of some House-passed language that called for a 4-percent cut across the board except in those areas that are mandated. It would save $450 million. Spending would still increase in this bill, even with this 4-percent cut, by an average of over 5 percent, which is still above that spending anticipated for inflation.

So, Mr. President, I will not take any more time of the Senate. I hope we will be able to adopt the amendment.

Mr. RUDMAN. Mr. President, I just wish to point out a few things to my friend from Oklahoma because this particular amendment of his, although it may be dealing with the surface, unfortunately, does not take into consideration some facts that are contained in this bill and some obvious figures the Senator from Oklahoma was unaware of.

In the first place, it is totally irrelevant to compare it to the House bill. The reason it is irrelevant is because the House struck, on a point of order, all the money for EDA, all the money for Legal Services, and all of the money for FTC as they have before. That money is in this bill. It has to be in this bill. It would carry on any vote in this body and that is why it is in the bill.

So one cannot compare apples and oranges. Let us get down to the increases.

I would suggest, if the Senator from Oklahoma is going to have a problem, he does not have it with the committee. He has it with the President and with this administration because he should look at the line items of this particular bill when he starts making accusations that the bill is too high. These increases, in the main, were requested by the President.

What do they deal with? The FBI, the immigration authorities, law enforcement, drug enforcement, the Justice Department—all of these things which the administration has asked for enormous increases believing that although they wish to restrain budget growth in terms of controlling crime in America, drug use in America, and many other things, illegal immigration; we need to fund these things at a much higher level.

I am glad they recognize that because they are quite right. It is true. In this entire bill there was about $200-and-some-odd million added by Members of this Senate who believed that these are programs that are necessary. But, in the main, the increases that are in this bill were proposed by the administration and, as a matter of fact, this committee has cut the administration's request in a number of areas below what they requested of the committee.

So I suggest to the Senator from Oklahoma that, although I would like to save some money if we could, the fact of the matter is that the administration has essentially requested more funds in some cases than we put in the bill. We only tried to do what they want.

Mr. NICKLES. Mr. President, will the Senator yield?

Mr. RUDMAN. I am happy to yield.

Mr. NICKLES. Am I not correct in saying thst this bill, as presently before the Senate, is $621 million more than the President had requested—that includes the Legal Services Corporation, if the Senator is trying to figure out the difference. But even excluding the Legal Services Corporation, this bill is still $296 million over what the President requested.

Mr. RUDMAN. The figure is in the committee report.

Mr. NICKLES. That is where I was getting the figure.

Mr. RUDMAN. As to this $296 million, there are a number of programs that the administration does not support which are supported by vastly more than 51 Members of this body.

Mr. NICKLES. Mr. President, will the Senator yield for one other question?

Mr. RUDMAN. I yield.

Mr. NICKLES. If it is correct that it is $296 million, not counting the funding for the Legal Services Corporation, nor including the House-passed amounts in any way, is it also not true that this bill is $972 million over last year, which is a 9.2-percent increase from last year's bill?

Mr. RUDMAN. I would answer the question by saying that it would have been approximately $1.150 billion over if we gave the administration all they asked for. We gave them less than they asked for, and I propose it is a reasonable bill.

Does the ranking minority member have anything to say?

Mr. HOLLINGS. No. I think the distinguished chairman has done an outstanding job of explaining it to the Senate. I was trying to seek out the figures. We really are not all the way back on the cuts made with respect to the FBI, with respect to drug enforcement. We all favor these things, and there is no way now to come and say that you are for law enforcement, for one thing, and then go with the cut across the board.

I vouch for what the Senator from New Hampshire has to say and I am ready to vote.

Mr. RUDMAN. Mr. President, I move to table the amendment offered by the Senator from Oklahoma and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Hampshire to lay on the table the amendment of the Senator from Oklahoma.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from Idaho [Mr. McCLURE], and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

Mr. BYRD. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from California [Mr. CRANSTON], the Senator from Colorado [Mr. HART], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 49, nays 44, as follows:

[Rollcall Vote No. 186 Leg.]

YEAS—49

Abdnor
Andrews
Baker
Boschwitz
Bradley
Burdick
Chiles
Cochran
Cohen
D'Amato
DeConcini
Dodd
Domenici
Durenberger
Evans
Ford
Garn
Glenn
Gorton
Hatfield
Hawkins
Heinz
Hollings
Huddleston
Inouye
Johnston
Kennedy
Lautenberg
Laxalt
Levin
Long
Mathias
Matsunaga
Metzenbaum
Mitchell
Moynihan
Packwood
Pell
Percy
Randolph
Rudman
Sarbanes
Simpson
Specter
Stafford
Stevens
Tower
Tsongas
Weicker

NAYS—44

Armstrong
Baucus
Biden
Bingaman
Boren
Bumpers
Byrd
Chafee
Danforth
Denton
Dixon
Dole
Eagleton
East
Exon
Grassley
Hatch
Hecht
Heflin
Helms
Humphrey
Jepsen
Kassebaum
Kasten
Leahy
Lugar
Mattingly
Melcher
Nickles
Nunn
Pressler
Proxmire
Pryor
Quayle
Riegle
Roth
Sasser
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Zorinsky

NOT VOTING—7

Bentsen
Cranston
Goldwater
Hart
McClure
Murkowski
Stennis

So the motion to lay on the table amendment No. 3362 was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3363

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES], for himself and Mr. HATCH, Mr. LEVIN, and Mr. HECHT, proposes an amendment numbered 3363.

Mr. NICKLES. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following: Mr. Louis Farrakhan, advisor to one of the presidential candidates, is reported to have referred to the Jewish faith as a "gutter religion";

Mr. Farrakhan has also accused the United States of being a "criminal" for our "aiding and abetting" role at the time of the creation of the Israeli nation; and,

Mr. Farrakhan has even called the very existence of Israel an "outlaw act"; that it is therefore the sense of the Senate that—

(1) there is no place in our society, nor in our electoral process, for hateful, bigoted expressions of anti-Jewish and racist sentiments such as those reportedly being made by Louis Farrakhan, and all such vicious expressions must be condemned, and

(2) the leadership of the Senate is instructed to communicate with the Chairmen of the Democratic and Republican parties to request that they immediately repudiate in writing the sentiments and expressions of hatred reportedly made by Mr. Farrakhan.

Mr. NICKLES. Mr. President, I have an amendment cosponsored by Senator HATCH, Senator LEVIN, Senator HECHT, myself, and others to express the sense of the Senate concerning our repulsion by the expressions of religious bigotry and hatred that are being made, and have been made, by Mr. Louis Farrakhan.

Mr. President, I notify the Members of the Senate that this will be a very brief debate, at least on this Member's part.

I do expect a rollcall vote.

Mr. President, there is no place in our society——

The PRESIDING OFFICER. The Senator will suspend.

If Senators insist on conversations, please take them from the Chamber.

Does the Senator ask for the yeas and nays at this time?

Mr. NICKLES. Yes.

Mr. RUDMAN. Will the Senator withhold?

Mr. NICKLES. Yes.

Mr. RUDMAN. I would ask the Senator if he would be willing to have a voice vote on this and, if the Senators are vociferous and as unanimous as the Senator from New Hampshire thinks they will be, to insert into the RECORD that it was a unanimous vote. At this hour of night, I am not sure that every Member in the Senate feels as the Senator from Oklahoma does. I do not know why we should have a rollcall vote on this matter, since everyone is outraged about this matter. Could the Senator have a voice vote?

Mr. NICKLES. I have consulted with several Members, some of whom are cosponsors, who wish to have the yeas and nays. I will keep my remarks confined to 2 minutes.

The PRESIDING OFFICER. Are the yeas and nays requested?

Mr. NICKLES. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. NICKLES. Mr. President, I will place the request at a later time. I wish to make my statement.

There is no place in our society—nor in our electoral process—for statements that castigate the Jewish faith as a "gutter religion."

Mr. Farrakhan has continuously made a fool of himself since first threatening the life of a Washington Post reporter.

Unless society universally condemns the thoughts and expressions of Mr. Farrakhan, I suspect that we will be further subjected to his divisive and poisonous thoughts concerning the heritage of individual Americans. It is a shame that, after the progress this country has made in the last generation regarding equality and tolerance of other races, creeds and national origins, Mr. Farrakhan's statements have again rekindled bigotry and raised the specter of hatred. I thought we had matured as a society. I am embarrassed by Mr. Farrakhan's conduct.

I call on the Senate and the Congress—and because these statements were made in the greater electoral process—I also call on the political parties to condemn and repudiate the thoughts and expressions that stand behind Mr. Farrakhan's statements.

Mr. President, that is the conclusion of my statement.

There are other Senators, cosponsors, who may have brief remarks.

Mr. HATCH. Mr. President, I rise to support this amendment. I personally condemn these statements and I repudiate them for their bigotry.

Over the last 20 years, since passage of Civil Rights Act of 1964, our Nation has undergone a welcome evolution. It has moved away from the days when the color of one's skin, the denomination of one's religious beliefs, or the cultural origins of one's family were a bar to full participation in our society.

We had begun to breathe full life into the twin promises of liberty and equality. This Nation began as a haven for refugees fleeing from bigotry, hatred, and intolerance. We fought a war within our own national borders to give life to President Lincoln's admonition that a nation cannot live half-slave and half-free. This century, we fought foreign wars, sacrificing the lives and well-being of our sons and daughters so that this democratic flame of liberty, equality and toleration would not be extinguished by the depravity of mindless bigotry.

We had moved toward the day when all are treated equally when equal opportunity and the other provisions of our bill of rights are not just promises, not just slogans, but are reality. Our Nation is by no means perfect, but more than any other country in the world, we have demonstrated a willingness and ability to fulfill the democratic ideal of the American dream.

Unfortunately, not all of our citizens share the vision of this most fundamental of American birthrights. Louis Farrakhan has publicly denounced an entire people, an entire way of life. He would again pit race against race, religion against religion. He wages the politics of hate; he spurns the prospect of unity and understanding.

As a member of a minority religion that has suffered the slings of bigotry and hatred, that has weathered official edicts of eradication, I can empathize with the anguish of my fellow Americans of the Jewish faith. Such intolerance cannot be ignored, cannot be left unchallenged.

For this reason, I think it is important that this distinguished body that has fought so many battles to protect the principles of freedom, of freedom of religion, of freedom of association, make a stand. It is important that as elected officials, we make a statement on behalf of the American public that religious persecution, that religious intolerance, that anti-Semitism has no place in the public debate. It has no moral right in our electoral process.

I am cosponsor of a resolution that condemns these statements and repudiates this bigotry.

Mr. President, I ask unanimous consent that certain articles appearing in the Washington Times and the Washington Post be printed in the Record at this point.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Jewish Leader Vows Fight Over Farrakhan

(By Bill Kling)

An influential Los Angeles-based international Jewish leader vowed yesterday to mount a vigorous protest at next month's Democratic National Convention if the Rev. Jesse Jackson addresses the convention without first repudiating Black Muslin leader Louis Farrakhan.

"We're not going to let this issue die," Rabbi Marvin Hier, dean of the Simon Wiesenthal Center for Holocaust Studies at Yeshiva University, said in a telephone interview about anti-Semitic remarks by the head of the Nation of Islam, a black-supremacist religious sect also known as the Black Muslims.

Republican National Chairman Frank J. Fahrenkopf Jr. yesterday called on former Vice President Walter Mondale, apparent winner of the Democratic presidential nomination, to meet with Mr. Jackson "and demand that he formally rebuke and disavow" Mr. Farrakhan's anti-Semitic remarks.

And at the White House, Larry Speakes, President Reagan's spokesman, first declined comment on Mr. Farrakhan's remarks but, when pressed by reporters, said, "It goes without saying that we strongly oppose these kinds of views. We don't feel compelled to speak out on everything the man says."

Mr. Jackson refused comment on the Farrakhan issue yesterday during a Havana news conference with Cuban President Fidel Castro to announce the release of 22 Americans held in Cuban jails.

"I should not respond to that," Mr. Jackson said. "I do not know enough about it . . . In this press conference, I'm going to focus on this agenda and, when I would have read this statement and understand its text and context, it would be appropriate to respond at that time."

On Tuesday, Mr. Hier and Rabbi Abraham Cooper, also a Holocaust Center official, sent a telegram to Democratic National Chairman Charles T. Manatt urging that Mr. Jackson "be refused the privilege of addressing the Democratic Party convention until he firmly and finally repudiates his association with notorious anti-Semite Louis Farrakhan."

"The Democratic Party has a dilemma," Mr. Hier said yesterday.

The Hier-Cooper telegram asked Mr. Manatt "to apply [the] same standards to Rev. Jackson as would be applied to a white candidate whose close friend and supporter was a leader of the Ku Klux Klan," adding that Mr. Jackson "cannot be a moral force in this country so long as he remains a friend of this unabashed racist and bigot."

GOP Chairman Fahrenkopf called on the Democratic Party to "disavow any support for Mr. Farrakhan and his offensive, abusive statements."

"Anything less would be an attempt to play politics with this most basic moral issue," Mr. Fahrenkopf said in a statement released by William I. Greener III, communications director of the Republican National Committee.

"The time has come to state the obvious about Louis Farrakhan. He is a racist of the worst kind. To say that 'the presence of Israel is an outlaw act' and Jews are 'using the name of God to shield their gutter religion under His holy and righteous name' is reminiscent of the language used in Nazi Germany. It is hardly the sort of comment one would expect from an adviser to a Democrat candidate for president of the United States."

Mr. Jackson has sought a meeting with Mr. Mondale to discuss differences over the Democratic Party platform and rules for the party's San Francisco convention, where both men—along with Colorado Sen. Gary Hart—will vie for the party's presidential nomination. Mr. Mondale claims enough delegate votes to win the nomination on the first convention ballot.

Mr. Mondale's demands Tuesday that Mr. Jackson repudiate Mr. Farrakhan's support "simply do not suffice in making clear that Mr. Farrakhan's message has no home either in America or in the Democrat Party," Mr. Fahrenkopf said. "Republicans throughout America are united in our strong objection to the views and comments of Louis Farrakhan."

In a Sunday speech, Mr. Farrakhan said Israel represented "cold, naked scheming and plotting and planning against the lives of a people there in Palestine," and nations supporting it "are criminals in the sight of the almighty God."

Earlier, Mr. Farrakhan was criticized by many politicians and Jewish leaders for calling Adolf Hitler a "wickedly great" man and for allegedly threatening a Washington Post reporter who revealed that Mr. Jackson referred to Jews as "Hymies."

"I'm not anti-Jew," Mr. Farrakhan said Sunday. "I'm pro-truth."

Reacting to mounting pressure from American Jewish leaders, Mr. Mondale, in his statement issued Tuesday in New York City, said, "The most recent statements by Louis Farrakhan are venomous, bigoted and obscene. I condemn those statements and urge all public leaders to do likewise. It is crucial that all of us, including Rev. Jackson, repudiate Farrakhan."

In reply to a question, however, Mr. Mondale said later in Hartford, Conn., that he would not make repudiation of Mr. Farrakhan a condition of his expected upcoming meeting with Mr. Jackson.

[From the Washington Post, Tuesday, June 26, 1984]

Farrakhan Claims Israel Exists as an "Outlaw Act"

Chicago, June 25 (UPI).—Nation of Islam leader Louis Farrakhan, home from a visit to Arab nations, has attacked the existence of Israel as an "outlaw act" and said nations supporting it have participated in a criminal conspiracy.

"The presence of a state called Israel is an outlaw act," he said in a speech Sunday at his Nation of Islam headquarters here, broadcast on WBEE radio.

Farrakhan, who barred reporters from the speech, said that if you "aid and abet someone in a criminal conspiracy, you are a part of that criminal conspiracy. So America, England and the nations are criminals in the sight of Almighty God."

Israel has had no peace, Farrakhan said, "and she will never have any peace because there can be no peace structured on injustice, lying and deceit and using the name of God to shield your gutter religion under His holy and righteous name."

Farrakhan mentioned his trip to Arab nations and a meeting with Libyan leader Muammar Qadhafi, but mostly attacked Zionists. He called the formation of Israel "cold, naked scheming and plotting and planning against the lives of a people there in Palestine."

Farrakhan said Zionists made a deal with Adolph Hitler not to boycott German products before World War II after he allowed 65,000 German Jews to emigrate and $100 million in Jewish assets to be transferred to Palestine.

He said this act was documented in the book "The Transfer Agreement" by Edwin Black, "one of their own kind."

"The Zionist made a deal with Adolf Hitler, the same people that condemn me for saying Hitler was a great but wicked man," Farrakhan said.

Howard Kohr, assistant Washington representative of the American Jewish Committee, called Farrakhan's comments "outrageous" and said that Jesse L. Jackson, whose presidential candidacy Farrakhan backs, and other candidates for public office should repudiate the remarks.

"This man has no place in the political process," Kohr said. "This guy is a demagogue of the worst sort. . . ."

Other Jewish leaders said that the book cited by Farrakhan had been the subject of controversy. They said the author had brought his interpretation to a long-public agreement allowing some Jews to emigrate to Palestine in the 1930s. They said the emigration might have undermined a Jewish boycott of German products unintentionally, but that this was outweighed by the need to rescue Jews.

It's Hard To Be Neutral on Louis Farrakhan

To some, he is a master mindmolder, a speechmaker par excellence, a wielder of the great power of the pulpit. To others, he is a hatemonger, a black racist and a Jew-baiter. Few remain neutral in their feelings about Louis Farrakhan, leader of the Nation of Islam.

His endorsement of Jesse Jackson's presidential bid was both boon and bane to the Jackson campaign. For though he was able to deliver voters who would have ignored the primaries (Mr. Farrakhan himself registered to vote for the first time this year), his unique rhetorical style alienated many others.

It was Louis Farrakhan who denounced Washington Post reporter Milton Coleman—the man who first wrote of Mr. Jackson's "Hymietown" gaffe—in a radio speech so easily interpreted as a death threat that Washington police beefed up patrols near Mr. Coleman's home and The Post hired full-time bodyguards to protect him.

But the breadth of opinion about Mr. Farrakhan—some people love him as much as other people hate him—is symptomatic of the complexity of the man. Even Mr. Jackson, after being urged to do so, declined to repudiate him while at the same time rejecting his threats to Mr. Coleman.

At 50, Mr. Farrakhan was the obscure leader of a small black Islamic community. His support of Mr. Jackson thrust him into prominence.

He was born Louis Eugene Walcott in Boston. There he was an honors student at Boston English High School before attending Winston-Salem, N.C., Teachers College for two years.

Musically inclined, he was a successful local singer in Boston, going by the name "Calypso Gene," until 1955, when he was recruited into the Black Muslim movement by Malcom X and took the name Louis X.

Mr. Farrakhan has been a black nationalist ever since.

After becoming more prominent in the movement, Mr. Farrakhan left Boston for New York, where he wrote and recorded the song "A White Man's Heaven is a Black Man's Hell." He and Malcom X parted ways in the early '60s, and Malcom X's death was attributed by some to the arguments that arose between them.

After the 1975 death of Elijah Muhammad, founder of the Nation of Islam, Mr. Farrakhan split from Mr. Muhammad's son and successor, Imam W. Deen Muhammad, over questions of amity with whites and racial separatism, taking with him several thousand followers. The Nation of Islam is now thought to number between 5,000 and 10,000.

[From the Washington Times, June 27, 1984]

Farrakhan Statement May Hurt Democrats

(By Wesley Pruden)

A chorus of outrage against Louis Farrakhan's denunciation of the Jewish faith as "a gutter religion" and the Rev. Jesse Jackson's angry refusal to disavow him for it threatened yesterday to engulf Walter Mondale and the Democratic ticket.

One Jewish leader challenged Mr. Mondale to "screw up enough courage" to make a public break with Mr. Jackson unless he repudiates the support of Mr. Farrakhan, the leader of a Chicago-based Muslim sect called the Nation of Islam.

"The issue is not Farrakhan, a vulgar bigot whose racist rhetoric one must assume is repugnant to blacks no less than to whites," said Henry Siegman, national director of the American Jewish Congress, "but the test of integrity is whether a political candidate is prepared to pay the price of his convictions in a concrete and specific situation.

"That is a test Walter Mondale has yet to meet."

The close association between Mr. Jackson and the fiery Muslim leader flamed anew as a political issue on Sunday when Mr. Farrakhan, in a Chicago radio broadcast described Israel as "an outlaw state" and the Jewish faith as "a gutter religion."

"America, England and the nations [that supported the creation of Israel] are criminals in the sight of the almighty God," he said.

Mr. Jackson was angered by suggestions that he should disavow Mr. Farrakhan.

"In America, people have freedom of speech," Mr. Jackson told CBS News from Havana. "They can say what they want about what they want, about whom they want. Don't keep putting me in the middle of that. Let me talk about peace in Central America."

The furor over Mr. Farrakhan's latest remarks threatened to make a public relations disaster of Mr. Jackson's trip to Havana, and suggested that the swelling anger might now threaten the traditional Jewish support for the Democratic presidential nominee.

Other allegations were raised that Mr. Farrakhan's sect is in part financed by Libyan strongman Muammar Qaddafi, who has been accused of financing international terrorists.

The angry voice of Mr. Siegman was only one of several yesterday. "Farrakhan's latest outrage is in the tradition of the worst hatemongers we have known," said Howard Friedman, president of the American Jewish Committee. "It is perhaps no accident that he makes it after returning from a visit with . . . Qaddafi."

He scoffed at Mr. Jackson's characterization of Mr. Farrakhan—"someone he has characterized as a friend and a supporter"—as man who was only making a fair comment guaranteed by the nation's freedom of expression.

Rep. Howard Berman, D-Calif., called it a "moral imperative" for Mr. Jackson to speak out against Mr. Farrakhan and his remarks. "There has never been any excuse for Rev. Jackson's acquiescence to the anti-semitism associated with his campaign," he said.

On the House floor, Rep. Mel Levine, D-Calif., without mentioning Mr. Jackson's name, called Mr. Farrakhan's comments "the statements of a bigot" but insisted that they were "not examples of a black-Jewish rift."

Mr. Farrakhan had stirred controversy earlier when he threatened a black reporter for The Washington Post for having disclosed that Mr. Jackson referred to Jews as "Hymies" and to New York City as "Hymietown," and for his calling Hitler a "wickedly great" man in a previous Nation of Islam broadcast.

Early Warning, a Washington-based weekly newsletter edited by Arnaud de Borchgrave, who has written extensively on international terrorism, describes in its latest issue the connections its says Mr. Farrakhan has had with Mr. Qaddafi since 1972.

The newsletter said that Mr. Farrakhan has visited Libya several times in recent years, the latest on May 27—when a group of Palestinian terrorists were convened in the Libyan capital of Tripoli. Mr. Farrakhan has confirmed that he met the Libyan leader last month in Libya, but attempts to reach him for comment on the latest controversy were not successful.

Although the newsletter does not say that Mr. Farrakhan met with any of the Palestinians, it said the coincidence of timing and "intelligence reports" indicate that "Qaddafi is about to unleash a new wave of terrorist attacks on Western targets [primarily American, British and Israeli]."

It details what it says is Mr. Farrakhan's long relationship with Mr. Quaddafi, beginning in 1972 when Libya lent $3 million without interest to Mr. Farrakhan's Nation of Islam to pay for converting a Chicago church into a mosque.

Over the years, the newsletter said, Libya financed other projects for Mr. Farrakhan's group, and the Black Muslim leader had met at least three times with the Libyan leader over the past 18 months.

[From the Washington Post, June 28, 1984]

Party Urges Jackson To Cut Farrakhan Tie

(By Martin Schram)

A top Democratic National Party official said yesterday that presidential candidate Jesse L. Jackson may be refused permission to address the party's national convention next month if he does not repudiate the latest comments on Judaism and supporters of Israel made by Minister Louis Farrakhan of the Nation of Islam, a Jackson supporter and political associate.

Michael R. Steed, national director of the Democratic National Committee, said national party chairman Charles T. Manatt will wait until Jackson has returned from his trip to Cuba and Central America and has had time to review Farrakhan's complete speech before making a further statement on the matter.

Asked whether Jackson will be allowed to address the convention if he does not repudiate Farrakhan's comments, Steed said: "I think it would have a very significant impact on whether or not he would be allowed to speak at the convention."

Jackson, who has been traveling in Cuba and Central America, has declined to repudiate Farrakhan's comments, which have been condemned by Walter F. Mondale and Sen. Gary Hart (D. Colo.).

Top advisors of Mondale, the likely Democratic presidential nominee, and party officials are concerned that the new controversy over Jackson's refusal to repudiate Farrakhan's latest attack on Jews and Israel could plunge the party's July convention into a televised clash between blacks and Jews that could seriously damage that longstanding party coalition.

The Simon Wiesenthal Center for Holocaust Studies sent Manatt a telegram Tuesday urging that Jackson be denied permission to address the convention "until he repudiates his association with the notorious anti-Semite" Farrakhan. Rabbi Marvin Hier, of the Wiesenthal center, said his group will organize demonstrations at the convention if Jackson is allowed to address the convention without a repudiation.

Mondale campaign chairman James A. Johnson said he has "some optimism that we can avoid a really difficult situation," but he conceded that the problem is potentially serious. A top DNC official, communications director Eugene Russell, said: "It's a disaster. The only thing that's going to cool this is for Jesse Jackson to repudiate it."

Farrakhan said in a speech Sunday that Judaism is a "gutter religion" and that the nations that helped create Israel and now support Israel "are criminals in the sight of the Almighty God."

Mondale strongly condemned Farrakhan's statement and urged Jackson to follow suit. But Jackson, appearing on the CBS Morning News on Tuesday, said: "I don't understand what he said, I don't understand the context of it. I feel no obligation to respond to it."

Mondale officials are working to head off a serious disruption of the convention that could damage the potential Democratic presidential nominee, who trails President Reagan in public opinion polls.

Mondale said in answer to a question that he would not make Jackson's repudiation of Farrakhan's remarks a condition for a meeting with Jackson.

"But," Mondale added, "I would also place very heavy emphasis on what I think has now become a pattern by Mr. Farrakhan which is absolutely and utterly outrageous and unacceptable. The statements he made . . . about other religious faiths—you just can't tolerate this in our good country, and I repudiate them. I think we all should repudiate Mr. Farrakhan, including Rev. Jackson."

NAACP Executive Director Benjamin Hooks yesterday renounced Farrakhan's statements and advised him to stop such rhetoric.

"The NAACP deplores the inflammatory statements that are being made by . . . Farrakhan that hold the Jewish religion in disrepute and cast Israel as a criminal nation," Hooks said in a statement.

In his statement, Hooks noted that Ralph Bunche, a black American, served as the United Nations' negotiator in Palestine following World War II and helped bring about the establishment of Israel.

Farrakhan served as a warmup speaker at Jackson presidential campaign rallies and accompanied Jackson on his successful trip to Syria to persuade Syrian President Hafez Assad to free Lt. Robert O. Goodman Jr. He has not appeared with Jackson recently.

Jackson press secretary Preston Love declined to comment on the matter.

Mr. HATCH. Mr. President, I really believe, if I may say to the Senator, that as much as a rollcall vote seems to be a good thing, I think what the distinguished Senator from New Hampshire has proposed is a good proposal. If the distinguished Senator wants a rollcall vote, I think he can get one. But I would prefer, if it is all right with my colleague from Oklahoma, to follow the advice of the distinguished Senator from New Hampshire and have it be noted for the RECORD, if it is so.

There is no doubt that everyone on the Senate floor supports this resolution. I believe that would be just as effective and just as good as a rollcall vote.

Mr. NICKLES. Mr. President, I have no objection to that.

Mr. RUDMAN. Mr. President, I thank the Senator from Oklahoma and the Senator from Utah.

I join the sponsor and the cosponsor in the condemnation that this resolution contains.

I yield to my friend from South Carolina.

Mr. HOLLINGS. Mr. President, we on this side of the aisle join in that condemnation.

We will also note for the RECORD the unanimity of the vote to condemn this kind of conduct.

Mr. RUDMAN. Mr. President, it does not appear that there is further debate on this amendment. If that be the case, I move the amendment be adopted.

The PRESIDING OFFICER. Is there further debate?

Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. BOSCHWITZ. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Minnesota has the floor.

Mr. BOSCHWITZ. Mr. President, I did not have notice of this particular amendment. Therefore, I asked the indulgence of the Senate during a quorum so I could read it.

I, too, join the Senator from Oklahoma and thank him for bringing this amendment to the floor.

Let me say that I note that it is the leadership of the Senate. I hope the leadership of the Senate means both sides of the aisle.

When the Senator from Oklahoma refers to the leadership of the Senate, does he refer to both the majority and the minority leadership?

Mr. NICKLES. The Senator is correct.

Mr. BOSCHWITZ. I am pleased to hear of both sides being referred to here. These kinds of comments by Farrakhan, if they are not roundly criticized by the Presidential candidates on the Democratic side, I think are absolutely outrageous. Very frankly, if these kinds of statements were made by anybody on this side of the aisle, we would have hours and hours of debate in this Chamber and much beating of breasts, and or and on in outrage and indignation.

I just want to express in a few words my outrage and indignation not only at Mr. Farrakhan because that probably would be wasted, but at a candidate for the Presidency who will not disassociate himself from these remarks when they are made, and when he has people around him who are supporters of this man who makes this kind of remark.

Mr. FORD. Mr. President, will the distinguished Senator yield for a question?

Mr. BOSCHWITZ. If the Senator from Kentucky will permit me, I will continue and complete my statement and then yield the floor. I am almost done.

However, we have seldom had in a Presidential contest this kind of taunt, this kind of blasphemy. It is my hope that my friends in the other party would all stand up and all seek to remove themselves from this kind of blasphemy, as I say, and that we would be able to remove this kind of talk from the annals of our political literature.

Mr. President, I yield the floor.

Mr. NICKLES. Mr. President, I ask unanimous consent that the senior Senator from Oklahoma be added as cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, will the Senator from Oklahoma be willing to yield for a question?

Mr. NICKLES. I am happy to yield.

Mr. METZENBAUM. I wonder if the Senator from Oklahoma would consider adding to his proposal some words of condemnation about Mr. D'Aubuisson, who, I understand visits us here, in the U.S. Senate, within the last couple of days.

Mr. NICKLES. The answer to the question is no.

Mr. METZENBAUM. Mr. President, if the Senator would permit me to finish my question, because I appreciate the thrust of the Senator's concern on the subject, I just wanted to share with him the thoughts expressed today in the Los Angeles Times, which reported Mr. D'Aubuisson saying to a German official: "You Germans are very intelligent. You realized that the Jews were responsible for the spread of Communism and you began to kill them."

It just seems to me that that kind of statement and that kind of comment on the part of Mr. D'Aubuisson might call for condemnation. I should be very happy to join with the junior Senator from Oklahoma in making a condemnation of Mr. D'Aubuisson and some of his activities along the same line. Would the Senator still hold the view he expressed?

Mr. NICKLES. The senior Senator is correct.

Mr. METZENBAUM. I thank the Senator from Oklahoma.

Mr. RUDMAN. Mr. President, does anybody else seek recognition to discuss this amendment?

Mr. BIDEN. Yes, Mr. President, I seek recognition.

Mr. President, I wish to be added as a cosponsor to the amendment and ask a question of the chief sponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. I ask if, in fact, the Los Angeles Times report is correct, turns out to be correct, will the Senator then join with the Senator from Delaware, the Senator from Ohio, and others, in a resolution of condemnation of Mr. D'Aubuisson, if, in fact, it is satisfactorily shown as I said?

Mr. NICKLES. Mr. President, my response to the Senator is I do not know anything of the Los Angeles Times report on Mr. D'Aubuisson. I saw Mr. D'Aubuisson yesterday and I do not want to entangle that with the subject of this resolution.

Mr. BIDEN. I understand that, Mr. President. I just want to ask, if Mr. D'Aubuisson did say:

> You Germans are very intelligent. You realized that the Jews were responsible for the spread of Communism and you began to kill them.

If in fact he did say that, would the Senator join with the Senator from Delaware in cosponsoring a resolution to condemn Mr. D'Aubuisson?

Mr. NICKLES. I would look at the resolution. I just do not think it needs to be on this resolution.

Mr. BIDEN. I just want to know if he would not do it. I think one racial slur is no better than another.

Mr. HATCH. Will the Senator from Delaware yield?

Mr. BIDEN. Yes; I am happy to yield.

Mr. HATCH. Mr. President, if the Los Angeles Times is correct and if Mr. D'Aubuisson said that, as principal cosponsor with the distinguished Senator from Oklahoma, I would certainly be willing to enter into the resolution.

Mr. BIDEN. I expected that, Mr. President. I know the Senator from Utah well. I just do not know the Senator from Oklahoma as well.

Mr. HATCH. Mr. President, I respect my colleague from Delaware but I think the Senator has to understand. I do not think Mr. D'Aubuisson knows everything that has occurred in America.

Let me tell you, Mr. President, I do not think I have seen that kind of bigotry in many, many years in this country. I think my colleague's resolution is right on point at this time in this country's existence and I think we all ought to vote for it.

Mr. BIDEN. I agree.

Mr. HATCH. We are willing to vote by voice vote with the recognition that everybody is voting for it. I also add that I do not know that anybody would not condemn that type of talk if it is true.

Mr. BIDEN. I agree with the Senator.

I thank the Senator. I yield the floor.

Mr. BOSCHWITZ. Mr. President, I do not know exactly what the Senator from Delaware is getting at. He knows very well that men of good will and women of of good will are going to join in condemnation of that statement. We are talking about a Presidential election in this country, not in El Salvador. I personally do not think it has any bearing.

Mr. BIDEN. Mr. President, will the Senator yield on that point?

Mr. BOSCHWITZ. No, the Senator does not yield, Mr. President.

Mr. BIDEN. Then I shall wait and seek the floor in my own right.

Mr. BOSCHWITZ. Mr. President, the Senator from Minnesota says that has little bearing on the resolution at hand. I understand that Reverend Jackson has withdrawn his support of the Reverend Farrakhan and it is about time. It has taken a good time. One of the Senators showed me a statement that came over the wires. It has taken him many, many months. I do not see the appropriateness or relevance of what a foreign leader says.

Unfortunately, as the Senator well knows, a long list of foreign leaders have made those kinds of statements. None of those statements is relevant or has any bearing on what the amendment of the Senator from Oklahoma deals with.

Mr. BAKER and **Mr. BIDEN** addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BAKER. I thank the Chair.

Mr. President, I urge my colleagues on both sides, if I can do that. I can name a dozen candidates I would like to condemn, but not at 10 o'clock at night. I think we ought to get on with the business at hand. I think we can do this without a rollcall vote and get on with passage.

I think we shall have plenty of time after passage to decide whom we approve of or do not approve of. But I urge that we get on with the matter at hand.

Mr. BIDEN. Mr. President, as much respect as I have for the majority leader, I want to make clear what my point was.

The Senator from Minnesota and I not only vote very similarly on a lot of issues and work very closely on the Foreign Relations Committee and are friends, but he asked me a question.

The point is, and I believe the Senator was unaware of the Freudian slip he made, he said, what does the D'Aubuisson statement have to do with a Presidential election? My point is and my suspicion, I might say, for those who found the overwhelming desire to condemn anti-Semitic statements, that it might be something beyond the condemnation of anti-Semitic statements.

There is no doubt that anyone in here condemns what Farrakhan said. I, for one, as many others have, have been on this floor and on television and out throughout this country, months ago, condemning Mr. Farrakhan.

Now, it seems strange to me that, late in the evening, all of a sudden, when there is, in fact, a Presidential overtone to this, that there may have been an indirect desire to embarrass a Presidential nominee with this particular amendment coming from the quarters and at the time that it did. I think the Senator from Minnesota reflected that. He said, what does this have to do with a Presidential election?

It does not have anything to do. I did not think that the Senator from Oklahoma and the major cosponsors had anything to do with the Presidential election. Where is "President" mentioned in this resolution? I did not know how Farrakhan was running for President, did not think he was part of the Presidential process, did not think he had anything to do with President Reagan or Vice President Mondale.

Now, Mr. President, if it is relevant to Presidential politics, as the Senator from Minnesota implied—not only implied, said—then D'Aubuisson would be relevant to Presidential politics, because if, in fact, he said this, even though he is a foreign leader, we should not be giving visas to people who are defeated foreign leaders to come to America, march them through this body, have them meet our colleagues as if they are civilized persons if, in fact, what the original amendment is about is Presidential politics.

Now, I shall renew my request and, at the expense of being kidded by the Senator from Florida [Mr. CHILES], I shall ask a rhetorical question. If, in fact, D'Aubuisson said this, and we are convinced, I hope our indignation is as real and as deep and as swift and as timely. Does it not seem strange to all of you that this resolution of condemnation did not occur 2 weeks ago, a week ago, 3 weeks ago, a month ago, 2 months ago, did not occur when the Senator from Massachusetts made his eloquent condemnation of Mr. Farrakhan, carried by the national news, carried on every network, carried on every morning show? Does it not seem strange that the day Jesse Jackson is getting off the plane, that night my friends, who slip and say, "What does this have to do with Presidential politics?" rise on the floor to state the obvious, that all of us find Farrakhan reprehensible, that all of us find his actions deplorable, and that all of us condemn him? And so I say I am prepared to accept the assertion of the Senator from Oklahoma on its face. I asked to be a cosponsor. I am a cosponsor. And that is, let us condemn Farrakhan. And when it comes time, if this proves to be true, let us condemn D'Aubuisson. Let us not implicitly condemn Mondale. Let us not implicitly condemn Reagan. Let us not implicitly condemn Presidential candidates on our side. Let us not implicitly condemn Senators on your side. Let us just vote on we hate anti-Semites like Farrakhan. That is the vote. Let us just make sure we all know what we are voting about and the press knows what we are voting about.

I yield the floor.

Mr. BRADLEY. Mr. President, I ask unanimous consent that I be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The names of Senators LAUTENBERG, DENTON, and CHAFEE were also added as cosponsors.)

Mr. RUDMAN and **Mr. FORD** addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. RUDMAN. I will yield the floor to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. FORD. Mr. President, I thank the distinguished Senator from New Hampshire. Since a Presidential prospect has been mentioned tonight, I ask unanimous consent that a press release which was carried over the wires, in the papers, and on television tonight be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

PRESS RELEASE

(By David Lawsky)

WASHINGTON (UPI).—Jesse Jackson repudiated Louis Farrakhan's anti-Semitic remarks Thursday, calling them "reprehensible and morally indefensible" and said the Nation of Islam leader is no longer "a part of our campaign."

In a statement released at Jackson's democratic headquarters, Jackson labeled the Nation of Islam leader's comments as "inflammatory" and "damaging for the prospect of peace" in the Middle East and called for the start of a process to "heal the wounds" between Christians, Moslems and Jews.

"I find such statements or comments to be reprehensible and morally indefensible," Jackson said.

Jackson said that reporters had failed to notice that Farrakhan has not participated in his campaign in recent months.

"I discouraged his participation," Jackson said. "He is not a part of our campaign."

Jackson said he would not allow Farrakhan's words to divide the Democratic Party. "Neither anti-Semitism nor anti-black statements have any place in our party," He said, apparently responding to urgings by political, religious and civil rights leaders to repudiate Farrakhan.

Jackson said that the problems raised "go to the very fabric of our national civility" and that "to heal the wounds" in the Christian, Islamic and Jewish Communities he wants to begin ecumenical meetings between the groups.

Arnold Pinkney, Jackson's campaign manager, said Jackson had not seen the finished copy of Farrakhan's recent statement denouncing Judaism as a "gutter religion" but knew about the general outlines and tone of it in discussions with Jackson by phone from Nicaragua. Jackson is on a Central American peace tour.

Earlier Thursday, Walter Mondale labeled Farrakhan's statements "poison" and Democratic Party head Charles Manatt said he assumed Jackson would repudiate them.

Farrakhan, a prominent backer of Jackson's bid for the Democratic Presidential nomination, referred to Judaism as a "gutter religion" during a speech broadcast Sunday in Chicago.

Mondale, speaking to reporters after a meeting with Philadelphia Mayor Wilson Goode, made his strongest statement yet about Farrakhan's remarks, saying, "I consider them to be poison and totally unacceptable to American attitudes and the public dialogue or the private dialogue." Goode agreed. Mondale earlier had repudiated Farrakhan and called on Jackson to follow suit.

Mondale's campaign officials were working on what to do if Jackson failed to repudiate Farrakhan or his remarks.

FARRAKHAN STATEMENTS MUST BE REPUDIATED

Mr. SASSER. Mr. President, today I rise to denounce the most recent round of statements made by Louis Farrakhan, minister of the nation of Islam. Clearly, the proclamations made by Mr. Farrakhan are contemptible and completely unacceptable in the United States of America, and they should be repudiated.

My oath of office pledges me to "support and defend the Constitution of the United States against all enemies, foreign and domestic." And it is our Constitution that protects our most basic freedoms, especially our freedom of religious expression. Therefore, it is my duty and obligation to speak out against the bigoted comments uttered by Louis Farrakhan.

Let me, for the record, quote those statements made by Mr. Farrakhan. According to a Washington Post editorial in today's newspaper, Mr. Farrakhan made the following remarks during a sermon which he delivered to his congregation in Chicago on Sunday, June 24.

> I say to the Jewish people and to the Government of the United States of America, the presence of a state called Israel is an outlaw act. It was not done with the backing of Almighty God nor was it done by the guidance of the Messiah. It's what you called naked scheming and plotting and planning against the lives of a people there in Palestine.

Mr. Farrahkan went on to say that the nations that helped found and now support Israel are "criminals in the sight of the Almighty God," and he added that Israel "will never have any peace, because there can be no peace structured on injustice, thievery, lying and deceit and using the name of God to shield your gutter religion under his holy and religious name."

Mr. President, the remarks made by Louis Farrakhan are offensive to the ideals and principles embodied in our Constitution and our system of democracy. His comments are outrightly anti-Semitic, and repugnant to the Jewish people, but, Mr. President, Mr. Farrakhan's pronouncements should be viewed with equal disgrace in the eyes of all Americans who cherish our pluralistic society and who wish to live by the principles of freedom, justice, and liberty. These comments should be denounced by all public leaders who are elected to protect the basic freedoms guaranteed to all citizens in the Constitution of the United States.

Mr. President, when Louis Farrakhan calls the formation of the State of Israel an "outlaw act," he simultaneously condemns the United States. When he calls nations which helped found and now support Israel "criminals in the sight of the Almighty God," Farrakhan deeply offends the people and Government of this country. And when Mr. Farrakhan refers to the Jewish religion as a "gutter religion," he insults all peoples of the Judeo-Christian heritage.

Mr. President, I am proud of the fact that the Government of the United States was instrumental in the creation of the State of Israel. I am proud that our Government has worked side by side in partnership with Israel since 1948 when she became a nation in her own right. And I am proud that today, we can clearly claim Israel as our single democratic ally in the Middle East.

I wish to make special notice, also, Mr. President, of the public statements made by Benjamin Hooks, executive director of the National Association for the Advancement of Colored People (NAACP). Ben Hooks, a native Tennessean said: "The NAACP deplores the inflammatory statements that are being made by * * * Farrakhan that hold the Jewish religion in disrepute and cast Israel as a criminal nation." He also said that the NAACP "cannot and will not be a party to casting aspersions on Judaism" since the NAACP itself subscribes to the tenets of the Judeo-Christian heritage.

Benjamin Hooks recalled that "it was Ralph Bunche, a black American, who led efforts as a U.N. negotiator for Palestine that resulted in bringing peace to the Middle East" and the establishment of Israel. As Ben Hooks recognizes, the advancement of one group of people in our country cannot be achieved at the expense of another group. Both the black and Jewish communities have experienced a history of persecution and discrimination which is completely intolerable in America today. No segment of our society should endorse the racial hatred inherent in Mr. Farrakhan's statements.

Some may dismiss the comments voiced by Mr. Farrakhan as words only of a fanatic, to whom we need not pay much attention. I do not agree with such a simplistic analysis. Let us not forget that the Holocaust, which killed 12 million persons, of whom 6 million were Jewish, was the direct result of one man's work, one man's fanaticism. Mr. President, we cannot ignore the words uttered by Louis Farrakhan. We must publicly denounce the words of this man: A man who shakes the hand of Libyan Colonel Qadhafi; a man who threatens the life of a Washington Post reporter; a man who calls the Jewish religion a "gutter religion"; a man who calls Adolf Hitler a "great man"; and a man who condemns the State of Israel and all of its supporters as "naked schemers and plotters," and "criminals."

As Dr. Claire Randall, general secretary of the National Council of Churches said:

> There is no place in this Nation for the public articulation of the kind of bigotry apparent in Mr. Farrakhan's statement about the Jewish faith. * * * This unwarranted slur on an ancient and important religion is a threat to freedom of religion in this country.

Mr. President, we must never forget that America was founded on a basic respect for religious differences. It is up to all Americans, and especially those of us in public office, to ensure that freedom of religion is never, never diminished.

I reject the statements of Minister Farrakhan. I reject the insults he has made to our citizens of Jewish heritage. And I most deeply resent Mr. Farrakhan's insults to the United States of America and the democratic principles for which she stands.

Mr. HECHT. Mr. President, as a freshman member of this body I have kept my speeches on the floor of this Chamber to a minimum. However, as a Jewish member I feel compelled to publicly condemn the anti-Semitic poison that Black Muslim leader Louis Farrakhan is administering to the American people. Mr. Farrakhan launched his most bitter and distorted attack on the Jewish religion and the nation of Israel last Sunday, shortly after his return from Libya, where he conferred with Mu'ammar Qadhafi, one of the world's best known terrorists.

Louis Farrakhan described Judaism as a "gutter religion" and branded Israel as an "outlaw" country during a radio broadcast in Chicago. He called America, England and the nations that supported the creation of Israel, "criminals in the sight of the Almighty God."

Mr. President, religious tolerance has always been one of the strongest principles of our American tradition. It may not be a major concern to Colonel Qadhafi who, according to some intelligence reports, is about to launch a new wave of terrorism against Western targets, primarily American, British and Israeli.

It may be that most Americans will brush aside Mr. Farrakhan's strident anti-Semitic rhetoric as simply the venomous rantings of a loud-mouthed, publicity-seeking bigot. However, in this Senator's view, Louis Farrakhan has gone beyond merely offending Jews and the supporters of Israel. He is attempting to drive a wedge of hatred between blacks and Jews in this country. Our Constitution guarantees Louis Farrakhan's right of free speech. By the same token, I feel an obligation to issue a warning that his statements are filled with vicious lies and should be viewed as the ravings of an American demagogue who views Hitler as a "wickedly great" man. It should come as no surprise that Mr. Farrakhan has come under the influence of another anti-Semitic terrorist.

Mr. RUDMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. RUDMAN. I believe there is no further debate. The yeas and nays were not asked for. We are now prepared to have a voice vote, and I move the adoption of the amendment.

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, what is this resolution doing here?

The PRESIDING OFFICER. The Senator from Alaska has the floor.

Mr. STEVENS. Everyone says it is late, but sometimes I think we ought to stop and think a little bit about what we are doing. This has no business in connection with the State-Justice-Commerce appropriations bill. Are we here to play politics? What is this Senate doing tonight?

I move to table that and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Is there a sufficient second?

Mr. STEVENS. We ought to table it. We really ought to table this and just get rid of it. It is not a good precedent for the Senate.

The PRESIDING OFFICER. There is not a sufficient second.

The question is on agreeing to the motion to table.

The motion to lay on the table was rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona [Mr. GOLDWATER] and the Senator from Idaho [Mr. MCCLURE] are necessarily absent.

Mr. BYRD. I announce that the Senator from California [Mr. CRANSTON], the Senator from Colorado [Mr. HART] and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 95, nays 0, as follows:

[Rollcall Vote No. 187 Leg.]

YEAS—95

Abdnor
Andrews
Armstrong
Baker
Baucus
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
East
Evans
Exon
Ford
Garn
Glenn
Gorton
Grassley
Hatch
Hatfield
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Huddleston
Humphrey
Inouye
Jepsen
Johnston
Kassebaum
Kasten
Kennedy
Lautenberg
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski

Nickles
Nunn
Packwood
Pell
Percy
Pressler
Proxmire
Pryor
Quayle
Randolph
Riegle
Roth
Rudman
Sarbanes
Sasser
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Tower
Trible
Tsongas
Wallop
Warner
Weicker
Wilson
Zorinsky

NOT VOTING—5

Cranston
Goldwater
Hart
McClure
Stennis

So Mr. NICKLES' amendment (No. 3363) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SYMMS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. RUDMAN. Mr. President, first, I wish to very briefly apologize to my chairman and the majority leader who I assured yesterday we could handle this bill on the floor in no more than 4 or 5 hours. I obviously did not tell the truth. I apologize for that but there have been developments along the way that I might say were beyond my control.

Mr. President, I believe we only have three matters remaining to discuss. The only rollcall vote that I know will occur will be on final passage that has been requested, and I believe there are three discussions on behalf of three Members at this time who may not seek recognition.

AMENDMENT NO. 3364

Mrs. KASSEBAUM. Mr. President, I send forth an amendment on behalf of myself and Mr. MURKOWSKI.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mrs. KASSEBAUM), for herself and Mr. MURKOWSKI, proposes an amendment numbered 3364.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On Page 41, line 19 change the following: Change amount from $522,570,000 to $501,667,200.

Mrs. KASSEBAUM. Mr. President, last year the Senate voted overwhelmingly to reduce the authorized level of U.S. mandatory contributions to the United Nations and four of its specialized agencies by 20 percent. Our vote was, unfortunately, strongly opposed by the House conferees and a compromise freezing our contribution level was eventually accepted.

I am asking today that the Senate reaffirm its vote. The amendment that I have offered reduces the appropriation for international organizations by $21 million—from $522,570,000 to $501,667,200—a reduction of 4 percent and a downpayment on implementing the Senate's decision last year. The amount specified by my amendment is that sent over from House.

I would like to make clear that I am not an opponent of the United Nations and I am certainly not opposed to the good works of its specialized agencies. I am opposed, however, to the proliferating bureaucracies that have come to characterize the United Nations, and I am strongly opposed to the unconscionable levels of salaries and benefits that are being paid from taxpayer funds to U.S. employees.

Mr. President, a midlevel U.S. employee—and I emphasize this is a midlevel bureaucrat—has a take home pay including all allowances in New York of over $63,000 a year plus a housing allowance of undetermined amount. This is a higher real salary than we pay in the United States to the heads of departments who are responsible for managing multibillion dollar programs. There are literally thousands of U.S. employees who are earning more than anyone in the U.S. Government other than the President and Vice President—and even some who earn more than the Vice President.

I have been informed by the administration that an Under Secretary General—of whom there are some 50 to 60 in all the U.N. agencies earns a tax-free net salary of $94,000 a year plus a housing allowance of $20,000 to $30,000 a year. When an Under Secretary retires after 30 years with the United Nations, he is given a tax-free cash grant of $343,000 in addition to his $50,000 a year tax-free retirement income.

This retirement plan is more generous than could be imagined possible in the government service. After 30 years service, the midlevel professional at the United Nations will receive $217,000 as a cash, lump sum, tax-free retirement bonus on top of an annual retirement income of $32,000—also tax free.

I believe it is time for action. Over the past 12 years the United States has sought to negotiate budget restraint in the United Nations—and has failed. While we pay 25 percent of the U.N. budget, we have only 1 vote out of 150. Those who pay almost nothing control the votes for the U.N. budget, and they seem to have the attitude that they can tax the United States to pay whatever they want. In 12 years, Mr. President, the United States has voted against or abstained in protest against every single vote on the U.N. budget. It has not worked. Now it is time for Congress to act.

At this time of shared hardships, so soon after we have voted to increase taxes on our own citizens, we can not permit business as usual in New York, Geneva, and Paris.

Mr. President, I shall be very brief because I do not wish to belabor this amendment. I believe it is going to be accepted by the leaders.

I would only like to say that a year ago the Senate voted overwhelmingly for some fiscal restraint on the U.N. budget. This is an effort to make a downpayment on the implementation of that Senate vote.

What this would do would be a reduction of $21 million from the level in the appropriations bill. It will be the same funding level specified in the House bill.

So I think that I will only wish to say for the RECORD at this point one figure that I think is of interest when we are considering some of the problems with the U.N. funding. It is my understanding that when the Under Secretary General, for whom there are some 50 or 60 of the United Nations in all, but the U.N. agencies earn a tax-free net salary of $94,000 a year plus a housing allowance of $20,000 to $30,000 a year.

I think everyone will find these figures interesting.

When an Under Secretary retires after 30 years with the United Nations he is given a tax-free cash grant of $343,000 in addition to his $50,000 a year tax-free retirement income.

I just thought those figures might be of interest.

I appreciate the acceptance by the committee of this amendment.

Mr. RUDMAN. Mr. President, the distinguished Senator from South Carolina and I have discussed this matter, and this is identical to the language now contained in the House bill, and unless there is further discussion, I move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. HOLLINGS. Move its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas.

The amendment (No. 3364) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM. Mr. President, I rise to indicate that I may offer an amendment to the Department of Commerce bill which would leave open the question of where to locate the National Oceanic and Atmospheric Administration regional service center for the Great Lakes.

There is no question that we need a marine service center on the Great Lakes. Right now there are four local

Weather Service forecast offices scattered around the Great Lakes, in Cleveland, Chicago, Buffalo, and Ann Arbor. These offices do not coordinate their marine weather forecasting responsibilities. In fact, forecasting weather conditions for aircraft and agriculture take precedence over marine forecasting at these offices. And to the extent that marine forecasting is done at all, it is performed independently in each of the four offices.

The National Oceanic and Atmospheric Administration has recognized the need to establish a centralized marine weather forecasting center on the Great Lakes because of the enormous volume of recreational boating and commercial shipping on the lakes. NOAA has recognized the desirability of creating this center in Cleveland, OH.

Let me quote from NOAA's own internal study prepared in 1980 and entitled "The Great Lakes Marine Weather Services Report":

> Cleveland is recommended as the location for the Great Lakes service unit. Cleveland is known as the maritime hub for the Great Lakes region, and it is within the area having the highest concentration of recreational boating.

The report goes on to state:

> Other factors supporting the recommendation are as follows:
>
> Headquarters of the Coast Guard ninth district which encompasses the entire Great Lakes region.
>
> The major marine communications service for the lakes is located in nearby Lorain, OH. Broadcasts from 14 transmitters around the lakes are controlled from this point.
>
> Headquarters of the Lake Carriers' Association, representing all of the major shipping companies on the lakes.
>
> Ninety percent of all U.S. Great Lakes fleets are headquartered in Cleveland.
>
> Headquarters of the International Ship Masters Association; Great Lakes Pilot Association, International Association of Masters, Mates, and Pilots.
>
> Headquarters of the Interlake Yachting Association representing 110 yacht clubs.

Mr. President, this NOAA service center for the Great Lakes will perform other duties besides the crucial marine weather forecasting. It will perform important hydrological studies, help predict tidal currents, prepare marine maps, and assist in the development of marine management programs.

I firmly believe this facility should be located in Cleveland.

Let me tell you the status of where we are. Where we are at the moment is that the House considered this entire issue and they determined that the regional ocean service centers should be located at the Sand Point facility, Anchorage, AK; Honolulu, HI; Port Newark, NJ; and New Orleans. Then they had one other, just said the Great Lakes Association. When the matter came out of the Senate committee, no change was made in the legislation but, just as in the report language of the House, they had designated where the locations were to be, a change was made in the report indicating all of the same cities that I just mentioned, but instead of saying the Great Lakes location, they spelled out Rosemont, IL, and added Charleston, SC.

I think we have to understand the context in which the situation exists. The Senator from Ohio is considering offering an amendment unless we can get the matter clarified that there is no finality about the report language and the amendment would go to the issue itself, and whether or not it ought to be in Cleveland and whether it ought to be Rosemont, IL, or somewhere in Michigan, or somewhere in New York, or somewhere in Wisconsin, or in some other State bordering the Great Lakes.

I should point out that in the House report it is provided that it would provide $500,000 to establish a regional ocean service center for the Great Lakes location to be determined through the results of a study funded in the fiscal year 1984 supplemental.

So what we have is that the House has said there ought to be a Great Lakes location. I think it ought to be in Ohio, others think that it ought to be other places. The House has said in their report language that there should be a $500,000 study made as to where it should be located.

I would like to inquire of the manager of the bill as to whether it is not a fact that if there is to be this study made that the report language, which recites various communities in which the service is to be located, would not be the finally determinative fact but that, after the results of the study are in, it is at that point that a determination should and would be made.

It would seem to me it would logically flow from the fact, spending $500,000 to make a study, you would certainly think at the conclusion of that study that is the place where the facility would be located. I would like to get the Senator's view as to the impact in the report language vis-a-vis the results of this study that would be forthcoming from NOAA.

Mr. RUDMAN. I would say to my friend from Ohio that I am sure he knows, being an expert in Senate rules and legislation, that report language by a committee is commendatory, it is not mandatory or legally binding on an agency.

I would point out that the Senator states correctly what is contained in the House bill is money for a study which is not contained in the Senate bill. Of course, that would be met in conference. But the Senator's basic statement is correct.

Mr. METZENBAUM. I thank the Senator from New Hampshire.

I yield to the Senator from Ohio.

Mr. GLENN. Mr. President, I rise to associate myself with the comments of my distinguished colleague from Ohio. I think we should note that in the House language, the centers would be decided after a considerable study.

I do not quarrel with any of the open ocean reporting points or coordination points whatsoever. I think when suddenly in the Senate language then it shows up as being specified as Rosemont, IL—which I might add for my colleagues happens to be O'Hare Airport. We know how many ships pass through O'Hare Airport these days. That happens to be the center that we are talking about, and it suddenly turns up in report language.

And while I agree completely with the distinguished floor manager of the bill that report language is supposed to be advisory, we also are all very much aware that if it is in the bill that it is going to be Rosemont, IL, the odds are about 9 to 1 that it is going to be Rosemont, IL, and that is where they are going to put it if it is specified in the bill. That may not necessarily be the spot where this thing should go.

The purpose of this whole thing—and I will read this:

> The purpose of such centers is to enhance the quality, coordination and delivery of existing NOAA products and services such as marine weather warnings and forecasts, nautical and aeronautical charts and related products, ocean analysis and prediction services, fishery product trade and marketing information, and environmental satellite data. Clients of such centers will be those in the general marine community (i.e., the fishing industry, marine transportation and shipping interests, operators of offshore oil rigs.

And so on.

Now, I do not necessarily think that Rosemont, alias O'Hare Airport, is necessarily the spot where all those things should be coordinated out of. I am not positive that Cleveland, OH, is. I think it makes a lot more sense than O'Hare Airport. I would support Cleveland, OH, certainly. But the study was supposed to make a determination about shipping on the lakes, hydrological studies, data on fishing, on all sorts of things that apply to shipping and the fishing industry could be coordinated from.

I would submit that we should not be going forward without having the report language and with the Senate proposal listing this place automatically as Rosemont, IL.

So I support the comments of my distinguished colleague from Ohio very much and ask that we go back to the House version of it. It specified a study to determine where this could most efficiently be done and not specify a particular spot which will likely be taken out of the legislative history and the report language and made a fact, even though we know that that report language is normally advisory only.

I yield the floor.

Mr. PERCY. Mr. President, I would just like to address three brief comments to the floor manager of the bill. I sympathize with his problem. It is now close to 11 p.m., and we ought to have final passage immediately on this bill.

First, I would just like to ask: How were other locations selected? They were not selected by a study, but rather by discretionary action taken by the Committee on Appropriations.

Second, the Senate report language dealing with ocean service centers differs from the House language in only two respects. It added Charleston, SC, and Rosemont, IL, as sites for a regional ocean service center.

Third, I have tremendous respect for the committee's judgment on these matters. If the Great Lakes site is to be chosen by study, then why should not all of the ocean service sites be chosen by study? We have not done that up to now, and I believe there is no need to do it in the present instance.

The ocean service center concept is designed to aid the shipping industry by providing comprehensive marine weather forecasting for shippers operating in our coastal waters. Perhaps the greatest need for one of these ocean service centers exists along the Nation's fourth coast—the Great Lakes.

The Great Lakes are like an ocean in many ways—except in its weather systems, which are violent and unpredictable. Weather in the Great Lakes can be severe and systems can change suddenly, sometimes in a matter of minutes. We need only remember the sinking of the iron ore ship, *Edmund Fitzgerald*, which went down in heavy seas in Lake Superior. The *Edmund Fitzgerald* was a very large ship. Be assured, then, that those waves were very large. Our goal in establishing an ocean service center in the Great Lakes is to prevent another tragedy like that of the *Edmund Fitzgerald*.

At present, there is no centralized marine weather forecast station in the Great Lakes. Forecasting is done at four Great Lakes forecast centers in Buffalo, Cleveland, Ann Arbor, and Rosemont, IL, near Chicago. While the National Weather Service personnel at these sites have done a great job, there is still a great need for one site with a dedicated force giving Great Lakes marine forecasting their primary attention.

The Senate Subcommittee on State, Justice, Commerce Appropriations has provided $6.5 million for the establishment of seven regional ocean service centers for the fiscal year 1985. The committee has directed that the ocean service center for the Great Lakes be located at the existing National Weather Service station at Rosemont, IL.

I strongly support the ocean service center concept and I ask my colleagues to endorse this item as marked up by the Senate Appropriations Subcommittee. As for the Great Lakes center, there is no doubt in my mind that Rosemont, IL, is the best place to put this station. I say this not because of my position as an Illinois Senator, but because of the realities of the situation in the Great Lakes.

Mr. President, the National Weather Service station at Rosemont currently handles all the forecasting for the State of Illinois. The fine staff there also maintain and operate the sophisticated weather forcasting systems at O'Hare International Airport in Chicago, which is the Nation's busiest airport.

The Rosemont center and staff are uniquely qualified to handle the duties of the Great Lakes Ocean Service Center for a number of reasons. First, when the Rosemont station was located in downtown Chicago, it was known as the Chicago District Forecast Station. That station did all the forecasting for all the Great Lakes before the present system of four stations was implemented in the 1970's. In fact, some of the same meteorological staff who were with the office then are still at the Rosemont station now, and could draw on their vast experience of lakes forecasting when the ocean service center is established.

Second, the Rosemont station already does the forecasting for the two largest Lakes—Michigan and Superior. Combined there were 89 gales and 23 storms on these two lakes alone during 1982. The Rosemont station has handled these and has proven itself under fire.

Third, the Port of Chicago moves more tonnage than any other port on the Great Lakes and more international shipping docks in Lake Michigan than any other lake. Rosemont would be perfectly located to provide timely, accurate, and comprehensive weather information for the masters and owners of these ships.

Fourth, pleasure boating is highly concentrated along the Lake Michigan coastline near Chicago and going up into Milwaukee. Most of the victims of sudden gales are pleasure boaters. The Rosemont station would ensure that pleasure boaters too get up-to-the-minute information on Lake Michigan weather.

Fifth, the shipping industry in the Great Lakes wants this ocean service center in Rosemont. Let me read to you from a letter from Daniel E. Shaughnessy, president of the Western Great Lakes Shipping Association which represents six major shipping companies in the western lakes. I ask unanimous consent that this letter from Mr. Shaughnessy be printed in the RECORD in full.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WESTERN GREAT LAKES
MARITIME ASSOCIATION, INC.,
Arlington, VA, June 27, 1984.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, DC.

DEAR SENATOR PERCY: Our organization has followed closely the provisions of HR 5712, dealing with the establishment of seven Regional Ocean Service Centers. Obviously, we are particularly concerned about the plans for the Center which will serve the Great Lakes.

In this regard, we would like to urge that the current intent of the legislation to locate the Great Lakes Center in Rosemont, Illinois be confirmed and supported by the full Senate. A decision to locate this facility at Rosemont is technically sound and would be of special value to the diverse shipping interests in Lake Michigan. In particular, the sizable amount of international shipping servicing Lakes Michigan and Superior, and the volume of maritime traffic generally in the Western Great Lakes, more than justifies the location of the Center in Rosemont.

I hope that you will be able to assist on this matter. Rosemont's excellent location, ready capabilities, experience, and facilities make it an ideal location for the Great Lakes Ocean Service Center and in particular, its vital weather forecasting functions.

On behalf of our Association and its related maritime and trade interests, we urge that our Great Lakes Ocean Service Center be located in Rosemont, Illinois.

Sincerely,
DANIEL E. SHAUGHNESSY,
President.

Mr. PERCY. Mr. President, I believe that the facts show that Rosemont is the best location for the Great Lakes Regional Ocean Service Center which we are funding for next year. All the Great Lakes States will benefit from it. Shippers in those States will benefit more from a Rosemont station than from any other location.

Some have wanted the Regional Ocean Service Center to be located in Cleveland. The reasons given for Cleveland as a location are not particularly convincing. The arguments have been based on the fact that, since many commercial associations dealing with the Great Lakes are located in Cleveland, the Ocean Service Center for the Great Lakes ought to be there too.

Well, I don't buy that argument, Mr. President. Our first concern in locating this Center ought to be that of determining where it will be most effective in fulfilling its main function: Furthering safe shipping through accurate weather forecasting. I believe it is obvious that Rosemont is the best spot based on these merits.

The House committee has taken a different approach to this matter, marking up a supplemental appropriation bill which funds a study to determine the best location on the Great Lakes for the Center. However, a supplemental bill has not been considered by the Senate. I believe, given the urgency of the situation, that we should move ahead on establishing this Ocean Service Center as soon as possible. For all of these reason, I oppose the Glenn-Metzenbaum amendment.

Mr. DIXON. Mr. President, I am pleased to join the distinguished senior Senator from Illinois in his efforts to ensure that an important provision added to the bill by the Senate Subcommittee on State, Justice and Commerce Appropriations is maintained.

The committee's direction that the ocean service center for the Great Lakes be located at the existing National Weather Service station in Rosemont, IL, merits the full Senate's strong support.

Currently, the task of marine weather forecasting for the Great Lakes is handled at four separate centers. However, the Senate subcommittee decided that there is pressing need for one site in the region to consolidate the work of the four centers. The concept of one center whose primary goal is to focus entirely on Great Lakes marine forecasting is a good one, Mr. President.

My distinguished colleague from Illinois has already pointed out why the Rosemont Center is distinctly well qualified to handle the responsibilities for the Great Lakes region, so I will not belabor the point. But, Mr. President, I do wish to reiterate that the Rosemont Center, when previously headquartered in Chicago, performed essentially the same tasks it will be called upon to handle in the future. Also, the station currently forecasts the marine weather for the two largest lakes, and more tonnage moves through the port of Chicago than any other Great Lakes port.

Those who believe that the regional ocean service center should be located elsewhere, after further study, base their arguments, primarily, on the point that some commercial associations are located elsewhere. That might be important, Mr. President, if the central job of the center were to deal with commercial associations. But, that is not the case: The purpose of the regional ocean service center would be to forecast weather, and I submit that the Rosemont facility is best suited to do the job required.

Given these circumstances, I believe that we should adopt the position of the subcommittee.

Mr. GLENN. Mr. President, will the senior Senator from Illinois yield for a question?

Mr. PERCY. Yes.

Mr. GLENN. Could the Senator from Illinois indicate to us how Rosemont, IL, came to be in the report language?

Mr. PERCY. The committee put it in.

Mr. GLENN. Was this at the request of the Senator from Illinois?

Mr. PERCY. Mr. President, I would not say it was not without suggestion. Both Senator Dixon and I have always advocated Illinois. And Rosemont, IL, just happens to be right at O'Hare Airport, which is the center of the largest airport in the world, a very busy spot and a very convenient spot with large and diverse weather forecasting equipment.

But as to the question of how the committee came to their selection, I believe the Members went through the selection process, and made their determination.

Mr. GLENN. Was the report language voted by the committee or was it done simply at the request of the Senator from Illinois? Was the report language made at the Senator's request?

Mr. PERCY. I would say that both Senators from Illinois, in a bipartisan manner, always work together on these matters. As a matter of fact, we work together once a month with the Illinois delegation.

Mr. GLENN. Were there any hearings to determine Rosemont, IL?

Mr. PERCY. We suggest the outstanding values of Illinois, all parts of it, including Rosemont.

Mr. GLENN. The Senator is not answering the question. I want to know whether this was put in at the request of the Senator from Illinois without hearings on Rosemont, IL, by the committee; yes or no.

Mr. PERCY. Yes, I am very proud to say that I work for Illinois in all appropriations matters. I do not know how many others joined——

Mr. GLENN. So we do not know whether this would be the best place to do this; we do not know whether O'Hare is the best place to do it at all? It was done at the Senator's request. I do not blame the Senator for trying this, but the Senator cannot blame us for saying we should do what the House suggested to determine where the best spot around the Great Lakes is, and not do it directed from O'Hare Airport.

They have the plate full with their training, I submit.

Mr. PERCY. All I can say is that we feel very strongly that the Great Lakes—all of us from the Great Lakes—is one of the greatest seacoasts of the Nation, and one of our great marine resources.

I have no idea how the Sand Point facility in the Great Lakes was chosen, nor Anchorage, AK; or Honolulu, HI; Port Newark, NJ; New Orleans, LA; or Charleston, SC were chosen. I presume in the same way that the Rosemont, IL site was chosen—in the wisdom and judgment of the committee.

Mr. GLENN. Mr. President, all we really want out of this—and I believe my distinguished colleague from Ohio will back me up—is this to be honestly a study—not just the amendment, and have the report language showing or the conferees showing, that the study should truly be a study, and recede to the House. It is a Great Lakes study. We would be happy to do that, if the conferees will just agree to it.

I yield the floor.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, I will be very brief.

I think the legislative history that we have here tonight is very critical to the Great Lakes States. I want to make two points.

No. 1, the Great Lakes Commission, which represents all the Great Lakes, picked a State for this site other than the one that is in this particular conference report.

Second, I think it is obvious that in the case of these other sites there must have been a consensus. That is why they were specified. In the case of the Great Lakes site, there was no consensus. There is no consensus. That is the reason for the study in the House bill, and I think the representation of the floor manager here that this lanuage is advisory only, and not binding on NOAA, is essential to the legislative history. Those of us in the Great Lakes States I know welcome those representations.

But I do not want to emphasize that the Great Lakes Commission itself, which represents all of the Great Lakes States, selected a site other than the one which was selected by the committee language.

I thank my friend from New Hampshire.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, would the manager of the bill and the ranking minority member be good enough to answer a simple question? Was the matter of putting Rosemont, IL in the report ever discussed in the committee?

Mr. RUDMAN. Neither Rosemont nor any of the other locations were ever discussed at the hearings.

Mr. METZENBAUM. And I assume that the ranking minority member would agree?

Mr. HOLLINGS. I found out about it when the Senator from Ohio called me on the phone.

Mr. METZENBAUM. I thank both Senators.

Mr. President, under the circumstances, since it is quite obvious this matter was not really discussed at the committee level, since it is quite obvious it was just something inserted into the report, since it's quite obvious also according to the manager of the bill that he does not feel that that is determinative of the NOAA group and making the final determination, and since the study will be made hopefully—I am correct in assuming that the managers of the bill would not object to the House study going forward as provided in the House part.

Mr. RUDMAN. I say to the Senator from Ohio that the committee will act in good faith understanding what happened here tonight.

I cannot speak for the entire committee. But I am sure the ranking member and myself will take into account what was said here tonight.

Mr. METZENBAUM. I thank the Senator.

Under the circumstances, I do not think it is necessary to put this matter to a vote, and we withdraw the amendment.

The PRESIDING OFFICER. An amendment has never been submitted.

AMENDMENT NO. 3365

(Purpose: To add provisions appropriating funds pursuant to the Central American Democracy, Peace and Development Initiative Act of 1984, and for other purposes)

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], proposes an amendment numbered 3365.

Mr. DOMENICI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the bottom of page 72, add the following new title:

TITLE VI—SUPPLEMENTAL, FOREIGN ASSISTANCE BILATERAL ECONOMIC ASSISTANCE FUNDS APPROPRIATED TO THE PRESIDENT

Central America Initiative

For expenses necessary to enable the President to carry out the provisions of the Central America Democracy, Peace and Development Initiative Act of 1984, the Foreign Assistance Act of 1961, the Peace Corps Act, and the Migration and Refugee Assistance Act, for the fiscal year ending September 30, 1984, and for other purposes, for assistance for Central American countries, to remain available until December 31, 1984, in addition to amounts otherwise made available for such purposes:

Agency for International Development

AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION

For an additional amount for "Agriculture, rural development, and nutrition, Development Assistance", $10,000,000.

POPULATION

For an additional amount for "Population, Development Assistance", $5,000,000.

HEALTH

For an additional amount for "Health Development Assistance", $18,000,000.

EDUCATION AND HUMAN RESOURCES DEVELOPMENT

For an additional amount for "Education and human resources development, Development Assistance", $10,000,000: *Provided*, That of this amount not less than $2,000,000 shall be available only for the International Student Exchange Program.

ENERGY AND SELECTED DEVELOPMENT ACTIVITIES

For an additional amount for "Energy and selected development activities, Development Assistance", $30,000,000.

ECONOMIC SUPPORT FUND

For an additional amount for the "Economic Support Fund", $290,500,000.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For an additional amount for "Operating expenses of the Agency for International Development", $2,489,000: *Provided*, That not less than $727,000 shall be available only for the activities of the Inspector General's office.

INDEPENDENT AGENCY

Peace Corps

For an additional amount to carry out the provisions of the Peace Corps Act (75 Stat. 612), $2,000,000.

Department of State

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for "Migration and refugee assistance", $10,000,000, to be used only for medical and health related assistance for refugees in Central America, to remain available until December 31, 1984.

GENERAL PROVISIONS

Funds may be made available for development assistance for fiscal year 1984 for Guatemala notwithstanding the provisions of Public Law 98-151.

Funds under this title are made available notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956.

None of the funds made available by this title shall be restricted for obligation or disbursement solely as a result of the policies of any multilateral institution.

SEC. 601. (a) Not later than thirty days after the date of entry into force of any memorandum of understanding or other international agreement between the United States Government and a Central American Government regarding the use of local currencies generated from assistance furnished to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 or generated from the sale of agricultural commodities under the Agricultural Trade Development and Assistance Act of 1954, the President shall prepare and transmit to the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives a report setting forth for each such memorandum or agreement—

(1) the text of each such memorandum or agreement;

(2) the status and description of each such memorandum or agreement, including the period of time covered, the amount of funding involved, and the sources of funding involved;

(3) an explanation of the manner in which funds are to be used in a Central American country to—

(A) eliminate the climate of violence and civil strife, in the cases of Guatemala and El Salvador;

(B) develop democratic institutions and processes;

(C) develop strong and free economies with diversified production for both external and domestic markets;

(D) make sharp improvement in the social conditions of the poorest Central Americans; and

(E) improve substantially the distribution of income and wealth; and

(4) the degree of compliance by the Central American Government with the provisions of such memorandum or agreement.

(b) Not later than thirty days after the date of enactment of this Act, the President shall prepare and transmit to the committees referred to in subsection (a) a report providing the information described by paragraphs (1) through (4) of subsection (a) with respect to any memorandum of undersubsection which is in effect on the date of enactment of this Act.

(c) Not later than six months after the date of entry into force of each memorandum of understanding or other international agreement described in subsection (a), and upon the date of termination of each such memorandum or agreement, the President shall prepare and transmit to the committees referred to in subsection (a) a report describing the progress achieved in carrying out the provisions of such memorandum or agreement, including the progress achieved in carrying out the provisions of clauses (A) through (E) of subsection (a)(3).

Mr. DOMENICI. Mr. President, I ask unanimous consent that a description of my amendment appear at this point in the RECORD.

There being no objection, the description was ordered to be printed in the RECORD, as follows:

Domenici Amendment To Provide Supplemental Humanitarian and Economic Funding for Central America

Keeps faith with Central Americans by implementing the emergency economic recommendations of the Bipartisan Commission on Central America.

Does not preempt orderly Senate consideration of the long-term recommendations of the Bipartisan Commission and the authorizing and appropriating committees.

Responds to the immediate economic crisis in Central America that cannot wait until September, when the annual consolidated supplemental is likely to be enacted.

Does not include any military aid. Some military aid was provided in the urgent supplemental (H.J. *Res.* 492); the remainder can be considered later.

Provides $10 million for the urgent medical needs of the tens of thousands of refugees from Nicaragua, El Salvador, and Guatemala who have been given refuge by their neighbors in Honduras, Costa Rica, and Belize.

Incorporates the Central America dollar levels and policy provisions that were recommended to the Appropriations Subcommittee on Foreign Operations by Senators Kasten and Inouye and approved by the Subcommittee.

Includes the DeConcini Amendment to the FY 1984 supplemental that greatly increases accountability to the American people of the local currency counterpart funds generated by our dollar aid in Central America.

Expands coverage of the DeConcini accountability amendment to include all of the Central American countries, accepting the non-discrimination principle for aid to the region that was developed by Senator Mathias.

Total cost of amendment is $378 million, identical to the recommendations of the Appropriations Subcommittee, the Bipartisan Commission, and the President—except for the $10 million for medical aid to refugees.

Funds must be obligated before the end of calendar year 1984, as is appropriate for emergency requests; otherwise they revert to the Treasury.

Provides for control of funds solely by United States by precluding withholding of funds pending approval by a multilateral institution.

Earmarks additional AID operating expenses for the Inspector General's office, as recommended by the Foreign Operations Subcommittee to make sure these funds are used properly.

Mr. DOMENICI. Mr. President, I wish I could have spoken to the Senate a couple of hours ago when there was more time. But since I could not, I will only speak for about 5 minutes. Frankly, I first thought of this amendment the other night when about 10 or 15 Senators took to the floor of the Senate and spoke on the issue of Central America. We heard a great deal that evening about the Contras. We heard a great deal about communism. We heard a great deal about the United States and her allies in the region. We heard a great deal about the fact that, if we did not do something with reference to the Marxist leadership in Nicaragua, communism was going to spread all over that part of this hemisphere.

I rise tonight to tell the Senate that that may happen, not because of failure to aid the Contras, not because of any lack military assistance, but because we do not help our friends. We have not sent sufficient aid to those people.

To take one example, Honduras is a democracy with a magnificent leader, and they are in a desperate situation. We have not found a way to vote needed aid for education, for fighting epidemics, for health, or for combating hunger. We have said to them: We sure hope you can resist Communist efforts to seize control down there.

I heard a former President who knows a lot more about foreign policy than this Senator say we talk so much about communism, we forget to talk about our help in the struggle against poverty. I would hate to be an elected representative of the people in the democracy of Honduras, Costa Rica, or the new president of El Salvador and have an ally like the United States.

I would bet they are wondering when we are going to seriously help reduce their poverty, lack of education, and epidemics. Their international debt is drowning them. Almost every day we debate aid to Central America, yet these problems are largely ignored.

My intention tonight—I'm going to pull the amendment—was to amend this State, Commerce, and Justice bill in order to send the most urgently needed aid to the people of Central America. This would not be military aid, but civilian and humanitarian aid that we have told these neighbors we were going to send them. I have a hunch that, if I talked another 5 minutes, this amendment would pass.

My intuition tells me that not more than five or six Senators would vote against it. We better find a way to help the ordinary people of Central America. A new nation there that wants to experiment with democracy in an ocean of poverty requires some help.

That magnificent medical doctor who is the President of Honduras, Dr. Suazo, travels around that country telling his people that the United States of America is their ally. In recent months, all they see of us are ships out there in their oceans. They do not see much of our food aid. They do not see our help to their educators. They do not see any economic aid, but they do see us ganging up with the International Monetary Fund, holding back on them.

I tell you: If the rest of the world looks at this sad example, they are not going to be very desirous to be friends of our great democracy. We have had only one foreign assistance appropriation bill in 5 years. I do not know for certain whose fault that is, and I am not singling out for criticism any particular agency such as AID or the Treasury. However, if we are going to wait around until the proper bill comes over from the other body to help those poor people and those leaders, it may be 5 more years.

I remember following the remarks my good friend from Louisiana, Senator JOHNSTON, made Monday night on the Senate floor about the Contras. Most of us agree that we ought to help the Nicaraguans rescue their stolen revolution, but I would bet that if he stood up here tonight, he would say we better get on with the job at hand, and send Central America some civilian help at the same time. They do not have much of a chance the way we approach them. Within Central America some of the most poverty-stricken nations in the Western Hemisphere, right across the Mexican border. We stand here night after night talking about communism. I am against it. We all are.

We need to start talking about their poverty. We better send them enough help to give their ordinary people some hope.

This amendment would only send them the amount that we committed in the bipartisan study—not one ounce of military aid, but humanitarian and economic assistance. At this point, I do not know when we are going to get an appropriation bill to accomplish this. We don't have an authorization bill, yet, either.

I have promised the other Appropriations Committee members that I will not insist that we put this amendment on this bill tonight. Let me make this clear, though, I will look for an appropriation bill. Do not think I and Senators who believe as I do are going to wait around for the House to send us a consolidated supplemental or a foreign assistance appropriation bill while we neglect these leaders of freedom down there.

I met them, and learned of their problems. Costa Rica has enjoyed freedom for a long time. Now, they are accepting thousands of refugees. They are broke, yet we are not doing enough. We hold back some of what has already been appropriated.

Look at El Salvador. They have a new President. It could turn out to be a wonderful development. We Senators all met him and everybody said, "Isn't he great."

His people won't think President Duarte is great if we do not put an aid package in place and send them some food, some nurses, some vaccines against epidemics, medical equipment, some kind of tangible evidence that they have a friend in the United States. Otherwise, they are not going to make it.

But for the fact that I have a great respect for this bill and this committee, I would be delighted to let the Senate vote on this amendment tonight and send a little message that it is high time we live up to a few basic responsibilities around here. We ought to find some way to do it.

If we cannot help the Nicaraguans fighting to rescue their revolution, let us not consider that issue for a week, but let us vote without delay on some aid for the Central American leaders and ordinary people who are trying desperately to remain free.

I now withdraw my amendment and I beg the indulgence of the Senate for taking your time at this late hour.

The PRESIDING OFFICER (Mr. COCHRAN). The amendment is withdrawn.

The Senator from Connecticut.

Mr. DODD. I commend my colleague from New Mexico for his remarks. There are several of us who for several years have been trying to make that case over and over again.

We saw recently the Dominican Republic going through economic difficulties, strikes in the streets, and we did nothing for them. We see it in Costa Rica, in Peru. The Senator is correct about Honduras in many ways, and other countries.

I would suggest or try to suggest, as some of us have, if we pay more attention to that, and the remarks of the Senator this evening, had we had that kind of sentiments in the last couple of years, we would not have the kind of problems we have in some of these countries.

I commend him and look forward to cosponsoring an amendment that might incorporate a number of these countries going through those kinds of difficulties.

Mr. TSONGAS. Will the Senator yield?

Mr. DODD. I will be glad to yield.

Mr. TSONGAS. I have visited a number of countries that have had starvation and economic problems. My suggestion has been simple to these countries, that they take their army or one-half of them and put them in the hills and say to the United States that the Communists are in the hills and they want us to give them aid. Under those circumstances, the United States will always respond through massive aid.

So if you want aid from the United States, get yourself a Communist insurgency in the hills and maybe we can get a consultant group put together to provide their service.

We always respond not to humanitarian gestures, but to the fear of communism.

We have said very little really on what we stand for in that respect. I commend the Senator.

Mr. RUDMAN. Mr. President, I thank the Senator from New Mexico for his thoughtful statement. I agree that in near time we might be able to proceed with what the Senator very wisely suggested we do.

AMENDMENT NO. 3366

(Purpose: To provide $150,000 for a study of the AM radio spectrum as it is impacted by clear channel radio stations)

Mr. RUDMAN. Mr. President, on behalf of Senators Pressler, Goldwater, Packwood, and Boschwitz, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. Rudman], for Senators Pressler, Goldwater, Packwood, and Boschwitz, proposes an amendment numbered 3366.

Mr. RUDMAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 11, line 6, strike "13,944,000" and insert in lieu thereof "$14,094,000".

Mr. RUDMAN. Mr. President, this amendment has been agreed to.

Mr. President, I am offering this amendment on behalf of Senators Pressler, Goldwater, Packwood, and Goldwater. The amendment provides $150,000 for the National Telecommunications and Information Administration for a one-time study of regulations affecting the AM radio spectrum. Together with $50,000 already in the committee's recommendation for NTIA, this will provide $200,000 in total funding for the study.

The Commerce Committee is interested in determining the effect of increasing the hours of operation for daytime AM radio stations. While the Appropriations Committee takes no position on this issue, we do believe it is important that Congress be given any relevant information on the impact of such a change. Therefore, I urge adoption of the amendment.

● Mr. BOSCHWITZ. Mr. President, I rise in support of this amendment to direct the National Telecommunications Information Administration to study the listener preferences and other related issues which, to date, have been used to prevent the extension of broadcast hours for daytime radio stations.

Over 1 year ago Senator Pressler and I introduced S. 880, a bill directing the Federal Communications Commission to extend the operating hours of AM daytime radio stations. This bill will provide increased local radio service to the communities served by the Nation's 2,300 daytime stations. The local communities will benefit by: receiving early morning and evening local weather and road reports; local high school sports coverage; school closing announcements and other local radio services.

Those of us from the North may have a clearer understanding of the need for this legislation. During the winter months in Minnesota, sunrise to sunset service can be a short day. Local reports of winter road conditions and school closings are often needed in a timely manner.

To date, S. 880 has been stalled over disputes on ground wave interference and listener preference. This study will allow us to resolve these disputes and provide the needed evidence to move this legislation to enactment. I urge my colleagues support of the amendment.●

● Mr. PRESSLER. Mr. President, I rise today to offer an amendment to the Commerce, State, Justice Appropriations bill which would appropriate $150,000 for a National Telecommunications and Information Administration study of the impact of the current regulation of daytime-only radio stations, in addition to $50,000 already in the NTIA budget recommendation.

On March 22, 1983, I introduced S. 880, a deregulation bill for the little guy. This legislation would expand daytimers' operations hours an additional 2 hours before sunrise and 2 hours after sunset if two conditions were met. The expansion could not cause objectionable interference to the groundwave signals of existing AM stations. Also, the expansion must be consistent with international agreements to which our Government is a party.

There are 2,300 daytime AM radio stations in this country. These stations are restricted to daytime-only broadcasting for reasons which are no longer valid. In the 1930's, as the radio industry was just beginning, the FCC determined the best way to encourage national radio service was to license a few large clear-channel stations to provide programming over large service areas. As more and more radio stations were licensed, the Commission authorized local daytime radio service on these clear-channel frequencies but prohibited nighttime service in order to protect the skywave signal of the clear-channel stations.

Today there are 59 clear-channel stations in a total of 4,708 commercial AM radio stations. The skywave signal protection for these big stations has inhibited the service and financial growth of hundreds of smaller, local radio stations. This protection—perhaps valid 50 years ago—is no longer justified.

It is for this reason that I introduced S. 880 which gained twelve cosponsors: Senators Boschwitz, Melcher, D'Amato, Burdick, Andrews, Abdnor, Durenberger, DeConcini, McClure, Heflin, Lugar, and Goldwater. The legislation was reported by the Commerce Committee on June 10, 1983, and placed on the Senate calendar.

Those trying to thwart our progress in gaining floor consideration said more hearings were needed. On April 3 and April 14, I chaired two more hearings of the Commerce Subcommittee on Communications. As a result of our action, the FCC gave substantial relief to the daytime broadcasters who have class III stations. Some of the class II stations also will be helped by the April 11 decision, but the power allocations will not be known until this summer.

With respect to the changes for daytimers operating postsunset on clear channels, it was hoped that the Commission would have adopted a preference for local service over distant skywave service for just the 2-hour transitional periods around sunrise and sunset to enable daytimers to better serve their local communities. The Commission instead reaffirmed the commitment it made previously in protecting the skywave service of the clear-channel stations.

Given the FCC's commitment to protect the clear-channel stations out to their 750-mile radius, it is clear the Commission wasn't able to do more to help the daytimers. Although protection for the skywave service of clear-channel stations was originally adopted as an FCC rule, it is now clear that any further change must be made by Congress. We must address the policy questions.

We need to consider the actual preferences of listeners. We must specifically compare the skywave service offered by the clear-channel AM radio broadcasters with other broadcast services. With the appropriations made available by this amendment, a NTIA listener preference survey could specifically ask whether AM listeners located in small rural areas—served at night by skywaves from clear-channel stations as well as by groundwaves from one or two local stations—prefer the local service.

Mr. President, I believe that this amendment is a small request for the proof we need to allow antiquated rules of the early 1930's to be withdrawn. With the information made available by this study, we may finally be able to provide the small radio stations of this country the relief they have long awaited.●

Mr. HOLLINGS. Mr. President, we accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3366) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3367

Mr. RUDMAN. Mr. President, I send a technical amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from new Hampshire [Mr. RUDMAN] proposes an amendment numbered 3367.

Mr. RUDMAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 36, line 9, beginning with ":", strike all through page 38, line 14 and insert in lieu thereof ".".

Mr. RUDMAN. Mr. President, this is a technical amendment. This amendment was a committee amendment deleting certain travel funds of Legal Services Corporation from the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3367) was agreed to.

AMENDMENT NO. 3368

(Purpose: Prohibiting direct or indirect United States funding for terrorists and governments supporting terrorists)

Mr. RUDMAN. Mr. President, I send an amendment to the desk on behalf of Mr. PRESSLER and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. RUDMAN], for Mr. PRESSLER, proposes an amendment numbered 3368.

Mr. RUDMAN. Mr. President, I ask unanimous consent that further reading of that amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate part in the bill add the following new section:

SEC. . Notwithstanding any other provision of law, none of the funds made available under this Act or any other Act for International Operations and Programs shall be available for the United States proportionate share for any program for the Palestine Liberation Organization, the Southwest Africa Peoples Organization, Cuba, Iran, or Libya.

Mr. RUDMAN. Mr. President, this amendment deals with international terrorism. It has been cleared on both sides. I move its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3368) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3369

Mr. RUDMAN. Mr. President, I send a technical amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire (Mr. RUDMAN) proposes an amendment numbered 3369.

Mr. RUDMAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 6, line 16, after the semicolon insert "and including" with the word "and" in italic type and the word "including" in roman type.

On page 8, line 14, after the comma insert the following: "and upon a determination by the Administrator that the NOAA-D spacecraft is not needed to replace a current NOAA polar orbiting satellite,"

On page 15, line 18, after the comma, insert the following: "and not to exceed $2,500 for offfical reception and representation expenses,"

On page 22, line 1 strike "$27,561,000" and insert: "27,050,000"

On page 28, line 13, after the word "Senate" strike the colon.

On page 28, line 13, before the word "*Provided*", insert a colon.

Mr. RUDMAN. Mr. President, there are purely technical amendments agreed to on both sides. I move their adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3369) was agreed to.

NOAA WEATHER RADIO

● Mr. PRESSLER. Mr. President, it is my understanding that the State, Justice, Commerce appropriations bill that we are currently considering contains $1.5 million for emergency power for NOAA weather radio. I would like to ask the acting subcommittee chairman, Senator RUDMAN, if it would be possible to earmark $50,000 of that money for an emergency power generator at the Aberdeen, SD, weather service forecasting office. The need for this emergency generator is demonstrated by strong public support and case examples. Let me explain.

Currently, the Aberdeen weather station has no emergency backup generator. Last year, a severe storm swept through northeastern South Dakota, leaving many homes and businesses—including the Aberdeen weather station—without electricity. Subsequently, a tornado developed undetected and swept through rural areas just outside of Aberdeen—narrowly missing this city of 26,000 and potential major catastrophe. Nobody in the area was alerted to the tornado because there was no electrical power at the weather station. Had the emergency generator been in place, we would not have had this problem.

This situation understandably causes great concern to the over 100,000 people served by the Aberdeen weather station. I have recently received numerous letters from my constituents and a resolution of support from the Aberdeen City Commission expressing their desire for a more reliable station. These clearly show the great need and public support for this relatively small expenditure.

Since electrical service is more apt to be lost during severe weather conditions, it is especially important that we get an emergency generator installed as soon as possible. Many of my colleagues may have heard of the severe flooding conditions in my home state of South Dakota. We have experienced especially unstable weather this year and are in the midst of the tornado season.

So I urge that—given the facts and the strongly demonstrated public support—$50,000 of this money could be spent for this much-needed emergency power generator. I might ask the acting subcommittee chairman if he would agree with this and encourage NOAA to install an emergency generator at Aberdeen as soon as possible.

● Mr. **RUDMAN**. Yes; I would say to the Senator from South Dakota, Mr. PRESSLER, that I do agree and we will go on record here today in support of that emergency generator and encourage NOAA to install it as soon as possible.

● Mr. **PRESSLER**. Finally, I might ask the distinguished Senator from New Hampshire that language to that effect be included in the conference committee report language.

● Mr. **RUDMAN**. I would tell the Senator that we will certainly try to do that, but cannot say for certain that it will happen. However, regardless of the outcome of the conference committee report language, the Senator from South Dakota can be assured of our support for his proposal.

● Mr. **PRESSLER**. I thank the Senator from New Hampshire for his cooperation in this effort. I also ask that the attached letters and resolution of public support for this generator be printed in the CONGRESSIONAL RECORD.

The material follows:

RESOLUTION NO. 1339

Whereas, during the early morning hours of August 19, 1983, the City of Aberdeen was the center of a severe rain and wind storm, which the winds were clocked at over 70 mph, which resulted in heavy tree loss and building damages;

Whereas, it was also during this storm that the United States Weather Bureau at the Aberdeen Regional Airport lost its electrical power for two hours;

Whereas, this loss of power, in the opinion of Thomas L. Hopper, Aberdeen City Commissioner, made Aberdeen solely dependent upon the weather station in Huron, SD, located 90 miles away. If this storm had continued at the same velocity for any length of time, there may have been greater damage incurred within the city and possibly, also to its residents;

Whereas, my major concern is in the event that power is cut-off before, during or even after a storm, Aberdeen, would be, for all practical purposes, without immediate weather information;

Now, therefore, the City of Aberdeen hereby resolves that it supports legislation to provide federal funds in order to purchase an Emergency Power Generator to be installed at the Weather Bureau Station at the Aberdeen Regional Airport. The Aberdeen City Commission goes on record that immediate and constant weather information is vitally important in this part of the country for the security and safety of the people living here.

OFFICE OF THE
SHERIFF OF BROWN COUNTY,
Aberdeen, SD, June 22, 1984.

Mr. LARRY PRESSLER,
U.S. Senator,
Washington, DC.

DEAR SENATOR PRESSLER: I am writing you with regard to the possibility of getting a standby emergency generator for the U.S. Weather Service Office here in Aberdeen, South Dakota.

I have been in law enforcement for thirty two years and believe that the people in this area need to have 24 hour a day operation regardless of the weather or conditions within our area. I was also around when we had a power failure last year, and the weather service here was without power as a tornado came through. They were unable to assist us in the location and the other things that they do to serve the public in our area.

I would very much strongly urge all the senators to pass this legislation to provide an emergency standby generator for the Aberdeen Weather Service Station in Aberdeen, South Dakota.

I thank you for whatever help you can provide in this matter. If I can be of further service, please do not hestitate to contact me.

Sincerely,

STEPHEN H. OAKES, *Sheriff.*

ABERDEEN, SD,
June 22, 1984.

Hon. LARRY PRESSLER,
U.S. Senate,
Washington, DC.

DEAR SENATOR PRESSLER: My name is Dean D. Kiefer, and I'm very concerned about the lack of an emergency weather station generator for the City of Aberdeen. I think it is important that we obtain a generator system for our city's safety. We need it very much.

Let's face it, we are in an area where storms and tornados are frequent occurrences. Just like any other city or state, we do need back up facilities.

Thank you for listening.

DEAN D. KIEFER.●

Mr. **LAXALT**. Mr. President, the committee has provided funds and specific bill language to open three new overseas offices of the U.S. Travel and Tourism Administration in Italy, the Netherlands, and Australia. We believe that of the top 12 tourism receipts-generating markets for the United States, these three have very strong potential.

The distinguished ranking minority members, the Senator from South Carolina, has been a strong supporter of the USTTA for many years. He and I worked together on this recommendation, and we both want to clarify the intent of Congress in approving the opening of three additional offices.

Does the Senator from South Carolina believe that the funding level will provide for five permanent positions in each of these offices?

Mr. **HOLLINGS**. Absolutely, Mr. President. I am confident that sufficient funds have been provided to staff each of these offices with five permanent positions, and I expect that the Office of Management and Budget will raise the personnel ceiling for the USTTA to allow this to occur.

Mr. **LAXALT**. Mr. President, I thank the distinguished Senator from South Carolina for clarifying this issue.

Mr. **HATCH**. Mr. President, I hope that during today's deliberation of H.R. 5712, the State, Justice, Commerce appropriations bill, that this body does not overlook the important action taken by the Senate Appropriations Committee to protect the Equal Employment Opportunity Commission. If this action had not been taken, the Federal Government's commitment to protecting the civil rights of minorities and women would have been significantly jeopardized.

When the House of Representatives considered this bill, it chose to reduce the President's budget request for the Commission. As I understand, the House Appropriations Committee cut the Commission's budget, in an apparent attempt to by some $900,000 and then, on the House floor, the Commission's budget was reduced by an additional $6,410,000.

As chairman of the Senate committee which has oversight responsibilities for the Commission, I have held over the last several years a series of hearings on the management practices of this agency. I decided to conduct these hearings after individuals around the United States wrote, called, or spoke directly to me, asking that the committee take action to correct the Commission's shortcomings.

The hearings made it clear that the EEOC was in trouble, and I subsequently asked the General Accounting Office to conduct an investigation. In its report, dated May 17, 1982, the GAO found that the Commission could not account for its funds. It couldn't balance its books. At a time when it claimed it needed more money, it was losing millions of dollars in its financial quagmire. A tremendous case backlog had developed, so large that at one point the Commission stopped counting, created a new category called front log and began the count again.

This was the sorry state that Clarence Thomas inherited when he became chairman of the Commission. Under his stewardship supported by the other Commissioners, the agency's pathetic record has been reversed. Its financial and administrative practices have been corrected and the backlog-frontlog has almost been eliminated. Chairman Thomas also has taken steps to implement all of the corrective recommendations made by the GAO. The Commission has even taken measures to ensure that Hispanics and other minorities are receiving adequate treatment. Because of this effort, the Commission can now do a better job of fighting discrimination because it can utilize all of the resources made available to it by Congress.

Consequently, I was genuinely shocked when I learned that the House had chosen to cut the President's budgetary request for the Commission. Rarely a day goes by without accusations being flung at this administration's civil rights policies, and we repeatedly hear allegations that this administration lacks a commitment to civil rights. Yet when all is said and done, it is the other body that is attempting to cut the President's request for the EEOC.

I expressed my concerns to the distinguished Chairman of the Senate Appropriations Committee which was responsible for the Commission, and learned that my colleague from Nevada also shared my dismay at the other's body's action. He made sure in committee that the Commission's budget was restored to the level requested by the President. Although his efforts to protect the Commission's budget may go unnoticed in the media, or by the general public this body and the thousands upon thousands who look to the Commission for protection owe the distinguished Senator our gratitude.

Mr. **LAXALT**. I want to thank my good friend and colleague from Utah, whose leadership in this area has provided the Senate, for the first time, with a thorough record on the Commission's strengths and weaknesses. I couldn't agree with the distinguished Senator's observations more.

Unfortunately, the story gets even worse. The House Appropriations Committee also specifically earmarked amounts for a number of accounts for the U.S. Commission on Civil Rights. This action would seriously hamstring the agency and would deny the Commissioners the flexibility they need to efficiently run their agency. Then, as you mentioned on the House floor, the EEOC was further reduced by $6,410,000 and the U.S. Commission on Civil Rights was reduced by $509,880.

As you know, the administration has been heavily—and unjustly—criticized, particularly by House democratic members, for its lack of commitment to civil rights enforcement. Yet, when the administrations sends up reasonable budget requests for the EEOC and the USCCR, the House cuts them.

As you know, last year we heard a lot from certain House Members about preserving the independence of the U.S. Commission on Civil Rights. We reauthorized the Commission, dedicated to that principle. But now that the new Commission has taken actions that displease those same people, the House has hamstrung the agency budgetarily and for a time pushed to defund the Commission altogether. Apparently, the same House members do not truly want the Commission independent if it means independent from them.

The Senate will fully fund the administration's request for both the Equal Employment Opportunity Commission and the U.S. Commission on Civil Rights. We dropped the earmarks for the USCCR. I know you share the deep commitment both the President and I have to see that equal opportunity is the law of the land, and appreciate your support in preventing the attempt by the House to cut the Commission's budget.

THE STUTTGART FISH FARM EXPERIMENT STATION

Mr. **PRYOR**. Mr. President, I'm pleased to support the pending appropriations bill for fiscal year 1985 for the Departments of State, Justice, Commerce, the Judiciary, and related agencies. This bill provides the funds necessary to conduct our law enforcement operations, much of the State Department, the Federal judiciary, and many other organizations of the Federal Government. In addition, Mr. President, this bill contains money for the operations of the fish farming experiment station located in Stuttgart, AR.

This station provides a great deal of assistance to the commercial catfish industry in this country, Mr. President, and the research conducted at the facility has been very helpful to everyone concerned with aquaculture. Although research is conducted involving the breeding, eating habits, and diseases of the catfish, other types of research are conducted at the facility that is of assistance to virtually the entire commercial fishing industry. The assistance provided by the facility has been instrumental in increasing commercial aquaculture production in the United States, and I think the staff at the facility, headed by Dr. Harry Dupree, has done an excellent job.

I strongly support the research activities at this experiment station, and I'm very pleased that the efforts will continue. I also commend the efforts of my distinguished colleague, Mr. **Bumpers**, who has devoted a considerable amount of time to this facility through his service on the Senate Appropriations Committee.

REGIONAL CALIBRATION LABORATORY AT THE UNIVERSITY OF ARKANSAS AT FAYETTEVILLE

Mr. President, I am pleased with the action of the Senate Appropriations Committee including in this appropriation bill funding for a regional calibration laboratory at the University of Arkansas, at Fayetteville. This $500,000 in funding will benefit the Nation by providing reliable radiation calibration information for use by the National Bureau of Standards as well as the university as it brings important technical study capability and expertise to northwest Arkansas.

I was pleased to learn that the National Bureau of Standards, the University of Arkansas, the State of Arkansas, and six of our neighboring States have recommended that this regional calibration laboratory for the Mid-South/Southwest be located at SEFOR, a decommissioned nuclear reactor near Fayetteville. It is clear that facilities of this kind are needed, and the choice of SECOR makes good financial sense for the Federal Government since security and maintenance is provided by the State and storage and shielding capacity are already in place which would otherwise cost taxpayers millions of dollars.

In addition, although Federal funding will be required for operation through fiscal year 1987, after that time, the National Bureau of Standards and the university estimate the center will be entirely self-supporting.

Mr. President, I applaud the efforts of my colleague Senator **Bumpers** and the wisdom of the Senate Appropriations Committee in including funding for this important facility. I assure my colleagues that the funding will be paid back many times over in terms of the safety and security of the public as our Nation and the State of Arkansas continue to pursue advanced understanding and capability in the many areas of high technology.

UNDERCOVER OPERATIONS

Mr. **MATHIAS**. Mr. President, once again in the appropriations bill that is before us, the Congress grants to the Federal Bureau of Investigation and the Drug Enforcement Administration temporary exemptions from certain statutory strictures that impede the conduct of undercover operations. These exemptions are granted subject to conditions that echo, with minor modifications, those enacted in last year's appropriations bill. These conditions include reporting and financial audit requirements that should enable the appropriate committees of both Houses to maintain more effective oversight of undercover operations. I support these provisions, as I supported those included in the fiscal year 1984 appropriations bill, as a reasonable temporary solution to the difficult problems posed by the explosion in the use of undercover operations by Federal law enforcement agencies.

I believe, however, that we can all agree that these expedients cannot continue indefinitely. The challenges to effective oversight that are posed by the increasing use of undercover techniques will not go away. As we buy time through the enactment of temporary provisions in successive appropriations measures, we should redouble our efforts to enact realistic permanent legislation on Federal law enforcement undercover operations.

The undercover operation is a powerful weapon in the arsenal of modern law enforcement. Techniques of deception allow the authorities to bring to light conspiracies that would otherwise escape revelation. For the detection of consensual crimes—trafficking in contraband or stolen goods, giving and taking bribes, perversions of public trust—the undercover weapon often appears to be uniquely well suited.

But the use of undercover techniques also brings with it serious risks. More frequently and more urgently than ever, the charge is heard that the undercover weapon has been misdirected or has misfired. The curtain that deceptive tactics can pierce may shield a conspiracy, or it may simply protect the privacy of an innocent citizen. The Government's unacknowledged presence may ultimately preserve public safety, but it may also intrude on precincts from which the State ought to be fenced out. The corrupt informant, always tempted to twist the project to his own ends, may betray his government as well as his erstwhile confederates. As more and more Federal law enforcement agents are called upon to play-act in the performance of their duties, the need for clear legislative standards for the directors and script writers becomes more and more compelling.

One proposal for permanent legislation is already pending before this body. S. 804, the Undercover Operations Act of 1983, is the work product of a select committee established by the Senate during the 97th Congress, and charged with the task of conducting a searching inquiry into Federal law enforcement undercover operations. It was my privilege to serve as chairman of this select committee. Our panel conducted its work in a dozen public hearings, in private interviews and depositions, and in the perusal of thousands of pages of FBI documents. We studied the directives and guidelines that had been promulgated by law enforcement agencies to govern the use of undercover techniques. We reviewed the record of successes and failures, and of the benefits and costs, that resulted from undercover operations. Our conclusions were unanimous, and our specific recommendations for legislation to increase the effectiveness of undercover operations, while strengthening safeguards for privacy rights and civil liberties, have been embodied in S. 804.

Some of the provisions of S. 804 have proven controversial; but the reaction to the bill has begun to delineate the boundaries of the common ground from which the legislative process can usefully proceed. The most salient point on which there appears to be general consensus is the concept of threshold standards for undercover operations. The detailed guidelines promulgated by the FBI already provide that an undercover criminal investigation may not be undertaken without a reasonable indication that a Federal crime has been, is being, or is likely to be committed. Representatives of the FBI and of the Justice Department have consistently stated, in several hearings before committees of both Houses of Congress, that law enforcement undercover investigations adhere to the reasonable indication standard, describing it as a fair criterion that also husbands the law enforcement resources of the Federal Government by discouraging fishing expeditions. Surely at least this basic, commonsense standard ought to be elevated from the netherworld of administrative regulations and written into the statute books. This threshold standard ought to be established as permanent law that may be changed, not with a stroke of a pen, but only by an act of Congress.

Mr. President, I am confident that there are other aspects of the legislative control of undercover operations about which there is substantial agreement in both Houses of Congress. In my view, the time has come to identify this common ground and enact these agreed-upon principles into law. In that way, we will place Federal law enforcement undercover operations on a more solid legal footing than they currently enjoy. We will also, by the enactment of permanent legislation, give Congress the tools to ensure that the powerful undercover weapon is used in a way that protects our fundamental liberties, as well as the safety of our people. The interests of both law enforcement and civil liberties will be better served when we move beyond stop-gaps to a resolution embodied in permanent law.

Mr. BRADLEY. Mr. President, I would like to take this opportunity to express my gratitude to my colleagues on the Committee on Appropriations for their willingness to include in the Commerce appropriations bill three projects which are extremely important to the State of New Jersey.

On March 29, a storm ravaged New Jersey, inflicting severe damage to New Jersey's shore. This area is particularly important to the economy of our State as literally millions of people flock to these beaches every summer. The four coastal counties designated as a Federal disaster area as a result of the storm are Monmouth, Ocean, Atlantic and Cape May. The Appropriations Committee has set aside $2 million to assist these counties in the restoration and preservation of their beaches under setion 306 of the Coastal Zone Management Act. Although Federal Emergency Management Agency funds have been helping many communities and individuals to overcome hardships brought on by the storm, without additional financial assistance, one of New Jersey's most valuable resources would receive insufficient care—the beaches. The State of New Jersey will provide matching funds for an emergency program that will finance the purchase, planting, and fertilization of dune grass and the purchase and construction of snow fence. These measures, prescribed in the New Jersey CZM program, will provide communities with the most cost effective method of preserving the public beaches of New Jersey.

A second provision of this appropriations bill derives from the recent decision by the National Oceanic and Atmospheric Administration to create a national network of Regional Ocean Service Centers. The Commerce appropriation bill provides $6.5 million to maintain operations at the Sand Point, Seattle model center and to establish six new centers around the U.S. coastline, including Newark, NJ. In keeping with the goals of the Department of Commerce, a regional network of centers will enhance the quality, coordination, and delivery of NOAA products and services. These "one stop" public information centers will provide marine related services to a diverse group of users in a centralized, coordinated manner. This will be of particular benefit to the important commercial and recreational fishing industry in New Jersey and along the eastern coast.

Finally, the appropriations bill before us provides $900,000 to fund an interagency program to analyze fish caught in Atlantic coastal waters. Earlier this year, I submitted legislation to mandate an interagency study of polychlorinated biphenyls [PCB] contamination of fish along the eastern coast and whether it constitutes a public health hazard. I also called for the development of a uniform standard for analysis of PCB levels so that the public could be assured accurate information. The appropriations bill will fund the study I have called for. We can finally develop the necessary data to let State officials determine the need for regulation of sport and commercial fishing to ensure that any regulation is rational and equitable.

These three projects are of vital importance to the well-being of the State of New Jersey. Yet in each case, the benefits derived from the program will go far beyond the citizens of the State.

NATIONAL ENDOWMENT FOR DEMOCRACY

Mr. PELL. Mr. President I would like to state my strong support for the Appropriations Committee amendment to restore funding for the National Endowment for Democracy.

Mr. President, the National Endowment for Democracy was enacted as part of the Foreign Relations Authorization Act (Public Law 98-164), signed into law on November 22, 1983. The Endowment grew out of President Reagan's June 1982 speech to the British Parliament and a bipartisan study, funded by AID and conducted by the American Political Foundation. The concept was carefully considered by both the House Foreign Affairs Committee and Senate Foreign Relations Committee, and was the subject of spirited and intense debate in both Chambers.

Ultimately, the Congress concluded that an autonomous quasigovernmental entity, bringing together the resources and expertise of the American labor movement, the American business community and our two major political parties could make a major contribution to the spread of democratic institutions and American values overseas. The cost of this endeavor—$31,300,000 authorized for fiscal year 1985—is a significant investment. The sum, however, pales when compared with the proposed defense budget of more than $290 billion. The cost of the National Endowment for Democracy is less than two F-16 aircraft, and, if the program influences the development of democratic institutions in just one country, it will have made a significant contribution to our national security.

The National Endowment for Democracy is just getting underway; $18 million have already been appropriated to start up the NED and for first year expenses. Because of the newness of the program, there has not yet been an opportunity to review the results. However, many projects look promising. It would be folly, in my view, to scuttle this initiative before it has been given a fair chance. It would also be a waste of the $18 million already expended.

Finally, I would like to remind my colleagues of the fine work the Free Trade Union Institute of the AFL-CIO has been doing in the labor area for years. Whether it has been Poland or El Salvador, the institute has been helping local working men and women form and develop free unions. The right of working people to organize is fundamental to a free society and can lead to the establishment of democratic institutions elsewhere in the society. Eliminating NED would undermine this proven and effective tool to promote democracy and respect for human rights.

Again, I urge the Senate to support full funding for the National Endowment for Democracy for fiscal year 1985.

Mr. DOMENICI. Mr. President, I support the Commerce, Justice, State, and the Judiciary appropriation bill as reported by the Senate Appropriations Committee.

H.R. 5712 provides $11.5 billion in budget authority and $9.6 billion in outlays for the activities of the Departments of Commerce, Justice, and State, the Judiciary, and related agencies.

With outlays from prior-year budget authority and adjustments to conform mandatory programs to the Senate-passed budget resolution, fiscal year 1985 outlays associated with this bill would be $11.8 billion.

The Senate Appropriations Committee has not yet made its 302(b) allocations to subcommittees under a first budget resolution.

When Appropriations Committee subcommittee allocations are available, I will insert into the RECORD tables comparing the spending in this bill to this subcommittee's allocation.

Nondefense discretionary spending in this bill is consistent with the guidance given to the subcommittee by the full Senate Appropriations Committee on June 14, 1984. Mr. President, I ask unanimous consent that a table showing this relationship be inserted into the RECORD at the conclusion of my remarks.

Any amendments adding spending to the bill could force the subcommittee to exceed the guidance level given to it by the full Appropriations Committee for nondefense discretionary spending. Therefore, I urge my colleagues to support the bill as reported.

Commerce, Justice, State, and the Judiciary Subcommittee nondefense discretionary budget authority

[In billions of dollars]

Fiscal year 1985	*Nondefense discretionary*
Senate-reported bill (H.R. 5712)	11.3
Subcommittee total	11.3
Committee guidance [1]	11.3
House-passed	11.2
President's request [2]	10.6
Subcommittee total compared to:	
Committee guidance [1]	......
House-passed	+.1
President's request [2]	+.7

[1] Non-defense discretionary cap guidance approved by the Appropriations Committee on June 14, 1984.

[2] No funding is included for the Legal Services Corporation or the Fisheries Loan Fund, as reflected in the President's January 1984 budget submission.

Mr. RUDMAN. Mr. President, I move adoption of the remaining committee amendments en bloc.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. RUDMAN. Mr. President, I know no further amendments. I ask for third reading and ask for the yeas and nays on final passage.

The **PRESIDING OFFICER.** Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BAKER. Mr. President, there will be no more record votes after this.

The Senate will convene tomorrow at 10 a.m.

The **PRESIDING OFFICER.** The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The **PRESIDING OFFICER.** The bill having been read the third time, the question is, Shall the bill pass? On this question, the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Tennessee [Mr. BAKER], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Idaho [Mr. MCCLURE] are necessarily absent.

Mr. BYRD. I announce that the Senator from California [Mr. CRANSTON], the Senator from Colorado [Mr. HART] and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The **PRESIDING OFFICER.** Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 79, nays 15—as follows:

[Rollcall Vote No. 188 Leg.]

YEAS—79

Abdnor
Andrews
Bentsen
Biden
Bingaman
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
East
Evans
Ford
Garn
Glenn
Gorton
Grassley
Hatch
Hatfield
Hawkins
Hecht
Heinz
Hollings
Huddleston
Inouye
Jepsen
Johnston
Kassebaum
Kasten
Kennedy
Lautenberg
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
Metzenbaum
Mitchell
Moynihan
Murkowski
Packwood
Pell
Percy
Pressler
Pryor
Quayle
Randolph
Riegle
Rudman
Sarbanes
Sasser
Simpson
Specter
Stafford
Stevens
Thurmond
Tower
Trible
Tsongas
Warner
Weicker
Wilson

NAYS—15

Armstrong
Baucus
Boren
Exon
Heflin
Helms
Humphrey
Melcher
Nickles
Nunn
Proxmire
Roth
Symms
Wallop
Zorinsky

NOT VOTING—6

Baker
Cranston
Goldwater
Hart
McClure
Stennis

So the bill (H.R. 5712), as amended was passed.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes of the two Houses and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer [Mr. COCHRAN] appointed Mr. Laxalt, Mr. Stevens, Mr. Weicker, Mr. Rudman, Mr. Hatfield, Mr. Specter, Mr. Hollings, Mr. Inouye, Mr. DeConcini, Mr. Bumpers, and Mr. Eagleton conferees on the part of the Senate.

Mr. RUDMAN. Mr. President, I will be very brief. I thank the members of the majority and minority staffs for all of their assistance in this bill. I thank the chairman for his great assistance to me as the acting chairman, to the chairman of the subcommittee, Senator Laxalt, and in particular, to the Democratic ranking member, Senator Hollings, who is really a pleasure and a joy to work with. I yield the floor.

Mr. HOLLINGS. Mr. President, I thank my distinguished colleague. It was really my privilege and pleasure. I commend Warren Kane, our staff director; Amy Bondurant; and Deborah Stirling. I also appreciate the help of the majority staff of Rick Spees, John Shank, Santal Manos and Kevin Berry.

Mr. HATFIELD. Mr. President, I should like to pay special tribute to the Senator from New Hampshire [Mr. Rudman]. In my view, Senator Rudman is a unique first-term Senator. He is unique in many ways, but particularly in the matter of the diligent work he has done in the committee framework of the Senate.

I know very few who have really put in such hours of work in the committee structure. I have a feeling at times that perhaps the character of the Senate has been changing, whereby people seem to feel that the work is really done on the floor, almost to the neglect of the responsibilities of the committee assignments.

I think Mr. Rudman is one of those very exceptional persons who recognize that the real heart of the Senate, in terms of labor and work, is in the committees. He has given that kind of service to the Appropriations Committee as a whole. He has attended the meetings. He has taken over the responsibilities as acting chairman of the subcommittee.

I think this is the first time he has handled a bill on the floor, and he has demonstrated his ability and devotion and his understanding of the operation of the Senate.

I want to pay him special tribute at this time and thank him for the stellar performance throughout the day, even though he misrepresented to us how long it would take—but it was not intentional.

Mr. RUDMAN. I thank the chairman for those most gracious comments.

Mr. BYRD. Mr. President, I rise to commend the distinguished Senators who handled the State-Justice-Commerce appropriations bill, Mr. Rudman and Mr. Hollings.

Mr. Rudman has conducted himself in this matter in a very fine way, and I want to endorse the statement that has been made by Mr. Hatfield, the chairman of the full committee, with respect to both managers.

Mr. Hollings has demonstrated his usual skill and his knowledge, which reflects the fact that he does his homework well and prepares well and is articulate. I compliment him.

LEGISLATIVE APPROPRIATIONS ACT, 1985—CONFERENCE REPORT

Mr. HATFIELD. Mr. President, I submit a report of the committee of conference on H.R. 5753 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5753) making appropriations for the Legislative Branch for the fiscal year ending September 30, 1985, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the Record of today, June 28, 1984.)

Mr. HATFIELD. Mr. President, the conference agreement on H.R. 5753 provides $1,551,015,038 for the legislative branch in fiscal year 1985. This is $46,410,962 below the President's request. It is $77,101,438 above the fiscal year 1984 amount enacted to date, a 5-percent increase. However, I want to emphasize to my colleagues that the Appropriations Committee is considering numerous fiscal year 1984 supplementals, and I expect that the eventual level for fiscal year 1984 will exceed the amounts provided in this bill for fiscal year 1985. And, I should point out to my colleagues that this bill has been reduced by $352,860 below the bill as passed by the Senate.

Mr. DOMENICI. Mr. President, I support the conference agreement on the fiscal year 1985 legislative branch appropriations bill.

The conference agreement provides $1.5 billion in budget authority and $1.4 billion in outlays for fiscal year 1985 for the operation of the Congress and its related agencies.

With outlays from prior-year budget authority and adjustments to conform mandatory programs to budget resolution assumptions, fiscal year 1985 outlays associated with this bill would be $1.6 billion.

The Senate Appropriations Committee has not yet made its 302(b) allocations to subcommittees under a first budget resolution.

When Appropriations Committee subcommittee allocations are available, I will insert into the Record tables comparing the spending in this conference agreement to this subcommittee's allocation.

Nondefense discretionary spending in this conference agreement is consistent with the guidance given to the subcommittee by the full Senate Appropriations Committee on June 14, 1984. Mr. President, I ask unanimous consent that a table showing this relationship be inserted into the Record at the conclusion of my remarks.

Mr. President, I commend the conferees for their work on this bill and I urge my colleagues to support this conference agreement.

There being no objection, the table was ordered to be printed in the Record, as follows:

Legislative Branch Subcommittee nondefense discretionary budget authority

[In billion of dollars]

Conference agreement (H.R. 5753)	0.7
Subcommittee total	0.7
Committee guidance[1]	0.7
Senate-passed	0.7
House-passed	0.6
President's request	0.7
Subcommittee total compared to:	
Committee guidance[1]	
Senate-passed	
House-passed	+(*)
President's request	−(*)

[1] Nondefense discretionary cap guidance approved by the Appropriations Committee on June 14, 1984.

Mr. HATFIELD. Mr. President, the Senator from Arkansas [Mr. Bumpers] has cleared this, as the ranking minority member of the subcommittee. I am offering this on behalf of Senator D'Amato, who is chairman of the subcommittee. On the floor at this time is the Senator from South Carolina [Mr. Hollings] who is acting on behalf of the minority leader in this matter, and I yield to him for any comments he wishes to make.

Mr. HOLLINGS. Mr. President, I thank the distinguished chairman of our committee.

The conference report is practically the bill we passed in the Senate. As the distinguished chairman has emphasized, it is $46 million below the request of the President.

I think the committee has done an exceptional job.

On behalf of Mr. Bumpers, who handled it for us on the minority side, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I compliment Mr. Hatfield, who is the chairman of the full committee. He and Mr. Hollings have squired the conference report through on the legislative appropriations bill, and he does preside over that committee with a high degree of efficiency and skill. He always demonstrates a great deal of patience and is very understanding with respect to the amendments that are offered by his colleagues on both sides.

Mr. HATFIELD. I thank the Senator.

ROUTINE MORNING BUSINESS

Mr. STEVENS. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

AURELIO PECCEI'S AGENDA FOR 6,000 DAYS

Mr. PELL. Mr. President, one of the great innovative thinkers of our age, Aurelio Peccei, distilled his thoughts into a notable paper which he completed less than 12 hours before he died last March 14 in Rome.

Aurelio Peccei had a very distinguished career and a very full life. He participated in the Italian resistance movement during World War II and was jailed by the Facist government. Subsequently, he became a successful business leader and executive with Fiat and other Italian companies.

More important, however, he was the founder of the Club of Rome, a group of 100 industrialists, scientists, economists, and civil servants from both sides of the Iron Curtain and from the Third World countries, who joined in a common concern for the depletion of world resources in the face of mounting population pressures. I am proud to be one of the American members of this unusual group.

The paper which Aurelio Peccei completed just before his death is in effect his testament to the Club of Rome and to the world. It is entitled "The Club of Rome: Agenda for the End of the Century." Characteristically, he measured out the challenge in terms of the 6,000 days that will pass between now and the year 2000.

I believe that Aurelio Peccei's ideas are so important and innovative that they should be shared with my colleagues. For that reason I ask unanimous consent that his agenda for the next 6,000 days be inserted in the Record.

There being no objection, the agenda was ordered to be printed in the Record, as follows:

The Club of Rome Agenda for the End of the Century

1. Less than 6,000 days separate us from the year 2000, which represents not only the end of a century that has seen extraordinary scientific, technological, economic, social, political and military developments, but also the end of a millennium during which humankind emerged from the Dark Ages, set its domain all over the world and its skies, and became the basic factor of change in this corner of the Universe.

What will happen in these 6,000 days will depend almost exclusively on what humans will do, and on how and when they will do it, and is likely to modify their condition more radically than anything which occurred at any previous time. Momentous events and decisions are in fact maturing which are bound to change the course of human history.

Although the future cannot be prophesied, it is logical to expect that during these 6,000 days:

A supplementary population, almost as large as that which had accumulated during all the preceding ages up to the beginning of this century, will be added to the present one and must be accommodated on Earth by the year 2000, while at the same time provisions must be made for settling many more people later on.

The already strained relations between our species and its natural environment will continue to deteriorate and the situation must be drastically redressed before it reaches irreversible breakdown.

Human society will grow increasingly in size, intricacy and internal connections, so that, although highly diversified, it will in reality become a tightly-woven, integrated and interdependent system spanning the entire world, requiring altogether new political philosophies, new institutions and new methods of global governance.

New high technologies will be developed in such fields as microelectronics, genetic engineering, space, ocean deeps and materials, giving humankind even more overweening power to be used for good or ill, and which will thus have a beneficial or a deleterious impact depending on whether or not human development manages to keep pace.

Fateful decisions will be made on whether to continue or to stop the arms race, and thus the build-up of nuclear warheads will either grow until these weapons will practically start firing by themselves or else they will be coccooned and dismantled and the presently rampant culture of violence will begin to give way to a new culture of nonviolence.

In the light of all these probable evolutions, it is perhaps not beyond reason to affirm that a whole era is now on the wane and a new one is dawning, confronting humankind with a new set of extreme alternatives. These can be cataclysmic if we who live at these hinges of history are unprepared for the change, or rewarding beyond imagination if we understand the mutating realities and face up to them as the responsible protagonists of this novel phase in the human venture.

2. To be true to its vocation of trying to perceive what it takes for our generations to respond adequately to the challenges and opportunities of this age of great transitions, The Club of Rome should, in my view, focus essentially on the crucial issues which are emerging and will affect the future of all peoples and nations.

To do this, we must attempt to envision the overall human condition in an epochal perspective. The fact that noboby else has essayed to do this till now should not deter us, nor should the realization of the immensity and complexity of the facets and problems to be considered, even if we are just to explore them superficially or analyze only some of their main aspects.

However empirical and tentative, an assessment of these issues has become indispensable if we want to prepare for a future which promises to be completely different from anything we have experienced, and try to make it worth living. This is why I am convinced that, even though the odds are great, The Club of Rome should do its best to bring these major issues dramatically to the attention of the public at large and, of course, of scholars, religious leaders and decision makers too. Only if all these sectors are sensitized to the obligation to devote all our capacities to confront the unprecedented perils and chances they embody, can our generations adequately play their role as worthy heirs of our forebears and responsible progenitors of future generations.

The Club of Rome and its regional or national associations have a number of other enquiries or projects under way or under consideration. Some of these touch upon these great issues only indirectly or are devoted entirely to other fields, such as global poverty, complexity, the enterprise in flux, micro-projects, bioengineering and society, and alternative futures (Forum Humanum—FH). All should of course be continued both for their own merits and because they may provide a valuable background for the study of the main global issues.

3. The analysis of these global issues should not be considered just as an exercise in theoretical speculation. It must have the positive connotation of a search and research on what humankind should accomplish during these 6,000 days to prepare and meet with reasonably good chances the extraordinary challenge of the new era. I would label as 'missions' that great enterprises of global scope our generations must set to themselves in order to survive the shocks, threats and constraints of the future and at the same time take advantage of the openings it presents for them to reach an unprecedented level of human fulfilment and quality of life.

Put in this way, the objectives of these missions should be recognized to be in everybody's interest, while no peoples or nations have enough power to attain them alone, or to make them unduly serve their specific goals to the detriment of the others'. All human groups therefore should be ready in principle to consider these missions and their objectives as matters for wide-based cooperation.

I will now briefly deal with five of the key missions which the human community should undertake before the end of the century, indicating also a few of the ideas which I feel are representative of the thinking which should guide them. Although it is a truism, let me affirm first that this new phase of human history is predicated on the assumption that it will not be preempted by a nuclear war. For this, the world must rely on the restraint and wisdom of the two superpowers, which may seem to be asking too much, since it is their power politics that have brought humankind to this extreme predicament, while a tragic human mistake or rash of folly, or an electronic circuit failure could well trigger off a holocaust. Such a drastic finish to our career looks anyway so unearthly that I propose that we discard it in our reasoning.

Let me recall that some 15 years ago the concept of 'limits to growth', unpopular as it was in that period of euphoria, was undauntedly advanced by The Club of Rome as a warning against the self-complacency of industrial society. Today, in a much more critical world situation, The Club of Rome should not waver over taking an equally determined stand, this time to shake society out of its inertia and resigned acceptance of things as they are. Under the present circumstances, the fundamental concept to be fostered is that it is fully within our powers to reverse the current negative trends and set humankind on the ascent again. To do this is indeed our bounden duty, and we must brace up to accomplish it, while not to do it would render us wholly guilty because it would be tantamount to giving free sway to the worst alternatives of our future.

Now, I would like to submit that the essential role. The Club of Rome should try to play in the crucial period ahead should be that of contributing in all possible ways to the renaissance of the human spirit and the redress of human fortunes in a sane society; and that it should focus on the five following great issues I consider among the most decisive for the human future.

Human Settlements.—To settle and provide a decent standard of living for the additional population expected on Earth without disrupting the environment irremediably is probably the largest real problem facing humankind during the next few decades. Here are some aspects of the problem:

From the dawn of time till the year 1900, human population grew slowly to reach a total of 1.6 billion. Then it quickly jumped to 4.7 billion by 1983. This unexpected exponential growth caught the world unprepared, so much so that almost one fourth of the total population has to live near or below the poverty line, which is morally and politically intolerable.

By the year 2000, a supplementary population of 1.5 billion is expected, while still another 1.5 billion will probably be added in the subsequent 20 years. Then the population will apparently continue to increase, but projections are not very reliable.

These new waves of people are not going to accept a life of destitution. Yet the problem is that they must be settled in practically the same areas as those already occupied by the present population, since lands fit for human permanent habitation are limited and represent probably the most finite of our finite natural resources. Altogether, what may be considered as the "human habitat" is only about one quarter of the Earth's ice-free land surface.

Moreover, these same areas also contain the bulk of the agricultural soils, which should never be sacrificed, no matter how pressing the demand for space for other uses. Soil is our crucial life-support system, and must be protected at all costs against any kind of erosion, because when soil is lost it is practically lost forever. Suffice it to recall that, even with the best protection of a well balanced plant cover, Nature takes from 100 to 400 years or more to generate 1 cm of topsoil.

The rest of the planet too is indispensable for our existence, of course. The outlying masses, the seas and the oceans, the atmosphere and some superficial layers of the Earth crust are essential as providers of life-support and resources. But they cannot be the permanent home of man.

The only possibility of accommodating in a fairly orderly way the six, seven or more billion who will soon have to share the Earth, and of doing this while maintaining in a passably good state the natural environment they and their successors will need for all the time to come, is to prepare in advance some kind of overall 'master plan' of global land occupancy.

It is true that, since rather less than 10% of the new population will be born in the present developed countries, the question more directly concerns the Third World and especially some of the high population growth countries. But it is no less true that the entire world system may be disrupted if a substantial part of it is thrown into chaos by unsettled overpopulation.

This is why I have proposed a broad-line feasibility study of integral land use, management and conservation, region by region, for the world as a whole. Of course in such a study land must be considered with all its natural characters and appurtenances, such as the nature of the soil, water, climate and biophysical resources, as well as the human population and its artifacts.

A land use plan, however, is not enough. Actually, to install these additional populations decently, what may be called a fully equipped 'second world' is needed. The physical infrastructure alone of this second world will require construction work comparable to that which humankind has carried out in the last 1000 years. Just up to the year 2000, housing and facilities must be built for 15,000 cities each with a population of 100,000 (or 1.5 million villages with 1000 people), to say nothing of the need to upgrade the wretched dwellings which today are the abode of the most destitute of our fellow humans.

An immense corollary problem is that all these people must then earn their living. it is estimated that before the end of the century upwards of a billion new jobs must be created or equivalent occupations found for a swelling workforce which will crowd the cities and the countryside, again mostly in the Third World.

These few observations are sufficient to outline the complexity and colossal dimensions of the tasks incumbent upon our generations; they may also suggest the amount of human suffering and the explosion of rebellion and pent-up violence which may be the consequence of not making timely provision for adequately accommodating the burgeoning human population. Though the problem is rooted essentially in the poor countries, it cannot be attacked adequately if policies, strategies and means are not prepared in advance with the long-term, planned financial and organization support of the whole world community. And in turn this will require an uncommon sense of brotherhood and entirely new measures of global solidarity and an enlighted vision of self-interest consonant with this day and age.

Conservation of Nature.—Strictly connected with the preceding problem is the greatest danger for humankind, namely that, growing in numbers, power and appetite, our species will tend to live beyond the means offered by the global context of this small Earth of ours. This is something that is already occurring in some sectors and regions even today. The danger does not lie so much in the field of inanimate resources, because the Earth's crust after all is so thick that it can satisfy increasing human demands one way or another; though some shortages may be experienced in certain resources, substitutive materials and new energy sources can probably provide alternative solutions. Quite different, however, is the situation in the more vital realm of the life-support capacity of the world's ecosystems considered in their totality, both inside and outside what I call the human habitat. The state of the planet under these aspects is very little known; and the time has come to assess it with the utmost care before it is too late.

The all-important place in the Universe is our biosphere, formed by the thin mantle of soil, air and water on the Earth's surface, because it is there where life, as we know it, exists. The human species is part and parcel of the pool of life which thrives there and so it should endeavour to keep it as healthy as possible.

The biosphere had evolved for several billion years before homo sapiens appeared in its midst about one million years ago and then spread and imposed his presence and his mode of life over all other species.

Pursuing his ends, humankind has increasingly transformed the natural environment, making many parts of it well suited for its evolving living styles, but at the same time displacing or eliminating plants and animals often so recklessly as to lay waste other areas once prosperous and now no longer productive or inhabitable.

The result is that nowadays the texture of wildlife on the planet is seriously degraded, and this already affects our life too. We are confronted with a quite dismaying picture: wilderness, the treasure chest of Nature, disappearing; deserts advancing; tropical forests in rapid decimation; boreal forests poisoned by air pollution and acid rains; coastal zones and estuaries ruined; vast numbers of animal and plant species in course of extinction, with even more massive hecatombs in sight; waters, soils and the very air we breathe contaminated with the dust, litter and chemicals of our civilization which change their character; natural cycles, climate and the ozone layer tampered with often irreversibly.

Even the strategic biological systems on which humankind so heavily depends for its daily life are under stress; croplands are overharvested, pasturelands overgrazed and oceans overfished. Yet, the number of people who are hungry or malnourished is even larger than in the past; and human demands are steadily soaring. It is expected that the present generations will consume more natural resources during their lifetime than all past generations put together, and that henceforth consumption will increase even more quickly than population.

As an example, food, the primary commodity, is a matter of concern for all the foreseeable future. The existence of a much vaunted theoretical world food potential which is still certainly fairly high, can provide us with little solace in the face of these trends and the disorder of the world markets, not least because of the very serious phenomenon of topsoil erosion caused by our malpractices both where traditional farming prevails and where modern agriculture has been adopted. While no reliable world estimate of the total loss of food productivity due to soil erosion has been made, the figures available give rise to much concern.

Besides food, the production of foodstuffs, firewood, fiber and other plant and animal products also causes great worries since they are probably heading for an irreversible decline.

Food security and the availability of these other natural wherewithals for human life, so important in themselves, are doubly important because they are also indispensable ingredients of peace. So, even if their deficit is rooted essentially in the less developed regions, the associated difficulties are bound to have an effect on the entire world system.

Man however is related with Nature in thousands of other ways. He is in fact even more intimately integrated in and more fundamentally dependent on the world of life than may be suggested by any single comparison with the economics of what we call 'resources'. His psycho-physical existence is the product of myriad interchanges and osmosis with the rest of life. He should therefore abstain from doing anything which may weaken or modify the world biomass and its habitat. He must be quite sure that any changes resulting from his action do not adversely affect the regenerative capacity of Nature or impair his own balance therewith. More than that, he should engage in a systematic campaign to mitigate at least part of the damage he has inflicted on his natural environment during the past.

Long-term Nature conservation plans and strategies are thus becoming imperative not only to let humankind obtain and retain the living resources it needs, but also to keep the planet healthy over the years as an obligation towards future generations. The objectives are many in number, for instance: the survival of nonhuman species and protection of ecosystems even when they are not of immediate interest; the safeguarding of marginal ecological processes and life-support systems; and the preservation of the genetic diversity of the biomass which is an expression of the Earth's evolutionary capacity that, among other things, has produced our species and which we may well need again tomorrow.

The establishment of harmony between man and Nature not only responds to considerations of immediate interest and those regarding the existence of humankind in the foreseeable future; it is also a profound cultural value because homo sapiens cannot consider himself as the absolute master of the planet or live here in splendid isolation, and he cannot disinterest himself in the world of life without losing part of his own humanity which throughout the centuries has been nurtured by imageries, fables, myths, poetry and songs inspired by the other forms of life.

Harmony is indispensable too, not least because of the great overhanging danger that, in a not so distant future, when humankind may have built its splendorous technological world and solved all its major economic, political, military and social problems, it will discover to its horror that in the process it has reduced the Earth to such a state that it is no longer capable biologically of supporting our formidable but improvident species. Therefore, the 'carrying capacity' studies started in various places should be stepped up, and must be expanded to embrace all regions and coordinated at the world level.

Governance of the System.—The greatest obstacle to embarking on the weighty missions humankind is called upon to perform in this period is the absolute ungovernability of society, as presently organized. In these circumstances, no great enterprise of global scope has the slightest chance of being carried out, or even designed, however essential it may be. Despite the system-like nature of humankind's global body, no political philosophy or institutions have been evolved to ensure its governance. Human development has indeed been bewildering in its accumulation of scientified knowledge, technological proficiency and industrial efficiency, even though these are matters that often proceed more or less anarchically, deepening the divisions among the different societies; but this 'progress' has not been matched by a parallel development in social and political inventiveness, creativity and performance. This mismatch and imbalance between man the inventor and man the administrator begin within the human being himself and spread to all levels of aggregation, creating societies which are thus incapable of effectively and rationally devising ways of controlling, harmonizing and directing to useful ends the immense means, knowledge and experience they collectively possess, with the result that the entire world remains in a state of disorder, instability and unruliness.

One of the major reasons why the human system remains utterly ungovernable is at present East-West rivalry and tensions and North-South assymetry and gaps.

The system is anyhow almost ungovernable because of the fragmentation of the human community into some 160 states—big and small, old and new, powerful and weak, but all 'sovereign', namely self-righteous and self-concerned.

Functionally, therefore, today's teeming and powerful human community limps ahead as an aggregation of disparate subsystems each trying to go its own way and each defending its own interests independently one from another, except when some of them form groups to oppose other groups.

Then there is the fact that the levels of development of all these states are so wide apart that, even if they wanted to find common ground for cooperation, they would have great difficulties in so doing.

Yet, as the global system becomes ever more inter-knit by cross-boundary trade and investment, by communication and transport networks, by tourism, by the worlds of sport, music and entertainment, and not least by atmospheric and oceanic pollution and by the threats deriving from the military build-ups, all its parts are inextricably drawn together willy-nilly into a heterogeneous but unified pool in which all of them are affected by what happens to the others, and so all will have a common destiny.

Therefore, for better or for worse, overall development of the total system, and hence of all its parts, must be a matter of concern for every human group, whatever its present condition; and in the same way, as democracy, participation and the civic virtues of mutual respect and solidarity make for the strength of individual societies, the corresponding attitudes must be evolved in the international scene if the whole of the world is not to collapse one day or another.

The time when each nation could try to afford to go it alone, heedless of the others, will soon be over. Even small or weak human groups will be able to destabilize the entire system and therefore they must be given a hearing and to an increasing extent be given satisfaction. Thus, in everybody's self-interest, the sphere of active solidarity must be expanded from the national to the regional and the global realm, and ways and means found to translate this new posture into institutions, policies and strategies.

The first move will probably have to be made by East and West. When they finally come to perceive that their armaments and scheming are cancelling each other out, they will be automatically induced to try to find ways of combining their power and capacity to steer the world in directions agreeable to them. This will be a great step foward, but only a step, because soon after they will discover also that the best way to fare ahead is not to try to impose their will, but to join with others too because only through the creative and responsible participation of all human groups can the state of both the planet and humankind really be improved.

For all this to happen, as I will explain in a moment, the triggering device cannot but be a profound cultural evolution that the COR should show the way in promoting. It will have to face all kinds of difficulties and pitfalls, but as this is the right way, it will be helped in this by the force of things characterizing the new age.

Human development.—The most valuable assets humankind can count on to ensure the cultural, political and spiritual evolution required to stop its decline and prepare for the future are to be found in the still untapped resources of comprehension, vision and creativity as well as in the moral energies which are inherent in every human being as a part of his or her genetic endowment.

These resources can and must be developed as an indispensable precondition to make tomorrow's world livable, and to ensure that there will in fact be a future for humankind. This is a new mission that humanity must set itself—a mission that will have no end. Its rationale is simple and complicated at the same time.

The extraordinarily great progress made by our techno-scientific and industrial capacity has given us the knowledge and means to change practically everything on Earth more or less beyond recognition, but it has not given us a clear vision of what we are doing, nor the wisdom to do it exclusively for the betterment of self and environment.

Not understanding the import and impact of the mutations we bring about, we are increasingly lagging behind and at odds with the fast-changing real world. Now, with the advent of even higher technologies and the spread of industrial, superindustrial and postindustrial civilization, there is the risk of incongruities growing still further. People at large will find it difficult to adapt to things ever more artificial, whose logic and even language are so alien to human tradition that only a small 'elite' is likely to find itself at ease with them.

Progress, as it is now understood, certainly cannot be stopped. Therefore, humankind's only recourse is to enhance the quality and qualities of its members all over the world so that, by learning how to ride the technological tigers they have unleashed, humans and not machines will be tomorrow's protagonists.

Fortunately, as now widely recognized, the normal human being, even when living in deprivation and obscurity, is endowed with an innate brain capacity and a learning ability that can be stimulated and enhanced far beyond the current relatively modest world average level of utilization.

A movement which is still incipient was started by a COR-sponsored project called 'Learning'. This shows that people at large have the capability of vastly improving their understanding of reality and their performance. Indeed, their potential is humankind's greatest resource—and one which is not only renewable but also expandable and ubiquitous.

Many more reasons than those emerging from what has already been said make this human development most urgent. One reason is the radical change likely to occur in the relations between man and his work. As as consequence of rapidly progressing automation, robotization, informatics and telematics, there is the danger in the developed countries too of sudden, unchecked mass structural unemployment that will affect particularly the young. The social impact will be enormous, unfathomable. The work ethics, the lofty place traditionally attributed to work in man's life and even the Marxist concept of the class structure of society will all be revolutionized.

A few figures are sufficient to illustrate the situation a-building. The average life expectancy in developing countries is upwards of 70 years, or 600,000 hours, of which two-thirds may be supposed to be absorbed by physiological requirements (growing, sleeping, resting, eating, etc.). This leaves about 200,000 hours available for the 'cultural activities' which distinguish man from animal; and, as the average work hours during a lifetime will soon be reduced to 40/50,000 (or less), the nonwork hours available for other activities will greatly outnumber the work hours. This 'free' time may weigh on society as a curse, or become the magic key to its self-realization; but to pursue the second alternative, 'human development' is indispensable, while society itself must profoundly change some of its basic tenets, including probably profit as the mainstay of its system of reward.

Another reason why human development is so imperative is that, to get out of its predicament, humankind must realise where it is at present, where it is going and where it could go instead. The study of the options open to us for 'desirable' alternative futures, rather than the sombre one towards which we are rushing, is the objective of the Forum Humanum project, which represents just a first tentative step in this direction. In this time of accelerating events and extreme alternatives, however, a sense of direction and a high degree of concern for the long-term future must become standard features of a culture of survival and progress accepted by the majority of the world population.

Nonviolent Society.—As already mentioned, a premise of future-oriented thinking is quite evidently the absence of a nuclear holocaust. This is a necessary but not entirely sufficient condition to bridge this transition period. To ensure the long-term development of the mighty humankind which will live in the new era, it is necessary to banish altogether war and with it military and nonmilitary violence from the parameters of its evolution and culture.

The primary mutation needed in our traditional outlook and values is that of freeing ourselves and our societies from the 'complex of violence' we inherited from our ancestors. For them, recourse to violent means was natural because, weaker than other creatures and still scantily endowed with experience and tools, they had to be permanently on the alert and the defensive.

This is why violence is, though wrongly, considered part of the human nature still now, when the concept of nonviolence must instead become one of our basic cultural values. I submit that this reality is progressively recognised, and that violence, erstwhile means of the survival or ascent, is seen now as the main cause of our doom. Violence and its ideology of whatever sort are in fact remnants of a past which is no more, cultural derangements and social pathologies as incompatible with the new era as slavery or human sacrifices would be for today's society.

Peace is the primary factor in any question in which development, quality of life and self-realization are the objectives to be pursued. And peace is to be understood in its universal depth and breadth of nonviolence not only at all levels and sectors of human society, but also in the relationships between human society and Nature.

AURELIO PECCEI.

NOTE.—Aurelio Peccei dictated the last part of this 'Agenda' less than 12 hours before passing away on 14 March. The document is, unfortunately, unfinished, and he did not see this typed version.

ANNA PIGNOCCHI.

RETIREMENT OF DR. JOSEPH CANNON

Mr. PELL. Mr. President, I wish to take note of the end of a very special era in my home State of Rhode Island. On June 27, 1984, Dr. Joseph E. Cannon retired as director of the Rhode Island Department of Health, ending a truly remarkable 23-year tenure as the State's chief health officer.

During those 23 years, Dr. Cannon provided the innovative leadership and the administrative and political skills that produced a sweeping transformation and modernization of public health services in Rhode Island. He was responsible for transforming a fragmented system of town and city public health services into a cohesive and highly effective statewide public health system.

As a strong advocate of preventive health measures, Dr. Cannon was among the first in the Nation to recognize the promise of health maintenance organizations, and played a major role in the formal acceptance and establishment of highly successful health maintenance organizations in the State. He also played a major role in the establishment of the first medical school in the State of Rhode Island, at Brown University.

Through the years I have had the pleasure of working closely with Dr. Cannon on these projects and on many other health policy matters in which coordination of Federal policy and State programs was essential. Dr. Cannon is my friend, and I have both benefited from his wise counsel through the years, and enjoyed his charm and his quick wit.

And, most importantly, all Rhode Islanders today enjoy the benefits of a highly professional and effective public health system, and a much improved system for the delivery of health services because of leadership and his work.

I ask unanimous consent that an excellent article from the Providence Evening Bulletin of June 27, 1984, on the career and accomplishments of Dr. Cannon be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STATE OF GOOD HEALTH—DR. JOSEPH CANNON CLOSES NOTED ERA OF PUBLIC SERVICE

(By Irene Wielawski)

PROVIDENCE.—In a state known for contentious politics and beleaguered department heads, Joe Cannon lasted 23 years.

Through five governors, Democrats and Republicans.

Through the mass immunizations of the 1960s. Through controversies surrounding the movement of the mentally handicapped from institutions to group homes. And through recent storms over controlling the cost of health care.

He took a department staffed by doctors interested in public health as a hobby and turned it into a multi-faceted professional operation known nationally for innovation.

And he did it with wit, empathy, intelligence, dazzling charm—and an iron fist.

Dr. Joseph Edward Cannon, 73, today formally relinquishes the directorship of the Rhode Island Department of Health to Dr. H. Denman Scott, a man he hand picked and groomed for the job.

"Change-of-command ceremonies" are planned this afternoon in front of the Health Department's Davis Street headquarters—a four-story, white concrete building whose construction in 1971 was half financed by the federal government, thanks to some classic Cannon legerdemain. The building, not surprisingly, bears his name.

I'm just so damned happy that Denny's succeeding me," the slim, dapper Cannon declared last week. "He's not going to be a cheap political appointment, and I never was either."

Cannon certainly wasn't.

He refused several attempts by Gov. Dennis J. Roberts to lure him from the Colorado Department of Public Health, where he was happily ensconced as deputy director.

"The salary was lousy and there was no tenure. Who's going to take the job without tenure?" Cannon said.

When he finally was convinced by Gov. John Notte in 1961, it was with the promise of a five-year contract, that governor after governor renewed though Cannon offered his resignation to every one.

Cannon brought to his home state a management style honed over nine years in the Army Medical Corps, and knowledge documented by degrees from Brown University, Tufts Medical School and the Harvard School of Public Health.

He was known to run a lean, hard-working department that was not friendly to patronage overtures, but he knew how and when to be flexible.

"Of course I got requests to put people in jobs," Cannon said. "We take them on occasion but with the understanding that they work and produce or they're out!"

He insisted on the final word in all matters pertaining to the public health, moving early in his tenure to abolish the state's unwieldy system of city and town health boards in order to consolidate and standardize their services under one statewide department.

The result was improved health care for people throughout the state and a department able to pinpoint and send help to needy areas—say a neighborhood with a high rate of infant mortality.

But Cannon's reluctance to share his authority did not always bring credit to the department.

He fought unsuccessfully in 1981 for budgetary authority over the medical examiner's office. He also wanted the power to hire and fire the state medical examiner, a move bitterly opposed by an equally feisty Dr. William Q. Sturner, who insisted on autonomy for his office.

In a compromise that was reached quietly this year, Cannon won the budgetary control but Sturner's office otherwise remained independent. The lasting impression is of a power struggle that had less to do with public health than with bad blood between the two men.

However imperious he appeared to outsiders, many inside the Health Department saw Cannon as a general who gave his troops broad responsibilities and who would do battle to defend their projects and the department's overall quality.

During Cannon's stewardship, the Health Department became known for attracting and retaining some of the brightest minds in state government.

"The exciting thing about working in this department is that you can conceive of an idea and follow it through to seeing it work . . . unless you screwed up, of course," said John T. Tierney, who joined the department a year after Cannon took over and today is deputy director.

"People had a respect for the guy that bordered on awe," recalled Michael Stanton, an editor at the Detroit Free Press who observed Cannon during four years as press secretary to Gov. Philip Noel and again during a brief stint in 1976 as the Health Department's health education director.

Tenacity saw Cannon through many of the early battles. He also had an ability to get along with many kinds of people, something Cannon attributed to growing up in Province's ethnically diverse Mount Pleasant neighborhood.

Cannon was helped by his reputation as a determined and successful advocate.

An example involved the Health Department's mass innoculation programs in the 1960s.

Cannon wanted to vaccinate everyone in the state against polio. His goal was to prevent what occurred in Rhode Island during the summer of 1960, when more than 100 people were stricken with the crippling disease despite the availability of polio vaccine since 1955.

He sought the help of the state medical society, but was rebuffed by doctors who believed immunization was best accomplished through their private practices.

"We did it anyway, without their help," Cannon said. Rhode Island has never seen another case of polio.

And in similar immunization programs against measles in 1968 and rubella in 1969, Cannon had no trouble getting doctors to help.

Such efforts helped establish the Health Department's reputation as a national leader in preventive medicine.

Long before it was fashionable, Cannon was urging Rhode Islanders to use seatbelts and work on their cardio-vascular fitness.

One of his most famous quotations is framed in the lobby of the Cannon Building: "If Rhode Islanders quit smoking, reduced alcohol consumption, lost weight, watched their diet, wore seatbelts, relaxed and exercised, we would be a healthier state than if we doubled our annual health expenditure, added 500 new doctors, or 1,000 additional hospital beds," he said in a speech in 1976.

Which is not to say he always practiced what he preached.

Two journalists read the quotation one November day in 1979 on their way to interview Cannon for a newspaper article.

A few minutes later, they sat across from the doctor, astonished to see him chain smoking. When they reminded him of his public stance, he answered with just about every excuse smokers have used to avoid quitting. The speech was so persuasive that the journalists ended by bumming some of Cannon's cigarettes and puffing their way through the interview.

(Cannon finally quit smoking two years ago and Governor Garrahy takes some credit for nagging him into doing so).

Persuasiveness and a common touch stood him well at the Rhode Island General Assembly, where Cannon was successful in winning support for Health Department objectives.

He is said to have wheeled and dealed as well as anyone who ever occupied the speaker's chair. "He knew where the bodies were buried up there, so to speak," said one longtime Cannon-watcher.

Two of Cannon's bosses, former Governor Frank Licht and Governor Garrahy, put it more delicately.

"Dr. Cannon has a very finely honed political sense and knows how to be an advocate for the bills he wants and how to prevent those that he does not like from being passed," Licht said.

Said Garrahy: "He understood the political process very well. Just the fact that he has been here for 25 years can attest to that."

Cannon did not hesitate to challenge established ways of thinking or entrenched practices if it meant improving the access and quality of medical care for the average Rhode Islander.

He helped the Rhode Island Group Health Association get started in 1972, and was talking up the idea years before that.

"In those times, you had to meet under the Red Bridge behind a tree. Health maintenance organizations were considered a form of communism," said Deputy Director Tierney.

Cannon helped set up the Rhode Island Renal Institute, so that people with kidney disease would have an alternative to for-profit dialysis centers. He pushed for the Child Development Center at Rhode Island Hospital to improve the treatment of mentally and physically handicapped children. He was a driving force behind the establishment of the medical school at Brown University.

In his first year as director Cannon persuaded the national Centers for Disease Control to let Rhode Island borrow epidemiologists for two-year stints. The program, which continues today, brought several doctors who chose to stay in Rhode Island, among them Cannon's successor, Denny Scott.

Dr. Scott, 45, is among those Cannon proudly refers to as his "bright young kids." He credits them with the ideas that have enabled the department to plan for the state's long-term medical needs while keeping a lid on unnecessary spending.

"I have no brains, never had any," Cannon said with a grin. "But I've got kids with brains."

To create a supportive environment for those brains. Cannon put in long hours, even on weekends.

He habitually rose at 6 a.m. and rarely went to sleep before midnight. He was on call to his staff 24 hours a day. His wife of three years, Mary Ellen McCabe, might have felt left out were it not for the job she has held since 1978 as the Health Department's legal counsel.

Cannon's first wife, Mary Louise (Greenagle) Cannon, died on her birthday, April 29, 1977. He has two sons, David A. Cannon, a lawyer in Providence, and Joseph F. Cannon, a hospital administrator in New Haven.

His marriage to McCabe in 1981 was a source of much gossip because of a 30-year discrepancy in their ages, but these days all anyone talks about is how happy they look together.

"We are very happy, extremely happy," Cannon said, and looks forward to travelling when McCabe can take time away from her job. He also plans to read a lot.

Other than that, he is not sure what he'll do when he clears out his memorabilia-filled office in the Cannon building.

Cannon had a simple explanation for why he stayed long after the usual retirement age in a hotseat job that by national statistics wears out its occupants every three years, where the phone rings every time tap water runs brown or a schoolchild sports a weird rash or the price of a local hospital bed jumps $30.

"I think you do it because you want to see something done," said Cannon. "Now it's time for a different breed of guy."

RISD Museum Gets Grant

The Museum of Art at the Rhode Island School of Design has been granted $50,000 by the federal Institute of Museum Services to help out with basic operating costs and educational programs.

The grant was part of more than $117,000 in IMS grants to six Rhode Island museums announced simultaneously yesterday by Senators John H. Chafee and Claiborne Pell. Pell was the author of the legislation that established the IMS within the National Foundation on the Arts and Humanities in 1976.

The other grants went to the Slater Mill Historic Site in Pawtucket, $14,568; Haffenreffer Museum of Anthropology in Bristol, $14,124; Children's Museum of Rhode Island in Pawtucket, $13,527; Rhode Island Black Heritage Society in Providence, $13,029, and the Newport Historical Society, $12,500.

EDWIN C. BROWN

Mr. PELL. Mr. President, at the end of this month one of the preeminent leaders of organized labor in my State will step from center stage into retirement.

Edwin C. Brown, who for 33 years has served as secretary-treasurer of the Rhode Island American Federation of Labor and, more recently, of the merged Rhode Island AFL-CIO, will be sorely missed by the thousands of Rhode Islanders who knew him and who have benefitted from his tireless efforts on behalf of working men and women and their families.

Actually, retirement may be too strong a word. As his friend and admirer, I cannot imagine Ed Brown will ever be on the sidelines when there are issues to be debated or causes to be fought for.

My colleague, Gov. J. Joseph Garrahy, has said it best: "He's one of those people who you hope would never leave the scene."

Ed Brown has long been one of organized labor's most articulate, effective and thoughtful leaders in Rhode Island. He has been its chief strategist, its most committed and effective legislative lobbyist and its leading theoretician. He has been instrumental in the enactment of virtually every significant State law affecting working men and women. There has been no debate nor battle over issues of concern to workers in which Ed Brown has not been a central figure.

But his dedication to these causes has not been limited to union members or even to working men and women. His compassion and dedication extend to each and every citizen of the State.

One of his greatest achievements has been the success of the Rhode Island Group Health Association, an innovative health maintenance organization which since June 1971, has been providing high quality, prepaid health care to thousands of Rhode Islanders.

The Rhode Island Group Health Association, known as RIGHA, was conceived by Rhode Island AFL-CIO in the 1960's and Ed Brown, in partnership with the late Thomas Policastro, then president of the Rhode Island AFL-CIO, were truly the fathers of his hugely successful experiment.

I know from personal experience the time, the effort, the commitment that Ed Brown brought to RIGHA's creation and its subsequent management. There is no question that without the vision, the dedication and the hard work of Ed Brown and Tom Policastro, this vital health care service would not exist in Rhode Island.

I am proud to call Ed Brown a good friend. He is a giant in the modern history of Rhode Island and his compassion and concern for the health and welfare of her citizens has touched the lives of virtually every one of them. My wife and I extend our best wishes to Ed Brown and his beloved wife, Clara, on their well-earned retirement.

Mr. President, the Providence Journal recently published an article about Mr. Brown and his coming retirement. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RHODE ISLAND'S MR. LABOR, EDWIN C. BROWN, WILL RETIRE IN JUNE

(By Russell Garland)

PROVIDENCE.—Edwin C. Brown will retire as secretary-treasurer of the state AFL-CIO this summer, ending a career in the labor movement that has spanned half a century.

"It's just that I've reached the point where I think I ought to get out," said Brown, 74. He wants to devote time to researching state labor history and to his golf game.

In 1951, Brown was named secretary-treasurer of the state branch of the American Federation of Labor, which became the state AFL-CIO in 1958 when the two labor organizations merged. He told union leaders in a letter last week that he will step down when accountants complete their annual audit of union books at the end of June.

Brown wrote that he would leave office "with the satisfaction and feeling of pride" that the accomplishments during his tenure "have been beneficial to the working population."

Governor Garrahy yesterday called Brown the "backbone of the labor movement in Rhode Island. He's one of those people who you hope would never leave the scene."

For years, Brown has been a familiar figure at the State House, lobbying for union legislation. This year, he relinquished to George Nee much of that task.

Nee, 34, previously an independent labor organizer in the state, was hired last year, becoming the third full-time employee of the state organization. The other besides Brown is veteran office manager Vilma Mascarelli.

The state AFL-CIO is an umbrella organization representing most unions in Rhode Island. It has between 65,000 and 75,000 members

Brown's wife, Clara, who has assisted him as a volunteer at AFL-CIO Headquarters on Jefferson Street, a block from the State House, said she is unsure whether she will continue.

"There's so much I want to do, too," she said yesterday at her desk next to her husband's.

Edward J. McElroy, AFL-CIO president, will fill in for Brown until a successor is chosen by the executive board. Brown's two-year term ends next year.

"Ed hasn't just been an officer of the AFL-CIO," said McElroy. "He's been much more than that. He's meant a lot to the community and to everyone who's come in contact with him.

"Everybody in the labor movement certainly owes him a great debt."

Active in state politics, Brown was secretary of U.S. Rep. John E. Fogarty's election campaigns and considered running for Congress himself when Fogarty died in 1976.

He was on the old state Board of Education, an appointee of four governors—two Democrats and two Republicans. He is one of three labor representatives on the Strategic Development Commission, which developed the Greenhouse Compact.

Concerned about health care for workers, the union leader was an architect of the Rhode Island Group Health Association (RIGHA), a pioneering prepaid group-practice plan developed in the late 1960's. That, he said, is his most significant accomplishment.

Brown joined organized labor in the mid-1930's, helping to form the Jewelry Toolmakers' Union, an affiliate of the International Association of Machinists. He was elected president of the union in 1936.

In 1940, he was elected secretary-treasurer of the Machinists' District 64. While continuing to work as a toolmaker, Brown held a variety of other union posts, including secretary of the Providence Central Labor Council, before joining the Navy as a chief machinist's mate in 1944.

After World War II, he embarked on a federal career in the Veterans Administration, but organized labor lured him back.

"Strange as it may seem," Brown said of the offer to become secretary-treasurer of the state AFL after the death of Bill Flanagan, "I welcomed the opportunity and challenge to undertake, on a full-time basis, the type of work that I believed in and I felt that I would enjoy performing."

He took a cut in pay and benefits when he left his government job to join the federation. He was the entire staff and there was little money to run the state office.

Finances have been one of Brown's big concerns during his tenure. Recently, again facing a declining treasury, he arranged repayment of a $57,000 loan the state labor organization made to RIGHA 15 years ago.

Born in Providence, he attended Commercial High School and in 1927 went to work for C.G. King Co. as a coloring-room assistant and toolmaker. He has received honorary degrees from Bryant College and the University of Rhode Island.

"The labor movement owes me nothing," said Brown in his letter to union leaders announcing his retirement. "I will not live long enough ever to repay the members for the values and honors that have been mine."

Organized labor, he added, is at a crossroads, but its future need not be dismal "if the leadership is sincere and dedicated to the cause.

"Given time," Brown wrote, "the tide will turn, justice will overcome greed and the common good will be served again."

VOTING ACCESSIBILITY FOR THE ELDERLY AND HANDICAPPED ACT

Mr. FORD. Mr. President, on June 25 the House of Representatives passed H.R. 1250, the "Voting Accessibility for the Elderly and Handicapped Act," which has been referred to the Committee on Rules and Administration.

This bill, as finally passed by the House, was worked out by representatives of a coalition of organizations supporting legislation to make all voting places accessible to handicapped and elderly persons, and by election administrators from 16 States. Those representatives who negotiated this substitute amendment are to be commended for their dedication and effort to achieve a workable compromise that goes a long way toward assuring that polling places throughout the country will be accessible to all voters while, at the same time, recognizing the legitimate, administrative concerns of State election officials and the practical difficulties such a worthwhile endeavor may encounter in some States.

As amended, the bill would require that all voting places be accessible to handicapped and elderly persons, except in case of an emergency or where the proper State election official determines that a voting place could not be made accessible and assures that any voter assigned to an inaccessible place will be permitted to vote in the nearest accessible one upon request.

During House debate, a question was raised about the availability of this exception to all States. It was noted that some States have constitutional requirements that a voter must be a resident of the precinct where he or she votes and that it is not procedurally possible to amend some State constitutions in less than 2 years.

I have been advised that when this compromise was worked out by the representatives of the coalition and the State election officials, it was assumed that the accessibility exception would be available to all States and that the question of State constitutional restrictions was not considered.

Since a State election official in any State having such a constitutional restriction could not assure a voter of transfer to an accessible voting place, this exception would not be available to that State and it would have to make all voting places accessible before the 1986 Federal elections.

It is clear from House debate on this bill that Members were aware of this situation and recognized the difficulty the bill would create, but left resolution of the problem to the Senate.

If passed in its present form a number of States may be required to make all voting places accessible by the 1986 elections. Since this exception is an essential part of the compromise struck on this legislation and was clearly intended to be available to any State where accessibility is not feasible, it will be necessary, now that the buck has been passed, for the Senate to fashion an amendment to accomplish that intent. I wish to assure Members and other supporters of this bill that every effort will be made during the bill markup of the Committee on Rules and Administration to resolve this situation so that a workable accessibility exception is made available to all States.

THE MATH SCIENCE BILL

Mr. PERCY. Mr. President, yesterday the Senate passed as amended with my support H.R. 1310, the Education for Economic Security Act, better known as the math and science bill. H.R. 1310 as amended is designed to increase the supply of trained teachers and to improve the quality of instruction in math, science, computer science, and foreign languages.

As evidenced by numerous studies, including the recent report of the National Commission on Excellence in Education entitled "A Nation at Risk the Imperative for Educational Reform," our Nation faces a crisis in the quality of math and science education which jeopardizes our ability to compete effectively in the world's economy and technological innovations. Severe shortages of teachers qualified to teach math, science, computer instruction, and foreign languages, fewer skilled technicians and fewer students taking these courses substantiate the Nation's educational decline in these areas.

Numerous studies showing the decline in student participation and performance in quantitative proficiency courses are overwhelming. One of the most striking facts is the dramatic decline in scholastic aptitude test [SAT] scores over the last two decades of students attempting to pursue a postsecondary education. The mean SAT score in math dropped from 502 in 1963 to 466 in 1980, while the proportion of students scoring over 700 on the test dropped 15 percent between 1967 and 1975. Science achievement scores, as measured by three national assessments of educational progress, significantly declined in recent years with the average achievement by high school students being lower than that of 26 years ago.

The documented shortage of qualified teachers is a major cause of decreasing student participation and achievement in math, science, and technology. Most of our States have these shortages, and the shortage in some States is critical. According to a 1981 Howe and Gerlovich study, 43 States have a shortage of math teachers. Another survey by the Association for Schools, Colleges and Universities has found that 22 percent of all high school teaching posts in math and science are vacant nationwide. Some States, including Illinois, have reported critical shortages of chemistry, physics, and math teachers.

Our Nation also faces a steady decline in foreign language study over the last two decades. According to the Joint National Committee for Languages, only 15 percent of all high school students study foreign language, down 9 percent from 1965. At the postsecondary level, 34 percent of the number of colleges and universities surveyed required freshman students to have a foreign language background in 1965; now, only 8 percent of these institutions require a foreign language background. The shortage of teachers qualified to teach foreign languages continues to hinder the Nation's ability to participate in an international society.

The ability of our Nation to compete effectively and to trade with other countries depends on having a sufficient number of Americans who speak the languages of nations with whom we deal. In 1980, the President's Commission on Foreign Language and International Studies reported that Americans lose 100,000 jobs a year because too few of us speak a foreign language.

To address the alarming decline in the quality of math, science, and foreign language education, H.R. 1310 as amended by the Senate is designed to facilitate communication between scientists and educators, to provide incentives for cooperation and joint projects between the private sector and educational institutions, and, most importantly, to assist States and local educational agencies in providing teacher training and retraining in math and science. The bill authorizes $45 million for fiscal year 1984 and $80 million for fiscal year 1985 for teacher institutes, materials developments, graduate fellowships, undergraduate scholarships, and other discretionary projects to be conducted by the National Science Foundation; $350 million would be authorized for fiscal year 1984 and $400 million for fiscal year 1985 for teacher traineeships and retraining. H.R. 1310 also authorizes $30 million in fiscal year 1984 and $60 million in fiscal year 1985 for special projects involving partnerships between the private sector and educational institutions.

I am pleased that this bill also contains programs intended to increase the participation in math and science study of those people traditionally discouraged from technologically-related careers, including women and minorities. In engineering, which is one of the largest technical job markets, women account for only 3 percent and blacks only 2.4 percent of the Nation's engineers. I believe that women, minorities, and other underserved populations should not be ignored in our national effort to improve the status of math and science education.

A strong educational program in science and math is essential for our national well-being. Students who graduate from our educational system must contribute to our Nation's economic vitality with increased productivity and technical innovation. I believe the Federal Government has a proper role in assisting State and local education programs and believe that the kind of Federal assistance provided in H.R. 1310 as amended is appropriate and necessary.

WELL DONE FOR THE VA HEALTH CARE SYSTEM

Mr. EXON. Mr. President, as the Congress and the executive branch continue to evaluate the recommendations of the President's private sector survey on cost control, commonly known as the "Grace Commission," I want to share with the Senate the results of a head-to-head cost analysis of the Veterans' Administration health care system versus private sector hospitals.

As you will recall, one of the Grace Commission recommendations was to reduce reliance upon the VA's health care system and increase reliance upon private hospitals. Recently, in Denver, there was an opportunity to directly compare the costs of these two systems—something we in Government rarely have the opportunity to do in this age of computer analysis and "paper" studies.

In December 1983, a water main break at the Denver VA Medical Center resulted in the emergency evacuation of 227 patients for a period of 5 days. These patients were dispersed to 15 civilian hospitals in Denver and the surrounding community and to the Fitzsimmons Army Medical Center. The VA Midwestern Region Office in Omaha subsequently compared the costs involved utilizing actual billings from the civilian hospitals, including physicians costs, compared to what these same type of patients would have cost at the Denver VA Hospital.

The results of this comparison were most interesting. These 227 patients resulted in 974 patient days. The cost for these patient days in the non-VA hospitals exceeded that of the VA hospital—projected out for 1 full year—by over $21 million. When the outpatient visits during this 5-day period are projected out for 1 full year, the non-VA hospital charges exceeded those of the VA by over $9 million. The total difference projected over a 1-year period for both types of care came out over $30 million in favor of the VA.

Mr. President, I find these figures to be most revealing and hope they will be helpful to all of us as we look to the future of the VA health care system and the increasing demands being placed on it. This study also shows that we must be very careful when discussing any possible changes to the system which has served this country so well. Our veterans deserve quality health care and we must protect their rights and continue to honor our national commitment to them.

I want to thank my good friend, Mr. Jim Morgan of the Nebraska Disabled American Veterans, for bringing this analysis to my attention. In order to ensure that this cost comparison study receives the widespread attention it deserves, Mr. President, I ask that the cost comparison study to which I have referred be entered into the CONGRESSIONAL RECORD.

The study follows:

EMERGENCY EVACUATION COST COMPARISON STUDY: DENVER VETERANS' ADMINISTRATION MEDICAL CENTER

In December, 1983, a water main break at the Denver Veterans Administration Medical Center (VAMC) resulted in the emergency evacuation of 227 patients for a period of 5 days. These patients were dispersed to 15 civilian hospitals in Denver and the surrounding community and to Fitzsimmons Army Medical Center (AMC) in Aurora, Colorado.

A comparison was made to the costs involved, utilizing actual billings from the civilian hospitals, including physician costs, and from Fitzsimmons AMC, compared to what these same type of patients would have cost at the Denver VAMC for the same period of time. The VA costs are based on the September 1983 Cost Distribution Report and include direct costs (Salaries and Supplies) and indirect costs (Administration, Housekeeping, Engineering, Depreciation of Buildings and Equipment).

The type of patients involved in the evacuation are indicative of the variety of patients which may be found at any time in the Denver VAMC. Since VAMC Denver is a facility which may be considered representative of some of our larger VA medical centers with affiliations, the difference in costs may be translated into system-wide comparisons.

The 227 patients resulted in 974 patients days. A patient-day equates to one patient in the hospital for one day and is the usual basis for accruing costs for billing purposes. The average cost per patient day in the Non-VA facilities was $610.85 compared to $355.64 at the Denver VAMC. The difference of $255.21 per patient day resulted in excess costs to the VA of $248,570 for this 5-day period. Based on this difference of $255.21 and applying it to 227 patients for a full year, 365 days, the excess cost to the VA would be $21,145,425.

During this same period of time there were 26 Outpatient visits referred to civilian hospitals at an average cost of $119.15 per visit. The average cost per visit at the Denver VAMC is $59.00. This difference of $60.15 per visit resulted in excess costs to the VA of $1,563.90. If this difference of $60.15 was multiplied times 161,000, the projected number of Outpatient visits at the Denver VAMC for FY 1984, the difference in cost would be $9,684,150. The total difference projected over a years period for inpatient and outpatient episodes of care would be $30,829,575.

It is recognized that this study is unsophisticated in that the VA costs do not include the cost of equipment and new construction, but all other costs involved in operating a Veterans Administration Medical Center, including routine maintenance and repair and small renovation and remodeling projects, have been included.

VAMC DENVER, CO, EMERGENCY EVACUATION COST COMPARISON

(Dec. 15-21, 1984)

1. A comparative analysis of costs associated with the emergency evacuation of the Denver VAMC during the month of December, 1983 was made. The Civilian Hospital amounts are actual costs reflected on billings received from the various hospitals. The VA hospital costs are based on per diem costs reflected on the September 1983 RCS: 14-4, Report of Medical Care Distribution Accounts. Direct and indirect costs have been included in the VA Hospital amounts.

2. The results of the analysis are as follows:

Inpatient costs	Patient days	Civilian hospitals	VA hospital	Difference
Medicine	526	$264,388.34	$230,966.60	$33,421.74
Surgery	122	220,679.09	[1] 34,080.70	186,598.39
Psychiatry	326	109,899.93	81,350.04	28,549.89
Total	974	594,967.36	346,397.34	248,570.02

[1] Utilizing the higher costs of ICU-surgical at $628.46 per diem, the VA costs would be $76,672.12 for surgery. This amount is still $144,006.97 less than the civilian hospital cost for surgery. Based on this amount, the total difference for inpatient costs would be $205,978.60 instead of $248,570.02.

Outpatient costs	Visits			
Medicine	20	$2,367.22	([1])	
Psychiatry	6	730.68	([1])	
Total	26	3,097.90	$1,534.00	$1,563.90

[1] Not applicable.

VAMC DENVER, CO, EMERGENCY EVACUATION COST COMPARISON, DECEMBER 1983

	Medicine			Surgery			Psychiatry			Totals		
	Pt. days	Average per diem	Total costs	Pt. days	Average per diem	Total costs	Pt. days	Average per diem	Total costs	Pt. days	Average per diem	Total costs
Inpatient costs:												
Facility:												
Aurora Pres.	21	353.31	7,419.42							21	353.31	7,419.42
Beth Israel	40	344.41	13,776.30							40	344.41	13,776.30
Colorado General	112	710.32	79,555.52	81	1,936.15	156,828.51	15	494.24	7,413.56	208	1,172.10	243,797.59
Denver General	25	348.30	8,707.60				2	721.69	1,443.37	27	375.96	10,150.97
Denver Pres.	20	704.09	14,081.84							20	704.09	14,081.84
Lutheran	11	643.20	7,075.24							11	643.20	7,075.24
Mercy	12	714.72	8,576.65	12	1,578.21	18,938.56				24	1,146.47	27,515.21
Porter	10	663.34	6,633.40							10	663.34	6,633.40
Rocky Mountain	6	666.13	3,996.76							6	666.13	3,996.76
Rose Med. Ctr.	26	599.02	15,574.45							26	599.02	15,574.45
St. Anthony	38	448.10	17,027.96							38	448.10	17,027.96
St. Joseph's	88	330.20	29,057.45							88	330.20	29,057.45
St. Lukes	68	387.35	26,339.61	29	1,548.69	44,912.02				97	734.55	71,251.63
Swedish	30	477.56	14,326.91							30	477.56	14,326.91
Valley View	19	644.17	12,239.23							19	644.17	12,239.23
Fitzsimmons AMC							309	327.00	101,043.00	309	327.00	101,043.00
Total inpatient	526	502.64	264,388.34	122	1,808.85	220,679.09	326	337.12	109,899.93	974	610.85	594,967.36
VA hospital	526	439.10	230,966.60	122	279.35	34,080.70	326	249.54	81,350.04	974	355.64	346,397.34
Difference		63.54	33,421.74		1,529.50	186,598.39		87.58	28,549.89		255.21	248,570.02

	Visits	Average cost	Total cost	Visits	Average cost	Total cost	Visits	Average cost	Total cost	Visits	Average cost	Total cost
Outpatient costs:												
Aurora Pres.	1	260.00	260.00							1	260.00	260.00
Beth Israel	1	365.45	365.45							1	365.45	365.45
Colorado Gen'l	13	50.85	661.10				6	121.78	730.68	19	73.25	1,391.78
Denver Pres.	1	438.56	438.56							1	438.56	438.56
St. Anthony	1	385.16	385.16							1	385.16	385.16
St. Joseph's	1	21.95	21.95							1	21.95	21.95
St. Luke's	1	15.00	15.00							1	15.00	15.00
Swedish	1	220.00	220.00							1	220.00	220.00
Total outpatient	20	118.36	2,367.22				6	121.78	730.68	26	119.15	3,097.90
VA hospital										26	59.00	1,534.00
Difference											60.15	1,563.90

FUNDING FOR U.S. TRAVEL AND TOURISM ADMINISTRATION

Mr. WARNER. Mr. President, American travel and tourism businesses earned about $200 billion in 1983, making travel and tourism the second largest retail industry in the United States.

Nearly 7 million Americans work directly or indirectly in travel and tourism, and the industry is of prime economic importance in most large cities and all but a handful of States.

In fact, the travel and tourism industry has contributed mightily to the economic recovery we have enjoyed for these past 2 years.

Despite this upbeat economic assessment, the United States continues to lose shares of the massive $110,000 billion international tourism market.

After 20 years of annual increases, the number of foreign tourists visiting the United States declined in 1982 and again last year when 21.6 million foreign travelers came to this country.

At the same time, the number of Americans traveling overseas in 1983 increased by 7 percent over 1982 to 24.5 million.

The United States drew 13.6 percent of the world's international tourists in 1976; in 1983 the U.S. share of the world tourism market fell to 10.1 percent.

Industry analysts say that each percent of the world tourism market equals about $1 billion in receipts, $165 million in Federal, State, and local tax revenues, and 28,500 jobs.

In addition to the strength of the U.S. dollar overseas, many leaders in the U.S. travel industry believe that the declining state of America's position in the world travel market is due to the Federal Government's failure to aggressively advertise the United States as a vacation spot for foreign tourists.

Overseas tourism promotion is the only way that governments compete against government, and the United States has not done a very good job.

Since the days I served as administrator of the Bicentennial, I have aggressively advocated greater involvement by the Federal Government in promoting travel to the United States.

In all candor, I have to admit that the collective efforts of many have not been very persuasive.

When I first came to the Senate I joined with Senator INOUYE, Senator Cannon, and others to forge the National Tourism Policy Act, which improved the status of the Commerce Department agency responsible for this activity.

As a part of that legislation we attempted to raise the appropriation for the agency to keep pace with the competition.

We were soundly defeated.

Then we organized the Senate Tourism Caucus, and again we attempted to raise the appropriation.

But again we were defeated.

Then, with the election of President Reagan, we obtained the nomination of individuals whom we thought would be more persuasive as heads of the U.S. Travel and Tourism Administration and who would aid us in our efforts.

Well, they lent their support, but the administration continued to resist—that is, until last year.

Then, last year, with the unified support of Democrats and Republicans, with the unified support of the Senate Tourism Caucus—which Senator SASSER and I cochair—the support of the Congressional Travel and Tourism Caucus—headed by Congressmen BADHAM and BONER—and the support of the entire travel and tourism industry, things began to change.

Last year we pushed through a 3-year authorization for $13, $14, and $15 million, and we obtained an appropriation of $10 million.

This year we pushed through a 1-year authorization of $14 million, and this bill contains an appropriation of $13 million.

Mr. President, we are making headway.

America is on the rebound.

The U.S. Travel and Tourism Administration, under the leadership of Under Secretary Donna Tuttle, is doing a superb job; and the U.S. share of the international travel market is on the rise.

The Senator from Virginia, who is also the cochairman of the Senate Tourism Caucus, is pleased to acknowledge his enthusiastic support for the appropriation for USTTA, and thanks the chairman of the Appropriations Committee, Mr. HATFIELD, and the chairman of the Commerce Subcommittee, Mr. LAXALT, for their support and willingness to support this level of appropriation for this very vital but very inexpensive Federal agency.

With these funds, this Senator is confident that USTTA can effectively implement the international marketing plan which the industry and USTTA have labored for more than a year to create.

With this plan, I am confident that the United States can regain the share of the international travel market which it lost over the past 8 years.

With these funds, USTTA can spread the message—around America and around the world—which our forefathers pervaded more that 200 years ago.

America—the land of freedom—is the best travel attraction in the world.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 3:33 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4997) to authorize appropriations to carry out the Marine Mammal Protection Act of 1972, for fiscal years 1985 through 1988, and for other purposes.

The message also announced that the House agrees to the amendments of the Senate to the bill (H.R. 4616) to amend the surface Transportation Assistance Act of 1982 to require States to use at least 8 per centum of their highway safety apportionments for developing and implementing comprehensive programs concerning the use of child-restraint systems in motor vehicles, and for other purposes.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5154) to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes.

The message also announced that the House has passed the bill (S. 2463) to authorize appropriations of funds for certain fisheries programs, and for other purposes, with an amendment, it insists upon its amendments to the bill, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. JONES of North Carolina, Mr. BREAUX, Mr. STUDDS, Mr. D'AMOURS, Mr. PRITCHARD, Mr. YOUNG of Alaska, and Mr. CARNEY as managers of the conference on the part of the House.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5753) making appropriations for the legislative branch for the fiscal year ending September 30, 1985, and for other purposes, and that the House recedes from its disagreement to the amendments of the Senate numbered 1 and 12 to the bill, and concurs therein.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 5155) to establish a system to promote the use of land remote-sensing satellite data, and for other purposes, with an amendment, in which it requests the concurrence of the Senate.

The message further announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 5885. An act to authorize appropriations for Head Start, Follow Through, and Native American Programs, to establish a program to provide child care information and referral services, and for other purposes; and

H.J. Res. 566. Joint resolution to designate the week beginning on October 7, 1984, as "National Neighborhood Housing Services Week".

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 321. Concurrent resolution expressing the sense of the Congress with respect to the adverse impact of early projections of election results by the news media.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker has signed the following enrolled bills and joint resolutions:

S. 373. An act to provide for a comprehensive national policy with national research needs and objectives in the Arctic, for a National Critical Materials Council, for development of a continuing and comprehensive national materials policy, for programs necessary to carry out that policy, including Federal programs of advanced materials research and technology, and for innovation in basic materials industries, and for other purposes;

S. 2375. An act to amend the Small Business Act to improve the operation of the secondary market for loans guaranteed by the Small Business Administration;

S.J. Res. 59. Joint resolution to authorize and request the President to designate February 27, 1986, as "Hugo LaFayette Black Day";

S.J. Res. 150. Joint resolution to designate August 4, 1984, as "Coast Guard Day";

S.J. Res. 230. Joint resolution to designate the week of October 7, 1984, through October 13, 1984, as "National Birds of Prey Conservation Week";

S.J. Res. 238. Joint resolution to designate the week beginning November 19, 1984, as "National Adoption Week";

S.J. Res. 257. Joint resolution to designate the period July 1, 1984, through July 1, 1985, as the "Year of the Ocean";

S.J. Res. 270. Joint resolution designating the week of July 1 through July 8, 1984, as "National Duck Stamp Week" and 1984 as the "Golden Anniversary Year of the Duck Stamp";

S.J. Res. 278. Joint resolution to commemorate the one hundredth anniversary of the Bureau of Labor Statistics;

S.J. Res. 297. Joint resolution to designate the month of June 1984 as "Veterans' Preference Month";

S.J. Res. 298. Joint resolution to proclaim the month of July 1984 as "National Ice Cream Month" and July 15, 1984, as "National Ice Cream Day"; and

S.J. Res. 303. Joint resolution to designate the week of December 9, 1984, as "National Drunk and Drugged Driving Awareness Week".

H.J. Res. 548. Joint resolution authorizing the President's Commission on Organized Crime to compel the attendance and testimony of witnesses and the production of information, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore [Mr. THURMOND].

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 5885. An act to authorize appropriations for Head Start, Follow Through, and Native American Programs, to establish a program to provide child care information and referred services, and for other purposes; to the Committee on Labor and Human Resources.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 321. Concurrent resolution expressing the sense of the Congress with respect to the adverse impact of early projections of election results by the news media; to the Committee on Commerce, Science, and Transportation.

MEASURES HELD AT THE DESK

The following joint resolution was held at the desk pursuant to the order of June 27, 1984:

H.J. Res. 566. Joint resolution to designate the week beginning on October 7, 1984, as "National Neighborhood Housing Services Week".

MEASURES PLACED ON THE CALENDAR

The Committee on the Judiciary was discharged from the further consideration of the following joint resolutions, which were placed on the calendar:

S.J. Res. 293. Joint resolution to designate July 17, 1984, as "Spanish American War Veterans Day"; and

H.J. Res. 604. Joint resolution to designate July 9, 1984, as "African Refugee Relief Day".

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

The Secretary reported that on today, June 28, 1984, he had presented to the President of the United States the following enrolled bills and joint resolutions:

S. 2375. An act to amend the Small Business Act to improve the operation of the secondary market for loans guaranteed by the Small Business Administration;

S.J. Res. 59. Joint resolution to authorize and request the President to designate February 27, 1986, as "Hugo LaFayette Black Day";

S.J. Res. 150. Joint resolution to designate August 4, 1984, as "Coast Guard Day";

S.J. Res. 230. Joint resolution to designate the week of October 7, 1984 through October 13, 1984, as "National Birds of Prey Conservation Week";

S.J. Res. 238. Joint resolution to designate the week beginning November 19, 1984, as "National Adoption Week";

S.J. Res. 257. Joint resolution to designate the period July 1, 1984, through July 1, 198", as the "Year of the Ocean";

S.J. Res. 270. Joint resolution designating the week of July 1 through July 8, 1984, as "National Duck Stamp Week" and 1984 as the "Golden Anniversary Year of the Duck Stamp";

S.J. Res. 278. Joint resolution to commemorate the one hundredth anniversary of the Bureau of Labor Statistics;

S.J. Res. 297. Joint resolution to designate the month of June 1984 as "Veterans' Preference Month";

S.J. Res. 298. Joint resolution to proclaim the month of July 1984 as "National Ice Cream Month" and July 15, 1984, as "National Ice Cream Day"; and

S.J. Res. 303. Joint resolution to designate the week of December 9, 1984, as "National Drunk and Drugged Driving Awareness Week".

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3452. A communication from the Assistant Secretary of Agriculture for Natural Resources and Environment, transmitting a draft of proposed legislation entitled the "National Forest Recreation Use Fee Act of 1984"; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3453. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on three violations of law involving apportionment of funds in excess of approved appropriations; to the Committee on Appropriations.

EC-3454. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on United States expenditures in support of NATO; to the Committee on Armed Services.

EC-3455. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Magnuson Fishery Conservation and Management Act, as amended, to authorize certain actions with regard to foreign fishing vessel permits for unsafe conditions, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-3456. A communication from the General Counsel of the Department of Energy, transmitting, pursuant to law, a notice of meetings related to the International Energy Program; to the Committee on Energy and Natural Resources.

EC-3457. A communication from the Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, a Presidential determination relative to deferred payment for purchase by El Salvador under section 21(d) of the Arms Export Control Act; to the Committee on Foreign Relations.

EC-3458. A Communication from the Special Counsel of the Merit Systems Protection Board, transmitting, pursuant to law, a report of the Administrator of Veterans' Affairs investigation of allegations of danger to public health and safety at the Veterans Administration Medical Center, Philadelphia, Pennsylvania; to the Committee on Governmental Affairs.

EC-3459. A Communication from the Director of the National Oceanic and Atmospheric Administration Corps, transmitting, pursuant to law, the annual report on the NOAA Corps Pension Plan for calendar year 1983; to the Committee on Governmental Affairs.

EC-3460. A Communication from the Secretary of Education, transmitting, pursuant to law, application notice and interpretations for the Emergency Immigrant Education Assistance Program; to the Committee on Labor and Human Resources.

EC-3461. A Communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Recruitment and Information Program; to the Committee on Labor and Human Resources.

EC-3462. A Communication from the Secretary of Education, transmitting, pursuant to law, final priorities for Special Projects and Demonstration for Providing Vocational Rehabilitative Services to Severely Disabled Persons program; to the Committee on Labor and Human Resources.

EC-3463. A Communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Regional Resource Centers Program; to the Committee on Labor and Human Resources.

EC-3464. A Communication from the Secretary of Education, transmitting, pursuant to law, final regulations for postsecondary education programs for handicapped persons; to the Committee on Labor and Human Resources.

EC-3465. A Communication from the Secretary of Education, transmitting, pursuant to law, final priorities for education media research production, distribution, and training program; to the Committee on Labor and Human Resources.

EC-3466. A communication from the Clerk of the U.S. Claims Court transmitting, pursuant to law, the Court's judgment order for the plaintiffs in the Shoshone-Bannock Tribes of the Fort Hall Reservation, Idaho v. The United States; to the Committee on Appropriations.

EC-3467. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a foreign military assistance sale to Kuwait; to the Committee on Armed Services.

EC-3468. A communication from the Administrator of the Panama Canal Commission transmitting, pursuant to law, a report on and submission of claims for damage to a vessel in passage through the canal; to the Committee on Armed Services.

EC-3469. A communication from the Assistant Secretary of the Army for Manpower and Reserve Affairs transmitting a draft of proposed legislation to facilitate the transfer of personnel to and from the temporary disability retirement list; to the Committee on Armed Services.

EC-3470. A communication from the President and Chairman of the Export-Import Bank transmitting, pursuant to law, a report on transactions with Communist countries during May 1984; to the Committee on Banking, Housing, and Urban Affairs.

EC-3471. A communication from the Secretary of Transportation transmitting, pursuant to law, the annual report on the status of the public ports of the U.S. for calendar years 1982 and 1983; to the Committee on Commerce, Science, and Transportation.

EC-3472. A communication from the Secretary of Energy transmitting, pursuant to law, a report on progress by State authorities and nonregulated utilities in complying with the Public Utility Regulatory Policies Act of 1978; to the Committee on Energy and Natural Resources.

EC-3473. A communication from the Manager, Compensation and Benefits, Farm Credit Banks of St. Louis transmitting, pursuant to law, the annual report on their pension plan for 1983; to the Committee on Governmental Affairs.

EC-3474. A communication from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-3475. A communication from the Secretary of Education transmitting, pursuant to law, a report on the status of vocational education in fiscal year 1983; to the Committee on Labor and Human Resources.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-707. A resolution adopted by the General Court of the Commonwealth of Massachusetts; to the Committee on Armed Services.

"Resolutions

"Whereas, a reserve officers training corps (R.O.T.C.) for students in high schools, including district and regional high schools, would promote and foster good citizenship and assure the country of an adequate defense at all times; and

"Whereas, students, upon being commissioned to the rank of second lieutenant, ensign, or equal rank would be required after accepting said commission, to serve five consecutive years in the reserves, with a thirty to forty-five day tour of duty; and

"Whereas, if our Federal Government can afford to give away tens of billions of dollars in our national defense, then surely we can afford to pay with Federal funds for a Reserve Officers Training Corps (R.O.T.C.) for high school students; now therefore be it

Resolved, That the Massachusetts General Court respectfully urges the Congress of the United States to establish and pay for, with Federal funds, a Reserve Officer Training Corps (R.O.T.C.) for students in high schools; and be it further

Resolved, That copies of these resolutions be transmitted forthwith by the Clerk of the Senate to the President of the United States, to the Presiding Officer of each branch of Congress, and to the Members thereof from the Commonwealth."

POM-708. A resolution adopted by the Baltic Nations Committee of Michigan, Inc. relating to the oppression by the Soviet Union of the Baltic people; to the Committee on Foreign Relations.

POM-709. A resolution adopted by the International Institute of Municipal Clerks calling for the separation of the National Archives from the General Service Administration; to the Committee on Governmental Affairs.

POM-710. Joint resolution adopted by the Legislature of the State of California; to the Committee on Governmental Affairs.

"Resolution

"Whereas, The United States General Services Administration has notified the Corona-Norco Unified School District through the United States Department of Education that certain land at the Naval Weapons Station, China Lake, Corona Annex, Norco, California has been declared surplus property and available for disposition; and

"Whereas, Public schools in the State of California do not have an effective means of funding the acquisition and construction of public school facilities; and

"Whereas, The existing educational facilities of the Corona-Norco Unified School District are at or near capacity; and

"Whereas, The Corona-Norco Unified School District has on file tract maps for the construction of 19,287 new homes and is aware of local planning department expectations for massive additional individual construction; and

"Whereas, The Corona-Norco Unified School District is interested in the acquisition of the area designated as Parcel A, 79.75 acres, to be used for public school facilities; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the United States General Services Administration to redesignate Parcel A of the Naval Weapons Center surplus property as a public benefit conveyance; and be it further.

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States and to the Administrator of General Services."

POM-711. Joint resolution adopted by the Legislature of the State of California; to the Committee on Governmental Affairs.

"RESOLUTON

"Whereas, The Corona/Norco area will become a part of the Riverside Community College District beginning July 1, 1984; and

"Whereas, The United States General Services Administration has identified a portion of the Naval Weapons Station, China Lake, Corona Annex, also known as the Fleet Analysis Center, as surplus government property and available for disposal; and

"Whereas, Corona, Norco, Mira Loma, Lake Matthews, and Temescal Canyon are areas experiencing great residential growth and are projected to be one of the fastest growing areas in the entire nation in the next decade; and

"Whereas, The Riverside City College campus will be unable to accommodate the projected growth in the decades ahead; and

"Whereas, Additional campuses will enable the Riverside Community College District to broaden its curricular offerings and thereby benefit more students; and

"Whereas, Local residents use community college campuses for community services purposes and as cultural and recreational centers; and

"Whereas, Other community college districts have obtained federal land for their campuses as a public benefit conveyance; and

"Whereas, Large parcels of land suitable for community college campuses are becoming increasingly difficult to obtain; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the United States General Services Administration to redesignate parcel C-Z of the Naval Weapons Center surplus property as a public benefit conveyance; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States and to the Administrator of General Services."

POM-712. A concurrent resolution adopted by the Legislature of the State of Mississippi; to the Committee on the Judiciary.

"SENATE CONCURRENT RESOLUTION No. 527

"Whereas, the delay between convictions and the carrying out of executions in death penalty cases is far too long; and

"Whereas, the Mississippi case involving the execution of Jimmy Lee Gray is an example of this delay; and

"Whereas, Jimmy Lee Gray was first convicted of the June, 1976, capital murder of three year old Deressa Jean Scales in December of 1976, and the death sentence was finally imposed on September 2, 1983, almost seven years after the date of his first conviction; and

"Whereas, Jimmy Lee Gray was tried twice and his convictions were reviewed 82 times by 26 state and federal judges; and

"Whereas, his case was acted upon by the United States Supreme Court at least five times; and

"Whereas, at the time of the execution of Jimmy Lee Gray, there were more than 1,050 inmates in the death rows of 38 states; and

"Whereas, the death penalty has been carried out only eight times since the United States Supreme Court has ruled that it is not in all cases unconstitutional; and

"Whereas, there is wide public support of the death penalty with one recent poll finding that 73.1% of those surveyed favor it; and

"Whereas, upon the rejection of Jimmy Lee Gray's last minute appeal to the United States Supreme Court to attempt to avoid execution, Chief Justice Burger wrote, "This case illustrates a recent pattern of calculated efforts to frustrate valid judgments after painstaking judicial review over a number of years; at some point there must be finality"; and

"Whereas, it is incumbent upon the Congress of the United States to pass legislation to accelerate federal post-conviction review of death penalty cases so that "calculated efforts to frustrate valid judgments" after fair judicial review may be stopped:

"Now, therefore,

Be it resolved by the Mississippi State Senate, the House of Representatives concurring therein, That we do hereby memorialize Congress to pass legislation that will accelerate federal post-conviction review of death penalty cases.

"*Be it further resolved,* That a copy of this Resolution be sent to the President of the United States and the Members of the Mississippi Congressional Delegation."

POM-713. A resolution adopted by the Los Angeles County Board of Supervisors proclaiming Friday, July 20, 1984 as "POW/MIA Recognition Day"; to the Committee on the Judiciary.

POM-714. A resolution adopted by the Borough of Kenai Peninsula, Alaska urging Congress to enact legislation that would extend to local governments and officials the same protection from antitrust liability as enjoyed by states; to the Committee on the Judiciary.

POM-715. A joint resolution adopted by the Legislature of the State of California; to the Committee on Labor and Human Resources.

"RESOLUTION

"Whereas, Computer education can play an integral role in revitalizing California education; and

"Whereas, California's economic competitiveness is dependent upon our students receiving a quality education; and

"Whereas, The ability to use computer related skills will be valuable in the future economy; and

"Whereas, California schools are able to use modern technology, especially computers, to better educate our students; and

"Whereas, Computers can be used by students in all disciplines and at all achievement levels; and

"Whereas, Computers can be used not only for drill and practice and programming, but for word processing, quantitative analysis, data base analysis, and graphics; and

"Whereas, The federal government is in the unique financial position of being able to provide substantial funding for computer education needs; and

"Whereas, There is a demonstrated need to target computer education resources to disadvantaged, or Title 1, schoolchildren; and

"Whereas, The California Legislature would like to express to the President and Congress the desire of the Legislature to encourage a federal and state partnership in the promotion of substantial, innovative, and accessible computer education; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California memorializes the President and Congress of the United States to support the efforts of United States Senator Frank Lautenberg to provide the framework for accessible and quality computer education; and be it further

"*Resolved,* That legislation is commendable which targets funds to where the need is the greatest; and be it further

"*Resolved,* That the Legislature supports legislation which provides federal seed funding to schools, and flexible guidelines for the use of those funds for planning, acquisition, and teacher training; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States, and to United States Senator Frank Lautenberg."

POM-716. A resolution adopted by the Municipal Clerks of Illinois relating to H.R. 1250, registration and voting accessibility for the Handicapped and Elderly; to the Committee on Rules and Administration.

POM-717. A concurrent resolution adopted by the Legislature of the State of Kansas; to the Committee on the Judiciary.

"HOUSE CONCURRENT RESOLUTION No. 5059

"Whereas, In 1890, Congress enacted the Sherman Antitrust Act (15 U.S.C. §1 et seq.) to prohibit conspiracies 'in restraint of trade or commerce among the several states or with foreign nations'; and

"Whereas, The United States Supreme Court has consistently held that among the practices prohibited by the act is that of 'vertical price fixing' or 'resale price maintenance,' wherein manufacturers dictate the price that wholesalers or retailers must charge for their product; and

"Whereas, In 1975, Congress enacted the Consumer Goods Pricing Act of 1975, Public Law 94-145, revoking the states' authority to allow resale price maintenance under 'fair trade laws,' further indicating its support for the prohibition against vertical price fixing developed by the courts under the Sherman Antitrust Act; and

"Whereas, Despite these indications that enforcement against vertical price fixing should be a priority, the Federal Trade Commission and the Justice Department have reduced enforcement in this area based upon a policy of minimal government interference in the marketplace; and

"Whereas, Vertical price fixing, however, infringes upon the retailer's right to free trade and competition and the consumer's expectation of the best benefits of that competition; and

"Whereas, Congress and the President should renew their support of and belief in the principles of free trade by specifically prohibiting the practice of vertical price fixing: Now, therefore,

"Be it resolved by the House of Representatives of the State of Kansas, the Senate concurring therein: That the United States Congress and the President of the United States are respectfully memorialized to address the issue of vertical price fixing by calling upon the Attorney General of the United States and all other appropriate federal agencies to vigorously enforce the federal antitrust laws, including the prohibition against vertical price fixing.

"Be it further resolved: That the Secretary of State be directed to send enrolled copies of this resolution to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives and to each member of the Kansas Congressional Delegation."

POM-718. A concurrent resolution adopted by the Legislature of the State of Kansas; to the Committee on the Judiciary.

"SENATE CONCURRENT RESOLUTION No. 1672

"Whereas, Bills in the United States Congress contain several items of appropriation of money in distinct and divisible areas of national concern; and

"Whereas, The President of the United States does not possess the necessary constitutional authority to veto certain appropriation of money while at the same time giving approval to other appropriation of money if contained in the same appropriation bill; and

"Whereas, The President of the United States needs this line item veto power to effectively carry out the duties and responsibilities of his office; and

"Whereas, The absence of this constitutional authority leads to great inequity and unnecessary gamesmanship that only serves to impede governmental activity: Now, therefore,

"Be it resolved by the Senate of the State of Kansas, the House of Representatives concurring therein: That we urge Congress to adopt a constitutional amendment empowering the President of the United States to use line item vetoes on appropriation bills; and

"Be it further resolved: That the Secretary of State be directed to send enrolled copies of this resolution to the President of the United States, the Speaker of the United States House of Representatives, the President of the United States Senate and each member of the Kansas Congressional Delegation."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PERCY, from the Committee on Foreign Relations, with amendments:

S. 1910: A bill to adapt principles of the Administrative Procedures Act to assure public participation in the development of certain positions to be taken by the United States in international organizations, and for other purposes (Rept. No. 98-535).

By Mr. PERCY, from the Committee on Foreign Relations, without amendment:

S. 1177: A bill to amend title 4 of the United States Code to complete the official seal of the United States (Rept. No. 98-536).

By Mr. THURMOND, from the Committee on the Judiciary, with amendments:

S. 1876: A bill to allow advertising of any State sponsored lottery, gift enterprise, or similar scheme (Rept. No. 98-537).

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, without amendment and an amended preamble:

S. Con. Res. 109: Concurrent resolution expressing the sense of the Congress that the Federal Government take immediate steps to support a national STORM program (Rept. No. 98-538).

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, with amendments:

H.R. 5051: A bill to give permanent effect to the provisions of the Fishermen's Protective Act of 1967 relating to the reimbursement of United States commercial fishermen for certain losses incurred incident to the seizure of their vessels by foreign nations (Rept. No. 98-539).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with amendments:

S. 1770: A bill to extend the lease terms of Federal oil and gas lease numbered U-39711 (Rept. No. 98-540).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 2157: A bill to clarify the treatment of mineral materials on public lands (Rept. No. 98-541).

By Mr. DOMENICI, from the Committee on the Budget, without amendment:

S. Res. 408: An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 2527.

S. Res. 409: An original resolution waiving section 303(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 2527.

By Mr. PERCY, from the Committee on Foreign Relations without amendment:

S. Res. 418: An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1177.

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 2819: An original bill to make essential technical corrections to the Housing and Urban Rural Recovery Act of 1983.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. TOWER, from the Committee on Armed Services:

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Lt. Gen. Earl T. O'Loughlin, 382-26-5822FR, U.S. Air Force.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HOLLINGS (for himself and Mr. THURMOND):

S. 2807. A bill to designate the bridge on Highway 72 over the Richard B. Russell Reservoir between South Carolina and Georgia as the "Olin D. Johnston Bridge"; to the Committee on Environment and Public Works.

By Mr. COCHRAN:

S. 2808. A bill to designate certain national forest system lands in the State of Mississippi as wilderness, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DURENBERGER:

S. 2809. A bill to amend the Tariff Schedules of the United States to decrease the tariff on certain Canadian egg yolks; to the Committee on Finance.

By Mr. BOSCHWITZ:

S. 2810. A bill to provide that interest earned on certain passbook savings accounts shall be excluded from gross income of the taxpayer as an incentive to taxpayers to increase savings in local banks and savings institutions; to the Committee on Finance.

By Mr. TSONGAS (for himself, Mr. KENNEDY, Mr. BOSCHWITZ, and Mr. GORTON):

S. 2811. A bill to stimulate the development of State programs for skills training and education, consistent with the employment needs of the State and involving the active participation of business concerns in the State, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. HELMS:

S. 2812. A bill to provide procedures for calling constitutional conventions for proposing amendments to the Constitution of the United States, on application of the legislatures of two-thirds of the States, pursuant to article V of the Constitution; to the Committee on the Judiciary.

By Mr. HEINZ:

S. 2813. A bill for the relief of Dr. Mario Rubin and Adriana Rubin; to the Committee on the Judiciary.

By Mr. CHAFEE:

S. 2814. A bill to amend the Internal Revenue Code of 1954 to deny an employer a deduction for group health plan expenses unless such plan includes coverage for pediatric preventive health care; to the Committee on Finance.

By Mr. SYMMS (for himself, Mr. DIXON, Mr. McCLURE, Mr. BOREN, and Mr. HELMS):

S. 2815. A bill to repeal the changes made [illegible] section 483 of the Internal Revenue Code of [illegible] by the Tax Reform Act of 1984; to the Committee on Finance.

By Mr. D'AMATO:

S. 2816. A bill to stem the tide of anti-semitism; to the Committee on Judiciary.

S. 2817. A bill to require the Secretary of Agriculture to conduct a pilot project involving the redemption of food stamp coupons through uninsured financial institutions; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. NICKLES:

S. 2818. A bill to provide a separate appropriation for all Congressional foreign travel, and for other purposes; to the Committee on Rules and Administration.

By Mr. GARN from the Committee on Banking, Housing, and Urban Affairs:

S. 2819. An original bill to make essential technical corrections to the Housing and Urban Rural Recovery Act of 1983; placed on the calander.

By Mr. BOREN (for himself and Mr. NICKLES):

S. 2820. A bill to name the Federal Building in McAlester, Oklahoma, the "Carl Albert Federal Building"; to the Committee on Environment and Public Works.

By Mr. MATHIAS (for himself and Mr. STEVENS):

S. 2821. A bill to amend title 5, United States Code, to improve protections for former spouses of Government officers and employees under the Civil Service retirement system and the Federal employees health benefits program, and for other purposes; to the Committee on Governmental Affairs.

By Mr. ABDNOR:

S. 2822. A bill to amend section 483 of the Internal Revenue Code of 1954 to provide that such section shall not apply to certain sales and exchanges of real property located in the United States used as a farm or in a closely held business; to the Committee on Finance.

By Mr. RIEGLE (for himself and Mr. LEVIN):

S. 2823. A bill to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Saginaw Chippewa Tribe of Michigan in Dockets Numbered 59 and 13E before the Indian Claims Commission and docket numbered 13F before the United States Claims Court, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. NICKLES:

S. 2824. A bill to provide for the use and distribution of certain funds awarded the Wyandotte Tribe; to the Select Committee on Indian Affairs.

By Mr. BOSCHWITZ:

S. 2825. A bill for the relief of Gloria E. O'Connell; to the Committee on Armed Services

S. 2826. A bill for the relief of Arlene Mix; to the Committee on Armed Services

By Mr. MOYNIHAN:

S. 2827. A bill relating to the tariff classifications of certain silicone resins and materials; to the Committee on Finance.

S. 2828. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to require the provision of automatic safety airbags in all automobiles beginning on or after September 1, 1986; to the Committee on Commerce, Science, and Transportation.

By Mr. BOSCHWITZ:

S. 2829. A bill for the relief of Allen Gam; to the Committee on the Judiciary.

By Mr. PRYOR (for himself, Mr. GRASSLEY, and Mr. SASSER):

S. 2830. A bill to limit the employment by Government contractors of certain former Government personnel; to the Committee on Governmental Affairs.

By Mr. TSONGAS:

S. 2831. A bill the relief of Fung-Ming Wong; to the Committee on the Judiciary.

By Mr. HATCH (for himself, Mr. D'AMATO, and Mrs. HAWKINS):

S. 2832. A bill to amend the Saccharin Study and Labeling Act; placed on the Calendar.

By Mr. NUNN (for himself and Mr. MATTINGLY):

S.J. Res. 325. Joint resolution to designate October 7, 1984, through October 13, 1984, as "National Children's Week"; to the Committee on the Judiciary.

By Mr. TSONGAS:

S.J. Res. 326. Joint resolution to readmit Georgia Tavoularis Moser to status and privileges of a citizen of the United States; to the Committee on the Judiciary.

By Mr. KASTEN:

S.J. Res. 327. Joint resolution to designate the week beginning September 2, 1984 as "Youth of America Week"; to the Committee on the Judiciary.

By Mr. D'AMATO:

S.J. Res. 328. Joint resolution to designate the week of October 7, 1984 as "National Drug Enforcement Officers Week"; to the Committee on the Judiciary.

By Mr. MATSUNAGA (for himself, Mr. GRASSLEY, Mr. NICKLES, Mr. RANDOLPH, Mr. KENNEDY, Mr. MITCHELL, Mr. RIEGLE, Mr. DOLE, Mr. MELCHER, Mr. BUMPERS, Mr. INOUYE, Mr. BURDICK, Mr. SYMMS, Mr. JEPSEN, Mr. GLENN, Mr. CHILES, Mr. DIXON, Mr. MOYNIHAN, Mr. PELL, Mr. EAST, Mr. THURMOND, Mr. TSONGAS, Mr. CHAFEE, Mr. LAUTENBERG, Mr. HATCH, Mr. ANDREWS, Mr. TRIBLE, Mr. LAXALT, Mr. McCLURE, Mr. DURENBERGER, Mrs. HAWKINS, Mr. LUGAR, and Mr. QUAYLE):

S.J. Res. 329. Joint resolution designating the month of August 1984 as "Ostomy Awareness Month"; to the Committee on the Judiciary.

By Mr. MATSUNAGA (for himself, Mr. GRASSLEY, Mr. NICKLES, Mr. RANDOLPH, Mr. KENNEDY, Mr. MITCHELL, Mr. RIEGLE, Mr. DOLE, Mr. MELCHER, Mr. BUMPERS, Mr. INOUYE, Mr. BURDICK, Mr. SYMMS, Mr. JEPSEN, Mr. GLENN, Mr. CHILES, Mr. DIXON, Mr. MOYNIHAN, Mr. PELL, Mr. EAST, Mr. THURMOND, Mr. TSONGAS, Mr. CHAFEE, Mr. LAUTENBERG, Mr. HATCH, Mr. ANDREWS, Mr. TRIBLE, Mr. LAXALT, Mr. McCLURE, Mr. DURENBERGER, Mrs. HAWKINS, Mr. LUGAR, and Mr. QUAYLE):

S.J. Res. 330. Joint resolution designating the month of August 1984 as "Ostomy Awareness Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. PERCY, from the Committee on Foreign Relations:

S. Res. 418. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1177; to the Committee on the Budget.

By Mr. TSONGAS (for himself and Mr. PERCY):

S. Con. Res. 128. Concurrent resolution expressing the sense of the Congress that the Union of Soviet Socialist Republics should provide the United States Government with specific information as to the whereabouts, health, and legal status of Andrei Sakharov and Yelena Bonner, and for other purposes; to the Committee on Foreign Relations.

By Mr. MATSUNAGA (for himself, Mr. GORTON, Mr. HEFLIN, Mr. HOLLINGS, Mr. INOUYE, Mr. PACKWOOD, Mr. GARN, and Mr. RIEGLE):

S. Con. Res. 129. Concurrent resolution relating to space rescue; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HOLLINGS (for himself and Mr. THURMOND):

S. 2807. A bill to designate the bridge on Highway 72 over the Richard B. Russell Reservoir between South Carolina and Georgia as the "Olin D. Johnston Bridge"; to the Committee on Environment and Public Works.

OLIN D. JOHNSTON BRIDGE

Mr. HOLLINGS. Mr. President, across the illustrious and crowded spectrum of South Carolina history, few figures stand out as prominently as the late Senator Olin D. Johnston.

Olin Johnston was born near Hoena Patch, SC, in 1896, the child of a poor farming family. His teenage years were largely spent in the textile mill where he worked his way through high school. In 1917, Olin volunteered for duty in World War I and was assigned to the 42d Rainbow Division under Gen. Douglas A. MacArthur, where he served with honor and received a citation for bravery in action.

After the war, Olin returned to Wofford College in Spartanburg, SC, receiving his A.B. degree in 1921. One year later, at the age of 26, he was elected to represent his new home town of Spartanburg in the legislature. After a successful career in the statehouse, Olin Johnston was elected Governor of South Carolina in 1934 where he would change the State's history by becoming the first man to serve two 4-year terms.

Governor Johnston's career moved on to the national level when he defeated "Cotton Ed" Smith for the U.S. Senate in 1944. Senator Johnston would hold this office for 21 years where he served as the chairman of the Post Office and Civil Service Committee and was ranking Democrat on both the Agriculture and Judiciary Committees.

Olin D. Johnston's career was characterized by courage, energy, and innovation. His unwavering dedication to the people—especially the common working man—remains an example to us all. Respectfully known as Mr. Democrat in South Carolina, Olin was a devoted leader in the national party. As an ardent New Dealer, Johnston supported programs which still affect millions of Americans—programs which remain as a testimony to his compassion and concern for the less fortunate.

Above all, Olin Johnston was a noble gentleman. His honest and pure character contained, according to former Majority Leader Mike Mansfield, "the qualities of homespun decency * * * human warmth * * * and friendly wisdom."

Mr. President, on a personal note, I challenged Olin Johnston in the Democratic primary in 1962. He beat me, in the only South Carolina election that I've ever lost, and earned my everlasting respect. Olin did not finish that term as he passed away April 18, 1965. On November 8, 1966, I was elected to finish his term and am privileged to continue to serve in the seat he distinguished for 21 years.

It is noteworthy that Olin's charming and talented daughter, Hon. Elizabeth Patterson, has continued in the Johnston tradition by representing the Spartanburg District in the South Carolina Senate today.

Senator Johnston was a prime mover of the dam now under construction at Trotters Shoals on the Savannah River that now bears the name of the late, great Senator from Georgia, Richard B. Russell. Senator Johnston worked equally as hard for the realization of this project which will bring major energy and recreational benefits to the surrounding areas of both States. It was long the understanding that the dam would be named for Senator Russell and the bridge for Senator Johnston as memorials to the outstanding efforts of two outstanding southern Senators to assist the citizens of their respective States.

Today, I am proud, on behalf of all the citizens of South Carolina, to introduce a bill to rename the bridge that carries Highway 72 over the Richard B. Russell Reservoir, between South Carolina and Georgia as the "Olin D. Johnston Bridge."

By Mr. DURENBERGER:

S. 2809. A bill to amend the Tariff Schedules of the United States to decrease the tariff on certain Canadian egg yolks; to the Committee on Finance.

TARIFF TREATMENT OF CANADIAN EGG YOLKS

● Mr. DURENBERGER. Mr. President, at the request of my colleague, Congressman Frenzel, I introduce the following bill and ask that it be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2809

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTAIN CANADIAN EGG YOLKS.

Subpart E of part 4 of schedule 1 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out items 119.65 and 119.70 and inserting in lieu thereof the following items with superior headings having the same indentation as "Poultry" in item 119.50:

"

	Egg yolks, if a product of Canada and processed from eggs that were produced in the United States and exported in the shell to Canada, and used for the extraction of lysozyme in Canada:		
119.64	Dried	5.5¢ per lb.	
119.66	Other	2.2¢ per lb.	
	Other:		
119.68	Dried	27¢ per lb.	27¢ per lb.
119.72	Other	5.5¢ per lb.	11¢ per lb.".

SEC. 2. EFFECTIVE DATE.

(a) In General.—The amendment made by section 1 of this Act shall apply to articles entered, or withdrawn from warehouse, for consumption after the date which is 15 days after the date of enactment of this Act.

(b) Refunds.—The entry, or withdrawal from warehouse, for consumption of any article—

(A) which was made—

(i) after December 31, 1983, and

(ii) before the date which is 16 days after the date of enactment of this Act, and

(B) with respect to which a lesser duty would have been imposed if the amendment made by section 1 of this Act applied to such entry,

shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930, or any other provision of law, be liquidated or reliquidated as though such entry or withdrawal had been made on the date which is 16 days after the date of enactment of this Act if the importer of such article or the consignee or agent thereof files with the appropriate customs officer on or before the date which is 90 days after the date of enactment of this Act a request for such liquidation or reliquidation.●

By Mr. BOSCHWITZ:

S. 2810. A bill to provide that interest earned on certain passbook savings accounts shall be excluded from gross income of the taxpayer as an incentive to taxpayers to increase savings in local banks and savings institutions; to the Committee on Finance.

PASSBOOK SAVINGS INCENTIVE ACT

● Mr. BOSCHWITZ. Mr. President, today I am introducing legislation which will encourage savings by our country's small savers, and provide a stable source of deposits for banks, credit unions, and savings and loan associations. I believe that linking these two goals together will increase the pool of savings available for investment and help decrease the wide fluctuations in interest rates.

In recent years, the rate of savings in this country has declined. Indeed, the United States has had the lowest per capita rate of personal savings among the world's industrial nations and the lowest rate of personal savings since 1949. A comparison of the savings rates of the United States, France, Germany, Great Britain, and Japan clearly shows that we are lagging behind in savings. From 1976 to 1982, the average savings rate in the United States was 6.1 percent. Great Britain's savings rate was 12.3 percent—more than twice ours. Both France and Germany saved about 2½ times as much as we did. And, Japan's average savings rate was a remarkable 19.9 percent—over three times more than our savings rate. This large discrepancy is further compounded by a steep drop in our savings rate from 5.8 percent in 1982 to 4.8 percent in 1983.

It is vital that we increase our personal savings rates because increased savings provide increased capital for investment. And investment is necessary for the economy to grow and prosper. Increasing personal savings also provides individuals with financial security in the event of major catastrophes, planning for the education of children, and providing for retirement.

Increased savings that are deposited in banks, credit unions, and S&L's can also help stabilize, and hopefully reduce, interest rates. As we are all too painfully aware, interest rates have fluctuated widely in the past few years. From a record-setting high of over 21 percent, interest rates have come down 11 to 12 percent—but clearly these rates are still too high and we must work hard to get them even lower.

Part of the reason interest rates remain high is because the Federal Government has to borrow to finance the budget deficits. The more the Government borrows, less money remains available for individual and business uses—money becomes scarce. And when money gets scarce, it costs more—which means that interest rates rise.

Another part of the problem is that banks, credit unions, and S&L's have been paying higher rates of interest on consumer deposits. These rates certainly benefit the depositors, but that's only one side of the coin. The interest rate paid to depositors is the financial institution's cost of money. To make a profit, an institution must earn more from the money it lends to its customers than what it pays to its depositors. So, when a financial institution pays high rates to its depositors, it has to charge higher rates on its loans.

I believe that my legislation will increase savings and help stabilize interest rates. Very simply, my legislation will allow an individual saver to earn up to $5,000 of interest tax-free each year. Couples that file jointly could earn up to $10,000 tax-free interest each year. There is only one condition—the interest must be earned on a savings account in a bank, credit union, or S&L that pays no more than 6 percent interest. Because savers won't have to pay tax on the interest, the actual after-tax earnings will be equivalent to higher rates of interst—from 8 to 10 percent or more—if the interest income were taxable. At the same time, financial institutions will only have to pay depositors 6 percent, so they will not have to charge very high rates on some of their loans.

Mr. President, there is a clear need for this legislation. I am pleased to note that similar legislation—H.R. 5678—has been introduced in the House of Representatives. I urge my colleagues to carefully consider this legislation and join me in this effort to stimulate increased savings by America's savers.●

By Mr. TSONGAS (for himself, Mr. KENNEDY, Mr. BOSCHWITZ, and Mr. GORTON):

S. 2811. A bill to stimulate the development of State programs for skills training and education, consistent with the employment needs of the State and involving the active participation of business concerns in the State, and for other purposes; to the Committee on Labor and Human Resources.

U.S. SKILLS CORPORATION ACT

● Mr. TSONGAS. Mr. President, I am pleased to introduce today the U.S. Skills Corporation Act. Senators KENNEDY, BOSCHWITZ, and GORTON join me in sponsoring this important piece of legislation which continues the tradition of public-private partnerships by involving private business concerns, educational institutions, and the States in an effort to provide industry responsive education and training programs.

When companies innovate or move into new fields they often experience difficulties in finding appropriately trained workers or upgrading their own employees. The problems arise when a firm does not have the appropriate training program or cannot find it in the local community. For example, company X, a growing high technology firm, decides it wants to expand its product line by producing a new satellite communications product. In order to do so, it must hire five microwave engineers. Company X determines that it does not have the capacity to train them internally nor can it afford to develop one considering the costs involved for the small number of slots created. Next, local educational institutions are surveyed for microwave programs. None exist. It will now take much longer to hire the necessary personnel away from other companies. Innovation is delayed. The company may lose a business opportunity. Potential jobs are lost. The local and national economy suffer. As a result, the U.S. ability to compete in satellite communications internationally is diminished.

However, there can be a happier ending to this scenario. In Massachusetts, the Bay State Skills Corporation [BSSC], a quasi-public agency, has developed a program to encourage and facilitate the formation of new job training programs. Participating industries match State funds in a joint effort with educational institutions to provide these training programs. In its 2 years of existence, BSSC has entered into matching partnerships with over 400 Massachusetts companies. Training grants have been awarded to 70 educational institutions and 86 percent of the graduates in BSSC's matching grants programs have been placed successfully in jobs. As these figures suggest, this effort has been remarkably successful and contributed to the ability of Massachusetts to attract and keep growing companies.

The Bay State Skills Corporation model can be applied nationally. In fact, the States of Washington, Minnesota, and Kentucky have already established programs.

A U.S. Skills Corporation [USSC] will provide matching funds and Federal assistance to facilitate and encourage all States in establishing and operating skills corporations. To ensure that training is responisve to clearly defined industry needs, grant awards will be made for the development of new training projects jointly sponsored by industry and educational institutions at the State level, and requiring a 50 percent matching industry contribution. A brief summary of the bill follows.

A USSC is established to stimulate the development and assist the operating of State skills corporation through the provision of matching funds. In turn, the purpose of State skills corporations is to promote job training in high demand and high growth industries in response to clearly defined needs.

The structure of a State skills corporation will be determined by the Governor of each participating State. He or she will designate a quasi-public corporation, public nonprofit corporation, or State agency as its State skills corporation. These skills corporations will work with business and educational institutions to develop new job training programs at all levels—entry, intermediate, and advanced, after conducting needs analyses to determine what type of programs are actually needed but currently unavailable. The source of funding for these new education and training programs will be broken down as follows: 50 percent from business, 25 percent from the State, and 25 percent from the Federal Government. Federal funds will be distributed through three types of grants.

For States without currently operating skills corporations, currently 46 in number, a pool of funds will be distributed on a formula basis. These States will be eligible to receive funds according to the size of their civilian labor force. All States will have 2 years to apply for a formula grant and $10 million will be available for each of the first 2 years of the program.

For the four States that have skills corporations currently in operation, Massachusetts, Minnesota, Washington, and Kentucky, plus those States that establish corporations after enactment of the USSC, a separate pool of funds will be established. These moneys will be available for 5 years and increase from $5 million the first year, to $40 million the second year, and plateau at $75 million for each of the 3 remaining years. Applications for these funds will be judged through competition on the basis of merit. It is expected that by the end of the fifth year, all States skills corporations will be completely business and State supported.

Finally, a third category of funds will be available for discretionary funding by the USSC Director. One million dollars of each year's competitive funds pool will be available for innovative and experimental programs which can be supported with less than a 50-percent industry contribution.

The USSC will be established as a small independent agency, headed by a Director who is appointed by the President and confirmed by the Senate, and with an Advisory Board of 15 members from all relevant sectors, including business, labor, educational institutions, and the States. Finally, the USSC will serve not only to fund State programs, but to provide a clearinghouse function for information regarding skills corporations and the organization and sponsorship of relevant educational activities, such as conferences, studies, and reports.

In closing, I stress the partnership nature of this proposal. I believe it will join the creative energies of business, the States, and educational institutions in a productive effort to assist economic development and create and upgrade jobs. It provides a role for the Federal Government in assisting economic growth, but allows the major thrust to come from the business community in cooperation with the States. Additionally, and very importantly, it retains a State focus; all individual projects are screened and evaluated on the State level. Thus responsiveness is assured and further bureaucracy avoided. I encourage my colleagues to review this piece of legislation and ask that hearings be held in the near future.

Many people had an important role in crafting this legislation. Susan K. Moulton, Eric Fenn Elbot, and Steve Shestakofsky of the Bay State Skills Corp., were invaluable in providing assistance, suggestions, and resources in the development of this proposal. Massachusetts Secretary of Economic Affairs Evelyn Murphy and Bill McDermott of her staff should also be thanked for their support and assistance. I would also like to thank Senator KENNEDY and Kitty Higgins, minority staff director of the Labor and Human Resources Committee, for working closely with me and my staff on the proposal. Congressman JOE EARLY and Jon Oliver of his staff should also be thanked for their involvement and valuable assistance.

Mr. President, I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2811

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "United States Skills Corporation Act".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) the need for adequate and appropriate industry responsive job training and education programs, at all levels of training, is crucial for the economic growth of our Nation;

(2) a national partnership that includes Federal and State governments and business and industry can most effectively address the Nation's need for job training and education programs and provide skilled workers;

(3) skilled workers trained for positions of high demand and high growth will increase productivity and strengthen the competitive position of the United States in the world market and will permit industries to operate at improved levels of productivity;

(4) the cooperation between the job training system, educational institutions, and the private sector needs to be increased in order to meet the needs of business and industry for skilled employees; and

(5) Federal financial assistance is most effective when used to leverage additional funds and commitment from the private sector.

(b) It is the purpose of this Act—

(1) to stimulate the development of State programs of skills training and education consistent with employment needs and thereby promote economic growth;

(2) to promote increased cooperation among the employment and training system, educational institutions, and the private sector to better meet the needs of business and industry for skilled employees at both entry and advanced levels of employment;

(3) to promote the training, retraining, and advanced training of American workers for current positions and for occupations with future growth potential;

(4) to collect and disseminate information on employment needs as well as the availability of skills training and education; and

(5) to conduct conferences and studies which will increase communication and information on employment needs in the United States.

PROGRAM AUTHORIZED

SEC. 3. (a) The Director is authorized, in accordance with the provisions of this Act, to make grants to State skills corporations.

(b)(1) Subject to the provisions of paragraph (2), there are authorized to be appropriated $10,000,000 for formula grants and $5,000,000 for competitive grants in fiscal year 1985, $10,000,000 for formula grants and $40,000,000 for competitive grants in fiscal year 1986, and $75,000,000 for competitive grants for each of the fiscal years 1987, 1988, and 1989.

(2) From amounts appropriated for competitive grants in each fiscal year, the Director shall reserve an amount not to exceed $1,000,000 in each fiscal year for the purpose of carrying out section 8, relating to innovative grants.

(c) There are authorized to be appropriated such sums as may be necessary for the fiscal year 1985 and for each succeeding fiscal year ending prior to October 1, 1989, for administrative expenses relating to carrying out the provisions of this Act.

ELIGIBILITY OF STATE SKILLS CORPORATIONS

SEC. 4. (a) In order for the State to receive funds under this Act, the Governor of each State shall designate or establish a quasi-public corporation, a public nonprofit corporation, or a State agency, as the State skills corporation for the purpose of the Act.

(b) In order for the State to receive funds under this Act, the State skills corporation meeting the requirements of subsection (a) shall—

(1) have as one of its principal corporate purposes the provision of a program of skill training and education consistent with the employment needs of the State;

(2) receive matching funds from direct State appropriation; and

(3) receive financial support from business and industry in the State, together with information, technical assistance, and financial support from business concerns within the State.

(c) The State shall certify—

(1) that the Governor has designated a State skills corporation pursuant to subsection (a);

(2) that the requirements of subsection (b) are met; and

(3) that assistance from the Federal Government is essential to the success of the training and education programs conducted by the State skills corporation.

DISTRIBUTION OF ASSISTANCE; FORMULA GRANTS AND COMPETITIVE GRANTS

SEC. 5. (a) From amounts appropriated pursuant to section 3(b)(1) for each fiscal year for formula grants, the Director shall allot to each State which does not have a State skills corporation which meets the requirements of section 4(b) an amount which bears the same ratio to the civilian labor force of such State as the amount available for formula grants under section 3(b)(1) bears to the civilian labor force of all such States, except that no such State shall receive less than one-half of 1 percent of the amount being allotted for each fiscal year and no such State shall receive more than 10 percent of the amount being allotted for such fiscal year.

(b)(1) From the amounts appropriated pursuant to section 3 (b) (1) for each fiscal year for competitive grants, the Director shall make grants to States which have State skills corporations which meet the requirements of section 4 (b) and have applications approved under section 6.

(2) To the extent practicable, the Director shall distribute competitive grants among States having applications approved under section 6 on the basis of——

(A) the merits of the programs described in the application; and

(B) the need for training and education programs in the State making the application.

(c) Any portion of a State's allotment under subsection (a) for a fiscal year, which the Director determines will not be required for the period such allotment is available for carrying out the purposes of this Act, shall be available for reallotment from time to time, on such dates during such period as the Director may fix, to other States based on need and ability to expend the funds and taking into account the proportion of the original allotments made available to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Secretary estimates such State needs and will be able to use for such period for carrying out such portion of its State application approved under this Act, and the total reduction shall be similarly reallotted among the States whose proportionate amounts are not so reduced. The reallotment required by this subsection shall be made without regard to the maximum allotment percentage limitation specified in subsection (a) of this section. In carrying out the requirement of this subsection, the Director shall establish procedures for prompt reallotment of funds under this Act so as to assure the use of assistance whenever any State fails to submit an application. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

APPLICATIONS

SEC. 6. (a) Each State desiring to receive assistance under this Act shall submit an annual application to the Director at such time, in such manner, and containing or accompanied by such information as the Director may require.

(b) Each such application shall—

(1) describe the program for which assistance is sought, a proposed estimate of the costs of the program, and criteria to be used in selecting projects;

(2) provide assurances that at least 50 percent of the funds for the program described in the application will be furnished by business concerns within the State, except that 10 percent of the total funds contributed by State and Federal sources may be used for projects matched at less than 50 percent by business concerns within the State;

(3) provide assurances that the State, from State sources, will furnish 25 percent of the cost of such programs as specified in section 4(b)(2);

(4) in the case of a State which has not certified that the designee meets the requirements of section 4(b), provide assurances that the State will meet the requirements of section 4(b) during the period for which the application is made;

(5) provide an analysis of State training needs based on a realistic assessment of current job training programs, projected job growth within the State, and the ability of the project for which assistance is sought to improve the match between anticipated job openings and the training and education program described in the application;

(6) provide a description of how the State skills corporation activities supplement and are coordinated with programs assisted under the Job Training Partnership Act and the Vocational Education Act of 1963 as set forth in State plans developed for such programs;

(7) provide a description of any programs to be jointly administered by the State skills corporation and agencies or service delivery

areas funded under the Job Training Partnership Act;

(8) provide assurances that the State will, in conducting training under the programs assisted under this Act, not use proprietary institutions;

(9) provide assurances that the State will not use more than 5 percent of the amount paid to the State under this Act for administrative expenses;

(10) set forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State under this Act; and

(11) such other assurances as the Director determines are necessary to carry out the provisions of this Act.

(c)(1) In providing assurances under clause (5) of subsection (b) of this section, each State skills corporation shall furnish evidence that the analysis required was prepared with the cooperation of business concerns within the State, including private industry councils.

(2) In providing assurances under clause (6) of subsection (b) of this section, each State skills corporation shall furnish evidence that the State Job Training Coordinating council (SJTCC) established under section 122 of the Job Training Partnership Act has reviewed the application. If the SJTCC does not concur, the views and comments of the council will be forwarded with the application.

(d) An application may be filed, jointly, by one or more states under the provision of subsection (b) of this section.

(e) The Director may approve applications which meet the requirements of subsection (b) in the manner prescribed by section 5(b).

UNITED STATES SKILLS CORPORATION ESTABLISHED

Sec. 7. (a) There is established a United States Skills Corporation as an independent agency of the executive branch of the United States Government.

(b)(1) The Corporation shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) Section 5315 of title 5, United States Code, is amended by adding at the end thereof:

"Director, United States Skills Corporation.".

(c)(1) There is established in the United States Skills Corporation an advisory board on skills which shall consist of—

(A) the Secretary of Labor;

(B) the Secretary of Education;

(C) the Secretary of Commerce;

(D) the Director of the National Science Foundation;

(E) two State Governors;

(F) two chief executive officers of business concerns;

(G) two Presidents of labor organizations;

(H) two Presidents of institutions of higher education;

(I) one President of a professional society; and

(J) two Members of Congress.

(2)(A) Members of the advisory board described in clauses (E), (F), (G), (H), and (I) of paragraph (1) shall be appointed by the President.

(B)(i) One member of the advisory board described in clause (J) of paragraph (1) shall be appointed by the Speaker of the House of Representatives from among members of the House of Representatives.

(ii) One member of the advisory board described in clause (J) of paragraph (1) shall be appointed by the Majority Leader of the Senate from among members of the Senate.

(3) The advisory board appointed pursuant to paragraph (1) of this subsection shall assist the Director in approving applications submitted and approved under section 5(b) and section 6.

INNOVATIVE GRANTS

Sec. 8. (a) The Director from funds reserved pursuant to section 3(b)(2), may make grants to support skills corporation programs of an experimental nature.

(b) No grant may be made under this section unless the State skills corporation meets the requirements of section 6(b), except the requirement contained in clause (2) of section 6(b).

(c) The Director shall apply, to the extent practicable, the same approval procedures for application made for grants under this section as the Director applies to applications made under section 6.

INFORMATION ACTIVITIES

Sec. 9. (a) The Director is authorized to operate a clearinghouse on information with respect to State skills corporations and the programs and activities of such State skills corporations.

(b) In carrying out the functions of this section, the Director shall collect, analyze, and disseminate to the public information pertaining to the skills corporation and to such programs and activities.

(c) The Director is authorized to organize, sponsor, conduct, and encourage the conduct of special institutes, conferences, demonstration projects and studies which increase communication and cooperation among Federal, State, and local public agencies, business concerns, public and private institutions and organizations, particularly institutions involved in economic development, employment opportunities, and skills training and education.

ADMINISTRATIVE PROVISIONS

Sec. 10. (a) In order to carry out the provisions of this Act, the Corporation is authorized to—

(1) appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this Act, except that in no case shall employees be compensated at a rate to exceed the rate provided for employees in grade GS-18 of the General Schedule set forth in section 5332 of title 5, United States Code;

(2) procure temporary and intermittent services of experts and consultants as are necessary to the extent authorized by section 3109 of title 5, United States Code;

(3) prescribe such regulations as it deems necessary governing the manner in which its functions shall be carried out;

(4) receive money and other property donated, bequeathed, or devised, without condition or restriction other than it be used for the purposes of this Act; and to use, sell, or otherwise dispose of such property for the purpose of carrying out the functions of the Corporation under this Act;

(5) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(6) enter into contracts, grants, or other arrangements, or modifications thereof, to carry out the provisions of this Act, and such contracts or modifications thereof, with the concurrence of two-thirds of the members of the Advisory Board, be entered into without performance or other bonds, and without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5);

(7) make advances, progress, and other payments which the Board deems necessary under this Act without regard to the provisions of section 3324 of title 31, United States Code; and

(8) make other necessary expenditures.

(b) The Corporation shall submit to the President and to the Congress an annual report of its operations under this Act.

AUDITS AND REPORTS

Sec. 11. (a) The Comptroller General of the United States, and any of his authorized representatives shall have access, for the purpose of audit and examination to any books, documents, papers, and records, of any State skills corporation receiving assistance under this Act and to any recipient of any such corporation that are pertinent to the sums received and disbursed under this Act.

(b) The Director shall make a report to the President and to the Congress annually on the activities conducted with assistance under this Act, together with recommendations, including recommendations for legislation, for improvements and the program authorized by this Act.

PAYMENTS

Sec. 12. (a)(1) The Director shall pay, in the case of formula grants from the State's allotment, to each State having an application approved under section 6, the Federal share of the cost of carrying out programs described in the application.

(2) The Director shall pay, in the case of competitive grants to each State skills corporation having an application approved under section 6, the Federal share of the cost of developing and carrying out the approved application.

(b) (1) For each fiscal year, the Federal share shall be 25 percent.

(2) The contribution of business concerns may be in cash or in kind, fairly evaluated, including but not limited to planning expenses, plant, equipment, and services.

(c) Payments made under this Act may be made in installments and in advance or by way of reimbursement with necessary adjustments on account of overpayments or underpayments.

DEFINITIONS

Sec. 13. As used in this Act—

(1) the term "Corporation" means the United States Skills Corporation established by section 7;

(2) the term "Director" means the Director of the United States Skills Corporation; and

(3) the term "State' means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.●

● Mr. BOSCHWITZ. Mr. President, I am proud to join my Massachusetts colleagues in introducing the United States Skills Corporation Act.

The U.S. Skills Corporation (USSC) will provide grants to States to enable them to set up and run their own State jobs skills program. Its startup funding is $15 million, rising to $75 million after States have had a chance to get their programs underway.

The USSC, and the State Jobs Skills Programs that come out of it, is designed to get local businesses involved in the training of workers for needed, high-demand jobs, This involvement is ensured by making business a full partner in any proposal—they must match the financial contribution of the Government. This match can be either funds or inkind: that is, equipment, services, personnel, or curriculum development. The business then has its share matched by grants from the State's skills corporation. The Skills Corporation funds would be made up of one-half State, one-half Federal. Overall, the funding ratio is 50 percent business, 25 percent State, and 25 percent Federal.

My State of Minnesota recently began its own Job Skill Partnership Program, modeling its efforts after the Bay State Skills Corporation begun in Massachusetts.

In its first round of grants, completed this April, three grants totaling $250,000 were made. In each case local businesses teamed up with local education/training organizations to develop and fund their proposal; 335 workers will receive training through these three grants. Several other projects will be funded later this year as Minnesota's budget for the program is $1.5 million.

The USSC itself is really no more than a Federal clearinghouse for the various State-run programs. We believe the States are in the best position to assess their employment needs, and feel a USSC program would give them an excellent tool to work with. The Federal USSC would only handle information flow and the sending of the Federal share back to participating States. The States themselves would make the decisions on which projects to award grants to.

One of the concerns often voiced about Federal job training programs is that we end up training people for the wrong jobs in the wrong region at the wrong time. One of the excellent aspects of this legislation is that it gets the training organizations working with those who will be doing the hiring. This way a match of job market demand and training programs is made—benefiting business, workers, and the State's economic picture.

It is for this basic reason I am supporting national USSC legislation. My State is seeing it work—and we wouldn't mind sharing it with the rest of the country.

I urge my colleagues to support this legislation, and to encourage their Governors to look at the Massachusetts and Minnesota programs.●

● Mr. KENNEDY. Mr. President, I am pleased to join with my distinguished colleague, Senator TSONGAS, in cosponsoring the United States Skills Corporation Act, to stimulate the development of State programs for skills training and education, consistent with the employment needs of the State. This legislation will also require active participation of business concerns in the State.

The United States Skills Corporation Act is modeled after a highly successful program in Massachusetts, the Bay State Skills Corporation, a quasi-public agency, that has developed a program to encourage and facilitate the formation of new job training programs. This program that was started in 1982 has been so successful that it has been copied by Illinois, Minnesota, and Washington State.

This concept pioneered in Massachusetts builds on the public-private partnerships launched under the Job Training Partnership Act. It genuinely addresses the needs of industry by involving industry; it speaks to labor by promoting the industries where the jobs of the future will be; it revitalizes the mission of American education, and serves government's need to stimulate economic growth.

This legislation would make $15 million in Federal money available to start corporations that would target training for high-growth, high-demand industries. The basic concept is to simply find out from business what skills it needs and then set up job training programs to fill the void, with business and the State providing the funding.

The training program is worked out between schools and businesses together and then brought to the skills corporation. Depending on the skill, the training runs from 6 to 18 months and serves all employment levels—entry, intermediate, and advanced. In my own State of Massachusetts, 300 companies have worked with 60 universities and community colleges throughout the State training more than 4,000 people in such areas as computer programming, robotics, genetic engineering, medical technology, the machine trades, and clerical work; 87 percent of the trainees found work immediately in their skill area. The key ingredient is that companies participate in every phase of the training program from curriculum design to intern evaluation.

These skilled workers, trained for positions of high demand and high growth, will increase productivity and strengthen the competitive position of the United States in the world market and will permit industries to operate at improved levels of productivity. A U.S. Skills Corporation is what we need where we need it.

Mr. President, I urge my colleagues to support this very important piece of legislation.●

By Mr. HELMS:

S. 2812. A bill to provide procedures for calling constitutional conventions for proposing amendments to the Constitution of the United States, on application of the legislatures of two-thirds of the States, pursuant to article V of the Constitution; to the Committee on the Judiciary.

FEDERAL CONSTITUTIONAL CONVENTION PROCEDURES ACT

Mr. HELMS. Mr. President, Senator Sam J. Ervin, Jr., a great American and a distinguished former Member of this body from North Carolina, has devoted his life and remarkable career to preserving the U.S. Constitution. He, as much as any other living American, has embodied in word and deed the same commitment to the principles of limited Government and individual liberty that our forefathers displayed when they drafted and ratified the Constitution. Indeed, he has been called the last of the Founding Fathers.

When Sam Ervin was serving in this body, he introduced legislation to govern the procedures at a constitutional convention called by the State legislatures under article V of the Constitution. It was my privilege, Mr. President, to offer substantially the same legislation in both the 95th and 96th Congresses. It is sound legislation, drafted with care by Senator Ervin, and would serve us well in the event a constitutional convention was called by the States. I offer it again today in light of the continuing interest of the State legislatures in this method of amending the Constitution.

As of this month, Mr. President, 32 of the necessary 34 State legislatures have asked for a convention to propose an amendment limiting deficit spending by Congress, and 19 have sought an amendment to prohibit abortion. Thus, it is a real possibility that we could face our first constitutional convention since the original one in 1787 in the near future.

Mr. President, when, by the terms of article V, the legislatures of two-thirds of the States petition Congress to call a convention for proposing amendments, Congress is obligated to provide for such a convention. This procedure does not involve State memorials to Congress which give rise to no more than a moral obligation on the part of Congress and have no legal effect. The legislation which I am introducing implements article V by establishing procedures for a constitutional convention.

One of the most significant questions in this issue is whether once two-thirds of the States have acted, can Congress call a convention limited solely to the consideration of a single, specified amendment or can the convention, once brought into existence, revise the entire Constitution?

Of course, there is nothing to prevent State legislatures from submitting petitions calling for a general or so-called wide-open convention. In fact, several States have done so. But to transform every petition, asking for a specific amendment, into a call for a convention of general jurisdiction constitutes a strained and simplistic interpretation of article V at odds with the drafting of article V and the constitutional powers of the States.

Article V would be reduced to a nullity and absurdity if Congress is forced to call a general convention to rewrite the entire Constitution after receiving, for example, calls from 12 States seeking a balanced budget, 10 States wanting a limitation on overall taxation, and 12 more States seeking to limit Presidential tenure. The fact that Congress has received more than 400 different convention calls, and has not yet acted to call a general convention, suggests that a specific convention call mandates a limited convention.

In 1971, the Senate Judiciary Committee reported that it was the responsibility of Congress "to enact legislation which makes article V meaningful" and not to make the constructional convention a dead letter.

In 1973, a special study committee of the American Bar Association concluded that it is important and proper for Congress to establish procedures for implementation of an article V convention and "improper to place unnecessary and unintended obstacles in the way of its use." I believe that distorting the intention of the framers of the Constitution to require that any convention called under article V must be a general convention is just such an unnecessary obstacle.

As James Madison explained in Federalist No. 43, article V "guards equally against that extreme facility which would render the Constitution too mutable; and that extreme difficulty which might perpetuate its discovered faults. It moreover equally enables the general and the State governments to originate the amendment of errors as they may be pointed out by experience." The Founding Fathers clearly intended the convention method to be a workable, although not easy, method of balancing inaction in Congress.

On January 15, 1979, I introduced S. 3, which was identical to the bill I introduce today and which bore the same title. Substantially similar legislation passed the Senate in 1971 and 1973.

Writing in the 1968 Michigan Law Review on this subject, Senator Ervin said:

> The contention that any constitutional convention must be a wide open one is neither a practicable nor a desirable one. If the subject matter of amendments were to be left entirely to the convention, it would be hard to expect the States to call for a convention in the absence of a general discontent with the existing constitutional system. This construction would effectively destroy the power of the States to originate the amendment of errors pointed out by experience, as Madison expected them to do.

My legislation specifically provides that upon receipt of valid applications from two-thirds of the States requesting a convention on the same subject, Congress is required to call a convention by concurrent resolution, specifying in the resolution the nature of the amendment for which the convention is being called. My bill further provides that the convention may not propose amendments on other subjects, that the delegates to the convention must take an oath to that effect, and that if it does propose amendments in violation of the act, Congress may refuse to submit them to the States for ratification.

I believe that when a significant number of States call on Congress to propose a convention limited to a specific subject, that Congress will either limit the jurisdiction of such a convention or act favorably on the proposed amendment.

This legislation provides an even-handed, nonpartisan, and fair resolution of the problems inherent in calling a convention under article V. It provides these procedures now, in the absence of a constitutional crisis in which a dispassionate resolution of the problems may not be possible.

The procedures which this legislation establishes do not favor or assist any particular call for a constitutional convention. Support of this proposal should not be viewed as support or opposition to any presently proposed constitutional amendment or convention call.

Mr. President, perhaps the best analysis of the problems involved in proposing amendments through a constitutional convention was written by Senator Ervin for the March 1968 issue of the Michigan Law Review. That article, entitled "The Convention Method of Amending the Constitution," was reprinted in the spring 1977 issue of the Human Life Review.

Mr. President, I ask unanimous consent that the following excerpts from former Senator Ervin's article and the text of the bill be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2812

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Constitutional Convention Procedures Act."

APPLICATIONS FOR CONSTITUTIONAL CONVENTION

SEC. 2. The legislature of a State, in making application to the Congress for a constitutional convention under article V of the Constitution of the United States, shall adopt a resolution pursuant to this Act stating, in substance, that the legislature requests the calling of a convention for the purpose of proposing one or more amendments to the Constitution of the United States and stating the nature of the amendment or amendments to be proposed.

APPLICATION PROCEDURE

SEC. 3. (a) For the purpose of adopting or rescinding a resolution pursuant to section 2 or section 5 of this Act, the State legislature shall follow the rules of procedure that govern the enactment of a statute by that legislature, but without the need of approval of the legislature's action by the Governor of the State.

(b) Questions concerning the adoption of a State resolution cognizable under this Act shall be determinable by the Congress of the United States and its decisions thereon shall be binding on all others, including State and Federal courts.

TRANSMITTAL OF APPLICATIONS

SEC. 4. (a) Within thirty days after the adoption by the legislature of a State of a resolution to apply for the calling of a constitutional convention, the secretary of state of the State, or, if there be no such officer, the person who is charged by the State law with such function, shall transmit to the Congress of the United States two copies of the application, one addressed to the President of the Senate and one to the Speaker of the House of Representatives.

(b) Each copy of the application so made by any State shall contain—

(1) the title of the resolution;

(2) the exact text of the resolution signed by the presiding officer of each house of the State legislature; and

(3) the date on which the legislature adopted the resolution; and shall be accompanied by a certificate of the secretary of state of the State, or such other person as is charged by the State law with such function, certifying that the application accurately sets forth the text of the resolution.

(c) Within ten days after receipt of a copy of any such application, the President of the Senate and Speaker of the House of Representatives shall report to the House of which he is presiding officer, identifying the State making application, the subject of the application, and the number of States then having made application on such subject. The President of the Senate and Speaker of the House of Representatives shall jointly cause copies of such application to be sent to the presiding officer of each house of the legislature of every other State and to each Member of the Senate and House of Representatives of the Congress of the United States.

EFFECTIVE PERIOD OF APPLICATION

SEC. 5. (a) An application submitted to the Congress by a State, unless sooner rescinded by the State legislature, shall remain effective for seven calendar years after the date it is received by the Congress, except that whenever within a period of seven calendar years two-thirds or more of the several States have each submitted an application calling for a constitutional convention on the same subject all such applications shall remain in effect until the Congress has taken action on a concurrent resolution, pursuant to section 6 of this Act, calling for a constitutional convention.

(b) A State may rescind its application calling for a constitutional convention by adopting and transmitting to the Congress a resolution of rescission in conformity with the procedure specified in sections 3 and 4 of this Act, except that no such rescission shall be effective as to any valid application made for a constitutional convention upon any subject after the date on which two-thirds or more of the State legislatures have valid applications pending before the Congress seeking amendments on the same subject.

(c) Questions concerning the rescission of a State's application shall be determined solely by the Congress of the United States and its decisions shall be binding on all others, including State and Federal courts.

CALLING OF A CONSTITUTIONAL CONVENTION

Sec. 6. (a) It shall be the duty of the Secretary of the Senate and the Clerk of the House of Representatives to maintain a record of all applications received by the President of the Senate and Speaker of the House of Representatives from States for the calling of a constitutional convention upon each subject. Whenever applications made by two-thirds or more of the States with respect to the same subject have been received, the Secretary and the Clerk shall so report in writing to the officer to whom those applications were transmitted, and such officer thereupon shall announce on the floor of the House of which he is an officer the substance of such report. It shall be the duty of such House to determine that there are in effect valid applications made by two-thirds of the States with respect to the same subject. If either House of the Congress determines, upon a consideration of any such report or of a concurrent resolution agreed to by the other House of the Congress, that there are in effect valid applications made by two-thirds or more of the States for the calling of a constitutional convention upon the same subject, it shall be the duty of that House to agree to a concurrent resolution calling for the convening of a Federal constitutional convention upon that subject. Each such concurrent resolution shall (1) designate the place and time of meeting of the convention, and (2) set forth the nature of the amendment or amendments for the consideration of which the convention is called. A copy of each such concurrent resolution agreed to by both Houses of the Congress shall be transmitted forthwith to the Governor and to the presiding officer of each house of the legislature of each State.

(b) The convention shall be convened not later than one year after adoption of the resolution.

DELEGATES

Sec. 7. (a) A convention called under this Act shall be composed of as many delegates from each State as it is entitled to Senators and Representatives in Congress. In each State two delegates shall be elected at large and one delegate shall be elected from each congressional district in the manner provided by law. Any vacancy occurring in a State delegation shall be filled by appointment of the Governor of that State.

(b) The secretary of state of each State, or, if there be no such officer, the person charged by State law to perform such function shall certify to the Vice President of the United States the name of each delegate elected or appointed by the Governor pursuant to this section.

(c) Delegates shall in all cases, except treason, felony, and breach of the peace, be privileged from arrest during their attendance at a session of the convention, and in going to and returning from the same; and for any speech or debate in the convention they shall not be questioned in any other place.

(d) Each delegate shall receive compensation for each day of service and shall be compensated for traveling and related expenses. Provision shall be made therefor in the concurrent resolution calling the convention. The convention shall fix the compensation of employees of the convention.

CONVENING THE CONVENTION

Sec. 8. (a) The Vice President of the United States shall convene the constitutional convention. He shall administer the oath of office of the delegates to the convention and shall preside until the delegates elect a presiding officer who shall preside thereafter. Before taking his seat each delegate shall subscribe to an oath by which he shall be committed during the conduct of the convention to refrain from proposing or casting his vote in favor of any proposed amendment to the Constitution of the United States relating to any subject which is not named or described in the concurrent resolution of the Congress by which the convention was called. Upon the election of permanent officers of the convention, the names of such officers shall be transmitted to the President of the Senate and the Speaker of the House of Representatives by the elected presiding officer of the convention. Further proceedings of the convention shall be conducted in accordance with such rules, not inconsistent with this Act, as the convention may adopt.

(b) There are hereby authorized to be appropriated such sums as may be necessary for the payment of the expenses of the convention.

(c) The Administrator of the General Services shall provide such facilities, and the Congress and each executive department, agency, or authority of the United States, including the legislative branch and the judicial branch, except that no declaratory judgment may be required, shall provide such information and assistance as the convention may require, upon written request made by the elected presiding officer of the convention.

PROCEDURES OF THE CONVENTION

Sec. 9. (a) In voting on any question before the convention, including the proposal of amendments, each delegate shall have one vote.

(b) The convention shall keep a daily verbatim record of its proceedings and publish the same. The vote of the delegates on any question shall be entered on the record.

(c) The convention shall terminate its proceedings within one year after the date of its first meeting unless the period is extended by the Congress by concurrent resolution.

(d) Within thirty days after the termination of the proceedings of the convention, the presiding officer shall transmit to the Archivist of the United States all records of official proceedings of the convention.

PROPOSAL OF AMENDMENTS

Sec. 10. (a) Except as provided in subsection (b) of this section, a convention called under this Act may propose amendments to the Constitution by a vote of a majority of the total number of delegates to the convention.

(b) No convention called under this Act may propose any amendment or amendments of a nature different from that stated in the concurrent resolution calling the convention. Questions arising under this subsection shall be determined solely by the Congress of the United States and its decisions shall be binding on all others, including State and Federal courts.

APPROVAL BY THE CONGRESS AND TRANSMITTAL TO THE STATES FOR RATIFICATION

Sec. 11. (a) The presiding officer of the convention shall, within thirty days after the termination of its proceedings, submit to the Congress the exact text of any amendment or amendments agreed upon by the convention.

(b)(1) Whenever a constitutional convention called under this Act has transmitted to the Congress a proposed amendment to the Constitution, the President of the Senate and the Speaker of the House of Representatives, acting jointly, shall transmit such amendment to the Administrator of General Services upon the expiration of the first period of ninety days of continuous session of the Congress following the date of receipt of such amendment unless within that period both Houses of the Congress have agreed to (A) a concurrent resolution directing the earlier transmission of such amendment to the Administrator of General Services and specifying in accordance with article V of the Constitution the manner in which such amendment shall be ratified, or (B) a concurrent resolution stating that the Congress disapproves the submission of such proposed amendment to the States because such proposed amendment relates to or includes a subject which differs from or was not included among the subjects named or described in the concurrent resolution of the Congress by which the convention was called, or because the procedures followed by the convention in proposing the amendment were not in substantial conformity with the provisions of this Act. No measure agreed to by the Congress which expresses disapproval of any such proposed amendment for any other reason, or without a statement of any reason, shall relieve the President of the Senate and the Speaker of the House of Representatives of the obligation imposed upon them by the first sentence of this paragraph.

(2) For the purposes of paragraph (1) of this subsection, (A) the continuity of a session of the Congress shall be broken only by an adjournment of the Congress sine die, and (B) the days on which either House is not in session because of an adjournment of more than three days to a day certain shall be excluded in the computation of the period of ninety days.

(c) Upon receipt of any such proposed amendment to the Constitution, the Administrator shall transmit forthwith to each of the several States a duly certified copy thereof, a copy of any concurrent resolution agreed to by both Houses of the Congress which prescribes the time within which and the manner in which such amendment shall be ratified, and a copy of this Act.

RATIFICATION OF PROPOSED AMENDMENTS

Sec. 12. (a) Any amendment proposed by the convention and submitted to the States in accordance with the provisions of this Act shall be valid for all intents and purposes as part of the Constitution of the United States when duly ratified by three-fourths of the States in the manner and within the time specified.

(b) Acts of ratification shall be by convention or by State legislative action as the Congress may direct or as specified in subsection (c) of this section. For the purpose of ratifying proposed amendments transmitted to the States pursuant to this Act the State legislatures shall adopt their own rules of procedure. Any State action ratifying a proposed amendment to the Constitution shall be valid without the assent of the Governor of the State.

(c) Except as otherwise prescribed by concurrent resolution of the Congress, any proposed amendment to the Constitution shall become valid when ratified by the legislatures of three-fourths of the several States within seven years from the date of the submission thereof to the States, or within such other period of time as may be prescribed by such proposed amendment.

(d) The secretary of state of the State, or if there be no such officer, the person who is charged by State law with such function, shall transmit a certified copy of the State action ratifying any proposed amendment to the Administrator of General Services.

RESCISSION OF RATIFICATIONS

Sec. 13. (a) Any State may rescind its ratification of a proposed amendment by the same processes by which it ratified the proposed amendment, except that no State may rescind when there are existing valid ratification of such amendment by three-fourths of the States.

(b) Any State may ratify a proposed amendment even though it previously may have rejected the same proposal.

(c) Questions concerning State ratification or rejection of amendments proposed to the Constitution of the United States, shall be determined solely by the Congress of the United States, and its decisions shall be binding on all others, including State and Federal courts.

PROCLAMATION OF CONSTITUTIONAL AMENDMENTS

Sec. 14. The Administration of General Services, when three-fourths of the several States have ratified a proposed amendment to the Constitution of the United States, shall issue a proclamation that the amendment is part of the Constitution of the United States.

EFFECTIVE DATE OF AMENDMENTS

Sec. 15. An amendment proposed to the Constitution of the United States shall be effective from the date specified therein or, if no date is specified, then on the date on which the last State necessary to constitute three-fourths of the States of the United States, as provided for in article V, has ratified the same.

The Convention Methods of Amending the Constitution

(By Sam J. Ervin, Jr.)

Article V of the Constitution of the United States [1] provides that constitutional amendments may be proposed in either of two ways—by two-thirds of both houses of the Congress or by a convention called by the Congress in response to the applications of two-thirds of the state legislatures. Although the framers of the Constitution evidently contemplated that the two methods of initiating amendments would operate as parallel procedures, neither superior to the other, this has not been the case historically. Each of the twenty-five constitutional amendments ratified to date was proposed by the Congress under the first alternative. As a result, although the mechanics and limitations of congressional power under the first alternative are generally understood, very little exists in the way of precedent or learning relating to the unused alternative method in article V. This became distressingly clear recently following the disclosure that thirty-two state legislatures had, in one form or another, petitioned the Congress to call a convention to propose a constitutional amendment permitting states to apportion their legislatures on the basis of some standard other than the Supreme Court's "one man-one vote" requirement. The scant information and considerable misinformation and even outright ignorance displayed on the subject of constitutional amendment, both within the Congress and outside of it—and particularly the dangerous precedents threatened by acceptance of some of the constitutional misconceptions put forth—prompted me to introduce in the Senate a legislative proposal designed to implement the convention amendment provision in article V . . .

III. QUESTIONS RAISED BY THE BILL

Before going to specific issues and matters of detail, it seems appropriate to discuss briefly two threshold problems posed by the bill: whether the Congress has the power to enact such legislation, and, if it does, what policy considerations should guide it in exercising such power.

I have no doubt that the Congress has the power to legislate about the process of amendment by convention. The Congress is made the agency for calling the convention, and it is hard to see why the Congress should have been involved in this alternative method of proposal at all unless it was expected to determine such questions as when sufficient appropriate applications had been received and to provide for the membership and procedures of the convention and for review and ratification of its proposals. Obviously the fifty state legislatures cannot themselves legislate on this subject. The constitutional convention cannot do so for it must first be brought into being. All that is left, therefore, is the Congress, which, in respect to this and other issues not specifically settled by the Constitution, has the residual power to legislate on matters that require uniform settlement. Add to this the weight of such decisions as *Coleman* v. *Miller*,[9] to the effect that questions arising in the amending process are nonjusticiable political questions exclusively in the congressional domain, and the conclusion seems inescapable that the Congress has plenary power to legislate on the subject by amendment by convention and to settle every point not actually settled by article V of the Constitution itself.

With respect to the second problem, within what general policy limitations that power should be exercised, I think the Congress should be extremely careful to close as few doors as possible. Any legislation on this subject will be what might be called "quasi-organic" legislation; in England it would be recognized as a constitutional statute. When dealing with such a measure, it is wise to bear in mind Marshall's well-worn aphorism that it is a Constitution we are expounding and not get involved in "an unwise attempt to provide, by immutable rules, for exigencies which, if foreseen at all, must [be] seen dimly, and which can best be provided for as they occur." [10] This approach is reflected at several points in the bill, notably in its failure to try to anticipate and enumerate the various grounds on which Congress might justifiably rule a state petition invalid, and its failure to prescribe rigid rules of procedure for the convention. In addition, I think the Congress, in exercising its power under article V, should bear in mind that the Framers meant the convention method of amendment to be an attainable means of constitutional change. This legislation can be drawn so as to place as many hurdles as possible in the way of effective use of the process; or it can be drawn in a manner that will make such a process a possible, however improbable, method of amendment. The first alternative would be a flagrant disavowal of the clear language and intended function of article V. I have assumed that the Congress will wish to take the second road, and the bill is drawn with that principle in mind.

OPEN OR LIMITED CONVENTION

Perhaps the most important issue raised by the bill is the question of the power of the Congress to limit the scope and authority of a convention convened under article V in accordance with the desires of the states as set forth in their applications. This was, as I have noted, one of issues that most troubled me when I first heard of the efforts by the states to call a convention.

It has been argued that the subject matter of a convention convened under article V cannot be limited, since a constitutional convention is a premier assembly of the people, exercising all the power that the people themselves possess, and therefore supreme to all other governmental branches or agencies. Certainly, according to this argument, the states may not themselves, in their applications, dictate limitations on the convention's deliberations. They may not require the Congress to submit to the convention a given text of an amendment, nor even a single subject or idea. For the convention must be free to "propose" amendments, which suggests the freedom to canvass matters afresh and to weigh all possibilities and alternatives rather than ratify a single text or idea. The states may in their applications specify the amendment or amendments they would hope the convention would propose. But once the Congress calls the convention, those specifications would not control its deliberations. The convention could not be restricted to the consideration of certain topics and forbidden to consider certain other topics nor could it be forbidden to write a new constitution if it should choose to do so.

I will concede that such an interpretation can be wrenched from article V—but only through a mechanical and literal reading of the words of the article, totally removed from the context of their promulgation and history. My reading of the debates on article V at the Philadelphia Convention and the other historical materials bearing on the intended function of the amendment process [11] leads me to the opposite conclusion. As I understand the debates, the Founders were concerned, first, that they not place the new government in the same straightjacket that inhibited the Conferation, unable to change fundamental law without the consent of every state.

The amendment process, rather a novelty for the time, was therefore included in the Constitution itself. Second, the final form or article V was dictated by a major compromise between those delegates who would utilize the state legislatures as the sole means of initiating amendments and those who would lodge that power exclusively in the national legislature. The forces at the convention that sought to limit the power of originating amendments to the states were at first dominant. The original Virginia Plan, first approved by the convention, excluded the national legislature from participation in the amendment process. On reconsideration, the forces that would limit the power of origination of amendments to the national legislature became prevalent. The arguments on both sides were persuasive: the improprieties or excess of power in the national government would not likely be corrected except by state initiative, while improprieties by the state governments or deficiencies in national initiative. In the spirit that typified power would not likely be corrected except by the 1787 Convention, the result was acceptance of a Madison compromise proposal which read, as the final

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Footnotes at end of article.

article was to read, in terms of alternative methods.

It is clear that neither of the two methods of amendment was expected by the Framers to be superior to the other or easier of accomplishment. There is certainly no indication that the national legislature was intended to promote individual amendments while the state legislatures were to be concerned with more extensive revisions. On the contrary, there is strong evidence that what the members of the convention were concerned with in both cases was the power to make specific amendments. They did not appear to anticipate a need for a general revision of the Constitution. And certainly this was understandable, in light of the difficulties that they had in finding the compromises to satisfy the divergent interests needed for ratification of their efforts.

Provision in article V for two exceptions to the amendment power underlines the notion that the convention anticipated specific amendment or amendments rather than general revision. For it is doubtful that these exceptions could have been expected to control a later general revision.

This construction is supported by references to the amendment process in the *Federalist Papers.* In *Federalist No. 43,* James Madison explained the need and function of article V as follows:

> That useful alterations will be suggested by experience, could not but be foreseen. It was requisite therefore that a mode for introducing them should be provided. The mode preferred by the Convention seems to be stamped with every mark of propriety. It guards equally against that extreme facility which would render the Constitution too mutable; and that extreme difficulty which might perpetuate its discovered faults. It moreover equally enables the general and the state governments to originate the amendment of errors as they may be pointed out by the experience on one side or on the other. . . .

Apart from being inconsistent with the language and history of article V, the contention that any constitutional convention must be a wide open one is neither a practicable nor a desirable one. If the subject matter of amendments were to be left entirely to the convention, it would be hard to expect the states to call for a convention in the absence of a general discontent with the existing constitutional system. This construction would effectively destroy the power of the states to originate the amendment of errors pointed out by experience as Madison expected them to do. Alternatively under that construction, applications for a limited convention deriving in some states from a dissatisfaction with the school desegregation cases, in others because of the school prayer cases, and in still others by reason of objection to the *Miranda* rule, could all be combined to make up the requisite two-thirds of the states needed to meet the requirements of article V. I find it hard to believe that this is the type of consensus that was thought to be appropriate to calling for a convention.

The bill provides that state petitions to the Congress which request the calling of a convention under article V shall state the nature of the amendment or amendments to be proposed by such convention. Upon receipt of valid applications from two-thirds or more of the states requesting a convention on the same subject or subjects, the Congress is required to call a convention by concurrent resolution, specifying in the resolution the nature of the amendment or amendments for the consideration of which the convention is being called. The convention may not propose amendments on other subjects and if it does the Congress may refuse to submit them to the states for ratifications. . . .

MAY CONGRESS REFUSE TO CALL A CONVENTION?

Perhaps the next most important question raised by the bill is whether the Congress has any discretion to refuse to call a convention in the face of appropriate applications from a sufficient number of states.

Article V states that Congress "shall" call a convention upon the applications of the legislatures of two-thirds of the states. I have absolutely no doubt that the article is peremptory and that the duty is mandatory, leaving no discretion to the Congress to review the wisdom of the state applications. Certainly this is the more desirable construction, consonant with the intended arrangement of article V as described in the preceding section of this article. The founders included the convention alternative in the amending article to enable the states to initiate constitutional reform in the event the national legislature refused to do so. To conceded to the Congress any discretition to consider the wisdom and necessity of a particular convention call would in effect destroy the role of the states.

The comments of both Madison and Hamilton, subsequent to the 1787 Convention, sustain its construction. In a letter on the subject, Madison observed that the question concerning the calling of a convention "will not belong to the Federal Legislature. If two-thirds of the states apply for one. Congress cannot refuse to call it: if not, the other mode of amendments must be pursued." [13] Hamilton, in the Federalist No. 85, stated:

> By the fifth article of the plan the congress will be obliged, "on the application of the legislatures of two-thirds of the states, (which at present amounts to nine) to call a convention for proposing amendments, which shall be valid to all intents and purposes, as part of the constitution, when ratified by the legislatures of three-fourths of the states, or by conventions in three-fourths thereof. The words of this article are peremptory. The congress "shall call a convention." Nothing in this particular is left to the discretion. . . .

SUFFICIENCY OF STATE APPLICATIONS

Assuming the Congress may not weigh the wisdom and necessity of state applications requesting the calling of a constitutional convention, does it have the power to judge the validity of state applications and state legislative procedures adopting such applications? Clearly the Congress has some such power. The fact alone that Congress is made the agency for convening the convention upon the receipt of the requisite number of state applications suggests that it must exercise some power to judge the validity of those applications. The impotence or withdrawal of the courts underlines the necessity for lodging some such power in the Congress. The revelant question, then, concerns the extent of that power.

It has been contended that Congress must have broad powers to judge the validity of state applications and that such power must include the authority to look beyond the content of an application, and its formal compliance with article V, to the legislative procedures followed in adopting the application. The counterargument is that to grant Congress the power to reject applications particularly if that power is not carefully circumscribed would be to supply it with a means of avoiding altogether the obligation to call a convention. The result would be that the Congress could arbitrarily reject all applications on subjects it did not consider appropriate for amendment, leaving us in effect with only one amendment process. . . .

One further important point should be mentioned. Most of the states obviously do not now understand their role in designating subjects or problems for resolution by amendment, and many of them do not even know where to send their applications. By setting forth the formal requirements with respect to content of state applications and designating the congressional officers to whom they must be transmitted, the bill furnishes guidance to the states on these questions and promises to avert in the future some of the problems that have arisen in the current effort to convene a convention. The bill also requires that all applications received by the Congress be printed in the Congressional Record and that copies be sent to all members of Congress and to the legislature of each of the other states. In this way, the element of congressional surprise can be eliminated, and each state can be given prompt and full opportunity to join in any call for a convention in which it concurs.

THE ROLE OF STATE GOVERNORS

The argument has been made that a state application for a constitutional convention must be approved by both the legislature and the governor of the state to be effective. This argument rests on the claim that article V intended state participation in the process to involve the whole legislative process of the state as defined in the state constitution. I do not agree with that argument. We do not have here any question about the exercise of the lawmaking process by a state legislature in combination with whatever executive participation might be called for by state law. We have rather a question of heeding the voice of the people of a state in expressing the possible need for a change in the fundamental document.

Closely analogous court decisions support this interpretation. The Supreme Court in *Hawks v. Smith,* No. 1[14] interpreted the term "legislatures" in the ratification clause of article V to mean the representative lawmaking bodies of the states, since ratification of a constitutional amendment "is not an act of legislation within the proper sense of the word." [15] Certainly the term "legislature" should have the same meaning in both the application clause and the ratification clause of article V. Further support is found in the decision in *Hollingsworth v. Virginia,*[16] in which the Court held that a constitutional amendment approved for proposal to the states by a two-thirds vote of Congress need not be submitted to the President for his signature or veto.

The bill therefore provides specifically that a state application need not be approved by the state's governor in order to be effective.

MAY A STATE RESCIND ITS APPLICATIONS?

The question of whether a state should be allowed to rescind an application previously forwarded to the Congress is another of the political questions to which the courts have not supplied answers and presumably cannot. The Supreme Court has held that questions concerning the rescission of prior ratifications or rejections of amendments proposed by the Congress are determined solely by Congress.[17] Presumably, then, the question of rescission of an application for a convention is also political and nonjusticiable. Although the Congress has previously taken the position that a state may not rescind it prior ratification of an amendment, it has taken no position concerning rescission of applications. My strong conviction is that rescission should be permitted. Since a two-thirds consensus among the states at some point in time is necessary in order for the Congress to call a convention, the Congress should consider whether there has been a change of mind among some states that have earlier applied. Moreover, an application is not a final action, since it serves merely to initiate a convention, and does not commit even the applicant state to any substantive amendment that might eventually be proposed.

The bill therefore provides that state may rescind at any time before its application is included among an accumulation of applications from two-thirds of the states, at which the obligation of the Congress to call a convention becomes fixed. Incidentally, the bill also provides that a state may rescind its prior ratification of an amendment proposed by the convention up until the time there are existing valid ratifications by three-fourths of the states, and that a state may change its mind and ratify a proposed amendment that it previously has rejected . . .

The Congress and the courts have agreed that constitutional amendments proposed by the Congress and submitted to the states for ratification can properly remain valid for ratification for a period of seven years. It has been felt that there should be a "reasonably contemporaneous" expression by three-fourths of the states that an amendment is acceptable in order for the Congress to conclude that a consensus in favor of the amendment exists among the people, and that ratification within a seven-year period satisfies this requirement.[10] Presumably, the same principle should govern the application stage of the constitutional amendment process . . .

CALLING THE CONVENTION

The bill provides that the Secretary of the Senate and the Clerk of the House of Representatives shall keep a record of the number of state applications received, according to subject matter. Whenever two-thirds of the states have submitted applications on the same subject or subjects, the presiding officer of each house shall be notified and shall announce the same on the floor. Each house is left free to adopt its own rules for determining the validity of the applicants, presumably by reference to a committee followed by floor action. Once a determination has been made that there are valid applications from two-thirds or more of the state legislatures on the same subject or subjects, each house must agree to a concurrent resolution providing for the convening of a constitutional convention on such subject or subjects. The concurrent resolution would designate the place and time of meeting of the convention, set forth the nature of the amendment or amendments the convention is empowered to consider and propose, and provide for such other things as the provision of funds to pay the expenses of the convention and to compensate the delegates. The convention would be required to be convened not later than one year after adoption of the resolution.

. . . the bill has been amended to require that delegates be elected—not appointed—and that they be elected by the same constituency that elects the states' representatives in Congress. Under the amended bill, each state will be entitled to as many delegates as it is entitled to Senators and Representatives in Congress. Two delegates in each state will be elected at large and one delegate will be elected from each congressional district in the manner provided by state law. Vacancies in a state's delegation will be filled by appointment of the governor.

CONVENTION PROCEDURE AND VOTING

The bill provides that the Vice President of the United States shall convene the constitutional convention, administer the oath of office of the delegates and preside until a presiding officer is elected. The presiding officer will then preside over the election of other officers and thereafter. Further proceedings of the convention will be in accordance with rules adopted by the convention. A daily record of all convention proceedings, including the votes of delegates, shall be kept, and shall be transmitted to the Archivist of the United States within thirty days after the convention terminates. The convention must terminate its proceedings within one year of its opening unless the period is extended by the Congress by concurrent resolution.

Finally, the bill provides that amendments may be proposed by the convention by a vote of a majority of the total number of delegates to the convention. The alternative would be to impose a two-thirds voting requirement analogous to the requirement for congressional proposal of amendments. However, article V does not call for this, and I think that such a requirement would place an undue and unnecessary obstacle in the way of effective utilization of the convention amendment process.

RATIFICATION OF PROPOSED AMENDMENTS

The bill provides that any amendment proposed by the convention must be transmitted to the Congress within the thirty days after the convention terminates its proceedings. The Congress must then transmit the proposed amendment to the Administrator of General Services for submission to the states. However, the Congress may, by concurrent resolution, refuse to approve an amendment for submission to the states for ratification, on the grounds of procedural irregularities in the convention or failure of the amendment to conform to the limitations on subject matter imposed by the Congress in the concurrent resolution calling the convention. The intent is to provide a means of remedying a refusal by the convention to abide by the limitations on its authority to amend the Constitution. Of course, unlimited power in the Congress to refuse to submit proposed amendments for ratification would destroy the independence of the second alternative amending process. Therefore, the Congress is explicitly forbidden to refuse to submit a proposed amendment for ratification because of doubts about the merits of its substantive provisions. The power is reserved for use only with respect to amendments outside the scope of the convention's authority or in the case of serious procedural irregularities.

Ratification by the states must be by state legislative action or convention, as the Congress may direct, and within the time period specified by the Congress. The Congress retains the power to review the validity of ratification procedures. As noted earlier, any state may rescind its prior ratification of an amendment by the same processes by which it ratified it, except that no state may rescind after that amendment has been validly ratified by three-fourths of the states. When three-fourths of the states have ratified a proposed amendment, the Administrator of General Services shall issue a proclamation that the amendment is a part of the Constitution, effective from the date of the last necessary ratification.

IV. CONCLUSION

There is some evidence that the current effort to require the Congress to call a convention to propose a reapportionment amendment has failed and that the danger of a constitutional crisis has passed. The two additional applications needed to bring the total to thirty-four have not been received and there is a strong likelihood that some applicant states will rescind their applications. Even if this is the case, however, the need for legislation to implement article V remains. There may well be other attempts to utilize the convention amendment process and, in the absence of legislation, the same unanswered questions will return to plague us. The legislation therefore is still timely, and the Congress may now have the opportunity to deal with the sensitive constitutional issues objectively, uninfluenced by competing views on state apportionment or any other substantive issue.

Some have argued that the convention method of amendment is an anomaly in the law, out of step with modern notions of majority rule and the relationship between the states and the federal government. If so, that part of article V should be stricken from the Constitution by the appropriate amendment process. It should not, however, be undermined by erecting every possible barrier in the way of its effective use. Such a course would be a disavowal of the clear language and history of article V. The Constitution made the amendment process difficult, and properly so. It certainly was not the intention of the original Convention to make it impossible. Nor is it possible to conclude that the Founders intended that amendments originating in the states should have so much harder a time of it than those proposed by Congress. As I have pointed out, that issue was fought out in 1787 Convention and resolved in favor of two originating sources, both difficult of achievement, but neither impossible and neither more difficult than the other. My bill seeks to preserve the symmetry of article V by implementing the convention alternative so as to make it a practicable but not easy method of constitutional amendment.

FOOTNOTES

[1] The Congress, whenever two thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or, on the Application of the Legislatures of two thirds of the several States, shall call a Convention for proposing Amendments, which, in either Case, shall be valid to all Intents and Purposes, as part of this Constitution, when ratified by the legislatures of three fourths of the several States, or by Conventions in three fourths thereof, as the one or the other Mode of Ratification may be proposed by the Congress; Provided that no Amendment which may be made prior to the Year One thousand eight hundred and eight shall in any Manner affect the first and fourth Clauses in the Ninth Section of the first Article; and that no State, without its Consent, shall be deprived of its equal Suffrage in the Senate *U.S. Const. Art. V.*

[9] 307 U.S. 433 (1939).

[10] *McCulloch v. Maryland,* 17 U.S. (4 Wheat.) 316, 407, 415 (1819).

[11] *E.g.*, LEGISLATIVE REFERENCE SERV., LIBRARY OF CONGRESS, THE CONSTITUTION OF THE UNITED STATES OF AMERICA: ANALYSIS AND INTERPRETATION, S. Doc. no. 39, 88th Cong., 1st Sess. 135-36 (1964); THE FEDERALIST Nos. 43 & 85 (J. Cooke ed. 1961); L. ORFIELD, AMENDING THE FEDERAL CONSTITUTION (1942); THE RECORDS OF THE FEDERAL CONVENTION OF 1787 (M. Farrand ed. 1937). The relevant excerpts from these and other sources are printed as an appendix to the *Hearings on the Federal Constitutional Convention Before the Subcomm. on Separation of Powers of the Senate Comm. on the Judiciary*, United States Senate, Oct. 30 and 31, 1967.

[12] U.S. BUREAU OF ROLLS AND LIBRARY, DOCUMENTARY HISTORY OF THE CONSTITUTION OF THE UNITED STATES OF AMERICA V. 141, 143, *Quoting* Madison's letter to Mr. Eve, dated Jan. 2, 1789.

[14] 253 U.S. 221 (1920).

[15] *Id.* at 229.

[16] 3 U.S. (3 Dall.) 378 (1798).

[17] *Coleman v. Miller*, 307 U.S. 433, 448-49 (1939).

[18] *Dillon v. Gloss*, 256 U.S. 368 (1921).

By Mr. CHAFEE:

S. 2814. A bill to amend the Internal Revenue Code of 1954 to deny an employer a deduction for group health plan expenses unless such plan includes coverage for pediatric preventive health care; to the Committee on Finance.

PEDIATRIC PREVENTIVE HEALTH CARE INCENTIVE TAX ACT

● Mr. CHAFEE. Mr. President, I am pleased to offer legislation today that would require businesses to include children's preventive care and health supervision services in their employee health plans. Such services would be required for the insurance premiums to be deductible as a business expense.

Few Americans would disagree with the old adage "an ounce of prevention is worth a pound of cure," yet our present system of health care clearly contradicts this proposition. Employer group health insurance has become the dominant method of financing personal health care services in this country. Over 90 percent of all employment groups now have some form of private health insurance. But what is the focus of this insurance? The focus is on acute care needs—a sickness insurance system whose costs are out of control, rather than a true health insurance system that would avoid unnecessary illnesses.

Nowhere is this focus less appropriate than when it is applied to children. Unfortunately, group health insurance plans have been given no incentive to cover and to encourage the services children need. We need to redesign the system to encourage vaccines, $7.40 was saved.

Young families with children generally have limited incomes and must rely heavily on their employer-provided health insurance. If the plan excludes coverage of preventive health care, such as immunizations, for children, many families will wait for serious symptoms to appear before paying out-of-pocket for care.

The average monthly cost per family for this additional coverage would be $2.28. Coverage would extend only to a schedule of accepted and recommended examinations and immunizations. The cost for all recommended services from birth through the age of 20 is approximately equal to the cost of 1 day in the hospital.

The Pediatric Health Care Incentive Tax Act is designed to reverse the costly insurance emphasis on hospitalization and sickness-only coverage, and to create cost-effective incentives for prevention and health maintenance.

Support for this measure will come from all groups in our society who feel as I do: That our children are our most important and precious asset and that their health must be protected.●

By Mr. SYMMS (for himself, Mr. DIXON, Mr. MCCLURE, Mr. BOREN, and Mr. HELMS)

S. 2815. A bill to repeal the changes made to section 483 of the Internal Revenue Code of 1954 by the Tax Reform Act of 1984; to the Committee on Finance.

CHANGE IN THE IMPUTED INTEREST RATE FORMULA

Mr. SYMMS. Mr. President, I am introducing legislation today along with my colleagues, Senator DIXON, Senator MCCLURE and Senator BOREN and any other Member who would like to add his name as a cosponsor to this measure which will repeal section 41(b) of the tax bill that was passed by both Houses yesterday, once the legislation is signed into law by the President.

The change in the imputed interest rate formula incorporated in the 1984 tax bill would require that a seller report as interest income an amount equal to at least 110 percent of the interest rates on marketable obligations of the U.S. Government, with a comparable maturity. If that reported interest rate is not equal to 110 percent of the applicable Government security, then the IRS will impute an interest rate of 120 percent of those Treasury notes, or in today's market, at about 16.5 percent.

The provision that was incorporated in the 1984 tax bill will virtually dry up owner financing. Owner financing has been the only salvation for the would-be buyer and the motivated seller. Without owner financing, initial estimates project that the sale of more than one-half of 1 million properties will either be stalled or prevented. Rising mortgage interest rates are shutting down home, farm, ranch, and business sales currently. Increasing the interest rate that must be charged in deed for contract or seller-financed transactions from the current 9 to 15 percent, and more, as interest rates in Government securities continue to rise, removes any chance for people to buy or sell property in my State, and I am sure most other States in the Union.

While the Department of the Treasury maintains that they are trying to eliminate abusive tax shelters, if seems to me that they are trying to repair a perceived hole in the roof by tearing off the roof. Neither the Senate Finance Committee nor the Congress has ever been presented with a complete study which would verify that in the sale of a farm or ranch, a house, or a small business, when there is a contract for deed, the seller has financed a part or all of the sale, there is an abusive tax shelter. As far as I know, there really has never been any conclusive evidence presented which would show that this is a tax shelter gone wild.

Mr. President, I believe that section 41(b) of the 1984 Tax Act was a mistake. It should be repealed at the earliest possible moment and I welcome the support of my colleagues.

By Mr. D'AMATO:

S. 2816. A bill to stem the tide of anti-Semitism; to the Committee on the Judiciary.

STEMMING ANTI-SEMITISM

● Mr. D'AMATO. Mr. President, I rise this afternoon to introduce legislation designed to stem the tide of anti-Semitism which has swept across this Nation.

During 1983 alone, more than 1,000 acts of violence directed against members of the Jewish community were reported to authorities. Hundreds more went unreported. According to a report issued by the Anti-Defamation League of B'nai B'rith, there were 670 incidents of anti-Semitic vandalism and other attacks against Jewish institutions, businesses, and homes.

In addition, there were more than 350 incidents of assault against individual Jews. While these figures are somewhat lower than those for 1982, they are still unacceptable. These acts of violence include arson, bombing, and cemetery desecration. The accompanying table provides specific information by State. I ask unanimous consent that it be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

State	Vandalism	Assaults, threats, and harassments
New York	215	123
California	111	28
New Jersey	57	20
Maryland	47	25
Florida	42	15
Massachusetts	36	23
Illinois	19	11
Pennsylvania	19	17
Minnesota	18	22
Virginia	17	5
Michigan	12	9
Ohio	11	6

State	Vandalism	Assaults, threats, and harassments
Indiana	9	1
Connecticut	9	4
Louisiana	6	0
Missouri	5	10
Arizona	4	0
New Mexico	4	0
District of Columbia	4	2
Colorado	3	1
Washington	3	4
Arkansas	2	0
Georgia	2	6
Iowa	2	0
Kentucky	2	0
Mississippi	2	0
Nebraska	2	4
Rhode Island	2	6
Texas	2	2
Alabama	1	0
Idaho	1	1
Oregon	1	3
New Hampshire	0	2
Totals for 1983	670	350

Mr. President, we must take action to increase public awareness of the threat which these acts of bigotry pose not only to the Jewish community, but to the general public as well. At the same time, we must increase the penalties for those who perpetrate such vicious acts. To date, 16 States, including Arizona, California, Colorado, Florida, Idaho, Illinois, Indiana, Maryland, Massachusetts, New Jersey, New York, Oregon, Pennsylvania, Rhode Island, Virginia, and Washington have enacted statutes dealing with religious or ethnic vandalism. While I commend these efforts, additional measures are needed.

Accordingly, I am introducing legislation today to enact stiff new Federal penalties for those who commit acts of religious violence or vandalism. My proposal would establish a series of graduate penalties for those convicted of such acts. These penalties would include heavy fines and stiff prison sentences for these individuals.

I urge my colleagues to join me in this effort designed to effectivley deal with those who commit acts of religious violence or vandalism.

I urge my colleagues to join me in this effort designed to effectively deal with those who commit acts of religious violence or vandalism.

Mr. President, I ask unanimous consent that this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2816

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 13 of title 18 of the United States Code is amended by adding the following new section:

"**§ 247. Destruction or theft of property used for religious purposes**

"Whoever willfully vandalizes or defaces, sets fire to, tampers with, or in any other way damages or destroys any cemetery, any building or other real property used for religious purposes, or any religious article contained therein or any religious article contained in any cemetery or any building or other real property used for religious purposes, or attempts to do any of the same, or whoever injures, intimidates, or interferes with any person or any class of persons in the free exercise of religious beliefs secured by the Constitution or laws of the United States, shall be fined not more than $10,000, or imprisoned for not more than five years, or both; and if bodily injury results shall be fined not more than $15,000 or imprisoned not more than fifteen years, or both, and if death results, shall be subject to imprisonment for any term of years or for life.".

SEC. 2. The table of sections for chapter 13 of title 18 of the United States Code is amended by adding at the end the following new item.

"247. Destruction or theft of property used for religious purposes.".●

By Mr. D'AMATO:

S. 2817. A bill to require the Secretary of Agriculture to conduct a pilot project involving the redemption of food stamp coupons through uninsured financial institutions; to the Committee on the Judiciary.

PILOT PROJECT FOR FINANCIAL INSTITUTIONS TO REDEEM FOOD STAMP COUPONS

● Mr. D'AMATO. Mr. President, I rise today to offer legislation that would significantly aid our decaying inner cities in their efforts to revitalize. This legislation establishes a demonstration project whose goal is to ascertain the feasibility of allowing credit unions which do not have deposit insurance to redeem food stamps.

In my State of New York, one pressing example of the need for this legislation exists in the South Bronx. This area, long the symbol of urban decay, is struggling, largely on its own, to recapture the prosperity it once enjoyed. There are many credit unions, but few banks, which serve this area. These institutions, however, are extremely hampered by their inability to redeem food stamps. Because many of the people who live in the area depend on food stamps to meet at least a portion of their nutritional needs, merchants who serve the local population seek financial institutions which can redeem them to do their business. This legislation will establish whether those institutions can serve that need while still complying with established Federal performance standards.

Mr. President, I ask unanimous consent that the text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2817

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture shall conduct a pilot project under which five financial institutions not insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation are permitted to redeem coupons accepted by retail food stores under the food stamp program and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of the pilot project no later than two years after the date of the enactment of this Act.●

By Mr. NICKLES:

S. 2818. A bill to provide a separate appropriation for all congressional foreign travel, and for other purposes; to the Committee on Rules and Administration.

CONGRESSIONAL FOREIGN TRAVEL ACCOUNTABILITY ACT

● Mr. NICKLES. Mr. President, there is little dispute to the fact that many Members of Congress must occasionally make trips to other countries in order to gain a deeper and truer understanding on the many and difficult issues which they will be asked to vote on. What has given foreign congressional travel a bad name are the frequent and sensationalized reports on "junketeering," or unnecessary or questionable travel by Members, their spouses, and staff.

It is my belief that in order to diffuse the undue criticism of legitimate travels by Members of Congress, we need to make the full cost of these trips more accessible to the public.

The cost of congressional foreign travel last year amounted to $21.7 million, according to a recent study by the Better Government Association. This includes $4.6 million for commercial airfare, rental cars, and hospitality suites; $7.5 million for the use of military aircraft; and a variety of other expenses, such as Pentagon escorts' expenditures, military escort officers' per diem, and the aid of Foreign Service Officers.

Currently, foreign travel is funded by a permanent indefinite appropriation which generally circumvents normal congressional scrutiny. The Mutual Security Act of 1954 permits the State Department to administer the travel fund by which legislators and staff are paid a per diem, transportation costs, and other expenses from the U.S. Embassy in the nation they are visiting.

The legislation I am today introducing would in no way limit congressional travel, but it would get Congress to be up front with the issue by requiring an annual congressional appropriation to fund congressional foreign travel. The bill also centralizes recordkeeping so the public will have access to what each legislator and committee spends on foreign travel.●

By Mr. BOREN (for himself and Mr. NICKLES):

S. 2820. A bill to name the Federal Building in McAlester, OK, the "Carl Albert Federal Building"; to the Committee on Environment and Public Works.

CARL ALBERT FEDERAL BUILDING

● Mr. BOREN. Mr. President, it is very appropriate that the Federal building in McAlester, OK, should bear the name of Carl Albert. He served in the U.S. Congress for 30 years and attained the highest position in Government ever held by an Oklahoman. He not only served as Speaker of the U.S. House of Representatives for 6 years, but twice was just a heart-beat away from the Presidency—first when Vice President Spiro Agnew resigned and again, when Vice President Gerald Ford succeeded Richard Nixon. He is the only living former Speaker.

Before becoming Speaker, Mr. Albert had served as majority whip and then as majority leader of the U.S. House of Representatives. He attended Oxford University as a Rhodes Scholar.

Of Mr. Albert, present Speaker THOMAS P. "TIP" O'NEILL, who succeeded him in that position, said in a speech in Oklahoma City in May 1981: "Carl's leadership abilities were evident during one of the worst constitutional crises this country has ever had." He added that Speaker Albert's "trust, composure, intellect and impartiality" had contributed to the country's solidity during the resignation of former President Nixon.

Former President Gerald Ford, speaking at that same meeting in Oklahoma City, said Mr. Albert was "always seeking to do what was in the best interest of our country."

Carl Albert's hometown of McAlester has always been very dear to him. When he retired from the Congress in January 1977, he returned to Bug Tussle, the community near McAlester where he had spent his boyhood. He has continued to be active in church and civic activities in McAlester since his retirement and still has an office in the Federal Building. Through the years he spent in Congress, he officed in that building. It is entirely fitting that the name of that building should honor him. The Parkway, a principal street in McAlester in front of the building, is already named for Mr. Albert.

As one who has known and admired Speaker Albert practically all of my life, I am honored to introduce this bill in the U.S. Senate on behalf of myself and Senator NICKLES. I understand a companion bill is being introduced in the U.S. House of Representatives by Mr. Albert's successor as Congressman from the Third District of Oklahoma, Hon. WES WATKINS on behalf of himself and every other member of Oklahoma's congressional delegation.●

● Mr. NICKLES. Mr. President, I rise today along with my colleague, the senior Senator from Oklahoma, DAVID BOREN, to voice strong support for legislation naming the Federal Building in McAlester, OK, the Carl Albert Federal Building.

Few Oklahomans have ever risen to such national prominence as former Speaker of the House, Carl Albert. He skillfully guided the House of Representatives during most of the last decade. Those were very trying and difficult years for our Nation, and Speaker Albert is to be commended for his leadership role.

Speaker Albert was born in McAlester 76 years ago. He graduated from the University of Oklahoma, and studied at Oxford University in England on a Rhodes scholarship. He began his first term in the House in 1947, and was majority whip from 1955 to 1962. He served as majority leader of the House from 1962 until he became Speaker in 1971. He was the Speaker until he retired in 1977.

His contributions to the Nation and particularly to the State of Oklahoma are well known. And despite his retirement from public life, Speaker Albert continues to serve the people of Oklahoma in many, many ways.

It is more than fitting that this distinguished American should be honored with the legislation we propose today.●

By Mr. MATHIAS (for himself and Mr. STEVENS):

S. 2821. A bill to amend title 5, United States Code, to improve protections for former spouses of Government offices and employees under the civil service retirement system and the Federal employees health benefits program, and for other purposes; to the Committee on Governmental Affairs.

CIVIL SERVICE FORMER SPOUSES BENEFITS ACT OF 1984

Mr. MATHIAS. Mr. President, today I introduce for myself and the distinguished assistant majority leader and the chairman of the Civil Service Subcommittee, Senator STEVENS, a bill which would rectify a great inequity in civil service retirement law.

There is no need to recount statistics which have become so familiar to us. Newspapers, magazines, and journals are replete with articles discussing the incidence of divorce in the United States. One significant aspect of this situation is the increasing number of marriages that dissolve after 20, 30, and even 40 years. The spouses most adversely affected by a divorce late in life are those women who have devoted their full time and resources to family and home. This is particularly true of women whose husbands had a career with the Federal Government.

Once divorced, the former spouse of a Federal employee is no longer able to continue coverage in the Federal Employees Health Benefit Plan, and in most instances, is no longer retained as the beneficiary of an employee's or annuitant's life insurance policy. And, while a former spouse may receive a portion of the employee's or retiree's annuity as part of a divorce decree or property settlement, once the employee or retiree dies, all benefits cease.

For most of these women, economic independence suddenly becomes a matter of necessity, not of choice. Unfortunately, many are ill equipped to enter the job market, with both their age and their lack of skill and experience working against them. For those women who are not financially self-sufficient or fortunate enough to find employment, the outlook is bleak. The prospect of having to depend on welfare or other forms of public assistance to meet day-to-day needs is a bitter pill to swallow.

In recent years, Congress, recognizing that marriage is an economic partnership in which each spouse shares and enjoys the fruits of the other's labor, has enacted various measures to protect each spouse's investment. The goal of such legislation is to ensure that spouses, divorced after many years of marriage, will receive that portion of the retirement benefits to which he or she would have been entitled had he or she remained married.

Significant strides have been made in this regard, affecting Foreign Service, and military spouses, and Social Security beneficiaries. But no similar remedies have been enacted for civil service spouses. The bill I introduce today would correct that omission. Its most essential parts are as follows:

First, it permits a Federal employee or annuitant to voluntarily elect to provide survivor benefits to any former spouse. If there is a second spouse, an election to provide for a former spouse will not be valid unless it is accompanied by the written, notarized consent of the present spouse.

Second, it gives State courts the authority to include survivor benefits as part of a divorce decree or property settlement. This provision is prospective.

Third, it requires an employee at the time of retirement to obtain the written, notarized consent of his or her spouse before he or she can elect not to provide a survivor annuity.

Fourth, it permits a former spouse to enroll in the Federal employee health benefit plan as long as he or she pays the full subscription rate. This provision will apply retroactively for a limited period of time in order to allow as many former spouses as possible to take advantage of its benefits.

These provisions are the highlights of the bill. I have prepared a section-by-section summary which describes these and other portions of the bill in more detail.

This bill is being offered as an alternative to similar measures before both Houses in an effort to get some remedical legislation passed before the end of the 98th Congress. I invite the comments of all interested parties so that we may enact appropriate legislation to deal with this pressing problem.

I ask unanimous consent that a section-by-section summary and the bill be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2821

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Civil Service Former Spouses Benefits Act of 1984".

SURVIVOR ANNUITIES FOR FORMER SPOUSES: ELECTION

Sec. 2. Section 8339 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(o)(1) For the purposes of this subsection, the term 'former spouse', when used with respect to an employee, Member, or former employee or Member, means any individual who—

"(A) was married to the employee, Member, or former employee or Member for at least one year while the employee, Member, or former employee or Member was subject to this subchapter; or

"(B) was married to the employee, Member, or former employee or Member and is the parent of issue of the employee, Member, or former employee or Member.

"(2)(A) An employee or Member retiring under this subchapter or a former employee or Member entitled to an annuity under this subchapter (including an annuity deferred pursuant to section 8338 of this title) may—

"(i) elect that any portion of the annuity of the employee, Member, or former employee or Member, as computed under subsections (a) through (i) and (n) of this section, be reduced; and

"(ii) designate any former spouse of the employee, Member, or former employee or Member to receive a survivor annuity under section 8341(b) of this title computed based on the amount of the portion of the annuity that is subject to reduction by reason of the election made under clause (i) of this subparagraph.

"(B) Subject to subparagraph (C) of this paragraph, an election and designation under subparagraph (A) of this paragraph may be made with respect to more than one former spouse of an employee, Member, or former employee or Member.

"(C) The sum of the portions of the annuity of the employee, Member, former employee or Member to which the elections under subparagraph (A) of this paragraph and under subsection (j) of this section apply may not exceed 100 percent of the annuity.

"(D) An employee, Member, or former employee or Member who has made an election and designation under subparagraph (A) of this subsection may modify the election or designation at any time.

"(3) Subject to the limitation set out in section 8341(b)(4) of this title, a court of any State or the District of Columbia may, in a decree of divorce or annulment, or a court order or court-approval of a property settlement agreement incident to a decree of divorce or annulment, require an employee, Member, or former employee or Member to make an election and designation pursuant to paragraph (2) of this subsection. Any such decree, order, or agreement providing that a former spouse of an employee, Member, or former employee or Member shall be entitled to a survivor annuity under this subchapter based on the service of the employee, Member, or former employee or Member shall be considered to require an election and designation pursuant to such paragraph. Such an election and designation shall be deemed to have been made upon receipt of a copy of such decree, order, or agreement (and such further documentation as the Office of Personnel Management may require) by the Office.

"(4) An election under paragraph (2) of this subsection shall be made in writing in such form and manner as the Office of Personnel Management may direct and shall be transmitted to the Office.

"(5)(A) An election under paragraph (2) of this subsection shall not be considered valid in the case of an employee, Member, or former employee or Member who, on the date the election is made—

"(i) is married and has been married to his spouse for at least one year; and

"(ii) is not required by a court to make the election pursuant to paragraph (3) of this subsection,

unless the election includes, in such form and manner as the Office directs, a written consent of the spouse satisfying the requirements of subparagraph (B) of this paragraph.

"(B) A written consent of the spouse of an employee, Member, or former employee or Member making an election under paragraph (2) of this subsection satisfies the requirements of this subparagraph if the consent—

"(i) includes statements that the spouse consents to the election and understands that, by reason of the election, the spouse will not be entitled to receive a survivor annuity under section 8341(b) of this title based on the service of the employee, Member, or former employee or Member or will receive only a reduced survivor annuity under such section based on such service, as the case may be; and

"(ii) is signed and acknowledged by the spouse before a notary public by the spouse.

"(6) The annuity computed under subsections (a) through (i) and (n) of this section for an employee, Member, or former employee or Member making an election under paragraph (2) of this section shall be reduced by an amount computed in the same manner as provided in the first sentence of subsection (j)(1) of this section.".

SURVIVOR ANNUITIES FOR FORMER SPOUSES: ENTITLEMENT

Sec. 3. (a) Paragraph (1) of section 8341(b) of such title is amended—

"(1) by inserting "(A)" after "(1)"; and

"(2) by adding at the end thereof the following new subparagraph (B):

"(B) If a retired employee or Member dies survived by a former spouse designated by the retired employee or Member in an election made under section 8339(o)(2) of this title to receive a survivor annuity under this subsection, the surviving former spouse is entitled to an annuity equal to 55 percent of (i) the amount of the annuity of the retired employee or Member computed under subsections (a) through (i) and (n) of section 8339 of this title, or (ii) such portion of the amount of such annuity as is specified in the election.".

(b) Section 8341(b)(3) of such title is amended to read as follows:

"(3) A surviving spouse of a deceased retired employee or Member who became the spouse of such retired employee or Member after the employee's or Member's retirement is entitled to a survivor annuity under this subsection only upon electing the survivor annuity instead of any other survivor benefit to which the spouse may be entitled under this subchapter or another retirement system for Government employees. The survivor annuity of a spouse, widow, widower, or former spouse under this subsection commences on the day after the annuitant dies. The survivor annuity and the right to the survivor annuity terminate on the last day of the last month before the spouse, widow, widower, or former spouse dies.".

(c) Subsection (b) of section 8341 of such title is further amended by adding at the end thereof the following new paragraph:

"(4) The total amount of the survivor annuities payable under this subsection with respect to a deceased employee, Member, or former employee or Member may not exceed an amount equal to 55 percent of the annuity computed under subsections (a) through (i) and (n) of section 8339 of this title as may apply with respect to such employee, Member, or former employee or Member. The order of precedence of an entitlement of a spouse, widow, widower, or former spouse to a survivor annuity under this subsection shall be based on the order in which the Office of Personnel Management receives notice of a valid election, designation, or other qualifying action made by an employee, Member, or former employee or Member, under subsection (j) or (o) of such section.".

OTHER AMENDMENTS RELATING TO SURVIVOR ANNUITY ELECTIONS

Sec. 4. (a)(1) The first sentence of subsection (j)(1) of section 8339 of title 5, United States Code, is amended by striking out "(o)" and inserting in lieu thereof "(n)".

(2) Subsection (j)(2) of such section is amended to read as follows:

"(2)(A) Any written notification or designation made under the first sentence of paragraph (1) by an employee or Member who, on the date of retirement, has been married to his spouse for at least one year shall not be considered such form and manner as the Office directs, a written consent of the spouse satisfying the requirements of subparagraph (B) of this paragraph.

"(B) A written consent of the spouse of an employee or Member making a notification or designation referred to in subparagraph (A) of this paragraph satisfies the requirements of this subparagraph if the consent—

"(i) includes statements that the spouse concurs in the employee's or Member's desire expressed in the notification or concurs in the employee's or Member's designation, as the case may be, and that the spouse understands that, by reason of the notification or designation, the spouse will not be entitled to receive a survivor annuity under section 8341(b) of this title based on the service of the employee or Member or will be entitled to receive only a reduced survivor annuity under such section based on such service, as the case may be; and

"(ii) is signed and acknowledged by the spouse before a notary public.".

(b) Subsection (k) of such section is amended by adding at the end thereof the following new paragraph (3):

"(3) Any reduction in annuity and any entitlement to a survivor annuity resulting from an election made under paragraph (1) shall be void or limited prospectively to the extent necessary to give effect to any valid election made under subsection (o)(2) of this section.”.

SURVIVOR ANNUITY FOR FORMER SPOUSES OF CERTAIN ANNUITANTS WHO DIED BEFORE DATE OF ENACTMENT

SEC. 5. (a) For the purposes of this section—

(1) the term "employee" shall have the same meaning as provided in section 8331(1) of title 5, United States Code;

(2) the term "Member" shall have the same meaning as provided in section 8331(2) of such title;

(3) the term "service" shall have the same meaning as provided in section 8331(12) of such title;

(4) the term "widow" shall have the same meaning as provided in section 8341(a)(1) of such title; and

(5) the term "widower" shall have the same meaning as provided in section 8341(a)(2) of such title.

(b)(1) Notwithstanding any other provision of law, except as provided in paragraph (2), if—

(A) a retired employee or Member was married on the date of retirement under the provisions of subchapter III of chapter 83 of title 5, United States Code (or any similar prior provisions of law),

(B) the retired employee or Member was later divorced from the individual to whom the retired employee or Member was married on such date,

(C) the retired employee or Member died without remarrying before the date of enactment of this Act, and

(D) the former spouse to whom the retired employee or Member was married on the date of retirement is living on the date of enactment of this Act.

Such surviving former spouse is entitled, upon application to the Office of Personnel Management, to a survivor annuity under section 8341(b)(1) of such title. The entitlement shall take effect on the first day of the first month beginning not less than 30 days after the date the Office receives such application in such form and manner and with such documentation as the Office may require. The amount of the survivor annuity shall be equal to the amount the surviving former spouse would have been entitled to receive under such section 8341(b)(1) if the former spouse had remained married to the retired employee or Member, taking into account any designation validly made by the retired employee or Member with respect to such former spouse under the first sentence of section 8339(j)(1) of such title (or any similar prior provision of law).

(2) Paragraph (1) shall not apply in the case of a retired employee or Member who—

(A) notified the Office of Personnel Management in writing at the time of retirement under such subchapter that the employee or Member did not desire any spouse surviving him to receive a survivor annuity, as provided in the first sentence of section 8339(j)(1) of such title (or any similar prior provision of law); or

(B) the retired employee or Member is survived by a widow or widower who—

(i) married the retired employee or Member after the employee's or Member's retirement under subchapter III of chapter 83 of such title; and

(ii) is entitled to an annuity under such section 8341(b) based on the service of the retired employee or Member.

ENFORCEMENT OF COURT DIVISION OF ANNUITY ENTITLEMENT

SEC. 6. Section 8345(j)(1) of title 5, United States Code, is amended to read as follows:

"(j)(1) If an employee, Member, or annuitant is obligated by the terms of any decree of divorce, annulment, or legal separation or the terms of any court order or court-approved property settlement agreement incident to any court decree of divorce, annulment, or legal separation to pay periodically to any other person any portion of the amounts the employee, Member, or annuitant is entitled to receive under this subchapter based on the employee's, Member's, or annuitant's service, the Office of Personnel Management shall deduct and withhold the amount equal to such portion from the amounts payable to the employee, Member, or annuitant under this subchapter for the applicable periods and pay each amount deducted and withheld to such other person at the place, if any, provided in such decree, order, or agreement. Any payment made to a person under this paragraph bars recovery by any other person.".

FEDERAL EMPLOYEE HEALTH BENEFITS FOR FORMER SPOUSES

SEC. 7. (a)(1) Section 8901 of title 5, United States Code, is amended—

(A) by striking out "and" at the end of paragraph (8);

(B) by striking out the period at the end of paragraph (9) and inserting in lieu thereof a semicolon and "and"; and

(C) by adding at the end thereof the following new paragraph:

"(10) 'former spouse' shall have the same meaning as provided in section 8339(o)(1) of this title.".

(2) Section 8902 of such title is amended—

(A) in subsection (g), by inserting "or former spouse of an employee or annuitant" after "employee or annuitant" each place it occurs;

(B) in subsection (j), by striking out "or family member" and inserting in lieu thereof "family member, or former spouse of an employee or annuitant"; and

(C) in the first sentence of subsection (k), by striking out "or family member" and inserting in lieu thereof "family member, or former spouse of an employee or annuitant".

(3) Section 8903 of such title is amended—

(A) in paragraph (1)—

(i) by inserting "or former spouses of employees or annuitants" after "families,"; and

(ii) by inserting "or former spouse of an employee or annuitant" before the period; and

(B) in paragraph (3), by inserting "(including former spouses of employees or annuitants)" after "individuals".

(4) Section 8905 of such title is amended by adding at the end thereof the following new subsection:

"(f) A former spouse of an employee or annuitant who was enrolled in a health benefits plan under this chapter as a member of family of the employee or annuitant immediately before the marriage to the employee or annuitant was dissolved may—

"(1) enroll in an approved health benefits plan described by section 8903 of this title as an individual; and

"(2) transfer enrollment from a health benefits plan described by such section to another plan described by such section at the same times and under the same conditions as are prescribed by the Office for employees and annuitants under subsection (e) of this section.".

(5) Section 8906 of such title is amended by adding at the end thereof the following new subsection:

"(i) Under such regulations as the Office shall prescribe, each former spouse (of an employee or annuitant) enrolled in a health benefits plan under this chapter shall contribute the full subscription price for the enrollment.".

(6) Section 8907(a) of such title is amended by inserting "and former spouse of an employee or annuitant" after "employee" each place it occurs.

(7) Section 8909 of such title is amended—

(A) in the second sentence of subsection (a), by inserting "former spouses of employees or annuitants," after "annuitants,"; and

(B) in the second sentence of subsection (d), by inserting "or former spouse of an employee or annuitant".

(b) Not later than 90 days after the date of the enactment of this Act, the Office of Personnel Management shall—

(1) take such action as is necessary with respect to contracts entered into and health benefits plans approved under the provisions of chapter 89 of such title to carry out the amendments made by subsection (a);

(2) publicize the amendments made by subsection (a) in the manner most likely to notify the former spouses of officers and employees of the Government regarding the rights and benefits resulting from such amendments; and

(3) carry out a program of open enrollment for former spouses entitled to enroll in a health benefits plan under the provisions of such chapter.

TECHNICAL AMENDMENTS

SEC. 8. (a) Section 8339 of title 5, United States Code is amended—

(1) in subsection (l), by striking out "(o)" and inserting in lieu thereof "(n)"; and

(2) in subsection (m), by striking out "(o)" and inserting in lieu thereof "(n)".

(b) Section 8341 of such title is amended—

(1) in subsection (b)(1), by striking out "(o)" and inserting in lieu thereof "(n)"; and

(2) in the first sentence of subsection (d), by striking out "(o)" and inserting in lieu thereof "(n)".

EFFECTIVE DATES

SEC. 9. (a) Except as provided in subsection (b), the amendments made by this Act shall take effect with respect to any divorce or annulment taking effect before, on, or after the date of enactment of this Act.

(b) Section 8339(o)(3) of title 5, United States Code (as added by section 2), shall apply to any divorce or annulment taking effect after the date of enactment of this Act.

CIVIL SERVICE FORMER SPOUSES BENEFITS ACT—SECTION-BY-SECTION SUMMARY

1. Section 2: Section 8339 of Title 5 is amended by adding a new subsection "(o)". Subsection (o):

a. Defines a "former spouse" as an individual who was married to an employee or former employee for at least one year or who was married to an employee or former employee and is the parent of a child of the employee or former employee.

b. Permits an employee or retiree voluntarily to elect to provide a survivor annuity to any former spouse.

c. Permits an employee or retiree making an election to provide a survivor annuity to a former spouse to change this designation as necessary.

d. Gives State courts the authority to include survivor benefits as part of a divorce decree or property settlement.

e. An election to provide a survivor annuity to a former spouse will not be valid if the employee or retiree has not received the written notarized consent of a present spouse to whom he or she has been married for at least one year.

2. Section 3: Amends the relevant portion of Section 8341 of Title 5.

a. Adds a new subparagraph (B) which states that if a retired member or employee dies and is survived by a former spouse designated to receive a survivor annuity, the former spouse is entitled to an annuity equal to 55 percent of the annuity of the retired member or such portion as specified in the election.

b. A surviving spouse will be entitled to a survivor annuity under this section only upon electing the survivor annuity instead of any other survivor benefit to which he or she may be entitled. The survivor annuity of a spouse, widow, widower or former spouse commences on the day after the annuitant dies and terminates on the last day of the last month before the spouse, widow, widower or former spouse dies. In other words, a survivor annuity will not terminate if the spouse, widow, widower or former spouse remarries before the age of 60.

c. Subsection (b) of Section 8341 is amended by adding paragraph (4), which states that the total amount of a survivor annuity payable under this subsection with respect to a deceased employee may not exceed an amount equal to 55 percent of the annuity of the deceased employee.

3. Section 4: In addition to technical changes made to Section 8339:

a. Subsection (j)(2) is amended to read that, upon retirement, and designation or election not to provide a survivor annuity will not be considered valid unless it is accompanied by the notarized written consent of the spouse. The form of the consent must include statements that the spouse understands that by reason of the election, he or she will not be entitled to receive a survivor annuity.

b. Subsection (k) of this section is amended by adding a new paragraph (3) which states that any reduction in annuity and any entitlement to a survivor annuity resulting from an election made for an insurable interest will be void or limited prospectively to the extent necessary to make an election valid under subsection (o)(2).

4. Section 5: This section of the bill provides survivor annuities to former spouses of certain annuitants who died before the effective date of the act.

If a retired employee was married on the date of retirement, was later divorced, and died without remarrying, his former spouse is entitled to a survivor annuity, provided that the former spouse makes proper application to the Office of Personnel Management. The amount of the survivor annuity will be equal to the amount the surviving former spouse would have been entitled to had she remained married to the retired employee.

This provision will not take effect in those cases in which the employee, at the time of retirement, notified the Office of Personnel Management that he or she did not wish to provide a survivor annuity or in which the retired employee is survived by a spouse to whom he or she has been married for at least one year.

5. Section 6: Section 8345(j)(1) of Title 5 is amended to read that if an employee or retiree is obligated by a court order, pursuant to divorce proceedings, to pay to another person any portion of the amounts the employee or retiree is entitled to receive, the Office of Personnel Management will deduct and withhold that amount from the employee or retiree and pay it to the person designated as the recipient in the court order.

6. Section 7: This section amends those portions of Title 5 dealing with federal employee health benefits. After a series of technical amendments,

a. Section 8905 is amended by adding a new subsection (f), which permits the former spouse of an employee or retiree who was enrolled in a health benefits plan as a member of the employee's or retiree's family immediately before a marriage dissolution to enroll in an approved health benefits plan as an individual. It also allows the former spouse to transfer enrollment in these plans under the same conditions and rules that apply to employees and retirees.

b. Section 8906 is amended by adding a new subsection (i), which states that, in accordance with regulations to be established by the Office of Personnel Management, the former spouse will be required to pay the full subscription price for enrollment.

c. Section 8901 is amended by requiring the Office of Personnel Management, to publicize these amendments in the manner most likely to notify former spouses and Members of their rights and benefits under the amendments and to carry out a program of open enrollment for former spouses entitled to enroll in a health benefits plan.

7. Section 8: Technical amendments to Section 8339 of Title 5.

8. Section 9: Effective dates.

a. All provisions, except for court ordered survivor benefits, will take effect with respect to any divorce or annulment effective before, on or after the date of enactment.

b. Section 8339(o)(3)—which allows state courts to award survivor benefits—shall apply only to those divorces effective after the date of enactment.

Mr. STEVENS. Mr. President, I am pleased to cosponsor the Civil Service Former Spouses Benefits Act of 1984.

Briefly, this legislation would allow a Federal employee to elect a reduced annuity and to designate a former spouse to receive a survivor annuity. In addition, it would allow a former spouse to participate in the Federal Employees Health Benefits Program [FEHBP]. Under current law, a Federal employee may not make such a designation, nor may a court award a survivor annuity as part of a marital property division.

In many instances, the spouses of Federal employees remain at home to care for children and maintain a household. Upon a marriage dissolution, many of these so-called displaced homemakers do not qualify for Social Security benefits and very few receive an alimony award. Without the passage of this type of legislation, they will continue to be denied a survivor annuity. I believe that these spouses should be allowed, at the very least, this measure of economic justice.

More specifically, this legislation would allow either a Federal employee to voluntarily designate a former spouse to receive a survivor annuity, or a court to order such an award. However, if the Federal employee has been remarried for at least 1 year, then the designation will not be valid unless the current spouse consents to it. Also, a court may not modify a marriage dissolution which has taken place before the effective date of this legislation, nor may the Office of Personnel Management recognize court orders for survivors' benefits issued in connection with divorces before the effective date of this legislation.

Finally, because termination upon remarriage is a characteristic feature of alimony, and not of property division, the survivor annuity would continue even though the former spouse remarries.

In summary, Mr. President, this legislation simply places these former spouses on a par with their Foreign Service and Central Intelligence Agency counterparts, who currently receive similar benefits as a result of legislation which we passed in 1980 and 1982.

By Mr. ABDNOR:

S. 2822. A bill to amend section 483 of the Internal Revenue Code of 1954 to provide that such section shall not apply to certain sales and exchanges of real property located in the United States used as a farm or in a closely held business; to the Committee on Finance.

IMPUTED INTEREST, FAMILY FARMS, AND SMALL BUSINESSES

● Mr. ABDNOR. Mr. President, interest rates are high enough already, and the family-farm system is having a tough enough time sustaining itself already, without having the Federal Government stepping in to mandate high interest rates on seller-financed installment sales.

Unfortunately, however, that is just what the Internal Revenue Service does at the present time, and the tax bill we are enacting only aggravates the situation.

My staff and I have been working for several months to draft legislation to prohibit IRS from imputing high interest rates on seller-financed sales of family farms and small businesses. We had been advised to wait to introduce the bill until after seeing what the tax conference committee did with the issue, and now that they have acted, the need for this legislation is even more apparent and urgent.

The legislation I am introducing today would prohibit IRS from imputing a higher rate of interest on the sale of farms and small businesses sold at their productivity value, rather than their full market value. The prohibition would apply to sales of equal or lesser value than would be exempt from estate taxes under existing law, which also sets forth the guidelines for determining productivity value.

Mr. President, I have little sympathy for those who would use the Tax Code to shift ordinary interest income to capital gains simply to avoid paying their fair share in taxes. In attempting to prevent such abuses, however, it would be a gross injustice to America's family farmers and small businessmen—not to mention a blow to the national interest in preserving and promoting these vital components of our economy—to require them to pay an unaffordable price for the abuses of others.

Mr. President, while the economists in their "ivory towers" may not understand it, there are innumerable small businessmen and farmers who would love to pass on their operations, intact as economic units, to the next generation if the Federal Government will only allow them to do so. Requiring them to charge an unaffordably high rate of interest, quite simply deprives them of the ability to do so and virtually guarantees the demise of many small, owner-operated businesses and the family-farm system. Only those who have large cash resources or can take advantage of tax writeoffs against other income will be able to afford the Government-mandated, high interest rates.

Again, Mr. President, this is a matter of great importance and urgency, not just to America's farmers and small businessmen but to the very fiber of the private enterprise system which has made our Nation the greatest on Earth in the history of mankind. We must make it possible for our Nation's family farms and small businesses to survive; requiring them by law to pay unaffordable interest rates will not help, and I implore my colleagues to support this vital legislation.

I ask unanimous consent the text of the bill be printed following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2822

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (d) of section 483 of the Internal Revenue Code of 1954 (relating to exemptions from interest on certain deferred payments) is amended by adding at the end thereof the following new paragraph:

"(5) EXCEPTIONS FOR FARMS AND CLOSELY HELD BUSINESSES.—

"(A) IN GENERAL.—This section shall not apply to any debt instrument arising from the sale or exchange of real property located in the United States which, at the time of such sale or exchange, is devoted to any of the following:

"(i) use as a farm for farming purposes, or

"(ii) use in a trade or business other than the trade or business of farming.

"(B) LIMITATION.—Subpargraph (A) shall not apply to the portion of the stated principal amount of the debt instrument arising from the transaction which exceeds the applicable limit.

"(C) AGGREGATION.—For purposes of subparagraph (B), all debt instruments arising from any transaction shall be treated as one debt instrument.

"(D) APPLICABLE LIMIT.—For purposes of this paragraph, the term 'applicable limit' means, with respect to any real property, the lesser of—

"(i) the value of such real property which would be exempt from taxation under the credit provided by section 2010, or

"(ii) the value of such real property for the use to which such property is devoted at the time of the sale or exchange.

For purposes of clause (ii), the determination of the value of such property shall be made on the basis of the factors described in section 2032A(e)(8)(A).

"(E) FARM AND FARMING PURPOSES.—For purposes of this paragraph, the terms 'farm' and 'farming purposes' have the meanings given such terms by paragraphs (4) and (5) of section 2032A(e).".

(b)(1) Paragraph (2) of section 483(e) of the Internal Revenue Code of 1954 is amended to read as follows:

"(2) SALES OF EXCHANGES TO WHICH SUBSECTION APPLIES.—This subsection shall not apply to any sale or exchange by an individual of the principal residence of such individual (within the meaning of section 1034).".

(2) Subsection (e) of section 483 of such Code is amended by striking out "or Farms" in the heading.

(3) Paragraph (2) of section 483(f) of such Code is amended by adding at the end thereof the following new sentence: "such term shall not include any sale or exchange to which subsection (d)(5) applies.".

(C) The amendments made by this section shall take effect as if included in the amendments made by section 41(b) of the Tax Reform Act of 1984.●

By Mr. RIEGLE (for himself and Mr. LEVIN):

S. 2823. A bill to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Saginaw Chippewa Tribe of Michigan in Dockets Numbered 59 and 13E before the Indian Claims Commission and Docket Numbered 13F before the U.S. Claims Court, and for other purposes; to the Committee on Indian Affairs.

SAGINAW CHIPPEWA INDIAN TRIBE OF MICHIGAN DISTRIBUTION OF JUDGMENT FUNDS ACT

● Mr. RIEGLE. Mr. President, the legislation I am introducing today seeks to create a special distribution for a land judgment award to the Saginaw Chippewa Indian Tribe. I am happy to include Mr. LEVIN as a cosponsor of the legislation.

According to the Michigan agency of the Bureau of Indian Affairs, tribes in the State of Michigan will be receiving in excess of $50 million in judgment fund awards over the next 2 to 4 years. These awards are compensation to tribes in instances where treaty reserved lands were taken without adequate compensation.

In January 1984, the tribal council of the Saginaw Chippewa Tribe voted to seek special judgment fund legislation from the Congress that would provide 100 percent of the funds awarded in dockets 59, 13E, and 13F to be made available to the tribe for tribally determined investments and economic development.

Mr. President, in recent years many tribes have sought special fund distribution legislation. Some of these bills have restricted the judgment award to tribal members and descendants with a minimum degree of Indian blood—usually one-fourth. In the past, the Bureau of Indian Affairs has tended to distribute these awards on a descendancy and per capita basis. Descendants often participated without regard to the degree of Indian blood or whether or not the descendant was an enrolled member of the tribe. There is no legal requirement for this; but rather, such distribution is discretionary with the Bureau of Indian Affairs or the Congress (*Delaware Tribal Business Committee* v. *Weeks*, 430 U.S. 73, 1977).

Rather than to dissipate the judgment awards from docket 59, 13E, and 13F through small, one-time per capita payments, the Saginaw Chippewa Tribe is seeking to use the funds to establish an investment and economic development fund for the tribe. In cooperation with this tribal effort, the Stewart Mott Foundation has agreed to fund a series of investment and economic development seminars for the tribe and its leadership.

In addition, the tribe is considering changes to its constitution that would relax tribal membership requirements and possibly allow more individuals to benefit from the investment fund.

Mr. President, I believe that the legislation sought by the Saginaw Chippewa Tribe will afford them an opportunity to utilize their judgment funds in a manner that will lead to economic and social development for the reservation, and I hope that my colleagues in the Senate will support this legislation.

Mr. President, I ask unanimous consent that a copy of the tribal resolution on this legislation and a copy of the bill be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RESOLUTION JA-01-84

Whereas, The Saginaw Chippewa Indian Tribe of the Isabella Indian Reservation in Michigan is a federally recognized Indian Tribe organized under a constitution and by-laws ratified by the Tribe on March 27, 1937, and approved by the Secretary of the Interior on May 6, 1937, pursuant to appropriate provisions of the Indian Reorganization Act of June 18, 1934 (48 Stat. 984) as amended by the Act of June 15, 1935 (49 Stat. 378) and,

Whereas, The Saginaw Chippewa Indian Tribe is a federal corporation chartered under the Act of June 18, 1934, (48 Stat. 984) and, Whereas, In a regular meeting of Saginaw Chippewa Tribal Council, held on October 3, 1983 the Council elected to request distribution of Indian Claims Commission Dockets numbered 59 and 13E and Court of Claims Docket numbered 13F through special Legislation; and

Whereas, On January 6, 1984 in a regular meeting the Tribal Council moved to request a 100% distribution of the aforementioned dockets for Tribal program use; and

Whereas, By Resolution JA-01-83, dated February 7, 1983 the Tribal Council approved a plan for the Tribe's share of Docket 57; and

Whereas, Said plan of February 7, 1983 continues to be a viable initiative; and, now therefore,

Be it resolved, That the Saginaw Chippewa Tribal Council hereby approves the attached plan of February 7, 1983 for its use and distribution plan for Dockets numbered 59, 13E and 13F.

S. 2823

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; DEFINITIONS

SECTION 1. (a) This Act may be cited as the "Saginaw Chippewa Indian Tribe of Michigan Distribution of Judgment Funds Act".

(b) For purposes of this Act—

(1) the term "tribe" means the Saginaw Chippewa Indian Tribe of Michigan;

(2) the term "Tribal Council" means the Saginaw Chippewa Tribal Council;

(3) the term "Secretary" means the Secretary of the Interior; and

(4) the term "Fund" means the Principal Investment Fund established in accordance with section 3.

ABROGATION OF PRIOR PLAN

SEC. 2. Notwithstanding the Act entitled "An Act to provide for the use and distribution of funds appropriated in satisfaction of certain judgments of the Indian Claims Commission and the United States Court of Claims, and for other purposes," and approved October 19, 1973 (25 U.S.C. 1401 et seq.) or any plan prepared or regulation promulgated by the Secretary pursuant to such Act, the funds—

(1) appropriated in satisfaction of judgments awarded the Saginaw Chippewa Indian Tribe in Michigan in Dockets Numbered 59 and 13E before the Indian Claims Commission and Docket Numbered 13F before the United States Claims Court (other than funds appropriated for the payment of attorney fees or litigation expenses), and

(2) held in trust by the Secretary for the use and benefit of the tribe,

and any interest or investment income accrued or accruing (on or before the date of the transfer pursuant to section 4) on the amount of such judgments shall be distributed and used in the manner provided in this Act.

PRINCIPAL INVESTMENT FUND

SEC. 3. (a) The tribe, through the Tribal Council, is hereby authorized to establish a fund which shall be known as the "Principal Investment Fund". The principal of the Fund shall consist of—

(1) the funds transferred by the Secretary to the Tribal Council pursuant to section 4(a),

(2) the amounts required to be included in principal under subsection (c), and

(3) such amounts of the net income of the Fund which the Tribal Council may elect to retain and add to principal.

The Fund shall be held in trust by the Tribal Council for the benefit of the tribe and administered in accordance with this Act.

(b) The income from the Fund shall be used exclusively for investments (including loans to enrolled members of the tribe) or for expenditures which the Tribal Council determines are reasonably related to economic development beneficial to the tribe or enrolled members of the tribe or the development of tribal resources.

(c) At least 10 percent of the net income of the Fund for each of the first 10 fiscal years of the Fund beginning after such Fund is established shall be retained in the Fund and included in principal.

(d)(1) The Fund shall be maintained as a separate book account.

(2) The books and records of the Fund shall be audited at least once during each fiscal year of the Fund (or before the end of the 3-month period beginning on the last day of such fiscal year) by an independent certified public accounting firm which shall prepare a report on the results of such audit. Such report shall be treated as a public document of the tribe and a copy of the report shall be available for inspection by any enrolled member of the tribe.

TRANSFER OF FUNDS BY THE SECRETARY TO THE PRINCIPAL INVESTMENT FUND

SEC. 4. (a) Before the end of the 60-day period beginning on the date the Secretary receives notice of the adoption by the Tribal Council of a resolution (in accordance with the constitution and by-laws of the tribe)—

(1) establishing the Fund, and

(2) authorizing the Secretary to distribute the funds described in section 2 to the tribe for deposit in the fund,

the Secretary shall transfer such Funds to the Tribal Council for deposit in the Fund.

(b)(1) Except as provided in paragraph (2) and notwithstanding any other provision of law, the approval of the Secretary for any payment or distribution from the Fund, after the transfer of funds pursuant to subsection (a), shall not be required and the Secretary shall have no further trust responsibility for the investment, supervision, administration, or expenditure of such funds.

(2) The Secretary may take such action as he may determine to be necessary and appropriate to enforce the requirements of this Act.

TREATMENT OF AMOUNTS PAID OR DISTRIBUTED FROM THE FUND

SEC. 5. No amount of any payment or distribution from the Fund in accordance with section 3 shall be included in gross income of the payee or distributee, to the extent such payee or distributee is an enrolled member of the tribe, for purposes of any Federal or State income tax. Payments or distributions from the Fund, or the availability of any amount for payment or distribution from the Fund, may not be considered as income or resources or otherwise used as the basis for denying or reducing—

(1) any financial assistance or other benefit to which any enrolled member of the tribe, or the household of any such member, is otherwise entitled or for which such member or household is otherwise eligible under the Social Security Act, or

(2) any other Federal financial assistance, Federal benefit, or benefit under any program part or all of the funding for which is provided by the Federal Government to which such member or household is otherwise entitled or for which such member or household is otherwise eligible.●

By Mr. NICKLES:

S. 2824. A bill to provide for the use and distribution of certain funds awarded the Wyandotte Tribe; to the Committee on Indian Affairs.

DISTRIBUTION OF FUNDS AWARDED THE WYANDOTTE TRIBE

● Mr. NICKLES. Mr. President, I am pleased to introduce this legislation that will provide for the distribution of judgment funds plus accrued interest resulting from four dockets to the members of the Wyandotte Tribe of Oklahoma and to the lineal descendants of individual listed in the "Census of Absentee or Citizen Wyandotte Indians."

The U.S. Claims Court, on December 9, 1982, awarded the Wyandotte Tribe $200,000 in dockets 212 and 213 as additional compensation for reservation lands in northwestern Ohio and southeastern Michigan ceded to the United States by the tribe under several treaties. Funds were appropriated to satisfy this judgment on January 20, 1983.

On August 17, 1978, the Indian Claims Commission awarded $561,424.21 to the Wyandotte Tribe as it was constituted in 1805 as their share for ceded land in northcentral Ohio. Funds to cover this award were appropriated on October 31, 1978.

The U.S. Court of Claims, on January 19, 1979, awarded $2,349,679.60 to the Wyandotte Tribe as it was constituted on January 4, 1819, as additional compensation for land in northwestern Ohio. The necessary funds for this debt were appropriated on March 2, 1979.

As usual, the wheels of Government are moving slowly and the total of these claims plus accrued interest, as of March 30, 1984, is $5,710,545.84.

Due to the efforts of many people including the Wyandotte Tribe of Oklahoma, the descendants of the Absentee Wyandottes as well as Government officials and congressional staff, this legislation provides the solutions to the disproportionate shares that would have resulted from distribution under Public Law 97-371 and distributes the funds appropriated under dockets 212 and 213.

I urge my colleagues to take quick action on this long-awaited legislative initiative to satisfy the debt to the Wyandotte Indians as determined in the courts of the United States.●

By Mr. MOYNIHAN:

S. 2827. A bill relating to the tariff classifications of certain silicone resins and materials; to the Committee on Finance.

TARIFF CLASSIFICATIONS OF CERTAIN SILICONE RESINS AND MATERIALS

● **Mr. MOYNIHAN.** Mr. President, I rise today to introduce legislation of considerable importance to this Nation's producers of silicone products. My bill would establish a uniform tariff rate of 8.6 percent ad valorem for all imported silicone products.

Today, the U.S. duty on silicones ranges from 0 to 8.6 percent ad valorem. In contrast, our major trading partners have significantly higher tariff rates than we do. For example, the Japanese tariff on all silicones is 13.1 percent, the German rate is 15.3 percent and the French rate ranges from 10 to 14 percent.

Mr. President, it is clear to this Senator that the lower American tariff rates on silicones accord foreign silicone competitors an advantage in U.S. and foreign markets.

The bill I introduce today simplifies the U.S. tariff schedule, by creating one rate for all imported silicones—8.6 percent. Such harmony is a matter of simple common sense and efficiency. I would like to emphasize that the new tariff rate still would be much lower than the tariffs levied by many of our major trading partners.

Mr. President, the bill I introduce today is an entirely reasonable one, and I urge my colleagues in this body to support it. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2827

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part 4 of schedule 4 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended—

(1) by amending subpart A—

(A) by amending headnote 2 to read as follows:

"2. (a) The term 'synthetic plasitcs materials' in this subpart—

"(i) embraces products formed by the condensation, polymerization, or copolymerization of organic chemicals and to which an antioxidant, color, dispersing agent, emulsified, extender, filler, pesticide, plasticizer, or stabilizer may have been added; and

"(ii) includes silicones in all forms (including fluids, resins, elastomers, sealants, adhesives, and copolymers) whether or not such materials are solid in the finished articles.

"(b) The products referred to in (a) (i) and (ii) contain as an essential ingredient an organic substance of high molecular weight; are capable, at some stage during processing into finished articles, of being molded or shaped by flow; and, except as provided in (a)(ii) of this headnote, are solid in the finished article. The term includes, but is not limited to, such products derived from esters of acrylic or methacrylic acid, vinyl acetate, vinyl chloride resins, polyvinyl alcohol, acetals, butyral, formal resins, polyvinyl ether and ester resins, and polyvinylidene chloride resins, urea and amino resins; polyethylene, polypropylene, and other polyalkene resins; siloxanes, silicones, and other organo-silicon resins; alkyd, acrylonitrile, alyl, and formaldehyde resins, and cellulosic plastics materials. These synthetic plastics materials may be in solid, semi-solid, or liquid condition such as flakes, powders, pellets, granules, solutions, emulsions, and other basic crude forms not further processed."; and

(B) by inserting after item 445.54 the following new item:

"445.55	Silicone resins and materials.	1.1¢ per lb. + 8.6% ad val.	1¢ per lb. + 7.7% ad val.	33.5% ad val."; and

(2) by striking out item 446.15 and inserting in lieu thereof the following:

"	Synthetic rubber:			
446.16	Silicone	1.1¢ per lb. + 8.6% ad val.	1¢ per lb. + 7.7% ad val.	33.5% ad val.
446.18	Other	1.1% ad val.	Free	20% ad val."

(b) The rate of duty in column numbered 1 for item 446.18 (as added by subsection (a)(2)) shall be subject to all staged reductions for item 446.15 that were proclaimed by the President before the date of the enactment of this Act.

SEC. 2. The amendments made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date of the enactment of this Act.●

By Mr. MOYNIHAN:

S. 2828. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to require the provision of automatic safety airbags in all automobiles beginning on or after September 1, 1986; to the Committee on Commerce, Science, and Transportation.

MOTOR VEHICLE SAFETY ACT

● **Mr. MOYNIHAN.** Mr. President, I rise today to propose legislation of considerable import to every American motorist. The bill I introduce today would amend the National Traffic and Motor Vehicle Safety Act of 1966, to require automobile manufacturers selling cars in the United States to install automatic safety airbags in autos produced on or after September 1, 1986.

Mr. President, before I discuss the clear merits of this legislation, permit me to cite a little background.

The hundreds of thousands of automobile fatalities and serious injuries occuring every year on our Nation's highways and roads demand new responses. According to the National Highway Traffic Safety Administration [NHTSA], 43,945 Americans died in traffic accidents last year. Although the NHTSA estimates that traffic fatalities will decline slightly this year, to approximately 42,000, the number of Americans killed each year in traffic accidents remains intolerably high. The NHTSA also reports that of some 5.83 million reported automobile accidents in 1982, more than 3.2 million persons were injured. Someone is injured in more than half of all automobile traffic accidents; and of the 3.2 million persons injured in 1982, more than 170,000 suffered serious injuries.

I ask my colleagues to examine these accident and injury figures carefully, and reflect on the extreme human costs and suffering they represent. How many of our loved ones and friends have lost their lives in traffic accidents? The loss of American lives in traffic accidents surely deserves this body's prompt consideration.

On February 17, 1983, in testimony before the Subcommittee on Transportation of the Senate Commerce Committee, Ben Kelley, senior vice president of the Insurance Institute for Highway Safety, noted:

> Each year crash injuries kill thousands of people and damage the brains and spinal cords of many thousands more on the highway. Millions of people are injured less severely and the economic toll of all this mayhem is in the billions of dollars. Detailed figures are known to your subcommittee. They describe, in sum, one of the worst health problems in America.

We must concur: This is truly one of the Nation's worst public health problems. The NHTSA has estimated that the costs to the American economy in 1980, in medical costs, automobile repair bills, and earnings losses for injured individuals who could not work, was a staggering $57.2 billion. And this estimate does not include those costs we cannot measure easily—the loss of human life, and the dehabilitation and suffering of the injured.

What is especially disturbing about this is that today we have the technology to substantially enhance the safety of our automobiles and, in so doing, significantly reduce the number of serious accidents and fatalities occurring on the Nation's highways. That technology is the air cushion, or airbag, first patented in the 1950's.

Mr. President, the Congress has been concerned with this matter for more than two decades. We first enacted legislation to address motor vehicle safety in 1966, when we passed that landmark piece of safety legislation, the National Traffic and Motor Vehicle Safety Act of 1966 (Public Law 89-563). In that act, Congress established the following congressional policy on motor vehicle safety:

> Congress hereby declares that the purpose of this Act is to reduce traffic accidents and deaths and injuries to persons resulting from traffic accidents. Therefore, Congress determines that it is necessary to establish motor vehicle safety standards for motor vehicles and equipment in interstate commerce; to undertake and support necessary safety research and development; and to expand the national driver register.

The 1966 act authorized the establishment of Federal motor vehicle standards for automobiles. In addition, in section 115 of the act, Congress called for the creation of the National Traffic Safety Agency, the predecessor to the National Highway Traffic

Safety Administration. President Lyndon Baines Johnson appointed my good friend, Dr. William Haddon, Jr., to head this agency.

The first seatbelt safety ruling by the National Traffic Safety Agency was promulgated in 1967, requiring the installation of manual seatbelts in all cars—seatbelts that passengers must buckle themselves—effective January 1, 1968. Today, as Members of this body well know, most cars sold in this country have a manual seatbelt or a combination of a manual seatbelt and a shoulder belt. All cars must have a buzzer warning system, reminding passengers to fasten their seatbelts. If seatbelts are used, they can limit significantly the safety hazards associated with driving.

Yet it is clear to this Senator that the present regulations of the Department of Transportation contain one fundamental, and potentially deadly, flaw. It is an undisputed fact that Americans do not use seatbelts as often as they ought to.

Indeed, only 10 to 15 percent of us bother to buckle our seatbelts. Since we often do not use seatbelts, their safety benefits are unrealized. An unbuckled seatbelt for someone involved in a car crash is, of course, of no benefit.

If seat belts afford little safety benefits because many Americans neglect to use them, it is the responsibility of the Congress and the NHTSA to find new ways to promote greater safety on the Nation's highway.

The NHSTA has long recognized that something more must be done. Indeed, on several different occasions, the NHSTA has been prepared to strengthen substantially motor vehicle safety requirements. Most recently in 1977, the NHSTA, under the leadership of President Carter's Secretary of Transportation, Brock Adams, ruled that mandatory automatic restraints would be required in automobiles beginning in September 1981.

But the Reagan administration, in a shortsighted policy decision, reviewed the regulations proposed by the Department of Transportation. In April 1981, the Department of Transportation delayed for 1 year the effective date for the passive restraint rule. Then 6-months later, in October 1981, the administration rescinded the rule.

That decision was most unfortunate, Mr. President. Every delay in the Department of Transportation's regulations means continued losses of substantial numbers of American lives on our highways and roads.

The administration's rescission of the regulations was challenged in the courts. On June 24, 1983, the Supreme Court wisely ruled that the rescission by the NHSTA was arbitrary and capricious. In October 1983, the Department of Transportation announced new rulemaking proceedings, and the DOT will promulgate new rules on July 11, 1984.

Mr. President, it is my sincere hope that the Department of Transportation will reach the proper decision, and implement standards requiring airbags or similarly effective passive restraints systems.

Nevertheless, I think it entirely appropriate for Congress to state what we believe should be Federal policy. In my view, what is needed is a Federal requirement that all cars sold in this country be equipped with airbags. That is precisely what my bill would do, requiring that all automobiles sold in this country on or after September 1, 1986 be equipped with airbags.

Mr. President, we all recognize the problem: The intolerably high number of deaths and serious injuries on American highways. By requiring airbags in all cars, this bill very simply will save lives and reduce injuries.

The effectiveness of airbags in reducing serious injuries has been well documented. My good friend, Dr. William Haddon, testified before the Department of Transportation on December 5, 1983, that, "the automatic crash cushion, or airbag, [is] the most effective—and thoroughly tested in preproduction—motor vehicle safety technology ever developed." The NHSTA has estimated that the introduction of airbags, or similarly effective passive restraint systems, could save as many as 9,000 American lives every year and reduce the numbers of serious injuries by 65,000 per year.

The Department of Transportation acknowledged the effectiveness of airbags, in its October 1983 Notice of Proposed Rulemaking. There, the Department noted:

> Based on available information, the Department continues to believe that they [airbags] are highly reliable and would function properly.

Mr. President, I am well aware that we cannot achieve the safety benefits of airbags without increasing costs for car makers and buyers. The Department of Transportation has estimated that the manufacturer's cost to install an airbag would be about $320. I ask my colleagues to consider whether spending an additional $320 for each automobile is worth saving 9,000 lives. I am certain that most Members of this body will agree, it is.

Moreover, although passage of this legislation would raise modestly the cost of an automobile, the bill would save the economy many billions of dollars. William Nordhaus, John Musser professor of economics at Yale University and former member of the President's Council of Economic Advisers, has estimated that installation of airbags would have a net economic benefit to the Nation of $29 billion.

Mr. President, the measure I offer today will substantially reduce highway injuries and fatalities and save billions of dollars. It is an entirely reasonable proposal, and I urge my colleagues in this body to give it their full support. I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2828

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Part A of title I of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1391-1410b) is amended by adding at the end thereof the following:

"SEC. 126. (a) Each manufacturer of passenger automobiles shall install automatic safety airbags on each passenger automobile produced by such manufacturer on or after September 1, 1986.".

(b) Section 102 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1391) is amended—

(1) by striking "; and" at the end of paragraph (14) and inserting in lieu thereof a period; and

(2) by adding at the end thereof the following new paragraph:

"(16)(A) 'Passenger automobile' means a motor vehicle, except that the term does not include a multipurpose passenger vehicle, a motorcycle, a bus, a truck, or a trailer designed for carrying 10 persons or less.

"(B) As used in subparagraph (A) of this paragraph, 'multipurpose passenger vehicle' means a motor vehicle, other than a trailer, which is designed to carry 10 persons or less and which is constructed either on a truck chassis or with special features for occasional off-road operation.".●

By Mr. PRYOR (for himself, Mr. GRASSLEY, and Mr. SASSER):

S. 2830. A bill to limit the employment by Government contractors of certain former Government personnel; to the Committee on Governmental Affairs.

EMPLOYMENT BY GOVERNMENT CONTRACTORS OF CERTAIN FORMER GOVERNMENT PERSONNEL

Mr. PRYOR. Mr. President, I am today introducing legislation on behalf of myself and the Senator from Iowa [Mr. GRASSLEY], and the Senator from Tennessee [Mr. SASSER], to address a very serious problem in the Federal Government procurement process. It is designed to stop the abuses resulting from the "revolving door," the practice of Federal employees resigning from Federal employment to accept immediate employment with companies whose contracts the same employees had supervised.

This problem has been cited many times as one of the reasons that public confidence in Federal contracting has been eroded. Nevertheless, the Congress and the executive branch have not yet established adequate safeguards to control abuses.

While I am encouraged by the efforts Congress has made in recent years to address procurement abuses, much work needs to be done. In the Senate, both the Armed Services and the Governmental Affairs Committees have held hearings and drafted legislation to improve procurement practices. Taxpayers will clearly benefit in years to come from congressional action to establish Inspectors General, competition advocates, and the Operational Testing and Evaluation Office, as well as a number of contracting reforms.

One of the most disturbing problems not yet addressed is the "revolving door." Gordon Adams in "The Iron Triangle: The Politics of Defense Contracting" discussed the issues involved:

One major form of "temptation," particularly relevant to the "iron triangle" of defense policy, is the lure of future employment in the defense industry. A civilian or military official might be tempted to shave a little on cost control, delivery deadlines, performance specifications, or choice of contractor. The data in this study suggest that the possibilities of such employment, hence of "temptation," are real Former Assistant Secretary of Defense J. Ronald Fox described the situation:

> The availability of jobs in industry can have a subtle, but debilitating effect on an officer's performance during his tour of duty in a procurement management assignment. If he takes too strong a hand in controlling contractor activity, he might be damaging his opportunity for a second career following retirement. Positions are offered to officers who have demonstrated their appreciation for industry's particular problems and commitments.

The New York Bar comments:

> The risk is not bribery through the device of job offers. The risk is that of sapping governmental policy especially regulatory policy, through the nagging and persistent conflicting interests of the Government official who has his eye cocked toward subsequent private employment. To turn the matter around, the greatest public risks arising from post-employment conduct may well occur during the period of Government employment, through the dampening of aggressive adminsitration of Government policies. [Footnotes omitted.]

Government procurement exceeds $100 billion today. We need to make sure that it is clear to everyone that the only interest of Federal procurement officials is the Government's interest and that subtle temptations are removed.

This problem requires congressional attention, and I hope this bill will serve as a starting point for these efforts.

We are fortunate in this country that the Federal work force consists of dedicated, loyal people. These public servants should not have to do their jobs under the cloud of suspicion that has been generated by the appearance of conflicting interests on the part of a small category of employees. I hope this legislation will go a long way toward removing that cloud.

This legislation establishes a standard contract clause prohibiting contractors from hiring anyone who had direct contact with them for a period of 5 years from completion of Government service. It also requires, for the first time, full disclosure by contractors of former Government employees hired within the last 5 years. These reports will be reviewed by the Director of the Office of Government Ethics, among others, for violations.

This same proposal was introduced this week by Representative BARBARA BOXER, and I commend her for her efforts on this issue.

Finally, I believe that the problem has been considered in a careful and informative way by journalists and by the General Accounting Office.

I ask that an excerpt from a GAO report entitled "Controls Over DOD's Management Support Service Contracts Need Strengthening"—MASAD-81-19, March 31, 1981—be placed in the RECORD following my statement.

Fred Kaplan of the Boston Globe has written an excellent series of articles and I ask that an article from that series be placed in the RECORD following my remarks.

I ask that the text of this bill be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2830

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) the head of an agency making a contract for procurement of goods or services for the United States shall require that the contract include provisions under which the contractor agrees not to employ, during the period described in paragraph (2), any individual who, while serving as an officer or employee of the Government, performed a Government procurement function with respect to a contract with that contractor.

(2) The period referred to in paragraph (1) is the period of the term of the contract or the five-year period beginning on the date of the individual's separation from Government service, whichever ends later.

(b) The head of the agency may waive the application of the contract provision required by subsection (a) with respect to any individual if the employment of that individual by a contractor is considered by the head of the agency to be essential for national security purposes. Any such waiver shall be published in the Federal Register or shall be approved in advance by the Director of the Office of Government Ethics.

(c) A contractor who violates a contract provision required by subsection (a) shall forfeit to the United States, as liquidated damages under the contract, an amount equal to the rate of compensation, stated on an annual basis, of the individual employed by the contractor in violation of such contract provision, multiplied by the number of days the individual is employed by the contractor.

(d)(1) Each contractor subject to contract terms described in subsection (a) shall issue an annual report listing the name of each individual who is a former Government officer or employee who was hired by that contractor within the previous five years. Such listing shall show the agency by which such officer or employee was last employed. A copy of each such report shall be sent to each agency named in the report.

(2) The Inspector General of each agency which receives a report under paragraph (1) shall review the report for the purpose of identifying any violation of subsection (a) indicated in the report. In the case of an agency that does not have an Inspector General, the Comptroller General of the United States shall review the reports.

(3) The Director of the Office of Government Ethics shall have access to the reports and shall conduct an annual random survey of the reports to check for violations of subsection (a). The Director shall submit an annual report to Congress on the operation of this section, including the findings of the Director under such reports.

(e) For the purposes of this section:

(1) The term "employ" includes any payment, reimbursement, or other compensation (whether provided directly or indirectly or through a third party) in return for services.

(2) The term "Government procurement function" includes, with respect to a contract, any function relating to negotiating, awarding, administering, approving contract changes, cost analysis, quality assurance, operation and developmental testing, approval of payment, contractor selection, or auditing under the contract.

EXCERPT FROM GAO REPORT: FORMER DOD EMPLOYEES

The involvement of former DOD military and civilian employees in contracts with DOD is extensive. Of the 256 contracts reviewed, 131, or 51 percent, valued at about $52.6 million involved former employees in capacities of top management as well as various technical levels (e.g., engineers). In most cases, the former employees were working for a prime contractor. We believe that extensive involvement of former employees raise questions as to (1) the extent DOD uses the skills of former employees to perform functions similar to those that the employees performed while employed by DOD, (2) the objectiveness of work performed by former employees in areas where they were formerly involved while at DOD, and (3) the degree of influence used by former top level DOD officials in securing contracts with DOD.

[From the Boston Globe, Jan. 15, 1984]

MILITARY'S REVOLVING DOOR WITH BUSINESS

(By Fred Kaplan)

WASHINGTON.—When Gen. Alton D. Slay retired from the Air Force on Feb. 1, 1981, his career in the defense business was far from finished. For the previous three years he had served as head of Air Force Systems Command, the agency that develops all Air Force aircraft, and in the three years before that he was deputy chief of staff for Air Force research, development and acquisition.

In short, he had been involved in top-level decisions on virtually every weapon system that the major US defense corporations had built for the Air Force.

Now, upon retirement, he established Slay Enterprises Inc., a one-man consulting firm, and found as willing clients numerous defense contractors whose business he had once overseen on behalf of the government. They include three of the Pentagon's top 10 contractors—Lockheed, United Technologies Corp. and Raytheon—as well as several slightly lesser firms, including Westinghouse Electric, British Aerospace and Aerojet Ordnance.

Slay is hardly the only officer who has left the military and joined a defense corporation, stepping through what many have dubbed "the revolving door." During the fiscal years 1979-82, according to Pentagon files and those of the Senate Armed Services Committee, 1437 officers with ranks of major (in the Navy, lieutenant commander) or above retired and went to work for defense corporations.

Of these officers, 510—more than one-third—signed up with companies which during this period were consistently among the top 10 defense contractors.

Slay's personal history is particularly interesting. In 1969, while commander of the Air Force Flight Test Center, Slay declared tests on Lockheed's C5A cargo-transport aircraft successful even though all the plane's engines were clogged up and had to be shut down when idling on a dusty airstrip near Edwards Air Force Base in California.

In 1978, as head of Systems Command, Slay revived production of the U2 spyplane (now called the TR1), another boon for Lockheed, which makes the airframe, and for Pratt & Whitney, a subsidary of United Technologies, which makes the engine.

Two years later, Slay devised a plan to save Pratt & Whitney's F100 engine, whose turbine blades kept failing inside Air Force F15 and F16 fighter planes and which was coming under heavy congressional attack. Slay proposed that Pratt & Whitney sign a warranty guaranteeing that the company would repair or replace failed equipment at its own cost up to a certain point after delivering an engine.

Yet one former Pratt & Whitney engineer recalls that the warranty was in effect for such a short period that it was practically meaningless. "Anybody in the engine business knew that any engine could satisfy that warranty," he says. "It was like a car company guaranteeing your car for 2,000 miles."

Still, the warranty arrangement satisfied the critics in Congress. "Slay saved Pratt a good chunk of business," says the engineer.

Now Slay advises these companies on management "on long-range plans and new business opportunities," as a spokesman for Raytheon puts it. Slay's former Pentagon colleagues say he skillfully uses his experience in the Air Force bureaucracy to help his new cilents find their way to success and continued good fortune in the politics of selling weapons to the military.

Slay failed to return several phone calls made to him over the past three weeks.

NOT ONLY NEW CONSULTING FIRM

Slay was not the only Air Force general who set up his own consulting firm. That path also was tread by Vice Adm. James H. Doyle, Jr., former deputy chief of naval operations for surface warfare, who left the Navy in September 1980 and became a consultant on matters concerning surface ships for Martin Marietta, Vought and RCA.

All three companies are intimately involved with the Navy's highly sophisticated and costly Aegis missile and radar system aboard Ticonderoga-class cruisers. RCA builds the Aegis weapons system, the largest defense contract in RC history. Martin Marietta is developing a vertical launch system designed for the cruisers. And according to a spokesman at Vought, Doyle advises that company mainly on a Vought-developed system that is to be used as a target in tests of the Aegis missile system.

Lt. Gen. Benjamin N. Bellis, vice commander-in-chief of the US Air Force, Europe, retired Aug. 1, 1981, and became a consultant for Martin Marietta, Hughes Aircraft, Northrop, TRW and Aerojet, all major Air Force contractors.

Consulting is one way that top-level officers make a lucrative transition to civilian life, but most are hired by a single corporation.

For example, Maj. Gen. Henry B. Stalling Jr. has been vice commander of the Electronics Systems Division at Hanscom Field in Bedford, Mass. He retired in May 1980 and became a vice president of the Defense Electronics Operations branch of Rockwell International.

Brig. Gen. Tommy I. Bell, director of development and production for the Air Force deputy chief of staff for research, development and acquisition, retired in September 1982. A month earlier, he had lined up a job as a contract manager of Northrop.

NEW JOB AFTER 10 WEEKS

Rear Adm. Curtis B. Shellman Jr. was deputy chief of naval material for logistics. He retired May 1, 1980, and 10 weeks later was working for the Electric Boat division of General Dynamics in Groton, Ct., as the assistant general manager of operations, working on the construction of nuclear submarines.

Not just generals and admirals have shifted from the military to the Industrial side of weapons procurement. The practice extends to all levels of decision-making—to those who while in the military were responsible for testing weapons systems or supervising contract negotiations or purchasing equipment or conducting analysis that might convince those at a higher level whether to kill or approve a particular weapon system.

In many cases, officers have gone to work for a contractor with which they had no contract while in the military. Several say they did so explicitly to avoid the appearance of conflict of interest. In many other cases, however, it appears they simply have moved from one side of the table to the other.

Some of these officers had been involved in testing and evaluating the effectiveness of weapons made by their future employers.

Lt. Col. George F. Goodall was test director of the Maverick missile. He resigned Aug. 30, 1982. On Sept. 9 he was working for Hughes Aircraft, manufacturer of the Maverick, worth $5.8 billion.

Lt. Col. Wayne O. Mattson was systems project officer on the Maverick. On Jan. 15, 1979, he took a terminal leave—his actual retirement date was not until March 1—and also went to work for Hughes.

Col. James C. Crosby was president of the Army Defense Board, involved in testing the highly controversial Divad antiaircraft system. In August 1981 he retired and went to work for Ford Aerospace, chief contractor on the $4.1 billion Divad program.

Col. William E. Crouch, Jr. was commander of Army Aviation Development Test Activity at Ft. Rucker, Ala. He retired July 1, 1981, and five days later became the Ft. Rucker branch manager of Hughes Helicopter Inc., whose equipment the Army development unit frequently tests.

WENT TO WORK FOR LOCKHEED

Col. Sherwin Arculis tested remotely piloted vehicles, target and reconnaissance drones, for the Army's Trainiing and Doctrine Command. He retired in February 1980 and went to work for Lockheed Missiles & Space as manager of an office that provides logistical support to Army remotely piloted vehicles.

Maj. George E. Elliott was chief tester of space transportation systems at the Air Force Test and Evaluation Command. He retired Sept. 1, 1980, and two days later was working at Martin Marietta, first as a design engineer but later responsible for integrating test programs on the company's space transportation system. While Elliott was in the Air Force, Martin Marietta was one of the contractors whose systems he tested.

More than just weapon testers move to the other side of the defense business. John W. Ulmer Jr. was manager of instrumentation systems on the MX missile for the Air Force's Ballistic Missile Office. He retired in June 1980 and went to work for TRW Inc., which oversees development of the MX project.

Col. Harvey M. Paskin was chief of the avionics division in the project office supervising the F16 jet fighter at Wright Patterson Air Force Base. He left in July 1982 and went to work as an engineer at Westinghouse Electric, which makes the radar—the avionics—on the F16.

Lt. Col. John W. O'Neal was the operations officer for the Joint Chiefs of Staff in charge of a system called the Ground Mobile Command Center. He took a terminal leave of absence in August 1982 to work for TRW Inc. as senior principal engineer in charge of planning and testing the Ground Mobile Command Center.

NEGOTIATORS ALSO SWITCH

The practice of stepping to the other side of the table, from facing corporations on behalf of the government to facing the government on behalf of corporations, also has been embraced by those assigned to negotiate contracts that ensure the government the best deal possible.

For example, Lt. Col. Edward Cartwright was deputy director of contracting for the Computer Acquisition Center at Hanscom. He retired June 30, 1980, and seven days later went to work as a computer configuration manager at Sperry Univac in McLean, Va., one of the companies whose contracts he had supervised in the Air Force.

Maj. Walter D. Crafton was in the Air Force Plant Representative Office overseeing contracts at a TRW plant in Red Beach, Cal. He retired May 1, 1981, and a month later was working as a department manager on product assurance at the same TRW plant.

High-ranking civil servants also play the "revolving-door" game. Ernest R. Giardano was an auditor in the Defense Contract Audit Agency assigned to keep things honest at a Boeing Co. plant. On Dec. 31, 1979, he retired from the government and the next day went to work for Boeing.

Marvin H. Boodnick was a price-cost analyst for the same agency, auditing Hughes Aircraft. He quit March 14, 1981, and two days later started working for Hughes.

The list of military and civilian officials who have pushed the revolving door could go on for columns. For better or for worse, what President Dwight Eisenhower once called "the military-industrial complex" is very much alive.

In telephone interviews, many of these former officials say they were hired by the corporations they had once supervised because they were good at their jobs. Says a former Defense Contract Audit Agency auditor who supervised Hughes helicopter contracts and then went to work for the company, "There's always room for both sides to have technically competent people," adding that the practice of switching sides is common in the entire world of auditing not just defense auditing."

Industry spokesmen generally say they hire retired officers for the same reasons—for their talent and experience. However, one unidentified public relations officer for a major defense firm speaking on background said they also are hired for their connections. "We need everything we can get. This is a very competitive business."

On this point, George Spanton, a recently retired audit agency official who has been offered corporate jobs for years but has turned them down, reflects. "You always like to feel (the offers are) legitimate, but you have to sit back and ask yourself. "Would I be offered this job if I didn't have the job I have now? [The corporation] just knows I know all the techniques on how to protect the government's interest, so I must also know all the techniques on how to get around the government's interests."

By Mr. TSONGAS:

S. 2831. A bill for the relief of Fung-Ming Wong; to the Committee on the Judiciary.

RELIEF OF FUNG-MING WONG

● Mr. TSONGAS. Mr. President, today I am introducing a personal bill to provide for the relief of Ms. Fung-Ming Wong.

Ms. Wong had been a resident of the U.S since August 8, 1976. She originally came as a student and since August 1982 has been employed as a fully qualified social worker with the Big Sister Association of Greater Boston. She has led an exemplary life in the United States.

On three occasions prior to 1982, Ms. Wong left the United States for very brief visits with full intent of returning to continue her studies. In May 1983, Ms. Wong was given notice of voluntary departure. Motion to reopen her case by counsel was granted by an immigration judge and a hearing on the merits was scheduled. Unfortunately that hearing was postponed until after announcement of the court decision in INS against Phenpathya. Ms. Wong was then informed that in light of this decision, she was ineligible for suspension of deportation because of her short, temporary absences abroad. Prior to this decision, brief absences from the United States of a temporary nature did not interfere with the 7 years of residency required under section 244 of the INA.

The hardship imposed on Ms. Wong and her family is great. She lives in an extended family situation here and her deportation would disrupt her dependent mother, her sister, and her sister's children. I hope this bill will give Ms. Wong a fair opportunity to remain in the United States with her family.●

By Mr. HATCH (for himself, Mr. D'AMATO, and Mrs. HAWKINS):

S. 2823. A bill to amend the Saccharin Study and Labeling Act; placed on the Calendar.

SACCHARIN STUDY AND LABELING ACT AMENDMENTS

Mr. HATCH. Mr. President, I am pleased to join Senators D'AMATO and HAWKINS in the introduction in the Senate of a bill to extend the Saccharin Study and Labeling Act. Corresponding legislation (H.R. 5701) has been introduced in the House by Representative FOLEY.

The saccharin issue, while well known, continues to be unresolved. Saccharin has seen decades of extraordinarily widespread use—without any indication that it poses a public-health peril and without any indication that it is harmful at normal levels of consumption. Some studies seem to indicate that saccharin may be a very weak carcinogen under laboratory test conditions. However other studies show no such effect. Congress has felt that the evidence as of 1978 was ambiguous and insufficient to warrant the removal of saccharin from the market, and thus passed the Saccharin Study and Labeling Act. This act called for studies, placed a warning label on substances containing saccharin, and forbade FDA action against saccharin solely on the basis of data available through 1978.

Studies commissioned by FDA as a result of the act were completed in 1983 and there is already significant scientific disagreement over their meaning. FDA is currently undertaking extensive review of these studies with no fixed point for a conclusion. Thus the basic challenge to saccharin's long history of safe use remains unresolved, and it is appropriate that Congress continue the limited moratorium covering use of the pre-1978 data.

I support the continuing research into this important chemical as well as the multiple efforts to find a demonstrably safe substitute for all of saccharin's uses. However, I feel the American people should not be deprived of this widely used and currently irreplaceable sweetener without research demonstrating some public-health threat.

This bill would, for the fourth time, extend the current moratorium. The new date would be May 1, 1988, 3 years beyond the current April 1985 expiration date. I urge my colleagues to join me in assuring the swift passage of this legislation.

Mr. D'AMATO. Mr. President, I rise today to cosponsor legislation introduced by my good friend, the junior Senator from Utah, that would extend for 3 years the moratorium on the ban of the artificial sweetener saccharin. Specifically, this bill will amend the Saccharin Study and Labeling Act of 1977, Public Law 95-203.

The conflict over saccharin has had a long history. Since it was discovered in 1879, its carcinogency has been suspect. From 1912 to 1925, it was banned from use in foods. In 1977, the Food and Drug Administration [FDA] announced its intention to ban saccharin once again. They had found that large quantities of the artificial sweetener caused malignant bladder tumors in some laboratory animals. Although the FDA noted that the sweetener has been in use for over 80 years and was never known to be harmful, it issued guidelines for ending the use of saccharin as a substitute for sugar.

This ban, of course, never occurred because the Saccharin Study and Labeling Act put a moratorium on the saccharin ban for 18 months. Since then, Congress has extended the moratorium three times. The current moratorium will end in April 1985. This legislation would extend the moratorium for 3 years, or until May 1988.

This legislation, however, is not a congressional approval of saccharin as a safe substitute for sugar. But it does allow more time for safer substitutes to be produced and more conclusive studies on the danger, if any, of saccharin to be conducted. When we in Congress are periodically faced with a decision to extend the moratorium on the ban of saccharin, we are not acting because we have medical expertise: rather, we are merely representing our concerned constituents. We do not know if saccharin causes cancer in humans. What we do know, however, is that a large segment of our population depends on saccharin as a sugar substitute. For many, the small possible risk of cancer is necessary so that they may avoid immediate medical problems associated with diabetes or being overweight.

Unfortunately, the introduction of aspartame, another low-calorie sugar substitute, has not made the situation much better. Although it has been thoroughly tested, doubts still remain about its effects on human health. Also, aspartame's ability to replace saccharin is limited since it does not have a long shelf life and it cannot be used as a cooking ingredient. As a result, saccharin and aspartame now complement each other. In fact, a combination of these sweeteners can be found in 60 percent of all diet soft drinks. For these reasons, it is much more important that saccharin is allowed to remain available as an artificial sweetener until a more complete substitute can be found.

But millions of Americans who depend on saccharin for their restricted diets are periodically faced with a possible ban of the low-calorie product. I support the legislation and ask for its prompt consideration so that people such as diabetics will know that they will be able to use saccharin until May 1988 or until a safer substitute can be found. During this time, I strongly urge the Food and Drug Administration to continue its investigations into the safety of saccharin and I strongly urge the industry to continue its effort to produce a safer sugar substitute. I do not state that saccharin is totally safe, but until a safer, all-purpose artifical sweetener is found or until saccharin is proven unsafe, people should continue to have the option to use saccharin as a food additive.

Thank you, Mr. President.

By Mr. NUNN (for himself and Mr. MATTINGLY):

S.J. Res. 325. Joint resolution to designate the week of October 7, 1984, through October 13, 1984, as "National Children's Week"; to the Committee on the Judiciary.

NATIONAL CHILDREN'S WEEK

● Mr. NUNN. Mr. President, I am joined today by my colleague from Georgia, Senator MATTINGLY, to introduce a joint resolution designating the week of October 7, 1984, through October 13, 1984, as "National Children's Week." An identical resolution establishing a week to highlight the needs of children and the community services available to assist them passed the House of Representatives on June 6.

In 1981, a dedicated groups of citizens from Atlanta, GA, celebrated the first Children's Week. The success of that first effort led several organizations to conclude that Children's Week should become an annual event to publicize services for children. The week of October 7 through 13 will mark the fourth year for Children's Week in Atlanta. Activities planned for this year include a fun run for children 14 and under, a balloon launch, and several shopping mall exhibits which will highlight not only services available for children but also ways that adults can become personally involved in programs to help children.

The success of Children's Week in Metropolitan Atlanta has prompted other communities both within Georgia and outside of the State to express interest in developing their own observances. It is my hope that the designation of "National Children's Week" will stimulate a nationwide examination of the needs of children and the ways that all citizens can become involved in efforts to assist children. As the resolution states, children are our Nation's "most precious resource and its greatest hope for the future."

I hope all of our colleagues will join Senator MATTINGLY and me in support of "National Children's Week."●

● Mr. MATTINGLY. Mr. President. The resolution that my fellow Georgian and I are introducing today would designate the week beginning October 7, 1984, as "National Children's Week." A similar resolution passed the House of Representatives on June 6. The designation of a national week of this kind was inspired by a local Children's Week that has been celebrated in Atlanta over the past few years. The purpose of that week, like that of the national week, is to focus on the special needs of our Nation's 65 million children, to provide information about services available to meet these unique needs, and to encourage the involvement of volunteers in the delivery of these services.

Because Children's Week in Atlanta has been so successful, it has already been replicated in another Georgia city. Macon has held its own "Children's Week" for 2 weeks. In addition, a private foundation has underwritten the production of a handbook which has been distributed to communities around the United States to help them in establishing their own Children's Weeks. I believe that the designation of a National Children's Week would do much to inspire other communities throughout the country to get involved in similar acitivities.

The Atlanta experience has demonstrated the success that can be achieved through private and public sector cooperation. Public agencies, large national and small local firms, and volunteer organizations have all participated in Children's Week. They are diverse groups which offer a host of services to meet the varied needs of our children—to infants and teenagers, the retarded and the gifted, the economically disadvantaged, the handicapped, and the healthy. The groups share the common goal of assisting our children in developing into responsible, mature adults, who can and will contribute positively to society. When this happens, I believe that our Nation is strengthened.

Our resolution recognizes that children are our Nation's most valuable resource. I firmly believe this is so, and that it is appropriate to affirm this through the designation of "National Children's Week." I urge my colleagues join us in cosponsoring and supporting this resolution.●

By Mr. TSONGAS:

S.J. Res. 326. Joint resolution to readmit Georgia Tavoularis Moser to the status and privileges of a citizen of the United States; to the Committee on the Judiciary.

CITIZENSHIP OF GEORGIA TAVOULARIS MOSER

● Mr. TSONGAS. Mr. President, today I am introducing a joint resolution to readmit Mrs. Georgia Tavoularis Moser to the status and privileges of a citizen of the United States.

Mrs. Moser is currently living in Naples, Italy, with her husband, Herbert P. Moser, a Swiss diplomat. The Moser's were married on March 28, 1955. Prior to her marriage, Mrs. Moser was employed by the Department of State and served in Washington, and the U.S. Embassies in Afghanistan and Ceylon [Sri Lanka].

Mrs. Moser lost her citizenship as a result of her husband's position with the Swiss Government and has been unsuccessful in her attempts to rectify her situation. The only possible relief for Mrs. Moser is the approval of legislation to reinstate her U.S. citizenship. Mrs. Moser was born in Lowell, MA, and thereby acquired her U.S. citizenship at birth. It is of the utmost importance to Mrs. Moser, her large family, and numerous friends in the United States to be welcomed back to the United States as a citizen.●

By Mr. KASTEN:

S.J. Res. 327. Joint resolution to designate the week beginning September 2, 1984, as "Youth of America Week"; to the Committee on the Judiciary.

YOUTH OF AMERICA WEEK

Mr. KASTEN. Mr. President, when adults share their knowledge, experience, and wisdom with the children of this Nation, they are teaching children to become an integral part of society. And they, in turn, contribute their abilities to our Nation's growth. The more time and attention we devote to our youth, the more we will get in return from them—now and in the future. Therefore, once again this year, I am introducing a joint resolution to establish a "Youth of America Week," beginning September 2, 1984.

In 1982, the National Football League Alumni launched a project called "Kids Week, U.S.A.," to focus attention on the Nation's youth. In NFL cities throughout the country, former football heroes devoted their time to work with children—visiting them in hospitals and orphanages, working with the disadvantaged and disabled, and providing them with strong moral guidance and a role model that gave them a glimmer of hope for their own futures.

Based on the success of "Kids Week, U.S.A.," Congress last year passed a joint resolution designating the opening week of the NFL season as "Youth of America Week." With the support of this resolution, over 50,000 youngsters benefited from the activities organized on their behalf. I believe that even more children will become involved this year.

Mr. President, we must build on our successes and encourage more people to become involved in activities with children in their communities. We must again ask people to "put a little of themselves back where it counts most—with the kids."

I urge all of my colleagues to join me again in support of this resolution, and I invite them to cosponsor this measure.

By Mr. D'AMATO:

S.J. Res. 328. Joint resolution to designate the week of October 7, 1984 as "National Drug Enforcement Officers Week"; to the Committee on the Judiciary.

NATIONAL DRUG ENFORCEMENT OFFICERS WEEK

● **Mr. D'AMATO.** Mr. President, I am proud to introduce a joint resolution designating the week of October 7, 1984, as "National Drug Enforcement Officers Week." This resolution honors the International Narcotics Enforcement Officers [INEOA] on its 24th anniversary.

The 7,500 members of IEOA are law enforcement officials from the United States and countries throughout the world. They are dedicated professionals, committed to the fight against the illegal narcotics trade which is destroying the fabric of our society. Today we are confronted with a terrorism of drugs which preys upon our young people and fosters crime. These law enforcement officials are the front line of our defense against the growing threat of drug abuse. Many of these brave men and women risk their lives on a daily basis in this war with drug dealers and drug traffickers.

In 1960, a group of drug law enforcement professionals founded INEOA. Since its inception, INEOA has worked to improve laws relating to narcotics from the international to the local level. It has also provided a forum for information interchange which has led to increased cooperation among those working in this area.

INEOA held its first meeting in Albany, NY, in October 1960, and will return to Albany during the week of October 7 for its 25th annual international conference. There is no more appropriate time to honor these dedicated men and women.

I hope my colleagues will join me in recognizing the achievements of the INEOA and all law enforcement officers working to control the illegal narcotics trade by swiftly enacting this joint resolution.

Mr. President, I ask unanimous consent that this resolution be printed in the Record.

There being no objection, the Joint Resolution was ordered to be printed in the Record, as follows:

S.J. Res. 328

Whereas drug trafficking and abuse is an enormous human tragedy and an ever-growing political, economic, and social problem in the United States and around the world;

Whereas narcotics and other dangerous drugs present a threat to each and every individual;

Whereas drug abuse prevention efforts result in the direct saving of lives;

Whereas the full power of Federal, State, and local governments must be mobilized to provide effective law enforcement, rehabilitation, treatment, and prevention programs;

Whereas numerous law enforcement organizations are deeply committed to combatting narcotics trafficking and drug abuse;

Whereas the International Drug Enforcement Officers Association is an organization composed of 7,500 narcotic enforcement officers, government employees, and other citizens concerned with narcotics control;

Whereas the International Drug Enforcement Officers Association has, since its founding in 1960, worked to improve international, national, State, and local laws relating to narcotics;

Whereas the International Drug Enforcement Officers Association provides a forum for the exchange of ideas on the control of drug trafficking and abuse and disseminates materials on the prevention of narcotic addiction and drug abuse; and

Whereas the International Drug Enforcement Officers Association is convening its 25th Annual International Drug Conference in Albany, New York, during the week of October 7, 1984:

Now, therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 7, 1984, through October 13, 1984, is designated as "National Drug Enforcement Officers Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that week with appropriate activities.●

By Mr. MATSUNAGA (for himself, Mr. Grassley, Mr. Nickles, Mr. Randolph, Mr. Kennedy, Mr. Mitchell, Mr. Riegle, Mr. Dole, Mr. Melcher, Mr. Bumpers, Mr. Inouye, Mr. Burdick, Mr. Symms, Mr. Jepsen, Mr. Glenn, Mr. Chiles, Mr. Dixon, Mr. Moynihan, Mr. Pell, Mr. East, Mr. Thurmond, Mr. Tsongas, Mr. Chafee, Mr. Lautenberg, Mr. Hatch, Mr. Andrews, Mr. Trible, Mr. Laxalt, Mr. McClure, Mr. Durenberger, Mrs. Hawkins, Mr. Lugar, and Mr. Quayle):

S.J. Res. 330. Joint resolution designating the month of August 1984 as "Ostomy Awareness Month"; to the Committee on the Judiciary.

OSTOMY AWARENESS MONTH

Mr. MATSUNAGA. Mr. President, I am pleased to introduce with the cosponsorship of the Senator from Iowa, Mr. Grassley and 31 others, a resolution on behalf of nearly 1.5 million Americans who have a condition that is relatively unknown. Approximately 125,000 people join their ranks each and every year. These individual are ostomates. They have in common an ostomy, a type of surgery required when a person has lost the normal function of the bowel or bladder, due to birth defect, disease, injury, or other disorder. Such operations include colostomy, ileostomy, and urostomy Ostomates are of all ages, and represent every race, occupation, and ethnic background. They do return to normal living and community responsibility, but not without first overcoming the trauma associated with the relatively unknown surgery involved.

Public awareness and educational efforts can help. Mutual aid and support groups can also be of great assistance to ostomates and their families. The first local ostomy association was formed in 1949, and in 1962 the United Ostomy Association was established. This association, with over 625 chapters—3 in my State of Hawaii—and international affiliations, is dedicated to helping every ostomy patient return to normal living through mutual support, education in proper ostomy care, exchange of ideas, assistance in improving ostomy equipment and supplies, advancement of knowledge of gastrointestinal diseases, and public education about ostomy.

The most important activity of the United Ostomy Association is its visitation program. The volunteer members of local chapters, composed primarily of ostomates, provide preoperative preparation and support as well as postsurgical follow through on a person-to-person basis. These trained and certified members are carefully selected to visit a new patient in the hospital or at their home, upon request of and with the consent of the surgeon. As one member of a team whose task is to return the patient to health and activity, the visitor provides help which cannot be duplicated. To a new patient, a successful ostomate symbolizes a promising future.

At regular monthly meetings, open to anyone who is interested, members can exchange practical and personal experiences, see ostomy equipment displayed, and hear speakers. Through the visiting program and chapter meetings, thousands of people have returned to active and productive lives by adjusting to their new way of life.

Without greater public understanding of this type of surgery, the fear of those about to undergo the surgery and of family members and loved ones who are so important to the rehabilitation process tends to increase. For this reason, together with 32 of my Senate colleagues, a total of 33, I am introducing a Senate Joint Resolution designating the month of August 1984 as "Ostomy Awareness Month," to promote public education and awareness of the special problems faced by 1.5 million American's and their families.

Mr. President, I ask unanimous consent that the joint resolution be printed at this point in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 330

Whereas the word ostomy refers to a type of surgical operation, such as colostomy, ileostomy, and urostomy, that is required when a person has lost the normal function of the bowel or bladder as a result of birth defect, disease, injury, or other disorder;

Whereas nearly 125,000 new ostomy surgeries are performed each year;

Whereas an ostomy allows normal body wastes to be expelled through a surgical opening (stoma) on the abdominal wall;

Whereas more than 1.5 million individuals in the United States are ostomates, including persons of every age, race, occupation, and ethnic background;

Whereas the United Ostomy Association is dedicated to helping ostomates in North

America overcome the trauma associated with this type of surgery and return to normal living and community responsibility through mutual aid, moral support, education about proper ostomy care, exchange of ideas, assistance in improving ostomy equipment and supplies, support of research, and public information; and

Whereas the United Ostomy Association, a nonprofit agency of nearly 650 chapters, is dedicated to improving the quality of life of all children, young adults, and senior adults whose lifestyle has been changed because of this radical surgical procedure: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of August 1984 is designated as "Ostomy Awareness Month". The President is requested to issue a proclamation calling upon all Federal and State departments and agencies, public education groups, the media, the health care community, and the people of the United States to observe that month with appropriate ceremonies and activities.

Mr. GRASSLEY. Mr. President, today, I, along with my distinguished colleague from Hawaii, Senator Matsunaga, am pleased to introduce a resolution designating the month of August, 1984 as "Ostomy Awareness Month."

An ostomy is a type of surgery that is needed when a person has lost the normal function of the bowel or bladder. This includes a colostomy, an ileostomy, and an urostomy. In the past, an ostomy has been considered, as the New York Times phrased it, the "secret surgery." That is no longer the case; 1.5 million or 1 out of every 200 people have undergone this surgery. Medical knowledge has progressed to the point that persons suffering from diseases affecting the bowel or bladder have a choice in the type of surgery they can have. All of those surgeries will enable an ostomate to carry on a normal life after the operation.

The purpose of "Ostomy Awareness Month" is to recognize and commend the special people that have had an ostomy and have succeeded in returning to a normal lifestyle. It will also be for the acclamation of families and friends who have helped the ostomates overcome the initial trauma of the surgery and, most importantly, to educate the American population on ostomies and their effects on the people who have had them.

Ostomy is not a new surgery. The first local ostomy association was formed in 1949 and in 1962, 28 local ostomy chapters joined to form the United Ostomy Association. Today, this organization includes 650 chapters and 50,000 members. There are chapters in every State of our country as well as Canada. My own State of Iowa boasts 14 chapters and 1,000 members.

The United Ostomy Association [UOA] is geared toward the recovery and rehabilitation of those who have undergone or will be undergoing an ostomy. They distribute materials to these people to help them understand the surgery better and to remind them that they are not alone. The UOA holds conferences which offer educational programs for members, chapters and professional groups. The United Ostomy Association sponsors exhibits at medical meetings and other similar occasions. By informing the public about ostomy surgery, they help to eliminate prejudice and discrimination of ostomates.

The United Ostomy Association is the only association in the United States specifically for ostomates. Additionally, it is affiliated with the International Ostomy Association, thereby expanding resources for it's members.

I would like to conclude by emphasizing the importance of recognizing and applauding the people who have experienced ostomy surgery and the families, friends and groups that have helped them recover, regain their self-esteem and continue to live as they had before the surgery. We, the Congress, can do this by designating August 1984 as "Ostomy Awareness Month."

ADDITIONAL COSPONSORS

S. 44

At the request of Mr. Boschwitz, his name was added as a cosponsor of S. 44, a bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

S. 462

At the request of Mr. Grassley, the name of the Senator from Nevada [Mr. Hecht] was added as a cosponsor of S. 462, a bill to amend section 1951 of title 18 of the United States Code, and for other purposes.

S. 1795

At the request of Mr. Moynihan, the name of the Senator from Rhode Island [Mr. Pell] was added as a cosponsor of S. 1795, a bill to further the national security and improve the economy of the United States by providing grants for the improvement of proficiency in critical languages, for the improvement of elementary and secondary foreign language instruction, and for per capita grants to reimburse institutions of higher education to promote the growth and improve the quality of postsecondary foreign language instruction.

S. 1841

At the request of Mr. Thurmond, the name of the Senator from Colorado [Mr. Armstrong] was added as a cosponsor of S. 1841, a bill to promote research and development, encourage innovation, stimulate trade, and make necessary and appropriate amendments to the antitrust, patent, and copyright laws.

S. 1981

At the request of Mr. McClure, the name of the Senator from California [Mr. Wilson] was added as a cosponsor of S. 1981, a bill to amend the Small Reclamation Projects Act of 1956, as amended.

S. 2117

At the request of Mrs. Hawkins, the name of the Senator from Oregon [Mr. Hatfield] was added as a cosponsor of S. 2117, a bill entitled the National Childhood Vaccine-Injury Compensation Act.

S. 2380

At the request of Mr. Heinz, the name of the Senator from Virginia [Mr. Warner] was added as a cosponsor of S. 2380, a bill to reduce unfair practices and provide for orderly trade in certain carbon, alloy, and stainless steel mill products, to reduce unemployment, and for other purposes.

S. 2636

At the request of Mr. Sasser, the name of the Senator from New York [Mr. Moynihan] was added as a cosponsor of S. 2636, a bill to require the administrator of General Services to notify State and local governments and agencies thereof prior to the disposal of surplus real property.

S. 2650

At the request of Mr. Kasten, the name of the Senator from Illinois [Mr. Dixon] was added as a cosponsor of S. 2650, a bill to enable the Consumer Product Safety Commission to protect the public by ordering notice and repair, replacement or refund of certain toys or articles intended for use by children if such toys or articles create a substantial risk of injury to children.

S. 2735

At the request of Mr. Nickles, the name of the Senator from Iowa [Mr. Jepsen] was added as a cosponsor of S. 2735, a bill to rescind funds appropriated to the Energy Security Reserve by the 1980 Department of the Interior and Related Agencies Appropriations Act, and for other purposes.

S. 2743

At the request of Mr. Grassley, the names of the Senator from South Carolina [Mr. Thurmond], the Senator from Wisconsin [Mr. Proxmire], the Senator from Delaware [Mr. Roth], the Senator from North Carolina [Mr. East], and the Senator from Texas [Mr. Bentsen] were added as cosponsors of S. 2743, a bill to designate a portion of 16th Street NW., Washington, DC, on which the Embassy of the Union of Soviet Socialists Republics is located, as "Andrei Sakharov Avenue."

S. 2751

At the request of Mr. Kasten, the names of the Senator from Minnesota [Mr. Boschwitz], the Senator from Alaska [Mr. Stevens], the Senator from Pennsylvania [Mr. Heinz], the Senator from Wisconsin [Mr. Proxmire], and the Senator from Michigan

[Mr. Riegle] were added as cosponsors of S. 2751, a bill to provide for coordinate management and rehabilitation of the Great Lakes, and for other purposes.

S. 2754

At the request of Mr. Eagleton, his name was added as a cosponsor of S. 2754, a bill to amend the Securities and Exchange Act of 1934.

S. 2766

At the request of Mr. Thurmond, the names of the Senator from Missouri [Mr. Eagleton], and the Senator from Hawaii [Mr. Inouye] were added as cosponsors of S. 2766, a bill to amend chapter 44, title 18, United States Code, to regulate the manufacture and importation of armor piercing ammunition.

At the request of Mr. Byrd, his name was added as a cosponsor of S. 2766, supra.

SENATE JOINT RESOLUTION 206

At the request of Mr. Tsongas, the name of the Senator from Maine [Mr. Cohen] was added as a cosponsor of Senate Joint Resolution 206, joint resolution designating the first Sunday of every August as "National Day of Peace."

SENATE JOINT RESOLUTION 253

At the request of Mr. Pressler, the names of the Senator from Idaho [Mr. Symms], and the Senator from Florida [Mrs. Hawkins] were added as cosponsors of Senate Joint Resolution 253, joint resolution to authorize and request the President to designate September 16, 1984, as "Ethnic American Day."

SENATE JOINT RESOLUTION 267

At the request of Mr. Chiles, the name of the Senator from West Virginia [Mr. Randolph] was added as a cosponsor of Senate Joint Resolution 267, joint resolution to designate the week of September 23, 1984, through September 29, 1984, as "National Drug Abuse Education and Prevention Week."

SENATE JOINT RESOLUTION 294

At the request of Mr. Boren, the name of the Senator from Indiana [Mr. Quayle] was added as a cosponsor of Senate Joint Resolution 294, joint resolution to designate the week of July 1, 1984, through July 7, 1984, as "National Softball Week."

SENATE JOINT RESOLUTION 305

At the request of Mrs. Hawkins, the names of the Senator from Mississippi [Mr. Stennis], and the Senator from West Virginia [Mr. Randolph] were added as cosponsors of Senate Joint Resolution 305, joint resolution to designate the week of September 10, 1984, through September 16, 1984, as "Teenage Alcohol Abuse Awareness Week."

SENATE JOINT RESOLUTION 307

At the request of Mr. Garn, the names of the Senator from New Mexico [Mr. Bingaman], the Senator from Oklahoma [Mr. Boren], the Senator from New Jersey [Mr. Bradley], the Senator from California [Mr. Cranston], and the Senator from Arizona [Mr. Goldwater] were added as cosponsors of Senate Joint Resolution 307, joint resolution to designate July 20, 1984 as "Space Exploration Day."

SENATE JOINT RESOLUTION 308

At the request of Mr. Nunn, the names of the Senator from Texas [Mr. Bentsen], the Senator from Oklahoma [Mr. Boren], the Senator from Arkansas [Mr. Bumpers], the Senator from Florida [Mr. Chiles], the Senator from Mississippi [Mr. Cochran], the Senator from California [Mr. Cranston], the Senator from Arizona [Mr. DeConcini], the Senator from Illinois [Mr. Dixon], the Senator from New Mexico [Mr. Domenici], the Senator from Kentucky [Mr. Ford], the Senator from Alabama [Mr. Heflin], the Senator from Pennsylvania [Mr. Heinz], the Senator from South Carolina] [Mr. Hollings], the Senator from Kentucky [Mr. Huddleston], the Senator from Iowa [Mr. Jepsen], the Senator from Louisiana [Mr. Long], the Senator form Georgia [Mr. Mattingly], the Senator from Oklahoma [Mr Nickles], the Senator from Arkansas [Mr. Pryor], the Senator from Tennessee [Mr. Sasser], the Senator for South Carolina [Mr. Thurmond], the Senator from Virginia [Mr. Trible], the Senator from Virginia [Mr. Warner], and the Senator from California [Mr. Wilson] were added as cosponsors of Senate Joint Resolution 308, joint resolution to designate the week beginning on September 9, 1984, as "National Community Leadership Week."

SENATE JOINT RESOLUTION 322

At the request of Mr. Quayle, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of Senate Joint Resolution 322, joint resolution designating the week beginning on October 7, 1984, as "Mental Illness Awareness Week."

SENATE CONCURRENT RESOLUTION 101

At the request of Mr. D'Amato, the name of the Senator from Connecticut [Mr. Dodd] was added as a cosponsor of Senate Concurrent Resolution 101, concurrent resolution to commemorate the Ukrainian famine of 1933.

SENATE CONCURRENT RESOLUTION 118

At the request of Mr. Grassley, the names of the Senator from South Carolina [Mr. Thurmond], the Senator from Wisconsin [Mr. Proxmire], the Senator from Delaware [Mr Roth], the Senator from North Carolina [Mr. East], and the Senator from Texas [Mr. Bentsen] were added as cosponsors of Senate Concurrent Resolution 118, concurrent resolution expressing the sense of Congress that the portion of the street in the District of Columbia on which is located the Embassy of the Union of Soviet Socialist Republics, and the portion of any street in any other city in the United States on which is located a consular office or mission of the Union of Soviet Socialist Republics, should be named Andrei Sakharov Avenue.

SENATE CONCURRENT RESOLUTION 120

At the request of Mrs. Hawkins, the names of the Senator from Washington [Mr. Gorton], and the Senator from Kentucky [Mr. Huddleston] were added as cosponsors of Senate Concurrent Resolution 120, concurrent resolution expressing the sense of the Congress that the legislatures of the States should develop and enact legislation designed to provide child victims of sexual assault with protection and assistance during administrative and judicial proceedings.

SENATE CONCURRENT RESOLUTION 121

At the request of Mr. Bradley, his name was added as cosponsor of Senate Concurrent Resolution 121, concurrent resolution expressing the sense of the Congress regarding the nondelivery in the Soviet Union of certain mail from the United States, and for other purposes.

SENATE RESOLUTION 412

At the request of Mr. Hollings, the names of the Senator from Nevada [Mr. Laxalt], and the Senator from Alabama [Mr. Denton] were added as cosponsors of Senate Resolution 412, resolution to congratulate and commend the USA Philharmonic Society.

SENATE CONCURRENT RESOLUTION 129—RELATING TO SPACE RESCUE

Mr. MATSUNAGA (for himself, Mr. Gorton, Mr. Helfin, Mr. Hollings, Mr. Inouye, Mr. Packwood, Mr. Garn, and Mr. Riegle) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. Con. Res. 129

Whereas the Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, Including the Moon and Other Celestial Bodies promotes international cooperation and understanding;

Whereas the Treaty of Principles Governing the Activities of States in the Exploration and Use of Outer Space, Including the Moon and Other Celestial Bodies states that astronauts should be regarded as envoys of mankind in outer space and all possible assistance shall be rendered to them in outer space and on celestial bodies by astronauts of other States Parties to the Treaty;

Whereas the Agreement on the Rescue of Astronauts, the Return of Astronauts and the Return of Objects Launched into Outer Space calls upon contracting parties in a position to do so, if necessary, to extend assistance in search and rescue operations to personnel of a spacecraft who have suffered accident or are experiencing conditions of distress;

Whereas the United States, Canada, France, and the Soviet Union are currently in a highly successful satellite-aided search and rescue program (COSPAS/SARSAT) involving coordinating the activities of United States, Canadian, French and Soviet Union equipment and satellites; Now, therefore, be it

Resolved, That it is the Sense of the Congress that the President should:

(1) seek understandings and/or agreements with other nations to plan for space station activities that would permit space rescue operations and other emergency assistance in space;

(2) seek understandings and/or agreements with other nations for exchange of scientific and technical information that would aid in such space rescue operations and other emergency assistance pursuant to the Agreement on the Rescue of Astronauts, the Return of Astronauts and the Return of Objects Launched into Outer Space;

(3) examine other opportunities for mutually beneficial international coordination of U.S. permanent space station programs.

Mr. MATSUNAGA. Mr. President, I am today introducing with Senators GORTON, HEFLIN, HOLLINGS, GARN, INOUYE, PACKWOOD and RIEGLE as cosponsors, legislation to encourage policies, procedures, and operational capabilities for space rescue.

Mr. President, it is an undeniable truth that the possibility of tragedy in space increases in proportion to accelerating human involvement in space activities. And as we move ahead with plans for a manned space station with international involvement, which I wholeheartedly support, and the frequency of shuttle flights increases, as the Soviet Union and other nations expand their manned spaceflight capabilities and commitments, it is becoming imperative that more attention be paid to emergency planning for the brave men and women who accept the challenges and risks of space exploration. Initially, that means recognizing the fact that the safety of the growing international corps of astronauts, cosmonauts, and spationauts cannot be effectively protected within a nationalistic framework.

In the limitless vastness of space, emergency assistance requires cooperation on an international scale. The need for such cooperation is in fact recognized by international treaties, to which the United States is a signatory, including the "Agreement on the Rescue of Astronauts," the "Return of Astronauts and the Return of Objects Launched into Outer Space." Moreover, ample terrestrial precedent exists for an international space rescue regime. Emergency assistance on Earth has always been governed by a universal code that transcends differences in ideology. Even now, in the midst of unprecedented cold war tension, the United States and the Soviet Union are linking their space capabilities in a Satellite-Aided Search and Rescue Tracking System [SARSAT] for locating and rescuing the crews of downed aircraft and boats in distress on the high seas. In SARSAT's first 2 weeks of operation, during the fall of 1982, a Soviet satellite guided rescuers to two downed aircrafts in Canada, one in New Mexico, and to a capsized yacht 300 miles off the coast of New England, thereby saving the lives of seven Americans and Canadians. Since then, a U.S. satellite has been incorporated into the program, to expand its coverage. Canada and France are also participating in SARSAT, and other nations are lining up to join. This international program already has been responsible for saving the lives of 200 crew members and passengers of distressed ships and aircraft.

But, although convincing precedent exists for space rescue activities, and although spacefaring nations are committed to space rescue in law and in principle, the actual mechanics of international space rescue has not yet been addressed by the affected parties. The concurrent resolution, which I am introducing today with seven cosponsors, urges that the United States show leadership in this humane area by first, seeking to incorporate international space rescue into space station planning; second, seeking the sceintific and technical exchanges necessary to develop an international space rescue regime; and third, examining other opportunities for international coordination of U.S. space station programs. With regard to the space station in particular, it is important that we consider rescue requirements now, while the program is in its planning stages, so that technical compatibilities, if they are needed, can be incorporated into design.

In preparing this legislation, I received assurances from experts that space rescue procedures and compatibilities could be developed without risk to national security. Indeed, the United States is actively seeking international involvement in its space station program as part of a civil space program whose activities, according to statute, are required to be free and open; that's why NASA was created in the first place. The Soviets, by contrast, have blended civilian and military manned spaceflight programs while conducting both in an atmosphere of secrecy. We thus stand to gain a great deal by encouraging the openness that emergency assistance coordination would require. It would provide us with a window onto Soviet space activities not otherwise available.

Finally, I think it is worth pointing out that we can draw on significant experience in developing a space rescue program. A primary objective of the Apollo-Soyuz Test Project [ASTP] of 1975, in which orbiting United States and Soviet spacecraft linked up and astronauts and cosmonauts met in space, was to develop a universal docking mechanism that would facilitate space rescue. That objective was successfully attained. The record in that instance also shows that, under pressure of technical imperatives generated by ASTP. The Soviets set a number of precedents for openness, information exchange, and verification. They did not do it willingly. They were virtually forced into it by pressures inherent to cooperative activity. The result was not a revolution in behavior, but it was an extremely promising beginning. In a letter he wrote to me about ASTP, one of our astronaut participants, Donald "Deke" Slayton, made the following insightful observation:

> In my opinion, the major thing the Soviets could have learned, to their everlasting benefit, is how to conduct major technical programs efficiently through the use of free lateral and vertical communication among all participants. This would also have been to our major benefit because it is called democracy. Unfortunately, they have not opted to purloin these lessons yet, but we should not give up hope.

Unfortunately, too, the universal docking mechanism developed for ASTP is no longer functional, due to a lack of followup as the two nations developed more advanced manned space systems. Perhaps that universal docking mechanism effort ought to be renewed. At the minimum, as a beginning, we ought to seek communication compatibilities and extravehicular procedures that would permit rudimentary coordination among spacefaring nations in time of emergency.

Mr. President, no matter how futuristic our advancement into space appears, it can never be considered an improvement of civilization if it does not incorporate a commitment to rescue fellow human beings in distress. In April of this year, 11 daring space explores from three nations were simultaneously in orbit around the Earth—five Americans, five Soviets, and one Indian. Three Soviets presently are in orbit. They will soon be joined by five Americans, as manned space exploration continues to accelerate. We must not wait for a tragedy before taking action on space rescue. The time to move is now.

Mr. President, this legislation has been in the making for several months, and was developed in its present form in a bipartisan spirit. We even forwarded a draft to NASA for its input a few weeks ago and accepted its excellent suggestions.

So I was delighted to read in this morning's newspaper that President Reagan proposed only yesterday that the United States and the Soviet Union carry out a joint simulated space rescue mission involving astronauts and cosmonauts in orbit. I would like to think that our discussions with NASA on this legislation, as well as related legislation I introduced with Senators PELL and MATHIAS last February, had some influence upon the

President in making his decision. In any case, I congratulate President Reagan for taking up this issue in a positive fashion. His initiative could have extremely important consequences and I promise him my fullest support.

SENATE CONCURRENT RESOLUTION 128—CONCERNING THE WELL-BEING OF ANDREI SAKHAROV AND YELENA BONNER

Mr. TSONGAS (for himself and Mr. PERCY) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 128

Whereas the Final Act of the Conference on Security and Cooperation in Europe commits the signatory countries to respect human rights and fundamental freedoms;

Whereas the signatory countries have pledged themselves to "fulfill in good faith their obligations under international law;"

Whereas the Universal Declaration of Human Rights guarantees to all the rights of freedom of thought, conscience, religion, opinion, and expression;

Whereas the International Covenant on Civil and Political Rights guarantees that everyone shall have the right to freedom of thought, conscience, and religion, the right to hold opinions without interference, and the right of freedom of expression;

Whereas the Union of Soviet Socialist Republics signed the Final Act of the Conference on Cooperation and Security in Europe, is a party to the Universal Declaration of Human Rights, and has ratified the International Covenant on Civil and Political Rights;

Whereas Principle VII of the Final Act specifically confirms the "right of the individual to know and act upon his rights and duties" in the field of human rights, and Principle IX confirms the relevant and positive role individuals play in the implementation of the provisions of the Final Act;

Whereas Nobel Laureate Andrei Sakharov, leader of the human rights movement in the Soviet Union, was arrested and exiled to Gorky in direct contravention of Principle VII of the Helsinki Final Act, the Universal Declaration of Human Rights, and the International Covenant on Civil and Political Rights;

Whereas Dr. Sakharov's wife, Elena Bonner, has been charged with anti-Soviet agitation and is in urgent need of medical treatment unavailable in the Soviet Union;

Whereas Dr. Sakharov, as a last resort, on May 2, 1984, began a hunger strike to protest the Soviet Government's harassment of his wife, Yelena Bonner, and that government's refusal to grant Mrs. Bonner an exit visa for the purpose of obtaining medical treatment abroad;

Whereas the exact whereabouts, health, and legal status of both Dr. Sakharov and Yelena Bonner have been kept secret by the Soviet Government: Now, therefore, be it,

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that, in accordance with the Final Act of the Conference on Security and Cooperation in Europe, the Universal Declaration of Human Rights, the Union of Soviet Socialist Republics should provide the United States Government with specific information as to the whereabouts, health, and legal status of Andrei Sakharov and Yelena Bonner; and should void all charges against Yelena Bonner, issue her an exit visa for the purpose of obtaining medical care outside the Soviet Union, and allow Andrei Sakharov and Yelena Bonner to live in the country of their choice.

SEC. 2. The Congress urges the President—

(1) to protest, in the strongest possible terms and at the highest levels, the Soviet Government's continued refusal to provide specific information as to the whereabouts, health, and legal status of Andrei Sakharov and Yelena Bonner; and the continued refusal of an exit visa for Mrs. Bonner.

(2) to call upon all other signatory nations of the Final Act of the Conference on Security and Cooperation in Europe to join in such protests.

SEC. 3. The Secretary of the Senate shall transmit copies of this resolution to the Soviet Ambassador to the United States and to the Chairman of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics.

Mr. PERCY. Mr. President, the Soviet Government claims that Andrei Sakharov and Yelena Bonner are alive and well. But they don't let the Sakharovs tell their family and the rest of the world directly that this is so. Instead we are treated to a series of media reports, photographs that could have been taken anywhere, any time, and a telegram from Mrs. Bonner to her daughter that may or may not have been sent by Mrs. Bonner, and may or may not have been doctored en route.

Is it any wonder that this leads many to conclude that the KGB is alive and well, but whether the Sakharovs are alive and well is far from certain.

Soviet President Chernenko reportedly told French President Mitterand that Sakharov's plight is none of the outside world's business. If that is how the Soviets feel, then they shouldn't have signed the Helsinki Final Act.

I am proud to be a cosponsor of this concurrent resolution calling on the Soviet Union to allow Andrei Sakharov and Yelena Bonner to speak freely for themselves, seek medical treatment where they feel they need it, and live where they wish.

SENATE RESOLUTION 418—ORIGINAL RESOLUTION REPORTED WAIVING THE CONGRESSIONAL BUDGET ACT

Mr. PERCY, from the Committee on Foreign Relations, reported the following original resolution; which was referred to the Committee on the Budget:

S. RES. 418

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 1177, entitled "A bill to amend title 4 of the United States Code to complete the official seal of the United States". Such waiver is necessary to allow the authorization of a sum not to exceed $15,000 to enable the Secretary of state to cut a die and make appliances for making an impression of the reverse of the seal to complete the official seal of the United States.

AMENDMENTS SUBMITTED

STATE, JUSTICE, COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION ACT, 1985

RUDMAN (AND OTHERS) AMENDMENT NO. 3347

Mr. RUDMAN (for himself, Mr. THURMOND, and Mr. GORTON) proposed an amendment to the reported amendment on page 51, line 11, of the bill (H.R. 5712) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1985, and for other purposes; as follows:

Strike "Agencies", at the end of the amendment and insert the following.

"Agencies and United States Information Agency Appropriation Act, 1985".

"ADMINISTRATIVE PROVISION

"SECTION 1. (a) Sections 4, 4A, and 4C of the Clayton Act (15 U.S.C. 15, 15a, and 15c) shall not apply to any law or other action of or official action directed by, a city, village, town, township, county, or other general function unit of local government in the exercise of its regulatory powers, including but not limited to zoning, franchising, licensing, and the establishment or provision of public services on an exclusive or nonexclusive basis in a manner designed to insure public access or otherwise to protect the public health, safety, or welfare, but excluding the purchase or sale of goods or services on a commercial basis by the unit of local government in competition with private persons, where such law or action is valid under State law.

"(b) No damages, interest on damages, costs, or attorney's fees may be recovered under section 4, 4A, or 4C of the Clayton Act (15 U.S.C. 15, 15a, and 15c) from any unit of local government or official thereof acting in his official capacity.

"SEC. 2. Funds appropriated to the Department of Justice or the Federal Trade Commission may be obligated or expended to issue, implement, administer, conduct or enforce any antitrust action against a municipality or other unit of local government, notwithstanding Section 510 or any other provision of the 'Department of Commerce, Justice, and State, the Judiciary, and Related Agencies'.".

NUNN AMENDMENT NO. 3348

Mr. NUNN proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 17, line 22, before the period insert the following: ", and of such funds, $5,000,000 to be made available for loans for the program authorized by section 501 of the Small Business Investment Act of 1958".

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STEVENS AND INOUYE AMENDMENT NO. 3349

Mr. STEVENS (for himself and Mr. Inouye) proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 7, line 16, strike out "$1,123,686,000" and insert in lieu thereof "1,124,286,000".

On page 7, line 20, strike out the semicolon and insert in lieu thereof "and, of which $600,000 shall be available to the Fisheries Oceanography Coordinated Investigations program for a joint research project sponsored by the University of Alaska and the Hawaiian Oceanic Institute on factors influencing the year class strength of subarctic bottom fishes;".

MELCHER AMENDMENT NO. 3350

Mr. MELCHER proposed an amendment to the bill H.R. 5712, supra; as follows:

At the appropriate place, add the following new section:

"It is the sense of the Congress that in cooperation with the government of Mexico, the newly enacted authority under Section 416 of the Agricultural Act dealing with U.S. surplus wheat and dairy products shall be used on an expedited basis to make these commodities available to help feed the Guatemalan refugees in Mexico.".

HOLLINGS AMENDMENT NO. 3351

Mr. HOLLINGS proposed an amendment to the reported amendment on page 51, line 11 of the bill H.R. 5712, supra; as follows:

In lieu of the language proposed to be inserted insert the following "and related agencies.

"Sec. . None of the funds appropriated or otherwise made available by this Act to the Department of Justice or the Federal Trade Commission may be obligated or expended to issue, implement, administer, conduct or enforce any antitrust action against a municipality or other unit of local government, except that this limitation shall not apply to private antitrust actions.

"(b) Sections 4, 4A, and 4C of the Clayton Act (15 U.S.C. 15, 15a, and 15c) shall not apply to any law or other action of or official action directed by, a city, village, town, township, county, or other general function unit of local government in the exercise of its regulatory powers, including but not limited to zoning, franchising, licensing, and the establishment or provision of public services on an exclusive or nonexclusive basis in a manner designed to ensure public access or otherwise to protect the public health, safety, or welfare, but excluding the purchase or sale of goods or services on a commercial basis by the unit of local government in competition with private persons, where such law or action is valid under State law.

"(c) No damages, interest on damages, costs, or attorney's fees may be recovered under section 4, 4A, or 4C of the Clayton Act (15 U.S.C. 15, 15a and 15c) from any unit of local government or official thereof acting in his official capacity. This title may be cited as the Department of State and related Agencies and United States Information Agency Appropations Act, 1985.' ".

KASTEN (AND NICKLES) AMENDMENT NO. 3352

Mr. KASTEN (for himself and Mr. Nickles) proposed an amendment to the bill H.R. 5712, supra; as follows:

At the appropriate place in the bill insert the following new language:

"Sec. . Not later than March 31, 1985, the President shall transmit to the Speaker of the House of Representatives and the President of the Senate a full and complete report detailing the amount and source of appropriated funds, directly or indirectly, which are provided to the United Nations and its specialized agencies by the United States during the calendar year 1984."

GORTON AMENDMENT NO. 3353

Mr. GORTON proposed an amendment to the bill H.R. 5712, supra; as follows:

At the appropriate place in the bill insert the following new language: "None of the funds appropriated or made available by this Act may be used to enforce or give effect to any restriction on the export of unprocessed western red cedar harvested from state lands pursuant to a harvesting contract entered into prior to October 1, 1979."

GORTON (AND OTHERS) AMENDMENT NO. 3354

Mr. GORTON (for himself, Mr. Hatfield, Mr. Packwood, Mr. Evans, Mr. Wilson, and Mr. Cranston) proposed an amendment to the bill H.R. 5712, supra; as follows:

At the end of the bill, add the following:

"Sec. . (a) For purposes of paragraph (2) of section 7(b) of the Small Business Act (15 U.S.C. 636(b)), the Administrator of the Small Business Administration shall, with respect to small business concerns involved in the fishing industry, treat the recent El-Nino related ocean conditions as a disaster to which such paragraph applies.

"(b) For purposes of subsection (a)—

"(1) the term "recent El Nino-related ocean conditions" means the ocean conditions (including high water temperatures, scarcity of prey, and absence of normal upwellings)—

"(A) which occurred in the eastern Pacific Ocean off the west coast of the North American Continent during the period beginning with June 1982 and ending at the close of December 1983, and

"(B) which resulted from the climatic conditions occurring in the Equatorial Pacific during 1982 and 1983;

"(2) the term "fishing industry" means any trade or business involved in—

"(A) the catching, taking, or harvesting of fish (whether or not sold on a commercial basis),

"(B) any operation at sea or on land, in preparation for, or substantially dependent upon, the catching, taking, or harvesting of fish, and

"(C) the processing or canning of fish (including storage, refrigeration, and transportation of fish before processing or canning); and

"(3) the term "fish" means finfish, mollusks, crustaceans, and marine mammals and birds."

MITCHELL (AND COHEN) AMENDMENT NO. 3355

Mr. MITCHELL (for himself and Mr. Cohen) proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 12, insert between lines 8 and 9 the following:

"Sec. 104. No funds in this Act, or any other Act, may be used within two years after the date of enactment of this Act, to transfer title to the parcel of real property located on McKown Point, West Boothbay Harbor, Maine (General Services Administration control number 1314-30174-23), unless such transfer is to the State of Maine, and contains conditions and use restrictions similar to those in the transfer of the adjacent parcel of real property on September 26, 1978 (General Services Administration control number 1314-30174-23-015-0800)."

BIDEN AMENDMENT NO. 3356

Mr. BIDEN proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 18, line 14, strike "71,150,000" and insert "70,950,000".

On page 19, line 9, strike "191,454,000" and insert "190,258,000".

On page 20, line 17, strike "421,051,000" and insert "400,258,000".

On page 22, strike lines 14 through 17 and insert the following:

"Organized Crime Drug Enforcement

"For expenses necessary for the detection, investigation, prosecution, and incarceration of individuals involved in organized criminal drug trafficking not otherwise provided for, $95,846,000, of which $1,500,000 for the Presidential Commission on Organized Crime."

On page 23, line 5, strike "1,147,223,000" and insert "1,112,490,000".

On page 24, line 13, strike "329,988,000" and insert "292,564,000".

WEICKER (AND OTHERS) AMENDMENT NO. 3357

Mr. WEICKER (for himself, Mr. Dole, and Mr. Hollings) proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 51, strike lines 6 through 10.

RUDMAN AMENDMENT NO. 3358

Mr. RUDMAN proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 51, line 10, strike "$31,300,000" and insert the following: "$21,300,000: *Provided*, That none of the funds shall be awarded to the National Democratic Institute for International Affairs, the National Republican Institute for International Affairs, or any other organization connected in any manner with any political party operating in the United States"

HOLLINGS (AND OTHERS) AMENDMENT NO. 3359

Mr. HOLLINGS (for himself, Mr. Weicker, Mr. Andrews, Mr. Pressler, Mr. Exon, Mr. Randolph, Mr. Zorinsky, Mr. Rudman, Mr. Chiles, Mr. Glenn, Mr. Mattingly, Mr. Melcher,

Mrs. KASSEBAUM, and Mr. PRYOR) proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 49 delete all after line 18 through line 10 on page 51 and insert in lieu thereof the following:

"Educational and Cultural Exchange Programs

"For expenses of Fulbright, International Visitor, Humphrey Fellowship and Congress-Bundestag Exchange Programs, as authorized by Reorganization Plan No. 2 of 1977 and the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq.), $135,916,000. For the Private Sector Exchange Programs, $8,948,000, of which $1,500,000, to remain available until expended, is for the Eisenhower Exchange Fellowship Program.

"Acquisition and Construction of Radio Facilities

"For an additional amount for the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception, $85,000,000, to remain available until expended.

"Radio Broadcasting to Cuba

"For an additional amount, necessary to enable the United States Information Agency to carry out the Radio Broadcasting to Cuba Act (providing for the Radio Marti program or Cuba Service of the Voice of America), including the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase an installation of necessary equipment for radio transmission and reception, $12,000,000 to remain available until expended.

"Center for Cultural and Technical Interchange Between East and West

"To enable the Director of the United States Information Agency to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960, by grant to any appropriate recipient in the State of Hawaii, $19,000,000: *Provided*, That none of the funds appropriated herein shall be used to pay any salary, or to enter into any contract providing the payment thereof, in excess of the highest rate authorized in the General Schedule of the Classification Act of 1949, as amended."

HELMS (AND OTHERS) AMENDMENT NO. 3360

Mr. HELMS (for himself, Mr. SYMMS, Mr. WALLOP, Mr. EAST, Mr. DODD, Mr. DENTON, and Mr. DOMENICI) proposed an amendment to the bill H.R. 5712, supra; as follows:

Add at the end of the bill the following new section:

SEC. . (a) Notwithstanding any other provision of this Act,

(1) no funds shall be expended by the Department of Commerce to promote trade with Bulgaria including but not limited to expenditures for trade fairs, trade specialists, and the Bulgarian-U.S. Business Roundtable or any other such joint body.

(2) no funds shall be expended by the Department of State to promote trade with Bulgaria,

(b) It is the sense of Congress that Bulgaria should be declared to be engaged in state sponsored terrorism within the meaning of SEC. 6(i) of the Export Administration Act of 1979.

GLENN (AND NICKLES) AMENDMENT NO. 3361

Mr. GLENN (for himself and Mr. NICKLES) proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 36, between lines 10 and 11, insert the following new section:

SEC. 204. (a)(1) Section 1201 of the Omnibus Crime Contol and Safe Streets Act of 1968 (42 U.S.C. 3796) is amended by adding at the end thereof the following new subsection:

"(g) The authority to make payments under this section shall be effective only to the extent provided for in advance by appropriation Acts.".

(2) Section 1202 of such Act (42 U.S.C. 3796a.) is amended—

(A) by striking out "or" at the end of clause (2);

(B) by striking out the period at the end of clause (3) and inserting in lieu thereof "; and "; and

(C) by adding at the end thereof the following:

"(4) to any person employed in a capacity other than a civilian capacity.".

(3) Section 1203 of such Act is amended—

(A) by striking out clause (3) and inserting in lieu thereof the following:

"(3) 'firefighter'—

"(A) means a person whose duties include performing work directly connected with the control and extinguishment of fires and who, at the time the personal injury referred to in section 1201 is sustained, is engaged in such work or in another emergency operation; and

"(B) includes a person serving as an officially recognized or designated member of a legally organized volunteer fire department;";

(B) by striking out clause (5) and inserting in lieu thereof the following:

"(5) 'law enforcement officer' means a person—

"(A) the duties of whose position include performing work directly connected with—

"(i) the control of crime or juvenile delinquency;

"(ii) the enforcement of the criminal laws; or

"(iii) the protection of Federal officials, public buildings or property, or foreign diplomatic missions; and

"(B) who, at the time the personal injury referred to in section 1201 is sustained, is—

"(i) engaged in the detection of crime;

"(ii) engaged in the apprehension of an alleged criminal offender;

"(iii) engaged in the keeping in physical custody of an alleged or convicted criminal offender; or

"(iv) assaulted or subjected to the conduct of criminal activity in the line of duty, and includes police, correction, probation, parole, and judicial officers;";

(C) in clause (6) in inserting "the United States," after "means"; and

(D) in clause (7), by striking out "fireman" and inserting in lieu thereof "firefighter".

(b) The amendments made by subsection (a) shall take effect with respect to injuries sustained on or after October 1, 1984.

NICKLES AMENDMENT NO. 3362

Mr. NICKLES proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 72 after line 19 add the following new section:

"SEC. 512. Except as otherwise provided in this section, each dollar amount contained in this Act is hereby reduced by 4 per centum. This section shall not apply to amounts on page 7 line 22, page 8 lines 6 and 7, page 12 line 16, page 21 lines 17 and 18, page 24 line 22, page 33 line 12, page 36 lines 2 and 5, page 37 lines 18 and 19, page 41 line 13, page 45 line 15, and page 53 line 12."

NICKLES, (AND OTHERS) AMENDMENT NO. 3363

Mr. NICKLES (for himself, Mr. HATCH, Mr. LEVIN, Mr. HECHT, Mr. LAUTENBERG, Mr. DENTON, Mr. CHAFEE, Mr. BIDEN, and Mr. BRADLEY) proposed an amendment to the bill H.R. 5712, supra; as follows:

At the appropriate place in the bill insert the following:

Mr. Louis Farrakhan, advisor to one of the presidential candidates, is reported to have referred to the Jewish faith as a "gutter religion";

Mr. Farrakhan has also accused the United States of being a "criminal" for our "aiding and abetting" role at the time of the creation of the Israeli nation; and,

Mr. Farrakhan has even called the very existence of Israel an "outlaw act";

It is therefore the sense of the Senate that—

(1) there is no place in our society, nor in our electoral process, for hateful, bigoted expressions of anti-Jewish and racist sentiments such as those reported by being made by Louis Farrakhan, and all such vicious expressions must be condemmed, and

(2) the leadership of the Senate is instructed to communicate with the Chairmen of the Democratic and Republican parties to request that they immediately repudiate in writing the sentiments and expressions of hatred reportedly made by Mr. Farrakhan.

KASSEBAUM (AND MURKOWSKI) AMENDMENT NO. 3364

Mrs. KASSEBAUM (for herself and Mr. MURKOWSKI) proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 41, line 19, change the following: Change amount from $522,570,000 to $501,667,200.

DOMENICI AMENDMENT NO. 3365

Mr. DOMENICI proposed an amendment to the bill H.R. 5712, supra; as follows:

At the bottom of page 72, add the following new title:

TITLE VI—SUPPLEMENTAL FOREIGN ASSISTANCE

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

CENTRAL AMERICA INITIATIVE

For expenses necessary to enable the President to carry out the provisions of the Central America Democracy, Peace and Development Initiative Act of 1984, the Foreign Assistance Act of 1961, the Peace Corps Act, and the Migration and Refugee Assistance Act, for the fiscal year ending September 30, 1984, and for other purposes, for assistance for Central American countries, to remain available until December 31, 1984, in addition to amounts otherwise made available for such purposes:

AGENCY FOR INTERNATIONAL DEVELOPMENT

AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION

For an additional amount for "Agriculture, rural development, and nutrition, Development Assistance", $10,000,000.

POPULATION

For an additional amount for "Population, Development Assistance", $5,000,000.

HEALTH

For an additional amount for "Health, Development Assistance", $18,000,000.

EDUCATION AND HUMAN RESOURCES DEVELOPMENT

For an additional amount for "Education and human resources development, Development Assistance", $10,000,000: *Provided*, That of this amount not less than $2,000,000 shall be available only for the International Student Exchange Program.

ENERGY AND SELECTED DEVELOPMENT ACTIVITIES

For an additional amount for "Energy and selected development activities, Development Assistance", $30,000,000.

ECONOMIC SUPPORT FUND

For an additional amount for the "Economic Support Fund", $290,500,000.

OPERATION EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For an additional amount for "Operating expenses of the Agency for International Development", $2,489,000: *Provided*, That not less than $727,000 shall be available only for the activities of the Inspector General's office.

INDEPENDENT AGENCY

PEACE CORPS

For an additional amount to carry out the provisions of the Peace Corps Act (75 Stat. 612), $2,000,000.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for "Migration and refugee assistance", $10,000,000, to be used only for medical and health related assistance for refugees in Central America, to remain available until December 31, 1984.

GENERAL PROVISIONS

Funds may be made available for development assistance for fiscal year 1984 for Guatemala notwithstanding the provisions of Public Law 98-151.

Funds under this title are made available notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956.

None of the funds made available by this title shall be restricted for obligation or disbursement soley as a result of the policies of any multilateral institution.

Sec. 601. (a) Not later than thirty days after the date of entry into force of any memorandum of understanding or other international agreement between the United States Government and a Central American Government regarding the use of local currencies generated from assistance furnished to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 or generated from the sale of agricultural commodities under the Agricultural Trade Development and Assistance Act of 1954, the President shall prepare and transmit to the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives a report setting forth for each such memorandum or agreement—

(1) the text of each such memorandum or agreement;

(2) the status and description of each such memorandum or agreement, including the period of time covered, the amount of funding involved, and the sources of funding involved;

(3) an explanation of the manner in which funds are to be used in a Central American country to—

(A) eliminate the climate of violence and civil strife, in the cases of Guatemala and El Salvador;

(B) develop democratic institutions and processes;

(C) develop strong and free economies with diversified production for both external and domestic markets;

(D) make sharp improvement in the social conditions of the poorest Central Americans; and

(E) improve substantially the distribution of income and wealth; and

(4) the degree of compliance by the Central American Government with the provisions of such memorandum or agreement.

(b) Not later than thirty days after the date of enactment of this Act, the President shall prepare and transmit to the committees referred to in subsection (a) a report providing the information described by paragraphs (1) through (4) of subsection (a) with respect to any memorandum of understanding which is in effect on the date of enactment of this Act.

(c) Not later than six months after the date of entry into force of each memorandum of understanding or other international agreement described in subsection (a), and upon the date of termination of each such memorandum or agreement, the President shall prepare and transmit to the committees referred to in subsection (a) a report describing the progress achieved in carrying out the provisions of such memorandum or agreement, including the progress achieved in carrying out the provisions of clauses (A) through (E) of subsection (a)(3).

RUDMAN (AND OTHERS) AMENDMENT NO. 3366

Mr. RUDMAN (for himself, Mr. PRESSLER, Mr. GOLDWATER, Mr. PACKWOOD, and Mr. BOSCHWITZ) proposed an amendment to the bill H.R. 5712, supra, as follows:

On page 11, line 6, strike "13,944,000" and insert in lieu thereof "$14,094,000".

RUDMAN AMENDMENT NO. 3367

Mr. RUDMAN proposed an amendment to the bill H.R. 5712, supra, as follows:

On page 38, line 9, beginning with ":", strike all through page 38, line 14 and insert in lieu thereof ".".

PRESSLER AMENDMENT NO. 3368

Mr. RUDMAN (for Mr. PRESSLER) proposed an amendment to the bill H.R. 5712, supra, as follows:

At the appropriate part in the bill add the following new section:

Sec. Notwithstanding any other provision of law, none of the funds made available under this Act or any other Act for International Operations and Programs shall be available for the United States proportionate share for any program for the Palestine Liberation Organization, the Southwest Africa Peoples Organization, Cuba, Iran, or Libya.

RUDMAN AMENDMENT NO. 3369

Mr. RUDMAN proposed an amendment to the bill H.R. 5712, supra, as follows:

On page 6, line 16, after the semicolon insert "and including" with the word "and" in italic type and the word "including" in Roman type.

On page 8, line 14, after the comma insert the following: "and upon a determination by the Administrator that the NOAA-D spacecraft is not needed to replace a current NOAA polar orbiting satellite."

On page 15, line 18, after the comma, insert the following: "and not to exceed $2,500 for official reception and representation expenses."

On page 22, line 1 strike "$27,561,000" and insert: "$27,050,000".

On page 28, line 13, after the word "Senate" strike the colon.

On page 28, line 13, before the word "Provided", insert a colon.

HEALTH PROFESSIONS TRAINING ASSISTANCE AMENDMENTS OF 1984

D'AMATO (AND OTHERS) AMENDMENT NO. 3370

Mr. STEVENS (for Mr. D'AMATO) (for himself, Mr. HATCH, and Mr. MOYNIHAN) proposed two amendments to the bill S. 2559, to revise and extend provisions of the Public Health Service Act relating to health professions educational assistance, as follows:

AMENDMENT NO. 3370

On page 42, between lines 11 and 12, insert the following:

DESIGNATION OF REGIONAL PRIMATE RESEARCH CENTER

Sec. 219. (a) The Secretary of Health and Human Services, through the Division of Research Resources of the National Institutes of Health, shall designate as a Regional Primate Research Center a laboratory for experimental medicine and surgery in primates which is in existence on the date of enactment of this Act. The laboratory designated under this subsection shall be a laboratory which was initially established in 1965 and which became formally sponsored by in association of schools of medicine in 1967.

(b) The Secretary of Health and Human Services shall provide the Regional Primate Research Center designated under subsection (a) with opportunities for consideration for core support and grants to support biomedical research equal to the opportunities for consideration for such support and grants provided to all other Regional Primate Research Centers designated by the Secretary.

On page 42, line 13, strike out "Sec. 219." and insert "Sec. 220.".

HATCH (AND OTHERS) AMENDMENT NO. 3371

Mr. STEVENS (for Mr. HATCH) (for himself, Mr. KENNEDY, and Mr. QUAYLE).

On page 41, between lines 11 and 12, insert the following:

(b) Section 305 of such Act is further amended—

(1) by striking out "and" at the end of paragraph (3) in subsection (b);

(2) by striking out the period at the end of paragraph (4) of such subsection and inserting in lieu thereof a semicolon and "and";

(3) by inserting after paragraph (4) the following new paragraph:

"(5) the safety, effectiveness, cost effectiveness, and economic impacts of health care technologies."

(5) by redesignating subsection (e) as subsection (g); and

(6) by inserting after subsection (d) the following new subsections:

"(e) (1) The Center shall advise the Secretary respecting medical technology issues and make recommendations with respect to whether specific medical technologies should be reimbursable under federally financed health program.

"(2) In making recommendations respecting medical technologies, the center shall consider the cost effectiveness; and appropriate uses of such technologies.

"(3) In carrying out its responsibilities under this section respecting medical technologies, the Center shall cooperate and consult with the National Institutes of Health, the Food and Drug Administration, and any other interested Federal departments or agencies.

"(f)(1) The Secretary, through the Center, shall undertake and support (by grant or contract) research regarding technology diffusion, methods to assess medical technology, and specific medical technologies.

"(2) Any grant or contract under paragraph (1), the direct cost of which will exceed $50,000, may be made or entered into only after appropriate peer review.".

On page 41, line 12, strike out "(b)" and insert "(c)".

On page 41, between lines 19 and 20, insert the following:

HEALTH CARE TECHNOLOGY

SEC. 218. Section 309 of the Public Health Service Act is amended to read as follows:

"COUNCIL OF HEALTH CARE TECHNOLOGY

"SEC. 309. (a) In accordance with this section, the Secretary shall make grants to the National Academy of Sciences for the planning, development, establishment, and operation in such Academy of a Council on Health Care Technology. The Council shall comply with the provisions of this section.

"(b) The purposes of the Council are to—

"(1) promote the development and application of appropriate health care technologies; and

"(2) promote the review of existing health care technologies in order to identify obsolete or inappropriately used health care technologies.

"(c)(1) The Council may—

"(A) serve as a clearinghouse for information on health care technologies and health care technology assessment;

"(B) collect and analyze data concerning specific health care technologies;

"(C) identify needs in the assessment of specific health care technologies;

"(D) develop and evaluate criteria and methodologies for health care technology assessment;

"(E) provide education, training, and technical assistance in the use of health care technology assessment methodologies and results; and

"(F) conduct assessments of health care technologies.

"(2) No funds from any grant made by the Secretary to the National Academy of Sciences under this section shall be used to conduct any assessment of a health care technology.

"(d) The Council shall be composed of:

"(1) Fifteen members appointed by the National Academy of Sciences from individuals who have education, training, experience, or expertise relating to the quality and cost-effectiveness of health care technologies and who are representatives of organizations of health professionals, hospitals, health care insurers, employers, consumers, and manufacturers of products for health care.

"(2) The Secretary of Health and Human Services (or the designee of the Secretary), who shall be an ex officio member.

"(3) The Director of the Office of Technology Assessment (or the designee of the Director), who shall be an ex officio member.

"(4) The Director of the National Institute of Health (or the designee of the Director), who shall be an ex officio member.

"(5) The Director of the National Center for Health Services Research (or the designee of the Director), who shall be an ex officio member.

"(e) Any vacancy in the Council shall not affect its power, but shall be filled in the manner in which the original appointment was made.

"(f) The President of the National Academy of Sciences shall designate one of the members appointed to the initial Council under subsection (d)(1) as Chairman of the Council for a one-year term. Thereafter, the members of the initial and succeeding Councils shall elect one of their members appointed under such subsection as Chairman for such terms as may be determined by the Council.

"(g) The Council shall have an executive director and such other employees as may be appointed by the Council at rates of compensation fixed by the Council.

"(h) The Council shall not contribute to or otherwise support any political party or candidate for elective public office.

"(i) The Council shall submit an annual report for the preceding fiscal year to the Secretary of Health and Human Services. The report shall include a comprehensive and detailed report of the Council's operations, activities, financial condition, and accomplishments under this section and may include such recommendations as the Council considers appropriate.

"(j) No grant may be made under this section unless the National Academy of Sciences submits an application for such grant to the Secretary in such form and containing such information as the Secretary shall prescribe.

"(k)(1) From the amounts appropriated under subsection (m), the Secretary shall make a grant to the National Academy of Sciences in an amount not in excess of $500,000 for the planning, development, and establishment of the Council.

"(2) From the amounts appropriated under subsection (m) which remain available after a grant is made under paragraph (1), the Secretary shall make grants to the National Academy of Science for the operation of the Council. The Secretary may not make a grant under this paragraph unless the application submitted to the Secretary under subsection (j) for such grant contains written assurances from such Academy that such Academy will expend from non-Federal sources for the operation of the Council an amount equal to or in excess of such grant.

"(l) For purposes of this section, health care technologies mean drugs, devices, and medical and surgical procedures, and knowledge and skills necessary for their appropriate use in the delivery of health care.

"(m) To carry out this section, there are authorized to be appropriated $2,000,000 for fiscal year 1985, which shall remain available until September 30, 1987.".

On page 41, line 22, strike out "SEC. 218." and insert "SEC. 219.".

On page 42, line 13, strike out "SEC. 219." and insert "SEC. 220.".

TRADEMARK COUNTERFEITING ACT OF 1983

MATHIAS AMENDMENT NO. 3372

Mr. STEVENS (for Mr. MATHIAS) proposed an amendment to the bill S. 875, to amend title 18 of the United States Code to strengthen the laws against the counterfeiting of trademarks, and for other purposes, as follows:

Section 2320(b)(2) of title 18, United States Code, as added by section 2(a) of the substitute is amended to read as follows:

"(2) 'traffic' means to transport, transfer, or otherwise dispose of, to another, as consideration for anything of value, or to make or obtain control of with intent to so transport, transfer, or dispose of; and

Section 4(d) of the substitute amendment which amends section 526(e) of the Tariff Act of 1930 is amended by striking out "registered in the United States Patent and Trademark Office," in the matter intended to be inserted in such section 526(e) and inserting in lieu thereof the following: "registered on the principal register in the United States Patent and Trademark Office, which is".

ALCOHOL ABUSE, DRUG ABUSE, AND MENTAL HEALTH AMENDMENTS OF 1984

HATCH AMENDMENT NO. 3373

Mr. STEVENS (for Mr. HATCH) proposed an amendment to the bill H.R. 5603, an act to amend the Public Health Service Act to revise and extend the authorities of that act for assistance for alcohol and drug abuse and mental health services and to revise and extend the Developmental Disabilities Assistance and Bill of Rights Act, as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Developmental Disabilities Act of 1984".

SEC. 2. Title I of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 is amended to read as follows:

"TITLE I—PROGRAMS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES

"PART A—GENERAL PROVISIONS

"SHORT TITLE

"SEC. 100. This title may be cited as the 'Developmental Disabilities Assistance and Bill of Rights Act'.

"FINDINGS AND PURPOSES

"SEC. 101. (a) The Congress finds that—

"(1) there are more than two million persons with developmental disabilities in the United States;

"(2) individuals with disabilities occurring during their developmental period are more vulnerable and less able to reach an independent level of existence than other handicapped individuals who generally have had a normal developmental period on which to draw during the rehabilitation process;

"(3) persons with developmental disabilities often require specialized lifelong services to be provided by many agencies in a coordinated manner in order to meet the persons' needs;

"(4) generic service agencies and agencies providing specialized services to disabled persons tend to overlook or exclude persons with developmental disabilities in their planning and delivery of services; and

"(5) it is in the national interest to strengthen specific programs, especially programs that reduce or eliminate the need for institutional care, to meet the needs of persons with developmental disabilities.

"(b)(1) It is the overall purpose of this title to assist States to (A) assure that persons with developmental disabilities receive the care, treatment, and other services necessary to enable them to achieve their maximum potential through increased independence, productivity, and integration into the community, and (B) operate a system which coordinates, monitors, plans, and evaluates services which ensures the protection of the legal and human rights of persons with developmental disabilities.

"(2) The specific purposes of this title are—

"(A) to assist in the provisions of comprehensive services to persons with developmental disabilities, with priority to those persons whose needs are not otherwise met under the Rehabilitation Act of 1973 or other health, education, or welfare programs;

"(B) to assist States in appropriate planning activities;

"(C) to make grants to States and public and private, nonprofit agencies to establish model programs, to demonstrate innovative habilitation techniques, and to train professional and paraprofessional personnel with respect to providing services to persons with developmental disabilities;

"(D) to make grants to university affiliated facilities to assist them in administering and operating demonstration facilities for the provision of services to persons with developmental disabilities, and interdisciplinary training programs for personnel needed to provide specialized services for these persons; and

"(E) to make grants to support a system in each State to protect the legal and human rights of all persons with developmental disabilities.

"DEFINITIONS

"SEC. 102. For purposes of this title:

"(1) The term 'State' includes Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the District of Columbia.

"(2) The term 'facility for persons with developmental disabilities' means a facility, or a specified portion of a facility, designed primarily for the delivery of one or more services to persons with one or more developmental disabilities.

"(3) The terms 'nonprofit facility for persons with developmental disabilities' and 'nonprofit private institution of higher learning' mean, respectively, a facility for persons with developmental disabilities and an institution of higher learning which are owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual; and the term 'nonprofit private agency or organization' means an agency or organization which is such a corporation or association or which is owned and operated by one or more of such corporations or associations.

"(4) The term 'construction' includes construction of new buildings, acquisition, expansion, remodeling, and alteration of existing buildings, and initial equipment of any such buildings (including medical, transportation, and recreation facilities); including architect's fees, but excluding the cost of offsite improvements and the cost of the acquisition of land.

"(5) The term 'cost of construction' means the amount found by the Secretary to be necessary for the construction of a project.

"(6) The term 'title', when used with reference to a site for a project, means a fee simple, or such other estate or interest (including a leasehold on which the rental does not exceed 4 per centum of the value of the land) as the Secretary finds sufficient to assure for a period of not less than fifty years undisturbed use and possession for the purposes of construction and operation of the project.

"(7) The term 'developmental disability' means a severe, chronic disability of a person which—

"(A) is attributable to a mental or physical impairment or combination of mental and physical impairments;

"(B) is manifested before the person attains age twenty-two;

"(C) is likely to continue indefinitely;

"(D) results in substantial functional limitations in three or more of the following areas of major life activity: (i) self-care, (ii) receptive and expressive language, (iii) learning, (iv) mobility, (v) self-direction, (vi) capacity for independent living, and (vii) economic self-sufficiency; and

"(E) reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services which are of lifelong or extended duration and are individually planned and coordinated.

"(8) The term 'independence' means the extent to which persons with developmental disabilities exert control and choice over their own lives.

"(9) The term 'productivity' means—

"(A) engagement in income-producing work by a person with developmental disabilities which is measured through improvements in income level, employment status, or job advancement, or

"(B) engagement by a person with developmental disabilities in work which contributes to a household or community.

"(10) The term 'integration' means—

"(A) the use—

"(i) use by persons with developmental disabilities, of the same community resources that are used by and available to other citizens, and

"(ii) participation by persons with developmental disabilities in the same community activities in which nonhandicapped citizens participate,

together with regular contact with nonhandicapped citizens, and

"(B) the residence by persons with developmental disabilities in homes or in homelike settings which are in proximity to community resources, together with regular contact with nonhandicapped citizens in their communities.

"(11)(A) The term 'services for persons with developmental disabilities' means—

"(i) priority services (as defined in subparagraph (C)); and

"(ii) any other specialized services or special adaptations of generic services for persons with developmental disabilities, including diagnosis, evaluation, treatment, personal care, day care, domiciliary care, special living arrangements, training, education, sheltered employment, recreation and socialization, counseling of the person with such disability and the family of such person, protective and other social and sociolegal services, information and referral services, follow-along services, nonvocational social-developmental services, transportation services necessary to assure delivery of services to persons with developmental disabilities, and services to promote and coordinate activities to prevent developmental disabilities.

"(B) The term 'service activities' includes, with respect to an area of priority services described in subparagraph (C) or an area of services described in subparagraph (A)(ii)—

"(i) the provision of specialized services in the area which respond to unmet needs of persons with developmental disabilities;

"(ii) model service programs in the area;

"(iii) activities to increase the capacity of agencies to provide services in the area;

"(iv) the coordination of the provision of services in the area with the provision of other services;

"(v) outreach to individuals for the provision of services in the area;

"(vi) the training of personnel, including parents of persons with developmental disabilities, professionals, and volunteers, to provide services in the area; and

"(vii) similar activities designed to expand the use and availability of services in the area.

"(C) The term 'priority services' means alternative community living arrangement services (as defined in subparagraph (D)), employment related activities (as defined in subparagraph (E)), and child development services (as defined in subparagraph (G)).

"(D) The term 'alternative community living arrangement services' means (i) such services as will assist persons with developmental disabilities in developing or maintaining suitable residential arrangements in the community, including in-house services (such as personal aides and attendants and other domestic assistance and supportive services), family support services, foster care services, group living services, respite care, recreation and socialization services, and staff training, placement, and maintenance services, and (ii) case management services for persons with developmental disabilities who receive services described in clause (i).

"(E) The term 'employment related activities' means (i) such services as will increase the independence, productivity, or integration of a person with developmental disabilities in work settings, including such services as employment preparation and vocational training leading to supported employment, incentive programs for employers who hire persons with developmental disabilities, services to assist transition from special education to employment, and services to assist transition from sheltered work settings to supported employment settings or competitive employment, and (ii) case management services for persons with developmental disabilities who receive services described in clause (i).

“(F) The term ‘supported employment’ means paid employment which—

“(i) is for persons with developmental disabilities for whom competitive employment at or above the minimum wage is unlikely and who, because of their disabilities, need intensive ongoing support to perform in a work setting;

“(ii) is conducted in a variety of settings, particularly work sites in which persons without disabilities are employed; and

“(iii) is supported by any activity needed to sustain paid work by persons with disabilities, including supervision, training, and assistance with transportation.

“(G) The term ‘child development services’ means (i) such services as will assist in the prevention, identification, and alleviation of developmental disabilities in children, including early intervention services, counseling and training of parents, early identification of developmental disabilities, and diagnosis and evaluation of such developmental disabilities, and (ii) case management services for persons with developmental disabilities who receive services described in clause (i).

“(12) The term ‘satellite center’ means a public or private nonprofit entity which—

“(A) is affiliated with one or more university affiliated facilities;

“(B) functions as a community or regional extension of such university affiliated facility or facilities in the delivery of services to persons with developmental disabilities, and their families, who reside in geographical areas where adequate services are not otherwise available; and

“(C) may engage in the activities described in subparagraph (A), (B), or (C) of paragraph (13).

“(13) The term ‘university affiliated facility’ means a public or nonprofit facility which is associated with, or is an integral part of, a college or university and which provides for at least the following activities:

“(A) Interdisciplinary training for personnel concerned with developmental disabilities which is conducted at the facility and through outreach activities.

“(B) Demonstration of—

“(i) exemplary services relating to persons with developmental disabilities in settings which are integrated in the community; and

“(ii) technical assistance to generic and specialized agencies to provide services to increase the independence, productivity, and integration into the community of persons with developmental disabilities, such as the development and improvement of quality assurance mechanisms.

“(C)(i) Dissemination of findings relating to the provision of services under subparagraph (B) of this paragraph, and (ii) providing researchers and government agencies sponsoring service-related research with information on the needs for further service-related research which would provide data and information that will assist in increasing the independence, productivity, and integration into the community of persons with developmental disabilities.

“(14) The term ‘Secretary’ means the Secretary of Health and Human Services.

“(15) The term ‘State Planning Council’ means a State Planning Council established under section 124.

“FEDERAL SHARE

“Sec. 103. (a) The Federal share of all projects in a State supported by an allotment to the State under part B shall be 75 percent of the aggregate necessary costs of all such projects, as determined by the Secretary, except that in the case of projects located in urban or rural poverty areas, the Federal share of all such projects shall be 90 percent of the aggregate necessary costs of such projects, as determined by the Secretary.

“(b) The Federal share of any project to be provided through grants under part D shall be 75 percent of the necessary cost of such project, as determined by the Secretary, except that if the project is located in an urban or rural poverty area, the Federal share may not exceed 90 percent of the project's necessary costs as so determined.

“(c) The non-Federal share of the cost of any project assisted by a grant or allotment under this title may be provided in kind.

“(d) For the purpose of determining the Federal share with respect to any project, expenditures on that project by a political subdivision of a State or by a nonprofit private entity shall, subject to such limitations and conditions as the Secretary may by regulation prescribe, be deemed to be expenditures by such State in the case of a project under part B or by a university affiliated facility or a satellite center, as the case may be, in the case of a project assisted under part D.

“RECORDS AND AUDIT

“Sec. 104. (a) Each recipient of assistance under this title shall keep such records as the Secretary shall prescribe, including (1) records which fully disclose (A) the amount and disposition by such recipient of the proceeds of such assistance, (B) the total cost of the project or undertaking in connection with which such assistance is given or used, and (C) the amount of that portion of the cost of the project or undertaking supplied by other sources, and (2) such other records as will facilitate an effective audit.

“(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients of assistance under this title that are pertinent to such assistance.

“RECOVERY

“Sec. 105. If any facility with respect to which funds have been paid under part B or D shall, at any time within twenty years after the completion of construction—

“(1) be sold or transferred to any person, agency, or organization which is not a public or nonprofit private entity, or

“(2) cease to be a public or other nonprofit facility for persons with developmental disabilities,

the United States shall be entitled to recover from either the transferor or the transferee (or, in the case of a facility which has ceased to be a public or other nonprofit facility for persons with developmental disabilities, from the owners thereof) an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the facility is situated) of so much of such facility as constituted an approved project or projects, as the amount of the Federal participation bore to the cost of the construction of such project or projects. Such right of recovery shall not constitute a lien upon such facility prior to judgment. The Secretary, in accordance with regulations prescribed by the Secretary, may, upon finding good cause therefor, release the applicant or other owner from the obligation to continue such facility as a public or other nonprofit facility for persons with developmental disabilities.

“STATE CONTROL OF OPERATIONS

“Sec. 106. Except as otherwise specifically provided, nothing in this title shall be construed as conferring on any Federal officer or employee the right to exercise any supervision or control over the administration, personnel, maintenance, or operation of any facility for persons with developmental disabilities with respect to which any funds have been or may be expended under this title.

“REPORTS

“Sec. 107. (a) By January 1 of each year, the State Planning Council of each State shall prepare and transmit to the Secretary a report concerning activities carried out during the preceding fiscal year with funds paid to the State under part B for such fiscal year. Each such report shall be in a form prescribed by the Secretary by regulation and shall contain—

“(1) a description of such activities and the accomplishments resulting from such activities;

“(2) a comparison of such accomplishments with the goals, objectives, and proposed activities specified by the State in the State plan submitted under section 122 for such fiscal year;

“(3) an accounting of the manner in which funds paid to a State under part B for a fiscal year were expended, including a specification of—

“(A) the total amount of Federal funds paid to the State under such part for such fiscal year;

“(B) the total amount of the non-Federal share for projects under such part for such fiscal year;

“(C) the total amount of Federal funds and the total amount of non-Federal funds obligated to carry out such part during such fiscal year;

“(D) the total amount of Federal funds and the total amount of non-Federal funds expended to carry out such part during such fiscal year; and

“(E) the total amount of Federal funds provided under such part which were not obligated or expended during such fiscal year;

“(4) a specification of the amount and proportion of Federal funds paid to the State under part B for such fiscal year which were allocated to—

“(A) State agencies;

“(B) local governments and local government agencies;

“(C) nonprofit private agencies; and

“(D) academic institutions; and

“(5) a description of the extent to which the individuals who actually attended meetings of the State Planning Council during such fiscal year reflect the requirements for membership on such Council specified in section 124(a).

“(b) By January 1 of each year, each protection and advocacy system established in a State pursuant to part C shall prepare and transmit to the Secretary a report which describes the activities and accomplishments of the system during the preceding fiscal year.

"(c)(1) By April 1 of each year the Secretary shall prepare and transmit to the President, the Congress, and the National Council on the Handicapped a report which describes—

"(A) the activities and accomplishments of programs supported under parts B, C, D, and E of this title; and

"(B) the progress made in States in improving the independence, productivity, and integration into the community of persons with developmental disabilities and any activities or services needed to improve such independence, productivity, and integration.

"(2) In preparing the report required by this subsection, the Secretary shall use and include information submitted to the Secretary in the reports required under subsections (a) and (b) of this section and section 142(a)(5).

"(d) Within 90 days after receiving from the States the assessments required under section 122(b)(6)(A), the Secretary shall prepare and transmit to the Congress, the Secretary of Education and the National Council on the Handicapped a report which summarizes and analyzes the results of such assessments.

"RESPONSIBILITIES OF THE SECRETARY

"Sec. 108. (a) The Secretary, not later than 180 days after the date of enactment of any Act amending the provisions of this title, shall promulgate such regulations as may be required for the implementation of such amendments.

"(b) Within 90 days after the date of enactment of the Developmental Disabilities Act of 1984, the Secretary of Health and Human Services and the Secretary of Education shall establish an interagency committee composed of representatives of the Administration for Developmental Disabilities of the Department of Health and Human Services, the Office of Special Education and Rehabilitative Services of the Department of Education, and such other Federal departments and agencies as the Secretary of Health and Human Services and the Secretary of Education consider appropriate. Such interagency committee shall meet regularly to coordinate and plan activities conducted by Federal departments and agencies for persons with developmental disabilities.

"EMPLOYMENT OF HANDICAPPED INDIVIDUALS

"Sec. 109. As a condition of providing assistance under this title, the Secretary shall require that each recipient of such assistance take affirmative action to employ and advance in employment qualified handicapped individuals on the same terms and conditions required with respect to the employment of such individuals by the provisions of the Rehabilitation Act of 1973 which govern employment (1) by State rehabilitation agencies and rehabilitation facilities, and (2) under Federal contracts and subcontracts.

"RIGHTS OF THE DEVELOPMENTALLY DISABLED

"Sec. 110. Congress makes the following findings respecting the rights of persons with developmental disabilities:

"(1) Persons with developmental disabilities have a right to appropriate treatment, services, and habilitation for such disabilities.

"(2) The treatment, services, and habilitation for a person with developmental disabilities should be designed to maximize the developmental potential of the person and should be provided in the setting that is least restrictive of the person's personal liberty.

"(3) The Federal Government and the States both have an obligation to assure that public funds are not provided to any institutional or other residential program for persons with developmental disabilities that—

"(A) does not provide treatment, services, and habilitation which is appropriate to the needs of such persons; or

"(B) does not meet the following minimum standards:

"(i) Provision of a nourishing, well-balanced daily diet to the persons with developmental disabilities being served by the program.

"(ii) Provision to such persons of appropriate and sufficient medical and dental services.

"(iii) Prohibition of the use of physical restraint on such persons unless absolutely necessary and prohibition of the use of such restraint as a punishment or as a substitute for a habilitation program.

"(iv) Prohibition on the excessive use of chemical restraints on such persons and the use of such restraints as punishment or as a substitute for a habilitation program or in quantities that interfere with services, treatment, or habilitation for such persons.

"(v) Permission for close relatives of such persons to visit them at reasonable hours without prior notice.

"(vi) Compliance with adequate fire and safety standards as may be promulgated by the Secretary.

"(4) All programs for persons with developmental disabilities should meet standards which are designed to assure the most favorable possible outcome for those served, and—

"(A) in the case of residential programs serving persons in need of comprehensive health-related, habilitative, or rehabilitative services, which are at least equivalent to those standards applicable to intermediate care facilities for the mentally retarded promulgated in regulations of the Secretary on January 17, 1974 (39 Fed. Reg. pt. II), as appropriate when taking into account the size of the institutions and the service delivery arrangements of the facilities of the programs;

"(B) in the case of other residential programs for persons with developmental disabilities, which assure that care is appropriate to the needs of the persons being served by such programs, assure that the persons admitted to facilities of such programs are persons whose needs can be met through services provided by such facilities, and assure that the facilities under such programs provide for the humane care of the residents of the facilities, are sanitary, and protect their rights: and

"(C) in the case of nonresidential programs, which assure the care provided by such programs is appropriate to the persons served by the programs.

The rights of persons with developmental disabilities described in findings made in this section are in addition to any constitutional or other rights otherwise afforded to all persons.

"PART B—FEDERAL ASSISTANCE FOR PLANNING AND SERVICE ACTIVITIES FOR PERSONS WITH DEVELOPMENTAL DISABILITIES

"PURPOSE

"Sec. 121. The purpose of this part is to provide payments to States to plan for, and to conduct, activities which will increase and support the independence, productivity, and integration into the community of persons with developmental disabilities.

"STATE PLANS

"Sec. 122. (a) Any State desiring to take advantage of this part must have a State plan submitted to and approved by the Secretary under this section. Notwithstanding any other provision of law or Executive order, a State may not consolidate the State plan required by this section with any other State plan required for the receipt of Federal assistance or substitute for the State plan required by this section any other plan prepared pursuant to State law or procedures unless the State Planning Council and the State agency or agencies designated pursuant to subsection (b)(1)(B) consent in writing to such consolidation or substitution.

"(b) In order to be approved by the Secretary under this section, a State plan for the provision of services for persons with developmental disabilities must meet the following requirements:

"(1)(A) The plan must provide for the establishment of a State Planning Council, in accordance with section 124, for the assignment to the Council of personnel in such numbers and with such qualifications as the Secretary determines to be adequate to enable the Council to carry out its duties under this title, and for the identification of the personnel so assigned.

"(B) The plan must designate the State agency or agencies which shall administer or supervise the administration of the State plan and, if there is more than one such agency, the portion of such plan which each will administer (or the portion the administration of which each will supervise).

"(C) The plan must provide that each State agency designated under subparagraph (B) will make such reports, in such form and containing such information, as the Secretary or the State Planning Council may from time to time reasonably require, and will keep such records and afford such access thereto as the Secretary or the State Planning Council finds necessary to verify such reports.

"(D) The plan must provide for such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of and accounting for funds paid to the State under this part.

"(2) The plan must—

"(A) set out the specific objectives to be achieved under the plan and a listing of the programs and resources to be used to meet such objectives;

"(B) set forth the non-Federal share that will be required in carrying out each such objective and program;

"(C) describe (and provide for the review annually and revision of the description not less often than once every three years) (i) the extent and scope of services being provided, or to be provided, to persons with developmental disabilities under such other State plans for federally assisted State programs as the State conducts relating to education for the handicapped, vocational rehabilitation, public assistance, medical assistance, social services, maternal and child health, crippled children's services, and comprehensive health and mental health, and under such other plans as the Secretary may specify, and (ii) how funds allotted to the State in accordance with section 125 will be used to complement and augment rather than duplicate or replace services for persons with developmental disabilities who are eligible for Federal assistance under such other State programs;

"(D) for each fiscal year, assess and describe the extent and scope of the priority services (as defined in section 102(11)(C)) being or to be provided under the plan in the fiscal year; and

"(E) establish a method for the periodic evaluation of the plan's effectiveness in meeting the objectives described in subparagraph (A).

"(3) The plan must contain or be supported by assurances satisfactory to the Secretary that—

"(A) the funds paid to the State under section 125 will be used to make a significant contribution toward strengthening services for persons with developmental disabilities through agencies in the various political subdivisions of the State;

"(B) part of such funds will be made available by the State to public or nonprofit private entities;

"(C) not more than 25 percent of such funds will be allocated to a designated agency for the provision of services by such agency;

"(D) such funds paid to the State under section 125 will be used to supplement and to increase the level of funds that would otherwise be made available for the purposes for which Federal funds are provided and not to supplant such non-Federal funds; and

"(E) there will be reasonable State financial participation in the cost of carrying out the State plan.

"(4)(A) The plan must provide for the examination not less often than once every three years of the provision, and the need for the provision, in the State of the three areas of priority services (as defined in section 102(11)(C)).

"(B) The plan must provide for the development, not later than the second year in which funds are provided under the plan after the date of the enactment of the Developmental Disabilities Act of 1984, and the timely review and revision of, a comprehensive statewide plan to plan, financially support, coordinate, and otherwise better address, on a statewide and comprehensive basis, unmet needs in the State for the provision of—

"(i) employment related activities and, except as provided in subparagraph (C), not more than one of the other areas of priority services (as defined in section 102(11)(C)), such other area of priority services to be specified in the plan; and

"(ii) at the option of the State, of one or more additional areas of services for persons with developmental disabilities from the areas of services described in section 102(11)(A)(ii), such area or areas also to be specified in the plan.

"(C) In any case in which appropriations under section 130 for a fiscal year exceed $60,000,000, a State plan may provide for the provision of an area of priority services (as defined in section 102(11)(C)) in addition to the areas of priority services required to be provided by subparagraph (B)(i).

"(D) The plan must be developed after consideration of the data collected by the State education agency under section 618(b)(3) of the Education of the Handicapped Act.

"(E)(i) The plan must provide that not less than 65 percent of the amount available to the State under section 125 will be expended for service activities in the priority areas of services (as defined in section 102(11)(C)).

"(ii) The plan must provide that the remainder of the amount available to the State from allotments under section 125 (after making the expenditures required by clause (i) of this paragraph) shall be used for service activities for persons with developmental disabilities, and the planning, coordination, and administration of, and the advocacy for, the provision of such services.

"(F) The plan must provide that special financial and technical assistance shall be given to agencies or entities providing services for persons with developmental disabilities who are residents of geographical areas designated as urban or rural poverty areas.

"(5)(A)(i) The plan must provide that services furnished, and the facilities in which they are furnished, under the plan for persons with developmental disabilities will be in accordance with standards prescribed by the Secretary in regulations.

"(ii) The plan must provide satisfactory assurances that buildings used in connection with the delivery of services assisted under the plan will meet standards adopted pursuant to the Act of August 12, 1968 (known as the Architectural Barriers Act of 1968).

"(B) The plan must provide that services are provided in an individualized manner consistent with the requirements of section 123 (relating to habilitation plans).

"(C) The plan must contain or be supported by assurances satisfactory to the Secretary that the human rights of all persons with developmental disabilities (especially those persons without familial protection) who are receiving treatment, services, or habilitation under programs assisted under this part will be protected consistent with section 110 (relating to rights of the developmentally disabled).

"(D) The plan must provide assurances that the State has undertaken affirmative steps to assure the participation in programs under this title of individuals generally representative of the population of the State, with particular attention to the participation of members of minority groups.

"(E) The plan must provide assurances that the State will provide the State Planning Council with a copy of each annual survey report and plan of corrections for cited deficiencies prepared pursuant to section 1902(a)(31)(B) of the Social Security Act with respect to any intermediate care facility for the mentally retarded in such State within 30 days after the completion of each such report or plan.

"(6) The plan must provide—

"(A) for an assessment to be submitted to the Secretary twenty-four months after the date of enactment of the Developmental Disabilities Act of 1984 and every three years thereafter, of—

"(i) the need for professionals and paraprofessionals in the field of developmental disabilities in the State and for the training of such professionals and paraprofessionals; and

"(ii) plans to support the training of such professionals and paraprofessionals to maintain the availability of services to persons with developmental disabilities in the State;

"(B) that the State will pay the cost of conducting such assessment from the amount described in paragraph (4)(E)(ii); and

"(C) that the State will, in arranging the conduct of such assessment, give preference to a university affiliated facility or a satellite center.

"(7)(A) The plan must provide for the maximum utilization of all available community resources including volunteers serving under the Domestic Volunteer Service Act of 1973 and other appropriate voluntary organizations, except that such volunteer services shall supplement, and shall not be in lieu of, services of paid employees.

"(B) The plan must provide for fair and equitable arrangements (as determined by the Secretary after consultation with the Secretary of Labor) to protect the interests of employees affected by actions under the plan to provide alternative community living arrangement services (as defined in section 102(11)(D)), including arrangements designed to preserve employee rights and benefits and to provide training and retraining of such employees where necessary and arrangements under which maximum efforts will be made to guarantee the employment of such employees.

"(8) The plan also must contain such additional information and assurances as the Secretary may find necessary to carry out the provisions and purposes of this part.

"(c) The Secretary shall approve any State plan and any modification thereof which complies with the provisions of subsection (b). The Secretary shall not finally disapprove a State plan except after reasonable notice and opportunity for a hearing to the State.

"(d)(1) At the request of any State, a portion of any allotment or allotments of such State under this part for any fiscal year shall be available to pay one-half (or such smaller share as the State may request) of the expenditures found necessary by the Secretary for the proper and efficient administration of the State plan approved under this section; except that not more than 5 per centum of the total of the allotments of such State for any fiscal year, or $50,000, whichever is less, shall be available for the total expenditures for such purpose by all of the State agencies designated under subsection (b)(1)(B) for the administration or supervision of the administration of the State plan. Payments under this paragraph may be made in advance or by way of reimbursement, and in such installments, as the Secretary may determine.

"(2) Any amount paid under paragraph (1) to any State for any fiscal year shall be paid on condition that there shall be expended from the State sources for such year for administration of the State plan approved under this section not less than the total amount expended for such purposes from such sources during the previous fiscal year.

"HABILITATION PLANS

"SEC. 123. (a) The Secretary shall require as a condition to a State's receiving an allotment under this part that the State provide the Secretary satisfactory assurances that each program (including programs of any agency, facility, or project) which receives funds from the State's allotment under this part (1) has in effect for each developmentally disabled person who receives services from or under the program a habilitation plan meeting the requirements of subsection (b), and (2) provides for an annual review, in accordance with subsection (c), of each such plan.

"(b) A habilitation plan for a person with developmental disabilities shall meet the following requirements:

"(1) The plan shall be in writing.

"(2) The plan shall be developed jointly by (A) a representative or representatives of the program primarily responsible for delivering or coordinating the delivery of services to the person for whom the plan is established, (B) such person, and (C) where appropriate, such person's parents or guardian or other representative.

"(3) The plan shall contain a statement of the long-term habilitation goals for the person and the intermediate habilitation objectives relating to the attainments of such goals. Such goals should include the increase or support of independence, productivity, and integration into the community for the person. Such objectives shall be stated specifically and in sequence and shall be expressed in behavioral or other terms that provide measurable indices of progress. The plan shall (A) describe how the objectives will be achieved and the barriers that might interfere with the achievement of them, (B) state an objective criteria and an evaluation procedure and schedule for determining whether such objectives and goals are being achieved, and (C) provide for a program coordinator who will be responsible for the implementation of the plan.

"(4) The plan shall contain a statement (in readily understandable form) of specific habilitation services to be provided, shall identify each agency which will deliver such services, shall describe the personnel (and their qualifications) necessary for the provision of such services, and shall specify the date of the initiation of each service to be provided and the anticipated duration of each such service.

"(5) The plan shall specify the role and objectives of all parties to the implementation of the plan.

"(c) Each habilitation plan shall be reviewed at least annually by the agency primarily responsible for the delivery of services to the person for whom the plan was established or responsible for the coordination of the delivery of services to such person. In the course of the review, such person and the person's parents or guardian or other representative shall be given an opportunity to review such plan and to participate in its revision.

"STATE PLANNING COUNCILS

"Sec. 124. (a)(1) Each State which receives assistance under this part shall establish a State Planning Council which will serve as an advocate for persons with developmental disabilities. The members of the State Planning Council of a State shall be appointed by the Governor of the State from among the residents of that State. The Governor of each State shall make appropriate provisions for the rotation of membership on the Council of that State. Each State Planning Council shall at all times include in its membership representatives of the principal State agencies (including the State agency that administers funds provided under the Rehabilitation Act of 1973, the State agency that administers funds provided under the Education of the Handicapped Act, and the State agency that administers funds provided under title XIX of the Social Security Act for persons with developmental disabilities), higher education training facilities, any university affiliated facility or satellite center in the State, the State protection and advocacy system established under section 142, local agencies, and nongovernmental agencies and private nonprofit groups concerned with services to persons with developmental disabilities in that State.

"(2) At least one-half of the membership of each such Council shall consist of persons who—

"(A) are persons with developmental disabilities or parents or guardians of such persons, or

"(B) are immediate relatives or guardians of persons with mentally impairing developmental disabilities,

who are not employees of a State agency which receives funds or provides services under this part, who are not managing employees (as defined in section 1126(b) of the Social Security Act) of any other entity which receives funds or provides services under this part, and who are not persons with an ownership or control interest (within the meaning of section 1124(a)(3) of the Social Security Act) with respect to such an entity.

"(3) Of the members of the Council described in paragraph (2)—

"(A) at least one-third shall be persons with developmental disabilities, and

"(B)(i) at least one-third shall be individuals described in subparagraph (B) of paragraph (2), and (ii) at least one of such individuals shall be an immediate relative or guardian of an institutionalized person with a developmental disability.

"(b) Each State Planning Council shall—

"(1) develop jointly with the State agency or agencies designated under section 122(b)(1)(B) the State plan required by this part, including the specification of areas of services under section 122(b)(4)(B);

"(2) monitor, review, and evaluate, not less often than annually, the implementation of such State plan;

"(3) to the maximum extent feasible, review and comment on all State plans in the State which relate to programs affecting persons with developmental disabilities; and

"(4) submit to the Secretary, through the Governor, such periodic reports on its activities as the Secretary may reasonably request, and keep such records and afford such access thereto as the Secretary finds necessary to verify such reports.

"STATE ALLOTMENTS

"Sec. 125. (a)(1) For each fiscal year, the Secretary shall, in accordance with regulations and this paragraph, allot the sums appropriated for such year under section 130 among the States on the basis of—

"(A) the population,

"(B) the extent of need for services for persons with developmental disabilities, and

"(C) the financial need,

of the respective States. Sums allotted to the States under this section shall be used in accordance with approved State plans under section 122 for the provision under such plans of services for persons with developmental disabilities.

"(2) The Secretary may not revise the basis on which allotments are made under clauses (A), (B), and (C) of paragraph (1) more than once every three years. In any case in which the Secretary determines that changes in the factors described in such clauses warrant such a revision, the Secretary shall, at least six months prior to the date on which the Secretary requires the submission of State plans under section 122 for the next succeeding fiscal year, provide each State with a written notice specifying the basis on which allotments will be made under such paragraph.

"(3)(A) The allotment of a State under paragraph (1) for any fiscal year may not be less than the allotment of such State for fiscal year 1984 under part B of this title (as such part was in effect on September 30, 1984).

"(B) In any case in which amounts appropriated under section 130 for a fiscal year exceed $45,000,000, the allotment under paragraph (1) for such fiscal year—

"(i) to each of American Samoa, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, or the Trust Territory of the Pacific Islands may not be less than $135,000; and

"(ii) to each of the several States, Puerto Rico, or the District of Columbia, may not be less than $300,000.

"(4) In determining, for purposes of paragraph (1)(B), the extent of need in any State for services for persons with developmental disabilities, the Secretary shall take into account the scope and extent of the services described, pursuant to section 122(b)(2)(C), in the State plan of the State.

"(b) Whenever the State plan approved in accordance with section 122 provides for participation of more than one State agency in administering or supervising the administration of designated portions of the State plan, the State may apportion its allotment among such agencies in a manner which, to the satisfaction of the Secretary, is reasonably related to the responsibilities assigned to such agencies in carrying out the purposes of the State plan. Funds so apportioned to State agencies may be combined with other State or Federal funds authorized to be spent for other purposes, provided the purposes of the State plan will receive proportionate benefit from the combination.

"(c) Whenever the State plan approved in accordance with section 122 provides for cooperative or joint effort between States or between or among agencies, public or private, in more than one State, portions of funds allotted to one or more such cooperating States may be combined in accordance with the agreements between the agencies involved.

"(d) The amount of an allotment to a State for a fiscal year which the Secretary determines will not be required by the State during the period for which it is available for the purpose for which allotted shall be available for reallotment by the Secretary from time to time, on such date or dates as the Secretary may fix (but not earlier than thirty days after the Secretary has published notice of the intention of the Secretary to make such reallotment in the Federal Register), to other States with respect to which such a determination has not been made, in proportion to the original allotments of such States for such fiscal year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use during such period; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount so reallotted to a State for a fiscal year shall be deemed to be a part of its allotment under subsection (a) for such fiscal year.

"PAYMENTS TO THE STATES FOR PLANNING, ADMINISTRATION AND SERVICES

"Sec. 126. From each State's allotments for a fiscal year under section 125, the State shall be paid the Federal share of the expenditures, other than expenditures for construction, incurred during such year under its State plan approved under this part. Such payments shall be made from time to time in advance on the basis of estimates by the Secretary of the sums the State will expend under the State plan, except that such adjustments as may be necessary shall be made on account of previously made underpayments or overpayments under this section.

"WITHHOLDING OF PAYMENTS FOR PLANNING, ADMINISTRATION AND SERVICES

"Sec. 127. Whenever the Secretary, after reasonable notice and opportunity for hearing to the State Planning Council and the appropriate State agency designated pursuant to section 122(b)(1) finds that—

"(1) there is a failure to comply substantially with any of the provisions required by section 122 to be included in the State plan; or

"(2) there is a failure to comply substantially with any regulations of the Secretary which are applicable to this part,

the Secretary shall notify such State Council and agency or agencies that further payments will not be made to the State under section 125 (or, in the discretion of the Secretary, that further payments will not be made to the State under section 125 for activities in which there is such failure), until the Secretary is satisfied that there will no longer be such failure. Until the Secretary is so satisfied, the Secretary shall make no further payment to the State under section 125, or shall limit further payment under section 125 to such State to activities in which there is no such failure.

"NONDUPLICATION

"Sec. 128. In determining the amount of any State's Federal share of the expenditures incurred by it under a State plan approved under section 122, there shall be disregarded (1) any portion of such expenditures which are financed by Federal funds provided under any provision of law other than section 125, and (2) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds.

"APPLICATIONS AND CONDITIONS FOR APPROVAL

"Sec. 129. If any State is dissatisfied with the Secretary's action under section 122(c) or section 127, such State may appeal to the United States court of appeals for the circuit in which such State is located, by filing a petition with such court within sixty days after such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by the Secretary for that purpose. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary based the action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Secretary may modify or set aside the order of the Secretary. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of the fact and may modify the previous action of the Secretary, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this section shall not, unless so specifically ordered by the court, operate as a stay of the Secretary's action.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 130. For allotments under section 125, there are authorized to be appropriated $54,500,000 for fiscal year 1985, $58,300,000 for fiscal year 1986, and $62,400,000 for fiscal year 1987.

"PART C—PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS

"PURPOSE

"Sec. 141. It is the purpose of this part to provide for allotments to support a system in each State to protect the legal and human rights of persons with developmental disabilities in accordance with section 142.

"SYSTEM REQUIRED

Sec. 142. (a) In order for a State to receive an allotment under part B—

"(1) the State must have in effect a system to protect and advocate the rights of persons with developmental disabilities;

"(2) such system must—

"(A) have the authority to pursue legal, administrative, and other appropriate remedies to insure the protection of the rights of such persons who are receiving treatment, services, or habilitation within the State and to provide information on and referral to programs and services addressing the needs of persons with developmental disabilities;

"(B) not be administered by the State Planning Council;

"(C) be independent of any agency which provides treatment, services, or habilitation to persons with developmental disabilities; and

"(D) except as provided in subsection (c), be able to obtain access to the records of a person with developmental disabilities who receives services under this title and who resides in a facility for persons with developmental disabilities if—

"(i) a complaint has been received by the system from or on behalf of such person; and

"(ii) such person does not have a legal guardian or the State or the designee of the State is the legal guardian of such person;

"(3) the State must provide assurances to the Secretary that funds allotted to the State under this section will be used to supplement and increase the level of funds that would otherwise be made available for the purposes for which Federal funds are provided and not to supplant such non-Federal funds;

"(4) the State must provide assurances to the Secretary that such system will be provided with a copy of each annual survey report and plan of corrections for cited deficiencies made pursuant to section 1902(a)(31)(B) of the Social Security Act with respect to any intermediate care facility for the mentally retarded in the State within 30 days after the completion of each such report or plan; and

"(5) the State must submit to the Secretary, within 90 days after the end of each fiscal year, a report in a form prescribed by the Secretary which describes such system and describes the expenditures made by the State from allotments under subsection (d).

"(b) A State may not redesignate the agency of the State which administers the system required by subsection (a) unless the State determines that good cause exists to warrant such redesignation. In any case in which a State determines that such good cause exists, the State shall, prior to such redesignation, give public notice of its intent to make such redesignation and give persons with developmental disabilities or their representatives an opportunity to comment on such proposed redesignation.

"(c) Prior to October 1, 1986, the provisions of paragraph (2)(D) of subsection (a) shall not apply to any State in which the laws of the State prohibit the system required under such subsection from obtaining access to the records of a person with developmental disabilities under the conditions described in such paragraph.

"(d)(1) To assist States in meeting the requirements of subsection (a), the Secretary shall allot to the States the amounts appropriated under section 143. Allotments and reallotments of such sums shall be made on the same basis as the allotments and reallotments are made under the first sentence of subsection (a)(1) and subsection (d) of section 125, except that—

"(A) the allotment of any State under this subsection for any fiscal year shall not be less than the allotment of such State for fiscal year 1984 under section 113(b) (as such section was in effect on September 30, 1984); and

"(B) in any case in which the amounts appropriated under section 143 for a fiscal year exceed $9,500,000—

"(i) the allotment of each of American Samoa, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands for such fiscal year shall not be less than $60,000; and

"(ii) the allotment to each of the several States, Puerto Rico, and the District of Columbia for such fiscal year shall not be less than $100,000.

"(2) A State may use not more than 5 percent of any allotment under this subsection for the costs of monitoring the administration of the system required under subsection (a).

"(3) Notwithstanding paragraph (1), if the aggregate of the amounts of the allotments for grants to be made in accordance with such paragraph for any fiscal year exceeds the total of the amounts appropriated for such allotments under section 143, the amount of a State's allotment for such fiscal year shall bear the same ratio to the amount otherwise determined under such paragraph as the total of the amounts appropriated for that year under section 143 bears to the aggregate amount required to make an allotment to each of the States in accordance with paragraph (1).

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 143. For allotments under section 142, there are authorized to be appropriated $15,000,000 for fiscal year 1985, $16,100,000 for fiscal year 1986, and $17,200,000 for fiscal year 1987. The provisions of section 1913 of title 18, United States Code, shall be applicable to all moneys authorized under the provisions of this section.

"PART D—UNIVERSITY AFFILIATED FACILITIES

"PURPOSE

"Sec. 151. The purpose of this part is to provide for grants to university affiliated facilities to assist in the provision of interdisciplinary training, the conduct of service demonstration programs, and the dissemination of information which will increase and support the independence, productivity, and integration into the community of persons with developmental disabilities.

"GRANT AUTHORITY

"Sec. 152. (a) From appropriations under section 154, the Secretary shall make grants to university affiliated facilities to assist in the administration and operation of the activities described in section 102(13).

"(b) The Secretary may make one or more grants to a university affiliated facility receiving a grant under subsection (a) to support one or more of the following activities:

"(1) Conducting—

"(A) a study of the feasibility of establishing a university affiliated facility or a satellite center in an area not served by a university affiliated facility, including an assessment of the needs of the area for such a facility or center; or

"(B) a study of the ways in which such university affiliated facility, singly or jointly with other university affiliated facilities which have received a grant under subsection (a), can assist in establishing one or more satellite centers which would be located in areas not served by a university affiliated facility.

A study under subparagraph (A) or subparagraph (B) shall be carried out in consultation with the State Planning Council for the State in which the university affiliated facility conducting the study is located and the State Planning Council for the State in which the university affiliated facility or satellite center would be established.

"(2) Provision of service-related training to parents of persons with developmental disabilities, professionals, volunteers, or other personnel to enable such parents, professionals, volunteers, or personnel to provide services to increase or maintain the independence, productivity, and integration into the community of persons with developmental disabilities.

"(3) Conducting an applied research program designed to produce more efficient and effective methods (A) for the delivery of services to persons with developmental disabilities, and (B) for the training of professionals, paraprofessionals, and parents who provide these services.

The amount of a grant under paragraph (1) may not exceed $25,000.

"(c) The Secretary may make grants to pay part of the costs of establishing satellite centers and may make grants to satellite centers to pay part of their administration and operation costs. A satellite center which receives a grant under this section may engage in the activities described in subparagraph (A), (B), or (C) of section 102(13).

"(d)(1) The Secretary may not make a grant under subsection (c) for the fiscal year ending on September 30, 1985, to a satellite center which has not received a grant under such subsection or section 121(c) (as such section was in effect prior to October 1, 1984) unless—

"(A) a study assisted under subsection (b)(1)(A) of this section has established the feasibility of establishing or operating such center, except that such study shall not be required to contain an assessment of the need for such center in the area in which such center will be located; or

"(B) a study assisted under section 121(b)(1) (as in effect prior to October 1, 1984) has established the feasibility of establishing or operating such center.

"(2) The Secretary may not make a grant under subsection (a) or subsection (c) for a fiscal year beginning after September 30, 1985, to a university affiliated facility or a satellite center which has not received a grant under this section or section 121 (as such section was in effect prior to October 1, 1984) unless—

"(A) a study assisted under subsection (b)(1)(A) has been conducted with respect to such facility or center by a university affiliated facility; and

"(B) such study has established the feasibility of establishing or operating such facility or center.

"(e) In any case in which amounts appropriated under section 154 for a fiscal year exceed $7,800,000, the Secretary shall expend the amount of such excess to carry out the activities described in the following clauses in the following order of priority:

"(1) The Secretary shall make grants under subsection (c) to establish satellite centers which have not previously received a grant under this section or section 121(c) (as such section was in effect prior to October 1, 1984) and shall make grants under subsection (a) to university affiliated facilities which have not previously received a grant under this section or section 121(a) (as such section was in effect prior to October 1, 1984).

"(2) The Secretary shall make grants under subsection (a) to satellite centers which—

"(A) have received a grant under this section or section 121(c) (as such section was in effect prior to October 1, 1984); and

"(B) have demonstrated the capacity to become university affiliated facilities,

in order to enable such centers to become such facilities.

"(3) The Secretary shall make grants to university affiliated facilities under subsection (a) and satellite centers under subsection (c) to enable such facilities or centers to carry out a specific activity described in subparagraph (A), (B), or (C) of section 102(13).

"APPLICATIONS

"SEC. 153. (a) Not later than six months after the date of the enactment of the Developmental Disabilities Act of 1984, the Secretary shall establish by regulation standards for university affiliated facilities. Such standards shall reflect the special needs of persons with developmental disabilities who are of various ages, and shall include performance standards relating to each of the activities described in section 102(13).

"(b) No grants may be made under section 152 unless an application therefor is submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and manner, and contain such information, as the Secretary may require. Such an application shall be approved by the Secretary only if the application contains or is supported by reasonable assurances that—

"(1) the making of the grant will (A) not result in any decrease in the use of State, local, and other non-Federal funds for services for persons with developmental disabilities and for training of persons to provide such services, which funds would (except for such grant) be made available to the applicant, and (B) be used to supplement and, to the extent practicable, increase the level of such funds;

"(2)(A) the applicant's facility is in full compliance with the standards established under subsection (a), or

"(B)(i) the applicant is making substantial progress toward bringing the facility into compliance with such standards, and (ii) the facility will, not later than three years after the date of approval of the initial application or the date standards are promulgated under subsection (a), whichever is later, fully comply with such standards; and

"(3) the human rights of all persons with developmental disabilities (especially those persons without familial protection) who are receiving treatment, services, or habilitation under programs assisted under this part will be protected consistent with section 110 (relating to rights of the developmentally disabled).

"(c) The Secretary shall establish such a process for the review of applications for grants under section 152 as will ensure, to the maximum extent feasible, that each Federal agency that provides funds for the direct support of the applicant's facility reviews the application.

"(d) The amount of any grant under section 152(a) to a university affiliated facility shall not be less than $150,000 for any fiscal year, and the amount of any grant under section 152(c) to a satellite center shall not be less than $75,000 for any fiscal year.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 154. For the purpose of making grants under section 152, there are authorized to be appropriated $9,400,000 for fiscal year 1985, $10,100,000 for fiscal year 1986, and $10,800,000 for fiscal year 1987.

"PART E—SPECIAL PROJECT GRANTS

"PURPOSE

"SEC. 161. The purpose of this part is to provide for grants for demonstration projects to increase and support the independence, productivity, and integration into the community of persons with developmental disabilities.

"GRANT AUTHORITY

"SEC. 162. (a) The Secretary may make grants to public or nonprofit private entities for—

"(1) demonstration projects—

"(A) which are conducted in more than one State,

"(B) which involve the participation of two or more Federal departments or agencies, or

"(C) which are otherwise of national significance,

and which hold promise of expanding or otherwise improving services to persons with developmental disabilities (especially those who are disadvantaged or multihandicapped or who are Native Americans or Native Hawaiians); and

"(2) technical assistance and demonstration projects (including research, training, and evaluation in connection with such projects) which hold promise of expanding or otherwise improving protection and advocacy services relating to the State protection and advocacy system described in section 142.

Projects for the evaluation and assessment of the quality of services provided persons with developmental disabilities which meet the requirements of subparagraphs (A), (B), and (C) of paragraph (1) may be included as projects for which grants are authorized under such paragraph.

"(b) No grant may be made under subsection (a) unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information as the Secretary shall by regulation prescribe. The Secretary may not approve such an application unless each State in which the applicant's project will be conducted has a State plan approved under section 122, and unless the application provides assurances that the human rights of all persons with developmental disabilities (especially those persons without familial protection) who are receiving treatment, services, or habilitation under projects assisted under this part will be protected consistent with section 110 (relating to the rights of the developmentally disabled). The Secretary shall provide to the State Planning Council for each State in which an applicant's project will be conducted an opportunity to review the application for such project and to submit its comments on the application.

"(c) Payments under grants under subsection (a) may be made in advance or by way of reimbursement and at such intervals and on such conditions, as the Secretary finds necessary. The amount of any grant under subsection (a) shall be determined by the Secretary.

"(d) The Secretary shall not consolidate the authority to make grants under this section with any other authority to make grants which the Secretary has under any other law.

"STUDY ON INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED

"Sec. 163. (a) Within six months after the date of enactment of the Developmental Disabilities Act of 1984, the Secretary shall prepare and transmit to the Congress a report containing—

"(1) recommendations for improving services for mentally retarded persons and persons with developmental disabilities provided under an approved State plan under title XIX of the Social Security Act so that the manner in which such services are provided will increase the independence, productivity, and integration into the community of mentally retarded persons and persons with developmental disabilities;

"(2) recommendations for services provided for mentally retarded persons and persons with developmental disabilities under waivers granted under section 1915(c) of the Social Security Act so that the manner in which such services are provided can be improved and expanded to increase the independence, productivity, and integration into the community of mentally retarded persons and persons with developmental disabilities; and

"(3) comments by each of the officials specified in clauses (2) through (5) of subsection (b) on the recommendations included in the report pursuant to paragraph (1), including comments concerning the effect of such recommendations, if implemented, on programs carried out by such officials.

"(b) To assist the Secretary in preparing the report required by subsection (a), there is established a task force composed of:

"(1) the Secretary (or the designee of the Secretary);

"(2) the Administrator of the Health Care Financing Administration of the Department of Health and Human Services (or the designee of the Administrator);

"(3) the Commissioner of the Administration for Developmental Disabilities of the Department of Health and Human Services (or the designee of the Commissioner);

"(4) the Chairman of the National Council on the Handicapped (or the designee of the Chairman); and

"(5) the Assistant Secretary of Education for Special Education and Rehabilitative Services (or the designee of the Assistant Secretary).

"(c) To conduct the study required by this section, the Secretary may expend not more than $75,000 from the amounts appropriated under section 164 for fiscal year 1985.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 164. To carry out this part, there are authorized to be appropriated $3,200,000 for fiscal year 1985, $3,700,000 for fiscal year 1986, and $4,000,000 for fiscal year 1987.".

EFFECTIVE DATE

Sec. 3. The amendment made by section 2 of this Act shall take effect on October 1, 1984, except that sections 108(b), 153(a), and 163 of the Developmental Disabilities Assistance and Bill of Rights Act (as added by the amendment made by section 2 of this Act) shall take effect on the date of enactment of this Act.

ILLINOIS AND MICHIGAN CANAL NATIONAL HERITAGE CORRIDOR ACT OF 1983

McCLURE AMENDMENT NO. 3374

Mr. STEVENS (for Mr. McClure) proposed an amendment to the amendment of the House to the bill S. 746, an act to establish the Illinois and Michigan Canal National Heritage Corridor in the State of Illinois, and for other purposes, as follows:

Strike Title III, as passed by the House, and insert in lieu thereof the following new Title II.

Sec. 201. (a) The Act of May 17, 1954 entitled "An Act to provide for the construction of the Jefferson National Expansion Memorial at the site of old Saint Louis, Missouri, in general accordance with the plan approved by the United States Territorial Expansion Memorial Commission, and for other purposes" (68 Stat. 98; 16 U.S.C. 450jj), is amended by inserting after section 3 the following new sections:

"Sec. 4. (a) The Secretary of the Interior is further authorized to designate for addition to the Jefferson National Expansion Memorial (hereinafter in this Act referred to as the 'Memorial') not more than one hundred acres in the city of East Saint Louis, Illinois, contiguous with the Mississippi River and between the Eads Bridge and the Poplar Street Bridge, as generally depicted on the map entitled 'Boundary Map, Jefferson National Expansion Memorial', numbered MWR-366/80,004, and dated February 9, 1984, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. The additional acreage authorized by this section is in recognition of the historical significance of the Memorial site to the westward expansion of the United States and the historical linkage of this site on the Mississippi in both Missouri and Illinois to such expansion, the international recognition of the Gateway Arch, designed by Eero Saarinen as one of the world's great sculptural and architectural achievements, and the increasing use of the Memorial site by millions of people from all over the United States and the world.

"(b) Within the area designated in accordance with this section, the Secretary of the Interior may acquire lands and interests in lands by donation, purchase with donated or appropriated funds, or exchange, except that lands owned by the State of Illinois or any political subdivision thereof may be acquired only by donation.

"Sec. 5. Where appropriate in the discretion of the Secretary of the Interior, he may transfer by lease or otherwise, to any appropriate person or governmental entity, land owned by the United States (or any interest therein) which has been acquired by the Secretary under section 4. Any such transfer shall be consistent with the management plan for the area and with the requirements of section 5 of the Act of July 15, 1968 (82 Stat. 356; 16 U.S.C. 460L-22) and shall be subject to such conditions and restrictions as the Secretary deems necessary to carry out the purposes of this Act, including terms and conditions which provide for—

"(1) the continuation of existing uses of the land which are compatible with the Memorial,

"(2) the protection of the important historical resources of the leased area, and

"(3) the retention by the Secretary of such access and development rights as the Secretary deems necessary to provide for appropriate visitor use and resource management.

In transferring any lands or interest in lands under this section, the Secretary shall take into account the views of the Commission established under section 8.

"Sec. 6. Lands and interests in lands acquired pursuant to section 4 shall, upon acquisition, be a part of the Memorial. The Secretary of the Interior shall administer the Memorial in accordance with this Act and the provisions of law generally applicable to units of the national park system, including the Act entitled 'An Act to establish a National Park Service, and for other purposes', approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4) and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461-467). In the devleopment, management, and operation of that portion of the Memorial which is added to the Memorial under section 4, the Secretary shall, to the maximum extent feasible, utilize the assistance of State and local govenment agencies and the private sector. For such purposes, the Secretary may, consistent with the management plan for the area, enter into cooperative agreements with the State, with any political subdivision of the State, or with any person. Any such cooperative agreement shall, at a minimum, establish procedures for providing notice to the Secretary of any action proposed by the State, such political subdivision, or such person, which may affect the area.

"Sec. 7. (a) There is hereby established the Jefferson National Expansion Memorial Commission (hereinafter in this Act referred to as the 'Commission').

"(b) The Commission shall be composed of twenty members as follows:

"(1) The county executive of Saint Louis County, Missouri, ex officio or a delegate.

"(2) The chairman of the Saint Clair County Board of Supervisors, Illinios, ex officio, or a delegate.

"(3)(A) The executive director of the Bi-State Development Agency, Saint Louis, Missouri, ex officio, or a delegate.

"(B) A member of the Bi-State Development Agency, Saint Louis, Missouri, who is not a resident of the same State as the executive director of such agency, appointed by a majority of the members of such agency, or a delegate.

"(4) The mayor of the city of East Saint Louis, Illinois, ex officio, or a delegate.

"(5) The mayor of Saint Louis, Missouri, ex officio, or a delegate.

"(6) The Government of the State of Illinois, ex officio, or a delegate.

"(7) The Governor of the State of Missouri, ex officio, or a delegate.

"(8) The Secretary of the Interior, ex officio, or a delegate.

"(9) The Secretary of Housing and Urban Development, ex officio, or a delegate.

"(10) The Secretary of Transportation, ex officio, or a delegate.

"(11) The Secretary of the Treasury, ex officio, or a delegate.

"(12) The Secretary of Commerce, ex officio, or a delegate.

"(13) The Secretary of Commerce, ex officio, or a delegate.

"(14) Three individuals appointed by the Secretary of the Interior from a list of individuals nominated by the mayor of East Saint Louis, Illinois, and the Governor of the State of Illinois.

"(15) Three individuals appointed by the Secretary of the Interior from a list of individuals nominated by the mayor of Saint Louis, Missouri, and the Governor of the State of Missouri.

"Individuals nominated for appointment under paragraphs (14) and (15) shall be individuals who have knowledge and experience in one or more of the fields of parks and recreation, environmental protection, historic preservation, cultural affairs, tourism, economic development, city planning and management, finance, or public administration. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

"(c)(1) except as provided in paragraphs (2) and (3), members of the commission shall be appointed for terms of three years.

"(2) Of the members of the Commission first appointed under paragraphs (14) and (15) of subsection (c)—

"(A) two shall be appointed for terms of one year;

"(B) two shall be appointed for terms of two years; and

"(C) two shall be appointed for terms of three years; as designated by the Secretary of the Interior at the time of appointment.

"(3) Any member of the Commission appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member of the Commission may serve after the expiration of his term until his successor has taken office.

"(d) Members of the Commission shall receive no pay on account of their service on the Commission, but while away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

"(e) The chairperson of the Commission shall be elected by the members of the Commission.

"(f) Upon request of the Commission, the head of any Federal agency represented by members on the Commission may detail any of the personnel of such agency, or provide administrative services to the Commission to assist the Commission in carrying out the Commission's duties under section 8.

"(g) The Commission may, for the purposes of carrying out the Commission's duties under section 8, seek, accept, and dispose of gifts, bequests, or donations of money, personal property, or services, received from any source.

"(h)(1) Except as provided in paragraph (2), the Commission shall terminate on the day occurring ten years after the date of enactment of this section.

"(2) The Secretary of the Interior may extend the life of the Commission for a period of not more than five years beginning on the day referred to in paragraph (1) if the Commission determines that such extension is necessary in order for the Commission to carry out this Act.

"SEC. 8. (a) Within two years from the enactment of this section, the Commission shall develop and transmit to the Secretary a development and management plan for the East Saint Louis, Illinois, portion of the Memorial. The plan shall include—

"(1) measures for the preservation of the area's resources;

"(2) indications of types and general intensities of development (including visitor circulation and transportation patterns, systems and mode) associated with public enjoyment and use of the area, including general locations, timing of implementation, and cost estimates;

"(3) identification of any implementation commitments for visitor carrying capacities for all areas of the area;

"(4) indications of potential modifications to the external boundaries of the area, the reasons therefore, and cost estimates;

"(5) measures and commitments for insuring that the development, management, and operation of the area in the State of Illinois are compatible with the portion of the Memorial in the State of Missouri;

"(6) opportunities and commitments for cooperative activities in the development, management, and operation of the East Saint Louis portion of the Memorial with other Federal, State, and local agencies, and the private sector; and

"(7) effective and appropriate ways to increase local participation in the management of the East Saint Louis portion of the Memorial to help reduce the day-to-day operational and management responsibilities of the National Park Service and to increase opportunities for local employment.

"(b) The plan shall also identify and include—

"(1) needs, opportunities, and commitments for the aesthetic and economic rehabilitation of the entire East Saint Louis, Illinois, waterfront and adjacent areas, in a manner compatible with and complementary to, the Memorial, including the appropriate commitments and roles of the Federal, State, and local governments and the private sector; and

"(2) cost estimates and recommendations for Federal, State, and local administrative and legislative actions.

"In carrying out its duties under this section, the Commission shall take into account Federal, State, and local plans and studies respecting the area, including the study by the National Park Service on the feasibility of a museum of American ethnic culture to be a part of any development plans for the Memorial.

"SEC. 9. (a) Upon completion of the plan, the Commission shall transmit the plan to the Secretary for his review and approval of its adequacy and appropriateness. In order to approve the plan, the Secretary must be able to find affirmatively that:

"(1) The plan addresses all elements outlined in Sec. 8 above;

"(2) The plan is consistent with the Saint Louis, Missouri, portion of the Memorial;

"(3) There are binding commitments to fund land acquisition and development including visitor circulation and transportation systems and modes, in amounts sufficient to completely implement the plan as recommended by the Commission from sources other than funds authorized to be appropriated in this Act; and

"(4) There are binding commitments to fund or provide the equivalent of all costs in excess of $350,000 per annum for the continued management, operation, and protection of the East Saint Louis, Illinois, portion of the Memorial.

"(b) The Secretary shall transmit in writing a notice of his approval and his certification as to the existence and nature of funding commitments contained in the approved plan to the Committee on Interior and Insular Affairs of the House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate.

"SEC. 10. Pending submission of the Commission's plan, any Federal entity conducting or supporting significant activities directly affecting East Saint Louis, Illinois, generally and the site specifically referred to in section 4 shall—

"(1) consult with the Secretary of the Interior and the Commission with respect to such activities;

"(2) cooperate with the Secretary of the Interior and the Commission in carrying out their duties under this Act, and to the maximum extent practicable coordinate such activities with the carrying out of such duties; and

"(3) to the maximum extent practicable, conduct or support such activities in a manner which the Secretary determines will not have an adverse effect on the Memorial."

(b) The Act of May 17, 1954 entitled "An Act to provide for the construction of the Jefferson National Expansion Memorial at the site of old Saint Louis, Missouri, in general accordance with the plan approved by the United States Territorial Expansion Memorial Commission, and for other purposes" (68 Stat. 98; 16 U.S.C. 450jj) is amended by—

(1) redesignating "Sec. 4." (as so designated prior to the amendments made in subsection (a) of this section) as "Sec. 11. (a)"; and

(2) adding at the end thereof the following new subsections:

"(b) For the purposes of the East Saint Louis portion of the Memorial, there is hereby authorized to be appropriated not to exceed $1,000,000 for land acquisition and not to exceed $1,250,000 for development, of which not to exceed $500,000 shall be available only for landscaping and only for expenditure in the ratio of one dollar of Federal funds to one dollar of non-Federal funds: *Provided*, That no funds authorized to be appropriated hereunder may be appropriated prior to the approval by the Secretary of the plan developed by the Commission.

"(c) Funds appropriated under subsection (b) of this section shall remain available until expended.

"(d) Authority to enter into contracts or make payments under this Act shall be effective for any fiscal year only to the extent that appropriations are available for that purpose.

SEC. 202. Any provision of this title (or any amendment made by this title) which, directly or indirectly, authorizes the enactment of new budget authority described in section 402(a) of the Congressional Budget Act of 1974 shall be effective only for fiscal years beginning after September 30, 1983.

SEC. 203. This title may be cited as the "Jefferson National Expansion Memorial Amendments Act of 1984."

NOTICES OF HEARINGS

TEMPORARY SELECT COMMITTEE TO STUDY THE SENATE COMMITTEE SYSTEM

Mr. QUAYLE. Mr. President, I wish to announce that the Temporary Select Committee to Study the Senate Committee System will hold hearings on July 31 and August 2 at 10 a.m., Russell Senate Office Building, room 301, to consider reform of the Senate committee system as authorized by section 3 of Senate Resolution 127, cited below:

Sec. 3. It shall be the function of the select committee to conduct a thorough study of the Senate committee system, the structure, jurisdiction, number, and optimum size of Senate committees, the number of subcommittees, committee rules and procedures, media coverage of meetings, staffing, and other committee facilities, and to make recommendations which promote optimum utilization of Senators' time, optimum effectiveness of committees in the creation and oversight of Federal programs, clear and consistent procedures for the referral of legislation falling within the jurisdiction of two or more committees, and workable methods for the regular review and revision of committee jurisdictions.

Any person wishing to testify should contact Bob Guttman at 224-2740, Russell Senate Office Building, room SR-B42, Washington, DC 20510.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to hold a joint hearing with the Subcommittee on Energy and Nuclear Proliferation of the Committee on Governmental Affairs, during the session of the Senate on Thursday, June 28, at 9:30 a.m., on Chemical and Biological Weapons Proliferation.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PUBLIC LANDS AND RESERVED WATER

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands and Reserved Water, of the Committee on Energy and Natural Resources, be authorized to meet during the session of the Senate on Thursday, June 28, at 9 a.m., to hold a hearing to consider H.R. 2889, to amend the National Historic Preservation Act, and for other purposes; S. 2692 and H.R. 2982, to exempt water conveyance systems from fees and conditions under the Federal land purposes; and H.R. 2838, to authorize the Secretaries of the Interior and Agriculture to provide assistance to groups and organizations volunteering to plant tree seedlings on public lands, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

S. 1330—WE NEED A NATIONAL COUNCIL

● Mr. STAFFORD. Mr. President, the Senate yesterday agreed to appoint conferees on S. 1330, the Public Works Improvement Act of 1984.

This is an important bill. One of its most significant provision is title I, which establishes the National Council on Public Works Improvement.

The House version of S. 1330 contain no such Council. I believe this Council is an important initiative; many Members of the Senate as well as outside groups, which wrestle with the problems of out Nation's infrastructure, share that view.

I ask that copies of letters on the need for a Council from the National Association of Regional Councils and the National Association of Counties be printed at this point in the Record.

The letters follow:

National Association
of Regional Councils,
Washington, DC, May 22, 1984.

Robert T. Stafford,
Chairman, Senate Environment and Public Works Committee, Dirksen Senate Office Building, Washington, DC.

Dear Mr. Chairman: This letter is to urge you to stand firm in your support of S1330, a bill to establish a federal capital budget, when this legislation comes to conference with HR1244.

NARC is particularly concerned that the final conference bill include Senate provisions establishing a National Council on Public Works Improvement. This Council, which would include the leaders of the major state and local government associations, is an important part of the capital budgeting process.

Through the Council's assessments, deliberations, and recommendations, the views of state and local governments could be reflected in a manner that would not be possible if this provision is dropped from the bill. Because a federal capital budgeting process necessarily will address allocation of responsibilities between the various levels of government, this access to the decision-making process is especially important.

We urge you to strongly support retention of Senate provisions to create this Council.

Thank you.

Sincerely,

Robert Rade Stone,
President.

National Association of Counties,
Washington, DC, May 21, 1984.

Hon. Robert T. Stafford,
Chairman, Senate Committee on Environment and Public Works, Dirksen Senate Office Building, Washington, DC.

Dear Mr. Chairman: The National Association of Counties (NACo) strongly supports the Public Works Improvement Act (S. 1330) which has passed the Senate and is now subject to conference with H.R. 1244, the House passed version. We urge you to insist on retention of the National Council (Title I) of S. 1330, which we view as a valuable forum for dialogue on the broader issues of our nation's infrastructure problems.

We congratulate you on your leadership in moving the legislation through the Senate. Please contact Geoff Trego on the NACo staff if we can be of any assistance in preserving the national council in conference.

Sincerely,

Matthew B. Coffey,
Executive Director.●

SMALL BUSINESS COMPUTER SECURITY AND EDUCATION

● Mr. BUMPERS. Mr. President, on May 24, the Senate considered and agreed to an amendment to H.R. 3075, a bill which passed the House of Representatives amending the Small Business Act to establish a small business computer security and education program. Our committee's action recognized that the use of computers by small business has increased dramatically during the past 5 years. Unfortunately, the increased use and reliance on computer technology has also provided new opportunities for abuse.

Under this bill reported by our committee on May 8, and which passed the Senate, an effort was made to focus on the prevention of computer crime, primarily through educational opportunities for small business. The Senate-passed bill establishes within the Small Business Administration a small business computer security and education program that is designed to provide education, training, and information on these issues. SBA has already taken preliminary steps to address the burgeoning growth of small business use of computers by preparing a short publication on computer security and purchasing copies of a computer training film.

In addition, the Senate-passed bill would permit the Small Business Administration for the first time to take advantage of expertise in the private, for-profit sector in conducting training programs. To date, SBA has been limited to cosponsoring training with not for profits. Under the amendment which the House has approved, certain limitations will be imposed on the SBA's use of cosponsored training with for-profits. In my view, these limitations will ensure that, for a limited test period, the agency carefully controls this type of cosponsored training, and that small businesses are the beneficiary of this relationship. But the House amendment makes no changes to the primary portion of the Senate provisions relating to computer security and prevention.

Mr. President, the action of the Senate by concurring in the House amendment will clear this measure for the President. I hope that the President will approve this legislation. I want to compliment my colleagues on the Small Business Committee, and in particular Senator Tsongas, for his leadership in introducing a Senate version of the House bill and for conducting the hearings in our committee on this matter. Through his leadership, the entire focus of the SBA's efforts for assisting small business will be directed toward prevention and providing critical information about computer security.

However, I am concerned about the SBA's commitment to this program. I recognize that the agency had some reservations about the legislation as introduced. In a June 4 Wall Street Journal article, Jim Thomson, SBA's Associate Administrator for Management Assistance, and the individual who will be responsible for carrying out this law when it is signed, said "I don't think it—computer crime—is a burning issue. Our concern is more in computerization when the small businesses aren't ready for it." I hope that the agency's attitude changes, and that this program will receive better attention in its implementation.●

FREE CHINA DOUBLE CROSSED

● Mr. GOLDWATER. Mr. President, information is regularly filtering through the news media describing details of the new military cooperation agreement reached between the U.S. Government and Communist China. Not only is it reported that Red China will receive artillery shells of a type which could be fired against the offshore islands belonging to the Republic of China and not only has the United States apparently allowed Red China to buy Hawk missiles, which also can be adapted for use against the offshore islands, but it has also been disclosed that our Government has promised to provide Communist China with avionics in order to upgrade its F-8 fighter aircraft. Whether or not improved engines are part of the deal is not clear, but it is well known that Red China wants an improved, more powerful engine for the F-8 and this new defense arrangement will undoubtedly boost Red China's expectation of and demand for jet engines as well.

To top off this arms deal, believe it or not, President Reagan made a formal finding on June 12, that the furnishing of defense articles and defense services to Communist China "will strengthen the security of the United States and will promote peace." His finding was made under section 3(a) of the Arms Export Control Act and he has thereby authorized direct government to government military sales to Red China. The President's determination will have the effect of authorizing U.S. Government sales if Communist China asks to make a large purchase American industry could not supply by itself. His action was not publicized at the time, although it will appear in the Federal Register.

Mr. President, these actions are a complete reversal of President Reagan's pledges when he was campaigning for the Presidency. His actions do not promote peace, but they carry grave risk to the safety of free peoples throughout the Pacific Basin region. The administration's doctrine, if it has one, rests on total ignorance or a blindness to the facts.

The United States should not enter into any form of arms arrangement with Red China. Instead, we should strengthen the American defense force and alliance system in the Pacific. We can assist in further strengthening the self-reliance of non-Communist, private enterprise nations of the Pacific, particularly Japan, the Republic of China, the Asian states, South Korea, Australia, and New Zealand. Security cooperation with these free nations in the Pacific, nations who share similar concerns with us about the Soviet threat and most economic and security matters in the region, is the sensible route to protecting American interests in that part of the world.

Now, I know the President's advisers are telling him that we must help modernize Red China's military as a counter to the Soviet Union. What these advisers do not understand is that Communist China is not, and is incapable of becoming, a major military power in the event of any general conflict with the Soviet Union.

On the other hand, Red China is capable of endangering the Republic of China on Taiwan and other free Asian countries. China is already a regional military power and it appears to be seeking regional maritime supremacy, even over the United States. But there is no realistic way in which the United States can make Communist China into a military power comparable to the Soviet Union. The cost of the weapons and domestic infrastructure that would be needed in such a modernization program is far above what the United States could afford to loan or grant to Red China and the Communist regime certainly lacks the financial resources to buy it.

In particular, I would point out that Red China has never renounced force as a means of reunification. U.S. defense sales to Communist China cannot make her a match for the Soviet Union, but it can threaten the security of the Republic of China in violation and contradiction of the Taiwan Relations Act, and it can have a destabilizing effect on the regional balance of power.

If the President intends to carry out this new arms relationship with Communist China, I appeal to him to also be prepared to make transfers of defensive weapons and technology of higher levels of quality and quantity to the Republic of China and other free states in the region. The time has come to allow the Republic of China to acquire either the F-X and F-16 as well as Harpoon missiles and other defense items essential to its survival in a new situation unwittingly created by one of its closest friends.

Mr. President, I submit for the Record an article from the June 28 issue of the Far Eastern Economic Review, which discusses the details of planned weapon sales to Red China.

The article follows:

TOWING THE PEKING LINE

(By Nayan Chanda in Washington)

Following the visit of China's highest-ever military delegation to the United States earlier this month, Washington has taken the first practical steps towards long-term military cooperation. China has become the second socialist country after Yugoslavia to be eligible for US Government military sales and credit.

China has also been promised advanced avionics for its jet interceptors and training for its pilots at US bases. China, on its part, has quietly sold half a squadron of its copied version of the Soviet MiG21 fighter—the F7—to the US to be used in air force exercises. Sources say the price was US$4 million an aircraft, including spare parts.

Chinese Defence Minister Zhang Aiping's 12-day visit to the US, accompanied by the senior deputy chief of staff of the Chinese army, the deputy commanders of the air force and navy and the deputy director of defence research and procurement, marked a new step in growing Sino-American military ties. Since the visit of US Secretary of Defence Caspar Weinberger to China in September 1983, four Chinese military delegations—including one led by Zhang's son, Zhang Pin—have visited the US to take a close look at the defence industry as well as logistics and training.

Although Zhang's visit was a significant culmination of the relationship, because of US domestic as well as China's domestic and foreign-policy considerations the trip was kept at a low key. Concerned about China's image as a non-aligned, Third World power and anxious not to be provocative towards Moscow, Zhang had requested that his discussions with US officials be considered private and that minimum publicity be given to the visit, which took him to some key US defence industries.

At the end of his visit to Washington the Pentagon briefly announced that an "agreement in principle" has been reached for the sale of anti-tank and anti-aircraft weapons. To soften the impact of a burgeoning military relationship, the fact that President Ronald Reagan had signed a document making China eligible for foreign military sales (FMS) and assistance during Zhang's visit—only a logical bureaucratic step—was not immediately divulged.

The Review, however, has learned that during two days of intensive talks with Zhang, Weinberger promised to provide China with avionics in order to modernise its indigenously designed F8 interceptor. Avionics to be installed in the Chinese-built aircraft, sources said, would be of the same level of sophistication as in the American Northrop F5. Radar and fire-control instruments would enable the F8 to engage enemy aircraft head-on and fire missiles with greater efficacy. Weinberger also promised to train Chinese pilots in the use of modern avionics at US bases. Although details of this programme will be worked out later, sources said that one likely course would be to bring a squadron or two of F8s to the US, fit them with avionics components and then use them to train Chinese pilots.

Sources said that the Pentagon decision to provide avionics to China was taken against the advice of the State Department, which fears that upgrading Chinese air capability, even if for purely defensive purposes, could cause unease in Asia and re-open the debate over any US obligation to maintain Taiwan's security. It is at the insistence of the State Department in particular that the Pentagon has shelved the question of selling jet engines to China. China has been pressing to buy Pratt and Whitney's PW1117 engines for the F8.

However, the Defense Department is said to have taken the decision on avionics after exhaustive study of present Chinese and Taiwanese capabilities and future projections. In April, a US delegation visited China to take a close look at Peking's aviation modernization programme. The team is reported to have learned of China's plan to upgrade the F8 with a more powerful engine and avionics to make it into China's top-of-the-line aircraft.

The delta-wing interceptor, which has copied MiG21 engines, has been described by US specialists as "overweight and underpowered" and as no match for the US-made F5E used by Taiwan. A recent confidential study by the Pentagon concluded that US assistance to China in avionics, if undertaken in 1985, would not affect Taiwan's qualitative superiority over the Chinese air force for at least six years.

However, some congressional and administration sources are apprehensive that involving the US in the sale of avionics may be intended by China as a first step towards a request for jet engines. "While China has produced a few prototypes to keep the production line warm," a source said, "they are not going to start mass production of the aircraft without securing a more powerful engine." In other words, China may hold out on buying avionics until it has clearance to purchase jet engines as well.

Previous secrecy-shrouded collaboration between Washington and Peking may help to explain the increasingly warm relationship between the two despite the public Chinese stance of opposition to both superpowers. In a move that demonstrates China's desire to stengthen the US against Moscow, as well as to earn hard currency, it has secretly sold the US Air Force half a squadron of its MiG21 "look-alikes" These aircraft, painted with Soviet colours, are used as "aggressor" aircraft in the anti-Soviet air-training programme called "Red Flag" at Nellis Air Force Base, Nevada.

The programme began in the early 1970s in a drive to improve the performance of American pilots engaging North Vietnamese MiG19s and 21s, using US F5s as "aggressor" aircraft, similar to the training programme conducted at Clark Air Force Base in the Philippines, in which Singaporean pilots, among others, have joined US crews in simulating anti-Soviet air combat.

The Chinese-made MiG21 are seen as ideal in simulating a dogfight with a Soviet fighter. Sources said that though a private US company has offered to market the Chinese aircraft (which also has been sold by Peking to Iran, Iraq and Egypt), the deal has been handled directly by the Defence Department in order to maintain secrecy.

Meanwhile, China's short- to medium-term shopping list, as approved by Weinberger, is going to include Hawk missiles, air-defence radar and technology to produce antitank TOW missiles and ammunition for long-range artillery. Although the administration is tight-lipped about specific licences, China is believed to have been given permission to buy Hawk surface-to-air missiles, which can shoot down targets at 60,000 ft, and Westinghouse NA/TPS 43 and 63 radar for air defence. The administration has also given permission for China to go into co-production of improved TOW wire-guided anti-tank missiles.

China has engaged in negotiations with Hughes Aircraft, Emerson Electronics and Texas Instruments—the principal manufacturers involved in producing TOW—on the price and terms of co-production. a Defence Department team will soon visit China to inspect the proposed site of the TOW factory. China also has obtained approval to buy technolgy to manufacture rocket-propelled shells and high-explosive, armour-piercing ammunition for its Soviet- and Austrian-made artillery.

It may take several months, or even a year, before official approval is translated into firm contracts with individual suppliers. The first step in Sino-American military supply relations was taken on 12 June when Reagan received Zhang at the Oval Office and signed a so-called presidential determination making China eligible to purchase defence articles and defence services under the Arms Export Control Act.

According to US law, the president has to determine that offering military sales, credit or grant to a country under the FMS programme is in the interest of US national security. While credit or grant aid for purchasing military hardware is subject to congressional approval and Peking may find it difficult to obtain, the FMS eligibility has now established China as a bona fide customer in the American arms market.

Sources said that FMS certification would immediately enable China to buy training films produced by the Defence Department, pay for the training of Chinese military personnel in the US and pay for the visit of a Pentagon team to survey the site of the proposed TOW co-production factory. Sale of military hardware and services under the FMS to China is unlikely to bring any large revenue to the US in the near future, but a framework has now been constructed for slow and steady military cooperation. Among some of the items that the administration has promised to consider are sale of flight simulators, engines for long-range anti-submarine patrol aircraft, electronics for the Chinese navy and testing of Chinese aircraft components in US research stations.

While US defence contractors have high hopes of the potentially vast market of China, defence officials caution against over-optimism in view of its backwardness. Deputy Assistant Secretary of Defence James Kelly pointed out: "The Chinese face enormous needs with limited funds and they must be careful shoppers. In most cases, they do not consider foreign procurement of end [manufactured] items to be a viable option; they want technology with which to manufacture their own weapons.

The US Government, eager to bolster Chinese defence against the Soviet Union and also, in the language of Kelly, "reinforce [these] positive trends in Peking's foreign policy," is willing to permit certain technology transfer, but this will ultimately depend on the readiness of private companies to part with their know-how at a cheap price.

Meanwhile, in an effort to deflect possible criticism by the pro-Taiwan lobby in the Republican Party and the Congress, the Reagan administration has coupled its FMS move with a notification to the Congress that it will sell Taiwan 12 C130H military tranport aircraft for US$325 million.●

ATROCITIES ON ISLAND OF HAITI

● Mr. CHILES. Mr. President, I want to bring to the attention of my colleagues the atrocities that continue to take place on the island of Haiti.

Haiti's President for life, Jean Claude Duvalier, is continuing in the footsteps of his father by aggressively repressing the rights of the Haitian people. In the past, "Baby Doc" has been reprimanded by the United States for his violation of human rights and he has been warned that U.S. foreign assistance to Haiti is being conditioned on his government's protection of the human rights of Haitians. I have personally authored legislation in the past which instructs the President to award foreign assistance to Haiti only if their government has not "engaged in a consistent pattern of gross violations of internationally recognized human rights."

Yet, "Baby Doc" and his government continue to play cat and mouse with our Government.

Yes, they have allowed liberalizations regarding certain rights and freedoms for the Haitian people.

But, at the same time, President-for-life Duvalier is sanctioning the detainment of those who attempt to actually practice freedom of speech and expression. Only recently, the Duvalier government detained the entire staff of L'Information, the island's most outspoken news weekly. Most staff members were eventually released but the government continues to detain the paper's publisher, Pierre Robert Auguste.

In a country where political parties have been prohibited and trade unions are banned from functioning, Mr. Duvalier has continued to exercise these repressions by arresting many lawyers, religious leaders, journalists and intellectuals who dare to speak out against "Baby Doc" and his government. Amnesty International continues to document the grievances against human rights that are routinely practiced by the Duvalier regime.

These recent accounts of repressive activities by the government of Haiti are a blatant violation of the United States' understanding with Haiti. I would like to warn Mr. Duvalier that we are closely watching the actions of his government and we will not stand for such atrocities. His tyrannical practices must be stopped.

Mr. President, it is common knowledge that Haiti is the poorest country in the Western Hemisphere. Much of the U.S. aid to Haiti is for food and health care for the island's poor. My colleagues can understand that I would immediately call for a suspension of foreign assistance to Haiti if most of the aid were not directed to feed and provide health care for the poor. But now we have reports that these funds are often misspent and ineffective and never reach the intended recipients.

The Senate Appropriations Committee has already expressed its concern about the manner in which the foreign aid to Haiti has been managed. I would like to put Mr. Duvalier on notice that we are watching the actions of his government. If necessary, the Congress will have to reassess its aid to Haiti. As a member of the Appropriations Committee, I will be studying the conditions of assistance to Haiti as we consider the foreign aid appropriations.●

CUBA

● Mr. SYMMS. Mr. President, I ask that three items be printed in the RECORD. The first is a translation of an article from the *Diario Las Americas* of December 29, 1983 entitled "Institutional Violations of Human Rights by Communist Cuba Denounced by Claudio Benedi" by Ariel Remos. Second, another article from *Diario Las Americas* of May 11, 1984, entitled "Introduction of Offensive Nuclear Weapons in Cuba Denounced." Third, a letter from the Junta Patriotic Cubana to Dr. Cesar Sepulveda, Chairman of the Inter-American Commission for Human Rights, Organization of American States, sent by Dr. Claudio Benedi.

The items follow:

[Translation into English of an article printed by Diario Las Americas]

INSTITUTIONAL VIOLATIONS OF HUMAN RIGHTS COMMITTED BY COMMUNIST CUBA DENOUNCED BY CLAUDIO BENEDI

(By Ariel Remos)

The Seventh Report from the Inter-American Commission on Human Rights (acronym in Spanish CIDH) of the Organization of American States, has caused several comments and, in order to obtain an authorized opinion, it being from one of the persons who has worked the most in attaining the condemnation of Cuba by international organizations that deal with violations against human rights, we interviewed Dr. Claudio Benedi, in Washington, DC.

Benedi has been denouncing institutional violation against human rights in Cuba, not only in fact, but by law, from the point of view that its legislation authorizes such violations.

"The Seventh Report from the Inter-American Commission on Human Rights"—Dr. Benedi starts telling us—"condemns institutional violation against human rights in Cuba." In effect, Article 61 of the Cuban Socialist Constitution of 1976 stipulates: "None of the freedoms recognized for the citizenry can be exercised against the regulations in the Constitution and the Laws, nor against the existence and purposes of the Socialist State, nor against the Cuban people's decision to build Socialism and Communism. Violation of this priniciple is punishable."

"And the (Seventh) Report reads thus: 'This way, any possibility of individual defense before the political power is eliminated, because the arbitrary exercise of power upon the citizenry is protected by the Constitution'."

Benedi commented also: "Human rights and their juridical and political structure are thus rendered inoperative."

The (Seventh) Report also maintains that "there is a totalitarian regime in Cuba", in which "Fidel Castro rules in an absolute manner". It also states that "executions by firing squads have been stepped up against political enemies in Cuba, after trying them without any procedural guarantees." The interviewee adds: "The (Seventh) Report also states that political prisoners are tortured; that they have been taken to death in the prisons and that sentences are reimposed that make the term of imprisonment an indefinite one; that they are confined in forced-labor camps and that those who are released get discriminated against, also impeding their leaving the country, as the case is with our countryman Andres Vargas Gomez."

Dr. Benedi has represented the Cuban Exile in the Commission since its inception and he deems as a great step the fact that the (Seventh) Report has acknowledged his thesis on institutional violation of human rights in Cuba, because "it is proof that democratic and political structures of the Judeo-Christian civilization have been supplanted in Cuba, replacing them with others in which all guarantees and any identity of the human being disappear, and the individual is subjected to total control by the State. The Seventh Report has recognized this."

"It has been a difficult and laborious delivery, that has taken 3½ years, during which we have appeared before other distinguished colleagues and organizations formed by Cuban former political prisoners, offering statements and interesting data for the conclusions of the Commission."

Benedi explains afterwards that the (Seventh) Report not only has acknowledged the exile's point of view, but also, albeit in a lesser degree, those ideas prevailing in the Latin-American political spectrum, offering those concessions that the liberal left affords communist regimes in trying to make believe that they are seeking an impossible balance. Benedi refers specifically to those improvements that the (Seventh) Report states there have been in Cuba regarding health, education and feeding, "as if somebody would say such a thing about Hitler, forgetting his monstrosities and the destruction of Germany."

"In order to achieve unanimity among the seven members (of the Commission)"—Dr. Benedi expounded—"concessions had to be made that reflect negatively upon the Report, since they do not conform in full to the reality that prevails at the present time in Cuba, and which we reject because many of them are based on untrustworthy statistics."

"Has education progressed in Cuba?" the interviewer asks to himself. "The Commission ends on two points that demolish concessions to that respect: That there is no freedom for education, instead the educational system is utilized for indoctrination in the Marxist-Leninist system upon the whole of the people, and parents lack the right to educate their own children."

As to any betterment in the feeding of the people, Benedi commented as follows: "In the conclusions of the (Seventh) Report, after saying that (the people) is better fed than before (which is erroneous), it is stated that city dwellers were previously better fed than those who lived in the countryside, but now it is the other way around. What is not stated is the reason: That due to the scarcity of food in the cities, it is easier to get food in the countryside."

Benedi points out another interesting aspect of the (Seventh) Report: It states that labor unions' achievements have disappeared; that there is no right of free organization; that strikes are punishable; that working persons have no right to eight hours limit for their work, and that they are not free to dispose of the proceeds of their work, nor to change jobs voluntarily.

The (Seventh) Report states also that there does not exist any division of governmental authority and that the Judiciary is not independent. It goes on to offer a detailed account on the condition of political prisoners, who are subjected to "severe and degrading" treatment at the Boniato, Tres Maceo, San Ramón and other prisons, especially the "plantados" (those prisoners who have resisted communist indoctrination) and the "tapiados" (prisoners walled up in small cells, who never see the sunlight). It mentions the "drawers" or small cells where three prisoners are held without enough room to move around, and forced to attend to their physical needs within those cells. It also points out several of the physical and psychological tortures to which certain prisoners are subjected.

Dr. Benedi refers, lastly, to those persons and institutions who have struggled with energy on behalf of Cuban political prisoners and contributed their efforts to the Commission in order for it to reflect, as faithfully as possible, the violations against human rights in Cuba: "Factors in the Seventh Report have been the appearances and denouncements by Drs. Humberto Medrano and Guillermo Martinez Marquez from the beginning, the Organization of Political Prisoners, the Presidio Político Histórico Cubano (Association of Former Cuban Political Prisoners), the World Federation of Former Cuban Political Prisoners, the National Association of Former Male & Female Cuban Political Prisoners, the Pedro Luis Boitel World Committee, the Cuban Patriotic Board, the Christian Democratic Organization, among other individual and collective entities.

[From Diario Las Americas]

INTRODUCTION OF OFFENSIVE NUCLEAR WEAPONS IN CUBA DENOUNCED

The introduction of offensive weapons with nuclear capability in Cuba shapes a process of crisis that could lead to an even larger confrontation than that in 1962, according to assertions by Dr. Claudio Benedi at the Fourth Annual Convention of the Cuban Patriotic Board, in which he made known for the first time, as complements of his affirmations, the letters that six Senators (JESSE HELMS, STEVE SYMMS, JAMES MCCLURE, ORRIN HATCH, ROBERT KATSEN and JACK GARN) have sent to the Secretaries of State and Defense, as well as to the President himself, in which they assert that there have passed through Cuba, and some even stay there yet, ASW Bears, Echo- & Golf-type submarines equipped with nuclear missiles, Flogger-type planes (considered in Europe as capable of transporting nuclear missiles), as well as Mig-23 & Mig-25 Floggers, Mig-21 Fishbed, the latter assigned against NATO forces. Dr. Benedi also stated that the six Senators additionally underscored the fact that it is in the public knowledge that a base for submarines is already operational at Cienfuegos Bay.

On said letters, made known by Dr. Benedi, it is also pointed out that the so-called "understanding" between Kennedy & Khrushchev has been repeatedly violated by Cuba and the Soviet Union, because of which it is not in force any longer; later on he emphasized that President Reagan himself acknowledged, on September 14, 1983, that "as far as I am concerned, that accord has been abrogated many times by the Soviet Union and Cuba, since offensive—and not defensive—weapons have been transported into Cuba."

Dr. Benedi continued saying that the Senators as asking, from the Secretaries of State and Defense, and President Reagan, for a statement of non-existence and non-validity about the Kennedy-Khrushchev "understanding" and, in case of this not being attained, those same Senators could submit a proposal for a Resolution to the Full Congress, in order to declare said agreement null and void, "which would open the doors to the adoption of necessary measures to eradicate communism from Cuba."

Dr. Benedi continued informing that those letters from the Senators point out that the Treaty of Tlatelolco (about the prohibition of nuclear weapons in Latin-America) in its Protocal II, signed and ratified by the Soviet Union, has been also violated by the introduction in Cuba of nuclear weapons by the Soviet Union, and that said treaty has not been signed or ratified by Cuba, precisely aiming at the introduction of those nuclear weapons to its territory.

Dr. Benedi also referred to the fact that subversive war and terrorism unleashed by the URSS through Cuba and Nicaragua necessarily lead to confrontation, since there is not other manner to accept and reponse to the communist challenge. Benedi invoked the Rio Treaty, that he has qualified as "the NATO of the Americas", to reiterate that communism is not negotiable in this continent, since—according to said Treaty—Marxism-Leninism is incompatible with the Inter-American System.

"Circumstances are set", Benedi said. "We are now in the process of necessary confrontation."

Upon commenting later on about President Reagan's speech on Wednesday, May 9, that is apparently his answer to the Senator's affirmations in their letters, Dr. Benedi underlined that those affirmations tend to strengthen his statements at the Patriotic Board's event, that is, that he (the President) "shall not tolerate communist colonies in Central, South or North America."

JUNTA PATRIOTICA CUBANA,
Washington, DC, May 15, 1984.

Dr. CÉSAR SEPULVEDA,
Chairman, Inter-American Commission for Human Rights, Organization of American States.

DISTINGUISHED MR. CHAIRMAN: In the capacity that I have accredited since the inception of that Commission, as Coordinator of almost all organizations & associations of former Cuban political prisoners in Washington, and representative of the Cuban Patriotic Board, it is my privilege to address you and, through your intercession the honorable members of that Commission, in order to express our gratitude for the opportunity given to us to appear before you, and also to manifest and denounce the following:

In the first place, Mr. Chairman and Honorable Members, we would like to set a record of our gratitude for two distinguished members of the Commission who are no longer here. We are referring to former Chairman of the Commission, Professor Tom Farer, who was so generous and considerate towards us, who at this same place, upon giving us the floor in one opportunity, said and later repeated: "We are giving the floor to Dr. Claudio F. Benedi, whom we deem as an ex-officio member of this Commission." This symbolic pronouncement has had a very high meaning for me, in my struggle for human rights in Cuba. We would also like to set a record of gratitude for Dr. Carlos Dushee de Abranches, the great Brazilian jurist, who helped us so much in the preparation of several reports and, above all, because he was the one who most stimulated us and contributed in a large measure to the insertion, in the annals of this struggle, my thesis about the Institutional Violation of Human Rights in Cuba, the specific cases of which are recorded in the Seventh Report.

Please allow me, as an action of required acknowledgement and respect, to salute the new members of this Commission, Dr. Luis Adolfo Siles Salinas and Mr. J. Bruce McColm, as we have previously done in the case of the distinguished Brazilian jurist, Dr. Gilda Maciel Russomano.

Due to the increase of persecution, repression and executions by firing squads in Cuba, after the completion of the Seventh report, it is incumbent upon us to denounce before you that the picture of violations of human rights in Cuba nowadays, far from diminishing, has been increased up to its becoming an affront for all free persons in the Americas and the World, and a challenge to the zeal, vigilance and performance of this Commission.

Executions by firing squads, that already surpass the 40,000, are being held daily. Young men who refuse to go to fight in Angola are being secretly executed. The same is true about those who refuse to leave for Ethiopia or other countries in Africa, Asia and Latin-America. Relatives of the victims are told that "they are performing an internationalist mission" and, in the utmost of cruelty, they are not even allowed to bury the dead bodies of their relatives. They shall never learn about them until the totalitarian communist regime in Cuba will be overthrown. Intervention by the Inter-American Commission on Human Rights might be able to slow down these fratricidal actions and at least allow for the victims' relatives to receive the bodies of their beloved ones and bury them in a Christian manner.

As to the relentless persecution by religious motives, besides those who have been sentenced to prison, taken to forced-labor camps and to the so-called "rehabilitation camps", that include all denominations, especially Christians, it is known that three Jehovah's Witnesses were executed by firing squad in June, 1983, and five more of them have been sentenced to the same punishment. There disappearances indicate that they might have already been executed. The Commission could, upon recording this denunciation, to proceed accordingly to try to save the latter five, or to learn what has happened to them. Their dissapearance is an omen for the worst.

Carlos Alberto Gutierrez, a young student from Santiago de cuba, was executed by a firing squad on August, 1983. He had been charged with painting slogans on walls against the totalitarian regime. We request of the Commission to ask for information about this young student from the Cuban communist regime.

Silvino Rodriguez Barrientos was sentenced to 21 years of imprisonment in 1962. He disappeared from the infamous Boniato prison in 1983, and it is not known if he has been executed. We request of the commission to intercede on behalf of Rodriguez Barrientos.

We also denounce before the Commission that five workmen, who had tried to establish a workers's union similar to Solidarity of Poland, had been sentenced to be executed by a firing squad. This sentence was reduced to 30 years imprisonment, just for trying to organize a workers' union under a regime that falsely purports itself as belonging to the working class.

Two hundred peasants, workers in the sugar cane industry, were also arrested and sentenced because of having joined the workers' union. We are told about these that eleven of them have been executed as a lesson, in order to avoid the anxiety for freedom that working persons feel throughout Cuba, because under the communist regime they have lost all achievements obtained previously, such as the right to strike, the right to work for 8 hours a day only, the right to change jobs freely, the right to assemble, the right to submit proposals to their respective enterprises. Under the totalitarian state, any demand regarding salary or of any other nature is deemed as counter-revolutionary.

The attorney who defended those five workers who intended to organize a Solidarity-type workers' union, my old friend and fellow student at the University of La Habana (we both studied Law and Social, Economic and Political Sciences together), Dr. Jorge Bacallao Pèrez, was imprisoned for political reasons and remains yet in the communist dungeons. We are worried about his life. We request of the Commission to petition the Cuban government for his release and permission to leave the island, if he would like to do so.

Dr. Nicasio Hernàndez de Armas was a Judge. He considered that the workers who wished to organize a Solidarity-type union had the right to do so, and interceded on their behalf. He was immediately imprisoned and it is not known what his fate has been. The regime's transgression is even more serious because the prisoner is a member of the Judiciary, but they want to have him become a lesson to frighten other members of the so-called Judiciary Power so they would not follow his example. We request of the Commission to intervene on his behalf, to be released and allowed to go abroad.

Political Prisoner Isaac Gòmez Camejo was sentenced to 30 years imprisonment in 1959. He is at the "Combinado del Este" prison. He is suffering from diabetes, muscular atrophy and one of his legs was amputated in 1983. He is only allowed a visit from relatives every three months. He was in the Military Hospital for 17 years, due to his extremely grave condition. After 25 years, he is still imprisoned. That is an excessively long and cruel sentence. We request of the Commission to intercede for him, as a humanitarian case, so he can be released and leave the island.

Over one million Cubans are in exile in the Americas and Europe, and they are not allowed to return to their country; besides, it would be a suicidal act, considering the nature of the regime that has subjugated Cuba into totalitarianism. In other countries of the Americas it is requested that exiles be allowed to return and given all possible guarantees, while the same is not requested for Cuba, that is, return and guarantees, because it is deemed as totally impossible. We have the case of Orestes González, a Cuban resident in the State of New Jersey, United States of America, who went to Cuba on December, 1981, and has been in prison since. We request of the Commission to intercede for his release. There are some other Cubans who have had the same happening to them. Cubans have been deprived of their citizenship. The Commission could also intercede in order for that human right to be respected.

Nicolás Guillén Landrián, a nephew of the Cuban poet who bears the same name, has been imprisoned after having been produced, as a playwright, "Café Arábigo" and "El Cielo de Toa." He has been sentenced to 10 years imprisonment for "ideological deviation" and "propaganda for the enemy." We request of the Commission to intercede for his release.

Over 10,000 Cubans took refuge in the Embassy of Peru of La Habana, as we stated before this Commission in due time. Since overcrowding was untenable there, the communist regime offered, after a great deal of international pressure, to grant safeconducts to those who could return to their homes, pending the processing of their cases to leave the island. Out of those who accepted safeconduct, some have been able to leave, but 2,500 of them have not. Some of the latter have not been able to leave because the communist regime does not allow them to; some others are imprisoned in the communist dungeons; still others have been executed and some more have disappeared. In order for the Commission to intercede in this case and clarify it, which might be a case of genocide, we request of the Commission, very respectfully, that it will petition the Peruvian Government in order for this to give the Commission a list of all of those who were in asylum at their Embassy in La Habana, to check that list with those who have left and learn exactly how many are supposed to be in Cuba yet. Then, the Commission would be in a position to request from the government of Cuba pertinent information as to the whereabouts of the latter and, in case some of them are still alive, to be allowed to leave.

Political prisoner Omar dèl Pozo tried to seek asylum; he was prevented to do it by the communist authorities and was imprisoned at the Guanajay prison. He was also trying to exercise his right of asylum. We request of the Commission to petition the Cuban government for his release.

Two Cuban young men, one of them a teacher, tried to take refuge in the Embassy of Venezuela, at La Habana, and both were murdered in sight of the Venezuelan diplomats. Is that the way the communist regime of Cuba shows respect for the right to asylum? We request of the Commission to interpose its efforts for the said right to be respected in Cuba.

Dr. Andres Vargas Gomez, a grandson of Generalisimo Maximo Gomez, one of the liberators of Cuba in the last century, was released after a long term of imprisonment, since 1961. He is in ill health and the communist regime does not allow him to leave. We are reiterating our request of the Commission, to petition the Cuban government for the former political prisoner, Dr. Andres Vargas Gomez, to be able to leave.

Poet Jorge Valls, about whom we have formulated denunications previously before this Commission, finished to serve a long sentence on May 8, 1984, but he has not been released. We request of the Commission to petition the Cuban government for the release of Jorge Valls and for him to be allowed to leave.

The communist regime continues to give a "cruel, inhuman & degrading treatment" to Cuban political prisoners, whose numbers exceed 15,000, among them the so-called "Plantados", over 200, and a majority of them in the infamous Boniato prison, where they are isolated, without any medical attention, lacking medicines and with a very deficient nutrition.

All of these political prisoners are given a merciless treatment; they are not considered human beings; their captors try to diminish and humiliate their dignity. They are subjected to physical tortures and psychological tortures, in order to overcome their resistance, because they refuse communist indoctrination.

Many of them are isolated in "drawers" (enclosed spaces where there is room for only one person, and even three are placed); Walled-up cells ("celdas tapiadas") where they cannot see the sun. Both male and female political prisoners are kept in walled-up cells, in the respective prisons. This procedure has continued even after the Seventh Report, because of which we request of the Commission to petition the Cuban government to cease that "cruel, inhuman and degrading treatment" for all Cuban political prisoners.

Pre-determined and fabricated sentences continue to be imposed by so-called "tribunals", incompetent courts made up by communist fanatics, who boast about their unheard-of cruelty. There are no procedural guarantees whatsoever, nor is there an independent Judicial Power. There is no State of Law nor there are the three separate powers, which exist in all civilized nations, as recommended by Montesquieu.

Dr. Orlando Bosch and his three colleagues are still imprisoned in Venezuela. Their summary has been repeatedly transferred from the military jurisdiction to the civilian one and back to the former. They have been imprisoned for the last seven years. Their charges have not been proven and they have been declared not guilty. Procedures followed in the case of these political prisoners have violated their human rights, as both Mrs. Adriana Bosch and the undersigned have denounced before this Commission, because of which we request of the Commission to intercede with the Government of Venezuela for the respect of the human rights to which Dr. Orlando Bosch and his colleagues are entitled.

We have left for the end our remarks about the Seventh Report, whose preparation was resolved four years ago, and the delay for same to be approved took an excessively long period of time, so much so that it could not be submitted to the XIII General Assembly of the OAS for its presentation to same, which we deplore.

The Sixth Report, approved at the same time as the Seventh, would have referred preferably to Cuban political prisoners, and the Seventh would emphasize our thesis about Institutional Violation of Human Rights in Cuba, and the violation of all other human rights defacto.

The replacement of Dr. Cristina Cerna, who has been intervening in the Cuban cases and had some experience and knowledge about the pertinent facts of same, by Dr. Luis Jiménez, worried us, because regardless of his capabilities he was new to that field and lacked the experience and knowledge about the Cuban cases that Dr. Cerna had, which could cause a delay in the preparation of the Report.

The Seventh Report included the Institutional Violations of Human Rights in Cuba, albeit they are not qualified or mentioned under that title, but they are sufficiently detailed, which pleases us.

The circumstances of Cuban political prisoners and the "Cruel, inhuman and degrading treatment" to which they are subjected, were also included with a sufficient degree of accuracy, although it was not mentioned, as it was done in the Fifth Report, that Cuban political prisoners received that "cruel, inhuman and degrading treatment."

We were surprised to read on the Seventh Report about human rights in the social, economic and cultural aspects, when there was a Resolution, that we precisely brought to the attention of this Commission, and even distributed copies of same, in which the XII General Assembly of the OAS resolved: "To direct the General Secretariat to prepare a pro-forma of an Additional Protocol to the American Convention on Human Rights, also known as the "San José Pact", which would define the social, economic & cultural rights referred to by the resolutive paragraph No. 9 of the AG/RES Resolution. Once prepared the pro-forma of the Protocol, the General Secretariat should send it to the respective government of the Member States, for these to submit their observations & recommendations, and for said pro-forma to be taken up during the XIII Ordinary Period of Sessions of the General Assembly." We believe that the XIII General Assembly resolved to transfer it to the consideration of the Member States, which means that the Additional Protocol has not yet been approved and hence it has not been defined either, in an express and clear manner, the scope of those rights and what would be their final definition. This important matter was, then, sub-judice, and we felt then and still feel now that it should not have been included in the Seventh Report.

Due to the reasons listed above, the Seventh Report incurred three appreciation errors about those rights, whatever the statistics or sources may have been that were utilized to mention them. The first error was to state that the Cuban people was "one of the best fed" in Latin-America, with the exception of Argentina, when it is common knowledge that the levels of feeding of the Cuban people have decreased to their lowest levels ever, basic staples have been rationed, people must file in lines ad nauseam and many of them are of an inferior quality. That is why the Cuban people is now malnourished, suffering of anemia and other illnesses.

The Report affirms that "there have been progresses in education", grossly overlooking a basic element of any kind of education, that is, freedom for same. There is no freedom of education in Cuba. The Cuban people had, before the communist takeover, one of the lowest indexes of illiteracy in the whole of the Americas, and the plans then existing and being implemented were intended to eradicate illiteracy in full by the '70s. Those educational systems built by our Western Judeo-Christian civilization along the centuries have been destroyed, and a Transculturation has taken place, with values and principles alien to those traditions, history and culture of the Cuban people, all of which eliminates any argument wielded in favor of the communist teachings or education, which in turn has steadily destroyed the Cuban National Spirit.

It is also affirmed, without any solid foundations, that there has been an advancement in medicine, when it is common knowledge as well that in Cuba there have come back some infirmities that had already been eradicated, some of them during the last century, as the so-called "dengue" (a kind of undulant fever), that has caused countless deaths. Medicines are scarce, low in quality, expensive and out of the reach of a majority of the population. Medicines are rationed too. Training received by Cuban M.D.'s, before the advent of communism, was one of the best, not only in the Americas, but also in the world, as it has been recognized in the major medical organizations worldwide. Nowadays, many physicians are improvised; they graduate from the learning centers without a sufficient degree of training and the Western medical technology, the most advanced in the world. Formerly, Cuba enjoyed that technology, that communist-subjugated nations lack. Even some Cuban communist leaders have come to the United States, or have gone to Europe, to get operated on. Cuban exiles have had to send medicines, medical instrument and instructions from the United States to their relatives in the island, and also from Europe, to help the infirm to recover. Children's hospitals, maternity hospitals, the Spaniard Regional Clinics (Asturian, Galitzian, Center for Tradesmen and others) the latter which for three or five dollars a month rendered internal & external medical assistance, plus medicines and hospitalization, were far better than those existing today, 25 years later.

It is really regrettable that a Seventh Report, that could be a landmark in the struggle for human rights in the Americas, because of having recorded among other items the Institutional Violation of Human Rights in Cuba, the principal and distinctive characteristic of communism (Marxism-Leninism), could not attain that goal.

We want to mention as well, regarding religious freedom, what the International Association of Cuban Priests in the Diaspora stated, and it was published on "Diario Las Americas", April 29, 1984: "The priests who assembled under the guidance of Cuban Bishops Eduardo Boza Masvidal and Agustin Román, openly condemned the communist regime of La Habana for keeping a 'gagged Church', that cannot speak up, that is not allowed to open new temples, that is systematically decimated and working in Cuba in the midst of unspeakable obstacles".

Those priests also stated that "the Church in Cuba is subjected to great sacrifices and attacks on the part of the communist regime, and that they send a fraternal salutation to their brethren living in Cuba and who, under crushing pressures by the regime, even lack the right to tell the world that they are oppressed."

Therefore, communist-subjugated Cuba is a clear case of anti-judiciary procedures or, rather, of lack of judiciary procedures, where a State of Law does not exist, and the Power of the Law does not exist in Cuba.

We request of you, Mr. Chairman, and the other members of that Honorable Commission of Human Rights, of the Organization of American States, to please consider all of the statements herein comprised and all of the denunciations effected, with the same elevation, consideration and respect that have been always afforded us, and that we may receive from you the same generous esteem granted us previously.

Yours very considerately,

Dr. Claudio F. Benedi,

Coordinator and Representative of the Majority of Former Cuban Political Prisoners Organizations, and of the Cuban Patriotic Board.●

MARIE NEWTON SEPIA

● Mr. CHILES. Mr. President, I would like to recognize an exceptional person, Marie Newton Sepia. She was an educator and a patriot, a woman dedicated to assuring a progressive future by enlightening our children. A thinker and a doer, Marie showed many of us just how great is the potential of an individual determined to better the world around her.

Mrs. Sepia graduated from the University of Michigan with a Bachelor of Arts degree in Music and a Masters in Business Administration. Her first career area encompassed both of these accomplishments. She worked as supervisor of music in her home State of Indiana and continued in this line of work after relocating to Virginia. Shortly prior to WWII, Mrs. Sepia changed positions to become a confidential secretary at the Newport News Shipbuilding & Dry Docking Co. Her transfer to Florida in 1942 brought her to the community she would remain a vital part of for 40 years.

Marie Sepia's commitment to service can be seen through her participation in many activities. She was a member of the Jacksonville Chamber of Commerce, the League of Women Voters, the Mandarin Garden Club, and the Episcopal Church. Marie is most recognized for her unflagging efforts with the Pilot Club of Jacksonville and its parent organization, Pilot International. Marie's contributions through both her local Pilot Club and Pilot International were phenomenal. In 1950, Marie founded the Robert Newton Fund—in the name of her late husband—of the Pilot Club of Jacksonville. The fund sponsors the participation of several Florida teachers at a workshop on teaching children with learning problems in Syracuse, NY. This fund exemplifies the commitment Marie Sepia held to education. It foreshadowed Marie's most amazing contribution to the education of tomorrow's leaders. Although Marie was involved in aiding the handicapped and the elderly, she felt that society's hope and assistance are best invested in our children.

A favorite quotation of Marie Sepia's was Edmund Burke's definition of leadership, "to use and guard jealousy the achievements of those who have preceded you, to work earnestly for the welfare of those who now depend on you; and to do all of this so as to leave a richer heritage for those who come after you." She more than supported the endeavors of the interested students. She made opportunities for those who had been without hope. During her term as president of Pilot International, Marie established a program that resulted in much more than the Distinguished Services Award that she received in 1979, presented to her by then Governor Ronald Reagan. Marie's program was the realization of a dream. Through CARE she made education available to thousands of underprivileged children in Guatemala. The slogan of her presidency was "Service—The Pulse of Progress," and she not only believed this statement, she proved it.

Marie Newton Sepia is gone, but what she believed should not be forgotten. The Marie Newton Sepia Scholarship Fund "to Teach the Educators of Disabled Children" was set up through the Pilot International Foundation. This fund was established to assist Florida teachers in continuing their education. The initial contribution was made by Marie's husband Fred Sepia. He feels that Marie's memory can best be preserved through action. A fund to promote education and assist in developing our most important natural resource is a fitting tribute to the ideals for which Marie Newton Sepia stood for and to her marvelous achievements.●

THE AMERICAN STEEL INDUSTRY: MYTH VERSUS REALITY: VII

● Mr. HEINZ. Mr. President, today I present the seventh in a series of brief statements which will appear periodically in an effort to elevate the level of debate on the crisis in the American steel industry.

I would like to discuss the attempts of the domestic steel industry to undertake the modernization efforts necessary to compete with foreign producers. Too often, opponents of import quota relief for steel producers have cited the lack of effort by the industry to rationalize outdated capacity and modernize effectively. This assumption is refuted by David Cantor in a recent CRS study, "America's Steel Industry: Modernizing to Compete." Mr. Cantor outlines the recent efforts of steelmakers to implement aggressive modernization and efficiency policies.

The recent determination of injury, due primarily to imports, by the International Trade Commission for much of the American steel industry has made the seriousness of the situation clear to many. Yet critics remain who would deny an effective remedy on the basis of the industry's alleged unwillingness to help itself. In order to dispel such a false impression, I am offering some further myths and realities about the modernization efforts of the American steel industry.

Myth: The American steel industry has refused to eliminate its inefficient and obsolete open-hearth steelmaking equipment.

Reality: According to a recent CRS study by David Cantor, U.S. steelmaking capacity has declined by nearly 22 million tons since 1979 or about 12.8 percent—from 172 million tons in 1979 to 150 million tons in 1983. This reduction in American capacity accounts for over 54 percent of the worldwide decrease of 40 million tons between 1979 and 1983. An important cause of the drop in American and world steelmaking capacity is the determination of American producers to rationalize obsolete and inefficient open-hearth capacity is the determination of American producers to rationalize obselete and inefficient open-hearth capacity. In 1980, open-hearth furnaces accounted for 22 percent of world steel production capability or about 255 million tons. By 1983, open-hearth furnace capability had dropped 197 million tons of crude steel or about 18 percent of world capacity. Worldwide, open-hearth capability declined by 23 percent or 58 million tons.

In the non-Communist world, open-hearth capacity fell from 70 million tons in 1980 to only 35 million tons in 1983, a decrease of 50 percent. The U.S. contributed the most among non-Communist states to the rationalization of open-hearth furnace capacity. In 1980, U.S. open-hearth capability equalled 20.5 million tons, falling by 9 million tons to 11.4 million tons in 1983 or by 45 percent. However, these furnaces still account for 7.6 percent of total U.S. steelmaking capacity which is greater than most other non-Communist countries and a primary target for further reductions.

Myth: Basic oxygen furnaces [BOF], which essentially replaced open-hearth furnaces and have been in use in the United States for over 30 years, have not been replaced in the United States by more modern, technologically advanced equipment.

Reality: The American steel industry has reduced its capacity in basic oxygen furnaces. Between 1980 and 1983, basic oxygen furnace capacity fell from 96.5 million tons in 1980 to about 88.6 million tons in 1983. This 8-million ton decrease represents a percentage decline in BOF capability of about 8.2 percent. Other industrial nations have eliminated large amounts of their BOF capacity—during this period, Belgium and the Netherlands showed a decrease of 3 million tons or 9.4 percent and Japan, a reduction of 4 million tons or 2.6 percent.

In response to the prospect of slow growth in demand, steel producers in Western Europe, Japan and the United States have rationalized their older BOF furnaces which are relatively inefficient since they do not embody the latest state of the art technological advances. Worldwide, BOF capacity has increased as Communist states replace open-hearth furnaces and Third World nations expand their use of this process. In order to remain competitive, U.S. producers have attempted to eliminate their most inefficient capacity and replace it with more technologically advanced equipment.

Myth: The American steel industry has not made positive progress by installing the latest technology available on the market.

Reality: Efforts in the industry to increase competitiveness have included modernization in the form of capital widening. U.S. steel capability overall has been enhanced by greater use of the most widely used and newest steelmaking process, the electric furnace. From 1980 to 1983, U.S. electric furnace capacity grew by about 3.5 million tons or 7.5 percent. In the non-Communist world, the U.S. electric furnace capability is larger than any other state. Although limited in the range of products and the control of the scrap used, electric furnaces are more efficient than the BOF process since they use scrap as their basic raw material input. Savings in energy and total labor input increase the competitiveness of American steel by lowering production costs.

American producers have also invested in continuous casters, which allow molten metal to be processed directly into semifinished shapes rather than being first cast into ingots. Although U.S. producers were slower moving into this new technology than their competitors abroad, recent years have witnessed one of the highest rates of growth of output produced. Over the period from 1979 to 1983, the output of continuously cast steel increased by over 3 million tons, growing at an annual rate of 3.4 percent. The American share of total output from this process increased from 16.9 percent to 26.3 percent. According to Cantor's study, since 1981, only emerging Third World nations had higher rates of growth of continuously cast output than the United States. Thus, accelerated use of continuous casting in the U.S. is helping the steel industry to overcome the technical advantages once held by foreign competitors.

Myth: U.S. producers are not working to improve the efficiency of production processes or the quality control techniques relating to existing equipment.

Reality: Producers are actively seeking to increase productivity by improving yield and to enhance efficiency by reducing the rejection rate of steel products by their users. For example, ladle refining is being actively used by American steel firms, a process which refines steel while in the ladle rather than in the smelting furnace. United States Steel Corp. and Bethlehem Steel Corp. recently received funds from the Department of Energy to aid in the development of new strip-casting techniques. These are just two examples of steel producers developing and using new technologies to produce better products.

U.S. steel firms are increasingly moving toward improvements in quality control. Presently, robotics are being employed in American plants for some processes. Foreign competitors in Japan are using optical and electronic devices to monitor quality and in West Germany, lasers are being used to discover defective products. The American industry is moving to adopt such measures to achieve competitiveness with the rest of the world.

Quota relief from imports would supplement the modernization efforts presently being made by the steel industry. For this reason, support is needed for S. 2380, the Fair Trade in Steel Act, which would provide a comprehensive policy geared toward helping the American steel industry compete against unfairly priced and traded imports.●

IMPORT PROTECTION FOR DOMESTIC AUTOMOBILE INDUSTRY

● Mr. CHAFEE. Mr. President, I have maintained for some time that import protection for the domestic automobile industry is no longer needed because of the harm to the consumer and the distortion caused to the international trading system. One would assume that voluntary restraints by the Japanese on their car sales here were indeed helping the U.S. auto industry to revive and become more competitive, albeit at the expense of the consumer.

However, a recent study by a Brookings Institution economist has concluded that the voluntary restraints have helped the Japanese auto makers more than the American producers. The economist, Robert W. Crandall, has determined that major Japanese auto companies made more money from 4 years of limited sales than American producers the quotas were designed to help.

In fact, Japanese companies increased their earnings by about $2 billion annually because of higher prices they charged for their cars sold here, while Detroit car makers earned about $1.42 billion in extra sales.

Mr. Crandall's study which I submit for the RECORD documents the exorbitant costs to consumers—about $4.3 billion last year—because of increased prices of both American and Japanese cars.

We are now examining the benefit of 4 years of protection for the domestic automobile industry and debating controversial domestic content legislation or continued protection. This study demands our careful review and attention.

I request that Mr. Crandall's report, "Import Quotas and the Automobile Industry: The Costs of Protectionism," be included in the RECORD at this point.

The report follows:

IMPORT QUOTAS AND THE AUTOMOBILE INDUSTRY: THE COSTS OF PROTECTIONISM

(By Robert W. Crandall)

The American automobile industry had a very good year in 1983: New car sales jumped up by nearly one million units, and, as has been well-publicized, after-tax profits soared to a record $6.2 billion. But the industry is not quite as robust as these statistics suggest. U.S. automobile companies have been playing with a home-field advantage—quotas on Japanese imports, negotiated in 1981 and now extended through 1985.

This article explores the effects of the quotas—on automobile prices and on the profits of domestic manufacturers. The essay begins, however, by tracing the recent history of the automobile industry; it is important, in assessing the impacts of the quotas, to understand why they were sought in the first place.

THE PAST AS PROLOGUE

Sales.—Before the 1958 recession, the U.S. automobile industry appeared to be a stable, invincible oligopoly. From time to time, ardent trustbusters would suggest that the government should initiate antitrust proceedings against General Motors in order to increase competition in the industry. It seemed highly unlikely that foreign producers would ever be able to capture a substantial share of the U.S. market. Although Volkswagen enjoyed some success in the late 1950s, import sales then tapered off—dropping below five percent of total sales by 1962, as Table 1 indicates.

That decline proved to be short-lived; in the next eight years, the proportion of U.S. sales accounted for by imports tripled, settling at about 15 percent for the years 1970-74. Ford and General Motors responded to the stepped-up competition from small imported cars by launching their Pinto and Vega model lines, but neither of these proved particularly successful. When the second oil shock occurred in 1978-79, fuel-efficient foreign cars became more popular than ever; in 1980, 28 percent of the new cars registered were imports.

While the sales of imports have increased since 1965, growth in the demand for new cars has decreased. From 1965 through 1970, sales were essentially flat, deviating little from an annual rate of nine million cars; this leveling-off came after more than a decade of substantial sales growth. Sales were at a higher plateau between 1971 and 1979, averaging about ten million cars per year, but most of this increase was absorbed by imports, particularly those from Japan. As a result, even during the relatively prosperous period of 1976-79, the demand for domestic cars was about the same as it has been in 1965-66. That demand then plummeted during the first four years of the 1980s, as U.S. manufacturers managed to sell only about 6 million new cars per annum—far below their totals in the recession-plagued years of 1970 and 1975.

As Table 2, shows, the profit rates of U.S. automobile manufacturers fluctuated wildly during the 1970s, ranging between 6.1 percent and 18.7 percent on equity. Then, in 1980, the bottom fell out; the firms lost $4 billion on sales of 6.3 million cars. This was the worst year in the industry's history; its profit rate of −9.3 percent was 23.2 percent below the average for all manufacturing. When sales had declined sharply in 1970 and again in 1975, U.S. manufacturers had managed to earn positive rates of return. In 1961, with sales of only 5.2 million cars, the companies had earned 11 percent on equity. Clearly, the industry's difficulties in 1980—and in the two years that followed—reflected more than just cyclical swings in the economy. What had gone wrong?

Regulation.—One source of vexation has been the federal government, which has saddled the industry with a succession of new regulatory requirements. Safety regulation began in 1966, federal emissions controls in 1968, and fuel-economy regulation in 1978. The costs of safety and emissions regulation have been substantial; as Table 3 shows, they reached nearly $2000 per car by the early 1980s.

Prior to 1972, emissions control costs were negligible, and safety equipment costs were less than $200 per car. Both categories of costs then rose sharly, however. Automobile manufacturers struggled with the technology of emissions control while trying to convince the government that its timetable for control was much too stringent. For at least two years and perhaps longer, the companies used relatively inefficient fixes to constrain emissions. The results were poor performance, severely depressed fuel economy, and widespread customer dissatisfaction.

At about the same time, the Department of Transportation was imposing two major new safety regulations on the industry—requirements for seat belt interlocks and energy-absorbing bumpers. The interlock requirement was quickly repealed by Congress in response to bitter complaints from new-car buyers, but manufacturers had already spent time and money on the design and fabrication of interlock systems. The bumper requirement was surely a masterstroke of bad timing; it added substantially to the weight of the cars—and detracted significantly from their fuel economy—just as the Arab oil embargo was driving gasoline prices up.

The second big regulatory surge came in 1980-81. The industry managed to stave off a new requirement for passive occupant restraints, but only at the last minute. Product planners had to be prepared to install passive seat belts or air bags in some models in 1982 before the Department of Transportation relieved them of this requirement in mid-1981. In addition emissions standards were tightened substantially in 1980-81 necessitating major changes in ignition systems and control devices.

Unfortunately, these regulatory initiatives came right after the second oil shock and an attendant surge in the sale of Japanese imports. At the same time that U.S. manufacturers were struggling to redesign and downsize their cars as quickly as possible, they had to introduce new emissions-control technologies and to develop passive restraint systems. The Japanese car companies appear to have adjusted to the regulatory requirements more readily than their American rivals, perhaps because they did not need to downsize their product line simultaneously.

Many of the safety equipment requirements, and at least the early phases of emissions controls, appear to have been effective, but the gains they produced have not been without their costs. For consumers, safety and emissions standards have increased the prices of new cars by at least $1000 and reduced both fuel economy and performance; for automobile companies, as a result, they have reduced the demand for new cars. Had emissions controls been kept at 1979 levels and the energy-absorbing bumper left a matter of market choice, new car sales would have been higher and regulatory headaches fewer for an increasingly besieged Detroit.

More recently, the Corporate Average Fuel Economy (CAFE) standards, legislated by Congress in 1975 and implemented by the Department of Transportation, have placed U.S. companies in the difficult position of trying to meet the resurgent demand for larger cars while still making progress towards the 1985 goal of 27.5 miles per gallon for their fleets.

Product Quality. An unfortunate consequence of the turbulence of the 1970s was a sharp decline in the product quality of U.S. automobiles relative to that of Japanese imports. This decline was reflected not only in the "fit and finish" of cars—that is, the fit of body panels and the general quality of exterior finish—but also in the frequency of repairs. In 1970, as Table 4 shows, the repair records of U.S. cars were only marginally worse than the records of Japanese imports in the first few years of service. These differences may have narrowed or disappeared in later years of service. By 1976, however, Japanese cars had much better repair records than their American counterparts—and this gap has persisted and even widened in the years since then. It should be noted that the continuing declines in quality reported in Table 4 are not confined to the new downsized front-wheel drive models, but have occurred across the entire model lines of the U.S. companies.

Production Costs.—The quality advantage of Japanese cars was no doubt one factor in the shift of American buyers toward imports; another factor was the loss of U.S. competitiveness in the production of smaller cars. Since 1980, there have been numerous attempts to quantify the differences between U.S. and Japanese production costs for subcompact cars. Estimates of the Japanese advantage range from $1,300 to $2,500 per car, a substantial fraction of the average delivered price of these models. Those who have studied this question agree that the main sources of the cost disparity are differences in wage rates, labor productivity, management practices, and inventory costs.

Part of the U.S. industry's problem derives from its own collective bargaining; it has granted large wage increases to its unionized workers rather than risk strikes or labor unrest. As indicated in Table 5, the result has been hourly employment costs that are about 60 percent above the average for all U.S. manufacturing firms. In Japan, by contrast, automobile companies pay their workers only 25 percent more per hour than what the average Japanese industrial worker receives. Moreover, the differences between the hourly employment costs of U.S. and Japanese car manufacturers has been widening—from about $6 in the mid-1970s to about $11 now—even though productivity growth in the Japanese firms has been more rapid.

In 1982, the UAW agreed with Ford and GM to forgo some wage increases in order to stem the flow of red ink from these companies' domestic financial statements. These agreements followed similar, but larger concessions granted to Chrysler in previous years. In addition, the industry has attempted to increase productivity by investing in labor-saving equipment and improving worker morale. At this juncture, there is insufficient evidence to judge the success of these attempts. Indeed, General Motors' decision to produce subcompacts jointly with Toyota in California appears to be an attempt to break out from the restrictive work rules with which it is saddled in other plants.

PAYING FOR PROTECTION: THE IMPORT OF QUOTAS

In 1980, the U.S. industry began to appeal for temporary protection from Japanese imports. In July, 1980, the International Trade Commission initiated an investigation under Section 201 of the Trade Act of 1974. This proceeding did not result in an ITC decision to recommend trade relief measures. In 1981, however, President Reagan announced that agreement had been reached with Japan on a voluntary export restraint (VER) that would limit Japanese automobile exports to the United States, beginning that April, to 1.68 million cars per year.

The Reagan decision did not arouse much opposition since it followed a year in which U.S. automobile manufacturers lost approximately $4 billion. Employment in the industry had fallen by more than 20 percent; approximately a third of that decline was due to a sharp rise in import sales. Moreover, the Chrysler Corporation had recently been saved from bankruptcy by federal loan guarantees, and Chrysler workers had taken substantial pay cuts.

The voluntary export restraint negotiated with Japan was renewed in 1983 for the 1984-85 period, but with a slightly higher limit of 1.85 million cars per year. By 1983, however, the industry had returned to at least the appearance of financial health, generating more than $6 billion in after-tax profits. The price of Japanese cars surged, U.S. manufacturers paid substantial bonuses to their executives, and commentators began to question the wisdom of continuing the restraint agreement with Japan.

The Rationale.—The Reagan administration obtained temporary quotas on Japanese imports in order to buy the U.S. automobile industry and its workers time to adjust to the new rigors of world competition. It anticipated that during this adjustment period, car companies might undertake the substantial tooling required for the manufacture of new models, launch major investment programs designed to lower productions cost in existing plants, establish new plant configuration, reduce inventory costs, and seek changes in union work rules and wage agreements. After a few years, the industry would be able to compete effectively once again--unless its cost disadvantages were rooted in fundamental economic forces beyond its control, such as exchange rates, raw material costs, or a shift of comparative advantage to lower-wage countries.

There was and is another possible outcome: Trade protection might simply provide an opportunity for increases in automobile prices, wages, and company profits. A reduction in the availability of imports inevitably increases the demand for U.S. automobiles, opening the door for price hikes. The resulting increases in profits could provide an enticing target for union negotiators in the next round of bargaining. With foreign competition temporarily (or permanently) reduced, workers have less incentive to moderate their wage demands or to allow fundamental changes in work rules.

Which of these outcomes seems more likely? Past experience with trade restrictions hardly suggests that they offer a guarantee of industrial renaissance. The steel industry has enjoyed some form of protection over most of the past fifteen years, but it has not recovered. Trade protection for manufacturers of television receivers or shoes have hardly returned the U.S. to a dominant position in these industries. If past experience is any guide, one should not expect the Japanese VERs to be a miracle cure for the U.S. automobile industry.

The Industry's Adjustment.—In fact, U.S. companies had begun to adjust to the new world of high gasoline prices and international competition some time before the VERs took effect. There is every reason to believe that the industry was well on its way to renewed competitiveness. Manufacturers had focused more on small cars since the two oil shocks, and by 1981 had reduced the average weight of a domestic car 30 percent from its 1972-73 high. Similarly, by 1980 the industry was selling 40 percent of its cars with four-cylinder engines, up sharply from 9 percent in 1972-73. Fuel economy was up by more than 25 percent over what it had been in 1972-73 for cars of the same weight and horsepower; actual fuel economy increased much more than that, as buyers shifted to smaller cars.

The investment expenditures of the automobile companies are further evidence of their pre-1981 adjustment efforts. Between 1975-76 and 1979-80, as Table 6 shows, real investment outlays increased by more than 88 percent. More focused census data show that investment in plant, equipment, and special tooling rose more than 87 percent over the same period. In short, the industry had invested enormous sums in new models before the establishment of quotas. Since 1981, real investment expenditures by the automobile industry have fallen by 30 percent. Buyers have begun once again to demand larger cars; eight cylinder cars accounted for 31 percent of 1983 sales, up from 24 percent in 1981. New or modified models abound: Ford has introduced a new series of front-wheel drive cars and a modified version of its older rear-wheel drive Thunderbird; Chrysler has added a new sports car and a series of vans to its product line; and General Motors has downsized its larger cars. But the major changes were in place before the quotas were; by March, 1981, Ford's Escort, Chrysler's Aries-Reliant, and General Motors' X-, J-, and A-body cars were either on the market or nearly ready for introduction. It is difficult to trace any differences in product offering to the quotas.

Nor has productivity soared as a result of the quotas. Between 1977 and 1982, productivity growth in the motor vehicle industry was 0.4 percent, as compared with 0.2 percent in the nonfarm business sector. From 1980 to 1982, the industry outperformed the rest of the nonfarm business economy, but, given the depth of the 1982 recession, it is difficult to draw any firm conclusions from these data. When 1983 data become available, we may be able to say a little more about the impact of recent attempts to streamline automobile production processes.

Effects on Automobile Prices.—There is no doubt but that by creating an artificial scarcity of Japanese imports, the voluntary restraints have increased the prices charged for these cars; the only question is by how much. A 1983 Wharton Econometrics study estimated that as a result of the quotas, the prices of Japanese imports jumped up an average of $920 to $960 per car in 1981-82 alone. With the surge in demand that took place in 1983, this price effect has surely increased substantially—which means that our assistance for the U.S. industry has benefited Japanese producers and their dealers by at least $2 billion per year in price enhancement! From the standpoint of American taxpayers, a tariff clearly would have been a better policy choice than the voluntary restraints.

The effect of the restraints on the prices of U.S. cars is more open to dispute. It is not easy to estimate this effect because the mix of automobiles is constantly changing. Indeed, some industry officials believe that any recent price increases above the cost of producing cars have been due to mix changes, not imports. But if the VERs reduce the potential supply of new Japanese cars in the United States (and they surely do), they must increase the demand for American automobiles. Historically, the average price of automobiles in the United States has varied directly with the strength of demand; therefore, one would expect the VERs to increase the prices of domestic cars.

Assume for a moment that the VERs have simply increased the U.S. industry's market share by 5 to 8 percent, without increasing prices; given the trend in import sales between 1978 and 1981, this range probably represents the maximum effect of the quotas on market shares. In 1983, a 5 to 8 percent shift would have meant the purchase of an additional 445,000 to 712,000 domestic cars, assuming no effect on total car sales. My current research suggests that the marginal profit on these cars, before taxes, would have been about $2,000 per car—for a total of $0.89 to $1.42 billion, less than the gain realized by Japanese companies and their dealers. (Of course, if the VERs have increased domestic car prices, then the additional profits made by U.S. manufacturers would be substantially higher.)

I used several techniques to estimate the impact of the quotas on domestic car prices, and while I would not claim that the results of any one of the tests are definitive, the fact that the outcomes are so similar does suggest that the price effect of the quotas is in the range indicated.

One way to gauge that effect is to relate U.S. car prices to costs and demand over a substantial period of time and then to use the resulting equation to predict prices under the VERs in 1981-83. I developed a pricing model for the period 1961-80, incorporating labor costs, capital costs, regulatory requirements, the price of steel, the strength of demand, and dummy variables for years of price controls. As indicated in part 1 of Table 7, the model tracks the annual average prices of new cars in this 20-year period with an average error of only about $56. However, the equation underestimates prices for 1983 by more than $800 per car and for 1981-83 by a yearly average of $430. Since the model was built using the Commerce Department's series on actual transactions prices, it reflects discounts from list prices. It does not, however, standardize for changes in the mix between small and large cars or in the mix of options. These changes occurred in the 1960s and 1970s, and the equation tracked prices very well for those two decades. The only major difference between the 1970s and, say, 1983 is the presence of an import restraint; it seems reasonable to infer that the VER must account for a substantial share of the excess of actual prices over predictions.

A second method for analyzing shifts in automobile prices is the use of a so-called hedonic model that reflects the qualitative attributes of each car. I gathered data on 176 domestic models tested by *Consumer Reports* from 1970 through 1983; complete data were available for 172 of these cars. The following factors were included in the model: weight, acceleration, the estimated quality of ride, the estimated handling capability, the cost per mile of gasoline consumed, and the size-class of the car (subcompact, compact, intermediate, full size, or luxury). When specific dummy variables are used for each year, the model estimates that the real list price of small cars increased by 2 percent, or $826 per car, in the 1981-83 period. These increases in the real price of cars, holding the qualitative attributes constant, include the effects of tighter emissions control standards set by the government in 1980-81. These standards added $454 (1982$) to the cost of small new cars, which must be deducted from the estimated increase in the real, quality-adjusted price. Thus, as shown, in part 2 of Table 7, the hedonic model estimates that the quotas increased list prices by an average of about $370 per car in 1981-83. This calculation does not reflect changes in dealer discounts and rebates; inasmuch as rebates have narrowed substantially since March, 1981, the estimate is undoubtedly biased downward.

Finally, one can assess the impact of the VERs by examining the behavior of the Consumer Price Index for new cars since March, 1981. Historically, the CPI for cars has risen less rapidly than the total CPI. Part of the reason for this differential is that the Bureau of Labor Statistics deducts estimated improvements in quality—including regulatory costs—from price increases for automobiles. The total adjustment for quality improvements in 1981-83 was nearly $850, of which about $700 reflects regulatory costs. Since most other components of the CPI are not similarly adjusted, the new-car CPI should rise less rapidly than the total index, *ceteris paribus*.

The new-car component of the CPI increased by only 0.3 percent per year in the 1960s while the CPI as a whole rose by 2.7 percent per year. In the 1970s, the corresponding figures were 5.1 percent and 7.5 percent. But since the inception of import quotas, the difference has narrowed remarkably. From March, 1981 through December, 1983, the new-car component of the CPI increased by 4.5 percent per year and the overall CPI by 4.9 percent. Had the 0.68 ratio of the 1970s persisted, we would have expected the new-car component to advance only 3.3 percent per year during this period—1.2 percent less than actually observed. If the prices of domestic cars had risen at this lower annual rate, then, as part 3 of Table 7 indicates, they would have been an average of $368 less than they were.

Equally striking is the behavior of the new-car CPI in the period just after the import quotas were introduced. From April through December, 1981, the new-car CPI increased at a 10.3 percent annual rate, after rising at a 4.1 percent rate for the preceding 14 months. This surge occurred during a continuing decline in demand.

The various calculations just discussed are likely, for three reasons, to underestimate the impact of the quotas. First, they do not take into account the sizable interest rate subsidies that were offered in 1981. Second, the continued appreciation of the dollar and the improvement in the relative quality of Japanese automobiles would have placed relatively more downward pressure on U.S. car prices in 1981-83 than in previous periods. It there had been no quotas, we surely would have expected U.S. car prices to reflect increasing import competition. Finally, wage rates paid by U.S. automobile producers grew somewhat less rapidly than average U.S. wages in 1980-83, after having increased more rapidly in 1975-80. Absent the quotas, these lower wage costs would have been reflected in new car prices.

Profits.—As a check on these estimates, one might look at the before-tax profits of the companies. If prices increased abnormally relative to costs, profits should have risen relative to their historical relationship with volume. To test for this outcome, I used the Commerce Department's estimate of domestic profits (before taxes) in the motor vehicle industry, adjusted for changes in inventory valuation. Table 8 shows the very strong recovery in pretax profits since 1980. Despite much lower sales volumes, the real profit per domestic vehicle produced has rebounded to 1978-79 levels. In fact, on the sale of fewer vehicles than were sold in 1975, real profits per vehicle in 1983 were more than double what they had been in that earlier year. When before-tax profits, deflated by the CPI, are fitted to total vehicle sales (including trucks and buses), the import share, a dummy variable for the 1973-74 price controls, and a dummy variable for the 1981-83 period, the results show that profits have risen by 50 percent over 1960-80 levels for the same levels of vehicle production. This translates into $280 per vehicle, including large cars, trucks, and buses. Since import restraints have not raised truck and bus prices and have had less of an impact on the prices of large cars than on those of small cars, the effect per small car must have been substantially greater than $280. These increases in profits may have been due in part to productivity gains, but a substantial share of the explanation must be the price effects of import restraints.

Employment.—It is difficult to see how the VERs could have shifted more than 5 to 8 percent of the U.S. market from Japanese imports to U.S. cars in 1981-83. At most, a market share increase of this magnitude might have saved 46,000 jobs in the domestic automobile industry. (The total number of factory workers would have risen by about 7.7% from the 1983 level of 600,000, or about 46,200. The 7.7% figure is based upon a 0.7 elasticity of employment with respect to output.) Unfortunately, the cost of preserving these jobs through trade protection has been extremely high.

What that cost has been depends upon the extent of relative-price effects, welfare losses in production, and welfare losses in consumption caused by constrained consumer choice. Concentrating only on the price effects, if the average price of U.S. cars has risen $400 and the average price of Japanese imports has gone up $1,000, the cost to consumers in 1983 was $4.3 billion plus additional losses in consumer welfare due to the VERs constraint on the choice of cars. The cost per job saved, therefore, was nearly $100,000 per year. Employment creation at this cost is surely not worth the candle.

It is possible that the number of jobs saved was substantially less than 46,000 and that the per-job cost estimate just presented is overly conservative. Falling gasoline prices and the increasing demand for larger cars should have offset some of the rising pressure on small-car sales caused by a depreciation of the yen against the dollar in 1981-83. An eight percentage point shift in market share translates into an import share of 35.5 percent in 1983 without the quotas. This would have required Japanese imports of 40 percent more than the quota level in 1983. While it is conceivable that Japanese imports would have risen by this much, it seems unlikely; such an increase would have required a very high price elasticity of demand for these cars, little reduction in U.S. auto prices to meet the competition, or both. Without the quotas, it is likely that U.S. automobile prices would have been lower, thus restraining the shift to the Japanese models.

CONCLUSION

As this article is being completed, the Japanese government is beginning to express support for the restraints on automobile exports to the United States. This support has come as a "surprise" to U.S. trade officials, according to news reports. If the restraints raise the price of Japanese cars in the United States by $1,000 per vehicle or more, the Japanese should be pleased indeed—unless, of course, a slightly tighter or looser restraint would increase their profits even more.

Given the scant evidence that these quotas are advancing the competitiveness of the U.S. automobile industry, their desirability turns on whether Americans wish to pay large premiums on their cars in order to increase the employment of auto workers at wages far above the manufacturing average. Indeed, because they have produced high profits in the industry, the VERs may actually lead to a widening of this wage differential in the 1984 contract negotiations. If that happens, the political necessity for quotas will increase, and future presidents will have difficulty arguing that the domestic automobile industry should once again face the rigors of international competition.

TABLE 1.—U.S. NEW CAR REGISTRATIONS, 1960-83

[In millions]

	Domestic cars	Imports	Total	Import share (percent)
1960	6.1	0.5	6.6	7.6
1961	5.2	.4	5.6	6.5
1962	6.6	.3	6.9	4.9
1963	7.2	.4	7.6	5.1
1964	7.6	.5	8.1	6.0
1965	8.7	.6	9.3	6.1
1966	8.3	.7	9.0	7.3
1967	7.6	.8	8.4	9.3
1968	8.4	1.0	9.4	10.5
1969	8.3	1.1	9.4	11.2
1970	7.2	1.2	8.4	14.7
1971	8.5	1.3	9.8	15.1
1972	9.0	1.5	10.5	14.5
1973	9.7	1.7	11.4	15.2
1974	7.3	1.4	8.7	15.7
1975	6.8	1.5	8.3	18.2
1976	8.4	1.4	9.8	14.8
1977	8.8	2.0	10.8	18.3
1978	9.0	1.9	10.9	17.8
1979	8.0	2.4	10.4	22.7
1980	6.3	2.5	8.8	28.2
1981	6.0	2.4	8.4	28.8
1982	5.5	2.3	7.8	29.3
1983	6.4	2.5	8.9	27.5

Source: Automotive News.

TABLE 2.—AFTER TAX RATE OF RETURN ON EQUITY—U.S. AUTOMOBILE COMPANIES, 1960-83

	Motor vehicles	All manufacturing
Year:		
1960	13.5	9.2
1961	11.4	8.8

TABLE 2.—AFTER TAX RATE OF RETURN ON EQUITY—U.S. AUTOMOBILE COMPANIES, 1960–83—Continued

	Motor vehicles	All manufacturing
1962	16.2	9.8
1963	16.7	10.2
1964	16.9	11.6
1965	19.5	13.0
1966	15.9	13.4
1967	11.7	11.7
1968	15.1	12.1
1969	12.6	11.5
1970	6.1	9.3
1971	13.0	9.7
1972	14.6	10.6
1973	15.3	13.0
1974	7.0	14.9
1975	6.2	11.6
1976	17.0	14.0
1977	18.7	14.2
1978	17.0	15.0
1979	10.9	16.5
1980	−9.3	13.9
1981	−.7	13.7
1982	.9	9.2
1983	16.7	10.1

Source: Federal Trade Commission.

TABLE 3.—THE COST PER AUTOMOBILE OF FEDERAL SAFETY AND EMISSIONS REGULATION, 1966–81

[Current dollars per car]

	Equipment costs			Total costs [1]
	Safety	Emissions	Total	
Year:				
1966	40	0	40	40
1967	73	0	73	73
1968	115	14	129	129
1969	129	15	144	144
1970	157	24	181	181
1971	166	25	191	191
1972	171	25	196	366
1973	258	44	302	790
1974	380	49	429	970
1975	358	119	477	664
1976	373	126	499	696
1977	384	123	507	850
1978	393	133	526	895
1979	421	148	569	980
1980	467	222	689	1,373
1981	494	600	1,094	1,894

[1] Including maintenance and fuel economy penalty.

Source: Crandall, et. al., ch. 3.

TABLE 4.—AVERAGE CONSUMER REPORTS QUALITY RATINGS FOR UNITED STATES AND JAPANESE CARS

	Japanese imports	GM	Ford	Chrysler
Year:				
1970	2.33	2.81	3.18	3.85
1976	1.13	3.03	2.80	3.91
1981	1.05	4.33	3.17	4.50

Note: 1—much better than average; 2—better than average; 3—average; 4—worse than average; and 5—much worse than average.

Source: "Consumer Reports," April 1972, April 1978 and April 1983.

TABLE 5.—TOTAL HOURLY COMPENSATION IN THE MOTOR VEHICLES INDUSTRY AND ALL MANUFACTURING—UNITED STATES AND JAPAN

[Dollars per hour]

	United States		Japan	
	Motor vehicles	All manufacturing	Motor vehicles	All manufacturing
Year:				
1975	9.44	6.35	3.56	3.05
1976	10.27	6.93	4.02	3.30
1977	11.45	7.59	4.82	4.03
1978	12.67	8.30	6.85	5.54
1979	13.68	9.07	6.90	5.49
1980	16.29	9.89	6.89	5.61
1981	17.28	10.95	7.65	6.18
1982	18.66	11.68	7.18	5.70
1983	19.02	12.31	7.91	6.24

Source: Bureau of Labor Statistics.

TABLE 6.—U.S. MOTOR VEHICLE AND EQUIPMENT PRODUCERS GROSS INVESTMENT EXPENDITURES, 1970–83

[In millions of dollars]

	Current	1972 [1]
Year:		
1970	3,050	3,341
1971	2,420	2,516
1972	3,000	3,000
1973	3,830	3,630
1974	4,300	3,726
1975	3,350	2,534
1976	3,620	2,612
1977	5,820	3,978
1978	7,215	4,590
1979	8,305	4,862
1980	9,060	4,866
1981	10,078	4,992
1982	7,920	3,777
1983	7,233	3,496

[1] Using BEA implicit price deflator for nonresidential plant and equipment.

Source: U.S. Department of Commerce.

TABLE 7.—3 ESTIMATES OF THE EFFECT OF QUOTAS UPON U.S. CAR PRICES

	Effect
1. Average price of new domestic cars sold—(labor cost, capital cost, regulatory cost, price of steel, 1972–74 price controls, vehicle sales).	
Period of estimation: 1961–1980. Standard error: $56. Excess of actual prices over predicted prices:	
1981	$237
1982	$236
1983	$829
2. Hedonic model: Price of a new domestic car—(weight, ride, handling, acceleration, size class, gasoline cost, dummy variables for various years).	
Period: 1970–83 models, 172 cars. Increase in estimated value during quota years for small cars—1981–83:	
Total	$826
Additional regulatory costs	$454
Net value	$372
3. Annual increase in Consumer Price Index:	
Total CPI (percent):	
1960–70	2.7
1970–80	7.5
March 1981 to December 1983	4.9
March 1981 to December 1983 (at 1970's ratio)	4.9
New car CPI (percent):	
1960–70	0.3
1970–80	5.1
March 1981 to December 1983	4.5
March 1981 to December 1983 (at 1970's ratio)	3.3
Ratio:	
1960–70	0.11
1970–80	0.68
March 1981 to December 1983	0.92
March 1981 to December 1983 (at 1970's ratio)	0.68

Note: Difference in behavior of new car CPI relative to total CPI in March 1981 to December 1983 compared with 1970's: 4.5 minus 3.3 equals 1.2 percent per year. Effect on new domestic car prices of 1.2 percent greater increase per year: Actual 1983 average price, $10,484; predicted 1983 average price, $10,116; difference, $368.

TABLE 8.—PROFITS BEFORE TAXES, 1970–83 [1]

	Before-tax profits (billions of dollars)	Before-tax profits (billions of 1972 dollars)	Before-tax profits per vehicle (1972 dollars)
Year:			
1970	1.2	1.3	160
1971	5.0	5.2	490
1972	5.9	5.9	520
1973	5.7	5.3	423
1974	.1	0	472
1975	1.9	1.5	165
1976	7.2	5.3	461
1977	9.4	6.5	513
1978	8.9	5.7	443
1979	4.7	2.7	235
1980	−3.8	−1.9	−239
1981	−.6	−.3	−37
1982	.9	.2	27
1983	7.7	3.2	353

[1] With inventory valuation adjustment.

Source: Department of Commerce, Motor Vehicle Manufacturers Association.●

BUDGET STATUS REPORT

● **Mr. DOMENICI.** Mr. President, I hereby submit to the Senate a status report on the budget for fiscal year 1984 pursuant to section 311 of the Congressional Budget Act.

Since my last report, the Congress has cleared for the President's signature H.R. 4170, the Deficit Reduction Act.

This communication supersedes my report made earlier this day.

The report follows:

REPORT TO THE PRESIDENT OF THE U.S. SENATE FROM THE COMMITTEE ON THE BUDGET, STATUS OF THE FISCAL YEAR 1984 CONGRESSIONAL BUDGET ADOPTED IN HOUSE CONCURRENT RESOLUTION 91, REFLECTING COMPLETED ACTION AS OF JUNE 28, 1984

[In millions of dollars]

	Budget authority	Outlays	Revenues
Second budget resolution level	922,125	852,125	679,600
Current level	920,494	854,531	666,378
Amount remaining	1,631		

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and which exceeds $1,631 million for fiscal year 1984, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in House Concurrent Resolution 91 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and which result in outlays exceeding $0 million for fiscal year 1984, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in House Concurrent Resolution 91 to be exceeded.

REVENUES

Any measure that would result in revenue loss exceeding $0 million for fiscal year 1984, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in House Concurrent Resolution 91.●

PROTECTING INTELLECTUAL PROPERTY

● **Mr. LAUTENBERG.** Mr. President, I should like to invite my colleagues' attention to an article entitled "Protecting Intellectual Property" written by David S. Guttman, U.S. Patent Attorney for Welth, Shimeall & Kasari. This article, which appears in the May 1984 issue of Speaking of Japan, is a transcript of a speech delivered to the Licenses, Patents and Trademarks Committee of the American Chamber of Commerce in Tokyo, Japan. While acknowledging some progress, the article points out several provisions of Japanese intellectual property law which make it difficult for foreigners to receive fair and full compensation in a timely fashion for use of their patents, trademarks, and trade secrets by the Japanese.

It is precisely this kind of problem that caused me to introduce S. 2549, the "Intellectual Property Rights Protection and Fair Trade Act of 1984." In that act, I proposed that the President undertake a comprehensive review of the various practices by foreign countries which lead to inadequate protection of intellectual property rights. We need to have better knowledge of these practices so that we might develop better strategies for dealing with the crucial problem of protecting our patents, trademarks, and copyrights in a time when lack of adequate protection can vastly impact on our trade balances and our long-term economic well-being.

I ask that the article be printed in the RECORD.

The article follows:

PROTECTING INTELLECTUAL PROPERTY: I

AN AMERICAN VIEWPOINT

(By David S. Guttman)

(Delivered before the Licenses, Patents and Trademarks Committee of the American Chamber of Commerce in Japan, Tokyo, February 28, 1984. These remarks were included in an 1983 ACCJ report, ACCJ Trade/Investment Barrier Survey Follow-up. A response from the Japanese Patent Office appears on pages 22-23.)

Among the most important assets to a foreign company beginning or maintaining trade or investment in Japan are its intangible business and product know-how and reputation. To protect these assets in Japan, such a company must rely on laws protecting patents and utility models (for inventions), design registrations (for product styling), trademarks and servicemarks (for brand recognition and reputation), and trade secrets (for confidential information), these being referred to generally as "intellectual property laws." Closely related will be those laws governing licensing and the court system available for enforcement of such intangible rights.

Although Japanese industry has shown spectacular export success in certain product industries, it is a mark of today's general international economic interdependence that Japan is neither self-sufficient in technology nor even a net exporter in the trade of such technological ideas. For example, many of the famous robots automating Japanese auto assembly are produced under license from U.S. companies; the lasers used to make video disks for TV display may come from the United States; and the master program in a Japanese personal computer is likely to have been written by a U.S. West Coast software designer. If Japan enjoys a trade advantage in certain products, this is from maximizing its strong points in production and some specific technology rather than from being able to maintain an across-the-board lead in all technology related to such products. For example, in 1980, the Bank of Japan reported that about $1,439,000,000 was paid overseas to import technological know-how, while only about 26 percent of this amount was recovered by receipts from abroad for counter-transfers of Japanese technology. In Japan, technology import contracts are classified as "A" (long term, more than one year) or "B" (short term, less than one year), but in either case, it is the U.S. that is providing about half of this royalty-earning information.

It is on the basis of such technological strength that foreign companies have the opportunity to enter the Japanese market, alone or with a Japanese partner, and to finance further technological advances in part using revenues earned from licensing or operations in Japan.

Similarly, as Japan has internationalized its tastes in food and fashion, enormous royalties have been paid for the privilege of producing Japanese versions of famous brand foreign foods and clothes, or the brand owners themselves have entered the Japanese market to sell to its 120 million consumers.

While leading foreign companies remain confident that they can continue to produce intellectual property that will be eagerly imported and used by Japan, they have become alarmed that certain deficiencies in the Japanese intellectual property system may permit them only partial compensation for use of these valuable assets in Japan. They say these legal deficiencies existed in the past too, but that they are a more serious drain on foreign trade and investment now that Japan has become the world's second largest non-Communist economy with a comprehensive and efficient global information-gathering network. They point to such danger signals as the Prime Minister's Office report that, for new technology agreements since 1972, Japan's technology trade has been in the black, the receipts/payments ratio reaching 1.94 in Japanese FY 1979. Other examples are that, in 1980, Japanese companies obtained 7,173 patents in the U.S., while U.S. companies only obtained 3,698 patents in Japan, even though the U.S. has twice the population and 2.5 times the GNP of Japan.

U.S. companies complain that it takes much longer to get a patent or trademark in Japan than it takes their Japanese competitors to get patents or trademarks in the United States, and that, while the U.S. and most industrialized countries have laws to register servicemarks and protect trade secrets, Japan has not provided equivalent protection. In recent years, Japanese industry has swamped the Japenese Patent Office with about 400,000 patent and utility model applications per year, and the Japanese Ministry of International Trade and Industry (MITI), to which the Patent Office belongs, has not provided sufficient additional funds to remove the resulting giant application examination backlog.

Of course, the Paris Convention for the Protection of Intellectual Property (1967 Stockholm text) does not require Japan to grant foreign companies rights reciprocal to those Japanese companies receive abroad; the treaty only requires that the Japanese Patent Office treat foreign companies the same way, delays and all, it treats Japanese companies. And it is a fact that Japanese patent people have worked harder to understand other intellectual property systems, particularly the U.S. and European systems (learning English, studying abroad, translating manuals and books), than foreign patent attorneys to date have worked to understand the Japanese system.

But the Japanese intellectual property system is a particularly difficult one for non-Japanese to be successful in. The reasons include the problems of being a foreign applicant, language factors, inefficiency, and cultural factors. And, as will be illustrated with examples below, the effectiveness of Japan's intellectual property laws could be greatly improved; therefore those who wish to see world trade grow in a way that increases mutual efficiency and cooperation will find here some suggestions that could benefit both Japan and its trading partners.

In spite of the Paris Convention's requirement that each country treat domestic and foreign applicants alike, every country's law has certain provisions (such as proof of invention, publication, or filing abroad) that in practice apply differently or only to the foreign applicant. If such provisions have defects, there is unlikely to be any great pressure in the local legislature to amend them, whereas problems that affect the typical domestic applicant are most likely to get legislative attention. Also, those provisions of local law that differ markedly from what is typical in other countries are soon known to domestic applicants but likely to repeatedly trip up foreign applicants.

An example of such a provision is Japanese Patent Act, Article 124: "Where a patent has been granted for an invention already described in a publication distributed in a foreign country prior to the filing of the patent application (or for an invention which could easily have been made on the basis of such publication by a person having ordinary skill in the art) an invalidation trial under Section 123(1) may not be demanded after five years from the registration of the patent."

Generally, the best defense for a foreign company charged with infringement of a Japanese patent is to show, if possible, that the patent is invalid because the patented invention was already described in a printed publication (journal article, service manual, company brochure) distributed to the public before the effective filing date of the patent. This defeats the novelty of the invention and provides a basis for formal invalidation of the patent.

Although, generally, Japanese patent law treats publications distributed in Japan and abroad equally, Article 124 cuts off the defensive use of foreign publications to defeat a Japanese patent five years from the patent's registration date. Thus, a publication circulated abroad but not in Japan cannot be used as the basis of an invalidity trial against a Japanese patent five years from its registration, even if such a foreign publication clearly shows that the "patented" invention was already described in published literature available to the public abroad when the patent application was filed in Japan (i.e., lack of absolute novelty).

Another example of such problems for foreigners is Japanese Patent Act, Article 43, paragraph 2: "A person who has declared a priority claim under the Paris Convention shall, within three months of the filing date of his corresponding Japanese patent application, submit a written statement setting forth the filing date of the foreign application upon which the priority claim is based, certified by the Paris Convention country in which the foreign application was first filed, . . . together with a copy of the specification and drawings of the foreign application (or a copy of the official gazette or a certificate having the same contents) issued by the government of the Paris Convention country."

Paragraph 2 of the same article specifically provides that: "The priority claim of a person who has failed to submit the documents required by paragraph 2 within the time limit prescribed shall lapse."

Article 43 is used by foreign companies filing applications in Japan to get the benefit of the filing date of their earlier home country applications under the Paris Convention. This article's priority claim procedure is unduly rigid, a deficiency which often causes loss of priority rights to foreign companies but has little effect on Japanese companies since it does not apply to Japanese domestic inventions. In practice, for U.S. companies what the article requires is that to make a priority claim a certified copy of the U.S. application must be submitted within three months of the U.S. company's Japanese filing date. On occasion the U.S. Patent and Trademark Office has been slow in issuing the certified copy or has issued a defective copy. But even then, the Japanese Patent Office refuses to allow an extension of the deadline, although the delay is no fault of the applicant and there is no harm caused to anyone by the delay. The result can be a catastrophic loss of all rights in Japan to the invention concerned.

By comparison, the U.S. rule for the same situation, 35 CFR 1.55(b), does not require submission of the certified copy of a foreign application until it is actually needed during examination by the U.S. patent examiner, often years after the application is filed: "The claim for priority and the certified original copy of the foreign application . . . must be filed in the case of an interference procedure, when necessary to overcome the date of a reference relied upon by the examiner, or when specifically required by the examiner. In all other cases they must be filed not later than the date the issue fee is paid. . . ."

Although Japanese is not a more difficult language than English, it does have a more difficult to learn writing system based on some 3,000 Chinese characters read in a way that even the Chinese find puzzling. A Japanese person who learns English can then use it as a trade language throughout the world, but a foreigner who learns Japanese can only use it in Japan. The result is that a reading knowledge of English is in practice a requirement for most Japanese who do patent and trademark work, but few foreign patent attorneys, perhaps less than 10, can read Japanese.

Under Japanese patent and trademark procedure, before an application can be finally approved, it must be published in the official gazette so that the applicant's competitors will know about it and can, if necessary, oppose granting of the application by offering proof that it is deficient in some manner. But the present law only allows the competitors, both Japanese and American, two months in which to read the published application and find evidence to oppose it. Since the publication is entirely in Japanese, it is expensive and difficult for foreign applicants to obtain translations and reach an informed decision on whether to file an opposition within the allowed time.

It would be more realistic for the law to allow four to six months for filing an opposition, and this would greatly benefit foreign applicants without depriving any properly allowable Japanese application of registration. Also, it would be reasonable for the Japanese Patent Office to require Japanese applicants to give such basic information about the invention as the inventor's and applicant's names, addresses, and title in English as well as Japanese. Such a realistic English notice requirement would then also make Japanese applications easy to enter into the world's international English language computerized database systems as soon as the application is published.

With respect to the names of foreign inventors and applicants, the present Japanese patent record system is the same as in the Edo period made famous by the "Shogun" film series. All foreigners' names are entered into the record-keeping computers in Japanese katakana script so that their original pronunciation is irretrievably lost. Not even a Japanese native speaker can be confident in reading these entries as to the actual name or address of the inventor or applicant. Further, the names of foreigners are all indexed together by their first names rather than their family names; i.e., all inventors and applicants named "Tom" appear together in the same place. In practice, this means that both Japanese and foreigners encounter great difficulty in using the inventor and applicant indexes of foreigners' applications. This problem would be removed if the Japanese Patent Office additionally entered such information (already in the file anyway on the power of attorney and priority documents) in roman letters as well as Japanese script.

Although Japan is famous throughout the world for its efficiency in building autos, ships, and electronics, the competitive drive which made these industries improve their procedures and equipment is absent from the Japanese Patent Office, which after all, is not in competition with anybody. An enormous backlog of unexamined applications has built up and the total processing time from filing to registration of a patent or trademark is many times that needed for the actual examination and processing performed.

Each year, the Patent Office publishes a 300-page book of statistics of its activities, but the important statistic of how long it takes the average patent or trademark to move from application to registration is not available. The Patent Office only publishes statistics of the processing time for intermediate steps of procedure, such as from request for examination to disposal by the examiner, which may only take two or three years. But intermediate statistics do not include various usual delays in the total processing time such as the time initially needed for formality examination and laying open when an application is first filed. Following a decision to permit registration, there are overly long delays in acually issuing the registration certificate (often six to nine months from the decision to permit registration). Other delays occur in deciding oppositions (a year or more) and routine appeals (two to three years). From filing to registration, a random check of the patent registrant's index indicates that six years is typical in patent prosecution. Trademark prosecution varies somewhat with the class of goods, but four years or more would be typical. Another delay is the time it takes the Patent Office to record a simple annuity payment on a patent, a procedure about as complex as paying an electric bill. Often, the Patent Office has not completed this procedure six months after the annuity has been paid.

By contrast, the U.S. Patent Office, itself no model of efficiency, is currently issuing patents in about 23 months and has the funds and commitment to reduce the issuing process to 18 months by 1987. In the trademark area, a current average processing time of about 22 months will be reduced to a 13-month registration procedure by 1985.

Although the Japanese Patent Office says the cause of its multiyear backlogs is too many filings by Japanese applicants, the Patent Office's own procedures and rules encourage such overfiling. For example, the Patent Office discourages related inventions from being filed in the same application, preferring to examine each in a separate application. The result is that Japanese companies file several applications to cover a single inventive concept. Patent Office rejections are often laconic and consist of mere checking of a box on a rejection form, resulting in a flood of appeals to the Board of Appeals, itself understaffed. And existence of a separate utility model system in addition to the patent system is a needless duplication.

A visit to the Patent Office reveals that though it is staffed with bright, energetic MITI personnel and technical experts, its own office procedures and equipment are hardly in the forefront. For example, after an office action is finally prepared, it goes to another official who issues a certified copy for sending to the applicant, which delays mailing another month or two. And, although in principle, patent and trademark files are not secret (in the case of patents laying open of the file takes place 18 months from filing), when such files are in use by the examiners, requests to view their contents are refused for long periods of time with the result that competitiors (and sometimes the applicant himself) cannot follow the progress of the case.

The differences in law and performance between the U.S. and Japanese intellectual property systems are significant enough to permit an inference that the systems have different roles in the two societies. In the United States, patents are rewards to inventors and investors, playing a primary role in obtaining venture capital to develop new ideas. Hence it is thought important to give the applicant every chance, even a second chance, to obtain his reward, even if he initially makes some procedural errors. Patents are issued with individually enforceable multiple claims so that a mere error in wording will not vitiate the inventor's right to exclude others from using his invention. Enforcement, though expensive and tedious, is assisted by the courts which issue discovery orders to help the patent owner learn if his invention is being infringed in his competitor's factory.

Trademarks, which define boundaries between competitors, can be relatively rapidly and absolutely enforced (by preliminary injunction), hence, the Patent Office and the courts are careful to inquire into and limit a trademark owner's rights to his actual marketplace use of his mark, with some allowance for natural expansion.

The present Japanese patent and trademark system is largely a foreign import of German civil law, albeit with Japanese fine tuning. Keeping in mind its non-Japanese origins and the Japanese aversion to settling disputes according to absolute legal rights, perhaps the delay and uncertainties of the present system are themselves the fine tuning that has been used to adapt this foreign legalistic system to Japan. Under the patent law, all patent applications are automatically disclosed to the public after 18 months from the priority date, but the reciprocal reward due the inventor is slow in coming. So there is little danger that some smart newcomer will immediately galvanize an industry with a promptly granted and easily enforceable patent right to a new invention; the system favors larger, established organizations that can let sleepy portfolios of individually uncertain patent applications mature with time.

The trademark system also favors organizations who can strategically finance and file massive numbers of proposed trademarks in a number of classes years in advance of use, not the impulsive newcomer with the need for an immediate registration.

Thus, it may be that before Americans can expect the Japanese to reform their intellectual property system in a way that encourages newcomers to risk initiating trade and investment, they will first have to convince Japanese business leaders that the patent and trademark system should play a primary, not secondary, role in attracting capital for efficient economic development.

The most serious problems for foreign patent applicants are the sporadic, rigid examination process in the Patent Office and the uncertainty of enforement in the courts. For example, after the application is filed, if some formality error is detected by the Patent Office, such as an inconsistency in the spelling of the applicant's address, a corrective response is called for in just 30 days (with no extensions), even though the applicant may be on the other side of the world (a boon to private air couriers). But once past the formality examination, there is often a dead silence from the Patent Office for four or five years, even if substantive examination has been requested, because there is a backlog of unexamined prior applications in each field. Once examination on the merits begins, the applicant is given three months to respond to each office action, extendable for an additional month. Considering that a response will involve two translations, one of the office action into English and one of the applicant's response into Japanese, the time for response is rather short compared with, for example, the maximum of six months allowed in the United States. Having rushed to respond, the applicant is often surprised not to hear from the Patent Office for another year or so, by which time the examiner in charge may have changed.

Not only do many examiners issue rejections with only the briefest explanation (a check in a box) as to why a certain prior publication makes all claims obvious, but if they are not satisfied with the applicant's guess as to a proper response, their next office action is a final rejection: the procedure then comes to an unfavorable halt unless the applicant files an expensive appeal to the Patent Office Board of Appeals. Considering that the applicant has waited several years for the examination, it would seem fairness requires at least a couple of chances to reply to the examiner before a final rejection is issued. Not surprisingly, the Patent Office is concerned at the large number of appeals filed to the Board of Appeals, which is understaffed for its caseload.

Enforcement of patents is a headache because the courts require a large official fee to file a case, but then, because there is no discovery process, can be of little help to the patent owner in obtaining proof of infringement, particularly of process patents which can be secretly used in the infringer's factory where the patent owner has no right of access. Further, even where the patent owner has taken care to use both independent (broad) claims and dependent (successively narrower) claims to define his invention, the dependent claims are not separately enforceable as in many other countries, such as the United States. Hence, even if a patent has several allowable dependent claims, if the broadest (independent) claim of the patent is found unenforceable, the patent is unenforceable until the patent is corrected (by a three-year procedure at the Patent Office).

The Japanese trademark system is based on the principle of first to apply. This means that if a Japanese person learns of a foreign trademark that has not yet been applied for in Japan, he can apply for such mark and get rights superior to the foreign company that originated the mark. Each year, about 4,000,000 Japanese go abroad to see the world, 1,000,000 to the United States alone. Obviously, these trips and the many foreign magazines that circulate in small numbers in Japan present temptations to appropriate foreign marks not yet filed in Japan. The current Trademark Act, Article 4, paragraph 1, item 10, allows an examiner to reject such an application if the foreign company's mark has become "well known" in Japan in the class of goods concerned, but it is usually difficult to prove that such an unregistered mark has become "well known in Japan" among consumers. Some more realistic standard, such as "already known to those in Japan dealing in the goods concerned as another's trademark well known abroad in a country party to the Paris Convention" is needed.

Another problem for foreign trademark owners is proving use in Japan to obtain trademark renewal each 10 years. Often, during the 10-year registration period, the mark in use has changed slightly so that the specimen of use offered to support renewal is not identical with the registration, but merely "similar." Currently, a very strict standard is applied so that use of a mark merely "similar' may be cause for rejection of the renewal application, with the disproportionate effect that a 10- or 20-year-old valuable trademark system) is lost. It would be more reasonable to allow the renewal applicant whose mark in use has changed to accompany his renewal application with an associate trademark application for the changed version; if the associate trademark application is approved for registration (as sufficiently similar to the original registered mark), then the renewal too ought to be granted.

In highly developed market economies such as those of Japan, Western Europe, and North America, the service sector is increasing rapidly, but yet Japan still has no register for protecting servicemarks, domestic or foreign. Foreign servicemark owners would be greatly benefited if such registration was permitted. This could be done if Japan were to adopt the International Classification of Goods and Services (Nice Agreement) as amended in Stockholm in 1967. Japan presently has its own 34-class trademark system, but it would be helpful for it to convert to the international classification which has already been adopted by the U.S., the major countries of Europe, and the Soviet Union.

Japanese companies are daily busy creating, using, buying, and selling "trade secrets," the Japanese government taxes profits made from licensing them, and Japanese accountants can list them on balance sheets when purchased or received as consideration for stock. yet, the legal protection for trade secrets in Japan is, except for the contractual enforceability of a nondisclosure agreement against the parties to the agreement, weak or nonexistent. This is because Japan has a civil law system emphasizing statutory law but no special Japanese statute to define a "trade secret," the means for acquiring it, its qualities as a form of property, and the extent and mechanism for its protection.

It would be very helpful to protecting the proprietary information of both foreign and domestic companies if Japan would enact legislation, either along the lines of the German Unfair Competition Prevention Law (whose trade secrets provisions Japan considered but rejected in 1934) or the more recent U.S. Uniform Trade Secrets Act to assure meaningful trade secret protection in Japan.

This report has attempted to focus attention on provisions of Japanese intellectual property law that need improvement, either in the laws themselves or their implementation, so that foreign companies whose patents, trademarks, and trade secrets are used in Japan will receive full and fair compensation for the use of their property to encourage ther trade and investment in Japan. Indeed, it may be that improving such basic incentives to do business with and in Japan may be the way least difficult domestically to Japan for reducing controversy about trade balances.

Japanese patent attorneys may respond to these suggestions for improvement by citing certain intellectual property law provisions in other countries that are particularly onerous to Japanese inventors and trademark owners filing from Japan. But a fortiori this means that both Japan and its trading partners should agree to streamline their respective intellectual property systems to promote worldwide the best service and most efficient ideas.●

CONFERENCE REPORT ON H.R. 5653, ENERGY AND WATER APPROPRIATIONS

RE AMENDMENT NO. 46—MAKING APPROPRIATIONS FOR SURA SUPERCOMPUTER CENTER

● Mr. MATTINGLY. Mr. President, I would like to clarify one matter briefly, and in that regard would ask the chairman, my distinguished colleague from Oregon, to recall our conference discussions regarding an appropriation of $7 million which the House had included in its bill for the purpose of establishing a supercomputer center at Florida State University in connection with the Southeastern Universities Research Association [SURA] Program. As the Senator will remember, I raised some serious questions about the manner in which this particular project had been approved by the House, and I noted my concerns that there seemed to be lacking any evidence that this project was the most cost-effective option available, or that it was not a duplication—in whole or in part—of other supercomputer acquisition and enhancement projects which are also underway through the Department of Energy, Department of Defense, and the National Science Foundation. I also expressed my extreme concern that this award was being made in an unusual manner which allowed the institution in question to proceed without going through the stages of submitting any competitive proposals. And finally, I raised the question of whether this first installment on a project which will eventually cost some $55 million was justified in light of the fact that our Senate committee had refused funding for the

SURA accelerator facility in Virginia which the supercomputer center would allegedly provide computational support. Finally, Mr. President, I believe the able Senator from Oregon will recall that I reluctantly agreed in conference that the Senate recede from its amendment which would have removed the $7 million from the House bill based upon the further agreement that the conference report would contain language instructing the Department to review this and subsequent similar proposals to determine whether they are indeed cost effective and whether or not they duplicate other efforts in the same field. Is this the chairman's recollection of our conference discussions and agreements?

Mr. HATFIELD. Yes; the Senator's recollection is accurate.

Mr. MATTINGLY. Then, Mr. President, I would simply remind the chairman that I had submitted proposed language to this effect before the close of the conference, and that the respective staff persons had been charged with working out a final version which is a part of the package which is before us for final approval today. Now the verbiage contained in the final print is somewhat different than that which I submitted at conference, however, my question would be to enquire whether or not it is the chairman's opinion that the relative effect of the printed language would be about the same as the wording which I presented? Would this language apply to all future projects of this nature, as well as to the immediate project which is identified in the bill and the House report, to require that the Secretary of Energy review all such proposals and determine—through competitive practices and review, if necessary—that they are needed projects, that the selected proposal or proposals are cost effective solutions, and that such programs will not overlap extensively or duplicate other efforts which are being funded through the Government or which are being adequately provided by the private sector? Is this the effect of this revised conference report language?

Mr. HATFIELD. Yes; I believe this is the purpose of the language in the Statement of Managers.

Mr. MATTINGLY. Mr. President, I thank my friend and able colleague from Oregon, and I want to again point out how well he and my friend from Louisiana, the ranking member on the subcommittee, Mr. JOHNSTON, have managed this bill from the initial hearings up to and through the presentation of this conference report here today. I commend them both, and also the other subcommittee and Appropriations Committee members, for bringing out a bill which shows a great deal of spending restraint and yet which, I believe, adequately provides for all programs within its jurisdiction.●

TEMPORARY SELECT COMMITTEE TO STUDY THE SENATE COMMITTEE SYSTEM—RULES

● Mr. QUAYLE. Mr. President, in accordance with rule XXVI of the Standing Rules of the Senate, requiring the publication of the rules of each Senate committee in the CONGRESSIONAL RECORD, I submit the rules of the Temporary Select Committee to study the Senate committee system and ask that they be printed in the RECORD.

The rules follow:

RULES OF THE TEMPORARY SELECT COMMITTEE TO STUDY THE SENATE COMMITTEE SYSTEM

1. MEETINGS

a. Meetings may be held at the call of the chair, provided at least 24 hours notice is furnished to all members.

2. QUORUMS

a. A majority of the members of the committee shall constitute a quorum for the transaction of business, except that one member shall constitute quorum for the purpose of taking testimony.

3. CHAIRMAN AND MEMBERSHIP

a. The committee shall select a chairman from among its majority party members, and a co-chairman from among its minority party members.

b. The co-chairman shall act in the absence of the chairman, and in the absence of both, the duties of the chair shall be filled by a committee member designated by the chairman.

4. ORDER OF BUSINESS

Questions as to the order of business and the procedure of the committee shall in the first instance be decided by the chairman, subject always to an appeal to the committee membership.

5. HEARINGS PROCEDURE

a. The chairman or any member of the committee may administer oaths to witnesses.

b. The committee shall publicly announce the date, place and subject matter of any hearings to be conducted by it at least one week before the commencement of that hearing, unless the committee determines that there is good cause to begin such hearing at an earlier date.

c. The committee shall require each witness who is to appear before it to file with the clerk of the committee, at least 48 hours in advance of the witness's appearance, 25 copies of a proposed statement. The chairman and co-chairman may excuse a witness from such requirement upon good cause.

d. Any three members of the committee shall be entitled upon request made to the chairman, to call additional witnesses or to request the production of documents during at least one day of hearings.

6. TELEVISION AND RADIO COVERAGE

a. Any meeting or hearing of the committee which is open to the public may be covered in whole, or in part, by television broadcast, radio broadcast, or motion picture or still photography subject to the consent of the Committee. Photographers and reporters using mechanical recording filming or broadcasting apparatus shall position their equipment so as not to interfere with the seating, vision and hearing of the committee members and staff on the dais, or with the orderly process of the meeting or hearing.

b. No witness shall be required to be photographed at any hearing or to give testimony while the broadcasting (or coverage) of that hearing is being conducted. At the request of any such witness who does not wish to be included in radio or television coverage, all equipment used for coverage shall be turned off.

7. COMMITTEE RECORDS AND TRANSCRIPTS

a. Accurate stenographic records shall be kept of the testimony of all witnesses in closed and public hearings.

b. Transcripts of all public hearings and meetings of the committee will be open for inspection by the public at the offices of the committee during business hours.

8. SUBPOENAS

Subpoenas authorzied by the committee may be issued over the signature of the chairman, or any other member designated by the chairman, and may be served by any person designated by the chairman or member signing the subpoena.

9. PROXIES

a. Proxy voting shall be allowed to the extent permitted by the Rules of the Senate.

b. Proxies shall not be considered for the purpose of establishing a quorum.

10. POLLING

a. The committee may poll only (1) internal committee matters including matters related to the committee's staff, records, and budget; (2) authorization for investigation procedures, including the authorization and issuance of subpoenas, and requests for documents from agencies; (3) other committee business, not including a final vote on reporting to the Senate, which has been designated for polling at a meeting.

b. The chairman shall circulate polling sheets to each member specifying the matter being polled and the time limit for completion of the poll. If any member so requests, the matter shall be held for a meeting rather than being polled. The chief clerk shall keep a record of polls.

11. STAFF

a. Detailees and Consultants. The chairman shall have authority to use on a reimbursable basis, with the prior consent of the Committee on Rules and Administration, the services of personnel of any department or agency of the United States and shall have authority to procure the temporary or intermittent services of individual consultants or organizations.

b. All staff employed by the committee or housed in committee offices shall work for the committee as a whole, under the general direction of the chairman or co-chairman, and the immediate direction of the staff director.

12. RULES CHANGES

a. The rules of the committee may be changed, modified, amended or suspended at any time provided that not less than a majority of the entire membership so determine at a meeting called with due notice.

b. Any amendments adopted in the rules of the committee shall be published in the CONGRESSIONAL RECORD not later than thirty days after adoption.●

S. 1739—A NEW APPROACH

● Mr. STAFFORD. Mr. President, many of my colleagues, I know, share my concern that we may never have the opportunity to consider S. 1739 on the Senate floor this year.

S. 1739, the Water Resources Development Act, is an important and needed bill. I intend to continue to do what I can to get this bill considered and passed this year.

It is clear to me that the core issue in S. 1739 involves commercial navigation, particularly inland navigation, and the issue of whether the costs for improvements shall continue to be the responsibility of the taxpayers at large, or whether direct beneficiaries should eventually shoulder a larger portion of those costs.

In considering this issue, persons of various viewpoints have shown little inclination to seek a middle ground. I believe we must narrow the issues and search for some common ground before we are likely to obtain floor action on the bill. I hope that all interested parties will act to move toward compromise.

In an effort to stimulate debate—and work toward a resolution on the issues—I would like to suggest an alternative that has not yet been mentioned in the user charge debate. My suggestion seeks to move this issue off dead center, to narrow the gap, to provide an alternative that may prove attractive to all parties.

A number of the arguments against our Environment and Public Works version of title 5 of S. 1739 involves the allegation that title 5 unconstitutionally delegates taxing authority, that title 5 leaves too many uncertainties over what the level of use charges might be even though users themselves would set those charges, and that title 5 imposes new charges when we fail to use what money the Government has collected in the existing Inland Waterway Trust Fund.

The debate over inland use charges has two components. First, is the need to hold down the exposure of the taxpayer to new spending.

Second, is the need to encourage the beneficiaries to work with Federal officials on new development efforts—to develop the most cost-effective program reasonable.

My suggestion meets each of those needs. Specifically, I suggest that we release every penny in that Inland Waterway Trust Fund and dedicate it to finance the full cost of constructing any locks and dam projects not now under construction.

This alternative would simply dedicate what exists in law—the present fuel tax and the present trust fund—to be used exclusively on construction of new waterway projects.

I must emphasize that this would affect only new projects. Thus, as one example, the Red River waterway, and any other project under construction, would be complete during general revenues. The now-authorized component of locks and dam 26 would be completed from general revenues.

Ancillary portions of a new commercial inland project, such as a hydropower component, would also be financed from general revenues.

Under this approach, sections 501 through 504 of S. 1739 would be eliminated entirely.

Thus my suggestion meets what I believe are all the primary objections of the waterway interests. It contains no new taxes. It contains no new taxing or fee authority. It establishes no new boards.

It simply allocates money already collected—and money to be collected under existing law—for the purpose for which that money was intended when the trust fund was established in 1978.

I have put together a chart, based on figures provided by the Corps of Engineers, to show what would happen if spending on the new projects occurred at an optimum pace. If the pace were slower, as is likely, less money would be needed from the trust fund. The Corps believes it is unlikely that construction would begin on all of these projects as quickly as the chart assumes. If that turns out to be true, spending would be less, with an increase in the carryover funds; two of the seven projects, of course, have not yet been included in our bill for authorization.

Further, the chart reflects the full cost of each of the seven projects, not the commercial navigation feature and component of the project.

Mr. President, I ask that this chart be printed at the conclusion of my remarks. As my colleagues will note, this approach would obviate the need for any new fee or tax during the remainder of this decade.

Thus, such an approach would provide the Congress, the executive branch, and outside interests the remainder of this decade to address the issue of how best to increase future revenues to pay for additional projects.

It appears to me to be a sound, responsible approach, one designed to assure that we will tackle the tough issues in the years ahead.

Mr. President, I believe this is a responsible alternative. We need to develop a bill that not only will get through the Congress but will also be signed by the President. For that reason, I would hope that an alternative such as this one might meet the needs of the administration for responsible cost control, yet get us started on needed work.

Mr. President, I also ask that a draft amendment along these lines be printed at this point in the RECORD.

The materials follow:

EXPECTED DOLLAR IMPACT OF PROGRAM TO CONSTRUCT NEW LOCK AND DAM PROJECTS USING THE EXISTING INLAND WATERWAY TRUST FUND

[in million of dollars]

	Income to trust fund during year	Spending from the trust fund during year on new construction	Balance in waterway trust fund at end of fiscal year
Fiscal year:			
1984			$140
1985	55	7	188
1986	70	23	235
1987	75	50	260
1988	80	100	240
1989	85	170	155
1990	95	200	50

Assumptions: Construction on seven new lock and dam projects financed entirely from the trust fund, with projects to begin as follows:

Fiscal year 1985—Gallipolis, Bonneville, Oliver, and the second chamber of lock and dam 26.

Fiscal year 1986—Monongahela locks 7 and 8.

Fiscal year 1987—Winfield.

DRAFT AMENDMENT TO TITLE 5 OF S. 1739

On page 112, beginning on line 11, strike all through line 4 on page 117, and insert in lieu thereof the following:

"SEC. 501. (a) Any sums deposited in the Inland Waterway Trust Fund, established pursuant to Public Law 95-502, shall be available for obligation by the Secretary, upon his request, to be utilized for the construction of any lock and dam project for the purposes of commercial navigation on the inland waterways of the United States, if such construction was initiated after June 30, 1984: *Provided, however,* That such Trust Fund shall be the sole source of Federal funding for the commercial navigational features and components of such project.

"(b) For the purpose of this section, the term:

"(1) 'inland waterways of the United States' means those waterways and harbors authorized to be constructed or maintained by the Secretary to depths of fourteen feet or less and utilized for the purposes of commercial navigation, provided that such definition includes the Columbia River, Oregon and Washington, from Lewiston, Idaho, to the downstream side of Bonneville Lock and Dam; and

"(2) 'commercial navigational features and components' means those portions of a lock and dam project on the inland waterways of the United States that is designated and utilized primarily for the purposes of commercial navigation."

Renumber subsequent sections accordingly.●

PROPOSED ARMS SALES

● Mr. PERCY. Mr. President, section 36(b) of the Arms Exports Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD the notification I have received.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, June 27, 1984.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 84-53, concerning the Department of the Army's proposed Letter of Offer to Kuwait for defense articles and services estimated to cost $82 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

PHILIP C. GAST,
Director.

TRANSMITTAL No. 84-53

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective purchaser: Kuwait.

(ii) Total estimated value:

	Millions
Major defense equipment [1]	$0
Other	82
Total	82

[1] As defined in section 47(6) of the Arms Export Control Act.

(iii) Description of Articles or Services Offered: Product Improvement Program (PIP) modification kits to include hardware for the Improved (I)-HAWK and AN/TSQ-73 missile minder systems with installation, technical and logistical engineering assistance, concurrent spare parts, related support equipment, support, publications, and training.

(iv) Military Department: Army (UGW).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: None.

(vii) Section 28 Report: Case not included in Section 28 report.

(viii) Date Report Delivered to Congress: June 27, 1984.

POLICY JUSTIFICATION

KUWAIT—I-HAWK PRODUCT IMPROVEMENT PROGRAM MODIFICATION KITS

The Government of Kuwait has requested the purchase of Product Improvement Program (PIP) modification kits to include hardware for the Improved (I)-HAWK and AN/TSQ-73 missile minder systems with installation, technical and logistical engineering assistance, concurrent spare parts, related support equipment, support, publications, and training at an estimated cost of $82 million.

This sale is consistent with the stated U.S. policy of assisting other nations to provide for their own self-defense by allowing the transfer of reasonable amounts of defense articles and services. It will demonstrate the continuing willingness of the United States to support the Kuwaiti effort to improve the security of the country and thereby increase the stability of the Persian Gulf region.

The articles and services being offered are a continuation of support which has been provided to the Government of Kuwait since its acquisition of the HAWK air defense system in 1974. The I-HAWK PIP modification kits will be used to provide follow-on support in up-grading the HAWK air defense system employed by the Government of Kuwait. Acquisition of the PIP is essential to maintaining configuration commonality with I-HAWK systems employed by U.S. forces, thereby permitting continued logistical support.

The sale of this equipment and support will not affect the basic military balance in the region.

The principal contractors will be the Raytheon Company of Andover, Massachusetts; Litton Systems, Incorporated of Van Nuys, California; ITT Gilfillan of Van Nuys, California; and the Northrop Corporation of Anaheim, California.

Implementation of this sale will require the assignment of four additional U.S. Government personnel for 60 days and 29 contractor representatives for one year to Kuwait.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

THE DAY OF MARTYRS AND POLITICAL PRISONERS IN IRAN

● Mr. LEVIN. Mr. President, it is with a spirit of hope that I join my colleagues and others who support democracy, freedom, and human rights in commemorating June 20, "the day of martyrs and political prisoners in Iran." The symbol of this event is the march of 500,000 people in Tehran which took place June 20, 1981. The 500,000 Iranians began as a peaceful demonstration demanding restitution of their democratic rights.

The Khomeini government and police force responded to this peaceful demonstration with even more repression. The police opened fire on the crowds, killing many and arresting even more. Within 24 hours of the demonstration, participants who had been arrested were executed, too.

The commemoration of the third anniversary of this day serves as a reminder of the atrocities committed by Khomeini's regime. Since the beginning of this repressive regime, tens of thousands have been executed or incarcerated as a result of their search for freedom.

We should let those courageous Iranians know that even as they suffer at the hands of the Khomeini regime, the American people and Government support their initiatives on the behalf of freedom, justice, and human rights in Iran.●

GRADUATING, DRINKING AND DRIVING

● Mrs. HAWKINS. Mr. President, a very special time is approaching for many of the 18-year-olds in our country.

Graduating from high school can be exciting, fun-filled, inspirational, magical, and lethal.

As the attached editorial column points out, the combination of graduation celebrations, alcohol, and driving can be a deadly one. In a continued effort to prevent young lives from being unnecessarily cut short, I am inserting the attached in the RECORD.

As chairman of the Subcommittee on Alcoholism and Drug Abuse, I wish to add my voice in pleading with teenage drivers to take care at this special time in their lives: You have many more special times to come. Don't allow a deadly combination of drinking and driving to make this happy time a tragic one.

I ask that the attached article entitled "What's Deadly About Graduation?" from the Washington Post of May 5, 1984 be printed in the RECORD.

The article follows:

WHAT'S DEADLY ABOUT GRADUATION?

All right, high school seniors—here's a mini-SAT (Senior Attitude Test) for you: Graduation is (a) important; (b) fun; (c) potentially lethal; (d) all of the above. If you answered (d) and think you know why, describe in two words the No. 1 killer and crippler of teen-agers today. If you answered "drunk driving," then relate that to the first question and you have good reason to join others among the region's estimated 60,000 graduating students who will do what they can to keep classmates who have been drinking from doing any driving.

Tonight and for the next several weeks, there will be partying—and drinking. And there will be lots of police around, too, enforcing the law along the roads in every jurisdiction—not as spoilers but as part of an areawide campaign to let this be a happy time, unhaunted by the most frequently committed violent crime in America.

The emphasis of the campaign is not on preaching to youngsters but on appealing to the maturity of young adults to "have a good time, but play it smart." As part of "Project Graduation," police, parents, students, teachers and government and business leaders are spreading the word and offering assistance, such as dial-a-ride systems for free transportation (master number: dial AAA-LIFT); and placing reminder cards on tables where proms are held, and in tuxedos, graduation caps and gowns and corsages.

There is nothing clever, manly or cool about driving after drinking. As the posters note, a good friend doesn't let a friend drive drunk. At graduation time, who needs that grief?●

THE 50TH ANNIVERSARY OF AUFBAU

● Mr. MOYNIHAN. Mr. President, we hear much about the demise of newspapers, so I am delighted to come before you today to celebrate one at its 50th anniversary. Aufbau, one of the distinguished ethnic weeklies in our Nation, achieves this milestone this month and I offer my felicitations.

This German-language newspaper, whose title means "reconstruction," was founded in 1934, and grew to prominence as refugees from Nazi Germany fled to our country throughout that decade.

Under Editor Manfred George, Aufbau was utterly critical of Adolf Hitler, and its pages were an influential formum for German-American foes of Nazi Germany before and during World War II. At war's end, the paper vigorously advocated German democracy and supported the creation of the State of Israel.

Thomas Mann and Albert Einstein are among the many eminent contributors who have helped Aufbau earn its reputation for excellence.

Mr. President, Aufbau circulates in 45 nations today, and is read in Eastern Europe. I congratulate the current editor, Mr. Hans J. Steinitz, and his staff, and I wish them well in the half-century ahead.

I ask to have printed in the RECORD an article about Aufbau, which appeared in the June 21, 1984, editions of The New York Times.

The article follows:

[From the New York Times, June 21, 1984]

50TH ANNIVERSARY FOR A PROUD NEWSPAPER

Its loyal Jewish immigrant readership is slowly dying, but Aufbau, the German-language weekly that crusaded against Hitler and counted among its contributors Thomas Mann and Albert Einstein, is celebrating its 50th anniversary of continuous publication.

"We are very proud of our record," Gert Niers, the executive editor, said. "We were in the vanguard who reported what Hitler was doing."

A special anniversary issue was published last week, and plans are being made for exhibitions here and abroad.

Hans J. Steinitz, who escaped from a concentration camp in France by going over the Alps into Switzerland, has been Aufbau's editor for 20 years. At the age of 72, he still writes editorials and reviews books and plays. Twice a week, he visits the newspaper's office, at 2121 Broadway, between 74th and 75th Streets.

"The remarkable thing is that it's survived 50 years," he said. "Usually, ethnic newspapers last only one generation."

With most of its readers in New York, Aufbau's circulation has dropped over the years, from 50,000 to 15,000. "The day will come when this readership is extinct," Mr. Niers said.

Aufbau's circulation figures have never accurately reflected the number of people who actually read the newspaper, Mr. Steinitz said. "Every copy is read by 6 to 10 people," he said.●

FIRPTA REPEAL

● Mr. GOLDWATER. Mr. President, there is a provision in the tax bill we passed yesterday which will be short lived if I have anything to do with it. I am referring to the FIRPTA withholding language of the bill.

FIRPTA, the Foreign Investment in Real Property Tax Act, levies a discriminatory tax burden on foreign investors who sell real property holdings in the United States. I have introduced a bill, S. 1915, to repeal FIRPTA. A hearing was held by the Finance Committee on the bill last week, on June 19. Several expert witnesses appeared at the hearing, all of whom testified that FIRPTA is harming the U.S. economy and serving no useful purpose. Perhaps the most striking testimony was given by managers of large foreign investment funds, and by large I mean funds containing the equivalent of tens of billions of dollars, who stated bluntly that foreign investors are very likely to cut back on a wide range of investments in the United States because of FIRPTA.

It should be known that FIRPTA does not apply merely to direct investment in U.S. real estate or solely in corporations which are formed in order to look for enhancement of real estate values. FIRPTA is so sweeping it applies to such things as investments in oil and gas leases and to stock interests in any U.S. manufacturing or production firm in which a foreign investor holds more than 5 percent of the company's stock. FIRPTA strongly discourages investment that could be used to increase the competitiveness of U.S. industries and create more jobs for U.S. citizens.

Mr. President, I realize that the tax bill contains a provision which the Treasury Department claims will solve the numerous practical problems created by FIRPTA. However, all withholding will do is to make the present situation far worse than it already is. Withholding does not even give a complete exemption from reporting requirements to foreign investors, but it authorizes the Department of the Treasury to continue reporting requirements on the very broad range of investments defined as direct real property investments by the language of FIRPTA. I am certain the problem of writing workable and understandable regulations under the new withholding provisions will be just as difficult as it was for the Internal Revenue Service to establish workable regulations under the original law. Incidentally, no final reporting requirements have been issued to this date, almost 4 years after the enactment of FIRPTA.

Mr. President, I do want to take this opportunity to correct some of the erroneous claims which appeared in a publication distributed at the June 19 hearing by the Joint Committee on Taxation. That publication falsely stated that the Department of the Treasury study of May 1979, prepared for Congress before the enactment of FIRPTA, indicated that the projected revenues from FIRPTA would be $226 million. Actually, the table in that Treasury report indicated that a FIRPTA capital gains tax applicable to all real estate would produce $142 million, some $84 million less than the Joint Committee claimed.

Also, I would note that the revenue effect projected by the Treasury Department under the withholding provisions in the Senate passed version of the pending tax bill estimated that an even lower amount, $104 million, would be raised from the withholding provisions cumulatively over the period from 1984 to 1989. This was based on a withholding tax of 20 percent. The pending conference report reduces the withholding tax to 10 percent, and this would clearly require a compensating reduction of the revenue projection.

Moreover, I think a much more revealing fact appeared in the Treasury Department report of 1979 which was not reprinted by the Joint Committee on Taxation. An analysis in the 1979 report revealed that the differences between a pre-FIRPTA foreign investor, who was then exempt from capital gains tax in case of the sale of a farm investment, and a domestic investor who was subject to capital gains tax, was minuscule. However, the Treasury report indicated, when a FIRPTA tax was taken into account, the foreign investor suffers a real disadvantage compared to the U.S. investor. The inequity in favor of U.S. investors and discrimination against foreign investors appears much more graphically in the case of investments in nonfarmland, developed properties. In fact, the 1979 Treasury Department report said this:

> An exemption from capital gains taxation for foreign investors may be seen as an offset roughly for the prior denial of deduction in the form of tax shelter deduction that those investors typically cannot take.

So much for the fallacious argument that the repeal of FIRPTA might give foreign investors a privileged tax status.

Finally, I wish to note for the record that Lord Mark Fitzalan Howard, who appeared on behalf of the British Association of Investment Trust Cos., and Senator Van Tets of the Dutch Parliament, who appeared on behalf of a federation of nationwide, private corporate pension funds in eight European countries, each testified that uncertainty created by FIRPTA has seriously dampened direct investment in U.S. real property and will continue to deter such investment unless the law is repealed. Unlike staff tax technicians who have absolutely no practical or personal knowledge of large foreign investment funds, these European professional investors make it as clear as possible that FIRPTA is reducing and will reduce real property investment in the United States, a development that is contrary to our national interests and to President Reagan's own international investment policy.●

A TRIBUTE TO ARKANSAS' SENIOR INTERNS

● Mr. BUMPERS. Mr. President, I take a moment to pay tribute to Mr. Harold Jinks, one of the most dedicated public servants in the State of Arkansas. Harold is a man who has a clear vision of our Nation as one where every citizen is ensured freedom and justice, and he has worked ceaselessly to make his vision a reality. Harold Jinks spent 1 short week in my office this summer as a senior intern, and in that 1 week, exhibited more energy, enthusiasm, and idealism than all of us combined.

Mr. Jinks was born on February 11, 1906, and by age 22 had made his way to New York, where he graded cotton samples. He left New York to work for the Agriculture Extension Service, traveling the country helping farmers and their families. Harold met and married an Arkansas native while working at the Extension Service in Jonesboro, AR, and the State is lucky that his wife Wilma has kept him in the State since then. Harold describes Wilma as his most candid critic and closest adviser, and, most important, his best friend.

In 1942, Harold served in the Naval Air Force and suffered a serious injury in China that put him in a cast for 4 years. I'm sure, however, that even that serious injury didn't slow Harold down. In 1948, he received the first of many Government appointments when President Truman appointed him Postmaster of Piggott, AR. President Kennedy appointed Harold the Director of the Division of Postmasters and Rural Carriers and in 1964, President Johnson named him Special Assistant to the Postmaster General. Finally, in 1968, Harold Jinks officially retired after 40 years of public service.

I must point out, however, that Mr. Jinks is far from retired. He has been active in Democratic Party politics since age 22, first serving as a representative to the Democratic National Committee in 1956. His retirement from the Postal Service just gave him more time to pursue his other interests. He is currently president of the Senior Democrats of Arkansas, and I am pleased to say that he will serve as an Arkansas delegate to the Democratic Convention in San Francisco next month. Harold has also been busy this spring and summer with his work as a member of the Democratic Platform Committee.

I have only mentioned some of the significant contributions that Harold Jinks has made to this country during his lifetime. My staff and I enjoyed the week that he spent in my office, and I am pleased to have this opportunity to pay tribute to him.

Other members of the Arkansas delegation were priviledged to have senior interns in their offices this summer as well. Mr. Arnold Sikes worked for my colleague DAVID PRYOR. Mr. Wilber worked in Representative BILL ALEXANDER's office. Mr. Bart Westerland worked for Representative BERYL ANTHONY. Mrs. Holly Lodge spent a week with Representative ED BETHUNE and his staff. I hope that all the other offices derived as much benefit from this experience as mine and I want to thank the senior interns for providing us with this marvelous opportunity.●

BUDGET STATUS REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate a status report on the budget for fiscal year 1984 pursuant to section 311 of the Congressional Budget Act.

Since my last report, the Congress has cleared for the President's signature House Joint Resolution 492, the Urgent Agriculture Supplemental Appropriations.

The report follows:

[Rept. No. 84-10]

REPORT TO THE PRESIDENT OF THE U.S. SENATE FROM THE COMMITTEE ON THE BUDGET STATUS OF THE FISCAL YEAR 1984 CONGRESSIONAL BUDGET ADOPTED IN HOUSE CONCURRENT RESOLUTION 91—REFLECTING COMPLETED ACTION AS OF JUNE 27, 1984

[In millions of dollars]

	Budget authority	Outlays	Revenues
Second Budget Resolution level	922.125	852.125	679.600
Current level	922.889	854.690	665.283
Amount remaining	0	0	0

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and which exceeds $0 million for fiscal year 1984, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 91 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and which would result in outlays exceeding $0 million for fiscal year 1984, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in H. Con. Res. 91 to be exceeded.

REVENUES

Any measure that would result in revenue, loss exceeding $0 million for fiscal year 1984, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con. Res. 91.●

SENATE ACTION NEEDED ON RCRA

● Mr. LAUTENBERG. Mr. President, recently a bipartisan majority of the Senate wrote to Majority Leader BAKER, requesting that he schedule Senate consideration of S. 757, legislation reauthorizing and strengthening the Resource Conservation and Recovery Act [RCRA], as soon as possible. Despite our busy schedule, I am hopeful that the Senate can move to consider this legislation to ensure that Senate and House conferees can meet in conference in July and get a bill to the President's desk for signature this year.

The renewal and strengthening of RCRA is important to all parts of our country. This law, which regulates the generation, transport and disposal of the 240 million tons of hazardous wastes generated each year, is sorely needed. Mismanagement of hazardous wastes in the past has resulted in a loss of trust among our citizens. RCRA's reauthorization, proper implementation, and strong enforcement, coupled with tough criminal penalties for those who do not comply, is critical to the American people. There is no more basic duty of government than protecting the public health and preventing continued exposure of our citizens to carcinogenic and other health-threatening chemicals in their environment.

Polls have clearly shown that the American people want to be free from the fear of hazardous wastes. In my own State of New Jersey, the respected Eagleton Institute poll found that 85 of 100 people polled identify hazardous wastes as a primary concern.

Mr. President, "cradle-to-grave" management of hazardous waste is no small task. EPA's recent analysis of waste generation found that 60 percent more hazardous waste is generated in the United States than the EPA had previously calculated. More than 80 percent of waste generated is disposed of in landfills; 40 percent of existing surface impoundments—pits, ponds, and lagoons—have no lining, whatsoever; 98 percent of all surface impoundments are within a quarter of a mile of underground sources of drinking water. Disposal of millions of tons of wastes are currently unregulated because of exemptions for small generators and for wastes blended into fuel oil, which is often sold to unsuspecting customers who burn the contaminated fuel in residential and commercial boilers.

Mr. President, Senate approval of S. 757 would correct many of these deficiencies and would put us on the road to effective and safe management of hazardous wastes. S. 757 would also put EPA on a schedule for the long overdue evaluation and regulation of wastes such as PCB's and dozens of forms of dioxin.

Mr. President, I ask that the letter be printed in the RECORD calling for expedited consideration of RCRA.

The letter follows:

COMMITTEE ON ENVIRONMENT
AND PUBLIC WORKS,
Washington, DC, May 22, 1984.

Hon. HOWARD BAKER,
Majority Leader, U.S. Senate,
Washington, DC.

DEAR HOWARD: We are writing to urge you to schedule Senate consideration of S. 757, the Solid Waste Disposal Act Amendments of 1983, as soon as possible after the Memorial Day recess. Expedited consideration of this bill is essential if the Congress is to take final action on reauthorization this year.

The Committee on Environment and Public Works reported S. 757 to the Senate in the early fall of 1983. The bill was the subject of extensive review and was reported from Committee by a vote of 15-1. In November the House approved a similar measure, H.R. 2867.

In order for the Congress to have the opportunity to reauthorize RCRA this year, the Senate bill must be scheduled for consideration as expeditiously as possible.

S. 757 retains the framework of the existing Solid Waste Disposal Act and hazardous waste regulatory program, but makes modifications to improve its implementation and to better protect the public from the hazards of toxic wastes.

Specifically, S. 757 includes new requirements on generators of small quantities of hazardous waste; requires tighter restrictions on the land disposal of hazardous wastes; establishes deadlines by which EPA must complete regulatory tasks; and stiffens criminal penalties for violators.

The measure renews the commitment of the Congress to "cradle-to-grave" management of hazardous wastes. It would require more effective controls of dioxin and other highly toxic substances, preventing tragedies such as those that have occurred at Times Beach, Missouri, and Newark, New Jersey. The mismanagement of hazardous waste in the past which resulted in thousands of abandoned toxic sites must come to an end.

We hope that you will agree that the consideration of S. 757 in the Senate, and final Congressional approval of a reauthorization of the hazardous waste regulatory program is a top legislative priority this year. We are prepared to work with you to make it possible to schedule the bill for Senate consideration as soon as possible after Memorial Day recess.

Sincerely,

Senators Jennings Randolph, George J. Mitchell, Frank R. Lautenberg, Gordon J. Humphrey, Max Baucus, David Durenberger, Quentin N. Burdick, Bill Bradley, Alan J. Dixon, Robert T. Stafford, John H. Chafee, Daniel Patrick Moynihan, Gary Hart, James Abdnor, Daniel J. Evans, Lloyd Bentsen, Alan Cranston, Dale Bumpers, Richard G. Lugar, Larry Pressler, Rudy Boschwitz, Claiborne Pell, Paul S. Sarbanes, Charles H. Percy, Daniel K. Inouye, Paula Hawkins, Slade Gorton, Christopher J. Dodd, John Glenn, William S. Cohen, Warren B. Rudman, Edward M. Kennedy, Carl Levin, John Heinz, Walter D. Huddleston, Jeff Bingaman, Patrick J. Leahy, Thomas F. Eagleton, Bob Kasten, William V. Roth, Jr., Howard M. Metzenbaum, Dennis DeConcini, Wendell H. Ford, Lawton Chiles, Ernest F. Hollings, Pete Wilson, Donald W. Riegle, Jr., Mark O. Hatfield, Bob Packwood, Thad Cochran, Paul E. Tsongas, and Spark M. Matsunaga.●

DUBINA—OLDEST CZECH SETTLEMENT IN TEXAS

Mr. TOWER. Mr. President, this Sunday, July 1, 1984, my wife and I will have the pleasure of attending a celebration in Dubina, TX, dedicating a historical marker which declares Dubina as the oldest Czech settlement in Texas. Donated by Mr. and Mrs Edward Janecka, this marker reads:

> Dubina, which derives its name from the Czech word for Oak Grove, was founded in 1856 by a group of Moravian immigrants, including the Marak, Kahlich, Sramek, Peter, Holub, Muzny, and Haidusek families. By 1900 the farming community had erected a church building, mill, cotton gin, blacksmith shop, store, and post office. A 1909 storm and a 1912 fire caused extensive damage from which the town never recovered. As the first settlement in Texas to be founded entirely by Czech Moravians, Dubina remains an important part of the state's regional and cultural history.

It was these early settlers of Dubina, TX, as well as hundreds of other Czech immigrants whose strength of character, integrity, and willingness to endure helped shape the character of all Americans. Consider for example these words taken from an address made by Judge Augustin Haidusek, a member of the original group of settlers, on November 4, 1906, commemorating the 50th anniversary of the founding of Dubina:

> Four years later several immigrant families stopped at our humble dwellings. Among them was one Valentine Gallia, a classmate of my father, who remarked after inspecting the dwellings, "Why, you had better sheds for your hogs in the old country than these dwellings." My father then remarked: "That's true, but I had rather live here in a shack as an American citizen than to live there in a palace as a serf of the Austro-Hungarian government. * * *"

Thanks to the foresight and concern of Mr. Edward Janecka and the Dubina Historical Commission, the rich history of this town will be preserved for posterity.●

IMPUTED INTEREST

● Mr. ABDNOR. Mr. President, an article in the June 27 edition of the Washington Post, entitled "Realtors Launch Last-Minute Drive Against Deficit-Reduction Proposal," explains the intent and the ramifications of the imputed interest provisions of the tax bill.

The intent is to prevent sellers from inflating the price of their property for tax-avoidance purposes, but the result is that sellers may be required to charge a rate of interest of as much as 15 percent.

I might point out, Mr. President, that my bill, too, would prevent sellers from inflating the price of their farm or small business property—if they wish to avoid imputed interest—but it would do so in a way which would encourage the preservation of small business and family farm units.

Mr. President, while the primary concern of the realtors is home sales, our concern should be equal or greater for the preservation of our farms and small businesses. We should not in effect tax them out of existence, but I fear that is exactly what we will be doing if legislation such as that I am introducing today is not enacted.

I ask that the article from the Post be printed in the Record.

The article follows:

[From the Washington Post, June 27, 1984]

Realtors Launch Last-Minute Drive Against Deficit-Reduction Proposal

(By Alvert B. Crenshaw and Martha M. Hamilton)

The National Association of Realtors yesterday launched a last-minute drive to block the deficit-reduction bill, contending that one of its provisions could wipe out [illegible]00,000 homes sales next year.

Officials of the 616,000-member trade group said they have conferred with state boards of Realtors, which in turn will urge their members to put pressure on their congressional delegation.

The staff at the national headquarters here were drafting a letter to all members of the House and Senate expressing opposition to the measure approved by conferees over the weekend.

"The National Association of Realtors is going to oppose the conference report when it comes up for a vote in both the House and the Senate," said Jack Carlson, its chief economist and executive officer. He said the association believes the measure is "anemic" as a deficit-reducer and overly reliant on tax increases instead of spending cuts.

He said the bill's extension of depreciation schedules for buildings from 15 to 18 years will depress investment, and a provision on what is known as "imputed" interest will make it impractical for home sellers to offer below-market mortgages to encourage sale of their property.

The spending cuts and tax increases bill, approved by a conference committee early Saturday morning, is expected to come up in the House today and may come up in the Senate as well. With the congressional leadership and the White House alike anxious to demonstrate that something is being done to curb the deficit, and with Congress seeking to recess this week, efforts to block the measure are given little chance of success.

"I don't really believe that everybody's going to come to a halt and go back to conference and delay the chance of passing a bill this week," said Senate Finance Committee Chairman Robert J. Dole (R-Kan.).

The real estate provisions are a small part of tax bill that contains more than 200 provisions, many of which have powerful supporters in Congress.

The Realtors efforts' focused attention on the imputed interest section of the bill. As approved by the conferees, the provision would require that mortgages held by sellers of homes, farms and other such property carry a market interest rate, which is defined as at least 110 percent of the interest paid on the Treasury security that most closely corresponds to the mortgage. Thus, if a seller holds a loan for five years, the market rate would be 110 percent of the rate on five-year Treasury issues.

If the seller charged less, the Internal Revenue Service would impute a higher interest rate and collect tax on that amount, even though the seller was not actually getting the money. The buyer, meanwhile, would be allowed to deduct only the interest actually paid.

Currently, "seller financing is typically going for around 11 percent with a balloon at, say, five years," said Carlson. ". . . A five-year Treasury bond yield right now is 13.65 percent. The bill calls for the lowest interest rate that the seller can provide is 110 percent of that, which is 15 percent."

Seller financing becomes increasingly important to real estate sales when interest rates are high, as they are now. Carlson said that the corresponding point in the previous cycle in 1979-82, "seller financing became a large part of the marketplace. During several months it was one-third of all mortgage funds."

The goal of the imputed interest provision is to prevent sellers from inflating the sales price of their property by providing low interest loans. Profits on the sale of property are capital gains eligible to be taxed at a low rate or not at all, while interest income is considered ordinary income and taxed at a higher rate. The provision would raise tax revenue by shifting more of the proceeds of the sale out of the capital gains category into ordinary income.

With assumptions of existing mortgages largely eliminated by statutory changes, seller financing could be even more important this time. If the provision is not changed, 500,000 home sales will be wiped out next year when the provision becomes effective, Carlson estimated.●

SOVIET SS-20'S ARE PROBABLY COVERT ICBM'S

● Mr. SYMMS. Mr. President, there are recent reports which suggest that the Soviet Union's SS-20 intermediate range ballistic missile may actually be an intercontinental ballistic missile capable of attacking the United States. I believe that this increased Soviet threat should be called to public attention. There are currently over 378 mobile SS-20 launchers deployed using widespread camouflage, concealment, and deception in the Soviet Union, and each has up to five refire missiles. To be an ICBM, two of the SS-20's three warheads would probably have to be offloaded. Thus, use of the SS-20 force as a strategic reserve ICBM force represents a total of over 1,800 more nuclear warheads potentially aimed at the United States. The SS-20 does not count in the SALT II Treaty, so this capability is a probable circumvention of the SALT II Treaty's ceiling on the total number of strategic delivery vehicles, 2,250.

It is possible that the new Soviet mobile ICBM, the SS-X-25, will be compatible with the SS-20 launcher. If so, then we may be witnessing the Soviet creation of a huge new mobile ICBM force which is heavily camouflaged and concealed and therefore difficult to detect and target. This development would further shift the strategic balance in Soviet favor, perhaps decisively.

I submit for the RECORD two open source articles. The first is entitled "Massive Soviet Missile Test" by Knut Royce, Baltimore News American, June 21, 1984. The second is entitled "Selective Targeting and Soviet Deception," by Samuel T. Cohen and Joseph D. Douglas Jr., printed in Armed Forces Journal, September 1983.

[From the Baltimore News American, June 21, 1984]

MASSIVE SOVIET MISSILE TEST

U.S. MUM ON SIMULTANEOUS LAND-SEA EXERCISES

(By Knut Royce)

WASHINGTON.—In an unprecedented test of nuclear firepower, the Soviet Union in April simultaneously launched six land-based ballistic missiles on a polar course, the path that would be used in a nuclear war, according to highly placed sources.

Air Force officials refused to discuss the event, which occurred April 2 and coincided with the largest Soviet naval exercise ever conducted in the Atlantic Ocean. One Pentagon official familiar with events that day at the North American Air Defense Command in Colorado Springs, which monitored the launches, would say only, "Yes, something unusual happened."

But from other sources familiar with the Soviet launches, it has been learned that the tests involved six SS-20 missiles fired from an operational missile site at Yurya, near Kirov, in central Russia. They followed a northern trajectory for several hundred miles and fell in the area of the Barents Sea, the sources said.

What made the event unusual, the sources said, was the number of missiles fired—it was the largest number of land-based missiles the Soviets have ever fired simultaneously; they were launched from an operational, rather than a test, site; they flew on a polar course, rather than the usual West-to-East path for Soviet missile tests, and the United States received no prior notification.

The United States has never tested a land-based missile on a northern trajectory and has never launched more than two of them simultaneously.

Although there is broad consensus within the administration that the test also was intended to convey a message, there is debate among military experts as to what that message was.

"All these exercises are multi-purpose," one nuclear expert said. "The question is what signal they were sending."

William Arkin, a nuclear weapons expert with the Institute for Policy Studies, said that because the SS-20 is described as an intermediate-range missile and they were launched in conjunction with naval exercises in the North Atlantic, they probably simulated a nuclear attack on Norway and Sweden. The signal, under this account, was largely intended for the Scandinavian countries.

But a source familiar with the deliberation on the event within the National Security Council said there is considerable belief there that the SS-20 also is capable of intercontinental range when carrying a single warhead. "That was us they (the Russians) were looking at," the source said.

This year's issue of "Soviet Military Power," a Pentagon booklet, says all of the 378 SS-20s deployed carry three warheads. General Dynamics' widely respected book on missiles, "The World's Missile System," claims that an SS-20 armed with a single warhead has a range of 4,700 miles. Others believe it could be more.

The sources agreed the missile test was another clear demonstration that the Russians are digging in their heels further in the current East-West chill.

What also is unusual is that the administration is keeping a lid on the episode. Defense Department officials said they could not discuss the test because it could reveal sources and methods of gathering information.

Yet in June 1982, when the Russians conducted extensive tests of their missile arsenal, then-Secretary of State Alexander Haig held a news conference to describe the land- and submarine-based missile tests and the launching of anti-satellite weapons.

[From the Armed Forces Journal International, September 1983]

SELECTIVE TARGETING AND SOVIET DECEPTION

(By Samuel T. Cohen and Joseph D. Douglass, Jr.)

"However absorbed a commander may be in the elaboration of his own thought, it is necessary sometimes to take the enemy into consideration."—Winston Churchill

During the decade of the 1970s, the Pentagon worked hard to revise America's nuclear doctrine. The objective was to be able to fight a restrained intercontinental nuclear war with the Soviet Union.

The new doctrine was first publicized in January of 1974 by Defense Secretary James Schlesinger. Should the Soviets attack with a restrained counterforce strike, the United States henceforth would have the capability of strikingback in a "selective" manner, only striking crucial military targets while avoiding unnecessary collateral damage to urban areas.

In the summer of 1980, the doctrine was reaffirmed by President Carter in the form of Presidential Directive No. 59 (PD-59). Since that time the meaning of this doctrine has become more apparent as its generic target list has become known. In addition to traditional SIOP* targets such as ICBMs, nuclear submarine bases, and airfields capable of handling strategic bombers, the new list emphasizes control targets—military, party and internal securtiy control—and power projection forces.

Defense Secretary Harold Brown explained that this latest iteration was "designed with the Soviets in mind" and would "take account of what we know about Soviet perspectives on these issues, for, by definition, deterrence requires shaping Soviet assessments about the risks of war—assessments they will make using their models, not ours."

However, in comparing the new US nuclear strategy with that of the Soviets, a very substantial question emerges: namely, does the US really know enough about the actual targets (and about Soviet efforts to deny the United States access to critical information, such as target location) to realistically and effectively implement a selective targeting strategy? Or, alternatively, is the strategy merely rhetoric unsupported by capabilities?

The problem is that while American planners are beginning to recognize Soviet doctrine, they have yet to accept some of its most central tenets, one of which emphasizes the importance of surprise and the need to employ secrecy, cover, and deception to mislead the enemy.

Surprise is, perhaps, the single most important principle of war in the nuclear age in Soviet thinking. It is achieved mainly "as a result of poor knowledge by the adversary of one's true intentions, as a result of subjective errors in assessing intentions and plans, as well as a result of shallow analyses of measures taken to achieve surprise." This helps explain why, in discussions of surprise in Soviet military textbooks, dictionaries, and encyclopedias, objectives such as "misleading the enemy about one's intentions" or "leading the enemy into error concerning one's own intentions" always appear at the top of the list—closely followed by other important concepts such as "covert preparations," "unexpected use of nuclear weapons," "camouflage actions," and "the use of means and methods unknown to the enemy."

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*SIOP: Strategic Integrated Operational Plan.

This suggests a possibly critical PD-59 targeting problem. Targeting normally consists of identification and selection. While the process already must be extremely complicated—that is, the selection of several thousand targets from a target list containing tens of thousands of targets—to this problem must be added the questions, "How does one separate real targets from false targets, and identify real targets where there has been an extensive effort (by masters of the trade) to hide them?" Bear in mind that the principal, almost only, means for identification and location is satellite photography—using cameras that cannot see at night, through weather or into boxes, buildings, or underground facilities.

This problem is further compounded by Soviet efforts to disperse and duplicate critical facilities and move them on the eve of the war. Mobility is especially important, and when undertaken in anticipation of an enemy nuclear strike even has a special name, "anti-atomic maneuvers." These maneuvers are intended to negate the effectiveness of enemy strikes simply by moving targeted items, such as military units, weapons and ammunition stockpiles, especially nuclear warheads, air and missile defenses, political adminsitrative control centers, communication facilities, transportation assets, and so forth. Insofar as strategic force targeting in the United States is not a real time or even a near real time operation, the effectiveness of such a Soviet effort could be considerable.

T.K. Jones, Deputy Under Secretary of Defense for Research and Engineering, explained the consequences of Soviet mobility to a Senate arms control subcommittee in 1982:

"Our ability to retaliate effectively against Soviet military assets is also no longer as clear as it once was. Their conventional military forces and nuclear reserves are protected by mobility. Although we could retaliate against the peacetime locations of such military units, there is doubt that such action would eliminate the fighting capability of the Soviet forces."

Soviet leadership is a particularly important PD-59 target category where secrecy, cover, deception, and mobility may negate US pre-attack targeting. The Defense Department recently observed: "Protection of their leadership has been a primary objective of the Soviets. . . . This protection has been achieved through the construction of deep, hard urban shelters and countless relocation sites. "But the Defense Department acknowledged in 1980 that it had identified only "relatively few leadership shelters."

How many of these relocation shelters are known today, and which would be occupied, and by whom? The problem is revealed in the testimony of a Soviet civil projects engineer who emigrated in 1978, as reported in the monthly newsletter, HUMINT: "Wilkinson Swords, the British razor manufacturer, built a completely equipped plant in Moscow. On the basis of expected profits, the Soviets were able to build two shelters, one in Moscow and one in Leningrad. The shelter for the five-story Wilkinson razor factory was built before the British engineers arrived. They were walking on the "ceiling' of the shelter and never knew what it was or that anything was there." It is entirely possible that an extensive complex of such unknown shelters and camouflaged shelters exist and have completely escaped detection by Western intelligence.

One high level defector has pointed out that the key Soviet leaders have two relocation sites: one to be used on the eve of war, the second to be used about seven hours after war begins.

A recent CIA study stated that identified fixed shelters were vulnerable to direct attack. If so, why would the Soviet leadership desire to arrange for their extermination by occupying these shelters, especially if they thought they were targeted? This wouldn't make any sense. So maybe they have been constructing some decoy shelter systems to draw attention, knowing we will see them being constructed, and to draw fire, as a subterfuge to encourage the wasteful expenditure of US warheads; their real plans being to occupy only shelters believed to be unknown to US nuclear planners. The importance of constructing decoy targets to draw both attention and fire is stressed in the Soviet literature, but rarely appears to be considered in Western analyses.

Not only would this make good deception sense, it also would make good economic sense, in the event the unknown shelters became known. The cost to the United States to dispatch an ICBM warhead to a target has escalated to tens of millions of dollars per warhead, vastly more expensive than the cost of a hardened shelter. Which suggests the possibility of a large proliferation of Soviet leadership shelters—playing a shell game as we once sought to do with the M-X missile. This raises additional questions about the ability of US nuclear targeters to implement the PD-59 strategy against one of its most important target categories.

Probably the highest priority and most dominant PD-59 target class is the Soviet land-based ICBMs, in particular, their land-based strategic nuclear reserves. U.S. intelligence credits the Soviets with about 1,400 land-based ICBM launchers. But, the 1,400 number really refers to known silos. Are all these silos filled? And, how many missiles are stored elsewhere?

The dominant theme that runs through the Soviet and German analyses of World War II is the importance of secret reserves. The Soviets won the war because of massive reserves that the Germans did not know existed. In Soviet General Staff analyses of present day conditions, reserves "have become much more important than in the past." The "Why?" is simple. "In the final analysis, decisive defeat of the enemy and achievement of war aims are secured by the offensive reserves"—whose successful employment, the Soviets further advise, is heavily dependent upon "secrecy and concealment."

In examining the Soviet nuclear capabilities, two very different, almost conflicting, strategic objectives should be considered. First, the United States (and the world) must "see" a strong, superior Soviet capability. This is an important ingredient of Soviet political warfare—intimidation. In this regard, Amrom Katz, a former director of verification at the U.S. Arms Control and Disarmament Agency, has noted that the CIA has been a most effective Soviet public relations agent by providing the world with most credible data on Soviet nuclear superiority. The second aspect is the equally dominant requirement to hide from any enemy the true extent of Soviet nuclear capabilities and especially any knowledge of Soviet nuclear capability that might be to the enemy's advantage. In this regard, the location of nuclear forces and the number of reserves are most critical and most important to hide from the enemy.

Considering this, does it make sense to assume that all Soviet ICBM silos are filled and that all reserve missiles will be fired from silos? In accordance with PD-59's strategy to limit damage from Soviet second and third ICBM strikes, U.S. strategy would involve attacking these silos both to destroy missiles not fired during the first strike and to deny the Soviets the ability to reload the silos for subsequent strikes.

We have long known that Soviet ICBMs can be fired from their containing canisters, in which they remain stored from the time they leave the factory assembly line. When they are fired from silos in test flights, technically speaking, the missiles leave the canisters, not the silos.

This poses the following question: How many canisters that are lowered into silos actually contain missiles? An honest answer would have to be: We really don't know. There is no way that a reconnaissance satellite can see what is inside a canister. But, the dilemma is even more complicated than this.

If the Soviets wished to, they consistently could conceal from satellite view even the delivery and emplacement of the canisters. They could cover the railway cars transporting them and lower them into the silos during periods of darkness or inclement weather—in which case we would see, in a word, nothing. But apparently they don't. Why? Could it be that they have conducted a program of massive deception toward leading us to believe that all silos contain missiles, to insure the wasteful expenditure of US ICBMs and the defeat of US targeting strategy? Could it be that the silos mainly contain missiles intended for the first strike (including extra missiles ready to rapidly substitute for launch aborts), and that there are a number of extra empty silos to create the impression that the entire land-based force is silo-based and hence to draw fire—e.g., dummy targets, recognizing that with today's sensors, the only way to make a good dummy silo is to make a real silo, which would still be well worth the cost.

Nor is this the only ICBM reserves intelligence problem. The Defense Department has observed Soviet reloading exercises and has become concerned about Soviet plans to reload and refire missiles from "used" ICBM silos. DoD's estimate of the time required for the Soviets to reload a significant number of silos is several days, which may not be sufficiently rapid to constitute a SALT II violation and is sufficiently slow to enable US forces to strike before the reload is completed. Aside from the fact that the reload time observed is more like one day, or as one intelligence source has reported, several hours, why would the Soviets deny themselves the ability to thwart the selective targeting strategy? Why give the United States ample time to destroy the Soviet silos before they could be reloaded. Or could it be that these reloading exercies were part of a Soviet deception?

Why, one could argue, would the Soviets, knowing we would be watching, wish to conduct a reloading exercise that plainly was sufficiently slow to encourage US efforts to keep all silos targeted in the US response second strike? Still further, why would the Soviets plan to reconstitute a force, either rapidly or slowly, in the main areas where rubble and fallout radiation levels should be expected to be most severe? Unless, in the words of Lenin, they are deceiving us by telling us what we wanted to believe. Could it be that they were bent on ensuring that the United States would wastefully dispatch its missiles toward "known" critical targets (i.e. silos), while the actual (unknown) targets were someplace else? The cold military logic of the situation would dictate that this is exactly what the Soviets should have been up to. If there is one thing that can be said about Soviet military doctrine, it is that it tends to be logically impeccable.

What a rapid reload capability (whether several hours or several days) really implies is not so much the ability to reuse silos, but rather the existence of a "wooden round" ICBM that is self-contained in, and capable of being fired from, its own canister—an ICBM that does not need a silo. Canistered ICBMs easily can be stored in garages or sheds, simply erected, aligned (the only possible difficulty), and fired from any surface capable of supporting the missile weight. Such canisters for "sabotted" ICBMs are simple and cheap—sections of steel sewer pipe welded together are more than adequate—and just as good as silos for launching purposes. The missiles can be erected and fired from any location. Only minimal preplanning to presurvey the site locations and enable initial orientation of the guidance system is necessary; considering stellar guidance technology, this could be a trivial task.

Then there is the issue of the SS-20 which has been "sold" as strictly a theater nuclear system. However, with the recently increasing Soviet encryption of missile test telemetry, including that on the SS-20, another question emerges: Does the SS-20, whose deployments are mounting, have an intercontinental capability? Has US intelligence only been allowed to see the heavy-payload, short-range version? There is considerable disagreement over the SS-20 payload and range. Payload estimates in the IISR Military Balance 1982-1983 range from single 50-kiloton warheads to three 150-kiloton warheads, with corresponding ranges from 7,400 kilometers to 4,500 kilometers. Clearly when loaded with only one warhead (and 50 kilotons is larger than the Poseidon warheads), the system is intercontinental. It is then an excellent land-based strategic reserve. Moreover, in such a configuration it also could play a disturbing role in a Soviet surprise first strike because of its ability to launch out of unexpected areas, and out of areas uncovered by the defense warning satellites, thus confusing or even negating the most critical part of the US attack warning system.

There is no target base in Europe that comes even close to justifying the SS-20 system in its most advertised form, which equates to between 2,000 and 5,000 150-kiloton warheads. There are fewer than 30 so-called nuclear hardened targets (none of which are even hardened to withstand 150-kilotons delivered with SS-20 accuracies); the shorter range Soviet missiles deployed in Eastern Europe, coupled with a few of the ICBMs tested at intermediate range (SS-11 Mod. 4s and SS-19s), long have had the capability to conduct an effective disarming first nuclear strike against all NATO land targets.

Since the early 1960s, the Soviets have stressed the need for mobile missiles for survivability. Because of their ability to change location and relative ease of concealment and camouflage, survivability is achieved because the enemy cannot effectively find and target the missiles. Were the SS-20 indeed an ICBM, its deployment would thwart the PD-59 targeting strategy. There is also the longer range mobile SS-16, that apparently has been deployed in quantity (100 to 200) under cover at Plestsk; in the future, there is expected to be the mobile PL-5.

The problem becomes further compounded when the nature of US intelligence assets used to target the nuclear forces is also taken into account. These assets are really intelligence assets driven by intelligence needs, not by military target acquisition requirements needed to identify targets for nuclear strike after a war begins. The Soviets, who have a warfighting strategy and battle management capability, stress the need for target acquisition after the war starts and the need to destroy an enemy's target acquisition capability in the first strike.

The Soviets should be expected to target all US reconnaissance capabilities in the first strike, including any known reconstitution capabilities. Thus, the US would be blinded in the first strike. This would also appear to operate greatly to our disadvantage in trying to implement a selective second strike. How will this strike be targeted in the face of Soviet secrecy, cover, deception and mobility? This underscores a very important constrain on doctrine—capabilities. One can only realistically change doctrines within the latitude that the capabilities will support.

Another serious intelligence problem has been the prevalent attitude, not limited to the intelligence community, that deception is not a real problem. The former Deputy Chief, Counterintelligence Staff, CIA, explained the situation quite nicely when he said: "So we come to the real question: How does one get people at the political level, or even at the high or medium-high decision-making level within the intelligence organization to recognize that deception is a real problem?"

There probably is no one explanation for this condition. However, a number of possibly contributing factors can be identified. First, there is the image of Soviet Union military and intelligence operations as clumsy and heavy handed. This is perhaps best represented by the "cold warrior" mentality that inhabits many of the national security catacombs. Rarely does one encounter an image of the Soviet Union as well organized, sophisticated, talented, and clever.

Second, the US government is not equipped to deal with deception, except perhaps in a very specialized manner, and even that may be somewhat questionable since the CIA counterintelligence staff was purged in the mid-1970s. All-source analysis is necessary to come to grips with modern, multi-source, coordinated deception. But there is no place where all-source analysis is conducted. With the exception of some technical areas, analysis—even intelligence analysts—who use the data, who should be most concerned about possible deception, have almost no access to sources—and most of the time, security is not the real reason.

Third, there is no sense of Soviet long-range planning or belief in the possible existence of a Soviet "grand plan" in the intelligence agencies (or almost anywhere else in the US national security community, for that matter). In recent Congressional hearings on Strategic Forces, Richard Pipes stated that one of the fundamental problems with the National Intelligence Estimates (NIEs) was the disbelief of those drafting the estimates in Soviet grand strategy. As a result, they dealt with each aspect of Soviet behavior separately, "with politics and military affairs separately, economics, propaganda and ideology separately, and then within each of these categories, with each item, such as each weapon system, separately." No one ever brought the pieces together.

When Czechoslovakia's General Major Jan Sejna defected in 1968, he felt that the most valuable information he brought with him was his knowledge of the Soviet "Long Range Plan for the Next Ten to Fifteen Years and Beyond." Sejna was the only Czech with access to the Russian version of that plan. Yet US intelligence authorities never debriefed him on its contents. Special sections on deception appear throughout the plan, and it spells out one of the main strategic deception goals this way: "To cover the nature and intended use of the main tools, of which one of the most important is the nuclear forces."

Fourth, specifically in regard to unknown strategic nuclear capabilities, there is an organizational belief that if the Soviets would attempt anything truly massive, such as the hiding of several hundred missiles, let alone a complete Soviet Missile Force Army, word would leak out—too many people would have to be involved. However, rumors have leaked out—rumors of missiles in lakes, caves, mountain hide-aways, and sheds. Presumably such rumors were pursued, but nothing found.

Unfortunately, there are massive installations in the Soviet Union with whole towns supporting them, that the intelligence community has only been able to speculate about for over two decades. Why has information on those installations not leaked out; or, if it has, to what avail? US intelligence refused to recognize the civil defense program in the Soviet Union until some analysts outside the government, and PD-59, forced the issue. Only then, following an extensive review of data, did shelters, relocation sites, and even some duplicate industrial facilities begin to emerge. No one had looked for them before. The Soviet Union is supposed to have a large chemical warfare capability, but just try and find any data on it. Intelligence cannot even say whether the Soviet stockpile of chemical weapons is 500 tons or 5,000,000 tons; and, until the Sverdlovsk accident (which the Soviets claimed was food poisoning) the existence of a Soviet biological warfare capabililty was dismissed.

Consider the following paragraph taken from an article on camouflage in a classified Soviet General Staff journal in the early 1970s:

"If it is not possible to conceal troops and facilities from hostile observation, then one can reduce their revealing features by altering their external appearance. For example, a large camp or supply base can be camouflaged as a town; a tank farm can be camouflaged as apartment houses, while individual military installations can be camouflaged as rubble, smoldering ruins, etc. Important elements of a camouflage effort are the mounting of feigned assaults and *the construction of dummy defensive fortifications (control posts)*. Such action can be employed not only at the tactical echelon but *particularly* *at the operational and strategic* levels." [Emphasis added.]

It does not take much imagination to conceive of an entire Soviet Missile Force Army camouflaged as a test site, or deployed as a remote town, or of a town built exclusively to house such an army, complete with farming, perhaps lumbering, and some light manufacturing—enough activity to justify a rail spur and moderate rail traffic.

Nor does it take much imagination to envision people arriving and departing by train, perhaps at night or in trains with no windows, so that no one in town—including even the commander—knows where they are located, or better still, are misinformed as to where they are. (This type of practice is normal behind the Iron Curtain. When the Czech Politburo, the highest ranking government officials, were taken to review a new air defense site in the mid-1960s, they were driven in buses that had the windows painted black to prevent even their knowing where the site was!)

Perhaps the most serious contributing factor is an associated fear of deception and of even trying to tackle the problem. Fear over studies of deception, is not just an intelligence organization fear. Deception studies run the risk of having numerous far-reaching ramifications. A serious investigation into Soviet secrecy, cover, and deception could be far more revealing and serious than was the US Senate's Church Committee investigation in the mid-1970s. The Church Committee unfortunately did not deal with deficiencies that adversely reflected upon US national security. A truly serious study of Soviet secrecy and deception should be expected to be actively and forcefully opposed by most of the US intelligence community, and, equally important and unlike the Church Committee investigation, also by the KGB.

The above discussion is not intended to claim the definite existence of a large hidden Soviet missile force. Rather, the point is that the United States appears to have adopted targeting strategies that require good information on enemy military capabilities; yet that required information may not exist because of Soviet secrecy, cover, and deception.

Soviet efforts to defeat US strategy rarely if ever are taken into account. Estimates of enemy capability tend to be several times removed from the actual data and often bear scant resemblance to the data. When one tries to find the data supporting a statement on enemy capabilities—statements of the type that are the main input to the policy and strategy planning process—one often discovers a house built of cards. For example, silos become launchers, which then become warheads, throw weight, and the force locations. Any resemblance between this and the actual numbers of warheads or missiles or launchers is strictly coincidental, and the locations only cover one possibility. The estimates might be right, but the data certainly do not tell whether this is the case or not. And, the United States not only seems oblivious to the possible problem, but worse still, may have serious internal structures and bureaucratic beliefs that make dealing with the problem very, very difficult.

In considering PD-59 and the impact of Soviet secrecy and deception, a second problem, made especially serious because of the targeting problem, is defense. For years the US has denigrated any defense effort. This is the mutual vulnerability portion of the mutual assured destruction (MAD) doctrine. The reasonableness of this approach has now been seriously questioned and for the first time in two decades, the folly of standing defenseless is being recognized along with the increasingly perceived need for a major shift to a defense oriented strategy.

Even before President Reagan called attention to the need for strong defense initiatives, the importance of this action was clearly presented in Defense Secretary Caspar Weinberger's 1983 Annual Report to the Congress. In his overview of US strategy, he identifies three main principles. First, "our strategy is defensive." Second, "the deterrent nature of our strategy is closely related to our defensive stance." And third, "In responding to an enemy attack, we must defeat the attack and achieve our national objectives while limiting—to the extent possible and practicable—the scope of the conflict."

Throughout this Annual Report, the critical importance of defense in the new doctrine is obvious when such phrases as "defeat the attack," "limit the scope of the conflict," "deny the enemy his political and military goals," and "terminate hostilities at the lowest possible level of damage to the United States," are examined with full comprehension of Soviet secrecy, cover, deception, and mobility practices and the resultant US nuclear force targeting limitations discussed above.

The goals of PD-59, or its successor, NSDD-13, simply cannot be met, even partially met, with only offensive capabilities. Indeed, because of Soviet secrecy, cover, deception, and mobility, US offensive forces may be almost totally unable to do much other than hit fixed, pre-briefed targets, which, if important to the Soviets, may no longer be valid targets when the war starts.

The goals of the new US nuclear strategy truly lack credibility in the absence of ABM defenses, the current situation. And therefore, to change the doctrine once again, much more than mere words are required. Substantial actions are essential in both defense and offense.

Most important are the development of reasonable active and passive (civil) defenses of our country, of which we now have essentially none. If we desire to survive nuclear war (we can, if we really want to), we must take measures to protect ourselves—our military forces, our civilian population, our economy, and our government. This would call for changing the current organization, acquisition, and management attention to include a heavy defensive component; in fact, a dominant defensive component.

For passive defense, first and foremost, a sensible civil defense system should be designed and built. The myth that America cannot survive a nuclear war with the Soviets—a myth that the US government, for political reasons, has helped to promote—is exactly that: a myth.

As for active defense, despite the general discouragement resulting from the Anti-Ballistic Missile (ABM) Treaty of 1972, considerable technical progress has been made in recent years toward attaining a defense against ballistic missile attack. We should be doing for active defense development what we did for the ICBM 30 years ago: give it a top, presidentially-directed priority. In March, 1983, President Reagan took the first step in this direction. Were Reagan now to move on active defense as Eisenhower did on the ICBM, or as Kennedy did on the Apollo man-on-the-moon program, chances are that enormous progress would be made and a reasonably effective layered defense capability could become real within a decade.

Regarding air defense, it is ironic that all the considerable gains we have made in this area have been applied to the defense of other countries, while our own continental defenses have been emasculated. In the meantime, the Soviets have been building up a strategic bomber capability which, if we do not restore air defense, will get a free ride over US territory.

In the area of offensive strategic weapons, in deploying our land-based systems, being a completely open society, we do not have the ability to disinform the Soviet targeteers, as they so readily can do to us. If we are to have survivable land-based systems, since they cannot be successfully hidden or the Soviets spoofed as to their whereabouts, the weapons will have to be mobile and exist in reasonably large numbers. In this respect, a small road-mobile ICBM should be developed with top priority as the main land-based missile force. Nuclear warhead technology exists to permit such a system to be fielded unarmed and free of threats from terrorists (the actual arming would take place only in the event of a crisis or war itself).

In sum, the United States may be heading down an illusory path in devising nuclear strategy and defenses. Not having taken into account the Soviet propensity and capability for deception, we may (and probably) have been foolishly playing into the Soviet hands and unwittingly given them an even larger degree of strategic nuclear superiority than we now admit they have.

It is essential to our security that this error be understood and corrected. Deception is a singularly important aspect of Soviet strategy. It is also a national talent in the Soviet Union. It is an integral part of their planning process. One would expect it to be employed in significant ways—probably accompanied by a variety of poor efforts undertaken to distract the attention of US intelligence and create the image of ineffective and clumsy Soviet deception practices.

But, where are the significant deception efforts? How have we been or are we being misled? Where are the examples of these efforts? Perhaps we should consider Amrom Katz's not too facetious observation, "We have never found anything the Soviets have successfully hidden"—and add to it the thought that the Soviets may be very good at hiding—when they want to be.●

PHARMACY CRIME

● **Mr. LEVIN.** Mr. President, Congress recently approved the pharmacy crime bill, S. 422, which is designed to address the escalation of pharmacy crime across the country. During the Senate's consideration of the conference report, I participated in a colloquy with Senator JEPSEN which clarified that the bill provides Federal jurisdiction: One, in all pharmacy crimes where a weapon, acquired in interstate commerce, is used or threatened to be used, in taking controlled substances; and two, in all attempts to take more than $500 worth of controlled substances.

The National Association of Retail Druggists [NARD], which represents the owners of 30,000 independent pharmacies, worked with the Congress over many years to secure the passage of this important legislation. NARD's National Legislative and Government Affairs Committee, chaired by William S. Katz, is to be commended for its work on behalf of NARD's membership.

Mr. President, the National Association of Retail Druggists works closely with the Alpha Zeta Omega [AZO], a national pharmaceutical fraternity. Several pharmacists from Michigan hold leadership positions in the fraternity: Chaplin Nathan Moiseev from Southfield; fund trustee Gary Helper, also from Southfield; and member of the board of directors, Manuel Katzman from Oak Park.

This year the pharmacy fraternity, AZO, has chosen to honor NARD's chairman of the National Legislative and Government Affairs Committee and first vice president, William S. Katz with its 1984 Meritorious Award. This award is presented to AZO members who have contributed in an outstanding fashion to the pharmacy profession over a period of years.

Mr. President, I offer my congratulations to Bill Katz, the AZO and the National Association of Retail Druggists. I ask that the test of an article saluting Mr. Katz's achievements, which appeared in the Azoan 1984 be printed in the RECORD.

The article follows:

MERITORIOUS AWARD 1984

(By William S. Katz)

Alpha Zeta Omega has inducted over 10,000 men and women into its ranks during our 64 years of existence, but never did any one of them attain the professional heights which have been achieved by our 1984 Meritorious Award winner, Frater Past Supreme Directorum William Sidney Katz of Connecticut, the First Vice-President of the National Association of Retail Duggists.

In being granted the Meritorious Award for long and distinguished service to Alpha Zeta Omega, we not only honor a Frater who has risen to unusual prominence within Pharmacy, but a Frater who has long been an integral part of AZO nationally and locally, the recognized force in New England, and one whose activity has never faltered. In 1978-1979, he served as AZO Supreme Directorum and his wife, Marilyn, was National Auxiliary President in 1979-1980 and again at present, 1983-1984.

He has been a Vice-President of the NARD since 1980, 5th Vice-President that year, 4th in 1981, 3rd in 1982, and 1st in 1983. In 1980-1981, he was President of the Connecticut State Pharmaceutical Association.

Born on October 16, 1939, Bill Katz was educated in and around New Britain, Connecticut, graduating from the senior high school there in 1957. He graduated from the University of Connecticut School of Pharmacy in 1961, and later attended the Central Connecticut State College graduate school, majoring in education.

Upon graduation he served for two years as a staff Pharmacist with the New Britain General Hospital. He then owned and operated the Stanley Pharmacy in New Britain following the death of his father, Samuel Katz, who also was a Frater of AZO. Currently he owns the Grove Hill Pharmacy in New Britain; serves as a Consultant Pharmacist to the Andrew House Health Care in that city; and is a Clinical Associate with the University of Connecticut School of Pharmacy.

Frater Katz has always been an organizationally minded man, and the list of his activities in various associations is tribute indeed to the abilities he brings with him in that activity, and the positions of leadership he has attained proves that AZO is not the only one to have recognized these outstanding character traits. He is a member of the N.A.R.D. and since 1978 he has been a member of the N.A.R.D.'s 3rd Party Prescription Program Committee. A member of the New Britain Area Pharmaceutical Association, he has been its President since January of 1977. He is a member of the Connecticut Council of Pharmacy Presidents and formerly was a member of the Connecticut Society of Hospital Pharmacists. (With this Hospital group he was elected Secretary, served well, was reelected, but then left hospital practice and yielded his office.) He is a member of the Connecticut School of Pharmacy Alumni Association and is currently serving his third 3-year term on it's Board of Directors. A member, too, of the Connecticut Pharmaceutical Association, he was elected 1st Vice-President in June of 1978, President-elect in 1979, and was Connecticut President in 1980-1981. He has been active with the C.P.A. 3rd-Party Committee, serving both as Co-Chairman then as Chairman; has spent 4 years on the C.P.A. Executive Committee; and has been a member of the C.P.A. convention committees for three years.

Even outside of Pharmacy, his ability to lead has been remarkable. As far back as 1962-1964 he was an advisor to the United Synagogue youth with Temple B'nai Israel. He is currently a member—and was Vice-President, as well—of Congregation B'nai Sholom of Newington, Connecticut, where he lives with his wife, Marilyn (who has seen activity with the AZO Auxiliary both locally and nationally) and the two Katz Children, Samuel (age 16) and Amy (age 15).

Naturally, it has been his work within the confines of Alpha Zeta Omega that have commended him to our attention as a once and future leader. Ever since the undergraduate days on the UConn Campus at Storrs, Connecticut, he has had the reputation as an achiever. Inducted into AZO as a freshman in March, 1958, he was President of the Pledge Class, and later was Nu Chapter Excheque. Then as he rose in undergraduate seniority he began to serve as our Fraternity representative to the outside, where the appelation "big man on campus" most certainly applied to his case. He was President of the Mortar & Pestle Honorary Society in 1961; Assistant Rush Chairman, for the Interfraternity Council in 1959; Rush Chairman, I.F.C., 1960; and served as Treasurer for the entire University of Connecticut graduating Class of 1961; some 1,300 students. By thus combining activity within AZO and good citizenship outside of AZO, he was a clear choice for the AZO Undergraduate Award, which he won at the 1961 National Convention in Cincinnati. He has remained on the national AZO scene ever since.

Joining Connecticut Alumni after graduation, he rose through the ranks and served as Connecticut Alumni Directorum in 1966-1967. A decade later, 1976-1977, he again served as Directorum. Less than two years after graduation from school, he ran the 1963 Spring Regional in Hartford. Still fondly remembered as one of the greatest weekends in history, it was all the more unusual in the way it combined huge undergraduate participation with that of Alumni, a touch that Bill Katz never seems to have lost. "Only" Co-Chairman of the next Connecticut Alumni Regional in 1967 (he was Chapter Directorum at the time), he chaired their 1973 Spring Regional in New Britain. That is the one best remembered for having started out as a combined meeting of AZO with other groups, but one that was soon being run by Bill. It took place in New Britain. In 1978, he ran the Connecticut National Convention in Swan Lake, N.Y., where the culmination of activity was the inauguration of Bill Katz, himself to the Supreme Directorumship. He has spent some 15 years as Ad Journal Chairman and as Award Committee Member with his Chapter. In 1982, he ran a Connecticut Regional for a fourth time.

After that 1963 Spring Regional, National Office could not be denied this rising young star from the northeast. He served as Supreme Eastern Bellarum 1963-1964, Supreme Historian 1964-1965, and was one of the Fraternity's greatest Supreme Signares in the two years he served, 1966-1968. In the six years from 1970 to 1976 he spent five as a Member of the Supreme Board of Directors, during which time his position as New England's number one spokesman and representative have become solidified. He was elected 2nd Sub-Directorum in 1976, moved up to 1st Sub-Directorum in 1977, and ascended to the highest chair in 1978. Since 1981, he has been Chairman of the Ephraim G. Sless Memorial Fund.

Secretary of the Supreme Convention Committee in 1964, he has been a member of the Special Action Committee since that time as well. In 1973-1974, he was Co-Chairman of the American Express Program. He was presented with the Ephraim G. Sless Award by his Chapter in 1974, and was the recipient of the Order of the Double Star, presented by Supreme in 1976.

In 1984, he won the highly respected Bowl of Hygeia Award and, in addition to serving as NARD's 1st Vice-President, he is Chairman of their committee on legislation and governmental affairs.

There are four distinct aspects to the Meritorious Award to Bill Katz. For one, he is the first from Nu Chapter of Connecticut. Secondly, he is the first Undergraduate Award winner to also receive the Meritorious Award and he is thus the first to win two Supreme Awards. Thirdly, only two Undergraduate Award winners have become Supreme Directorum, Bill Katz and our current Supreme Directorum, Bruce Strell. It is therefore highly significant that Frater Strell will be presenting this award to Frater Katz (and at a Convention in Cincinnati, the same site where, 23 years ago, Bill Katz received his undergraduate honor). Finally, his wife, Marilyn, is National Auxiliary President. It is her second term, her first having been three years earlier. While many women have had more than one term as National Auxiliary President, Marilyn is the first to have been recalled to the chair. Her inaugural address in July of 1983 was highly memorable.

Each year we point with pride to our award winners, and each time it is a feeling profoundly felt as we seek to thank someone for the things they did for AZO. However, the pride each and every AZO Frater has in hailing our beloved Frater not only for his work within AZO but for that which he has achieved outside our boundaries is overwhelming. Bill Katz, AZO salutes you and thanks you.●

S. 44—PRODUCT LIABILITY ACT

● Mr. BOSCHWITZ. Mr. President, today I rise to join a number of my colleagues in cosponsoring S. 44, the Product Liability Act. The broad-based bipartisan support which S. 44 enjoys is a reflection of the tireless efforts of my colleagues Senator KASTEN of Wisconsin and Senator GORTON of Washington in crafting legislation that strikes an equitable balance in addressing the reasonable needs and rights of the interested parties.

In an effort to assure that every aspect of the bill harmonizes with the best interests of those who make, sell, and use products, Senators KASTEN and GORTON have refined S. 44 to the point where the legislation reported by the Commerce Committee brings uniformity, stability, and fairness to the law of product liability. Indeed, the editorial support of the Washington Post, Business Week, and the Wall Street Journal evidences the equity and broad philosophical approval of the measure's provisions.

Mr. President, I do not take my cosponsorship of S. 44 lightly. As a small businessman myself, I have always held the belief that the Federal Government should not become unduly involved in the regulation of business matters. Too often Congress has passed legislation that addresses a specific problem while disregarding the broader effect of the burden imposed on business and the economy as a whole. This is not the case with product liability.

The current state of product liability is a patchwork of conflicting product liability rules in each of the 50 States. These conflicting rules make it extremely difficult for injured persons to know their rights and for manufacturers and product sellers to know their legal obligations. Indeed, the rights, remedies, and legal liabilities can differ greatly among neighboring States. The differences among State product liability laws creates a great deal of uncertainty, and, I believe, impose a direct and substantial burden on interstate commerce. The rapid advance in technology and communication of this century have resulted in a homogenous, national—indeed worldwide—economy. Products are produced, marketed, distributed, and used in a national market, without regard to State lines. At the same time, the consequences of this national activity are determined on a State-by-State basis. Manufacturers who produce and sell goods in many States deserve equal and judicious treatement in each. The uncertainties of conflicting State laws and the realities of the marketplace create a national problem, which I believe justifies a uniform, national solution.

The purpose of S. 44 is to eliminate the uncertainty and provide a uniform set of product liability rules. I believe S. 44 accomplishes this result, while retaining major principles of common law. The bill requires that the unreasonably dangerous aspect of the product must be the proximate cause of the injury, where it is established that the product was unreasonably dangerous because of its design, because of its construction, because adequate warnings or instructions were not provided, or because the product did not conform to an express warranty. The bill inposes a strict liability standard for mismanufactured products that caused the injury. At the same time, the bill provides commonsense standards that a product is not unreasonably dangerous if it was not technologically feasible to eliminate the danger, the injury was caused by an unavoidably dangerous aspect of the product, or the injury was caused by an unsafe aspect of the product that was inherent in it. In addition, the bill apportions responsibility on the basis of the relative fault of the injured party and the manufacturer. As a result, the manufacturer is liable only for the portion that the manufacturer contributed to the injury, while the injured party cannot recover damages that resulted from his or her fault. Finally, the bill establishes a realistic statute of limitations that prevents lawsuits for defective capital goods from being filed more than 25 years after the product was first sold and delivered. At the same time, the bill recognizes that other types of products can cause injuries that are not discovered within a specified time period. To address this situation, the bill allows injured persons to file lawsuits within 2 years from the time the person discovers both the injury and the cause of the injury. This preserves the right of injured persons to recover damages for injuries that cannot be easily discovered, while providing more certainty for manufacturers.

By bringing uniformity and stability to the law, S. 44 will promote safety in interstate commerce by making clear the standards manufacturers must meet in producing and maintaining their products. The bill will bring fairness to manufacturers and sellers by adopting a fault standard as the basis upon which to allocate liability for product-related injuries in proportion to the degree of responsibility for the occurrence. It will also bring fairness to injured parties by allowing suits which in some States would be barred by the application of overly restrictive statutes of limitations.

The reasonably prudent person standard of the bill provides a common standard against which courts in all States can measure the facts of each case. I do not believe that S. 44 will prevent the evolution of product liability law. On the contrary, the bill's standard of liability allows common law courts to determine what the reasonably prudent person would have done at the time of the factual situation of each case, rather than requiring an impossible 20/20 hindsight of measuring actions taken in the 1960's against the standards of the 1980's.

I believe that S. 44 will reduce the enormous costs of the current system which stem from the confusion and unfairness I have already mentioned. It is no secret that some opposition to S. 44 is based on the contention that S. 44 is special interest legislation designed to protect manufacturers and sellers at the expense of consumers. What must be acknowledged, however, is that all consumers presently bear the extra expense of the inefficiency and frequent unfairness of the current state of confusion in product liability law. Therefore, I urge my colleagues to join the broad consensus of manufacturers, sellers, and consumers in supporting S. 44 as a well-balanced solution to a pressing national problem.

Mr. President, S. 44 is timely legislation in a Congress that is running short of time. Allowing for the recesses scheduled for this summer, only a precious few weeks are available to consider this important legislation. Accordingly, I pledge my support for S. 44 and urge my colleagues to join the effort to provide the impetus for action on the legislation this year.●

JACK A. CARDWELL

● Mr. TOWER. Mr. President, it is a pleasure for me to pay tribute to a fellow Texan, Mr. Jack A. Cardwell, who on July 10, 1984, will complete a successful term as chairman of the board of the National Association of Truck Stop Operators.

Founded in 1960, the association boasts a membership of well over 900 truckstop owners and managers who, to qualify for membership, must be able to serve professional truckers. Seeking to insure that the truckstop industry plays the appropriate role in the overall scheme of intra and interstate commerce, the association provides educational training programs, credit information, group insurance programs, public relations services and library facilities for its members. In 1983-84, with the leadership of Jack Cardwell, this multibillion-dollar petroleum products marketing industry and billion dollar restaurant industry has made great progress in advancing the truckstop industry toward even higher standards of excellence.

Mr. Cardwell was born and raised in Poplar Bluff, MO, and after spending

4 years serving this Nation and its people in the U.S. Army, he moved to El Paso, TX, where he founded Petro, Inc., of which he is currently president. Additionally, Mr. Cardwell has spend 8 years as a member of the El Paso Airport Board; he is one of the founders and currently serves on the board of directors of the Continental National Bank; he is a member of the El Paso Development Board and the Renaissance 400 Board. His leadership role in the association was evidenced by his election as secretary in 1981. Mr. Cardwell served as treasurer in 1982, as first vice chairman in 1982-83, and began his term as chairman of the board last year.

I am pleased to have this opportunity to honor this Texan who is an entrepreneur and who is dedicated to service to his community, State, and Nation. Likewise, I ask my colleagues to join me in congratulating Mr. Cardwell for his service.●

DEFICITS, INTEREST RATES, AND AGRICULTURE

● Mr. ABDNOR. Mr. President, I have introduced legislation which would be a tremendous step in the direction of putting this Nation's farmers and ranchers on a sound financial footing. I feel it is necessary to call this legislation to the attention of my colleagues as they may have overlooked the very favorable impact this bill would have on our agricultural sector. I'm referring to S. 2516, which doesn't mention farmers, ranchers, or even agriculture for that matter. Still, it addresses a major economic problem which has been a significant factor in putting our agricultural sector on the skids. This problem is continued massive Federal budget deficits.

Last year, we rang up a deficit totaling over $195 billion. Unless these deficits can be reduced dramatically, Government demands for credit will continue to crowd out private borrowing to an ever-increasing extent. The result will be high interest rates skyrocketing even higher and a general slowing in the economy. However, what may be a "slowdown" for the economy in general may be the last straw for an agricultural economy which already finds itself in a severe credit crunch and in a position in which its ability to export has eroded.

Fueled by a seemingly insatiable demand for borrowing by the Federal Government, rising interest rates have increased the cost of both operations and capital to the point that interest payments are now the single largest agricultural expense. According to Agriculture Department statistics, the ratio of interest expense to net farm income was about 20 percent in the 1970's. Now it has jumped to over 50 percent. A 1-percent hike in interest rates, if applied to all outstanding farm debt, results in a $2 to $3 billion drop in the farm sector's annual net income, and I don't have to tell anyone where interest rates have been heading in the last couple of months.

But the damage huge budget deficits inflict upon agriculture does not end with higher interest costs. Deficits also strangle our ability to export.

The world's wealth is drawn to where it can get the greatest rate of interest after adjusting for the effects of inflation. In recent years, this has been the United States. But, in order to get this high rate of return, foreign investors must convert their own currencies into dollars. Just as when there is a sudden increased demand for any commodity, the result of this foreign rush to own U.S. dollars has resulted in a dramatic rise in the value of our dollar relative to foreign currencies. According to the President's Council of Economic Advisers, the dollar is currently overvalued by about 32 percent in the international market.

What does this mean for our farm economy? In effect, by our refusal to control deficit spending, we are giving a tremendous subsidy to foreign sellers of agricultural commodities at the direct expense of our own farmers and ranchers. It's no wonder that from 1981 to 1983 American agricultural exports declined from $43.8 billion to $34.8 billion—more than a 20-percent drop. This compares with a 13-percent drop for all U.S. exports over the same period. Obviously, agricultural exports are especially sensitive to fluctuations in the value of the dollar. In fact, the Department of Agriculture indicates that perhaps as much as $6 billion in agricultural exports have been lost as a direct result of our overpriced dollar. It is estimated that every 10-percent increase in the dollar's exchange rate will choke off at least an additional 5 percent of our agricultural exports.

Our farmers and ranchers are on the ropes through no fault of their own. In fact, they are by far the most efficient producers of good the world has ever seen. The blame lies with Congress. A $195 billion deficit is simply not a responsible way to run this country, and our agricultural sector is paying an especially steep price for this irresponsibility—through higher interest costs and lost markets.

American agriculture is the world's largest industry. Farm assets are equal to about 70 percent of the capital assets of all manufacturing corporation in the United States. And don't forget our farmers also are consumers themselves. Their annual purchases include $13 billion for farm tractors and other equipment, $16 billion for fuel and equipment maintenance, $23 billion for feed and seed, and $10 billion for fertilizer and lime.

My State of South Dakota is especially dependent upon agriculture. Twenty-five percent of the State's income is directly related to agriculture. This compares with about 20 percent for North Dakota and 15 percent to 18 percent for Iowa. In fact, the last census indicates that South Dakota has a higher percentage of farmers and ranchers then any other State.

Huge deficits have our country in big financial trouble, and I can tell you that South Dakota farmers and ranchers are being hit especially hard. This is one Senator who is willing to do whatever it takes to get our budget under control. That's why I have introduced S. 2516. This bill requires Congress to reduce the 1985 deficit by at least $29 billion below the 1983 level and continue further reductions until deficits are eliminated no later than 1994.

If Congress refuses to do its job and meet these targets, the President would get the power to keep Congress from busting the budget. However, this power is carefully defined to protect recipients of necessary Government programs. If Congress and the President both refuse to cut deficits enough to meet the target, spending would be cut across the board, as a last resort. One way or another, the budget would be brought under control.

It is time that our actions match our rhetoric. I urge my Senate colleagues as well as interested members of the public—particularly those who are concerned about agriculture—to support this urgently needed bill.●

S. 1285, EDUCATION FOR ECONOMIC SECURITY

● Mr. PRYOR. Mr. President, on April 26, 1983, when the National Commission on Excellence in Education released its report, "A Nation at Risk," the people of this Nation were shocked to learn that if the results of that report were indeed correct, our foundations were in danger of crumbling.

When this shock began to wear off and reactions from educators, parents, students, and citizens began to be heard, it was evident that something had to be done. It became the lead story in all the media. In its national survey of important issues in the 1984 Presidential campaign, Newsweek reported that unemployment was the only one ranked higher than education.

Governors and legislators of all the States have introduced and enacted legislation supporting the needs determined by task forces appointed in each State to define problem areas and implement change and improvement.

Business and industry, realizing the future was in jeopardy, have entered into more financial, information exchange, and other services to education than ever before in our history.

The area found to be most in need of improvement was math and science, where a severe shortage of teachers now exists. The purpose of S. 1285 is to improve the quality of mathematics and science teaching and instruction in the United States.

If we expect to have students in our system who are able to function in this "high-tech" society, we must support the efforts already expended by our educators, our State legislatures, business and industry, and our students and their parents. All of us confront together this almost overwhelming problem. We must provide them with every tool available.

The $425 million in fiscal year 1984 and $540 in fiscal year 1985, set aside for the training of teachers and the provisions providing for the participation of business and industry, should be provided and viewed only as support. Education is a local responsibility. As stated in the committee report, it should not be a Federal prerogative to interfere in any way with the individual policies of local and State school systems with respect to teacher certification, compensation, and curriculum choices.

At the Federal level, we must provide avenues to achieve the necessary and emergency solutions to the problems facing our education system today. These problems did not develop overnight, nor will they disappear overnight. But, we do not have the luxury of time to allow these solutions to come about gradually. We face an emergency. We must apply emergency remedies.

Mr. President, I support S. 1285 and I am pleased that the Senate is moving forward with the assistance provided in S. 1285.●

SENATOR PROXMIRE: MAN WITH A HEART

● Mr. CHILES. Mr. President, most of us, and most of the public, know Senator BILL PROXMIRE as the scourge of spendthrift bureaucrats, rooting out waste from every nook and cranny of the Federal Government. But BILL PROXMIRE is a man with a heart, and uses his position to help those who need it as well.

A while back, Senator PROXMIRE learned that Federal regulations prohibited any pets in assisted housing. In the case of many lonely people, this worked a real hardship. So BILL PROXMIRE stepped in with an amendment allowing residents of housing for elderly or handicapped people to own pets.

Mr. President, I ask to have printed in the RECORD a recent article from the Sarasota Herald Tribune in Florida telling what a terrific boon Senator Proxmire's amendment has been to a lonely veteran in Florida.

Mr. President, I can only hope that if I go by BILL PROXMIRE's office someday, and he has an extra donut, he will give me one.

The article follows:

[From the Sarasota Herald Tribune, May 31, 1984]

VETERAN WINS FIGHT TO KEEP HIS PET

(By Jud Magrin)

Last year John Oros stood by his guns. He was not going to leave his apartment or part company with his poodle, Dum-Dum, without the best fight he could muster. A military veteran who had both his legs amputated, Oros had become accustomed to fighting.

It was apparent in July that the Manatee County Housing Authority was going to have Oros, 62, evicted from his Lake Terrace apartment because he was keeping Dum-Dum there in violation of the lease. Lake Terrace, a 10-unit complex at 2809 46th Ave. Drive West in Bradenton, was built with the help of federal dollars specifically for low-income handicapped and elderly persons.

The Manatee County Housing Authority and most other local housing authorities have outlawed pets in apartments in lease agreements. Oros signed a lease when he moved into Lake Terrace which contained the clause disallowing pets. He obtained Dum-Dum later and said the dog was like a child to him. He said the animal helped him fight loneliness.

Oros and his attorney, Richard Buckle, vowed to fight and go to court if necessary. His persistence has apparently paid off.

U.S. Sen. William Proxmire got wind of cases like Oros' and a study that showed pets were very therapeutic, particularly for the elderly and handicapped who are often confined and lonely.

Proxmire attached an amendment to the Housing and Urban Recovery Act last fall, according to Jack Pridgen, an aide for U.S. Sen. Lawton Chiles of Florida. The act passed Congress and became law and so did Proxmire's addition that said that people living in federally subsidized housing built specifically for the handicapped and elderly must be allowed to keep pets.

When contacted by the *Herald Tribune* Wednesday, Oros said he was aware of Proxmire's efforts, but did not know the bill had passed. Oros said a special hearing was held in Washington, D.C., for his case specifically, and he said that he was allowed to keep Dum-Dum as a result of that hearing.

The new law does allow him to keep the dog. "That's the best thing that's ever happened to me," Oros said. He's all I got. If I didn't have him I'd be ready to jump off the Skyway Bridge any minute."

Oros was very complimentary of the Humane Society in Bradenton and its representative, Paul Witte. "I thank them from the bottom of my heart," Oros said. "They got an attorney for me and backed me all the way. I never knew people like that were living anymore," he said.

The new law may not be good news to local housing authorities, however. The new law will apply to 176 of the 636 federally subsidized units in Sarasota, according to Walter Brown, executive director of the Sarasota Housing Authority.

Those 176 units are in McCown Towers at 1300 6th St. where, Brown said, residents have generally opposed the new law. "We have had a meeting with the tenants to explain to them the provision of law," Brown said Wednesday, "but because of the congestion they hope no one else gets pets."

McCown Towers is 10 stories high and the keeping of pets in that complex presents some obvious problems such as noice, pest control and sanitary conditions. In addition, taking care of those pets when their owners become ill or hospitalized is another problem.

"It would be difficult implementing this new regulation," Brown said.

Local housing authorities were notified of the new law about two weeks ago. However, the U.S. Department of Housing and Urban Development (HUD) will not be sending down specific regulations until November. That means people like Oros can keep their pets until then and probably beyond, depending on the regulations.

Robert Rogers is director of the Manatee County Housing Authority. It was his job to evict Oros. "That hasn't moved forward or backward," Rogers said of the Oros matter. "We are really waiting to see what the federal regulations say. We will not act until those regulations are received." Beyond that, Rogers would not comment on Oros.

He did say the new regulation could "cause problems." He added that the individual housing authorities have been left to deal with pets until the regulations come from HUD in November. He said there have been no more complaints about Oros and his dog.

Sally Thompson, director of the Punta Gorda Housing Authority, said, "We have had problems with pets in the family units, but never in the housing for the elderly. Sometimes dogs are tied up outside and the barking has spurred complaints. With this many people living this close together it creates problems."

There are 184 total federally subsidized units in Punta Gorda, Mrs. Thompson said, 104 on Marion Avenue. "We haven't been faced with the problem yet," she said, although several people have decided not to move into the units because they were not allowed to keep pets.

But Brown and Rogers said they do not allow pets in the family units.

Mrs. Thompson said some housing authorities in the larger cities continue to fight Proxmire's action because they deal with high-rises where pets can compound problems.

In Venice, Housing Authority Director Nelson Perry said there is no federally subsidized housing built specifically for the elderly or handicapped. There are 50 units on East Venice Avenue for anyone who fits the needs for the units. Perry said leases prohibit pets in those apartments.

People who apply for and get federally subsidized housing units are charged rent based upon their income, Mrs. Thompson said. For tenants, the rent is generally about 40 percent of their income.

Now people like Oros are in the driver's seat. They have the law on their side, regardless of the problems pets might cause.

"Dum-Dum is better known around here than I am," Oros said. "A lady gives him a doughnut and a half a cup of coffee each morning, sometimes two donuts. When she gives him two, I snitch one of them."●

NATIONAL CHILDHOOD VACCINE-INJURY COMPENSATION ACT, S. 2117

● Mr. HATFIELD. Mr. President, today I have added my name as a cosponsor of the National Childhood Vaccine-Injury Compensation Act. This legislation, introduced by Senator HAWKINS, seeks to address the rapidly growing concern about the incidence of vaccine-related injuries.

Let me say first that I am fully in support of the childhood vaccination program. Estimates indicate that with a universal vaccination program the instance of disease can be lessened by as much as 90 percent. Vaccines save our children's lives. We must do everything possible to ensure that the vaccination program is maintained and remains affordable for all.

But the vaccination program is not perfect. There are risks involved when a child is immunized. Injuries from vaccinations range from sore arms to brain damage, or even death. Reactions to vaccines in no way can be equated to the seriousness of an outbreak of an illness, but they are nonetheless tragic. A loss has been suffered whether a child is permanently injured by a disease or is damaged by a vaccine.

This bill seeks to recognize the potential hazards connected to vaccines and to promote the search for safer vaccines, inform parents of the possible negative aspects of immunizations, and to address the issue of compensation for victims of vaccination-caused injuries. Government actions have increased the vaccination requirements for a child entering school, but have not sought out solutions to the problems associated with the vaccines. Until now, a parent whose child is injured while complying with a law can only seek compensation through the courts.

Liability suits are costly for both sides. With court costs and awards reaching hundreds of thousands of dollars, some manufacturing firms have begun to pull out of the market. Just last week, a firm manufacturing the pertussis—whooping cough—vaccine announced it would cease production. Now only one U.S. firm makes the pertussis vaccine, and costs are rising at a rapid rate.

The National Childhood Vaccine-Injury Compensation Act seeks to set up a no-fault compensation system to protect those children who were injured but cannot prove this in a court of law from falling between the cracks. The compensation program also protects the manufacturers from carrying the burden of liability for a vaccination which is inherently risky.

The compensation program does not prohibit tort action; it merely gives the injured party an option. If a manufacturer or physician is truly negligent in any way, then redress can be sought. But the compensation program can help to prevent the vaccination market from drying up in fear of court costs.

In conclusion, I would like to add that I do not feel that this bill is the final answer. The problem of vaccine-related injuries is just now coming to light. But this bill suggests some basic action that should be taken now, such as requiring adequate recordkeeping by physicians of all reactions and pertinent information when a child is immunized. The bill sets up a commission to research the problem of vaccination-related injuries; the bill requires the Secretary of Health and Human Services to make the safest vaccines possible available to the public, and the bill ensures that the vaccinations will be available and affordable. We have a right to know all the dangers associated with vaccinations, just as we know the dangers of the disease the vaccines are designed to prevent. We must address the problems of vaccine-related injuries with as much zeal and commitment as we have exercised in efforts to stop the needless presence of childhood diseases.●

THE SMALL COMMUNITY AIR SERVICE IMPROVEMENT ACT

● Mr. BOSCHWITZ. Mr. President, I join with my senior colleague from Minnesota in sponsoring the Small Community Air Service Improvement Act.

This legislation is in response to the current shortcomings of the Essential Air Service [EAS] Program. The Minnesota Department of Transportation, the Minneapolis-St. Paul Metropolitan Airports Commission and the Local Airline Service Action Committee [ASAC] all took an active role in developing this proposal, as did similar organizations in other States.

The act makes four basic changes in the EAS Program, all designed to improve air service to small- and medium-sized communities.

First, essential air transportation would be defined as at least two well-timed flights per day in each direction, 6 days per week on aircraft with adequate freight capacity.

Second, the communities and States would be given the option to join together in providing financial assistance to improve their scheduled air service. The local share would need to be at least 25 percent of the Federal contribution, but it could be paid in cash or in-kind.

Third, communities will also be allowed to negotiate exclusive agreement with air carriers in exchange for guaranteed beyond hub service.

And fourth, the EAS Program itself would be extended for 10 years beyond the date of enactment of this legislation.

I believe this bill offers cities and States both an opportunity, and the flexibility to develop a quality air service. For many communities, timely flights and adequate seating is vitally important to their efforts to attract new businesses, and to their ability to retain existing ones. I feel this bill gives them the tools needed, and I hope my colleagues will join with Senator DURENBERGER and me in supporting it.●

THE CALENDAR

Mr. STEVENS. Mr. President, there is a series of items on which I should like to propound a unanimous-consent request for their consideration en bloc.

I ask unanimous consent that the Senate proceed to the consideration of the following bills: Calendar No. 782, which is S. 2311; Calendar No. 917, which is S. 2496; Calendar No. 919, which is S. 2615; Calendar No. 934, which is S. 2308; Calendar No. 936, which is S. 2574; Calendar No. 971, which is H.R. 3169; Calendar No. 1008, which is H.R. 5404; Calendar No. 1010, which is Senate Joint Resolution 235; Calendar No. 1014, which is House Concurrent Resolution 294; Calendar No. 1012, which is S. 2562; Calendar No. 1017, which is H.R. 3927; Calendar No. 1018, which is H.R. 3922; Calendar No. 1023, which is Senate Resolution 365; Calendar No. 1024, which is Senate Resolution 417; Calendar No. 1025, which is Senate Concurrent Resolution 122; Calendar No. 1026, which is H.R. 3825; Calendar No. 1027, which is H.R. 5740; Calendar No. 1028, which is House Joint Resolution 567, and that is the listing of the items to be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

HEALTH MAINTENANCE ORGANIZATION AMENDMENTS OF 1984

The Senate proceeded to consider the bill (S. 2311) to amend the provisions of the Public Health Service Act relating to health maintenance organizations, which have been reported from the Committee on Labor and Human Resources with amendments as follows:

Strike page 2.

On page 3, line 4, strike "Sec. 4". and insert "Sec. 2".

On page 3, line 5, strike "Act" and insert "Public Health Service Act (hereafter in this Act referred to as "the Act")".

On page 4, line 16, strike "Sec. 5" and insert "Sec. 3".

On page 5, line 6, strike "Sec. 6" and insert "Sec. 4".

On page 5, line 15, strike "Sec. 7." and insert "Sec. 5".

On page 5, line 20, strike "Sec. 8" and insert "Sec. 6".

On page 6, line 3, strike "Sec. 9" and insert "Sec. 7".

On page 6, line 6, strike "Sec. 8" and insert "Sec. 8".

On page 6, line 11, strike "Sec. 11" and insert "Sec. 9".

On page 6, line 13, strike "Sec. 12" and insert "Sec. 10".

On page 6, line 16, strike "Sec. 13" and insert "Sec. 11".

On page 6, line 17, strike "section 4" and insert "section 2"

On page 6, line 18, strike "by striking out "and" after 1984 and".

On page 6, line 19, strike "1985, 1986, and 1987" and insert "and $400,000 for each of the fiscal years 1985, 1986, and 1987".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Health Maintenance Organization Amendments of 1984".

ELIMINATION OF AUTHORIZATION OF SUPPORT FOR FEASIBILITY SURVEYS, PLANNING, AND INITIAL DEVELOPMENT COSTS

SEC. 2. (a) Sections 1303, 1304, and 1307(c) of the Public Health Service Act (hereafter in this Act referred to as "the Act") are repealed.

(b) Section 1306 of the Act is amended—

(1) by striking out "grant, contract, loan," each place it appears (except in subsection (b)(6)) and inserting in lieu thereof "loan",

(2) by striking out "in the case of an application for assistance under section 1303 or 1304, such application meets the application requirements of such section, and in the case of an application for a loan or loan guarantee," in subsection (b)(1),

(3) by striking out "1304," in subsection (b)(2), and

(4) by striking out "grants, contracts, loans," in subsection (c) and inserting in lieu thereof "loans".

(c) Section 1307 of the Act is amended—

(1) by striking out "grant, contract, loan," each place it appears and inserting in lieu thereof "loan",

(2) by striking out "grant, contract, or" in subsection (a)(1), and

(3) by striking out "such assistance" in subsection (a)(1) and inserting in lieu thereof "the loan".

(d) Section 1309(a) of the Act is amended—

(1) by striking out paragraph (1), and

(2) by striking out "(2)".

(e) The first sentence of section 1317(b) of the Act is amended—

(1) by striking out clause (1), and

(2) by redesignating clauses (2) and (3) as clauses (1) and (2), respectively.

(f) The amendments made by this section do not apply to any grant made or contract entered into under title XIII of the Act before October 1, 1984.

LIMITATION ON LOANS AND LOAN GUARANTEES FOR INITIAL COSTS OF OPERATION

SEC. 3. (a) The last sentence of section 1305(a) of the Act is amended by inserting before the period ", and unless the Secretary has made a grant or loan to, entered into a contract with, or guaranteed a loan for, the organization in fiscal year 1981, 1982, 1983, or 1984 under this section or section 1304(b) (as in effect before October 1, 1984)".

(b) The amendment made by subsection (a) does not apply to any loan or loan guarantee for the initial costs of operation of a health maintenance organization made under title XIII of the Act before October 1, 1984

ELIMINATION OF LOANS AND LOAN GUARANTEES FOR ACQUISITION AND CONSTRUCTION OF AMBULATORY FACILITIES

SEC. 4. (a) Section 1305A of the Act is repealed.

(b) Section 1306(b)(2) of the Act is amended by striking out "or 1305A,".

(c) The amendments made by this section do not apply to any loan or loan guarantee made under section 1305A of the Act before October 1, 1984.

REPEAL OF REQUIREMENT FOR HEALTH SYSTEMS AGENCY REVIEW

SEC. 5. Paragraph (5) of section 1306(b) of the Act is repealed. Paragraphs (6), (7), and (8) are redesignated as paragraphs (5), (6), and (7), respectively.

LIMITATION ON BORROWING BY LOAN GUARANTEE FUND

SEC. 6. The first sentence of section 1308(d)(2) of the Act is amended by inserting "before October 1, 1983," after "guarantees issued by him".

REPEAL OF REQUIREMENT FOR PERIODIC DEMONSTRATION OF COMPLIANCE

SEC. 7. Section 1310(d) of the Act is amended by striking out the last sentence.

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SEC. 8. The first sentence of section 1311(c) of the Act is amended by striking out "quarterly" and inserting in lieu thereof "annually".

REPEAL OF LIMITATION OF SOURCE OF FUNDING

SEC. 9. Section 1313 of the Act is repealed.

ELIMINATION OF UNNECESSARY REPORT

SEC. 10. Section 1318(e) of the Act is repealed.

AUTHORIZATION OF APPROPRIATIONS

SEC. 11. (a) Section 1309(a) of the Act (as amended by section 2 of this Act) is further amended by inserting before the period a comma and "and $400,000 for each of the fiscal years 1985, 1986, and 1987".

(b) Section 1309(b) of the Act is amended to read as follows:

"(b) To meet the obligations of the loan fund established under section 1308(e) resulting from defaults on loans made from the fund and to meet the other obligations of the fund, there is authorized to be appropriated to the loan fund for fiscal year 1985, 1986, and 1987, such sums as may be necessary."

Mr. HATCH. Mr. President, as we move to consider S. 2311, I would like to make a few observations and comments about the bill and about health maintenance organizations [HMO's].

Because of their built-in incentives for curbing the excessive use of hospital and physician resources, and for holding down prices, I have long felt that HMO's represent a health care delivery approach effective in restraining the spiraling cost of health care, an approach which deserves greater exposure in our country. Most importantly, HMO's have so far been able to accomplish these economies without sacrificing quality health care. Indeed the cost-saving incentives inherent in the concept have led many HMO's to undertake serious preventive health campaigns, and I think that all of us would agree that ultimately the best way to decrease health care expenditures is to keep from getting sick or injured in the first place.

For these reasons I have supported title XIII of the Public Health Service Act, which has regulated and benefited those HMO's which have chosen to qualify under it. We heard testimony in the Labor and Human Resources Committee this past February on the operation of the act, and on proposed reauthorization amendments. That testimony confirmed what I have said and confirmed my feeling that the HMO industry is prospering and is helping our people meet their health care needs in a responsible, cost-effective way. It also confirmed that the act is generally working well, though there was agreement that many portions, useful in helping the industry get on its feet, were no longer needed and in fact are no longer receiving appropriations.

One of the provisions of S. 2311 repeals these obsolete authorities. The other provisions of the bill as reported also effect changes in current law on which there was a broad consensus of support on the committee. Among these is a repeal of the formal, biennial "requalification" requirement for Federal HMO's, and a decrease in the frequency of certain reports. The bill also reauthorizes the loan fund necessary to cover defaults in loans made or guaranteed by the Federal Government in the past to assist new HMO's—this assistance authority is not continued—and it reauthorizes the Department of Health and Human Services' training and technical assistance fund at $400,000, down from $1 million, but sufficient to cover the Department's past level of activity in sponsoring and disseminating expertise through the industry.

In short, the committee feels that title XIII is working smoothly and that no more than fine-tuning adjustments are needed in reauthorizing it. However, I would like to emphasize one point made in the committee report: "[A]s the HMO industry continues to mature and as other forms of health services providers develop and give challenge to the Federal HMO concept, the committee feels a review of the basic elements and constrictions of the current law will have to be made with an eye to allowing HMO's to become more competitive." The time may come when those who are dedicated to the HMO concept will have to choose between adherence to tradition and the flexibility to meet competition. I hope that the industry itself will establish and periodically review a long-term strategy for ensuring its own health under increasingly competitive conditions.

Mr. President, this bill reauthorizes a good program which in the past has served the public well. It makes only minor adjustments in program operation, and enjoys broad bipartisan support. I ask for its favorable consideration.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ADULT EDUCATION ACT AMENDMENTS OF 1984

The Senate proceeded to consider the bill (S. 2496) to amend the Adult Education Act in order to simplify requirements for States and other recipients participating in Federal adult education programs, and for other purposes, which had been reported from the Committee on Labor and Human Resources with an amendment to strike all after the enacting clause and insert:

That this Act may be cited as the "Adult Education Act Amendments of 1984".

STATEMENT OF PURPOSE

SEC. 2. Section 302 of the Adult Education Act (20 U.S.C. 1201 et seq.) (hereafter in this Act referred to as "the Act") is amended—

(1) by inserting after "basic" in clause (1) the following: "literacy", and

(2) by inserting after "training" in clause (3) the following: "and education".

DEFINITIONS

SEC. 3. (a) Section 303(a) of the Act is amended to read as follows:

"(a) The term 'adult' means an individual who has attained 16 years of age or who is beyond the age of compulsory school attendance under State law.".

(b) Section 303(b) of the Act is amended to read as follows:

"(b) The term 'adult education' means instruction or services below the college level for adults who do not have—

(1) the basic skills to enable them to function effectively in society; or

(2) a certificate of graduation from a school providing secondary education (and who have not achieved an equivalent level of education).".

(c) Section 303(d) of the Act is amended to read as follows:

"(d) The term 'Secretary' means the Secretary of Education.".

(d) Section 303(g) of the Act is amended to read as follows:

"(g) The term 'State' includes, in addition to the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.".

(e) Section 303(j) of the Act is amended by striking out "section 801(e) of the Elementray and Secondary Education Act of 1965" and inserting in lieu thereof "section 481 of the Higher Education Act of 1965".

(f) The Act is amended—

(1) by striking out "Commissioner" each time it appears, except the second time it appears in section 311(c), and inserting in lieu thereof "Secretary"; and

(2) by striking out "Commissioners" in section 308(b) and inserting in lieu thereof "Secretary".

STATE GRANTS

SEC. 4. (a) Section 304(a) of the Act is amended—

(1) by striking out "establishment of expansion" each time it appears and inserting in lieu thereof "establishment or expansion"; and

(2) by striking out "nonprofit" each time it appears.

(b) Section 304(a) of the Act is amended—

(1) by inserting (1) after the subsection designation;

(2) by redesignating clauses (1) and (2) as clauses (A) and (B); and

(3) by adding at the end thereof the following new paragraph;

"(2) Whenever the establishment or expansion of programs is carried out by a profit-making agency, organization, or institution, the State educational agency or eligible applicant shall enter into a contract with such agency, organization, or institution, for the establishment or expansion of such programs.".

STATE ALLOTMENTS

SEC. 5. (a) Section 305(a) of the Act is amended—

(1) by striking out "From" and inserting in lieu thereof "Subject to the last sentence of this subsection, from";

(2) by striking out "not more than 1 per centum thereof among" in clause (1) and inserting in lieu thereof "$100,000 each to"; and

(3) by striking out "$150,000" in clause (2) and inserting in lieu thereof "$250,000".

(b) The last sentence of section 305(a) of the Act is amended to read as follows: "No State shall be allotted in any fiscal year after September 30, 1984, an amount less than that State received for fiscal year 1984.".

STATE PLANS

SEC. 6. (a) Section 306(a)(1) of the Act is amended by striking out "section 434" and inserting in lieu thereof "section 435".

(b) Section 306(b) of the Act is amended—

(1) by striking out "and" at the end of clause (13);

(2) by striking out clause (14) and inserting in lieu thereof the following:

"(14) provide such information about the State's adult education students, programs, expenditures, and goals as the Secretary may require, together with information with respect to the age, sex, and race of students in the programs assisted under this Act and whether the students complete such programs; and

"(15) provide such further assurances and information as the Secretary may require.".

PAYMENTS

SEC. 7. Section 307(b) of the Act is amended by inserting "(1)" after the subsection designation and by adding at the end thereof the following new paragraph:

"(2) The Secretary may waive, for one fiscal year only, the requirements of paragraph (1) of this subsection, if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State educational agency.".

ADMINISTRATION OF STATE PLANS

SEC. 8. Section 308 of the Act is amended to read as follows:

"ADMINISTRATION OF STATE PLANS

"SEC. 308. Whenever the Secretary has reason to believe that in administering its State plan a State has failed to comply substantially with any provision of that State plan, the Secretary may take appropriate action under sections 453 and 454 of the General Education Provisions Act.".

NATIONAL PROGRAMS

SEC. 9. Section 309 of the Act is amended to reas as follows:

"RESEARCH, DEVELOPMENT, DEMONSTRATION, DISSEMINATION, AND EVALUATION

"SEC. 309. (a)(1) The Secretary shall, with funds set aside under section 314(b), support applied research, development, demonstration, dissemination, evaluation, and related activities which will contribute to the improvement and expansion of adult education in the United States. The activities required by this subsection may include—

"(A) improving adult education opportunities for elderly individuals and adult immigrants,

"(B) evaluating educational technology and computer software suitable for providing instruction to adults, and

"(C) supporting exemplary cooperative adult education programs which combine the resources of businesses, schools and community organizations.

"(2)(A) The Secretary may support such activities directly, or through grants to, or contracts or cooperative agreements with, public or private institutions, agencies, or organizations, or individuals, including business concerns.

"(B) Whenever the Secretary makes a grant or enters into a contract or cooperative agreement with any private for profit institution, agency, organization, individual, or business concern, the Secretary shall assure that participants in the program assisted under this subsection are not charged for their participation.

"(b) In addition to the responsibilities of the Director under section 405 of the General Education Provisions Act, the Director of the National Institute of Education may, with funds available under that section or with funds set aside under section 314(b) of this Act, support research on the special needs of individuals requiring adult education. The Director may support such research directly, or through grants to, or contracts or cooperative agreements with, public or private institutions, agencies, or organizations, or individuals.".

REPEALS AND REDESIGNATIONS

Sec. 10. (a)(1) Sections 311 and 318 of the Act are repealed.

(2) Sections 312, 313, 314, 315, and 316 are redesignated as sections 311, 312, 313, 314, and 315, respectively.

(b) Section 431A of the General Education Provisions Act is repealed.

STATE ADVISORY COUNCILS

SEC. 11. Section 311 of the Act (as redesignated by section 9) is amended to read as follows:

"STATE ADVISORY COUNCILS

"SEC. 311. Any State may use funds granted under section 304 to support a State advisory council which assists the State educational agency to plan, implement, or evaluate programs or activities assisted under this Act.".

NATIONAL ADVISORY COUNCIL ON ADULT EDUCATION

SEC. 12. Section 312 of the Act (as redesignated by section 9) is amended by striking out "1984" and inserting in lieu thereof "1989".

AUTHORIZATION OF APPROPRIATIONS

SEC. 13. Section 314 of the Act (as redesignated by section 9) is amended to read as follows:

"APPROPRIATIONS AUTHORIZED

"SEC. 314. (a) For the purpose of carrying out this title there are authorized to be appropriated $140,000,000 for fiscal year 1985 and such sums as may be necessary for each of the four succeeding fiscal years.

"(b)(1) From the amount appropriated pursuant to subsection (a) for any fiscal year the Secretary may set aside not to exceed 5 per centum of that amount for programs under section 309. The remainder of the amount appropriated in each fiscal year shall be available for grants made under section 304.

"(2) No set aside may be made pursuant to paragraph (1) of this subsection in any fiscal year in which the appropriations made pursuant to subsection (a) of this section is less than $112,000,000.".

EFFECTIVE DATE

SEC. 14. The provisions of this Act shall take effect July 1, 1985.

Mr. STAFFORD. Mr. President, as chairman of the Subcommittee on Education, Arts and Humanities, I am pleased to support this legislation and urge my colleagues to do the same.

First of all, I would like to take a moment to commend the administration and Senator QUAYLE who is the original sponsor of S. 2496. The original bill, as introduced on March 29, was due to the hardwork and efforts of both the President and the Secretary of Education and is a demonstration of their commitment to eliminate illiteracy in the United States. I would also like to thank Senator QUAYLE and his staff for their leadership role in this effort, along with Senator HATCH and Senator PELL. Without their assistance we would not have the broad, truly bipartisan bill which we are considering today.

The current Adult Education Act, due to expire in September 1984, has been viewed as one of the most successful Federal programs since its enactment in 1966. In 1980, approximately 90,000 AEA students were reported to have gained employment as a result of this program and 55,000 were promoted to better jobs. Additionally, some 35,000 were removed from public assistance; 30,000 obtained drivers licenses; and 25,000 registered to vote for the first time.

Despite these successes, the United States remains confronted by an increasing population of functionally illiterate adults.

Tragically, close to 1 million teenagers drop out of high school every year. At the same time, record numbers of refugees and immigrants with little or no facility with the English language are entering the United States. The job training and continuing education programs currently available mean little to a person who cannot read or write.

Recent estimates report that the annual cost to the Federal Government in the form of welfare programs and unemployment compensation is over $6 billion. The actual figure may be much higher, and this estimate doesn't even include those tax revenues lost by the Government as a result of unemployment due to illiteracy. Mr. President, I believe that the proposal we are considering today will help to alleviate the problem of adult illiteracy by strengthening the existing Adult Education Program and by taking into consideration the special needs of today's population.

This legislation is the result of numerous meetings with the adult education community and testimony received before the subcommittee in early spring.

S. 2496 has an authorization level of $140 million, $40 million over current appropriation. In view of the 23 million illiterate adults in America today this increase would certainly be a wise investment of Federal funds.

Each State has different needs and requirements and the adult education community is no different. S. 2496 allows for these differences and thereby eliminates conflicts with State practices. Examples include opening the program to profitmaking organizations when they are best able to provide services; changing the program eligibility requirement; and eliminating current restrictions on the State advisory council.

Finally, Mr. President, this legislation provides funds for the Secretary of Education to carry out activities to improve the state of the art in adult education.

Because of the reasons mentioned above, Mr. President, I support this bill wholeheartedly and urge my colleagues to do the same.

Mr. QUAYLE. Mr. President, I rise in strong support of S. 2496, a bill to reauthorize the Adult Education Act.

Mr. President, this bill, which I introduced on March 29 with my colleagues Mr. STAFFORD, Mr. HATCH, and Mrs. HAWKINS as cosponsors, would reauthorize a program that is of vital importance to our Nation and to millions of Americans. In 19 years since its enactment, the Adult Education Act has helped over 10 million adults combat the problem of illiteracy, one of the most serious problems facing our Nation today.

To imagine Americans today lacking the skills to read and write is almost impossible. We are the Nation that landed men on the Moon, but we have 25 million adults who are functionally illiterate. These people often cannot find work, not because they don't want to work, but because they cannot read the help-wanted ads. Or, they cannot hold a job down because they lack the language and math skills needed to carry out their duties.

The costs, in dollars, associated with illiteracy are enormous, with estimates of $6 billion a year in lost productivity, lost wages, unemployment benefits, and other assistance programs. The costs associated with illiteracy from a human standpoint are equally devastating.

This reauthorization proposal, originally the administration's, would continue the Federal effort to reduce illiteracy in our country. The Adult Education Program provides funding to States, and all 50 States conduct an Adult Education Program to teach adults reading, writing, and computation skills. These programs are run by the State, with a great deal of local involvement. Localities have designed programs to best serve their communities by having classes after working hours, on weekends, in community buildings easily accessible, and not associated with the stigma of returning to school. Other programs are operated for institutionalized persons, in prisons, and health facilities, and even others are offered through a mobile van in rural areas. Local contributions and State contributions to the adult education programs are great. In my State of Indiana, for example, the State has been overmatching the Federal contribution by 200 percent; this when the State matching requirement is only 10 percent to the Federal Government's 90 percent. Most other States are overmatching, recognizing the need to help their residents become more productive.

The bill, as approved by the Labor and Human Resources Committee, would continue the programs much as they exist today with several changes, which I believe, will result in a stronger program.

The committee approved an amendment to increase the basic State allotment formula from $150,000 per State to $250,000 per State, with the territories getting $100,000 each. This new allotment formula will give the States a greater base with which to work. The remaining funds will continue to be distributed on the basis of the State's adult population without a high school degree. There is also a hold harmless in the bill so that no State can receive an amount less than what State received in fiscal year 1984.

The committee also approved an amendment to allow services to be provided to students who are beyond the age of compulsory school attendance in their State, but not yet 16. While there are not many States that have compulsory school attendance ages below 16, there are several, and if these students leave the traditional classroom for some reason, and then seek further education in nontraditional programs, the committee feels they should not be barred from receiving services.

Another amendment would permit the State educational agency to contract with for-profit agencies or institutions to provide basic skills training. Recently, several major corporations throughout the country have become involved in literacy training, and many projects are relying heavily on the use of volunteers. By permitting for-profit organizations to provide service, we will be expanding the universe of service providers, so that more training opportunities are available. The committee feels that while including for-profit institutions is a good idea, it is also concerned that these for-profit organizations do not charge their participants, if indeed they do receive funds under the Adult Education Act.

Other changes in the program simplify the requirements that States are to meet with regard to State advisory councils and operation of State plans. The section regarding research is strengthened, because there are almost no definitive data on the extent of adult illiteracy, its costs, and by how the population of illiterates is increasing each year.

Mr. President, I feel we have a strong bill, one which will carry the Adult Education Programs into the end of this decade. We have much to do to help the millions of Americans who are functionally illiterate and these programs are of immeasurable value.

I also want to say how much I appreciate all the help and assistance and support the gentleman from Vermont [Mr. STAFFORD] has provided on this bill and I want to thank him for moving speedily on this very important measure. He is responsible for moving this bill through the Senate in a timely fashion, and I look forward to working with him to complete this important and vital piece of legislation.

Mr. President, I urge my colleagues to support this measure and approve the reauthorization of the Adult Education Act for the next 5 years.

Mr. PELL. Mr. Chairman, I express my strong support for this legislation to reauthorize the Adult Education Act. I further thank Senator STAFFORD for his characteristically excellent work on this bill, and express appreciation to the committee members and their staffs who have forged this piece of consensus legislation.

I have been a strong advocate of this program since its inception in 1966. It has proven to be one of the most beneficial and cost effective of all education programs. The reauthorization bill before us today closely resembles current law, but provides for a few changes to more directly target the education needs of the adult community.

Of late, there has been heightened awareness of the staggering number of adults who are illiterate or functionally illiterate. The American Association for Adult and Continuing Education estimates for example, that there are 26 million illiterate adults and that 61 million people would be eligible for adult education programs. In my home State of Rhode Island, waiting lists alone would enable adult education programs to double enrollment overnight. In light of these statistics, I am particularly pleased that the Education Subcommittee unanimously approved my amendment to increase the authorization ceiling for this program to $140 million. This amendment will allow the Adult Education Act to increase its service population from 2.4 to 3.4 million adults. In Rhode Island, it will serve an estimated additional 2,800 adults.

I can think of no sounder investment that we as a nation can make than in the education of illiterate and functionally illiterate adults.

As Horace Mann once said, "Education is a capital to the poor man, and an interest to the rich." By enabling millions of adults to improve their basic skills, the Adult Education Act has strengthened the employability of this population. It has offered them a greater chance to contribute to the productivity of our country. I hope that the Senate will swiftly move this legislation to conference so that we may continue to serve adults who are eager to work hard at upgrading their basic skills.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ALCOHOL ABUSE, ALCOHOLISM, AND DRUG ABUSE AMENDMENTS OF 1984

The Senate proceeded to consider the bill (S. 2615) to revise and extend programs conducted by the National Institute on Alcohol Abuse and Alcoholism and the National Institute on Drug Abuse and for other purposes, which had been reported from the Committee on Labor and Human Resources with amendments as follows:

On page 2, line 9, strike "$49,748,000" and insert "$50,600,000".

On page 2, line 10, strike "$51,739,800" and insert "$53,400,000".

On page 2, line 16, strike "$66,053,500" and insert "$67,200,000".

On page 2, line 17, strike "$68,695,000" and insert "$71,000,000".

On page 3, line 19, strike "Screening and " and insert "treatment, screening".

On page 4, after line 17, insert "

"(c) Nothing shall prevent the use of funds provided under this section for programs and projects aimed at the prevention, treatment, and rehabilitation of drug abuse as well as alcohol abuse and alcoholism.

On page 4, line 22, strike "(c)" and insert "(d)".

On page 5, line 2, strike "Research" and insert "Demonstration Projects".

On page 5, line 4, strike "Abuse (hereinafter in this subpart referred to as the "institute")" and insert "Abuse".

On page 11, line 10, strike "contents" and insert "sections".

On page 14, line 12, strike "productivity;" and insert "and".

On page 15, after line 22, insert "

MEMBERSHIP OF NATIONAL ADVISORY COUNCIL ON ALCOHOL ABUSE AND ALCOHOLISM

SEC. 7. Section 217(a) of the Public Health Service Act is amended by inserting between the third and fourth sentences the following new sentence: "In the case of the National Advisory Council on Alcohol Abuse and Alcoholism, one of such six shall be a representative of private entities which provide treatment for alcohol abuse and alcoholism.".

On page 16, line 6, strike "Sec. 7" and insert "Sec. 8".

On page 16, line 15, strike "Sec. 8" and insert "Sec. 9".

So as to make the bill read:

S. 2615

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Alcohol Abuse, Alcoholism, and Drug Abuse Amendments of 1984".

RESEARCH

SEC. 2. (a) The first sentence of section 512 of the Public Health Service Act is amended—

(1) by striking out "and" after "1983" and inserting in lieu thereof a comma; and

(2) by inserting before the period a comma and "$47,835,000 for fiscal year 1985, $50,600,000 for fiscal year 1986, and $53,400,000 for fiscal year 1987".

(b) Section 515(c) of such Act is amended—

(1) by striking out "and" after "1983" and inserting in lieu thereof a comma; and

(2) by inserting before the period a comma and "$63,513,000 for fiscal year 1985, $67,200,000 for fiscal year 1986, and $71,000,000 for fiscal year 1987".

DEMONSTRATION PROJECTS

SEC. 3. (a) Title V of the Public Health Service Act is amended by adding at the end thereof the following new part:

"PART D—DEMONSTRATION PROJECTS

"SUBPART 1—ALCOHOL ABUSE AND ALCOHOLISM

"ALCOHOL ABUSE AND ALCOHOLISM DEMONSTRATION PROJECTS

"SEC. 530. (a) The Secretary, through the National Institute on Alcohol Abuse and Alcoholism, may make grants to public and nonprofit *private* entities to support projects for the development and demonstration of methods for—

"(1) the prevention of alcohol abuse, alcoholism, and other problems relating to the consumption of alcoholic beverages; and

"(2) the treatment and rehabilitation of individuals suffering from alcohol abuse, alcoholism, or other problems relating to the consumption of alcoholic beverages.

"(b) Projects supported under this section shall include projects which—

"(1) emphasize the development and demonstration of new and improved methods of *treatment, screening*, early detection, referral, and diagnosis of individuals with a risk of developing alcohol abuse, alcoholism, or other problems relating to the consumption of alcoholic beverages;

"(2) emphasize the development and demonstration of new and improved methods of dissemination of knowledge concerning projects supported under this section and methods developed or demonstrated under this section;t

"(3) emphasize the development and demonstration of new and improved methods for the dissemination to the general public of information on the importance of early detection and prevention of alcohol abuse, alcoholism, and other problems relating to the consumption of alchololic beverages; and

"(4) investigate the epidemiology of all forms and aspects of alcohol abuse, alcoholism, and other problems relating to the consumption of alcoholic beverages, including investigations into the social, environmental, behavioral, biomedical, and genetic determinants and influences involved in the epidemiology of alcohol abuse, alcoholism, and other problems relating to the consumption of alcoholic beverages.

"(c) Nothing shall prevent the use of funds provided under this section for programs and projects at the prevention, treatment, and rehabilitation of drug abuse as well as alcohol abuse and alcoholism.

"(d) To carry out this section, there are authorized to be appropriated $10,000,000 for each of the fiscal years 1985, 1986, and 1987.

"Subpart 2—Drug Abuse

"DRUG ABUSE DEMONSTRATION PROJECTS

"Sec. 535. (a) The Secretary, through the National Institute on Drug Abuse, may make grants to and enter into contracts with individuals and public and private nonprofit entities—

"(1) to provide training seminars, educational programs, and technical assistance for the development, demonstration, and evaluation of drug abuse prevention, treatment, and rehabilitation programs; and

"(2) to conduct demonstration and evaluation projects, with a high priority on prevention and early intervention projects and on identifying new and more effective drug abuse prevention, treatment, and rehabilitation programs.

"(b) In the implementation of this section, the Secretary shall accord a high priority to applications for grants or contracts for primary prevention programs. For purposes of the preceding sentence, primary prevention programs include programs designed to discourage persons from beginning drug abuse. To the extent that appropriations authorized under this section are used to fund treatment services, the Secretary shall not limit such funding to treatment for opiate abuse, but shall also provide support for treatment for nonopiate drug abuse including polydrug abuse. Furthermore, nothing shall prevent the use of funds provided under this section for programs and projects aimed at the prevention, treatment, and rehabilitation of alcohol abuse and alcoholism as well as drug abuse.

"(c)(1) In carrying out this section, the Secretary shall require coordination of all applications for programs in a State and shall not give precedence to public agencies over private agencies, institutions, and organizations, or to State agencies over local agencies.

"(2) Each applicant within a State, upon filing its application with the Secretary for a grant or contract under this section, shall submit a copy of its application for review by the State agency (if any) responsible for the administration of drug abuse prevention activities. Such State agency shall be given not more than thirty days from the date of receipt of the application to submit to the Secretary, in writing, an evaluation of the project set forth in the application. Such evaluation shall include comments on the relationship of the project to other projects pending and approved and to any State comprehensive plan for treatment and prevention of drug abuse. The State shall furnish the applicant a copy of any such evaluation. A State if it so desires may, in writing, waive its rights under this paragraph.

"(3) Approval of any application for a grant or contract under this section by the Secretary, including the earmarking of financial assistance for a program or project, may be granted only if the application substantially meets a set of criteria that—

"(A) provide that the activities and services for which assistance under this section is sought will be substantially administered by or under the supervision of the applicant;

"(B) provide for such methods of administration as are necessary for the proper and efficient operation of such programs or projects; and

"(C) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant.

"(4) Each applicant within a State, upon filing its application with the Secretary for a grant or contract to provide treatment or rehabilitation services shall provide a proposed performance standard or standards, to measure, or research protocol to determine, the effectiveness of such treatment or rehabilitation program or project.

"(d) The Secretary shall encourage the submission of and give special consideration to applications under this section to programs and projects aimed at underserved populations such as racial and ethnic minorities, Native Americans (including Native Hawaiians and Native American Pacific Islanders), youth, the elderly, women, handicapped individuals, and families of drug abusers.

"(e) Payment under grants or contracts under this section may be made in advance or by way of reimbursement and in such installments as the Secretrary may determine.

"(f) Projects and programs for which grants and contracts are made or entered into under this section shall, in the case of prevention and treatment services, seek to—

"(1) be responsive to special requirements of handicapped individuals in receiving such services;

"(2) whenever possible, be community based, insure care of good quality in general community care facilities and under health insurance plans, and be integrated with, and provide for the active participation of, a wide range of public and nongovernmental agencies, organizations, institutions, and individuals;

"(3) where a substantial number of the individuals in the population served by the project or program are of limited English-speaking ability—

"(A) utilize the services of outreach workers fluent in the language spoken by a predominant number of such individuals and develop a plan and make arrangements responsive to the needs of such population for providing services to the extent practicable in the language and cultural context most appropriate to such individuals; and

"(B) identify an individual who is fluent both in that language and English and whose responsibilities shall include providing guidance to the individuals of limited English-speaking ability and to appropriate staff members with respect to cultural sensitivities and bridging linguistic and cultural differences; and

"(4) where appropriate, utilize existing community resources (including community mental health centers).

"(g)(1) No grant may be made under this section to a State or to any entity within the government of a State unless the grant application has been duly authorized by the chief executive officer of such State.

"(2) No grant or contract may be made under this section for a period in excess of five years.

"(3)(A) The amount of any grant or contract under this section may not exceed 100 per centum of the cost of carrying out the grant or contract in the first fiscal year for which the grant or contract is made under this section, 80 per centum of such cost in the second fiscal year for which the grant or contract is made under this section, 70 per centum of such cost in the third fiscal year for which the grant or contract is made under this section, and 60 per centum of such cost in each of the fourth and fifth fiscal years for which the grant or contract is made under this section.

"(B) For purposes of this paragraph, no grant or contract shall be considered to have been made under this section for a fiscal year ending before September 30, 1981.

"(h) Each recipient of assistance under this section pursuant to grants or contracts entered into under other than competitive bidding procedures shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant or contract, the total cost of the project or undertaking in connection with which such grant or contract is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(i) The Secretary and Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients that are pertinent to such grants or contracts.

"(j) For carrying out the purposes of this section, there are authorized to be appropriated $10,000,000 for each of the fiscal years 1985, 1986, and 1987. At least 25 percent of the amounts appropriated under this section for any fiscal year shall be obligated for grants and contracts for primary prevention and intervention programs designed to discourage individuals, particularly individuals in high risk populations, from abusing drugs.".

(b)(1) Part B of title III of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is repealed.

(2)(A) Sections 410 and 411 of the Drug Abuse Prevention, Treatment, and Rehabilitation Act are repealed.

(B) The table of sections for title IV of such Act is amended by striking out the items relating to sections 410 and 411.

ALCOHOL ABUSE, ALCOHOLISM, AND DRUG ABUSE AMONG WOMEN

SEC. 4. (a)(1) Subpart 1 of part B of title V of the Public Health Service Act is amended by inserting after section 511 the following new section:

"ALCOHOLISM AND ALCOHOL ABUSE AMONG WOMEN

"SEC. 551A. The Secretary, through the Institute, shall establish and carry out a program of research, investigations, experiments, and studies, directly or by grant or contract, into—

"(1) the social, behavioral, and biomedical etiology,

"(2) prevention,

"(3) treatment,

"(4) mental and physical health consequences,

"(5) social and economic consequences, and

"(6) the impact on families,

of alcoholism and alcohol abuse among women, including homemakers, single women, divorced mothers, single mothers, widowed mothers, displaced homemakers, women who have attained the age of 65 years, and pregnant women.".

(2) Section 512 of such Act (as amended by section 2(a) of this Act) is further amended—

(1) by inserting "(a)" before "There";

(2) by striking out "this subpart" in the first sentence and inserting in lieu thereof "sections 510 and 511";

(3) by striking out "this section" in the second sentence and inserting in lieu thereof "this subsection"; and

(4) by adding at the end thereof the following new subsection:

"(b) To carry out section 511A, there are authorized to be appropriated $1,000,000 for each of the fiscal years 1985, 1986, and 1987.".

(b) Subpart 2 of such part is amended by adding at the end thereof the following new section:

"DRUG ABUSE AMONG WOMEN

"SEC. 516. (a) The Secretary, through the National Institute on Drug Abuse, shall establish and carry out a program of research, investigations, experiments, and studies, directly or by grant or contract, into—

"(1) the social, behavioral, and biomedical etiology,

"(2) prevention,

"(3) treatment,

"(4) mental and physical health consequences,

"(5) social and economic consequences, and

"(6) the impact on families,

of drug abuse among women, including homemakers, single women, divorced mothers, single mothers, widowed mothers, displaced homemakers, women who have attained the age of 65 years, and pregnant women.

"(b) To carry out this section, there are authorized to be appropriated $1,000,000 for each of the fiscal years 1985, 1986, and 1987.".

NATIONAL PLAN TO COMBAT ALCOHOL ABUSE AND ALCOHOLISM

SEC. 5. By January 1, 1985, the Secretary of Health and Human Services shall prepare and transmit to the Congress a report which sets forth a comprehensive national plan to combat alcohol abuse and alcoholism. The report shall include—

(1) a description of a model program for activities to be conducted by the States to combat alcohol abuse and alcoholism;

(2) an analysis of amounts expended by public agencies and private organizations—

(A) for the treatment of individuals for alcohol abuse and alcoholism, including a division of such amounts among the types of settings in which such treatment is provided;

(B) for treatment of individuals for health problems resulting from alcohol abuse and alcoholism; and

(C) to meet other costs resulting from alcohol abuse and alcoholism, such as costs resulting from lost employee productivity; and

(3) a specification of recommendations for legislation—

(A) to establish Federal programs and to provide Federal funds to encourage States to adopt and implement the model program described under paragraph (1); and

(B) to modify programs and activities conducted, and services provided, under—

(i) part B of title XIX of the Public Service Act;

(ii) titles XVIII and XIX of the Social Security Act;

(iii) chapter 89 of title 5, United States Code; and

(iv) sections 1079 and 1080 of title 10, United States Code,

in order to ensure appropriate cost-effective treatment and prevention of alcohol abuse and alcoholism.

PUBLIC SERVICE ANNOUNCEMENTS

SEC. 6. Section 510(b) of the Public Health Service Act is amended—

(1) by striking out "and" after the semicolon in paragraph (9);

(2) by striking out the period at the end of paragraph (10) and inserting a semicolon and "and"; and

(3) by adding at the end thereof the following new paragraph:

"(11) prepare for distribution announcements for television to educate the public concerning the dangers resulting from the consumption of alcoholic beverages or drugs and, to the extent feasible, use appropriate private organizations and business concerns in the preparation of such announcements.".

MEMBERSHIP OF NATIONAL ADVISORY COUNCIL ON ALCOHOL ABUSE AND ALCOHOLISM

SEC. 7. Section 217(a) of the Public Health Service Act is amended by inserting between the third and fourth sentences the following new sentence: "In the case of the National Advisory Council on Alcohol Abuse and Alcoholism, one of such six shall be a representative of private entities which provide treatment for alcohol abuse and alcoholism.".

AMENDMENTS AND REPEALS

SEC. 8. (a)(1) Title IV of the Comprehensive Drug Abuse Prevention and Control Act of 1970 is repealed.

(2) The table of contents for such Act is amended by striking out the items relating to title IV and section 1200.

(b) Section 2(b)(2) of the Alcohol and Drug Abuse Amendments of 1983 is amended by striking out "Section 210" in the matter preceding subparagraph (A) and inserting in lieu thereof "Section 201".

EFFECTIVE DATE

SEC. 9. This Act and the amendments and repeals made by this Act shall take effect on October 1, 1984.

Mr. HATCH. Mr. President, I urge my colleagues to expeditiously approve S. 2615, the reauthorization of the National Institute on Drug Abuse [NIDA] and the National Institute on Alcohol Abuse and Alcoholism [NIAAA]. This legislation ensures the continuation of federally supported research and demonstration grants to study and search for solutions to the devastating problems of alcohol and drug abuse. I would like to express special appreciation to Senator HAWKINS, Senator KENNEDY, and Senator MATSUNAGA for their valuable support for this important legislation.

Alcoholism, alcohol abuse, and drug abuse continue to be major health problems in the United States. Recent studies have shown that alcohol and drug abuse cost our society billions of dollars each year in lost lives, lost productivity, accidents and increased need for health care. While personal suffering is incalcuable, the annual economic cost to our society for alcohol abuse alone has been estimated as high as $150 billion.

As described in the Senate Labor and Human Resources Committee's hearing records and bill reports, the degree of drug and alcohol abuse are astonishing. The problem could even be called epidemic. The statistics are appalling, and pointing to some of them will clearly show why I strongly support Federal efforts to research alcohol and drug abuse problems.

For instance:

Nearly two out of three young people try an illicit drug before they finish high school—64 percent.

Almost one in every 18 high school seniors is actively using marijuana on a daily or nearly daily basis.

Recent studies from several major industries confirm that between 30 percent and 70 percent of employees and/or job applicants had illegal drugs in their systems when they were tested at the worksite.

Women comprise 30 percent of the clients of alcohol and drug abuse clinics.

On this last point, the percentage of women who drink is on the rise, and alcoholism appears to progress more rapidly in women than in men. Employed women appear to have a higher rate of alcoholism, and employed married women have significantly higher rates of both problem drinking and heavier drinking than either single women or housewives. Alcohol abuse during pregnancy has been found to cause fetal alcohol syndrome and other alcohol-related birth defects. Fetal Alcohol Syndrome appears to be one of the known teratogenic causes of mental retardation.

Prevention and research remains an important strategy in combating alcoholism, alcohol abuse and drug abuse. Education, especially to increase family awareness and support, is crucial. These are reasons to continue strong and separate authorities for the National Institute of Alcohol Abuse and Alcoholism and the National Institute on Drug Abuse.

Both the National Institute on Drug Abuse and the National Institute on Alcohol Abuse and Alcoholism were created more than 10 years ago. This legislation, S. 2615, enables the Institutes to continue their dedication to research, prevention, and education of substance abuse. As approved by the Senate Labor and Human Resources Committee, S. 2615 extends the authorizations for Federal activities relating to alcohol and drug programs for research, information dissemination, prevention and technical assistance to the States. The legislation maintains a separate National Institute on Alcohol Abuse and Alcoholism [NIAAA], National Institute on Drug Abuse [NIDA], and the National Institute on Mental Health [NIMH]; authorizes funding for alcohol and drug research in 1985, 1986, and 1987; requires demonstration projects for drug abuse and demonstration projects for alcoholism and alcohol abuse; includes new authorizations for research in the areas of alcoholism, alcohol abuse, and drug abuse among women; requires the Secretary of Health and Human Services to prepare a National Plan to Combat Alcohol Abuse and Alcoholism; and allows for preparation and distribution of public service announcements to educate the public concerning the dangers of drug and alcohol consumption.

Under this legislation, both Institutes will receive funds for demonstration projects. These projects enable NIDA and NIAAA to support the development and demonstration of new methods for the prevention, treatment, and rehabilitation of individuals who suffer from substance abuse. The projects are essential since they create an arena from which new and improved research can flourish. These projects may well be the hope for the millions who suffer from this disease. In line with these projects, Congress has instructed both Institutes to carry out research on alcohol abuse, alcoholism, and drug abuse among women. Women are growing in the ranks of those who abuse drugs and alcohol. They represent a special population with special needs. Research on women will help in understanding their needs and determining the most effective treatment techniques.

In an effort to further consolidate and coordinate all governmental efforts in the area of substance abuse, this legislation requires the Secretary of Health and Human Services to prepare a National Plan to Combat Alcohol Abuse and Alcoholism. Among the major points in the plan will be a description of a model program for States to combat alcoholsim. This consistency and continuity will enhance the Institutes' efforts to compare and improve research and treatment.

Since education is the cornerstone of prevention, both Institutes are encouraged under this legislation to use private and public resources to increase public awareness.

I encourage all my colleagues to join me, Senator HAWKINS, Senator KENNEDY, Senator MATSUNAGA, and the other members of the Senate Labor and Human Resources Committee who unanimously approved this legislation as we seek expeditious passage of this bill. These Institutes provide the hope and future for the millions who suffer from substance abuse.

Mrs. HAWKINS. Mr. President, today we are reporting to the floor S. 2165, legislation to reauthorize the National Institute on Drug Abuse and the National Institute on Alcohol Abuse and Alcoholism.

I am pleased that this bill has been reported so expeditiously and thoughtfully, and would like to begin by thanking the entire membership of the Senate Committee on Labor and Human Resources. I would also like to express particular appreciation to Senator HATCH, Senator KENNEDY, and Senator MATSUNAGA for their special efforts regarding this bill.

There is a special "first" included in this bill, and that is the authorization of funds for the institutes to study the prevention and treatment of alcohol abuse, alcoholism and substance abuse among women. The NIDA and NIAAA reauthorization bill asks the Directors of these organizations to carry out a program of research, investigations, experiments and studies with an eye toward cataloging and finding ways to prevent and treat the alcoholism and drug abuse problems that exist among homemakers, single women, divorced and widowed mothers, displaced homemakers, women over 65, and pregnant women.

Another important aspect of this legislation is its request in regard to media involvement in drug abuse education and prevention. This bill directs the Institutes to enter into contracts with television networks and/or producers to create and promote stimulating, informative, cost-effective commercials. These public service announcements shown on prime-time television would fight drug and alcohol abuse through prevention.

For the money expended for these organizations, NIDA and NIAAA perform invaluable services. These institutes provide leadership, policy and goals in our efforts to discover the causes and cures of alcohol abuse, alcoholism and drug and substance abuse. I am indeed pleased to see this reauthorization legislation favorably report to the floor today.

Mr. KENNEDY. Mr. President, I am pleased to cosponsor the Alcohol Abuse, Alcoholism, and Drug Abuse Amendments of 1984. This legislation reauthorizes the activities of the National Institute on Alcohol Abuses and Alcoholism and the National Institute on Drug Abuse. The authorizations for the Institutes are raised substantially by this legislation and a number of new activities are authorized, including a new demonstration authority for alcohol and drug abuse prevention and treatment services, a special authorization for research on the alcoholism and drug abuse problems of women, a requirement that the Secretary of Health and Human Services develop a national plan to combat alcoholism, and establishment of a program for preparation and distribution of public service announcements on drug and alcohol abuse.

The research conducted by NIAAA and NIDA is of vital importance to the health and well-being of the American people. Alcohol and drug abuse are the source of great individual suffering and tremendous social costs. Some estimates indicate that alcohol and drug abuse cost our Nation as much as $150 billion per year in health care expenses and lost productivity. The damage that alcohol and drug abuse does to individuals and families is truly incalculable. Enactment of this bill will not solve these problems but it will continue our national commitment to the research necessary to find effective methods of preventing and treating alcoholism and drug abuse.

I am particularly gratified that this bill includes a directive that the Secretary of Health and Human Services develop a national plan for combating alcoholism. This provision was adopted from S. 2452, an omnibus health reauthorization bill that I introduced earlier this year and that was cosponsored by all the Democratic members of the Labor and Human Resources Committee.

In view of the high national costs of alcoholism, the demonstrated effectiveness of alcoholism treatment programs, and the progressive steps that have been taken by States and private employers, it is time to launch a national strategy in this area that will provide both focus and impetus to private and public efforts. Alcoholism services provided under such large public programs as medicare and medicaid could especially benefit from examination and enhancement.

I urge prompt passage of this important legislation.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PRIMARY HEALTH CARE AMENDMENTS OF 1984

The Senate proceeded to consider the bill (S. 2308) to revise and extend provisions of the Public Health Service Act relating to the provision of primary health care services, which had been reported from the Committee on Labor and Human Resources with an amendment to strike all after the enacting clause and insert:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Primary Health Care Amendments of 1984".

REFERENCE

SEC. 2. Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

MEDICALLY UNDERSERVED POPULATIONS

SEC. 3. Section 330(b) is amended—

(1) by striking out the second, third, fourth, and fifth sentences of paragraph (3); and

(2) by adding at the end thereof the following:

"(4) In carrying out paragraph (3), the Secretary shall by regulation prescribe criteria for determining the specific shortages of personal health services of an area or population group. Such criteria shall—

"(A) take into account comments received by the Secretary from the chief executive officer of a State (or the designee of such chief executive officer) and local officials in a State; and

"(B) include infant mortality in an area or population group, other factors indicative of the health status of a population group or residents of an area, the ability of the residents of an area or of a population group to pay for health services and their accessibility to them, and the availability of health professionals to residents of an area or to a population group.

"(5) The Secretary may not designate a medically underserved population in a State or terminate the designation of such a population unless, prior to such designation or termination, the Secretary provides reasonable notice and opportunity for comment and consults with—

"(A) the chief executive officer of such State (or the designee of such chief executive officer);

"(B) local officials in such State; and

"(C) the State organization, if any, which represents a majority of community health centers in such State.

"(6) The Secretary may designate a medically underserved population that does not meet the criteria established under paragraph (4) if the chief executive officer of the State in which such population is located (or the designee of such chief executive officer) and local officials of such State recommend the designation of such population based on unusual local conditions which are a barrier to access to or the availability of personal health services.".

MEMORANDUM OF AGREEMENT

SEC. 4. Section 330 is amended by redesignating subsection (g) as subsection (i) and by inserting after subsection (f) the following new subsection:

"(g) In carrying out this section, the Secretary may enter into a memorandum of agreement with a State. Such memorandum may include, where appropriate, provisions permitting such State to—

"(1) analyze the need for primary health services for medically underserved populations within such State;

"(2) assist in the planning and development of new community health centers;

"(3) review and comment upon annual program plans and budgets of community health centers, including comments upon allocations of health care resources in the State;

"(4) assist community health centers in the development of clinical practices and fiscal and administrative systems through a technical assistance plan which is responsive to the requests of community health centers; and

"(5) share information and data relevant to the operation of new and existing community health centers.".

AUTHORIZATION OF APPROPRIATIONS

SEC. 5. (a) Paragraphs (1) and (2) of section 330(i) (as redesignated by section 4 of this Act) are amended to read as follows:

"(1) There are authorized to be appropriated for payments pursuant to grants under this section $360,000,000 for the fiscal year ending September 30, 1985, $380,000,000 for the fiscal year ending September 30, 1986, and $400,000,000 for the fiscal year ending September 30, 1987.

"(2) The Secretary may not in any fiscal year—

"(A) expend for grants to serve medically underserved populations designated under subsection (b)(6) an amount which exceeds 5 percent of the funds appropriated under this section for that fiscal year; and

"(B) expend for grants under subsection (d)(1)(C) an amount which exceeds 5 percent of the funds appropriated under this section for that fiscal year.".

STATE GRANTS FOR PRIMARY CARE RESEARCH, DEMONSTRATION, AND SERVICES

SEC. 6. (a) Part C of title XIX is repealed.

(b) Title XIX is amended by adding at the end thereof the following new part:

"PART C—STATE GRANTS FOR PRIMARY CARE RESEARCH, DEMONSTRATION, AND SERVICES

"PURPOSE; AUTHORIZATION OF APPROPRIATIONS

"SEC. 1921. (a) For the purpose of—

"(1) improving access to primary health services for medically underserved populations,

"(2) improving the delivery of primary health services to medically underserved populations, particularly the effectiveness, efficiency and quality of such services, and

"(3) improving the health status of such populations, through reductions in—

"(A) the incidence of preventable diseases and illnesses and premature death, and

"(B) the need for costly inpatient and long-term care services,

the Secretary shall make payments under allotments, in accordance with the provisions of this part, to States for the conduct of activities authorized by this part.

"(b) For allotments under this part, there are authorized to be appropriated $15,000,000 for fiscal year 1985, $20,000,000 for fiscal year 1986, and $25,000,000 for fiscal year 1987.

"ALLOTMENTS

SEC. 1922. (a)(1) Except as provided in paragraph (2), from the amounts appropriated under section 1921 for each fiscal year, the Secretary shall allot to each State an amount equal to the product of—

"(A) the total amount appropriated for such fiscal year, multiplied by

"(B) the ratio (stated as a percentage) that the total number of low-income persons residing in the State bears to the total number of low-income persons residing in the United States.

"(2) Notwithstanding paragraph (1)—

"(A) the total amount of the allotment for each of the several States, the District of Columbia, and Puerto Rico for each of the fiscal years 1985, 1986, and 1987 shall not be less than 1 percent of the total amount appropriated under section 1921 for such fiscal year;

"(B) the total amount of the allotment for each of the Virgin Islands, Guam, and the Trust Territory of the Pacific Islands for each such fiscal year shall not be less than one-fourth of 1 percent of the total amount appropriated under section 1921 for such fiscal year; and

"(C) the total amount of the allotment for each of American Samoa and the Commonwealth of the Northern Mariana Islands for each such fiscal year shall not be less than one-sixteenth of 1 percent of the total amount appropriated under section 1921 for such fiscal year.

"(b) To the extent that all the funds appropriated under section 1921 for a fiscal year and available for allotment in such fiscal year are not otherwise allotted to States because—

"(1) one or more States have not submitted an application or description of activities in accordance with section 1925 for such fiscal year;

"(2) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

"(3) some State allotments are offset or repaid under section 1906(b)(3) (as such section applies to this part pursuant to section 1925(e));

such excess shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for such fiscal year without regard to this subsection.

"(c)(1) If the Secretary—

"(A) receives a request from the governing body of an Indian tribe or tribal organization within any State that funds under this subpart be provided directly by the Secretary to such tribe or organization, and

"(B) determines that the members of such tribe or tribal organization would be better served by means of grants made directly by the Secretary under this subpart,

the Secretary shall reserve from amounts which would otherwise be allotted to such State under subsection (a) for a fiscal year the amount determined under paragraph (2).

"(2) The Secretary shall reserve for the purpose of paragraph (1) from amounts that would otherwise be allotted to such State under subsection (a) an amount equal to the amount which bears the same ratio to the State's allotment for the fiscal year involved under subsection (a) as the total number of low-income persons in the tribe during such fiscal year bears to the total number of low-income persons residing in the State during such fiscal year.

"(3) The amount reserved by the Secretary on the basis of a determination under this subsection shall be granted to the Indian tribe or tribal organization serving the persons for whom such a determination has been made.

"(4) In order for an Indian tribe or tribal organization to be eligible for a grant for a fiscal year under this subsection, it shall submit to the Secretary a plan for such fiscal year which meets such criteria as the Secretary may prescribe.

"PAYMENTS UNDER ALLOTMENTS TO STATES

"Sec. 1923. (a) For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State from its allotment under section 1922 from amounts appropriated for that fiscal year.

"(b)(1) Except as provided in paragraph (2), any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State if the Secretary determines that there is good cause for such funds remaining unobligated.

"(2) If the amount paid to a State under this part for a fiscal year which remains unobligated at the end of such fiscal year exceeds 20 percent of the amount allotted to such State under section 1922 for such fiscal year, the amount of such excess shall not remain available for the next fiscal year to such State under paragraph (1) and shall be returned to the Treasury and credited as miscellaneous receipts.

"USE OF ALLOTMENTS

"Sec. 1924. (a) Amounts paid to a State under section 1923 from its allotment under section 1922 may be used to—

"(1) make grants to eligible entities to provide primary health services to medically underserved populations in the State; and

"(2) conduct, or make grants for the conduct of, research, demonstrations, or the development of methods to evaluate—

"(A) alternative systems of reimbursement for primary health services;

"(B) new or innovative methods for the provision of primary health services;

"(C) methods of attracting and retaining primary health service providers (including physicians, dentists, physician assistants, nurse practitioners, and other health professionals), both individually and as teams, to train and practice among medically underserved populations;

"(D) different types of organizational models and relationships, including federations of providers of primary health services, designed to meet unique primary health and dental health service needs; and

"(E) methods of reducing long-term institutional costs by improving service connections between providers of primary health services and home and community-based services; or

"(F) such other matters which will enhance the availability or accessibility of primary health services.

"(b)(1) A State may not use funds allotted under section 1922 for the purposes of administering this part or administering an agreement under section 330(g).

"(2)(A) Of the amounts paid to a State under section 1928 for each fiscal year—

"(i) not less than 80 percent shall be used to make grants under paragraph (1) of subsection (a); and

"(ii) not more than 20 percent may be used to conduct, or to make grants for the conduct of, activities described in paragraph (2) of subsection (a).

"(B) Not more than 10 percent of the amounts paid to a State under section 1923 for each fiscal year may be used for activities described in paragraph (2) of subsection (a) which are directly conducted by the State.

"(3) If a State makes a grant under paragraph (1) of subsection (a) for the provision of primary health services to a medically underserved population which is in the service area (determined in accordance with section 330(e)(3)(I) of an entity which is a recipient of a grant under section 330, a State shall make such grant to such entity.

"(c) The Secretary may provide technical assistance to States in planning and operating activities to be carried out under this part.

"(d) A State may not use amounts paid to it under section 1923 to—

"(1) provide inpatient services;

"(2) make cash payments to intended recipients of health services;

"(3) purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment;

"(4) satisfy any requirement of the expenditure of non-Federal funds as a condition for the receipt of Federal funds; or

"(5) provide financial assistance to any entity other than a public or nonprofit private entity.

The Secretary may waive the limitation contained in paragraph (3) upon the request of a State if the Secretary finds that there are extraordinary circumstances to justify the waiver and that granting the waiver will assist in carrying out this part.

"APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS

"Sec. 1925. (a) In order to receive an allotment for a fiscal year under section 1922 each State shall submit on application to the Secretary. Each such application shall be in such form and submitted by such date as the Secretary shall require. Each such application shall contain assurances that the legislature of the State has complied with the provisions of subsection (b) and that the State will meet the requirements of subsection (c).

"(b) After the expiration of the first fiscal year in which a State receives an allotment under section 1922, no funds shall be allotted to such State for any fiscal year under such section unless the legislature of the State conducts public hearings on the proposed use and distribution of funds to be provided under section 1923 for such fiscal year.

"(c) As part of the annual application required by subsection (a), the chief executive officer of each State shall certify that the State—

"(1) agrees to use the funds allotted to it under section 1922 in accordance with the requirements of this part;

"(2) has identified the populations, areas, and localities in the State with a need for the primary health services for which funds may be provided by the State under this part;

"(3) has established an appropriate mechanism to administer grants to be made under section 1924, and to comply with the requirements of this part;

"(4) will participate in the coordination of activities supported under this part with the activities of other providers of primary health services within the State (including entities which are recipients of grants under sections 329 and 330), to ensure that such activities are carried out in an effective manner and without duplication of effort;

"(5) will establish, after providing reasonable notice and opportunity for the submission of comments, reporting requirements and reasonable criteria to evaluate the fiscal, managerial, and clinical performance of entities which receive grants under section 1924;

"(6) will not require, for purpose of compliance with paragraph (5), entities which are recipients of grants under section 1924 and under section 329 or section 330 to comply with different reporting requirements and criteria than are required under section 329 or section 330, as the case may be; and

"(7) agrees that Federal funds made available under section 1923 for any period will be so used as to supplement and increase the level of State, local, and other non-Federal funds that would in the absense of such Federal funds be made available for the programs and activities for which funds are provided under that section and will in no event shall supplant such State, local, and other non-Federal funds.

The Secretary may not prescribe for a State the manner of compliance with the requirements of this subsection.

"(d)(1) The chief executive officer of a State shall, as part of the application required by subsection (a), also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under section 1923 for the fiscal year for which the application is submitted, including—

"(A) a description of the populations, areas, and localities in the State which the State has identified as needing primary health services;

"(B) a statement of goals and objectives for meeting the needs identified pursuant to subparagraph (A);

"(C) information on the activities to be supported and services to be provided with payments under this part;

"(D) after the expiration of the past fiscal year in which the State received payments under section 1923, a description of the criteria and methods that will be used by the State for the distribution of payments under such section, and the relationship of such criteria and methods to the achievement of the purposes of this part; and

"(E) the information and data which the State intends to collect respecting activities supported under this part.

"(2) The description required by paragraph (1) shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State under this part, and any revision shall be subject to the requirements of the preceding sentence.

"(e) Except where inconsistent with the provisions of this part, the provisions of section 1903(b), section 1906(a), paragraphs (1) through (5) of section 1906(b), section 1906(c), and sections 1907, 1908, and 1909 shall apply to this part in the same manner as such provisions apply to part A of this title.

"DEFINITIONS

"Sec. 1926. As used in this part:

"(1) The term 'low income person' refers to those individuals and families whose income is determined to be below the official poverty line as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act.

"(2) The terms 'Indian tribe' and 'tribal organization' have the same meaning given such terms in section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act.

"(3) The term 'medically underserved population' has the meaning given to such term by section 330(b)(3).

"(4) The term 'primary health services' means the preventive, diagnostic, treatment, consultation, referral, and other services rendered, on an ambulatory basis, by a physician and, where feasible, by a physicians' assistant or nurse practitioner. Such term includes, at a minimum, access to routine associated laboratory services, diagnostic radiologic services, preventive health services, and emergency medical care.

"(5) The term 'eligible entity' means a public or nonprofit private entity capable of providing primary health services to medically underserved populations.".

MIGRANT HEALTH CENTERS

SEC. 7. The first sentence of section 329(h)(1) is amended by striking out "and" after "1983," and by inserting before the period a comma and "$45,000,000 for the fiscal year ending September 30, 1985, $48,000,000 for the fiscal year ending September 30, 1986, and $51,000,000 for the fiscal year ending September 30, 1987".

REGULATIONS

SEC. 8. By the earliest possible date, but not later than June 30, 1985, the Secretary shall promulgate separate final regulations to carry out part C of title XIX of the Public Health Service Act (as added by section 6(b) of this Act) which take into account the provisions of such part which are different from the provisions of parts A and B of such title.

TECHNICAL AMENDMENT

SEC. 9. Section 329(d)(2) is amended by inserting before the semicolon "and the costs of repaying loans made by the Farmers Home Administration for buildings".

EFFECTIVE DATE

SEC. 10. This Act and the amendments and repeals made by this Act shall take effect on October 1, 1984.

Mr. HATCH. Mr. President, I thank all those who have helped in the unanimous passage of S. 2308, the "Primary Health Care Amendments of 1984," which revises and extends provisions of titles III and XIX of the Public Health Service Act. After much deliberation and the cooperative efforts of majority and minority members and representatives of individual State governments and other interest groups we have reached the compromise which is before the Senate today. I want to particularly note my appreciation for the efforts of the National Association of Community Health Centers and the National Governors Association for their assistance in achieving this goal. We believe strongly that with this legislation we have created important new opportunities for a Federal-State partnership for the provision of primary care services to medically underserved populations.

The current version, which enjoys a broad base of support within the Committee for Labor and Human Resources, will accomplish two very important goals. First, it will allow the continuation of the Community Health Centers program with two new provisions for State involvement: One, encouraging the existing trend toward Federal-State memoranda of agreement; and, two, giving States more input into the designation of medically underserved areas. My committee is particularly pleased at the progress in the development of memoranda of agreement [MOA] with States. In response to provisions of the Omnibus Budget Reconciliation Act passed in July 1981, the Department has through administrative authority, entered into memoranda of agreement with approximately 40 States. By adding explicit legislative authority we wish to encourage DHHS and States to continue and further develop these MOA's, as well as include the CHC's within the State in such efforts.

Second, the revised version will authorize a relatively unrestricted State grant program for primary health services and the conduct of research and demonstrations in the areas of primary care. Specifically, this bill provides that States may use their allotments to: One, make grants to eligible entities to provide primary health services to medically underserved populations in the State; and two, conduct, or make grants for the conduct of research, demonstrations, or the development of methods to evaluate: alternative systems of reimbursement for primary health services; methods of attracting and retaining primary health service providers—including physicians, dentists, physician assistants, nurse practitioners, and other health professionals—both individually and as teams, to train and practice among medically underserved populations; new or innovative methods for the provision of primary health services; different types of organizational models and relationships, including federations of providers of primary health services, designed to meet unique primary health and dental health service needs; and methods of reducing long-term institutional costs of improving service connections between providers of primary health services, and home and community-based services and other such services that will enhance the availability or accessibility of primary health services.

By approving this bill, we will be one step closer to creating a primary care block grant the States will truly be interested in, while simultaneously strengthening the Community Health Center Programs in general. I am confident the result will ensure better primary care services to our Nation's medically underserved.

Mr. President, I ask unanimous consent that a section-by-section analysis of this legislation be printed in the RECORD at the conclusion of my remarks. At this point, I urge my colleagues to expeditiously approve S. 2308.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

SHORT TITLE

Section 1 cites the title of the bill as the "Primary Health Care Amendments of 1984."

REFERENCE

Section 2 provides that, except when otherwise indicated, an amendment or repeal contained in the bill is made to a section or other provision of the Public Health Service Act.

MEDICALLY UNDERSERVED POPULATION

Section 3 amends section 330(b) of the PHS Act by repealing the second through fifth sentences of paragraph (3); and by adding three new paragraphs. The first of these paragraphs (4), requires the Secretary to prescribe criteria for determining the specific shortages of personal health services of an area or population group. Such criteria shall—

(A) take into account comments from the chief executive officer of a State (or his designee) and local officials; and

(B) include infant mortality, other factors, indicative of the health status of a population group or residents of an area, the health status of a population group or residents of an area, the ability of the residents or of a population group to pay for health services and their accessibility to them, and the availability of health professionals to residents of an area or to a population group.

The new paragraph (5) provides that the Secretary may not designate that a medically underserved population in a State or terminate the designation or termination, the Secretary provides reasonable notice and opportunity for comment and consults with the chief executive officer of the State or his designeee, local officials, and the State organization, if any, which represents a majority of community health centers in the State.

The new paragraph (6) provides that the Secretary may designate a medically underserved population that does not meet the criteria under the new paragraph (4) if the chief executive officer (or his designee) and local officials recommend the designation based on unusual local conditions which are a barrier to access to or the availability of personal health services.

MEMORANDUM OF AGREEMENT

Section 4 amends section 330 by authorizing the Secretary, in carrying out section 330, to enter into a memorandum of agreement with a State. This memorandum may include, where appropriate, provisions permitting the State to—

(1) analyze the need for primary health services for medically underserved populations within the State;

(2) assist in the planning and development of new community health centers;

(3) review and comment upon annual program plans and budgets of community health centers, including comments on allocations of health care resources in the State;

(4) assist community health centers in the development of clinical practices and fiscal and administrative systems through a technical assistance plan which is responsive to the requests of community health centers; and

(5) share information and data relevant to the operation of new and existing community health centers.

AUTHORIZATION OF APPROPRIATIONS

Section 5 authorizes appropriations for grants under section 330 of $360 million for fiscal year 1985, $380 million for fiscal year 1986, and $400 million for fiscal year 1987.

It also provides that, in any fiscal year, the Secretary could not expend (1) more than 5 percent of appropriations for grants to serve medically underserved populations which do not meet the designating criteria specified in law, as provided in the new subsection (b)(6); and (2) more than 5 percent of appropriations for grants to community health centers to enable them to provide health services on a prepaid basis.

STATE GRANTS FOR PRIMARY CARE RESEARCH, DEMONSTRATION, AND SERVICES

Section 6 repeals Part C of title XIX of the PHS Act (Primary Care Block Grant) and replaces it with a new program of State Grants for Primary Care Research, Demonstration, and Services.

The new section 1921 authorizes appropriations of $15 million in fiscal year 1985, $20 million in fiscal year 1986, and $25 million in fiscal year 1987 for allotments to States for (1) improving access to primary health services for medically underserved populations; (2) improving the delivery of primary health services to medically underserved populations; particularly the effectiveness, efficiency, and quality of such services; (3) improving the health status of such populations, through reductions in the incidence of preventable disease and illnesses and premature death, and the need for costly inpatient and long-term care services.

ALLOTMENTS

The new section 1922(a) provides that allotments will be made to the States on the basis of ratio of the total number of low-income persons residing in the State to the total number of low-income persons residing in all States. The allotment for each State, D.C., and Puerto Rico may not be less than one percent of the total amount appropriated in a fiscal year. The allotment for each of the Virgin Islands, Guam and the Trust Territories of the Pacific Islands may not be less than one-fourth of one percent of the total amount appropriated in a fiscal year. The allotment for each of the American Samoa and the Commonwealth of the Northern Mariana Islands may not be less than one-sixteenth of one percent of the total amount appropriated in a fiscal year.

Subsection (b) of section 1922 provides that is all of the funds appropriated for a fiscal year and available for allotment are not allotted to States because one or more States have not applied for an allotment or some State allotments are offset or repaid, excess amounts will be allotted among each of the remaining States in proportion to the amount otherwise allotted to States.

The new subsection (c) of section 1922 provides for direct allotments to Indian tribes or tribal organization if the Secretary determines that the members of the tribe or organization would be better served by a direct grant. The amount of the direct grant would be based on the ratio of the number of low-income persons in the tribe to the number of low-income persons in the State.

PAYMENTS UNDER ALLOTMENTS TO STATES

The new section 1923 requires the Secretary to make payments to each State from its allotment from amounts appropriated in each fiscal year, as provided by section 6503(a) of title 31, United States Code.

Any amount paid to a State in a fiscal year and remaining unobligated at the end of the year shall remain available for the next year to the State if the Secretary determines that there is good cause for the funds remaining unobligated. If the amount remaining unobligated at the end of a year exceeds 20 percent of the State's allotment for the year, the amount of excess will not remain available for the following year, but will be returned to the Teasury and credited as miscellaneous receipts.

USE OF ALLOTMENTS

New section 1924 provides that States may use their allotments to—

(1) make grants to eligible entities to provide primary health services to medically underserved populations in the State; and

(2) conduct, or make grants for the conduct of, research, demonstrations, or the development of methods to evaluate—

(A) alternative systems of reimbursement for primary health services;

(B) new or innovative methods for the provision of primary health services;

(C) methods of attracting and retaining primary health service providers (including physicians, dentists, physician assistants, nurse practitioners, and other health professionals), both individually and as teams, to train and practice among medically underserved populations;

(D) different types of organizational models and relationships, including federations of providers of primary health services, designed to meet unique primary health and dental health service needs; and

(E) methods of reducing long-term institutional costs of improving service connections between providers of primary health services and home and community-based services; or

(F) such other matters which will enhance the availability or accessibility of primary health services.

States could not use their allotments for the administration of this program or of memoranda of agreement which they might enter into with the Secretary. States could not use less than 80 percent of their allotments for grants to provide primary care services. In addition, they would be required to use not more than 20 percent of their allotments for research and demonstrations, and not more than 10 percent of this amount for activities which are conducted directly by the State. If a State makes a grant for the the provision of primary health services to a medically underserved population which is in the service area of a section 330 grantee, the State would be required to make the grant to this grantee.

States could not use their allotments to (1) provide inpatient services; (2) make cash payments to intended recipients of health services; (3) purchase or improve land, purchase, construct, or permanently improve (other than minor remolding) any building or other facility, or purchase major medical equipment except with special waiver; (4) satisfy any requirements for the expenditure of non-Federal funds as a condition for the receipt of Federal funds; or (5) provide financial assistance to any entity other than a public or nonprofit private entity.

This section also authorizes the Secretary to provide technical assistance to States in planning and operating activities to be carried out under this newly authorized grant program.

APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS

New section 1925 requires States to submit an application for a grant. This application would be in the form and submitted by the date specified by the Secretary and would be required to contain assurances that the State legislature will hold hearings on the proposed use of its allotments (after the first fiscal year a State receives an allotment), and that the State—

(1) agrees to use its allotment in accordance with the requirements of this part;

(2) has identified the populations, areas, and localities in the State with a need for the primary health services for which funds may be provided by the State under this part;

(3) has established an appropriate mechanism to administer its allotments and to comply with the requirements of this part;

(4) will participate in the coordination of activities supported under this part with the activities of other providers of primary health services within the State (including entities which are recipients of grants under sections 329 and 330), to ensure that such activities are carried out in an effective manner and without duplication of effort;

(5) will establish, after providing reasonable notice and opportunity for the submission of comments, reporting requirements and reasonable criteria to evaluate the fiscal, managerial, and clinical performance of entities which receive grants under this program, and that for the purposes of compliance with this paragraph, the State will not require entities which are recipients of grants under this program and under section 329 or section 330 to comply with different reporting requirements and criteria than are required under section 329 or section 330, as the case may be; and

(6) agrees that allotments will be used to supplement and increase the level of State, local, and other non-Federal funds available for the activities conducted under this program and will in no event supplant such funding.

The Secretary may not prescribe for a State the manner of compliance with the requirements of this subsection.

The chief executive officer of a State would also be required to prepare a description of the intended use of the State's allotment, including—

(1) a description of the populations, areas, and localities in the State which the State has indentified as needing primary health services;

(2) a statement of goals and objectives for meeting these needs;

(3) information on the activities to be supported and services to be provided with parments under this program;

(4) after the expiration of the first fiscal year in which the States received an allotment, a description of the criteria and methods that will be used by the State for the distribution of funds received under this program, and the relationship of such criteria and methods to the achievement of the purposes of this part; and

(5) the information and data which the State intends to collect respecting activities supported under this part.

States would be required to make description of intended use of funds public so as to facilitate comment during the development of the description and after its transmittal. The description would also be revised throughout the year as may be necessary to reflect substantial changes in the activities supported with funds received under this program.

The allotment of funds to State would also be subject to many of the same general provisions governing the Preventive Health and Health Services Block Grant, including requirements for audits, evaluations by the Comptroller General, withholding, reductions in allotments for in-kind assistance, nondiscrimination, and criminal penalties for false statements.

DEFINITIONS

The new section 1926 defines the following terms used in this part:

(1) "low-income persons" means those individuals and families whose income is below the official poverty line as defined by the Office of Management and Budget.

(2) "Indian tribe" and "Tribal organization" have the same meaning as provided by section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act.

(3) "medically underserved population" has the meaning as given in section 330(b)(3) of the PHS Act.

(4) "primary health services" means the preventive, diagnostic, treatment, consultation, referral, and other services rendered, on an ambulatory basis, by a physician and, where feasible, by a physicians' assistant or nurse practitioner. The term includes, at a minimum, access to routine associated laboratory services, diagnostic radiologic services and emergency medical care.

(5) "eligible entity" means a public or nonprofit private entity capable of providing primary health services to medically underserved populations.

MIGRANT HEALTH CENTERS

Sections 7 of the bill amends section 329 of the PHS Act to extend the authorization of appropriations for migrant health centers for three years, at $45 million for fiscal year 1985, $48 million for fiscal year 1986, and $51 million for fiscal year 1987.

REGULATIONS

Section 8 requires the Secretary, by the earliest possible date, but not later than June 30, 1985, to promulgate separate final regulations to carry out part C of title XIX of the PHS Act as added by this bill, taking into account the provisions of part C which are different from the provisions of parts A and B.

TECHNICAL AMENDMENT

Section 9 amends the migrant health authority to add that grants may be made under this program for the costs of repaying loans made by the Farmers Home Administration for buildings.

EFFECTIVE DATE

Section 10 specifies the effective date of the bill as October 1, 1984.

Mr. **KENNEDY**. Mr. President, I am pleased to support enactment of S. 2308, the Primary Health Care Amendments of 1984. S. 2308 is, in my view, a creative compromise on the appropriate role of the Federal Government and States in the deliver of primary care services to disadvantaged populations. Senator HATCH and I worked long and hard to develop this compromise, and I am enthusiastic about the bill we have produced.

The Community Health Centers Program is one of the great success stories of the various Federal attempts to secure access to health care for the poor and underserved.

This program has not only provided services to people with no other satisfactory access to health care, it has done so in a truly exemplary manner.

Last year, Community Health Centers provided high quality, comprehensive care to over 4.5 million people. they have a proven record of increasing the use of preventive services, of reducing illness and hospitalization rates among the deprived populations they serve, and of holding their costs to levels considerably below those of other health care providers.

To cite just a few examples, CHC's between 1974 and 1983 increased their volume of services by more than 300 percent while grant funding increased by only 43 percent. At the same time, costs per encounter decreased 60 percent in real terms. Independent studies have found hospitalization rates that are 50 percent lower for individuals using CHC's then for comparable persons without access to CHC services. These lower hospitalization rates are estimated to have saved the Medicaid Program alone over one-half billion dollars last year; more important than the dollar savings are the needless suffering and illness avoided.

All in all, Community Health Centers have a tremendous record of accomplishment in providing health care services to the poor.

Despite the excellent track record of the Community Health Centers in providing services to the poor and underserved, the administration proposed to convert the program into a block grant in 1981. The legislation that emerged, the Omnibus Budget and Reconciliation Act of 1981, offered States the choice of taking Community Health Center Funds as a block grant or continuing the existing direct relationship between CHC's and the Federal Government, with careful coordination of the Federal program with State activities in cases where the State had an interest in primary care.

Only one State—West Virginia—chose the block grant, and it has just decided to return the program to the Federal Government.

The legislation that we are considering today amends current law in three important ways. First, it assures the continuation of the Community Health Centers program by eliminating the authority provided in the 1981 law for States to take over the CHC program by accepting the block grant.

Second, the legislation assures that Federal and State primary care activities will be complementary and coordinated in situation in which the State has a genuine interest in and commitment to providing primary care services to underserved populations. The bill does this by providing a statutory basis for memoranda of understanding between States and Federal program managers. These memoranda have proved an effective coordinating device, and placing them on a statutory basis provides an additional impetus for these efforts.

Finally, the bill establishes a new State grant for the provision of primary care services. This new program should be an effective device for assisting State innovation in primary care area and for involving States without a prior commitment to primary care in this important activity.

While I believe the structure of this bill is an excellent compromise, I must express my concern at the inadequate funding levels provided in the bill. This is a problem which has pervaded all the human service areas since the Reagan administration took office.

The services provided by the Community Health Centers are needed more today than ever before. The Reagan administration's failed economic policies have plunged an additional 8 million people into poverty; reckless changes in welfare policies have denied Medicaid eligibility to hundreds of thousands of mothers and children. Cuts in Medicare benefits have made access to care of the elderly more difficult.

Despite this need, community health centers are funded today at a level that, after correcting for inflation, is almost 50 percent below the 1980 level. I believe real growth is as important in the health budget as it is in the defense budget.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. **STEVENS**. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. **BYRD**. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NURSE EDUCATION AMENDMENTS OF 1984

The Senate proceeded to consider the bill (S. 2574) entitled the "Nurse Education Amendments of 1984," which had been reported from the Committee on Labor and Human Rsources with amendments.

(The parts intended to be stricken are shown in boldface brackets and the parts intended to be inserted are shown in italic.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Nurse Education Amendments of 1984".

REFERENCE

SEC. 2. Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

SPECIAL PROJECTS

SEC. 3. (a) Section 820(a) is amended—

[(1) by inserting "such as projects" after "special projects" in the matter preceding paragraph (1);**]**

[(2)**]** *(1)* by striking out "or" after the semicolon in paragraph (4);

[(3)**]** *(2)* by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon; and

[(4)**]** *(3)* by inserting after paragraph (5) the following:

["(6) demonstrate institutional and nursing service organizational arrangement that support more cost effective health care delivery systems; or

["(7) demonstrate effective means of facilitating the transition of students in schools of nursing to nursing practice.".]

"(6) demonstrate clinical nurse education programs which combine educational curricula and clinical practice in health care delivery organizations, including acute care facilities, long-term care facilities, and ambulatory care facilities;

"(7) demonstrate methods to improve access to nursing services in noninstitutional settings through support of nursing practice arrangements in communities; or

"(8) demonstrate methods to encourage nursing graduates to practice in health manpower shortage areas (designated under section 332) in order to improve the specialty and geographical distribution of nurses in the United States.".

[(c)] *(b)* Section 820(d) is amended—

(1) by striking out the first sentence and inserting in lieu thereof: "(1) For payments under grants and contracts under paragraphs (1) through (5) of subsection (a), there are authorized to be appropriated [$7,000,000] *$10,000,000* for the fiscal year ending September 30, 1985, [$7,300,000] *$11,000,000* for the fiscal year ending September 30, 1986, and [$7,700,000] *$12,000,000* for the fiscal year ending September 30, [1987";] *1987.";*

(2) by striking out "this subsection" in the second sentence and inserting in lieu thereof "this paragraph";

(3) by striking out "1981," in such sentence and inserting in lieu thereof "1984,"; and

(4) by adding at the end thereof the following new paragraph:

"(2) For payments under grants and contracts under paragraphs [(6) and (7)] *(6), (7), and (8)* of subsection (a), there are authorized to be appropriated [$2,000,000] *$5,000,000* for the fiscal year ending September 30, 1985, [$2,100,000] *$5,500,000* for the fiscal year ending September 30, 1986, and [$2,200,000] *$6,000,000* for the fiscal year ending September 30, [1987.".] *1987. Not less than 25 percent of the amounts appropriated under this paragraph shall be obligated for grants and contracts under paragraph (7) of subsection (a).".*

ADVANCED NURSE EDUCATION

SEC. 4. Section 821 is amended to read as follows:

"ADVANCED NURSE EDUCATION

"SEC. 821. (a) The Secretary may make grants to and enter into contracts with public and private nonprofit collegiate schools of nursing to meet the cost *of projects* to—

"(1) plan, develop, and operate,

"(2) expand, *or*

"(3) maintain,

programs which lead to masters' and doctoral degrees and which prepare professional nurses to serve as nurse educators, administrators, consultants, *or* researchers or to serve in clinical nurse specialties determined by the Secretary.

"(b) For payments under grants and contracts under this section, there are authorized to be appropriated [$11,000,000] *$17,500,000* for the fiscal year ending September 30, 1985, [$11,500,000] *$18,500,000* for the fiscal year ending September 30, 1986, and [$12,000,000] *$19,500,000* for the fiscal year ending September 30, 1987.".

NURSE PRACTITIONER PROGRAMS

SEC. 5. (a)(1) Paragraph (1) of section 822(a) is amended to read as follows:

"(1)(A) The Secretary may make grants to and enter into contracts with public and private nonprofit schools of nursing *to meet the costs of projects* to—

"(i) plan, develop, and operate,

"(ii) expand, or

"(iii) maintain,

programs for the education of nurse practitioners.

"(B) The Secretary may make grants to and enter into contracts with public and private nonprofit schools of nursing and appropriate public and private nonprofit entities *to meet the costs of projects* to—

"(i) plan, develop, and operate,

"(ii) expand, or

"(iii) maintain,

accredited certificate programs for nurse midwives.".

(2) Paragraph (2) of such section is amended—

(A) by striking out subparagraph (A) and inserting in lieu thereof the following:

"(2)(A) For purposes of this section, the term, 'programs for the education of nurse practitioners' means educational programs for registered nurses which—

"(i) meet guidelines prescribed by the Secretary in accordance with subparagraph (B);

"(ii) have as their objective the education of nurses (including pediatric nurses, geriatric nurses, and nurse midwives) who will, upon completion of their studies in such programs, be qualified to effectively provide primary health care, including primary health care in homes and in ambulatory care facilities, long-term care facilities, and other health care institutions; and

"(iii) lead to a masters' degree or a doctoral degree, except that compliance with the provisions of this clause is not required for programs to educate nurse midwives."; and

"(B) by striking out "training" in subparagraph (B) and inserting in lieu thereof "education".

(b) Section 822 is further amended by striking out subsections (b) and (d) and by redesignating subsections (c) and (e) as subsections (b) and (c), respectively.

(c) Section 822(b) (as redesignated by subsection (b) of this section) is amended by striking out "training" and inserting in lieu thereof "education".

(d) Section 822(c) (as redesignated by subsection (b) of this section) is amended to read as follows:

"(c) For payments under grants and contracts under this section, there are authorized to be appropriated [$9,000,000] *$12,000,000* for the fiscal year ending September 30, 1985, [$9,400,000] *$13,000,000* for fiscal year ending [September] *September* 30, 1986, and [$9,900,000] *$14,000,000* for the fiscal year ending September 30, 1987.".

(e)(1) Notwithstanding the amendments made by subsections (a), (b), and (c) of this section, the Secretary of Health and Human Services may make one grant or enter into one contract with a school, hospital, or entity which, in fiscal year 1984, received a grant or contract under section 822 of the Public Health Service Act (as such section was in effect on September 30, 1984) in order to enable such school, hospital, or entity to maintain programs for the training of nurse practitioners which are in existence on September 30, 1984, or traineeship programs to train nurse practitioners which are in existence on such date. The provisions of such section (as such section was in effect on September 30, 1984) shall apply to grants made and contracts entered into under the preceding sentence.

(2) The Secretary of Health and Human Services may use funds appropriated under subsection (c) of section 822 of the Public Health Service Act (as amended and redesignated by subsections (b) and (d) of this section) for grants and contracts under paragraph (1) of this subsection.

TRAINEESHIPS FOR ADVANCED EDUCATION OF PROFESSIONAL NURSES

SEC. 6. (a) Paragraph (1) of section 830(a) is amended to read as follows:

"(1)(A) The Secretary may make grants to public and private nonprofit schools of nursing to cover the cost of traineeships for nurses in masters' degree and doctoral degree programs in order to educate such nurses to—

"(i) serve in and prepare for practice as nurse practitioners,

"(ii) serve in and prepare for practice as nurse administrators, *nurse* educators, and nurse researchers, or

"(iii) serve in and prepare for practice in other professional nursing [specialities] *specialties* determined by the Secretary to require advanced education.

"(B) The Secretary may make grants to public and private nonprofit schools of nursing *and appropriate public and private nonprofit entities* to cover the cost of traineeships to educate nurses to serve in and prepare for practice as nurse midwives.".

[(b) Section 830(b) is amended to read as follows:

["(b) There are authorized to be appropriated for purposes of this section $9,000,000 for the fiscal year ending September 30, 1985, $9,400,000 for the fiscal year ending September 30, 1986, $9,900,000 for the fiscal year ending September 30, 1987.".

[(c) Section 830 is further amended by striking out "TRAINING" in the section heading and inserting in lieu thereof "EDUCATION".]

(b) Section 830 is further amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by inserting "(1)" before "There" in such subsection;

(3) by striking out "this section" in the first sentence of such subsection and inserting in lieu thereof "subsection (a)";

(4) by striking out "and" after "1983," in such sentence;

(5) by inserting a comma and "$12,000,000 for the fiscal year ending September 30, 1985, $13,000,000 for the fiscal year ending September 30, 1986, and $14,000,000 for the fiscal year ending September 30, 1987" before the period in such sentence;

(6) by striking out the second sentence of such subsection;

(7) by adding at the end of such subsection the following new paragraph:

"(2) To carry out subsection (b), there are authorized to be appropriated $3,000,000 for the fiscal year ending September 30, 1985, $3,500,000 for the fiscal year ending September 30, 1986, and $4,000,000 for the fiscal year ending September 30, 1987.";

(8) by inserting after subsection (a) the following new subsection:

"(b) The Secretary may make grants to public or private nonprofit schools of nursing to cover the costs of post baccalaureate and post doctoral fellowships for faculty in such schools to enable such faculty to—

"(1) expand knowledge with respect to nursing by working with groups of students;

"(2) investigate cost-effective alternatives to traditional health care modalities, with special attention to the needs of at-risk populations, such as the elderly, premature infants, physically and mentally disabled individuals, and ethnic and minority groups;

"(3) examine nursing interventions that result in positive outcomes in health status

with attention to interventions which address family violence, drug and alcohol abuse, the health of women, adolescent care, disease prevention, and ethical concerns; and

"(4) address other areas of nursing practice considered by the Secretary to require additional study."; and

(9) by striking out "TRAINING" in the section heading and inserting in lieu thereof "*EDUCATION*".

NURSE ANESTHETISTS

Sec. 7. (a) Section 831(a)(1) is amended by striking out "Commissioner" and inserting in lieu thereof "Secretary".

(b) Section 831 is further amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) The Secretary may make grants to public or private nonprofit institutions to cover the cost of projects to improve existing programs for the education of nurse anesthetists which are accredited by an entity or entities designated by the Secretary of Education, including grants to such institutions for the purpose of providing financial assistance and support to certified registered nurse anesthetists who are faculty members of accredited programs to enable such nurse anesthetists to obtain advanced education relevant to their teaching functions.".

(c) Section 831(c) (as redesignated by subsection (b) of this section) is amended to read as follows:

"(c) For the purpose of making grants under this section, there are authorized to be appropriated [$400,000] $1,000,000 for the fiscal year ending September 30, 1985, [$420,000] $1,300,000 for the fiscal year ending September 30, 1986, and [$440,000] $1,600,000 for the fiscal year ending September 30, 1987.".

(d) The section heading for such section is amended by striking out "TRAINEESHIPS FOR THE TRAINING OF".

STUDENT LOANS

Sec. 8. (a) The last sentence of section 836(a) is amended by striking out "and to persons who enter as first-year students after enactment of this title".

(b) Section 837 is amended—

(1) by striking out the first sentence and inserting in lieu thereof the following: "There are authorized to be appropriated for allotments under section 838 to schools of nursing for Federal capital contributions to their student loan funds established under section 835, [$4,000,000] *$1,000,000* for the fiscal year ending September 30, 1985, [$4,200,000] *$1,300,000* for the fiscal year ending September 30, 1986, and [$4,400,000] *$1,600,000* for the fiscal year ending September 30, 1987.";

(2) by striking out "1985," in the second sentence and inserting in lieu thereof "1988,";

(3) by striking out "1984," in such sentence and inserting in lieu thereof "1987,"; and

(4) by striking out the last two sentences.

(c) Section 838 is amended by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"(a)(1) The Secretary shall from time to time set dates by which schools of nursing must file applications for Federal capital contributions.

"(2) If the total of the amounts requested for any fiscal year in such applications exceeds the total amount appropriated under section 837 for that fiscal year, the allotment from such total amount to the loan fund of each school of nursing shall be reduced to whichever of the following is the smaller: (A) the amount requested in its application or (B) an amount which bears the same ratio to the total amount appropriated as the number of students estimated by the Secretary to be enrolled on a full-time basis in such school during such fiscal year bears to the estimated total number of students enrolled in all such schools on a full-time basis during such year. Amounts remaining after allotment under the preceding sentence shall be reallotted in accordance with clause (B) of such sentence among schools whose applications requested more than the amounts so allotted to their loan funds, but with such adjustments as may be necessary to prevent the total allotted to any such school's loan fund under this paragraph and paragraph (3) from exceeding the total so requested by it.

"(3) Funds which, pursuant to section 839(c) or pursuant to a loan agreement under section 835, are returned to the Secretary in any fiscal year, shall be available for allotment in such fiscal year and in the fiscal year succeeding the fiscal year. Funds described in the preceding sentence shall be allotted among schools of nursing in such manner as the Secretary determines will best carry out the provisions of this subpart, except that in making such allotments, the Secretary shall give priority to schools of nursing which established student loan funds under this subpart after September 30, 1975.

"(b) Allotments to a loan fund of a school shall be paid to it from time to time in such installments as the Secretary determines will not result in unnecessary accumulations in the loan fund at such school.".

(d) Section 839 is amended—

(1) by striking out "1987," each place it appears in subsections (a) and (b) and inserting in lieu thereof "1990,"; and

(2) by adding at the end thereof the following new subsection:

"(c)(1) Within 30 days after the termination of any agreement with a school under section 835 or the termination in any other manner of a school's participation in the loan program under this subpart, such school shall pay to the Secretary from the balance of the loan fund of such school established under section 835, an amount which bears the same ratio to the balance in such fund on the date of such termination as the total amount of the Federal capital contributions to such fund by the Secretary pursuant to section 835(b)(2)(A) bears to the total amount in such fund on such date derived from such Federal capital contributions and from funds deposited in the fund pursuant to section 835(b)(2)(B). The remainder of such balance shall be paid to the school.

"(2) A school to which paragraph (1) applies shall pay to the Secretary after the date on which payment is made under such paragraph and not less than quarterly, the same proportionate share of amounts received by the school after the date of termination referred to in paragraph (1) in payment of principal or interest on loans made from the loan fund as was determined for the Secretary under such paragraph.".

(e) Section 6103(m) of the Internal Revenue Code of 1954 is amended—

(1) by inserting "ADMINISTERED BY THE DEPARTMENT OF EDUCATION" before the period in the paragraph heading of paragraph (4); and

(2) by adding at the end thereof the following new paragraph:

"(5) Individuals who have defaulted on student loans administered by the Department of Health and Human Services.—

"(A) In general.—Upon written request by the Secretary of Health and Human Services, the Secretary may disclose the mailing address of any taxpayer who has defaulted on a loan made under [subpart II of] part C of title VII of the Public Health Service Act or under subpart II of part C of title VIII of such Act, for use only by officers, employees, or agents of the Department of Health and Human Services for the purposes of locating such taxpayer for purposes of collecting such loan.

["(B) Disclosure to schools.—Any mailing address disclosed under subparagraph (A) may be disclosed by the Secretary of Health and Human Services to any school with which the Secretary of Health and Human Services has an agreement under subpart II of part C of title VII of the Public Health Service Act or subpart II of part C of title VIII of such Act, for use only by officers, employees, or agents of such school whose duties relate to the collection of student loans for purposes of locating individuals who have defaulted on student loans made under such subparts for the purposes of collecting such loans.".]

"(B) Disclosure to schools and eligible lenders.—Any mailing address disclosed under subparagraph (A) may be disclosed by the Secretary of Health and Human Services to—

"(i) any school with which the Secretary of Health and Human Services has an agreement under subpart II of part C of title VII of the Public Health Service Act or subpart II of part C of title VIII of such Act, or

"(ii) any eligible lender (within the meaning of section 737(4) of such Act) participating under subpart I of part C of title VII of such Act.

for use only by officers, employees, or agents of such school or eligible lender whose duties relate to the collection of student loans for purposes of locating individuals who have defaulted on student loans made under such subparts for the purposes of collecting such loans.".

REPEALS

Sec. 9. (a) Sections 801, 802, 803, 805, 810, 811, and 815 are repealed.

(b) Part A of title VIII is amended by striking out the headings for subparts I, II, III, and IV.

(c) Section 804 is redesignated as section 858, and is amended—

(1) by striking out "this subpart" in the matter preceding clause (1) and inserting in lieu thereof "subpart I of part A (as such subpart was in effect prior to September 30, 1984);

(2) by inserting "under subpart I of part A (as such subpart was in effect prior to September 30, 1984) after "Federal participation" in the matter following clause (3); and

(3) by adding "FOR CONSTRUCTION ASSISTANCE" at the end of the section heading.

(d) Section 851(b) is amended by striking out ", and in the review of applications for construction projects under subpart I of part A, of applications under section 805, and of applications under subpart III of part A".

(e) Section 853(1) is amended by striking out "the Canal Zone,".

(f) Section 853(6) is amended to read as follows:

"(6) The term 'accredited' when applied to any program of nurse education means a program accredited by a recognized body or bodies, or by a State agency, approved for such purpose by the Secretary of Education and when applied to a hospital, school, college, or university (or a unit thereof) means a hospital, school, college, or university (or a unit thereof) which is accredited by a rec ognized body or bodies, or by a State agency, approved for such purpose by the Secretary of Education, except that a school of nursing seeking an agreement under subpart II of part C for the establishment of a student loan fund, which is not, at the time of the application under such subpart, eligible for accreditation by such a recognized body or bodies or State agency, shall be deemed accredited for purposes of such subpart if the Secretary of Education finds, after consultation with the appropriate accreditation body or bodies, that there is reasonable assurance that the school will meet the accreditation standards of such body or bodies prior to the beginning of the academic year following the normal graduation date of students who are in their first year of instruction at such school during the fiscal year in which the agreement with such school is made under such subpart; except that the provisions of this clause shall not apply for purposes of section 838. For the purpose of this paragraph, the Secretary of Education shall publish a list of recognized accrediting bodies, and of State agencies, which [he determines to] the Secretary of Education *determines to be* reliable authority as to the quality of education offered.".

BUREAU OF NURSING

SEC. 10. (a) Parts B and C of title VIII are redesignated as parts C and D, respectively.

(b) Title VIII is amended by inserting before section 820 the following:

"PART B—SPECIAL PROJECTS"

(c) Part A of title VIII is amended to read as follows:

"PART A—BUREAU OF NURSING

"ESTABLISHMENT

"SEC. 801. (a) There is established in the Health Resources and Services Administration the Bureau of Nursing. The Bureau shall be composed of—

"(1) the Division for advanced Nurse Education established by section 802;

"(2) the Division for Nurse Educational Support established by section 803; and

"(3) the Center for Nursing Studies and Research established by section 804.

"(b) The Bureau shall be headed by a Director, who shall be apppointed by the Secretary. The Secretary shall carry out this title through the Director.

"(c) The Secretary shall carry out the provisions of section 951 of the Nurse Training Act of 1975 through the Director.

"DIVISION FOR ADVANCED NURSE EDUCATION

"SEC. 802. There is established in the Bureau the Division for Advanced Nurse Education. The Secretary shall carry out part B through the Director and the Division.

"DIVISION FOR NURSE EDUCATIONAL SUPPORT

"SEC. 803. There is established in the Bureau the Division of Nurse Educational Support. The Secretary shall carry out part C through the Director and the Division.

"CENTER FOR NURSING STUDIES AND RESEARCH

"SEC. 804. (a) There is established in the Bureau the Center for Nursing Studies and Research. The Secretary, through the Center, shall conduct and support programs of basic and clinical research, training, and information dissemination relating to—

(1) the promotion of health;

(2) the prevention of illness;

(3) the responses of patients and their families to acute and chronic illnesses, disabilities, and the aging process; and

(4) nursing education, nursing services, and professional nursing resources.

Programs conducted under this subsection shall be in addition to the programs described in paragraphs (1) and (2) of subsection (b).

"(b) The Secretary shall carry out through the Center—

"(1) programs of research, training, and information dissemination relating to nursing conducted and supported by the Secretary under section 301; and

"(2) the program of National Research Service Awards relating to nursing under section 472.

AUTHORIZATION OF APPROPRIATIONS

"SEC. 805. (a) To carry our section 804 (a), there are authorized to be appropriated [$10,000,000] *$5,000,000* for the fiscal year ending September 30, 1985, [$10,500,000] *$5,500,000* for the fiscal year ending September 30, 1986, and [$11,000,000] *$6,000,000* for the fiscal year ending September 30, 1987. Amounts appropriated under this subsection shall be in addition to amounts appropriated under sections 301 and 472.

"(b) For the establishment and initial operation of the Bureau, there are authorized to be appropriated $2,000,000 for the fiscal year ending September 30, [1985.".] *1985, and each of the two succeeding fiscal years.".*

(d) Section 853 is amended by adding at the end thereof the following new paragraphs:

"(11) The term 'Bureau' means the Bureau of Nursing established under section 801.

"(12) The term 'Director' means the Director of the Bureau.".

(e)(1) The Division of Nursing of the Health Resources and Services Administration of the Department of Health and Human Services is terminated.

(2) Section 472 is amended—

(A) by striking out "Division of Nursing of the Health Resources Administration," in subsection (a)(1)(A)(i) and inserting in lieu thereof "Bureau of Nursing of the Health Resources and Services Adminstration,"; and

(B) by striking out "Division" in such subsection and inserting in lieu thereof "Bureau".

EFFECTIVE DATE

SEC. 11. This Act and the amendments and repeals made by this Act shall take effect on October 1, 1984.

Mr. HATCH. Mr. President, the Senate is today considering S. 2574, the Nurse Education Amendments of 1984. This legislation represents a new focus for Federal support of nurse education programs. S. 2574 was written to address these changing needs. It recognizes that technology and increasing medical knowledge has created a vast need for nurses with specialized training in administration, research, primary care, geriatrics, pediatrics, home and community-based nursing, and many other areas of our health care system.

This new focus originated in the Nurse Training Act Amendments of 1979. These amendments mandated that a study be conducted to assist Congress in determining the future of Federal support for nurse education. The Institute of Medicine [IOM] conducted the study and finished their work in January 1982. The result was 21 recommendations to Congress with regards to nursing practice as well as nursing education. The report recommended that there be no Federal support to increase the total number of nurses, but that specific Federal, State, and private actions should be taken to reduce shortages and needs. This is the philosophy that forms the major focus of the reauthorization.

To accomplish this objective, we recommend that the Division of Nursing, now housed within the Bureau of Health Professions, be elevated to a Bureau of Nursing with three new divisions: The Division of Nurse Educational Support, the Center for Nursing Studies and Research, and the Division of Advanced Nurse Education.

This IOM study also provided the impetus for several other important changes in the areas of nursing education and training included in S. 2574. First, section 820, entitled "Special Projects", is amended to allow grants and contracts for the purpose of demonstrating: First, more effective means of facilitating the transition of students in schools of nursing to nursing practice; second, methods to improve access to nursing services through support of nurse practice arrangements in communities; and third, means of encouraging nursing graduates to practice in areas with shortages of health personnel.

A second change deals with nursing faculty fellowships. The IOM, study reported that State boards of nursing were increasingly requiring that the deans and faculty of nursing schools hold graduate degrees. However, the low number of current nursing faculty with advanced degrees, especially doctorates, means a scarcity of nurse faculty with adequate academic credentials to meet those requirements. The committee's bill creates a fellowship program that allows nursing faculty to apply for funds to continue their teaching duties while pursuing research and other pertinent activities.

The most important product resulting from these changes is the formation of the new Center for Nursing Studies and Research. Through the efforts of the Division of Nursing, many resources have been tapped to support nurses interested in careers in research. Many of today's nurse researchers are a result of these educational efforts and have gained the skills and obtained access to the resources they need to continue in this field. My hope is that through the formation of this Center, many more nurses will become interested in and seek research career opportunities.

It is our intent that the Center for Nursing Studies and Research become the coordinating body through which information dealing with nursing research throughout the Federal Government can be disseminated to nursing researchers in public and private settings, universities, and academic centers as well. Also, it is intended that the Center will be responsible for the administration and awards of research funds under this act and sections 472 and 301 of the Public Health Service Act.

A new demonstration authority is included in these amendments as well. It will facilitate development of cost-effective institutional and nursing service organizational frameworks, as well as demonstrations dealing with educational and practice methods. These demonstrations are designed to promote nursing efficiency in a variety of health care settings. This increased efficiency will save health dollars and encourage nurses to choose careers that would improve the quality and provision of care to our Nation's aged and needy patients in both home- and community-based settings.

I encourage my colleagues to join with me in supporting this effort to continue important nursing programs with the changes I have discussed. I ask unanimous consent that a summary of the bill be placed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

X. SECTION-BY-SECTION ANALYSIS

Section 1 establishes the title of the bill as the Nurse Education Amendments of 1984.

REFERENCE

Section 2 provides that, except when otherwise specifically indicated, any amendment or repeal contained in the bill is made to a section or other provision of the Public Health Service Act.

SPECIAL PROJECTS

Section 3 reauthorizes the nursing special projects program providing grants and contracts for: (1) increasing nursing education opportunities for individuals from disadvantaged backgrounds; (2) providing continuing education for nurses; (3) providing appropriate retraining opportunities for nurses; (4) helping to increase the supply or improve the distribution by geographic area or by specialty group of adequately trained nursing personnel. For these projects, the bill authorizes $10 million for fiscal year 1985, $11 million for fiscal year 1986, and $12 million for fiscal year 1987. Section 3 also adds three new purposes for which grants and contracts may be awarded under the special projects authority: (1) demonstrating clinical nurse training programs which combine educational curricula and clinical practice in health care delivery organizations, including acute care facilities, long-term care facilities, and ambulatory care facilities; (2) improve access to nursing services in non-institutional settings through support of nursing practice arrangements in communities; or (3) encourage nursing graduates to practice in health manpower shortage areas, to improve specialty geographical distribution of nurses in the United States. For these projects, the bill authorizes $5 million for fiscal year 1985, $5.5 million for 1986, and $6.0 million for fiscal year 1987, and not less than 25 percent of the funds appropriated for this purpose will be obligated for improving access to nursing services in non-institutional settings.

ADVANCED NURSE EDUCATION

Section 4 revises the advance nurse education program to authorized grants to and contracts with public and private nonprofit collegiate schools of nursing to: (1) plan, develop, and operate; (2) expand; or (3) maintain programs which lead to master and doctoral degrees and which prepare professional nurses to serve as nurse educators, administrators, consultants, researchers, or to serve in clinical nurse specialties determined by the Secretary. The bill authorizes $18 million for fiscal year 1985, $18.5 million for fiscal year 1986, and $19.5 million for fiscal year 1987.

NURSE PRACTITIONER PROGRAMS

Section 5 revises the authority for nurse practitioner programs to authorize grants and contracts for schools of nursing to: (1) plan, develop, and operate; (2) expand; or (3) maintain programs for the education of nurse practitioners. The bill also authorizes grants and contracts for schools of nursing and appropriate public and private entities for accredited certificate programs for nurse midwives. For these grants and contracts, the bill authorizes $12 million for fiscal year 1985, $13 million for fiscal year 1986, and $14 million for fiscal year 1987.

Section 5 also amends the definition of programs for the education of nurse practitioners to add that, except for programs for nurse midwives, these programs must lead to a master's or doctoral degree. In addition, this section repeals authority for nurse practitioner traineeships programs and authority for grants and contracts to be used for costs of preparation of faculty members to conform to prescribed guidelines. The bill also authorizes the Secretary to use funds appropriated under this section as amended to make a one-year grant to or contract with a school, hospital, or entity which received a grant or contract under the previous authority during fiscal year 1984 for nurse practitioner training programs or traineeships programs to maintain any such programs which are in existence at the end of fiscal year 1984.

TRAINEESHIPS FOR ADVANCED EDUCATION OF PROFESSIONAL NURSES

Section 6 revises the authority for traineeships for the advanced education of professional nurses to authorize the Secretary to make grants to public and private nonprofit schools of nursing to cover the cost of traineeships for nurses in master's and doctoral degree programs to educate such nurses to serve in and prepare for practice as: (1) nurse practitioners and nurse midwives; (2) nurse administrators, nurse educators, and nurse researchers; and (3) other professional nursing specialities determined by the Secretary to require advanced training. It also provides an authority to the Secretary to make grants to cover the costs of post baccalaureate and post doctoral fellowships for faculty in schools of nursing to enable such faculty to: (1) expand knowledge with respect to nursing by working with groups of students; (2) investigate cost-effective alternatives to traditional health care modalities, with special attention to the needs of at-risk populations, such as the elderly, premature newborns, physically and mentally disabled individuals, and ethnic minority groups; (3) examine nursing interventions that result in positive outcomes in health status, with attention to interventions which address family violence, drug and alcohol abuse, the health of women, adolescent care, disease prevention, and ethical concerns; and (4) address other areas of nursing practice considered by the Secretary to require additional study.

The bill authorizes for these traineeships $12 million for fiscal year 1985, $13 million for fiscal year 1986, and $14 million for fiscal year 1987, and authorizes for faculty fellowships $3 million for fiscal year 1985, $3.5 million for fiscal year 1986, and $4.0 million for fiscal year 1987.

NURSE ANESTHETISTS

Section 7 extends the authority for traineeships for training of nurse anesthetists and adds new authority for grants to public or private non-profit institutions to cover the cost of projects to improve existing programs for the education of nurse anesthetists, including grants to such institutions for the purpose of providing financial assistance and support to certified registered nurse anesthetists who are faculty members of accredited programs to enable such persons to obtain advanced education relevant to their teaching functions. The bill authorizes for the revised authority $1 million for fiscal year 1985, $1.3 million for fiscal year 1986, and $1.6 million for fiscal year 1987.

NURSING STUDENT LOANS

Section 8 extends the nursing student loan program and authorizes for new capital contributions to schools' revolving loan funds $1 million for fiscal year 1985, $1.3 million for fiscal year 1986, and $1.6 million for fiscal year 1987. This section repeals the provision which requires that not less than $1 million of nursing student loan appropriations for any fiscal year be reserved for loans to those students who have not been students or employed on a full-time basis for the past seven years. In addition, it eliminates the preference for nursing student loans which currently must be given to first-year students.

Section 8 revises the method by which new capital contributions to schools' loan funds are to be allocated: If the total amount requested by schools exceeds available appropriations, a school's allotment would be reduced to the smaller of (A) the amount requested by the school or (B) an amount which bears the same ratio to the total amount appropriated as the number of students estimated by the Secretary to be enrolled in the school on a full-time basis bears to the estimated total number of full-time students enrolled in all nursing schools during the relevant fiscal year. In addition, this section of the bill requires the Secretary to allot to schools of nursing amounts returned to the Secretary from terminated loan funds and excess amounts collected by schools and to give schools of nursing which established student loan funds after September 30, 1975 priority in the allotment of these funds.

Section 8 also authorizes the Secretary of Treasury to disclose to the Secretary of the Department of Health and Human Services (DHHS) the address of those persons who have defaulted on nursing student loans and allows the Secretary of DHHS to disclose this information to nursing schools to assist them in the collection of defaulted loans.

REPEALS

Section 9 repeals in title VIII sections 801-803 (construction grant provisions), section 805 (loan guarantees and interest subsidies for construction), section 801 (capitation grants), section 811 (general provisions for applications for grants), and section 815 (financial distress grants). This section makes other technical and conforming changes to title VIII.

BUREAU OF NURSING

Section 10 establishes in the Health Resources and Services Administration a new Bureau of Nursing, to be headed by a Director appointed by the Secretary and composed of: (1) the Division for Advanced Education; (2) the Division for Nurse Educational Support; and (3) the Center for Nursing Studies and Research. Among other things, the Director would be responsible for collecting and analyzing data on the supply, distribution, and requirements for nurses. The Center for Nursing Studies and Research would conduct and support programs of basic and clinical research, training, and information dissemination relating to: (1) the promotion of health; (2) the prevention of illness; (3) the responses of patients and their families to acute and chronic illnesses, disabilities, and the aging process; and (4) nursing education, nursing services, and professional nursing resources. In addition, the Center would administer: (1) programs of research, training, and information dissemination relating to nursing conducted and supported by the Secretary under section 301 of the PHS Act; and (2) the program of National Research Service Awards relating to nursing under section 472 of the PHS Act. The existing Division of Nursing of the Health Services Resources Administration would be terminated.

This section of the bill authorizes $5 million for fiscal year 1985, $5.5 million for fiscal year 1986, and $6 million for fiscal year 1987 for research conducted and supported by the Center for Nursing Research. These amounts would be in addition to those appropriated under sections 301 and 472. This section also authorizes $2 million for fiscal year 1985 for the establishment and initial operation of the Bureau of Nursing.

EFFECTIVE DATE

Section 11 specifies the effective date of the bill as October 1, 1984.

Mr. KENNEDY. Mr. President, I rise in support of S. 2574, the Nurse Education Amendments of 1984. The thrust of this bill is consistent with the recommendations of the Institute of Medicine, which suggested that the direction of nursing training funding be shifted to favor advanced nurse training. Furthermore, there are authorized in this bill funds for traineeships, fellowships, and special projects.

This bill rejects the notion offered by the President in his fiscal year 1985 budget proposal that essentially said that the Federal Government should decrease its participation in the education of nurses in this country. The $68.5 million authorized by this bill, while short of the estimated need of $85 million, is sufficiently more than Mr. Reagan's proposed $14 million that nursing programs will not suffer.

The programs authorized by this bill are necessary. There are identified shortages of nurses that occur unevenly throughout the Nation in different geographic areas and in different health care settings, especially those that serve the economically disadvantaged and in specialty nursing. This bill will help address those problems.

Also included in S. 2574 is the proposal to create a Bureau of Nursing and a Center for Nursing Research, both of which are designed to increase the visibility and status of nursing. I support the idea of a bureau status for nursing and the idea of a Center for Nursing Research within the Health Resources Administration.

Mr. President, I urge my colleagues to support this very important measure.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to revise and extend title VIII of the Public Health Service Act, relating to nurse education.".

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RENEWABLE ENERGY INDUSTRY DEVELOPMENT ACT OF 1983

The Senate proceeded to consider the bill (H.R. 3169) to amend the Energy Policy and Conservation Act to facilitate commerce by the domestic renewable energy industry and related service industries, which had been reported from the Committee on Energy and Natural Resources with an amendment.

(The part intended to be stricken is shown in boldface brackets and the part to be inserted is shown in italics.)

H.R. 3169

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Renewable Energy Industry Development Act of 1983".

SEC. 2. Part B of title II of the Energy Policy and Conservation Act (42 U.S.C. 6271 and following), relating to the international energy program, is amended by adding at the end thereof the following:

"DOMESTIC RENEWABLE ENERGY INDUSTRY AND RELATED SERVICE INDUSTRIES

"SEC. 256. (a) It is the purpose of this section to implement the responsibilities of the United States under chapter VII of the international energy program with respect to development of alternative energy by facilitating the overall abilities of the domestic renewable energy industry and related service industries to create new markets.

"(b)(1) Before the later of—

"(A) 6 months after the date of the enactment of this section, and

"(B) May 31, 1985,

the Secretary of Commerce shall conduct an evaluation regarding the domestic renewable energy industry and related service industries and submit a report of his findings to the Congress.

"(2) Such evaluation shall include—

"(A) an assessment of the technical and commercial status of the domestic renewable energy industry and related service industries in domestic and foreign markets;

"(B) an assessment of the Federal Government's activities affecting commerce in the domestic renewable energy industry and related service industries and in consolidating and coordinating such activities within the Federal Government; and

"(C) an assessment of the aspects of the domestic renewable energy industry and related service industries in which improvements must be made to increase the international commercialization of such industry.

"(c)(1) On the basis of the evaluation under subsection (b), the Secretary of Commerce shall, consistent with existing law, establish a program for enhancing commerce in renewable energy technologies and consolidating or coordinating existing activities for such purpose.

"(2) Such program shall provide for—

"(A) the broadening of the participation by the domestic renewable energy industry and related service industries in such activities;

"(B) the promotion of the domestic renewable energy industry and related service industries on a worldwide basis;

"(C) the participation by the Federal Government and the domestic renewable energy industry and related service industries in international standard-setting activities; and

"(D) the establishment of an information program under which—

"(i) technical information about the domestic renewable energy industry and related service industries shall be provided to appropriate public and private officials engaged in commerce, and

"(ii) marketing information about export opportunities shall be available to the domestic renewable energy industry and related service industries.

"(3) Necessary funds required for carrying out such program shall be requested in connection with fiscal years beginning after September 30, 1984.

"(d) There shall be established an interagency working group which, in consultation with the representative industry groups and relevant agency heads, shall make recommendations to coordinate the actions and programs of the Federal Government affecting commerce in renewable energy products and related services. The Secretary of **[**Commerce**]** *Energy* shall be the chairman of such group. The heads of appropriate agencies may detail such personnel and may furnish such services to such working group, with or without reimbursement, as may be necessary to carry out its functions.".

(b) The table of contents for such Act is amended by inserting the following item after the item relating to section 255:

"Sec. 256. Domestic renewable energy industry and related service industries.".

SEC. 3. The amendments made by this Act shall take effect on the date of the enactment of this Act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

WILLIAM R. GIANELLI TO CONTINUE TO SERVE AS A MEMBER OF THE BOARD OF THE PANAMA CANAL COMMISSION

The bill (H.R. 5404) allowing William R. Gianelli to continue to serve as a member of the Board of the Panama Canal Commission after his retirement as an officer of the Department of Defense, was considered, ordered to a third reading, read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL LAW ENFORCEMENT HEROES MEMORIAL

The Senate proceeded to consider the bill (S.J. Res. 235) to authorize the Law Enforcement Officers Memorial Fund, Incorporated, to establish a National Law Enforcement Heroes Memorial, which had been reported from the Committee on the Judiciary with amendments.

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts intended to be inserted are shown in italic.)

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Law Enforcement Officers Memorial Fund, Incorporated, a nonprofit corporation organized and existing under the laws of the District of Columbia, is authorized to establish a memorial on public grounds in the District of Columbia or its environs to honor and recognise law enforcement officers in the United States who died in the line of duty. Such memorial shall be known as the National Law Enforcement Heroes Memorial.

Sec. 2. (a) The Secretary of the Interior, [in consultation with the Law Enforcement Officers Memorial Fund, Incorporated,] is authorized and directed to select with the approval of the Commission of Fine Arts and the National Capital Planning Commission a suitable site on grounds owned by the Federal Government in the District of Columbia or its environs.

(b) The Law Enforcement Officers Memorial Fund, Incorporated, shall be responsible for the development of a design and plans for such [memorial which shall be subject to the approval of the Secretary of the Interior, the Commission of Fine Arts, and the National Capital Planning Commission fails to approve or make specific objection to such design and plans within ninety days of submission, his or its approval shall be deemed to be given.] *memorial. The architectural design for such memorial shall be subject to the approval of the Secretary of the Interior, in consultation with the Commission of Fine Arts and the National Capital Planning Commission.*

(c) Neither the United States nor the District of Columbia shall bear any expense in the [establishment] *designing, planning, or erecting* of the memorial [other than,] *including* expenses incurred in the process of site selection and approval of design and plans.

[Sec. 3. The authority conferred pursuant to this resolution shall lapse unless—

[(1) prior to groundbreaking for actual construction of the memorial, funds are certified available in an amount sufficient, in the judgment of the Secretary of the Interior, to insure completion of the memorial in accordance with the approved design and plans, and

[(2) the construction of such memorial is commenced within five years from the date of adoption of this resolution.]

Sec. 3. The authority conferred pursuant to this resolution for the construction of the memorial shall lapse on the date five years after the date of the enactment of this resolution unless (1) the construction of such memorial is commenced within such five-year period, and (2) prior to the commencement, the Secretary of the Interior certifies that funds are available in an amount sufficient, in the judgment of the Secretary, to ensure completion of the memorial.

Sec. 4. The maintenance and care of the memorial established under this resolution shall be the responsibility of [the Secretary of the Interior.] *whomever has jurisdiction over said public grounds.*

Mr. PELL. Mr. President, I rise in strong support of Senate Joint Resolution 235, legislation to establish a National Police Memorial within the District of Columbia. This resolution was reported by the Judiciary Committee on June 25 and has won the cosponsorship of over 40 of my colleagues.

During the past decade, the FBI has estimated that Over 1,600 law enforcement officers were killed in the line of duty. In the last 2 years alone, 309 police officers have been killed while performing their official duties. With good reason we have honored those who lost their lives in foreign wars, and it is appropriate that we establish a similar memorial in the Nation's Capital to honor the men and women who are our first line of defense in the war against crime.

I would like to point out that this measure is cost-free to the taxpayers. A private, nonprofit corporation, the "Law Enforcement Officers Memorial Fund," will seek private contributions from police groups for the construction of the memorial. Moreover, the memorial fund will reimburse the Government for its administrative costs in selecting a site and approving a design for the police memorial. The only expenses borne by the taxpayers will be cost of cutting the grass and maintaining the memorial once it has been built.

As the sponsor of this legislation, I am especially proud that my own State of Rhode Island has been a national leader in advancing the idea of the police memorial. Last year, the Rhode Island General Assembly became the first State legislative body to pass a resolution calling upon the Congress to establish a National Police Memorial in the District of Columbia. I would like to take this opportunity to commend the Rhode Island Fraternal Order of Police for their leadership in advancing this proposal.

Finally, I would like to express my deep appreciation to Chairman THURMOND of the Judiciary Committee and to Senator BIDEN, the ranking minority member, for their great cooperation and assistance with this measure. In that regard, both Nancy Scott of Senator THURMOND's staff and Scott Green of Senator BIDEN's staff have been of particular help.

Certainly no memorial can fully acknowledge the sacrifice made by those professionals in the law enforcement community who have lost their lives in the line of duty. What we can do is better focus national attention and recognition on the men and women who risk their lives every day to better protect us against crime. I urge my colleagues to join with me in commemorating the Nation's law enforcement heroes who have given their lives in the line of duty.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SOVIET UNION NONDELIVERY OF MAIL FROM THE UNITED STATES

The Senate proceeded to consider the concurrent resolution (H. Con. Res. 294) expressing the sense of the Congress that the President should express to the Government of the Soviet Union the disapproval of the American people concerning the Soviet Union's systematic nondelivery of international mail addressed to certain persons residing within the Soviet Union, and that the U.S. delegation to the Congress of the Universal Postal Union seek the compliance of the Government of the Soviet Union with the treaties governing international mail to which it is a party.

Mr. BOSCHWITZ. Mr. President, I am pleased that the Senate today is considering House Concurrent Resolution 294, which is virtually identical to Senate Concurrent Resolution 121, a resolution I introduced earlier.

This resolution expresses the sense of the Congress that the President, acting through the Secretary of State, take up the subject of the interception of international mail by the Soviet Government. The resolution also calls for the U.S. Postal Service delegation to the Universal Postal Union [UPU] Convention, which is currently under way in Hamburg, Germany, to bring this issue before the 167 nations which are members of the UPU.

For the past year Representative BENJAMIN GILMAN of New York, has led a congressional investigation that has come to the conclusion that the Soviets are interfering with the international mail in a cold and calculated manner. This resolution is necessary for the following reason:

First, the Soviet Union is trying to cut the lifeline of communication between those living behind the Iron Curtain with their friends and family members on the outside of the Soviet Union.

Second, the Soviets are deriving a great deal of hard Western currency by intercepting parcels mailed to the Soviet Union, returning them with surcharges to senders under such fabricated claims as, "import prohibited," when in fact the packages are legal. These procedures force American citizens to do business with Soviet-licensed parcel agencies in some 25 American cities, where patrons are required to pay service and duty prepaid charges often running $180 to $300 and more, in order to be reasonably certain that their packages are delivered.

The Soviet's actions are in violation of the rules and regulations established by the UPU and should not be tolerated. Additionally, their actions are a direct threat and challenge to the credibility and effectiveness of the UPU. The member countries must not permit one country to set its own rules and still remain a member if the union is to continue as a legitimate, functioning body.

The Soviet's blatant disregard of the accepted and standard rules of the UPU is also of great humanitarian concern. It is well known that the Soviets are hostile toward all religions, the Jewish and Christian evangelical faiths in particular. The interception of mail, both in and out of the Soviet Union, is depriving those whom the Soviets select to prosecute, the right to communicate with family and friends. The Soviet Union is an isolation tank for these people.

The Soviets are harassing people for no other reason than their religious beliefs and background. I fear this type of treatment may become so common that it will begin to go unnoticed. If this were to happen, the results would be disastrous for those left in the Soviet Union. Left with no form of outside contact, they would be shut off from the rest of the world and left at the mercy of the Soviets.

This humanitarian action by Congress will make clear our determination that those being persecuted by the Government of the Soviet Union will not be forgotten. We must do all that we can to aid these people in their struggles.

Mr. President, I believe this resolution will have a positive effect on the Soviet Government's treatment of mail and give hope to a great many people. I urge my colleagues to support it.

Mr. BINGAMAN. Mr. President, I fully support House Concurrent Resolution 294, and I urge my colleagues to support it.

House Concurrent Resolution 294 is identical to legislation which I have cosponsored, Senate Concurrent Resolution 121, along with the Senator from Minnesota. Both the House and Senate resolutions urge the President, acting through the Secretary of State, to take up the subject with the proper Soviet authorities and calls for the U.S. Postal Service delegation to the Universal Postal Union Convention, now being held, to present this issue before the 167-member nations of the UPU.

The Soviet interception of international mail has been documented by the work of the House Post Office and Civil Service Committee and others. Over 2,000 exhibits have been acquired which document the Soviet interference of international mail. Some effort must be made to put an end to this disruption of communication among citizens of the world.

Disruption of mail is a serious matter which is in violation of the general regulations of the Universal Postal Union. Censorship of this type designed to inhibit religious freedoms and the free flow of ideas violates individual human rights and civil liberties. It is absolutely vital to the interest of all citizens of the world that the confidentiality and orderly delivery of the written communications of the world be maintained. I urge, in whatever ways may be possible that steps be taken to preserve international mail service to all citizens of the world.

I support the prompt consideration of this resolution by the U.S. Senate so our delegation to the UPU will have a strong position on this issue.

The concurrent resolution was considered and agreed to.

The preamble was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill concurrent resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

JOHN F. KENNEDY CENTER ACT AMENDMENTS

The bill (S. 2562) to amend the John F. Kennedy Center Act, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2562

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 9 of the Kennedy Center Act (20 U.S.C. 76o) is amended—

(1) by inserting "(a)" immediately after "Sec. 9.", and by striking out the third, fourth, and seventh sentences thereof; and

(2) by adding at the end thereof the following new subsections:

"(b) Effective as of the date of enactment of this subsection the obligations of the Board incurred under subsection (a) of this section shall bear no interest, and the requirement of the Board to pay the unpaid interest which has accrued on such obligations is terminated.

"(c) There is hereby established in the Treasury of the United States a sinking fund, the Kennedy Center Revenue Bond Sinking Fund (hereinafter referred to as the "Fund"), which shall be used to retire the obligations of the Board incurred under subsection (a) of this section upon the respective maturities of such obligations. The Board shall pay into the Fund, beginning on January 1, 1987 and ending on January 1, 2016, the annual sum of $200,000 in amortization of the principal amount of the obligations. Such sums shall be invested by the Secretary of the Treasury in public debt securities with maturities suitable for the needs of the Fund and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities. The interest on such investments shall be credited to and form a part of the Fund. Moneys in the Fund shall be used exclusively to retire the obligations of the Board incurred under subsection (a) of this section. Adjustments of not greater than plus or minus 5 per centum may be made from time to time in the annual payments to the Fund in order to correct any gains or deficiencies as a result of fluctuations in interest rates over the life of the investments: *Provided, however,* That a final adjustment shall be made between the Board and the Secretary of the Treasury at the end of the amortization period to correct any overall gain or deficiency in the Fund. The terms of this adjustment shall be covered by a memorandum of understanding between the Board and the Secretary of the Treasury to be consummated on or before the time the initial payment into the Fund is made.".

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RELIEF OF KENNETH L. PERRIN

The bill (H.R. 3927) for the relief of Kenneth L. Perrin, was considered, ordered to a third reading, read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

POSTAL SAVINGS SYSTEM STATUTE OF LIMITATIONS ACT

The bill (H.R. 3922) to establish a 1-year limitation on filing of claims for unpaid accounts formerly maintained in the Postal Savings System, was considered, ordered to a third reading, read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZATION FOR THE SELECT COMMITTEE ON INDIAN AFFAIRS

The Senate proceeded to consider the resolution (S. Res. 365) authorizing expenditures by the Select Committee on Indian Affairs, which had been reported from the Committee on Rules and Administration with an amendment to strike out all after the resolving clause and insert:

Resolved, That S. Res. 354, agreed to March 2, 1984, be amended by—

(1) section 2, paragraph (a), line 7, strike out "$48,050,680," and insert in lieu thereof "$48,612,229"; and

(2) section 2, paragraph (b), strike out lines 6 through 8 and insert in lieu thereof, "practicable date, but not later than February 28, 1985."; and

(3) section 21, paragraph (a), line 9, strike out "July 1, 1984," and insert in lieu thereof "February 28, 1985,"; and

(4) section 21, paragraph (b), strike out lines 16 through 17 and insert in lieu thereof, "shall not exceed $836,628, of which amount not to exceed $2,000 may be expended for the procurement of the services of".

The amendment was agreed to.

The resolution, as amended, was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

GRATUITY TO MARY P. METCALF

The resolution (S. Res. 417) to pay a gratuity to Mary P. Metcalf, was considered, and agreed to as follows:

S. Res. 417

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Mary P. Metcalf, daughter of Ann W. Metcalf, an employee of the Senate at the time of her death, a sum equal to ten and one-half months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

JOINT CONGRESSIONAL COMMITTEE ON INAUGURAL CEREMONIES

The resolution (S. Con. Res. 122) to provide for a Joint Congressional Committee on Inaugural Ceremonies, was considered, and agreed to as follows:

S. Con. Res. 122

Resolved by the Senate (the House of Representatives concurring), That a Joint Congressional Committee on Inaugural Ceremonies consisting of three Senators and three Representatives, to be appointed by the President of the Senate and the Speaker of the House of Representatives, respectively, is authorized to make the necessary arrangements for the inauguration of the President-elect and Vice-President-elect of the United States on the 21st day of January, 1985.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BOUNDARY FOR THE BLACK CANYON OF THE GUNNISON NATIONAL MONUMENT

The Senate proceeded to consider the bill (H.R. 3825) to establish a boundary for the Black Canyon of the Gunnison National Monument, and for other purposes, which had been reported from the Committee on Energy and Natural Resources with amendments.

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts intended to be inserted are shown in italics.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. (a) The Congress finds that—

(1) the Black Canyon of the Gunnison National Monument (hereafter in this Act referred to as the "Monument") is an integral and widely recognized part of the national park system, and possesses outstanding recreational opportunities and natural characteristics of high value which, if properly managed, contribute as an enduring resource for the benefit of the American people;

(2) the preservation of these valuable resources is significantly threatened by increased development activity and the subdivision of adjacent private lands;

(3) the Monument does not have a boundary established by legislation; and

(4) it is in the best interest of the United States to establish the boundary of the Monument so as to encompass the lands described as being within the Monument and those private lands posing the most immediate threat to the visual quality of the area.

(b) The purpose of this Act is to establish a boundary for the Monument in order to promote, perpetuate, and preserve the character of the land and to preserve scenic and historic resources.

Sec. 2. (a) The boundary of the Monument shall be as generally depicted on the map entitled "Boundary Map, Black Canyon of the Gunnison National Monument", dated February 1984, and numbered 144-80,010-B, which shall be on file and available for public inspection in the office of the Director, National Park Service, Department of the Interior and in the office of the Park Superintendent, Black Canyon of the Gunnison National Monument.

(b) Not later than six months after the date of enactment of this Act, the Secretary of the Interior (hereinafter in this Act referred to as the "Secretary") shall file a legal description of the revised boundary with the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the United States Senate. Such legal description shall have the same force and effect as if included in this Act, except that corrections of clerical and typographical errors in such legal description (and in the map referred to in subsection (a)) may be made. Such legal descriptions shall be on file and available for public inspection in the office of the Director, National Park Service, Department of the Interior.

[Sec. 3. (a) The Secretary is authorized and directed to acquire lands or interests therein within the boundary of the Monument by donation, exchange in accordance with this Act or other provisions of law, or purchase with donated or appropriated funds. The Secretary shall acquire less than fee interests in such lands in all cases where such interest will adequately protect the visual quality, natural, or cultural resources of the Monument: *Provided*, That the Secretary shall not acquire lands in fee interest unless the owner of such land concurs with such action.**]**

Sec. 3. (a) The Secretary is authorized to acquire lands or interests therein within the boundary of the Monument by donation, exchange, or purchase with donated or appropriated funds. The Secretary may acquire less than fee interests in such lands in cases where such interest will adequately protect the visual quality, natural, or cultural resources of the Monument: Provided, That the Secretary shall not acquire lands in fee interest unless the owner of such land concurs with such action.

(b) All lands under the administrative jurisdiction of the Secretary within the boundary of the Monument as of the date of enactment of this Act, shall be transferred to the administrative jurisdiction of the National Park Service to be administered as a part of the Monument.

(c) Upon request by a landowner, and if determined by the Secretary that such action would not be detrimental to the visual resources of the Monument, the Secretary shall permit as a condition of the acquisition of any less than fee interest in land under this Act—

(1) livestock grazing to continue at the levels and locations customarily exercised by the owner of such land prior to August 1, 1983, and

(2) commonly accepted operation and maintenance practices supporting livestock grazing to continue to be allowed, including the maintenance of domestic, livestock and agricultural water conveyance systems, and the construction and maintenance of required fencing and stock ponds.

(d) Subject to valid existing rights, federally owned lands and interests therein within the Monument are withdrawn from entry or appropriation under the mining laws of the United States, from the operation of the mineral leasing laws of the United States, from operation of the Geothermal Steam Act of 1970, and from disposition under the public land laws.

Sec. 4. The Secretary shall administer the Monument in accordance with the provisions of this Act and the provisions of law generally applicable to units of the [National Park Service] *National Park System* including the Acts of August 25, 1916 (39 Stat. 535), and August 21, 1935 (49 Stat. 666).

Sec. 5. Effective October 1, 1984, there is hereby authorized to be appropriated to the Department of the Interior such sums as may be necessary to carry out the provisions of this Act.

Mr. HART. Mr. President, it is my great pleasure to recommend to the Senate approval of H.R. 3825, legislation to establish a boundary for the Black Canyon of the Gunnison National Monument in western Colorado.

This legislation will provide necessary authorization for the Federal Government to purchase development rights to 6,700 acres on the north rim of the canyon, establishing for the first time a statutory northern monument boundary. Acquisition of these conservation easements will expand the monument and insure the long-term protection of the viewshed on the north rim of the canyon.

The Black Canyon of the Gunnison has long been heralded as a unique national resource. The people of Montrose County and western Colorado recognized this and mounted an effort which culminated in the proclamation of March 2, 1933, designating the Black Canyon as a national monument. The monument was enlarged by similar actions in 1938-39, and 1960 to its present size of 13,672 acres. In 1978, over 11,000 acres of the monument were designated wilderness, an effort this Senator actively supported in Congress.

Today, the outstanding vistas and unique experience afforded visitors to the Black Canyon of the Gunnison is threatened by development encroaching on certain areas of the monument. As agricultural lands become available for subdividing, areas along the northern boundary stand to lose, and in some cases have already lost, the natural beauty visitors expect from the Nation's parklands. If this threat is not addressed it will only be a matter of time before development extends to the Gunnison River, severely degrading the monument's appeal.

Unfortunately, a situation has developed which threatens to permanently alter the untouched beauty of the canyon. A landowner who owns 4,000 of the 6,700 acres proposed for acquisition in this bill has started preliminary construction activities on a planned vacation home development. When complete, these homes will be plainly visible from the south rim of the canyon where the primary visitor viewpoints are located. Should Congress fail to authorize the purchase of conservation easements on this property, further construction can be expected in coming weeks, permanently defacing the canyon.

I believe this legislation, which passed the House last March, represents the best approach available to preserve the magnificent beauty of the black Canyon Monument, one of several national treasures in the State of Colorado. Purchase of conservation easements will cost the Federal Government substantially less money than fee simple acquisition of the acreage in the bill. In addition, the legislation pending before the Senate has the support of a variety of interests, including affected landowners, the cities of Montrose and Delta, the counties of Montrose and Gunnison, local businesses, the environmental community, the National Park Service and the State of Colorado.

Perhaps most important, the legislation is in accordance with existing plans of the National Park Service for the monument. Given the present threat to the monument, it is essential these longstanding plans of the Park Service be implemented.

Mr. President, because Congress is scheduled to adjourn tomorrow, I cannot overstate the importance of Senate action on this bill. By approving this legislation, the Senate will help preserve for many generations the spectacular, unspoiled beauty of the Black Canyon of the Gunnison National Monument in Colorado.

Mr. ARMSTRONG. Mr. President, the Black Canyon of the Gunnison River is unquestionably one of the world's premier wild canyons, distinguished by its unique depth, sheerness, and narrowness. Flowing down from the Saguache Mountain Range, the Gunnison River has carved its way for centuries through hard, metamorphic rock, creating this magnificent canyon which extends over 50 miles. Back in 1933, President Hoover recognized this uniqueness, designating 12 miles of the canyon's center section a national monument, and in 1976, 11,180 acres of the monument's 13,672 acres were designated by Congress for wilderness preservation.

The 7,000 acres at issue in this legislation are a necessary and desirable addition to the monument, and with Senate approval today of H.R. 3825, we have cleared the way to protect this spectacular viewshed from a major scar on what is truly one of the wonders of the West. There is a very real possibility that, without legislation of this kind, a large residential development will be built on a site that is visible from many parts of the Black Canyon, including the National Park Service visitors' center. For several weeks now, the papers in Colorado have graphically illustrated the threat posed by a single landowner in difficult financial circumstances; as congressional consideration of this matter has gone forward, we have been working in the shadow of a bulldozer's blade. At one point, that bulldozer went to work and miles of subdivision roads were scratched into the viewshed of the Black Canyon. Passage today of this bill moves us much closer toward purchase of an easement that will protect all of that viewshed for future generations to wonder at.

But, I would like to make it very clear in the legislative history of this bill that unusual circumstances required extraordinary legislative measures to protect a very special scenic resource and circumstances are not likely to recur very often and should not.

The need for this legislation and the unusual circumstances I am referring to are well outlined in the hearing record and other committee documents, and it is not my purpose to rehearse them all now. I do want to take a moment and give well-deserved public recognition to the Nature Conservancy, a nonprofit public lands trust that is very active in Colorado and with which I have had the pleasure of working on several projects that have greatly benefited our State. The Nature Conservancy has been negotiating with the landowner involved in this case, to determine whether they can reach an accord that will meet the landowner's needs and protect the canyon's viewshed until Congress acts to appropriate the moneys authorized in the bill we are approving today. The Nature Conservancy often acts as this kind of middleman, and typically it gets the results that benefit the public generally and add great riches to the wealth of lands being held in trust and unspoiled for new generations. My experience of the men and women of the Nature Conservancy is that they are bright, practical, hard working and effective men and women who are truly dedicated to an important cause. In this particular case, they have helped defuse a potentially disastrous situation, and this is typical of an organization that has developed a national reputation for commonsense preservation that everyone can benefit from.

I would like to express my thanks to Senators McClure and Johnston, whose wise and capable leadership of the Energy and Natural Resources Committee made swift action on this measure possible. I am also grateful to the dedicated staff of the Senate Energy and Natural Resources Committee, especially Tony Bevinetto, Gary Ellsworth, and Tom Williams, and to the staff of the majority and minority leaders for responding so quickly and successfully to the need for moving this legislation forward in what may have been somewhat unorthodox ways. Their tireless energies and great expertise were invaluable in protecting the unique scenic resource that is the Black Canyon, and I am very grateful for their assistance.

The **PRESIDING OFFICER**. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. **STEVENS**. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. **BYRD**. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BARROW GAS FIELD TRANSFER ACT OF 1984

The bill (H.R. 5740) entitled the "Barrow Gas Field Transfer Act of 1984" was considered.

Mr. **MURKOWSKI**. Mr. President, today I rise to urge the adoption of the Barrow Gas Field Transfer Act of 1984. This legislation proposes to transfer certain natural gas fields near Barrow, AK, from the Federal Government to the North Slope Borough, the unit of local government encompassing Barrow and the majority of the Alaska's North Slope.

Under the provisions of the Naval Petroleum Reserves Production Act of 1976, the Department of Interior is obligated to supply the community of Barrow with natural gas at reasonable and equitable rates. As a consequence of that provision, the Government has subsidized the operation and maintenance of those fields at a cost of approximately $6 million per year.

Several years ago, the Department of Interior initiated discussions with the North Slope Borough to transfer the responsibility for providing gas to the residents from the Federal Government to the borough. After months of negotiations, an agreement was finally reached and signed on September 22, 1983. This agreement is not self-executing, however, and Congress must confirm the agreement immediately in order to facilitate a transfer on October 1, 1984. This legislation will accomplish that goal.

The residents of Barrow will benefit from this bill because they will be able to exercise a higher degree of control over their energy future. The Federal Government clearly isn't in the natural gas business, and it cannot be expected to act in the best long term interests of Barrow's gas consumers. New investments will one day be needed to develop new fields and maintain existing ones if the future needs of the Barrow community are to be provided for. Because these gas fields provide the fuel used to heat Barrow's homes and businesses throughout the harsh arctic winters, the community's leadership feels the time has come to control their own energy destiny.

The taxpayers of this Nation also benefit under this legislation, Mr. President. The U.S. Geological Survey has estimated that the average net savings to the Federal Government to the year 2000 will range from $256 million to $97 million if this legislation is enacted.

The Department of the Interior, the North Slope Borough, the Arctic Slope Regional Corp., and the Ukpeagvik Inupiat Corp., have all endorsed this approach. In light of the merits of the bill that the broad, unanimous support that it enjoys, I urge my colleagues to adopt this measure.

Mr. **STEVENS**. Mr. President, I rise in support of passage of H.R. 5740. This bill has been extensively reviewed by the Congress. The House Interior Subcommittee on Public Lands and National Parks held a hearing June 5 of this year. With the exception of a minor technical amendment the bill was subsequently ordered reported by the full Interior and Insular Affairs Committee. It passed the House June 18. The Senate Energy and Natural Resources Subcommittee on Public Lands and Reserved Water held a hearing chaired by my colleague from Alaska on the bill this past Friday, June 22.

Mr. President, the village of Barrow—which is located within the National Petroleum Reserve in Alaska—is the northernmost community in the United States. The primary source of energy for Barrow's residents is natural gas obtained from gas fields surrounding the village. These fields, which were originally developed to supply the now largely unused Naval Arctic Research Laboratory at Barrow, have been operated for many years by the Federal Government.

Under the Naval Petroleum Reserves Production Act of 1976, the Secretary of the Interior must continue to operate the existing fields and develop new fields for the benefit of Barrow and Federal Government facilities in the area. Development of new gas fields or other energy sources to meet this obligation could run into the hundreds of millions of dollars.

In light of changed circumstances in the Barrow area—notably the reduction of Federal activities and the expansion of the North Slope Borough's governmental activities—the Interior Department and the North Slope Borough have agreed to seek legislation to authorize the transfer of the Barrow gas fields and associated facilities to the borough. The borough would then assume the burden of producing gas for the Barrow community.

The bill authorizes the transfer of the gas fields and associated facilities pursuant to an agreement worked out between the borough and the Interior Department. It also provides for a $30 million transition payment to the borough for operation, maintenance, and development of the fields; compensates the Arctic Slope Regional Corp. for its interest in the gas fields; and effects other changes in law to facilitate the transfer and aid the borough's future energy plans. Finally, the bill terminates the Federal Government's obligation to supply gas to Barrow.

Mr. President, this bill and the associated agreement between the Department of the Interior and the North Slope Borough and the agreement between the Department and the Arctic Slope Regional Corp. are the products of delicate and exhaustive negotiations. They will relieve the Federal Government of a substantial financial burden under the Naval Petroleum Reserves Production Act and will transfer the responsibility for supplying Barrow's future energy needs to the North Slope Borough.

Mr. President, so that there is no misunderstanding about what is being proposed here, I will describe the bill. It should be noted that the House Interior and Insular Affairs Committee, when it reported the bill, filed House Report No. 98-843 which includes the text of the two agreements.

Section 2 of the bill, including the agreement between the Department of the Interior and the North Slope Borough to convey the Barrow gas fields to the borough, has been written as broadly as possible to ensure that the rights and resources the borough will need to provide for the short- and long-term energy needs of its residents will be there when needed. This includes ample supplies of, and right to, natural gas, and broad rights to sand and gravel, water, and easements.

It should be noted that while the agreement between the North Slope Borough and the Secretary of the Interior contains two appendixes, we are incorporating by reference only appendix No. 1. Appendix No. 2, which is not included, was the draft legislative language agreed to between the Secretary and the borough. This language has been modified extensively and includes provisions relating to the Arctic Slope Regional Corp.'s rights.

Section 3 deals with Ukpeagvik Inupiat Corp.'s interests under the amendment. Much of the surface estate to the Barrow gasfields and the Walakpa gas discovery site is owned by Ukpeagvik Inupiat Corp. [UIC], the Alaska Native Claims Settlement Act [ANCSA] village corporation for the natives of Barrow, AK. Any effective use of the subsurface resources by the

North Slope Borough will require that appropriate easements be granted by UIC.

Section 3 is intended to facilitate such an easement agreement. This section will convey to UIC all the U.S. interest in the sand and gravel resources underlying the surface estate owned by UIC in the Barrow gasfields and Walakpa gas discovery site, contingent upon the execution of an agreement between UIC and the borough granting the borough easements necessary for energy development and transportation.

Section 4 makes technical amendments to the Naval Petroleum Reserves Production Act of 1976 which terminate Federal responsibility for supplying gas to the borough and facilitate development of energy resources for the use of borough residents.

Section 5 addresses the rights of Arctic Slope Regional Corp. [ASRC] under section 1431(o) of the Alaska National Interest Lands Conservation Act to the subsurface estate beneath lands the surface estate of which is owned by UIC. ASRC could exercise these rights to obtain much of the Barrow gasfields and the Walakpa gas discovery site. In consideration for the relinquishment of ASRC's rights to the subsurface resources conveyed to the borough and UIC pursuant to this amendment, ASRC and the Secretary of the Interior are authorized to implement a January 24, 1984, exchange agreement.

Certain provisions of the two agreements incorporated in this bill, the January 24, 1984, agreement between ASRC and the Secretary of the Interior and the September 22, 1983, agreement between the North Slope Borough and the Secretary of the Interior, cannot be implemented in a consistent manner. All parties in interest have agreed that, to the extent the two agreements are not consistent, the provisions of the ASRC agreement shall control and prevail.

The lands and interests in land received by ASRC are to be treated as lands received under ANCSA and are deemed to be conveyed and received pursuant to an ANCSA section 22(f) exchange. This section of the legislation also confirms that the lands and interest in land received by ASRC pursuant to an agreement between ASRC and the Secretary of the Interior, dated August 9, 1983, are also to be treated as lands received under ANCSA and are deemed to be conveyed to and received under ANCSA pursuant to an exchange under section 22(f) of ANCSA. Thus, for example, section 21 (c) and (d) and subsection 23(j) of ANCSA, as amended, would be applicable to the lands and interests in land so received.

With the Senate's passage of this bill today, it can go to the President for his signature. The people of the North Slope Borough will have 3 months to get ready to take over operation of the gasfields. That is not much time, but they are ready to take on the challenge.

Mr. President, we have a piece of legislation which has been extensively reviewed and has been the subject of considerable negotiation. It gives the people of Barrow energy self-determination and relieves the Federal Government of an expensive obligation under current law. I urge its passage.

The bill (H.R. 5740) was ordered to a third reading, read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

YEAR OF THE ST. LAWRENCE SEAWAY AND ST. LAWRENCE SEAWAY DAY

The joint resolution (H.J. Res. 567) to designate 1984 as the "Year of the St. Lawrence Seaway" and June 27, 1984, as "St. Lawrence Seaway Day," was considered.

Mr. MOYNIHAN. Mr. President, yesterday marked the 25th anniversary of the opening of the St. Lawrence Seaway. In June 1959, as President Eisenhower and Queen Elizabeth looked on, the first ship entered the new waterway. The St. Lawrence Seaway remains one of the world's great engineering feats.

It has often been said that the seaway created a "fourth seacoast" for America. It linked the great manufacturing and agricultural regions of the United States and Canada to world markets. Dozens of harbors on the Great Lakes and St. Lawrence, from Duluth, MN, east to Ogdensburg, NY, became international ports. Many inland ports were now closer to Europe by water than their counterparts on the Atlantic coast. By providing a convenient, direct trade route from the interior of the continent to the sea, the St. Lawrence Seaway enriched the Great Lakes region and the entire Nation. And it stands as a monument to our historic friendship and continuing spirit of cooperation with Canada.

As with many great public works, there was a long delay between the idea of a seaway and its actual construction. Representative John Lind of Minnesota first proposed a study in 1892. It was not until 1954 that Congress finally authorized American participation in the project. The mammoth task was completed in just 5 years, creating 200 miles of navigable channel from Lake Ontario to Montreal, seven new locks including the Snell and Eisenhower locks in New York, and the giant Moses-Saunders power dam.

Now a ship can travel from the Atlantic Ocean through the St. Lawrence Seaway and climb the height of a 60-story building to Lake Superior. Over 40 million tons of cargo transit the seaway annually, and the cumulative total surpassed 1 billion tons last year.

The seaway faces some tough challenges in the future. With the recent recession that was especially severe in the Great Lakes region, commercial shipping has been declining. The seaway's competitiveness must be maintained, but without activities potentially damaging to the environment such as winter navigation. Nevertheless, I am confident that the next 25 years will be as productive as the first.

I ask all Senators to join Senator D'AMATO and me in celebrating St. Lawrence Seaway Day.

The joint resolution was ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER INDEFINITELY POSTPONING CONSIDERATION OF SENATE CONCURRENT RESOLUTION 121

Mr. STEVENS. Mr. President, I ask unanimous consent that Calendar Order No. 1000, which is Senate Concurrent Resolution 121, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

HEALTH PROFESSIONS TRAINING ASSISTANCE AMENDMENTS OF 1984

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate calendar No. 935, which is S. 2559.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

> A bill (S. 2559) to revise and extend provisions of the Public Health Service Act relating to health professions educational assistance.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Labor and Human Resources with amendments.

(The parts intended to be stricken are shown in boldface brackets and the parts intended to be inserted are shown in italic.)

S. 2559

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Health Professions Training Assistance Amendments of 1984".

REFERENCE

Sec. 2. Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

TITLE I—AUTHORIZATIONS OF APPROPRIATIONS

SCOPE AND DURATION OF FEDERAL LOAN INSURANCE PROGRAM

Sec. 101. (a) The first sentence of section 728 (a) is amended by striking out "and" after "1983;" and by inserting before the period a semicolon and "$250,000,000 for the fiscal year ending September 30, 1985; [$250,000,000] *$275,000,000* for the fiscal year ending September 30, 1986; [$250,000,000] *$290,000,000* for the fiscal year ending September 30, 1987; and [$250,000,000] *$305,000,000* for the fiscal year ending September 30, 1988".

(b) The second sentence of such section is amended by striking out "1987," and inserting in lieu thereof "1991,".

STUDENT LOANS

Sec. 102. (a) Section 742(a) is amended by striking out "and" after "1983," and by inserting before the period a comma and ["$5,000,000] *"$5,500,000* for the fiscal year ending September 30, 1985, [$5,000,000] *$7,000,000* for the fiscal year ending September 30, 1986, [$5,000,000] *$7,500,000* for the fiscal year ending September 30, 1987, and [$5,000,000] *$8,000,000* for the fiscal year ending September 30, 1988".

(b) Section 743 is amended by striking out "1987" each place it appears and inserting in lieu thereof "1991".

SCHOLARSHIPS FOR STUDENTS OF EXCEPTIONAL FINANCIAL NEED

Sec. 103. Section 758 (d) is amended by striking out "and" after "1983," and by inserting before the period a comma and ["$5,600,000] *"$7,000,000* for the fiscal year ending September 30, 1985, [$5,600,000] *$8,000,000* for the fiscal year ending September 30, 1986, [$5,600,000] *$9,000,000* for the fiscal year ending September 30, 1987, and [$5,600,000] *$10,000,000* for the fiscal year ending September 30, 1988".

DEPARTMENTS OF FAMILY MEDICINE

Sec. 104. Section 780 (c) is amended by striking out "and" after "1983," and by inserting a comma and "$7,500,000 for the fiscal year ending September 30, 1985, [$7,500,000] *$8,000,000* for the fiscal year ending September 30, 1986, [$7,500,000] *$8,500,000* for the fiscal year ending September 30, 1987, and [$7,500,000] *$9,000,000* for the fiscal year ending September 30, 1988" after "1984".

AREA HEALTH EDUCATION CENTERS

Sec. 105. The first sentence of section 781 (g) is amended by striking out "and" after "1983," and by inserting before the period a comma and "$18,000,000 for the fiscal year ending September 30, 1985, [$18,000,000] *$19,000,000* for the fiscal year ending September 30, 1986, [$18,000,000] *$20,000,000* for the fiscal year ending September 30, 1987, and [$18,000,000] *$21,000,000* for the fiscal year ending September 30, 1988".

PHYSICIAN ASSISTANTS

Sec. 106. Section 783 (d) is amended by striking out "and" after "1983," and by inserting before the period a comma and "$4,800,000 for the fiscal year ending September 30, 1985, [$4,800,000] *$5,200,000* for the fiscal year ending September 30, 1986, [$4,800,000] *$5,600,000* for the fiscal year ending September 30, 1987, and [$4,800,000] *$6,000,000* for the fiscal year ending September 30, 1988".

GENERAL INTERNAL MEDICINE AND GENERAL PEDIATRICS

Sec. 107. Section 784 (b) is amended by striking out "and" after "1983," and by inserting before the period a comma and ["$17,500,000] *"$18,500,000* for the fiscal year ending September 30, 1985, [$17,500,000] *$19,500,000* for the fiscal year ending September 30, 1986, [$17,500,000] *$21,500,000* for the fiscal year ending September 30, 1987, and [$17,500,000] *$22,500,000* for the fiscal year ending September 30, 1988".

FAMILY MEDICINE AND GENERAL PRACTICE OF DENTISTRY

Sec. 108. (a) The first sentence of section 786 (c) is amended by striking out "and" after "1983," and by inserting before the period a comma and ["$34,000,000] *"$36,000,000* for the fiscal year ending September 30, 1985, [$34,000,000] *$37,500,000* for the fiscal year ending September 30, 1986, [$34,000,000] *$39,000,000* for the fiscal year ending September 30, 1987, and [$34,000,000] *$41,000,000* for the fiscal year ending September 30, 1988".

(b) The second sentence of such section is amended by striking out "and" after "1983," and by inserting "September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988," after "1984,".

EDUCATIONAL ASSISTANCE TO INDIVIDUALS FROM DISADVANTAGED BACKGROUNDS

Sec. 109. The first sentence of section 787 (b) is amended by striking out "and" after "1983," and by inserting before the period a comma and "$24,000,000 for the fiscal year ending September 30, 1985, [$24,000,000] *$25,000,000* for the fiscal year ending September 30, 1986, [$24,000,000] *$26,000,000* for the fiscal year ending September 30, 1987, and [$24,000,000] *$27,000,000* for the fiscal year ending September 30, 1988".

[CONVERSION AND] CURRICULUM DEVELOPMENT AND FACULTY TRAINING GRANTS

Sec. 110. Section 788 (f) is amended by striking out "and" after "1983;" and by inserting before the period a semicolon and "$6,000,000 for the fiscal year ending September 30, 1985; [$6,000,000] *$6,500,000* for the fiscal year ending September 30, 1986; [$6,000,000] *$7,000,000* for the fiscal year ending September 30, 1987; and [$6,000,000] *$7,500,000* for the fiscal year ending September 30, 1988".

ADVANCED FINANCIAL DISTRESS ASSISTANCE

Sec. 111. The first sentence of section 788B(h) is amended by inserting before the period a comma and "and $5,600,000 for the fiscal year ending September 30, 1985, and each of the three succeeding fiscal years".

GRADUATE PROGRAMS IN HEALTH ADMINISTRATION

Sec. 112. Section 791 (d) is amended by striking out "and" after "1983," and by inserting before the period a comma and "$1,500,000 for the fiscal year ending September 30, 1985, [$1,500,000] *$2,000,000* for the fiscal year ending September 30, 1986, [$1,500,000] *$2,500,000* for the fiscal year ending September 30, 1987, and [$1,500,000] *$3,000,000* for the fiscal year ending September 30, 1988".

TRAINEESHIPS FOR STUDENTS IN OTHER GRADUATE PROGRAMS

[Sec. 113. Section 791A (c) is amended by striking out "two" and inserting in lieu thereof "six".]

Sec. 113. Section 791A(c) is amended—

(1) by striking out "and" after "1980;";

(2) by striking out "two" and inserting in lieu thereof "three"; and

(3) by inserting before the period a semicolon and "$750,000 for the fiscal year ending September 30, 1986; $1,000,000 for the fiscal year ending September 30, 1987; and $1,500,000 for the fiscal year ending September 30, 1988".

PUBLIC HEALTH TRAINEESHIPS

Sec. 114. Section 792 (c) is amended by striking out "and" after "1983;" and by inserting before the period a semicolon and ["$2,500,000] *"$3,000,000* for the fiscal year ending September 30, 1985; [$2,500,000] *$3,500,000* for the fiscal year ending September 30, 1986; [$2,500,000] *$4,000,000* for the fiscal year ending September 30, 1987; and [$2,500,000] *$4,500,000* for the fiscal year ending September 30, 1988".

TRAINING IN PREVENTIVE MEDICINE

Sec. 115. Section 793 (c) is amended by striking out "and" after "1983," and by inserting before the period a comma and "$1,600,000 for the fiscal year ending September 30, 1985, [$1,600,000] *$2,000,000* for the fiscal year ending September 30, 1986, [$1,600,000] *$2,500,000* for the fiscal year ending September 30, 1987, and [$1,600,000] *$3,000,000* for the fiscal year ending September 30, 1988".

NATIONAL CENTER FOR HEALTH SERVICES RESEARCH

Sec. 116. (a) The first sentence of section 308(i)(1) is amended by striking out "and" after "1983," and by inserting before the period a comma and "$16,600,000 for the fiscal year ending September 30, 1985, $17,250,000 for the fiscal year ending September 30, 1986, $17,900,000 the fiscal year ending September 30, 1987, and $18,600,000 for the fiscal year ending September 30, 1988".

(b) The last sentence of such section is amended by striking out "and" after "1983," and by inserting "September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988," after "1984,".

NATIONAL CENTER FOR HEALTH STATISTICS

Sec. 117. Section [309(i)(2)] *308(i)(2)* is amended by striking out "and" after "1983," and by inserting before the period a comma and "$43,000,000 for the fiscal year ending September 30, 1985, $44,000,000 for the fiscal year ending September 30, 1986, $45,000,000 for the fiscal year ending September 30, 1987, and $46,000,000 for the fiscal year ending September 30, 1988".

TITLE II—PROGRAM REVISIONS

SCHOOLS OF CHIROPRACTIC

Sec. 201. (a) Section 701(4) is amended—

(1) by striking out "and" after " 'school of veterinary medicine',";

(2) by inserting a comma and "and 'school of chiropractic'" after " 'school of public health' ";

(3) by striking out "and" after "a degree of doctor of veterinary medicine or an equivalent degree,"; and

(4) by inserting "and a degree of doctor of chiropractic or an equivalent degree,"

before "and including advanced training [relating] *related* to".

(b) Section 701(5) is amended—

(1) by striking out "or", after "pharmacy,"; and

(2) by inserting "or chiropractic," after "public health,".

(c) Section 737 is amended by striking out paragraph (2) and by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively.

(d) Section 787(a) is amended by inserting "chiropractic," after "allied health,".

TRAINING OF PHYSICIAN ASSISTANTS

Sec. 202. Section 701(8) is amended to read as follows:

"(8)(A) The term 'program for the training of physician assistants' means an educational program which (i) has as its objective the education of individuals who will, upon completion of their studies in the program, be qualified to competently provide primary health care under the supervision of a physician and (ii) meets regulations prescribed by the Secretary in accordance with subparagraph (B).

"(B) After consultation with appropriate organizations, the Secretary shall (within 180 days after the date of enactment of the Health Professions Training Assistance Amendments of 1984) prescribe regulations for programs for the training of physician assistants. Such regulations shall, as a minimum, require that such a program—

"(i) extend for at least one academic year and consist of (I) supervised clinical practice, and (II) at least four months (in the aggregate) of classroom instruction, directed toward preparing students to deliver health care;

"(ii) have an enrollment of not less than eight students; and

"(iii) train students in primary care, disease prevention, health promotion, geriatric medicine, and home health care.".

SCHOOLS OF ALLIED HEALTH

Sec. 203. (a)(1) Section 701(10) is amended—

(A) by inserting "college," before "junior college,"; and

(B) by striking out "in a discipline of allied health leading to a baccalaureate or associate degree (or an equivalent of either) or to a more advanced degree" in subparagraph (A) and inserting in lieu thereof "to enable individuals to become allied health professionals or to provide additional training for allied health professionals".

(2) Section 701 is amended by adding at the end thereof the following new paragraph:

"(13) The term 'allied health professional' means an individual—

"(A) who has received a certificate, an associate's degree, a bachelor's degree, a masters' degree, a doctoral degree, or postbaccalaureate training, in a science relating to health care;

"(B) who has responsibility for the delivery of health care services or related services, including—

"(i) services relating to the identification, evaluation, and prevention of diseases and disorders;

"(ii) dietary and nutrition services;

"(iii) health promotion services;

"(iv) rehabilitation services; or

"(v) health systems management services; and

"(C) who is not a graduate of a school of medicine, osteopathy, dentistry, veterinary medicine, optometry, podiatry, pharmacy, public health, or chiropractic, or a graduate program in health administration or clinical psychology.".

(b) The last sentence of section 702(a)(1) is amended—

(1) by striking out "six" the first place it appears and inserting in lieu thereof "five";

(2) by striking out "four" and inserting in lieu thereof "five"; and

(3) by inserting "allied health," after "podiatry,".

GRADUATE PROGRAMS IN CLINICAL PSYCHOLOGY

Sec. 204. (a) Section 701 (as amended by section 203 (a) (2) of this Act) is further amended by adding at the end thereof the following new paragraph:

"(14) The term 'graduate program in clinical psychology' means [a] *an accredited* graduate program in a public or nonprofit private institution in a State which provides training leading to a doctoral degree in clinical psychology or an equivalent degree.".

(b) Section 701(5) (as amended by section 201 (b) of this Act) is further amended—

(1) by striking out "or" after "chiropractic,"; and

(2) by inserting "or a graduate program in clinical psychology," after "health administration,".

(c) Section 737 (as amended by section 201 (c) of this Act) is further amended by striking out paragraph (2) (as redesignated by section 201 (c) of this Act) and by redesignating paragraphs (3) and (4) (as redesignated by section 201 (c) of this Act) as paragraphs (2) and (3), respectively.

(d) Section 787(a) (as amended by section 201 (d) of this Act) is further amended by inserting a comma and "graduate programs in clinical psychology," after "podiatry".

HEALTH PROFESSIONS DATA

Sec. 205. Subsection (c) of section 708 is repealed. Subsections (d), (e), and (g) of such section are redesignated as subsections (c), (d), and (e), respectively.

ACQUISITION OF EQUIPMENT AND INSTRUMENTATION FOR TEACHING FACILITIES

[Sec. 205.] Sec. *206.* (a) Section 720(a)(1) is amended to read as follows:

"(a)(1) The Secretary may make grants to assist in the construction of teaching facilities or the acquisition of equipment for the training of physicians, dentists, pharmacists, optometrists, podiatrists, veterinarians, and professional public health personnel.".

(b)(1) Section 721(b)(1) is amended—

(A) by inserting "or the acquisition of equipment" after "construction of any facility" in the second sentence;

(B) by striking out "Commissioner" each place it appears in such sentence and inserting in lieu thereof "Secretary"; and

(C) by inserting "or acquire equipment" after "construct a facility" in such sentence.

(2) Section 721(c)(2) is amended—

(A) by inserting "or equipment" after "the facility" in clause (A);

(B) by inserting "or acquiring the equipment" after "the facility" in clause (B); and

(C) by striking out clause (C) and inserting in lieu thereof: "(C) sufficient funds will be available, when construction of the facility or acquisition of the equipment is completed, for effective use of such facility or equipment to provide the training for which such facility is being constructed or such equipment is being acquired;".

(3) Section 721(c)(7) is amended by inserting "in the case of an application for a grant to assist in the construction of a teaching facility," before "the application".

(d) Section 721(d) is amended by inserting "to assist in the construction of teaching facilities" after "applications for grants" in the matter preceding paragraph (1).

(e)(1) Section 722(a)(1) is amended to read as follows:

"(a)(1) The amount of any grant under section 720(a)(1) for construction of a project or the acquisition of equipment shall be such amount as the Secretary determines to be appropriate after obtaining advice from the Council, except that no grant may exceed 80 percent of the necessary costs of construction of a project, as determined by the Secretary, or 80 percent of the necessary costs of acquisition of equipment, as determined by the Secretary.".

(2) The last sentence of section 722(b) is amended by inserting "or acquisition of the equipment, as the case may be" before the period.

(3) Section 722(c) is amended—

(A) by inserting "of a project or the acquisition of equipment" after "cost of construction"; and

(B) by inserting "or acquisition" before "which is to be financed".

(f) Clause (1) of section 725 is amended by inserting "or the acquisition of any equipment" after "any facility".

(g) Part B of title VII is amended by adding at the end thereof the following new section:

"DEFINITION

"Sec. 726A. For purposes of this part, the term 'equipment' means any equipment, device, tool, or other medical or scientific instrumentation to be used by students, faculty, or administrative or maintenance personnel for clinical purposes, research activities, libraries, classrooms, offices, auditoriums, or other related purposes necessary for, and appropriate to, the conduct of programs of education.".

HEALTH EDUCATION ASSISTANCE LOAN PROGRAM

[Sec. 206. (a)(1) Section 731(a)(2)(B) is amended by striking out "ceases to be a participant in an accredited internship or residency program or (if he was not a participant in such a program)".

(2) Section 731(a)(2)(C) is amended by striking out "or the 33-year period".]

Sec. 207. (a)(1) Section 731(a)(2)(B) is amended to read as follows:

"(B) provides for repayment of the principal amount of the loan in installments over a period of not less than 10 years (unless sooner repaid) nor more than 25 years beginning not earlier than 9 months nor later than 12 months after the date on which—

"(i) the borrower ceases to be a participant in an accredited internship or residency program of not more than four years in duration;

"(ii) the borrower completes the fourth year of an accredited internship or residency program of more than four years in duration; or

"(iii) a borrower who was not a participant in a program described in clause (i) or (ii) ceases to carry, at an eligible institution, the normal full-time academic workload as determined by the institution,

except (I) as provided in subparagraph (C), (II) that the period of the loan may not exceed 33 years from the date of execution of the note or written agreement evidencing it, and (III) that the note or other written instrument may contain such provisions relating to repayment in the event of default in the payment of interest or in the payment of the costs of insurance premiums, or other default by the borrower, as may be author-

ized by regulations of the Secretary in effect at the time the loan is made;".

(2) Section 731(a)(2)(C) is amended—

(A) by inserting "(including any period in such a program described in clause (i) or clause (ii) of subparagraph (B))" before the comma in clause (ii); and

(B) by striking out "or the 33-year period" in clause (vi).

(3) Section 731 is further amended—

(A) by striking out subsection (c); and

(B) by redesignating subsection (d) as subsection (c).

(b) The first sentence of section 732(c) is amended [to read as follows: "The Secretary shall, pursuant to regulations, charge a premium for insurance on each loan under this subpart, payable in advance, at such times and in such manner as may be prescribed by the Secretary.".] *by striking out "2" and inserting in lieu thereof "6".*

(c) The first sentence of subsection (a) of section 734 and the first sentence of subsection (b) of such section are each amended by inserting "collection or" before "default".

(d)(1) Section 729 is amended by inserting "allied health," after "public health," each place it appears.

(2) Section 737 (as amended by sections 201(c) and 204(c) of this Act) is further amended by adding at the end thereof the following new paragraph:

"(4) The term 'school of allied health' means a program in a school of allied health (as defined in section 701(10)) which leads to a masters' degree or a doctoral degree.".

HEALTH PROFESSIONS STUDENT LOAN PROGRAM

Sec. 208. (a)(1) Section 740(a) is amended by inserting "public health," after "optometry,".

(2) Section 740(b)(4) is amended—

(A) by inserting "doctor of pharmacy or an equivalent degree," before "doctor of podiatry";

(B) by striking out "or" before "doctor of veterinary medicine"; and

(C) by inserting a comma and "or a graduate degree in public health or an equivalent degree" before the semicolon.

(3) Section 741(b) is amended—

(A) by inserting "doctor of pharmacy or an equivalent degree," before "doctor of podiatry";

(B) by striking out "or" before "doctor of veterinary medicine"; and

(C) by inserting a comma and "or a graduate degree in public health or an equivalent degree" before the period.

(4) Section 741(c) is amended by inserting "public health," after "optometry,".

(5) Subpart II of part C of title VII is amended by adding at the end thereof the following new section:

"DEFINITION

"Sec. 745. For purposes of this subpart, the term 'school of pharmacy' means a public or nonprofit private school in a State which provides training leading to a degree of bachelor of science in pharmacy or an equivalent degree or a degree of doctor of pharmacy or an equivalent degree and which is accredited in the manner described in section 701(5).".

[Sec. 207. (a)] *(b)* Section 741(i) is amended to read as follows:

"(i) Subject to regulations of the Secretary, a school may assess a charge with respect to loans made under this subpart to cover the costs of insuring against cancellation of liability under subsection (d).".

[(b) Section 741(j) is amended by striking out the second sentence and inserting in lieu thereof the following: "The amount of any such charge shall equal the sum of (A) the product of the outstanding loan amount and at least six percent (calculated on an annual basis) but not more than the most recent interest rate for three-month Treasury bills, plus (B) the costs of collection of such charge and installment.".]

(c) Section 741(j) is amended—

(1) by inserting "and in accordance with this section" after "Secretary" in the first sentence;

(2) by striking out "may" in such sentence and inserting in lieu thereof "shall"; and

(3) by striking out the second sentence and inserting in lieu thereof the following: "No such charge may be made if the payment of such installment or the filing of such evidence is made within 60 days after the date on which such installment or filing is due. The amount of any such charge may not exceed an amount equal to 6 percent of the amount of such installment.".

[(c)] *(d)* Section 741 is amended by adding at the end the following new subsection:

"(m) The Secretary is authorized to attempt to collect any loan which was made under this subpart and which is in default, referred to the Secretary by a school with which the Secretary has an agreement under this subpart, on behalf of that school under such terms and conditions as the Secretary may prescribe (including reimbursement from the school's student loan fund for expenses the Secretary may reasonably incur in attempting collection), but only if the school has [previously exercised all due diligence (as specified by the Secretary) in attempting to collect the loan.] *complied with such requirements as the Secretary may specify by regulation with respect to the collection of loans under this subpart.* A loan so referred shall be treated as a debt subject to section 5514 of title 5, United States Code. Amounts collected shall be deposited in the school's student loan fund. Whenever the Secretary desires the institution of a civil action regarding any such loan, the Secretary shall refer the matter to the Attorney General for appropriate action.".

[(d) Section 742(b)(1) is amended by adding at the end thereof the following new sentence: "For fiscal years beginning after September 30, 1984, the Secretary may only accept applications for Federal capital contributions under this subpart from schools of medicine, osteopathy, dentistry, pharmacy, podiatry, optometry, or veterinary medicine which established after July 1, 1972, a student loan fund with Federal capital contributions under this subpart.".]

(e) Section 742(b)(1) is amended by adding at the end thereof the following new sentence: "Except with respect to amounts described in paragraph (5), for fiscal years beginning after September 30, 1984, the Secretary may only allot amounts appropriated under subsection (a) to—

"(A) schools of public health which have established student loan funds with Federal capital contributions under this subpart; and

"(B) schools of medicine, osteopathy, dentistry, pharmacy, podiatry, optometry, or veterinary medicine which established after July 1, 1972, student loan funds with Federal capital contributions under this subpart.".

[(e)] *(f)* Section 742(b) (as amended by subsection [(d) *(e)* of this section) is further amended by adding at the end thereof the following new paragraph:

["(5) If a school of medicine, osteopathy, dentistry, pharmacy, podiatry, optometry, or veterinary medicine at which a student loan fund has been established with a Federal capital contribution under this subpart reduces its enrollment significantly or closes, any excess cash balance in such fund shall be returned to the Secretary and shall be available for allotment under this subpart.".]

"(5) Any funds from a student loan fund established under this subpart which are returned to the Secretary in any fiscal year shall be available for allotment under this subpart, in such fiscal year and the fiscal year succeeding such fiscal year, to any school of medicine, osteopathy, dentistry, pharmacy, podiatry, optometry, veterinary medicine, or public health which has established a student loan fund with Federal capital contributions under this subpart.".

(g)(1) Subpart II of part C of title VII (as amended by subsection (a)(5) of this section) is further amended—

(A) by redesignating section 745 (as added by subsection (a)(5) of this section) as section 747; and

(B) by inserting after section 744 the following new sections:

"STUDENT LOAN INFORMATION BY INSTITUTIONS

"Sec. 745. (a) With respect to loans made by a school under this subpart after June 30, 1985, each school, in order to carry out the provisions of sections 740 and 741, shall, at any time such school makes such a loan to a student under this subpart, provide thorough and adequate loan information on loans made under this subpart to the student. The loan information required to be provided to the student by this subsection shall include—

"(1) the yearly and cumulative maximum amounts that may be borrowed by the student;

"(2) the terms under which repayment of the loan will begin;

"(3) the maximum number of years in which the loan must be repaid;

"(4) the interest rate that will be paid by the borrower and the minimum amount of the required monthly payment;

"(5) the amount of any other fees charged to the borrower by the lender;

"(6) any options the borrower may have for deferral, cancellation, prepayment, consolidation, or other refinancing of the loan;

"(7) a definition of default on the loan and a specification of the consequences which will result to the borrower if the borrower defaults, including a description of any arrangements which may be made with credit bureau organizations;

"(8) to the extent practicable, the effect of accepting the loan on the eligibility of the borrower for other forms of student assistance; and

"(9) a description of the actions that may be taken by the Federal Government to collect the loan, including a description of the type of information concerning the borrower that the Federal Government may disclose to officers, employees, or agents of the Department of Health and Human Services, officers, employees, or agents of schools with which the Secretary has an agreement under this subpart, or any other person involved in the collection of a loan under this subpart.

"(b) Each school shall, immediately prior to the graduation from such school of a student who received a loan under this subpart after June 30, 1985, provide such student with a statement specifying—

"(1) each amount borrowed by the student under this subpart;

"(2) the total amount borrowed by the student under this subpart; and

"(3) a schedule for the repayment of the amounts borrowed under this subpart, including the number, amount, and frequency of payments to be made.

"PROCEDURES FOR APPEAL OF TERMINATIONS

"SEC. 746. (a) In any case in which the Secretary intends to terminate an agreement with a school under this subpart, the Secretary shall provide the school with a written notice specifying such intention and stating that the school may request a formal hearing with respect to such termination. If the school requests such a hearing within 30 days after the receipt of such notice, the Secretary shall provide such school with a hearing conducted by an administrative law judge.".

(h) Section 6103(m) of the Internal Revenue Code of 1954 is amended—

(1) by inserting "ADMINISTERED BY THE DEPARTMENT OF EDUCATION" before the period in the paragraph heading of paragraph (4); and

(2) by adding at the end thereof the following new paragraph:

"(5) INDIVIDUALS WHO HAVE DEFAULTED ON STUDENT LOANS ADMINISTERED BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.—

"(A) IN GENERAL.—Upon written request by the Secretary of Health and Human Services, the Secretary may disclose the mailing address of any taxpayer who has defaulted on a loan made under part C of title VII of the Public Health Service Act or under subpart II of part B of title VIII of such Act, for use only by officers, employees, or agents of the Department of Health and Human Services for purposes of locating such taxpayer for purposes of collecting such loan.

"(B) DISCLOSURE TO SCHOOLS AND ELIGIBLE LENDERS.—Any mailing address disclosed under subparagraph (A) may be disclosed by the Secretary of Health and Human Services to—

"(i) any school with which the Secretary of Health and Human Services has an agreement under subpart II of part C of title VII of the Public Health Service Act or subpart II of part B of title VIII of such Act, or

"(ii) any eligible lender (within the meaning of section 737(2) of such Act) participating under subpart I of part C of title VII of such Act,

for use only by officers, employees, or agents of such school or eligible lender whose duties relate to the collection of student loans for purposes of locating individuals who have defaulted on student loans made under such subparts for the purposes of collecting such loans.".

SCHOLARSHIPS FOR FIRST-YEAR STUDENTS OF EXCEPTIONAL FINANCIAL NEED

SEC. 209. (a) Section 758(b) is amended by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) A scholarship provided to a student for a school year under a grant under subsection (a) shall consist of—

"(A) payment to, or (in accordance with paragraph (4)) on behalf of, the student of the amount (except as provided in section 710) of—

"(i) the tuition of the student in such school year; and

"(ii) all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the student in such school year; and

"(B) payment to the student of a stipend of $400 per month (adjusted in accordance with paragraph (5)) for each of the 12 consecutive months beginning with the first month of such school year.

"(3) Notwithstanding paragraph (2), the total scholarship award to a student for each year shall not exceed the cost of attendance for that year at the educational institution attended by the student (as determined by such educational institution).

"(4) The Secretary may contract with an educational institution in which is enrolled a student who has received a scholarship with a grant under subsection (a) for the payment to the educational institution of the amounts of tuition and other reasonable educational expenses described in paragraph (2)(A). Payment to such an educational institution may be made without regard to section 3324 of title 31, United States Code.

"(5) The amount of the monthly stipend, specified in paragraph (2)(B) and as previously adjusted (if at all) in accordance with this paragraph, shall be increased by the Secretary for each school year ending in a fiscal year beginning after September 30, 1978, by an amount (rounded to the next highest multiple of $1) equal to the amount of such stipend multiplied by the overall percentage (as set forth in the report transmitted to the Congress under section 5305 of title 5, United States Code) of the adjustment (if such adjustment is an increase) in the rates of pay under the General Schedule made effective in the fiscal year in which such school year ends.".

(b) Section 338A(g)(1) is amended by striking out "or under section 758 (relating to scholarships for first-year students of exceptional financial need),".

CAPITATION GRANTS FOR SCHOOLS OF PUBLIC HEALTH

[SEC. 208.] *Sec. 210.* (a) *(1)* Section 770 is amended to read as follows:

"CAPITATION GRANTS FOR SCHOOLS OF PUBLIC HEALTH

"SEC. 770. (a)(1) The Secretary shall make annual grants to schools of public health for the support of the education programs of such schools. The amount of the annual grant to each such school with an approved application shall be computed for each fiscal year in accordance with paragraphs (2) and (3).

"(2) Each school of public health shall receive for the fiscal year ending September 30, 1985, and for each of the next three fiscal years, an amount equal to the product of—

"(A) $1,400, and

"(B) the sum of (i) the number of full-time students enrolled in such school in the school year beginning in such fiscal year, and (ii) the number of full-time equivalents of part-time students, determined pursuant to paragraph (3), for such school for such school year.

"(3) For purposes of paragraph (2), the number of full-time equivalents of part-time students for a school of public health for any school year is a number equal to—

"(A) the total number of credit hours of instruction in such year for which part-time students of such school, who are pursuing a course of study leading to a graduate degree in public health or an equivalent degree, have enrolled, divided by

"(B) the greater of (i) the number of credit hours of instruction which a full-time student of such school was required to take in such year, or (ii) 9,

rounded to the next highest whole number.

"(b) Notwithstanding subsection (a), if the aggregate of the amounts of the grants to be made in accordance with such subsection for any fiscal year to schools of public health with approved applications exceeds the total of the amounts appropriated for such grants for such schools under subsection (e), the amount of a school's grant with respect to which such excess exists shall for such fiscal year be an amount which bears the same ratio to the amount determined for the school under subsection (a) as the total of the amounts appropriated for that year under subsection (e) for grants to schools of public health bears to the amount required to make grants in accordance with subsection (a) to each of the schools of public health with approved applications.

"(c)(1) For purposes of this section, regulations of the Secretary shall include provisions relating to the determination of the number of students enrolled in a school or in a particular year-class in a school on the basis of estimates, on the basis of the number of students who in an earlier year were enrolled in a school or in a particular year-class, or on such other basis as the Secretary deems appropriate for making such determination, and shall include methods of making such determination when a school or a year-class was not in existence in an earlier year at a school.

"(2) For purposes of this section, the term 'full-time students' (whether such term is used by itself or in connection with a particular year-class) means students pursuing a full-time course of study leading to a graduate degree in public health or equivalent degree.

"(d) In the case of a new school of public health which applies for a grant under this section in the fiscal year preceding the fiscal year in which it will admit its first class, the enrollment for purposes of subsection (a) shall be the number of full-time students which the Secretary determines, on the basis of assurances provided by the school, will be enrolled in the school, in the fiscal year after the fiscal year in which the grant is made.

"(e) For payments under this section, there are authorized to be appropriated $5,000,000 for the fiscal year ending September 30, 1985, and each of the three succeeding fiscal years.".

(2) Section 731(a)(1)(A)(ii) is amended by striking out "(as defined in section 770(c)(2))" and inserting in lieu thereof "(as defined in section 770(c)(2) (as such section was in effect on September 30, 1984))".

(b) Section 771 is amended to read as follows:

"ELIGIBILITY FOR CAPITATION GRANTS

"SEC. 771. (a) The Secretary shall not make a grant under section 770 to any school of public health in a fiscal year beginning after September 30, [1977.] *1984,* unless the application for the grant contains, or is supported by, assurances satisfactory to the Secretary that—

"(1) the first-year enrollment of full-time students in the school in the school year beginning in the fiscal year in which the grant applied for is to be made will not be less than the first-year enrollment of such students in the school [in the preceding school year or] in the school year beginning in the fiscal year ending September 30, [1976, whichever is greater; and] *1976; and*

"(2) the applicant will expend in carrying out its functions as a school of public health during the fiscal year for which such grant is sought, an amount of funds (other than funds for construction as determined by the Secretary) from non-Federal sources which is at least as great as the amount of funds expended by such applicant for such purpose (excluding expenditures of a nonrecurring nature) in the fiscal year preceding the fiscal year for which such grant is sought.

["(b)(1) To be eligible for a grant under section 770 for a fiscal year beginning after September 30, 1977, a school of public health shall maintain an enrollment of full-time, first-year students, for the school year beginning in the fiscal year ending September 30, 1978, and for each school year thereafter beginning in a fiscal year for which a grant under section 770 is applied for, which exceeds the number of full-time, first-year students enrolled in such school in the school year beginning in the fiscal year ending September 30, 1976—

["(A) by 5 percent of such number if such number was not more than 100, or

["(B) by 2.5 percent of such number, or 5 students, whichever is greater, if such number was more than 100.]

["(2)] *(b)* The Secretary may waive (in whole or in part) application to a school of public health of the requirement of [paragraph (1)] *subsection (a)(1)* if the Secretary determines, after receiving the written recommendation of the appropriate accreditation body or bodies (approved for such purpose by the Commissioner of Education) that compliance by such school with such requirement will prevent it from maintaining its [accreditation. The requirements of subsection (a)(1) shall not apply to schools of public health.".] *accreditation.".*

(c)(1) Section 772(b) is amended—

(A) by striking out "or subsection (a) or (b) of section 788";

(B) by striking out "of medicine, osteopathy, dentistry, public health, veterinary medicine, optometry, pharmacy, or podiatry," and inserting in lieu thereof "public health,";

(C) by striking out "Secretary" each place it appears and inserting in lieu thereof "Secretary of Health and Human Services";

(D) by striking out "Commissioner of Education" and inserting in lieu thereof "Secretary of Education"; and

(E) by striking out "Commissioner" each place it appears and inserting in lieu thereof "Secretary of Education".

(2) The section heading for section 772 is amended to read as follows:

"APPLICATIONS FOR CAPITATION GRANTS"

[(3) Section 788 is amended by redesignating subsection (f) (as amended by section 110 of this Act) as subsection (g) and by inserting after subsection (e) the following new subsection:

["(f) To be eligible for a grant under subsection (a) or (b), the applicant must (1) be a public or other nonprofit school of medicine, osteopathy, dentistry, public health, veterinary medicine, optometry, pharmacy, or podiatry, and (2) be accredited by a recognized body or bodies approved for such purpose by the Secretary of Education, except that the requirement of this clause shall be deemed to be satisfied if (A) in the case of a school which by reason of no, or an insufficient, period of operation is not, at the time of application for a grant under this part, eligible for such accreditation, the Secretary of Education finds, after consultation with the appropriate accreditation body or bodies, that there is reasonable assurance that the school will meet the accreditation standards of such body or bodies prior to the beginning of the academic year following the normal graduation date of students who are in their first year of instruction at such school during the fiscal year in which the Secretary of Health and Human Services makes a final determination as to approval of the application, or (B) in the case of any other school, the Secretary of Education finds after such consultation and after consultation with the Secretary of Health and Human Services that there is reasonable ground to expect that, with the aid of a grant (or grants) under those sections, having regard for the purposes of the grant for which application is made, such school will meet such accreditation standards within a reasonable time.".]

(d) The heading for part E of title VII is amended to read as follows:

"PART E—GRANTS TO IMPROVE THE QUALITY OF SCHOOLS OF PUBLIC HEALTH"

AREA HEALTH EDUCATION CENTERS

[SEC. 209.] *Sec. 211. (a) Section 781(a)(2) is amended by inserting a comma and "and with public or private nonprofit entities which have served as regional area health education centers and which have previously received such assistance," after "this section".*

(b) Section 781(c) is amended—

(1) by inserting "and" at the end of paragraph (2);

(2) by striking out paragraph (3);

(3) by redesignating paragraph (4) as *paragraph* (3);

(4) by striking out the second sentence; and

(5) by striking out "if another such school participating in the same program meets the requirement of that paragraph" in the last sentence.

[(b)] *(c)* Section 781(d)(2)(F) is amended to read as follows:

"(F) conduct interdisciplinary training and practice involving physicians and other health personnel including, where practicable, physician assistants and nurse practitioners;".

TRAINING IN GENERAL DENTISTRY

[SEC. 210.] *Sec. 212. (a)* Section 786(b) is amended—

(1) by inserting "or an approved advanced educational program in the general practice of dentistry" before the semicolon in paragraph (1); and

(2) by striking out "residents" in paragraph (2) and inserting in lieu thereof "participants".

(b) Section 786(c) (as amended by section 108 of this Act) is further amended by inserting before the period in the second sentence a comma and "and shall obligate not less than 8 percent of such amounts in each fiscal year for grants under subsection (b)".

SPECIAL PROJECTS

[SEC. 211. Section 788(b) is amended by striking out paragraphs (1) through (24) and inserting in lieu thereof the following:

["(1) training in health promotion and disease prevention;

["(2) training in geriatric care and long-term care;

["(3) projects to promote economy in health professions teaching and practice;

["(4) projects to develop initiatives for assuring the competence of health professionals;

["(5) faculty development for health professions schools, including schools of allied health; and

["(6) curriculum development in nutrition.".]

SEC. 213. Section 788(b) is amended to read as follows:

"(b)(1) The Secretary may make grants to and enter into contracts with any health profession, allied health profession, or nurse training institution, or any other public or nonprofit private entity for projects to provide curriculum development and faculty training in areas such as—

"(A) health promotion and disease prevention;

"(B) geriatric care and long-term care;

"(C) the promotion of economy in health professions teaching, health care practice, and health care systems management;

"(D) the development of initiatives for assuring the competence of health professionals;

"(E) curriculum development in clinical nutrition; and

"(F) large animal care and animal research.

"(2)(A) Of the amounts available for grants and contracts under this subsection from amounts appropriated under subsection (f), at least 75 percent shall be obligated for grants to and contracts with health professions institutions, allied health institutions, and nurse training institutions.

"(B) Any application for a grant or contract to institutions described in subparagraph (A) shall be subject to appropriate peer review by peer review groups composed principally of non-Federal experts.

"(C) The Secretary may not approve an application for a grant or contract to an institution described in subparagraph (A) unless the Secretary has received recommendations with respect to such application from the appropriate peer review group required under subparagraph (A) and from the National Advisory Council on Health Professions Education.

"(3) Of the amounts available for grants and contracts under this subsection from amounts appropriated under subsection (f), not more than 25 percent shall be obligated for grants to and contracts with public and nonprofit entities which are not health professions institutions, allied health institutions, or nurse training institutions.".

ADVANCED FINANCIAL DISTRESS ASSISTANCE

SEC. 214. The first sentence of section 788B(f) is amended by striking out "five" and inserting in lieu thereof "six".

GRADUATE PROGRAMS IN HEALTH ADMINISTRATION

SEC. 215. Section 791(c)(2)(A)(i) is amended by inserting before the semicolon a comma and "except that in any case in which the number of minority students enrolled in the graduate educational programs of such entity in such school year exceeds an amount equal to 45 percent of the number of all students enrolled in such programs in such school year, such application shall only be required to contain assurances that at least 20 individuals will complete such programs in such school year".

PROGRAM ELIMINATIONS

[SEC. 212.] *Sec. 216.* (a) Section 703 is repealed.

(b) Section 759 is repealed.

(c) Part D of title VII is repealed.

(d) Section 782 is repealed.

(e) Section 785 is repealed.

(f)(1) Section 788A is repealed.

(2) The second sentence of section 788B(a) is amended by inserting "(as such section was in effect prior to October 1, 1984)" after "section 788A".

(3) Section 788B(f) [is amended] *(as amended by section 214 of this Act) is further amended* by striking out the last sentence.

(4) Section 788B(h) (as amended by section 111 of this Act) is further amended—

(A) by striking out "and section 788A" in the first sentence; and

(B) by striking out the second sentence.

(g) Section 789 is repealed.

HEALTH SERVICES RESEARCH

[Sec. 213.] *Sec. 217. (a)* Section 305(c) is amended—

(1) by redesignating clauses (1), (2), and (3), as clauses (A), (B), and (C), respectively;

(2) by inserting "(1)" before "The"; and

(3) by adding at the end thereof the following new paragraph:

"(2) In carrying out this section, the Secretary shall assist State and local health agencies, including the establishment of a user liaison program and a technical assistance program.".

(b) The second sentence of section 308(i)(1) is amended by striking out "and at least 5 per centum of such amount or $1,000,000, whichever is less, shall be available only for dissemination activities directly undertaken through such Center" and inserting in lieu thereof "and at least 10 per centum of such amount or $1,500,000, whichever is greater, shall be available only for the user liaison program referred to in section 305(c)(2).".

ANALYSIS OF FINANCIAL DISINCENTIVES TO CAREER CHOICES IN HEALTH PROFESSIONS

[Sec. 214.] *Sec. 218.* The Secretary of Health and Human Services shall include in the report required to be submitted on October 1, 1985, pursuant to section [708(d)(2)] *708(c)(2)* of the Public Health Service [Act—] *Act (as redesignated by section 205 of this Act)—*

(1) an analysis of any financial disincentive to graduates of health professions schools which affects the specialty of practice chosen by such graduates or the decision of such graduates to practice their profession in an area which lacks an adequate number of health care professionals; and

(2) recommendations for legislation and administrative action to correct any disincentive identified pursuant to clause (1), including the appropriateness of providing financial assistance to mitigate such disincentives.

EFFECTIVE DATE

[Sec. 215.] *Sec. 219.* This Act and the amendments and repeals made by this Act shall take effect on October 1, 1984.

Mr. STEVENS. Mr. President, I move that the committee amendments be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

AMENDMENT NO. 3370

(Purpose: To provide for the designation of a Regional Palaminto Research Center)

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of Senators D'Amato, Hatch, and Moynihan.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. Stevens] for himself, Mr. D'Amato, Mr. Hatch, and Mr. Moynihan proposes amendment No. 3370.

Mr. STEVENS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Amendment No. 3370

On page 42, between lines 11 and 12, insert the following:

DESIGNATION OF REGIONAL PRIMATE RESEARCH CENTER

Sec. 219. (a) The Secretary of Health and Human Services, through the Division of Research Resources of the National Institutes of Health, shall designate as a Regional Primate Research Center a laboratory for experimental medicine and surgery in primates which is in existence on the date of enactment of this Act. The laboratory designated under this subsection shall be a laboratory which was initially established in 1965 and which became formally sponsored by an association of schools of medicine in 1967.

(b) The Secretary of Health and Human Services shall provide the Regional Primate Research Center designated under subsection (a) with opportunities for consideration for core support and grants to support biomedical research equal to the opportunities for consideration for such support and grants provided to all other Regional Primate Research Centers designated by the Secretary.

On page 42, line 13, strike out "Sec. 219." and insert "Sec. 220.".

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska.

The amendment (No. 3370) was agreed to.

AMENDMENT NO. 3371

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of Senators Quayle, Hatch, and Kennedy and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. Stevens), for himself and Mr. Quayle, Mr. Hatch, and Mr. Kennedy, proposes an amendment numbered 3371.

Mr. STEVENS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 41, between lines 11 and 12, insert the following:

(b) Section 305 of such Act is further amended—

(1) by striking out "and" at the end of paragraph (3) in subsection (b);

(2) by striking out the period at the end of paragraph (4) of such subsection and inserting in lieu thereof a semicolon and "and";

(3) by inserting after paragraph (4) the following new paragraph:

"(5) the safety, effectiveness, cost effectiveness, and economic impacts of health care technologies.".

(5) by redesignating subsection (e) as subsection (g); and

(6) by inserting after subsection (d) the following new subsections:

"(e) The Center shall advise the Secretary respecting medical technology issues and make recommendations with respect to whether specific medical technologies should be reimbursable under federally financed health programs.

"(2) In making recommendations respecting medical technologies, the center shall consider the cost effectiveness and appropriate uses of such technologies.

"(3) In carrying out its responsibilities under this section respecting medical technologies, the Center shall cooperate and consult with the National Institutes of Health, the Food and Drug Administration, and any other interested Federal departments or agencies.

"(f)(1) The Secretary, through the Center, shall undertake and support (by grant or contract) research regarding technology diffusion, methods to assess medical technology, and specific medical technologies.

"(2) Any grant or contract under paragraph (1), the direct cost of which will exceed $50,000, may be made or entered into only after appropriate peer review.".

On page 41, line 12, strike out "(b)" and insert "(c)".

On page 41, between lines 19 and 20, insert the following:

HEALTH CARE TECHNOLOGY

Sec. 216. Section 309 of the Public Health Service Act is amended to read as follows:

"COUNCIL ON HEALTH CARE TECHNOLOGY

"Sec. 309. (a) In accordance with this section, the Secretary shall make grants to the National Academy of Sciences for the planning, development, establishment, and operation in such Academy of a Council on Health Care Technology. The Council shall comply with the provisions of this section.

"(b) The purposes of the Council are to—

"(1) promote the development and application of appropriate health care technologies; and

"(2) promote the review of existing health care technologies in order to identify obsolete or inappropriately used health care technologies

"(c)(1) The Council may—

"(A) serve as a clearinghouse for information on health are technologies and health care technology assessment;

"(B) collect and analyze data concerning specific health care technologies;

"(C) identify needs in the assessment of specific health care technologies;

"(D) develop and evaluate criteria and methodologies for health care technology assessment;

"(E) provide education, traininig, and technical assistance in the use of health care technology assessment methodologies and results; and

"(F) conduct assessments of health care technologies.

"(2) No funds from any grant made by the Secretary to the National Academy of Sciences under this section be used to conduct any assessment of a health care technology.

"(d) The Council shall be composed of:

"(1) Fifteen members appointed by the National Academy of Sciences from individuals who have education, training, experience, or expertise relating to the quality and cost-effectiveness of health care technologies and who are representatives of organizations of health professionals, hospitals, health care insurers, employers, consumers, and manufacturers of products for health care.

"(2) The Secretary of Health and Human Services (or the designee of the Secretary), who shall be an ex officio member.

"(3) The Director of the Office of Technology Assessment (or the designee of the

Director), who shall be an ex officio member.

"(4) The Director of the National Institutes of Health (or the designee of the Director), who shall be an ex officio member.

"(5) The Director of the National Center for Health Services Research (or the designee of the Director), who shall be an ex officio member.

"(e) Any vacancy in the Council shall not affect its power, but shall be filled in the manner which the original appointment was made.

"(f) The President of the National Academy of Science shall designate one of the members appointed to the initial Council under subsection (d)(1) as Chairman of the Council for a one-year term. Thereafter, the members of the initial and succeeding Councils shall elect one of their members appointed under such subsection as Chairman for such terms as may be determined by the Council.

"(g) The Council shall have an executive director and such other employees as may be appointed by the Council at rates of compensation fixed by the Council.

"(h) The Council shall not contribute to or otherwise support any political party or candidate for elective public office.

"(i) The Council shall submit an annual report for the preceding fiscal year to the Secretary of Health and Human Services. The report shall include a comprehensive and detailed report of the Council's operations, activities, financial condition, and accomplishments under this section and may include such recommendations as the Council considers appropriate.

"(j) No grant may be made under this section unless the National Academy of Sciences submits an application for such grant to the Secretary in such form and containing such information as the Secretary shall prescribe.

"(k)(1) From the amounts appropriated under subsection (m), the Secretary shall make a grant to the National Academy of Sciences in an amount not in excess of $500,000 for the planning, development, and establishment of the Council.

"(2) From the amounts appropriated under subsection (m) which remain available after a grant is made under paragraph (1), the Secretary shall make grants to the National Academy of Science for the operation of the Council. The Secretary may not make a grant under this paragraph unless the application submitted to the Secretary under subsection (j) for such grant contains written assurances from such Academy that such Academy will expend from non-Federal sources for the operation of the Council an amount equal to or in excess of such grant.

"(l) For purposes of this section, health care technologies mean drugs, devices, and medical and surgical procedures, and knowledge and skills necessary for their appropriate use in the delivery of health care.

"(m) To carry out this section, there are authorized to be appropriated $2,000,000 for fiscal year 1985, which shall remain available until September 30, 1987.".

On page 41, line 22, strike out "Sec. 218." and insert "Sec. 219.".

On page 42, line 13, strike out "Sec. 219." and insert "Sec. 220.".

Mr. QUAYLE. Mr. President, today I rise in support of S. 2559, the Health Professions Training Assistance Amendments of 1984 and join in sponsoring an amendment to this measure with the Senator from Utah [Mr. HATCH] and the Senator from Massachusetts [Mr. KENNEDY]. This amendment authorizes the Secretary of Health and Human Services to make a grant to the National Academy of Science for the establishment of a Council on Health Care Technology.

This amendment is a modified version of S. 2504, a bill which would have established a private-public sector consortium to further the appropriate use of health care technologies. A hearing was conducted by the Senate Labor and Human Resources Committee on June 7, 1984, on S. 2504.

The hearing provided important direction in the expanding area of health care technology. Testimony that day clearly indicated the need for more and better assessment of health care technology and for improvement in systems for disseminating information developed by assessments. There was a consensus that the private sector should assume an even more active role in promoting assessment. Furthermore, there was agreement that the private sector, in partnership with government, should encourage more coordination between the groups carrying out assessments and support the development of an entity, such as the one proposed by my bill, S. 2504, to act as a clearinghouse for information on health care technologies. It was also concluded that such an entity should be spawned in the National Academy of Sciences along the line of the recommendations of the report "Medical Technology Assessment: A Plan for a Private/Public Sector Consortium," prepared by an Institute of Medicine committee.

More assessment, better coordination of assessment activities and improved dissemination of assessment information will not be a cure-all. However, by fostering the most appropriate use of health care technologies, these activities would help hold down health care costs and contribute to an even higher quality of care.

The modifications to S. 2504 provided for in this amendment will place the consortium in the National Academy of Science and authorize the Secretary of Health and Human Services to provide a $2 million grant to support the development of a Council on Health Care Technology. The National Academy of Sciences will receive $500,000 to establish the Council. The remaining one and a half million dollars authorized for the Council will have to be matched by private sector funding and will be available until September 30, 1987. This funding scheme is important because the Council will only be viable if it receives support from the private sector.

The purpose of the Council will be to promote the development and application of appropriate health care technologies and promote the review of existing health care technologies in order to identify obsolete or inappropriately used health care technologies. The hearings conducted by the committee indicated that a great deal of assessment is already going on in the public and private sectors. Therefore, the primary role of the Council will be to provide coordination between all the various groups involved in assessments and to serve as a clearinghouse for information in health care technologies and health care technology assessment.

I appreciate the guidance and support I received from Senators HATCH and KENNEDY in the development of this amendment.

Mr. D'AMATO. Mr. President, more than 15 percent of the Nation's biomedical research takes place in the New York metropolitan area. A facility serving the research scientists in the tristate area is the Laboratory for Experimental Medicine and Surgery in Primates [LEMSIP] at Sterling Forest, NY.

LEMSIP has had many significant achievements in medical research. It is well run, productive, and cost effective. Its staff has produced hundreds of research papers and publishes the world's leading journal in primatology.

To the detriment medical research, LEMSIP's status and funding have not been included in the regional primate research center program, despite its accomplishments and the support and sponsorship of the Associated Medical Schools of New York and its 12 member medical schools.

To remedy this inequitable and counterproductive situation, I am offering an amendment to the legislation now before the Senate, S. 2559.

Mr. MOYNIHAN. Mr. President, 4 years ago, Senator Javits and I were very concerned about the possible closing of the Laboratory for Experimental Medicine and Surgery in Primates [LEMSIP] in Sterling Forest, NY. This would have been a great loss since researchers using LEMSIP have been involved in the development of important advances in the prevention and the treatment of alcoholism, hepatitis, sickle-cell disease, reproductive problems and birth defects, genetic disease, blood transfusion, and other health problems. Today, I am pleased once again to offer my support to LEMSIP. This amendment, designating LEMSIP a regional primate research center, will mean much to the continuation of the research efforts essential not only to the work of the scientific community in New York, but to the Nation as a whole.

Mr. HATCH. As I understand the amendment, the Division of Research Resources of the National Institutes of Health would be directed to designate LEMSIP as a regional primate research center with all that that implies for NIH cooperation.

Mr. D'AMATO. That is correct. LEMSIP has been in operation for more than 19 years. The facility is fully operational. We intend that the tristate area be served by this NIH-designated regional primate research center with core support. This will mean that work in New York, New Jersey, and Connecticut will have the same opportunity to compete provided elsewhere in the country when primates are involved in biomedical research.

Mr. HATCH. The amendment is agreeable to me.

Mr. D'AMATO. So that the record may be clear, in the Senator's view, does the amendment affect existing authority for other NIH-supported primate centers or expand the Nation's primate facilities?

Mr. HATCH. No; it does not. It only opens up the competition. LEMSIP is a highly respected primate center, and this amendment allows them to compete for grants. It does not guarantee that they will win. I have examined LEMSIP very carefully. I have concluded that they are worthy of the opportunity to compete.

Mr. D'AMATO. I thank the Senator.

Mr. HATCH. Mr. President, I urge my colleagues to expeditiously approve S. 2559. The programs reauthorized in this bill, the Health Professions Training Assistance Amendments of 1984, are found in title VII of the Public Health Service Act. These programs have a proud history of successful response to concerns related to health care delivery expressed by our citizens. As a result, the numbers of health care providers has increased, students have been encouraged to pursue careers in family medicine and other primary care specialties, and barriers to a career in one of the health professions have been diminished by providing needy students with financial assistance.

But today needs are much different than they were 20 years ago. In fact, health education is at a crossroads in our history. Past Federal efforts, in cooperation with State initiatives, have resulted in training an adequate number of health professionals in most categories, and in most regions of our country. There has been a dramatic increase in the number of physicians, nurses, dentists, and allied health personnel. In fact, there are almost twice the number of students graduating each year from our medical and nursing schools today than there were 20 years ago. The 1981 report of the Graduate Medical Education National Advisory Committee (GMENAC) suggests there will be a significant surfeit of physicians by 1990, possibly as many as 70,000 more medical doctors than are required to provide adequate medical services. However, the same report makes clear that the excess number of physicians will vary according to medical specialty, and there will be ongoing needs for more primary care physicians, rehabilitation specialists, and preventive and public health experts. So in spite of an overall abundance of health care providers, my committee believes it essential that the Federal Government maintain those programs which train individuals to provide primary health care services, particularly those who can serve in medically needy areas.

The Health Professions Training Assistance Act, as reported by the Labor and Human Resources Committee, is tailored to meet today's needs. Access to health care today is far less a problem than it was a decade ago, but access by students to a career in health is a problem. Therefore, reauthorization of the Health Professions Training Assistance Act continues current programs which provide: loans for needy students; Federal loan insurance for students pursuing post baccalaureate training in health careers; scholarships for students with exceptional financial needs to insure the economically disadvantaged an opportunity to become health professionals; and increase our ability to reach out to minority students to become health professionals. This bill also repeals several obsolete or redundant sections of title VII, emphasizing current concerns and targeting the Federal effort on student indebtedness and primary care training. It specifically repeals provisions in title VII of the PHS Act which encouraged the growth of our health professional schools. There are no provisions in the proposed legislation to encourage expansion of existing training programs for health professionals.

Mr. President, I am also pleased to join with my colleagues in offering two noncontroversial amendments to S. 2559 as reported from committee. One is sponsored by myself, along with Senators QUAYLE and KENNEDY, and will authorize the National Academy of Science to establish a council on health care technology. This is a complementary effort to existing activities within the Federal Government to evaluate the cost-benefit of various medical technologies and the appropriateness of reimbursement for such services. This new council will provide for more participation of the private sector—health professionals, the hospital industry, manufacturers, and consumer representative organizations—in evaluating new and existing health technologies. There is clear consensus among health policy experts that the kind of information the proposed council will provide can result in millions of dollars of savings annually in our Federal health expenditures.

The other amendment relates to the designation by the National Institutes of Health of the Laboratory of Experimental Medicine and Surgery in Primates [LEMSIP] as a regional primate research center. I have joined with my colleagues from New York, Senators D'AMATO and MOYNIHAN, in this effort. At this point, I wish to enter into a colloquy with Senator D'AMATO and Senator MOYNIHAN with regard to his amendment.

Mr. President, at the request of Senator INOUYE, I wish to make clear that there is authority in this legislation which could be used to address a special initiative being developed by the University of Hawaii at Manoa, which would address the pressing health manpower needs of the Trust Territory of the Pacific Islanders and American Samoa.

It is my understanding that the primary burden of providing health care for the Pacific basin region presently falls on approximately 35 Micronesian medical officers, who graduated from a non-M.D. school in Fiji. These dedicated medical officers are all now approching retirement and changes since Fijian independence have closed access to the school by Micronesians. The authority to train physicians assistants capable of providing high quality preventive and primary care services and other nonphysician health professionals, will enable new health personnel to fill in this gap. It is the sense of the committee that the health problems of citizens in the Pacific basin are likely to best be met by funding a single grant program to address the needs for a variety of health personnel.

Mr. President, not only is it in our national security interest to ensure the health and well-being of the residents of the Pacific basin region, but I understand that we also have clear treaty obligations to do so. It is my expectation that this special project may cost $10 million over a 10-year time period and, further, that once the 70 new Micronesian medical officers are trained, the program will be terminated.

In essence, Mr. President, this Pacific basin initiative is an example of why we need to continue targeted funding for primary care training.

Mr. President, I ask unanimous consent that a memorandum from Dr. Terence A. Rogers, dean of the John A. Burns School of Medicine at the University of Hawaii at Manoa, describing this project in depth be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM FROM JOHN A. BURNS SCHOOL OF MEDICINE

To: Claudia Ingram.
From: Terry Rogers.
Re training appropriate health professionals for the Trust Territory of the Pacific Islands and American Samoa.

The U.S. presence in Micronesia is the result of a deliberate policy in our own best national defense interests. Our presence is not a historical accident or a mistake.

It follows then that we have a responsibility for the physical quality of life for the Micronesians.

The region could be described as "super-rural". The 140,000 inhabitants live on islands scattered over an area of ocean as large as the continental U.S. itself. There are at least a dozen languages; transportation and communications are slow and uncertain, except for the few major population centers served by two or three airline flights per week. Although there is no outright starvation, the prevalance of poverty and disease resemble that of the "Third World" rather than our perception of a region under American jurisdiction.

In the health field, the main U.S. effort has been in the construction of hospitals and the employment of U.S. doctors under contract.

The main burden of primary health care has fallen on about 35 Micronesian Medical Officers who graduated from a non-M.D. School in Fiji. These medical officers now approach retirement and changes since Fijian independence have closed access to the school by Micronesians.

It is proposed to train 70 new Micronesian Medical Officers over a 10 year period to provide primary health care coverage for the next 25 years.

The plan is to base the program in Ponape, in the Eastern Carolina Islands, and to use all appropriate health facilities in the region for clinical training.

The curriculum will be directed at the health problems of Micronesia. These problems include intestinal parasites, leprosy, filariasis, tuberculosis, cholera and a whole array of other entirely preventable and curable diseases. For example, in one ethnic group on the island of Ponape there is a leprosy epidemic in which 10 percent of the population become new cases each year. On the island of Pingelap a survey showed only three persons without intestinal parasites; they were nursing infants.

The health care resources of Micronesia are currently absorbed in dealing with the outcomes of grass roots problems which were virtually eliminated in the continental U.S. prior to 1914.

The current status of primary and secondary education in Micronesia prevents the training of enough Micronesians as M.D.s in U.S. medical schools. Many Micronesian students who even enter the Community College of Micronesia have tested reading skills at about the 8th grade norm. Unfortunately, even those Micronesians who have completed the M.D. degree in Hawaii find the qualification a passport to a more affluent region, leaving the home problems unsolved.

The training of Micronesian Medical Officers makes sense from the cultural and language aspects and, most importantly, develops Micronesian responsibility for Micronesian problems.

The Plan sensibly calls for a training program, with a beginning, a middle and an end; it does not propose the establishment of a permanent school.

The University of Hawaii School of Medicine has a track record of 12 years training, research and outreach in Micronesia, and has established the necessary rapport with the health establishment and Micronesian governments.

Mr. GRASSLEY. Mr. President, I am pleased to support passage of S. 2559, the Health Professions Training Assistance Amendments of 1984. These programs authorized by title VII of the Public Health Service Act have been among the most successful health programs the Congress has authorized. The student loans and guarantees, support for schools which train our health practitioners have helped us to encourage careers in family medicine, general dentistry, allied health, and public health, fields which might otherwise not have attracted sufficient practitioners to meet the country's needs in these areas. They have also helped to redress to some extent the maldistribution of health professionals, a problem which has been particularly acute in rural areas of the country.

I am particularly pleased that, as a consequence of an amendment made to the bill in committee by Senator QUAYLE and myself, the special projects authorized under provisions of section 788(b) of the act will provide an opportunity for schools of veterinary medicine to compete for grants and contracts related to faculty and curriculum development related to large animal care and animal research.

This amendment is designed to help remedy a distressing situation which has arisen at schools and colleges of veterinary medicine. The situation is that some of our best schools of veterinary medicine are having difficulty recruiting faculty who both veterinarians and trained at advanced Ph.D. levels in the various specializations that are represented in the curriculum of good schools of veterinary medicine.

At my own Iowa State College of Veterinary Medicine, one of the major schools of veterinary medicine in the country, I might add, the dean expects great difficulty in finding veterinarians for the faculty with advanced training in radiology, parasitology, ophthalmology, pharmacology, toxicology and urology to replace older faculty who are retiring. In two fields I did not just mention, food animal surgery and food animal medicine, the dean at Iowa State has been trying to fill two positions for 2 years, but has been unable to find appropriately trained people.

The funds available through the special projects program may help schools of veterinary medicine to upgrade the faculty of their schools through advanced training opportunities.

This small program will hardly solve this problem for these schools. But it will be a small, helpful step forward.

Mr. STEVENS. Mr. President, I ask for adoption of the Quayle-Hatch-Kennedy amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska.

The amendment (No. 3371) was agreed to.

Mr. STEVENS. Mr. President, I ask for consideration of the bill as amended.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TRADEMARK COUNTERFEITING ACT OF 1984

Mr. STEVENS. Mr. President, I ask the Chair to lay before the Senate Calendar No. 1005, S. 875.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 875) to amend title 18 of the United States Code to strengthen the laws against the counterfeiting of trademarks, and for other purposes.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary with an amendment to strike all after the enacting clause and insert:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Trademark Counterfeiting Act of 1984".

SEC. 2. (a) Chapter 113 of title 18, United States Code, is amended by inserting after section 2319 the following:

"**§ 2320. Trafficking in counterfeit goods or services**

"(a) Whoever intentionally traffics or attempts to traffic in goods or services knowing such goods or services to be counterfeit shall, if such offender is an individual, be fined not more than $250,000 or imprisoned for not more than five years, or both, or if such offender is a corporation, partnership, association, or other legal entity, be fined not more than $1,000,000.

"(b) As used in this section—

"(1) 'counterfeit goods or services' means—

"(A) goods or services—

"(i) on or in connection with which a spurious mark, which is identical to or substantially indistinguishable from a genuine mark, is used or intended to be used; and

"(ii) for which the genuine mark is registered on the principal register in the United States Patent and Trademark Office and is in use; or

"(B) goods or services on or in connection with which a designation that is identical to or substantially indistinguishable from a designation that is specifically protected by section 110 of the Amateur Sports Act of 1978 (36 U.S.C. 380) is used or intended to be used in a manner prohibited by such Act,

without the consent of the United States Olympic Committee; and

"(2) 'traffic' means to—

"(A) transfer, assign, or dispose of, to another, for value;

"(B) offer to so transfer, assign, or dispose of;

"(C) receive, possess, transport, or exercise control of, with intent to so transfer, assign, or dispose of; or

"(D) assist or conspire with another in doing anything prohibited by subparagraphs (A) through (C); and

"(3) 'spurious mark' means a mark that is not genuine or authentic.

"(c)(1) A defendant who traffics in goods or services that are alleged to be counterfeit shall not be subject to the criminal penalties or civil remedies of this section if the defendant establishes by a preponderance of the evidence that adequate labeling was provided on the goods or services and that adequate notice was provided to the registrant of the genuine mark.

"(2)(A) Labeling shall be deemed adequate if, in each place where the allegedly spurious mark is used, the labeling clearly and conspicuously identifies the manufacturer of the goods or provider of the services, and disclaims any license from or affiliation with the owner of the genuine mark.

"(B) Notice to the registrant of the genuine mark shall be deemed adequate if it was in writing and—

"(i) was actually served upon the registrant of the mark at least thirty days before the defendant trafficked in goods or services using the allegedly spurious mark,

"(ii) stated the defendant's full name and business addresses,

"(iii) identified in detail the proposed mark, and the goods or services for which the defendant planned to use the mark, and

"(iv) stated the date upon which the defendant intended to begin trafficking in goods or services using the mark.

The notice shall be deemed inadequate if the trafficking began before the date specified in the notice.

"(3) Adequate notice and labeling under this subsection shall not be an affirmative defense for a defendant who traffics in counterfeit goods or services while the defendant is subject to a court order restraining or enjoining such trafficking.

"(4) A party's compliance with the notice and labeling provisions of this subsection shall not be dispositive of that party's liability under any other provision of law, including any Federal, State, or other law.

"(d)(1) An action seeking civil remedies for a violation of subsection (a) of this section may be brought, without regard to the amount in controversy, in any district court of the United States in the district in which the violation occurred or in which the defendant resides, is found, has an agent, or transacts business. Such an action may be brought by either a registrant of a mark registered on the principal register in the United States Patent and Trademark Office whose business or property is or may be injured by reason of a violation of this section involving the mark of the registrant, or by the United States Olympic Committee. Upon establishing such a violation by a preponderance of the evidence, such civil claimant shall recover—

"(A) the greater of treble claimant's damages or treble defendant's profits,

"(B) the claimant's costs of the action, and

"(C) the claimant's costs of investigating the violation and prosecuting the suit, including reasonable investigator's and attorney's fees.

In assessing defendant's profits, the claimant shall be required to prove defendant's sales only. The defendant must prove all elements of cost or deduction claimed therefrom.

"(2) The court, on a motion promptly made, may in its discretion award prejudgment interest on the monetary recovery awarded under this subsection and subsections (f)(3) and (i) of this section, at an annual interest rate established under section 6621 of the Internal Revenue Code of 1954, commencing on the date of the service of the civil claimant's pleadings setting forth the claim for monetary recovery and ending on the date such judgment is awarded, or for such shorter time as the court deems appropriate.

"(3) A final judgment or decree rendered in favor of the United States in any criminal proceeding brought by the United States under this section shall estop the defendant from denying the essential allegations of the criminal offense in any civil proceeding brought by any civil claimant under this section.

"(e) All defenses available in an action brought under the Act of July 5, 1946, commonly known as the Trademark Act of 1946 (60 Stat. 427; 15 U.S.C. 1051 et seq.) shall be available, if relevant, in any criminal or civil action brought under this section.

"(f)(1) In any civil proceeding brought pursuant to this section the district courts of the United States shall have jurisdiction to prevent and restrain trafficking in counterfeit goods or services by issuing appropriate orders, including, in appropriate circumstances, temporary restraining orders on notice to the defendant, ex parte temporary restraining orders, and ex parte orders for the seizure of counterfeit goods and the following materials:

"(A) spurious marks;

"(B) the means of making such spurious marks;

"(C) articles in the defendant's possession bearing such spurious marks, or on or in connection with which such spurious marks are intended to be used; and

"(D) business records documenting the manufacture, purchase, or sale of counterfeit goods or of the materials listed in subparagraphs (A) through (C) of this paragraph.

"(2) Any business records seized through an ex parte seizure order in a civil proceeding under this section shall be taken into the custody of the court. The applicant or its representatives shall not be permitted to see any such records during the course of the seizure or thereafter, except under an appropriate protective order, issued on notice to the person from whom the records were seized, with respect to confidential business information.

"(3) Ex parte seizure orders under this section shall be subject to the Federal Rules of Civil Procedure. No such order shall be issued unless the applicant—

"(A) provides an affidavit clearly setting forth specific facts in support of the need for the seizure order, and

"(B) provides security in an amount the court deems adequate to compensate any person for damages such person may suffer as a result of a wrongful seizure or wrongful attempted seizure of such person's property under this subsection.

Such damages shall include, but not be limited to, lost profits, the cost of materials, and loss of good will. In any case in which it is shown that the applicant caused the seizure without adequate evidence that the goods or materials were counterfeit, damages shall include reasonable attorney's fees. The court shall place under seal any order for an ex parte seizure under this section until the defendant has been given an opportunity to contest such order.

"(4) No order for an ex parte seizure under this subsection shall be issued unless the court finds that a temporary restraining order on notice to the defendant, or an ex parte temporary restraining order, would be inadequate to protect the applicant's interests. In particular, no court shall issue any order for an ex parte seizure under this subsection unless it clearly appears from specific facts offered under oath or affirmation that—

"(A) counterfeit goods or the materials described in paragraph (1) are located at the place identified in the affidavit, and

"(B) The applicant will suffer immediate and irreparable injury, loss or damage if the goods or materials are not seized through execution of an ex parte order, in that—

"(i) the person from whom the goods or materials are to be seized would not comply with an order to retain the goods or materials and to make them available to the court, but would instead make the goods or materials inaccessible by destroying, hiding, or transferring them; or

"(ii) the person from whom the goods or materials are to be seized will otherwise act to frustrate the jurisdiction of the court in a proceeding under this section.

If the applicant can make this showing, the applicant need not make any further showing about the defendant's state of mind in order to obtain an ex parte seizure order.

"(5) Any order for a seizure under this subsection shall particularly describe the goods or materials to be seized, the place from which they are to be seized, and the amount of security provided by the applicant.

"(6) Any seizure ordered under this subsection shall specify that such order is to be carried out by a United States Marshal or other law enforcement officer or agency designated by the court. Any matter seized shall be taken into the custody of the court, pending a hearing to be conducted within 10 days after the seizure concerning the legality of the seizure and the need for injunctive relief, if any. Such hearing shall be conducted pursuant to rule 65 of the Federal Rules of Civil Procedure. All parties shall be granted, upon request, expedited discovery in connection with such hearing. Should the plaintiff fail to make the showing required by rule 65, the goods or materials seized shall be returned to the defendant, unless the court specifically finds that the goods or materials are counterfeit, in which case the court may retain them for evidentiary purposes. Such seizures shall be made only after the order has been served upon the defendant, his agent, accomplice, or designee. The applicant shall give notice of an application for an order under this section to the United States Attorney for the district in which the issuing court sits. Such notice shall be given at least twenty-four hours before the order becomes effective, unless the court determines that such notice would be impracticable.

"(7) No order for a seizure shall be issued under this subsection if the defendant has complied with the notice and labeling provisions of subsection (c) of this section.

"(g) The court shall employ appropriate procedures to ensure that confidential business information is not improperly disclosed in discovery proceedings in civil cases under this section.

"(h) If, in any civil or criminal action brought under this section, the court determines that the goods or services at issue are counterfeit, the court may, after reasonable notice to the United States Attorney for the district in which the issuing court sits, order the destruction of all counterfeit goods, spurious marks, means of making such spurious marks, and materials bearing such spurious marks, which are in the possession or control of the court or any party to the action; or, after obliteration of any spurious mark, the court may order the disposal of such goods, marks, means, or materials to the United States or an eleemosynary institution.

"(i) When a civil claimant in bad faith pleads or pursues a cause of action under subsection (d) of this section, the court shall award damages to the defendant, including punitive damages when appropriate, and the costs of defending the cause of action, including reasonable investigator's and attorney's fees incurred by the defendant.

"(j) Nothing in this section shall supersede or change any provision of Federal, State, or other law imposing criminal penalties or affording civil remedies in addition to those provided for in this section, except that no civil claimant who recovers treble damages or treble profits pursuant to this section shall also be entitled to corresponding recovery under any other Federal, State, or other law in connection with the same underlying occurrences or transactions. Any provisional or equitable remedy that would be available in a comparable civil action under the Trademark Act of 1946 shall, to the same extent and upon a comparable showing, be available under this section.

"(k) The remedies available in any civil action under this section shall be subject to the limitations specified in section 32 of the Trademark Act of 1946 (15 U.S.C. 1114(2)).".

SEC. 3. The table of sections for chapter 113 of title 18, United States Code, is amended by adding after the item relating to section 2319 the following new item:

"2320. Trafficking in counterfeit goods or services.".

SEC. 4. (a) Section 32(1) of the Trademark Act of 1946 (15 U.S.C. 1114(1)) is amended by striking out "counterfeit," in clauses (a) and (b).

(b) Section 36 of the Trademark Act of 1946 (15 U.S.C. 1118) is amended by striking out "counterfeit,".

(c) Section 45 of the Trademark Act of 1946 (15 U.S.C. 1127) is amended by striking out the paragraph beginning "A 'counterfeit' is".

(d) Section 526(e) of the Tariff Act of 1930 (19 U.S.C. 1526(e)) is amended by striking out "a counterfeit mark (within the meaning of section 45 of the Act of July 5, 1946 (commonly referred to as the Lanham Act, 60 Stat. 427; 15 U.S.C. 1127))" and inserting in lieu thereof "a spurious mark that is identical to, or substantially indistinguishable from, a mark registered in the United States Patent and Trademark Office.".

SEC. 5. This Act shall take effect upon enactment.

Mr. STEVENS. Mr. President, is the committee substitute before the Senate at this time?

The PRESIDING OFFICER. It is.

AMENDMENT NO. 3372

(Purpose: To make technical amendments)

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of Senator MATHIAS.

The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. MATHIAS, proposes an amendment numbered 3372.

Mr. STEVENS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Section 2320(b)(2) of title 18, United States Code, as added by section 2(a) of the substitute is amended to read as follows:

"(2) 'traffic' means to transport, transfer, or otherwise dispose of, to another, as consideration for anything of value, or to make or obtain control of with intent to so transport, transfer, or dispose of; and

Section 4(d) of the substitute amendment which amends section 526(e) of the Tariff Act of 1930 is amended by striking out "registered in the United States Patent and Trademark Office," in the matter intended to be inserted in such section 526(e) and inserting in lieu thereof the following: "registered on the principal register in the United States Patent and Trademark Office, which is".

Mr. STEVENS. Mr. President, I move the amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3372) was agreed to.

Mr. THURMOND. Mr. President, as an original cosponsor of this important legislation, I am pleased to express my very strong support for S. 875, the Trademark Counterfeiting Act of 1984.

Like the tape piracy bill which we successfully moved through the last Congress, the Trademark Counterfeiting Act is intended to deter those who are determined to profit from the ingenuity of others. In protecting trademarks, we ensure that American consumers will actually enjoy the quality of product that a trademark is designed to represent. As we are all aware, although much of the publicity surrounding this problem has focused on designer jeans and other luxury products, counterfeit machine parts are also a problem. Thus, we are dealing not only with a trademark issue, but with a safety problem as well.

S. 875 is intended to provide strong Federal penalties for intentionally trafficking in goods or services with knowledge that they are counterfeit. Specifically, a violation of the act would be punishable by up to 5 years of imprisonment and/or maximum fines of $250,000 for individuals and $1 million for corporations and similar legal entities. In addition, civil remedies are available to victims of trademark counterfeiting, including treble damages and injunctive relief. This combination of criminal and civil penalties for conscious trademark counterfeiting will provide an effective deterrent to such activities.

Mr. President, I want to commend the members of the Subcommittee on Patents, Copyrights and Trademarks and their staff for the careful deliberations which preceded our committee action on this important measure. All concerned parties had the opportunity to comment on various drafts of this bill and the final product represents a fair balance between various interests. This bill will provide an effective weapon against deliberate counterfeiters, while protecting the rights of innocent business people.

Mr. President, recently I had the opportunity to visit an exhibit of counterfeit goods. I was absolutely appalled by the merchandise which appeared on the surface to be legitimate, but on closer inspection or use, proved shoddy or even dangerous. This intolerable situation, which injures American consumers and businesses alike, must be stopped. In addition to the valiant efforts of the U.S. Customs Service, prompt passage of S. 875 will greatly facilitate that effort. I, therefore, urge my colleagues to support this measure.

Mr. MATHIAS. Mr. President, several years ago a group of people went into the business of making and selling cheap helicopter parts that falsely bore the name of the Bell Helicopter Co. Their customers, relying on the good name of Bell, bought and used those parts. The matter ended up in Federal court in Los Angeles, where a district judge found that the falsely labeled parts were "defective, not airworthy, and created a grave risk to human life and safety." The tragic result, the court found, was that "several helicopters have crashed resulting in injuries and death as the result of the failure of these parts manufactured and sold by defendants."

Just 3 months ago, another incident dramatized the scope and dangers of trademark counterfeiting. In April, Federal marshals in Texas and New York confiscated over 3 million dollars' worth of almost certainly counterfeit automobile parts bearing the trademark of General Motors. The products ranged from engines to brakedrums, and a GM official commented that many of the parts were of lower quality than a consumer would find in a used part in a junkyard. We can only imagine what the results might have been if these parts had been installed in the automobiles of unsuspecting consumers.

These are only the most dramatic of the many documented incidents of the sale of goods and services through the use of false trademarks—now a multibillion dollar business. This practice threatens American trademark owners, retailers, and consumers alike. It also jeopardizes American jobs, since the sale of counterfeits can cut deeply into the market for legitimate products made by American workers. For these reasons, I hope that the Senate will today approve my bill, S. 875, which would provide badly needed tools to enable both Federal prosecutors and private victims to crack down on trademark counterfeiting.

This bill is the product of lengthy discussions with numerous members of the Judiciary Committee, and I would like to take this opportunity to thank my fellow members of the committee for the valuable suggestions and assistance that they have provided as this legislation has moved through the Senate. The bill has also benefited tremendously from the advice and comments of numerous other concerned parties, including the Justice Department, the Patent and Trademark Office, countless trademark owners and trademark organizations, and many retail merchants and organizations. Without the patient help that we have received from all quarters, we would not have been able to achieve the consensus bill that we have before us today.

Mr. President, the House has been reviewing legislation similar to S. 875. Although we have worked long and hard on this bill, I have no doubt that the able Members of the House will find ways to improve and refine our product, and I look forward to following their deliberations on this important piece of legislation.

We have before us two technical amendments that will correct minor problems in S. 875 as reported by the Judiciary Committee. The first will amend the definition of "trafficking" in the bill to conform to that in the Piracy and Counterfeiting Amendments Act of 1981, now codified at 18 U.S.C. 2318. The definition of that term in the 1981 act has worked well in practice, and use of the same language in the bill now before us will prevent needless confusion. The second amendment will make a technical correction to the langugage of one of the conforming amendments in S. 875.

I would also like to take this opportunity to note a typographical error in the committee report on this bill, Senate Report 98-526, that may puzzle future readers. On page 3 of the report, several words have been omitted in the sentence beginning "In any event" in the second new paragraph on that page. The omitted words "the trademark owner," should have appeared between the words "a party affiliated with" and "the committee" in that sentence.

Mr. President, the urgent need for the protection that S. 875 affords justifies our expenditious consideration of this bill, and I hope that we can approve it without further delay.

Mr. CHAFEE. Mr. President, I am delighted that the Senate is considering and will shortly adopt this bill. It is critically needed, because it will provide a new measure of deterrence against the sale in the United States of what are termed counterfeit goods.

The influx of such goods has become an epidemic. Manufactured abroad, these look-alike products attempt to duplicate the genuine U.S. product, in part by using the U.S. trademark. This is not merely a blatantly unfair trade practice. These products can also be a threat to the safety and health of the user, when they do not perform to the standard expected of the real article. And they destroy the markets of U.S. companies and the jobs of U.S. workers.

A recent article in Congressional Quarterly explored at length the growing problem of counterfeit imports. It cited the case of an executive of the Fram Co., which happens to be located in Rhode Island. This executive spotted what appeared to be a Fram filter for sale, at a bargain price, in a Southeast Asian country. On inspection he found instead that it was merely a cleverly painted tin can. Surely it would have in short order destroyed any engine on which it was employed.

S. 875, by providing new penalties against those who sell or traffick in such goods when they are sold in the United States, will surely help deter the sale of such products. It will thus enhance the sales of those U.S. companies whose markets they have been invading.

I am especially pleased because the bill is one of those measures recommended for enactment this year by the Senate Republican Conference's Task Force on Industrial Competitiveness and International Trade, which I have had the privilege to chair. It is a product of the work of the Senate Subcommittee on Patents, Copyrights and Trademarks, led by my very able colleague, the senior Senator from Maryland [Mr. MATHIAS] and the Judiciary Committee, chaired by the distinguished senior Senator from South Carolina [Mr. THURMOND], the President pro tempore. Under their leadership this bill has been reported and I am confident will shortly be passed. Hopefully the House will soon follow suit and we can begin to curb the rampant abuse of U.S. consumers, companies and their employees that results from the influx of counterfeit imports.

Mr. LAUTENBERG. Mr. President, I rise in support of S. 875, the Trademark Counterfeiting Act of 1984. Counterfeiting of products is a problem of continuing concern to me, and I have authored and cosponsored legislation to prevent these occurrences. I was pleased to cosponsor S. 875 because I believe this act will contribute to stemming the tide of counterfeit products which are flooding the American market and damaging those businesses which produce the genuine articles. It is time that this action was taken. We cannot countenance continued trafficking in counterfeit goods and services.

We have all heard the horror stories of counterfeit goods invading the marketplace. These goods range from basketballs to Apple computers, to automobile filters, to chemical fertilizers. Some of these products are obviously recreational. Others, however, are more critical and the mistaken use of counterfeit products in place of the genuine item can lead to substantial destruction of property. In some cases, it may threaten the life of unsuspecting purchasers.

Up until now, there has been little legal recourse under Federal statutes for trademark owners so seek redress for the false use of their trademarks. S. 875 would finally establish such laws and provide sufficient means for combating this type of commercial fraud which undermines the long-term health of the American economy.

S. 875 would fine any individual who trafficks in counterfeit goods and services up to $250,000 and would provide up to 5 years of imprisonment. A corporation found guilty of the same offense would be fined up to $1,000,000. In addition, trademark owners may sue for either treble damages or treble defendant's profits, whichever is greater, in Federal district courts. Some may argue that these are stiff criminal penalties. I believe they need to be stiff in order to dissuade those who so far have only considered the profits, and not the penalties, of trafficking in counterfeit goods and services.

I hope my colleagues will join me in supporting S. 875. It represents a vital step toward curbing a lawless trade which is jeopardizing America's economic recovery and growth.

Mr. STEVENS. Mr. President, I ask that the committee substitute, as amended, be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of the substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 875

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this

Act may be cited as the "Trademark Counterfeiting Act of 1984".

SEC. 2. (a) Chapter 113 of title 18, United States Code, is amended by inserting after section 2319 the following:

"§ 2320. Trafficking in counterfeit goods or services

"(a) Whoever intentionally traffics or attempts to traffic in goods or services knowing such goods or services to be counterfeit shall, if such offender is an individual, be fined not more than $250,000 or imprisoned for not more than five years, or both, or if such offender is a corporation, partnership, association, or other legal entity, be fined not more than $1,000,000.

"(b) As used in this section—

"(1) 'counterfeit goods or services' means—

"(A) goods or services—

"(i) on or in connection with which a spurious mark, which is identical to or substantially indistinguishable from a genuine mark, is used or intended to be used; and

"(ii) for which the genuine mark is registered on the principal register in the United States Patent and Trademark Office and is in use; or

"(B) goods or services on or in connection with which a designation that is identical to or substantially indistinguishable from a designation that is specifically protected by section 110 of the Amateur Sports Act of 1978 (36 U.S.C. 380) is used or intended to be used in a manner prohibited by such Act, without the consent of the United States Olympic Committee; and

"(2) 'traffic' means to transport, transfer, or otherwise dispose of, to another, as consideration of anything of value, or to make or obtain control of with intent to so transport, transfer, or dispose of; and

"(3) 'spurious mark' means a mark that is not genuine or authentic.

"(c)(1) A defendant who traffics in goods or services that are alleged to be counterfeit shall not be subject to the criminal penalties or civil remedies of this section if the defendant establishes by a preponderance of the evidence that adequate labeling was provided on the goods or services and that adequate notice was provided to the registrant of the genuine mark.

"(2)(A) Labeling shall be deemed adequate if, in each place where the allegedly spurious mark is used, the labeling clearly and conspicuously identifies the manufacturer of the goods or provider of the services, and disclaims any license from or affiliation with the owner of the genuine mark.

"(B) Notice to the registrant of the genuine mark shall be deemed adequate if it was in writing and—

"(i) was actually served upon the registrant of the mark at least thirty days before the defendant trafficked in goods or services using the allegedly spurious mark,

"(ii) stated the defendant's full name and business addresses,

"(iii) identified in detail the proposed mark and the goods or services for which the defendant planned to use the mark, and

"(iv) stated the date upon which the defendant intended to begin trafficking in goods or services using the mark.

The notice shall be deemed inadequate if the trafficking began before the date specified in the notice.

"(3) Adequate notice and labeling under this subsection shall not be an affirmative defense for a defendant who traffics in counterfeit goods or services while the defendant is subject to a court order restraining or enjoining such trafficking.

"(4) A party's compliance with the notice and labeling provisions of this subsection shall not be dispositive of that party's liability under any other provision of law, including any Federal, State, or other law.

"(d)(1) An action seeking civil remedies for a violation of subsection (a) of this section may be brought, without regard to the amount in controversy, in any district court of the United States in the district in which the violation occurred or in which the defendant resides, is found, has an agent, or transacts business. Such an action may be brought by either a registrant of a mark registered on the principal register in the United States Patent and Trademark Office whose business or property is or may be injured by reason of a violation of this section involving the mark of the registrant, or by the United States Olympic Committee. Upon establishing such a violation by a preponderance of the evidence, such civil claimant shall recover—

"(A) the greater of treble claimant's damages or treble defendant's profits,

"(B) the claimant's costs of the action, and

"(C) the claimant's costs of investigating the violation and prosecuting the suit, including reasonable investigator's and attorney's fees.

In assessing defendant's profits, the claimant shall be required to prove defendant's sales only. The defendant must prove all elements of cost or deduction claimed therefrom.

"(2) The court, on a motion promptly made, may in its discretion award prejudgment interest on the monetary recovery awarded under this subsection and subsections (f)(3) and (i) of this section, at an annual interest rate established under section 6621 of the Internal Revenue Code of 1954, commencing on the date of the service of the civil claimant's pleadings setting forth the claim for monetary recovery and ending on the date such judgment is awarded, or for such shorter time as the court deems appropriate.

"(3) A final judgment or decree rendered in favor of the United States in any criminal proceeding brought by the United States under this section shall estop the defendant from denying the essential allegations of the criminal offense in any civil proceeding brought by any civil claimant under this section.

"(e) All defenses available in an action brought under the Act of July 5, 1946, commonly known as the Trademark Act of 1946 (60 Stat. 427; 15 U.S.C. 1051 et seq.) shall be available, if relevant, in any criminal or civil action brought under this section.

"(f)(1) In any civil proceeding brought pursuant to this section the district courts of the United States shall have jurisdiction to prevent and restrain trafficking in counterfeit goods or services by issuing appropriate orders, including, in appropriate circumstances, temporary restraining orders on notice to the defendant, ex parte temporary restraining orders, and ex parte orders for the seizure of counterfeit goods and the following materials:

"(A) spurious marks;

"(B) the means of making such spurious marks;

"(C) articles in the defendant's possession bearing such spurious marks, or on or in connection with which such spurious marks are intended to be used; and

"(D) business records documenting the manufacture, purchase, or sale of counterfeit goods or of the materials listed in subparagraphs (A) through (C) of this paragraph.

"(2) Any business records seized through an ex parte seizure order in a civil proceeding under this section shall be taken into the custody of the court. The applicant or its representatives shall not be permitted to see any such records during the course of the seizure or thereafter, except under an appropriate protective order, issued on notice to the person from whom the records were seized, with respect to confidential business information.

"(3) Ex parte seizure orders under this section shall be subject to the Federal Rules of Civil Procedure. No such order shall be issued unless the applicant—

"(A) provides an affidavit clearly setting forth specific facts in support of the need for the seizure order, and

"(B) provides security in an amount the court deems adequate to compensate any person for damages such person may suffer as a result of a wrongful seizure or wrongful attempted seizure of such person's property under this subsection.

Such damages shall include, but not be limited to, lost profits, the cost of materials, and loss of good will. In any case in which it is shown that the applicant caused the seizure without adequate evidence that the goods or materials were counterfeit, damages shall include reasonable attorney's fees. The court shall place under seal any order for an ex parte seizure under this section until the defendant has been given an opportunity to contest such order.

"(4) No order for an ex parte seizure under this subsection shall be issued unless the court finds that a temporary restraining order on notice to the defendant, or an ex parte temporary restraining order, would be inadequate to protect the applicant's interests. In particular, no court shall issue any order for an ex parte seizure under this subsection unless it clearly appears from specific facts offered under oath or affirmation that—

"(A) counterfeit goods or the materials described in paragraph (1) are located at the place identified in the affidavit, and

"(B) the applicant will suffer immediate and irreparable injury, loss, or damage if the goods or materials are not seized through execution of an ex parte order, in that—

"(i) the person from whom the goods or materials are to be seized would not comply with an order to retain the goods or materials and to make them available to the court, but would instead make the goods or materials inaccessible by destroying, hiding, or transferring them; or

"(ii) the person from whom the goods or materials are to be seized will otherwise act to frustrate the jurisdiction of the court in a proceeding under this section.

If the applicant can make this showing, the applicant need not make any further showing about the defendant's state of mind in order to obtain an ex parte seizure order.

"(5) Any order for a seizure under this subsection shall particularly describe the goods or materials to be seized, the place from which they are to be seized, and the amount of security provided by the applicant.

"(6) Any seizure ordered under this subsection shall specify that such order is to be carried out by a United States Marshal or other law enforcement officer or agency designated by the court. Any matter seized shall be taken into the custody of the court.

pending a hearing to be conducted within 10 days after the seizure concerning the legality of the seizure and the need for injunctive relief, if any. Such hearing shall be conducted pursuant to rule 65 of the Federal Rules of Civil Procedure. All parties shall be granted, upon request, expedited discovery in connection with such hearing. Should the plaintiff fail to make the showing required by rule 65, the goods or materials seized shall be returned to the defendant, unless the court specifically finds that the goods or materials are counterfeit, in which case the court may retain them for evidentiary purposes. Such seizure shall be made only after the order has been served upon the defendant, his agent, accomplice, or designee. The applicant shall give notice of an application for an order under this section to the United States Attorney for the district in which the issuing court sits. Such notice shall be given at least twenty-four hours before the order becomes effective, unless the court determines that such notice would be impracticable.

"(7) No order for a seizure shall be issued under this subsection if the defendant has complied with the notice and labeling provisions of subsection (c) of this section.

"(g) The court shall employ appropriate procedures to ensure that confidential business information is not improperly disclosed in discovery proceedings in civil cases under this section.

"(h) If, in any civil or criminal action brought under this section, the court determines that the goods or services at issue are counterfeit, the court may, after reasonable notice to the United States Attorney for the district in which the issuing court sits, order the destruction of all counterfeit goods, spurious marks, means of making such spurious marks, and materials bearing such spurious marks, which are in the possession or control of the court or any party to the action; or, after obliteration of any spurious mark, the court may order the disposal of such goods, marks, means, or materials to the United States or an eleemosynary institution.

"(i) When a civil claimant in bad faith pleads or pursues a cause of action under subsection (d) of this section, the court shall award damages to the defendant, including punitive damages when appropriate, and the costs of defending the cause of action, including reasonable investigator's and attorney's fees incurred by the defendant.

"(j) Nothing in this section shall supersede or change any provision of Federal, State, or other law imposing criminal penalties or affording civil remedies in addition to those provided for in this section, except that no civil claimant who recovers treble damages or treble profits pursuant to this section shall also be entitled to corresponding recovery under any other Federal, State, or other law in connection with the same underlying occurrences or transactions. Any provisional or equitable remedy that would be available in a comparable civil action under the Trademark Act of 1946 shall, to the same extent and upon a comparable showing, be available under this section.

"(k) The remedies available in any civil action under this section shall be subject to the limitations specified in section 32 of the Trademark Act of 1946 (15 U.S.C. 1114(2)).".

Sec. 3. The table of sections for chapter 113 of title 18, United States Code, is amended by adding after the item relating to section 2319 the following new item:

"2320. Trafficking in counterfeit goods or services.".

Sec. 4. (a) Section 32(1) of the Trademark Act of 1946 (15 U.S.C. 1114(1)) is amended by striking out "counterfeit," in clauses (a) and (b).

(b) Section 36 of the Trademark Act of 1946 (15 U.S.C. 1118) is amended by striking out "counterfeit,".

(c) Section 45 of the Trademark Act of 1946 (15 U.S.C. 1127) is amended by striking out the paragraph beginning "A 'counterfeit' is".

(d) Section 526(e) of the Tariff Act of 1930 (19 U.S.C. 1526(e)) is amended by striking out "a counterfeit mark (within the meaning of section 45 of the Act of July 5, 1946 (commonly referred to as the Lanham Act, 60 Stat. 427; 15 U.S.C. 1127))" and inserting in lieu thereof "a spurious mark that is identical to, or substantially indistinguishable from, a mark registered on the principal register in the United States Patent and Trademark Office, which is".

Sec. 5. This Act shall take effect upon enactment.

Passed the Senate June 28 (legislative day, June 25), 1984.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ALCOHOL ABUSE, DRUG ABUSE, AND MENTAL HEALTH AMENDMENTS OF 1984

Mr. STEVENS. Mr. President, I ask unanimous consent that the Labor and Human Resources Committee be discharged from further consideration of H.R. 5603, the Alcohol Abuse, Drug Abuse, and Mental Health Amendments of 1984, and ask for immediate consideration of the bill.

The PRESIDING OFFICER. The clerk will report the bill.

The assistant legislative clerk read as follows:

A bill (H.R. 5603) to amend the Public Health Service Act to revise and extend the authorities of that Act for assistance for alcohol and drug abuse and mental health services and to revise and extend the Development Disabilities Assistance and Bill of Rights Act.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alaska?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 3373

(Purpose: To substitute the Senate bill)

Mr. STEVENS. Mr. President, on behalf of Senator HATCH, I send an amendment to the desk in the nature of a substitute and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], on behalf of Mr. HATCH, proposes an amendment numbered 3373.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

(The text of the amendment was printed earlier in today's RECORD under Amendments Submitted.)

Mr. HATCH. Mr. President, on June 26, the Senate passed by voice vote S. 2572, the Developmental Disabilities Assistance and Bill of Rights Act of 1984. Previously, on June 11, 1984, the House passed their version of this reauthorization legislation as title II of H.R. 5603, the Alcohol Abuse, Drug Abuse, and Mental Health Amendments of 1983.

The substitute is the text of S. 2573 as passed unanimously by the Senate.

So that the record may be clear, we have an understanding with the House that the two distinct legislative areas contained within H.R. 5603, Alcohol, Drug Abuse, and Mental Health Programs (title I) and Developmental Disabilities Programs (title II) will be conferenced independently of each other. I anticipate the House and Senate will use an earlier Senate-passed bill, S. 2303, the Alcohol, Drug Abuse, and Mental Health Block Grant Amendments as the vehicle for conferencing title I of H.R. 5603 while H.R. 5603 will be used to conference the text of S. 2573 with title II of H.R. 5603.

Finally, to assure continuity of legislative history, I would like to specifically reference the floor debate on S. 2573 which is found on pages S. 8286 through S. 8288 of the CONGRESSIONAL RECORD of June 26, 1984. My own statement as well as the following Senators, Mr. WEICKER, Mr. DOLE, Mr. STAFFORD, Mr. LEAHY, and Mr. RANDOLPH's statements can be found in this section of the RECORD.

Mr. STEVENS. Mr. President, I ask for the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3373) was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read the third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 5603) was passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I send to the desk an amendment to the title and ask for its immediate consideration.

The **PRESIDING OFFICER.** The amendment will be stated.

The legislative clerk read as follows:

> Amend the title so as to read: "A bill to revise and extend programs for persons with developmental disabilities.".

The **PRESIDING OFFICER.** The question is on agreeing to the amendment to amend the title.

The amendment was agreed to.

Mr. STEVENS. Mr. President, I move that the Senate insist on its amendment and request a conference with the House and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. COCHRAN) appointed Mr. HATCH, Mr. WEICKER, Mr. STAFFORD, Mr. KENNEDY, and Mr. RANDOLPH conferees on the part of the Senate.

HIGH-SPEED INTERCITY RAIL PASSENGER STUDY

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate turn to the consideration of H.R. 4308, the high-speed intercity rail passenger study now being held at the desk.

The **PRESIDING OFFICER.** Is there objection?

Mr. BYRD. Mr. President, I have no objection.

The **PRESIDING OFFICER.** Without objection, the bill will be stated by title.

The legislative clerk read as follows:

> A bill (H.R. 4308) granting the consent of the Congress to an interstate compact for the preparation of a feasibility study for the development of a system of high-speed intercity rail service.

Mr. STEVENS. Mr. President, I ask for the immediate consideration of the bill.

There being no objection, the Senate proceeded to consider the bill.

Mr. PERCY. Mr. President, I rise today in support of H.R. 4308, a bill to establish a high-speed rail passenger compact for the five States of Illinois, Ohio, Indiana, Michigan, and Pennsylvania. This legislation is similar to the high-speed compact bill which I cosponsored along with several of my colleagues when it was introduced in April by Senator HEINZ.

The purpose of the high-speed rail passenger compact is to promote the design, development, construction, and use of high-speed rail transportation. I want to emphasize that H.R. 4308 provides only that the compact will qualify as a federally recognized compact and allows the five States to continue their feasibility study of a high-speed rail system. It does not authorize expenditures of any Federal funds. The bill would also establish an Interstate Rail Passenger Advisory Council which would be made up of representatives from each of the five States and eventually have the responsibility of establishing schedules, routes, and other activities.

I believe the time has come to seriously study this new transportation technology as a needed development in the public transportation infrastructure. Illinois, Ohio, Indiana, Michigan, and Pennsylvania comprise an area especially suited for a high-speed rail corridor and I have little doubt people would utilize the system if it is offered to them at a low cost and and as a timesaving method of transportation

The economic impacts of a high-speed rail system are especially significant. A high-speed rail line would provide an ongoing source of employment as well as enhance the economic development of the States by providing permanent jobs to start and maintain such a system. Studies have indicated that a 200-mile corridor, for example, would provide 40,000 jobs during the construction period. In addition, many other jobs would be created in service and supply industries.

One of the corridors which has been contemplated for a very high speed rail line is the 80-mile route between Milwaukee and Chicago's O'Hare Airport. Other routes in Illinois have been outlined as well, including Chicago-Detroit and Chicago-St. Louis. The Illinois General Assembly has passed legislation authorizing the State to join the high-speed rail compact, and this bill was signed into law by the Governor on September 17, 1980.

A number of other corridors have been identified as well for high-speed rail within the five State compact. The technical committee of the compact has prepared a table of possible routes. Mr. President, I ask unanimous consent that the table entitles "Selected Corridor Population and Travel Data" be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SELECTED CORRIDOR POPULATION AND TRAVEL DATA

Corridor	SMSA population [1] (thousands)	Miles [2]	Population mile (thousands)	Daily person trips [3]	
				Over 100 miles	Over 50 miles
Philadelphia, Harrisburg, Pittsburgh	8,055	313	25.7	22,000	NA
Pittsburgh, Cleveland, Detroit	10,774	327	32.9	13,700	38,500
Cleveland, Columbus, Cincinnati	6,142	272	22.6	14,200	18,400
Detroit, Columbus, Cincinnati	8,728	304	28.7	13,200	25,800
Detroit, Kalamazoo, Chicago	12,925	275	47.0	15,900	26,000
Cincinnati, Indianapolis, Chicago	10,315	295	35.0	15,900	NA
Chicago, Milwaukee	8,501	87	97.7	NA	NA
Chicago, Springfield, St. Louis	9,460	291	32.5	14,500	NA

[1] 1980 U.S. Census of Population for SMSA's (over 200,000 population in contiguous urban areas) only.

[2] Highway mileage from 1984 Rand McNally Road Atlas.

[3] Preliminary estimate of total person trip travel by corridor. The columns represent the total number of person trips between corridor communities which are over 100 miles or over 50 miles in distance.

Mr. PERCY. Mr. President, let us pass this bill soon. The Federal Government ought to offer this very limited assistance to the States by lending congressional sanction to the high speed rail compact. This very small investment will, I feel certain, pay large dividends in the future.

The **PRESIDING OFFICER.** The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 4308) was ordered to a third reading, was read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MICHIGAN CANAL NATIONAL HERITAGE CORRIDOR

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 746.

The **PRESIDING OFFICER** laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 746) entitled "An Act to establish the Illinois and Michigan Canal National Heritage Corridor in the State of Illinois, and for other purposes", do pass with the following amendment: Strike out all after the enacting clause and insert:

TITLE I

SHORT TITLE

SEC. 101. This title may be cited as the "Illinois and Michigan Canal National Heritage Corridor Act of 1984".

FINDINGS; PURPOSE

SEC. 102. (a) FINDINGS.—The Congress makes the following findings:

(1) An abundance of sites and structures within the corridor defined by the Illinois and Michigan Canal from Chicago, Illinois, to LaSalle-Peru, Illinois, symbolize in physical form the cultural evolution from prehistoric aboriginal tribes living in naturally formed ecosystems through European exploration, nineteenth century settlement, commerce, and industry right up to present-day social patterns and industrial technology.

(2) The corridor has become one of the most heavily industrialized regions of the Nation and has potential for further economic expansion and modernization. The area in which the corridor is located is currently experiencing high rates of unemployment and industrial migration. Establishment of the corridor as provided in this Act may provide the stimulus required to retain existing industry and to provide further industrial growth and commercial revitalization.

(3) Despite efforts by the State, political subdivisions of the State, volunteer associa-

tions, and private business, the cultural, historical, natural, and recreational resources of the corridor have not realized full potential social value and may be lost without assistance from the Federal Government.

(b) PURPOSE.—It is the purpose of this title to retain, enhance, and interpret, for the benefit and inspiration of present and future generations, the cultural, historical, natural, recreational, and economic resources of the corridor, where feasible, consistent with industrial and economic growth.

DEFINITIONS

SEC. 103. For purposes of this title—

(1) the term "canal" means the Illinois and Michigan Canal, as depicted on the map referred to in section 104(b);

(2) the term "Commission" means the Illinois and Michigan Canal National Heritage Corridor Commission established in section 105;

(3) the term "corridor" means the Illinois and Michigan Canal National Heritage Corridor established in section 104(a);

(4) the term "Governor" means the Governor of the State of Illinois;

(5) the term "National Park Service report" means the report of the National Park Service, dated November 1981, which contains a conceptual plan and implementation strategies for the corridor;

(6) the term "plan" means the goals, objectives, and action statements of the conceptual plan which—

(A) is contained in the National Park Service report; and

(B) may be modified by the Commission under section 108(h);

(7) the term "political subdivision of the State" means any political subdivision of the State of Illinois, any part of which is located in or adjacent to the corridor, including counties, townships, cities, towns, villages, park districts, and forest preserve districts;

(8) the term "Secretary" means the Secretary of the Interior; and

(9) the term "State" means the State of Illinois.

ESTABLISHMENT, BOUNDARIES, AND ADMINISTRATION OF CORRIDOR

SEC. 104. (a) ESTABLISHMENT.—To carry out the purpose of this title, there is established the Illinois and Michigan Canal National Heritage Corridor.

(b) BOUNDARIES.—(1) The corridor shall consist of the areas depicted on the map dated May 1983, and numbered IMC-80,000, entitled "Illinois and Michigan Canal National Heritage Corridor". Such map shall be on file and available for public inspection in the offices of the Commission and in the offices of the National Park Service.

(2) Upon a request of the Commission signed by not less than twelve members of the Commission, the Secretary may make minor revisions in the boundaries of the corridor. Any such revision shall take effect upon publication by the Secretary in the Federal Register of a revised boundary map.

(c) ADMINISTRATION.—The corridor shall be administered in accordance with this Act.

ESTABLISHMENT OF ILLINOIS AND MICHIGAN CANAL NATIONAL HERITAGE CORRIDOR COMMISSION

SEC. 105. There is established a commission to be known as the Illinois and Michigan Canal National Heritage Corridor Commission which shall carry out the duties specified in section 109.

ORGANIZATION OF COMMISSION

SEC. 106. (a) MEMBERSHIP.—The Commission shall be composed of nineteen members as follows:

(1) The Director of the National Park Service, ex officio, or a delegate.

(2) Three individuals, nominated by the Governor and appointed by the Secretary, who will represent the interests of State and local government.

(3) One member of the board of a forest preserve district, any part of which is located in or adjacent to the corridor, who shall be nominated by the Governor and appointed by the Secretary. Appointments made under this paragraph shall rotate among the three forest preserve districts, parts of which are located in the corridor, in a manner which will ensure fairly equal representation on the Commission for each such district.

(4) One member of the county board of each county, any part of which is located in the corridor (other than the county which is represented on the Commission by the member appointed under paragraph (5)), who shall be nominated by the Governor and appointed by the Secretary.

(5) Five individuals, nominated by the Governor and appointed by the Secretary, who will represent the interests of history, archaeology, and historic preservation; of recreation; and of conservation.

(6) Five individuals, nominated by the Governor and appointed by the Secretary, who will represent the interests of business and industry.

The Secretary may request that additional names be submitted for members appointed pursuant to paragraphs (2) through (6). Members appointed under paragraphs (5) and (6) shall be selected with due consideration to equitable geographic distribution. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(b) TERMS.—(1) Except as provided in paragraphs (2) and (3), members of the Commission shall be appointed for terms of three years.

(2) Of the members of the Commission first appointed under paragraphs (2), (3), (4), (5), and (6) of subsection (a)—

(A) six shall be appointed for terms of one year;

(B) six shall be appointed for terms of two years; and

(C) six shall be appointed for terms of three years, as designated by the Governor at the time of nomination.

(3) Any member of the Commission appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member of the Commission may serve after the expiration of his term until his successor has taken office.

(c) COMPENSATION.—Members of the Commission shall receive no pay on account of their service on the Commission, but while away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

(d) CHAIRPERSON.—(1) The chairperson of the Commission shall be elected by the members of the Commission from among members appointed under paragraphs (5) and (6) of subsection (a).

(2)(A) Except as provided in subparagraph (B), the term of the chairperson shall be two years.

(B) If a member is appointed to a term on the Commission which is less than two years and is elected chairperson of the Commission, then such member's term as chairperson shall expire at the end of such member's term on the Commission.

(e) QUORUM.—(1) Ten members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(2) Any member of the Commission may vote by means of a signed proxy exercised by another member of the Commission, but any member so voting shall not be considered present for purposes of establishing a quorum.

(3) The affirmative vote of not less than ten members of the Commission shall be required to approve the budget of the Commission.

(f) MEETINGS.—The Commission shall meet at least quarterly at the call of the chairperson or ten of its members. Meetings of the Commission shall be subject to section 552b of title 5, United States Code (relating to open meetings).

STAFF OF COMMISSION

SEC. 107. (a) DIRECTOR AND STAFF.—(1) The Commission shall have a Director who shall be appointed by the Commission and who shall be paid at a rate not to exceed the minimum rate of basic pay payable for level GS-15 of the General Schedule.

(2) The Commission may appoint such additional staff personnel as the Commission considers appropriate and may pay such staff at rates not to exceed the minimum rate of basic pay payable for level GS-15 of the General Schedule. Such staff may include specialists in areas such as interpretation, historic preservation, recreation, conservation, commercial and industrial development and revitalization, financing, and fundraising.

(3) Except as otherwise provided in this subsection, such Director and staff—

(A) shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service; and

(B) shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(b) EXPERTS AND CONSULTANTS.—Subject to such rules as may be adopted by the Commission, the Commission may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, but at rates determined by the Commission to be reasonable.

(c) STAFF OF OTHER AGENCIES.—(1) Upon request of the Commission, the head of any Federal agency may detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out the Commission's duties under section 109.

(2) The Commission may accept the services of personnel detailed from the State or any political subdivision of the State and may reimburse the State or such political subdivision for such services.

POWERS OF COMMISSION

SEC. 108. (a) HEARINGS.—(1) The Commission may, for the purpose of carrying out this title, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(2) The Commission may not issue subpenas or exercise any subpena authority.

(b) Powers of Members and Agents.—Any member or agent of the Commission, if so authorized by the Commission, may take any action which the Commission is authorized to take by this title.

(c) Administrative Support Services.—The Administrator of General Services shall provide to the Commission, on a reimbursable basis, such administrative support services as the Commission may request.

(d) Mails.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(e) Use of Appropriated Amounts To Obtain Federal Funding.—Notwithstanding any other provision of law, for purposes of any law conditioning the receipt of Federal funding on a non-Federal contribution, any portion of the amounts appropriated pursuant to section 116 of this title may, at the election of the Commission, be used as such non-Federal contribution.

(f) Gifts.—(1) Except as provided in subsection (g)(2)(B), the Commission may, for purposes of carrying out its duties, seek, accept, and dispose of gifts, bequests, or donations of money, personal property, or services, received from any source.

(2) For purposes of section 170(c) of the Internal Revenue Code of 1954, any gift to the Commission shall be deemed to be a gift to the United States.

(g) Acquisition of Real Property.—(1) Except as provided in paragraph (2) and except with respect to any leasing of facilities under subsection (c) of this section, the Commission may not acquire any real property or interest in real property.

(2) Subject to paragraph (3) of this subsection, the Commission may acquire real property, or interests in real property, in the corridor—

(A) by gift or devise; or

(B) by purchase from a willing seller.

(3) Any real property or interest in real property acquired by the Commission under paragraph (2) shall be conveyed by the Commission to an appropriate public or private land managing agency with the consent of such agency, as determined by the Commission. Any such conveyance shall be made—

(A) as soon as practicable after such acquisition;

(B) without consideration; and

(C) on the condition that the real property or interest in real property so conveyed is used for public purposes, consistent with the plan.

(h) Modification of Plan.—The Commission may modify the plan if the Commission determines that such modification is necessary to carry out the purpose of this Act. No such modification shall take effect until—

(1) the State and any political subdivision of the State which would be affected by such modification receives notice of such modification; and

(2) if such modification is significant (as determined by the Commission) the Commission—

(A) provides adequate notice (as determined by the Commission) of such modification by publication in the area of the corridor; and

(B) conducts a public hearing with respect to such modification.

(i) Cooperative Agreements.—For purposes of carrying out the plan, the Commission may enter into cooperative agreements with the State, with any political subdivision of the State, or with any person. Any such cooperative agreement shall, at a minimum, establish procedures for providing notice to the Commission of any action proposed by the State, such political subdivision, or such person which may affect the implementation of the plan.

(j) Advisory Groups.—The Commission may establish such advisory groups as the Commission deems necessary to ensure open communication with, and assistance from, the State, political subdivisions of the State, and interested persons.

DUTIES OF COMMISSION

Sec. 109. (a) Implementation of Plan.—The Commission shall implement and support the plan as follows:

(1)(A) The Commission shall assist the State, any political subdivision of the State, or any nonprofit organization in the appropriate preservation treatment and renovation (in accordance with the plan) of structures of the canal.

(B) In providing such assistance, the Commission shall in no way infringe upon the authorities and policies of the State or of any political subdivision of the State concerning the management of canal property.

(C) In providing such assistance or in carrying out any other provision of this Act, the Commission shall not be required to adopt the specifics recommended in the Historic American Engineering Record study published in April 1981.

(2)(A) The Commission shall assist the State or any political subdivision of the State in establishing and maintaining intermittent recreational trails which are compatible with economic development interests in the corridor.

(B) In providing such assistance, the Commission shall in no way infringe upon the authorities and policies of the State or of any political subdivision of the State.

(3) The Commission shall encourage private owners of property which is located in or adjacent to the corridor to retain voluntarily, as a good neighbor policy, a strip of natural vegetation as a visual screen and natural barrier between recreational trails established under paragraph (2) and development in the corridor.

(4) The Commission shall assist in the preservation and enhancement of Natural Areas Inventory, prepared by the Illinois Department of Conservation—

(A) by encouraging private owners of such natural areas to adopt voluntary measures for the preservation of such natural areas; or

(B) by cooperating with the State or any political subdivision of the State in acquiring, on a willing seller basis, any such natural area.

In providing such assistance, the Commission shall in no way infringe upon the authorities and policies of the State or of any political subdivision of the State.

(5) The Commission shall assist in the enhancement of public awareness of, and appreciation for, the historical, architectural, and engineering structures in the corridor and the archaeological and geological resources and sites in the corridor—

(A) by consulting with the Secretary with respect to inventories to be completed by the Secretary under section 12(1);

(B) by encouraging private owners of structures, sites, and resources identified in such inventories to adopt voluntary measures for the preservation of such structures, sites, and resources; or

(C) by cooperating with the State or any political subdivision of the State in acquiring, on a willing seller basis, any structure, site, or resource so identified.

(6) The Commission may assist the State, any political subdivision of the State, or any nonprofit organization in the restoration of any historic building in the corridor. Such assistance may include providing technical staff assistance for historic preservation and revitalization efforts.

(7) The Commission shall assist in the interpretation of the cultural and natural resources of the corridor—

(A) by consulting with the Secretary with respect to the implementation of the Secretary's duties under section 12(2);

(B) by establishing visitor orientation centers in the corridor;

(C) by encouraging voluntary cooperation and coordination between the Federal Government, the State, political subdivisions of the State, and nonprofit organizations with respect to ongoing interpretative services in the corridor; and

(D) by encouraging the State, political subdivisions of the State, and nonprofit organizations to undertake new interpretative initiatives with respect to the corridor.

(8) The Commission shall assist in establishing recognition for the corridor by actively promoting the cultural, historical, natural, and recreational resources of the corridor on a community, regional, statewide, national, and international basis.

(b) Encouragement of Economic and Industrial Development.—The Commission shall encourage, by appropriate means, enhanced economic and industrial development in the corridor consistent with the goals of the plan.

(c) Access Routes and Traffic.—The Commission shall take appropriate action to ensure that—

(1) access routes to the canal and related sites are clearly identified; and

(2) traffic in the corridor is routed away from industrial access routes and sites.

(d) Protective Features.—(1) The Commission may finance the installation of a fence, warning sign, or other protective feature in the corridor by the State, by any political subdivision of the State, or by any person if such fence, sign, or other feature is approved by the Commission, any affected governmental body, and the owner and any user of property located adjacent to the property on which such fence, sign, or other feature is to be installed.

(2) The Commission shall not require the installation of any fence, warning sign, or other protective feature.

(e) Reducing Excessive Liability.—The Commission shall encourage the State to take appropriate action to ensure that owners and users of property located in or adjacent to the corridor will not be subject to excessive liability with respect to activities which are carried out by such owners and users on such property and which affect persons and property in the corridor.

(f) Annual Reports.—Not later than May fifteen of each year (other than the year in which this Act is enacted) the Commission shall publish and submit an annual report concerning the Commission's activities to the Governor and to the Secretary.

RESTRICTIONS ON COMMISSION

Sec. 110. (a) Restrictions on Commission's Development.—(1) The Commission may not develop any site or structure in any area described in paragraph (2) unless such development involves the restoration, rehabilitation, or preservation of a facility existing on the date of the enactment of this Act.

(2) The areas referred to in paragraph (1) are the following areas:

(A) Any area in the corridor designated by the political subdivision of the State which has primary responsibility for regulating land use in such areas (as determined by the Commission) as suitable for industrial development. Areas so designated may include any area adjacent to the Illinois and Michigan Canal State Park, a conservation site, a historical site, or other visitor area.

(B) The area of the corridor in Grundy County, Illinois, extending from Morris, Illinois, to the eastern boundary of section 22, Aux Sable Township, but not including—

(i) lock eight and lock tender's house (identified as sites 1 and 2, respectively, on the map described in section 4(b));

(ii) Rutherford tavern, the old mule barn, and the historic cemetery (identified as sites 3, 4, and 5, respectively, on such map); and

(iii) any trail in such area which follows the historic towpath of the canal.

(C) The area of the corridor in Will County, Illinois, which extends from a line created from Interstate 55 to the center of the sailing line in the Des Plaines River, west on center line of sailing line to the intersection of the line formed by the eastern edge of sections 30 and 31 of Channahon Township east through Brandon Pool, but not including the trail in such area which follows the historic towpath of the canal.

(D) The area of the corridor in Will County, Illinois, which extends from the southern boundary of section 14, Lockport Township, to the eastern boundary of section 25, DuPage Township.

(b) RESTRICTIONS ON DEVELOPMENT OF TRAILS.—The Commission may not develop any new trail along the canal or historic towpath of the canal through industrial sites or railroad rights of way without concurrence of the owner, which—

(1) are located north of the city of Joliet, Illinois; and

(2) existed on the date of the enactment of this Act.

TERMINATION OF COMMISSION

SEC. 111. (a) TERMINATION.—Except as provided in subsection (b), the Commission shall terminate on the day occurring ten years after the date of the enactment of this Act.

(b) EXTENSION.—The Commission may extend the life of the Commission for a period of not more than five years beginning on the day referred to in subsection (a) if, not later than one hundred and eighty days before such day—

(1) the Commission determines such extension is necessary in order for the Commission to carry out the purpose of this title;

(2) the Commission submits such proposed extension to the Committee on Interior and Insular Affairs of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate; and

(3) the Governor and the Secretary each approve such extension.

DUTIES OF THE SECRETARY

SEC. 112. To carry out the purpose of this Act, the Secretary shall have the following duties:

(1) Not later than September 30, 1985, and in consultation with the Commission, the Secretary shall complete—

(A) an inventory of sites and structures of historical, architectural, or engineering significance in the corridor; and

(B) an inventory of sites and resources of archaeological or geological significance in the corridor.

(2) Not later than September 30, 1986, in consultation with the Commission and in accordance with the plan, the Secretary shall—

(A) develop a thematic structure for the interpretation of the heritage story of the corridor; and

(B) design and fabricate interpretative materials based on such thematic structure, including—

(i) trail guide brochures for exploring such heritage story via private auto, bus, bike, boat, or foot, including brochures for exploring such heritage story in towns along the canal;

(ii) visitor orientation displays (including video presentations) at eight locations which are fairly distributed along the corridor;

(iii) a curriculum element for local schools; and

(iv) an appropriate mobile display depicting such heritage story.

(3) The Secretary shall, upon request of the Commission, provide technical assistance to the Commission in carrying out the provisions of section 109(a)(6). Such assistance may include recommendations concerning appropriate preservation treatment, adaptive reuse potential, strategies for finding private investors, and tax advantages available with respect to such rehabilitation.

(4) The Secretary shall make available to interested persons information which explains tax advantages available with respect to the rehabilitation of historical structures in the corridor.

(5) For each fiscal year during the life of the Commission, the Secretary shall make available to interested persons brochures which explain tax advantages available with respect to the rehabilitation of historical structures in the corridor.

(6) For each fiscal year during the life of the Commission, the Secretary shall detail to the Commission, on a nonreimbursable basis, two employees of the Department of the Interior to enable the Commission to carry out the Commission's duties under section 9.

DUTIES OF OTHER FEDERAL ENTITIES

SEC. 113. Any Federal entity conducting or supporting significant activities directly affecting the corridor shall—

(1) consult with the Secretary and the Commission with respect to such activities;

(2) cooperate with the Secretary and the Commission in carrying out their duties under this Act and, to the maximum extent practicable, coordinate such activities with the carrying out of such duties; and

(3) to the maximum extent practicable, conduct or support such activities in a manner which the Commission determines will not have an adverse effect on the resources cited in the National Park Service report.

CONVEYANCE OF CANAL TITLE BY UNITED STATES

SEC. 114. (a) CONVEYANCE TO STATE.—(1) Except as provided in subsection (b), the United States shall convey to the State by quitclaim deed any right, title, or interest of the United States to the real property described in the Act entitled "An Act relinquishing to the State of Illinois certain right, title, or interest of the United States of America, and for other purposes", approved July 1, 1947 (61 Stat. 237), comprising approximately two thousand six hundred acres. The instrument of conveyance shall require that, except as provided in paragraph (2) such real property be used and occupied only for highway, park, recreational, or other public purposes, including those provided for under this Act. Such real property may be leased for utility or transmission purposes (or may be transferred or leased for park, recreation, or other public purposes consistent with the plan) if the revenue from any such lease or transfer is used for park and recreational purposes within the corridor.

(2) The State, or its successors or assigns, may continue to lease for any purpose any portion of the real property described in subsection (a) which was leased on or before February 9, 1984, so long as the revenue from such lease is used for park or recreational purposes within the corridor. Any private person occupying any portion of the real property described in subsection (a) may continue to occupy such real property with the written permission of the State (or of any successor or assign of the State in the case of any property which has been transferred to a successor or assign.)

(3) Except as provided in paragraph (2), if any real property conveyed to the State under this section ceases to be used and occupied as provided in paragraph (1), then any right, title, or interest in the real property not so used and occupied shall revert to the United States. The conveyance by the United States under this subsection shall be subject to the condition that the State of Illinois, its successors, and assigns agree to hold the United States harmless from claims arising from or through the operations of the lands conveyed by the United States due to conditions existing at the time of this conveyance.

(b) CONSENT OF SECRETARY OF ARMY.—The interests in the canal prism and towpath lands (including reserved lands) in township 37 north, range 11 east, section 14; township 35 north, range 10 east, sections 9 and 16; township 35 north, range 10 east, sections 16, 20, and 21; township 34 north, range 9 east, section 31; and township 34 north, range 8 east, sections 22, 23, 25, 26, and 36, necessary for the operation and maintenance of the Illinois Waterway navigation project may be conveyed under subsection (a) only with the concurrence of the Secretary of the Army with such conditions as necessary to protect the navigation project.

EFFECT ON ENVIRONMENTAL AND OTHER STANDARDS; RESTRICTIONS; SAVINGS PROVISIONS

SEC. 115. (a) EFFECT ON ENVIRONMENTAL AND OTHER STANDARDS.—(1) Nothing in this Act shall be deemed to impose any environmental, occupational, safety, or other rule, regulation, standard, or permit process which is different from those presently applicable, or which would be applicable, had the corridor not been established.

(2) The establishment of the corridor shall not impose any change in Federal environmental quality standards. No portion of the corridor which is subject to part C of title I of the Clean Air Act (42 U.S.C. 7470 et seq.), as amended by the Clean Air Act Amendments of 1977, may be designated as class 1 for purposes of such part C solely by reason of the establishment of the corridor.

(3) No State or Federal agency shall impose more restrictive water use designations or water quality standards upon uses of, or discharges to, waters of the State or waters of the United States, within or adjacent to the corridor solely by reason of the establishment of the corridor.

(4) Nothing in the establishment of the corridor shall abridge, restrict, or alter any applicable rule, regulation, standard or review procedure for permitting of facilities within or adjacent to the corridor.

(5) Nothing in the establishment of the corridor shall affect the continuing use and operation, as presently located, of all public utilities and common carriers.

(6) Actions taken under this title to achieve the purposes described in section 102(b) shall emphasize voluntary cooperation.

(b) Restrictions on Commission and Secretary.—Nothing in this title shall be construed to vest in the Commission or the Secretary any authority—

(1) to require the State, any political subdivision of the State, or any private person to participate in any project or program carried out by the Commission or the Secretary under this title;

(2) to intervene as a party in any administrative or judicial proceeding concerning the application or enforcement of any regulatory authority of the State or any political subdivision of the State, including any authority relating to land use regulation, environmental quality, licensing, permitting, easements, private land development, or other occupational or access issues;

(3) to establish or modify any regulatory authority of the State or of any political subdivision of the State, including any authority relating to land use regulation, environmental quality, or pipeline or utility crossings;

(4) to modify any policy of the State or of any political subdivision of the State; or

(5) to establish or modify any authority of the State or of any political subdivision of the State with respect to the acquisition of lands or interests in lands.

(c) Savings Provision.—Nothing in this title shall diminish, enlarge, or modify any right of the State or of any political subdivision of the State—

(1) to exercise civil and criminal jurisdiction within the corridor; or

(2) to tax persons, corporations, franchises, or property, including minerals and other interests in or on lands or waters within the corridor.

AUTHORIZATION OF APPROPRIATIONS; ALLOCATION OF AMOUNTS FOR CERTAIN PURPOSES

Sec. 116. (a) Authorization of Appropriations.—(1) For each fiscal year which commences after September 30, 1984, there is authorized to be appropriated—

(A) to the Commission a sum not to exceed $250,000 to carry out the Commission's duties under this title; and

(B) to the Secretary such sums as may be necessary to carry out the Secretary's duties under this title.

(2) Any sum appropriated under paragraph (1) shall remain available until expended.

(b) Allocation of Amounts for Certain Purposes.—Not less than 5 per centum of the aggregate amount available to the Commission from all sources for a fiscal year shall be used for carrying out each of the duties of the Commission specified in subsections (a)(1), (a)(2), (a)(3), (a)(4), (a)(5), (a)(6), (a)(7), (a)(8), and (b) of section 109.

COMPLIANCE WITH BUDGET ACT

Sec. 117. Any new spending authority described in subsection (c)(2)(A) of section 401 of the Congressional Budget Act of 1974 which is provided under this title shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

TITLE II

Sec. 201. (a) The Act of May 17, 1954 entitled "An Act to provide for the construction of the Jefferson National Expansion Memorial at the site of old Saint Louis, Missouri, in general accordance with the plan approved by the United States Territorial Expansion Memorial Commission, and for other purposes" (68 Stat. 98; 16 U.S.C. 450jj), is amended by inserting after section 3 of the following new sections:

"Sec. 4. (a) The Secretary of the Interior is further authorized to designate for addition to the Jefferson National Expansion Memorial (hereinafter in this Act referred to as the 'Memorial') not more than three hundred and fifty acres in the city of East Saint Louis, Illinois, contiguous with the Mississippi River and between the Eads Bridge and the Poplar Street Bridge, as generally depicted on the map entitled 'Boundary Map, Jefferson National Expansion Memorial', numbered MWR-366/80,004, and dated February 9, 1984, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. The additional acreage authorized by this section is in recognition of the historical significance of the Memorial site to the westward expansion of the United States and the historical linkage of this site on the Mississippi in both Missouri and Illinois to such expansion, the international recognition of the Gateway Arch, designed by Eero Saarinen, as one of the world's great sculptural and architectural achievements, and the increasing use of the Memorial site by millions of people from all over the United States and the world.

"(b) Within the area designated in accordance with this section, the Secretary of the Interior may acquire lands and interests in lands by donation, purchase with donated or appropriated funds, or exchange, except that lands owned by the State of Illinois or any political subdivision thereof may be acquired only by donation. The Secretary may not acquire by purchase (with donated or appropriated funds) fee title to more than one hundred acres within the area. If additional lands are acquired in fee by the Secretary by donation or exchange, the Secretary shall, in accordance with section 5 of this Act, transfer lands or interests in lands within the area until the Secretary does not have ownership in fee of more than one hundred acres within the area.

"Sec. 5. Where appropriate in the discretion of the Secretary of the Interior, he may transfer by lease or otherwise, to any appropriate person or governmental entity, land owned by the United States (or any interest therein) which has been acquired by the Secretary under section 4. Any such transfer shall be consistent with the management plan for the area and with the requirements of section 5 of the Act of July 15, 1968 (82 Stat. 356; 16 U.S.C. 4601-22) and shall be subject to such conditions and restrictions as the Secretary deems necessary to carry out the purposes of this Act, including terms and conditions which provide for—

"(1) the continuation of existing uses of the land which are compatible with the Memorial,

"(2) the protection of the important historical resources of the leased area, and

"(3) the retention by the Secretary of such access and development rights as the Secretary deems necessary to provide for appropriate visitor use and resource management. In transferring any lands or interest in lands under this section, the Secretary shall take into account the views of the Advisory Commission established under section 8.

"Sec. 6. Lands and interests in lands acquired pursuant to section 4, shall, upon acquisition, be a part of the Memorial. The Secretary of the Interior shall administer the Memorial in accordance with this Act and the provisions of law generally applicable to units of the national park system, including the Act entitled 'An Act to establish a National Park Service, and for other purposes', approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4) and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461-467). In the development, management, and operation of that portion of the Memorial which is added to the Memorial under section 4, the Secretary shall, to the maximum extent feasible, utilize the assistance of State and local government agencies and the private sector. For such purposes, the Secretary may, consistent with the management plan for the area, enter into cooperative agreements with the State, with any political subdivision of the State, or with any person. Any such cooperative agreement shall, at a minimum, establish procedures for providing notice to the Secretary of any action proposed by the State, such political subdivision, or such person, which may affect the area.

"Sec. 7. (a) Within eighteen months after the date of enactment of this section, the Secretary of the Interior, in consultation with the Jefferson National Expansion Memorial Advisory Commission established in section 8, shall develop and transmit to the Congress a general management plan for the Memorial. The Memorial management plan shall include—

"(1) measures for the preservation of the area's resources;

"(2) indications of types and general intensities of development (including visitor circulation and transportation patterns, systems, and modes) associated with public enjoyment and use of the area, including general locations, timing of implementations, and anticipated costs;

"(3) identification of any implementation commitments for visitor carrying capacities for all areas of the area;

"(4) indications of potential modifications to the external boundaries of the area, and the reasons therefor; and

"(5) measures for insuring that the development, management, and operation of the area in the State of Illinois is compatible with the portion of the Memorial in the State of Missouri.

"(b)(1) The Memorial management plan shall identify—

"(A) opportunities for cooperative activities in the development, management, and operation of the East Saint Louis portion of the Memorial with other Federal, State, and local agencies, and the private sector; and

"(B) effective and appropriate ways to increase local participation in the management of the East Saint Louis portion of the Memorial to help reduce the day-to-day administrative responsibilities of the National Park Service and to increase opportunities for local employment.

"(2) In preparing the management plan, the Secretary shall take into account other Federal, State, and local plans and studies which are being carried out respecting the area, including the study being conducted by the National Park Service on the feasibility of a museum of American ethnic culture to be a part of a development plans for the Memorial.

"Sec. 8. (a) There is hereby established the Jefferson National Expansion Memorial Advisory Commission (hereinafter in this Act referred to as the 'Commission').

"(b)(1) The Commission shall—

"(A) advise the Secretary of the Interior on the planning, development, management, and operation of the Memorial;

"(B) during the development of the management plan required by section 7, identify needs and opportunities for the esthetic and economic rehabilitation of the entire East Saint Louis, Illinois, waterfront and adjacent areas, in a manner compatible with, and complementary to, the Memorial, including the appropriate roles of the Federal, State, and local governments, and the private sector; and

"(C) prepare cost estimates and recommendations for Federal, State, and local administrative and legislative actions.

In carrying out its duties under subparagraph (B), the Commission shall take into account Federal, State, and local plans and studies respecting the area, including the study by the National Park Service on the feasibility of a museum of American ethnic culture to be a part of a development plans for the Memorial.

"(2) The Commission's findings and recommendations shall be incorporated in a report to be submitted to the Secretary of the Interior, the Governor of the State of Illinois, the Governor of the State of Missouri, and the Congress within two years of the date of enactment of this section.

"(c) The Commission shall be composed of nineteen members as follows:

"(1) The county executive of Saint Louis County, Missouri, ex officio, or a delegate.

"(2) The chairman of the Saint Clair County Board of Supervisors, Illinois, ex officio, or a delegate.

"(3)(A) The executive director of the Bi-State Development Agency, Saint Louis, Missouri, ex officio, or a delegate.

"(B) A member of the Bi-State Development Agency, Saint Louis, Missouri, who is not a resident of the same State as the executive director of such agency, appointed by a majority of the members of such agency, or a delegate.

"(4) The mayor of the city of East Saint Louis, Illinois, ex officio, or a delegate.

"(5) The mayor of Saint Louis, Missouri, ex officio, or a delegate.

"(6) The Governor of the State of Illinois, ex officio, or a delegate.

"(7) The Governor of the State of Missouri, ex officio, or a delegate.

"(8) The Secretary of Housing and Urban Development, ex officio, or a delegate.

"(9) The Secretary of Transportation, ex officio, or a delegate.

"(10) The Secretary of the Treasury, ex officio, or a delegate.

"(11) The Secretary of Commerce, ex officio, or a delegate.

"(12) The Secretary of the Smithsonian Institution, ex officio, or a delegate.

"(13) Three individuals appointed by the Secretary of the Interior from a list of individuals nominated by the mayor of East Saint Louis, Illinois, and the Governor of the State of Illinois.

"(14) Three individuals appointed by the Secretary of the Interior from a list of individuals nominated by the mayor of Saint Louis, Missouri, and the Governor of the State of Missouri.

Individuals nominated for appointment under paragraphs (13) and (14) shall be individuals who have knowledge and experience in one or more of the fields of parks and recreation, environmental protection, historic preservation, cultural affairs, tourism, economic development, city planning and management, finance, or public administration. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

"(d)(1) Except as provided in paragraphs (2) and (3), members of the Commission shall be appointed for terms of three years.

"(2) Of the members of the Commission first appointed under paragraphs (13) and (14) of subsection (c)—

"(A) two shall be appointed for terms of one year;

"(B) two shall be appointed for terms of two years; and

"(C) Two shall be appointed for terms of three years;

as designated by the Secretary of the Interior at the time of appointment.

"(3) Any member of the Commission appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member of the Commission may serve after the expiration of his term until his successor has taken office.

"(e) Members of the Commission shall receive no pay on account of their service on the Commission, but while away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

"(f) The chairperson of the Commission shall be elected by the members of the Commission.

"(g) Upon request of the Commission, the head of any Federal agency represented by members on the Commission may detail any of the personnel of such agency, or provide administrative support services to the Commission to assist the Commission in carrying out the Commission's duties under subsection (b).

"(h) The Commission may, for the purposes of carrying out the Commission's duties under subsection (b), seek, accept, and dispose of gifts, bequests, or donations of money, personal property, or services, received from any source.

"(i)(1) Except as provided in paragraph (2), the Commission shall terminate on the day occurring ten years after the date of enactment of this section.

"(2) The Secretary of the Interior may extend the life of the Commission for a period of not more than five years beginning on the day referred to in paragraph (1) if the Commission determines that such extension is necessary in order for the Commission to carry out this Act.

"Sec. 9. Pending submission of the Commission's final report, any Federal entity conducting or supporting significant activities directly affecting East Saint Louis, Illinois, generally and the site specifically referred to in section 4 shall—

"(1) consult with the Secretary of the Interior and the Commission with respect to such activities;

"(2) cooperate with the Secretary of the Interior and the Commission in carrying out their duties under this Act, and to the maximum extent practicable, coordinate such activities with the carrying out of such duties; and

"(3) to the maximum extent practicable, conduct or support such activities in a manner which the Secretary determines will not have an adverse effect on the Memorial.".

(b) Section 4 of the Act of May 17, 1954 entitled "An Act to provide for the construction of the Jefferson National Expansion Memorial at the site of old Saint Louis, Missouri, in general accordance with the plan approved by the United States Territorial Expansion Memorial Commission, and for the other purposes" (68 Stat. 98; 16 U.S.C. 450jj), is amended by—

(1) redesignating "Sec. 4." as "Sec. 10. (a)"; and

(2) adding at the end thereof the following new subsections:

"(b)(1) There is hereby authorized to be appropriated to carry out the provisions of section 4 of this Act, not to exceed $1,000,000.

"(2) There is hereby authorized to be appropriated for the development of visitor facilities, not to exceed $750,000.

"(c) Funds appropriated under subsection (b) of this section shall remain available until expended.

"(d) Authority to enter into contracts or make payments under this Act shall be effective for any fiscal year only to the extent that appropriations are available for that purpose.".

Sec. 202. Any provision of this title (or any amendment made by this title) which, directly or indirectly, authorizes the enactment of new budget authority described in section 402(a) of the Congressional Budget Act of 1974 shall be effective only for fiscal years beginning after September 30, 1983.

Sec. 203. This title may be cited as the "Jefferson National Expansion Memorial Amendments Act of 1984".

Mr. PERCY. Mr. President, I am extremely pleased that the Senate is about to enact legislation to establish the Illinois and Michigan National Heritage corridor in Illinois. This is, in fact, the second time we have passed this bill. You will recall that after the Senate first approved S. 746 back in February, the House acted the next day on similar legislation. However, along with the language establishing the I&M corridor, the other body added a provision to authorize the additional expansion of the Jefferson National Expansion Memorial to the east side of the Mississippi River at St. Louis, MO, and East St. Louis, IL. It is this combined package, again amended, which we are considering today.

I have spoken before on the importance of the I&M Heritage corridor to my State. The Illinois and Michigan Canal was started in 1836. When it was completed in 1848, it formed the only reliable transportation link between the Great Lakes and the Mississippi River basin. As such, the I&M corridor became the center of the industrial revolution in the Upper Midwest. The towns that grew up along it—Joliet, Ottawa, LaSalle, and, indeed, Chicago—were in many cases first mapped out and settled by workers who had built the canal.

By the end of the 19th century, the railroad had largely taken over the role of the I&M as an industrial lifeline. But the canal corridor acted as a catalyst for economic development in Illinois. In fact, even to this day many of America's major corporations are located in the I&M corridor.

The legislation which we are acting on today will help us preserve the I&M corridor, much of which has been designated as a national historic landmark. It incorporated the recommendations of a National Park Service report, commissioned in 1980, which called for the preservation of natural areas and historic sites. The bill, while establishing a commission appointed by the Governor to market and promote the resources of the corridor, does not authorize actual acquisition of property by the Federal Government. The bill does authorize the Federal Government to pay the salaries of a director and staff for the commission as well as provide interpretative materials and assistance for historic preservation and revitalization efforts along the corridor. This federally funded technical and staff assistance is valued at about $5 million.

The second part of this bill, which the Senate is passing for the first time, authorizes the acquisition of property by the National Park Service for the Jefferson National Expansion Memorial.

Since the completion of the great Gateway Arch, many of us have worked to complete the dream of its architect, Eero Saarinen. That dream was to create a "great, green park" on both sides of the Mississippi River. Unfortunately, however, while the Missouri side of the river was completed in line with Saarinen's vision, the Illinois side has languished behind. The bill we are passing today will help to revitalize the east side of the river and complete Saarinen's dream.

Title II of S. 746 authorizes the Secretary of the Interior to acquire up to 100 acres in the city of East Saint Louis for addition to the Jefferson National Expansion Memorial. The bill also established a broadly based Commission which is directed to come up with a management plan for the completed memorial. This plan, among other purposes, will ensure that the Illinois side of the memorial is compatible with the Missouri side; will try to coordinate Federal, State, and local roles in the business of the memorial; will work out the implementation of arrangements for visitors to the site; and it will arrange for continued local and State funding for operation and maintenance of the memorial.

I believe the idea of a plan for the Jefferson Memorial is a good one. It gives us time to plan how Federal funds are going to be used in the presently undeveloped site. Certainly, taking time to develop a plan on the commission's recommendations is a better idea than simply plunging in with a massive Federal investment right away. I want to ensure that all interested parties in the Jefferson National Expansion Memorial—Federal, State, and especially local—have a say in the memorial. The plan process, as envisioned in this bill, will provide that opportunity.

The legislation authorizes a $1 million appropriation for land acquisition for the Jefferson Expansion Memorial. It also authorizes $750,000 for the construction of a visitor's center on the site. An additional $500,000 in Federal funds for landscaping is authorized on a one-for-one local match basis.

This legislation is the result of years of work by many committed Illinoisans and timely assistance by some members of this body. In this respect, I wish to pay tribute to the distinguished chairman of the Committee on Energy and Natural Resources, Senator McClure. He helped Senator Dixon and I in getting the original S. 746 passed unanimously out of committee. When the House sent the bill back to us with the title II added on, Senator McClure again graciously lent us his support, aid, and advice. I can truly say that without his help, and that of the fine professional committee staff, we would not have action on this bill today. I know that I speak for my colleague Senator Dixon in thanking Chairman McClure.

The passage of this bill marks a historic occasion for the State of Illinois. Hopefully, it will make it through the House and be signed by the President. When that happens, the Federal Government, through the National Park Service, will finally be making an investment in Illinois commensurate with the beauty and historical significance of the resources in our great State.

Mr. President, at the present time, the National Park Service has only one site in Illinois—the 12-acre Lincoln Home. The Nation has been cheating itself by not having more Park Service sites in Illinois. This legislation will ensure that these two great resources—the Illinois and Michigan corridor and the Jefferson National Expansion Memorial—receive Federal attention and are opened up for the enjoyment of all American citizens.

Mr. McCLURE. Mr. President, I rise in support of the Senate amendment to the House amendment to S. 746, to establish the Illinois and Michigan Canal National Heritage Corridor in the State of Illinois and to expand the Jefferson National Expansion Memorial into East St. Louis, IL.

S. 746 passed the Senate amended on February 27, 1984. On February 28, 1984 the House amended S. 746 to include as title II the language of H.R. 2014. The distinguished Chairman of the Public Lands and Reserved Water Subcommittee, Senator Wallop, and I reviewed title II of S. 746. I sent a letter to the Illinois delegation which stated in part:

> . . . I want to convey my appreciation to you for working so diligently to see to it that the benefits of the Jefferson Expansion National Memorial are extended directly to the citizens of Illinois. I do not object to the effort to revitalize East St. Louis and recognize the proximity and effect on the Memorial. I also have some specific concerns.
>
> At my request, the National Park Service has updated the projects costs contained in their 1975 study of the expansion of the Memorial into East St. Louis. Our understanding is that these costs assumed a 100 acre site and do not take into account savings that may be possible through donations of land, sharing of costs, etc., so they may be slightly on the high side. They are as follows:
>
> Land acquisition—No current estimate;
>
> Demolition—$3.9 million;
>
> Utility Relocation—$3 million;
>
> Construction and Development—$48 million;
>
> Total—$54.9 million.
>
> As you know, Title II of S. 746 currently authorizes $750,000 for rehabilitation of a warehouse for a visitor center and $1,000,000 for land acquisition. The National Park Service costs listed above, and the difference between them and the authorization levels, raises a number of questions in my mind. I note that 350 acres are authorized for inclusion in the Memorial but that only a 100 acre maximum may be acquired in fee by the Secretary of the Interior. Do you anticipate the Secretary acquiring interests in lands up to 350 acres maximum? Do you have an estimate of "less than fee" costs and acreage? Why is there a need for 350 acres? I note the present Memorial in St Louis is 90+ acres. How much land is to be acquired for $1 million? What cultural resources need to be protected in the 100 acre site? Who would pay for demolition and relocation of non-historic structures in the project area? What limitation will be developed and placed on the National Park Service's role in the revitalization of the East St. Louis project area? What role is foreseen for the City of East St. Louis, the State of Illinois, and other Federal agencies (such as the Department of Housing and Urban Development and the Department of Commerce)?
>
> I understand that the entire 100 acre site is industrial property; semi-active and abandoned railroad facilities, including marshalling yards; three large grain silos; numerous other warehouses and some homes. This project could literally cost $50 to $100 million, according to the Park Service. I do not believe it would be appropriate for the National Park Service to be the major redevelopment agent for the area. However, I would agree that an expanded Memorial could serve very effectively as the centerpiece of a cooperative local, State, and Federal revitalization project for this area. I am seeking specific reassurances that Title II of S. 746 places appropriate limitations on future liabilities against the Treasury, the National Park Service and other Federal agencies * * *.

Mr. President, the Department of the Interior also had strong objections to title II of S. 746 as passed the House. I ask unanimous consent that their views be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Department
of the Interior,
Office of the Secretary,
Washington, DC, March 9, 1984.

Hon. James A. McClure,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

Dear Mr. Chairman: This responds to your request for our views on title II of S. 746, as passed by the House, the "Illinois and Michigan Canal National Heritage Corridor Act of 1984".

We are strongly opposed to the enactment of title II of S. 746 and recommend its deletion from the legislation.

The Administration supports the enactment of title I of S. 746, as passed by the House, which is identical to S. 746, as passed by the Senate on February 27, 1984. Title I would designate the Illinois and Michigan Canal in Illinois as the Illinois and Michigan Canal National Heritage Corridor. We had offered a number of amendments to S. 746, as introduced, many of which were adopted by your Committee, and we thank you for considering our views on that bill and reporting out a bill that could be supported by the Administration.

We now look to you for help with some serious problems that we have with S. 746, as passed by the House. Title II of this legislation would extend the boundary of the Jefferson National Expansion Memorial National Historic Site to East St. Louis, Illinois, by requiring the acquisition of property that the National Park Service has found to be not of national significance. It would also establish a commission to address the economic needs of the area.

On November 15, 1983, the National Park Service testified at a hearing before the House Subcommittee on Public Lands and National Parks on the proposal to expand the national historic site to include some 350 acres of East St. Louis, Illinois, waterfront. At that time, the Administration's position was, and still is, strong opposition to this proposal, now title II of S. 746. There have been no hearings held by your committee on this proposal.

The purpose of extending the boundary for any unit of the National Park System ought to be resource or management based. A site should contain resources of national significance to be included within the boundary of an existing unit. The other reason for which a unit's boundary ought to be expanded is to accommodate a management need.

Concerning significance, a 1970 National Park Service study determined that the East St. Louis riverfront "could not stand alone as an entity of national historical significance." There is no historic fabric that will be lost to the Nation if this land is not acquired.

Concerning management need, additional land is not necessary. The National Park Service has determined that, although it would be desirable if development of the East St. Louis waterfront were compatible with the existing site, acquisition of the waterfront property is not necessary to achieve this result. Compatible development can be achieved through National Park Service participation in the local planning process, without land management responsibility in East St. Louis, and without the associated costs. Therefore, we oppose the authorization for land acquisition and development as unjustified.

It is clear from the testimony of the witnesses at the House hearing that expansion of the existing national historic site across the Mississippi into the waterfront area of East St. Louis is being proposed as a principal means of economic revitalization of that city. The problem addressed in title II of S. 746, as passed by the House, is not one of historic preservation or park management need; it is economic revitalization.

In keeping with the nature of the problem, the National Park Service has expressed its willingness to participate in State and local efforts to review the options for economic development of the area to ensure that such development efforts are compatible with the national historic site. A Federal, State and local commission would be established by title II of S. 746 to conduct such a review. Such a commission is not necessary to address the economic development needs of the area. Moreover, the Administration has not had sufficient time to review the commission proposal to determine whether it is consistent with the Appointments Clause of the Constitution.

We therefore urge members of your Committee to reject title II of S. 746 when it is reviewed in the Senate. It is an inappropriate insertion of the National Park Service in an expensive and unwarranted land managing role, where its concerns are only that whatever development occurs be compatible with the existing site. The economic development issue is important, but it should not be addressed by adding the area to the National Park System.

National Park Service Director Russell Dickenson is available to discuss alternatives that do not place the National Park Service in a land management role in East St. Louis.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

G. Ray Arnett,
Assistant Secretary.

Mr. McCLURE. In response to my inquiries and the Department's objections, the Illinois delegation agreed to limit the size of the Federal investment in East St. Louis. They agreed to a process of binding commitments given to the Secretary of the Interior prior to the authorization of appropriations.

As a result, I have reached agreement with the Illinois delegation to this amendment in the nature of a substitute to title II. It answers many of the questions raised in my letter.

Mr. DIXON. Mr. President, this is a great day for Illinois. I am pleased that we are finally able to pass this legislation which will mean so much to our State.

The Illinois and Michigan Canal national heritage corridor is a project of great promise to an area of Illinois that really needs a boost. An outstanding organization—the Friends of the Illinois and Michigan Canal—has worked diligently to see that this project becomes a reality.

They have shown a great deal of patience and understanding in the delay that has been imposed on this legislation.

Title II of this bill provides for an addition to the Jefferson National Expansion Memorial. That, as my colleagues know, is the area surrounding the Gateway Arch in St. Louis, MO. This legislation will provide for a commission to develop a management plan for the East St. Louis, IL, portion of the memorial.

The Secretary of the Interior will then review and approve the plan, and funds will be allocated for land acquisition, landscaping, a visitors' center, and operation and maintenance of the park.

This legislation has been supported by the entire Illinois congressional delegation. It is an exciting prospect to initiate these two projects, which we know will bring renewed economic progress to these areas of the State of Illinois.

AMENDMENT NO. 3374

Mr. STEVENS. Mr. President, I move the Senate concur in the House amendment with the Senate amendment which I send to the desk in behalf of Senator McClure, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. Stevens], for Mr. McClure, proposes an amendment numbered 3374.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike title III, as passed by the House, and insert in lieu thereof the following new title II

Sec. 201. (a) The Act of May 17, 1954 entitled "An Act to provide for the construction of the Jefferson National Expansion Memorial at the site of old Saint Louis, Missouri, in general accordance with the plan approved by the United States Territorial Expansion Memorial Commission, and for other purposes" (68 Stat. 98; 16 U.S.C. 450jj), is amended by inserting after section 3 the following new sections:

"Sec. 4. (a) The Secretary of the Interior is further authorized to designate for addition to the Jefferson National Expansion Memorial (hereinafter in this Act referred to as the 'Memorial') not more than one hundred acres in the city of East Saint Louis, Illinois, contiguous with the Mississippi River and between the Eads Bridge and the Poplar Street Bridge, as generally depicted on the map entitled 'Boundary Map, Jefferson National Expansion Memorial', numbered MWR-366/80,004, and dated February 9, 1984, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. The additional acreage authorized by this section is in recognition of the historical significance of the Memorial site to the westward expansion of the United States and the historical linkage of this site on the Mississippi in both Missouri and Illinois to such expansion, the international recognition of the Gateway Arch, designed by Eero Saarinen, as one of the world's great sculptural and architectural achievements, and the increasing use of the Memorial site by millions of people from all over the United States and the world.

"(b) Within the area designated in accordance with this section, the Secretary of the Interior may acquire lands and interests in lands by donation, purchase with donated or appropriated funds, or exchange, except that lands owned by the State of Illinois or any political subdivision thereof may be acquired only by donation.

"Sec. 5. Where appropriate in the discretion of the Secretary of the Interior, he may transfer by lease or otherwise, to any appropriate person or governmental entity, land owned by the United States (or any interest there in which) has been acquired by the Secretary under section 4. Any such transfer shall be consistent with the management plan for the area and with the requirements of section 5 of the Act of July 15, 1968 (82 Stat. 356; 16 U.S.C. 460L-22) and shall be subject to such conditions and restrictions as the Secretary deems necessary to carry out the purposes of this Act, including terms and conditions which provide for—

"(1) the continuation of existing uses of the land which are compatible with the Memorial,

"(2) the protection of the important historical resources of the leased area, and

"(3) the retention by the Secretary of such access and development rights as the Secretary deems necessary to provide for appropriate visitor use and resource management.

In transferring any lands or interest in lands under this section, the Secretary shall take into account the views of the Commission established under section 8.

"Sec. 6. Lands and interests in lands acquired pursuant to section 4 shall, upon acquisition, be a part of the Memorial. The Secretary of the Interior shall administer the Memorial in accordance with this Act and the provisions of law generally applicable to units of the national park system, including the Act entitled 'An Act to establish a National Park Service, and for other purposes', approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4) and the Act of August 21, 1935 (49 Stat. 666, 16 U.S.C. 461-467). In the development, management, and operation of that portion of the Memorial which is added to the Memorial under section 4, the Secretary shall, to the maximum extent feasible, utilize the assistance of State and local government agencies and the private sector. For such purposes, the Secretary may, consistent with the management plan for the area, enter into cooperative agreements with the State, with any political subdivision of the State, or with any person. Any such cooperative agreement shall, at a minimum, establish procedures for providing notice to the Secretary of any action proposed by the State, such political subdivision, or such person, which may affect the area.

"Sec. 7. (a) There is hereby established the Jefferson National Expansion Memorial Commission (hereinafter in this Act referred to as the 'Commission').

"(b) The Commission shall be composed of twenty members as follows:

"(1) The county executive of Saint Louis County, Missouri, ex officio, or a delegate.

"(2) The Chairman of the Saint Clair County Board of Supervisors, Illinois, ex officio, or a delegate.

"(3)(A) The executive director of the Bi-State Development Agency, Saint Louis, Missouri, ex officio, or a delegate.

"(B) A member of the Bi-State Development Agency, Saint Louis, Missouri, who is not a resident of the same State as the executive director of such agency appointed by a majority of the members of such agency, or a delegate.

"(4) The mayor of the City of East Saint Louis, Illinois, ex officio, or a delegate.

"(5) The mayor of Saint Louis, Missouri, ex officio, or a delegate.

"(6) The Governor of the State of Illinois, ex officio, or a delegate.

"(7) The Governor of the State of Missouri, ex officio, or a delegate.

"(8) The Secretary of the Interior, ex officio, or a delegate.

"(9) The Secretary of Housing and Urban Development, ex officio, or a delegate.

"(10) The Secretary of Transportation, ex officio, or a delegate.

"(11) The Secretary of the Treasury, ex officio, or a delegate.

"(12) The Secretary of Commerce, ex officio, or a delegate.

"(13) The Secretary of the Smithsonian Institution, ex officio, or a delegate.

"(14) Three individuals appointed by the Secretary of the Interior from a list of individuals nominated by the mayor of East Saint Louis, Illinois, and the Governor of the State of Illinios.

"(15) Three individuals appointed by the Secretary of the Interior from a list of individuals nominated by the major of Saint Louis, Missouri, and the Governor of the State of Missouri.

"Individuals nominated for appointment under paragraphs (14) and (15) shall be individuals who have knowledge and experience in one or more of the fields of parks and recreation, environmental protection, historic preservation, cultural affairs, tourism, economic development, city planning and management, finance, or public administration. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

"(c)(1) Except as provided in paragraphs (2) and (3), members of the Commission shall be appointed for terms of three years.

"(2) Of the members of the Commission first appointed under paragraphs (14) and (15) of subsection (c)—

"(A) two shall be appointed for terms of one year;

"(B) two shall be appointed for terms of two years; and

"(C) two shall be appointed for terms of three years, as designated by the Secretary of the Interior at the time of appointment.

"(3) Any member of the Commission appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member of the Commission may serve after the expiration of his term until his successor has taken office.

"(d) Members of the Commission shall receive no pay on account of their service on the Commission, but while away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

"(e) The chairperson of the Commission shall be elected by the members of the Commission.

"(f) Upon request of the Commission, the head of any Federal agency represented by members on the Commission may detail any of the personnel of such agency, or provide administrative services to the Commission to assist the Commission in carrying out the Commission's duties under section 8.

"(g) The Commission may, for the purposes of carrying out the Commission's duties under section 8, seek, accept, and dispose of gifts, bequests, or donations of money, personal property, or services, received from any source.

"(h)(1) Except as provided in paragraph (2), the Commission shall terminate on the day occurring ten years after the date of enactment of this section.

"(2) The Secretary of the Interior may extend the life of the Commission for a period of not more than five years beginning on the day referred to in paragraph (1) if the Commission determines that such extension is necessary in order for the Commission to carry out this Act.

"Sec. 8. (a) Within two years from the enactment of this section, the Commission shall develop and transmit to the Secretary a development and management plan for the East Saint Louis, Illinois, portion of the Memorial. The plan shall include—

"(1) measures for the preservation of the area's resources;

"(2) indications of types and general intensities of development (including visitor circulation and transportation patterns, systems, and modes) associated with public enjoyment and use of the area, including general locations, timing of implementation, and cost estimates;

"(3) identification of any implementation commitments for visitor carrying capacities for all areas of the the area;

"(4) indications of potential modifications to the external boundaries of the area, the reasons therefore, and cost estimates;

"(5) measures and commitments for insuring that the developoment, management, and operation of the area in the State of Illinois are compatible with the portion of the Memorial in the State of Missouri;

"(6) opportunities and commitments for cooperative activities in the development, management, and operation of the East Saint Louis portion of the Memorial with other Federal, State, and local agencies, and the private sector; and

"(7) effective and appropriate ways to increase local participation in the management of the East Saint Louis portion of the Memorial to help reduce the day-to-day operational and management responsibilities of the National Park Service and to increase opportunities for local employment.

"(b) The plan shall also identify and include—

"(1) needs, opportunities, and commitments for the aesthetic and economic rehabilitation of the entire East Saint Louis, Illinois, waterfront and adjacent areas, in a manner compatible with and complementary to, the Memorial, including the appropriate commitments and roles of the Federal, State, and local governments and the private sector; and

"(2) cost estimates and recommendations for Federal, State, and local administrative and legislative actions.

"In carrying out its duties under this section, the Commission shall take into account Federal, State, and local plans and studies respecting the area, including the study by the National Park Service on the feasibility of a museum of American ethnic culture to be a part of any development plans for the Memorial.

"Sec. 9. (a) Upon completion of the plan, the Commission shall transmit the plan to the Secretary for his review and approval of its adequacy and appropriateness. In order to approve the plan, the Secretary must be able to find affirmatively that:

"(1) The plan addresses all elements outlined in Sec. 8 above;

"(2) The plan is consistent with the Saint Louis, Missouri, portion of the Memorial;

"(3) There are binding commitments to fund land acquisition and development, including visitor circulation and transportation systems and modes, in amounts sufficient to completely implement the plan as recommended by the Commission from sources other than funds authorized to be appropriated in this Act; and

"(4) There are binding commitments to fund or provide the equivalent of all costs in excess of $350,000 per annum for the continued management, operation, and protection of the East Saint Louis, Illinois portion of the Memorial.

"(b) The Secretary shall transmit in writing a notice of his approval and his certification as to the existence and nature of funding commitments contained in the approved plan to the Committee on Interior and Insular Affairs of the House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate.

"Sec. 10. Pending submission of the Commission's plan, any Federal entity conducting or supporting significant activities directly affecting East Saint Louis, Illinois, generally and the site specifically referred to in section 4 shall—

"(1) consult with the Secretary of the interior and the Commission with respect to such activities;

"(2) cooperate with the Secretary of the Interior and the Commission in carrying out their duties under this Act, and to the maximum extent practicable coordinate such activities with the carrying out of such duties; and

"(3) to the maximum extent practicable, conduct or support such activities in a manner which the Secretary determines will not have an adverse effect on the Memorial."

(b) The Act of May 17, 1954 entitled "An Act to provide for the construction of the Jefferson National Expansion Memorial at the site of old Saint Louis, Missouri, in general accordance with the plan approved by the United States Territorial Memorial Commission, and for other purposes" (68 Stat. 98; 16 U.S.C. 450jj) is amended by—

(1) redesignating "Sec. 4." (as designated prior to the amendments made in subsection (a) of this section) as "Sec. 11. (a)"; and

(2) adding at the end thereof the following new subsections:

"(b) For the purposes of the East Saint Louis portion of the Memorial, there is hereby authorized to be appropriated not to exceed $1,000,000 for land acquisition and not to exceed $1,250,000 for development, of which not to exceed $500,000 shall be available only for landscaping and only for expenditure in the ratio of one dollar of Federal funds to one dollar of non-Federal funds: *Provided*, That no funds authorized to be appropriated hereunder may be appropriated prior to the approval by the Secretary of the plan developed by the Commission.

"(c) Funds appropriated under subsection (b) of this section shall remain available until expended.

"(d) Authority to enter into contracts or make payments under this Act shall be effective for any fiscal year only to the extent that appropriations are available for that purpose.

Sec. 202. Any provision of this title (or any amendment made by this title) which, directly or indirectly, authorizes the enactment of new budget authority described in section 402(a) of the Congressional Budget Act of 1974 shall be effective only for fiscal years beginning after September 30, 1983.

Sec. 203. This title may be cited as the "Jefferson National Expansion Memorial Amendments Act of 1984."

The **PRESIDING OFFICER**. Is there further debate?

If not, the question is on agreeing to the motion.

The motion was agreed too.

Mr. **STEVENS**. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. **BYRD**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

OCEAN AND COASTAL RESOURCES MANAGEMENT AND DEVELOPMENT BLOCK GRANT ACT

Mr. **STEVENS**. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 2463.

The **PRESIDING OFFICER** laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 2463) entitled "An Act to authorize appropriations of funds for certain fisheries programs, and for other purposes", do pass with the following amendment:

Strike out all after the enacting clause, and insert:

SHORT TITLE

Section 1. This Act may be cited as the "Ocean and Coastal Resources Management and Development Block Grant Act".

DEFINITIONS

Sec. 2. For purposes of this Act—

(1) the term "coastal State" means any State of the United States in, or bordering on, the Atlantic Ocean, the Pacific Ocean, the Arctic Ocean, the Gulf of Mexico, Long Island Sound, or one or more of the Great Lakes, and includes the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and American Samoa;

(2) the term "Outer Continental Shelf" means all submerged lands lying seaward and outside of the area of "lands beneath navigable waters" as that term is defined in section 2(a) of the Submerged Lands Act (43 U.S.C. 1301(a)), and of which the subsoil and seabed appertain to the United States and are subject to its jurisdiction and control, but whenever the extent of the rights acquired by a State under the Submerged Lands Act and the Outer Continental Shelf Lands Act has been determined by a final decree of the United States Supreme Court and fixed by coordinates, the line so fixed is immobilized as described in said decree and shall not be ambulatory in determining the seaward extent of the rights acquired by said State under the Submerged Lands Act and the landward extent of the rights acquired by the United States under the Outer Continental Shelf Lands Act;

(3) the term "Secretary" means the Secretary of Commerce; and

(4) the term "coastal related energy facilities" means any equipment or facility which, (A) is or will be used primarily in the exploration for, or the development, production, conversion, storage, transfer processing, or transportation of, any energy resource or for the manufacture, production, or assembly of equipment, machinery, products, or devices which are involved in any such energy-resource activity, and (B) is, or is likely to be, sited, constructed, expanded, or operated in or in close proximity to, the coastal zone of any coastal State because of technical requirements.

The term includes, but is not limited to (i) electric generating plants; (ii) facilities associated with the transportation, transfer, or storage of coal; (iii) petroleum refineries and associated facilities; (iv) gasification plants; (v) facilities associated with the transportation, conversion, treatment, transfer, or storage of liquefied natural gas; (vi) oil and gas facilities, including platforms, assembly plants, storage depots, tank farms, crew and supply bases, and refining complexes; (vii) facilities, including deepwater ports, for the transfer of petroleum; (viii) facilities used for alternative ocean energy activities, including those associated with ocean thermal energy conversion; and (ix) pipelines, transmission facilities, and terminals which are associated with any of the foregoing.

For the purposes of this paragraph, the siting, construction, expansion, or operation of any coastal related energy facilities shall be "in close proximity to the coastal zone of any coastal State" if such siting, construction, expansion, or operation has, or is likely to have, a significant effect on such coastal zone.

OCEAN AND COASTAL RESOURCES MANAGEMENT AND DEVELOPMENT FUND

Sec. 3. (a) There is established in the Treasury of the United States a fund to be known as the Ocean and Coastal Resources Management and Development Fund (hereafter in this Act referred to as the "Fund").

(b) Beginning in fiscal year 1983, the Secretary of the Treasury shall pay into the Fund not later than the end of each fiscal year the lesser of $300,000,000 or an amount equal to 10 per centum of the amount by which all sums deposited in the Treasury of the United States pursuant to section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338) during each fiscal year exceed all sums deposited in the Treasury of the United States pursuant to such section during fiscal year 1982.

(c)(1) As provided in advance by appropriation Acts, the Secretary shall use for fiscal year 1984, and for each subsequent fiscal year, an amount equal to not less than 10 per centum and not more than 20 per centum of the total amount appropriated from the Fund for the purposes of this Act to carry out the National Sea Grant College Program Act (33 U.S.C. 1121-1131).

(2) As provided in advance by appropriation Acts, the Secretary shall use the total amount of any sums paid into the Fund during each fiscal year which are not used

to carry out the National Sea Grant College Program Act to provide block grants pursuant to section 4.

NATIONAL OCEAN AND COASTAL RESOURCES MANAGEMENT AND DEVELOPMENT BLOCK GRANTS

Sec. 4. (a) Subject to subsections (b), (c), and (d), for fiscal year 1984 and for each subsequent fiscal year, the Secretary shall provide to each coastal State a national ocean and coastal resources management and development block grant (hereafter in this Act referred to as a "block grant") from sums paid into the Fund during the prior fiscal year pursuant to section 3(b).

(b)(1) No coastal State may receive a block grant for a fiscal year unless such coastal State has submitted to the Secretary a report for such fiscal year which—

(A) specifies the allocation by such coastal State of the block grant among coastal zone management activities, coastal energy impact activities, living marine resource activities, and natural resources enhancement and management activities pursuant to section 5(a), and

(B) describes each activity receiving funds provided by the block grant.

(2) Before submitting each report required under paragraph (1), each coastal States shall provide opportunities for the public to review and comment on the report and shall hold at least one public hearing on such report.

(c) The amount of each block grant provided under subsection (a) for a fiscal year to a coastal State shall be determined by the Secretary under a formula estabished by the Secretary which gives equal consideration to each of the following criteria:

(1) For each coastal State, the equal combination of—

(A) the amount of actual leasing with respect to oil and gas which is carried out under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) during the previous fiscal year which occurs within the Outer Continental Shelf planning area to which such coastal State is adjacent; and

(B) the volume of oil and gas produced from Outer Continental Shelf acreage leased by the Federal Government which is first landed in such coastal State during the previous fiscal year.

(2) For each coastal State, any proposed oil and gas lease sales which are specified by the Outer Continental Shelf leasing program prepared pursuant to section 18(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1344(a)) and which are schedules to occur within the Outer Continental Shelf planning area to which such coastal State is adjacent.

(3) The coastal related energy facilities (including coal facilities) located within each coastal State during the previous fiscal year.

(4) The shoreline mileage of each coastal State for which the Secretary has approved a management program under section 306 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455).

(5) The coastal population of each coastal State for which the Secretary has approved a management program under section 306 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455).

(d) No coastal State for which the Secretary has approved a management program under section 306 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455) shall receive less than one-half of 1 per centum of the total amount available for block grants pursuant to subsection (a) during any fiscal year.

(e) For the purposes of paragraphs (4) and (5) of subsection (c), the Secretary shall be presumed to have approved the management program of any coastal State if the Secretary determines that, in any fiscal year, such State is making satisfactory progress toward the development of a management program which will be approvable pursuant to section 306 of the Coastal Zone Management Act. Such presumption may be extended only once and for a period not to exceed one additional fiscal year if the Secretary makes such determination under this subsection for such additional fiscal year.

REQUIREMENTS ON THE USE OF BLOCK GRANTS

Sec. 5. Block grants provided to a coastal State pursuant to section 4(a) shall be used for the enhancement and management of renewable ocean and coastal resources and for amelioration of any adverse impacts that result from coastal energy activity with respect to the development of non-renewable resources.

(a) Such block grants shall be used for each of the following activites:

(1) Activities of such coastal State authorized by the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.).

(2) Activities of such coastal State pursuant to the coastal energy impact program administered under section 308 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1457).

(3) Activities of such coastal State for the enhancement and management of living marine resources.

(4) Activities of such coastal State for the enhancement and management of its natural resources.

(b) The Secretary shall insure that any coastal State receiving a block grant under section 4(a) will use at least 25 per centum of the amount of each block grant for eligible activities authorized by paragraph (1) of subsection (a), excluding activities administered under section 308 of the Coastal Zone Management Act.

(c) Any coastal State which the Secretary determines uses any funds provided by a block grant under section 4(a) for an activity not specified in subsection (a), in an amount less than specified in subsection (b), or in any other manner inconsistent with this Act, shall repay such funds to the Fund. If a coastal State does not repay any funds required to be repaid under this subsection, the Secretary may reduce the amount of any future grant or grants provided under section 4(a) by the amount of such required repayment.

(d) Nothing in this Act shall be construed to repeal or modify, by implication or otherwise, section 312 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1461): *Provided, however*, That the Secretary shall reduce any block grant, provided under this Act to a coastal State that has an approved program under section 306 of the Coastal Zone Management Act (16 U.S.C. 1455), by no more than 30 per centum of the amount of such State's block grant, which is attributable to sections 4(c)(4) and (5) of this Act, if the Secretary makes the determination provided in section 312(c) of the Coastal Zone Management Act.

LOCAL GOVERNMENTS

Sec. 6. (a) Each State receiving a block grant in any fiscal year pursuant to section 4(a)—

(1) shall establish an effective mechanism for consultation and coordination with its local governments with respect to the allocation of such block grant within the State, and

(2) shall provide to its local governments allocations from such block grant commensurate with the responsibilities of the local governments in carrying out activities pursuant to section 5(a).

(b) In carrying out its responsibilities pursuant to subsection (a)(2) of this section, the State shall give particular emphasis to the activities of local governments in—

(1) providing public services and public facilities which are required as a result of coastal energy activity, and

(2) preventing, reducing, or ameliorating any unavoidable loss of valuable environmental or recreational resources if such loss results from coastal energy activity.

(c) In carrying out its responsibilities pursuant to this section, each State shall provide no less than 35 per centum of each such block grant to its local governments.

ASSESSMENT AND AUDIT

Sec. 7. (a) Any coastal State receiving a block grant for a fiscal year under section 4(a) must submit to the Secretary an assessment of the expenditure of funds provided by the block grant.

(b) Each assessment submitted by a coastal State for a fiscal year under subsection (a) shall contain a statement of all funds provided by the block grant received by such coastal State for such fiscal year and shall include an assesment of all financial assistance provided to such State's local governments pursuant to section 6.

(1) Such statement shall have been audited by an entity which is independent of any agency or official administering or using funds provided by such block grant.

(2) The audit shall be conducted in accordance with the financial and compliance element of the standards for audit of governmental organizations, activities, and functions established by the Comptroller General of the United States.

RULES AND REGULATIONS

Sec. 8. The Secretary shall promulgate, pursuant to section 553 of title 5, United States Code, after notice and opportunity for full participation by relevant Federal agencies, State agencies, local governments, regional organizations, port authorities, and other interested parties, both public and private, such rules and regulations as may be necessary to carry out the provisions of the Act.

DEFINITION OF BOUNDARY

Sec. 9. Section 2(b) of the Submerged Lands Act (43 U.S.C. 1301(b)) is amended by inserting ", except that any boundary between a State and the United States under this Act which has been fixed by coordinates under a final decree of the United States Supreme Court shall, for the purposes of this Act and the Outer Continental Shelf Lands Act, remain immobilized at the coordinates provided under such decree and shall not be ambulatory" before the semicolon.

Mr. President, on behalf of the leadership, I move that the Senate insist on its amendments and request a conference with the House of Representatives thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

I do so reluctantly, since that is my bill.

The motion was agreed to and the Presiding Officer [Mr. Cochran] appointed Mr. Packwood, Mr. Stevens, Mr. GORTON, Mr. HOLLINGS, and Mr. INOUYE conferees on the part of the Senate.

BILL PLACED ON CALENDAR—H.R. 5701

Mr. STEVENS. Mr. President, I send a bill to the desk on behalf of Senators HATCH, D'AMATO, and HAWKINS, and ask that it be placed on the calendar.

SENATE JOINT RESOLUTION 293—COMMITTEE ON JUDICIARY DISCHARGED FROM FURTHER CONSIDERATION AND BILL PLACED ON CALENDAR

Mr. STEVENS. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of Senate Joint Resolution 293, to designate July 17, 1984, as "Spanish American War Veteran Day," and that it be placed on the calendar.

Does that need to be read for the first time?

The PRESIDING OFFICER. The bill is on the calendar right now.

Without objection, it is so ordered.

HOUSE JOINT RESOLUTION 604—COMMITTEE ON JUDICIARY DISCHARGED FROM FURTHER CONSIDERATION AND BILL PLACED ON CALENDAR

Mr. STEVENS. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of House Joint Resolution 604, "African Refugees Relief Day," and it be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE CALENDAR

Mr. STEVENS. Mr. President, I ask my good friend from West Virginia, the distinguished Democratic leader, if there would be an objection to a request that the Senate go into executive session for the purpose of considering the nominations on the Executive Calendar, on page 17, being calendar Nos. 700, 701, and 702, and all of the nominations on the Secretary's Desk being on page 18.

Mr. BYRD. Mr. President, there is no objection.

EXECUTIVE SESSION

Mr. STEVENS. Mr. President, I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

The nominations confirmed en bloc are as follows:

DEPARTMENT OF THE INTERIOR

Frank K. Richardson, of California, to be Solicitor of the Department of the Interior.

DEPARTMENT OF TRANSPORTATION

Virgil E. Brown, of Ohio, to be a Member of the Advisory Board of the Saint Lawrence Seaway Development Corporation.

John R. Wall, of Ohio, to be a Member of the Advisory Board of the Saint Lawrence Seaway Development Corporation.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, ARMY, COAST GUARD, MARINE CORPS, NAVY

Air Force nominations beginning Gary R. Baarson, and ending Robert F. Howarth, Jr., which nominations were received by the Senate and appeared in the Congressional Record on May 22, 1984.

Air Force nominations beginning William M. Berg, and ending Hedley W. D. Greene, which nominations were received by the Senate and appeared in the Congressional Record on June 25, 1984.

Air Force nominations beginning Byran C. Adams, and ending Kristina M. Zlotnicki, which nominations were received by the Senate and appeared in the Congressional Record on June 25, 1984.

Army nominations beginning Claude W. Abate, and ending John W. Moore, which nominations were received by the Senate and appeared in the Congressional Record on June 4, 1984.

Army nominations beginning Avery C. Spence, and ending Daniel J. Zehnder, which nominations were received by the Senate and appeared in the Congressional Record on June 25, 1984.

Coast Guard nominations beginning Rodney E. Smith, and ending Craig H. Allen, which nominations were received by the Senate on April 19, 1984, and appeared in the Congressional Record on April 24, 1984.

Marine Corps nominations beginning Charles L. Bacon, and ending Harold E. Zeailey, which nominations were received by the Senate and appeared in the Congressional Record on May 22, 1984.

Marine Corps nominations beginning Charles R. Abney, and ending Francis E. Zink, which nominations were received by the Senate and appeared in the Congressional Record on May 22, 1984.

Marine Corps nominations beginning Dennis H. Mohle, and ending James R. Forr, which nominations were received by the Senate and appeared in the Congressional Record on June 4, 1984.

Navy nominations beginning Robert James Abbott, and ending George Dean Zeitler, which nominations were received by the Senate and appeared in the Congressional Record on May 22, 1984.

Navy nominations beginning Timothy R. Bergfield, and ending Frank Barnes, which nominations were received by the Senate and appeared in the Congressional Record on May 22, 1984.

Navy nominations beginning Michael L. Adams, and ending Robert Eugene Herning, which nominations were received by the Senate on May 30, 1984, and appeared in the Congressional Record on June 4, 1984.

Navy nominations beginning Kimberly F. Walker, and ending Daniel J. Weber, which nominations were received by the Senate and appeared in the Congressional Record on June 25, 1984.

Navy nominations beginning Ted Glen Achorn, and ending William Romain Yoshida, which nominations were received by the Senate and appeared in the Congressional Record on June 25, 1984.

NOMINATION OF FRANK K. RICHARDSON

Mr. McCLURE. Mr. President, the Senate today will be considering the nomination of Frank K Richardson, who has been nominated to serve as Solicitor of the Department of the Interior. I am most pleased with the President's choice and am convinced that Mr. Richardson possesses the credentials and integrity necessary to effectively carry out the responsibilities of the Office of the Solicitor.

The Committee on Energy and Natural Resources unanimously endorsed Mr. Richardson's nomination on June 27 by a vote of 20 to 0. A hearing was held to consider his nomination on June 21.

Mr. Richardson has a keen knowledge of the law and the judicial process based upon a long and distinguished career in the public and private sectors. A graduate of Stanford Law School, he entered into private law practice in California in 1939, and also served as a professor of law at McGeorge School of Law from 1946 until 1951. He was subsequently appointed presiding justice of the Third District Court of Appeals in California in 1971 and served in that capacity until 1973. Mr. Richardson was then selected to be an associate justice of the California Supreme Court, and assumed that role until his retirement in December of last year. Since that time, he has been a member of the faculty at Pepperdine Law School.

Mr. President, on behalf of the Committee on Energy and Natural Resources, I am pleased to recommend Senate confirmation of Frank K. Richardson to be Solicitor of the Department of the Interior.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate now return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR FRIDAY

ORDER TO CONVENE AT 10 A.M.

Mr. STEVENS. Mr. President, I ask unanimous consent that when the

Senate stands in recess today, it convene at the hour of 10 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS ABDNOR, PROXMIRE, AND TOWER

Mr. STEVENS. Mr. President, following the time for the two leaders under the standing order tomorrow, I ask unanimous consent that special orders not to exceed 15 minutes each be entered in favor of Senators ABDNOR, PROXIMRE, and TOWER.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. STEVENS. Mr. President, following the special orders, I ask unanimous consent that there be a period for the transaction of routine morning business tomorrow not to extend beyond the hour of 11 a.m. with statements therein limited to 2 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. STEVENS. Mr. President, following the time for routine morning business, when the hour of 11 a.m. arrives, it is the intention of the leadership to turn to either of the following measures when they are available from the House: the bankruptcy conference report on H.R. 5174; the debt limit bill, H.R. 5953; and the concurrent resolution following the deficit reduction conference report. Rollcall votes may be expected.

RECESS UNTIL 10 A.M. TOMORROW

Mr. STEVENS. Mr. President, I inquire of my good friend from West Virginia, the patient Democratic leader, if he has anything further to come before the Senate.

Mr. BYRD. Mr. President, I thank the distinguished Senator. There is nothing on this side.

Mr. STEVENS. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent the Senate stand in recess in accordance with the previous order.

There being no objection, the Senate, at 11:55 p.m., recessed until Friday, June 29, 1984, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate June 28, 1984:

Department of State

Paul H. Boeker, of Ohio, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Hashemite Kingdom of Jordan.

Richard Wood Boehm, of the District of Columbia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cyprus.

Maynard W. Glitman, of Vermont, a career member of the Senior Foreign Service, class of Minister-Counselor, for the rank of Ambassador during the tenure of his service as the Representative of the United States of America for Mutual and Balanced Force Reductions Negotiations.

The Judiciary

Stanley Sporkin, of Maryland, to be U.S. district judge for the District of Columbia vice June L. Green, retired.

National Commission on Libraries and Information Science

Wanda L. Forbes, of South Carolina, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1988, vice Francis Keppel, term expired.

The Judiciary

Walter T. Cox III, of South Carolina, to be a judge of the U.S. Court of Military Appeals for a term of 15 years, vice William Holmes Cook, retired.

In the Air Force

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Lt. Gen. George M. Browning, Jr., 572-28-8395FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Casper T. Spangrud, 527-54-2509FR, U.S. Air Force.

In the Navy

The following-named officer, under the provisions of title 10, United States Code, section 5148(b), to be assigned as Judge Advocate General of the Navy:

Rear Adm. Thomas E. Flynn, 062-26-7749, Judge Advocate General's Corps, U.S. Navy.

In the Air Force

The following officer for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, in the grade of captain with date of rank to be determined by the Secretary of the Air Force.

LINE OF THE AIR FORCE

Ternes, David E., 262-13-2958

The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform duties indicated with grade and date of rank to be determined by the Secretary of the Air Force provided that in no case shall the following officers be appointed in a grade higher than that indicated.

MEDICAL CORPS

To be colonel

Armbrustmacher, Vernon W., 381-40-6756

To be lieutenant colonel

Clinchard, William R., 584-03-0834
Dennis, Larry G., 174-38-7122

To be major

Parke, Robert C., 016-36-4536
Trivedi, Devendra, 154-60-3560
Young, David G., III, 179-38-0444

To be captain

Duncan, Deborah L., 279-56-7799

DENTAL CORPS

To be major

Fuhs, Quentin M., 478-62-6199
Kaufman, Herschel B., 249-54-3583
Schmitt, Stephen M., 398-52-1615
Wilson, William W., Jr., 209-34-4876

To be captain

Birch, Dennis M., 313-54-3422
Deas, David E., 253-03-3596
Deperalta, Alex A., Jr., 578-70-8812
Fashinder, Dennis J., 373-66-2408
Larson, Brent E., 477-60-2179
Levon, John A., 308-62-9531

The following persons for appointment as Reserve of the Air Force, in the grade indicated, under the provisions of section 593, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated.

MEDICAL CORPS

To be lieutenant colonel

Barnard, James A., III, 514-24-8151
Bolch Oscar H., Jr., 241-54-8076
Claflin, James R., 448-42-2610
Dank, Gerald, M., 087-24-3286
David, Gangardhar K., 070-48-222
Golden, Patrick F., 309-32-3706
Huyghe, Willy I., 361-38-8437
Silbert Michael Z., 312-36-2771
Sokol, Donald Z, 047-26-3589 47-26-3589

DENTAL CORPS

To be lieutenant colonel

Johnson, James D., 523-50-4242

The following individuals for appointment as Reserve of the Air Force (ANGUS), in the grade indicated under the provisions of sections 593 and 8351, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform duties as indicated.

MEDICAL CORPS

To be lieutenant colonel

King, John P., 305-22-7551
Seable, Finley A., 410-52-8944

The following Air Force officers for permanent promotion in the U.S. Air Force, in accordance with section 601, title VI, Transition Provisions, Defense Officer Personnel Management Act of 1980, with dates of rank to be determined by the Secretary of the Air Force.

LINE OF THE AIR FORCE

To be lieutenant colonel

Spencer, Paul C., 220-42-6588

To be major

Clendenin, James A., 235-70-4555

The following Air Force officers for appointment as permanent professors, U.S. Air Force Academy, under the provisions of section 9333(b), title 10, United States Code.

Cubero, Ruben A., 071-30-9600
Giffen, Robert B., 256-62-4979
Murray, Douglas J., 156-34-5907

Department of Labor

Robert A. Rowland, of Texas, to be an Assistant Secretary of Labor, vice Thorne G. Auchter, resigned.

Equal Employment Opportunity Commission

Tony E. Gallegos, of California, to be a member of the Equal Employment Opportunity Commission for the term expiring July 1, 1989, reappointment.

CONSUMER PRODUCT SAFETY COMMISSION

Carol Gene Dawson of Virginia, to be a Commissioner of the Consumer Product Safety Commission for the remainder of the term expiring October 26, 1985, vice Samuel D. Zagoria, resigned.

FARM CREDIT ADMINISTRATION

Melvin A. Ensley, of Washington, to be a member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 1, 1990, vice George Warren Lacey, term expired.

NUCLEAR REGULATORY COMMISSION

Lando W. Zech, Jr., of Virigina, to be a member of the Nuclear Regulatory Commission for the term of 5 years expiring June 30, 1989, vice Victor Gilinsky, term expiring.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

James B. Burnham, of Pennsylvania, to be U.S. Executive Director of the International Bank for Reconstruction and Development for a term of 2 years, reappointment.

DEPARTMENT OF JUSTICE

Harold J. Lezar, Jr., of Texas, to be an Assistant Attorney General, vice Jonathan C. Rose, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 28, 1984:

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

Thomas H. Etzold, of Rhode Island, to be an Assistant Director of the U.S. Arms Control and Disarmament Agency.

DEPARTMENT OF STATE

Clint Arlen Lauderdale, of California, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Cooperative Republic of Guyana.

Owen W. Roberts, of New Jersey, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Togo.

John William Shirley, of Illinois, a career member of the Senior Foreign Service, class of Career Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Republic of Tanzania.

Leonardo Neher, of Maryland, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Upper Volta.

DEPARTMENT OF THE INTERIOR

Frank K. Richardson, of California, to be Solicitor of the Department of the Interior.

DEPARTMENT OF TRANSPORTATION

Virgil E. Brown, of Ohio, to be a member of the Advisory Board of the Saint Lawrence Seaway Development Corporation.

John R. Wall, of Ohio, to be a member of the Advisory Board of the Saint Lawrence Seaway Development Corporation.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Bernard P. Randolph, 434-46-9726, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. John T. Chain, Jr., 161-28-5418FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. David L. Nichols, 509-28-0901FR, U.S. Air Force.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Lt. Gen. James W. Stansberry, 106-20-0475, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Melvin F. Chubb, Jr., 490-44-9740FR, U.S. Air Force.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Lt. Gen. George D. Miller, 197-20-5982FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. William J. Campbell, 387-20-0119FR, U.S. Air Force.

The following-named officer for appointment to the grade of general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Gen. Billy M. Minter, 443-20-2212FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

Lt. Gen. Charles L. Donnelly, Jr., 287-24-0955FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and Code section 601:

Maj. Gen. Charles J. Cunningham, Jr., 197-26-1874FR, U.S. Air Force.

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of sections 593, 8218, 8373, and 8374, title 10, United States Code:

To be major general

Brig. Gen. Alfred B. Cole, 415-24-7175FG, Air National Guard of the United States.

Brig. Gen. Richard J. Geehan, Jr., 023-20-3025FG, Air National Guard of the United States.

Brig. Gen. John L. Matthews, 529-38-0878FG, Air National Guard of the United States.

Brig. Gen. Robert W. McDonald, 467-34-0794FG, Air National Guard of the United States.

To be brigadier general

Col. Ernest Z. Adelman, 500-40-2316FG, Air National Guard of the United States.

Col. Vernon E. Baldeshwiler, 388-30-2505FG, Air National Guard of the United States.

Col. Donald B. Barshay, 297-24-8474FG, Air National Guard of the United States.

Col. Edward A. Belyea, 364-32-5091FG, Air National Guard of the United States.

Col. Robert G. Chrisjohn, Jr., 478-50-3723FG, Air National Guard of the United States.

Col. Richard M. Eslinger, 334-22-8094FG, Air National Guard of the United States.

Col. Francis E. Hazard, 113-18-0713FG, Air National Guard of the United States.

Col. Stanley V. Hood, 423-26-4446FG, Air National Guard of the United States.

Col. Homer H. Humphries, Jr., 267-32-0558FG, Air National Guard of the United States.

Col. Otto K. Korth, Jr., 473-26-9255FG, Air National Guard of the United States.

Col. Edward S. Mansfield, 024-28-1209FG, Air National Guard of the United States.

Col. James R. Mercer, 254-36-4612FG, Air National Guard of the United States.

Col. John L. Smith, 406-42-6812FG, Air National Guard of the United States.

Col. Arthur P. Tesner, 370-30-3224FG, Air National Guard of the United States.

Col. William R. Turnipseed, 417-52-9853FG, Air National Guard of the United States.

Col. Revere A. Young, 448-24-6918FG, Air National Guard of the United States.

The following-named officer for appointment to the grade of general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Gen. James V. Hartinger, 298-12-6337FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Lt. Gen. Robert T. Herres, 521-30-4808FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Duane H. Cassidy, 194-26-2682FR, U.S. Air Force.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Lt. Gen. Charles G. Cleveland, 121-18-3678FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Kenneth L. Peek, Jr., 314-30-4967FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Thomas C. Richards, 573-36-4991FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Edward L. Tixier, 525-40-7833FR, U.S. Air Force.

In the Army

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. David E. Grange, Jr., 115-18-1345, age 59, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Joseph T. Palastra, Jr., 576-28-7763, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. William H. Schneider, 467-44-5291, U.S. Army.

The following-named officer for appointment in the U.S. Army to the grade indicated under the provisions of title 10, United States Code, sections 611(a) and 624:

Col. John L. Fugh, 577-48-9337, Judge Advocate General Corps, U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

Lt. Gen. Joseph K. Bratton, 472-24-0434, age 58, U.S. Army.

The following officers for appointment as Reserve commissioned officers in the Adjutant General's Corps, Army National Guard of the United States, Reserve of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3392:

Col. Nathaniel G. Troutt, 428-38-1553.

Col. Edward D. Baca, 525-74-2555.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. James M. Rockwell, 121-20-9150, U.S. Army.

In the Navy

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Robert E. Kirksey, 379-26-5649/1310, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. William F. McCauley, 505-30-1971/1110, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Vice Adm. Joseph Metcalf III, 031-30-0814/1110, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Henry C. Mustin, 570-40-4316/1110, U.S. Navy.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be vice admiral

Vice Adm. Gordon R. Nagler, 214-20-8462/1110, U.S. Navy.

In the Coast Guard

The following Reserve officers of the U.S. Coast Guard to be permanent commissioned officers in the grades indicated:

To be lieutenant commander

Rodney E. Smith
George A. Flanigan
Paul H. Garrity
Robert M. Acker, Jr.

To be lieutenant

James J. Vallone
Francis L. Shelley III
Douglas R. Carlson
David G. Michalski
Patrick T. Keane
Walter J. Brawand III
Thomas M. Self
Steven D. Hardy
Scott S. Way

To be lieutenant (junior grade)

Patrick L. Donahue, Jr.
Guy A. Tetreau
Stephen P. Garrity
Rhae A. Giacoma
Charles W. Kaiser
William D. Plunkett
Lawrence M. Fontana
Michael T. Covey
Steve M. Sawyer
Bruce J. Mayes
Darrell C. Folsom
Thomas A. Bailey
Francis R. Southcott, Jr.
Larry D. Cheek
George Gili
Paul D. Jewell
Earle G. Thomas IV
Danny R. Williamson
Victor L. Tyber
Jack V. Rutz
Michael F. Moriarty
James X. Monoghan
Roy F. Williams III
Arne O. Denny
William J. Uberti
William W. Thompson
Christopher C. Colvin
Craig H. Allen

In the Air Force

Air Force nominations beginning Gary R. Baarson, and ending Robert F. Howarth, Jr., which nominations were received by the Senate and appeared in the Congressional Record of May 22, 1984.

Air Force nominations beginning William M. Berg, and ending Hedley W.D. Greene, which nominations were received by the Senate and appeared in the Congressional Record of June 25, 1984.

Air Force nominations beginning Bryan C. Adams, and ending Kristina M. Zlotnicki, which nominations were received by the Senate and appeared in the Congressional Record of June 25, 1984.

In the Army

Army nominations beginning Claude W. Abate, and ending John W. Moore, which nominations were received by the Senate and appeared in the Congressional Record of June 4, 1984.

Army nominations beginning Avery C. Spence, and ending David J. Zehnder, which nominations were received by the Senate and appeared in the Congressional Record of June 25, 1984.

In the Marine Corps

Marine Corps nominations beginning Charles L. Bacon, and ending Harold E. Zealley, which nominations were received by the Senate and appeared in the Congressional Record of May 22, 1984.

Marine Corps nominations beginning Charles R. Abney, and ending Francis E. Zink, which nominations were received by the Senate and appeared in the Congressional Record of May 22, 1984.

Marine Corps nominations beginning Dennis H. Mohle, and ending James R. Forr, which nominations were received by the Senate and appeared in the Congressional Record of June 4, 1984.

In the Navy

Navy nominations beginning Robert James Abbott, and ending George Dean Zeitler, which nominations were received by the Senate and appeared in the Congressional Record of May 22, 1984.

Navy nominations beginning Timothy R. Bergfield, and ending Frank Barnes, which nominations were received by the Senate and appeared in the Congressional Record of May 22, 1984.

Navy nominations beginning Michael L. Adams, and ending Robert Eugene Herning, which nominations were received by the Senate on May 30, 1984, and appeared in the Congressional Record of June 4, 1984.

Navy nominations beginning Kimberly F. Walker and ending Daniel J. Weber, which nominations were received by the Senate and appeared in the Congressional Record of June 25, 1984.

Navy nominations beginning Ted Glen Achorn, and ending William Romain Yoshida, which nominations were received by the Senate and appeared in the Congressional Record of June 25, 1984.

HOUSE OF REPRESENTATIVES—*Thursday, June 28, 1984*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Protect us, O God, from all that would hurt or cause pain. Where there is prejudice, give us the understanding that You have created people as equal members of the human family; where there is war or rumor of war, grant people security; where there is hatred or suspicion, grant us love; where there is anxiety, give us hope; where there is oppression, grant us freedom; and when there is death, give us Your eternal life. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 29. An act to recognize the organization known as the Polish Legion of American Veterans, U.S.A.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1492) "An Act to establish the Christopher Columbus Quincentenary Jubilee Commission."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the amendments of the Senate to the bill (H.R. 4170) "An Act to provide for tax reform, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5154) "An Act to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5653) "An Act making appropriations for energy and water development for the fiscal year ending September 30, 1985, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 10, 57, and 64 to the above-entitled bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5713) "An Act making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1985, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 1, 3, 5, 12, 14, 30, 32, 43, 53, and 55 to the above-entitled bill.

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate to the bill (H.R. 3075) "An Act to amend the Small Business Act to establish a Small Business Computer Crime and Security Task Force, and for other purposes.".

The message also announced that the Senate insists upon its amendment to the bill (H.R. 5604) "An Act to authorize certain construction at military installations for fiscal year 1985, and for other purposes", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. THURMOND, Mr. WARNER, Mr. HUMPHREY, Mr. QUAYLE, Mr. EAST, Mr. STENNIS, Mr. HART, Mr. EXON, and Mr. BINGAMAN to be the conferees on the part of the Senate.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 5604. An act to authorize certain construction at military installations for fiscal year 1985, and for other purposes.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 2458. An act to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1985, and for other purposes;

S. 2573. An act to revise and extend programs for persons with developmental disabilities; and

S. Con. Res. 127. Concurrent resolution to authorize the use of the west front steps of the U.S. Capitol Building on August 14, 1984, to honor the men and women of the U.S. Olympic Teams.

The message also announced that pursuant to the provisions of Public Law 90-206, the Vice President appoints Mr. Nicholas Brady and Mr. Edward P. Morgan from private life as members of the Commission of Executive, Legislative, and Judicial Salaries.

FCC SHOULD RESOLVE REQUEST OF LOS ANGELES COUNTY SHERIFF'S OFFICE

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. LEVINE of California. Mr. Speaker, Federal agencies have a responsibility to assist law enforcement in reducing crime and making our streets safer.

Unfortunately, the FCC has refused to respond properly to a vital law enforcement need.

The Los Angeles Sheriff's Department, America's fifth largest police agency, is unable to provide its patrol deputies with portable radios because its frequency allocation is inadequate.

The consequences of this problem are significant. When a frequency is unavailable or delayed, lives can be and have been lost—lives of law enforcement personnel and of other innocent citizens. Between 1975 and 1982 there were 256 reported incidents in which deputies were involved in shootings. During these instances, 29 deputies were wounded and 7 were killed at least in part because of inadequate communication. It is vital that an adequate communication network be established to protect the lives of law enforcement personnel. Yet, the sheriff's department and the Los Angeles City Police Department can only communicate by telephone because their frequency allocation is inadequate.

The FCC has failed to respond adequately to an urgent request by the Los Angeles Sheriff's Department for the reallocation of unused UHF television channel 19.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

I urge my colleagues to join with me in urging the FCC to promptly resolve the Los Angeles County sheriff's request for immediate frequency aid.

I ask unanimous consent to include the following examples of communications problems already suffered in Los Angeles County as a result of this problem.

EXAMPLES OF COMMUNICATIONS PROBLEMS ALREADY SUFFERED IN LOS ANGELES COUNTY

1. INTERAGENCY MUTUAL AID RESPONSE

Riverside County and San Bernardino County Sheriff's Deputies were pursuing bank robbery suspects from a bank in Norco. A helicopter from the San Bernardino County Sheriff's Department became involved in the incident. Because of the differing radio broadcast bands involved, there was no common radio channel with which to communicate between the air and ground. One police officer was killed and six others were wounded in the gunfire from the suspects.

2. RESCUE OPERATION

A car ran off of the roadway on a mountain pass in Malibu and crashed hundreds of feet down the hillside. During the rescue operation, there were no hand held radios available to communicate between the rescuers at the bottom of the canyon and those at the roadside above.

3. FIRE EVACUATION

During a Calabsas/Malibu brush fire, the Los Angeles County Fire Department was unable to communicate with the Sheriff's Department to coordinate the evacuation of residents in the threatened area. The lack of communication was because of each department using different radio bands and radios cannot operate on a common channel.

4. NO HAND HELD RADIOS

A Los Angeles County Deputy Sheriff left his automobile in foot pursuit of a PCP drug suspect. He overtook the suspect in an alley away from his radio car. He fought with the suspect and was unable to advise of his location or request assistance. During the confrontation with the suspect, he was subsequently shot and killed.

5. FIRE DEPARTMENT COORDINATION

During a major brush fire, deputies observed the fire ignite several houses in a housing development. They relayed that information to another deputy via radio. The relay deputy then had to notify the fire department via telephone.

6. DEPUTY SHOT AND KILLED AFTER FOOT PURSUIT—NO HAND HELD RADIOS

Two Los Angeles County Deputy Sheriffs were investigating a suspicious person in a vehicle. The suspect began to fight and wrestled the service revolver from one Deputy. The suspect subsequently shot both deputies and ran from the scene. One Deputy was shot 3 times and partially paralyzed; he was unable to get to the patrol car to call for help.

The other Deputy was slightly wounded and was able to obtain a service revolver and pursue the suspect. During the ensuing chase the suspect shot and killed the Deputy.

MOTION OFFERED TO CONSIDER SENATE AMENDMENT TO H.R. 1310, EMERGENCY MATHEMATICS AND SCIENCE EDUCATION ACT

Mr. PERKINS. Mr. Speaker, I move to take from the Speaker's table the bill (H.R. 1310) to provide assistance to improve elementary, secondary, and postsecondary education in mathematics and science; to provide a national policy for engineering, technical, and scientific personnel; to provide cost sharing by the private sector in training such personnel; to encourage creation of new engineering, technical, and scientific jobs; and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. The Chair would advise the gentleman from Kentucky [Mr. PERKINS] that the Chair has referred a portion of the Senate amendment to the gentleman's committee and to the Committee on the Judiciary.

Consequently, under the rule, the gentleman is not recognized to make the motion.

EMERGENCY MATHEMATICS AND SCIENCE EDUCATION ACT

(Mr. PERKINS asked and was given permission to address the House for 1 minute.)

Mr. PERKINS. Mr. Speaker, there is not one thing in this so-called equal access or the math and science bill that refers to any legal remedy.

I do not want to see this bill sent to a burial committee.

In view of the Speaker's ruling, the only committees that have jurisdiction over this bill are the Committee on Education and Labor and the Committee on Science and Technology.

We have cleared with the committees and with the minority, the conferees from the Committee on Science and Technology and from the Committee on Education and Labor.

So, Mr. Speaker, the only recourse that I see that I have, and I do not want to be arbitrary anytime, but I know this referral is not justified under the law.

I repeat again, I know this referral is not justified under the law to the Committee on the Judiciary.

So, I will exercise my right and call this bill up under Calendar Wednesday, the next Calendar Wednesday, the original bill, so that we can go to conference.

Is that the rule at that time if we call it up under Calendar Wednesday?

The SPEAKER. The Chair would advise the gentleman that it would not be this bill that he would call up on Wednesday. It would be a bill reported from his committee. It would not be this bill.

In the opinion of the Parliamentarian, as stated to the Speaker, the Committee on the Judiciary has partial jurisdiction over a portion of the Senate amendment. This was a nongermane Senate amendment. The Speaker is following the precedent that he has announced in this Congress.

The gentleman is asking for the unusual and in fairness, the committee has not had hearings on it, the Judiciary Committee is entitled to a referral and the Chair is referring the matter to that Committee and to the Committee on Education and Labor until August 6.

SPEAKER THOMAS P. "TIP" O'NEILL WELL RECEIVED BY VOTERS

(Mr. WRIGHT asked and was given permission to address the House for 1 minute and to include extraneous material.)

Mr. WRIGHT. Mr. Speaker, I am including for Members reference under the leave to extend an article from the Wall Street Journal this morning entitled, "Election-Year Surprise: Congress Tackles Tough Issues." In addition to that, I am including a just-released copy of the Harris survey in which it is reported, after scientifically sampling Americans throughout the country, that House Speaker THOMAS P. "TIP" O'NEILL is well received by the American people, in spite of his being the subject of recent attacks by opposition.

The personal profile of Speaker O'NEILL is remarkably positive.

By 64 to 27 percent, a majority of Americans nationwide are convinced that "he's a warm, friendly man, with good political sense."

By 80 to 16 percent, an overwhelming majority agrees with the assertion that "he's right in standing up to the Republicans by not cutting Social Security and Medicare, and in wanting to help the elderly, the poor, and the handicapped."

By a 61-to-32 percent majority, the people reject the claim that Speaker O'NEILL is "just an old-fashioned politician not in touch with today's problems."

And so those who have been trying to make an issue of our Speaker are the ones who are not in touch with the American people.

The articles follow:

[From the Wall Street Journal, June 28, 1984]

ELECTION-YEAR SURPRISE: CONGRESS TACKLES TOUGH ISSUES

(By Dennis Farley)

WASHINGTON.—Something strange has hit this election-year congressional session: an outbreak of responsibility.

Election-year sessions are typically long on rhetoric and short on accomplishment. But as this Congress prepared for a three-week recess, it leaves behind an unexpectedly solid legislative record. It's nearing agreement on a three-year deficit-reduction plan totaling roughly $140 billion. The House, overriding intense opposition, has joined the Senate in an historic revision of basic immigration law. And there's been workmanlike progress toward resolution of a variety of other issues, ranging from a massive defense authorization bill to additions to the nation's wilderness system.

It's all rather novel, and Sen. Joseph Biden, an irrepressibly candid Delaware Democrat, has a one-word explanation. "Fear," he says with a grin. Fear of facing constituents without having addressed at least some basic problems.

Rep. Leon Panetta, a thoughtful California Democrat who's still recovering from the gut-wrenching House battle on immigration law revision, has reached the same conclusion. "Election-year politics can cut both ways," he says. "Yes, you want to hide. But elections can also force you to address problems. That's what happened this year. You can't keep going home and complaining to your constituents that things need to be done when the reality is that, here in Washington, nothing is happening."

On some issues, of course, Congress has done nothing. Legislators addressing the acid rain problem appears dead for the year, so do major elements of a Senate-passed criminal code revision, which has bogged down in the House Judiciary Committee. Proposals to further deregulate banking also seem doomed. And the deficit "down payment," although bigger than expected, still leaves projected deficits of about $450 billion over the next three fiscal years.

At best, Congress deserves only "faint praise," maintains Republican Rep. Trent Lott, the House minority whip. And what remains undone now is likely to remain undone as members become increasingly preoccupied with partisan politics. "The (legislative) year's over," he says. "In terms of any significant legislative initiatives, it's over."

The remainder of the session will be preoccupied with passing appropriations bills. Some, notably defense, are expected to trigger lengthy floor debates.

Still, perhaps the remarkable thing is that this session has accomplished as much as it has. Early this year, many lawmakers were assuming that a do-nothing Congress would afford President Reagan an easy mark to run against, but that isn't a safe assumption anymore.

"How can he run against us?" asks Rep. Tony Coelho (D., Calif.), who heads the House Democratic campaign committee. "We've faced all the issues he's presented us."

LEGISLATIVE GROUNDWORK

This truncated session also may have laid some groundwork for legislation next year. Lawmakers weren't able to reach agreement on every issue in the current election-year atmosphere. But beneath the cut-and-thrust of partisan debate, what has sometimes crystalized is a rough consensus that could lead to legislation once the November election is safely past.

There's widespread agreement that Draconian deficit-reduction measures—both budget cuts and tax increases—will be necessary next year. Some members, noting that Congress made the relative easy deficit reductions this year, worry that it will flinch from the hard choices remaining. "It won't be easy to take on entitlements, or defense or taxes," says Rep. Panetta. "It never is."

But Sen. Biden notes that he and other sponsors of a one-year, across-the-board budget freeze briefly prevailed in the Senate Budget Committee this year. Vote switches in committee later killed the idea, but he attributes this mostly to election-year timidity.

"We middle-of-the-roaders were squeezed out by the left and the right," says the senator. "But the left and the right didn't have their hearts in it."

Similarly, a consensus has been building for a major tax bill next year—although ideas of what that bill should contain are all over the lot. The government "has about reached the limit" of what can be done to raise revenue through the kind of nickel-and-dime changes made this year, says Sen. Robert Dole (R. Kan.) Finance committee chairman.

DEFENSE SPENDING

Meanwhile, "almost every significant defense and foreign policy issue was wrestled to the ground," during the long, tedious congressional debate over the defense authorization bill, observes Sen. Richard Lugar (R. Ind.). Here, too, there are straws in the wind.

Although critics have rallied against defense spending throughout Mr. Reagan's first term, the fact is that the Democratic House and the Republican Senate barely touched the dollar amount in the bills they considered on the floor. (Earlier, however, the Pentagon cut its own requests in response to congressional outcries, and the House and Senate Armed Services committees trimmed still more.) "What this suggests is that after-inflation growth of about 5% a year is going to continue," ventures Sen. Lugar.

At the same time, the defense debate suggests that the MX missile, which survived in the GOP Senate after Vice President George Bush broke a tie vote, is in trouble on Capitol Hill. Congress is also clearly skeptical about President Reagan's futuristic plans for a new generation of "Star Wars" weapons—and edgy about his hard-line approach to the Soviet Union.

Finally, this session suggests that support for Mr. Reagan's Central American policy is eroding. The Senate, with reluctant White House assent, Monday dropped from a supplemental bill $21 million in aid to the rightist rebels in Nicaragua. The White House has served notice that it will be back for the money later. But Sen. Edward Kennedy (D., Mass.) commented that the vote may have marked "the day the tide was turned . . . the beginning of the end of Senate support for the secret war."

All told, it's been a fairly productive six months. Ignoring election-year pressures, Congress has acted on some important issues. Beneath the surface of election-year rhetoric, it's moved toward common ground on others. And for better or for worse, it has paid less attention to White House lobbyists than in the early, heady days of the Reagan administration.

"In 1981, Congress cut programs because we were afraid of a popular president with a mandate," says Rep. Bill Frenzel (R., Minn.). "This year we got the message by ourselves—with a little help from our constituents."

[The Harris Survey: For release: Thursday AM, June 28, 1984, not before]

SPEAKER O'NEILL POPULAR WITH AMERICANS

(By Louis Harris)

House Speaker Thomas P. 'Tip' O'Neill, the most powerful Democrat in the country, is well received by voters, in spite of his being the subject of recent attacks by Republican opposition. Although Congress as a whole receives a job rating that is 66-32 percent negative, Speaker O'Neill is given positive marks on 48-44 percent by the electorate.

O'Neill receives a great deal of credit from the American people both on a personal level, and on the issues he has come to stand for. Significantly, a 71-25 percent majority is convinced that "he should take stands on those things he believes in and be a leader on issues, as is the case with the president," rather than being "strictly nonpartisan on specific issues," since he is the Speaker of the entire House of Representatives. Republicans have claimed that the Speaker has been too partisan, a view the public clearly does not agree with.

The personal profile of Speaker O'Neill is remarkably positive. According to the latest Harris Survey, taken by telephone between June 7th and 11th, among a cross section of 1,251 likely voters nationwide:

By 64-27 percent, a majority of voters nationwide is convinced that "he's a warm, friendly man, with good political sense."

By 80-16 percent, an overwhelming majority agrees with the claim that "he's right in standing up to the Republicans by not cutting Social Security and Medicare, and in wanting to help the elderly, the poor, and the handicapped."

By the same token, major criticisms of O'Neill do not appear to have taken hold among a majority of the voters:

By 61-32 percent, a majority rejects the claim that Speaker O'Neill is "just an old-fashioned politician not in touch with today's problems."

By a narrow 45-43 percent, voters barely go along with the view that "he's too dictatorial in the way he runs the House of Representatives."

The fact that voters favor the Speaker's position on six key foreign and defense measures that he has pushed in the House is as signficant as the generally favorable perception people have of Speaker O'Neill personally.

By 78-19 percent, a big majority favors the House having passed "a resolution calling for the U.S. to negotiate a verifiable nuclear freeze agreement with the Soviet Union, under which both sides would ban the future production, storage, and use of their nuclear weapons."

By 60-34 percent, another sizable majority also favors "delaying the spending of funds for the future development of MX missiles until after April of 1985," a measure which has passed the House under O'Neill's guidance.

By 56-38 percent, a majority favors the House action in "refusing to give funds to the Defense Department to develop new nerve gas warfare technology."

By 54-37 percent, a majority of voters across the country supports the House for passing legislation "refusing to give the CIA funds to arm the rebels who are fighting the Sandinista government in Nicaragua."

By 51-41 percent, another majority supports the action of the House of Representatives in "delaying for one year the development of sea-based cruise missiles."

By 51-44 percent, a majority of voters favors the House measure which refused "to give funds for developing weapons for use in warfare in outer space," the so-called Star Wars technology issue.

In each of these key measures, it is apparent that Democratic leadership in the House has made a deliberate decision to take on President Reagan in pivotal foreign and defense policies. Significantly, in each case, the Democratic position meets with popular approval.

In the absence of a Democratic president in the White House, Speaker O'Neill and the Democrats in Congress have taken over as spokespeople for their party. As such, they have obviously been successful, at least in voters' views.

Speaker O'Neill has been more active than some previous speakers in the past. He has drawn Republican fire for his controversial stands on the issues and for his partisanship. When asked how the Speaker compares with past occupants of his office, 52 percent feel he is about the same, only 8 percent say he is worse, but three times that number, 24 percent, think he is better. There is little doubt that Speaker O'Neill has not only weathered the storm roused by his GOP opposition, but that he stands high in the estimation of the voters themselves.

The tables follow:

THE HARRIS SURVEY, O'NEILL, JUNE 28, 1984

Between June 7th and 11th, the Harris Survey asked a cross section of 1,251 likely voters nationwide by telephone:

"How would you rate the job being done by (read each item)—excellent, pretty good, only fair, or poor?"

JOB RATING OF CONGRESS AND SPEAKER O'NEILL

[In percent]

	Positive[1]	Negative[2]	Not sure
Democratic House Speaker Thomas P. "Tip" O'Neill	48	44	8
Congress	32	66	2

[1] Positive—Excellent and pretty good.

[2] Negative—Only fair and poor.

"Now let me read you some statements about Democratic House Speaker Thomas P. "Tip" O'Neill. For each, tell me if you agree or disagree."

O'NEILL PROFILE

[In percent]

	Agree	Disagree	Not sure
Positive statements:			
He's right in standing up to the Republicans by not cutting Social Security and Medicare, and in wanting to help the elderly, the poor and the handicapped	80	16	4
He's a warm, friendly man, with good political sense	64	27	9
Negative statements:			
He's too dictatorial in the way he runs the House of Representatives	45	43	12
He's just an old-fashioned politician not in touch with today's problems	32	61	7

"Do you feel that, as the Speaker of the House of Representatives, Speaker Tip O'Neill should be strictly nonpartisan on specific issues, or do you feel that he should take stands on those things he believes in and be a leader on issues, as is the case with the president?"

O'Neill take nonpartisan stands on specific issues?

	Percent
Should be nonpartisan	25
Should take stands	71
Not sure	4

"Now, let me ask you about specific bills that have been passed by the House of Representatives on which Speaker O'Neill has taken leadership positions. For each, tell me if you favor or oppose that bill?"

FAVOR SPECIFIC BILLS PASSED BY THE HOUSE

[In percent]

	Favor	Oppose	Not sure
Passing a resolution calling for the United States to negotiate a verifiable nuclear freeze agreement with the Soviet Union, under which both sides would ban the future production, storage and use of their nuclear weapons	78	19	3
Delaying the spending of funds for the future development of MX missiles until April of 1985	60	34	6
Refusing to give funds to the Defense Department to develop new nerve gas warfare technology	56	38	6
Refusing to give the CIA funds to arm the rebels who are fighting the Sandinista goverment in Nicaragua	54	37	9
Delaying for 1 yr the development of sea-based cruise missiles	51	41	8
Refusing to give funds for developing weapons for use in warfare in outer space	51	44	5

"All in all, do you feel that Speaker O'Neill is better than past Speakers of the House, worse, or about the same as past speakers?"

O'Neill versus past speakers

	Percent
Better	24
Worse	8
About the same	52
Not sure	16

METHODOLOGY

This Harris Survery was conducted by telephone with a representative cross section of likely voters 18 and over at 1,251 different sampling points within the United States between June 7th and 11th. Figures for age, sex and race were weighted where necessary to bring them into line with their actual proportions in the population.

In a sample of this size, one can say with 95% certainty that the results are within plus or minus three percentage points of what they would be if the entire voting population had been polled.

This statement conforms to the principles of disclosure of the National Council on Public Polls.

☐ 1010

YOUTH UNEMPLOYMENT

(Mr. HAWKINS asked and was given permission to address the house for 1 minute and to revise and extend his remarks.)

Mr. HAWKINS. Mr. Speaker, while it is being promoted as a means of alleviating youth unemployment, in actuality the administration's youth subminimum wage proposal is an enormous and unjustifiable subsidy for the fast food industry.

Fully 70 percent of the 3.5 million people employed in the fast food industry are 20 years of age or under, most of them currently paid at or slightly above the minimum wage. If all these youthful employees were paid at the proposed $2.50 an hour instead of the current minimum wage of $3.35, the fast food industry could potentially reap a whopping savings of $1.6 billion in wages during the summer months when the proposal would be in effect. During the 3 years of the administration's proposed demonstration, fast food employers would have a windfall profit of almost $5 billion.

What is the justification for the Federal Government providing such an enormous benefit to the fast food industry? Is this an industry which faces unfair foreign competition or is threatened with technological change? No. The fast food industry has enjoyed unprecedented growth. Between 1976 and 1983 profits for McDonald's increased 214 percent; profits for Wendy's grew 735 percent during the same period.

Let us not fool ourselves. We're not helping young people by paying them less. We're helping the fast food industry.

PERMANENT HOMES FOR FOSTER CHILDREN

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MILLER of California. Mr. Speaker, it is not very often that the Congress of the United States gets to enjoy success, but today we do.

Mr. Speaker, 4 years ago, I told the House that the time had come to modernize our foster care and adoption programs.

Study after study proved that if we invested in prevention, we could not only cut the number of foster care placements, but the cost of that system as well.

If we supported adoption instead of subsidizing long-term placements, we could promote families instead of underwriting institutions.

Mr. Speaker, I am delighted by the report on the success of our program which the Secretary of Health and Human Services has just sent to the Congress.

According to this report, the number of children in foster care has dropped by more than half since 1977. The number of children awaiting adoption has dropped by more than half.

Secretary Heckler has credited Public Law 96-272, our 1980 foster care and adoption reform law, with improving the crisis in foster care.

The credit for this remarkable success is shared by every Member of Congress who had the foresight to support that landmark legislation, including our former colleagues, John

Rousselot and Jim Corman. We must maintain our commitment to those foster children and their families.

I am including for the RECORD an article from the New York Times of Wednesday, June 27, on this very important subject:

A PLACE FOR FOSTER CHILDREN

WASHINGTON, June 26.—The Government says a national drive to find permanent homes for foster children is paying off dramatically. In a report to Congress last week, Margaret M. Heckler, Secretary of Health and Human Services, said the number of children in foster care dropped from 500,000 in 1977 to 243,000 in 1982, and the average time spent in care went from 47 months in 1977 to 35 in 1982.

"We are succeeding in our drive to find permanent homes more quickly for children who need them," Mrs. Heckler said. The number of children in foster care and free for adoption dropped from 102,000 in 1977 to 50,000 in 1982, she said.

The report said, however, that the proportion of foster children free for adoption and in adoptive placement—that is, merely awaiting the completion of paperwork—declined from 49 percent in 1977 to 34 percent in 1982. That is because, with fewer children in foster care, whose who remain are more difficult to place—handicapped youngsters, older children and those with behavioral problems—according to Penelope Maza, a statistician with the Children's Bureau of the Department of Health and Human Services.

Mrs. Heckler said much of the improvement stemmed from a 1980 law increasing Federal adoption aid and requiring states to tighten control over foster care programs. It required six-month reviews of each case and greater efforts to keep children with their natural parents or find other permanent homes for them.

The law made more children in foster care eligible for adoption assistance. The report to Congress said that such aid now is claimed for 4,762 children each month, compared with 289 in 1981.

Mrs. Heckler said the nation is "moving away from a child welfare system that had become a receiving or holding system for children living away from their parents."

The report's state-by-state breakdown of the number of children in foster care showed that although some states had large declines—Arizona's, for example, was 47 percent—others showed increases, such as North Dakota, with a rise of 44 percent.

The report included these figures:

Alaska, no numbers available; Alabama, down 19 percent; Arkansas, up 8 percent; California, up 14 percent; Colorado, down 33 percent; Connecticut, up 5 percent; Delaware, down 18 percent; District of Columbia, down 34 percent; Florida, down 38 percent; Georgia, up 10 percent; Hawaii, up 2 percent; Idaho, down 10 percent; Illinois, up 21 percent; Indiana, no numbers available; Iowa, up 10 percent; Kansas, down 2 percent; Kentucky, down 47 percent.

Louisiana, up 24 percent; Maine, up 5 percent; Maryland, no change; Massachusetts, down 17 percent; Michigan, down 33 percent; Minnesota, down 17 percent; Mississippi, down 22 percent; Missouri, down 17 percent; Montana, up 9 percent; Nebraska, down 5 percent; Nevada, up 18 percent; New Hampshire, down 20 percent; New Mexico, down 25 percent; New York, down 20 percent.

North Carolina, down 43 percent; North Dakota, up 44 percent; Ohio, up 30 percent; Oklahoma, no change; Oregon, down 7 percent; Pennsylvania, down 22 percent; Rhode Island, up 28 percent; South Carolina, down 16 percent; South Dakota, up 2 percent; Tennessee, down 11 percent; Texas, down 21 percent; Utah, up 5 percent; Vermont, down 1 percent; Virginia, down 17 percent; Washington, up 23 percent; West Virginia, down 27 percent; Wisconsin, down 25 percent; Wyoming down 41 percent.

ACID RAIN

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VENTO. Mr. Speaker, the subcommittee defeat of H.R. 3400, the Waxman-Sikorski bill, was a legislative and a psychological setback. It should not have happened.

The clock is running out this session but there is still time to progress and reverse the relentless environmental havoc caused by acid rain. The policy debate on acid rain must continue. Today, I am introducing a new acid rain legislative initiative to break the stalemate in Congress and lay the foundation for future action.

The Vento acid rain bill sets high emission reduction goals and creates a national acid rain trust fund. Most importantly, it provides a pollution reduction credit to decrease the burden on consumers and States which have been leaders in acid rain control.

We must build an acid rain coalition—a coalition of Members of Congress from States adversely impacted by acid rain pollution, States which have led in the war against acid rain, and States which face the greatest threat because of their acid sensitive lakes and lands. States and those Members of Congress representing them should be certain that they are being treated fairly, that the legislative policy we craft will fulfill its promise and that credit will be given for the substantial investments that have been made in the past or will be necessary in the future. These objectives can be attained within the context of an effective acid rain program and I urge Members who share these goals to initiate and renew their support to address the devastating impacts of acid rain by joining with me as a supporter of the measure I am introducing today.

MEMBERS URGED TO OPPOSE H.R. 4784, TRADE REMEDIES REFORM ACT OF 1984

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, this House will soon be considering H.R. 4784, the Trade Remedies Reform Act of 1984. I rise to alert my colleagues to three provisions of that bill which promise to turn otherwise worthy reforms into a veritable guantlet thrown into the arena of the international trade market.

Specifically, I urge this body to take a long and careful look at the provisions regarding foreign industrial targeting subsidies, natural resources subsidies, and third party downstream dumping. These three provisions constitute unilateral changes in our law which contradict longstanding United States and international trade policy.

Yes, reforms are sorely needed to strengthen U.S. law governing unfair trade practices. But it would be irresponsible for this body to enact such reforms at the risk of jeopardizing the interests of American consumers, producers, and exporters, and indeed threatening the American balance of trade.

I urge my colleagues not to be deceived by the name of this bill, but instead to join me in taking that long and careful look at the impact these so-called reforms are likely to have, and to oppose H.R. 4784, as written.

TRADE BILL

(Mr. SCHULZE asked and was given permission to address the House for 1 minute.)

Mr. SCHULZE. Mr. Speaker, today I am introducing a bill which would allow for congressional oversight of the President's broad discretion to grant import relief to injured American industries and workers.

Last year the Supreme Court declared the legislative veto unconstitutional, and as a result the authority of Congress to review Presidential import relief actions has been left in a legal limbo.

This bill requires Congress to adopt a joint resolution of approval of the President's import relief plan in the event that it differs from the relief recommended by the ITC.

My legislation would ensure that Congress is directly involved in the process of devising appropriate import relief for injured domestic industries.

The time has come for Congress and the President to join in an effort to correct the serious injury that American firms and workers are suffering in the wake of unprecedented import competition.

I urge my colleagues to give this bill their careful and prompt attention.

ADOPTION AS AN ALTERNATIVE TO FOSTER HOMES

(Mr. COATS asked and was given permission to address the House for 1 minute.)

Mr. COATS. Mr. Speaker, I rise to lend my appreciation for and support of the remarks of the gentleman from

California [Mr. MILLER] regarding the truly heartening statistics that have come through regarding the decrease in the number of children in foster homes and the increase in the number of adoptions throughout the country.

Two evenings ago, the House adopted a proposal that I had introduced declaring the week of November 19 (Thanksgiving Week) as National Adoption Week, a measure introduced to draw attention to adoption as an alternative to placing children in foster homes and as an alternative, frankly, to abortion.

I think this effort, combined with the efforts that are underway at HHS to encourage adoption is something that is a true benefit to this Nation, certainly a benefit for those children throughout this country who do not have the privilege of being raised in a home with their natural parents.

Many children have no other choice than go into foster homes, but the more we can place in homes with a mother and a father, the better off we are going to be in this Nation, and I thank the gentleman for his efforts in this regard.

NAVY'S DECISION TO DEPLOY SLCM'S REPRESENTS ESCALATION OF NUCLEAR ARMS RACE

(Mr. BEDELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEDELL. Mr. Speaker, yesterday the Baltimore Sun reported that the Department of the Navy has "quietly deployed" the first of our Nation's nuclear-armed sea-launched cruise missiles on U.S. attack-class submarines. This report was confirmed today by both the Washington Post and the New York Times.

In my own view, although we knew the Navy intended to begin deployment of nuclear SLCM's this month, this decision represents a dangerous escalation of the nuclear arms race and further, tends to demonstrate the Navy's disregard of congressional efforts aimed at the establishment of some sort of verification regime on sea-launched cruise missiles before the Soviets begin deployment of their more sophisticated SS-NX-21 sea-launched cruise missile.

Mr. Speaker, for the life of me, I cannot understand or accept the wisdom of this decision. Just last month, this body approved an amendment prohibiting the deployment of nuclear-armed SLCM's until such time that an acceptable verification regime on these systems can be agreed upon, and while the Senate did not go as far as the House did with respect to this issue, there does exist some concurrence in the Congress that deployment of nuclear SLCM's should be delayed until such a regime can be established.

What, then, will be the results of the Navy's decision? Clearly, we can anticipate one result—Soviet acceleration of the SS-NX-21 program. Once again, the United States has determined to allow a technology in which we have a temporary edge to get out of the bag. The Soviets will now have a clear incentive to deploy their more advanced SLCM's and, thus, American national security is placed in greater peril. Seventy-five percent of our Nation's population and industrial capacity lies within reach of the SS-NX-21. When will we learn and where will it end? It is my hope that both the House and Senate conferees will examine the Navy's decision and accede to the House-passed moratorium on nuclear-armed SLCM's and thus begin to take the first vital steps that are necessary to begin to bring the nuclear arms race under control.

WITHDRAWAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 953

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent that my name be withdrawn as a cosponsor of H.R. 953.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

ENHANCING ECONOMIC DEVELOPMENT OF GUAM, THE VIRGIN ISLANDS, AMERICAN SAMOA, AND THE NORTHERN MARIANA ISLANDS

Mr. WON PAT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 5561) to enhance the economic development of Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Guam?

Mr. LAGOMARSINO. Mr. Speaker, reserving the right to object, I will ask the chairman. Is this the omnibus territories bill we worked out together and together with the Department of the Interior?

□ 1020

Mr. WON PAT. If the gentleman will yield, it is. H.R. 5561 is a bill to facilitate the economic development of the U.S. territories by providing necessary assistance and removing unnecessary statutory impediments.

It is based on an administration request. It received the bipartisan support of the Committee on Interior and Insular Affairs, and since it has been reported, it has been reviewed by the Committees on the Budget, Merchant Marine and Fisheries, and Ways and Means.

It would be altered by an amendment in the nature of a substitute that I will offer shortly to accommodate the concerns of those committees, as well as our committee, administration and territorial officials, and make technical changes.

The changes would require no new spending and the amendments since introduction include savings of at least $14 million.

Mr. LAGOMARSINO. Further reserving the right to object, Mr. Speaker, we have worked out the provisions of this annual territories bill with all those having an interest in it, including the Department of the Interior, and it will enable the United States to meet its responsibilities to the territories.

Mr. Speaker, further reserving the right to object, I yield to the ranking member of the full Interior Committee, Mr. LUJAN.

Mr. LUJAN. I thank the gentleman for yielding, and I want to congratulate the chairman and the ranking member of the subcommittee for bringing this legislation to the floor and to the delegates, who are also members of the committee, for their dedication in this bill.

Mr. Speaker, the thing that we want to do of course is to keep the move in the direction of making the territories self-sufficient at some point. I for one look forward to the day when they might, or some of them, might become states. So we want the same opportunity for our fellow citizens in the territories, and I think that this bill moves us in a good direction.

Mr. LAGOMARSINO. Mr. Speaker, further reserving the right to object, I want to congratulate the ranking Member for his statement, and say that I agree completely with what he said. I think this bill does move the territories a long way toward self-sufficiency.

Mr. Speaker, I rise in support of H.R. 5561 with amendments.

This bill is a bipartisan effort to facilitate economic development in the U.S. territories. These territories are members of our American political and economic family. As such, they are entitled to the same economic encouragements that we give our citizens in the 50 States.

In short, the bill proposes to provide financial management assistance for private business in the territories; enables the citizens of the U.S. Pacific Territories, and the Northern Mariana Islands, as well as American nationals, to develop very promising fisheries resources; provides infrastructure assistance for water problems in Guam and the Northern Mariana Islands, and transportation needs in the Virgin Islands; provides for a more consistent judicial program in the Virgin Islands; corrects oversights in the extension of

Federal programs to all the U.S. territories; and, most importantly, encourages badly needed local investment projects through technical assistance funding in the Department of Interior. This funding comes with the stipulation that the Department of Interior report to the Congress on the efforts and progress being made on the development of private enterprise projects in Guam, the Virgin Islands, American Samoa, and the Northern Mariana Islands.

Mr. Speaker, the Interior Committee has held two hearings on this bill. The Interior staff has worked many hours with the staffs of the Committees on Merchant Marine and Fisheries, Ways and Means, and Budget to arrive at a consensus. The territorial governments and the Office of Territorial and International Affairs of the Department of the Interior have all been consulted and are in agreement with the provisions of the bill.

Mr. Speaker, our responsibilities in the territories necessitate the provisions of this legislation. Accordingly, I urge my colleagues to support and pass H.R. 5561 without delay.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Guam?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

Sec. 101. In order to facilitate the economic development of the territories of Guam, the Virgin Islands, American Samoa, and the Northern Mariana Islands, the Secretary of the Interior is authorized to encourage private investment in projects, enterprises, and activities contributing to their economic development and to promote and develop business management expertise by supplementing private capital when it is not otherwise available on reasonable terms and conditions through other sources and by providing technical and other assistance.

Sec. 102. As used in this Act, the term—

(1) "investment" includes any contribution of funds, commodities, services, patents, processes, or techniques, in the form of (A) a loan or loans to an approved project, and (B) the purchase of a share of ownership in any such project;

(2) "Fund" means the Territorial Economic Development Fund established under section 103 of this Act;

(3) "project" means a specific activity or undertaking, physically located in the territories, for which an applicant requests loan funding under this Act;

(4) "Secretary" means the Secretary of the Interior; and

(5) "territory" means the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

Sec. 103. (a) There is hereby established within the United States Treasury a Territorial Economic Development Fund which shall be available as a revolving fund for the purposes of this Act. All amounts received by the Fund in payment of principal or interest on loans, all fees received under this Act, and other moneys, property, or assets derived by the Fund from its operations in connection with this Act shall be deposited into the Fund and shall be invested by the Fund in public debt securities of the United States. These funds shall be available for lending in accordance with the provisions of this Act. Unless otherwise extended by Act of Congress, any moneys received by the Fund after September 30, 1987, any balance in the Fund on September 30, 1987, and all accounts receivable shall be covered or paid into the Treasury as miscellaneous receipts.

(b)(1) The Fund shall be administered by the Secretary in consultation with a Board of Directors consisting of the following members:

(A) the Secretary, or his designee, who shall be Chairman;

(B) the Secretary of the Treasury, or his designee;

(C) three members appointed by the Secretary, at least one of whom shall be experienced in the operation of business or banking organizations; and

(D) four members, one appointed by the Governor of each territory, to represent the respective interests thereof.

(2) The Board of Directors, which shall meet at least semiannually in Washington, District of Columbia, and at such other times as the Chairman may deem appropriate, may recommend policies and priorities regarding the use of the Fund. A majority shall constitute a quorum and a majority of those present and voting shall be sufficient to transact business. To carry out these functions, the Board shall be assisted by an Executive Director and such other staff as the Chairman may deem necessary.

Sec. 104. (a) The Secretary may make loans from the Fund in accordance with the provisions of this Act and policies and priorities established by the Board of Directors.

(b) All loans made from the Fund shall bear interest at a rate to be determined by the Secretary of the Treasury, in consultation with the Board of Directors taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity which are comparable to the average maturities of such loans and the purposes of this title. Additional fees may be charged by the Secretary for services provided in connection with application for, or approval of, loans.

(c) All loans made from the Fund shall provide for complete amortization within a period of not to exceed twenty-five years, or 90 per centum of the useful life of any physical asset to be financed by the loan, whichever is less, as determined by the Secretary.

(d) Any application for any loan to finance a specific project from the Fund shall indicate all Federal assistance provided, or applied for, for such project and the Secretary shall not approve any such application when such Federal assistance, together with the loan applied for, exceeds 90 per centum of the total investment to be committed to such project as determined by the Secretary, which determination shall be conclusive with respect to the Secretary's authority to make such loans.

(e) The borrower shall be permitted to draw funds against an approved loan to meet project expenditures only as such expenditures are incurred. Any interest accruing to moneys borrowed from the Fund but not expended for project purposes, shall, as a condition of the loan, be repayable to the Fund.

(f) No payment may be made under any agreement for a loan issued pursuant to this Act arising out of fraud or misrepresentation for which the party seeking payment is responsible.

(g) No application for a loan shall be approved, and no loan shall be made, by the Secretary until the applicant provides such information as the Secretary may require concerning the nature of the business enterprise, the financial arrangements related thereto, and such other information as he may deem appropriate. All loans approved by the Secretary shall be made only after he finds that there is reasonable assurance of repayment; that the proposed collateral for the loan is of such a nature that, when considered with the integrity and ability of the project management and the applicant's past and prospective earnings, repayment of the loan will be reasonably assured; and that the applicant possesses the ability, experience, resources, and other qualifications necesssary to operate and maintain the project for which the loan is to be made.

(h) Loans made to an agency of the government of a territory shall not exceed an aggregate amount of $1,000,000 in any fiscal year. Prior to lending such moneys to such agencies the Secretary shall require that all loans made by such agencies shall be guaranteed by the territory involved and that all loans made by the agency shall be on terms and at rates of interest no more favorable than those contained in the loan from the Fund.

(i) Except for loans to an agency of the government of a territory, no loan shall be granted for the purposes of relending said funds to another person.

(j) No loan shall be approved unless the Secretary determines that credit is not otherwise available to the applicant on reasonable terms and conditions.

(k) Claims arising as a result of the loan operations under this Act may be settled, and disputes arising as a result thereof may be arbitrated with the consent of the parties, on such terms and conditions as the Secretary may determine. Payment made pursuant to any such settlement, or as a result of an arbitration award, shall be final and conclusive notwithstanding any other provision of law.

Sec. 105. Three months after the end of each fiscal year, the Secretary shall submit to the Congress a complete and detailed report of the activities of the Board of Directors and of the operation of this program authorized by this Act during such fiscal year, including an income statement and a balance sheet.

Sec. 106. There are authorized to be appropriated $2,000,000 for fiscal year 1985; $10,000,000 for fiscal year 1986; and $10,000,000 for fiscal year 1987 for the initial lending capital for the Fund and for its administrative expenses, said funds to remain available until expended.

TITLE II

Sec. 201. Section 8(b) of the Revised Organic Act of the Virgin Islands (68 Stat. 500, as amended, 48 U.S.C. 1574) is further amended by striking from the fourth sentence of clause (i) the words "shall be sold at public sale and" and by inserting at the end thereof the following new clause:

"(iii) The government of the Virgin Islands may cause to be issued industrial development bonds which shall be exempt, as to principal and interest, from taxation by the United States, or by any State, territory, or possession of the United States or any political subdivision of any of them, according to the terms of section 103(b) of the Internal Revenue Code.".

Sec. 202. The government of American Samoa may cause to be issued industrial development bonds which shall be exempt, as to principal and interest, from taxation by the United States, or by any State, territory, or possession of the United States or any political subdivision of any of them, according to the terms of section 103(b) of the Internal Revenue Code.

Sec. 203. (a) Section 11 of the Organic Act of Guam (64 Stat. 387, 48 U.S.C. 1423a), as amended, is amended by inserting, immediately before the sentence that begins with the words "Should the Guam Power Authority fail to pay", the following language: "At the request of the Board of Directors of the Guam River Authority for a second refinancing agreement, the Secretary may guarantee for purchase by the Federal Financing Bank, on or before December 31, 1984, obligations of the Guam Power Authority that shall—

"(1) carry on annual simple interest rate of 7 per centum,

"(2) be paid in equal semiannual installments of principal and interest,

"(3) mature no later than December 3, 2004, and

"(4) contain no prepayment penalty,

and the Federal Financing Bank shall purchase such Guam Power Authority obligations if such Guam Power Authority obligations are issued to refinance the principal amount scheduled to mature on December 31, 1990, with no repurchase payments required in the fifth paragraph of the December 31, 1980, note from the Guam Power Authority to the Federal Financing Bank. Should such second financing occur only the Board of Directors of the Guam Power Authority shall establish rates: *Provided*, That such rates shall be sufficient to satisfy all financial obligations of the Guam Power Authority, and shall be consistent with generally accepted ratemaking practices of public utilities, as determined by the Secretary. There are authorized to be appropriated to the Secretary of the Treasury for payment to the Federal Financing Bank such sums as are necessary to compensate the Federal Financing Bank for (1) the interest rate differential between the 7 per centum to be paid by the Guam Power Authority under the second refinancing agreement and the interest rate that would otherwise be determined in accordance with the above cited section 6 of the Federal Financing Bank Act, and (2) the repurchase payments required under the fifth paragraph of the December 31, 1980, note from the Guam Power Authority to the Federal Financing Bank.".

TITLE III

Sec. 301. Section 25 of the Organic Act of Guam (64 Stat. 384, 391 as amended, 48 U.S.C. 1421c) is amended by adding after paragraph (a) the following:

"(b) Notwithstanding any other provision of law, any vessel of at least five net tons that is not registered under the laws of a foreign country is eligible for documentation under this Act if it is owned by—

"(1) an individual who is a citizen or national of the United States domiciled in Guam;

"(2) an association, trust, joint venture, or other entity capable of holding title to a vessel under the laws of the United States or of Guam all the members of which are citizens or nationals of the United States domiciled in Guam;

"(3) a partnership whose general partners are citizens or nationals of the United States domiciled in Guam and the controlling interest in the partnership is owned by citizens or nationals of the United States domiciled in Guam;

"(4) a corporation created under the laws of the United States or Guam if—

"(A) the controlling interest is owned by citizens or nationals of the United States domiciled in Guam;

"(B) its president or other chief executive officer and the chairman of its board of directors are citizens or nationals of the United States domiciled in Guam;

"(C) no more of its directors than a minority of the number necessary to constitute a quorum are other than citizens or nationals of the United States domiciled in Guam; or

"(5) the government of Guam.".

Sec. 302. That the resolution of June 14, 1934 (48 Stat. 963; 48 U.S.C. 1664), is amended by inserting "(a)" before "The provisions of law", changing "beween" to "between", and inserting the following new subsection:

"(b) Notwithstanding any other provision of law, any vessel of at least five net tons that is not registered under the laws of a foreign country is eligible for documentation under this Act if it is owned by—

"(1) an individual who is a citizen or national of the United States domiciled in American Samoa;

"(2) an association, trust, joint venture, or other entity capable of holding title to a vessel under the laws of the United States or of American Samoa, all the members of which are citizens or nationals of the United States domiciled in American Samoa;

"(3) a partnership whose general partners are citizens or nationals of the United States domiciled in American Samoa and the controlling interest in the partnership is owned by citizens or nationals of the United States domiciled in American Samoa;

"(4) a corporation created under the laws of the United States or American Samoa if—

"(A) the controlling interest is owned by citizens or nationals of the United States domiciled in American Samoa;

"(B) its president or other chief executive officer and the chairman of its board of directors are citizens or nationals of the United States domiciled in American Samoa; and

"(C) no more of its directors than a minority of the number necessary to constitute a quorum are other than citizens or nationals of the United States domiciled in American Samoa; or

"(5) the government of American Samoa.".

Sec. 303. (a) To further the purposes of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America as approved by Congress (90 Stat. 263; 48 U.S.C. 1681), notwithstanding any other provision of law, any vessel of at least five net tons that is not registered under the laws of a foreign country is eligible for documentation under this Act if it is owned by—

"(1) an individual who is a citizen or national of the United States domiciled in the Northern Mariana Islands, or a citizen of the Northern Mariana Islands;

"(2) an association, trust, joint venture, or other entity capable of holding title to a vessel under the laws of the United States or of the Northern Mariana Islands, all the members of which are citizens or nationals of the United States domiciled in the Northern Mariana Islands, or citizens of the Northern Mariana Islands;

"(3) a partnership whose general partners are citizens or nationals of the United States domiciled in the Northern Mariana Islands, or citizens of the Northern Mariana Islands, and the controlling interest in the partnership is owned by citizens or nationals of the United States domiciled in the Northern Mariana Islands, or citizens of the Northern Mariana Islands;

(4) a corporation created under the laws of the United States or the Northern Mariana Islands if—

"(a) the controlling interest is owned by citizens or nationals of the United States domiciled in the Northern Mariana Islands or by citizens of the Northern Mariana Islands;

"(B) its president or other chief executive officer and the chairman of its board of directors are citizens or nationals of the United States domiciled in the Northern Mariana Islands, or are citizens of the Northern Mariana Islands; and

(C) no more of its directors than a minority of the number necessary to constitute a quorum are other than citizens or nationals of the United States domiciled in the Northern Mariana Islands, or citizens of the Northern Mariana Islands; or

(5) the government of the Northern Mariana Islands.

(b) Nothing in this Act shall be deemed to render applicable to the Northern Mariana Islands the coastwise laws of the United States or any prohibition in the laws of the United States against foreign vessels landing fish or unfinished fish products in the United States.

Sec. 304. Foreign-built vessels documented under this Act are entitled to engage in—

(a) fishing within the territorial sea and fishery conservation zone adjacent to Guam, American Samoa, and the Northern Mariana Islands in accordance with applicable United States laws; and

(b) coastwise trade of fisheries products in and among Guam, American Samoa, and the Northern Mariana Islands.

Sec. 305. Nationals of the United States domiciled in Guam, American Samoa, or the Northern Mariana Islands, and citizens of the Northern Mariana Islands shall be considered citizens of the United States for all citizenship requirements related to the operation of vessels documented under this Act while the vessel is engaged in the activities described in section 4 of this Act.

Sec. 306. Upon the effective date of the termination of the Trusteeship Agreement over the Trust Territory of the Pacific Islands with respect to the Northern Mariana Islands, section 2(2) of this Act and all references to the Northern Mariana Islands contained in this Act shall cease to be effective.

Sec. 307. Nothing in this Act shall be deemed to render applicable to the Northern Mariana Islands the coastwise laws of the United States or any prohibition in the laws of the United States against foreign vessels landing fish or unfinished fish products in the United States.

Sec. 308. For purposes of this Act, the term—

(a) "national of the United States" has the meaning given it in section 10(a)(22)(B) of the Immigration and Nationality Act (8 U.S.C. 110(a)(22)(B));

(b) "citizen of the Northern Mariana Islands" means an individual citizen of the Trust Territory of the Pacific Islands who is exclusively domiciled in the Northern Mariana Islands within the meaning of section 1005(e) of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America (90 Stat. 278);

(c) "domicile" means that place where a person maintains a residence with the intention of continuing such residence for an unlimited or indefinite period, and to which such person, when absent, even for an extended period, has the itention of returning; and

(d) "fishing" includes—

(1) all activities defined as fishing in section 3(10) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1802(10); and

(2) all activities included in the definition of fisheries in section 102(2) of the Vessel Documentation Act of 1980 (94 Stat. 3453).

TITLE IV

Sec. 401. To further the rehabilitation, upgrading, and construction of public facilities in the territories of the United States—

(a) section 1(a)(1) of the Act of August 18, 1978 (92 Stat. 487), as amended, is further amended by adding "$9,600,000 in fiscal year 1986," before the words "such sums";

(b) there are authorized to be appropriated $600,000 in fiscal year 1985 (to remain available until expended) to the Secretary of the Interior who, in consultation with and with assistance of the Secretary of Transportation, shall use said funds exclusively for the planning improvements for the Alexander Hamilton Airport in St. Croix, Virgin Islands.

(c) the Secretary of the Interior is authorized and directed, in consultation with and with the assistance of the Secretary of Housing and Urban Development, to study the desirability and feasibility of initiating a program for the development of housing in American Samoa and to submit such recommendations as he may deem appropriate to the Committee on Interior and Insular Affairs of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate of the United States.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WON PAT

Mr. WON PAT. Mr. Speaker, in lieu of the committee amendment, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. Won Pat: Strike out all after the enacting clause and insert in lieu thereof the following:

TITLE I

Sec. 101. There are authorized to be appropriated to the Secretary of the Interior $2,000,000 for each of fiscal years 1985, 1986, and 1987 for technical assistance (including but not limited to management, marketing, and finance) in developing private enterprises in Guam, the Virgin Islands, American Samoa, and the Northern Mariana Islands.

Sec. 102. The Secretary of the Interior is authorized and directed to report to the Committee on Interior and Insular Affairs of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate not later than January 1 of fiscal years 1985, 1986, 1987 on the executive branch's efforts regarding and recommendations for developing private enterprises in Guam, the Virgin Islands, American Samoa, and the Northern Mariana Islands.

TITLE II

Sec. 201. Section 8(b) of the Revised Organic Act of the Virgin Islands (68 Stat. 500, as amended, 48 U.S.C. 1574) is further amended by striking from the fourth sentance of clause (i) the words "shall be sold at public sale and" and by inserting at the end thereof the following new clause:

"(iii) Effective October 1, 1984, the government of the Virgin Islands may cause to be issued industrial development bonds which shall be exempt, as to principal and interest, from taxation by the United States or by any State, territory, or possession of the United States or any political subdivision of any of them."

Sec. 202. Effective October 1, 1984, the government of American Samoa may cause to be issued industrial development bonds which shall be exempt, as to principal and interest, from taxation by the United States, or by any State, territory, or possession of the United States or any political subdivision of any of them.

Sec. 203. Section 11 of the Organic Act of Guam (64 Stat. 387, 48 U.S.C. 1423a), as amended, is amended by inserting, immediately before the sentence that begins with the words "Should the Guam Power Authority fail to pay", the following language: "At the request of the Board of Directors of the Guam Power Authority for a second refinancing agreement, the Secretary may guarantee for purchase by the Federal Financing Bank, on or before December 31, 1984, obligations of the Guam Power Authority that shall—

"(a) carry on annual simple interest rate of 7 per centum,

"(b) be paid in equal semiannual installments of principal and interest,

"(c) mature no later than December 31, 2004, and

"(d) contain no prepayment penalty,

and the Federal Financing Bank shall purchase such Guam Power Authority obligations if such Guam Power Authority obligations are issued to refinance the principal amount scheduled to mature on December 31, 1990, with no repurchase payments required in the fifth paragraph of the December 31, 1980, note from the Guam Power Authority to the Federal Financing Bank. Should such second financing occur, the Board of Directors of the Guam Power Authority shall establish rates sufficient to satisfy all financial obligations of the Guam Power Authority that shall be consistent with generally accepted ratemaking practices of public utilities, as determined pursuant to local law. There are authorized to be appropriated to the Secretary of the Treasury for payment to the Federal Financing Bank such sums as are necessary to compensate the Federal Financing Bank for (1) the interest rate differential between the 7 per centum to be paid by the Guam Power Authority under the second refinancing agreement and the interest rate that would otherwise be determined in accordance with the above cited section 6 of the Federal Financing Bank Act, and (2) the repurchase payments required under the fifth paragraph of the December 31, 1980, note from the Guam Power Authority to the Federal Financing Bank.".

TITLE III

Sec. 301. Title 46, United States Code, is amended—

(a) in Section 2101 add a new paragraph (3a) to read as follows: "(3a) 'citizen of the United States' means a national of the United States as defined in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22)) or a citizen of the Northern Marians Islands.";

(b) in section 12106 add the following at the end: "(c) A coastwise license to engage in the coastwise trade of fisheries products between places in Guam, American Samoa, and the Northern Mariana Islands may be issued for a vessel that—

"(1) is less than 200 gross tons;

"(2) was not built in the United States;

"(3) is eligible for documentation; and

"(4) otherwise qualifies under the laws of the United States to be employed in the coastwise trade."; and

(c) in section 12108 add the following at the end: "(c) A fishery license to engage in fishing in the territorial sea and fishery conservation zone adjacent to Guam, American Samoa, and the Northern Mariana Islands may be issued to a vessel that—

"(1) is less than 200 gross tons;

"(2) was not built in the United States;

"(3) is eligible for documentation; and

"(4) otherwise qualifies under the laws of the United States to be employed in the fisheries trade.".

TITLE IV

Sec. 401. To further the rehabilitation, upgrading, and construction of public facilities in the territories of the United States—

(a) section 1(a)(1) of the Act of August 18, 1978 (92 Stat. 487), as amended, is further amended by adding "$9,600,000 in fiscal year 1986," before the words "such sums";

(b)(1) there are authorized to be appropriated $600,000 in fiscal year 1985 (to remain available until expended) to the Secretary of the Interior who, in consultation with and with assistance of the Secretary of Transportation, shall use said funds exclusively for the planning improvements for the Alexander Hamilton Airport in St. Croix, Virgin Islands; and

(2) section 303 of the Act of October 19, 1982 (96 Stat. 1704), as amended, is further amended by inserting after "water and power" the words "and improvements for the Alexander Hamilton Airport in St. Croix, Virgin Islands".

(c) the Secretary of the Interior is authorized and directed, in consultation with and with the assistance of the Secretary of Housing and Urban Development, to study the desirability and feasibility of initiating a program for the development of housing in American Samoa and including the territory in existing Federal housing programs and to submit such recommendations as he may deem appropriate to the Committee on Interior and Insular Affairs of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate of the United States within one year of the date of enactment of this Act.

(d) there are authorized to be appropriated 2,000,000 in fiscal year 1985 (to remain available until expended) to the Secretary of the Interior for grants to the government of Northern Mariana Islands for the improvements in the production and distribution of water.

TITLE V

Sec. 501. There is hereby conveyed, without consideration, to the Frederick Lutheran Church of Charlotte Amalie, St. Thomas, Virgin Islands, all of the right, title, and interest of the United States in and to Parcel No. 9F, Estate Hospital Ground, No. 9 New Quarter, St. Thomas, Virgin Islands (known as Ebenezer Home), and improvements thereof.

Sec. 502. Section 11 of the Revised Organic Act of the Virgin Islands, as amended, is further amended by striking the words "St. Croix, free of rent" and inserting in lieu thereof "Saint Croix, which house, together with land appurtenant thereto is also transferred to the government of the Virgin Islands".

TITLE VI

Sec. 601. To rationalize the application of certain statutes so that the development of the territories of the United States is facilitated—

(a) Section 1013 of the Act of the November 10, 1978 (92 Stat. 3467) is amended by deleting "subsection" and inserting in lieu thereof "section";

(b) Section 501(d) of the Act entitled "An Act to authorize certain appropriations for the territories of the United States, to amend certain Acts relating thereto, and for other purposes." (91 Stat. 1159), as amended, is further amended by deleting "Samoa" where it appears and inserting in lieu thereof "Samoa, Guam, the Virgin Islands,";

(c) Section 119(n)(1) of the Act of August 22, 1974 (88 Stat. 633), as amended, is further amended by deleting "Guam" and inserting in lieu thereof "Guam, American Samoa, the Northern Mariana Islands";

(d) Section 17(a) of the Act of April 27, 1935 (49 Stat. 163), as amended, is further amended by deleting "Puerto Rico, and the Virgin Islands" and "Puerto Rico and the Virgin Islands" and inserting in lieu thereof "Puerto Rico, Guam, American Samoa, the Northern Mariana Islands, and the Virgin Islands"; and

(e) The Act of December 22, 1975 (89 Stat. 871), as amended, is amended by deleting "Samoa" in Sections 391(a) and 398(b) and inserting in lieu thereof "Samoa, the Northern Mariana Islands".

Sec. 602. (a) Section 501(d) of the Act entitled "An Act to authorize certain appropriations for the territories of the United States, to amend certain Acts relating thereto, and for other purposes." (91 Stat. 1159), as amended, is further amended by inserting "or otherwise modify" immediately after "(i) waive" and before "any requirement" and by inserting "or maintenance of effort requirements" immediately after "matching funds" and before "otherwise"; and

(b) Notwithstanding any provision of law to the contrary, the Administrator of the Environmental Protection Agency may award grants to American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, the Virgin Islands, and the Trust Territory of the Pacific Islands, from any funds made available to him for construction of sewerage facilities. Such facilities may include, but are not limited to, intercepting sewers, outfall sewers, sewage collection systems, individual systems, pumping, power, sewage treatment systems; extensions, improvements, remodeling, additions, and alterations thereof and any other equipment and appurtenances that the Administrator deems necessary for the operation of the facilities. The Administrator may award grants for these facilities irrespective of any other provisions of law to the contrary and may also modify or remove other limitations and conditions on grant eligibility set forth in law, upon determining that such limitations would lessen the effectiveness of the facilities in assuring attainment and maintenance of water quality and the protection of public health in American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, the Virgin Islands, and the Trust Territory of the Pacific Islands.

Sec. 603. (a) Section 24(a) of the Revised Organic Act of the Virgin Islands (68 Stat. 497), as amended, is further amended by striking the word "eight" in the first sentence and inserting in lieu thereof "ten". This amendment shall apply to all judges of the District Court of the Virgin Islands who are in office as of the effective date of this Act.

(b) Section 24 of the Organic Act of Guam (64 Stat. 384), as amended, is further amended by substituting in the first paragraph of subsection (a) the word "ten" for "eight".

Sec. 604. (a) Any judge or former judge who is receiving payments pursuant to section 373 of title 28, United States Code may elect to become a senior judge of the court on which he served while on active duty.

(b) The Chief Judge of the Third Judicial Circuit may recall any such senior judge of his circuit, with the judge's consent, to perform in the District Court of the Virgin Islands such judicial duties and for such periods of time as the Chief Judge may specify.

(c) Any act or failure to act by a senior judge performing judicial duties pursuant to this section shall have the same force and effect as if it were the act or failure to act of a judge on active duty; but such senior judge shall not be counted as a judge of the court on which he is serving for purposes of the number of judgeships authorized for that court.

(d) Any senior judge shall be paid, while performing duties pursuant to this section, the same compensation (in lieu of payments pursuant to section 373 of title 28, United States Code) and the same allowances for travel and other expenses as a judge in active service.

(e) Senior judges under subsection (a) of this section shall at all times be governed by the Code of judicial conduct for United States judges, approved by the Judicial Conference of the United States.

(f) Any person who has elected to be a senior judge under subsection (a) of this section and who thereafter—

(1) accepts civil office or employment under the Government of the United States (other than the peformance of judicial duties pursuant to subsection (b) of this section;

(2) engages in the practice of law; or

(3) materially violates the Code of judicial conduct for United States judges;

shall cease to be a senior judge and to be eligible for recall pursuant to subsection (b) of this section."

(g) Section 24 of the Organic Act of Guam (64 Stat. 384), as amended, is further amended in the second paragraph of subsection (a) by—

(1) inserting between "ninth circuit," and "or" the words "or a recalled senior judge of the District Court of Guam or of the District Court of the Northern Mariana Islands";

(2) by striking the words "or a judge of the High Court of the Trust Territory of the Pacific Islands"; and

(3) by substituting the words "a local court of record" for the "Island Court of Guam".

Mr. WON PAT (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the Record.

The **SPEAKER**. Is there objection to the request of the gentleman from Guam?

There was no objection.

Mr. WON PAT. Mr. Speaker, this amendment includes all of the provisions we have agreed upon and satisfies the concerns brought out to our attention.

Mr. Speaker, H.R. 5561 is a bill to facilitate the economic development of the U.S. territories by providing necessary assistance and removing unnecessary statutory impediments.

A modified and expanded bill that was based on an administration request received the bipartisan support of the Committee on Interior and Insular Affairs. And, since being reported, it has been reviewed by the Committee's on the Budget, Merchant Marine and Fisheries, and Ways and Means.

It would be altered by an amendment in the nature of a substitute that I will offer shortly. The amendment will accommodate the concerns of these committees, as well as our committee, administration and territorial officials, and make technical changes.

The changes would require no new spending and the amendments since introduction include savings of at least $14 million over the next few years. The bill would also result in additional savings that I believe would be at least that great over the longer term.

Amendments requested by the Committee on the Budget would avert the slight possibility of an even slighter budget impact this fiscal year from the issuance of bonds by American Samoa and the Virgin Islands.

Amendments requested by the Committee on Ways and Means would avert the slight possibility of an even slighter conflict with the tax bill by removing references to the Internal Revenue Code with respect to those bonds.

Amendments requested by the Committee on Merchant Marine and Fisheries would conform the bill to fisheries and shipping laws. They also recognize the shared jurisdiction of our two committees with regard to the application of law in this area to the territories.

Amendments requested with the support of the majority and minority on the Committee on Interior and Insular Affairs would rationalize the application of certain laws to the territories, eliminating inequities between territories and taking into account the unique circumstances of the territories.

For the benefit of Members, let me now explain in some detail what the provisions of the bill are intended to accomplish.

Section 101 would authorize $2 million for each of fiscal years 1985-87 for the Department of the Interior to provide technical assistance for private sector development in Guam, the Virgin Islands, American Samoa, and the Northern Mariana Islands.

While the existing authorization for Interior technical assistance to the territories is broad, it does not specifically include private sector development projects. Current technical assistance efforts are directed to territorial public sector development projects. Further, although the existing authorization might cover the $2 million the bill proposes be spent annually over the next 3 years, we feel a specific authorization of funds for this purpose is necessary to obtain additional technical assistance funds for this specific purpose.

Section 102 would require the Department to report to the committees with jurisdiction over the territories, Interior and Insular Affairs in the House and Energy and Natural Resources in the Senate, on administration efforts regarding and proposals for developing businesses in the territories. The initial report should include the administration's recommendations on the desirability, feasibility, and requirements for a new fund to make loans for territorial private sector development projects.

These two sections represent a major compromise on the part of the sponsors with the administration on an Interior territorial private sector development program. It would delay creation of a loan function for the program that we initially intended until the administration formally reports on that proposal. It would go ahead with the technical assistance function of the program.

This technical assistance program is designed to enhance the ability of entrepreneurs in the territories to tap: Private investment and lending sources; existing Federal business development resources, market protential; and federally created and other business opportunities.

Section 201 would authorize the Virgin Islands to issue tax-exempt industrial development bonds.

Section 202 would authorize American Samoa to issue those bonds.

These sections were modified at the request of the Committees on the Budget and Ways and Means. They are necessary to provide these two territories with eligibility to issue IDB's equivalent to that of other territories and the States. The bonds should channel needed investment into their private sectors. These sectors are included through the efforts of our colleagues Ron de Lugo and Fofo Sunia.

Section 203 would authorize the refinancing of the Guam Power Authority's debt to the Federal Financing Bank which is guaranteed by the Department of the Interior pursuant to law. The refinancing would reduce the interest rate to 7 percent, extend the repayment period from 1990 to 2004, provide for amortization of the debt, and contain no prepayment penalty. It would require rates sufficient to satisfy the utility's obligations.

This section is necessary to prevent a financial collapse by the utility, which has already defaulted on Federal and private obligations, and which would result in costs greater than the cost of refinancing to the Federal Government, the territory, and consumers. It should result in more reliable financing and operating of the utility, and more reasonable power rates on Guam.

Section 301 would consider the U.S. nationals of American Samoa and the citizens of the Northern Mariana Islands as U.S. citizens for the purpose of vessel documentation and manning laws. It would also permit the licensing of foreign-built vessels under 200 gross tons in weight for fishing in the territorial sea and fishery conservation zone adjacent to the Pacific territories and the coastwise trade of fisheries products in and among the Pacific territories.

This section substitutes for title III of the bill as reported at the request of the Committee on Merchant Marine and Fisheries. It would provide narrow but significant exceptions to vessel documentation and manning and fisheries laws that impede the development of a local fishing industry in the Pacific territories.

The Pacific territories have a tremendous fisheries potential yet they have not been able to tap this potential because of what I believe are unintentionally applied Federal impediments. These impediments are requirements that U.S.-built hulls be used for fishing in the waters off the Pacific territories and the coastwise trade of fisheries products between the Pacific territories and requirements for U.S. citizenship for the documentation and operation of vessels.

The primary differences between the substitute language and the reported language are that the substitute amends merchant marine and fisheries law rather than territorial law and it limits the eligibility of vessels to those under 200 tons.

We have agreed to the substitute on the understanding that the Committee on Merchant Marine and Fisheries will further examine the 200-ton limitation and, with the Committee on Interior and Insular Affairs, examine the broader questions raised by the inclusion of my territory of Guam in the coastwise laws while the other Pacific territories are excluded from them.

I want to thank our colleague Fofo Sunia, who is a member of the Committee on Merchant Marine and Fisheries, for his helpful work on this issue.

Section 401(a) would authorize the grant of $9.6 million to the government of Guam in fiscal year 1986 or later for improvements to the island's water system.

These improvements are essential. The water shortage in the southern part of the island reached the emergency stage earlier this year with water stringently rationed. It is intended that this authorization fund projects that the territory and the Department of the Interior agree are needed.

Section 401(b) would authorize the spending of $600,000 in fiscal year 1985 or later to plan expansion of the runway at the St. Croix, Virgin Islands airport. It also broadens the existing authorization for grants or loans to the Virgin Islands for water and power improvements to include construction of the airport improvements.

Expansion of the runway would enable the airport to accommodate aircraft loaded for long-distance flight, facilitating tourism and development of the airport as a connecting hub for the region. Our colleague Ron de Lugo has persuaded us of the need for these improvements.

Section 401(c) would require the Department of the Interior, in consultation with the Department of Housing and Urban Development, to report to the committees with jurisdiction over the territories within a year of the date of enactment on their recommendations for extending Federal housing programs to American Samoa and creating a special Federal housing program for the territory.

It is intended that the administration submit a specific plan for meeting the serious need to finance housing development in the territory. This plan would involve either inclusion in existing program or the authorization of a special program designed to accommodate the territory's unique property laws or both. Once again, our colleague Fofo Sunia is responsible for this section.

Section 401(d) would authorize the grant of $2 million to the Government of the Northern Mariana Islands for improvement of the territory's water system.

Like Guam, the Northern Marianas face a water crisis. Currently, public water is of a quality so poor that it does not meet health standards.

In recommending the authorization of these funds, we are responding to the imperative nature of the problem. We must, however, also state that it is our intent that domestic contractors and workers be employed for this and other federally funded capital improvements in the territory to the extent possible. We expect the Department of the Interior to ensure that this intent is respected.

Further, we recommend this assistance confident that the territory will finally meet its obligation to implement an income tax system that mirrors that of the Internal Revenue Code as does Guam or convince Congress and the President to approve an alternative system by January 1 of next year.

Section 501 establishes the title of the Frederick Lutheran Church of St. Thomas, Virgin Islands to a certain parcel of property on that island.

The section is necessary to facilitate development of a home for the aged by the church. The church has had undisturbed use of the property by virtue of the treaty by which the United States acquired the territory. The Federal Government has never exercised any control over the parcel, spent any funds to maintain it, or asserted any right to use of it.

Our colleague, Ron de Lugo, authored this section and the one that follows.

Section 502 transfers title to Government House in St. Croix, Virgin Islands, to the Government of the Virgin Islands.

It is consistent with the prior transfer of the territorial chief executive's residence on St. Thomas and symbolizes the local governmental autonomy of the territory. It is intended, and we are confident, that the territory will continue to maintain the historic building to proper standards.

Section 601(a) would clarify that the authorization of $250,000 per year between fiscal years 1979 and 1983 for each of the insular areas under the Urban Parks and Recreation Recovery Program continues until appropriations are made.

This section is necessary to resolve the question of whether the special authorization for the insular areas has expired although the general authorization for the program continues. The question is raised, presumably unintentionally, by language that was used in the initial authorization.

In making this technical correction, I want to recognize the continuing debt of the insular areas to the program's author and the author of so much of the law that has benefited our islands, the late Phillip Burton.

This omnibus insular areas assistance bill is in keeping with a legislative tradition that he initiated and is partially due to his efforts. Many of the provisions in this bill would complete legislative work which he began. That is particularly true of the next section. It would fulfill an intent Phillip Burton cared about very much.

Section 601(b) would extend the waiver of required matching payments up to $200,000 required under any Federal grant program for American Samoa and the Northern Mariana Islands to Guam and the Virgin Islands.

The reasons for waiving matching payments by Amercian Samoa and the Northern Marianas in grant programs applies in the case of Guam and the Virgin Islands as well. Requiring matching results in matching direct Federal assistance with indirect Federal assistance.

This unnecessarily burdens territorial governments in terms of dollar cost and time and effort of personnel. It fails to recognize the at least partial responsibility of the Federal Government for the precarious financial positions of the territories. It disqualifies the territories, which have great program needs, from participation in programs because of their minimal resources.

The waiver for Guam and the Virgin Islands is warranted on grounds of equity with other territories and the impracticability of requiring matching payments. It is intended to apply to participation in all Federal programs, including those of the Army Corps of Engineers, as is the waiver for all territories.

The remaining subsections of section 601 are warranted on grounds of equity between territories and with the States.

Section 601(c) would define American Samoa and the Northern Mariana Islands as cities under the Urban Development Action Grant Program.

This section is necessary to make American Samoa and the Northern Marianas equally eligible with Guam and the Virgin Islands under this important community development program. Administration officials support inclusion and know of no reason for the exclusion of these territories.

Inclusion of these two territories would in no way modify the program itself; it would simply rectify an inequity that we presume is unintentional in Federal program coverage of the territories.

Section 601(d) would define Guam, American Samoa, and the Northern Mariana Islands as States under the Agricultural Conservation Program.

This section is necessary to make the Pacific territories equally eligible with the Caribbean territories under this important program of the Soil Conservation and Domestic Allotment Act. The need was called to our attention by an official of the Agricultural Stabilization and Conservation Service.

Inclusion of the three territories would in no way modify the program itself; it would simply rectify an inequity that we presume is unintentional in Federal program coverage of the territories.

Section 601(e) would define the Northern Mariana Islands as a State under the Energy Conservation Program for public buildings.

This section is necessary to make the Northern Marianas equally eligible with the other territories under this important program of the National Energy Policy and Conservation Act. The need was called to our attention by Froilan Tenorio, the Resident Representative in Washington of the Northern Mariana Islands.

Inclusion of the territory would in no way modify the program itself; it would simply rectify an inequity that we presume is unintentional in the Federal program coverage of the territories.

Section 602 would authorize the Environmental Protection Agency to continue to make grants to the insular areas for construction for sewer collection systems after fiscal year 1984.

This section is necessary because section 201(g)(1) of the December 1981 amendments to the Clean Water Act terminated the elibility of these systems effective fiscal year 1985.

The termination of eligibility was enacted because EPA convinced the Congress that existing needs for sewer collection systems in the United States have been met and that State or local governments should fund future needs. However, an EPA official brought to our attention the fact that this is not the case for the insular areas; this infrastructure is not adequately in place there yet.

There are two additional reasons for continuing sewer collection system eligibility of the insular areas. The first is that in their case the need is more a public health need than a water quality need. The second is that they completely lack other fiscal resources to meet this need and there is some Federal responsibility for them lacking these resources.

It is my understanding that H.R. 3282, as passed by the House Tuesday, would extend the eligibility of sewer collection systems past fiscal year 1984 nationwide. So, this bill is consistent with that action of the House. We are simply proposing this amendment today to ensure the eligibility of the insular areas.

Section 603 provides that current and future U.S. District Court judges in the Virgin Islands and Guam shall serve for 10-year terms.

This section is necessary because Federal judges in the two territories are currently appointed for terms of 8 years although Federal judges do not become eligible for retirement benefits until they have served for 10 years. It would eliminate the hardship imposed on judges appointed for only one term and apply to sitting judges as well as their successors.

This section and the one that follows are similar to provisions supported by the Department of Justice and are due, in large measure, to the efforts of our colleagues from the Virgin Islands, Ron de Lugo.

Section 604 provides for the recall by the chief judges of the Third and Ninth Circuit Courts of Appeals of retired territorial judges of the Virgin Islands and Guam for services as senior judges in the U.S. District Courts of the Virgin Islands and Guam.

This section is necessary to obviate the need for assigning a Federal judge from a distant district to a Federal court in the two territories in the event of the temporary absence of the regular Federal district judge. It is analogous to procedures concerning other Federal judges.

In order to protect the independence of the judiciary and to prevent improprieties or the appearance of improprieties, a senior judge under this section would remain subject to the requirements of the Code of Judicial Conduct of U.S. Judges and would be precluded from accepting civil office or practicing law.

Finally, Mr. Speaker, I want to express my appreciation to the other Members who have contributed to this legislation; there are several. I particularly want to single out on the Committee on Interior and Insular Affairs our two leaders, Chairman Morris Udall and ranking Republican Manuel Lujan and, most of all, the ranking Republican of the Subcommittee on Insular Affairs and the gentleman to whom I am responding, Bob Lagomarsino.

The SPEAKER. The question is on the amendment in the nature of a substitute offered by the gentleman from Guam [Mr. Won Pat].

The amendment in the nature of a substitute was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WON PAT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Guam?

There was no objection.

PUBLIC DEBT LIMIT INCREASE

Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to the unanimous consent agreement entered into yesterday, I call up the bill (H.R. 5927) to increase the statutory limit on the public debt and ask for its immediate consideration in the House.

The Clerk read the bill, as follows:

H.R. 5927

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCREASE IN PUBLIC DEBT LIMIT.

(a) General Rule.—Subsection (b) of section 3101 of title 31, United States Code, is amended by striking out "may not be more" and all that follows down through "outstanding at one time" and inserting in lieu thereof "may not be more than $1,573,000,000,000 outstanding at one time".

(b) Technical Amendment.—Effective on and after the date of the enactment of this Act, section 1 of Public Law 98-302 is hereby repealed.

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill currently under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER. The gentleman from Illinois [Mr. Rostenkowski] is recognized for 1 hour.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the current statutory public debt limit was enacted a month ago, and the increased debt limit was intended to be just enough to meet the Treasury Department's fiscal requirements through the end of this month.

We hoped then that a debt limit covering a longer period could be brought up now, if enough legislative progress would be made on passing the Deficit Reduction Act, the conference report on the first budget resolution for fiscal year 1985, and a goodly number of appropriations bills. Unfortunately, all the objectives have not been reached. The Deficit Reduction Act (including the tax portion) have just been passed but little else. The first conference reports on appropriations have come to the House only in these last few days before the recess. The 1985 budget resolution conference has barely met and is stalled in the effort to reconcile their differences on military spending.

Because of the slow progress on the budget resolution, particularly, the Committee on Ways and Means was prevailed upon to bring to the House floor a bill that provides only a debt limit which will meet anticipated Treasury needs for the next 2 months.

H.R. 5927 will increase the public debt limit by $53 billion, from $1,520 billion to $1,573 billion. The Treasury Department agrees with the committee that this amount will meet their debt management requirements through August 31, including a large refunding of bonds that will be announced about August 1 and be settled on August 15.

Since the House is not scheduled to be in session on August 31, it will be necessary for Congress to pass another debt limit bill before the recess that begins after August 10 for the Republican Party's National Convention.

At the appropriate time in these proceedings, I will bring up a committee amendment that provides for an increase in the permanent debt limit to $1,752.6 billion. This higher limit is believed to be sufficient to meet the Treasury Department's debt management needs through June 1985. The estimate, however, was prepared about 2 months ago and was based upon the administration's estimate of the fiscal effects of the budget proposed for the next fiscal year.

The committee amendment does not relate to the difficulties of resolving the dispute in the Budget Resolution Conference. It is simply a matter of organizational efficiency. This committee amendment would allow whichever administration is in office next year to get its house in order before it must face the usually divisive effort of seeking a large increase in the public debt limit. In the past, new administrations have been forced to request an increase in the limit before they could make reasonable estimates of their budget priorities. To provide an element of fairness and efficiency is the reason for the committee amendment.

COMMITTEE AMENDMENT OFFERED BY MR. ROSTENKOWSKI

Mr. ROSTENKOWSKI. Mr. Speaker, I offer a committee amendment and would like to have it pending during the debate on this bill.

The Clerk read as follows:

Committee amendment offered by Mr. Rostenkowski: On page 2, line 2, strike out the number "$1,573,000,000,000" and insert in lieu thereof "$1,752,600,000,000"

□ 1030

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 30 minutes to the gentleman from New York [Mr. Conable].

Mr. CONABLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, here we are again. As a fiscal tool, the debt ceiling increase is much overrated and we all know it. It has significance only as it offers us an opportunity to hold hostage the Government to some extraneous issue. I hope we will not do that and threaten the chaos that can result.

Mr. Speaker, if necessary I will vote for H.R. 5927, a bill to increase the public debt ceiling to $1,573 billion. I much prefer a committee amendment which my Chairman has now offered. The amendment provides a statutory limit of longer duration, and I believe that would be a more responsible step to take. If that amendment does not carry, I will support the bill itself, which represents a $53 billion increase over the existing ceiling of $1,520 billion.

The administration estimates that the current debt ceiling will be reached in early July so we have no choice about this matter. When this happens, the Congress will be in adjournment and we will not return until after the Democratic National Convention. Therefore, it is imperative that we act now.

H.R. 5927 would raise the ceiling enough to accommodate the country's borrowing needs through the middle of August. Before that time, it would be necessary to pass another increase in the ceiling. Thus, we will have to be back here facing another debt crisis late next month if this bill is enacted.

I believe it would be far better to take the long view on the debt ceiling, to avoid what amounts to bimonthly legislation on the matter. The committee amendment would provide an increase large enough to accommodate our financing needs through June of 1985. This limit would be $1,752.6 billion, or $233 billion over the current level. The size of the increase reflects not only on-budget programs but also the growing effect of off-budget activities.

The longer-term debt ceiling increase is preferable for fiscal stability reasons. It would permit the Treasury Department to structure its auction of debt securities in an orderly manner. A predictable sequence of auctions is important for a stable debt market. The money markets want to know what to expect. In turn, a stable debt market should promote moderating interest rates. Short-term extensions often mean that the Treasury must alter its normal pattern of debt auctions and that is what is occurring right now. The taxpayers pay a premium as a result.

The current Treasury bill and end-of-quarter note and bond auctions have been reshuffled because we are close to the existing ceiling. This disruption invariably results in higher interest costs to the Treasury. The short-term ceilings in H.R. 5927 will expire at a time when it is likely to disrupt the regular, third quarter refinancing auctions scheduled for mid-August.

Thus, we will continue a pattern of poor planning and disruption, high interest rates than we need to pay, and greater cost to the taxpayer.

For these reasons, I urge my colleagues to approve the longer-term debt ceiling increase contained in the committee amendment. If the committee amendment is not approved, then we should fall back on the short-term increase contained in the original text of H.R. 5927.

I hope people will consider this issue on its merits and not consider many extraneous matters which could simply run up the cost of Government unnecessarily.

The **SPEAKER** pro tempore. [Mr. FUQUA]. The gentleman has consumed 4 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 5 minutes to the gentleman from Oklahoma [Mr. JONES].

Mr. JONES of Oklahoma. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in opposition to the increase in the debt limit for reasons very similar to those which moved me to take the floor of the House 5 years ago when another debt limit bill was being debated; 5 years ago, I, along with such diverse colleagues as the gentleman from Texas [Mr. GRAMM] and the gentleman from Mississippi [Mr. LOTT] attempted to attach an amendment to a debt limit bill in the spring of 1979, an amendment which would have forced Congress to balance the budget by limiting Federal spending and taxes to 20 percent of gross national product.

At that time, a balanced budget was clearly within our grasp. Federal tax revenues then were just slightly above 20 percent of GNP. Federal spending was just under 22 percent of GNP. The purpose of our amendment was to force limitations on future deficit financing by attaching it to the bill that paid for our past debts. We lost that amendment by one vote.

Now, 5 years later, the problem of deficit financing is light years worse. Federal revenues have dropped to less than 19 percent of GNP, and Federal spending has increased to nearly 25 percent of GNP.

When people ask, "Why do we have these big deficits?" you can just point out that it is caused by the administration's policies of reducing revenues and increasing spending. That is the reason why we face $200 billion deficits as far as the eye can see.

Again, 5 years later, I find myself at odds with many of the congressional leaders, including some in my own party, who will urge us to do the responsible thing and vote for this increase in the Federal debt limit. I urge my colleagues to defeat it as a means of forcing action in the House-Senate budget conference, action that will limit future Federal deficit spending.

Here is the situation that we face and the problem we have: As Members know, earlier this year this House took the lead, when everybody else said it could not be done, took the lead to force action on a meaningful deficit reduction package. That package was a three-pronged program of raising revenues, of cutting domestic entitlement and discretionary spending, and of reducing the growth in military spending.

House and Senate agreement has been reached on virtually every element of that package except one, and that is putting some reasonable limitations on future military spending. For 3 weeks now, Senate Republican conferees have adamantly refused to negotiate any serious limitation on Pentagon spending, and unless some spending limits are placed on the military, one-third of that entire deficit reduction package will collapse.

What concerns me is that the faith the financial markets have placed in Congress to implement this deficit reduction downpayment, that faith will collapse, too. If that happens, I can assure my colleagues that this week's half-percent increase in prime interest rates will be just the beginning of further increases in prime rates, mortgage rates, and cost of credit generally.

Why is it so difficult to agree on a limitation in military spending? Are we asking that the Pentagon budget be cut? Absolutely not. The military budget, whether under the Senate plan or the House plan, will grow in spending, by any measurement one wants to use, more than any other part of the Federal budget. The Senate Republicans, acting in concert with or perhaps on orders from the administration, have said with regard to military spending, "We want it all."

The **SPEAKER** pro tempore. The time of the gentleman from Oklahoma [Mr. JONES] has expired.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 additional minute to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. I thank the gentleman for yielding this additional time to me.

They have said that they will limit domestic programs, even those affecting the elderly and the youth, but that there can be no compromise on military spending. Yesterday, the House conferees made what I believe to be a very generous offer. The gentleman from North Carolina [Mr. HEFNER] offered to put the military spending limit at 5-percent growth after inflation. That, incidentally, is the limitation both bodies agreed on last year on a bipartisan basis. Nothing else in the budget even approaches that kind of spending increase. And the answer from the Senate Republicans was "No deal. All or nothing." That is not compromise, that is not a conference, and that is not democracy. It seems to me that everyone will have to make up their minds on this issue.

☐ 1040

Mr. Speaker, I for one am not going to my constituents and say that I am willing to authorize the Federal Government to borrow more money when I am not willing to reach an agreement to limit the future debt this Nation has.

Mr. CONABLE. Mr. Speaker, I yield 5 minutes to the liberal gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. Mr. Speaker, I thank my colleague, the gentleman from New York, for the time. He used an identification from the 19th century, but that is all right.

Mr. CONABLE. The gentleman is a Burkean and an Adam Smith liberal of the first water.

Mr. DANNEMEYER. I thank the gentleman for that comment.

Mr. Chairman, once again we are faced with a good opportunity for this House to put some discipline on the rise in public spending in this country. I remind my colleagues that we in the House have adopted a unique method of raising the debt ceiling so that we normally do not have an up or down vote, a naked vote, so to speak, on this issue.

The way our distinguished leadership has done this so that we finesse the raising of the debt is that if we read the fine print of the budget resolution, it says that the Clerk of this House is authorized to enter an appropriate increase in the amount of the public debt so as to reflect the level of spending that is contained in that budget resolution.

Now, that was the game plan whereby we in the House would not have the opportunity of voting up or down on raising the public debt. But their plan has run a little afoul because we have not completed our negotiations with the other body on precisely what form and amount that budget resolution will take, and as a result we do not have the statutory or legislative authority for raining the debt. So we must come here now and seek authority to raise it again.

So it is my privilege this morning to point out to my colleagues that if we are concerned about this debt we are placing on our children and our grandchildren and our great-grandchildren, we can stand up here this morning and say to those who seek to spend this money on our behalf that we are going to slow down the rise of the debt.

Now, the form of the bill is to raise it $53 billion, which will take it through about August 4, 1984. Sometimes people ask: "Well, how can you responsibly stand in the well of the House and ask Members to vote against raising the public debt? After all, haven't we voted for the appropriation bills, and isn't it time then to pay the debt that has come due?"

My answer is that there are numerous plans that are available that can be implemented if we only had the courage to use them. For instance, the other body, I think, voted on an excellant plan for this year, fiscal year 1985, that is, the one starting on October 1 of this year, whereby we freeze spending for that year at the level of 1984. We cannot freeze total spending because there are new beneficiaries coming into the system such as in Social Security and Medicare and what have you. But if we just freeze the level of spending at the amount that will be spent in 1984, for the year 1985, we can save roughly $40 billion.

That is just one plan. There are recommendations of the Grace Commission which estimated that we can achieve spending reductions of $424 billion over 3 years. The CBO has analyzed that and said we can achieve reductions of $98 billion over 3 years. Somewhere in between the truth lies. Those recommendations are the source of where spending cuts can be made if we only would have the courage to make them.

The Heritage Foundation is another source. It produced an excellent analysis for the Members' consideration of where we can make spending cuts. That is what the people of this country want, spending cuts, not spending increases. I think we can, by our vote this morning, demonstrate to the people of this country that we want to restrain the growth in the debt that we are loading on our successors, our children and our grandchildren, and place this limitation on it, resisting and rejecting the suggestion by the distinguished chairman of the Committee on Ways and Means, the gentleman from Illinois, asking us to support yet another increase in the public debt.

Mr. Chairman, I think the responsible thing for us to do is to just reject it and go back to the drawing board and figure out how we can match the outgo with the income that is available under the existing tax system.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, I have in the past supported debt ceiling increases because it obviously reflects ongoing spending and our commitments to spending decisions already made. I do not think it has served much of a purpose to hold debt ceiling increases as hostage for other reasons. Yet this is the only vehicle that we have, as we close these days before this recess, to try to bring to the American public what I think is a very important issue that relates to our ability to control spending and provide a shared sacrifice in terms of our approach to dealing with deficits in this country. We have to try to bring to the American people the terrible frustration we are sensing in the budget conference. A budget resolution is essential if we are to enforce the goals that we said we want to stick by.

Make no mistake about it, if we are interested in reducing the deficits, there are three ways to do it: One is obviously to raise sufficient revenues to pay the bills. Yesterday we adopted in the Congress on both sides a revenue measure of close to $50 billion.

The second is to try to bring some control on entitlement spending. Yesterday the Congress enacted as part of reconciliation almost $12 billion in reductions in that area, and if we add the previous proposals we passed, it is almost $19 billion.

The third and most important way is to control the area of defense spending. That makes up almost a third of the Federal budget. As part of the budget resolution adopted by the House, we said it is essential to hold down defense spending. We have enacted the first two steps in reconciliation, and the Congress has done a good job in doing that. The next step is to put a budget resolution in place that gives us the tools to limit the growth in defense. The House is at 3.5-percent growth; the Senate is at 7.8 percent. If we add inflation to that, it is almost 13-percent growth. We do not think it is unreasonable to try to bring the argument on defense somewhere in the middle. Yet when we offered 5 percent, the Senate walked away from that.

It is absolutely essential that we understand, if we are serious about reducing deficits, that nobody gets a blank check. Nobody gets a blank check, and yet the position of the other body is that somehow this is one area that is not spending and it deserves a blank check. We do not believe that is right. When we put a burden on taxpayers, when we put a burden on those who receive entitlement funding of one kind or another, we think it is time that the Pentagon also share in that sacrifice.

So if we believe in a balanced approach to reducing the deficit that we are facing, if we believe that it is essential that the other body come to the table willing to compromise, and if we believe we must develop a budget resolution now, then the House must send a signal. It is for that reason that I think we need to reject this debt ceiling increase so that we can bring to the attention of the American people the importance of having the Senate join us in trying to develop a balanced approach to reducing the deficit.

Mr. CONABLE. Mr. Speaker, I now yield 2 minutes to the gentleman from Florida [Mr. MACK].

Mr. MACK. Mr. Speaker, I rise, if I could, just to get the chairman of the Budget Committee, the gentleman from Oklahoma [Mr. JONES] to respond for just a moment.

I was particularly interested in this. First of all, I want to say that I compliment the gentleman for trying to bring to everyone's attention the need to control spending, and in essence, if we can get everyone's attention about the budget resolution through the debt ceiling, this would be a good move.

Generally I support that, but I guess in a way I am a little bit disappointed that the gentleman would allow six appropriation bills to move through the House where we really can control spending. We had a situation several weeks ago——

Mr. JONES of Oklahoma. Mr. Speaker, would the gentleman yield?

Mr. MACK. I will be glad to let the gentleman respond in just a moment.

Several weeks ago we had the opportunity to vote on whether there should be a budget waiver for all appropriation bills.

□ 1050

I, like the gentleman, shared some of the views the gentleman expressed that day, that that was the time we should try to force the issue, that we should force the budget resolution at that time; but now we have six spending bills that have passed through this House and now the gentleman is saying to us that this is the time to act, implying that this resolution will allow us to deal with spending in general. The "Dear Colleague" letter the gentleman sent out was saying this resolution was really the way to limit Pentagon spending. I just find some of those remarks rather strange in light of allowing six appropriations bills to proceed through the House.

Mr. JONES of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. MACK. I would be glad to yield.

Mr. JONES of Oklahoma. Let me say that I share the gentleman's disappointment. I think the gentleman's disappointment should be directed at the proper target, however, and that is the other body.

The reason that waiver was granted on the appropriation bills was because the other body simply had not passed a budget resolution. The work of the House was stymied. By law, we should have had a budget resolution by May 15 and appropriation bills should have gone through in June. It was not the fault of the House. We passed a budget. That was the basis upon which that waiver was granted.

Mr. MACK. Mr. Speaker, if I could reclaim my time.

Mr. JONES of Oklahoma. Let me just finish my statement.

Mr. MACK. All right; go ahead.

Mr. JONES of Oklahoma. The fact is that those appropriation bills which have gone through the House have come under the budget limitations we have passed in the House.

The SPEAKER pro tempore. The time of the gentleman from Florida has expired.

Mr. CONABLE. Mr. Speaker, I yield 1 additional minute to the gentleman from Florida.

Mr. JONES of Oklahoma. Mr. Speaker, if the gentleman will yield further, they have come under the limitations we have placed on them in the House. The remaining appropriation bills may breach that, and that is why we should force an agreement for a complete budget resolution.

Mr. MACK. Mr. Speaker, if I just may reclaim my time, it seems like it is a very strange way to try to make a political point. I understand the gentleman's position.

Mr. JONES of Oklahoma. It is not a political point.

Mr. MACK. It is my time, I say to the gentleman.

The gentleman's "Dear Colleagues" letter talks about to control and limit Pentagon spending. One of the authorization bills that went through this House was in fact the defense spending.

Mr. JONES of Oklahoma. Well, authorizations are not what we score against. We limit appropriations or actual spending of tax dollars.

Mr. MACK. Well, I am just confused about the point the gentleman is trying to make. He says now is the time to take this action. The point is, he had the opportunity on every appropriation bill—six appropriation bills that have gone through this House—and while I complement the gentleman for trying to force things to happen, it seems to me it should have happened a lot earlier in this session, at least on each appropriation bill.

Mr. JONES of Oklahoma. I appreciate the gentleman's point. A lot of new Members are confused by the budget process. I do not want to hold the gentleman accountable because of his newness for the fact that he is mixing the authorization bills and the appropriations bill. Everyone around here knows it is the military spending that is holding this up.

Mr. CONABLE. Mr. Speaker, I have one other request to speak, but the Member has not arrived. I reserve the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY of New York. Mr. Speaker, in the 10 years that I have served in the Congress, I believe I have only voted against the extension of the debt limit once. I believe that it is the responsibility of a government to pay its bills and for the Members of this Congress to live up to their responsibilities, but I am forced to change that position today and I want to just state the reasons why.

There is no way that we are going to achieve meaningful deficit reductions unless we are prepared to act together in a bipartisan way to cut all types of spending.

As the gentleman from California (Mr. PANETTA) pointed out, we have already done that to a limited extent in the tax bill. That leaves us with the one huge outstanding item, that is the question of defense spending.

Just a quick review of how much money we have been spending on defense in the last few years will make us realize that it is the one place where spending restraint—and we are really not talking about cuts, because there are still real increases in defense spending—can be made.

In 1981, when President Reagan was taking office, he presided over and had to spend about $160 billion for defense. He wanted, and requested this year, a $313 billion defense budget.

Now, I do not think there is a person here who honestly believes that if we spent $285 billion or $292 billion, which is the position of the House that we have offered to the Senate, that in any way the country's defenses would be denuded, that we would somehow allow the Soviets the opportunity to take advantage of this level of spending; but what it would mean is that we would be making a commitment to reduce the level of increases in defense spending growth over the next few years, which will result in tremendous savings, almost $92 billion less than the President wants to spend.

Now, it appears as though the deficit will continue to grow unless we not only raise taxes next year, but continue to reduce spending of all sorts. We have never changed our attitude toward the Soviet threat. In the years since the end of World War II, we have been mired in the same way of thinking about how to respond to them: Build more weapons, forward base defenses. The only thing that has not changed is our thinking.

I am afraid, Mr. Speaker, that unless we begin the process of putting in balance defense and domestic spending, unless we carefully reexamine our defense needs, we are not going to achieve the sort of savings that we need to achieve. That is why I am opposed to this extension of the debt limit, only to force our colleagues in the other body to face up to the fact that we do not have the money that everyone claims we need to spend for defense without seriously harming our Nation's economy.

Mr. DANNEMEYER. Mr. Speaker, will the gentleman yield?

Mr. DOWNEY of New York. I would be happy to yield to my colleague, the gentleman from California.

Mr. DANNEMEYER. Mr. Speaker, I thank my colleague for yielding.

Is it not true that, expressed in 1972 constant dollars, in the last 22 years, defense spending has increased 25 percent and social spending has increased 350 percent, that the imbalance in Federal spending is not because we are spending too much on defense, it is because we are spending too much on social programs in this country. Is that not true?

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 additional minute to the gentleman from New York.

Mr. DOWNEY of New York. Mr. Speaker, let me respond to the gentleman's statistics. Social spending has increased as a percentage of our national budget. There is no question about that.

Mr. DANNEMEYER. 350 percent.

Mr. DOWNEY of New York. Let me just say, the gentleman has quoted some figures; let me quote some others back to him.

The fact is you spend as much as you need to defend your country. My argument would be to the gentleman that we have decided as a smart country that we are going to try and make sure that the people at the bottom end of the income scale, the bottom 20 percent of our folks, are fed, have the same opportunities as other people. That has been a wise decision over the last 20 years, unfortunately, interrupted by the Reagan spending priorities. We have attempted to end hunger in this country. We have attempted to do something about poverty. I would hope that none of us would shy away from that responsibility.

Mr. SCHULZE. Mr. Speaker, will the gentleman yield?

Mr. DOWNEY of New York. I would be happy to yield to the gentleman from Pennsylvania.

Mr. SCHULZE. Mr. Speaker, if I understand the gentleman's position correctly, it is that because of a disagreement with the Senate, what the gentleman wants to do is hold hostage those recipients of Social Security and of other Government programs to the end of August, so that the very people the gentleman claims to be concerned about will be hurt the most.

The SPEAKER pro tempore. The time of the gentleman from New York has again expired.

Mr. CONABLE. Mr. Speaker, I yield an additional minute of my time to the gentleman from New York, if he wishes it.

Mr. DOWNEY of New York. Mr. Speaker, the gentleman's magnanimity never ceases to amaze me. I thank my colleague, the gentleman from New York.

No, that is not how I would characterize it. I would characterize it differently. I would say that on occasion the other body needs to have its attention focused because they take themselves far more seriously than Members of the House do and it is important for us to spend time to focus their attention on the fact that their defense number is completely, wholly unrealisitc.

Mr. SCHULZE. If the gentleman will yield, there are opportunities to work that out in conference committee and we do not have to hold hostage innocent parties in this kind of action. We ought to do the responsible thing here.

Mr. DOWNEY of New York. If I can reclaim my time, here, it is not my intention nor the intention of those of us who will vote against this extension to hold hostage Social Security or other Federal Government recipients and I am certain it is not the intention of the gentleman from California, who has always voted against the debt limit, to hold anyone hostage.

May I ask the gentleman from California if he wants to hold innocent Social Security recipients and others hostage? That is not his intention. I yield to the gentleman from California.

Mr. DANNEMEYER. That is not my intention, but I think some politics are being played on the issue.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the committee amendment provides for an increase in the permanent debt limit of $1 trillion 752 billion. This higher limit is believed to be sufficient to meet the Treasury Department's management needs through 1985. The estimate was prepared 2 months ago and was based upon the administration's estimates.

This committee amendment would allow whichever administration is in office next year to get its house in order before it must face the usually divisive effort of seeking a large increase in the public debt. In the past, new administrations have been forced to request an increase in the limit before they could make reasonable estimates in their budget priorities.

Therefore, the reason for the committee amendment is to provide an element of fairness and efficiency in the debt ceiling process.

Mr. Speaker, I urge adoption of the committee amendment.

Mr. CONABLE. Mr. Speaker, after a dramatic arrival, I now yield 3 minutes to the gentleman from Minnesota [Mr. FRENZEL] who appears to have something to say on this issue.

Mr. FRENZEL. Mr. Speaker, we have what has come to be a much more often than annual ritual before us today.

□ 1100

It is an interesting exercise in which many of our Members who have cheerfully voted for every appropriation, every entitlement, and every authorization to increase the spending and increase the deficit suddenly are struck from their horses on the road to Damascus. They decide that they are going to appear frugal by voting against the debt ceiling extension.

The only problem with this brilliant strategy is that the money has been spent, and the debts have been incurred. Those who have fallen from their horses do not seem to understand that we must pay those debts. They must believe they can be miraculously cleansed of all their spending sins.

I would invite the attention of the membership of the body to the fact that most Members have voted each year for the budget which authorizes the annual deficit and the amount of gross national debt. It also takes a majority to pass every appropriation, entitlement, and tax bill. Yet when the debt ceiling bill comes along, the majority magically disappears.

I once had a Latin teacher of painted memory who used to describe some of his students as "tigers in the classroom and lilies on the playing field." That, I think, is a good description of some of our Members who are lilies when it comes to appropriations and entitlements and then display the ferocity of tigers when it comes to debt ceiling bills. The tigers believe they are holding down the debt by a vote against the debt ceiling extension.

I intend to vote for the chairman's amendment which would extend the debt ceiling for about 1 year. It seems to me that we ought to get this silly albatross off our backs. We vote on the debt ceiling extension regularly. It has become a repetitious exercise without meaning that does not reflect credit on this institution.

I hope that we will be able to stifle our baser urges about proving how conservative we are and pass this debt ceiling. The money has been spent. The debts are owed. The only way that they can be paid is by the borrowing that will be allowed under this resolution.

I urge that the chairman's amendment be adopted and the bill be passed.

Mr. CONABLE. Mr. Speaker, I yield back the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Speaker, I voted, I believe, for all the increases in the past. Today I am going to vote no.

I am opposed to stopping the processes of Government, but I also want to help stop what is an irresponsible approach of this administration. It talks about fiscal responsibility, but it is acting irresponsibly.

This is not a matter just of politics. It is a matter of good policy. There must be action on the deficit, and on the budget resolution, with reductions in defense spending below the President's present position.

These debt ceiling resolutions are the method available to express our anger at the approach of the administration and to pressure it to act responsibly. I fully intend to take advantage of this opportunity and to vote no today on these proposals.

Mr. LUNDINE. Mr. Speaker, I rise in opposition to this resolution to increase the debt limit. In the past, I have voted for debt limit increases. I have done so feeling that the debt limit is a reflection of spending and tax decisions which the administration and Congress have already taken, and as such, is not the appropriate legislative vehicle to deal with the cause of our budgetary deficit. As I often tell my constituents, voting against the debt limit is like using your charge card at a department store and not being willing to pay the bill when it comes to your home.

This time, however, I cannot automatically support another debt limit increase. This country is facing a budgetary crisis of immense proportions. If meaningful deficit reduction measures are not taken we will run a Federal budget deficit exceeding $600 billion during the next 3 fiscal years. This large budget deficit is threatening economic growth by placing upward pressure on interest rates—the prime having increased to 13 percent just this week—exacerbating the international debt crisis, and increasing our trade deficit.

The fact is that while we have just approved a conference report on a 4-year $63 billion deficit reduction bill which deals with taxing and nondefense domestic spending provisions, that effort does not go nearly far enough to deal with the budget crisis facing us, and that package does not address the question of establishing an appropriate level of defense spending—the largest single category of spending by the Federal Government.

To address defense spending, the Congress must approve the conference report on the budget resolution, which is stuck in a conference between the House and Senate largely because the Senate and the President do not want to compromise on any reasonable limit to military spending. If the House is to achieve even the $182 billion in 3-year budget savings called for in the House budget resolution approved earlier this year, we must deal with the defense issue.

During this period of $200 billion annual Federal deficits, we must join together in a bipartisan effort and take deficit reduction action on all fronts. We must raise substantial revenue, cut Federal spending on nondefense Federal programs, and cut the growth in defense spending. We cannot afford unrestrained growth in military spending. A call for some restraint in this area is reasonable and necessary. It does not mean we are weakening defense. In fact, if we do not have a strong economy, we cannot preserve national security.

In 1981, defense spending comprised 24 percent of the Federal budget at a level of $157.5 billion. The President's proposal for defense for fiscal year 1985 proposed increasing defense pending authority to 29 percent of the Federal budget, at an annual level of over $300 billion. The House budget resolution seeks to cut $96 billion from this defense budget over the next 4 years which, even if adopted, would still represent substantial growth in defense programs over the last 4 years and in the prospective future. Funding contained in the House budget resolution for defense represents a 96-percent nominal increase over the 1980 spending level for defense.

I urge my colleagues to join me in opposing an increase in the debt limit until the budget conferees have completed their work on the first budget resolution and dealt with the defense issue so that we can move closer toward meaningful deficit-reduction efforts.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield back the balance of my time.

PARLIAMENTARY INQUIRY

Mr. DANNEMEYER. Mr. Speaker, I have a parliamentary inquiry.

The **SPEAKER** pro tempore. The gentleman will state his parliamentary inquiry.

Mr. DANNEMEYER. Mr. Speaker, what is the first vote that the House will be taking? Is it on the amendment for 1 year or just the short extension?

The **SPEAKER** pro tempore. The first vote will occur on the committee amendment offered by the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. DANNEMEYER. Which provides for the 1-year extension?

The **SPEAKER** pro tempore. It provides for a higher figure than is in the bill.

Mr. DANNEMEYER. I thank the Chair for that explanation.

The **SPEAKER** pro tempore. Pursuant to the order of the House of June 27, the previous question on the committee amendment and the bill is considered as ordered.

The question is on the committee amendment offered by the gentleman from Illinois [Mr. ROSTENKOWSKI].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CONABLE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER** pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 87, nays 332, not voting 14, as follows:

[Roll No. 285]

YEAS—87

Badham
Barnes
Beilenson
Berman
Boehlert
Boland
Bonior
Bonker
Breaux
Broyhill
Coleman (TX)
Conable
Conte
Corcoran
Coyne
Dickinson
Dicks
Donnelly
Duncan
Edwards (AL)
Fascell
Fish
Foley
Frank
Frenzel
Garcia
Gibbons
Gingrich
Gradison
Green
Gregg
Hamilton
Hammerschmidt
Holt
Horton
Hunter
Hyde
Jeffords
Johnson
Kemp
Kleczka
Kostmayer
Latta
Lehman (FL)
Lewis (CA)
Loeffler
Long (LA)
Lott
Lowery (CA)
Mack
Madigan
Martin (IL)
Matsui
McCain
McKinney
Michel
Moakley
Mollohan
Murtha
O'Brien
Ottinger
Oxley
Parris
Pease
Pepper
Porter
Pritchard
Quillen
Rahall
Regula
Reid
Rostenkowski
Sawyer
Schneider
Schulze
Schumer
Simon
Solarz
St Germain
Stangeland
Stratton
Sundquist
Synar
Vander Jagt
Walker
Wolf
Yates

NAYS—332

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Aspin
AuCoin
Barnard
Bartlett
Bateman
Bates
Bedell
Bennett
Bereuter
Bethune
Bevill
Biaggi
Bilirakis
Bliley
Boggs
Boner
Borski
Bosco
Boucher
Boxer
Britt
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bryant
Burton (CA)
Burton (IN)
Byron
Campbell
Carney
Carper
Carr
Chandler
Chappell
Chappie
Cheney
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Collins
Conyers
Cooper
Coughlin
Courter
Craig
Crane, Daniel
Crane, Philip
Crockett
D'Amours
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dingell
Dixon
Dorgan
Dowdy
Downey
Dreier
Durbin
Dwyer
Dyson
Early
Eckart
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fazio
Feighan
Ferraro
Fiedler
Fields
Flippo
Florio
Foglietta
Ford (MI)
Ford (TN)
Fowler
Franklin
Frost
Fuqua
Gaydos
Gejdenson
Gekas
Gephardt
Gilman
Glickman
Gonzalez
Goodling
Gore
Gramm
Gray
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hall, Ralph
Hall, Sam
Hance
Hansen (UT)
Harkin
Hartnett
Hatcher
Hayes
Hefner
Hertel
Hightower
Hiler
Hillis
Hopkins
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Ireland
Jacobs
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kasich
Kastenmeier
Kazen
Kennelly
Kildee
Kindness
Kogovsek
Kolter
Kramer
LaFalce
Lagomarsino
Lantos
Leach
Leath
Lehman (CA)
Leland
Lent
Levin
Levine
Levitas
Lewis (FL)
Lipinski
Livingston
Lloyd
Lowry (WA)
Lujan
Luken
Lundine
Lungren
MacKay
Markey
Marlenee
Marriott
Martin (NC)
Martin (NY)
Martinez
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McNulty
Mica
Mikulski
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell
Molinari
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Mrazek
Murphy
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Packard
Panetta
Pashayan
Patman
Patterson
Paul
Penny
Perkins
Petri
Pickle
Price
Pursell
Rangel
Ratchford
Ray
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Roth
Roukema
Rowland
Roybal
Rudd
Russo
Sabo
Savage
Schaefer
Scheuer
Schroeder
Seiberling
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky

Skeen
Skelton
Slattery
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
Spratt
Staggers
Stenholm
Stokes
Studds
Stump
Swift
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vandergriff
Vento
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wirth
Wise
Wolpe
Wortley
Wright
Wyden
Wylie
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NOT VOTING—14

Dymally
Erlenborn
Hansen (ID)
Harrison
Hawkins
Heftel
Kaptur
Long (MD)
McKernan
Morrison (WA)
Sensenbrenner
Shannon
Smith (FL)
Stark

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Mr. MATSUI changed his vote from "nay" to "yea."

Messrs. HAYES, CONYERS, CLINGER, FOWLER, and TRAXLER changed their votes from "yea" to "nay."

So the committee amendment was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. CONABLE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 138, nays 282, not voting 13, as follows:

[Roll No. 286]

YEAS—138

Andrews (TX)
Annunzio
Anthony
Barnes
Bateman
Beilenson
Berman
Bevill
Bliley
Boehlert
Boland
Bonior
Bonker
Brown (CA)
Broyhill
Burton (CA)
Campbell
Chandler
Cheney
Clinger
Coleman (TX)
Conable
Conte
Conyers
Corcoran
Coughlin
Coyne
Davis
Dicks
Donnelly
Duncan
Dwyer
Edgar
Edwards (AL)
Edwards (CA)
Fascell
Fish
Flippo
Foley
Fowler
Frank
Frenzel
Garcia
Gekas
Gibbons
Gonzalez
Gore
Gradison
Green
Gregg
Hamilton
Hammerschmidt
Hance
Hatcher
Heftel
Hillis
Holt
Horton
Hoyer
Hunter
Hyde
Jeffords
Jenkins
Johnson
Jones (NC)
Kazen
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kostmayer
Latta
Lehman (FL)
Lewis (CA)
Lipinski
Livingston
Loeffler
Long (LA)
Lowery (CA)
Madigan
Martin (NC)
Matsui
Mavroules
McCain
McDade
McHugh
McKernan
McKinney
McNulty
Michel
Mollohan
Morrison (WA)
Murtha
O'Brien
Ottinger
Parris
Pease
Pepper
Perkins
Porter
Price
Pritchard
Quillen
Rahall
Regula
Reid
Rose
Rostenkowski
Roybal
Sawyer
Scheuer
Schneider
Schumer
Simon
Sisisky
Skelton
Solarz
St Germain
Stratton
Sundquist
Swift
Synar
Tauke
Taylor
Traxler
Vander Jagt
Vento
Volkmer
Wheat
Whitehurst
Whitley
Williams (MT)
Williams (OH)
Wolf
Wright
Yates
Young (MO)

NAYS—282

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Applegate
Archer
Aspin
AuCoin
Badham
Barnard
Bartlett
Bates
Bedell
Bennett
Bereuter
Bethune
Biaggi
Bilirakis
Boggs
Boner
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Broomfield
Brown (CO)
Bryant
Burton (IN)
Byron
Carney
Carper
Carr
Chappell
Chappie
Clarke
Clay
Coats
Coelho
Coleman (MO)
Collins
Cooper
Courter
Craig
Crane, Daniel
Crane, Philip
Crockett
D'Amours
Daniel
Dannemeyer
Darden
Daschle
Daub
de la Garza
Dellums
DeWine
Dickinson
Dingell
Dixon
Dorgan
Dowdy
Downey
Dreier
Durbin
Dyson
Early
Eckart
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fazio
Feighan
Ferraro
Fiedler
Fields
Florio
Foglietta
Ford (MI)
Franklin
Frost
Fuqua
Gaydos
Gejdenson
Gephardt
Gilman
Gingrich
Glickman
Goodling
Gramm
Gray
Guarini
Gunderson
Hall (IN)
Hall, Ralph
Hall, Sam
Hansen (UT)
Harkin
Hartnett
Hayes
Hefner
Hertel
Hightower
Hiler
Hopkins
Howard
Hubbard
Huckaby
Hughes
Hutto
Ireland
Jacobs
Jones (OK)
Jones (TN)
Kasich
Kastenmeier
Kogovsek
Kolter
Kramer
LaFalce
Lagomarsino
Lantos
Leach
Leath
Lehman (CA)
Leland
Lent
Levin
Levine
Levitas
Lewis (FL)
Lloyd
Long (MD)
Lott
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
MacKay
Markey
Marlenee
Marriott
Martin (IL)
Martin (NY)
Martinez
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McEwen
McGrath
Mica
Mikulski
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell
Molinari
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Mrazek
Murphy
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Oxley
Packard
Panetta
Pashayan
Patman
Patterson
Paul
Penny
Petri
Pickle
Pursell
Rangel
Ratchford
Ray
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Roth
Roukema
Rowland
Rudd
Russo
Sabo
Savage
Schaefer
Schroeder
Schulze
Seiberling
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Skeen
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
Spratt
Staggers
Stangeland
Stenholm
Stokes
Studds
Stump
Tallon
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Udall
Valentine
Vandergriff
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Whittaker
Whitten
Wilson
Winn
Wirth
Wise
Wolpe
Wortley
Wyden
Wylie
Yatron
Young (AK)
Young (FL)
Zschau

NOT VOTING—13

Derrick
Dymally
Erlenborn
Ford (TN)
Hall (OH)
Hansen (ID)
Harrison
Hawkins
Kaptur
Moakley
Sensenbrenner
Shannon
Stark

☐ 1140

Mr. BIAGGI changed his vote from "yea" to "nay."

So the bill was not passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REQUEST FOR CONSIDERATION OF H.R. 5950, INCREASED CONTRIBUTION FOR QUADRENNIAL POLITICAL PARTY PRESIDENTIAL NATIONAL NOMINATING CONVENTION

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of the bill (H.R. 5950) to increase the Federal contribution for the Quadrennial Political Party Presidential National Nominating Conventions.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mrs. MARTIN of Illinois. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 5835

Mr. BIAGGI. Mr. Speaker, I ask unanimous consent that my colleague, the gentleman from New York [Mr. KEMP] be withdrawn as a cosponsor of my bill, H.R. 5835.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION FOR COMMITTEE ON ENERGY AND COMMERCE TO HAVE UNTIL 5 O'CLOCK, JULY 16, 1984, TO FILE REPORT ON H.R. 5640, SUPERFUND EXPANSION AND PROTECTION ACT

Mr. OTTINGER. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce be permitted to file a report on H.R. 5640, the Superfund Expansion and Protection Act, by 5 o'clock on July 16, 1984. I would like to advise that the minority agrees.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

LAND REMOTE-SENSING COMMERCIALIZATION ACT OF 1984

Mr. FUQUA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5155) to establish a system to promote the use of land remote-sensing satellite data and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment with an amendment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. OTTINGER. Reserving the right to object, Mr. Speaker, I will not object, but I would like to enter into a colloquy with the gentleman from Florida and acknowledge the excellent work that he, as chairman of the House Committee on Science and Technology and his committee has done in drafting H.R. 5155, which among other things, establishes a framework for the phased commercialization of remote-sensing satellite systems.

It is on that bill that I would like to engage the gentleman in a colloquy.

Mr. FUQUA. I will be happy to do so. I would first of all like to say that certainly the Energy and Commerce Committee has cooperated very fully, and we recognize that they have exclusive jurisdiction over the Federal Communications Commission, and the exercise of the FCC's authority pursuant to the Communication Act of 1934 in formulating an approach to the phased commercialization of remote-sensing satellite systems and it will promote the use of data from those satellite systems.

Mr. OTTINGER. I thank the gentleman for his kind comments. Section 606 of H.R. 5155 instructs the Federal Communications Commission in the exercise of the authority it has under the Communications Act of 1934 to allocate radio spectrum for nongovernmental use. I too, am pleased that our committees were able to work together to create a balanced framework in which the FCC might exercise its authority with respect to nongovernmental commercial remote-sensing systems. I would like to pose two questions to my good friend from Florida:

First, am I correct under the framework established in the bill, private parties may be authorized to operate commercial remote-sensing systems, and second, am I also correct that any such private party seeking to operate a commercial remote-sensing system must file an application with the FCC to obtain approval to utilize an appropriate portion of the radio spectrum?

Mr. FUQUA. I would say to my friend from New York that in both cases the gentleman is correct.

Mr. OTTINGER. I thank the gentleman for his assurance, and assure him support of my bill.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. The Clerk will report the proposed amendment.

The Clerk read the House amendment to the Senate amendment, as follows:

> In lieu of the material proposed to be inserted by the Senate Amendment, insert the following: That this Act may be cited as the "Land Remote Sensing Commercialization Act of 1984".

TITLE I—DECLARATION OF FINDINGS, PURPOSES, AND POLICIES

FINDINGS

SEC. 101. The Congress finds and declares that—

(1) the continuous civilian collection and utilization of land remote-sensing data from space are of major benefit in managing the Earth's natural resources and in planning and conducting many other activities of economic importance;

(2) the Federal Government's experimental Landsat system has established the United States as the world leader in land remote-sensing technology;

(3) the national interest of the United States lies in maintaining international leadership in civil remote sensing and in broadly promoting the beneficial use of remote-sensing data;

(4) land remote sensing by the Government or private parties of the United States affects international commitments and policies and national security concerns of the United States;

(5) the broadest and most beneficial use of land remote-sensing data will result from maintaining a policy of nondiscriminatory access to data;

(6) competitive, market-driven private sector involvement in land remote sensing is in the national interest of the United States;

(7) use of land remote-sensing data has been inhibited by slow market development and by the lack of assurance of data continuity;

(8) the private sector, and in particular the "value-added" industry, is best suited to develop land remote-sensing data markets;

(9) there is doubt that the private sector along can currently develop a total land remote-sensing system because of the high and large capital expenditure involved;

(10) cooperation between the Federal Government and private industry can help assure both data continuity and United States leadership;

(11) the time is now appropriate to initiate such cooperation with phased transition to a fully commercial system;

(12) such cooperation should be structured to involve the minimum practicable amount of support and regulation by the Federal Government and the maximum practicable amount of competition by the private sector, while assuring continuous availability to the Federal Government of land remote-sensing data;

(13) certain Government oversight must be maintained to assure that private sector activities are in the national interest and that the international commitments and policies of the United States are honored; and

(14) there is no compelling reason to commercialize meteorological satellites at this time.

PURPOSES

SEC. 102. The purposes of this Act are to—

(1) guide the Federal Government in achieving proper involvement of the private sector by providing a framework for phased commercialization of land remote sensing and by assuring continuous data availability to the Federal Government;

(2) maintain the United States' worldwide leadership in civil remote sensing, preserve its national security, and fulfill its international obligations;

(3) minimize the duration and amount of further Federal investment necessary to assure data continuity while achieving commercialization of civil remote sensing;

(4) provide for a comprehensive civilian program of research, development, and demonstration to enhance both the United States' capabilities for remote sensing from space and the application and utilization of such capabilities; and

(5) prohibit commercialization of meteorological satellites at this time.

POLICIES

SEC. 103. (a) It shall be the policy of the United States to preserve its right to acquire and disseminate unenhanced remote-sensing data.

(b) It shall be the policy of the United States that civilian unenhanced remote-sensing data be made available to all potential users on a nondiscriminatory basis and in a manner consistent with applicable antitrust laws.

(c) It shall be the policy of the United States both to commercialize those remote-sensing space systems that properly lend themselves to private sector operation and to avoid competition by the Government with such commercial operations, while continuing to preserve our national security, to honor our international obligations, and to retain in the Government those remote-sensing functions that are essentially of a public service nature.

DEFINITIONS

SEC. 104. For purposes of this Act:

(1) The term "Landsat system" means Landsats 1, 2, 3, 4, and 5, and any related ground equipment, systems, and facilities, and any successor civil land remote-sensing space systems operated by the United States Government prior to the commencement of the six-year period described in title III.

(2) The term "Secretary" means the Secretary of Commerce.

(3)(A) The term "nondiscriminatory basis" means without preference, bias, or any other special arrangement (except on the basis of national security concerns pursuant to section 607) regarding delivery, format, financing, or technical considerations which would favor one buyer or class of buyers over another.

(B) The sale of data is made on a nondiscriminatory basis only if (i) any offer to sell or deliver data is published in advance in such manner as will ensure that the offer is equally available to all prospective buyers; (ii) the system operator has not established or changed any price, policy, procedure, or other term or condition in a manner which gives one buyer or class of buyer de facto favored access to data; (iii) the system operator does not make unenhanced data available to any purchaser on an exclusive basis; and (iv) in a case where a system operator offers volume discounts, such discounts are no greater than the demonstrable reductions in the cost of volume sales. The sale of data on a nondiscriminatory basis does not preclude the system operator from offering discounts other than volume discounts to the extent that such discounts are consistent with the provisions of this paragraph.

(C) The sale of data on a nondiscriminatory basis does not require (i) that a system operator disclose names of buyers or their purchases; (ii) that a system operator maintain all, or any particular subset of, data in a working inventory; or (iii) that a system operator expend equal effort in developing all segments of a market.

(4) The term "unenhanced data" means unprocessed or minimally processed signals or film products collected from civil remote-sensing space systems. Such minimal processing may include rectification of distortions, registration with respect to features of the Earth, and calibration of spectral response. Such minimal processing does not include conclusions, manipulations, or calculations derived from such signals of film products or combination of the signals or film products with other data or information.

(5) The term "system operator" means a contractor under title II or title III or a license holder under title IV.

TITLE II—OPERATION AND DATA MARKETING OF LANDSAT SYSTEM

OPERATION

SEC. 201. (a) The Secretary shall be responsible for—

(1) the Landsat system, including the orbit, operation, and disposition of Landsats 1, 2, 3, 4, and 5; and

(2) provision of data to foreign ground stations under the terms of agreements between the United States Government and nations that operate such ground stations which are in force on the date of commencement of the contract awarded pursuant to this title.

(b) The provisions of this section shall not affect the Secretary's authority to contract for the operation of part or all of the Landsat system, so long as the United States Government retains—

(1) ownership of such system;

(2) ownership of the unenhanced data; and

(3) authority to make decisions concerning operation of the system.

CONTRACT FOR MARKETING OF UNENHANCED DATA

SEC. 202. (a) In accordance with the requirements of this title, the Secretary, by means of a competitive process and to the extent provided in advance by appropriation Acts, shall contract with a United States private sector party (as defined by the Secretary) for the marketing of unenhanced data collected by the Landsat system. Any such contract—

(1) shall provide that the contractor set the prices of unenhanced data;

(2) may provide for financial arrangements between the Secretary and the contractor including fees for operating the system, payments by the contractor as an initial fee or as a percentage of sales receipts, or other such considerations;

(3) shall provide that the contractor will offer to sell and deliver unenhanced data to all potential buyers on a nondiscriminatory basis;

(4) shall provide that the contractor pay to the United States Government the full purchase price of any unenhanced data that the contractor elects to utilize for purposes other than sale;

(5) shall be entered into by the Secretary only if the Secretary has determined that such contract is likely to result in net cost savings for the United States Government; and

(6) may be rewarded competitively after the practical demise of the space segment of the Landsat system, as determined by the Secretary.

(b) Any contract authorized by subsection (a) may specify that the contractor use, and, at his own expense, maintain, repair, or modify, such elements of the Landsat system as the contractor finds necessary for commercial operations.

(c) Any decision or proposed decision by the Secretary to enter into any such contract shall be transmitted to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science and Technology of the House of Representatives for their review. No such decision or proposed decision shall be implemented unless (A) a period of 30 calendar days has passed after the receipt by each such committee of such transmittal, or (B) each such committee before the expiration of such period has agreed to transmit and has transmitted to the Secretary written notice to the effect that such committee has no objection to the decision or proposed decision. As part of the transmittal, the Secretary shall include information on the terms of the contract described in subsection (a).

(d) In defining "United States private sector party" for purposes of this Act, the Secretary may take into account the citizenship of key personnel, location of assets, foreign ownership, control, influence, and other such factors.

CONDITIONS OF COMPETITION FOR CONTRACT

SEC. 203. (a) The Secretary shall, as part of the advertisement for the competition for the contract authorized by section 202, identify and publish the international obligations, national security concerns (with appropriate protection of sensitive information), domestic legal considerations, and any other standards or conditions which a private contractor shall be required to meet.

(b) In selecting a contractor under this title, the Secretary shall consider—

(1) ability to market aggressively unenhanced data;

(2) the best overall financial return to the Government, including the potential cost savings to the Government that are likely to result from the contract;

(3) ability to meet the obligations, concerns, considerations, standards, and conditions identified under subsection (a);

(4) technical competence, including the ability to assure continuous and timely delivery of data from the Landsat system;

(5) ability to effect a smooth transition with the contractor selected under title III; and

(6) such other factors as the Secretary deems appropriate and relevant.

(c) If, as a result of the competitive process required by section 202(a), the Secretary receives no proposal which is acceptable under the provisions of this title, the Secretary shall so certify and fully report such finding to the Congress. As soon as practicable but not later than 30 days after so certifying and reporting, the Secretary shall reopen the competitive process. The period for the subsequent competitive process shall not exceed 120 days. If, after such subsequent competitive process, the Secretary receives no proposal which is acceptable under the provisions of this title, the Secretary shall so certify and fully report such finding to the Congress. In the event that no acceptable proposal is received, the Secretary shall continue to market data from the Landsat system.

(d) A contract awarded under section 202 may, in the discretion of the Secretary, be combined with the contract required by title III, pursuant to section 304(b).

SALE OF DATA

SEC. 204. (a) After the date of the commencement of the contract described in section 202(a), the contractor shall be entitled to revenues from sales of copies of data from the Landsat system, subject to the conditions specified in sections 601 and 602.

(b) The contractor may continue to market data previously generated by the Landsat system after the demise of the space segment of that system.

FOREIGN GROUND STATIONS

SEC. 205. (a) The contract under this title shall provide that the contractor shall act as the agent of the Secretary by continuing to supply unenhanced data to foreign ground stations for the life, and according to the terms, of those agreements between the United States Government and such foreign ground stations that are in force on the date of the commencement of the contract.

(b) Upon the expiration of such agreements, or in the case of foreign ground stations that have no agreement with the United States on the date of commencement of the contract, the contract shall provide—

(1) that unenhanced data from the Landsat system shall be made available to foreign ground stations only by the contractor; and

(2) that such data shall be made available on a nondiscriminatory basis.

TITLE III—PROVISION OF DATA CONTINUITY AFTER THE LANDSAT SYSTEM

PURPOSES AND DEFINITION

SEC. 301. (a) It is the purpose of this title—

(1) to provide, in an orderly manner and with minimal risk, for a transition from Government operation to private, commercial operation of civil land remote-sensing systems; and

(2) to provide data continuity for six years after the practical demise of the space segment of the Landsat system.

(b) For purposes of this title, the term "data continuity" means the continued availability of unenhanced data—

(1) including data which are from the point of view of a data user—

(A) functionally equivalent to the multispectral data generated by the Landsat 1 and 2 satellites; and

(B) compatible with such data and with equipment used to receive and process such data; and

(2) at an annual volume at least equal to the Federal usage during fiscal year 1983.

(c) Data continuity may be provided using whatever technologies are available.

DATA CONTINUITY AND AVAILABILITY

Sec. 302. The Secretary shall solicit proposals from United States private sector parties (as defined by the Secretary pursuant to section 202) for a contract for the development and operation of a remote-sensing space system capable of providing data continuity for a period of six years and for marketing unenhanced data in accordance with the provisions of sections 601 and 602. Such proposals, at a minimum, shall specify—

(1) the quantities and qualities of unenhanced data expected from the system;

(2) the projected date upon which operations could begin;

(3) the number of satellites to be constructed and their expected lifetimes;

(4) any need for Federal funding to develop the system;

(5) any percentage of sales receipts or other returns offered to the Federal Government;

(6) plans for expanding the market for land remote-sensing data; and

(7) the proposed procedures for meeting the national security concerns and international obligations of the United States in accordance with section 607.

AWARDING OF THE CONTRACT

Sec. 303. (a)(1) In accordance with the requirements of this title, the Secretary shall evaluate the proposals described in section 302 and, by means of a competitive process and to the extent provided in advance by appropriation Acts, shall contract with a United States private sector party for the capability of providing data continuity for a period of six years and for marketing unenhanced data.

(2) Before commencing space operations the contractor shall obtain a license under title IV.

(b) As part of the evaluation described in subsection (a), the Secretary shall analyze the expected outcome of each proposal in terms of—

(1) the net cost to the Federal Government of developing the recommended system;

(2) the technical competence and financial condition of the contractor;

(3) the availability of such data after the expected termination of the Landsat system;

(4) the quantities and qualities of data to be generated by the recommended system;

(5) the contractor's ability to supplement the requirement for data continuity by adding, at the contractor's expense, remote-sensing capabilities which maintain United States leadership in remote sensing;

(6) the potential to expand the market for data;

(7) expected returns to the Federal Government based on any percentage of data sales or other such financial consideration offered to the Federal Government in accordance with section 305;

(8) the commercial viability of the proposal;

(9) the proposed procedures for satisfying the national security concerns and international obligations of the United States;

(10) the contractor's ability to effect a smooth transition with any contractor selected under title II; and

(11) such other factors as the Secretary deems appropriate and relevant.

(c) Any decision or proposed decision by the Secretary to enter into any such contract shall be transmitted to the Committee on Commerce, Science and Transportation of the Senate and the Committee on Science and Technology of the House of Representatives for their review. No such decision or proposed decision shall be implemented unless (1) a period of 30 calendar days has passed after the receipt by each such committee of such transmittal, or (2) each such committee before the expiration of such period has agreed to transmit and has transmitted to the Secretary written notice to the effect that such committee has no objection to the decision or proposed decision. As part of the transmittal, the Secretary shall include the information specified in subsection (a).

(d) If, as a result of the competitive process required by this section, the Secretary receives no proposal which is acceptable under the provisions of this title, the Secretary shall so certify and fully report such finding to the Congress. As soon as practicable but not later than 30 days after so certifying and reporting, the Secretary shall reopen the competitive process. The period for the subsequent competitive process shall not exceed 180 days. If, after such subsequent competitive process, the Secretary receives no proposal which is acceptable under the provisions of this title, the Secretary shall so certify and fully report such finding to the Congress. Not earlier than 90 days after such certification and report, the Secretary may assure data continuity by procurement and operation by the Federal Government of the necessary systems, to the extent provided in advance by appropriation Acts.

TERMS OF CONTRACT

Sec. 304. (a) Any contract entered into pursuant to this title—

(1) shall be entered into as soon as practicable, allowing for the competitive procurement process required by this title;

(2) shall, in accordance with criteria determined and published by the Secretary, reasonably assure data continuity for a period of six years, beginning as soon as practicable in order to minimize any interruption of data availability;

(3) shall provide that the contractor will offer to sell and deliver unenhanced data to all potential buyers on a nondiscriminatory basis;

(4) shall not provide a guarantee of data purchases from the contractor by the Federal Government;

(5) may provide that the contractor utilize, on a space-available basis, a civilian United States Government satellite or vehicle as a platform for a civil land remote-sensing space system, if—

(A) the contractor agrees to reimburse the Government immediately for all related costs incurred with respect to such utilization, including a reasonable and proportionate share of fixed, platform, data transmission, and launch costs; and

(B) such utilization would not interfere with or otherwise compromise intended civilian Government missions, as determined by the agency responsible for the civilian platform; and

(6) may provide financial support by the United States Government, for a portion of the capital costs required to provide data continuity for a period of six years, in the form of loans, loan guarantees, or payments pursuant to section 305 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 255).

(b)(1) Without regard to whether any contract entered into under this title is combined with a contract under title II, the Secretary shall promptly determine whether the contract entered into under this title reasonably effectuates the purposes and policies of title II. Such determination shall be submitted to the President and the Congress, together with a full statement of the basis for such determination.

(2) If the Secretary determines that such contract does not reasonably effectuate the requirements of title II, the Secretary shall promptly carry out the provisions of such title to the extent provided in advance in appropriations acts.

MARKETING

Sec. 305. (a) In order to promote aggressive marketing of land remote-sensing data, any contract entered into pursuant to this title may provide that the percentage of sales paid by the contractor to the Federal Government shall decrease according to stipulated increases in sales levels.

(b) After the six-year period described in section 304(a)(2), the contractor may continue to sell data. If licensed under title IV, the contractor may continue to operate a civil remote-sensing space system.

REPORT

Sec. 306. Two years after the date of the commencement of the six-year period described in section 304(a)(2), the Secretary shall report to the President and to the Congress on the progress of the transition to fully private financing, ownership, and operation of remote-sensing space systems, together with any recommendations for actions, including actions necessary to ensure United States leadership in civilian land remote sensing from space.

TERMINATION OF AUTHORITY

Sec. 307. The authority granted to the Secretary by this title shall terminate 10 years after the date of enactment of this Act.

TITLE IV—LICENSING OF PRIVATE REMOTE-SENSING SPACE SYSTEMS

GENERAL AUTHORITY

Sec. 401. (a)(1) In consultation with other appropriate Federal agencies, the Secretary is authorized to license private sector parties to operate private remote-sensing space systems for such period as the Secretary may specify and in accordance with the provisions of this title.

(2) In the case of a private space system that is used for remote sensing and other purposes, the authority of the Secretary under this title shall be limited only to the remote-sensing operations of such space system.

(b) No license shall be granted by the Secretary unless the Secretary determines in writing that the applicant will comply with the requirements of this Act, any regulations issued pursuant to this Act, and any applicable international obligations and national security concerns of the United States.

(c) The Secretary shall review any application and make a determination thereon within 120 days of the receipt of such application. If final action has not occurred within such time, the Secretary shall inform the applicant of any pending issues and of actions required to resolve them.

(d) The Secretary shall not deny such license in order to protect any existing licensee from competition.

CONDITIONS FOR OPERATION

SEC. 402. (a) No person who is subject to the jurisdiction or control of the United States may, directly or through any subsidiary or affiliate, operate any private remote-sensing space system without a license pursuant to section 401.

(b) Any license issued pursuant to this title shall specify, at a minimum, that the licensee shall comply with all of the requirements of this Act and shall—

(1) operate the system in such manner as to preserve and promote the national security of the United States and to observe and implement the international obligations of the United States in accordance with section 607;

(2) make unenhanced data available to all potential users on a nondiscriminatory basis;

(3) upon termination of operations under the license, make disposition of any satellites in space in a manner satisfactory to the President;

(4) promptly make available all unenhanced data which the Secretary may request pursuant to section 602;

(5) furnish the Secretary with complete orbit and data collection characteristics of the system, obtain advance approval of any intended deviation from such characteristics, and inform the Secretary immediately of any unintended deviation;

(6) notify the Secretary of any agreement the licensee intends to enter with a foreign nation, entity, or consortium involving foreign nations or entities;

(7) permit the inspection by the Secretary of the licensee's equipment, facilities, and financial records;

(8) surrender the license and terminate operations upon notification by the Secretary pursuant to section 403(a)(1); and

(9)(A) notify the Secretary of any "value added" activities (as defined by the Secretary by regulation) that will be conducted by the licensee or by a subsidiary or affiliate; and

(B) if such activities are to be conducted, provide the Secretary with a plan for compliance with the provisions of this Act concerning nondiscriminatory access.

ADMINISTRATIVE AUTHORITY OF THE SECRETARY

SEC. 403. (a) In order to carry out the responsibilities specified in this title, the Secretary may—

(1) grant, terminate, modify, condition, transfer, or suspend licenses under this title, and upon notification of the licensee may terminate licensed operations on an immediate basis, if the Secretary determines that the licensee has substantially failed to comply with any provision of this Act, with any regulation issued under this Act, with any terms, conditions, or restrictions of such license, or with any international obligations or national security concerns of the United States;

(2) inspect the equipment, facilities, or financial records of any licensee under this title;

(3) provide penalties for noncompliance with the requirements of licenses or regulations issued under this title, including civil penalties not to exceed $10,000 (each day of operation in violation of such licenses or regulations constituting a separate violation);

(4) compromise, modify, or remit any such civil penalty;

(5) issue subpoenas for any materials, documents, or records, or for the attendance and testimony of witnesses for the purpose of conducting a hearing under this section;

(6) seize any object, record, or report where there is probable cause to believe that such object, record, or report was used, is being used, or is likely to be used in violation of this Act or the requirements of a license or regulation issued thereunder; and

(7) make investigations and inquiries and administer to or take from any person an oath, affirmation, or affidavit concerning any matter relating to the enforcement of this Act.

(b) Any applicant or licensee who makes a timely request for review of an adverse action pursuant to subsection (a)(1), (a)(3), or (a)(6) shall be entitled to adjudication by the Secretary on the record after an opportunity for an agency hearing with respect to such adverse action. Any final action by the Secretary under this subsection shall be subject to judicial review under chapter 7 of title 5, United States Code.

REGULATORY AUTHORITY OF THE SECRETARY

SEC. 404. The Secretary may issue regulations to carry out the provisions of this title. Such regulations shall be promulgated only after public notice and comment in accordance with the provisions of section 553 of title 5, United States Code.

AGENCY ACTIVITIES

SEC. 405. (a) A private sector party may apply for a license to operate a private remote-sensing space system which utilizes, on a space available basis, a civilian United States Government satellite or vehicle as a platform for such system. The Secretary, pursuant to the authorities of this title, may license such system if it meets all conditions of this title and—

(1) the system operator agrees to reimburse the Government immediately for all related costs incurred with respect to such utilization, including a reasonable and proportionate share of fixed, platform, data transmission, and launch costs; and

(2) such utilization would not interfere with or otherwise compromise intended civilian government missions, as determined by the agency responsible for such civilian platform.

(b) The Secretary may offer assistance to private sector parties in finding appropriate opportunities for such utilization.

(c) To the extent provided in advance by appropriation Acts, any Federal agency may enter into agreements for such utilization if such agreements are consistent with such agency's mission and statutory authority, and if such remote-sensing space system is licensed by the Secretary before commencing operation.

(d) The provisions of this section do not apply to activities carried out under title V.

(e) Nothing in this title shall affect the authority of the Federal Communications Commission pursuant to the Communications Act of 1934, as amended (47 U.S.C. 151 et seq.).

TERMINATION

SEC. 406. If, five years after the expiration of the six-year period described in section 304(a)(2), no private sector party has been licensed and continued in operation under the provisions of this title, the authority of this title shall terminate.

TITLE V—RESEARCH AND DEVELOPMENT

CONTINUED FEDERAL RESEARCH AND DEVELOPMENT

SEC. 501. (a)(1) The Administrator of the National Aeronautics and Space Administration is directed to continue and to enhance such Administration's programs of remote-sensing research and development.

(2) The Administrator is authorized and encouraged to—

(A) conduct experimental space remote-sensing programs (including applications demonstration programs and basic research at universities);

(B) develop remote-sensing technologies and techniques, including those needed for monitoring the Earth and its environment; and

(C) conduct such research and development in cooperation with other Federal agencies and with public and private research entities (including private industry, universities, State and local governments, foreign governments, and international organizations) and to enter into arrangements (including joint ventures) which will foster such cooperation.

(b)(1) The Secretary is directed to conduct a continuing program of—

(A) research in applications of remote-sensing;

(B) monitoring of the Earth and its environment; and

(C) development of technology for such monitoring.

(2) Such program may include support of basic research at universities and demonstrations of applications.

(3) The Secretary is authorized and encouraged to conduct such research, monitoring, and development in cooperation with other Federal agencies and with public and private research entities (including private industry, universities, State and local governments, foreign governments, and international organizations) and to enter into arrangements (including joint ventures) which will foster such cooperation.

(c)(1) In order to enhance the United States' ability to manage and utilize its renewable and nonrenewable resources, the Secretary of Agriculture and the Secretary of the Interior are authorized and encouraged to conduct programs of research and development in the applications of remote sensing using funds appropriated for such purposes.

(2) Such programs may include basic research at universities, demonstrations of applications, and cooperative activities involving other government agencies, private sector parties, and foreign and international organizations.

(d) Other Federal agencies are authorized and encouraged to conduct research and development on the use of remote sensing in fulfillment of their authorized missions, using funds appropriated for such purposes.

(e) the Secretary and the Administrator of the National Aeronautics and Space Administration shall, within one year after the date of enactment of this Act and biennially thereafter, jointly develop and transmit to the Congress a report which includes (1) a unified national plan for remote-sensing research and development applied to the Earth and its atmosphere; (2) a compilation of progress in the relevant ongoing research and development activities of the Federal agencies; and (3) an assessment of the state of our knowledge of the Earth and its atmosphere, the needs for additional research (including research related to operational Federal remote-sensing space programs), and opportunities available for further progress.

USE OF EXPERIMENTAL DATA

SEC. 502. Data gathered in Federal experimental remote-sensing space programs may be used in related research and development programs funded by the Federal Government (including applications programs) and cooperative research programs, but not for commercial uses or in competition with private sector activities, except pursuant to section 503.

SALE OF EXPERIMENTAL DATA

SEC. 503. Data gathered in Federal experimental remote-sensing space programs may be sold en bloc through a competitive process (consistent with national security interests and international obligations of the United States and in accordance with section 607) to any United States entity which will market the data on a nondiscriminatory basis.

TITLE VI—GENERAL PROVISIONS

NONDISCRIMINATORY DATA AVAILABILITY

SEC. 601. (a) Any unenhanced data generated by any system operator under the provisions of this Act shall be made available to all users on a nondiscriminatory basis in accordance with the requirements of this Act.

(b) Any system operator shall make publicly available the prices, policies, procedures, and other terms and conditions (but, in accordance with section 104(3)(C), not necessarily the names of buyers or their purchases) upon which the operator will sell such data.

ARCHIVING OF DATA

SEC. 602. (a) It is in the public interest for the United States Government—

(1) to maintain an archive of land remote-sensing data for historical, scientific, and technical purposes, including long-term global environmental monitoring;

(2) to control the content and scope of the archive; and

(3) to assure the quality, integrity, and continuity of the archive.

(b) The Secretary shall provide for long-term storage, maintenance, and upgrading of a basic, global, land remote-sensing data set (hereinafter referred to as the "basic data set") and shall follow reasonable archival practices to assure proper storage and preservation of the basic data set and timely access for parties requesting data. The basic data set which the Secretary assembles in the Government archive shall remain distinct from any inventory of data which a system operator may maintain for sales and for other purposes.

(c) In determining the initial content of, or in upgrading, the basic data set, the Secretary shall—

(1) use as a baseline the data archived on the date of enactment of this Act;

(2) take into account future technical and scientific developments and needs;

(3) consult with and seek the advice of users and producers of remote-sensing data and data products;

(4) consider the need for data which may be duplicative in terms of geographical coverage but which differ in terms of season, spectral bands, resolution, or other relevant factors;

(5) include, as the Secretary considers appropriate, unenhanced data generated either by the Landsat system, pursuant to title III, or by licensees under title IV;

(6) include, as the Secretary considers appropriate, data collected by foreign ground stations or by foreign remote-sensing space systems; and

(7) ensure that the content of the archive is developed in accordance with section 607.

(d) Subject to the availability of appropriations, the Secretary shall request data needed for the basic data set and pay to the providing system operator reasonable costs for reproduction and transmission. A system operator shall promptly make requested data available in a form suitable for processing for archiving.

(e) Any system operator shall have the exclusive right to sell all data that the operator provides to the United States remote-sensing data archive for a period to be determined by the Secretary but not to exceed ten years from the date the data are sensed. In the case of data generated from the Landsat system prior to the implementation of the contract described in section 202(a), any contractor selected pursuant to section 202 shall have the exclusive right to market such data on behalf of the United States Government for the duration of such contract. A system operator may relinquish the exclusive right and consent to distribution from the archive before the period of exclusive right has expired by terminating the offer to sell particular data.

(f) After the expiration of such exclusive rights to sell, or after relinquishment of such right, the data provided to the United States remote-sensing data archive shall be in the public domain and shall be made available to requesting parties by the Secretary at prices reflecting reasonable costs of reproduction and transmittal.

(g) In carrying out the functions of this section, the Secretary shall, to the extent practicable and as provided in advance by appropriation Acts, use existing Government facilities.

NONREPRODUCTION

SEC. 603. Unenhanced data distributed by any system operator under the provisions of this Act may be sold on the condition that such data will not be reproduced or disseminated by the purchaser.

REIMBURSEMENT FOR ASSISTANCE

SEC. 604. The Administrator of the National Aeronotics and Space Administration, the Secretary of Defense and the heads of other Federal agencies may provide assistance to system operators under the provisions of this Act. Substantial assistance shall be reimbursed by the operator, except as otherwise provided by law.

ACQUISITION OF EQUIPMENT

SEC. 605. The Secretary may, by means of a competitive process, allow a licensee under title IV or any other private party to buy, lease, or otherwise acquire the use of equipment from the Landsat system, when such equipment is no longer needed for the operation of such system or for the sale of data from such system. Officials of other Federal civilian agencies are authorized and encouraged to cooperate with the Secretary in carrying out the provisions of this section.

RADIO FREQUENCY ALLOCATION

SEC. 606. (a) Within 30 days after the date of enactment of this Act, the President (or the President's delegee, if any, with authority over the assignment of frequencies to radio stations or classes of radio stations operated by the United States) shall make available for non-government use spectrum presently allocated to government use, for use by United States Landsat and commercial remote-sensing space systems. The spectrum to be so made available shall conform to any applicable international radio or wire treaty or convention, or regulations annexed thereto. Within 90 days thereafter, the Federal Communications Commission shall utilize appropriate procedures to authorize the use of such spectrum for nongovernmental use. Nothing in this section shall preclude the ability of the Commission to allocate additional spectrum to commercial land remote-sensing space satellite system use.

(b) To the extent required by the Communications Act of 1934, as amended (47 U.S.C. 151 et. seq.), an application shall be filed with the Federal Communications Commission for any radio facilities involved with the commercial remote-sensing space system.

(c) It is the intent of Congress that the Federal Communications Commission complete the radio licensing process under the Communications Act of 1934, as amended (47 U.S.C. 151 et. seq.), upon the application of any private sector party or consortium operator of any commercial land remote-sensing space system subject to this Act, within 120 days of the receipt of an application for such licensing. If final action has not occurred within 120 days of the receipt of such an application, the Federal Communications Commission shall inform the applicant of any pending issues and of actions required to resolve them.

(d) Authority shall not be required from the Federal Communications Commission for the development and construction of any United States land remote-sensing space system (or component thereof), other than radio transmitting facilities or components, while any licensing determination is being made.

(e) Frequency allocations made pursuant to this section by the Federal Communications Commission shall be consistent with international obligations and with the public interest.

CONSULTATION

SEC. 607. (a) The Secretary shall consult with the Secretary of Defense on all matters under this Act affecting national security. The Secretary of Defense shall be responsible for determining those conditions, consistent with this Act, necessary to meet national security concerns of the United States and for notifying the Secretary promptly of such conditions.

(b)(1) The Secretary shall consult with the Secretary of State on all matters under this Act affecting international obligations. The Secretary of State shall be responsible for determining those conditions, consistent with this Act, necessary to meet international obligations and policies of the United States and for notifying the Secretary promptly of such conditions.

(2) Appropriate Federal agencies are authorized and encouraged to provide remote-sensing data, technology, and training to developing nations as a component of programs of international aid.

(3) The Secretary of State shall promptly report to the Secretary any instances outside the United States of discriminatory distribution of data.

(c) If, as a result of technical modifications imposed on a system operator on the basis of national security concerns, the Secretary, in consultation with the Secretary of Defense or with other Federal agencies, determines that additional costs will be incurred by the system operator, or that past development costs (including the cost of capital) will not be recovered by the system operator, the Secretary may require the agency or agencies requesting such technical modifications to reimburse the system operator for such additional or development costs, but not for anticipated profits. Reimbursements may cover costs associated with required changes in system performance, but not costs ordinarily associated with doing business abroad.

AMENDMENT TO NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION, 1983

SEC. 608. Subsection (a) of section 201 of the National Aeronautics and Space Administration Authorization Act, 1983 (Public Law 97-324; 96 Stat. 1601) is amended to read as follows:

"(a) The Secretary of Commerce is authorized to plan and provide for the management and operation of civil remote-sensing space systems, which may include the Landsat 4 and 5 satellites and associated ground system equipment transferred from the National Aeronautics and Space Administration; to provide for user fees; and to plan for the transfer of the operation of civil remote-sensing space systems to the private sector when in the national interest."

AUTHORIZATION OF APPROPRIATIONS

SEC. 609. (a) There are authorized to be appropriated to the Secretary $75,000,000 for fiscal year 1985 for the purpose of carrying out the provisions of this Act. Such sums shall remain available until expended, but shall not become available until the time periods specified in section 202(c) and 303(c) have expired.

(b) The authorization provided for under subsection (a) shall be in addition to moneys authorized pursuant to title II of the National Aeronautics and Space Administration Authorization Act, 1983.

TITLE VII—PROHIBITION OF COMMERCIALIZATION OF WEATHER SATELLITES

PROHIBITION

SEC. 701. Neither the President nor any other official of the Government shall make any effort to lease, sell, or transfer to the private sector, commercialize, or in any way dismantle any portion of the weather satellite systems operated by the Department of Commerce or any successor agency.

FUTURE CONSIDERATIONS

SEC. 702. Regardless of any change in circumstances subsequent to the enactment of this Act, even if such change makes it appear to be in the national interest to commercialize weather satellites, neither the President nor any official shall take any action prohibited by section 701 unless this title has first been repealed.

Mr. FUQUA (during the reading). Mr. Speaker, I ask unanimous consent that the House amendment to the Senate amendment be considered as read and printed in the RECORD.

The **SPEAKER**. Is there objection to the request of the gentleman from Florida?

Mr. LUJAN. Mr. Speaker, reserving the right to object, I have no objection, but I would like to engage in a colloquy with the gentleman.

I want to tell the gentleman from Florida that I agree completely with the objectives of this legislation, and that is the privatization of the Landsat system, because I think that is the entire object of the space program.

I would like to ask the gentleman, in the event, the explanation of the legislation says that if the Secretary receives no acceptable proposal under title III, then it is the clear intent of the Congress that the Secretary should assure data continuity by developing a land remote sensing space system to be procured and operated by the Federal Government.

Now, my question is that if there is a company, say there is not an acceptable proposal made, that the Government then does not have to provide that service if there is, as a matter of fact, the private company that will say we will provide that on our own. It is not mandatory that the Government do it if a private company would do it?

Mr. FUQUA. If the gentleman would yield, that is my understanding also.

Mr. LUJAN. I just wanted to clear that portion because the explanation on the legislation was a little fuzzy.

I thank the gentleman.

Mr. SCHEUER. Mr. Speaker, I rise in strong support of the compromise amendment to H.R. 5155.

This amendment preserves the essence of the House position, while accommodating the legitimate concerns of our colleagues in the other body.

The modifications to the bill as passed by the House in April were amply delineated by my distinguished colleague, the chairman of the Committee on Science and Technology [Mr. FUQUA].

This legislation strikes an appropriate balance between the interests of the private sector in space commercialization and the legitimate public interest in maintaining our national security and international obligations.

The international and national security aspects of remote sensing are precisely the areas which necessitate continuing Government oversight and the area of national security, it would clearly be inappropriate for the United States to engage in activities that amount to intelligence gathering as a commercial enterprise.

In the area of international relations, the Landsat program has served as a valuable foreign policy tool for over a decade, in a number of direct and indirect ways.

We have provided data, services, and training in land remote sensing as a form of foreign aid to over 40 nations worldwide.

By the same token, these exchanges have helped to open lines of communication between U.S. political and business interests and the governmental and technical infrastructure of these nations.

Further, by providing land remote-sensing data without prejudice or favored access, the U.S. civil remote-sensing program has been free from charges of military surveillance or economic exploitation.

By maintaining this high ground, we have been able to argue credibly in international fora that any nation should have a right to observe any other country from space—the so-called open skies policy which has served our national interests well since its first articulation by President Eisenhower.

Mr. Speaker, the United States through the National Aeronautics and Space Administration, developed the land remote-sensing technology and brought it to where it stands today—at the brink of commercial exploitation.

This legislation will enable our aerospace companies to compete effectively.

They support the legislation, as does the administration and a bipartisan coalition on the committee.

This is a good bill, and I urge all Members to lend their strong support.

Mr. LUJAN. Mr. Speaker, I withdraw my resolution of objection.

The **SPEAKER**. Is there objection to the request of the gentleman from Florida?

There was no objection.

The **SPEAKER**. Is there objection to the initial request of the gentleman from Florida?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FUQUA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just considered, and also on the conference report on H.R. 5154, the National Aeronautics and Space Administration Authorization Act.

The **SPEAKER**. Is there objection to the request of the gentleman from Florida?

There was no objection.

CONFERENCE REPORT ON H.R. 5154, NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION ACT, 1985

Mr. FUQUA. Mr. Speaker, I call up the conference report on the bill (H.R. 5154) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the bill.

The **SPEAKER**. Is there objection to the request of the gentleman from Florida?

There was no objection.

The **SPEAKER**. Does the gentleman ask that the statement be read?

Mr. **FUQUA**. Yes, Mr. Speaker. I ask unanimous consent that the statement be read in lieu of the report.

The **SPEAKER**. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of Wednesday, June 27, 1984, at page 19165).

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Mr. **FUQUA** (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the statement

The **SPEAKER**. Is there objection to the request of the gentleman from Florida?

There was no objection.

The **SPEAKER**. The gentleman from Florida [Mr. FUQUA] will be recognized for 30 minutes, and the gentleman from New Mexico [Mr. LUJAN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida [Mr. FUQUA]

Mr. **FUQUA**. Mr. Speaker, I yield myself such time as I may consume.

Mr. **SPEAKER**, the committee of conference for the bill H.R. 5154, authorizing funds for the National Aeronautics and Space Administration for fiscal year 1985 has successfully concluded its work.

The conference report on H.R. 5154, authorizing appropriations for the National Aeronautics and Space Administration, was filed on Wednesday, June 27, and is included in the RECORD of that day. The conference report before you includes the disposition of differences in four research and development program line items, three space flight, control, and data communication line items, construction of facilities program funding, the research and program management line item, a number of language amendments, as well as differences in title II which would establish a National Commission on Space.

The NASA budget request for fiscal year 1985 was $7,491,400,000. The action of the House/Senate conference would authorize $7,526,400,000, which is $35 million more than the budget request.

The conference action before us represents a fair compromise between the action of the two Houses. The conference action is $36.4 million more than the House action and $56 million less than the Senate action.

I am including in the RECORD a summary of the action taken by the committee of conference.

SUMMARY OF ADJUSTMENTS TO H.R. 5154—NASA FY 1985 AUTHORIZATION

Program	Budget request	House action	Senate action	Substitute amendment
Research and development:				
1 (a) (1) space transportation cap. dev	$361,400,000	$346,400,000	$356,400,000	$351,400,000
1 (a) (2) space station	150,000,000	150,000,000	150,000,000	150,000,000
1 (a) (3) physics and astronomy	677,200,000	687,200,000	705,200,000	696,200,000
1 (a) (4) life sciences	63,300,000	63,300,000	63,300,000	63,300,000
1 (a) (5) planetary exploration	286,900,000	296,900,000	296,900,000	296,900,000
1 (a) (6) space applications	344,100,000	384,100,000	407,100,000	390,100,000
1 (a) (7) technology utilization	9,500,000	9,500,000	9,500,000	9,500,000
1 (a) (?) space commercialization	0	0	5,000,000	0
1 (a) (8) aeronautical research and tech	342,400,000	347,400,000	357,400,000	352,400,060
1 (a) (9) space research and tech	150,000,000	150,000,000	150,000,000	150,000,000
1 (a) (10) tracking and data acquisition	15,300,000	15,300,000	15,300,000	15,300,000
Total, research and development	2,400,100,000	2,450,100,000	2,516,100,000	2,475,100,000
Space flight, control and data com:				
1 (b) (1) space shuttle prod./oper. cap	1,465,600,000	1,490,600,000	1,470,600,000	1,470,600,000
1 (b) (2) space transportation oper	1,339,000,000	1,329,000,000	1,319,000,000	1,319,000,000
1 (b) (3) space tracking and data acq	795,700,000	780,700,000	795,700,000	795,700,000
Total, space flight, control and data communications	3,600,300,000	3,600,300,000	3,585,300,000	3,585,300,000
1 (c) construction of facilities	160,000,000	150,000,000	150,000,000	150,000,000
1 (d) research and program management	1,331,000,000	1,331,000,000	1,331,000,000	1,316,000,000
Subtotal	7,491,400,000	7,531,400,000	7,582,400,000	7,526,400,000
General reduction	0	41,400,000	0	0
Grand total	7,491,400,000	7,490,000,000	7,582,400,000	7,526,400,000

I want to acknowledge the efforts of the House conferees and the staff on both sides of the aisle in completing this conference.

I urge the support of my colleagues for this conference report.

Mr. Speaker, I reserve the balance of my time.

Mr. **LUJAN**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this conference report simply because it is an accommodation that we had to come to. I am not pleased with the figures. As the House may remember, we had an amendment that cut the authorization, as it came out of committee, by some $40 million. The Senate was $92 million above that figure and we compromised at a $35 million figure above the administration and above, frankly, the appropriations of both the House and the Senate.

But sometimes we have to give in on certain aspects, even though I do not believe that any Member of the House was particularly happy to come back to the House with a figure of $35 million above what we went in with. However, there are three or four different initiatives in this bill that are most important. Knowing that we cannot spend more than the administration request or the amount that we went out of this House with, it really does not make that much difference.

We have in this new starts for a space station which is most important, an upper atmospheric research satellite and a Mars orbiter. We also have a new Presidential commission to plan the activities and the space program for the next 20 years. Most importantly, we have an amendment that was offered by the gentleman from Pennsylvania [Mr. WALKER] in committee. That language underscores NASA's mandate to transfer space technology to the private sector. As I stated in the bill that we just passed a few minutes ago on Landsat, we must keep in mind that the entire objective of the space program is to place it into the private system so our citizens can get some benefit out of it.

So, Mr. Speaker, even though we have come back with a figure that is higher than we went in with, but realizing that $35 million will never be spent anyway because of the limitation by the Committees on Appropriations of both Houses, I reluctantly support the amendment. While I oppose the dollar figure, I think that the other items that are included in the bill are certainly meritorious and far outweigh the compromise, in terms of dollars, with the Senate.

Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. WALKER].

Mr. **WALKER**. I thank the gentleman for yielding.

Mr. Speaker, I rise in reluctant opposition to this committee of conference report. It is basically a pretty good report. It has a lot of things in it that I think are meritorious. I think, in terms of defining priorities for the future of NASA, it probably is very, very well done.

I am particularly pleased about the fact, for instance, that there is language in there amending the Organic Space Act, which does commit NASA toward a future of commercializing outer space, and I think that is a major step in the right direction and I am pleased by that language.

What I think is wrong about this conference report is that it does not reflect the position of the House with regard to spending. This House made a decision when we passed this bill that we are going to come in at the budget figure. We adopted an amendment that I offered that cut about $40 million out of the authorization brought to us on the floor. After cutting that $40 million, we went to conference.

When we went to the conference, what we found was that the House position was immediately abandoned to the Senate. On a straight party line vote of 5 to 3 in the conference committee, we immediately rolled over and adopted essentially the Senate's position on the thing. Ultimately, then, that was compromised and we ended up with a total of $5 million of savings, rather than the $40 million of savings that this House had endorsed.

I am disappointed that we did not maintain the position of the House. The position of the House was at the budget figure. It certainly is what NASA requested. It is another one of these areas where we end up spending large amounts of money because we are unwilling to stand up for maintaining the budget figures.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I would be glad to yield to the gentleman from Minnesota.

Mr. FRENZEL. I thank the gentleman for yielding.

Mr. Speaker, does the gentleman mean to tell me that we lost $35 million in this conference?

Mr. WALKER. From the House position, we are essentially $35 million worse than when the bill left the House of Representatives. The gentleman is absolutely right.

Mr. FRENZEL. I find that is hard to believe, and disappointing, but I thank the gentleman.

Mr. LUJAN. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I would be glad to yield to the gentleman from New Mexico.

Mr. LUJAN. I thank the gentleman for yielding.

Mr. Speaker, we must be fair and point out that while the House figures went up $35 million, the Senate figures come down to $92 million. We cannot expect to go into conference and come out whole.

I do not like the whole $35 million being over the House budget, but that is what compromise is all about.

Mr. WALKER. I thank the gentleman, and it is well to point out that the Senate was $92 million over the budget figure. What we have done is endorse in large measure the Senate's irresponsibility. That seems to me to be a position that this House should have at least fought a little bit more about than we did in the course of this conference.

That is what disappoints me. It seems to me that we need to oppose this conference report on the basis that the spending in it is in excess of what the House had said that it preferred the spending levels to be.

Mr. FRENZEL. If the gentleman will yield to me again, we obviously do not have a budget, or at least we do not have one in time to have any effect on most of the appropriations bills that are being passed. So the only way we have to restrain our spending is to try to hold down the appropriations bills.

The news the gentleman gives us about this one is exceedingly depressing, and leads me to believe that if this is passed, as we have passed the other ones, our intent to meet whatever downpayment deficit reduction the House had in mind in its budget is no intent at all. Apparently, this House is simply unwilling going to give up to its spending desires.

Mr. CONABLE. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I would be glad to yield to the gentleman from New York.

Mr. CONABLE. I thank the gentleman for yielding.

Mr. Speaker, I am really alarmed about the fact that we did not raise the debt ceiling. I am afraid we cannot afford something like this.

Mr. WALKER. I thank the gentleman.

Mr. FUQUA. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I would be glad to yield to the gentleman from Florida.

Mr. FUQUA. I thank the gentleman for yielding.

Mr. Speaker, I might point out, in response to the question of my friend, the gentleman from Minnesota, now that the appropriations bill has passed, and it is at the same number that was requested in the administration's budget request.

The reason that this is above the request by $35 million that the gentleman from Pennsylvania, mentioned, includes some $40 million for an advanced communications satellite that the administration did not ask any money for. So if we remove that program, or take the money out, we are below what the administration asked. There are many people, including myself, who think we need to proceed with this advanced communications satellite, and that is $40 million, and is less than the Senate figure.

□ 1200

But that contributes to the amount of money that accounts for the overage in the authorization process. However, I further point out that in the appropriation bill, it is on target with the budget, and this will give NASA a certain amount of flexibility in shifting some funds should other programs need attention. And there is one in tracking; because of an Air Force upper stage, NASA will need probably $50 million more sometime later in the year.

Mr. WALKER. Mr. Speaker, the gentleman from Florida reflects the situation as it is. My friend, the gentleman from Florida, is absolutely correct that the appropriation bills are at the budget level. That is one of the reasons why it seems to me that we ought to bring the authorization bill in at the budget level as well.

The gentleman from Florida is correct that there are a number of things that we are attempting to do. They are going to have to be done within the appropriation figure, however, or they are going to have to come back at a supplemental level. In order to achieve what we want to do in terms of setting priorities at the authorizing level, it would have been far better to have the authorization at the actual appropriation level so that if they come back with supplemental requests, we, at the authorization level, would have a chance to evaluate that, too.

Given the fact that we are giving NASA more money than is in the appropriation or in the budget, we will probably assure that they will only go to the Appropriations Committee with this request in asking for a supplemental, so, therefore, we will have lost all ability on the Committee on Science and Technology to affect the priority-setting by NASA.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Speaker, I thank the gentleman for yielding.

I do want to assure the distinguished chairman of the committee that I have great respect for his efforts and for the committee's efforts. I have never seen any item of spending or projection brought to this floor that was not the most wonderful thing in the world and was not going to save the Republic and perhaps all the world as well. Yet we never seem to apply any overall discipline to our efforts. Occasionally, we vote against debt ceiling amendments, but that is purely for show.

I do not doubt that the satellite system the gentleman describes is a wonderful one. I do seriously question whether we can have all the wonderful things we want each year without exacerbating the terrible deficit problem.

Mr. Speaker, I salute the gentleman from Florida for his splendid work, but I think we have to draw the line somewhere. I am trying to draw it here, and I am trying to draw it everywhere.

Mr. WALKER. Mr. Speaker, I think the gentleman makes a very, very good point. What we are doing is asking our grandchildren, our great-grandchildren, and our great-great-grandchildren to pay for the satellites that we are referring to that we need the additional money for. I hope that those satellites have a long-term warranty on them because if our great-grandchildren are not able to use them, the fact is they are going to be paying for them, nevertheless.

Mr. Speaker, I yield back the balance of my time.

Mr. LUJAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Kansas [Mr. WINN], the ranking minority member of the Committee on Science and Technology.

Mr. WINN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I cannot support this conference report but I did not attempt to block it by objecting today. As the distinguished chairman has pointed out, the authorization level contained in this compromise is approximately $35 million above the President's request for fiscal year 1985. I am concerned that the House conferees did not do their part in attempting to strongly support the position of the House in conference. When this authorization left the House, it was at the President's requested level after the acceptance of an amendment on the House floor reducing the committee-approved level by one-half of 1 percent. I feel that our House conferees were all too willing to brush aside this House amendment and agree to the higher levels requested by the other body. In fact, this is what was done in conference.

In addition to the House authorization having come in at the President's requested level, I would like to point out that the "bottom-line" of both the House and Senate appropriation bills was also a total that agreed with the fiscal year 1985 request by the administration for NASA. This appropriations conference report was agreed to by the House yesterday. It seems to me that when both appropriation committees and the House authorizing committee come in at essentially the same level, then we have a strong position to insist that the final authorization total reflect these figures.

After some preliminary negotiations it became apparent that we would be unable to bring the authorization level down to the House position. I would have preferred that the House hold out for a better deal. However, there is some degree of urgency in seeing this authorization enacted into law, particularly because it contains the authorization for the new-start for the space station. I have reluctantly decided not to stand in the way of this authorization becoming law despite the unsatisfactory authorization levels contained in the compromise.

Mr. Speaker, I believe that the authorization process is important and counts for something. I believe that the authorization bill for NASA as it left the House was a good piece of legislation. However, if the Congress is going to do its part in bringing down these huge deficits and restrain rising interest rates we are going to have to work much harder and be much tougher in negotiating differences on authorization bills. Despite the fact that we are faced with a deficit this year that may approach $200 billion, the authorizing position in the other body was some $92 million over the President's request. This is simply not acceptable. I think lower levels can be achieved with a little more patience and a little less willingness to rush a bill along merely for the sake of seeing it enacted, no matter what the content.

There has been some discussion that because of some problems in various NASA programs the agency will need additional authorization above the current administration request in order to meet some contingencies in the coming fiscal year. While I do not doubt that this is the case, I believe it is the proper role of an authorizing committee such as our Committee on Science and Technology to conduct proper oversight hearings before granting additional authorization to the agency. In that way, the agency will have the opportunity to justify an additional request and the membership of the committee will have an opportunity to see whether such a request is in order or whether it may be possible to find those additional funds from somewhere else in the agency's current budget. Thus I do not believe that any case can be made for putting additional authorization in this legislation without first having proper committee oversight hearings.

Mr. Speaker, reluctantly I cannot support this authorization in this form.

Mr. LUJAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. FUQUA. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken, and on a division (demanded by Mr. WALKER) there were—yeas 16, nays 13.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 298, nays 119, not voting 16, as follows:

[Roll No. 287]

YEAS—298

Ackerman
Addabbo
Akaka
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Barnard
Barnes
Bateman
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Brown (CA)
Bryant
Burton (CA)
Byron
Carney
Carper
Carr
Chandler
Chappell
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Darden
Daschle
Davis
de la Garza
Dellums
Derrick
DeWine
Dicks
Dixon
Donnelly
Dowdy
Downey
Duncan
Durbin
Dwyer
Dyson
Early
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Fiedler
Fields
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Gore
Gramm
Gray
Green
Guarini
Hall (IN)
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hance
Hansen (UT)
Harkin
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hertel
Hightower
Hopkins
Horton
Howard
Hoyer
Huckaby
Hunter
Hutto
Ireland
Jenkins
Johnson
Jones (NC)
Jones (TN)
Kazen
Kennelly
Kildee
Kleczka
Kogovsek
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Leach
Leath
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
MacKay
Markey
Martin (NC)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McGrath
McHugh
McKinney
McNulty
Mica
Mikulski
Miller (CA)
Mineta
Minish
Moakley
Moody
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Natcher

Neal
Nelson
Nichols
Nowak
O'Brien
Oakar
Olin
Ortiz
Ottinger
Owens
Panetta
Parris
Pashayan
Patman
Patterson
Pease
Pepper
Pickle
Porter
Price
Pritchard
Pursell
Rangel
Ratchford
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Rodino
Roe
Rogers
Rose
Rostenkowski
Rowland
Roybal
Rudd
Sabo
Savage
Sawyer
Scheuer
Schumer
Seiberling
Sharp
Shelby
Sikorski
Siljander
Sisisky
Skeen
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Smith, Robert
Solarz
Spratt
St Germain
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vander Jagt
Vandergriff
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitley
Whitten
Williams (MT)
Williams (OH)
Wilson
Wirth
Wolf
Wolpe
Wortley
Wright
Wylie
Yates
Yatron
Young (FL)
Young (MO)

NAYS—119

Albosta
Applegate
Archer
Aspin
Badham
Bartlett
Bedell
Bereuter
Bilirakis
Bliley
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Campbell
Chappie
Cheney
Conable
Corcoran
Craig
Crane, Daniel
Crane, Philip
Crockett
Daniel
Dannemeyer
Daub
Dickinson
Dorgan
Dreier
Evans (IA)
Franklin
Frenzel
Gekas
Goodling
Gradison
Gregg
Gunderson
Hammerschmidt
Hiler
Hillis
Holt
Hubbard
Hughes
Hyde
Jacobs
Jeffords
Jones (OK)
Kasich
Kastenmeier
Kindness
Latta
Loeffler
Lungren
Mack
Madigan
Marlenee
Marriott
Martin (IL)
McCain
McCandless
McEwen
McKernan
Michel
Miller (OH)
Molinari
Mollohan
Montgomery
Moore
Myers
Nielson
Oberstar
Obey
Oxley
Packard
Paul
Penny
Perkins
Petri
Quillen
Rahall
Ray
Roberts
Robinson
Roemer
Roth
Roukema
Russo
Schaefer
Schneider
Schroeder
Schulze
Shaw
Shumway
Shuster
Skelton
Smith (NE)
Smith, Denny
Snowe
Snyder
Solomon
Spence
Staggers
Stangeland
Stenholm
Stump
Tauke
Taylor
Vento
Vucanovich
Walker
Weaver
Weber
Whitehurst
Whittaker
Winn
Wise
Wyden
Young (AK)
Zschau

NOT VOTING—16

AuCoin
Bethune
D'Amours
Dingell
Dymally
Erlenborn
Hansen (ID)
Harrison
Hartnett
Kaptur
Kemp
Mitchell
Sensenbrenner
Shannon
Simon
Stark

□ 1220

Mr. HAWKINS changed his vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 1492, CHRISTOPHER COLUMBUS QUINCENTENARY JUBILEE COMMISSION

Mr. GARCIA submitted the following conference report and statement on the bill (H.R. 1492) to establish the Christopher Columbus Quincentenary Jubilee Commission:

CONFERENCE REPORT (H. REPT. No. 98-876)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1492) to establish the Christopher Columbus Quincentenary Jubilee Commission, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "Christopher Columbus Quincentenary Jubilee Act".

FINDINGS AND DECLARATIONS

SEC. 2. The Congress finds and declares that—

(1) October 12, 1992, marks the five hundredth anniversary of the voyages of discovery of Christopher Columbus;

(2) the governments and people of Spain and Italy should be recognized and commended for their historic role and contribution to those voyages;

(3) all persons in this country should look with pride on the achievements and contributions of their ancestors with respect to those historic voyages; and

(4) as the Nation approaches the quincentennial of the voyages of discovery of Christopher Columbus, it is appropriate to celebrate and commemorate this anniversary through local, national, and international observances and activities planned, encouraged, coordinated, and conducted by a national commission representative of appropriate individuals and public and private authorities and organizations.

ESTABLISHMENT; COMPOSITION

SEC. 3. (a) There is established a commission to be known as the Christopher Columbus Quincentenary Jubilee Commission (hereinafter in this Act referred to as the "Commission") to plan, encourage, coordinate, and conduct the commemoration of the voyages of discovery of Christopher Columbus.

(b) The Commission shall be composed of thirty members as follows:

(1) seven members appointed by the President upon the recommendation of the majority leader of the Senate in consultation with the minority leader of the Senate;

(2) seven members appointed by the President upon the recommendation of the Speaker of the House of Representatives in consultation with the minority leader of the House of Representatives;

(3) ten members appointed by the President, which members shall be broadly representative of the people of the United States, and not otherwise officers or employees of the United States;

(4) the Secretary of State;

(5) the Archivist of the United States;

(6) the Librarian of Congress;

(7) the Chairman of the National Endowment for the Arts;

(8) the Chairman of the National Endowment for the Humanities; and

(9) the Secretary of Commerce.

(c) The President is hereby authorized and requested to invite the governments of Spain and Italy each to appoint, within ninety days after the date of the enactment of this Act, one individual to serve as a nonvoting participant in the activities of the Commission.

(d) The Secretary of State shall call the first meeting for the purpose of electing a Chairman and Vice Chairman, both of whom shall be from among the members of the Commission appointed under subsection (b)(3). The Commission may appoint honorary members, and may establish an Advisory Council to assist the Commission in its work.

(e) Appointments under subsection (b) shall be made within ninety days after the date of the enactment of this Act. Vacancies shall be filled in the same manner in which the original appointments were made.

DUTIES

SEC. 4. (a) It shall be the duty of the Commission to prepare a comprehensive program for commemorating the quincentennial of the voyages of discovery of Christopher Columbus, and to plan, encourage, coordinate, and conduct observances and activities commemorating the historic events associated with those voyages. In carrying out this subsection, the Commission shall particularly examine the historic role of the government and people of Spain in order to promote a greater public awareness, understanding, and appreciation of the contributions made by Spain with respect to those voyages.

(b) Within two years after the date of the first meeting called pursuant to section 3(d) of this Act, the Commission shall submit to Congress a comprehensive report incorporating its recommendations for the commemoration of the quincentennial of the voyages of discovery of Christopher Columbus. The report required by this subsection shall include—

(1) recommendations for appropriate activities for the commemoration, including—

(A) the production, publication, and distribution of books, pamphlets, films, and other educational materials focusing on the history, culture, and political thought of the lands Christopher Columbus traveled from and to during the voyages of discovery;

(B) bibliographical and documentary projects and publications;

(C) conferences, convocations, lectures, seminars, and other similar programs;

(D) the development of libraries, museums, and exhibits, including mobile exhibits;

(E) ceremonies and celebrations commemorating specific events;

(F) programs focusing on the international significance of the voyages of discovery of Christopher Columbus; and

(G) the design, inscriptions, and other specifications relating to the issuance of commemorative coins, medals, and stamps, by the United States;

(2) recommendations for the allocation of financial and administrative responsibility among the public agencies and private organizations recommended for participation by the Commission; and

(3) recommendations for such legislation and administrative actions as the Commission deems necessary to carry out the commemoration of the voyages of discovery.

The President shall transmit the Commission's report to the Congress together with such comments and additional recommendations for legislation and administrative actions as the President deems appropriate.

(c) The Commission shall prepare and submit to the Congress an annual report on the activities of the Commission, including an accounting of funds received and expended.

(d) In preparing its plans and programs, the Commission shall consider any related plans and programs developed by State and local, and foreign governments, and private groups, including the 1992 World's Fair to be held in Chicago, Illinois, and in Seville, Spain. The Commission shall endeavor to plan and conduct its activities in such manner as to ensure that activities conducted pursuant to this Act do not duplicate activities of the 1992 World's Fair, which the Commission recognizes to be a major highlight of the quincentenary celebration.

(e) The Commission may designate special committees and invite representatives from such public agencies and private organizations to assist the Commission in carrying out this section as the Commission deems appropriate.

ADDITIONAL FUNCTIONS

SEC. 5. In carrying out the purposes of this Act, the Commission is authorized to provide for—

(1) the preparation, distribution, dissemination, exhibition, and sale of historical, commemorative, and informational materials and objects which will contribute to public awareness of, and interest in, the quincentennial, except that any commemorative coins, medals, or stamps issued by the United States shall be sold only by an agency of the United States;

(2) competitions, commissions, and awards for historical, scholarly, artistic, literary, musical, and other works, programs, and projects relating to the quincentennial; and

(3) a quincentennial calendar or register of programs and projects, and in other ways provide a central clearinghouse for information and coordination regarding dates, events, places, documents, artifacts, and personalities of quincentennial historical and commemorative significance.

COORDINATION OF EFFORTS

SEC. 6. (a) In carrying out the purposes of this Act, the Commission shall consult, cooperate with, and seek advice and assistance from appropriate Federal departments and agencies, State and local public bodies, foreign governments, learned societies, and historical, patriotic, philanthropic, civic, professional, and related organizations. Such Federal departments and agencies are authorized and requested to cooperate with the Commission in planning, encouraging, coordinating, and conducting appropriate commemorative activities.

(b) The Secretary of State shall undertake a study of appropriate cooperative actions which might be taken with foreign governments to preserve and develop historic sites related to the voyages of discovery of Christopher Columbus, at such time and in such manner as will ensure that fitting observances and exhibits may be held at each such site during the commemoration. (In particular, the Secretary may consult with the governments of the nations of the Western Hemisphere which share the Columbian heritage and with the governments of Spain and Italy with respect to joint participation in events in the United States and in such nations.) The Secretary shall submit the results of the study to the Commission, together with his recommendations, affording the Commission an opportunity to review the study, and to incorporate such of its findings and recommendations as the Commission may deem appropriate in the report required by section 4 of this Act.

(c) The Chairman of the National Endowment for the Arts, and the Chairman of the National Endowment for the Humanities shall cooperate with the Commission, especially in the encouragement and coordination of scholarly works and presentations focusing on the history, culture, and political thought of the period surrounding the voyages of discovery.

(d) The Librarian of Congress, the Secretary of the Smithsonian Institution, and the Archivist of the United States shall cooperate with the Commission, especialy in the development and display of exhibits and collections, and in the development and distribution of bibliographies, catalogs, and other materials relevant to the period.

(e) Nothing in this Act shall be construed to restrict, abridge, or otherwise limit the planning, development, conduct, operations, or activities of the 1992 World's Fair to be held in Chicago, Illinois, and in Seville, Spain, nor shall any provision of this Act be construed to vest in the Commission any right or responsibility to regulate or otherwise oversee the planning, development, conduct, operations, or activities of such Fair.

DONATIONS

SEC. 7. (a) The Commission may accept donations of money, property, or personal services, except that the Commission may not accept donations—

(1) the aggregate value of which exceeds $25,000, in the case of donations from an individual; or

(2) the aggregate of which exceeds $50,000, in the case of donations from a foreign government, a corporation, a partnership, or any other person.

(b) All books, manuscripts, miscellaneous printed matter, memorabilia, relics, and other materials relating to the period and donated to the Commission may be deposited for preservation in national, State, or local libraries or museums or be otherwise disposed of by the Commission after consultation with the Librarian of Congress, the Secretary of the Smithsonian Institution, the Archivist of the United States, or the Administrator of General Services, as the case may be.

ADMINISTRATION

SEC. 8. (a)(1) The Chairman, with the advice of the Commission, shall appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, a Director who may be compensated at a rate not to exceed the rate of basic pay payable for level IV of the Executive Schedule established under section 5315 of such title and a Deputy Director who may be compensated at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule established under section 5316 of such title. Such officers shall serve at the pleasure of the Chairman.

(2) The Commission shall delegate such powers and duties to the Director as may be necessary for the efficient operation and management of the Commission.

(b) Subject to such rules and regulations as may be adopted by the Commission, the Commission may—

(1) appoint and fix the compensation of such additional personnel, not to exceed twenty staff members, as it deems advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at such rates not in excess of the maximum rate for grade GS-18 of the General Schedule under section 5332 of such title;

(2) appoint such advisory committees as it deems necessary;

(3) procure supplies, services, and property; make contracts; expend in furtherance of this Act funds appropriated, donated, or received in pursuance of contracts hereunder;

(4) enter into agreements with the General Services Administration for procurement of necessary financial and administrative services, for which payment shall be made by reimbursement from funds of the Commission in such amounts as may be agreed upon by the Chairman and the Adminstrator of the General Services Administration; and

(5) use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

(c)(1) Upon request of the Commission, the head of any Federal agency may detail any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this Act. Details under this subsection shall be without reimbursement by the Commission to the agency from which the employee concerned was detailed.

(2) The Commission may accept the services of not to exceed twenty employees under this subsection at any time.

COMPENSATION

SEC. 9. (a) Members of the Commission appointed under section 3(b) of this Act shall serve without compensation, but may be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

(b) Person appointed, designated, or invited to assist the Commission under section 3(c), the second sentence of section 3(d), section 4(e), or section 8(b)(2) of this Act shall serve without compensation, and shall not be entitled to reimbursement for travel, subsistence, or other expenses incurred by them in the performance of their duties.

PENALTY

SEC. 10. (a) The Commission shall prescribe rules and regulations regarding the use of any logos, symbols, or marks originated under authority of and certified by the Commission for use in connection with commemoration of the quincentennial, or any facsimile thereof. Under the rules and regulations, the Commission may not sell, lease, or otherwise grant to any person the right to use any such logo, symbol, or mark in connection with the production or manufacture of any commercial goods, as part of an advertisement promoting any commercial goods or services, or as part of an endorsement for any such goods or services.

(b) Any person who, except as authorized under rules and regulations issued by the Commission, knowingly manufactures, reproduces, or uses any such logos, symbols, or marks, or any facsimile thereof, or in such a manner as suggests any such logos, symbols, or marks, shall be fined not more than $10,000, or imprisoned not more than one year, or both. This section shall only apply *in the case of such logos, symbols, and marks for which the Commission has published in the Federal Register a notification of certification.*

AUTHORIZATION FOR APPROPRIATIONS

Sec. 11. (a) There are authorized to be appropriated to carry out the provisions of this Act, $220,000 per fiscal year for each of the fiscal years beginning after September 30, 1983, and ending before October 1, 1992; and $20,000 for the period beginning on October 1, 1992, and ending on November 15, 1992.

(b) Amounts appropriated under this section for any fiscal year shall remain available until November 15, 1992.

(c) The total appropriations authorized under this or any other Act for the purposes of this Act shall not exceed $2,000,000.

TERMINATION

Sec. 12. (a) A final report shall be made to the Congress no later than November 15, 1992, upon which date the Commission shall terminate.

(b) Any property acquired by the Commission remaining upon its termination may be used by the Secretary of the Interior for purposes of the National Park Service, or may be disposed of in accordance with the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).

And the Senate agree to the same.

William S. Ford,
Robert Garcia,
Gene Taylor,
Jim Courter,
Managers on the Part of the House.

Strom Thurmond,
Charles McC. Mathias,
Jr.,
Joe Biden,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1492) to establish the Christopher Columbus Quincentenary Jubilee Commission, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

COMPOSITION OF COMMISSION

House bill

Section 3(b) of the House bill designates 30 Commission members.

Senate amendment

The Senate amendment designates 29 Commission members and eliminates the Secretary of the Smithsonian Institution as a member.

Conference agreement

The House recedes with an amendment which eliminates the Chairman of the Federal Council on the Arts and Humanities as a member and substitutes the Chairman of the National Endowment for the Arts and the Chairman of the National Endowment for the Humanities for a total of 30 Commission members.

NONVOTING PARTICIPANTS

House bill

Section 3(c) of the House bill provides that nonvoting participants representing the governments of Spain and Italy should be appointed before October 1, 1983.

Senate amendment

The Senate amendment extends the period for appointment of nonvoting participants representing the governments of Spain and Italy to 90 days after the date of enactment of the legislation.

Conference agreement

The House recedes to the Senate.

APPOINTMENT OF COMMISSION MEMBERS

House bill

Section 3(e) of the House bill provides for the appointment of Commission members within a reasonable time after enactment but not later than October 1, 1983.

Senate amendment

The Senate amendment requires that the appointments be made within 90 days after enactment.

Conference agreement

The House recedes to the Senate.

SUBMISSION OF COMMISSION REPORT

House bill

Section 4(b) of the House bill requires the Commission to submit to Congress a comprehensive report not later than October 1, 1985.

Senate amendment

The Senate amendment requires the Commissioin to submit to Congress a comprehensive report within two year after the date of the Commission's first meeting.

Conference agreement

The House recedes to the Senate.

ACTIVITIES OF WORLD'S FAIR

House bill

Section 4(d) of the House bill recognizes the 1992 World's Fair.

Senate amendment

The Senate amendment recognizes the World's Fair as a highlight of the quincentenary celebration.

Conference agreement

The House recedes to the Senate.

CONFORMING AMENDMENT

The conference agreement includes a technical amendment which eliminates reference to the Chairman of the Federal Council on the Arts and Humanities in Section 6(c) of the House bill since that Council no longer exists.

William D. Ford,
Robert Garcia,
Gene Taylor,
Jim Courter,
Managers on the Part of the House.

Strom Thurmond,
Charles McC. Mathias,
Jr.,
Joe Biden,
Managers on the Part of the Senate.

PERMISSION FOR SELECT COMMITTEE ON AGING TO BE PERMITTED TO SIT TODAY DURING 5-MINUTE RULE

Mr. ROYBAL. Mr. Speaker, I ask unanimous consent that the Select Committee on Aging be permitted to sit during the 5-minute rule today.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. McGRATH. Mr. Speaker, reserving the right to object, I would ask the gentleman, has this been cleared with the minority?

Mr. ROYBAL. Mr. Speaker, will the gentleman yield?

Mr. McGRATH. I yield to the gentleman from California.

Mr. ROYBAL. Yes; it has been cleared.

Mr. McGRATH. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE

Mr. FAZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the consideration of the conference report on the bill (H.R. 5753) making appropriations for the legislative branch for the fiscal year ending September 30, 1985, and for other purposes, and that I may include extraneous and tabular material.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CONFERENCE REPORT ON H.R. 5753, LEGISLATIVE BRANCH APPROPRIATIONS, FISCAL YEAR 1985

Mr. FAZIO. Mr. Speaker, pursuant to the order of the House of Friday, June 22, 1984, I call up the conference report on the bill (H.R. 5753) making appropriations for the legislative branch for the fiscal year ending September 30, 1985, and for other purposes, and I ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of June 27, 1984.)

Mr. FAZIO (during the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

□ 1230

The SPEAKER. The gentleman from California [Mr. FAZIO] will be recognized for 30 minutes, the gentleman from California [Mr. LEWIS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the conferees on H.R. 5753, the Legislative Branch Appropriation Act, 1985, have reached an agreement which provides appropriations totaling $1,551,015,038 for fiscal year 1985. This amount is $77,101,438 above the level enacted to date for fiscal year 1984 and $46,410,962 below the budget estimate. The conference agreement is $303,582,498 above the amount in the bill as it passed the House; however, it includes $291,076,850 for Senate items not considered by the House. Traditionally, the Senate housekeeping items are left for decision and insertion by the other body and similarly the Senate does not act on our items.

If the items approved by the subcommittee for the fiscal year 1984 supplemental, and the supplemental items for the operations of the Senate are included, this conference agreement is $16,389,962 below the fiscal year 1984 level. That is more than 1 percent—1.05 percent—under the current level. So we are decreasing the cost of the legislative branch in actual dollars and, when inflation is taken into account, we are reducing even more so in real terms.

In terms of the bill that the committee reported to the House, we are below that level by $12,970,812, more than a 1 percent reduction—1.02 percent—under the committee bill.

If you add the .7 percent that the committee bill was already under fiscal year 1984, the agreement is more than 1.7 percent under the current level of operations.

Mr. Speaker, under leave I have already obtained, I will include a comparative tabulation of the conference action at this point in the RECORD:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—LEGISLATIVE BILL (H.R. 5753)

	Fiscal year 1984 enacted	Fiscal year 1985 estimates	House	Senate	Conference	Conference compared with estimates
TITLE I—CONGRESSIONAL OPERATIONS						
SENATE						
Payments to Widows and Heirs of Deceased Members of Congress						
Gratuities, deceased Members	$69,800					
Mileage of the Vice President and Senators and Expense Allowances of the Vice President, the Leaders, and Whips of the Senate						
Mileage of the Vice President and Senators	60,000	$60,000		$60,000	$60,000	
Expense allowances of the Vice President, President Pro Tempore, Majority and Minority Leaders and Majority and Minority Whips:						
Vice President	10,000	10,000		10,000	10,000	
President Pro Tempore of the Senate	10,000	10,000		10,000	10,000	
Majority Leader of the Senate	10,000	10,000		10,000	10,000	
Minority Leader of the Senate	10,000	10,000		10,000	10,000	
Majority Whip of the Senate	5,000	5,000		5,000	5,000	
Minority Whip of the Senate	5,000	5,000		5,000	5,000	
Total, expense allowances	50,000	50,000		50,000	50,000	
Total, Vice President and Senators	110,000	110,000		110,000	110,000	
Salaries, Officers and Employees						
Office of the Vice President	1,031,000	1,083,000		1,083,000	1,083,000	
Office of the President pro tempore	139,000	145,000		145,000	145,000	
Offices of the Majority and Minority Leaders	1,021,000	1,062,000		1,062,000	1,062,000	
Offices of the Majority and Minority Whips	291,000	407,000		407,000	407,000	
Conference committees	1,012,000	1,053,000		1,053,000	1,053,000	
Offices of the secretaries of the conference of the Majority and the conference of the Minority	156,000	177,000		177,000	177,000	
Office of the Chaplain	83,000	87,000		87,000	87,000	
Office of the Secretary	6,602,000	7,067,000		7,067,000	7,067,000	
Administrative, clerical, and legislative assistance to Senators	94,900,000	98,789,000		98,789,000	98,789,000	
Office of Sergeant at Arms and Doorkeeper	32,123,000	35,748,000		35,429,000	35,429,000	−319,000
Offices of the secretaries for the Majority and Minority	775,000	856,000		856,000	856,000	
Agency contributions and longevity compensation	15,354,000	20,487,000		19,487,000	19,487,000	−1,000,000
Total, salaries, officers and employees	153,487,000	166,961,000		165,642,000	165,642,000	−1,319,000
Office of the Legislative Counsel of the Senate						
Salaries and expenses	1,280,000	1,409,000		1,400,000	1,400,000	−9,000
Office of the Senate Legal Counsel						
Salaries and expenses	545,000	574,000		565,000	565,000	−9,000
Expense allowance for the Secretary of the Senate, Sergeant at Arms and Doorkeeper of the Senate, and Secretaries for the Majority and for the Minority of the Senate	12,000	12,000		12,000	12,000	
Contingent Expenses of the Senate						
Senate policy committees	1,712,000	1,898,000		1,898,000	1,898,000	
Inquiries and investigations	45,698,000	49,048,000		48,050,000	48,050,000	−998,000
Secretary of the Senate	450,000	720,000		711,000	711,000	−9,000
Sergeant at Arms and Doorkeeper	32,869,000	42,264,000		41,214,000	41,214,000	−1,050,000
Miscellaneous items	9,174,000	10,406,000		10,341,000	10,341,000	−65,000
Stationery (revolving fund)	39,000	12,000		12,000	12,000	
Total, contingent expenses of the Senate	89,942,000	104,348,000		102,226,000	102,226,000	−2,122,000
Total, Senate	245,445,800	273,414,000		269,955,000	269,955,000	−3,459,000
HOUSE OF REPRESENTATIVES						
Payments to Widows and Heirs of Deceased Members of Congress						
Gratuities, deceased Members	69,800					
Mileage of Members						
Mileage of Members	210,000	210,000	$210,000	210,000	210,000	

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—LEGISLATIVE BILL (H.R. 5753)—Continued

	Fiscal year 1984 enacted	Fiscal year 1985 estimates	House	Senate	Conference	Conference compared with estimates
House Leadership Offices						
Office of the Speaker	721,000	748,000	748,000	748,000	748,000	
Office of the Majority Floor Leader	594,000	664,000	664,000	664,000	664,000	
Office of the Minority Floor Leader	667,000	740,000	740,000	740,000	740,000	
Office of the Majority Whip	548,000	582,000	582,000	582,000	582,000	
Office of the Minority Whip	475,000	506,000	506,000	506,000	506,000	
Total, House leadership offices	3,005,000	3,240,000	3,240,000	3,240,000	3,240,000	
Salaries, Officers and Employees						
Office of the Clerk	12,502,000	13,254,000	13,254,000	13,254,000	13,254,000	
Office of the Sergeant at Arms	17,173,000	17,975,000	17,975,000	17,975,000	17,975,000	
Office of the Doorkeeper	6,185,000	6,645,000	6,645,000	6,645,000	6,645,000	
Office of the Postmaster	1,845,000	1,985,000	1,985,000	1,985,000	1,985,000	
Office of the Chaplain	68,000	72,000	72,000	72,000	72,000	
Office of the Parliamentarian	575,000	602,000	602,000	602,000	602,000	
Office of the Parliamentarian	(368,000)	(393,000)	(393,000)	(393,000)	(393,000)	
Compilation of precedents of the House of Representatives	(207,000)	(209,000)	(209,000)	(209,000)	(209,000)	
Office for the Bicentennial		188,000	188,000	188,000	188,000	
Office of the Law Revision Counsel	741,000	822,000	822,000	822,000	822,000	
Office of the Legislative Counsel	3,085,000	2,869,000	2,869,000	2,869,000	2,869,000	
House Democratic Steering Committee and Caucus	542,000	563,000	563,000	563,000	563,000	
House Democratic Steering Committee	(413,000)	(429,000)	(429,000)	(429,000)	(429,000)	
House Democratic Caucus	(129,000)	(134,000)	(134,000)	(134,000)	(134,000)	
House Republican Conference	542,000	563,000	563,000	563,000	563,000	
Six minority employees	404,000	422,000	422,000	422,000	422,000	
Other authorized employees	977,000	987,000	987,000	987,000	987,000	
Technical assistant, Office of the Attending Physician	(42,000)	(45,000)	(45,000)	(45,000)	(45,000)	
L.B.J. Interns and Former Speakers' staff	(847,000)	(850,000)	(850,000)	(850,000)	(850,000)	
Miscellaneous items	(88,000)	(92,000)	(92,000)	(92,000)	(92,000)	
Total, salaries, officers and employees	44,639,000	46,947,000	46,947,000	46,947,000	46,947,000	
Committee Employees						
Professional and clerical employees (standing committees)	34,734,000	37,808,000	37,808,000	37,808,000	37,808,000	
Committee on Appropriations (Studies and Investigations)						
Salaries and expenses	3,700,000	4,315,000	4,315,000	4,315,000	4,315,000	
Committee on the Budget (Studies)						
Salaries and expenses	299,000	329,000	329,000	329,000	329,000	
Members' Clerk Hire						
Clerk hire	150,233,000	165,126,000	164,126,000	164,126,000	164,126,000	−1,000,000
Contingent Expenses of the House						
Allowances and Expenses						
Official expenses of Members	67,200,000	68,200,000	68,200,000	68,200,000	68,200,000	
Supplies, materials, administrative costs and Federal tort claims	9,208,000	18,160,000	18,160,000	18,160,000	18,160,000	
Furniture and furnishings	985,000	1,270,000	1,270,000	1,270,000	1,270,000	
Reporting hearings	700,000	500,000	500,000	500,000	500,000	
Reemployed annuitants reimbursement	2,300,000	1,782,000	1,782,000	1,782,000	1,782,000	
Government contributions	22,349,000	32,153,000	32,153,000	32,153,000	32,153,000	
Miscellaneous items	500,000	500,000	500,000	500,000	500,000	
Total, allowances and expenses	103,242,000	122,565,000	122,565,000	122,565,000	122,565,000	
Standing Committees, Special and Select						
Salaries and expenses	44,000,000	45,667,000	45,667,000	45,667,000	45,667,000	
Total, contingent expenses of the House	147,242,000	168,232,000	168,232,000	168,232,000	168,232,000	
Total, House of Representatives	384,131,800	426,207,000	425,207,000	425,207,000	425,207,000	−1,000,000
JOINT ITEMS						
Contingent Expenses of the Senate						
Joint Economic Committee	2,437,000	2,569,000	2,569,000	2,569,000	2,569,000	
Joint Committee on Printing	855,000	918,000	918,000	900,000	909,000	−9,000
Total, contingent expenses of the Senate	3,292,000	3,487,000	3,487,000	3,469,000	3,478,000	−9,000
Contingent Expenses of the House						
Joint Committee on Taxation	3,395,000	3,646,000	3,646,000	3,565,000	3,605,000	−41,000
Office of the Attending Physician						
Medical supplies, equipment, expenses, and allowances	653,000	956,000	956,000	956,000	956,000	
Capitol Police						
General expenses	1,612,000	1,755,000	1,471,000	1,471,000	1,471,000	−284,000
Capitol Police Board	213,000	228,000	228,000	141,188	141,188	−86,812
Total, Capitol Police	1,825,000	1,983,000	1,699,000	1,612,188	1,612,188	−370,812
Education of Pages						
Education of congressional pages and pages of the Supreme Court	295,000					
Official Mail Costs						
Expenses	107,077,000	73,944,000	73,944,000	73,944,000	73,944,000	
Capitol Guide Service						
Salaries and expenses	775,000	814,000	814,000	810,000	810,000	−4,000
Statements of Appropriations						
Preparation	13,000	13,000	13,000	13,000	13,000	
Joint Study Panel						
Joint Study Panel on the Social Security Administration	165,000					
Total, joint items	177,490,000	84,843,000	84,559,000	84,369,188	84,418,188	−424,812

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—LEGISLATIVE BILL (H.R. 5753)—Continued

	Fiscal year 1984 enacted	Fiscal year 1985 estimates	House	Senate	Conference	Conference compared with estimates
OFFICE OF TECHNOLOGY ASSESSMENT						
Salaries and expenses	14,653,000	16,000,000	15,362,000	15,924,000	15,549,000	−451,000
CONGRESSIONAL BUDGET OFFICE						
Salaries and expenses	16,300,000	17,650,000	17,418,000	17,418,000	17,418,000	−232,000
ARCHITECT OF THE CAPITOL						
Office of the Architect of the Capitol						
Salaries	4,806,000	5,287,000	5,137,000	5,112,000	5,137,000	−150,000
Contingent expenses	210,000	235,000	235,000	235,000	235,000	
Total, Office of the Architect of the Capitol	5,016,000	5,522,000	5,372,000	5,347,000	5,372,000	−150,000
Capitol Buildings and Grounds						
Capitol buildings	10,630,000	12,156,000	11,256,000	11,615,850	11,615,850	−540,150
Capitol grounds	3,199,000	2,851,000	2,812,000	2,793,000	2,796,000	−55,000
Senate office buildings	17,412,000	21,012,000		20,762,000	20,762,000	−250,000
House office buildings	21,361,000	23,162,000	22,750,000	22,750,000	22,750,000	−412,000
Capitol Power plant (operation)	23,542,000	24,672,000	23,834,000	23,834,000	23,834,000	−838,000
Rescission			−914,000	−914,000	−914,000	−914,000
Total, Capitol buildings and grounds	76,144,000	83,853,000	59,738,000	80,840,850	80,843,850	−3,009,150
Total, Architect of the Capitol (except items in Title II)	81,160,000	89,375,000	65,110,000	86,187,850	86,215,850	−3,159,150
LIBRARY OF CONGRESS						
Congressional Research Service						
Salaries and expenses	36,620,000	41,066,000	39,833,000	39,887,860	39,833,000	−1,233,000
GOVERNMENT PRINTING OFFICE						
Congressional printing and binding	86,580,000	80,879,000	80,879,000	80,800,000	80,800,000	−79,000
Total, title I—Congressional Operations	982,380,600	1,029,434,000	728,368,000	1,019,748,898	1,019,396,038	−10,037,962
TITLE II—OTHER AGENCIES						
BOTANIC GARDEN						
Salaries and expenses	2,018,000	2,044,000	2,044,000	2,044,000	2,044,000	
LIBRARY OF CONGRESS						
Salaries and expenses	130,728,000	138,978,000	137,492,000	137,492,000	137,492,000	−1,486,000
Authority to spend receipts	−4,300,000	−4,300,000	−4,300,000	−4,300,000	−4,300,000	
Net, Salaries and expenses	126,428,000	134,678,000	133,192,000	133,192,000	133,192,000	−1,486,000
Copyright Office, salaries and expenses	16,181,000	17,133,000	17,102,000	17,102,000	17,102,000	−31,000
Authority to spend receipts	−5,200,000	−6,000,000	−6,000,000	−6,000,000	−6,000,000	
Net, Copyright Office, salaries and expenses	10,981,000	11,133,000	11,102,000	11,102,000	11,102,000	−31,000
Books for the blind and physically handicapped, salaries and expenses	35,099,000	36,594,000	36,592,000	36,592,000	36,592,000	−2,000
Collection and distribution of library materials (special foreign currency program):						
Payments in Treasury-owned foreign currencies	2,476,000	3,111,000	2,811,000	2,811,000	2,811,000	−300,000
(Release of Sec. 311 funds)			(300,000)	(300,000)	(300,000)	(+300,000)
U.S. dollars	486,000	507,000	507,000	507,000	507,000	
Total, collection and distribution of library materials	2,962,000	3,618,000	3,318,000	3,318,000	3,318,000	−300,000
Total funds available (including Sec. 311 funds)	(2,962,000)	(3,618,000)	(3,618,000)	(3,618,000)	(3,618,000)	
Furniture and furnishings	1,524,000	1,874,000	1,673,000	1,673,000	1,673,000	−201,000
Total, Library of Congress (except Congressional Research Service)	176,994,000	187,897,000	185,877,000	185,877,000	185,877,000	−2,020,000
ARCHITECT OF THE CAPITOL						
Library Buildings and Grounds						
Structural and mechanical care	5,980,000	6,039,000	5,709,000	5,709,000	5,709,000	−330,000
COPYRIGHT ROYALTY TRIBUNAL						
Salaries and expenses	700,000	722,000	722,000	722,000	722,000	
Authority to spend receipts	−490,000	−505,000	−505,000	−505,000	−505,000	
Net, Salaries and expenses	210,000	217,000	217,000	217,000	217,000	
GOVERNMENT PRINTING OFFICE						
Printing and binding	13,420,000	13,269,000	13,269,000	13,200,000	13,200,000	−69,000
Office of Superintendent of Documents, salaries and expenses	25,700,000	29,747,000	28,868,000	28,868,000	28,868,000	−879,000
Total, Government Printing Office (except Congressional printing and binding)	39,120,000	43,016,000	42,137,000	42,068,000	42,068,000	−948,000
GENERAL ACCOUNTING OFFICE						
Salaries and expenses	267,161,000	328,779,000	307,557,000	294,704,000	294,704,000	−34,075,000
RAILROAD ACCOUNTING PRINCIPLES BOARD						
Salaries and expenses	50,000		1,000,000	1,000,000	1,000,000	+1,000,000
Total, title II—other agencies	491,533,000	567,992,000	544,541,000	531,619,000	531,619,000	−36,373,000
TITLE III—GENERAL PROVISIONS						
General reduction—Section 305			−25,476,460			
Grand total, New budget (obligational) authority	1,473,913,600	1,597,426,000	1,247,432,540	1,551,367,898	1,551,015,038	−46,410,962

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—LEGISLATIVE BILL (H.R. 5753)—Continued

	Fiscal year 1984 enacted	Fiscal year 1985 estimates	House	Senate	Conference	Conference compared with estimates
RECAPITULATION						
Title I—Congressional operations	982,380,600	1,029,434,000	728,368,000	1,019,748,898	1,019,396,038	−10,037,962
Title II—Other agencies	491,533,000	567,992,000	544,541,000	531,619,000	531,619,000	−36,373,000
Title III—General provisions			−25,476,460			
TITLE I—CONGRESSIONAL OPERATIONS						
Senate	245,445,800	273,414,000		269,955,000	269,955,000	−3,459,000
House of Representatives	384,131,800	426,207,000	425,207,000	425,207,000	425,207,000	−1,000,000
Joint Items	117,490,000	84,843,000	84,559,000	84,369,188	84,418,188	−424,812
Office of Technology Assessment	14,653,000	16,000,000	15,362,000	15,924,000	15,549,000	−451,000
Congressional Budget Office	16,380,000	17,650,000	17,418,000	17,418,000	17,418,000	−232,000
Architect of the Capitol (except Library buildings and grounds)	81,160,000	89,375,000	65,110,000	86,187,850	86,215,850	−3,159,150
Congressional Research Service, Library of Congress	36,620,000	41,066,000	39,833,000	39,887,860	39,833,000	−1,233,000
Congressional printing and binding, Government Printing Office	86,500,000	80,879,000	80,879,000	80,800,000	80,800,000	−79,000
Total, title I—congressional operations	982,380,600	1,029,434,000	728,368,000	1,019,748,898	1,019,396,038	−10,037,962
TITLE II—OTHER AGENCIES						
Botanic Garden	2,019,000	2,044,000	2,044,000	2,044,000	2,044,000	
Library of Congress (except Congressional Research Service)	176,994,000	187,897,000	185,877,000	185,877,000	185,877,000	−2,020,000
Architect of the Capitol (Library buildings and grounds)	5,980,000	6,039,000	5,709,000	5,709,000	5,709,000	−330,000
Copyright Royalty Tribunal	210,000	217,000	217,000	217,000	217,000	
Government Printing Office (except congressional printing and binding)	39,120,000	43,016,000	42,137,000	42,068,000	42,068,000	−948,000
General Accounting Office	267,161,000	328,779,000	307,557,000	294,704,000	294,704,000	−34,075,000
Railroad Accounting Principles Board	50,000		1,000,000	1,000,000	1,000,000	+1,000,000
Total, title II—other agencies	491,533,000	567,992,000	544,541,000	531,619,000	531,619,000	−36,373,000
TITLE III—GENERAL PROVISIONS						
General reduction—Section 305			−25,476,460			
Grand total, new budget (obligational) authority	1,473,913,600	1,597,426,000	1,247,432,540	1,551,367,898	1,551,015,038	−46,410,962

I will not attempt to speak to each of the items we considered in conference. There were a total of 21 amendments, of which 3 related solely to Senate housekeeping items. The remainder are explained fully in the statement accompanying the conference report.

I do wish to point out that this is a responsible conference agreement and another example of the willingness on the part of the legislative branch to control its own spending. We are approving a budget that is actually less than the current year. We have checked and found that since fiscal year 1979, the legislative branch budget has grown at only 5.76 percent annually, while the entire Federal budget has grown at 10.52 percent annually—almost double the rate of increase of the legislative branch. We can be proud of these efforts, Mr. Speaker, and proud of the example in fiscal responsibility being set by the Congress and its support agencies.

Mr. Speaker, this is a good conference report. I urge its adoption.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER. The Chair recognizes the gentleman from California [Mr. LEWIS].

Mr. LEWIS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill represents approximately one one-thousandth of the total cost of the Federal budget, a small piece, to say the least, of that which we appropriate and spend around this place.

Nonetheless, the legislative branch appropriations bill usually is a very difficult and controversial measure, simply because within this bill while we carry out the funding for such programs as the Congressional Research Service, the General Accounting Office, and so forth, we also must in this process appropriate funds that run the House, itself.

And there are many in the House, it seems, who take great joy at our propensity for self-flagellation. And because of that, often, the bill faces a sort of examination that most major appropriations bills do not experience.

For example, in our conference, Members, we actually found ourselves arguing back and forth with the Senate over a $19,000 item out of this trillion dollar budget process that we go through around here.

As my chairman has indicated, the conference report is approximately 1.7 percent below the 1984 working level.

We have within this bill over $16 million fewer dollars in expenditure than we will be using in the completion of the 1984 year process.

Mr. Speaker, without any question the House should be extending its congratulations to the chairman of the subcommittee, Mr. FAZIO, for his diligence in attempting to respond to the House's direction.

As we went to conference, the Senate was not ready to accept all of those cuts that the House suggested. Nonetheless we persisted and in that, as a result of our work, this bill is approximately 1.02 percent below the bill that we passed out of our committee in the House.

Because of that diligent effort, it seems to me that controversy that usually surrounded this measure should be decreased considerably.

Mr. Speaker, I ask for the support of the House of this conference report on the legislative branch appropriations.

Mr. Speaker, I reserve the balance of my time.

Mr. FAZIO. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Louisiana [Mrs. BOGGS] a member of the subcommittee.

Mrs. BOGGS. I thank the gentleman for yielding.

Mr. Speaker, I rise in very strong support of this conference report.

I would like to join with the gentleman from California [Mr. LEWIS] in complimenting the gentleman from California [Mr. FAZIO] but I should also like to include in my remarks great commendations for Mr. LEWIS as well.

They have run the subcommittee with the greatest care and thoughtfulness and throughout the conference with the Senate, have maintained the House's position and have come forth with a conference report that is very fair, that represents the feelings of the House of Representatives.

This is one of the few reports that is well below the budget estimates and it is the most carefully drafted piece of legislation that I have ever been privileged to participate in.

Mr. Speaker, I urge the adoption of the report.

Mr. LEWIS of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. I would like to attract the attention of the distinguished subcommittee chairman, if I might.

In the gentleman's statement about how much the bill cost and how it compared, I became a bit confused. As I read the conference report, which is nonexistent except for a short passage in the CONGRESSIONAL RECORD on page H7140, I note you are spending in 1985 $1.55 billion and some change; is that correct?

Mr. FAZIO. If the gentleman will yield, that is correct.

Mr. FRENZEL. All right. I note in that same column it says that the gentleman's new budget authority for 1984 was $1.473 billion and some change; is that correct?

Mr. FAZIO. I think the gentleman is once again overlooking the fiscal year 1984 supplemental that I have indicated in my remarks should be included in order to be able to make a kind of apples-to-apples comparison.

But I think we had this same debate when the bill was before us in its original form and I maintain that the items, most of which are related to personnel and are pretty clearly mandated by actions of the House Administration Committee or the Social Security Act, require us to proceed on the supplemental.

I am sure it is going to be acceptable to the vast majority of Members and so I think it is only fair that we include those amounts and that is why I can make the statement that I have made about the reductions that we have made in this bill.

□ 1240

Mr. FRENZEL. I think the gentleman is being at least somewhat deceptive by speaking about supplementals that have not been passed.

If you talk about the supplementals that are already in the bank and have become law, the increase becomes even greater, because those are negative supplementals.

The gentleman is talking about pending supplementals for $191 million, more or less, that has not passed his committee?

Mr. FAZIO. No, we have marked it up in our subcommittee and it is now awaiting full committee consideration.

Mr. FRENZEL. Can the gentleman tell us what that one was for?

Mr. FAZIO. It was agreed to by bipartisan membership of the subcommittee as a fairly clear reflection of the mandates that I indicated a minute ago that we must deal with.

It is an annual occurrence. I know the gentleman is troubled by supplementals, but there is no way we can project what personnel costs will be required of us and that essentially is really what we are facing.

Mr. FRENZEL. Can the gentleman describe the $191 million that is coming along?

Mr. FAZIO. I can tell the gentleman the figure we have approved is about $71 million and that is mostly personnel costs. We have a very people intensive bill.

Mr. FRENZEL. But could those costs not have been anticipated, I will ask the chairman?

Mr. FAZIO. Well, I do not think we can anticipate what pay percentage the President will recommend and which then becomes automatic.

Mr. FRENZEL. I will tell the gentleman I can anticipate that within at least a percentage point.

Mr. FAZIO. Well, we have had widely varying percentages in recent years. We certainly could not have anticipated the committee that the gentleman serves on indicating that all of the Members of this body and their staff would be participating in social security or mandatorily in the Federal retirement system and that is another major increment in the supplemental.

Mr. FRENZEL. I might tell the gentleman that my committee did not mandate that. The majority leader moved an amendment and this House accepted it. My committee did not.

Mr. FAZIO. We certainly ratified the report of the Social Security Subcommittee and the full Committee on Ways and Means.

Mr. FRENZEL. I just want to pin the tail on the right donkey.

Mr. FAZIO. I would also indicate to the gentleman that I think most of the other expenditures are the kinds of things that every executive branch agency also has to make. We heard the debate on the Treasury-Postal bill. It was very similar. For example, phone charges that are mandated by GSA that went up as a result of deregulation. I think we are acting in a very responsible manner. I might point out we have absorbed over 20 percent of the costs of the pay adjustment. We have mandated that the agencies in the legislative branch find savings of up to 20 percent or more of the costs of these personnel expenditures which they must adhere to under the law.

Mr. FRENZEL. May I ask the gentleman further, how much is this bill under the allocation to the committee?

Mr. FAZIO. The budget process?

Mr. FRENZEL. Yes.

Mr. FAZIO. I cannot give the gentleman a figure. The staff tells me it is some $5 million under.

Mr. FRENZEL. That is correct in my judgment, too.

Mr. FAZIO. That is based on an informal allocation within the Appropriations Committee.

Mr. FRENZEL. And the gentleman announced when we heard this bill that he was very proud of being under that allocation. Now you are bringing a $191 million supplemental in. What are you going to bring in next year that is going to crack that $5 million ceiling?

Mr. FAZIO. I really cannot say at this point. First of all, it is important to point out that the budget process is constantly confronted with this kind of problem when a supplemental comes along in the existing fiscal year and the committee accommodates those that are necessary and rejects those that it cannot accept. The budget process is flexible and does permit supplementals within its targets. I am sure the legislative branch would be one of the smallest in percentage terms.

Mr. FRENZEL. I thank the gentleman for his contribution.

Mr. Speaker, I want to thank all the Members of this distinguished subcommittee for the work they do during the year and for the discriminating choices that they are obliged to make.

I do want to say, however, that I categorically reject the rationale of the chairman with respect to supplementals. I think somewhere along the line we have to compare originals with originals or totals with totals.

If I compare what we have already appropriated for 1984 and what we are bringing out in appropriations in this bill, we have a 5-percent increase. If the chairman will add in a supplemental for this year, then in my figures I will add in a supplemental for next year. The increase is still 5 percent.

The net result, either way, is going to be 5-percent increase against a stated intention in this House that we were only going to raise this kind of appropriation by 3½ percent.

Again, we have fallen short. Are the problems enormous? Of course they are. I sympathize with the committee. I know the difficulties they have. I know the pressures to which they are subjected. Every committee has them.

And yet, if we are not steadfast against those pressures, if we do not want to stand up some place and some time and say, "Stop. We are going to obey the rules we laid down for ourselves. We are not going to reallocate our 302's in a way that satisfies our basest urges. We are not going to bring in supplementals.

What the gentleman has done with pay in this bill is only a junior edition of what his full committee does with military pay. We always know pretty well what that is going to be, and yet the committee leaves it to a supplemental every year, simply because it is more convenient to do so.

I am sorry that I have taken so much of the House time. I do not mean to belabor this particular appropriation more than any other. But I have also taken much of the House time on every other appropriation. I seriously believe that the House set a standard for itself which, flabby as it is, was worth trying to achieve. I did not vote for it. I would have set a much tougher standard.

Yet, I find on every appropriations bill that has come forward, we have not met the standard which we ourselves set. To me that is a crushing disappointment. It is also a crushing indictment of the House.

I had hoped this year that we could meet the so-called down payment of $150 billion reduction. I think we may yet come close. Yet, our halting, stuttering, very human lack of progress has been an enormous frustration.

I shall vote against this bill not because of lack of confidence in the managers or the committee. I salute them for their fine work, but I shall vote against it because it is a symbol that this House is failing again on an important appropriations bill to do the job of discipline that our constituents want and that we set for ourselves.

Mr. LEWIS of California. Mr. Speaker, I would like to just take a few moments in part to respond to my colleague from Minnesota.

I would like to do so by way of extending to him both my congratulations and my personal appreciation for the effort that he has been making on the floor in a very responsible manner relative to our appropriations process.

There is little question that if I had the votes in the House I might run the House in a little different fashion. But in terms of the rules that we do deal with, frankly, I could not be more impressed with the work that has been done by this subcommittee.

I will say once again that the gentleman from California [Mr. Fazio] has made considerable effort to draw a very hard line here, in a circumstance where the House has faced very unusual changes in our own personnel situation.

This bill, unlike most of the other appropriations bills, is highly dominated by personnel and personnel costs and with the volatility we have seen with such programs as Social Security, I believe that within the rules the chairman and the committee members have done a very fine job.

Mr. Speaker, I yield back the balance of my time.

Mr. FAZIO. Mr. Speaker, I would simply conclude the debate by, first of all, expressing my appreciation to my ranking member, the gentleman from California [Mr. Lewis] and to the gentlewoman from Louisiana [Mrs. Boggs] and the other members of the committee.

We have a very time-consuming process in managing this bill which, although it does not deal in the largest dollar terms in comparison with some of the other appropriation bills, is very sensitive to all of the Members who place so many demands upon the institution in order to do their jobs properly and to serve their constituents. At the same time, however, there is a great deal of sensitivity to any criticism of the institution.

I simply want to express my thanks to the people who put in all the hours and who have to deal with the brickbats but at the same time put together responsible legislation that is bipartisan and is, I think, something that Members of this entire body can have confidence in, whether they support it or not on final passage.

I would simply say in brief response to my friend from Minnesota, by any measure this bill is as responsible as any that are being brought to the floor from the full committee.

☐ 1250

The assumption that the Appropriations Committee makes when it allocates funds to the 13 subcommittees is that the budget process must encompass the supplementals that are anticipated. We are being consistent here in an analogous way by incorporating the supplemental in our comparisons. I am sorry that we have to have a disagreement on this point but I do not think it in any way should detract from the conclusion that I know Mr. Lewis and I reached that we have arrived at a responsible figure in the conference agreement and one that is about as rock bottom as we can make it.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. FAZIO. I yield to the gentleman from Minnesota.

Mr. FRENZEL. I, tearfully, agree with the gentleman that this bill is as responsible as all the other bills emanating from the Appropriations Committee.

Mr. FAZIO. I knew the gentleman would pickup on that, and I appreciate his sense of humor and good will. I am looking forward to seeing it evidenced as he simply allows his point of view to be registered with a voice vote.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore [Mr. Bennett]. The question is on the conference report.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 253, nays 157, not voting 23, as follows:

[Roll No. 288]

YEAS—253

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Barnes
Bates
Bedell
Beilenson
Bennett
Berman
Bevill
Biaggi
Boehlert
Boggs
Boner
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Brown (CA)
Bryant
Burton (CA)
Carney
Carr
Chappell
Clarke
Clay
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Coyne
Crockett
Darden
Daschle
Davis
de la Garza
Dellums
Derrick
Dickinson
Dicks
Dixon
Donnelly
Dowdy
Downey
Duncan
Dyson
Edgar
Edwards (CA)
Evans (IL)
Fascell
Fazio
Ferraro
Fiedler
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gonzalez
Gore
Gray
Green
Guarini
Hall (IN)
Hall (OH)
Hall, Sam
Hamilton
Harkin
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hertel
Hightower
Horton
Howard
Hoyer
Hunter
Hutto
Hyde
Jenkins
Jones (NC)
Jones (TN)
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kleczka
Kogovsek
Kolter
Kostmayer
LaFalce
Lantos
Leath
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Lewis (CA)
Lipinski
Livingston
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lundine
Madigan
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McDade
McGrath
McHugh
McKernan
McKinney
McNulty
Mica
Michel
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Panetta
Patterson
Pease
Perkins
Pickle
Porter
Price
Rahall
Rangel
Ratchford
Regula
Reid
Ridge
Rodino
Roe
Rogers
Rose
Rostenkowski
Rowland
Roybal
Rudd
Sabo
Savage
Sawyer
Scheuer
Schumer
Seiberling
Sikorski
Simon
Sisisky
Skelton
Smith (FL)
Smith (IA)
Snowe
Snyder
Solarz
Spratt
St Germain
Staggers
Stangeland
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (GA)
Torres
Towns
Udall
Vander Jagt
Vento
Walgren
Weaver
Weiss
Wheat
Whitley
Whitten
Williams (MT)
Williams (OH)
Wilson
Wirth
Wolpe
Wright
Yates
Yatron
Young (AK)
Young (MO)

NAYS—157

Archer
Badham
Bartlett
Bateman
Bereuter
Bethune
Bilirakis
Bliley
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Campbell
Carper
Chandler
Chappie
Cheney
Coats
Conable
Corcoran
Courter
Craig
Crane, Daniel
Crane, Philip
Daniel
Dannemeyer
Daub
DeWine
Dorgan
Dreier
Durbin
Eckart
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Feighan
Fields
Fowler
Franklin
Frenzel
Gekas
Gilman
Gingrich
Glickman
Goodling
Gradison
Gramm
Gregg
Gunderson
Hall, Ralph
Hammerschmidt
Hansen (UT)
Hartnett
Hiler
Hillis
Holt
Hopkins
Hubbard
Huckaby
Ireland

Jacobs
Jeffords
Johnson
Jones (OK)
Kasich
Kindness
Kramer
Lagomarsinc
Latta
Leach
Lewis (FL)
Lloyd
Loeffler
Lujan
Luken
Lungren
Mack
MacKay
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
McCain
McCandless
McCollum
McCurdy
McEwen
Miller (OH)
Moore
Moorhead
Morrison (WA)
Nelson
Nichols
Nielson
Oxley
Packard
Parris
Pashayan
Patman
Paul
Penny
Petri
Pritchard
Pursell
Ray
Richardson
Rinaldo
Ritter
Roberts
Robinson
Roemer
Roth
Roukema
Russo
Schaefer
Schneider
Schroeder
Schulze
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Slattery
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Solomon
Spence
Stenholm
Stump
Tauke
Thomas (CA)
Torricelli
Valentine
Vandergriff
Volkmer
Vucanovich
Walker
Watkins
Weber
Whitehurst
Whittaker
Winn
Wise
Wolf
Wortley
Wyden
Wylie
Young (FL)
Zschau

NOT VOTING—23

AuCoin
Barnard
Boland
D'Amours
Dingell
Dwyer
Dymally
Early
Edwards (AL)
Erlenborn
Hance
Hansen (ID)
Harrison
Hughes
Kaptur
Marlenee
Pepper
Quillen
Sensenbrenner
Shannon
Stark
Traxler
Waxman

☐ 1300

The Clerk announced the following pair:

On this vote:

Ms. Kaptur for, with Mr. AuCoin against.

Mr. RICHARDSON and Mrs. SCHROEDER changed their votes from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

☐ 1310

AMENDMENTS IN DISAGREEMENT

Mr. FAZIO. Mr. Speaker, I ask unanimous consent that the Clerk designate Senate amendments reported in disagreement and that the amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The Clerk will designate the first amendment in disagreement.

The amendment read as follows:

Senate amendment No. 1: Page 2, after line 1, insert

SENATE

MILEAGE OF THE VICE PRESIDENT AND SENATORS AND EXPENSE ALLOWANCES OF THE VICE PRESIDENT, THE PRESIDENT PRO TEMPORE, MAJORITY AND MINORITY LEADERS, AND MAJORITY AND MINORITY WHIPS

MILEAGE OF THE VICE PRESIDENT AND SENATORS

For mileage of the Vice President and Senators of the United States, $60,000.

EXPENSE ALLOWANCES OF THE VICE PRESIDENT, THE PRESIDENT PRO TEMPORE, MAJORITY AND MINORITY LEADERS, AND MAJORITY AND MINORITY WHIPS

For expense allowances of the Vice President, $10,000; the President Pro Tempore of the Senate, $10,000; Majority Leader of the Senate, $10,000; Minority Leader of the Senate, $10,000; Majority Whip of the Senate, $5,000; and Minority Whip of the Senate, $5,000; in all, $50,000.

SALARIES, OFFICERS AND EMPLOYEES

For compensation of officers, employees, clerks to Senators, and others as authorized by law, including agency contributions, which shall be paid from this appropriation without regard to the below limitations, as follows:

OFFICE OF THE VICE PRESIDENT

For the Office of the Vice President, $1,083,000.

OFFICE OF THE PRESIDENT PRO TEMPORE

For Office of the President Pro Tempore, $145,000.

OFFICES OF THE MAJORITY AND MINORITY LEADERS

For Offices of the Majority and Minority Leaders, $1,062,000.

OFFICES OF THE MAJORITY AND MINORITY WHIPS

For Offices of the Majority and Minority Whips, $407,000.

CONFERENCE COMMITTEES

For the Conference of the Majority and the Conference of the Minority, at rates of compensation to be fixed by the Chairman of each such committee, $526,500 for each such committee; in all $1,053,000.

OFFICES OF THE SECRETARIES OF THE CONFERENCE OF THE MAJORITY AND THE CONFERENCE OF THE MINORITY

For Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority, $177,000.

OFFICE OF THE CHAPLAIN

For Office of the Chaplain, $87,000.

OFFICE OF THE SECRETARY

For Office of the Secretary, $7,067,000.

ADMINISTRATIVE, CLERICAL, AND LEGISLATIVE ASSISTANCE TO SENATORS

For administrative, clerical, and legislative assistance to Senators, $98,789,000.

OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

For Office of the Sergeant at Arms and Doorkeeper, $35,429,000.

OFFICES OF THE SECRETARIES FOR THE MAJORITY AND MINORITY

For Offices of the Secretary for the Majority and the Secretary for the Minority, $856,000.

AGENCY CONTRIBUTIONS

For agency contributions for employee benefits, as authorized by law, $19,487,000.

OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

For salaries and expenses of the Office of the Legislative Counsel of the Senate, $1,400,000.

OFFICE OF SENATE LEGAL COUNSEL

For salaries and expenses of the Office of Senate Legal Counsel, $565,000.

EXPENSE ALLOWANCES OF THE SECRETARY OF THE SENATE, SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE, AND SECRETARIES FOR THE MAJORITY AND MINORITY OF THE SENATE

For expense allowances of the Secretary of the Senate, $3,000; Sergeant at Arms and Doorkeeper of the Senate, $3,000; Secretary for the Majority of the Senate, $3,000; Secretary for the Minority of the Senate, $3,000; in all, $12,000.

CONTINGENT EXPENSES OF THE SENATE

SENATE POLICY COMMITTEES

For salaries and expenses of the Majority Policy Committee and the Minority Policy Committee, $949,000 for each such committee; in all $1,898,000.

INQUIRIES AND INVESTIGATIONS

For expenses of inquiries and investigations ordered by the Senate, or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, as amended, section 112 of Public Law 96-304 and Senate Resolution 281, agreed to March 11, 1980, $48,050,000.

SECRETARY OF THE SENATE

For expenses of the Office of the Secretary of the Senate, $711,000.

SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE

For expenses of the Office of the Sergeant at Arms and Doorkeeper of the Senate, $41,214,000.

MISCELLANEOUS ITEMS

For miscellaneous items, $10,341,000.

STATIONERY (REVOLVING FUND)

For stationery for the President of the Senate, $4,500, for officers of the Senate and the Conference of the Majority and Conference of the Minority of the Senate, $7,500; in all, $12,000.

ADMINISTRATIVE PROVISIONS

SEC. 1. Effective with respect to fiscal years beginning on or after October 1, 1983, the first sentence of section 101 of the Legislative Branch Appropriations Act, 1976 (2' U.S.C. 61a-9a) is amended by striking out "but such expenditures shall not exceed $10,000 during any fiscal year".

SEC. 2. (a) The last paragraph under the heading "Senate" in the First Deficiency Act, fiscal year 1926 (44 Stat. 162; 2 U.S.C. 64a) is amended to read as follows:

"For any period during which both the Secretary and the Assistant Secretary of the Senate are unable (because of death, resignation, or disability) to discharge such Secretary's duties as disbursing officer of the Senate, the Financial Clerk of the Senate shall be deemed to be the successor of such Secretary as disbursing officer.".

(b) The paragraph under the heading "Administrative Provision" in chapter IV of the Supplemental Appropriations Act, 1972 (2 U.S.C. 64b) is amended—

(1) in the first sentence thereof, by striking out ", except those matters relating to the Secretary's duties as disbursing officer of the Senate,"; and

(2) in the third sentence thereof, by striking out ", except those matters relating to

the Secretary's duties as such disbursing officer".

Sec. 3. (a) Paragraph (1) of subsection (d) of section 105 of the Legislative Branch Appropriation Act, 1968 (2 U.S.C. 61-1(d)), is amended—

(1) by striking out "(A)" where it appears in the paragraph designation for paragraph (1);

(2) by amending the second sentence to read as follows: "In the event that the term of office of a Senator begins after the first month of a fiscal year or ends (except by reason of death, resignation, or expulsion) before the last month of a fiscal year, the aggregate amount available for gross compension of employees in the office of such Senator for such year shall be the applicable amount contained in the table included in the preceding sentence, divided by 12, and multiplied by the number of months in such year which are included in the Senator's term of office, counting way fraction of a month as a full month"; and

(3) by striking out subparagraph (B).

(b) The amendments made by subsection (a) of this section shall be effective with respect to fiscal years beginning after September 30, 1984.

Sec. 4. At no time during the first three months of any fiscal year (commencing with the fiscal year which begins October 1, 1984) shall the aggregate of payments of gross compensation made to employees out of any line item appropriation within the Senate appropriation account for "Salaries, Officers and Employees" (other than the line item appropriations, within such account for "Administrative, clerical, and legislative assistance to Senators" and for "Agency contributions") exceed twenty-five per centum of the total amount available for such line item appropriations for such fiscal year.

Sec. 5. The Sergeant at Arms and Doorkeeper of the Senate shall deposit in the United States Treasury for credit to the appropriation account, within the contingent fund of the Senate, for the "Sergeant at Arms and Doorkeeper of the Senate", all moneys received by him as reimbursement for equipment provided to Senators, committee chairmen, and other officers and employees of the Senate, which has been lost, stolen, damaged, or otherwise unaccounted for.

Sec. 6. The Sergeant at Arms and Doorkeeper of the Senate, in carrying out the duties of his office, is authorized to employ personnel at daily rates of compensation; no individual so employed shall be paid at a daily rate of compensation which is in excess of the per diem equivalent of the highest gross rate of annual compensation which may be paid to employees of a standing committee of the Senate; and payments under authority of this section shall be made from the account, within the contingent fund of the Senate, for the "Sergeant at Arms and Doorkeeper of the Senate", upon vouchers approved by the Sergeant at Arms and Doorkeeper of the Senate.

Sec. 7. Section 117 of Public Law 97-51 (2 U.S.C. 61f-8) is amended by striking out "$60,000" and inserting in lieu thereof "$210,000".

Sec. 8. Section 734 of title 31, United States Code, is amended—

(1) by striking out "(a)"; and

(2) by striking out subsection (b).

Sec. 9. Effective October 1, 1983, the allowance for administration and clerical assistance of each Senator from the State of Arizona is increased to that allowed to Senators from States having population of three million but less than four million, the population of such State having exceeded three million inhabitants.

Sec. 10. Notwithstanding any other provisions of law, a Senator who is the Chairman or Vice Chairman of the Senate Select Committee on Ethics may designate one employee employed in his Senate office to perform part-time service for such Committee, and such Committee shall reimburse such Senator for such employee's services for the Committee by transferring from the contingent fund of the Senate, upon vouchers approved by the Chairman of such Committee, to such Senator's Administrative, Clerical, and Legislative Assistance Allowance, with respect to each pay period of such employee, an amount which bears the same ratio to such employee's salary (but not more than one-half of such salary) for such period, as the portion of the time spent (or to be spent) by such employee in performing services for such Committee during such period bears to the total time for which such employee worked (or will work) during such period (as determined by the Chairman of such Committee) for such Committee and in such Senator's office. Any funds transferred under authority of the preceding sentence to a Senator's Administrative, Clerical, and Legislative Assistance shall be available for the same purposes and in like manner as funds therein which were not transferred thereto under such authority. For purposes of any law of the United States, a State, a territory, or a political subdivision thereof, an employee designated by a Senator pursuant to this section shall be considered to be an employee of such Senator's Senate office and not an employee of the Senate Select Committee on Ethics.

Sec. 11. (a) Section 110(a) of Public Law 97-12 (2 U.S.C. 58b) is amended—

(1) by inserting, immediately after the first sentence thereof, the following new sentence: "Each Senator, at his election, may, during any fiscal year (but not earlier than August 1 thereof), transfer from his clerk hire allowance to such Senator's Official Office Expense Account such amounts in such clerk hire allowance as the Senator shall determine, but not in excess of the balance (or accrued surplus in case of transfers made prior to October 1, 1984) as of the end of the month which precedes the date of such transfer.";

(2) in the second sentence, by striking out "balance" and inserting in lieu thereof "amount"; and

(3) in the third sentence thereof, by striking out "December 31," and all that follows, and inserting in lieu thereof "December 31 of the calendar year in which occurs the close of such fiscal year, and such transfer shall be made on such date (but not earlier than August 1 of such calendar year) as may be specified by the Senator.".

(b) The amendments made by subsection (a) shall be effective in the case of fiscal years beginning after September 30, 1983.

Sec. 12. (a) The second sentence of paragraph (2) of section 105(d) of the Legislative Branch Appropriation Act, 1968 (2 U.S.C. 61-1(d)(2)), is amended to read as follows: "The salary of an employee in a Senator's office shall not be fixed under this paragraph at a rate less than $1,251 or in excess of $68,172 per annum.".

(b) The first sentence of paragraph (3) of section 105(e) of such Act (2 U.S.C. 61-1(e)) is amended to read as follows: "no employee of a committee of the Senate shall be paid at a gross rate in excess of $67,694, in case of an employee of a joint committee the expenses of which are paid from the contingent fund of the Senate, $68,172, in case of an employee of a select committee (including the conference majority and conference minority of the Senate), or $69,966, in case of an employee of any standing committee (including the majority and minority policy committees) of the Senate.".

(c) The amendment made by subsection (a) of this section take effect on October 1, 1984.

MOTION OFFERED BY MR. FAZIO

Mr. FAZIO. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Fazio moves that the House recede from its disagreement to the amendment of the Senate numbered 1, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the remaining amendment in disagreement.

The amendment reads as follows:

Amendment No. 12, page 14, after line 16, insert:

SENATE OFFICE BUILDINGS

For all necessary expenses for maintenance, care and operation of the Senate Office Buildings; and furniture and furnishings, to be expended under the control and supervision of the Architect of the Capitol, $19,241,000 of which $2,394,000 shall remain available until expended, and $1,521,000 to be made available immediately upon enactment into law of this Act; in all $20,762,000.

MOTION OFFERED BY MR. FAZIO

Mr. FAZIO. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Fazio moves that the House recede from its disagreement to the amendment of the Senate numbered 12, and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and the several motions was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATION, 1985

Mr. WHEAT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 533 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That during the consideration of the bill (H.R. 5899) making appropriations the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1985, and for other purposes, all points of order against the following provisions in the bill for failure to comply with the provisions of clause 2 of rule XXI are hereby waived: beginning on page 3, lines 1 through 12; and beginning on page 3, line 20 through page 4, line 7.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. Wheat] is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Missouri [Mr. TAYLOR] pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 533 is a rule to facilitate consideration of H.R. 5899, the bill making appropriations for the government of the District of Columbia and other activities chargeable, in whole or in part, against the revenues of the District for the fiscal year ending September 30, 1985.

Since general appropriation bills are privileged, the rule does not provide any special procedures for consideration of the bill. The legislation will be considered under the normal legislative process for consideration of appropriations bills. The time devoted to general debate will be determined by a unanimous-consent request, the bill will be read by paragraphs and the bill will be open to amendment under the 5-minute rule. Any germane amendment which does not otherwise violate the rules of the House will be in order.

The rule also provides waivers of clause 2, rule XXI which prohibits unauthorized appropriations or legislation in an appropriations bill, against two provisions in the bill. The first provision, found on page 3 of the bill, appropriates $20 million for St. Elizabeth's Hospital, a Federal facility which provides mental health treatment to residents of the District, as well as to Federal patients. The appropriation is being made contingent upon enactment of a Federal statute establishing the relative financial responsibilities of the Federal and District governments. Bills clarifying these responsibilities are presently being considered by the Committee on the District of Columbia. Since clause 2, rule XXI prohibits the inclusion of legislation in an appropriations measure, a waiver is necessary.

A waiver of clause 2, rule XXI is also necessary for a second provision found in the bill. On page 4 of the bill, there is an appropriation for a loan of $155 million to finance capital improvements in the District. In previous years, the administration has requested funding for this item, but in fiscal year 1985, the District planned to borrow on the commercial bond market at a lower cost. However, the Supreme Court's ruling in the case of the Immigration and Naturalization Service against Chadha, has placed the District's City Council's power to issue bonds—formerly subject to congressional veto—in legal limbo.

Legislation correcting this problem is now pending before the other body. However, the provision as it now appears in the bill, constitutes legislation in an appropriation measure and a waiver of clause 2, rule XXI is necessary.

Mr. Speaker, H.R. 5899 provides fiscal year 1985 appropriations of $2.957 billion for the District of Columbia. In addition to funding for St. Elizabeths Hospital and capital improvements, there is money for public education, human services, public works, and other activities chargeable against revenues of the District.

Mr. Speaker, I urge adoption of House Resolution 533 so that we may proceed to consideration of this appropriation bill.

Mr. Speaker, I yield 30 minutes for purposes of debate only to the gentleman from Missouri [Mr. TAYLOR].

Mr. TAYLOR. Mr. Speaker, I yield myself such time as a I may consume.

Mr. Speaker, House Resolution 533 is a rule waiving points of order against two specified provisions of the District of Columbia appropriations bill, H.R. 5899.

The rule waives clause 2 of rule XXI against provisions of the bill relating to an additional $20 million payment for operating costs at St. Elizabeths Hospital and to a $155 million loan from the U.S. Treasury to finance capital improvements.

Mr. Speaker, clause 2 of rule XXI prohibits legislation in an appropriations bill and prohibits appropriations not authorized by law.

In this situation, both of the provisions in the bill constitute legislative language in an appropriations bill and would be subject to points of order if the bill were considered without this rule.

Mr. Speaker, there was no opposition to these waivers during the hearing before the Committee on Rules, although there is some opposition to both of the provisions from the administration.

I want to point out to the Members that these waivers were supported by the chairman of the Committee on the District of Columbia, the gentleman from California [Mr. DELLUMS].

Mr. Speaker, since these waivers do not impair the ability of any Member to offer amendments to the bill, I urge the adoption of this rule.

At this time, Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. PARRIS], a member of the Committee on the District of Columbia.

Mr. PARRIS. I thank the gentleman for yielding this time to me.

Mr. Speaker, I have requested this time to address the issue of an amendment that I have proposed which would normally be considered at the time of the adoption of the bill. I take this time during the discussion of the rule to explain the status of that matter.

There has been considerable concern, Mr. Speaker, in regard to the one House veto under the recent Supreme Court Chadha decision. That situation is still in a state of uncertainty. There are some in the administration and some in the House who have suggested that, inasmuch as there has been previously a strong suggestion that the District of Columbia terminate its right to go to the U.S. Treasury for capital loans, that we take that action this year, during 1984, and that I, therefore, should consider offering an amendment that would prohibit the District of Columbia from borrowing up to $155 million from the Federal Treasury for capital outlays, as is authorized under this bill.

There is obviously always the possibility that if I do not offer this amendment, one of my colleagues could or would be prepared to do so.

After some sober reflection, however, Mr. Chairman, I have considered that the adoption of such an amendment at this time would place the District of Columbia in a very difficult financial situation and could seriously adversely affect or jeopardize the construction schedule of Washington's subway system.

The City Administrator for the District of Columbia has informed me that if the District is denied this loan authority, as contained within this bill, it might not and probably would not, be able to meet its financial obligations for metro construction. That would mean that Maryland and Virginia would have to provide the shortfall in order to keep metro construction on schedule.

The entire Washington metro area has made significant progress in completing the full 101-mile system and this amendment could threaten that effort. I, therefore, will not offer my amendment on this appropriation bill and would hope that no other Member will pursue an amendment similar in thrust at this time.

□ 1320

PARLIAMENTARY INQUIRY

Mr. PARRIS. Having made that statement, Mr. Speaker, if I might, I would like to propound a parliamentary inquiry to the Chair in regrad to this matter.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. PARRIS. Mr. Speaker, if I understand the comments of the gentleman from Missouri and of the gentleman from the Committee on Rules, to outline the waivers in the resolution, there is the waiver of clause 2 of rule XXI relating to language contained within the bill on page 3, at certain lines on page 3. I have a second amendment to this legislation, Mr. Speaker, which would amend section 114.

Now, in the report accompanying this legislation, at page 58, my first suggestion, Mr. Speaker, is that in the fourth line of that language on page 58 there is, I believe, a typographical error in that it is referenced to section 115, and I believe the correct reference is to section 114. My amendment that I am now addressing is to section 114, which begins on line 16 of page 30 of the bill.

Assuming, for the sake of argument, Mr. Speaker, that an amendment to section 114 would, as would the entire section, be subject to a point of order if it is waived under clause 2 of rule XXI in the resolution, am I correct in my understanding that were a point of order to be pressed against the section, the section would be subject to a point of order?

The **SPEAKER** pro tempore. The Chairman of the Committee of the Whole at that time would be the person who would make that ruling.

Mr. PARRIS. Then, Mr. Speaker, must I reinstate my parliamentary inquiry at the time of the consideration of the bill itself?

The **SPEAKER** pro tempore. The gentleman is correct.

Mr. PARRIS. I thank the Chair.

The **SPEAKER** pro tempore. The Chair recognizes the gentleman from Missouri [Mr. Taylor].

Mr. TAYLOR. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WHEAT. Mr. Speaker, if the gentleman has no further requests for time, I urge adoption of the resolution and move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. DIXON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5899) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1985, and for other purposes; and, pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and divided and controlled between the gentleman from Pennsylvania [Mr. Coughlin] and myself.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from California [Mr. Dixon].

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 5899, with Mr. Reid in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from California [Mr. Dixon] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. Coughlin] will be rcognized for 30 minutes.

PARLIAMENTARY INQUIRY

Mr. PARRIS. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from California [Mr. Dixon] yield for a parliamentary inquiry?

Mr. DIXON. I am pleased to yield to the gentleman from Virginia, Mr. Chairman.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. PARRIS. Mr. Chairman, I will not make the full comments I made in the discussion of this matter before the House at the time of the adoption of the resolution, but the thrust of my inquiry is that section 114 of the bill, as contained on page 20, is not, as I see it, protected by the waiver of clause 2 of rule XXI, as contained in the language of the resolution, so that if a point were pressed as to the entire language of section 114, would a point of order lie against that section, and is it permissible under the rules to make a point of order against an amendment to that section?

The CHAIRMAN. The gentleman is correct, that it is not protected under the rule, and on that point the Chair would have to hear argument.

Mr. PARRIS. And if a point of order were to be pressed as to that language, Mr. Chairman, is my understanding correct that that point of order would have to be made prior to the time of the 5-minute amendment process under the bill?

The CHAIRMAN. The gentleman is correct, prior to the offering of an amendment to that section.

Mr. PARRIS. I thank the Chair.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. Dixon].

Mr. DIXON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the fiscal year 1985 District of Columbia appropriation bill that we bring to the floor today is truly a bipartisan bill. It provides a total of $639 million in Federal funds and $2.3 billion in District funds.

Before I get into the particulars of the bill, Mr. Chairman, I want to express my appreciation and thanks to the members of the subcommittee:

The gentleman from Kentucky [Mr. Natcher] whose long experience as chairman of this subcommittee gives him a special insight and knowledge of the problems we face, and whose counsel and judgment we value highly: the gentleman from Ohio [Mr. Stokes], the gentleman from Texas [Mr. Wilson], the gentleman from Florida [Mr. Lehman], the gentleman from Minnesota [Mr. Sabo], the gentleman from New York [Mr. Green], and the gentleman from Kentucky [Mr. Rogers].

I want to give particular credit to the ranking minority member of the committee, the gentleman from Pennsylvania [Mr. Coughlin]. His leadership has been invaluable in dealing with the wide range of issues we face, and his hard work and good judgment make a great contribution to this bill. And I want to simply express my personal thanks to him for the cooperative spirit that he has shown which allows us to bring this bill to the floor in a bipartisan manner.

And Mr. Chairman, I also want to extend my personal thanks to the ranking minority member, Mr. Conte of Massachusetts, for his contribution as an ex officio member of the subcommittee.

And the chairman of the Committee on Appropriations and the dean of the House Mr. Whitten of Mississippi, without whose patience and help we would not have been able to bring this bill to the floor as quickly as we have.

FEDERAL FUNDS

As I mentioned a moment ago, Mr. Chairman, this bill provides a total of $639 million in Federal funds to the District of Columbia government for fiscal year 1985. These Federal funds consist of: A Federal payment of $386 million which is the same as the fiscal year 1984 level but $39 million below the request due to the absence of authorizing legislation at the time the District's expenditure budget was submitted; a Federal contribution of $52 million to the police, fire, teachers, and judges retirement systems; a Federal reimbursement of $24.1 million for water and sewer services furnished to Federal facilities; a special Federal payment of $20 million to St. Elizabeths Hospital contingent upon the enactment of Federal legislation clarifying the relative financial responsibilities of the Federal and District Governments; a quadrennial Federal payment of $2.3 million for the upcoming Presidential inauguration; and Federal loans of $155 million for the District's construction program.

These Federal funds are $38 million or 6.4 percent above the fiscal year 1984 level and $136 million above the present budget request. This latter comparison, Mr. Chairman, needs some clarification since it does not reflect the budget estimate $155 million in Federal loans that the city is preparing to send to the President's Office of Management and Budget and it does not include a budget estimate for the special Federal payment of $20 million for St. Elizabeths Hospital which the administration in a letter dated June 20, 1984, advised the committee that it strongly supports.

FEDERAL LOANS

Let me explain the situation regarding the Federal loans. We were advised that when the District was preparing its 1985 budget, it fully intended to go to the commercial bond market to borrow funds for its capital program for two reasons:

First, the city could borrow the funds at a lower rate of interest and save $70 million in interest costs alone over the 30-year period of these loans.

Second, the city would have the flexibility to borrow when it needed the funds rather than at the discretion of the Federal Treasury.

But Mr. Chairman, the Chadha decision handed down by the Supreme Court last summer relative to the legislative veto—which the Congress has retained over all District legislation—has effectively precluded the city from entering the commercial bond market. District officials have advised the committee that because of the Supreme Court's decision, their bond counsel is unable to provide an unqualified opinion stating that the city's contractual debt obligations are valid under existing law. Legislation in the form of H.R. 3932 correcting this problem is now pending in the other body. That legislation passed the House on October 4, 1983, almost 9 months ago.

Historically, the District has not had access to the municipal bond market and has borrowed funds from the Federal Government for its construction program. These loans are repaid over 15 to 30 years with interest at the rate prevailing at the time the funds were borrowed. And Mr. Chairman, the District has never missed a payment to the Treasury.

ST. ELIZABETHS HOSPITAL

With regard to St. Elizabeths Hospital, the administration 3 years ago embarked on a 10-year program to phase down Federal support and require the District government to assume a greater percentage of the hospital's operating costs.

Let me take a moment to give the Members some brief background. St. Elizabeths Hospital was established in 1855 as a Federal institution for mental illness and had been operated by the Federal Government. It is presently under the jurisdiction of the Federal Department of Health and Human Services and provides care for 4,300 District and Federal patients, including 2,900 outpatients. It employs 3,400 people with a total operating budget of $127 million.

Last year's shortfall of $25 million was resolved through management savings and other actions taken by the Federal and District Governments, and the conferees on the fiscal year 1984 District of Columbia appropriation bill directed Federal and District officials to work closely together to resolve their differences. For whatever reasons, these differences have not been resolved, and the shortfall for fiscal year 1985 is $20 million and results from the administration reducing its fundings by $20 million and the District keeping its budget at last year's level.

Our committee held more than 6 hours of hearings on this issue. We had all of the players together in one room. We were trying to get their viewpoints and see how each responded to the others perception of what the problem was and who the problem was. And all the while our committee was searching for a compromise—a compromise that everyone could live with—not necessarily be happy about, but one that would be fair and would show flexibility on the part of all those involved. Federal officials testified that the $20 million shortfall would fundamentally affect the hospital's ability to provide clinical care and would result in the hospital losing its accreditation which would cause further problems in the hospital's capacity to obtain reimbursements.

Mr. Chairman, throughout the hearings it was obvious that the only ones who would suffer because of this impasse between the Federal and District Governments were the patients themselves. They have no constituency.

So, in order to avoid any deterioration in services at the hospital and a disruption detrimental to the patients, the committee is recommending a one-time Federal payment of $20 million contingent upon enactment into law of a Federal statute clarifying the relative financial responsibilities of the Federal and District Governments for the hospital's operating costs. If a Federal statute is not enacted, the District government will have to pay the $20 million from other funds in the bill or from additional revenues.

Our objective Mr. Chairman, is twofold:

First, to protect the patients from any deterioration in services which would result from a $20 million shortfall; and

Second, to provide an incentive to the Federal and District governments to resolve their differences.

Bills to clarify the Federal and District relationship have been introduced and are presently being considered by the Committee on the District of Columbia. In fact, hearings were held by the committee on June 6, and we are advised that meetings are being held weekly in an effort to resolve the differences that exist.

DISTRICT FUNDS

We recommend a total budget of $2.3 billion from District revenues. This amount is $140 million or 6.4 percent above the fiscal year 1984 level and consists of $2.2 billion for operating expenses and $113 million for capital improvement projects.

GOVERNMENTAL DIRECTION AND SUPPORT

The committee recommends a total of $88,606,000 for the 21 agencies and activities funded under the Governmental Direction and Support Appropriation. A total of $2,250,000 is recommended for the Office of the Secretary. This allowance reflects an increase of $495,000 and three positions above the last year's level and includes $460,000 for the creation of an archival and records management office. For the Office of Personnel, we recommend $12,931,000 of which $1,667,000 is to convert reimbursable positions to appropriated funding. The newly created Department of Administrative Services will receive a total of $22,357,000 including an increase of $1,981,000 of which $975,000 is to fully fund existing positions, $777,000 is to convert reimbursable positions to appropriated funding and $219,000 is for building repairs.

Mr. Chairman, we are pleased to report that the District's Board of Elections and Ethics seems to have turned the corner. The primary this past May was the smoothest ever with a timely count. The board and its recently-appointed executive director are to be commended. We are confident that the board is "on a roll' and that the Presidential election this November will take place without a hitch. The committee recommends the board's full budget request of $2,518,000 including an increase of $135,000 to upgrade their automatic data processing system. The committee recommends a total of $17,626,000 for the department of finance and revenue, the city's major revenue collector. The Department expects to generate over $1.4 billion in revenues for the operation of the District government in fiscal year 1985.

Mr. Chairman, for the District of Columbia Retirement Board, we recommend a total budget of $3,337,000 of which $834,000 is from the general fund. This board controls and manages over $600 million in retirement funds for police officers, firefighters, judges, and teachers. The committee recommends continuation of the arrangement whereby 25 percent of the board's cost are financed from general fund revenues and 75 percent from retirement fund earnings.

ECONOMIC DEVELOPMENT AND REGULATION

A total of $72,061,000 is included in the bill for economic development and regulation in the District. This reflects an increase of $9,039,000 above last year's appropriation. Almost 70 percent of this increase is for two agencies—the Department of Employment Services and the Office of Consumer and Regulatory Affairs. We recommend an increase of $3,878,000 to provide the District's Department of Employment Services with a total budget of $23,475,000. This increase is to expand jobs, training and economic development activities and programs in fiscal year 1985. Mr. Chairman, let me point out something about this department. The major part of its funding is from Federal programs, and since 1980, these Federal funds have dropped by more than half—from $70 million in 1980 to $31 million estimated for 1985, but the District government has responded favorably and increased the level of local funding to provide apprenticeship opportunities and to expand local support for jobs and training programs. The District, Mr. Chairman, is responding in a positive manner to the administration's policy of more local support and involvement, but it's an uphill struggle, a struggle that the people of the District are accustomed to.

For the Office of Consumer and Regulatory Affairs, the bill includes $22,885,000 and includes an increase of $2,383,000 to establish a one-stop business and permit center to address the needs and concerns of the business community and the general public. Part of this increase will also be used to establish an Office of Compliance to respond to business and other complaints and generate additional revenues in excess of $600,000. The Department also plans to accelerate implementation of its automatic data processing efforts and thereby improve its responsiveness to those it serves.

The bill includes $15,068,000 for the city's Department of Housing and Community Development which is responsible for providing decent and affordable housing for all District citizens—a very elusive goal at best. The committee's recommendation will provide $3,289,000 for downpayment assistance so that low- and moderate-income families will be able to buy homes. In addition, Mr. Chairman, three projects are included under the capital improvements section of the bill for much-needed improvements to public housing. With the funds in this bill, the District will have fully modernized almost 20 percent of its entire low-rent housing stock since 1983. For the Public Service Commission, the bill will provide $2,422,000, an increase of $549,000 and 10 new positions which will reduce the Commission's dependence on outside consultants and provide policy continuity since the Commission will have full control over its staff and therefore better control of its agenda.

PUBLIC SAFETY AND JUSTICE

Under Public Safety and Justice, we recommend a total of $471,176,000 for fiscal year 1985, an increase of $31,549,000 above the fiscal year 1984 level. The bill includes $144,220,000 for the Metropolitan Police Department. Mr. Chairman, the committee is concerned with efforts of District officials to circumvent the requirement that an average of 3,880 uniformed officers be on the rolls. Although the police chief testified that with the hiring of 15 police officers on May 14, 1984, the Department would have a total of 3,880 uniformed officers assigned, the justification material showed a decrease of 38 funded civilian positions. The Department testified that this reduction will not affect the uniformed officer strength for patrol work. But while the police chief's response is somewhat reassuring, District officials seem to be adhering to the letter of the law rather than the legislative intent which has been fully explained in committee reports as well as in statements made on the House floor during consideration of this bill in prior years. In any event, Mr. Chairman, we believe District officials should take another look at this issue and make a better effort to comply with the spirit of law and with the legislative intent.

Mr. Chairman, the committee recommends an increase of $500,000 above the budget request to allow the Department to replace 327 motorcycles which were found to be potentially hazardous because of their limited load-carrying capacity. The committee is also recommending an increase of $208,000 for the Police and Fire Clinic so that police and firefighters will continue to receive quality medical and surgical treatment.

For the fire department, Mr. Chairman, we recommend $55,926,000 for fiscal year 1985. The committee also recommends bill language which requires the District Government to adhere to the staffing levels of the various units within the fire department. And Mr. Chairman, we want to make it crystal clear to everyone concerned that this language is not intended to interfere in anyway with the collective bargaining process.

For the District's court system, which consists of the court of appeals, the superior court, and the court administration, the bill includes $51,653,000, an increase of $7,281,000 above last year's level. More than half of this increase is for court-appointed attorneys under the Criminal Justice Act Program which is growing by leaps and bounds with no end in sight.

Let me take just a moment here to explain that indigent defendants in the District are represented by either court-appointed counsel or the public defender service which consists of attorneys working full time on these cases. Everyone agrees that dollar for dollar the public defender service provides better representation and its investigative work far surpasses whatever else is available. That is why the more serious felony cases are handled by the public defender service. Yet, in this year's budget, the court system, which administers the court-appointed counsel program, requested an increase of $7.4 million or 132 percent while the public defender service increased totaled $82,000 or 2 percent. In 1982, each program received approximately $3.5 million. For 1985, the public defender service's request is $4.2 million while the court-appointed counsel program request totals $13 million, three times as much as the public defender. It is obvious that the funding imbalance between these two programs is becoming more pronounced, and Mr. Chairman, it doesn't make any sense. I would be the first to agree that there is a place for both systems in representing indigent defendants. But funding should be increased equally for both systems—not 132 percent for one and 2 percent for the other—especially since all indicators show that productivity and quality of representation are better under the public defender service. Mr. Chairman, someone should take a look at these programs—and we intend to do just that.

The bill includes $88,944,000 to operate the Department of Corrections during fiscal year 1985. The committee's recommendation is $8,821,000 above last year's appropriation and will allow the department to provide for a burgeoning incarcerated population. While the department continues to participate in the Mayor's efforts to reduce the institutional population, these efforts are not expected to have any impact during fiscal year 1985. And one matter that does cause us some concern, Mr. Chairman, is the department's third-party custody program which we plan to question closely during next year's budget hearings.

We recommend the full request of $107.1 million as the District's contribution to the police and fire retirement system. This allowance is $6,244,000 above the fiscal year 1984 level and is determined by the Board's actuary in accordance with Public Law 96-122, the D.C. Retirement Reform Act.

PUBLIC EDUCATION SYSTEM

The committee recommends a total of $485,331,000 for the public education system during fiscal year 1985. The committee's recommendation reflects an increase of $17,423,000 above the fiscal year 1984 level, and this includes $338,850,000 for the public school system. While this allowance is $12,850,000 above the fiscal year 1984 level, the more important point as far as I am concerned is that this is the first year since I have been chairman that there seems to be harmony between city hall and the school board as it relates to an appropriate level of funding for the public school system. That in itself, Mr. Chairman, is no easy accomplishment. The District's school system was one of the first in the Nation to adopt a 5-year computer literacy plan and all schools are required to establish computer labs by the end of this year with computer literacy required for graduation by 1987. The decline in the student population seems to be stabilizing with the reduction in 1984 only one-third what it was in 1983. The committee's recommendation includes increases of $700,000 for bilingual education and $1,915,000 to expand prekindergarten services. In addition, $2 million is for school modernization, $1,551,000 is to replace buses for handicapped students, and $1,417,000 will be used for special education programs.

We recommend $63,609,000 for the University of the District of Columbia, the District's only public institution of postsecondary education. The university has a new president and, Mr. Chairman, we have every reason to believe he will do an outstanding job.

For the public library, we recommend $13,945,000 which includes $100,000 above the budget request for the purchase of books. And for the Commission on the Arts and Humanities, we recommend an appropriation of $1,127,000 for 1985. This will provide the commission with funds required for an assistant director position and the expansion of the Georgraphic Development Program.

HUMAN SUPPORT SERVICES

We recommend a total of $556,050,000 for the departments and activities funded under the human support services appropriation. This allowance includes an increase of $54,246,000 above the fiscal year 1984 level. Mr. Chairman, more than 70 percent of this appropriation, or $407,795,000, is for the Department of Human Services, and one-third of that budget is for the District's medicaid and medical charities program which will total $131,903,000 in fiscal year 1985. Much of the increase is due to the dramatic growth in expenditures for skilled and intermediate care facilities for retarded persons. A total of $16,847,000 is included for the alcohol and drug abuse administration and includes an increase of $6,241,000 to provide services to 89 alcohol and drug abuse patients transferred from St. Elizabeths Hospital.

The committee recommends a total of $55,207,000 for payments by the District to St. Elizabeths Hospital for mental health care provided to city residents. This allowance includes an increase of $20 million above the fiscal year 1984 level, and language is included on page 10 of the bill lifting the ceiling by this amount and requiring the District to pay $20 million from local funds unless a Federal statute is enacted into law clarifying the relative financial responsibilities of the Federal and District governments with respect to the operating costs of the hospital. If such a Federal statute is enacted, a special Federal payment of $20 million will be made to the District for this purpose.

Mr. Chairman, as I mentioned earlier, this impasse concerning St. Elizabeths Hospital has been going on now for 3 years, and it is time those differences are resolved. Our committee does not have the solution, but we are convinced that with patience and understanding, the problem can be resolved.

PUBLIC WORKS

The bill includes $189,377,000 for the four activities in this appropriation title. The committee's recommendation is $17,653,000 above last year's level and includes $100,326,000 for the District's share of operating expenses and debt service for Metrorail and Metrobus operations in fiscal year 1985. This recommendation reflects a net increase of $1,851,000 above the 1984 appropriation level.

We also recommend $84,964,000 for the new Department of Public Works which was created by merging the former Departments of Transporation and Environmental Services. The committee's recommendation is $15,802,000 more than last year's and includes $9,571,000 for energy costs for street lights and traffic signals. This item was deleted from the fiscal year 1984 budget request when the District proposed to shift these costs to the rate base for electrical consumers. This proposal was rejected by the Public Service Commission in February 1984.

Mr. Chairman, the committee has received complaints about two specific areas within this Department's jurisdiction—the condition of streets and roadways, and the maintenance of local roadside parks. Although District officials contend that the condition of local streets and roadways is no worse than it is in other municipalities, there is considerable room for improvement. We have asked District officials to review their street resurfacing program and to give first priority to street resurfacing and maintenance projects when considering capital reprogrammings.

As chairman, I have probably received more complaints concerning the maintenance of local roadside parks than any other issue. I receive complaints citywide on the condition of these neighborhood parks. The committee received testimony during hearings with public witnesses that mowing of these areas was sporadic at best, and was not provided at all during a 2-month period last summer resulting in overgrowth and a general deterioration of many parks. The District has acknowledged that funding has been inadequate to meet the mowing and trash collection frequency necessary to maintain these areas in proper condition, and as a result, many of these parks have become eyesores and nuisances to the surrounding neighborhoods. The committee recommends an increase of $278,000 above the budget request for a total of $621,000 for parks maintenance in fiscal year 1985. The committee believes that District officials must review their parks maintenance program and develop a plan setting forth a minimum level of maintenance services with the objective of maintaining these areas so they will be assets to the surrounding neighborhoods.

WASHINGTON CONVENTION CENTER

We recommend $6,930,000 as the general fund contribution to the Washington Convention Center in fiscal year 1985. The allowance recommended by the committee reflects a net reduction of $1.9 million below the request. The committee did not approve $2.4 million to purchase food service equipment and leasehold improvements from the center's food service operator, but has approved an increase of $500,000 to cover revenues the center estimated it would have received as a result of purchasing the equipment. Officials estimate that delegates attending events at the center will spend $111 million in fiscal year 1984, and the direct new tax impact on the general fund is estimated at $8.3 million.

REPAYMENT OF LOANS AND INTEREST

The bill includes the budget request of $174 million to repay amounts due the Federal Treasury in fiscal year 1985. This allowance consists of $169.6 million for repayment of loans and interest on the $1.76 billion in outstanding loans borrowed by the city to finance its construction program and $4.4 million for interest on advances to the unemployment compensation trust fund.

REPAYMENT OF GENERAL FUND DEFICIT

The committee, Mr. Chairman, is unwavering in its commitment that the District reduce its accumulated general fund deficit by setting aside a reasonable amount each year. At the end of fiscal year 1980, the deficit totaled $388 million, and it is estimated at $244 million by the end of 1985, a reduction of $144 million or 37 percent since 1980. The District's 1985 budget included $10.1 million for this purpose—we recommend $20.1 million, an increase of $10 million above the city's request. This additional $10 million is to be identified by the Mayor and made available through reductions in amounts included in the bill or from additional revenues.

Mr. Chairman, District officials should be proud of their accomplishments in improving the financial condition of the District by reducing the deficit without burdening taxpayers with deficit reduction bonds which would do nothing more than shift the liability from short term to long term.

INAUGURAL EXPENSES

The bill includes a quadrennial Federal payment of $2.3 million to cover the costs of support services for the Presidential inaugural in January 1985. We have earmarked $75,000 of this amount for expenses of the local National Guard with the balance to be apportioned by the Mayor to those agencies incurring expenses as a result of inauguration activities.

CAPITAL OUTLAY

The bill includes $113,022,000 as requested for 52 construction projects in fiscal year 1985. Included in the committee's recommendations are $90,842,000 for 46 projects financed from the general fund and $22,180,000 for 6 projects from the water and sewer enterprise fund. These projects, Mr. Chairman, involve every facet of city life from rehabilitating fire stations to modernizing public schools and replacing worn out watermains. A total of $62,753,000 is included for public building construction which includes such diverse projects as land acquisition for housing rehabilitation opportunities, a production and technical employment center development fund, and the replacement of exterior windows at D.C. General Hospital. A total of $17,133,000 is recommended for various highway and bridge projects and $28,527,000 will finance water and sewer work, including over $14 million to complete the District's wastewater treatment plant at Blue Plains.

ENTERPRISE FUNDS

The committee recommends $143,987,000 for the four activities funded with enterprise funds. A total of $125,956,000 is included for the utility administration of the Department of Public Works. This allowance is $48,004,000 above the fiscal year 1984 appropriation and includes increases of $27,692,000 for debt-service costs shown under a different account in previous years and $5,255,000 to improve plant and infrastructure maintenance. In addition, an increase of $7,853,000 is recommended to cover the costs of disposing the District's share of sludge from the Blue Plains Wastewater Treatment Plant.

The bill includes the budget request of $14,250,000 for the Washington aqueduct which collects, purifies, and pumps potable water. The aqueduct is operated by employees of the Corps of Engineers who are paid with District funds. Accordingly, the committee recommends bill language under section 129 of the general provisions exempting these employees from Federal personnel ceilings as are all District of Columbia employees.

The committee recommends $3,531,000 in District funds for the Lottery and Charitable Games Control Board. The Board is responsible for regulating charitable games and conducting legalized lotteries, and expects to transfer $39.9 million to the District's general fund during fiscal year 1985. The bill also includes $250,000 for the newly established Office of Cable Television which will oversee the construction and day-to-day operations of the District's cable television system.

GENERAL PROVISIONS

The bill carries a number of general provisions that have been carried in the past. These general provisions appear on pages 16 through 25 of the bill. I will mention a few of them briefly.

Language has been added to section 105 giving the local judiciary the same authority as the council to spend travel and dues funds, within budget limits, without authorization of the Mayor. The committee recommends that language be retained prohibiting the use of funds to install meters in taxis, and language carried under section 111 of last year's bill limiting the amount of funds that may be used for long distance travel has been deleted.

The committee has also amended section 114 on page 20 of the bill requiring the District to provide employee work history to the council as well as the Committees on Appropriations of the House and Senate. The committee recommends that language carried under section 117 prohibiting the use of boycotts to support or defeat legislation pending before the Congress or any State legislature be retained. As noted earlier, the committee has added a new general provision exempting Federal employees assigned to the Washington aqueduct and paid with District funds from Federal personnel ceilings.

CONCLUSION

Mr. Chairman, this bill is virtually untouched from the budget request submitted by the District government. We made adjustments totaling $1.9 million out of a budget of more than $2.3 billion. The District has the same problems as any other municipality in the country—some more severe, others not as difficult.

But on balance, it is a good bill, and I recommend that it be approved.

□ 1330

Mr. COUGHLIN. Mr. Chairman, I yield myself such time as I may consume.

I rise in strong support of H.R. 5899, the fiscal year 1985 District of Columbia appropriations bill. Under article I, section 8, of the U.S. Constitution, Congress is given power "To exercise exclusive Legislation in all cases whatsoever, over such District * * * as may * * * become the seat of the Government of the United States * * *." Although Congress delegated broad home rule powers to the District of Columbia in 1973, Congress retained the power of the purse. It is that power which we exercise today.

This bill is really a labor of love on the part of our distinguished chairman, Congressman Julian Dixon of California, and the rest of the members of the subcommittee. Nobody gets anything for their home district out of this bill. As much as we all enjoy being in Washington, working on its budget is not exactly the most glamorous assignment. It is nothing short of miraculous that we have a bill which provides good solutions to tough problems. This is due to the great leadership of Congressman Dixon, and members of the subcommittee are appreciative of his guidance and wisdom. Assisting in the preparation of this bill are staff members Migo Miconi, Mary Porter, and Kenny Kraft, from Appropriations, and Wilhelmina Marshall, liaison from the District Budget Office.

We do two things in the District appropriations bill. First, we appropriate a Federal payment to the District of Columbia. Second we appropriate the entire District budget made up to Federal funds and the District's own revenues.

The Appropriations Committee recommends $639,470,000 in Federal funds. $386 million in Federal payment, $52,070,000 in Retirement funds contribution, $24,100,000 in water and sewer reimbursement, $2,300,000 Special Inaugural expenses payment, $20 million Special St. Elizabeths Hospital payment, and $155 million Federal loan appropriation.

A total of $2,317,875,000 in District of Columbia funds is recommended for fiscal year 1985. This consists of $2,204,853,000 in operating expenses and $113,022,000 in capital outlay. For the most part, the Appropriations Committee approved the District's budget as requested. The minor changes made were small increases in the areas of courts, retirement board, parks, libraries, police, and fire, from money saved at the Convention Center.

Chairman Julian Dixon has provided the first step toward a settlement of the controversial and difficult problem of what to do with Saint Elizabeths Mental Hospital. A special Federal payment of $20 million is provided to cover the fiscal year 1985 shortfall. These funds are contingent upon enactment of legislation clarifying the future of the hospital and the financial responsibility of the Federal and District governments. This approach allows the appropriations bill to go forward but does not foreclose any of the four options—GAO, Health and Human Services, District of Columbia, or the unions—for the hospital's future. In addition, the extra $20 million and contingency puts pressure on these groups to compromise as soon as possible. What is really remarkable is that this approach is supported by the Office of Management and Budget, the District of Columbia, and the Department of Health and Human Services. To quote a June 20, 1984, letter from OMB Director Dave Stockman "* * * the administration is pleased with the action taken by the subcommittee to resolve the St. Elizabeths Hospital issues * * *." The chairman is to be congratulated on engineering this important first step.

Also in the bill are instructions to increase the amount of money earmarked for debt retirement from $10.1 million to $20.1 million. On September 30, 1980, the general fund accumulated deficit was $387,509,000. On September 30, 1984, that figure was supposed to be reduced to $264,410,000. Recent actions of the District of Columbia City Council indicate that figure may not be reached. Hence, the additional $20.1 million in fiscal year 1985 is all the more important. It is simply irresponsible for the District of Columbia to continue to carry a deficit. The pressure must be kept on to reduce it. A reduced deficit is vitally important to a good bond rating when the District of Columbia goes to the private bond market for capital borrowing.

The District of Columbia had anticipated going to the private bond market for capital borrowing in Fiscal Year 1985. However, the Supreme Court decision in the Chadha case—legislative veto case—cast a cloud over home rule. The District of Columbia bond counsel advises that an "unqualified opinion" needed for a good bond rating is not possible until the Chadha problem is resolved. The committee recommends a loan appropriation of $155 million from the U.S. Treasury to finance capital improvements. I would be less than honest if I did not point out that the Office of Management and Budget opposes the $155 million. However, the committee feels that some provision for the continuation of capital projects must be made. We ask your support for this provision and the entire D.C. appropriations bill.

Mr. McKINNEY. Mr. Chairman, I rise in strong support of the bill, H.R. 5899, which appropriates both local and Federal revenues necessary for the operation of the District of Columbia government for the upcoming fiscal year.

As the ranking member on the Committee on the District of Columbia, I am painfully aware of the serious problems facing the city, which all too often are ignored by the Congress. I am pleased to call attention to the fact that H.R. 5899 addresses the two most serious difficulties currently perplexing the Mayor, the Council, and the members of the Committee on the District of Columbia. In addition, the committee has continued its philosophy of allowing the locally elected officials the right to determine how locally generated revenues should be spent. Only where absolutely necessary has the committee adjusted the budget request made by the city, and in virtually all of those instances, the adjustments have been minor. H.R. 5899 is a bill which deserves the support of the House.

For the past several years, the District of Columbia has been plagued with financial problems of one sort or another in its evolution from a congressionally controlled entity to a self-governed municipality. The resolution of these problems has been characterized by cooperative efforts between the Congress and the city. H.R. 5899 represents, in part, another example of this cooperative spirit in resolving financial problems.

One year ago, the city, the Appropriations Subcommittee on the District of Columbia, and the Committee on the District of Columbia anticipated the entry of the city into the bond market for capital improvement purposes. That action would have been a major step forward in the progression toward full home rule, and was deemed a desirable and proper move by the Congress, the administration, and the city. No longer would the city be required to borrow from the U.S. Treasury for capital improvement purposes, thereby freeing that amount of funding for other purposes. In addition, municipal bonds would have a much more attractive interest rate, and the city would save millions in the long term on interest alone.

Unfortunately, also 1 year ago this month, the Supreme Court issued an opinion in INS against Chadha which brought the progress made in this endeavor to a screeching halt. The Supreme Court decision indicated that the congressional review process by which all local laws are put on hold for 30 legislative days was a form of legislative veto. Since any bonds issued by the city will be the subject of local legislation, they will also be reviewed by the Congress, and would be subject to possible rejection. That being the case, bond counsel could not render an unqualified opinion concerning any bond issuance, and therefore the city would not be able to become a market participant, except perhaps in the most unfavorable light.

Recognizing the severity of this problem, the House passed H.R. 3932 on October 4, 1983. That bill would change the congressional review of local laws by including the President in the disapproval process, thereby removing the uncertainty as to the legitimacy of the process in light of the Supreme Court decision. I am sorry to say that the other body has not yet acted upon this matter, and until it does, the city will suffer.

H.R. 5899 deals with this problem by authorizing the city to continue borrowing from the U.S. Treasury for capital improvements in fiscal year 1985 to the level of $155 million. By taking this step, the Committee has insured that the city will not be forced to halt ongoing construction projects and infrastructure improvements. I would point out that this is not a gift to the city in any sense. This is U.S. Treasury borrowing. The city will repay the loans at the rate of interest the Treasury is charging at the time the loan is actually made. I am confident that the city will delay using this authority as long as possible, and that should they be permitted to enter the private market, they will not use any remaining Treasury borrowing authority. I am equally confident that if during the course of fiscal year 1985 the city does not need some portion of this borrowing authority, a bill to rescind the unnecessary amount will be recommended. That, in fact, is exactly what took place in the recent past, with the recession of $48.8 million in fiscal year 1983.

H.R. 5899 also addresses a longstanding concern over the future of Saint Elizabeths Hospital. For more than 7 years, the Committee on the District of Columbia has been striving to bring legislation to the floor which would transfer this federally operated institution to the District government as an integral part of a comprehensive mental health care system for the residents of the city. An informal plan has been put into place by the administration which provides for the gradual reduction of Federal support and the corresponding increase of local financial support over a 10-year period, with an eye toward the eventual transfer of the facility to the city. That plan has resulted in a potential shortfall of $20 million in the operating budget of the hospital for fiscal year 1985. If that shortfall is not dealt with, efforts to legislate the transfer of the hospital will be dealt a serious blow, since the continued accreditation of Saint Elizabeths could be in jeopardy.

The Committee on the District of Columbia held hearings on June 6, 1984, on four separate proposals for dealing with Saint Elizabeths, and we are currently working on an acceptable compromise. I regret to say that the parties involved in these proposals do not seem to be willing to negotiate in good faith, which is exactly the reason why the problem has faced our committee for over 7 years.

H.R. 5899 provides a resolution of the immediate problem, and also the incentive to resolve this longstanding dilemma within the next 12 months. The bill appropriates $20 million as a special federal payment to the city for Saint Elizabeths Hospital, but the Federal funds will be available only upon enactment of a Federal statute which determines the financial responsibilities of the local and Federal governments. Additionally, should such legislation not be enacted during the next fiscal year, the city must find the $20 million which will be necessary for the operation of Saint Elizabeths from their own locally generated revenues. Finally, in the unlikely event that the $20 million overstates actual need, only that portion actually required will be obligated, with the remainder reverting to the U.S. Treasury. I compliment the committee on this action, which one might fairly characterize as exemplifying the wisdom of Solomon.

Finally, Mr. Chairman, I must comment on the action of the committee with respect to elimination of the city's accumulated operating fund deficit. Again this year, the committee has increased the amount planned in the budget for deficit elimination. When the city proposed the issuance of bonds to eliminate the deficit in 1981 I was strongly opposed to the idea, and I still am opposed. The deficit has been reduced through prudent action from $387.5 million as of Sptember 30, 1980 to $279.4 million as of September 30, 1983. It is estimated that by the end of fiscal year 1985, the deficit will be reduced to $244.3 million, with only $25.9 million of that amount representing the cash portion of the total. That is an accomplishment for which the Committee should be proud.

In closing, Mr. Chairman, I would repeat that H.R. 5899 is a bill which deserves the support of the House, and I urge its passage.

Mr. DIXON. Mr. Chairman, I have no requests for time. I will inquire whether the ranking minority member has any requests?

Mr. COUGHLIN. I have one request for time, Mr. Chairman. I yield such time as he may consume to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Chairman, I would like to ask the distinguished ranking minority member, the gentleman from Pennsylvania, about the $40 million in borrowing authority. It is my understanding that the District of Columbia got some relief from their court case in the recently passed tax bill, and that elsewhere in the Congress there are other bills moving forward to relieve the same distress more specifically. As those bills are passed, is this $40 million then a candidate for rescission?

Mr. COUGHLIN. Mr. Chairman, if the gentleman will yield, I believe he is talking about $155 million total.

Mr. FRENZEL. I am sorry. The gentleman is correct. The figure is $155 million.

Mr. COUGHLIN. Historically, as the gentleman knows, the District has borrowed from the U.S. Treasury to finance their capital needs. It was anticipated this year they would be able to go to the bond markets and borrow directly, as other municipalities would. Because of the Chadha case, bond counsel advises that they cannot issue an unqualified opinion that the District of Columbia can back up the bonds. Once the counsel can issue that kind of opinion, I would think this could be subject to rescission and treated that way.

Mr. FRENZEL. Well, I thank the gentleman for that comment.

My judgment is that they will be relieved of the burden of that court case and will be able to issue bonds on their own, if they do not already. When the tax bill is signed they will have that authority, or have it shortly thereafter.

I hope the gentleman will be of assistance in seeing that this either does not appear in the conference committee report or is later subject to recission.

Mr. COUGHLIN. The gentleman from Pennsylvania is as anxious as the gentleman from Minnesota to have the District of Columbia be able to finance their capital improvements the same way as other municipalities do, by going to the private bond market. That is one of the reasons for many years I have striven to have the deficit reduced in the District of Columbia and this is strictly because bond counsel advised us that they were unable to issue an unqualified opinion so that those bonds could be indeed placed on the market.

Mr. FRENZEL. Mr. Chairman, I am concerned about this bill, not necessarily because of what is in it, but because of what is coming behind. The usual routine on District bills, as most Members are aware, is that we appropriate about what we appropriated last year, because there never is an authorization. Then the bills go into conference and the Senate adds the increase for the year, which I estimate to be about $40 million on this particular year. If that happens, this bill will wind up to be $75 million to $80 million over last year, which would be an increase of about 13 percent, a little less.

Now, even in its present condition, it looks to me like it is 6½ percent over last year.

Again, the House did set for itself a standard of a 3½-percent increase. Here we find ourselves going over in the House bill. Later, we will be going over perhaps by three or four times when we come out of conference or when we are through with supplementals, whichever route is chosen, to add the new money for this year.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Chairman, I just would like to point out that the increase that was added in the Senate last year, and the gentleman is correct, it was about $40 million; in fact, it was $39 million, was due to a budget request from the administration at that time between its consideration by the House committee and its consideration by the Senate.

□ 1340

That budget request came down so that was not strictly speaking Senate add on; it was a budget request from the other body.

I would also say that the increase in the bill, of course, is largely from the District's own funds as a result of the home-rule decision and their increase in taxes and needs for revenues, and this is not a decision that we made necessarily as a committee, but a decision made by the District of Columbia in its management of the fiscal matters of the city.

Mr. FRENZEL. I thank the gentleman for his illuminating description. I guess I am mostly concerned with the Federal payment and because it is under budget amount by $39 million. I assume that the other body will give us another $39 million this year.

Mr. COUGHLIN. I would not think so, unless there is a budget request for it that comes down.

Mr. FRENZEL. I hope the gentleman is right and I hope the gentleman does not succumb to every budget request that comes down.

May I say if that is the case, then we are only twice over the standard we set ourselves.

Mr. Chairman, I thank the gentleman for yielding and I urge the House to vote no on another unreasonably large spending bill.

● Mr. CONTE. Mr. Chairman, I rise in support of H.R. 5899, the District of Columbia appropriations bill for fiscal year 1985.

This bill provides $639.5 million in new budget authority for the District in this next fiscal year. This total represents a 6-percent increase in Federal funds to the District above last year's appropriation. The committee recommendation is $136 million or 21 percent above the President's budget.

Besides approving over $2.3 billion in District of Columbia funds, the bill provides $52.1 million as a contribution to the police officers and firefighters, teachers, and judges retirement funds. This amount matches the President's budget and last year's appropriation.

The requested $24 million reimbursement for water and sewer services provided to Federal facilities is appropriated in this bill.

As part of this total Federal reimbursement, the bill recommends $155 million in capital project loans; this amount is $40 million more than the fiscal year 1984 level. These funds, appropriated from the Federal Treasury, are used to finance capital improvements programs. The District government expressed concern that there would be "a flood of lawsuits for payments on current services and the District's capital program would be devastated" if the District were unable to secure adequate financing.

The administration views this situation from a very different perspective. No funds were requested in fiscal year 1985 for this program.

The "young slasher," Mr. Stockman, wrote me a letter generally supportive of the bill. However, he expressed his adamant opposition to the provision of capital funds for the District in 1985. Let me read, for the membership, a short part of his letter:

> The Administration strongly objects to the inclusion of $155 million in loans to the District of Columbia for capital outlays. The Administration, District of Columbia, and Congress agreed that 1984 would be a transitional year for the Federal Government providing capital loans to D.C. The District was to start borrowing in 1984 from the private sector and was to receive all of its capital funds from the private sector in 1985. The Administration believes that D.C. can borrow from the private sector.

I will include the full text for the RECORD.

I understand the gentleman from Virginia, Mr. PARRIS, might offer an amendment later on to delete this funding for the capital improvement program.

Another major issue in this bill concerns the evolving status of St. Elizabeths Hospital.

As you all know, we are now moving into the third year of an overall 10-year plan for St. Elizabeths Hospital. While we have steadily decreased the Federal payment to the hospital every year since 1983, those years have not gotten us any closer to an agreement on how and who should be operating St. Elizabeths. Last year we had a $25 million shortfall between the Federal and District payments. Eventually we reached an agreement on that problem, but more than half of that shortfall ended up coming from the hides of the hospital staff and patients. This year, through the hard work of the chairman, Mr. DIXON, and the ranking member, Mr. COUGHLIN, a solution to this longstanding problem has been hammered out.

The bill before us today includes a special one-time Federal payment to the hospital of $20 million contingent upon the enactment of a Federal statute which spells out the relative responsibilities of the Federal and D.C. Governments. If no agreement is enacted into law, the District would be forced to pay the $20 million from its own pocket.

All sides involved in the dispute have approved this plan, and those of us concerned with the services at the hospital can rest assured that there will be no disruption or deterioration in the care provided to its patients.

Finally, Mr. Chairman, the committee report for this bill contains language recommending that the D.C. government designate the street in front of the Soviet Embassy as "Andrei Sakharov Avenue."

With the recent national and international exposure, everyone is familiar with the plight of Andrei Sakharov and his family. His wife, Elena Bonner, is suffering from a severe heart condition and is denied an exit visa for medical treatment in the West. To protest this inhuman treatment, Dr. Sakharov has been on a hunger strike since May 2. Even today, we don't know if he's dead or alive.

But this language is more than a tribute to a Nobel laureate. Sakharov has inspired millions and is a symbol of the refusenik movement in the Soviet Union.

This designation is intended to send a small but clear message to the Soviets: We won't forget Sakharov and the others who are systematically oppressed by this regime. Every piece of mail addressed to the Soviet Embassy or every map, document, and record mentioning the Soviet Embassy will include Andrei Sakharov Avenue.

Mr. Chairman, this suggestion originated at a meeting of the International Parliamentary Group for Human Rights held in Paris over the Memorial Day weekend. Parliamentarians from more than 12 nations agreed to urge their governments to make this designation. In fact, France has begun the process to rename a street in Paris, and the Belgian Government is moving to rename a street in Brussels. In our own country, the New York City Council recently designated part of the intersection across from the Soviet Mission as "Bonner/Sakharov corner."

I hope that this country can set the pace for this move.

Mr. Chairman, I urge the Members to support this bill.

The letter follows:

EXECUTIVE OFFICE
OF THE PRESIDENT,
OFFICE AND MANAGEMENT AND BUDGET,
Washington, DC, June 27, 1984.

Hon. SILVIO CONTE,
U.S. House of Representatives,
Washington, DC.

DEAR SIR: The District of Columbia Appropriation bill for 1985, H.R. 5899, is scheduled for floor action in the House of Representatives during the week of June 25. This letter conveys the Administration's position on the bill as reported by the Committee.

While the Administration is pleased with the action taken by the Committee to resolve the St. Elizabeths Hospital issue, the total funding in the bill is significantly higher than the deficit down payment plan cap on discretionary appropriations. The Federal loan provisions of the bill, which are the principal source of the excessive funding, make it unacceptable to the Administration.

The Administration strongly objects to the inclusion of $155 million in loans to the District of Columbia for capital outlays. The Administration, District of Columbia, and Congress agreed that 1984 would be a transitional year for the Federal Government providing capital loans to D.C. The District was to start borrowing in 1984 from the private sector and was to receive all of its capital funds from the private sector in 1985. The Administration believes that D.C. can borrow from the private sector and is adamant in its opposition to the provision of capital funds for the District in 1985.

The Administration supports Committee action deleting the cap on District of Columbia support for the care of its residents in St. Elizabeths Hospital. It is consistent with Administration policy and with home rule to have the District progressively assume over 10 years the cost of care for its residents at St. Elizabeths Hospital. We commend the Committee for its action which recognizes that the District will continue to assume the full costs as other users of services at St. Elizabeths Hospital.

The House is urged to make reductions to be consistent with the deficit down payment plan cap and delete the direct loans to the District of Columbia in order to make the bill acceptable to the Administration.

Sincerely,

DAVID A. STOCKMAN,
Director.●

Mr. FRENZEL. Mr. Chairman, I am opposed to H.R. 5899, D.C. appropriations for fiscal year 1985.

Our budget calls for a 3.5-percent increase in domestic discretionary spending. The House budget, which is now being reconciled with the Senate budget, is the more generous of the two toward domestic discretionary spending. If we are serious about the deficit downpayment, then we must try to conform our appropriations bills to our budget. In the absence of a conference report on the budget, at least we ought to try to conform our spending bills to the more generous of the two budgets.

This bill authorizes $638,470,000 for fiscal 1985. It is $38,658,400, or 6.4 percent over last year's spending. It is $17.6 million over our 3.5 percent target.

Mr. Chairman, total Federal direct payment in the bill actually declines by $1.3 million. The bill is over our budget target mostly because of a $40 million increase, about 35 percent over last year's spending, for Federal loans for capital outlays. Apparently last year's INS against Chadha Supreme Court ruling interferes with the District's ability to obtain private bond funding. The committee also notes that this problem may be addressed in authorizing legislation. If so, this $40 million ought to be a prime target for full or partial recission.

Mr. Chairman, I am also nervous about the future supplementals inevitable from this bill. I note that the Federal payment to the District is at the same level as fiscal year 1984. As has been the case in the past 4 fiscal years, the House-reported bill appropriates Federal payment at the same rate as the previous year, in the absence of authorizing legislation. The Senate then adds in the extra payment to the District, at the same amount as the President's budget estimate.

We will add another $39 million to bring Federal payment up to the budget request. If no other extras are added, or no deletions made, this bill will be $77,658,400 over last year's level—a 12.9-percent increase.

Mr. Chairman, I understand that this bill is a small one, and that if we exceed our budget target on this bill, we certainly will not do the same damage as when we allow other budget-busters to pass. However, Mr. Chairman, if we are going to draw some sort of line on deficits, we have to apply it evenly. This bill fails the test, and should be defeated.

Mr. DIXON. Mr. Chairman, I would inquire as to whether there are additional speakers from the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Chairman, I have no additional speakers and I yield back the balance of my time.

Mr. DIXON. I have no requests for speakers, and I yield back the balance of my time.

The CHAIRMAN. All time has expired.

The Clerk will read.

Mr. DIXON. Mr. Chairman, I ask unanimous consent that the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any points of order against the bill?

If not, are there any amendments?

AMENDMENT OFFERED BY MR. PARRIS

Mr. PARRIS. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

> SEC. 114. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations and the Council of the District of Columbia or their duly authorized representatives.

The Clerk read as follows:

> Amendment offered by Mr. Parris: In section 114: in line 21 of page 20, insert the following after the word "Appropriations" and before the word "and": ", the House Committee on the District of Columbia, the Subcommittee on Governmental Efficiency and the District of Columbia of the Senate Committee on Governmental Affairs".

Mr. PARRIS. Mr. Chairman, I am grateful to have this opportunity to express my appreciation to the gentleman from California [Mr. Dixon], the chairman of the committee, and the gentleman from Pennsylvania [Mr. Coughlin], the ranking member of the committee, for their excellent cooperation in crafting this legislation and for consideration of the benefits particularly of many of my constituents who are the firefighters and the police officers covered under this legislation. Both of these gentlemen's cooperation and their provision of an opportunity to consider these important matters is consistent with the very best of the traditions of this House and of public service, and to them I am truly grateful.

Mr. DIXON. Will the gentleman yield?

Mr. PARRIS. Now that I have completed my laudatory remarks, Mr. Chairman, I will be delighted to yield at this point.

Mr. DIXON. After those laudatory remarks, this side is very pleased to accept your amendment. We have no problems with it.

Mr. PARRIS. I appreciate that action on the part of the chairman.

Let me just add a brief statement about the function of the amendment. All this amendment really does, Mr. Chairman, is to elevate the authority of the authorizing committee to a position similar to the Appropriations Committee as it relates to obtaining past work history, name, and address, salary levels and that sort of thing of public employees in the District of Columbia.

I would hope that the minority side would accept the amendment or, at the very least, that my colleagues on both sides of the aisle would support adoption of the amendment.

I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. Parris].

The amendment was agreed to.

Mr. LEVITAS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time first of all to commend the subcommittee, the chairman, and the ranking member, and to call attention to the Members to the language in the committee report on page 4 that is of far-reaching significance. The title in the report is "Designation of Andrei Sakharov Avenue," and the language says,

> The committee recommends that the Government of the District of Columbia designate the portion of 16th Street, Northwest, Washington, District of Columbia, between L and M Streets, as "Andrei Sakharov Avenue." The committee also recommends that necessary changes be made to any law, regulation, map, document, or other record of the United States or the District of Columbia.

Mr. Chairman, almost 50 of my colleagues have joined me in introducing substantive legislation to make the same type of recommendation; that is, not to force the District of Columbia, but to recommend that this be done by the District of Columbia, and also for Federal purposes.

What is so significant about this? Between L and M Streets on 16th Street is the location of the Embassy of the Soviet Union. By designating that portion of 16th Street as Andrei Sakharov Avenue we will achieve something that they would like us not to be able to achieve, and that is never to forget Andrei Sakharov and what he represents and what he stands for.

Let me tell you why this is so important. Andrei Sakharov is not just another Soviet citizen whose human rights are being denied. Andrei Sakharov is one of the great figures, if he is still living, in modern Soviet history. He is a member of the Soviet Academy of Sciences. He is one of the great physicists of our time. He was their originator of the atomic bomb project and was honored time and again, and in the Soviet Union honors are very important.

The Order of Lenin, which gives someone the right to have a statue placed in a public square and receive other emoluments, is the highest award you can receive in Russia. The President of the Soviet Union, Mr. Chernyenko, has received two Orders of Lenin. Andrei Sakharov has received three. That tells you of the regard that he has had in the Soviet society.

Andrei Sakharov was not only a great scientist, but when he realized the need to address the issue and became aware of the problem of denial of human rights, he became one of the most outspoken leaders for human rights and the Helsinki monitors, even at great cost to himself and his family. And therefore he is in the eyes of the Soviet people and people around the world something of a combination of Albert Einstein and Martin Luther King, Jr.—a great scientist, a wise and gentle man, a great leader in the struggle for human rights for people all over the world.

If the Soviet Union is prepared to kill this man or let him die, then they have made a change in their policy that is frightening. It means that nothing matters to them in terms of public or world opinion. Shooting down a Korean airliner, putting their heel on the necks of the people of Afghanistan, threatening the people of Poland, invading Hungary and Czechoslovakia, all of these things they did because they knew in a few months the world would forget. But if we forget Andrei Sakharov, and they can write off this great leader, who has been more honored in the Soviet Union than even the President of the Soviet Union, they will have achieved a great victory and will have written him off forever and what he stands for and the hope he holds for those who are free and who yearn to be free.

□ 1350

We must not let that happen. And, therefore, we should name the street in front of the Soviet Embassy

"Andrei Sakharov Avenue" so that every time they get their mail and every time they take a taxi or give directions, they will not forget Andrei Sakharov.

This is not just something that is being done in this country; it is being considered in other nations in the free world. The idea originated as a result of an international meeting on human rights that was held just a few weeks ago and was proposed by a French parliamentarian. The idea was picked up by others from other free nations.

It is important that we not let them succeed by letting us forget. We must not forget, they must not forget, and I commend this committee for this action and I trust that we will take other steps to bring about the implementation of this important point.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

(On request of Mr. Molinari and by unanimous consent. Mr. Levitas was allowed to proceed for 2 additional minutes.)

Mr. MOLINARI. Will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from New York.

Mr. MOLINARI. The question would be, what impact do you think the name of the street would have upon those in the Soviet Union? Let me rephrase the question: I know the gentleman has been behind the naming of this street; has he had any indication that there is a reaction taking place in the Soviet Union as a result of this?

Mr. LEVITAS. I am glad the gentleman asked me that question. As I said, I am sponsoring this legislation in the House with approximately 50 other Members. The Senator from Iowa, Senator Grassley, is the sponsor in the other body.

When we proposed this idea, the person sitting on the front row of the press conference was a reporter from Tass. We have been denounced for offering this type of proposal.

I have found that in dealing with the Soviet Union, a matter as important and as symbolic as this may have a lot more effect than even building missiles. The statement that rings loud throughout the world is what concerns them.

Twelve women standing silently in front of a Soviet Embassy has done more to change their actions than threatening to put Pershing II missiles in Europe. The fact that the Soviet Union has already reacted negatively to this approach has indicated to me that we are on the right track.

Mr. MOLINARI. I am pleased to hear that. I thank the gentleman.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I am happy to yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Chairman, I just want to commend the gentleman for his action in this area and say that we on the subcommittee believe this is an important thing to include in the bill. I think the gentleman is exactly right.

Mr. LEVITAS. I thank the gentleman from Pennsylvania. I would like to give credit to the gentleman from Massachusetts [Mr. Conte] who I am told, as a member of the Appropriations Committee, was instrumental in bringing about the inclusion of this language in the committee report and I would like to recognize.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

(On request of Mr. Sundquist and by unanimous consent, Mr. Levitas was allowed to proceed for 2 additional minutes.)

Mr. SUNDQUIST. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Tennessee.

Mr. SUNDQUIST. Mr. Chairman, I commend the gentleman from Georgia for his legislation and for the efforts of this subcommittee in this regard and I identify myself with his remarks.

Mr. LEVITAS. I thank the gentleman.

Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Walker of Pennsylvania: On Page 25, after line 7, insert the following section:

Sec. 130. Nothwithstanding any other provision of this Act, each amount appropriated or otherwise made available in this Act is hereby reduced by two percent.

Mr. WALKER. Thank you, Mr. Chairman.

Mr. Chairman, this is a fairly simple amendment that will not take very long to explain. This is a 2-percent across-the-board cut amendment. What it would essentially do is save approximately $46 million. We have a bill before us, $2.31 billion; that would leave us, after this reduction, with approximately $2.25 billion in the bill.

That is above last year's spending level. For those who have said that they would like to see budgets frozen, this would not freeze us at last year's spending level by any means; it would assure we would be at a level somewhat higher than last year.

Last year we spent $2.18 billion. As I say, it is across the board, it is a cut that represents, I think, a reasonable kind of thing because it keeps the funding slightly above last year's level but does come in below the committee level.

Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. DASCHLE TO THE AMENDMENT OFFERED BY MR. WALKER

Mr. DASCHLE. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. Daschle to the amendment offered by Mr. Walker: Strike all after the first word of said amendment and insert the following:

Sec. 130. Notwithstanding any other provision of this Act, the total amount appropriated or otherwise made available by this Act is hereby reduced by 1 percent.

Mr. DASCHLE. Mr. Chairman, I support the purpose of the amendment of the gentleman from Pennsylvania. I'm convinced that there ought to be a way in which we can bring down the level of spending in virtually every appropriations bill that comes to the floor.

And I have supported amendments like this in the past. But this bill represents less than 2 percent in real growth. As we said earlier in the debate, It represents a reduction in what is in the budget authorization for Federal payments.

It recognizes also that the District is mandated by a balanced budget. So my amendment has the same purpose as the gentleman from Pennsylvania, but it does two things differently.

First of all, it cuts the total amount appropriated by 1 percent and second, it gives discretion to the mayor where the cuts should be made. It addresses the concern of the gentleman from Pennsylvania but it does so in a much more practical way and I would urge the support of my colleagues.

Mr. Chairman, I yield back the balance of my time.

Mr. DIXON. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman and Members, I thank the gentleman, Mr. Daschle, for offering what normally would be considered a friendly amendment. It kind of reduces the pain.

I am not sure that the House has any memory at all. We have had this appropriation bill on the House floor at least five times since I have been chairman. The last time this amendment was offered was on the fiscal year 1981 bill, and it was defeated.

So let me try once again to explain to this body the unique difference between this bill and the 12 other appropriations bills that move through this Congress.

We have heard on this floor for the last 24 hours, day in and day out, in part by the gentleman from Pennsylvania, talking about a balanced budget; that what we need for the Federal Government is a balanced budget.

This is the only bill that Federal law requires must be balanced. This is spelled out in the Home Rule Act. The whole point is we should not spend more than we take in. This bill, by law, is already prohibited from doing that.

So in that sense, we have already achieved the goal that the gentleman from Pennsylvania stands in the well, in special orders and at other times, and talks about what we need is a balanced budget. I would assume that if we reached a balanced budget, he would then be coming in with a 2-percent cut in the balanced budget.

Now let me talk about what moneys are in this bill. There are two categories. The first category is Federal dollars. There are some $639 million Federal dollars in this bill.

That category is broken down into two parts: First is a Federal payment which is in lieu of the Federal Government paying property taxes. The reasons for that are constitutionally obvious, and the Federal Government occupies 41 percent of the land area in this community.

□ 1400

So by arrangement and by law, we give to the District of Columbia, in accordance with congressional authorizations, money each year in lieu of our paying property taxes. Last year we gave $386 million. This year we are giving $386 million.

Now the second part of the Federal money is in two categories. One is debts and obligations for sewer and water services the District provides to the Federal Government under a contractual arrangement. Another portion is the $52 million for the retirement system which is required by statute for part of the pension liability incurred as a result of actions by the Congress prior to home rule.

The amendment of the gentleman from Pennsylvania would say we should not pay for all of the services that have been rendered. We should pay only 98 percent of those contractual obligations. He would say that although we provided a Federal payment of $386 million last year and there is no raise as yet in that Federal payment—we should reduce it this year, because everybody knows that taxes are going down in assessments around the country.

Now the second part of the entire bill totals $1.7 billion. And where does that come from? Does it come from the Federal Government? No. It comes from revenues that the District raises on its own. The amendment makes no sense. Why should we be cutting the spending of the District Government. They went out and raised the money and here we want to cut that by 2 percent.

Do we want to cut capital outlays this year? No. Because it impacts on the Metro System. And the Metro System impacts on other areas in other adjacent communities.

Well, we could cut 2 percent from the deficit.

The CHAIRMAN. The time of the gentleman from California [Mr. DIXON] has expired.

(By unanimous consent, Mr. DIXON was allowed to proceed for 3 additional minutes.)

Mr. DIXON. Do we want to cut the $20 million in the bill to reduce the accumulated general fund deficit. We could cut 2 percent there. Do we want to cut 2 percent from the fire and police for the additional equipment that we are allowing them? Do we want to cut 2 percent from the school district?

Members of this House have come to me time and time again and said, "Let us make the public schools in this city a model educational community."

What I am trying to tell the Members is that to get up here and talk about cutting 2 percent, there are four categories. The Federal payment—a fair and square deal we give them in lieu of property taxes; Federal reimbursements for services we have contracted for; legislation we have passed; or money the District has raised by their own devises. And we say, let us cut 2 percent. It sounds great. We are really cutting and trimming. You are not cutting anything. You are either reneging on authorization bills that have passed this House or on services you have contracted for, or interfering in the District's business as to how they spend their own revenues from local property and income taxes.

Now the Mayor of this city has said from time to time that this is the last plantation in America. I disagree with that statement, but let us not make him right today on some sham of a 2-percent cut. We cut 2 percent and we are reneging on our responsibilities. In fact, that will be true if we make any cut at all.

Mr. COUGHLIN. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, the chairman of the subcommittee is indeed right. The District budget as contained in this bill is balanced. It is not only balanced, but we are providing a $20 million payment against the deficit. So it is actually in surplus by the $20 million we are applying against their accumulated deficit.

I would suggest that if we get this Nation in as good a shape as we have the District of Columbia, in terms of a balanced budget, we should all be very grateful.

Let me also say, Mr. Chairman, that the Federal payment, the money from the Federal taxpayers in this bill, is exactly the same amount of money from the Federal taxpayers as was involved in this bill last year. There is not a penny more, not a penny more than was involved last year.

The increases in this bill are strictly increases that were done by the District government under their right to home rule. Remember that they had to balance their budget and they had to raise their revenues. If they raise their expenses they have to raise their revenues. This is something that they did under their own home rule charter.

Now let me say one thing that we do as a subcommittee is provide oversight to the District of Columbia. In fact, we mandate that they spend more for public safety, for police, than perhaps they would like to. That has been a requirement we felt had to be imposed by this Congress to provide for the safety of the visitors to this great Nation's capital of ours. We mandated that they increase their expenses but they still have to have a balanced budget. This budget is balanced. The amount of the Federal payment is the same as last year and, indeed, we are providing an additional $20 million to reduce the deficit.

I urge defeat of the amendment.

Mr. MARLENEE. Mr. Chairman, will the gentleman yield?

Mr. COUGHLIN. I yield to the gentleman from Montana.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. COUGHLIN] has expired.

(At the request of Mr. MARLENEE and by unanimous consent, Mr. COUGHLIN was allowed to proceed for 2 additional minutes.)

Mr. MARLENEE. I thank the gentleman for yielding.

Mr. Chairman, I am on the verge of supporting the amendment, but can the gentleman give me the assurance that we have asked the D.C. police force and mandated more protection for the individuals who work and reside within this area?

I have a great concern about that. I have asked for some response from the police department and we have received none. This is over 2 months ago when we asked them to respond to us on an embassy question where a diplomat had run one of my staff people off the road. We have people's property being ripped off.

Can the gentleman tell me the status of that? Would the gentleman outline that and give me some assurance that these things are being followed up on.

Mr. COUGHLIN. I do not know the status of the distinguished gentleman's particular request, but certainly if we can get the information on that I am sure we can provide some answers.

We have mandated that the District of Columbia hire larger numbers of officers for their police force than they had proposed. We have insured that they maintain the number of police that we believe, as a subcommittee of this Congress, are necessary to provide public safety for the citizens and visitors here.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. COUGHLIN. I yield to the gentleman from California.

Mr. DIXON. I thank the gentleman for yielding.

I would point out to the gentleman that under the amendment of the gentleman from Pennsylvania or the amendment of the gentleman from South Dakota, one would cut the police by 2 percent, the other one would allow a 1-percent across-the-board cut and make it discretionary with the District government.

In either case, there is going to be cuts, in the police force. It is going to go down if either of these amendments is adopted.

Mr. MARLENEE. If the gentleman from Pennsylvania would yield further, let me advise the committee that I will be back next year unless we receive some response. I think we have to address the diplomatic—not diplomatic immunity—but diplomatic impunity with which a lot of people in this area are treated and the response of the police force to these. We must set up a monitoring system on cases where diplomats run people off the roads, such as a diplomat did to one of my staff people. We must address that. We must have some responses to Congress. At the very least we should have the courtesy of a response from the police chief or the Mayor when we make a request as a Member of Congress inquiring into such a situation.

I thank the gentleman.

Mr. COUGHLIN. Let me just say, of course, the question of diplomatic immunity is not one under the jurisdiction of this particular subcommittee. But we would be happy to follow through on the gentleman's request for information.

Mr. MARLENEE. I am concerned that they will not even come out and investigate a case and not even come out and send a police officer out to investigate an accident when one happens when it involves a diplomat. That is what I inquired about.

We need some kind of a monitoring system.

□ 1410

Mr. PARRIS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to this amendment and to the amendment of the gentleman from Pennsylvania [Mr. Walker] to which it applies.

I am very proud of the part that I and many other Members of this body played in the adoption of the Home Rule Act back in 1973. I think history has generally proven our judgment was basically correct in the adoption of the form and structure of that legislation. As has been pointed out by the chairman of this subcommittee, this is in fact a unique and extraordinary appropriation vehicle, unlike those that this Congress generally considers.

I have supported amendments similar to this and amendments of my good friend from Pennsylvania [Mr. Walker], in the past that cut 2 percent, or 1 percent. It is extremely difficult, to suggest that there is no duplication or inefficiency in any government anywhere and I do not believe that principle if different when applied to the District of Columbia. But I submit to my good friend from Pennsylvania and to the gentleman from South Dakota that the adoption of these amendments will not in fact eliminate whatever inefficiency, duplication, or waste or provide better government, that we would all like to see, in the District of Columbia. If this amendment were adopted, as Mr. Dixon has pointed out, there is only $639 million—even though that is a very large sum of money—but there is only $639 million of this money which is direct Federal contribution in lieu of taxes. You can make the point and the argument that if we reduced this budget by 1 percent, as the gentleman from South Dakota would have us do, the District of Columbia would simply have to go back and increase something like $7 million out of its own tax revenues, and it is already providing $1.7 billion. So we are literally not in effect doing anything laudatory other than reducing the Federal contribution by a picayune amount of money.

I submit to the gentleman from Pennsylvania and to the gentleman from South Dakota that the committee, has, in my view, done a laudatory job in a joint effort to solve some serious problems that many of us who do not have the privilege or the obligation to address these issues really are not even familiar with.

I submit that the amendments will therefore not accomplish the purpose for which they were intended and I hope that the House will reject both of them.

Mr. DASCHLE. Mr. Chairman, will the gentleman yield?

Mr. PARRIS. I yield to the gentleman.

Mr. DASCHLE. I largely share the view held by the gentleman from Virginia. I would only say that out of $600 million we ought to be able to find 1 percent, we ought to be able to do that, and we ought to be able to give the Mayor the discretion.

It may be that he can find that kind of savings right within the budget now. But we will never know unless we force him to try. And this gives him the discretion. I think the most significant thing is not the percentage in the difference between the gentleman from Pennsylvania and my amendment, but really the discretion. If we are going to give him the powers to administer that budget, then we ought to give him that kind of discretion.

So I would hope that people understand that there is a significant difference between the two amendments.

I thank the gentleman for yielding.

Mr. PARRIS. I appreciate the gentleman's contribution. I would just respond that I agree with the thrust of the gentleman's comments with regard to the discretionary involvement of the Mayor in the reductions, if any are required. But I submit that a balanced budget as a function of the Home Rule Act is in fact required. And the Mayor, and the city council, depending on how we structure this reduction mandate, would be required to go back into their tax revenues and make up the shortfall, so that we are not really cutting the budget at all if we adopt either of these two amendments.

Mr. DURBIN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by the gentleman from South Dakota [Mr. Daschle].

Mr. Chairman, during previous meetings of the House of Representatives, we have considered across-the-board budget cuts, and I have on many occasions supported these suggestions from both sides of the aisle, primarily because they were the only game in town. But today we have a clear choice and one that I think the membership will appreciate because in the amendment being offered by the gentleman from South Dakota I believe we have a more responsible approach to some of the more nettlesome questions that are affecting us here in Washington.

The amendment of the gentleman from South Dakota is fair and realistic, I think, for three reasons: Unlike the gentleman from Pennsylvania, the gentleman from South Dakota has limited his amendment to that portion of the District budget which is provided by Federal funds, $639 million, roughly. Second, by reducing that portion by 1 percent, the gentleman from South Dakota has reduced the level of increase for the District of Columbia from last year to this year to about the level of inflation. And, finally—and I think this is the most important point, and it has been brought up by the gentleman from South Dakota—the Mayor of the District of Columbia is given considerable discretion and latitude in choosing those portions of services, those portions of Government agency work that are very important for the District of Columbia and separating those from the cuts. Making certain that where the cuts do take place, they are done in a fair manner, rather than across the board and blind to the needs of the District of Columbia.

I support the amendment of the gentleman from South Dakota, and I urge all Members of the House to join in that support.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as usual, when we talk about cutting budgets, there is always a reason why we cannot do it here and there is always a reason why we cannot handle it in this phase of the spending that we do. I would suggest that we have heard an awful lot of that kind of argument with regard to this bill.

Let us point out the differences between these two amendments here. The gentleman from South Dakota offers an amendment that would save approximately $6 million. The amendment of the gentleman from Pennsylvania saves $46 million. That is a considerable difference in savings that the House may want to take under consideration.

We also have heard the gentleman describe his amendment as giving discretion to the Mayor. I would admit that that is by far a more preferable route than across-the-board cuts. While I did not raise it, because I would hope that in the future we could have similar kinds of amendments on similar bills, in fact that approach has been pointed out by some Members and some chairmen in the past as being a violation of the rules here in terms of legislating on an appropriation bill.

What the gentleman is offering is essentially a line-item veto authority for the Mayor of the city. It is very interesting that some of the people in this body who oppose line-item authority for the President of the United States seem to think that it might be a good idea to give it to the Mayor of the city. I would suggest that maybe it is a good idea across the board and that this is the type of amendment that we ought to offer in each case, that when we cut across the board that we give discretion to somebody to utilize some money.

It may be remembered that back when the HUD-Independent Agencies bill was before the House, the gentleman from Massachusetts [Mr. BOLAND] allowed such an amendment to be offered, and, sure enough, it was voted down, with the majority of the votes coming from the Democratic side. They were not about to give the President that kind of discretion to do what the gentleman from South Dakota suggests we ought to give the Mayor here today.

So I think we do have to weigh the two. I would think that the approach of the gentleman from South Dakota is a preferable approach in terms of administration. But I think that the House does have to take a look at the fact that we are talking about a difference in funding between $6 and $46 million.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Yes, I yield to my friend, the gentleman from Pennsylvania.

Mr. COUGHLIN. I am puzzled. Looking at the texts of the two amendments, the texts are identical, and yet it is said that they are very different. The only difference between the two amendments is that one says 2 percent and the other says 1 percent. Otherwise they are identical.

Mr. WALKER. Well, I thank the gentleman for pointing that out. I was going by the verbiage that we heard on the floor that indicates that there is some discretionary authority being given the Mayor here. I was simply going on what we were told. If that is not the case, it seems to me the effect of them is exactly the same, that what we have done is decided then between 1 and 2 percent.

Mr. COUGHLIN. There is a single word difference between the two amendments. One says "1" and the other says "2."

Mr. WALKER. In other words, the gentleman, in characterizing his amendment to only going to $600 and some million of the bill is wrong, and the gentleman is also wrong in terms of giving the Mayor discretion?

Mr. COUGHLIN. That is correct, because we appropriate the entire District of Columbia budget.

Mr. WALKER. Well, then the difference between the two bills, I would say—and I thank the gentleman for pointing that out because I think we do need to clarify it—then the difference between the two bills is the difference between $23 and $46 million.

I thank the gentleman from Pennsylvania very much.

Mr. PARRIS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Virginia.

Mr. PARRIS. My only problem with the suggestion—one of my problems that I have with the suggestion of the gentleman from Pennsylvania—is that under his mathematics he indicates to us that he is going to reduce the amount of money appropriated here by some $47 million, as I understood his comment.

Mr. WALKER. $46 million.

Mr. PARRIS. $46 million. Well, of that, in round numbers, 2 percent of the amounts of money that are dealt with in this legislation, of that, about $13 million would be Federal funds. The balance of roughly $33 million is, in fact, money that is raised in the normal processes of taxation of the residents and the citizens of the District of Columbia.

Now, does the gentleman seriously—aside from his general propensity to believe in the lower levels of spending of all governments—really believe that it is the function of this House to dictate to the municipal authorities of the District itself as to the level of taxation of its own citizens?

□ 1420

Mr. WALKER. I would say to the gentleman that that is a problem, but given the fact that we must approve these bills, it seems to me that we have abrogated to ourselves just that authority. To some extent then we end up speaking for the city in the budgeting authority. I would suggest that some of my neighbors in southwest Washington might be grateful for a chance to have their taxes cut a little bit.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(On request of Mr. PARRIS and by unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. PARRIS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I continue to yield to the gentleman.

Mr. PARRIS. I thank the gentleman for yielding.

If I might attempt to summarize, very briefly, I will not belabor this. In the crafting of the original home rule legislation, the theory was that if the District of Columbia in some irresponsible way at some time in the distant future were not to deal with its municipal requirements in a satisfactory way, so as to seriously impact on the quality of the Federal Capital, of the Nation's Capital, then in fact the Congress would have the authority to step in and do whatever has to be done to protect the Federal interest, and the Federal enclave.

Now, happily, that has not proven to be the case, and hopefully it never will be. But the point is the reason this committee appropriates technically the $1.7 billion of the District's own money is to ensure that the Federal interest is protected in that way, not that the internal infrastructure of the District is corrected or supervised in detail by this Congress. I think there is a giant difference in the approach of that principle and the simple provision of Federal revenue dollars from people from Pennsylvania or Idaho of Virginia.

Mr. WALKER. I thank the gentleman, and I guess what this gentleman is saying is that I think that we can simply protect the Federal interest at a little lower cost.

Mr. Speaker, I yield back the balance of my time.

Mr. McKINNEY. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I think I understand what the gentleman from Pennsylvania is trying to say, but in essence, it is none of our business. There is a very easy way to get out of this situation, I would suggest to the gentleman, and that is to give the District true home rule, and then for the Federal Government to pay the District for services it receives.

Over 50 percent of the land area of the 8.5 square miles of the District of Columbia is exempt. It is the Congress of the United States that gave the Scottish Rites Masons and everybody else from the Daughters of the American Revolution to the National Education Association tax-exempt status on some of the most valuable real estate in this city.

A visit by his Holiness, the Pope, cost the city $800,000 when in fact the Pope came here to see the President of the United States. It was determined by the Secret Service that the President's vehicle would not leave the White House grounds with just Secret Service protection, but would in fact leave with six or eight local motorcycle policemen.

Do you put a value on the real estate of the Capitol? Of Rock Creek Park? Do you put a value on the Mall?

I would suggest if what I had started to try to do 13 years ago had been done, and we developed a formula showing what in fact the U.S. Government receives, the citizens of Connecticut and Pennsylvania and every other State, for what they put into this District, there would be an enormous imbalance.

We in Congress have spoken with a forked tongue in this whole process. We turned around, and I was glad to have been part of it, and said we would give the District home rule. Then we decided we would take away the budget autonomy, then we decided we would have a line-item veto, then we decided we would take away the judicial autonomy, then we decided we would take away the right to tax commuters. The city of New York taxes commuters. The State of Virginia, indirectly, taxes commuters. The State of Maryland also indirectly taxes commuters; it is a well-known theory. But no, we say that 300,000-odd people will come in here and take the largest payroll and they will remove themselves. I do not object to it, with respect to the gentleman from Virginia's district, who so eloquently described the situation. They will take it back to Maryland and that is fine too. But that is a congressional decision; that was not a District decision. Any other jurisdiction would have the ability and the power to make that decision; we took that all away from the District of Columbia.

I have run for election now eight times. For the last five, my opponents have had a wonderful time. They put out a tabloid. It was quite inaccurate sometimes. They show the dump in Bridgeport and say, "This is Bridgeport, CT's, coliseum." Then they show our District of Columbia Convention Center and say, "This is the convention center that your Congressman built in Washington." They they show my poor, tired railroad station in Stamford, which, thank goodness, is being replaced with a $56 million facility, and they say "This is your Stamford railroad station." They show Union Station, one of the most beautiful buildings in the country, and say your Congressman voted to spend $60 million on this.

They have a wonderful time; it is a wonderful brochure. I love it. I love it, because as far as I am concerned, this city, through not the running of its peoples' lives, is the city of every single American in my district. This is the Capital of the United States of America. This Capitol has had a hard time from Congress since the day it was conceived.

There is a new book by Gore Vidal called "Lincoln"; read it.

Lincoln arrived in a city where not a dime had been spent on the White House in 50 years; it was the dump of all times. There was not even gas light. He arrived in a city where there was no dome on the Captial; there was a crane sticking out through it. He arrived in a city where the Washington Monument was marble blocks lying around and the Army, what Army the Union had, was slaughtering their cows and their pigs on the marble blocks which now make up the Washington Monument.

Come on, ladies and gentlemen, this is the Capitol City; we should not have any control over its citizens' lives; we keep a control for the national interest. Let us not interfere in the far too little we give the city considering what we take from it and what are constituents do.

Mr. DASCHLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise only to clarify one thing, and that was that a statement was made by the gentleman from Pennsylvania that our amendment only cuts $6 million while his cuts something like $48 million. That is not right.

Obviously, as the gentleman from Virginia pointed out, we have District funds and Federal funds. Ours cuts half the Federal funds that his does and half the District funds that his does I might emphasize here, once again, that we are under budget when it comes to the Federal payment. I clarify that and yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota [Mr. DASCHLE] to the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The question was taken; and on a division (demanded by Mr. WALKER) there were—ayes 6, noes 7.

RECORDED VOTE

Mr. DASCHLE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 138, noes 286, not voting 9, as follows:

[Roll No. 289]

AYES—138

Ackerman
Andrews (NC)
Andrews (TX)
Aspin
AuCoin
Barnard
Bates
Bedell
Biaggi
Boner
Bonior
Borski
Britt
Broomfield
Brown (CA)
Broyhill
Bryant
Carper
Chapple
Clarke
Coelho
Coleman (TX)
Cooper
D'Amours
Darden
Daschle
Dickinson
Dicks
Dorgan
Dowdy
Downey
Durbin
Dyson
Eckart
English
Erdreich
Evans (IA)
Feighan
Ferraro
Flippo
Foley
Fowler
Frost
Gaydos
Gephardt
Glickman
Gore
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Harkin
Hatcher
Hefner
Heftel
Hillis
Hubbard
Hughes
Jacobs
Jeffords
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kogovsek
Kolter
Kostmayer
LaFalce
Levitas
Lipinski
Long (LA)
Long (MD)
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
MacKay
Markey
Marlenee
McCandless
McCurdy
McGrath
McNulty
Mica
Miller (CA)
Miller (OH)
Minish
Morrison (WA)
Murphy
Myers
Neal
Nichols
Nowak
Obey
Panetta
Patterson
Pease
Penny
Pickle
Pursell
Ratchford
Ray
Richardson
Rose
Rowland
Rudd
Russo
Schaefer
Seiberling
Sharp
Shelby
Sikorski
Skeen
Skelton
Slattery
Smith (NJ)
Smith, Robert
Solarz
Staggers
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Traxler
Valentine
Vento
Watkins
Whitley
Williams (OH)
Wirth
Wise
Wright
Wyden
Yatron
Young (MO)

NOES—286

Addabbo
Akaka
Albosta
Alexander
Anderson
Annunzio
Anthony
Applegate
Archer
Badham
Barnes
Bartlett
Bateman
Beilenson
Bennett
Bereuter
Berman
Bethune
Bevill
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonker
Bosco
Boucher
Boxer
Breaux
Brooks
Brown (CO)
Burton (CA)
Burton (IN)
Byron
Campbell
Carney
Carr
Chandler
Chappell
Cheney
Clay
Clinger
Coats
Coleman (MO)
Collins
Conable
Conte
Conyers
Corcoran
Coughlin
Courter
Coyne
Craig
Crane, Daniel
Crane, Philip
Crockett
Daniel
Dannemeyer
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dixon
Donnelly
Dreier
Duncan
Dwyer
Early
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
Evans (IL)
Fascell
Fazio
Fiedler
Fields
Fish
Florio
Foglietta
Ford (MI)
Ford (TN)
Frank
Franklin
Frenzel
Fuqua
Garcia
Gejdenson
Gekas
Gibbons

Gilman
Gingrich
Gonzalez
Goodling
Gradison
Gramm
Gray
Green
Gregg
Guarini
Gunderson
Hall (IN)
Hammerschmidt
Hance
Hansen (UT)
Harrison
Hartnett
Hayes
Hertel
Hightower
Hiler
Holt
Hopkins
Horton
Howard
Hoyer
Huckaby
Hunter
Hutto
Hyde
Ireland
Jenkins
Johnson
Jones (NC)
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kramer
Lagomarsino
Lantos
Latta
Leach
Leath
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Lewis (CA)
Lewis (FL)
Livingston
Lloyd
Loeffler
Lott
Lungren
Mack
Madigan
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCloskey
McCollum
McDade
McEwen
McHugh
McKernan
McKinney
Michel
Mikulski
Mineta
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Mrazek
Murtha
Natcher
Nelson
Nielson
O'Brien
Oakar
Oberstar
Olin
Ortiz
Ottinger
Owens
Oxley
Packard
Parris
Pashayan
Patman
Paul
Pepper
Perkins
Petri
Porter
Price
Pritchard
Quillen
Rahall
Rangel
Regula
Reid
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rostenkowski
Roth
Roukema
Roybal
Sabo
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schulze
Schumer
Shaw
Shumway
Shuster
Siljander
Simon
Sisisky
Smith (IA)
Smith (NE)
Smith, Denny
Snowe
Snyder
Solomon
Spence
Spratt
St Germain
Stangeland
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Swift
Tauke
Taylor
Thomas (CA)
Towns
Udall
Vander Jagt
Vandergriff
Volkmer
Vucanovich
Walgren
Walker
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whittaker
Whitten
Williams (MT)
Wilson
Winn
Wolf
Wolpe
Wortley
Wylie
Yates
Young (AK)
Young (FL)
Zschau

NOT VOTING—9

Dingell
Dymally
Erlenborn
Hansen (ID)
Hawkins
Sensenbrenner
Shannon
Smith (FL)
Stark

□ 1440

Messrs. WEISS, HOYER, THOMAS of California, HOPKINS, and COURTER, Mrs. ROUKEMA, and Messrs. MACK, ROYBAL, WALGREN, and RINALDO changed their votes from "aye" to "no."

Messrs. EVANS of Iowa, DICKINSON, and D'AMOURS changed their votes from "no" to "aye."

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. Walker].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WALKER. Mr. Chairman, I demand a recorded vote. A recorded vote was ordered.

The vote was taken by electronic device, and there were ayes 239, noes 186, not voting 8, as follows:

[Roll No. 290]

AYES—239

Albosta
Alexander
Andrews (TX)
Anthony
Applegate
Archer
AuCoin
Badham
Barnard
Bartlett
Bennett
Bereuter
Bethune
Bevill
Bilirakis
Boehlert
Boner
Bonker
Bosco
Boucher
Brooks
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Campbell
Carper
Chandler
Chappie
Cheney
Clarke
Coats
Coleman (MO)
Coleman (TX)
Cooper
Corcoran
Courter
Craig
Crane, Daniel
Crane, Philip
D'Amours
Daniel
Dannemeyer
Darden
Daub
Davis
Derrick
DeWine
Dickinson
Dicks
Dowdy
Dreier
Duncan
Dyson
Eckart
Edwards (AL)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Feighan
Fiedler
Fields
Fish
Flippo
Fowler
Franklin
Frenzel
Gekas
Gibbons
Gilman
Gingrich
Glickman
Goodling
Gore
Gradison
Gramm
Gregg
Gunderson
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (UT)
Hartnett
Hatcher
Heftel
Hightower
Hiler
Hillis
Hopkins
Hubbard
Huckaby
Hughes
Hunter
Hutto
Jacobs
Jenkins
Jones (OK)
Jones (TN)
Kasich
Kazen
Kemp
Kindness
Kostmayer
Kramer
LaFalce
Lagomarsino
Latta
Leach
Leath
Lent
Levitas
Lewis (FL)
Livingston
Lloyd
Loeffler
Long (MD)
Lott
Lowery (CA)
Lujan
Luken
Lungren
Mack
MacKay
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
McCain
McCandless
McCollum
McCurdy
McEwen
McGrath
Mica
Mikulski
Miller (CA)
Miller (OH)
Minish
Molinari
Mollohan
Montgomery
Moore
Moorhead
Morrison (WA)
Murphy
Neal
Nelson
Nichols
Nielson
O'Brien
Olin
Oxley
Packard
Pashayan
Patman
Paul
Penny
Perkins
Petri
Pickle
Porter
Pursell
Regula
Rinaldo
Ritter
Roberts
Roemer
Rogers
Rostenkowski
Roth
Roukema
Rowland
Rudd
Russo
Sawyer
Schaefer
Schneider
Schroeder
Schulze
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Slattery
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
Spratt
Stangeland
Stenholm
Stratton
Stump
Sundquist
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torricelli
Valentine
Vander Jagt
Vandergriff
Volkmer
Vucanovich
Walker
Watkins
Weaver
Weber
Whitehurst
Whittaker
Williams (MT)
Williams (OH)
Winn
Wise
Wortley
Wyden
Wylie
Yatron
Young (FL)
Zschau

NOES—186

Ackerman
Addabbo
Akaka
Anderson
Andrews (NC)
Annunzio
Aspin
Barnes
Bateman
Bates
Bedell
Beilenson
Berman
Biaggi
Bliley
Boggs
Boland
Bonior
Borski
Boxer
Breaux
Britt
Brown (CA)
Bryant
Burton (CA)
Carney
Carr
Chappell
Clay
Clinger
Coelho
Collins
Conable
Conte
Conyers
Coughlin
Coyne
Crockett
Daschle
de la Garza
Dellums
Dingell
Dixon
Donnelly
Dorgan
Downey
Durbin
Dwyer
Early
Edgar
Edwards (CA)
Evans (IL)
Fascell
Fazio
Ferraro
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gonzalez
Gray
Green
Guarini
Hall (IN)
Harkin
Harrison
Hawkins
Hayes
Hefner
Hertel
Holt
Horton
Howard
Hoyer
Hyde
Ireland
Jeffords
Johnson
Jones (NC)
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kogovsek
Kolter
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin
Levine
Lewis (CA)
Lipinski
Long (LA)
Lowry (WA)
Lundine
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McDade
McHugh
McKernan
McKinney
McNulty
Michel
Mineta
Mitchell
Moakley
Moody
Morrison (CT)
Mrazek
Murtha
Myers
Natcher
Nowak
Oakar
Oberstar
Obey
Ortiz
Ottinger
Owens
Panetta
Parris
Patterson
Pease
Pepper
Price
Pritchard
Quillen
Rahall
Rangel
Ratchford
Ray
Reid
Richardson
Ridge
Robinson
Rodino
Roe
Rose
Roybal
Sabo
Savage
Scheuer
Schumer
Seiberling
Simon
Skelton
Smith (IA)
Solarz
St Germain
Staggers
Stokes
Studds
Swift
Torres
Towns
Traxler
Udall
Vento
Walgren
Waxman
Weiss
Wheat
Whitley
Whitten
Wilson
Wirth
Wolf
Wolpe
Wright
Yates
Young (AK)
Young (MO)

NOT VOTING—8

Dymally
Erlenborn
Hansen (ID)
Sensenbrenner
Shannon
Smith (FL)
Stark
Synar

□ 1500

Mr. FORD of Tennessee changed his vote from "aye" to "no."

Mrs. SCHROEDER and Mr. MOLINARI changed their votes from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. McKINNEY. Mr. Chairman, I move to strike the last word.

Ladies and gentlemen, I take this time not to question the concerted wisdom of the House but to hopefully suggest that the last vote has been misunderstood. As I look around this room I see a great many people, the distinguished former chairman, Mr. Natcher, the distinguished chairman of the subcommittee, Mr. Dixon, the ranking member, Mr. COUGHLIN, who understand what is a very complicated bill.

Quite frankly, I think that for 14 years I have done battle with this Mayor and with Mayors appointed by the President of the United States. I think that most of us, both on the Appropriations Committee and on the authorization committee have been extremely tough on the local government.

Let me explain one or two things to you. The budget of the District of Columbia is in balance. From what we went through earlier this morning in this House we know that is something we cannot say for our own Federal budget.

There is a tendency, and it is an admirable tendency, to cut 1 or 2 percent of Federal spending.

But you did not cut only Federal spending. What you did was to cut a budget that was approved by the Appropriations Committee, which you authorized in the authorizing bill, which is in balance, and which for the tremendous majority, well over $1.7 billion, is raised from the taxpayers of the District of Columbia, myself, I might add, included.

I think that anyone who looks at this in fairness would realize that it is the grossest interference, and I hope it was by mistake on our part, to wander in and cut a budget approved by the Mayor, approved by the City Council, approved by the authorizing committee with respect to Federal funding, and approved by the Appropriations Committee. In fact what you have done is, No. 1, impaired the running of the city; No. 2, not saved your taxpayers anything that amounts to anything; and, No. 3, left the Mayor with what will amount to a surplus in discretionary funds to probably, in the long run, do with what he wants to do.

Mr. BLILEY. Will the gentleman yield?

Mr. McKINNEY. I am delighted to yield to my friend from Virginia, a noted tax expenditure watcher.

Mr. BLILEY. I thank the gentleman for yielding. I do not know about his latter comments. But as a former mayor and councilman, I do agree with everything the gentleman in the well has said. I would like to further point out that this would be something I do not think that any of us would want to see happen to any of the cities or towns that we have in our districts.

They have considered this on the local level. They have passed it. And because of the Home Rule Act it must come up here to get final approval from this body.

□ 1510

But by cutting it you do not cut just the Federal payment, you cut the other $1.7 billion by 2 percent as well. And while speaking of the Federal payment, the Federal payment in this bill is the same Federal payment that this body, we approved last year, no raise, a freeze.

I thank the gentleman for yielding to me. I hope the Members would reconsider their action.

Mr. McKINNEY. I thank the gentleman from Virginia.

I would just hope, ladies and gentlemen, in a sense of fairness if the chairman should move to reconsider this vote that you would realize that in fact we are interfering in a governmental process, not for the sake of our taxpayers and in a governmental process which we have in fact approved by authorization and approved for the full committee line-by-line review of this budget.

We would not want it to happen to our cities, our towns, or our counties. It is frivolous in fact for us to do it to the city.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. McKINNEY. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, the gentleman has told us we are messing with the budget of Washington, DC.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. FRENZEL and by uninimous consent, Mr. McKINNEY was allowed to proceed for 2 additional minutes.)

Mr. FRENZEL. If the gentleman will continue to yield.

Mr. McKINNEY. I would be delighted to yield.

Mr. FRENZEL. The managers of the bill have told us that they have already modified the budget that was presented to them by the city. We are not modifying the city's budget; we are modifying a budget that was brought to us by the Appropriations Committee. If the committee can modify their budget, why can't we modify the Appropriations Committee budget?

I thought this was the supreme legislative body.

Mr. McKINNEY. I would suggest to my very good friend that I would not dare question what his committee has done in taxation unless I were an expert in that particular field.

The Subcommittee on Appropriations that oversees the District of Columbia looks into one of the most complicated city budgets you can find. It is an amalgam of far more items than other city budgets.

Mr. FRENZEL. This House just got done second guessing the tax committee and defeated two of our bills very soundly, and I see no reason why we cannot return the favor if we believe that is the right course for the Republic.

Mr. McKINNEY. The difference was it was your money and your taxpayers' money; this is not.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. McKINNEY. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Chairman, let me say that the modifications that were made by the District of Columbia Subcommittee to the District of Columbia's budget were largely to increase the amount the District of Columbia paid on its debt.

So not only is the District of Columbia's budget in balance, but they are paying back their accumulated deficit, which is certainly more than what I can say we are doing in the Nation as a whole.

This is a very different kind of appropriation bill because we are appropriating the entire budget for the District of Columbia. That budget is in balance. The Federal payment is not 1 penny more than it was last year.

I hope the House will reconsider its position.

Mr. DIXON. Mr. Chairman, I move to strike the last word.

Mr. Chairman and Members, I certainly want to join in what the gentleman from Connecticut has said, particularly in stressing the fact that this budget is not like the other 12 budgets that came on this House floor from the Committee on Appropriations.

As I look around this room, there are probably only six people who could stand up on the floor at this time and explain exactly what has happened. The budget of the District of Columbia is entirely different from the other 12 budgets.

It has been said here before that the District's budget must be balanced as required by law. Let us take the arguments and let us look at what this amendment does. It says, "Notwithstanding any provision of this act, each amount appropriated or otherwise made available in this act", that is any money in this bill, "is hereby reduced by 2 percent." I mean, is it any great thing to go home and say you cut the educational budget of the District of Columbia by 2 percent? Are your constituents really going to get excited about that and pat you on the back? Is it any great thing to go home and say you cut the police department by 2 percent or you cut St. Elizabeths Hospital by 2 percent? You could go home and say we saved some taxpayers' dollars, but of the $2.3 billion in this bill, the only Federal taxpayers' dollars is the $386 million that we pay the District in lieu of property taxes.

Well, how much money did you save us? We saved you $7 million by cutting back on what we gave last year. That is ridiculous; many people talk about the politics of these proposals.

The gentleman from South Dakota tried to add some mercy in here and tried to make it painless. If they are going to suffer, they ought to know why they are suffering. This is an invasion of home rule.

They raise $1.7 billion on their own and we are saying you have to cut that 2 percent. Everybody on this floor since I have been chairman and long before that, has been concerned about how much they can reduce the budget deficit.

We put in $10 million additional to reduce the District's general fund deficit, let us cut that, too; that is what this amendment does. It takes 2 percent away from what they would use to reduce their deficit.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I will be happy to yield.

Mr. LEWIS of California. I appreciate my colleague yielding.

I wonder if he would clarify for me that which I thought I heard him say. Is he telling me that within the rules of the game that this appropriations bill plays with, that the budget in the first place must be balanced, that is, the revenues must be at least equal to the expenditures.

Mr. DIXON. That is exactly what I am telling you. It is a point that some Members of this House are trying to reach.

The amount of money they take must equal the amount of money they spend. This is the balanced budget concept that so many people are advocating.

Mr. LEWIS of California. If the gentleman would yield further, is he telling me then that this 2-percent across-the-board cut would cut 2 percent out of the meat and bone of the educational system in the District of Columbia?

Mr. DIXON. I am telling you it would cut 2 percent out of every item including the meat and bone of education, the meat and the bone of the police department, and the meat and the bone of St. Elizabeths.

Mr. LEWIS of California. Let me ask a further question. I know we do have a crime problem in the District of Columbia; is the gentleman suggesting it would interfere with efforts to reduce crime in this city?

Mr. DIXON. It would cut the effectiveness of the crime fighting in this city by 2 percent.

Mr. LEWIS of California. Then indeed, Mr. DIXON, it seems to me that this is a different problem than the other appropriations bills and I think the gentleman makes a very good point.

Mr. DIXON. Thank you very much.

Let me conclude by saying that when we approach the District budget we do not approach it the same way as the other 12 appropriations bills. I cannot imagine anyone going home and really telling the true story and getting any praise for cutting somebody's budget of money that either belongs to them or money that they have raised themselves.

For instance, there is $24 million in this budget to pay for water and sewer services that the Federal Government has contracted for with the District. What we are saying is "we are not going to pay you the $24 million; we have decided to just arbitrarily cut it by 2 percent, because it sounds good to my folks back home." That is absolutely ridiculous.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. COUGHLIN and by unanimous consent, Mr. DIXON was allowed to proceed for 2 additional minutes.)

Mr. DIXON. So, I am saying for once in America, in this hall, do not play politics with this bill, do not think about the brochure or the town hall you are going to address to say that you have cut something, because you have not cut a thing.

You have only cut the right of the District Government to raise its own revenues, spend it in its own way, and for the Federal Government to pay its fair share, $386 million, the same amount we gave last year.

It was good enough for last year and we have not increased it this year, but you cut it by 2 percent anyhow. Now I do not think any constituency in America will pat you on the back for treating the District of Columbia this way.

Mr. Chairman, the amendment should be defeated.

Mr. COUGHLIN. Mr. Chairman, I move to strike the requisite number of words. I want to associate myself with the remarks of the distinguished chairman and just say this to my colleague, that one of the things that this subcommittee has required of the Mayor of this city is to provide a high level of police protection and provide adequate police protection for the visitors that come to our Nation's Capital every year.

□ 1520

What we are saying if we go through with this, to the Mayor, is, that he does not have to live up to the mandate that we have given him to provide that police protection, to provide that adequate number of uniformed police officers, he is going to cut that 2 percent or some other amount, some larger amount, to provide funds in other areas where he needs. We need that money if we are going to have the kind of Nation's Capital that we can be proud of and where our visitors and our constituents are going to be safe.

Mr. WALKER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I think after all of the rhetoric here we need to put in perspective what was done.

Last year this budget was $2.18 billion. Even with the 2 percent that we have cut the budget will be at $2.25 billion. So there will be more money than was spent last year in the budget. We save $46 million from what the Appropriations Committee brought to us.

It has been claimed now on the House floor that we are talking about as balanced budget—it has been claimed that we operate under a balanced budget concept. That is true.

So, therefore, what we are brought is the total package to the House floor. Any savings that you make with regard to the overall D.C. budget are therefore savings that we do not have to take out of the hide of the Federal taxpayer when we make up that balanced budget. Therefore, the reason why Members voted for the total budget is that is what we are presented.

As has been mentioned before by the gentleman from Minnesota, the Appropriations Committee comes to the floor making modifications in the budget. They feel that it is their prerogative to do so. It is my contention that the Committee of the Whole can also make modifications.

The modification that we have chosen to make here, by a rather overwhelming margin, is to cut 2 percent, but still leave the budget above what was spent last year. I would hope that this House, if we have a separate vote, will reratify that particular decision. It was a good decision. It was a decision which the taxpayers of this country would wholeheartedly endorse.

Mr. CARNEY. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from New York.

Mr. CARNEY. I thank the gentleman for yielding.

Mr. Chairman, I would ask the gentleman from Pennsylvania, however, how much of this budget is the Federal contribution? If I am not mistaken, it is the same as it was last year. What we are doing is we are reducing 2 percent of that $1.7 billion that the taxpayers, the residents of the District of Columbia, raised, through real estate taxes, sales taxes, et cetera.

I do not think I would fully appreciate the Congress of the United States coming into my hometown, Smithtown, Long Island, and balancing the budget with the money that they raised through those same types of things.

So I do not understand the point that the gentleman is trying to bring about.

Mr. WALKER. I am sure the taxpayers enjoy the applause.

I would say to the gentleman that his hometown is considerably different from this because we do not consider his hometown budget on this floor.

Mr. CARNEY. The gentleman is correct.

Mr. WALKER. What I think we need to do, I think we need to take a look at the fact that the District of

Columbia also gets over $500 million from other kinds of Federal contributions in other programs, so that we also have that amount of money that is going into the District of Columbia.

In this appropriation we have an opportunity to save a little bit of money and save the taxpayers of this country a little bit of money. We decided to do that and I suggest we stick with that decision.

Mr. CARNEY. If the gentleman would yield further, I would also point out that Smithtown, NY, is not going to have an inauguration next year. And it is not going to cost my hometown $2.4 million to provide the services that this city will have to provide to give our Nation an adequate inauguration. It is not going to cost my hometown $24 million for sewer services for the Federal Government. Now, let us not kid each other.

Mr. WALKER. Let it be noted to the taxpayers that the applause is coming from the Democratic side.

The House certainly distinguishes itself here this afternoon.

I would simply say to the gentleman that there are an awful lot of tax revenues derived in this city from the tourist business that is here because of the Federal Government being here as well. So this city is a benefactor of the fact that it is a National Capital.

All we are saying in this particular bill is the fact that we as a Congress have decided that one of the modifications we can make is a 2-percent, across-the-board cut. That does in fact impact on every taxpayer in every congressional district. If the Members want to do something to help the taxpayers in their congressional district, I suggest Members stick with the 2-percent cut.

I yield back the balance of my time.

Mr. DIXON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore. [Mr. BROWN of California] having assumed the chair, Mr. REID, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5899) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1985, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments by agreed to and that the bill, as amended, do pass.

The **SPEAKER** pro tempore. Without objection, the previous question is ordered.

There was no objection.

The **SPEAKER** pro tempore. Is a separate vote demanded on any amendment?

Mr. DIXON. Mr. Speaker, I demand a separate vote on the Walker amendment relating to 2 percent.

The **SPEAKER** pro tempore. Is a separate vote demanded on the remaining amendment. If not, the question is on that amendment.

The amendment was agreed to.

The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: On Page 25, after line 7, inset the following section:

SEC. 130. Notwithstanding any other provision of this Act, each amount appropriated or otherwise made available in this Act is hereby reduced by two percent.

The **SPEAKER** pro tempore. The question is on the amendment.

□ 1530

The question was taken; and on a division (demanded by Mr. WALKER) there were—ayes 30, noes 136.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER** pro tempore. The Chair will count; 247 Members are present, a quorum.

RECORDED VOTE

Mr. FRENZEL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 151, noes 273, not voting 9, as follows:

[Roll No. 291]

AYES—151

Andrews (TX)
Archer
Badham
Barnard
Bartlett
Bennett
Bethune
Bilirakis
Brooks
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Campbell
Carper
Chandler
Cheney
Coats
Coleman (MO)
Corcoran
Courter
Craig
Crane, Daniel
Crane, Philip
D'Amours
Dannemeyer
Daub
DeWine
Dreier
Duncan
Dyson
Eckart
English
Evans (IA)
Feighan
Fiedler
Fields
Franklin
Frenzel
Gilman
Gingrich
Glickman
Goodling
Gore
Gradison
Gramm
Gregg
Hall (OH)
Hall, Ralph
Hamilton
Hance
Hansen (UT)
Hartnett
Hightower
Hiler
Hopkins
Hubbard
Hunter
Jones (TN)
Kasich
Kemp
Kindness
Kostmayer
Kramer
LaFalce
Latta
Leach
Leath
Lent
Levitas
Lewis (FL)
Livingston
Lloyd
Loeffler
Long (MD)
Lott
Lujan
Luken
Lungren
Mack
MacKay
Madigan
Marlenee
Martin (IL)
McCain
McCandless
McCurdy
McEwen
McGrath
Miller (OH)
Minish
Molinari
Mollohan
Montgomery
Moore
Moorhead
Morrison (WA)
Nichols
Nielson
Olin
Oxley
Packard
Pashayan
Patman
Paul
Penny
Petri
Pursell
Regula
Rinaldo
Ritter
Roberts
Roemer
Rogers
Roth
Rowland
Rudd
Sawyer
Schaefer
Schulze
Shelby
Shumway
Shuster
Siljander
Skeen
Slattery
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Solomon
Spence
Stangeland
Stenholm
Stump
Sundquist
Tauzin
Thomas (CA)
Torricelli
Valentine
Vandergriff
Vucanovich
Walker
Weaver
Weber
Whittaker
Williams (MT)
Winn
Young (FL)
Zschau

NOES—273

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Annunzio
Anthony
Applegate
Aspin
AuCoin
Barnes
Bateman
Bates
Bedell
Beilenson
Bereuter
Berman
Bevill
Biaggi
Bliley
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brown (CA)
Bryant
Burton (CA)
Carney
Carr
Chappell
Chappie
Clarke
Clay
Clinger
Coelho
Coleman (TX)
Collins
Conable
Conte
Conyers
Cooper
Coughlin
Coyne
Crockett
Daniel
Darden
Daschle
Davis
de la Garza
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan
Dowdy
Downey
Durbin
Dwyer
Early
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
Erdreich
Evans (IL)
Fascell
Fazio
Ferraro
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gonzalez
Gray
Green
Guarini
Gunderson
Hall (IN)
Hall, Sam
Hammerschmidt
Harkin
Harrison
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hertel
Hillis
Holt
Horton
Howard
Hoyer
Huckaby
Hughes
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Kaptur
Kastenmeier
Kazen
Kennelly
Kildee
Kleczka
Kogovsek
Kolter
Lagomarsino
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin
Levine
Lewis (CA)
Lipinski
Long (LA)
Lowery (CA)
Lowry (WA)
Lundine
Markey
Marriott
Martin (NC)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McDade
McHugh
McKernan
McKinney
McNulty
Michel
Mikulski
Miller (CA)
Mineta
Mitchell
Moakley
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nowak
O'Brien
Oakar
Oberstar
Obey
Ortiz
Ottinger
Owens
Panetta
Parris
Patterson
Pease
Pepper
Perkins
Pickle
Porter
Price
Pritchard
Quillen
Rahall
Rangel
Ratchford
Reid
Richardson
Ridge
Robinson
Rodino
Roe
Rose
Rostenkowski
Roukema
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling

Sharp
Shaw
Sikorski
Simon
Sisisky
Skelton
Smith (IA)
Snowe
Snyder
Solarz
Spratt
St Germain
Staggers
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauke
Taylor
Thomas (GA)
Torres
Towns
Traxler
Udall
Vander Jagt
Vento
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitehurst
Whitley
Whitten
Williams (OH)
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (MO)

NOT VOTING—9

Dymally
Erlenborn
Hansen (ID)
Mica
Ray
Sensenbrenner
Shannon
Smith (FL)
Stark

□ 1540

Mr. VOLKMER changed his vote from "aye" to "no."

Mr. ROEMER changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1550

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic vote, and there were—yeas 308, nays 116, not voting 9, as follows:

[Roll No. 292]

YEAS—308

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Barnard
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Berman
Bevill
Biaggi
Bliley
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Boucher
Boxer
Breaux
Britt
Brooks
Brown (CA)
Bryant
Burton (CA)
Carney
Carper
Carr
Chandler
Chappell
Clarke
Clay
Clinger
Coelho
Coleman (TX)
Collins
Conable
Conte
Conyers
Cooper
Coughlin
Coyne
Crockett
D'Amours
Darden
Daschle
Davis
de la Garza
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan
Dowdy
Downey
Duncan
Durbin
Dwyer
Dyson
Early
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Emerson
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gore
Gradison
Gray
Green
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hamilton
Hammerschmidt
Harkin
Harrison
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hertel
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Huckaby
Hughes
Hunter
Hutto
Hyde
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kogovsek
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin
Levine
Levitas
Lewis (CA)
Lipinski
Long (LA)
Long (MD)
Lowery (CA)
Lowry (WA)
Lundine
Lungren
MacKay
Markey
Marriott
Martin (NC)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McDade
McHugh
McKernan
McKinney
McNulty
Michel
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Mollohan
Moody
Moore
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Natcher
Neal
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Panetta
Parris
Pashayan
Patterson
Pease
Pepper
Perkins
Pickle
Porter
Price
Pritchard
Quillen
Rahall
Rangel
Ratchford
Regula
Reid
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sharp
Shaw
Sikorski
Simon
Sisisky
Skelton
Slattery
Smith (IA)
Smith (NJ)
Snowe
Snyder
Solarz
Spratt
St Germain
Staggers
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Towns
Traxler
Udall
Valentine
Vander Jagt
Vento
Volkmer
Walgren
Waxman
Weiss
Wheat
Whitehurst
Whitley
Whitten
Williams (OH)
Wilson
Winn
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)

NAYS—116

Archer
AuCoin
Badham
Bartlett
Bereuter
Bethune
Bilirakis
Bosco
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Campbell
Chappie
Cheney
Coats
Coleman (MO)
Corcoran
Courter
Craig
Crane, Daniel
Crane, Philip
Daniel
Dannemeyer
Daub
DeWine
Dreier
Edwards (OK)
English
Evans (IA)
Fiedler
Fields
Frenzel
Gingrich
Gramm
Gregg
Hall, Ralph
Hall, Sam
Hance
Hansen (UT)
Hartnett
Hightower
Hiler
Hubbard
Ireland
Jones (OK)
Kazen
Kramer
Lagomarsino
Latta
Leach
Lent
Lewis (FL)
Livingston
Lloyd
Loeffler
Lott
Lujan
Luken
Mack
Madigan
Marlenee
Martin (IL)
McCain
McCandless
McCurdy
McEwen
McGrath
Miller (OH)
Molinari
Montgomery
Moorhead
Myers
Nielson
Oxley
Packard
Patman
Paul
Penny
Petri
Pursell
Ray
Ritter
Roberts
Roemer
Roth
Rudd
Schaefer
Schulze
Shelby
Shumway
Shuster
Siljander
Skeen
Smith (NE)
Smith, Denny
Smith, Robert
Solomon
Spence
Stangeland
Stenholm
Stump
Tauke
Taylor
Torricelli
Vandergriff
Vucanovich
Walker
Watkins
Weaver
Weber
Whittaker
Williams (MT)
Wyden
Zschau

NOT VOTING—9

Dymally
Erlenborn
Hansen (ID)
Leath
Mica
Sensenbrenner
Shannon
Smith (FL)
Stark

□ 1600

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DIXON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 4098, TO FREEZE SYNTHETIC FUEL CORPORATION

Mr. RUDD. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 4098, a bill to freeze the Synthetic Fuel Corporation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

PERMISSION FOR COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO HAVE UNTIL MIDNIGHT, THURSDAY, JULY 12, 1984, TO FILE REPORT ON H.R. 5196, FINANCIAL INSTITUTIONS EQUITY ACT OF 1984

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Finance and Urban Affairs have until midnight, Thursday, July 12, to file a committee report on H.R. 5196, the Financial Institutions Equity Act of 1984.

Mr. Speaker, this has been cleared with the gentleman from Ohio (Mr. Wylie), the ranking minority member.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH PROGRAMS

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2303) to revise and extend the alcohol and drug abuse and mental health service block grant, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

Mr. WALKER. Reserving the right to object, Mr. Speaker, I do so simply to check with the gentleman to find out whether this has been cleared by the minority. It is my understanding that it has been.

Mr. WAXMAN. Yes. It has been cleared by the minority. We seek to offer an amendment which will be the House-passed version of this so we can go into conference.

Mr. WALKER. It is my understanding that it has been cleared both by the gentleman from North Carolina [Mr. BROYHILL] and by the gentleman from Illinois [Mr. MADIGAN].

Mr. WAXMAN. That is correct.

Mr. WALKER. Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER.** pro tempore. Is there objection to the request of the gentleman from California?

Mr. SOLOMON. Reserving the right to object, Mr. Speaker, and I will not object; but I reserve my right just to ask a question of the chairman.

It is the Senate bill?

Mr. WAXMAN. We are seeking to take up the Senate bill, to put the House-passed version into it so that we can go into conference with the Senate.

Mr. SOLOMON. My question is, there is a bill floating around here called the Kennedy Center bailout, so named by the Washington Post. I understand that it is going to be attached to a Senate bill that is going to be sneaked into this Chamber.

I wonder if this has anything to do with the Kennedy Center?

Mr. WAXMAN. Mr. Speaker, if the gentleman will yield to me.

Mr. SOLOMON. I yield for the purpose of clarification.

Mr. WAXMAN. I have not heard of that bill, but that is not in this legislation.

Mr. SOLOMON. It is not a part of this bill?

Mr. WAXMAN. No.

Mr. SOLOMON. Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2303

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Alcohol and Drug Abuse and Mental Health Services Block Grant Amendments of 1984".

REFERENCE

SEC. 2. Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. Section 1911 is amended by striking out "and" after "1983," and by inserting before the period a comma and "$490,000,000 for fiscal year 1985, $518,000,000 for fiscal year 1986, and $547,000,000 for fiscal year 1987".

ALLOTMENT OF FUNDS

SEC. 4. Section 1912 is amended—

(1) by striking out subsection (a);

(2) by redesignating clauses (A) and (B) of subsection (b)(1) as clauses (i) and (ii), respectively;

(3) by striking out the matter preceding clause (i) of subsection (b)(1) (as redesignated by clause (2) of this section) and inserting in lieu thereof the following:

"(a)(1)(A) From the total amount described in subparagraph (B) for a fiscal year, the Secretary shall allot to each State for such fiscal year an amount which bears the same ratio to such total amount as the amounts—";

(4) by adding at the end of paragraph (1) of subsection (a) (as redesignated by the amendment made by clause (3) of this section) the following new subparagraph:

"(B) The total amount referred to in subparagraph (A) for a fiscal year is the portion of the amount appropriated under section 1911 for such fiscal year which is equal to the total amount allotted to States under this section for the fiscal year preceding such fiscal year.";

(5) by inserting after subsection (a) (as redesignated by the amendment made by clause (3) of this section) the following new subsection:

"(b)(1) For each State, the Secretary shall determine an amount for each fiscal year which is equal to the product of—

"(A) an amount equal to the amount which bears the same ratio to the total amount appropriated under section 1911 for such fiscal year as the population of the State bears to the sum of the populations of all States, multiplied by

"(B) 50 percent.

"(2) If the amount determined by the Secretary for a State for a fiscal year under paragraph (1) of this subsection exceeds the amount allotted to such State for such fiscal year under paragraphs (1), (2), and (3) of subsection (a), the Secretary shall allot to such State from the amount described in paragraph (3) of this subsection an amount equal to the amount of such excess.

"(3) The amount referred to in paragraph (2) for a fiscal year is an amount equal to the difference between the amount appropriated under section 1911 for such fiscal year and the total amount allotted to States under this section for the fiscal year preceding such fiscal year.

"(4) If, after making all the allotments required by paragraph (2) of this subsection for a fiscal year from the amount described in paragraph (3) of this subsection for such fiscal year, the Secretary determines that the sum of all such allotments for such fiscal year does not exceed the amount described in paragraph (3) of this subsection for such fiscal year, the Secretary shall allot the remainder of the amount described in paragraph (3) of this subsection for such fiscal year among the States in accordance with paragraphs (1), (2), and (3) of subsection (a) and without regard to the allotments made under paragraph (2) of this subsection.";

(6) by inserting "under this subsection or subsection (b)" before "because" in subsection (a)(4); and

(7) by striking out "subsection (b)" the first two places it appears in subsection (c) and inserting in lieu thereof "subsections (a) and (b)".

REVIEW OF ALLOCATION OF FUNDS

SEC. 5. Section 1912(d) is amended to read as follows:

"(d)(1) The Secretary shall enter into an agreement with a nongovernmental entity to review the distribution of funds allotted to the States under this part during each of the fiscal years 1982, 1983, and 1984 for the purpose of determining whether a formula for the distribution of funds available for allotment to States under this section can be devised which is more equitable than the formula specified under subsection (a). In conducting such review, such entity shall consider—

"(A) the financial resources of the various States;

"(B) the populations of the States;

"(C) any relevant conditions or circumstances which have changed since the date of enactment of this part; and

"(D) any other factor which the Secretary may consider appropriate.

"(2) In conducting the review required by this subsection, such entity shall consult with appropriate representatives of State and local governments.

"(3) By October 1, 1985, the Secretary shall prepare and transmit to the Congress a report concerning the review conducted under this subsection which includes such recommendations as the Secretary considers appropriate.".

USE OF FUNDS FOR ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH ACTIVITIES

SEC. 6. Section 1915(c) is amended—

(1) by striking out "fiscal year 1984" in paragraph (6)(C) and inserting in lieu thereof "each of the fiscal years 1984, 1985, 1986, and 1987"; and

(2) by inserting after paragraph (13) the following new paragraph:

"(14) That, in determining programs and activities to be conducted with amounts available in any fiscal year for programs and activities for the prevention and treatment of alcoholism, alcohol abuse, and drug abuse, the State agrees to—

"(A) give special attention to programs and activities for the prevention and treatment of alcoholism, alcohol abuse, and drug abuse among women, including homemakers, single women, single and divorced mothers, widowed mothers, displaced homemakers, pregnant women, and women who have attained the age of 60 years; and

"(B) coordinate the programs and activities described in subparagraph (A) with programs and activities carried out under section 1920.".

AUDITS AND DATA COLLECTION

SEC. 7. (a) Section 1916(b)(2) is amended by striking out "Each State shall annually" and inserting in lieu thereof "Every two years, each State shall".

(b) Section 1916 is amended by adding at the end thereof the following new subsection:

"(d) The Secretary, in consultation with appropriate national organizations, shall develop model criteria and forms for the collection of data and information with respect to services provided under this part in order to enable States to share uniform data and information with respect to the provision of such services.".

ELIMINATION OF REPORT

Sec. 8. Section 1916(b)(6) is repealed.

TRANSITION

Sec. 9. Section 1920 is repealed.

ALCOHOLISM, ALCOHOL ABUSE, AND DRUG ABUSE AMONG WOMEN

Sec. 10. Part B of title XIX is amended by adding at the end thereof the following new section:

"ALCOHOLISM, ALCOHOL ABUSE, AND DRUG ABUSE AMONG WOMEN

"Sec. 1920. (a) In addition to the amounts appropriated under section 1911, there are authorized to be appropriated $7,000,000 for each of the fiscal years 1985, 1986, and 1987, for allotments to States for programs and activities for the prevention and treatment of alcoholism, alcohol abuse, and drug abuse among women, including homemakers, single women, single and divorced mothers, widowed mothers, displaced homemakers, pregnant women, and women who have attained the age of 60 years.

"(b) Amounts appropriated under this section shall be allotted in accordance with subsections (a), (b), and (c) of section 1912.

"(c) Except to the extent inconsistent with this section, the provisions of sections 1913, 1914(a)(2), 1914(b), 1914(d), 1915(a), 1915(c)(1), 1915(c)(8), 1915(c)(9), 1915(c)(10), 1915(c)(11), 1915(c)(12), 1915(d), 1916, 1917, 1918, and 1919 shall apply to the payment and administration of amounts appropriated under this section, and to programs and activities carried out with such amounts, in the same manner as such sections apply to the payment and administration of amounts appropriated under section 1911 and to programs and activities carried out with amounts appropriated under such section.".

DEMONSTRATION PROJECTS FOR MENTAL HEALTH SERVICES

Sec. 11. Part B of title XIX (as amended by section 10 of this Act) is further amended by adding at the end thereof the following new section:

"DEMONSTRATION PROJECTS

"Sec. 1920A. (a) The Secretary may make grants to States, political subdivisions of States, and private nonprofit agencies for mental health services demonstration projects for the planning, coordination, and improvement of community services for chronically mentally ill individuals, seriously mentally disturbed children, and elderly individuals, and for the conduct of research concerning such services.

"(b) The Secretary may make a grant to a State, a political subdivision of a State, or a private nonprofit agency under this section for not more than three consecutive one year periods, except that the Secretary may waive the provisions of this subsection with respect to a particular grant if the Secretary determines that extenuating circumstances exist which merit such waiver.

"(c) To carry out this section, there are authorized to be appropriated $20,000,000 for each of the fiscal years 1985, 1986, and 1987.".

GRANTS FOR STATE COMPREHENSIVE MENTAL HEALTH PLANS

Sec. 12. Part B of title XIX (as amended by sections 10 and 11 of this Act) is further amended by adding at the end thereof the following new section:

"STATE COMPREHENSIVE MENTAL HEALTH PLANS

"Sec. 1920B. (a) From amounts appropriated to carry out section 301, the Secretary may make grants to States for the purpose of developing State comprehensive mental health plans. Each State comprehensive mental health plan developed with a grant under this section shall describe, in a form and according to standards established by the Secretary—

"(1) the mental health resources in the State;

"(2) the sources of funding for mental health services provided in the State, including—

"(A) funding from Federal programs such as this part and title XIX of the Social Security Act;

"(B) State appropriations; and

"(C) to the extent that States are provided information, funds provided by private third party insurance coverage;

"(3) State efforts to coordinate the provision of mental health services; and

"(4) State measurable goals and objectives to improve the delivery of mental health services in the State, including efforts to increase services for chronically mentally ill individuals, seriously mentally disturbed children, and elderly individuals and to establish a comprehensive community-based system of care for chronically ill mental individuals.

"(b) By October 1, 1986, the Secretary shall prepare and transmit a report to Congress which contains an analysis of the implementation by States of State comprehensive mental health plans developed with grants under this section and recommendations for legislation to encourage the achievement of goals and objectives established under such State plans.".

TECHNICAL ASSISTANCE

Sec. 13. Section 301 is amended by adding at the end thereof the following new subsection:

"(c) With respect to programs carried out under part B of title XIX, the Secretary shall provide technical assistance to States and conduct data collection activities.".

EFFECTIVE DATE

Sec. 14. This Act and the amendments and repeals made by this Act shall take effect on October 1, 1984.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. Waxman: Strike out all after the enacting clause and insert in lieu thereof the following:

TITLE I—ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH SERVICES

Sec. 101. This title may be cited as the "Alcohol Abuse, Drug Abuse, and Mental Health Amendments of 1984".

Sec. 102. Section 1911 of the Public Health Service Act (42 U.S.C. 300x) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$532,000,000 for fiscal year 1985, $564,000,000 for fiscal year 1986, and $598,000,000 for fiscal year 1987".

Sec. 103. (a) Title XIX of the Public Health Service Act is amended by striking out section 1912 and inserting in lieu thereof the following:

"GRANTS

"Sec. 1912. (a) The Secretary may use not more than 1 percent of the amount appropriated under section 1911 for any fiscal year to make grants to public and nonprofit private entities for projects for the training and retraining of employees adversely affected by changes in the delivery of mental health services and for providing such employees assistance in securing employment.

"(b) No grant may be made by the Secretary under subsection (a) unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain and be accompanied by such information, as the Secretary may specify. No such application may be approved unless it contains assurances that the applicant will use the funds provided only for the purposes specified in the approval application and will establish such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement and accounting of Federal funds paid to the applicant under subsection (a).

"ALLOTMENTS

"Sec. 1913. (a)(1) If the amount available for allotment from appropriations under section 1911 for a fiscal year does not exceed $528,000,000, the Secretary shall allot such amount—

"(A) on the basis of a formula prescribed by the Secretary which is based equally—

"(i) on the population of each State, and

"(ii) the population of each State weighted by its relative per capita income, or

"(B) on the basis of the amount received by a State in fiscal year 1984,

whichever yields a higher amount. For purposes of subparagraph (A), the term "relative per capita income' means the quotient of the per capita income of the United States and the per capita income of the State, except that if the State is Guam, American Samoa, the Northern Marianas, the Trust Territory of the Pacific, the Commonwealth of Puerto Rico, and the Virgin Islands, the quotient shall be considered to be one.

"(2) If the amount available for allotment from appropriations under section 1911 for a fiscal year exceeds $528,000,000, the Secretary shall allot $528,000,000 in accordance with paragraph (1) and shall allot the amount which is in excess of such amount on the basis of the formula described in paragraph (1)(A).

"(3) Notwithstanding paragraph (1), if the aggregate of the amounts to be allotted to each State pursuant to paragraph (1)(B) in any fiscal year exceeds the total of the amount appropriated under section 1911 for allotments to States, the amount to be allotted to a State shall for such fiscal year be an amount which bears the same ratio to the amount which is to be allotted to the State pursuant to such paragraph as the total of the amount appropriated under section 1911 for allotments bears to the total of the amount required to be appropriated under such section for allotments to provide each State with the allotment required by such paragraph.

"(4) To the extent that all the funds appropriated under section 1911 for a fiscal year and available for allotment in such fiscal year are not otherwise alloted to States because—

"(A) one or more States have not submitted an application or description of activities in accordance with section 1915 for the fiscal year;

"(B) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

"(C) some State allotments are offset or repaid under section 1916(b)(3);

such excess shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for the fiscal year without regard to this paragraph.

"(b)(1) If the Secretary—

"(A) receives a request from the governing body of an Indian tribe or tribal organization within any State that funds under this part be provided directly by the Secretary to such tribe or organization, and

"(B) determines that the members of such tribe or tribal organization would be better served by means of grants made directly by the Secretary on this part,

the Secretary shall reserve from amounts which would otherwise be allotted to such State under subsection (a) for the fiscal year the amount determined under paragraph (2).

"(2) The Secretary shall reserve for the purpose of paragraph (1) from amounts that would otherwise be allotted to such State under subsection (a) an amount equal to the amount which bears the same ratio to the State's allotment for the fiscal year involved as the total amount provided or allotted for fiscal year 1980 by the Secretary to such tribe or tribal organization under the provisions of law referred to in subsection (a)(2) bore to the total amount provided or allotted for such fiscal year by the Secretary to the State and entities (including Indian tribes and tribal organizations) in the State under such provisions of law.

"(3) The amount reserved by the Secretary on the basis of a determination under this subsection shall be granted to the Indian tribe or tribal organization serving the individuals for whom such a determination has been made.

"(4) In order for an Indian tribe or tribal organization to be eligible for a grant for a fiscal year under this subsection, it shall submit to the Secretary a plan for such fiscal year which meets such criteria as the Secretary may prescribe.

"(5) The term "Indian tribe" and "tribal organization" have the same meaning given such terms in section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act.".

(b) Section 1915(c)(6) of such Act (41 U.S.C. 300x4(c)(6)) is amended by striking out subparagraphs (B) and (C) and inserting in lieu thereof the following:

"(B) The State agrees to use 75 percent of the funds allotted to it under section 1912 for fiscal years beginning after fiscal year 1984 for the mental health and alcohol drug abuse activities prescribed by section 1914(a) as prescribed by subparagraph (A).".

(c) Such section 1915(c) is amended—

(1) in paragraph (2) by striking out "fiscal years 1982, 1983, and 1984" and inserting in lieu thereof "fiscal years 1985, 1986, and 1987";

(2) by adding at the end thereof the following:

"(14) The State will, not later than October 1, 1984, as prescribed by the Secretary by regulation, collect data on alcoholism, alcohol abuse, drug abuse, and mental illness in the State using a uniform system prescribed in such regulation.

"(15) The chief executive officer of the State may establish a State mental health services planning council which will serve as an advocate for chronically mentally ill individuals, seriously mentally ill children, adolescents, and elderly individuals, other individuals with mental illness or emotional problems and which will monitor, review, and evaluate, not less often than annually, the allocation and adequacy of mental health services within the State. Such a council shall be made up of residents of the State and include in its membership representatives of the principal State agencies involved in mental health, higher education training facilities, and public and private entities concerned with the need, planning, operation, funding, and use of mental health and related services and activities. At least one half of the membership shall consist of individuals who are not State employees or providers of mental health services.

"(16) The State agrees to use an amount equal to at least 10 percent of the funds under its allotment which are to be used for mental health activities to establish new comprehensive community mental health programs for unserved areas or for underserved populations.";

"(17) The State agrees to use not less than 10 percent of the funds allotted to it under this part to initiate and expand alcohol and drug abuse services for women and to initiate and expand mental health services for severely disturbed children and adolescents. The services described in this paragraph are in addition to the services to be provided under paragraph (16)."; and

(3) by striking out the last sentence.

(d)(1) Section 1915 is amended by redesignating subsection (e) as subsection (g) and by inserting after subsection (d) the following new subsection:

"(e) The chief executive officer of a State may prepare and submit a comprehensive mental health plan which shall include—

"(1) an identification of the mental health service areas within the State and the agency responsible for the delivery and coordination of mental health services within the State;

"(2) an identification of the need in each mental health service area of the State for mental health and related services, particularly the need for services by chronically mentally ill individuals, seriously mentally ill children, adolescents, and elderly individuals, and other identified populations;

"(3) a description of the resources devoted to and activities to be carried out under the plan, incuding—

"(A) a description of mental health activities funded or supported under this Act,

"(B) a description of mental health activities funded or supported by State appropriations,

"(C) a description of mental health and related support activities funded under or supported through title XIX of the Social Security Act and other programs of Federal assistance, and

"(D) a description of mental health activities reimbursed in the State by private third party insurance coverage;

"(4) the mental health prevention and treatment objectives to be achieved under the plan and a listing of the programs and resources to be used to meet such objectives;

"(5) a strategy for the establishment and implementation for the chronically mentally ill of an organized community-based system of care which shall provide for quantitative targets to be achieved in the implementation of the plan, including numbers of chronically mentally ill persons residing in the areas to be served, services to be provided to such individuals in gaining access to essential mental health services, and medical and dental care and rehabilitation services, and employment, housing, and other support services designed to enable chronically mentally ill individuals to function outside of inpatient institutions to the maximum extent of their capabilities;

"(6) targets for provision of community-based mental health services for underserved populations, with particular emphasis on the elderly, children and adolescents, and individuals residing in areas without adequate outpatient treatment facilities; and

"(7) a method for the periodic evaluation of the plan's effectiveness in meeting the objectives set forth in the plan.

"(f) The Secretary shall report annually to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate on the new programs initiated and services expanded in accordance with subsection (c)(17). The report shall include a detailed description of such programs and services, an assessment of the adequacy of such programs and services in meeting the alcohol and drug abuse treatment needs of women and the need for mental health services of severely disturbed children and adolescents, and such other information, including legislative and administrative recommendations, as the Secretary deems appropriate.".

(2) Section 1915(c)(2) is amended by striking out "(e)" and inserting in lieu thereof "(g)".

(3) Section 1915(c)(4)(C) is amended by inserting before the first comma the following: "or psychosocial rehabilitation services".

(e) Paragraph (2) of section 1916(b) is amended to read as follows:

"(2) Each State shall provide for one of the following:

"(A) A financial and compliance audit of the funds provided the State under section 1913. Such audits shall be performed annually and shall be conducted in accordance with standards established by the Comptroller General for the audit of governmental organizations, programs, activities, and functions.

"(B) A single financial and compliance audit of each entity administering funds provided under section 1913. An audit of such an entity shall be conducted annually and conducted in accordance with standards prescribed by the Comptroller General under subparagraph (A), except that if the entity is an entity of a government which operates on a biennial fiscal period, such audit may be made biennially.

Within 30 days after completion of an audit under subparagraph (A) or (B), a copy of the audit report shall be transmitted to the State legislature and the Secretary and shall be made available for public inspection. For purposes of subparagraphs (A) and (B), the term 'financial and compliance audit' means an audit to determine whether the financial statements of an audited entity present fairly the financial position and the results of financial operations in accordance with generally accepted accounting principles, and whether the entity has complied with laws and regulations that may have a material effect upon the financial statements.".

(f) Section 1916(a) (42 U.S.C. 300x-5(a)) is amended by striking out "and (3)" and inserting in lieu thereof "(3) to furnish the Secretary a detailed description of the programs to be supported in accordance with section 1915(c)(17), and (4)".

(g)(1) Sections 1911, 1913, 1914, 1915, 1916, and 1918 are each amended by striking out "1912" each place it occurs and inserting in lieu thereof "1913".

(2) Sections 1914, 1915, and 1916 are each amended by striking out "1913" each place it occurs and inserting in lieu thereof "1914".

(3) Sections 1913 and 1915 are each amended by striking out "1914" each place it appears and inserting in lieu thereof "1915".

(4) Section 1913, 1914, 1916, 1917, and 1920 of such Act are each amended by striking out "1915" each place it occurs and inserting in lieu thereof "1916".

(5) Sections 1912 and 1913 are each amended by striking out "1916" each place it occurs and inserting in lieu thereof "1917".

(6) Section 1915 is amended by striking out "1917" and inserting in lieu thereof "1918".

(7) The section of the Public Health Service Act entitled "Payments Under Allotments to States" is redesignated as section 1914 and the existing section 1914 and sections 1915 through 1920 are redesignated as sections 1915 through 1920A, respectively.

(h)(1) Section 1920A of such Act (as so redesignated) is amended to read as follows:

"ADMINISTRATION

"Sec. 1920A. The Secretary, shall through fiscal year 1987 administer this part through the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration.".

(2) Subsections (b) and (c) of section 501 of such Act are each amended by striking out "Administration" and inserting in lieu thereof "Administrator" and subsection (e)(1) of such section is amended by striking out "administration" and inserting in lieu thereof "Administration".

Sec. 104. (a) Section 501(a) of the Public Health Service Act is amended by inserting "(1)" after "(a)" and by adding at the end the following:

"(2) There shall be in the Administration an Associate Administrator for Special Populations to identify and assess the needs of minorities and women for alcohol and drug abuse and mental health services, to assure that the research being conducted or supported under this title includes woman and minorities, and to assure that research training being provided or supported under this title includes women and minorities.

(b) Section 501(c) of the Public Health Service Act is amended to read as follows:

"(c)(1) There is established the Alcohol, Drug Abuse, and Mental Health Strategy Council (hereinafter in this subsection referred to as the 'Council'). The Council shall—

"(A) periodically assess the national needs for alcoholism, alcohol abuse, drug abuse, and mental health services and the extent to which those needs are being met by State, local, and private programs and programs receiving funds under this title, and

"(B) provide advice to the Secretary and the Administrator respecting activities carried out under this title.

"(2)(A) The Council shall consist of fifteen members appointed by the Secretary and such ex officio members from the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, and the National Institute of Mental Health as the Secretary may designate. Of the members appointed to the Council, at least six members shall represent State and local providers of prevention and treatment services for alcoholism, alcohol abuse, drug abuse, and mental illness, at least six members shall be individuals with expertise in public education and prevention services for alcoholism, alcohol abuse, drug abuse, and mental illness, and at least three members shall be appointed from members of the general public who are knowledgeable about alcoholism, alcohol abuse, drug abuse, and mental illness.

"(B) The term of office of a member appointed to the council is four years, except that of the members first appointed to the council—

"(i) five shall serve for terms of one year,

"(ii) five shall serve for terms of two years,

"(iii) five shall serve for terms of three years, as designated by the Secretary at the time of appointment. Any member appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of his term until his successor has taken office.

"(3)(A) Except as provided in subparagraph (B), members of the Council shall (i) be paid not more than the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including travel time) during which they are engaged in the actual performances of duties vested in the Council, and (ii) while away from their homes or regular places of business and while serving in the business of the Council, be entitled to receive transportation expenses as prescribed by section 5703 of title 5, United States Code.

"(B) Members of the Council who are full-time officers or employees of the United States shall receive no additional pay, allowances, or benefits by reason of their service on the Council.

"(4) The Council may appoint such staff personnel as the Council considers appropriate.

"(5) The Secretary shall designate the chairman of the Council.

"(6) The Council shall meet at least three times each calendar year.

"(7) The Council shall report annually to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate on its activities during the period reported on and shall include in such report such recommendations for legislation and administrative action as it deems appropriate.".

(c) Section 501 is amended by inserting at the end the following:

"(g)(1) The Administrator may obtain (in accordance with section 3109 of title 5, United States Code, but without regard to the limitation in such section on the number of days or the period of service) the services of not more than 20 experts or consultants who have scientific or professional qualifications. Such experts and consultants shall be obtained for the Administration and for each of the research institutes under the Administration.

"(2)(A) Experts and consultants whose services are obtained under paragraph (1) shall be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with sections 5742, 5742a(a)(1), 5742a(a)(3), and 5726(c) of title 5, United States Code.

"(B) Expenses specified in subparagraph (A) may not be allowed in connection with the assignment of an expert or consultant whose services are obtained under paragraph (1), unless and until the expert or consultant agrees in writing to complete the entire period of his assignment of 1 year, whichever is shorter, unless separated or reassigned for reasons beyond his control that are acceptable to the Secretary. If the expert or consultant violates the agreement, the money spent by the United States for these expenses is recoverable from him as a debt of the United States. The Secretary may waive in whole or in part a right of recovery under this subparagraph.".

(d) Subsection (e) of section 504 of the Public Health Service Act is repealed.

Sec. 105. Part A of title V of the Public Health Service Act is amended by adding at the end the following:

"DEMONSTRATION, DATA, AND TECHNICAL ASSISTANCE

"Sec. 507. (a) The Secretary, acting through the Administrator, may make grants to public and nonprofit private entities to carry out activities to demonstrate prevention and treatment services for alcoholism and alcohol abuse, drug abuse, and mental illness. No grant may be made under this subsection for more than 3 years and the Secretary shall disseminate to the public the results of activities undertaken under such a grant.

"(b) The Secretary shall collect and compile data submitted under section 1916(c)(14) and shall provide technical assistance to public and nonprofit entities to assist in the administration of programs for which funds were provided under an allotment under part B of title XIX and in the administration of funds provided under such an allotment.".

Sec. 106. Subsection (d) of section 502 of the Public Health Service Act is amended to read as follows:

"(d) The Secretary, acting through the Administrator, shall make grants to schools of medicine to support the training of students in such schools in the identification and treatment of alcohol and drug abuse. Grants under this subsection shall be made from funds available under this title and section 303.".

Sec. 107. Section 503 of the Public Health Service Act is amended by striking out subsection (d) and by redesignating subsection (e) as subsection (d).

Sec. 108. (a) The first sentence of section 512 of the Public Health Service Act is amended by striking out "and" after "1983" and inserting in lieu thereof a comma and by inserting a comma before the period at the end and the following: "$48,000,000 for fiscal year 1985 and $55,000,000 for fiscal year 1986".

(b) Section 515(c) of such Act is amended by striking out "and" after "1983" and inserting in lieu thereof a comma and by inserting a comma before the period at the end and the following: "$64,000,000 for fiscal year 1985 and $72,000,000 for fiscal year 1986".

Sec. 109. The Secretary of Health and Human Services shall present to the Congress by April 15, 1985, a comprehensive national plan to combat alcoholism and alcohol abuse. The plan shall include—

(1) a current estimate of the social and economic costs of alcoholism and alcohol abuse to the Nation,

(2) an assessment of unmet treatment and rehabilitation needs,

(3) an assessment of personnel needs in the fields of research, treatment, rehabilitation, and prevention,

(4) an assessment of the integration and financing of alcoholism treatment and rehabilitation into the Nation's health care delivery system,

(5) a statement of the Department of Health and Human Services' specific goals and objectives for meeting unmet treatment and rehabilitation needs, for meeting personnel needs, and for reducing the social and economic costs of alcoholism and alcohol abuse to the Nation,

(6) a delineation of specific legislative and administrative recommendations and departmental strategies for accomplishing the Department's goals and objectives,

(7) an analysis of available resources, including current public and private expenditures, to combat alcoholism and alcohol abuse, and

(8) an estimate of needed resources, both private and public, to accomplish the Department's goals and objectives.

Sec. 110. (a) Section 102(28) of the Controlled Substances Act (21 U.S.C. 802) is amended by striking out "twenty-one" and inserting in lieu thereof "one hundred and eighty".

(b) The Secretary of Health and Human Services shall, within ninety days of the date of the enactment of this Act, promulgate regulations for the administration of section 102(28) of the Controlled Substances Act as amended by subsection (a) and shall include in his report under section 505(b) of the Public Health Service Act his findings of the effect of the amendment made by subsection (a).

(c) Section 2(b) of the Alcohol and Drug Abuse Amendments of 1983 (97 Stat. 181) is amended—

(1) by striking out "210" in paragraph (2) and inserting in lieu thereof "201"; and

(2) by striking out "201, 301" in paragraph (13) and inserting in lieu thereof "301, 201".

Sec. 111. Title III of the Drug Abuse Prevention, Treatment, and Rehabilitation Act (21 U.S.C. 1161-1165) is repealed.

TITLE II—DEVELOPMENTAL DISABILITIES ASSISTANCE

Sec. 201. (a) The first sentence of section 113(b)(2) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6012(b)(2)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$12,500,000 for the fiscal year ending September 30, 1985, $15,000,000 for the fiscal year ending September 30, 1986, $17,500,000 for the fiscal year ending September 30, 1987, and $20,000,000 for the fiscal year ending September 30, 1988".

(b) Section 123(a) of such Act (42 U.S.C. 6033(a)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$8,000,000 for the fiscal year ending September 30, 1985, "$8,500,000 for the fiscal year ending September 30, 1986, "$9,000,000 for the fiscal year ending September 30, 1987, and "$9,500,000 for the fiscal year ending September 30, 1988".

(c) Section 131 of such Act (42 U.S.C. 6061) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$46,000,000 for the fiscal ending September 30, 1985, $48,800,000 for the fiscal year ending September 30, 1986, $52,000,000 for the fiscal year ending September 30, 1987, and $55,000,000 for the fiscal year ending September 30, 1988".

(d) Section 145(d) of such Act (42 U.S.C. 6081(d)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$2,700,000 for the fiscal year ending September 30, 1985, $2,900,000 for the fiscal year ending September 30, 1986, $3,100,000 for the fiscal year ending September 30, 1987, and $3,300,000 for the fiscal year ending September 30, 1988".

Sec. 202. (a) Section 102(8)(A) of such Act (42 U.S.C. 6001(8)(A)) is amended by striking out "and" before "transportation services" and by inserting before the period a comma and the following: "and the promotion and coordination of activities in support of the prevention of developmental disabilities".

(b) Section 102(9) of such Act is amended by inserting "(A)" after "means" and by inserting before the period the following: ", or (B) a public or nonprofit entity which is associated with or is an integral part of a college or university and which provides for at least—

"(i) interdisciplinary training for personnel concerned with the provision of direct or indirect services to persons with developmental disabilities; and

"(ii) dissemination of findings relating to the provision of services to persons with developmental disabilities".

Sec. 203. (a)(1) Section 109 of such Act (42 U.S.C. 6008) is amended by inserting "(a)" after "109," and by adding at the end thereof the following:

"(b) The Secretary shall make an annual report to Congress on the activities of the States with funds provided under section 132 and make such reports available to the States and the general public."

(2) The heading for such section is amended by adding at the end the following, "and annual report".

(b) Section 133(b)(1)(C) of such Act (42 U.S.C. 6063(b)(1)(C)) is amended by striking out "such reports, in such form and containing such information, as the Secretary may from time to time reasonably require" and inserting in lieu thereof "annual reports in such form and containing such information as the Secretary may reasonably require".

Sec. 204. (a) Section 113(a) of such Act (42 U.S.C. 6012(a)) is amended by striking out "and" before "(3)" and by inserting before the period a comma and the following: "and (4) the State must provide assurances satisfactory to the Secretary that the agency implementing the system will not be replaced unless there is good cause for the redesignation and unless notice has been given of the intention to make such replacement to persons with developmental disabilities or their representatives ".

(b) The second sentence of section 113(b)(1)(A) of such Act is amended by striking out all that follows after "except that" and inserting in lieu thereof the following: "(i) the allotment to American Samoa, Guam, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands shall not be less than $100,000 in any fiscal year if the appropriations for such fiscal year under this subsection exceeds $10,000,000, (ii) if the appropriations for any fiscal year under this subsection do not exceed $10,000,000, such an allotment may not be less than $50,000, (iii) the allotment to any other State for any fiscal year may not be less than the greater of $150,000 or the amount of the allotment received by the State for the fiscal year ending September 30, 1983, if the appropriations for such fiscal year under this subsection exceeds $10,000,000, and (iv) if the appropriations for any fiscal year under this subsection do not exceed $10,000,000 such an allotment may not be less than $50,000.".

Sec. 205. (a) Section 122(d)(1) of such Act (42 U.S.C. 6032(d)) is amended by striking out "$150,000" and inserting in lieu thereof "$200,000" and by inserting before the period a comma and the following: "and to satellite center shall not be less than $75,000 for any fiscal year".

(b) Section 122(d) of such Act is amended by striking out "(1)" and paragraph (2).

Sec. 206. (a) Section 132(a)(2) of such Act (42 U.S.C. 6062(a)(2)) is amended by striking out "$100,000" in subparagraph (A) and inserting in lieu thereof "$200,000 if the appropriations under section 131 for such fiscal year exceed $47,000,000 or $100,000 if such appropriations do not exceed $47,000,000".

(b) Section 132(a)(2)(B) of such Act is amended by striking out "$250,000" and all that follows in such section and inserting in lieu thereof "$350,000 or the amount of the allotment received by the State for the fiscal year ending September 30, 1983, if the appropriations for such fiscal year under section 131 exceed $47,000,000 or $250,000 if such appropriations do not exceed $47,000,000.".

(c) Section 132(a) of such Act is amended by adding the following new paragraph:

"(4) Adjustments in the amounts of State allotments based on subparagraphs (A), (B), and (C) of paragraph (1) shall be made annually. The Secretary shall notify States no less than six months before the beginning of the fiscal year.".

Sec. 207. Section 133(b)(4)(B)(i) of such Act (42 U.S.C. 6063(b)(4)(B)(i)) is amended by inserting before the period the following: "and for manpower assessment activities. No more than 10 percent of funds for priority services may be used for manpower assessment activities".

Mr. WAXMAN (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. Does the gentleman from California desire to be heard on the bill?

Mr. WAXMAN. No, Mr. Speaker.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from California (Mr. Waxman).

The amendment in the nature of a substitute was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An Act to amend the Public Health Service Act to revise and extend the authorities of that Act for assistance for school and drug abuse and mental health services and to revise and extend the Department Disabilities Assistance and Bill of Rights Act."

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON S. 2303

Mr. WAXMAN. Mr. Speaker, pursuant to clause 1 of rule XX and by direction of the Committee on Energy and Commerce, I move to take from the Speaker's table the Senate bill S. 2303, with the House amendment thereto, insist on the House amendment, and request a conference with the Senate thereon.

☐ 1610

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. WAXMAN].

The motion was agreed to.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. DINGELL, WAXMAN, SCHEUER, BROYHILL, and MADIGAN.

There was no objection.

FEDERAL PAY EQUITY AND MANAGEMENT IMPROVEMENT ACT OF 1984

The SPEAKER pro tempore. Pursuant to House Resolution 526 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 5680.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 5680) to promote pay equity and to eliminate certain discriminatory wage-setting practices within the Federal civil service; to establish a performance management and recognition system; to improve the Senior Executive Service; and for other purposes, with Mr. KILDEE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Monday, June 25, 1984, all time for general debate had expired.

Pursuant to the rule, the bill is considered by titles, and each title shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Pay Equity and Management Improvement Act of 1984".

The CHAIRMAN. Are there any amendments to section 1?

If not, the Clerk will designate title I.

The text of title I is as follows:

TITLE I—PAY EQUITY

DEFINITIONS

SEC. 101. For purposes of this title—

(1) the term "agency" means an executive agency within the meaning of section 105 of title 5, United States Code (other than the General Accounting Office);

(2) the term "employee" means an individual employed in or under an agency;

(3) the term "position" means the work, consisting of the duties and responsibilities, assignable to an employee;

(4) the term "discriminatory wage-setting practices" means practices resulting in a situation in which the rate of pay payable for positions held predominantly by female employees are lower than the rates of pay payable for positions held predominantly by male employees although the work performed in each instance involves comparable duties, responsibilities, and qualification requirements and is performed under comparable working conditions (and, in the case of prevailing rate employees, within the same wage area or within areas subject to the same wage schedules and rates);

(5) the term "discriminatory wage differentials" means differences in rates of pay resulting from the use of discriminatory wage-setting practices;

(6) the term "equitable job-evaluation technique" means an objective method of determining the comparative value of different positions using a system which rates numerically the basic features and requirements of a position, including such factors as the duties, responsibilities, qualification requirements, and working conditions involved, and which does not take into consideration race, color, religion, sex, or national origin; and

(7) the term "labor organization" has the meaning given such term by section 7103(a)(4) of title 5, United States Code.

STUDY AND MODIFICATION OF WAGE-SETTING PRACTICES IN THE FEDERAL GOVERNMENT

SEC. 102. (a) It is the purpose of this section to identify and eliminate any discriminatory wage-setting practices and discriminatory wage differentials within the Federal Government's position-classification system under chapter 51 of title 5, United States Code, and job grading system under subchapter IV of chapter 53 of such title.

(b)(1) In order to carry out the purpose of this section, the Office of Personnel Management shall study and, within seven months after the effective date of this title, submit to the President and the Committee on Post Office and Civil Service of the House of Representatives and the Committee on Governmental Affairs of the Senate a report—

(A) containing its findings with respect to discriminatory wage-setting practices and discriminatory wage differentials within the system referred to in subsection (a);

(B) identifying appropriate measures for eliminating such practices and differentials, including proposals relating to the development and use of equitable job-evaluation techniques and training programs for individuals responsible for implementing those measures;

(C) specifying any measures identified under subparagraph (B) which are authorized under current law (including a timetale for implementing such measures) and making recommendations for any legislative or other actions which the Office considers necessary in order to carry out the other measures so identified;

except that nothing in this section shall be construed to authorize any action which would result in a reduction in the rate of pay payable for any position.

(2) The timetable referred to in subparagraph (C) of paragraph (1) shall be established in such a way so that measures for eliminating discriminatory wage-setting practices and discriminatory wage differentials may be carried out within two years after the date on which the Office submits its report under such paragraph, and such measures shall be implemented, to the maximum extent practicable, in accordance with such timetable.

(3) Before submitting its report under paragraph (1), the Office shall submit to each of the committees referred to in such paragraph, on at least a monthly basis, interim reports summarizing the activities of the Office under this subsection during the period covered by that report. Advance notice of any methods or standards proposed to be used in the identification of discriminatory wage-setting practices or discriminatory wage differentials (including a modification of any such method or standard) shall be provided under this paragraph.

(4)(A) In carrying out this subsection, the Office shall—

(i) not later than ten days after the effective date of this title, establish a Pay Equity Study Council which shall consist of at least five members who shall represent labor organizations representing substantial numbers of female employees occupying positions subject to either of the systems referred to in subsection (a), and at least one member who shall represent one or more employee organizations composed primarily of female employees occupying such positions and having as a purpose promoting the interests of women in Government;

(ii) provide for meetings with the Council during the thirty-day period beginning on the date of the establishment of the Council under clause (i), and give thorough consideration to the views and recommendations of the Council and the individual views and recommendations, if any, of the members of the Council regarding the design, methodology, or other matter concerning how the study under this subsection is to be conducted;

(iii) provide for meetings with the Council at least monthly following the thirty-day period referred to in clause (ii) in order to keep the Council informed of any progress or other developments in the performance of the study, and to obtain the views and recommendations of the Council (including the views and recommendations of individual members of the Council) thereon; and

(iv) not later than six months after the effective date of this title, provide the Council with a copy of the report to be submitted to the President and the appropriate committees of Congress under paragraph (1), in order that the Council may transmit written comments to the Office (including any written comments of individual members of the Council) for inclusion with the copies of the report to be so submitted.

(B) Members of the Council shall not be considered to be employees by reason of appointment to the Council and shall not receive pay by reason of service as such members.

(C) The Office shall provide the Council with any information which the Council considers necessary in order to carry out its responsibilities under this paragraph.

(D) The Council shall cease to exist after transmitting its comments to the Office under subparagraph (A)(iv).

(c) The Office shall develop and carry out a continuing program under which, upon the request of any agency, the Office shall provide technical assistance to such agency in applying any position-classification or job grading standard which may be established or revised pursuant to this section under the applicable provisions of title 5, United States Code, and in otherwise carrying out this section.

(d) Not later than February 1, 1986, and not later than February 1 of each year thereafter, the Office shall submit to the President and each of the committees referred to in subsection (b)(1) a detailed report on the actions taken during the previous fiscal year in carrying out this section. Such report shall include an evaluation of the effectiveness of such actions, a description of actions to be taken under this section during the then-current fiscal year, and any recommendations in addition to, or revising, any recommendations previously submitted under this section which the Office considers appropriate.

(e) Each agency—

(1) shall cooperate with the Office in the conduct of its study under subsection (b) and in any other activities conducted by the Office under this section; and

(2) shall, subject to applicable provisions of law, provide any data, reports, or other information which the Office may request under this section.

INFORMATION FROM FEDERAL AGENCIES

Sec. 103. Each agency responsible for submitting an equal employment opportunity plan pursuant to section 717 of the Civil Rights Act of 1964—

(1) shall include, in each such plan or update of such plan submitted under such section after the effective date of this title, a review and identification of any discriminatory wage-setting practices and discriminatory wage differentials with respect to its employees and a plan of action to eliminate any such practices and differentials; and

(2) shall make a submission under such section which includes the information required under paragraph (1) within one year after such effective date.

CONSTRUCTION

Sec. 104. Nothing in this title shall be construed to affect any of the rights or remedies provided under the Civil Rights Act of 1964.

EFFECTIVE DATE

Sec. 105. This title shall take effect beginning thirty days after the date of the enactment of this Act.

AMENDMENT OFFERED BY MS. OAKAR

Ms. OAKAR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. Oakar: Page 2, strike out line 6 and all that follows thereafter through page 9, line 17, and insert in lieu thereof the following:

TITLE I—PAY EQUITY

DEFINITIONS

Sec. 101. For purposes of this title—

(1) the term "agency" means an Executive agency within the meaning of section 105 of title 5, United States Code (other than the General Accounting Office);

(2) the term "employee" means an individual employed in or under an agency;

(3) the term "position" means the work, consisting of the duties and responsibilities, assignable to an employee;

(4) the term "discriminatory wage-setting practices" means practices resulting in a situation in which the rates of pay payable for positions held predominantly by female employees are lower than the rates of pay payable for positions held predominantly by male employees although the work performed in each instance involves comparable duties, responsibilities, and qualification requirements and is performed under comparable working conditions (and, in the case of prevailing rate employees, within the same wage area or within areas subject to the same wage schedules and rates);

(5) the term "discriminatory wage differentials" means differences in rates of pay resulting from the use of discriminatory wage-setting practices;

(6) the term "equitable job-evaluation technique" means an objective method of determining the comparative value of different positions using a system which rates numerically the basic features and requirements of a position, including such factors as the duties, responsibilities, qualification requirements, and working conditions involved, and which does not take into consideration race, color, religion, sex, or national origin;

(7) the term "labor organization" has the meaning given such term by section 7103(a)(4) of title 5, United States Code; and

(8) the term "consultant" includes an organization which provides consultant services.

PURPOSE

Sec. 102. It is the purpose of this title to identify any discriminatory wage-setting practices and discriminatory wage differentials within the Federal Government's position-classification system under chapter 51 of title 5, United States Code, and job grading system under subchapter IV of chapter 53 of such title.

STUDY AND REPORTING REQUIREMENTS

Sec. 103. (a) In order to carry out the purpose of this title, the Office of Personnel Management—

(1) shall provide, by contract with the consultant selected under section 104(c), for the conduct of a study and the preparation of a report—

(A) containing the findings of such consultant pursuant to such study with respect to discriminatory wage-setting practices and discriminatory wage differentials within the systems referred to in section 102 (including a list of any positions determined as being subject to discriminatory wage-setting practices and the extent of any discriminatory wage differentials attributable to such practices);

(B) identifying appropriate measures for eliminating such practices and differentials (other than any measure which would result in a reduction in the rate of pay payable for any position), including proposals relating to the development and use of equitable job-evaluation techniques and training programs for individuals who would be responsible for implementing those measures; and

(C) specifying any measures identified under subparagraph (B) which are authorized under current law and making recommendations for any legislative or other action (other than any action which would result in a reduction in the rate of pay payable for any position) which may be necessary in order to carry out the other measures identified under such subparagraph; and

(2) one month after receiving the consultant's report, shall transmit to the President and the Committee on Post Office and Civil Service of the House of Representatives and the Committee on Governmental Affairs of the Senate a copy of such report, together with any written comments submitted to the Office by the Pay Equity Study Council under section 104(e), and any written comments of the Office.

(b) The contract shall require that the consultant's report shall be submitted to the Office of Personnel Management and the Pay Equity Study Council within six months after the date on which the contract is entered into.

PROCEDURES RELATING TO SELECTION OF CONSULTANT AND CONDUCT OF THE STUDY

Sec. 104. (a)(1) Within 10 days after the effective date of this title, the Office of Personnel Management shall establish a Pay Equity Study Council, which shall consist of—

(A) five or more members who shall represent labor organizations representing substantial numbers of female employees occupying positions subject to either of the systems referred to in section 102 (including individuals representing each of the three labor organizations under this subparagraph representing the greatest number of employees); and

(B) one or more members who shall represent one or more employee organizations composed primarily of female employees occupying such positions and having as a purpose promoting the interests of women in Government.

(2) Members of the Council shall not be considered to be employees by reason of appointment to the Council, and shall not receive pay by reason of service as such members.

(b) During the 30-day period beginning on the date of the establishment of the Pay Equity Study Council—

(1) the Office of Personnel Management and the Council shall meet in order to discuss the proposed design and methodology of the study and any other matter concerning the conduct of the study which the Office and the Council may consider appropriate; and

(2) the Council shall prepare and submit to the Office a list of at least five consultants which, on the basis of their impartiality, expertise, and experience, and taking into consideration the matters discussed with the Office under paragraph (1), the Council determines would be appropriate to conduct the study under this title.

(c) The selection of a consultant to conduct the study under this title shall be made by the Office from among the consultants included on the list prepared under subsection (b)(2).

(d) Under the contract, the consultant shall be required to meet jointly with the Office of Personal Management and the Pay Equity Study Council, on at least a monthly basis, in order to keep the Office and the Council informed of any progress or other developments in the performance of the study, and to obtain any views or recommendations of the Office, the Council, and individual members of the Council.

(e) The Council shall submit its written comments (and any written comments of individual members of the Council) on the consultant's report to the Office in time for their transmission to the President and Congress under section 103(a)(2).

(f) The Council shall cease to exist after submitting the comments referred to in subsection (e).

AGENCY COOPERATION

Sec. 105. (a) Each agency—

(1) shall cooperate with the consultant selected under section 104(c) in the conduct of the study under this title; and

(2) shall provide any data, reports, or other information which such consultant may request in the course of the study.

(b) The Office of Personnel Management shall provide the Pay Equity Study Council with any information which the Council considers necessary in order to carry out its responsibilities under this title.

(c) Nothing in this section authorized or requires the disclosure of any information if, or to the extent that, such disclosure would otherwise be prohibited by law.

CONSTRUCTION

Sec. 106. Nothing in this title shall be construed to limit any of the rights or remedies provided under the Civil Rights Act of 1964, section 6(d) of the Fair Labor Standards Act of 1938, or any other provision of law relating to discrimination on the basis of race, color, religion, sex, or national origin.

RESTRICTION ON CONTRACTING AUTHORITY

Sec. 107. The authority of the Office of Personnel Management to enter into a contract under this title is effective for any fiscal year only to such extend or in such amounts as are provided in appropriation Acts.

EFFECTIVE DATE

Sec. 108. This title shall take effect 30 days after the date of the enactment of this Act.

Ms. OAKAR (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Ms. OAKAR. Mr. Chairman, I am introducing an amendment to H.R. 5680 to strike title I and insert in its place a new title requiring that an outside consultant rather than the Office of Personnel Management study the Federal pay and classification systems to determine if they are marred by sex-based wage discrimination.

As we know, the title deals with studying the classification system which has not been studied since 1923. More than 20 States have conducted studies relative to pay equity, and we feel very strongly this is an economic and a civil rights issue related to that area. We know that most of the women employed by the Federal Government are in the six lowest classifications. They make on an average $11,000 less than the average male.

Our study in no way, nor does this amendment, change this in any way. It does not in any way reduce anybody's salary. We are merely asking for a study, and we are asking that no recommendation can in any way reduce anyone's salary. Therefore, we eliminate the controversy of trying to pit men against women, which the Chair of the subcommittee is not intending to do.

But I need to offer this amendment today requiring this outside consultant because after many hours of decision-making and discussing with the Federal employee unions, the women's group, and other groups that would be affected by this study we have found that OPM cannot be trusted. We have more than a dozen different unions endorsing this bill from the National Education Association to the National Organization of Women, to the Metal Trades Department, the International Association of Machinists. So we have widespread support for having an objective study.

Such support for the amendment is not surprising because what we have to do is consider the actions of the OPM concerning the pay equity provisions of the bill.

It has become clear to me and members of the committee, most members of the committee, that unfortunately the administration is thoroughly opposed to an impartial pay equity study in the Federal Government, and the OPM, led by Dr. Devine, cannot be trusted to undertake a fair and objective analysis of the current classification and pay systems.

Some of you may recall that on May 14, 1984, Mr. James Byrnes, a senior official in OPM, a political appointee making $59,000 a year—more than twice what the average Federal employee male makes, more than three times what the average female makes—wrote a memorandum to Dr. Devine, Director of OPM, which immediately politicized the whole issue of having a study.

I want to give my colleagues copies of this memorandum. It is a real classic.

I honestly do not believe that Members on this side of the aisle nor most of the Members on the other side of the aisle really agree with the spirit of this memorandum. But nonetheless, we are dealing with Dr. Devine's office, and I think we have to take a look at what he asked this individual to do. He asked Mr. Byrnes to think like a so-called liberal Democrat, whatever that means, and to come up with some kind of memorandum to deal with this piece of legislation.

I want to quote from one part of the memorandum to give my colleagues an indication of the administration's reaction to the whole area of studying pay equity, and to give my colleagues the correct understanding of why I believe that we need an objective study and not OPM's study.

Let me quote from Mr. Byrnes' memorandum reacting to this legislation.

> By doing job evaluation across clerical and blue collar occupations, a comparable worth study would immediately divide the white collar and blue collar unions. The blue collar craft unions would especially be concerned, since they would be the inevitable losers in such a comparble worth adjustment process. Moreover, the unions would be pitted against the radical feminist groups and would further divide this constituency of the left. Rather than allowing Oakar to manipulate the administration on the gender issue, we could create disorder within the Democratic House pitting union against union and both against radical feminist groups.

The CHAIRMAN. The time of the gentlewoman from Ohio [Ms. Oakar] has expired.

(By unanimous consent Ms. Oakar was allowed to proceed for 5 additional minutes.)

Ms. OAKAR. I want them to go out and tell the average woman in this country, and the elderly woman especially, who is the poorest person in the country, that being paid justly is a radical idea.

The issue is fairness. It has nothing to do with radical notions.

Within 48 hours after this memorandum was drafted, Mr. Chairman, Dr. Devine took the first step in implementing it. He issued a telegram to blue collar union leaders calling a meeting with them 1 day before the Post Office and Civil Service Committee was originally scheduled to mark up the bill. Believing that they were invited to a meeting to discuss the new classification scheme being developed by OPM, the union leaders were instead treated to a long discourse on the dire consequences for their members of the pay equity study provided in H.R. 5680.

One witness a labor union leader who testified at the hearing on the Byrnes memorandum conducted by my Subcommittee on Compensation and Employee Benefits, stated:

> Clearly Dr. Devine hoped that the short, misleading notice period provided the unions, that these unions would be tricked by the cries of doom and gloom into lobbying against the bill in the markup the following day.

I am sure that Members of both sides of the aisle join me in deploring this underhanded and absolutely sneaky tactic. Certainly my faith in the Office of Personnel Management has been completely destroyed. It is a tragic commentary on this administration that high officials at the OPM would even consider using the pay equity study to play politics with the entire Federal work force.

I would be very concerned by this behavior at any level of the Federal Government, and I am even more disgusted and disturbed because Mr. Byrnes, who is the Associate Director for Staffing at OPM is the person responsible for the current in-house study of the Federal classification of pay systems.

□ 1620

He is doing his own so-called study on these issues, a study, I might add, that is considering the merger of the white collar and blue collar classification systems. If OPM were given the responsibility for conducting the pay equity study under H.R. 5680 then, assuming his duties were not changed, Mr. Byrnes would be directly responsible—the same individual who wrote this memorandum—would be directly responsible for this project reporting to Dr. Devine.

In effect, the two men who have demonstrated the worst type of misguided partisanship and a total lack of concern for Federal workers would be charged with providing an objective and comprehensive analysis of an issue that affects women and men throughout the work force.

I have also learned that the President would be advised to veto this entire bill, if my pay equity amendment is adopted. These are rumors we have heard and I hope they are not true.

I had hoped on this matter of serious sex-based wage discrimination we could really depend upon the good faith of the administration; sad to say this is not the case. For this reason, the study of the current pay classification systems to determine whether they are influenced by sex-based wage discrimination must be performed by an outside consultant, of course in cooperation with OPM and in cooperation with Federal labor and women's organizations.

By voting for my amendment which I think is absolutely necessary, Members of both sides of the aisle will have an opportunity to demonstrate their good faith to the women and the men of this country and their displeasure with the tactics of Mr. Devine and Mr. Byrnes.

Again, I think a lot of individuals on the other side of the aisle are equally appalled, as some of us are.

Mr. LOWRY of Washington. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I am happy to yield to the gentleman.

Mr. LOWRY of Washington. Mr. Chairman, I rise in support of the Congresswoman's amendment.

This amendment is required because of the clear opposition to the comparable worth-pay equity issue by the Office of Personnel Management. As presently written, H.R. 5680 requires the OPM to conduct a study to determine the existence and extent of discriminatory wage-setting practices and wage differentials within the Federal civil service.

However, in a May 14 memorandum to Dr. Donald J. Devine, Director of the OPM, Mr. James L. Byrnes, Deputy Associate Director for Staffing, urged using the study mandated by H.R. 5680 as a political football.

As I understand, in the memo from Mr. Byrnes to Mr. Devine, he stated:

> It would be a tremendous opportunity for OPM to develop a *real* (his emphasis) comparable worth system, and show how preposterous it would be . . . The political possibilities of this situation should not be underestimated.

That is what would be a nonbiased attitude going into that study? We need to have a professional, unbiased study. Clearly, we need the gentlewoman's amendment.

In a May 30 hearing on this memorandum before the House Post Office and Civil Service's Subcommittee on Compensation and Employee Benefits, Mr. Devine and Mr. Byrnes indicated that this approach remained a "policy option."

The amendment before us will prevent this egregious policy from being an option. It requires the study to be conducted by an experienced consultant and funded by the OPM under its regular appropriations. Only in this way can we ensure that an impartial, reliable study will be conducted.

I urge my colleagues to support this crucial amendment. A study of discriminatory pay practices in the Federal Government is too important an endeavor to entrust to an agency whose top officials are even slightly hostile to real pay equity.

Mr. Chairman, I also want to take this opportunity to urge adoption of H.R. 5680.

In addition to requiring a study to determine the extent of discriminatory wage-setting practices and wage differentials among job classifications in the Federal civil service, this important measure would also establish a performance management and recognition system for midlevel Federal managers and make badly needed improvements in the Senior Executive Service. I strongly support each of these provisions.

Last October I introduced H.R. 4237, a bill which required a study similar to the one mandated in title I of Congresswoman OAKAR's bill. I am, therefore, particularly interested in this provision of H.R. 5680 and I am pleased to work with Congresswoman OAKAR for the passage of her more comprehensive bill.

It has been 20 years since the enactment of the Equal Pay Act of 1963 and the Civil Rights Act of 1964—measures which protect women against discriminatory pay practices. While these landmark measures have been useful, they have not changed the fact that the majority of women are still employed in jobs that are compensated at lower levels than those occupied by men. Nor have they changed the fact that women earn only 62 cents for every $1 earned by men in similar positions.

Establishing true pay equity, or comparable worth, is an important part of the continuing effort to ensure equal opportunity and treatment for all citizens under the law. This simple concept posits that work which requires comparable training, education, skill, effort, responsibility, and working conditions—work that is of comparable worth to the employer—should be compensated at comparable rates.

Unfortunately, jobs which are held predominantly by women, which have comparable worth to the employer as those held by men, are paid significantly less than comparable jobs which are held predominantly by men. Jobs such as secretary, nurse, schoolteacher, librarian—all jobs held disproportionately by women—pay considerably less than such jobs as truck driver, tree trimmer, equipment operator, and warehouse worker. As Congresswoman OAKAR noted in a letter to the editor in the June 25 Washington Post, one of the most outrageous examples of sex-based wage discrimination is that child care workers earn less than dog pound attendants.

The assumptions which help to create the distorted job classification and compensation system in the private sector are also generally used by the Federal Government to determine its pay scales. I believe that it is imperative for the Federal Government to play a leadership role in the fight for true pay equity. To do so, it must take the necessary measures to put its own house in order. The study of the classification and pay systems in the Federal Government called for in H.R. 5680 will allow us to do just that.

This study is structured very much like studies which have been completed in 7 States and which are being conducted in 10 other States. Moreover, numerous corporations and businesses across the Nation have used similar studies to determine the character of their pay systems. My State—Washington State—is one of the States which has already completed a study on pay equity or comparable worth. It was this 1974 State-sponsored study that helped Federal court Judge Jack Tanner to find the State of Washington guilty of sex-based wage discrimination against its female employees.

Late last year, after finding that the State's discrimination was "pervasive, intentional and in violation of the law," Judge Tanner ordered the State of Washington to provide pay raises to more than 15,000 women who were paid less than male workers in comparable jobs. Because of concern about the cost of the Federal court order, the State has appealed Judge Tanner's decision. The final resolution of this landmark case will probably rest with the Supreme Court.

Judge Tanner's decision has, however, prompted my State to begin to upgrade the salaries of many State employees—mostly women—based on the comparable worth concept. With a $1.5 million appropriation, Washington State has embarked on a 10-year program, in the spirit of the Federal court order, to equalize the compensation for jobs which are traditionally held by women with those which are traditionally held by men. This month, thousands of Washington State employees will begin to see extremely modest increases in their paychecks—increases that amount to approximately $100 a year, $10 a month, or 50 cents a day.

Nonetheless, I do not believe that the cost of eliminating discrimination should determine whether or not a State, the Federal Goverment, or a private corporation should pursue this important effort. The purpose of pay equity—compensating employees equitably depending on their duties and their worth to the employer—is to overcome an insidious form of sex-based, employment discrimination. After determining the existence of discriminatory wage-setting practices, it is necessary to correct them. To do otherwise would be morally wrong and in violation of title VII of the Civil Rights Act of 1964 and many similar State laws.

This takes us back to the need for a study to determine the extent and nature of discriminatory wage-setting practices and wage differentials in the Federal Government. Only by completing the study required by title I of H.R. 5680 will we obtain the information needed to eliminate sex-based discrimination within the Federal civil service.

Mr. Ronald Kurtz, president of the International Personnel Management Association has noted that numerous studies have documented the problem of inequitable pay. Testifying during the 1982 congressional hearings on pay equity, Mr. Kurtz stated that "discriminatory compensation systems continue to exist in the private sector" and added that "failure to undertake a study of the value of jobs held by women or men has been held to constitute proof of an employer's intent to discriminate against women by setting their wages at rates lower than the salaries paid to men." For these reasons alone, H.R. 5680 must be enacted to allow the Federal study to begin. The Federal Government must not be allowed to continue employment practices that are known to be discriminatory.

H.R. 5680 replaces H.R. 4599, legislation which I cosponsored. As with my bill, H.R. 4237, these measures require the Federal pay equity study to be performed by the Office of Personnel Management [OPM]. Unfortunately, as I indicated earlier, OPM officials have made clear their opposition to Federal pay equity even before a study has been initiated.

It is obvious that the OPM is unable to conduct an objective, nonpolitical study. It is clear that Congress must act. H.R. 5680 must be passed so that we will have an accurate picture of the problem of sex-based discrimination within the Federal Government. Remedies for this discrimination can only be pursued when we have the information that is required to develop them.

I also wanted to ask one question. When you were talking about the possibility of a veto, was that if this amendment calling for an independent study became part of the bill, or is it possible that the entire Pay Equity Act will be vetoed?

Ms. OAKAR. I think we really believe not only this amendment, I think they are opposed to pay equity in general as evidenced by one of the people the President appoints.

The CHAIRMAN. The time of the gentlewoman has expired.

(On request of Mr. LOWRY of Washington and by unanimous consent, Ms. OAKAR was allowed to proceed for 5 additional minutes.)

Ms. OAKAR. So we have heard the rumors and read about the rumors in the Post and other publications that the President will veto the legislation.

That really is not the issue. The issue is, we cannot trust Dr. Devine to do this study. We can consult with him on it, but we need an outside consultant. I think that is the real issue.

I think the reason we need one is because OPM was politicizing an issue that means so much to the women of this country, more than half of the population of this country. I originally had OPM conducting the study. Clearly, the OPM is in no position to do an objective study.

Mr. LOWRY of Washington. I also want to speak strongly for the overall bill itself. It is one of the most important, most serious issues we will have before us this term.

Ms. OAKAR. I thank the gentleman. He had advocated a study of this kind some time ago. We are just carrying on with your leadership.

Mrs. BURTON of California. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentlewoman from California.

Mrs. BURTON of California. Mr. Speaker, I would like to know how much an outside study would be.

Ms. OAKAR. We do not have estimates on that, but it would certainly be a very small amount.

Mrs. BURTON of California. May I say that I got an estimate in, and it says less than $500,000. Is that believable? That sounds almost unbelievable.

So we are not talking about millions of dollars.

Ms. OAKAR. That is right.

Mrs. BURTON of California. We are talking about very little money.

Ms. OAKAR. And the credibility of the study will really be very important as well. That is why it is so necessary.

Mrs. BURTON of California. I would like to compliment the gentlewomen from Ohio. She has done a remarkable job. I support this bill, I support the amendment, and I hope all of our colleagues will support it.

Mr. GEJDENSON. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I am happy to yield to the gentleman from Connecticut.

Mr. GEJDENSON. I thank the gentlewoman for yielding.

Mr. Chairman, I rise in support of the Federal Pay Equity and Management Improvement Act of 1984 and would like to congratulate my colleagues for initiating this essential measure.

As my colleagues know, this bill has three purposes. While all three elements are essential, I would like to take this opportunity to address the portion of the bill that would initiate a pay equity study. As my colleagues know, title I requires the Office of Personnel Management to conduct a 7-month study to determine the existence of discriminatory wage-setting practices and wage differentials within the Federal Government and issue a report including its findings and recommendations for eliminating any discriminatory pay practices.

For too long, indispensable occupations, traditionally held by women such as teachers, nurses, child care professionals, and librarians, have been severely undervalued and underpaid. Across the board, women average 40 percent less in earnings than men. Within the Federal Government 40 percent of the 2.8 million Federal workers are women. The majority of these jobs are in the lowest seven pay grades. Only 12 percent of the high level Federal jobs are held by women. These figures are disturbing. They are even more disturbing when we stop to think that they describe severe disparities found within the Federal Government.

The Government should be setting an example of fairness for States and private employers by rooting out discriminatory practices found within its own halls. It seems, however, that in the area of comparable worth the States are a step ahead of the Federal

Government. So far 19 States have acted by either initiating pay equity studies of their own pay systems or enacting comparable worth laws. Included in these 19 is my own State of Connecticut. In 1979, recognizing that problems existed within its own pay system, Connecticut's General Assembly passed legislation which initiated a study of the States' job classification system.

The Federal Government can learn a great deal from the positive actions taken by Connecticut and the other 18 States. I feel it is fitting for the Federal Government to assess its pay system to determine whether or not its own female employees are the victims of discrimination and if so, quickly act to rectify these inequities.

I urge my colleagues to support this important and urgently needed legislation and oppose any amendments that are designed to construe the purpose or weaken the intent of the pay equity provision in this measure.

Ms. FERRARO. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to my friend, the gentlewoman from New York.

Ms. FERRARO. I thank the gentlewoman for yielding and I rise in support of her amendment.

I must say I went back to look at the hearings we conducted in 1982 when Mr. Devine came before our committee. I not only believe that he is not capable of giving an unbiased report, I do not even know if he is capable of giving a report in the first place.

He had indicated during the course of his testimony that he had real problems in trying to reach a solution on what was the way to evaluate jobs. In fact, what he said and I quote:

> There has been a good deal of discussion on comparable worth as a mechanism for giving special attention to recognizing the worth of jobs, especially those predominantly population by women. Much of the discussion is concentrated on documenting the pay relationships by sex among jobs and perceived pay inequities. Unfortunately, the discussion has yielded little information on how to get from the problem to the solution.

He goes on later to say, "I would be less than candid if I did not admit that there is a significant judgmental factor in job evaluation."

First of all, he does not know how to do a study; second, he admits it would be a judgmental study, based on his own bias if he did do it. Having seen this memorandum dated May 14, it kind of seems to me we are putting a study we are very concerned about, a subject we are very, very concerned about, a subject most important to the women of this country into the hands of an individual who really does not understand the issue; does not care about the issue, and has indicated a bias against the issue.

So, I compliment the gentlewoman. I am not a person who really is too anxious about contracting out, but if ever there was a case for the necessity for an unbiased report, an unbiased scheduling of an indication of how our pay schedule is in this Government, this is the case to be made.

I congratulate the gentlewoman on her leadership not only this amendment but on the issue of pay comparability.

The CHAIRMAN. The time of the gentlewoman from Ohio has expired.

(By unanimous consent, Ms. OAKAR was allowed to proceed for 5 additional minutes.)

Ms. OAKAR. If I can just say to my friend, who has provided leadership in her own right who cochaired hearings with Congresswoman SCHROEDER, and myself 2 years ago. It is a tribute to the gentlewoman's leadership as well.

I did want to add that Dr. Devine certainly has no problem in declassifying 40,000 Federal employees at a crack; that he is proposing to do by October. So he knows how to declassify or change classifications when he wants to.

Mr. KASICH. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I am happy to yield to my friend, the gentleman from Ohio.

Mr. KASICH. Mr. Chairman, I want to strongly commend the actions of the gentlewoman, my colleague from Ohio. I do not think there is a more important issue before this country today than the issue of fair treatment of women in terms of payment and job classification.

I think the issue is crucial enough and critical enough that we have an unbiased, independent source go through current Federal Government practices. I frankly believe that if this study is done, including a study within this body, I suspect we are going to find there are many areas of discrimination that exist that ought to be wiped out.

Frankly, I think it has gone on too long. I think this kind of a report will go a long way toward uncovering and resolving the inequities that exist within our Federal Government, and hopefully move forward into the private sector also.

□ 1630

So I want to commend the gentlewoman for her tremendous action.

Mr. CORCORAN. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentleman from Illinois, a member of the committee.

Mr. CORCORAN. I thank the gentlewoman for yielding.

Mr. Chairman, I do not serve on this subcommittee but I am privileged to serve on the full Post Office and Civil Service Committee. For that reason, I would like to ask the maker of this amendment a couple of questions so that we understand what is being considered.

As I understand it, the pending amendment substitutes a new title I for that which was originally in H.R. 5680; is that correct?

Ms. OAKAR. That is correct.

Mr. CORCORAN. Is my understanding correct also, I would ask my friend and colleague from Ohio, that the only change that is contained in the pending amendment, in comparison to title I in the original bill which was reported by our committee, deals with the method of selecting the consultant who will do this study?

Ms. OAKAR. That is correct.

Mr. CORCORAN. My third question is with respect to how it is we achieve the objective, which we all share, of an unbiased study which does look at the question of sex discrimination and determines in the various classifications and the wage scales of the Federal work force whether or not there is any sex discrimination and so my question is, No. 1, with respect to this Pay Equity Study Council, How is it organized? How is it constituted?

Ms. OAKAR. That would consist of those individual groups that represent the Federal employees and other groups that are on record as being interested in the subject of pay equity, namely, women's organizations. OPM could choose from the various consultants that they had come forward with. But OPM would still have the final decision about who the consultant was.

Mr. CORCORAN. But the role, as I understand it——

Ms. OAKAR. It is called by the way the Pay Equity Study Council. There would be a study council. As it should be, those groups that do represent Federal workers are involved in the study process and provide insight.

Mr. CORCORAN. As I understand it, the role of the Pay Equity Study Council with respect to the study and to the determination of who would make this study is that they would be making recommendations to OPM as to the consultants from which group OPM would make a selection; is that correct?

Ms. OAKAR. OPM would have the last word, yes.

Mr. CORCORAN. They would have the last word, I understand, but they would be limited, if I am advised correctly, to just three consultants that have been recommended to OPM by the Equity Study Council.

The CHAIRMAN. The time of the gentlewoman from Ohio [Ms. OAKAR] has expired.

(At the request of Mr. CORCORAN and by unanimous consent, Ms. OAKAR was allowed to proceed for 2 additional minutes.)

Ms. OAKAR. That is correct. The Pay Equity Study Council would make the recommendations, but OPM would have the final choice.

Mr. CORCORAN. If the gentlewoman would continue to yield, I think what we are learning is that to some extent at least, I would not go this far, but there are some who might say that the deck was being stacked here and that OPM, which has been accused of not being objective, is being forced into a circumstance of choosing from among a group of consultants that have been provided by organizations who have, it would appear at least by their charter, a bias already. Is that true?

Ms. OAKAR. Not necessarily at all. As the gentleman recalls, being a member of the full committee, when we came up with identifying consultants to take a look at the health benefits of Federal employees, we, certainly consulted with OPM. They had absolutely no problem with choosing a consultant that had experience in the area, in that case it was the Mercer Group, Inc., that had experience in the area of health benefits.

The bill specifically states that it has to be a consultant that has no vested interest—an objective group—but does have some experience in analyzing classifications.

Twenty States across the country are conducting pay equality studies and some have completed their studies. There are outstanding consultants who are very objective.

You see the point is we have not taken a look at civil service in more than 50 years. Here we are going to celebrate the anniversary, I believe, this Monday. We have not taken a look at that at how we classify jobs in 50 years.

The CHAIRMAN. The time of the gentlewoman from Ohio [Ms. OAKAR] has again expired.

(By unanimous consent, Ms. OAKAR was allowed to proceed for 2 additional minutes.)

Ms. OAKAR. I am determined to have OPM assisted on choosing a consultant.

Mr. CORCORAN. I thank the gentlewoman for her explanation.

Mrs. JOHNSON. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentlewoman from Connecticut.

Mrs. JOHNSON. I thank the gentlewoman for yielding.

I commend the gentlewoman on this amendment and on the legislation.

I think that a system that was reviewed in 1949, at least a general schedule designed in 1949 and a schedule at that that was based on the need to preserve both the pay and job relationships established in a 1923 classification act clearly need to be reviewed in the light of contemporary experience both of those jobs, of the training required for those jobs, of the skill level, of the responsibility level, and of the management requirements.

I have had some experience in this area, having been a member of the Appropriations Committee in Connecticut when we funded a similar study. And on the issue of funding I would say that probably the estimates that have been discussed here today are low. But we put money into other things and this is a very legitimate and important investment to be made, not just on behalf of Federal employees, but on behalf of the Nation. Because as the Government does review the relationship between its wage scale and employee responsibilities, so will the private sector begin to evaluate job skills and compensation differently than they have in the past.

The CHAIRMAN. The time of the gentlewoman from Ohio [Ms. OAKAR] has again expired.

(By unanimous consent, Ms. OAKAR was allowed to proceed for 3 additional minutes.)

Mrs. JOHNSON. I think it is important to try to get as concrete as possible an understanding of what we are doing here today.

In Connecticut, we found that a male retainer, whose job description was of the nature of "hand tools to," was being paid more than a secretary who was required to have a high school certificate, a certain number of typing words per minute and certain skills on modern business machinery.

So we do need to look at the relationship between pay, training, and responsibility. In Connecticut that look had affected our collective-bargaining process. It has meant that instead of affirming contracts that simply make pay changes in certain classifications, we have set aside certain moneys whose purpose it is to redress these kinds of inequities. I think that that is extremely important.

We have to develop the knowledge first and then the flexibility of response.

But what we are doing here today is seeking the knowledge, seeking the data, seeking the understanding. We will then have the opportunity in a year or so to determine how we should utilize that knowledge.

☐ 1640

I hope today's debate will not be colored by fear of the judgments that may need to be made in a year or two. But if those judgments demand our action and if they are responsible, then we must face up to the need to make them. Today's effort should be focused on being certain that we gather the very best information that we can gather on this complicated but important issue of the alignment, the relationship, between compensation and employee responsibility and that we not perpetuate in the future relationships that were established in 1923.

I thank the gentlewomen for yielding.

Ms. OAKER. I thank the gentlewoman for her remarks, and I want to thank her for the bipartisan support for the amendment, and that is the spirit in which I want to go forward.

Mr. FEIGHAN. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to my friend from Greater Cleveland, the gentleman from Ohio.

Mr. FEIGHAN. Mr. Chairman, I would like to join with my colleagues in congratulating and saluting the gentlewoman from Ohio for bringing both this amendment and the bill to the floor today.

Mr. Chairman, I rise today in support of H.R. 5680, the Federal Pay Equity and Management Improvement Act of 1984. As my colleagues know, this important piece of legislation would promote pay equity by requiring a study of wage discrimination in the Federal Government.

As the Nation's largest employer, we have an obligation to pay all of our employees—male and female—for the services they perform. Unfortunately, the Federal job classification system is based today on pay scales that were formulated in 1923. They have never been reviewed for sex-based discrimination. Changing technology, shifting employment patterns, and the assumptions made about the value of men's work versus women's work in our society suggest that a careful and independent review are long overdue.

Statistics on the Federal work force demonstrate the effects of biases built in long ago. Although 40 percent of the Federal work force is female, only 12 percent of them are managers or supervisors. The rest of the women are clustered at the bottom of the Federal pay scale.

This legislation calls for a study of the inequities that exist in the Federal pay classifications. With the results of this research, Congress will be in a position to identify remedies and end pay distinctions between men and women who perform jobs of comparable skill and responsiblity.

More than 20 States have already started the process of examining their job classifications. It is an encouraging trend, and one the Federal Government should be involved in.

Wage discrimination—whether intentional or the result of old and unspoken bias—is a moral and economic wrong that must be righted. This bill gives us a framework to begin that process of providing justice.

The CHAIRMAN. The time of the gentlewoman from Ohio [Ms. OAKAR] has expired.

(On request of Mr. FEIGHAN and by unanimous consent, Ms. OAKAR was allowed to proceed for 5 additional minutes.)

Ms. OAKAR. Mr. Chairman, I want to thank the gentleman, and he is certainly a leader on the issue of fairness, as well.

Mr. BARNES. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to my friend, the gentleman from Maryland.

Mr. BARNES. I thank the gentlewoman for yielding, and I come to the floor to salute the gentlewoman for her continued leadership on this issue, and the gentleman from Michigan and other Members of the committee who have crafted the legislation and who have worked with the gentlewoman on this amendment.

Mr. Chairman, Members who believe as strongly as I do in the principles of economic justice incorporated in title I of this legislation will want to vote for the amendment offered by the distinguished chairwoman from Ohio [Ms. OAKAR]. We cannot accomplish the purposes the pay equity study seeks to serve if the study is not conducted fairly, impartially, and competent. Political fingerprints must be kept off the contents of the pay equity study if it is to provide credible direction for reform.

A great deal has been written and said about the memorandum written by James L. Byrnes—the OPM official who would be responsible for conducting a pay equity study—to his boss, OPM Director, Donald J. Devine. I share my colleagues dismay about Mr. Byrnes' conduct as well as Dr. Devine's disingenuous efforts to implement what Mr. Byrnes suggested in his memo. Had the Members of this body needed evidence to support Chairwoman OAKAR's view that OPM had disqualified itself as the author of the pay equity study, the Byrnes episode in and of itself would furnish that evidence.

Mr. Chairman, Mr. Byrnes conduct is not simply an isolated incident of overzealous political brinksmanship that comes at an untimely moment for OPM. It is one more facet of a pattern and practice of OPM's exercise of authority for strictly political ends. While Members certainly would want to encourage the reasonable exercise of an appointee's political judgment in the course of his or her activities, I do not believe that my colleagues endorse the view that political appointment carries with it an unlimited license to put the President's interests before those of the people his administration serves—no matter who that President is.

We count heavily upon the Federal service to provide the Congress and the public with accurate and objective scientific information. Major businesses predicate critical decisions each day on data and analysis from agencies such as the Bureau of Labor Statistics and the Census Bureau. Had these agencies conducted their scientific studies with the same cavalier disregard for facts that did not serve their political ends displayed by OPM, their credibility would have been at an end.

Mr. Chairman, in the last several years, we have witnessed instance after instance in which OPM analysis has been challenged, examined, and found wanting. Members may recall last year's debate on OPM's performance-based regulations. During the debate, OPM produced a review of the operation and effectiveness of performance appraisal systems throughout the Federal Government. Chairman FORD [POCS] asked the General Accounting Office [GAO] to review this opus which gave Federal performance appraisal systems a clean bill of health. The GAO found that OPM's analyses and conclusions "were not supported by their findings."

Members may also recall a press release last year which OPM distributed across the country with great fanfare. At taxpayers' expense, OPM warned the public that the Federal Government was spending more for civil service retirement than it was for welfare programs. Not only was this politically motivated comparison outrageous on its face—since pensions are earned by those who serve the Federal Government—the numbers OPM reported to describe outlays were false.

I noted during general debate that from time to time this House has an opportunity to expand the frontiers of decency and opportunity. The Oakar amendment makes it possible for us to take the first step in that process firmly and forthrightly because it is up to us to recognize the economic needs of American Women. I also urge Members to reject weakening amendments that seek to narrow the scope of the pay equity study. Our colleague from Illinois [Mr. CRANE] will offer such an amendment to limit the study's examination to work that is "substantially equal" rather than "comparable." His amendment substitutes the very narrow concept of work that is substantially equal for the concept that is the heart of this legislation, comparability. Clearly, the gentleman rejects the concept of comparing the value of jobs done predominantly by men to jobs performed predominantly by women. That is the discrimination this bill seeks to address.

Members who support the Crane amendment will be turning their backs on women in America who in increasing numbers are becoming single parents. Single women who head households have become the first victims of sex-based pay discrimination. Older women in the Federal work force will remain lifelong victims of discrimination unless we act today to help raise their level of earnings in the final years of their careers.

Only 28,931 women who are Federal retirees today receive monthly annuities that exceed $1,000 per month. Less than 200,000 Federal women pensioners—out of 750,000 optional Federal retirees—receive any pension at all. Only 5 percent of Federal retirees receiving over $2,000 a month in annuities are women. These figures do us no credit; they are a shame that cries out for the kind of reform that the Oakar amendment seeks to provide. I urge Members to support the Oakar amendment and to reject all other amendments.

The CHAIRMAN. The time of the gentlewoman from Ohio [Ms. OAKAR] has again expired.

(On request of Mr. BARNES and by unanimous consent, Ms. OAKAR was allowed to proceed for 2 additional minutes.)

Ms. OAKAR. I thank the gentleman, and I thank him for his leadership on all issues that relate to our Government employees, and I know that they appreciate his work as well.

Mr. Chairman, I just simply want to urge my colleagues to accept the amendment. It is an objective study. It does not change the thrust of any portion of the bill. That is all we are asking for, an outside consultant, and I hope that the committee will accept this amendment.

Mr. DANNEMEYER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, references were made by my good friend from Ohio [Ms. OAKAR] about certain statements that were made by an official at OPM with respect to the preparation of a study. We do not countenance those references that were made. This is not an exercise in political one-upmanship on the part of anyone. We on the minority side, the Republican side, we support this study. We think that this study should be made because it is appropriate for those of us who oversee the public work force to determine in those situations where women predominate in a job classification in the public work force to determine if that dominance is the result of sexual discrimination or if it is the result of market forces. That is a legitimate inquiry, and we support this study for that purpose.

We have some amendments that we want to offer to the amendment of my good friend from Ohio [Ms. OAKAR], which the House will take up in good order shortly, and we believe that these amendments will improve the work product of the amendment that has now been offered to this bill, and we hope they will be adopted.

As a result of the process of hearing of these amendments to the amendment that has been offered by Ms. OAKAR I think that we will produce a bill that will produce an objective study so that we can have an answer to that ultimate question.

AMENDMENT OFFERED BY MR. DANIEL B. CRANE TO THE AMENDMENT OFFERED BY MS. OAKAR

Mr. DANIEL B. CRANE. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

> Amendment offered by Mr. DANIEL B. CRANE to the amendment offered by Ms. OAKAR: Page 1, line 18, (in section 101(4)) strike out "comparable duties," and insert in lieu thereof "substantially equal duties,".
>
> Page 1, line 20, (in section 101(4)) strike out "comparable working conditions" and insert in lieu thereof "substantially equal working conditions".
>
> Page 2, line 8, (in section 101(6)) strike out "comparative".

□ 1650

Mr. DANIEL B. CRANE. Mr. Chairman, my amendment is very straightforward. It simply restates current law that all Federal employees, without regard to sex or any other condition, shall receive equal pay for equal work.

The Equal Pay Act of 1963 and the Civil Rights Act of 1964 both require equal pay for equal work in most places of employment. The concept applies to the Government's wage-setting process. The requirement of equal pay for substantially equal work is embodied in current law in title V. The term "substantially equal" is the term now used in title V. The terms "equal" and "substantially equal" have a clear legal meaning. They can be readily applied and understood from decades of use.

The language of this bill, however, uses the new and controversial term "comparable" in several key areas. In outlining discriminatory wage-setting practices, the language of the bill refers to "comparable duties, responsibilities, and qualification requirements." It refers to a study of "comparable working conditions" that apply to both white collar and blue collar employees. In discussing job evaluation techniques that are to be embodied in the proposed study, those conducting the study are required by this bill to establish an objective method of determining the "comparative value" of "different positions" in the Federal Government. The term "comparable" in this bill is clearly a substitute for the term "comparable worth." In fact, a direct reference to comparable worth was used in an earlier version of this legislation in the summary and conclusions and findings in H.R. 4599.

The problem is that there is no such thing as comparable worth. There exists no definition of the term adequate to apply it to job evaluation. Yet we are asked to approve legislation based on a meaningless concept, and to reject the concept of equal pay for equal work.

I emphasize to my colleagues—this is not an equal pay for equal work bill. If it were, my amendment would not be necessary. It is a comparable worth bill. Advocates of that concept generally mean that jobs should be valued equally and paid the same even if the jobs themselves are radically different. For example, they might insist that a plumber and a receptionist be paid the same, because they are worth the same. Obviously, worth is subjective: If your basement floods, a plumber is worth much more than a receptionist. But would you want your plumber sitting in your front office greeting constitutents?

Obviously, comparable worth is an apples and oranges comparison.

Although the term "comparable worth" is meaningless, there is no question as to what its advocates intend: The abandonment of salaries set by the free market in response to supply and demand. Instead, they would marshal the powers of the Federal Government to tell employers what wages they shall pay.

Needless to say, this is not a concept that the Congress should endorse. In fact, if we do, there is a very real possibility the Federal Government would find itself facing many of the same problems the State of Washington faces today. On December 14, 1983, U.S. District Judge Jack E. Tanner ordered Washington to award back pay and higher salaries to more than 15,000 mostly female employees at a cost of over $800 million. The lawsuit in question was not based upon the charge that employees were being denied equal pay for equal work. The ruling was based on the same principle embodied in the bill before us today: that of comparable worth. The basis for the charge brought by the litigants was a comparable worth study of the jobs of State employees—just the kind of study called for in this legislation, which could—and I predict will—be the basis for similar actions against the Federal Government if this bill is successful.

Mr. Chairman, my amendment calls for equal pay for equal work. A vote against it is a vote against equal pay for equal work. Equality is our goal, and to achieve that goal is the object of my amendment.

Mr. DANNEMEYER. Mr. Chairman, will the gentleman yield?

Mr. DANIEL B. CRANE. I yield to the gentleman from California.

Mr. DANNEMEYER. Mr. Chairman, it is my understanding that under the definition of discrimination in H.R. 5680, that the consultant doing this study would have the power of law to determine what is or is not discriminatory. Is that your reading of the bill?

Mr. DANIEL B. CRANE. That is indeed my view of the language in this bill. This consultant is not doing an academic study. The consultant has the power to determine what is discriminatory. And that finding can go well beyond the equal pay for equal work standard of the law. His finding is based on equal pay for comparable work. The consultant's findings appear to be final. Congress has only one role: To agree to those findings, right or wrong.

Mr. DANNEMEYER. If the gentleman would yield further. This word "comparable", then, is at variance with the law governing how wages are paid to Federal employees. Is that correct?

Mr. DANIEL B. CRANE. The gentleman is again correct. Under 5 U.S.C. 5101 and 5341, both white- and blue-collar jobs are paid according to this principle: equal pay for substantially equal work. Nowhere is the word "comparable" found in the current law covering Federal employees.

Mr. DANNEMEYER. If the gentleman would yield further, I think Members would be interested in the views of the mayor of Detroit, Coleman Young, on the issue of comparable worth:

> Any time a city gets hung up on an abstract study that makes arbitrary comparisons of jobs but does not take into account the impact on society and its ability to pay, that's dealing in potential anarchy and inviting bankruptcy. . . . If a painter makes more than a secretary then let more women be painters.

I think that is a fairly potent statement about this controversial issue.

Mr. DANIEL B. CRANE. I thank the gentleman for his observations.

Mr. FORD of Michigan. Mr. Chairman, I rise in opposition to the amendment.

I would first like to compliment the gentleman from California. He took me completely by surprise. He had misled me, at least my perceptions were not, according to what I have heard today, accurate. I thought he was violently opposed to the whole idea of this study when it was before the committee, and if indeed, I have misunderstood him heretofore, I offer public apology for that. I know that he offers these amendments under his newly expressed spirit of support for his concept, and not with any intention of messing it up.

Unfortunately, my dear friend and committee member from Illinois is muddling around with something, and creating the impression that he does not understand why there is any real difference. I am sure he does, because he is one of the more clever members of that committee and spends a good deal of time. He is industrious and a very able member of the committee, and so I have to call his attention to the fact that he really is leading us down the wrong path.

It is really not very hard to understand, if you take a look at what we are talking about, when the gentleman talks about substantial equal duties, the gentleman means that you compare a plumber with a plumber, a policeman with a policeman, and that is all. Now, that is precisely one of the reasons why we are in the terrible situation we are with the quality of the education profession in this country, which coincidentally, has always been supported by relatively cheap female labor.

Albert Einstein said of this a long time ago, a country that pays a master plumber more than a master teacher will soon have neither. Albert Einstein was a pretty wise old man. Now, that is precisely what is at the root of the idea of comparable duties instead of substantially equal duties. You are talking about comparable duties in terms of the skill, the training, the education, the years of experience, and whatever other elements you would give weight to that go into making you a good policeman or a good plumber, or a good, I think the term was used, "secretary." Indeed, if you are not going to reward the people who have to work harder and indeed make more sacrifices to educate themselves to get the skills for the job, more than you will for somebody who walks on the job and because they are warm and strong and male, then pretty soon you will not need the plumber sitting in the outer office, as the gentleman from Illinois says, you will have people with the same skills as the plumber sitting there, and you will be paying them substandard wages, but you will not be getting for the taxpayers a good buy for their dollar.

When you deal with personnel and you go into the marketplace, it is like going into the marketplace for the carpeting on this floor or your clothing or anything else. If you want cheap carpeting, cheap clothing, you pay cheap prices and that is what you get. If you want quality, you have to pay for quality. If you want comparable quality to that which other people feel is the standard or you believe is the standard you want to reach, then you have to pay prices that are comparable to meet that standard. When you change the term comparable duties to substantially equal duties, you so limit this study, that you would never be able to compare skills and training requirements or any other factors than simply, to put it in its most elemental form, the very obvious.

The gentleman uses a definition from the Equal Pay Act which was at a different time when we had actually extant in this country a situation where a man and a woman stood at identical machines in a factory, working identical hours, had identical demands placed on them; and there were two pay scales: one male and one female. The equal pay approach was designed to say that if she runs the same machine that he runs and makes the same number of pieces, they should get the same pay. That was adequate at the time because that was progress at that time. That does not reach what we are trying to reach in making the Federal classification system more rational.

☐ 1700

The CHAIRMAN. The time of the gentleman from Michigan [Mr. FORD] has expired.

(On request of Mr. CORCORAN and by unanimous consent, Mr. FORD of Michigan was allowed to proceed for 3 additional minutes.)

Mr. CORCORAN. Mr. Chairman, will be the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Illinois.

Mr. CORCORAN. I thank my friend and colleague, the chairman of our committee, for yielding.

Mr. Chairman, I think one of the points that is being raised by the maker of this amendment is that there is an extension of the law in terms of the direction that the Congress, with the passage of this legislation, and in particular with the passage of the pending amendment, would be giving to both OPM and the ultimate outside consultant, and that is that we are going beyond equal pay for equal work and going into a new category of comparable work.

Is that not an extension of the law? Is that not different from the existing law that governs?

Mr. FORD of Michigan. No; it is not. It is an extension of the thinking at the time that that term was established, and that term is a very narrow term. It is a very specific term that means equal pay for exactly the same work. But we have had numerous decisions now and the law is very clear, using title VII of the Civil Rights Act. For example, in the telephone company, where the operator force was historically female, they found that when they made an analysis of all the other jobs in that utility, examined the duties and requirements of that job, that these people were being discriminated against, and the fact that they were all women was what made it easier for that to happen. No bad motives on the part of telephone management, but they were going with the flow, the flow of those days.

We no longer believe that we can ignore reality because we have always done it that way and, indeed, we are looking beyond the narrow parameters of the original equal pay for equal work concept into the realities of life, and that is that people have something beyond equal pay rights; they have comparable worth rights, that they have comparable value to the employer.

Mr. CORCORAN. Mr. Chairman, if the gentleman will yield further, I understand the evolution of the thinking in this regard, but my question is, With respect to the two governing laws, the Equal Pay Act of 1963 and title VII of the Civil Rights Act, is there any policy statement, any policy direction, in either of those two fundamental statutes which include the concept of comparable work?

Mr. FORD of Michigan. Yes. In title VII, repeatedly the court has adopted the concept that we are describing here with this language. It is well established now.

Mr. CORCORAN. But that is an interpretation by the court.

Mr. FORD of Michigan. Very substantial settlements have been made, particularly with outfits like, I believe, Michigan Bell Telephone.

Mr. CORCORAN. But has there ever been any court determination in a final sense with respect to the public sector, the Government work force?

Mr. FORD of Michigan. There have been at the State level. There have been numerous decisions within State and local governments; none affecting the Federal Government.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, I really think this amendment gets down to the nitty-gritty. If this amendment passes, then the amendment offered by the gentlewoman from Ohio really will mean very little. I think this is really where we are, and we have to make that very, very clear.

I want to compliment the gentlewoman from Ohio. She, and I, and Congresswoman FERRARO did extensive hearings with our three different subcommittees on this, and we have looked at it every way we can possibly look at it.

Mr. Chairman, adoption of this amendment would make this bill ludicrous. The bill would mandate a study of the conduct specifically prohibited by the Equal Pay Act of 1963. If there is evidence of poor enforcement of the Equal Pay Act, and there is a little, we ought to be putting resources into stronger enforcement of the law, not into a study of it.

The bill seeks a study of a far more pervasive, yet far more subtle form of discrimination. The Equal Pay Act says it is illegal for an employer to pay a woman less than a man for performing the same job. This is a case-by-case determination. It is also the type of determination which is rather straight forward. Indeed, it is so obvious that women who are victims of violations of the Equal Pay Act can be expected to come forward and tell the authorities about the violation.

Pay equity is a somewhat different concept. It is based on the fact that employers set wages for employees every day. The Federal Government employs both messengers and secretaries. It sets wage levels for each. Pay equity asks whether the predominantly female position is paid less than the predominantly male position because it is predominantly female. The skills, experience, responsibilities, and working conditions of each position can be described, quantified and compared. If jobs requiring comparable duties, responsibilities, qualifications, and working conditions are paid differing amounts because of the sex of most of the holders of those jobs, sex discrimination in violation of title VII of the Civil Rights Act of 1964 exists and steps must be taken to correct it.

The methodology to study pay equity is well established. Nevertheless, a serious effort is required to examine pay equity in an institution as large as the Federal Government. Hence, the study in the bill is mandated.

If you are afraid of the study of pay equity, you should vote against this amendment and against the whole bill. A vote for this amendment is a vote to waste taxpayer's money on a silly study of activities already prohibited by law.

Mr. CORCORAN. Mr. Chairman, the gentleman yield?

Mrs. SCHROEDER. I would be delighted to yield to the gentleman from Illinois.

Mr. CORCORAN. I thank my friend and colleague, the gentlewoman from Colorado, for yielding. She is a distinguished member of our committee and, of course, a distinguished attorney as well.

Mr. Chairman, I would just like to go to the point of the derivation of comparable work from title VII of the Civil Rights Act. It is my understanding that in the court cases that have already been concluded that what in every case has been found is a judicial finding of intent to discriminate.

Is the gentlewoman telling us that in this study, that is what will be the parameter for the outside consultant?

Mrs. SCHROEDER. I think that the intent to discriminate comes after you have the study showing there is discrimination, and then the legislative body determines they are not going to do anything about it.

Mr. CORCORAN. So there would be two steps.

Mrs. SCHROEDER. Then you become a party to it. If what the gentleman is saying is that he does not want to do the study so we do not know about it so then we can never be held to have that intent, I do not think that is a good idea. That is why I would oppose the amendment.

Mr. CORCORAN. Mr. Chairman, if the gentlewoman would yield further, I am not saying there should not be a study; do not misunderstand me. I am simply saying that with respect to the precedents involved, that where the comparable worth concept has been litigated to the point of a final conclusion by the court involving a Federal employee or a Government employee, that there has always been a judicial finding of intent to discriminate.

My question is: Is that what we are asking the outside consultant to do for OPM and ultimately the Congress?

The CHAIRMAN. The time of the gentlewoman from Colorado [Mrs. SCHROEDER] has expired.

(By unanimous consent, Mrs. SCHROEDER was allowed to proceed for 5 additional minutes.)

Mrs. SCHROEDER. Mr. Chairman, if I may respond to my friend, the gentleman from Illinois, let me go through the phases, as I understand the court cases.

No. 1, in the cases there has been a study and there are many, many groups that do these kinds of studies. One of the reasons I think the gentlewoman from Ohio and I want to make sure that the group is a reputable group and not the Eagle Forum or something like that, is because of the notions that we heard from Mr. Byrnes. If we had read the transcript from the hearings we had Mr. Byrnes up for, I think the gentleman would understand.

We could not even get him to decide whether Maureen Reagan was a feminist or not. We had real problems with him.

First of all, in all these cases there has been a study by a reputable group and that is what we want. The study does not look at equal pay at the same job. We know that people in the same grades, whether they are male or female in any government sector, whether it is State or otherwise, are paid the same. We have crossed over that barrier.

Now the question is: Is a form of discrimination cranked into the whole gradation scale? My guess is that, yes, it is, because those grades were put together 50 years ago when women's wage scales in the free market system was very different than men's wage scales in the free market.

□ 1710

We even advertised for those jobs in different columns, jobs for men and jobs for women. You cannot do that after 1964, but we did it then.

If this amendment passes, we would end up with a study that tells us nothing. The study cannot just look at equal pay for equal work. It has to look at the four permises that you look to to evaluate jobs, and those are again, as I pointed out, skills, responsibility, experience, and working conditions. And then you put a number on all those, and let us say it is 10. In the category that gets a 10, you find that if it is predominantly male, you have much higher wages than in the predominantly female group that also gets a 10 when you add those together, and you go back and find that historically we advertise for those two different pools differently.

Mr. DANIEL B. CRANE. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. In just a second I will be happy to yield.

Then you find that there is a history of discrimination.

Now, if that study comes out that way and this body then does not do something to correct it and we know that it is there, then we are guilty of intentionally discriminating. The other alternative, of course, is not to do the study, so we never know.

I think we all want the study, we all want to be objective, we want to find out whether this is true, and we want to move forward. To me that seems to be the logical thing.

Mr. DANIEL B. CRANE. Mr. Chairman, will the gentlewoman yield now?

Mrs. SCHROEDER. I yield to the gentleman from Illinois.

Mr. DANIEL B. CRANE. Mr. Chairman, the gentlewoman keeps referring to being trained in various skills as one of the criteria, with which I would have to agree. But on another facet of that, would she not admit that certain people may be trained in certain skills and not master those skills, while others may be, and if they do master them, should they not be rewarded for the equal pay for equal work?

Mrs. SCHROEDER. I am not quite sure I understand what the gentleman means.

Mr. DANIEL B. CRANE. It is not just because you are trained in certain skills; some people can master them, and I can take, for instance, maybe a heart specialist, and some heart specialists are better than other heart specialists. Or teachers may have a teaching diploma, but some teachers are better than other teachers.

Does the gentlewoman not agree to that?

Mrs. SCHROEDER. The gentleman does understand how the Federal Government works. What we do is we have tests for each of these jobs. A person is tested, and there is a basic skill category that you must have. If you have that, then you come in.

We now have merit pay and other things once you get in, but we are not taking in people who are not skilled into those job classifications. The skills have already been set out before you get into that classification.

Mr. DANIEL B. CRANE. That may be the case, but as pointed out in subchapter 4, it states that there will be equal pay for substantially equal worth. I cannot understand why the gentlewoman finds fault with that. Or does she find fault with that?

Mrs. SCHROEDER. I am all for equal pay for substantially equal worth and comparable worth. That is what we are talking about. That is how you compare the worth of different people, looking at the things required for that job classification and finding out if they can qualify.

So I hope I can talk the gentleman into withdrawing his amendment because I really think it takes our whole thrust and sets it back 20 years. The gentleman would take us back to where we were in 1964, and we want to be where we want to be in 1984, which is going to the roots of discrimination and how some of these classifications came about.

Mr. GEJDENSON. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, I think it was Benjamin Franklin who, in taking a look at the democratic process itself, spoke of it as not a static condition. While some of the gentleman's remarks about what happened in the 1960's and the 1970's, as we looked at civil rights and some of these other issues, are certainly valid, we are trying to take steps forward. And that is the basic debate here, whether we go forward in enfranchising people and removing inequality for people or whether we stay stagnant.

Ms. SNOWE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to offer my strong support for H.R. 5680, and the substitute amendment to title I offered by my colleague, the gentlewoman from Ohio.

The issue of wage discrimination as it affects women has received significant attention this session of Congress, and I am very pleased that we are now having the opportunity to take some positive action with H.R. 5680 to address this very serious problem.

I think two things have become very clear during this debate. The first is that wage discrimination is probably the single most important problem women in this country face. And as we have heard, women in the Federal work force fare only slightly better than women in the private sector. The second is that a tremendous amount of confusion still surrounds the idea that women should be paid comparably to men for performing work that requires comparable skill, effort, and responsibility.

The gentleman from Illinois has an amendment to replace the word "comparable" with the words "substantially equal" when referring to the duties, responsibilities, and qualifications required by male and female workers, and again, when referring to working conditions.

"Substantially equal" is, of course, the standard required by the Equal Pay Act, passed by Congress 21 years ago today, and I am a little concerned that this body would find it necessary to reaffirm the guarantee of equal pay for equal work again in 1984. The problem that we do need to address is that the Equal Pay Act has not been successful in reaching the type of wage discrimination that most women face for a very simple reason. Most women do not work in the same jobs as men. In fact, 80 percent of all working women work in just 25 job classifications.

I think it is important to remember here that we are not talking about some radical new economic theory. We are talking about enforcement of existing law. One year after passage of the Equal Pay Act, Congress passed title VII of the Civil Rights Act, which forbids discrimination in employment and wages on the basis of sex. In 1981, the Supreme Court made clear that the legal guarantees in title VII are broader than those in the Equal Pay Act, and indeed, extend to cases where the work being done by men and women is not substantially equal. That title VII is not restricted in its implementation to the Equal Pay Act of 1963.

The Supreme Court said in 1981 that its decision was not based on the concept of comparable worth. I think that was a reasonable assertion. "Comparable worth" and "pay equity" are popular terms, not legal ones. You won't find them mentioned in title VII of the Civil Rights Act. What one doesn't have to look hard to find is that women workers in this country are segregated into a small number of low-paid, deadend jobs. And the pay they receive appears to have far less to do with the work they perform than with the fact that they are women. This is discrimination; it is illegal under title VII, and it is what we are talking about today. Nothing more and nothing less.

I would also point out to my colleagues that we are hardly blazing a new trail on this issue today. In fact, 17 States have changed their fair employment practices law to include the standard that men and women should be paid equally for work requiring comparable skill, effort, and responsibility. Twenty-five States have either completed or are in the process of completing, studies of the type proposed today. And, in addition, five States have appropriated funds to eliminate existing pay inequities.

I think a study of the type proposed in the Oakar substitute to H.R. 5680 is long overdue, and I urge my colleagues to reject any amendments to confuse the intent of the study.

Mrs. JOHNSON. Mr. Chariman, will the gentlewoman yield

Ms. SNOWE. I am glad to yield to the gentlewoman from Connecticut.

The CHAIRMAN. The time of the gentlewoman from Maine [Ms. SNOWE] has expired.

(By unanimous consent, Ms. SNOWE was allowed to proceed for 2 additional minutes.)

Mrs. JOHNSON. Mr. Chairman, I thank the gentlewoman for yielding.

I would just like to commend the gentlewoman from Maine [Ms. SNOWE] for her leadership, along with the gentlewoman from Ohio [Ms. OAKAR], on this legislation in this important and challenging area. She has long been an advocate of legislation of this sort. She sponsored legislation of a similar nature and has truly been a leader, and I think her eloquent statement on the floor of the challenge that confronts us today is evidence of her knowledge and commitment. I commend the gentlewoman from Maine and thank her.

Ms. SNOWE. Mr. Chairman, I thank the gentlewoman from Connecticut for her comments.

□ 1720

Mr. CONTE. Mr. Chairman, will the gentlewoman yield?

Ms. SNOWE. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I rise in support of the Oakar amendment.

I want to take this opportunity to commend the gentlewoman from Maine who is in the well not only for her beauty and graciousness but for her great knowledge on this subject matter.

Mr. Chairman, I rise in support of the Oakar amendment to H.R. 5680. This amendment would require an independent expert to conduct the investigation required under title I of this legislation. The purpose of that study would be to identify and correct discriminatory wage setting practices that may exist in the Federal Government.

The need for this substitute is obvious. Currently, title I would require OPM to conduct the study. It has become clear, however, that OPM could not conduct the survey without bias. Women have already suffered too long under the weight of discriminatory practices. It is especially important that this study—which is intended to discover and lift the weight of pay inequities that may exist in the Federal system—be conducted on a totally impartial basis. I think the Oakar amendment accomplishes that goal by authorizing an independent group, benefiting from the experience of unions, employer's organizations, and with the advice of OPM, to conduct this study.

Mr. Chairman, I was present here when we adopted the Equal Pay Act of 1963 and title VII of the Civil Rights Act of 1964 which prohibit other employers from instituting discriminatory salary structures based on sex. The time has long passed when we in the Federal Government, as the Nation's leading employer, should take the required steps to ensure that the employment practices of our own house are in order. Until we take this step, a dark cloud hangs over Federal pronouncements on pay equity for women.

The operative principle is clear: Women and men deserve and are entitled to equal pay for jobs requiring equal skill, effort, responsibility, and working conditions. This study will guarantee that that fundamental standard is not being undermined by the Federal Government, and that any necessary changes be instituted to right any wrongs that may exist. If this is truly a society of equality, pay equity must be a component of the Federal Government's employment practices, as an example for all. I urge my colleagues to join me in supporting the Oakar amendment, which I believe will go a long way toward ensuring that women are not only allowed to participate in the system, but that they will be compensated fairly for the work they perform and contributions they make.

Ms. SNOWE. Mr. Chairman, I thank the gentleman very much for those compliments.

Ms. OAKAR. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Without objection, the gentlewoman from Ohio is recognized for 5 minutes.

There was no objection.

Ms. OAKAR. Mr. Chairman, I think we are close to the end of the debate on this, but I want to thank my friend, the gentlewoman from Maine, and all the other speakers relating to this amendment.

The gentlewoman is absolutely right in her analysis of what the amendment would do and what laws really are favorably disposed toward my original amendment.

I am going to ask my colleagues to just clobber this amendment, because if they do not, in essence what we are doing is gutting the whole spirit of what we are talking about.

The Equal Pay Act of 1963 and title VII of the Civil Rights Act of 1964 prohibit discrimination in compensation.

The term "substantially equal" is a legal term. As was mentioned, it relates to the standard found in the Equal Pay Act; however, the amendment of the gentleman from Illinois [Mr. CRANE] would neglect another important law that has been on the books for more than 20 years, title VII of the 1964 Civil Rights Act, and title VII is broader than the Equal Pay Act and reaches instances of sex-based wage discrimination with jobs being compared differently.

This was very clear in the 1982 Supreme Court decision in the County of Washington versus Gunther.

If we adopt Congressman CRANE's amendment, we would define discriminatory practices in only the most narrow sense of the Equal Pay Act.

What the gentleman is asking us to do in essence is to ignore the Civil Rights Act, title VII, and related court decisions.

We are talking really only about a study. We are not talking about changing the law. We think the laws are on the books. We, however, believe there ought to be an objective study in terms of how we treat our Federal employees and the way they are classified. It is that simple.

I ask my colleagues to vote resoundingly no on Congressman CRANE's amendent. It would just gut the whole spirit of the study.

I thank my colleagues who are supportive of my amendment and for defeating the Crane amendment, for the bipartisan nature of what we are trying to do here; so I hope we will soundly vote no on the Crane amendment and vote yes on the Oakar amendment.

Mr. DANNEMEYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by my colleague, the gentleman from Illinois [Mr. CRANE].

I am a little surprised at the comment of the good gentlewoman from Ohio [Ms. OAKAR], and puzzled, because there is nothing in the amendment being offered by my colleague, the gentleman from Illinois [Mr. CRANE] that would seek to remove from this study the applicability of the Civil Rights Act of 1984.

The reason I make that statement with firmness is that such a reference is found on page 7, lines 15 and 16, of the amendment offered by the gentlewoman from Ohio and there is nothing in the amendment offered by the gentleman from Illinois that would take away that provision in the amendment offered by my friend, the gentlewoman from Ohio.

I think it is important that we analyze just what this amendment would do really and it deals with the definition of discriminatory wage-setting practices and that definition is found at the beginning of this bill in title I.

I will repeat it again. We do not object to the study taking place, but what we question is whether or not the definition of discriminatory wage-setting practice as it is now used in the Oakar amendment in this bill is going to result in only one conclusion by this consultant.

You know, if, for instance, you want to conduct a survey to find the number of green cars that are located in a given city and you only locate green cars on parking lots in that city for the day of survey, it is almost predictable that you are going to find green cars in that city. That is no surprise.

And similarly, when we begin by defining discriminatory wage-setting practices in the manner that is described in this definition, we are preordaining what the conclusion of the study of the consultant will be.

Now, they are sandbagging. Nobody likes sandbagging, whether it comes from the side of management or labor.

If we are going to have a study, let us have it fairly done, and that is the thrust of this amendment.

You know, when we substitute the term "substantially equal" for "comparable" on page 3, line 4, in the definition you would say, "Well, comparable, that entails a subjective judgment on the part of a consultant."

I admit that.

Does "substantially equal" also include the analysis of a matter of subjective judgment? I would say yes.

Well, what is the difference? Why are you contesting it? Why not accept the amendment in the form made by the gentlewoman from Ohio [Ms. OAKAR]?

Well, the answer is very simple. The term "substantially equal" has over the years of its usage in labor-management contract developed a certain meaning and understanding for the players. The coaches know the meaning of that term. The players know the meaning of that term, and the umpire, the consultant in this instance, knows the meaning of that term. If we now put a new term in this study, we are going to have a new body of law develop around that term. In this instance, they seek to put in the word "comparable" and they say, "Well, what's wrong? It's 1984. We need a new word for a new era."

But when you use it in the manner that is described here, it is predictable that you are going to end up with only one result. I am not sure the taxpayers of this country are particularly happy with a study that is preordained to come to only one conclusion.

Now, you cannot put a price tag on discrimination. Do not misunderstand me, but if the study comes in and we find discrimination as a result of women or men occupying certain job positions in the Federal work force, we have the responsibility to correct that. That is what we are here to do, if it shows the result is discrimination; but if they are there as the result of market forces, then I think we have to respect the fact of supply and demand, that market forces dictate what people will receive for certain types of work.

For instance, the old cliche about most of us as we wander through life want a job where we have an inside job with no heavy lifting. Now, you can get an inside job with no heavy lifting without any disparagement to anyone, but when you do that, that means you are not subjecting yourself to delays or interruptions because of weather working outside. You are not subjecting yourself to increased opportunity for injury on the job. You are not having to move about from place to place to seek employment. All these things are factors that affect the marketplace that determines supply and demand for a job.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. DANNEMEYER was allowed to proceed for 2 additional minutes.)

Mr. CORCORAN. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to my friend, the gentleman from Illinois.

Mr. CORCORAN. Mr. Chairman, I thank my friend and colleague for yielding, and although it is against my custom, I have participated quite a bit in this debate already and I would ask not only for this exchange, but in previous colloquies to have permission to revise and extend my remarks.

In this instance, I would like to ask my friend and colleague, the gentleman from California, about two aspects of his discussion so far on the pending amendments.

No. 1, it is my understanding that the gentleman has said that he does support a study, he would like to see the Office of Personnel Management or some entity designated by the Congress of the United States evaluate the current circumstance with respect to potential sex discrimination in the Federal work force. Is that not true?

Mr. DANNEMEYER. That is precisely true.

Mr. CORCORAN. Second, my question is this. One of the arguments that I think has been brought to clear focus thus far in the debate is that we are moving beyond current law in commissioning this study. It is my understanding that under current law in order for discrimination to be established, there would have to be a showing of equal work where there is unequal pay; or second there would have to be a judicial finding of intent to discriminate on the basis of sex. On either one of those standards, I would ask my friend and colleague, the gentleman from California, is it not true that under current law the finding and the ultimate determination of sexual discrimination would have to be made? Therefore, is it not true that in the pending Oakar amendment, we are faced with the development of a thrid standard, beyond the first two standards, either one of which could be used in order to determine sexual discrimination. Are we not developing a third standard and is that not a standard which would be established by the consultant based clearly on a new concept of comparable worth?

□ 1730

Mr. DANNEMEYER. I thank the gentleman. I want to make clear that my response to my friend from Illinois, the answer to your question was yes, and I thank the gentleman for his contribution.

The CHAIRMAN. The time of the gentleman from California [Mr. DANNEMEYER] has expired.

(By unanimous request Mr. DANNEMEYER was allowed to proceed for 2 additional minutes.)

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield to me?

Mr. DANNEMEYER. I yield to my friend from Michigan, chairman of the committee.

Mr. FORD of Michigan. I am curious about the comment of my friend from California that the result is predictable and inevitable if we conduct the study and we look at comparable worth. What leads you to the conclusion that the result is now determinable? You talk with so much certainty that it sounds as if you know how it will turn out, that if we turn over that rock you know what we are going to find under it.

Would the gentleman be kind enough to share with the rest of us what your crystal ball has told you is going to turn up in this study?

Mr. DANNEMEYER. The consultant will look at this and the consultant will ask the question what is the meaning of comparable worth, because it is a new term in Federal law. And he or she, the consultant will be advised as to what that term means. And then the consultant will come to a conclusion as to what that term means.

I do not think we have to dwell a long time in this Chamber to speculate as to what determination of judgment or conclusion the consultant will come to. The consultant will look at job classifications, where they exist. That is where men or women predominate, and where the consultant is being urged that the domination is the result of sexual discrimination. And then he will make up and come from the other direction and say that they are there in dominance in that job occupation, and I am suggesting that the meaning of comparable is that it is the result of sex discrimination. And there you have it and what do you know, the study comes along and says that the dominance of men or women in a job occupation is the result of sex discrimination.

Then they come in here and say to you now we have to eliminate this.

The CHAIRMAN. The time of the gentleman from California [Mr. DANNEMEYER] has again expired.

(On request of Mr. FORD of Michigan and by unanimous consent Mr. DANNEMEYER was allowed to proceed for 2 additional minutes.)

Mr. FORD of Michigan. If the gentleman will yield further, there was a certain degree of confusion in my mind trying to follow you through that. But it sounds like what you are saying is you expect going in that the assertion being made by some people, certainly not by me as chairman of the committee, is that there is a large scale improper wage and position classification in the Federal Government resulting from sex discrimination.

Mr. DANNEMEYER. I do not accept that at all.

Mr. FORD of Michigan. I get the impression that is what you are predicting as a predictable finding from this.

Mr. DANNEMEYER. I will reclaim my time. I will concede to my friend that there are occupations in the Federal work force where men predominate and women predominate.

Mr. FORD of Michigan. If the gentleman will yield, let me say I am not asserting that there is a single woman, at this point I am not asserting that there is a single woman being discriminated against. But as the chairman of this committee and a member of it for 20 years, I do not know, and we are not talking here about changing the civil rights law. I think it is adequate. We are not talking about changing the equal pay law. I think it is adequate.

We are talking about taking a good look for the first time that anyone has done it in modern times and trying to determine whether or not what we are doing makes sense and indeed complies with the law. If that becomes the question, then I do not assert that anybody is being discriminated against.

Mr. DANNEMEYER. I would reclaim my time and say, Mr. Chairman, we want to look as well, but we want to look through glasses that permit an objective, unbiased look. We do not want to be looking through glasses that are going to preordain only one conclusion, and that is the point we are trying to make.

Mrs. JOHNSON. Will the gentleman yield?

Mr. DANNEMEYER. I will be happy to yield to my friend from Connecticut.

Mrs. JOHNSON. I think it is important to realize what we are looking at is not looking at groups of women and groups of men and then backing into conclusions. This is supposed to be an objective study.

We are to look at the requirements, training, responsibility, very specific things. And one advantage of having an outside consultant is that you will have the opportunity to benefit from the experience.

The CHAIRMAN. The time of the gentleman from California [Mr. DANNEMEYER] has again expired.

(By unanimous consent Mr. DANNEMEYER was allowed to proceed for 2 additional minutes.)

Mr. DANNEMEYER. I will reclaim my time and respond to that on page 3, line 4, we are leaving intact in the Oakar amendment the words "responsibilities and qualification requirements, and is performed under," and then we seek to substitute equal and substantial working conditions, "and in the case of prevailing rate employees, within the same wage area or within areas subject to the same wage schedules and rates," we are leaving that in. I believe that that language provides an adequate, objective basis for a determination under the existing language which has had usage over years or several decades; namely, substantially equal, which will provide for an objective study. That is the point.

Mrs. JOHNSON. But the usage over the years has been interpreted to be equal. So you are talking about a woman who is a teacher and a man who is a teacher, a woman who is a nurse and a man who is a nurse, a women who is an insurance adjuster and a man who is an insurance adjuster. And even that much has not worked under our pay equity laws.

What we are seeking here is truly information about comparable jobs where skills and responsibilities are similar and comparable, but not where the name, the job title is identical. In the old tradition that has been identity.

Mr. DANIEL B. CRANE. Will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman.

Mr. DANIEL B. CRANE. I must just ask you to define "comparable worth." I think that is the big issue. Can you define it? I cannot. I would ask the Members of this House to define that term.

Ms. OAKAR. Will the gentleman yield?

Mr. DANNEMEYER. I yield to my friend from Ohio.

Ms. OAKAR. That term is not in the bill. I wish you would read the bill because "comparable worth" has not been mentioned in the bill.

Mr. DANNEMEYER. I would reclaim my time and say that comparable is in the bill and that is the word we are trying to amend. And I can respond to my friend from Connecticut by quoting from Jane Quinn, a columnist for Newsweek, who said of comparable worth: "While approving the end, I doubt the means. This approach assumes that personnel studies can satisfactorily compare different kinds of jobs. But what happens when the studies disagree?"

Mr. FAZIO. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I want to take this opportunity to commend my distinguished colleague from Ohio on the action she and the other members of the Post Office and Civil Service Committee have taken to bring the issue of pay equity before the House as part of H.R. 5680.

The legislation we are considering today addresses issues of vital importance to the Federal workforce. First, in title II we are correcting problems that have surfaced in the current merit pay system for mid-level Federal managers and supervisors enacted as part of the 1978 Civil Service Reform Act. My colleagues from Maryland [Mr. HOYER], and from Virginia [Mr. WOLF], have worked long and hard on legislation to resolve these problems and restore the Federal managers' confidence in the merit pay concept. Also, in title III we address the Senior Executive Service, making some adjustments in the provisions governing it. Both provisions seek to restore equity to the Federal Government's dealings with its workforce.

Equity is the overriding issue we are dealing with in this legislation. That is clearly the mandate of title I. The independent pay equity study required by the Oakar substitute to title I of the bill will simply determine if the Federal civil service pay systems discriminate on the basis of sex.

It is incumbent upon the Congress to take this step. A number of States and businesses across the country have made studies similar to the one mandated by H.R. 5680. This is an issue on which the Federal Government should take a leading role. As the largest employer in the country the Government should be able to say with certainty that sex-based wage discrimination does not exist in the Federal civil service. The statistics revealed thus far show that that is clearly not the case.

It is time for a comprehensive and objective study of wage practices. I believe such a study can best be conducted by an outside consultant hired by OPM, as Mrs. OAKAR's substitute provides. Such a study, conducted over a period of 7 months at a cost not to exceed $500,000, would provide the Congress with a report on the current status of wage-setting practices and differentials in the Federal Government and provide recommendations for eliminating those discriminatory pay practices identified.

In addition, we have understood that an amendment may be offered to alter the purpose of the study by substituting the words "substantially equal" duties for "comparable" duties. While at first glance this may not seem to be important, it is of great significance, for substituting "equal" duties is another way of saying "equal pay for equal work." Such an amendment would narrow the scope of this study, for equal pay for equal work is already codified by the Equal Pay Act. That simply means that two people doing the same job receive the same pay. What we are talking about is something quite different, and that is pay equity for jobs of comparable worth.

Our Federal employees are looking to us to provide leadership on this issue. As with all workers, the least they deserve is to be treated fairly by their employer, in this case the Federal Government. We owe our Federal workforce that commitment to fairness. Also, our action on pay equity, and likewise, on titles II and III of H.R. 5680, can serve as models for State and local governments and private employers. I urge my colleagues to support the Oakar substitute to title I and to lend their full support to H.R. 5680 on final passage.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DANIEL B. CRANE] to the amendment offered by the gentlewoman from Ohio [Ms. OAKAR].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DANIEL B. CRANE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 22, noes 395, not voting 16, as follows:

[Roll No. 293]

AYES—22

Bartlett
Cheney
Corcoran
Crane, Daniel
Crane, Philip
Dannemeyer
Dickinson
Hall, Ralph
Hansen (UT)
Loeffler
Lungren
Martin (NC)
McCandless
Packard
Paul
Ritter
Roth
Rudd
Shumway
Smith, Denny
Stump
Vandergriff

NOES—395

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Aspin
AuCoin
Badham
Barnard
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Bethune
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bryant
Burton (CA)
Burton (IN)
Byron
Campbell
Carney
Carper
Carr
Chandler
Chappie
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conable
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
D'Amours
Daniel
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dicks
Dingell
Dixon
Donnelly
Dorgan
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dyson
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fazio
Feighan
Fiedler
Fields
Fish
Flippo
Florio
Foglietta
Foley

Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gore
Gradison
Gramm
Gray
Green
Gregg
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hall, Sam
Hamilton
Hammerschmidt
Hance
Harkin
Harrison
Hartnett
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hertel
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kogovsek
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Lloyd
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Mack
MacKay
Madigan
Markey
Marlenee
Marriott
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McNulty
Michel
Mikulski
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Olin
Ortiz
Ottinger
Owens
Oxley
Panetta
Parris
Pashayan
Patman
Patterson
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Rahall
Rangel
Ratchford
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roukema
Rowland
Russo
Sabo
Savage
Sawyer
Schaefer
Scheuer
Schneider
Schroeder
Schulze
Schumer
Seiberling
Sharp
Shaw
Shelby
Shuster
Sikorski
Siljander
Simon
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stangeland
Stenholm
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vander Jagt
Vento
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Wilson
Winn
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NOT VOTING—16

Bonior
Chappell
Dymally
Early
Erlenborn
Ferraro
Hansen (ID)
Livingston
Mica
Obey
Roybal
Sensenbrenner
Shannon
Stark
Williams (MT)
Williams (OH)

□ 1750

Messrs. GEKAS, MARTINEZ, CRAIG, HARTNETT, SLATTERY, JEFFORDS, LOTT, McCANDLESS, SILJANDER, and RANGEL changed their votes from "aye" to "no."

Mr. McCANDLESS changed his vote from "no" to "aye."

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DANNEMEYER TO THE AMENDMENT OFFERED BY MS. OAKAR

Mr. DANNEMEYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DANNEMEYER to the amendment offered by Ms. OAKAR:

RESTRICTION ON USE OF STUDY

SEC. 107. (a) No finding, recommendation, or other determination made by the consultant under this title (whether contained in the consultant's report or otherwise) may be considered in any proceeding under any of the provisions of law referred to in section 106 unless there is first enacted into law a bill or joint resolution described in subsection (b).

(b) A bill or joint resolution under this section means a bill or joint resolution, the matter after the enacting or resolving clause of which is as follows: "That the Congress endorses the findings contained in the report transmitted to Congress under title I of the Federal Pay Equity and Management Improvement Act of 1984 on —.", with the blank space being filled with the appropriate date.

Page 7, line 21, strike out "107." and insert in lieu thereof "108.".

Page 8, line 1, strike out "108." and insert in lieu thereof "109.".

□ 1800

Mr. DANNEMEYER. Mr. Chairman, the amendment that the committee is now considering is one that is presented in order to make clear that when the study that we support is forthcoming that any change that would come about as a result of it would be the result of action by the legislative body in implementing any recommendations for change that may be required as a result of it rather than as a result of a court action.

Let me explain to the Members how this worked in the State of Washington. That State organized or authorized a study to take place on the subject of discrimination in certain classes of employees in their State Government on the contention that where women or men predominated in certain job classifications. That study was concluded and brought to the attention of the legislature, and the legislature chose not to make changes based upon it.

After the study was concluded and was resting on a shelf gathering dust a public employee union in the State of Washington filed suit against the State contending that women in that work force were being discriminated against in connection with their employment.

In that lawsuit that study was subpoened as an exhibit, and the trial court judge relied on that study in awarding a judgment against the State of Washington and public agencies in that State for some $731 million.

Now, extrapolating that result to the Federal Government, in the State of Washington they had 33,000 employees whereas in the Federal Government in job classifications we find 466,000 female employees in predominantly female jobs. The extrapolation would produce the results that impacting on the Federal Government would be $10.3 billion.

That means if the study goes ahead as planned and the legislature would not take action with respect to it, because it is possible that dominance in one occupation could be the result of market forces as well as a result of sex discrimination since this consultant could categorize the opinion in such a way that a conclusion of sex discrimination would be possible, then that study would be introduced in a lawsuit in a court of law. It is possible that a judgment could be awarded against the Federal Government for that amount.

That is a substantial sum of money.

This amendment says that before such a study would become operative or could be used in a court of law for the purpose of being used as evidence or an exhibit, that Congress would have to endorse the findings contained in the report. In other words, if we are going to go down the road of a study that could result in a judgment of $10.3 billion from this study or anything comparable to it, it should be the conscious action of a legislative body, the House of Representatives, rather than some court judgment, because we are the ones who are responsible for setting the level of spending and not the court.

I would ask my colleagues on both sides of the aisle to support this amendment because it does not prevent the study from taking place, it does not deal with the matter of definitions; it just deals with the implementation of any data that will be forthcoming as a result of it. I ask my colleagues for their support.

Mr. FORD of Michigan. Mr. Chairman, I raise in opposition to the amendment.

Mr. Chairman, I cannot believe the gentleman is really serious about this amendment, because just take a look at what it says: No finding, recommendation, or other determination made by the consultant under this title (whether contained in the consultant's report or otherwise) may be considered in any proceeding under any provisions of law referred to as section 106 unless there is first enacted into law, and then he prescribes a form of a joint resolution.

We would be saying to the court that no information that resulted from the study could be offered in evidence in a court unless we first passed a joint resolution saying that we—to use his terms—endorsed the findings contained in the report.

I do not know whether we have got any business endorsing the findings or not. If they find that there is discrimination, then the executive branch will presumably move to reclassify people and correct the discrimination. If they fail to do that, then the people who are being discriminated against or think they are being discriminated against will have the same cause of action as any other citizen, during the course of which the court would, as it has in discrimination cases of all kinds, called upon experts to make studies or who have made studies and analyzed the facts for them, and the court, then, subject, of course, to that information, being subjected to all of the rules of evidence, and especially the right of the Government agency that might be accused of discrimination in this case, to question the validity of any finding.

On the one hand the gentleman says that we should not let the court look at the result unless we tell him that we endorse it. I think it is highly unlikely that any of us would be prepared to endorse all of the components of any study commissioned on any subject.

However, suppose we did.

□ 1810

Suppose that for some reason the Congress was moved to endorse every dot and tittle in that report. Then you would say to the court, and I think they would ignore this with the same readiness with which they would ignore the first injunction against their powers, you will consider everything that is in that, now endorsed by the Congress' report to be holy writ. And you will not permit evidence that contradicts that, that attempts to show that the person conducting the study had bad information, or incomplete information, or that the information was otherwise subject to the test of competency, which all evidence before a court should have to meet.

Either way that this played out, you would be creating an artifical situation which I, as a lawyer believe, the court would ignore in any event. To adopt this amendment is to try to suggest that we say to the court that no matter what comes up, this would be like, you put a similar amendment in OSHA for example, and say that if an OSHA investigator finds facts that show that an employer was responsible for conditions that led directly to the taking of the life or the permanent crippling of an employee, that you could not subpoena the OSHA inspector or his records as evidence of the fact that that kind of negligence had occurred. Now everybody knows that is patently ridiculous.

We do not block the courts and never have tried to, and constitutionally, we cannot block the courts from considering any valid, creditable, and probative evidence that a party puts before that court. Everything that is put before the court, we have an adversarial system in our courts, is subject to the other side saying this is a lot of malarkey; it is not supported by the facts. The conclusion you reach while looking at this is this is not logical, therefore, we argue the logical conclusion is as follows. That is what lawsuits are all about.

We would anticipate that any administration that found clear evidence that there was, in this antiquated classification system, something that constituted actionable discrimination, they would take the simple action that is available to them to correct that. If they did that, there would not be a court action.

The problem in Washington was that after the evidence was all on the table, the politicians chose to ignore it. The people then said we have evidence that this existing system is bad and it is discriminatory and you have not changed it.

REPORT CANNOT BE USED IN LITIGATION

Again, I cannot accept the amendment being offered by the gentleman from California. This amendment unnecessarily removes legitimate rights found under current law. The amendment also implies that the Government is not subject to lawsuits at the present time, which is not correct. Anyone charging discrimination under the Federal pay and classification systems can file suit against the Government.

I believe strongly that the study as outlined in my amendment to title I of H.R. 5680 displays a good-faith effort on the part of the Federal Government to identify any discriminatory practices.

Finally, and quite frankly, I believe that the Federal Government should be held responsible for its actions. If the study concludes that illegal wage discrimination exists, the Federal Government should take heed. I am certain that Members of Congress and officials of the administration will want to end such practices. A lawsuit should not be needed.

For these reasons, I must oppose the amendment.

Mrs. BOXER. Mr. Chairman, I move to strike the last word.

Mr Chairman, I rise in opposition to this amendment.

Mr. Chairman, women are paid 62 cents for every dollar earned by a man; that is an undisputed fact. That fact should bother Members of this House.

Women are making a significant contribution to society by their work, and yet they are earning 62 cents for every dollar earned by a man. More and more women help support their families. Indeed, 52 percent of married women work. They are earning 62 cents for every dollar earned by a man; 90 percent of families headed by a single parent are headed by women. Women raising their children, and yet they earn 62 cents for every dollar earned by a man.

Now, the gentlewoman from Ohio comes along and to her great and everlasting credit asks a simple question in her bill, and that question is "why?" That is all she asks is, "why," and she calls for a comprehensive study. Pay equity asks only one thing; whether the predominantly female position is paid less than the predominantly male position because and only because it is predominantly female.

So, I ask the gentleman from California who has now offered this gutting amendment what he is afraid of. Is he afraid that the results of such a study could be used to bring equity to women in this Federal work force? That is what I infer from his amendment. I see nothing to be afraid of: Equity and fairness should be our goal, not our fear.

I can only conclude that the gentleman does not see anything wrong with the fact that women are paid 62 cents for every dollar earned by a man. I assert that turning our backs on that question is turning our backs on a pervasive inequity that not only affects women, but affects their families as well.

This amendment offered by the gentleman from California guts the bill. I strongly urge a "no" vote and an "aye" vote on the Oakar bill.

Mr. DANNEMEYER. Mr. Chairman, will the gentlewoman yield?

Mrs. BOXER. I will be happy to yield to the gentleman.

Mr. DANNEMEYER. Did I understand you to say that the author of the amendment, the gentleman from California, is unwilling to have any elimination of discrimination removed? Is that what you are saying?

Mrs. BOXER. I said that I inferred from the gentleman's amendment and his statements made prior to this particular amendment, that the gentleman is trying to gut this bill, and that is how I perceive his amendment.

Mr. DANNEMEYER. Well, let me disabuse you of any such notion. This amendment merely says——

Mrs. BOXER. I would like to finish my thought, if I might.

I am inferring that the gentleman's amendments are killer amendments. That phrase was used by another colleague on another bill, and therefore, I can only say to the gentleman that if his amendment would pass, then we would be doing nothing to move forward the whole notion of equity.

Mr. DANNEMEYER. Well, I can only respond to my colleague that this amendment that I am offering merely says that if we are going to implement any findings of the study, it should be a conscious act of the legislative body who is responsible to the voters of this country, to vote the money to do that. We should not relegate that responsibility to a court. That is all I am saying. Do you not think that is fair?

Mrs. BOXER. I think that the gentleman's amendment is totally unnecessary. I think the bill handles this issue clearly, as the chairman explained. I think it is a gutting amendment and I urge a "no" vote.

Mr. FORD of Michigan. Mr. Chairman, will the gentlewoman yield?

Mrs. BOXER. I yield to the gentleman.

Mr. FORD of Michigan. In response to the point just made by the gentlewoman from California, of course, the Congress will have to take action. If the Office of Personnel Management makes a determination that they are going to have to readjust pay schedules, and that results in additional cost to individual agencies, we will have to deal in that portion of the appropriation for each of those agencies of Government with that additional cost. The money will not be there to pay for them unless the Congress appropriates it.

None of these things will end up being changes unless Congress takes action. But the executive sets the classification. We do not legislate classification; the executive established the classification system and successive administrations, both Democratic and Republican have hidden from issues like this and just decided it was too touchy and they have not done anything about it.

The CHAIRMAN. The time of the gentlewoman from California [Mrs. BOXER] has expired.

(By unanimous consent, Mrs. BOXER was allowed to proceed for 1 additional minute.)

Mr. FORD of Michigan. Mr. Chairman, will the gentlewoman yield?

Mrs. BOXER. I continue to yield to the gentleman.

Mr. FORD of Michigan. All we are asking them to do now is still not to do anything about it, but take a look and see whether it is serious enough so that something should be done about it.

I thank the gentlewoman for yielding.

□ 1820

Ms. KAPTUR. Mr. Chairman, will the gentlewoman yield?

Mrs. BOXER. I am happy to yield to the gentlewoman from Ohio.

Ms. KAPTUR. Mr. Chairman, I rise in strong support of the Oakar amendment and against the Dannemeyer amendment to the Federal Pay Equity Act.

Mr. Chairman, I would like to express my strong support for H.R. 5680, the Federal Pay Equity Act, and of the Oakar amendment to that bill. Women have made tremendous strides in the past 20 years in their participation in the work force, but it is increasingly clear that participation is not enough for women to assume their rightful position as equal partners in the future of this country. Nor does participation ensure the economic prosperity of women workers. The issues extend beyond having jobs to the nature of the jobs themselves and the compensation received.

Upholding the principle of equal pay for equal work would be of great help to women in the work force. Currently, women do not receive equitable compensation in two types of cases. First, and most blatantly, women performing the same work as men do not always receive the same compensation. Second, women are often underpaid because the occcupations they work in are underpaid relative to other occupations. This wage differential is not based in differences in productivity. As a district court in Washington found last year, female State employees were paid less than men even though their jobs required similar skill, effort, responsibility, and working conditions.

A substantial difference in wages results. Women wages average about 62 percent of wages for men. Serious problems accompany these lower wages. The trend toward the feminization of poverty includes many women who work full time but they and their families nevertheless remain poor.

H.R. 5680 would take significant steps toward solving the problem of wage inequity. The Federal Government should take the lead in the area of pay equity. Before we ask more of private-sector companies, it is appropriate that we uphold the principle of pay equity in our own companies.

I also support the Oakar amendment to H.R. 5680. I commend Representative Oakar for her leadership in the pay-equity area and urge my colleagues to support her amendment and the bill.

Mr. RITTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am not going to comment on the amendment that is before us, but I would like to comment on the rhetoric of the gentlewoman who was just in the well.

The 62 cents on $1 figure is a red herring. It represents an overall average which does not take into account a host of factors which make women's pay scales in the workplace somewhat different than men's.

For example, tenure on the job creates conditions whereby pay scales change amongst men and amongst women as well. Continuity on a particular job changes pay scales amongst men as well as amongst women. Work experience has a similar effect.

As a matter of fact, if you begin to isolate by profession, given equal amounts of experience, or tenure, or continuity, you get substantially equal levels of pay, in particular, when it comes to single women in the workplace at these benchmark levels similar to those that males occupy in the workplace.

So let us start talking about the realities. If we do, we will make more progress in achieving equal pay for equal work, and we will be more honest with the American people about this sensitive issue.

Mr. Chairman, I yield back the balance of my time.

Ms. OAKAR. Mr. Chairman, I move to strike the requisite number of words, and I rise in strong opposition to the amendment.

I would just like to respond to what the gentleman just said by way of opposing the amendment. If we look at the realities, there are some factors. He is right, there are factors when we enter into this discussion, when we talk about 62 cents for every dollar. No one wants to see men make less money, but there are factors.

Let me tell the Members a few factors they may not be aware of. One factor is that the average woman with a college degree makes less than an average man with a high school diploma.

Let me tell the Members another factor. The average woman with a high school diploma makes less than a man who has an elementary school education.

Let me tell the Members another factor that they may not be concerned about. The poorest person in this country is an elderly woman, primarily because at times her pension and certainly her Social Security check is a form of discrimination because it is inequitable. Some of us are trying to change that since the Supreme Court ruled on the issue of pensions. But her pension is based on wages. When a woman makes low wages and she is traditionally in lower paid jobs, even if she is a teacher who is responsible for the education of our young people, a social worker dealing with the demands of so many of our people in need, or a nurse who spends more time with the patient than any other individual, those are the factors, and women still make 62 cents for every dollar.

Mr. RITTER. Mr. Chairman, will the gentlewoman yield?

Mrs. BOGGS. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I am happy to yield to my friend, the gentlewoman from Louisiana.

Mrs. BOGGS. Mr. Chairman, I wish to commend the gentlewoman from Ohio [Ms. Oakar] for her bill, and I rise in strong support of it and against the amendment that is pending.

I would also like to point out that it is even a worse percentage when we talk about minority women, because with minority women, black women make only 56 cents on $1 and Hispanic women only 52 cents on $1 and we know that many of them are indeed responsible for their families' welfare. You cannot separate women from their children, and when they are fortunate enough to have a two-parent household, you cannot separate their earnings from their families'.

So I congratulate the gentlewomen on her bill. I think we are belaboring the situation and pulling it far into the evening when we are really here to ask: Are we going to pay women equally or are we not, and can we please have a study that tells us how to do it?

Ms. OAKAR. Mr. Chairman, the gentlewoman from Louisiana is exactly right.

I just want to close my statement quickly because I think the gentlewoman is right, the time is getting rather late.

What we are really talking about here is the issue of equity, and we have built into the study a factor that is in a sense a predisposition. We do not want this to be a confrontation between men and women because that is the old argument about men and women, and so on. I do not want any man to make less than what he is making now from the Federal Government, and I certainly do not want any women to make less, because if you take the comparability issue a step farther, we know from studies that Federal employees make 21 percent less then the average people in the private sector, and this is from a study done by the President's Commission. So we know we cannot do that.

All we are saying is, let us review the civil service, which has not been looked at since 1923, and the manner in which we classify individuals. Let us not make this a confrontation between men and women. That is not my issue.

Mr. Chairman, I think we ought to be concerned about the mothers, and sisters, and wives who are so discriminated against so often in the work force, and I hope the gentleman will agree and not make this an issue.

Mr. RITTER. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentleman from Pennsylvania.

Mr. RITTER. Mr. Chairman, I thank the gentlewoman for yielding, and I commend her for her assiduous work on behalf of pay equity. But I think if we would compare apples with apples and oranges with oranges, we might get a better study of what is equal and what is truly unequal.

For example, single women in 1983 are earning 91 percent of the male rate. Now, that is not to say that the 9 percent is discrimination. It is probably a measure of something that we do not know. But women aged 20 to 24 in 1983 made approximately 90 percent. I think something is happening there.

Ms. OAKAR. Mr. Chairman, I am reclaiming my time.

What the gentleman is quoting from is the famous Dannemeyer chart that he held on the floor that was honestly a misrepresentation. The gentleman had better check the census statistics on that. I remember one figure also from the same chart showed that black women made 87 percent of the white rate.

The CHAIRMAN. The time of the gentlewoman from Ohio [Ms. Oakar] has expired.

Mr. RITTER. Mr. Chairman, I ask unanimous consent that the gentlewoman from Ohio [Ms. Oakar] be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. FORD of Michigan. Mr. Chairman, reserving the right to object, it is close to 6:30. With no disrespect to the gentleman offering the amendment, we are spending an awful lot of time on amendments that are not earth shaking but mischievous, and I am getting a lot of requests from Members who are getting tired of coming back here tonight.

I am not going to object to this request for an extension, but I intend very soon to start objecting to requests for extensions of time, and as soon as I can get time with the gentleman from California, I am going to seek some kind of limitation on title I so we can get this bill finished.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. WEAVER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. WRIGHT. Mr. Chairman, I rise in support of the Oakar amendment.

The CHAIRMAN. The majority leader, the gentleman from Texas [Mr. Wright] is recognized for 5 minutes.

Mr. WRIGHT. Mr. Chairman, I rise in support of the Oakar amendment, in opposition to the Dannemeyer amendment, and in behalf of the bill.

All of us at one time or another have endorsed the basic principle of equal pay for equal work. I do not think there is a person in the House, man or woman, who would deny the equity of that simple proposition. That is what this bill provides.

The Oakar amendment calls for a study by a competent private consultant concerning equity in the marketplace and equal pay for equal work.

Now, the Dannemeyer amendment would provide that no court may take into account any of the findings of that study unless Congress voted to permit it. Why is that bad public policy? For a very long while, in some of the outstanding landmark cases of our Nation's legal history, courts have been free to call upon whatever studies were available to them.

In the famous case of Brown against Board of Education, of course, the Court did then call upon the Myrdal sociological studies, as well as other studies of that type.

So to tie the courts' hands and say, "Well, we will authorize a study, but no court may look at it" would be to make a nullity of what we are attempting to do.

What is wrong with a study? I cannot imagine that it would send chills of stark fright coursing through the veins of people in this House.

Why should we have a private consultant study? I think it has become quite obvious that there are those presently in the administration who would seek an opportunity of a study to create mischief of a purely partisan political character. I would not have believed this unless I had seen and read with my own eyes an official memorandum written by James L. Byrnes, the Deputy Associate Director for Staffing of the Office of Personnel Management on May 14 to Donald J. Devine, Director of the Office of Personnel Management.

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Here is what he said: "If the Oakar bill passes it would be a tremendous opportunity for OPM to develop a * * * system, and show how preposterous it would be.

"The political possibilities of this situation should not be underestimated. By doing job evaluation across clerical and blue collar occupations," we could "divide the white collar and blue collar unions."

He went on to say "* * * the unions would be pitted against the radical feminist groups and would further divide this constituency of the left.

"We could create," he said, "disorder within the Democratic House, pitting union against union and both against radical feminist groups.

"This situation presents opportunities that we should not ignore."

That is on official U.S. Government letterhead, an official memorandum from the Deputy Associate Director to the Director of the Office of Personnel Management. That is why we want a competent private study by a competent consultant, and that is why we should vote for the Oakar amendment, to depoliticize this matter. And that is why we should vote against the Dannemeyer amendment.

Mr. DANNEMEYER. Will the gentleman yield?

Mr. WRIGHT. Of course I yield to my friend.

Mr. DANNEMEYER. I know that the distinguished majority leader has not been on the floor during the entire debate and maybe he overlooked the fact that we do not object to the provision of the Oakar amendment which calls for the private consultant. I do not know what the gentleman in the well was aware of. It may come as news. But I just wanted you to know that.

Mr. WRIGHT. I am pleased to have that reiteration. It comforts me to know that the Oakar amendment will pass with the support of the distinguished gentleman from California. I am pleased to have that information. I rejoice in it. I thank you.

Mr. DANNEMEYER. If the gentlemen will yield, I am glad I brought you a little rejoicing.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. DANNEMEYER] to the amendment offered by the gentlewoman from Ohio [Ms. OAKAR]

The amendment to the amendment was rejected.

Mr. FORD of Michigan. Mr. Chairman, I move to strike the requisite number of words. I would ask, does the gentleman from California have further amendments to title I?

Mr. DANNEMEYER. Mr. Chairman, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from California.

Mr. DANNEMEYER. No. We have no more amendments to present to title I.

Mr. FORD of Michigan. I mean not only on the Oakar amendment but to title I itself.

Mr. DANNEMEYER. To title I we have no more amendments.

Mr. FORD of Michigan. Then we can get on with the vote.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Ohio [Ms. OAKAR].

The amendment was agreed to.

The CHAIRMAN. The clerk will designate Title II. The text of title II is as follows:

TITLE II—PERFORMANCE MANAGEMENT AND RECOGNITION SYSTEM

ESTABLISHMENT OF PERFORMANCE MANAGEMENT AND RECOGNITION SYSTEM

SEC. 201. (a) Chapter 54 of title 5, United States Code, is amended to read as follows:

"CHAPTER 54—PERFORMANCE MANAGEMENT AND RECOGNITION SYSTEM

"Sec.
"5401. Purpose.
"5402. Coverage.
"5403. General pay increases.
"5404. Merit increases.
"5405. Pay administration.
"5406. Performance awards.
"5407. Cash award program.
"5408. Report
"5409. Regulations.
"5410. Termination.

"§ 5401. Purpose

"It is the purpose of this chapter to provide for a performance management and recognition system which shall—

"(1) use performance appraisals as the basis for adjusting basic pay and determining performance awards;

"(2) within available funds, recognize and reward quality performance by varying amounts of performance and cash awards;

"(3) within available funds, provide for training to improve accuracy, objectivity, and fairness in the evaluation of performance;

"(4) regulate the costs of performance awards by establishing funding level requirements; and

"(5) provide the means to reduce or withhold certain pay increases for less than fully successful performance.

"§ 5402. Coverage

"(a) Except as provided in subsection (b) or (c) of this section, this chapter shall apply to any supervisor or management official (as defined in paragraphs (10) and (11) of section 7103(a) of this title, respectively) who is in a position within grade GS-13, GS-14, or GS-15 of the General Schedule described in section 5104 of this title.

"(b)(1) Upon request filed under paragraph (3) of this subsection, the President may, in writing, exclude an agency, any unit of an agency, or any class of employees within any such unit, from the application of this chapter, if the President considers such exclusion to be required as a result of conditions arising from—

"(A) the recent establishment of the agency, unit, or class, or the implementation of a new program;

"(B) an emergency situation; or

"(C) any other situation or circumstance.

"(2) Any exclusion under this subsection shall not take effect earlier than 30 calendar days after the President transmits to each House of the Congress a report describing the agency, unit, or class to be excluded and the reasons therefor.

"(3) A request for exclusion of an agency, any unit of an agency, or any class of employees within any such unit, under this subsection shall be filed by the head of the agency with the Office of Personnel Management, and shall set forth reasons why the agency, unit, or class should be excluded from the application of this chapter. The Office shall review the request and reasons therefor, undertake such other review as it considers appropriate to determine whether the agency, unit, or class should be excluded from the application of this chapter and, upon completion of its review, recommend to the President whether the agency, unit, or class should be excluded.

"(4) Any agency, unit, or class which is excluded pursuant to this subsection shall, insofar as practicable, make a sustained effort to eliminate the conditions on which the exclusion is based.

"(5) The Office shall periodically review any exclusion from coverage and may at any time recommend to the President that an exclusion under this subsection be revoked. The President may at any time revoke, in writing, any exclusion under this subsection.

"(c) This chapter shall not apply to individuals employed under the Office of the Architect of the Capitol, the Library of Congress, the Botanic Garden, or the Administrative Office of the United States Courts.

"§ 5403. General pay increases

"(a) For purposes of this section, a pay adjustment period, in the case of an employee covered by this chapter, shall be the period beginning on the first day of the first pay period applicable to such employee commencing on or after the first day of the month in which an adjustment takes effect under section 5305 of this title and ending at the close of the day before the beginning of the following pay adjustment period.

"(b)(1) A determination concerning a general pay increase under this section shall, for any pay adjustment period, be made based on the level of performance of the employee involved, as most recently determined under section 4302a of this title before the beginning of such pay adjustment period.

"(2) The Office of Personnel Management shall, be regulation, prescribe the applicability of a general pay increase for an employee whose level of performance has not been so determined.

"(c) Subject to section 5405(a)(1)(A) of this title, if the employee's performance is rated—

"(1) at the fully successful level or either of the two levels above the fully seccessful level, the rate of basic pay of the employee shall be increased by the full general pay increase, effective as of the beginning of the pay adjustment period;

"(2) at the level one level below the fully successful level, the rate of basic pay of the employee shall be increased by one-half of the full general pay increase, effective as of the beginning of the pay adjustment period; or

"(3) at the level two levels below the fully successful level, the rate of basic pay of the employee shall not be increased under this section.

"(d) A full general pay increase for any pay adjustment period under this section shall be determined by multiplying the rate of basic pay of the employee involved by the percentage corresponding to the percentage generally applicable under section 5305 of this title of positions not covered by this chapter which are in the same grade as the position held by such employee.

"§ 5404. Merit increases

"(a) For purposes of this secion—

"(1) the term 'applicable reference rate, as used with respect to the rate of basic pay of an employee, means the rate equal to the sum of—

"(A) the minimum rate of basic pay provided under section 5332 of this title for the grade of the position held by such employee; and

"(B) one-third of the difference between the maximum rate of basic pay provided for such grade under such section and the minimum rate of basic pay so provided;

"(2) the term 'applicable second pay band reference rate', as used with respect to the rate of basic pay of an employee, means the rate equal to the sum of

"(A) the minimum rate of basic pay provided under section 5332 of this title for the grade of the position held by such employee; and

"(B) two thirds of the difference between the maximum rate of basic pay provided for such grade under such section and the minimum rate of basic pay so provided;

"(3) the term 'merit increase' means, with respect to a grade, an increase equal to one-ninth of the difference between the maximum rate of basic pay provided for such grade under section 5332 of this title and the minimum rate of basic pay so provided; and

"(4) a reference to the performance rating of an employee shall, for purposes of any increase which may take effect under this section in a year, be considered to be a reference to the level of performance of such employee, as most recently determined under section 4302a of this title before the effective date of such increase.

"(b) Subject to section 5405(a)(1)(A) of this title, under regulations prescribed by the Office of Personnel Management, the rate of basic pay of an employee covered by this chapter shall be increased each year in accordance with the applicable provisions of subsection (c) of this section, effective as of the beginning of the first applicable pay period commencing on or after October 1 of such year.

"(c)(1)(A) If the rate of basic pay of the employee does not equal or exceed the applicable first pay band reference rate on the day before the effective date of an increase under this section, and the performance of such employee is rated at the fully successful level or either of the two levels above the fully successful level, the rate of basic pay of the employee shall be increased by an amount equivalent to a merit increase.

"(B) If the rate of basic pay of the employee equals or exceeds the applicable first pay band reference rate but does not equal or exceed the applicable second pay band reference rate on the day before the effective date of an increase under this section, and the performance of such employee is rated—

"(i) at the level two levels above the fully successful level, the rate of basis pay of the employee shall be increased by an amount equivalent to a merit increase;

"(ii) at the level one level above the fully successful level, the rate of basis pay of the employee shall be increased by an amount equivalent to two thirds of a merit increase; or

"(iii) at the fully successful level, the rate of basic pay of the employee shall be increased by an amount equivalent to one-half of a merit increase.

"(C) If the rate of basic pay of the employee equals or exceeds the applicable second pay band reference rate on the day before the effective date of an increase under this section, and the performance of such employee is rated—

"(i) at the level two levels above the fully successful level, the rate of basic pay of the employee shall be increased by an amount equivalent to a merit increase;

"(ii) at the level one level above the fully successful level, the rate of basic pay of the employee shall be increased by an amount equivalent to one-half of a merit increase; or

"(iii) at the fully successful level, the rate of basic pay of the employee shall be increased by an amount equivalent to one-third of a merit increase.

"(2) The rate of basic pay of an employee whose performance is rated at either of the two levels below the fully successful level shall not be increased under this setion for the year involved.

"§ 5405. Pay administration

"(a)(1) An employee covered by this chapter—

"(A) may not be paid at a rate greater than the maximum rate of basic pay for the grade of the employee's position, as set forth in section 5332 of this title; and

"(B) except as provided in paragraph (2) of this subsection, may not be paid at a rate less than the minimum rate of basic pay for such grade, as set forth in section 5332 of this title.

"(2) An employee may be paid at a rate less than the minimum rate of basic pay for the grade of such employee's position to the extent that payment of the lesser rate is the result of the employee having received less than a full general pay increase under section 5403 of this title.

"(b) Any employee whose position is brought under this chapter shall, so long as the employee continues to occupy the position, be entitled to receive basic pay at a rate of basic pay not less than the rate the employee was receiving when the position was brought under this chapter, plus any subsequent increases under sections 5403 and 5404 of this title.

"(c) The Office of Personnel Management shall prescribe regulations governing the method by which an increase under section 5403 of this title and an increase under section 5404 of this title shall be made in any case in which both of those increases are to take effect beginning on the same date.

"(d) Under regulations which the Office shall prescribe, the benefit of advancement through the range of basic pay for a grade shall be preserved for any employee who is covered by this chapter and whose continuous service is interrupted in the public interest by service in the Armed Forces, or by service in essential non-Government civilian employment during a period of war or national emergency.

"(e) For the purpose of section 5941 of this title, rates of basic pay of employees covered by this chapter shall be considered rates of basic pay fixed statute.

"(f) In the case of an employee covered by this chapter for whose position a higher rate of basic pay has been established under section 5303 of this title, any reference in this chapter to a rate of basic pay provided under or set forth in section 5332 of this title shall be deemed to be a reference to the corresponding rate of basic pay established under such section 5303.

"§ 5406. Performance awards

"(a)(1) Any employee who is covered by this chapter, and whose performance for an appraisal period is rated under section 4302a of this title at the level two levels above the fully successful level, shall be paid a performance award under this section for such period.

"(2) The amount of a performance award referred to in paragraph (1) of this subsection shall be determined by the appropriate agency head, except that any such award shall be not less than 2 percent and not more than 10 percent of the employee's annual rate of basic pay.

"(b)(1) Any employee who is covered by this chapter, and whose performance for an appraisal period is rated under section 4302a of this title at the level one level above the fully successful level, may be paid a performance award under this section for such period.

"(2) The amount of a performance award referred to in paragraph (1) of this subsection shall be determined by the appropriate agency head, except that any such award shall be not more than 10 percent of the employee's annual rate of basic pay.

"(c)(1) Subject to subsections (a)(2) and (b)(2) of this section, the aggregate amount of performance awards paid under this section by an agency during any fiscal year shall be—

"(A) not less than the product of—

"(i) the applicable minimum percentage for such year under paragraph (2) of this subsection, multiplied by

"(ii) an amount equal to that part of the aggregate amount appropriated for such year for basic pay of employees of such agency which is allocable to employees who are covered by this chapter; and

"(B) not more than the product of—

"(i) the applicable maximum percentage for such year under paragraph (2) of this subsection, multiplied by

"(ii) the amount under subparagraph (A)(ii) of this paragraph for such year.

"(2) The applicable minimum and maximum percentages for the 5 fiscal years during which this chapter has effect are:

Fiscal year	Minimum percent	Maximum percent
1985	0.7500	1.5000
1986	0.9375	1.5000
1987	1.1250	1.5000
1988	1.3125	1.5000
1989	1.5000	None

"(d) A failure to pay a performance award authorized by subsection (b) of this section may not be appealed.

"(e) A performance award paid to an employee under this section shall be in addition to the basic pay of the employee and any cash award paid under section 5407 of this title.

§ 5407. Cash award program

"(a) The head of an agency may pay a cash award to, and incur necessary expenses for the honorary recognition of, any employee who is covered by this chapter, and who—

"(1) by the employee's suggestion, invention, superior accomplishment, or other personal effort, contributes to the efficiency, economy, or other improvement of Government operations, or achieves a significant reduction in paperwork; or

"(2) performs a special act or service in the public interest in connection with or related to the employee's Federal employment.

"(b) The President may pay a cash award to, and incur necessary expenses for the honorary recognition of, any employee who is covered by this chapter, and who—

"(1) by the employee's suggestion, invention, superior accomplishment, or other personal effort, contributes to the efficiency, economy, or other improvement of Government operations, or achieves a significant reduction in paperwork; or

"(2) performs an exceptionally meritorious special act or service in the public interest in connection with or related to the employee's Federal employment.

A Presidential cash award may be in addition to an agency cash award under subsection (a) of this section.

"(c) A cash award paid to an employee under this section shall be in addition to the basic pay of the employee and any performance award paid under section 5406 of this title. Acceptance of a cash award under this section constitutes an agreement that the use by the Government of any idea, method, or device for which the award is made does not form the basis of any claim of any nature against the Government by the employee accepting the award, or the employee's heirs or assigns.

"(d) A cash award to, and expenses for the honorary recognition of, any employee who is covered by this chapter may be paid from the fund or appropriation available to the activity primarily benefiting, or the various activities benefiting, from the suggestion, invention, superior accomplishment, or other meritorious effort of the employee. The head of the agency concerned shall determine the amount to be contributed by each activity to any agency cash award under subsection (a) of this section. The President shall determine the amount to be contributed by each activity to a Presidential award under subsection (b) of this section.

"(e)(1) Except as provided in paragraph (2) of this subsection, a cash award under this section may not exceed $10,000.

"(2) If the head of an agency certifies to the Office of Personnel Management that the suggestion, invention, superior accomplishment or other meritorious effort of an employee for which a cash award is proposed is highly exceptional and unusually outstanding, a cash award in excess of $10,000 but not in excess of $25,000 may be awarded to the employee on the approval of the Office.

"(f) The President or the head of an agency may pay a cash award under this section notwithstanding the death or separation from the service of an employee, if the suggestion, invention, superior accomplishment, or other meritorious effort of the employee for which the award is proposed was made or performed while the employee was covered by this chapter.

"§ 5408. Report

"The Office of Personnel Management shall submit an annual report to the President and each House of the Congress evaluating the effectiveness of the performance management and recognition system established by this chapter. Each such report shall be prepared after consultation with the respective heads of a sufficient range of agencies so as to permit an adequate basis for making a meaningful evaluation.

"§ 5409. Regulations

"The Office of Personnel Management shall prescribe regulations to carry out this chapter except that the Office may not prescribe any regulations which would restrict—

"(1) the amount of any individual award payable under section 5406 of this title; or

"(2) the aggregate amount of awards payable under such section during any fiscal year.

"§ 5410. Termination

"This chapter and any regulations prescribed under this chapter shall cease to be effective after September 30, 1989.".

(b) The table of chapters at the beginning of part III of title 5, United States Code, is amended by striking out the item relating to chapter 54 and inserting in lieu thereof the following:

"54. Performance Management and Recognition System........................ 5401".

PERFORMANCE APPRAISAL SYSTEMS

SEC. 202 (a) Chapter 43 of title 5, United States Code, is amended by inserting after section 4302 the following new section:

"§ 4302a. Establishment of performance appraisal systems for performance management and recognition system employees

"(a) Each agency shall develop one or more performance appraisal systems for employees covered by chapter 54 of this title which—

"(1) provide for periodic appraisals of job performance of such employees;

"(2) require the joint participation of the supervising official and the employee in establishing performance standards; and

"(3) use the results of performance appraisals as a basis—

"(A) for adjusting the base pay and making performance award decisions with respect to any such employee in accordance with the applicable provisions of such chapter 54; and

"(B) for training, rewarding, reassigning, promoting, reducing in grade, retaining, and removing any such employee.

"(b) Under regulations which the Office of Personnel Management shall prescribe, each performance appraisal system under this section shall provide for—

"(1) five levels of performance ratings as follows:

"(A) two levels which are above the fully successful level;

"(B) a fully successful level; and

"(C) two levels which are below the fully successful level;

"(2) establishing, in writing, performance standards and critical elements which will, to the maximum extent feasible, permit accurate evaluation of job performance on the basis of objective criteria related to the job in question;

"(3) communicating, at the beginning of each appraisal period and in writing, to each employee who is covered by chapter 54 of this title the performance standards and critical elements of the employee's position;

"(4) evaluating each such employee during the appraisal period on the basis of such standards;

"(5) assisting any such employee in improving performance rated at a level below the fully successful level; and

"(6) reassigning, reducing in grade, or removing any employee who continues to perform at a level below the fully successful level, after such employee has been provided with written notice of such employee's less than fully successful rating and afforded reasonable opportunity to raise such employee's level of performance to the fully successful level or higher.

"(c)(1) Appraisals of performance under this section—

"(A) shall take into account individual performance and organizational accomplishment;

"(B) shall be based on factors such as—

"(i) any improvement in efficiency, productivity, and quality of work or service, including any significant reduction in paperwork;

"(iii) cost efficiency;

"(iii) timeliness of performance;

"(iv) other indications of the effectiveness, productivity, and quality of performance of the employees for whom the employee is responsible, and

"(v) meeting affirmative action goals and achievement of equal employment opportunity requirements.

"(2) When a determination is made under this section that the work of an employee is below the fully successful level, such employee shall be entitled to prompt written notice of that determination and an opportunity for reconsideration of that determination within such employee's agency under uniform procedures prescribed by the Office. If the determination is affirmed on reconsideration, the employee is entitled to appeal to the Merit Systems Protection Board.

"(d)(1) In order to promote the purposes of this section, there shall be established within each agency a performance standards review board (hereinafter in this subsection referred to as the 'board'), consisting of at least six members, all of whom shall be chosen by the agency head from individuals employed in or under such agency. Of the members, at least one-half shall be employees who are covered by chapter 54 of this title and who are in the competitive service. A board shall be chaired by the member of the board designated for that purpose by the agency head.

"(2) It shall be the function of each board—

"(A) to assess, by the use of representative sampling techniques, the appropriateness of performance standards developed and used by the agency under this section;

"(B) to study the feasibility of an awards program based on the collective performance of units or other groups of employees who are covered by chapter 54 of this title, and to submit as part of its annual report under paragraph (3) of this subsection recommendations for any actions which the board considers appropriate with respect to any such program; and

"(C) to provide technical assistance with respect to any demonstration projects which may relate to performance standards of the agency under this section.

"(3) A board shall report to the head of the agency on its activities under this subsection annually.

"(e) In carrying out this section, neither the Office nor any other agency may prescribe a distribution of levels of performance ratings for employees covered by chapter 54 of this title.

"(f) The Office may not prescribe, or require an agency to prescribe, any specific performance standard or element for purposes of this section.

"(g) This section and any regulations prescribed under this section shall cease to be effective as of the date on which chapter 54 of this title ceases to be effective.".

(b) The table of sections for chapter 43 of title 5, United States Code, is amended by inserting after the item relating to section 4302 the following new item:

"4302a. Establishment of performance appraisal systems for performance management and recognition system employees.".

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 203. (a) Title 5, United States Code, is amended—

(1) in sections 4501(2)(A), 5332(a), 5334(c)(2), 5334(f), 5335(e), 5336(c), and 5362(c)(3), by striking out "the merit pay system established under section 5402" each place it appears and inserting in lieu thereof "the performance management and recognition system established under chapter 54";

(2) in section 5361(5), by striking out "merit pay system" and inserting in lieu thereof "performance management and recognition system"; and

(3) in section 5948(g)(1)(C), by striking out "Merit Pay System" and inserting "performance management and recognition system".

(b) Section 1602 of title 10, United States Code, and section 731(b) of title 31, United States Code, are each amended by striking out "5401(a)" and inserting in lieu thereof "5401".

EFFECTIVE DATE; TRANSITION PROVISIONS

SEC. 204. (a)(1) The amendments made by this title shall take effect beginning October 1, 1984, and shall apply with respect to pay periods commencing on or after that date.

(2) Before the amendments made by this title take effect—

(A) the Office of Personnel Management and each agency which is to become subject to section 4302a of title 5, United States Code, as amended by this title, shall take all appropriate action necessary to ensure that the development of performance appraisal systems required under such section has been completed; and

(B) the Office shall prescribe regulations under which, during the fiscal year ending September 30, 1985, a merit increase under section 5404 of title 5, United States Code, as amended by this title, shall be made based on the last performance appraisal made in the case of the employee involved under subchapter I of chapter 43 of such title (as in effect before the amendments made by this title take effect).

(b) The rate of basic pay for any individual serving in a position—

(1) which is in the merit pay system before the date on which the amendments made by this title take effect, but

(2) which does not become covered by the performance management and recognition system,

shall not be reduced on account of such position not becoming so covered.

(c) The rate of basic pay for any individual serving in a position which ceases to be covered by the performance management and recognition system as a result of the termination of such system under section 5410 of title 5, United States Code, as amended by this title, shall not be reduced on account of such termination.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

Ms. OAKAR (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendments be considered as read, printed in the RECORD, and that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The text of the committee amendments is as follows:

Committee amendments: Page 14, line 6, strike out "first pay-band".

Page 14, strike out line 16 and all that follows thereafter through page 15, line 2.

Page 15, line 3, strike out "(3)" and insert in lieu thereof "(2)".

Page 15, line 8, strike out "(4)" and insert in lieu thereof "(3)".

Page 15, line 23, strike out "first payband".

Page 16, strike out lines 5 through 20.

Page 61, line 21, strike out "(C)" and insert in lieu thereof "(B)".

Page 16, line 22, strike out "second payband".

Page 19, strike out lines 17 through 21 and insert in lieu thereof the following:

"(2) The amount of a performance award referred to in paragraph (1) of this subsection shall be determined by the appropriate agency head, except that any such award shall be not more than 10 percent of the employee's annual rate of basic pay and, effective after fiscal year 1985, shall be not less than 2 percent of such annual rate.".

Page 20, line 1, strike out "level," and insert in lieu thereof "level or at the fully successful level,".

Ms. OAKAR. Mr. Chairman, committee amendments to title II of H.R. 5680 provide that the 2-percent minimum performance award for employees under the performance management and recognition system rated two levels above fully successful will become effective 1 year following the effective date of the title. They would also strike the provisions creating a separate pay band for employees at steps 4 through 6 and, instead, authorize the payment of a performance award for employees rated fully successful.

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

The CHAIRMAN. Are there other amendments to title II?

Mr. WOLF. Mr. Chairman, I move to strike the requisite number of words.

If I could have the attention of the gentlewoman from Ohio, chairman of the committee, some groups have expressed concern with regard to the provisions of H.R. 5680 which create a process to appeal an employee's rating outside the agencies to the Merit Systems Protection Board.

In a May 22, 1984 letter from the Federal Managers' Association, the largest organization for Federal managers, the assistant executive director wrote:

> The appeals provision may create a proliferation of appeals to the Merit System's Protection Board because a poorly rated employee will have nothing to lose by appealing. The appeals process should be designed to discourage frivolous complaints while encouraging appeals of truly abusive use of program.

Does the gentlewoman have any comments with regard to that?

Ms. OAKAR. Will the gentleman yield?

Mr. WOLF. I yield to the gentlewoman.

Ms. OAKAR. I know of your concern about that section. What I would like to say to the gentleman is I know the leadership you have provided in this section of the bill, the merit pay section. I would just like to assure the gentleman that we will look in a very, very open manner at this issue when we get to conference. So I would really appreciate it if the gentleman would give us the opportunity to take another look at this section.

Mr. WOLF. I thank the gentlewoman and I yield back.

The CHAIRMAN. Are there amendments to title II?

Mr. FORD of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I move to strike the last word. I rise today to support the critical changes in civil service laws that are spelled out in H.R. 5680.

The Civil Service Reform Act of 1978 created a merit pay system. Under this program, which applies only to midlevel managers—grades GS-13 through GS-15—pay increases are based solely on performance.

The idea looked good on paper. Sadly, however, it has not worked well in practice. In truth, it has not worked at all. There is no question that changes are sorely needed. And after studying the problem carefully I am convinced that this proposed legislation is the way to do it.

As the gentlewoman from Ohio [Ms. OAKAR] has said so eloquently, the current system is beset by so many problems of enormous magnitude that statutory change is imperative. Hearings held by Ms. OAKAR this past spring left absolutely no doubt about this. And I want to commend her for the thorough and meaningful review.

There is no question in my mind that we in Congress have a duty to develop and implement a program that treats Federal supervisors and managers fairly while advancing the concept of a merit-based system. And this is exactly what H.R. 5680 does.

Currently there are more than 100,000 employees under merit pay in grades 13, 14 and 15 who are guaranteed only one-half of general Federal pay raises. And since the inception of the merit pay system, serious wage inequities have developed causing many of these employees to lose faith in the current process. Instead of solving problems, the program has created friction among coworkers, lowered morale in management ranks and produced unnecessary losses of vital managerial staffs.

Even this administration, which has demonstrated precious little concern for Federal employees, recognizes the urgent need for corrective action. It is so clear, in fact, that Dr. Devine of the Office of Personnel Management understands it. And when Dr. Devine and I agree on anything concerning Federal employees, that's as close to a consensus as you can get in this Government.

The General Accounting Office recently looked into the problem. They found that half of the merit pay employees surveyed wanted to return to the general schedule for both annual and within-grade pay increases.

GAO's review revealed that nonperformance factors have influenced the size of merit increases, that management uses preestablished quotas to determine rating distributions for merit pay pools, that higher graded employees tend to receive the highest ratings and that, in at least one department, noncareer appointees were more likely to receive larger than average merit pay increases than career civil servants.

Moreover, according to GAO, there has been a failure to communicate performance standards to employees, the cash award program has been inconsistently administered throughout agencies and the funding formula for the entire program has been a shambles. In sum, GAO found that about 80 percent of all employees in the Department of Agriculture, the Department of Housing and Urban Development, and the Department of the Navy believe that the merit pay system does not increase either motivation or performance.

What all this underscores is the serious morale problem that has been snowballing ever since the present administration came into office. Today the Federal Government is losing its best and brightest people and it is failing to attract the very best young people for careers in civil service. Put simply, the grass is just a lot greener in the private sector. And unless we do something about it, the civil service is going to become the employer of last resort for those people not good enough for jobs in the private sector.

If we allow this to happen, just what kind of a Federal Government are we going to have?

There is a staggering gap between the average salary under the merit pay system and wages earned for comparable positions in the private sector.

I know that a lot of people don't seem to care about this. But they had better start caring before it is too late—before we lose more of our experienced and highly trained managers and supervisors to private industry.

Certainly we aren't going to make any headway with a system that is perceived by almost everyone to be unfair.

This proposed legislation would amend chapter 54 of Title 5, United States Code, by deleting all current provisions which establish the merit pay system and establish, in its place, a performance management and recognition system. Coverage and exclusions would remain the same. However, comparability adjustments, merit-increase adjustments and bonuses would be granted each employee based on his or her own individual performance appraisal rating.

The other section would amend chapter 43, title 5, United States Code, by establishing a specific performance appraisal system for employees covered by chapter 54 of title 5. This system would require joint employee and rating official development of standards, require five levels of performance ratings—two levels below the fully successful level, the fully successful level, and two levels above fully successful. This section also requires each agency to establish a performance standards review board, and delineates the functions and members of the board. The bill also specifies employee appraisal rating appeal rights and prohibits a forced distribution of ratings.

I am satisfied that before us today we have a reasonable and workable piece of legislation that will correct the very serious shortcomings in the merit pay system.

It would require a pay equity study in the Federal Government aimed at guaranteeing against sex-biased wage discrimination. It also calls for important changes in the senior executive service.

I urge my colleagues, in the name of fairness and equity, to vote in favor of H.R. 5680.

The **CHAIRMAN**. The Clerk will designate title III.

The text of title III is as follows:

TITLE III—SENIOR EXECUTIVE SERVICE

CONGRESSIONAL FINDINGS

SEC. 301. The Congress finds that the Senior Executive Service should be continued indefinitely.

PERFORMANCE AWARDS

SEC. 302. Subsection (b) of section 5384 of title 5, United States Code, is amended—

(1) in paragraph (2), by striking out "exceed" and inserting in lieu thereof "be less than 5 per centum nor more than"; and

(2) by amending paragraph (3) of such subsection to read as follows:

"(3) The aggregate amount of performance awards paid under this section by an agency during any fiscal year—

"(A) may not be less than an amount equal to 2 per centum of the aggregate amount of basic pay paid to career appointees in such agency during the preceding fiscal year; and

"(B) may not exceed the greater of—

"(i) an amount equal to 4 per centum of the aggregate amount of basic pay paid to career appointees in such agency during the preceding fiscal year; or

"(ii) an amount equal to 20 per centum of the average of the annual rates of basic pay paid to career appointees in such agency during the preceding fiscal year;

except that the requirement under subparagraph (A) of this paragraph shall not apply to an agency in a fiscal year if the head of such agency makes a determination, in writing, that such agency is unable to comply with such requirement in such year due to an insufficient number of career appointees qualifying for awards under this action. The agency head shall submit a copy of any such determination to Congress.".

NONCAREER APPOINTEE LIMITATION

SEC. 303. (a) The second sentence of section 3134(b) of title 5, United States Code, is amended to read as follows: "The total number of noncareer appointees in all agencies in a fiscal year may not exceed 10 per centum of the average number of senior executives occupying Senior Executive Service positions in all agencies during the preceding fiscal year.".

(b) Section 3134(d)(1) of such title is amended to read as follows:

"(1) 25 per centum of the average number of senior executive occupying Senior Executives Service positions in the agency during the fiscal year preceding the then-current fiscal year; or".

REDUCTIONS IN FORCE

Sec. 304. (a) Section 3594(b) of title 5, United States Code, is amended to read as follows:

"(b) A career appointee who has completed the probationary period under section 3393(d) of this title, and who—

"(1) is removed from the Senior Executive Service for less than fully successful executive performance as determined under subchapter II of chapter 43 of this title; or

"(2) is removed from the Senior Executive Service under section 3595(b)(5) of this title; shall be entitled to be placed in a civil service position (other than a Senior Executive Service position) in any agency.".

(b) Section 3595(b) of such title is amended—

(1) in paragraph (3)(B), by inserting "to" after (ii)"; and

(2) by striking out paragraphs (4) and (5) and inserting in lieu thereof the following:

"(4) A career appointee who is not assigned under paragraph (3)(A) may be removed from the Senior Executive Service and the civil service due to a reduction in force if the career appointee declines a reasonable offer for placement in a Senior Executive Service position under paragraph (3)(B).

"(5) A career appointee who is not assigned under paragraph (3)(A) may be removed from the Senior Executive Service due to a reduction in force if the career appointee is not placed in another Senior Executive Service position under paragraph (3)(B) within 45 days after the Office receives certification regarding that appointee under paragraph (3)(B).".

(c) Section 3593(c)(1)(B) of such title is amended by inserting "before October 1, 1984," after "title".

DIRECTED REASSIGNMENT; TRANSFER OF FUNCTION

Sec. 305. (a) Section 3395(a)(2) of title 5, United States Code, is amended to read as follows:

"(2)(A) Except as provided in subparagraph (B) of this paragraph, a career appointee may be reassigned to any Senior Executive Service position only if the career appointee receives written notice of the reassignment at least 15 days before the effective date of such reassignment.

"(B) A career appointee may not be reassigned to a Senior Executive Service position outside the career appointee's commuting area unless—

"(i) before providing notice under clause (ii) of this subparagraph, the agency consults with the career appointee on the reasons for, and the appointee's preferences with respect to, the proposed reassignment; and

"(ii) the career appointee receives written notice of the reassignment, including a statement of the reasons for the reassignment, at least 60 days before the effective date of the reassignment.".

(b) Section 3595 of such title is amended by adding at the end thereof the following new subsection:

"(e) The Office shall prescribe regulations under which the rights accorded to a career appointee in the event of a transfer of function are comparable to the rights accorded to a competing employee under section 3503 of this title in the event of such a transfer.".

(c) Section 7543(a) of such title is amended by striking out "or malfeasance." and inserting in lieu thereof "malfeasance, or failure to accept a directed reassignment or to accompany a position in a transfer of function.".

(d) Section 8336(d) of such title is amended by inserting after the first sentence the following new sentence: "For purposes of paragraph (1) of this subsection, separation for failure to accept a directed reassignment to a position outside the commuting area of the employee concerned or to accompany a position outside of such area pursuant to a transfer of function shall not be considered to be a removal for cause on charges of misconduct or delinquency.".

EFFECTIVE DATE

SEC. 306. The amendments made by this title shall take effect on October 1, 1984, except that the amendments made by section 305 of this title shall take effect beginning on the date of the enactment of this Act.

The CHAIRMAN. Are there any amendments to title III?

Are there any further amendments to the bill?

Mr. HOYER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of this piece of legislation and of all three titles.

Mr. Chairman, let me first remark how proud I feel to have been a part of what can only be described as a true team effort to bring this bill to the floor. The gentlelady from Ohio, MARY ROSE OAKAR, the former chairman of the Human Resources Committee, GERALDINE FERRARO, and the gentleman from Virginia, FRANK WOLF, have all worked diligently and tirelessly in producing a bill that is fair, workable, and largely the product of bipartisan input and ideas.

Title I of this bill could not be a more timely and responsive measure. It addresses the very pressing problem of pay inequity among the sexes. While we have made some strides since enactment of the Equal Pay Act, it is clear we have all long way to go. The fact that a woman with a high school diploma still makes less than a man with an education limited to eighth grade is unacceptable. I could go on with examples of pay inequities, but many of my colleagues have already provided you with a litany of facts that make clear the need for the study of pay equity that this title calls for.

Not long after I was sworn in as a member of the Maryland Senate, in 1966, Maryland adopted its own Equal Pay Act. The Maryland legislation prohibited any employer from paying wages in any occupation to employees of one sex at a rate less than that paid to employees of the opposite sex for work of comparable character or work on the same operation, business, or type of work in the same establishment. Typically, Mr. Chairman, Maryland had an enlightened approach to pay equity, one which many States are just now beginning to debate.

I have always believed that the Federal Government's relationship with its employees should serve as a benchmark for the States and for private industry. In too many ways we are failing to set a good example of employer-employee relations. This bill, however, provides an opportunity to begin work on correcting whatever discrimination now exists in the Federal Government. The elimination of pay inequities ought not be considered a controversy; a study of pay inequities in the Federal Government should not only be noncontroversial, it should be welcomed. Therefore, Mr. Chairman, I would hope and expect the unanimous support of this House for this provision of the bill.

Title II of the bill, Mr. Chairman, deals with the merit pay system—a program with which I have been involved since coming to Congress. In the summer of 1981, I was approached by Lisa Carlson of the professional managers association and several of her colleagues who spent a great deal of time educating me on the purpose of merit pay, the realities of merit pay, and some possible corrections for merit pay. Lisa and many of my constituents gave me story after story of outstanding Government managers who were making less under merit pay than they would have under the prepay for performance system and, in some cases, less than the people they supervised. The problems were many but they boiled down to inadquate funding and uncertainties about what an employee would make on the basis of his or her performance. I introduced two pieces of legislation to correct merit pay. My friend from Virginia also introduced a couple bills correcting merit pay. Though our approaches to reforming the merit pay program differed at times, the bill before the House represents a fair consensus of opinion from all of the parties concerned with and affected by merit pay.

Title II establishes five distinct performance ratings and pegs the employee's rate of pay to his or her performance. An employee who is unsucessful at the tasks required of him or her will receive no pay raise whatsoever—including the general pay increase accorded to all other employees each year. At the other end of the spectrum, an employee who is truly outstanding can be assured that he or she will receive the same pay increase as all other employees as well as a minimum 2 percent performance award. The three performance levels in between have pay rates tied according to the level of performance.

I am happy that H.R. 5680 also incorporates a provision requiring a performance standard review board at each agency. This board will be composed of the employees who will contribute to making the new performance recognition system a success. I have for a long time supported the concept of including employees in decisions that affect them and their livelihood. This provision is a small start in that direction.

Another important aspect of title II is the mandatory funding mechanism. Under the bill, each agency must dedicate a determined percentage of their payroll for the payment of performance awards. This provision will alleviate the problem of inadequate and widely varying amounts of funds that have been dedicated throughout the Government for the payment of performance awards.

Last Mr. Chairman, this bill is important in light of the House's decision yesterday on the fiscal year 1985 Treasury/Postal Appropriations bill to once again prohibit the Office of Personnel Management's proposed regulations on within-grade increases and reductions in force. Last year, Congress barred those regulations and the U.S. court of appeals upheld the ban. The House has once again barred those regulations. This legislation illustrates that Congress is not opposed to the concept of pay for performance since this legislation embraces the concept. Rather, this legislation indicates that Congress wants a merit pay program that works, wants to try the program for 5 years, and wants to have it deal with only a select group of employees. H.R. 5680 should serve notice to OPM that Congress will not allow its regulations to take hold but nor will it rule out the concept of experimenting with more pay-for-performance concepts as we have accomplished in this bill.

Title III of this bill is also an important one. It gives an indefinite authorization to a very successful and promising personnel program—the senior executive service. It clarifies the rights of these employees where clarification and protection are necessary. It also curbs the number of political appointees to protect the possible abuses associated with too many political and not enough policy and technical employees.

In all, Mr. Chairman, this is a good bill. It is a simple bill, one that will not invite a lot of attention but one that has far-reaching, albeit subtle, implications. I am proud to have worked with the members of the Post Office and Civil Service Committee and the employee organizations who have dedicated so much time and effort to this bill. I believe the House should be pleased with the fruits of our labor and I urge my colleagues strong support of the Federal Pay Equity and Management Improvement Act of 1984.

Mr. FORD of Michigan. Will the gentleman yield?

Mr. HOYER. I will be glad to yield.

Mr. FORD of Michigan. I thank the gentleman on behalf of the members of what I think is a really great committee in this Congress, and particularly the subcommittee chairmen that you have mentioned. But I think the record would be incomplete if you did not mention another gentlewoman who was a subcommittee Chair until she left us under the rules to do a short term on the Budget Committee, GERALDINE FERRARO of New York, who was the chairman of one of our other subcommittees and who has worked with Chairman SCHROEDER and Chairman OAKAR several years ago in beginning the long, hard work that has produced this day. And I do think that a litany of the heroines involved in this long process would be incomplete without her name.

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Mr. HOYER. I thank the chairman very much for this addition to those whom I mentioned.

Having served on the Post Office and Civil Service Committee with Congresswoman FERRARO, I can attest to the chairman's observations, she indeed has been a leader on all three of these issues and continues to be.

I thank the chairman.

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Virginia.

Mr. WOLF. I thank the gentleman for his comments. I rise in support of the bill.

Mr. Chairman, I rise in support of H.R. 5680—the Federal Pay Equity and Management Improvement Act of 1984. My particular support of this legislation stems from my interest in reforming the current merit pay system of the Nation's top-level Government managers and supervisors. For more than 3 years, I have worked to correct the inequities in the current pay system for these managers and believe the compromises reached in H.R. 5680 represent significant improvements over the current system.

Most of the provisions of this legislation were derived from my merit pay bill and Senator TRIBLE's efforts in the other body. Like many of my colleagues, I have reservations about certain portions of the bill, but believe the positive reforms incorporated in this legislation outweigh the negatives. Although I am not in agreement with the SES portions of H.R. 5680, I have received assurances from the chairman that these problems can be resolved in conference. With these commitments I urge my colleagues support for adoption of these vital management and pay for performance reforms.

This legislation reflects the hard work of both the Senate Government Affairs Committee and the House Post Office and Civil Service Committee. H.R. 5680 is a carefully crafted measure which has resulted from the diligence of Senator TED STEVENS, Senator PAUL TRIBLE, subcommittee chairwoman MARY ROSE OAKAR, Chairman WILLIAM FORD, ranking minority member Representative WILLIAM DANNEMEYER, and Representative STENY HOYER. These members have spent a great deal of time and energy in the development of this proposal and deserve our support in passage of this legislation.

I would also like to take a brief moment to acknowledge the excellent staffwork contributed on this legislation by these Members' assistants. Jamie Cowen with Senator STEVENS was particularly helpful in moving the original merit pay proposal through the Senate which passed March 1. Jamie, along with the assistance of his congressional fellow, Rob Schmidt from the Department of Navy, are to be commended for their role in this legislation. In the House, Jerry Klepner and Steve Ramp of the House Subcommittee on Compensation and Employee Benefits and John Moag with Representative HOYER illustrated that much can be accomplished through bipartisan commitment to a common goal. These three are largely responsible for the compromise on which we are about to vote. One final word of special commendation though should be given to Lori Beth Feld of Senator TRIBLE's staff. Her willingness to assist my staff and her quick grasp of this complex issue has certainly been a tribute to her and to the Senator.

I believe we have an opportunity today to approve positive legislation for the often maligned Federal work force. It is my hope that agreement on these issues of mutual concern can be reached. I urge my colleagues support for H.R. 5680.

Mr. WEISS. Mr. Chairman, I rise in strong support of H.R. 5680, the Federal Pay Equity and Management Improvement Act of 1984. While I support the entire bill, including the new performance management and recognition system and the changes in the Senior Executive Service, I want to emphasize the importance of title I, which requires a study of possible discriminatory wage-setting practices in the Federal Government.

The study would examine Federal job classification and pay systems to determine if discriminatory wage-setting practices and wage differentials exist and make recommendations to eliminate any that are found. The bill would prohibit any use of the study to support reductions in pay.

I support the substitute amendment to title I which would help ensure a fair and impartial analysis by requiring an outside expert rather than the Office of Personnel Management do the study. Through recent actions, OPM has made it quite clear that it cannot be trusted to do an objective analysis. In fact, OPM not only stated an intention to use this study to "create disorder in the Democratic House by pitting union against union and both against feminist groups" but actually began to implement that policy.

I believe a study of this nature is long overdue for a number of reasons. The standards used for the present Federal classification system were developed in 1923 and have never been reviewed for sex-based wage discrimination. Since that time, the proportion of women working outside the home has escalated and the entire nature of the American work force has change dramatically.

The motivation behind this legislation is far stronger than mere suspicion of possible discrimination. Testimony presented to the Subcommittee on Compensation and Employee Benefits during recent hearings revealed that the Federal work force is no different than the private sector in paying less for women's work. In fact, the greater the proportion of women in a given occupation, the less the pay. The majority of women who work for the Federal Government are clustered in the lowest grades—1 through 7—with an average salary of $17,000 a year. The majority of male workers are concentrated in the mid and upper levels with an average salary of $28,000. More than 40 percent of Federal workers are women but only 12 percent of them are managers and supervisors. Such tremendous inequity cannot be solved by encouraging women to move into male-dominated jobs. Individual women should not be expected to abandon their careers, and, more importantly, society cannot afford to sacrifice the work that women do.

The examination of wage and job classifications systems is not a new nor a radical concept. Many States are currently examining their pay systems for possible discrimination. In addition, studies like the one required in H.R. 5680 have been common in the private sector.

Legal considerations play a powerful role in motivating such studies and subsequent action. The Supreme Court established that title VII of the Civil Rights Act of 1964, which prohibits sex discrimination in pay, is not limited to situations where the jobs are exactly alike. The State government in Minnesota, which has begun to rectify sex-based inequities in the civil service, has discovered that the cost is not nearly as high as the opponents of such action had predicted.

I believe it is vital to ensure that the largest employer in the Nation—the Federal Government—does not discriminate against any class of employee. The importance is magnified by its role as a model for State, local, and private employers. The Federal Government can set an example, providing the initiative and guidance for other employers.

It certainly makes economic sense for us to begin this reform, for the great majority of social service beneficiaries in this country are women and their children. Either we can move to ensure that women are paid decent wages or we can continue the far more costly approach, paying may of them through our welfare system.

I would prefer to move in the direction of fairness and justice for all workers by voting in favor of the substitute amendment to title I of this bill. I urge my colleagues to do the same and to oppose any other amendments to the bill.

● Mrs. BURTON of California. Mr. Chairman, I rise today on the anniversary of my first year in the House, in support of the Oakar amendment to title I of the Federal Pay Equity Act and to express my support for the bill.

Passage of this legislation will signify real progress for the women who comprise 40 percent of the Federal work force. Let us not preordain the failure of the pay equity study by allowing it to be conducted in a hostile environment. Officials at the Office of Personnel Management [OPM] has demonstrated quite clearly that they would contrive to use the study to promote their own position—that pay equity is not desirable.

Therefore, let us select an independent consultant to conduct the study. The cost will be small, less than $500,000, but most importantly the integrity of the study will be assured.

Mr. Chairman, this legislation is long overdue. The Federal Government, which is the Nation's single largest employer cannot continue to perpetuate a wage structure that systematically discriminates against a majority of its female employees. I urge each of my colleagues to vote favorably.

Finally, I want to thank my colleague and friend Representative MARY ROSE OAKAR for her tireless efforts in advancing this legislation. I am grateful as are women throughout the Nation, to have her as a champion of women's rights.●

● Mr. RATCHFORD. Mr. Chairman, we have before us today an important bill which seeks to answer some of the questions surrounding the inequities in salary levels between men and women in the Federal Government.

The Pay Equity and Management Improvement Act H.R. 5680 is a necessary measure which this body must consider favorably. The Federal Government, in its effort to combat discrimination in all areas of American life, should be the leader in eliminating discriminatory wage practices.

Earlier this week, we passed a bill, H.R. 5490 which would restate Congress' intention that discrimination on the basis of sex will not be tolerated in educational institutions receiving Federal funds. Should we not also seek to combat this problem and restate our intention regarding sex discrimination here in our own backyard? Do we aim to protect women in their educational settings, and then abandon them once they reach the workplace? I should think not.

Title I of the Pay Equity and Management Improvement Act is especially essential in determining if discriminatory wage-setting practices and differentials within the Federal Government's classification and pay system actually exist. This proposed study must be objective, as well as comprehensive continuing input from employees, labor organizations, women groups, and others who can assist in conducting a realistic survey of the Federal Government's wage setting practices.

Because of this need for objectivity and the need for a comprehensive study, I urge my fellow colleagues to support the amendment offered by Representative OAKAR. This amendment would require the Office of Personnel Management to employ a private consultant who has expertise in such matters. This amendment would ensure that the final report will be conducted in a fair and impartial manner, preserving the objectivity and independence to the study.

U.S. law prohibits sex discrimination. Our laws are clear on this matter. Unfortunately the majority of women employed the Federal Government remain employed at low paying jobs. This fact is discouraging in light of the Equal Pay Act of 1963 and the Civil Rights Act of 1964.

I believe, however, that we can make these laws work for us and that the gap which exists between the salaries of men and women can be narrowed, but first we must get all of our facts straight and determine the whats, whys, and hows of this situation. Sex discrimination flourishing within the Federal Government is a serious problem which H.R. 5680 seeks to address in an objective manner. I urge my fellow colleagues or support this measure and the Congresswoman from Ohio in her efforts to find solutions to the problem of sex-based discrimination in the Federal Government.●

● Mr. ADDABBO. Mr. Chairman, I would like to address the pay equity provision in H.R. 5680. This legislation simply calls for the Office of Personnel Management to study the classification and pay systems of the Federal Government to determine whether sex-based discrimination exists.

Now, all of us in this House know that there are some major discrepencies between the pay scales of men and women who work for the Federal Government. This problem, however, is clearly not the intent of Congress.

As we expressed it in title VII of the 1964 Civil Rights Act we intended to prohibit employment discrimination based on race, national origin, sex, or religion. The power of enforcement was given to the Department of Justice. That power was not limiting, it had the full force of Congress behind it. Congressional report language noted that "* * * unrelenting broad scale action against patterns or practices of discrimination is * * * critical in combating employment discrimination."

Today the women are still discriminated against in pay scales. Not only do the agencies we have empowered shy away from any attempt to pursue a solution and right past wrongs, but we are also faced with an administration which attempts to undo whatever progress has been made in the courts. The Justice Department's determination to challenge the Federal court's decision in the case of AFSCME against State of Washington is a perfect example. This case is an extension of the doctrine interpreted by the Supreme Court which establishes that discrimination in compensation is illegal under title VII even if men and women are performing different jobs.

The judge's decision in the AFSCME case found the State of Washington guilty of intentional class discrimination through the payment of lower wages to jobs which, according to the State's own job evaluation, require the same levels of skill, training, and effort.

There is simply no excuse for compensating women at a much lower rate for jobs mainly held by them, but of comparable value to jobs held mainly by men. I do not buy the argument that comparable worth as a form of discrimination is too hard to eradicate because the law is unclear or because discrimination is built into our process of wage setting in the economy as the administration would have us believe. Furthermore, I do not know where the Justice Department got their charge from, but it surely was not this Congress.

If the administration refuses to move toward stricter enforcement of the pay equity problems that exist, we in this Chamber have the duty to present the facts and that is what this legislation intends to do. I urge my colleagues to speak up for equal pay and against discrimination and support this measure today.●

● **Mr. HOWARD.** Mr. Chairman, as a cosponsor of H.R. 5680, the Federal Pay Equity and Management Improvement Act of 1984, I rise in strong support of this legislation. This legislation will replace the current merit pay system. A General Accounting Office report found that Federal managers and supervisors believed the merit pay system did not increase motivation or performance. In its place will be a new system which will assure greater uniformity within Federal agencies in granting performance awards.

In addition, Mr. Chairman, I also strongly support title I of the bill, which would study discriminatory wage setting practices within the Federal Government. Because the Federal Government is the largest employer in this Nation, I believe it is time to examine the Government's own pay structures for sex bias.

However, it appears quite clear that the Office of Personnel Management is incapable of conducting such a study. As has been pointed out during this debate, high level officials at OPM would use such a study to their own political benefit. To quote a memorandum from James L. Byrnes, Associate Director for Staffing at OPM, "we would create disorder within the Democratic House pitting union against union and both against feminist groups. This situation presents opportunities that we should not ignore."

Because of this type of reprehensible attitude at OPM, I will strongly support the Oakar substitute which provides that the study be conducted by an outside, experienced consultant.●

● **Mr. FOGLIETTA.** Mr. Chairman as an original cosponsor of H.R. 5680, I would like to speak briefly in strong support for this bill, as amended in committee, and with the amendment to title I that is offered by the bill's sponsor, the gentlewoman from Ohio, Ms. OAKAR.

I won't rehash all the details of the issues surrounding this bill; they have been covered well by the other speakers. What I would do, however, is take just a minute or two to impress upon my colleagues the importance of the issue of pay equity.

This is not just a matter of concern to Federal employees, just as it is not an issue solely of significance to women. With this bill, we are making a commitment to eradicating discrimination. It's that simple. It is unfair, and illegal, to pay women less than men for jobs of equal skill, education, and responsibility levels. As the Nation's largest employer, we must take every possible action to ensure that we are not guilty of this discrimination, whether it be intentionally or by neglect. To do any less is to shirk our responsibility.

It is unfortunate that we must adopt the amendment by Ms. OAKAR which requires the Office of Personnel Management to hire an outside consultant to conduct the pay equity study. It is clear, however, that we cannot expect OPM to conduct the study in the objective, nonpolitical, and professional manner necessary. For that reason, I strongly support the amendment, although I do not like to see the Federal Government contracting out activities it should normally be capable of performing.

I think that perhaps some of my colleagues are looking at this issue with too theoretical an eye. Let me assure you, this is not an intellectual exercise. I have heard from my constituents in Philadelphia, and they have made two things very clear—they strongly support this bill and the commitment to civil rights that is behind it, and they are incensed at the clearly improper activity of OPM in response to this bill. My colleagues, they are on to something, and I am proud to stand with them on this very important issue.

Again, let me reiterate my very strong support of this bill, as amended by Ms. OAKAR, and urge my colleagues to vote for her amendment, against other, weakening amendments, and for final passage of the bill in that form.

Thank you.●

● **Mrs. SCHNEIDER.** Mr. Chairman, I rise in strong support of H.R. 5680, the Federal Pay Equity Act and Management Improvement Act of 1984. I believe this legislation is badly needed and long overdue. One need only look at the following statistics to understand the extent of the problem of pay equity among the sexes: First, over 70 percent of working women are in the most poorly paid professions such as clerical, service, sales, and unskilled factory jobs; second, 95 percent of all working women make less than $25,000 annually; and third, while 40 percent of the Federal Workforce is comprised of women, only 12 percent hold managerial or supervisory positions.

This legislation is not radical, nor will it adversely affect the wage scales of any present Federal employees. Instead, the bill will require a study of present wage-setting practices to determine if they are in fact discriminatory and will replace the current merit pay system with a system less based on seniority with more emphasis based on job performance.

In my eyes, the Federal classification system originally designed in 1923 is an unacceptable standard by which to measure today's job responsibilities. The work force of today is drastically different from that of 50 years ago and thus should be reevaluated to comport with the demographics of the 1980's

Mr. Chairman, I congratulate my colleague from Ohio, Ms. OAKAR, for her initiative in developing this very significant legislation. I urge each member to support this fair and necessary bill. Thank you.●

● **Mrs. BYRON.** Mr. Chairman, I rise today in support of H.R. 5680, the Federal Pay Equity and Management Improvement Act of 1984. This legislation contains three provisions which would solve many of the problems which have adversely affected Federal workers living in my district.

This past April, I testified before Chairwoman OAKAR's Subcommittee on Compensation and Employee Benefits in support of legislation on merit pay which is now contained in title II of H.R. 5680. As I stated then, I firmly believe that serious problems with payouts and the performance appraisal system have wreaked havoc on a program that has otherwise promised to be a positive step toward improving Federal job quality and efficiency.

According to the latest census, 17,000 Federal employees reside in my district. A large portion of this group falls under the merit pay system. Many of these constituents have complained to me that one of the most serious drawbacks in merit pay program is that topnotch employees have earned less in pay increases than they received under the previous system. They have further complained that there have been instances in which they have actually earned less than the workers they supervise. Federal workers under the current merit pay system are only guaranteed 50 percent of the regular annual comparability pay raise and they do not qualify for within-grade raises. It is my hope that H.R. 5680 will correct this serious inequity by title II's provisions which restore within-grade pay raises to GS levels 13, 14, and 15.

Mr. Chairman, I am particularly pleased with the provision within title II which allows for cash awards for employees whose efforts have contributed to the efficiency or improvement of Government operations. I am convinced that measures like this will promote the active involvement of interested employees, thereby creating the most productive and equitable Merit Pay Program possible.

Title III of H.R. 5680 includes a series of amendments which would improve the senior executive service [SES]. These amendments provide needed changes in the Performance Award Program and clarify the current limitation on the number of political SES appointees. In addition, title III increases the protections given SES appointees in the areas of reduction in force and reassignment. This title also contains a congressional finding that the SES should be continued indefinitely.

Title I of this legislation requires that a 7-month study on discriminatory wage-setting practices and wage differentials in the Federal Government be conducted. Due to misinformation about the intentions of this study, many Federal blue-collar workers in my district fear that their wages may eventually be decreased if the study is completed and pay inequity is discovered. In response to these concerns, I would like to emphasize that H.R. 5680 prohibits OPM from reducing the pay of any position in the Federal Government as a result of this study.

I firmly believe that anyone would agree that Congress must not ignore the possibility that discriminatory practices do occur. I know that it is particularly difficult to compare the worth of very different jobs. However, I fully support the intentions of this study to make every effort to fairly determine whether or not discrimination in the Federal Government does, indeed, exist.

In conclusion, I would like to express my full support for H.R. 5680 which I hope will solve many of the problems currently facing our Federal workers. I am convinced that good government must begin with satisfied, motivated employees and I am pleased to say that H.R. 5680 takes important steps toward obtaining this worthwhile and necessary goal. Thank you.●

● Mr. OBERSTAR. Mr. Chairman, I rise in support of the Federal Pay Equity and Management Improvement Act of 1984, H.R. 5680. The Federal pay classification system was developed in 1923 and has never been studied for sex-based wage discrimination. It is time we started the process of eliminating pay inequities between men and women in the Federal work force. There is overwhelming evidence of sex-based wage discrimination and job segregation in the American workplace and the Federal Government is no exception. This legislation is an important first step and I support it wholeheartedly.

Women are concentrated in a small number of low-paid occupations: 80 percent of all women work in only 25 of the 420 occupations listed by the Department of Labor. Secretaries are 99 percent female; registered nurses are 97 percent female; elementary school teachers are 84 percent female; cleaning and household service workers are 98 percent female; clerks are 86 percent female. These occupations pay consistently less than male-dominated occupations such as truckdriver, plumber, janitor, mail carrier, and meatcutter.

The average working woman now earns $9,350 per year compared to a working man's $15,730. Even educational attainment has failed to narrow the earnings gap. Women with a college education often have lower incomes than men who have completed only the eighth grade. The wage differential is even more critical for poor women, who are the sole provider for their families and are working to escape the welfare rolls.

The National Academy of Sciences in its 1981 report to the Equal Employment Opporunity Commission stated:

> Not only do women do different work than men, but also the work women do is paid less, and the more an occupation is dominated by women, the less it pays.

In cities, counties, and States across the country, questions are being raised about the fairness of paying nurses less than tree trimmers, secretaries less than custodians, female cooks less than male bakers. In my State of Minnesota, a job evaluation study found that women employed by the State earned less than their male counterparts, and the pay gap had widened from $4,190 in 1976 to $5,013 in 1980. Job segregation accounted for a major portion of this gap. Almost half of State-employed women are clerical workers, while almost one-fourth of State-employed men are craft workers, operatives, or laborers. The "men's jobs" are higher paid than the "women's jobs."

State jobs are evaluated under a point system based on know-how, problem-solving, accountability, and working conditions required. For example, "delivery van driver" and "clerk-typist 2" are each "worth" 117 points. However, the mostly male delivery van driver job paid $16,584 yearly, while the mostly female clerk-typist 2 job paid $13,380 yearly. The Minnesota study also showed that State librarians earned $1,835 per month in comparison with $2,260 for a vocational education field instructor and $1,961 for an unemployment tax examiner. Both of these male-dominated jobs have fewer job evaluation points than the librarian. The pattern of lower pay for female-dominated jobs was remarkably consistent throughout State government employment.

These findings prompted the Minnesota State Legislature, in the first action of its kind, to pass a very important law in 1982 which not only establishes the State's commitment to pay equity, but establishes a procedure for earmarking a certain amount of the budget for pay equity adjustments. The law, based on a proposal by the Minnesota Council on the Economic Status of Women, requires that a part of the funds appropriated for salary adjustments for State employees be assigned to various bargaining units based on the number of persons in underpaid classes that they represent. The legislature earmarked $21.7 million for pay equity adjustments, benefiting some 7,400 State employees.

A report on camparable worth, prepared by the Minnesota Council on the Economic Status of Women, to determine how much it would cost to close the wage gap and where the funds could come from, found that the pay equity increases would amount to only 2 to 4 percent, not of the total State budget, but of the State budget for salaries. Yet the hourly pay for clerk-typist 2 will increase 23 percent.

The Federal laws now on the books and the courts' interpretations of these laws should provide a strong basis for the Federal Government to move aggressively in enforcing pay equity. However, both the Reagan administration and its executive agencies charged with enforcing laws against wage discrimination have not lived up to their obligations.

In 1981, the administration proposed to remove language encouraging Government action to correct sex-based wage discrimination from Executive Order 11246, which prohibits sex and race discrimination by Federal contractors.

There are other examples of the administration's lack of leadership, if not actual obstructionism, on this specific issue of women's pay equity, which I will not dwell on here.

Suffice it to say that in the absence of any positive action by the executive branch, the legislative branch, the Congress, must take the initiative and provide the leadership required to ensure that pay equity is the rule rather than the exception in this country.

I congratulate MARY ROSE OAKAR for championing the cause, for taking the needed initiative, leading the fight, and successfully bringing this issue to the House floor. I urge the House to pass H.R. 5680, and the Senate to act promptly, so that we can send this bill to the President's desk this year. Federal pay equity is needed, and needed now.●

Ms. OAKAR. Mr. Chairman, I move to strike the requisite number of words. I hope that our colleagues will unanimously support the bill.

Mr. Chairman, I want to thank my chairman for the expeditious manner in which he held the markup. Congressman HOYER has been a real champion in various areas, particularly the merit pay section, along with Congresswomen SCHROEDER, FERRARO, and others.

I am very, very deeply grateful. I want to say the manner in which we treat our Federal employees ought to be the benchmark for the manner in which the rest of the Nation treats its employees.

That is why the whole issue in this debate centers on one word; it is "fairness." That is what we are talking about when we ask your approval of this legislation. Let us treat the American worker fairly, male and female.

The **CHAIRMAN**. Are there further amendments?

If not, under the rule, the Committee rises.

☐ 1842

Accordingly the Committee rose; and the Speaker pro tempore [Mr. HALL of Ohio] having assumed the chair, Mr. KILDEE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5680) to promote pay equity and to eliminate certain discriminatory wage-setting practices within the Federal civil service; to establish a performance management and recognition system; to improve the Senior Executive Service; and for other purposes, pursuant to House Resolution 526, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The **SPEAKER** pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The **SPEAKER** pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The **SPEAKER** pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. **OAKAR**. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER** pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 413, nays 6, not voting 14, as follows:

[Roll No. 294]

YEAS—413

Ackerman
Addabbo
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
AuCoin
Badham
Barnard
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bryant
Burton (CA)
Burton (IN)
Byron
Campbell
Carney
Carper
Carr
Chandler
Chappell
Chapple
Cheney
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conable
Conte
Conyers
Cooper
Corcoran
Coughlin
Courter
Coyne
Craig
Crockett
D'Amours
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dyson
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fazio
Feighan
Fiedler
Fields
Fish
Flippo
Florio
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gore
Gradison
Gramm
Gray
Green
Gregg
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (UT)
Harkin
Harrison
Hartnett
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hertel
Hightower
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kogovsek
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
MacKay
Markey
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McNulty
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Patman
Patterson
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Rahall
Rangel
Ratchford
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Rudd
Russo
Sabo
Savage
Sawyer
Schaefer
Scheuer
Schneider
Schroeder
Schulze
Schumer
Seiberling
Sharp
Shaw
Shelby
Shuster
Sikorski
Siljander
Simon
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stangeland
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vandergriff
Vento
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams (OH)
Wilson
Winn
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NAYS—6

Bartlett
Crane, Daniel
Crane, Philip
Hunter
Paul
Shumway

NOT VOTING—14

Aspin
Bethune
Dymally
Early
Erlenborn
Ferraro
Foglietta
Hansen (ID)
Madigan
Sensenbrenner
Shannon
Stark
Vander Jagt
Williams (MT)

☐ 1900

Mr. **OBERSTAR** changed his vote from "nay" to "yea."

So the bill was passed.

The ressult of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The **SPEAKER** pro tempore. Pursuant to the provisions of House Resolution 526, the Committee on Post Office and Civil Service is discharged from the further consideration of the Senate bill, S. 958.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MS. OAKAR

Ms. **OAKAR**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Ms. OAKAR moves to strike out all after the enacting clause of the Senate bill, S. 958, and to insert in lieu thereof the provisions contained in the bill, H.R. 5680, as passed, as follows:

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Pay Equity and Management Improvement Act of 1984".

TITLE I—PAY EQUITY

DEFINITIONS

SEC. 101. For purposes of this title—

(1) the term "agency" means an Executive agency within the meaning of section 105 of title 5, United States Code (other than the General Accounting Office);

(2) the term "employee" means an individual employed in or under an agency;

(3) the term "position" means the work, consisting of the duties and responsibilities, assignable to an employee;

(4) the term "discriminatory wage-setting practices" means practices resulting in a situation in which the rates of pay payable for positions held predominantly by female employees are lower than the rates of pay payable for positions held predominantly by male employees although the work performed in each instance involves compara-

ble duties, responsibilities, and qualification requirements and is performed under comparable working conditions (and, in the case of prevailing rate employees, within the same wage area or within areas subject to the same wage schedules and rates);

(5) the term "discriminatory wage differentials" means differences in rates of pay resulting from the use of discriminatory wage-setting practices;

(6) the term "equitable job-evaluation technique" means an objective method of determining the comparative value of different positions using a system which rates numerically the basic features and requirements of a position, including such factors as the duties, responsibilities, qualification requirements, and working conditions involved, and which does not take into consideration race, color, religion, sex, or national origin;

(7) the term "labor organization" has the meaning given such term by section 7103(a)(4) of title 5, United States Code; and

(8) the term "consultant" includes an organization which provides consultant services.

PURPOSE

SEC. 102. It is the purpose of this title to identify any discriminatory wage-setting practices and discriminatory wage differentials within the Federal Government's position-classification system under chapter 51 of title 5, United States Code, and job grading system under subchapter IV of chapter 53 of such title.

STUDY AND REPORTING REQUIREMENTS

SEC. 103. (a) In order to carry out the purpose of this title, the Office of Personnel Management—

(1) shall provide, by contract with the consultant selected under section 104(c), for the conduct of a study and the preparation of a report—

(A) containing the findings of such consultant pursuant to such study with respect to discriminatory wage-setting practices and discriminatory wage differentials within the systems referred to in section 102 (including a list of any positions determined as being subject to discriminatory wage-setting practices and the extent of any discriminatory wage differentials attributable to such practices);

(B) identifying appropriate measures for eliminating such practices and differentials (other than any measure which would result in a reduction in the rate of pay payable for any position), including proposals relating to the development and use of equitable job-evaluation techniques and training programs for individuals who would be responsible for implementing those measures; and

(C) specifying any measures identified under subparagraph (B) which are authorized under current law and making recommendations for any legislative or other action (other than any action which would result in a reduction in the rate of pay payable for any position) which may be necessary in order to carry out the other measures identified under such subparagraph; and

(2) one month after receiving the consultant's report, shall transmit to the President and the Committee on Post Office and Civil Service of the House of Representatives and the Committee on Governmental Affairs of the Senate a copy of such report, together with any written comments submitted to the Office by the Pay Equity Study Council under section 104(e), and any written comments of the Office.

(b) The contract shall require that the consultant's report shall be submitted to the Office of Personnel Management and the Pay Equity Study Council within six months after the date on which the contract is entered into.

PROCEDURES RELATING TO SELECTION OF CONSULTANT AND CONDUCT OF THE STUDY

SEC. 104. (a)(1) Within 10 days after the effective date of this title, the Office of Personnel Management shall establish a Pay Equity Study Council, which shall consist of—

(A) five or more members who shall represent labor organizations representing substantial numbers of female employees occupying positions subject to either of the systems referred to in section 102 (including individuals representing each of the three labor organizations under this subparagraph representing the greatest number of employees); and

(B) one or more members who shall represent one or more employee organizations composed primarily of female employees occupying such positions and having as a purpose promoting the interests of women in Government.

(2) Members of the Council shall not be considered to be employees by reason of appointment to the Council, and shall not receive pay by reason of service as such members.

(b) During the 30-day period beginning on the date of the establishment of the Pay Equity Study Council—

(1) the Office of Personnel Management and the Council shall meet in order to discuss the proposed design and methodology of the study and any other matter concerning the conduct of the study which the Office and the Council may consider appropriate; and

(2) the Council shall prepare and submit to the Office a list of at least five consultants which, on the basis of their impartiality, expertise, and experience, and taking into consideration the matters discussed with the Office under paragraph (1), the Council determines would be appropriate to conduct the study under this title.

(c) The selection of a consultant to conduct the study under this title shall be made by the Office from among the consultants included on the list prepared under subsection (b)(2).

(d) Under the contract, the consultant shall be required to meet jointly with the Office of Personnel Management and the Pay Equity Study Council, on at least a monthly basis, in order to keep the Office and the Council informed of any progress or other developments in the performance of the study, and to obtain any views or recommendations of the Office, the Council, and individual members of the Council.

(e) The Council shall submit its written comments (and any written comments of individual members of the Council) on the consultant's report to the Office in time for their transmission to the President and Congress under section 103(a)(2).

(f) The Council shall cease to exist after submitting the comments referred to in subsection (e).

AGENCY COOPERATION

SEC. 105. (a) Each agency—

(1) shall cooperate with the consultant selected under section 104(c) in the conduct of the study under this title; and

(2) shall provide any data, reports, or other information which such consultant may request in the course of the study.

(b) The Office of Personnel Management shall provide the Pay Equity Study Council with any information which the Council considers necessary in order to carry out its responsibilities under this title.

(c) Nothing in this section authorizes or requires the disclosure of any information if, or to the extent that, such disclosure would otherwise be prohibited by law.

CONSTRUCTION

SEC. 106. Nothing in this title shall be construed to limit any of the rights or remedies provided under the Civil Rights Act of 1964, section 6(d) of the Fair Labor Standards Act of 1938, or any other provision of law relating to discrimination on the basis of race, color, religion, sex, or national origin.

RESTRICTION ON CONTRACTING AUTHORITY

SEC. 107. The authority of the Office of Personnel Management to enter into a contract under this title is effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

EFFECTIVE DATE

SEC. 108. This title shall take effect 30 days after the date of the enactment of this Act.

TITLE II—PERFORMANCE MANAGEMENT AND RECOGNITION SYSTEM

ESTABLISHMENT OF PERFORMANCE MANAGEMENT AND RECOGNITION SYSTEM

SEC. 201. (a) Chapter 54 of title 5, United States Code, is amended to read as follows:

"CHAPTER 54—PERFORMANCE MANAGEMENT AND RECOGNITION SYSTEM

"Sec.
"5401. Purpose.
"5402. Coverage.
"5403. General pay increases.
"5404. Merit increases.
"5405. Pay administration.
"5406. Performance awards.
"5407. Cash award program.
"5408. Report.
"5409. Regulations.
"5410. Termination.

"§ 5401. Purpose

"It is the purpose of this chapter to provide for a performance management and recognition system which shall—

"(1) use performance appraisals as the basis for adjusting basic pay and determining performance awards;

"(2) within available funds, recognize and reward quality performance by varying amounts of performance and cash awards;

"(3) within available funds, provide for training to improve accuracy, objectivity, and fairness in the evaluation of performance;

"(4) regulate the costs of performance awards by establishing funding level requirements; and

"(5) provide the means to reduce or withhold certain pay increases for less than fully successful performance.

"§ 5402. Coverage

"(a) Except as provided in subsection (b) or (c) of this section, this chapter shall apply to any supervisor or management official (as defined in paragraphs (10) and (11) of section 7103(a) of this title, respectively) who is in a position within grade GS-13, GS-14, or GS-15 of the General Schedule described in section 5104 of this title.

"(b)(1) Upon request filed under paragraph (3) of this subsection, the President may, in writing, exclude an agency, any unit of an agency, or any class of employees within any such unit, from the application of this chapter, if the President considers such exclusion to be required as a result of conditions arising from—

"(A) the recent establishment of the agency, unit, or class, or the implementation of a new program;

"(B) an emergency situation; or

"(C) any other situation or circumstance.

"(2) Any exclusion under this subsection shall not take effect earlier than 30 calendar days after the President transmits to each House of the Congress a report describing the agency, unit, or class to be excluded and the reasons therefor.

"(3) A request for exclusion of an agency, any unit of an agency, or any class of employees within any such unit, under this subsection shall be filed by the head of the agency with the Office of Personnel Management, and shall set forth reasons why the agency, unit, or class should be excluded from the application of this chapter. The Office shall review the request and reasons therefor, undertake such other review as it considers appropriate to determine whether the agency, unit, or class should be excluded from the application of this chapter and, upon completion of its review, recommend to the President whether the agency, unit, or class should be so excluded.

"(4) Any agency, unit, or class which is excluded pursuant to this subsection shall, insofar as practicable, make a sustained effort to eliminate the conditions on which the exclusion is based.

"(5) The Office shall periodically review any exclusion from coverage and may at any time recommend to the President that an exclusion under this subsection be revoked. The President may at any time revoke, in writing, any exclusion under this subsection.

"(c) This chapter shall not apply to individuals employed under the Office of the Architect of the Capitol, the Library of Congress, the Botanic Garden, or the Administrative Office of the United States Courts.

"§ 5403. General pay increases

"(a) For purposes of this section, a pay adjustment period, in the case of an employee covered by this chapter, shall be the period beginning on the first day of the first pay period applicable to such employee commencing on or after the first day of the month in which an adjustment takes effect under section 5305 of this title and ending at the close of the day before the beginning of the following pay adjustment period.

"(b)(1) A determination concerning a general pay increase under this section shall, for any pay adjustment period, be made based on the level of performance of the employee involved, as most recently determined under section 4302a of this title before the beginning of such pay adjustment period.

"(2) The Office of Personnel Management shall, by regulation, prescribe the applicability of a general pay increase for an employee whose level of performance has not been so determined.

"(c) Subject to section 5405(a)(1)(A) of this title, if the employee's performance is rated—

"(1) at the fully successful level or either of the two levels above the fully successful level, the rate of basic pay of the employee shall be increased by the full general pay increase, effective as of the beginning of the pay adjustment period;

"(2) at the level one level below the fully successful level, the rate of basic pay of the employee shall be increased by one-half of the full general pay increase, effective as of the beginning of the pay adjustment period; or

"(3) at the level two levels below the fully successful level, the rate of basic pay of the employee shall not be increased under this section.

"(d) A full general pay increase for any pay adjustment period under this section shall be determined by multiplying the rate of basic pay of the employee involved by the percentage corresponding to the percentage generally applicable under section 5305 of this title to positions not covered by this chapter which are in the same grade as the position held by such employee.

"§ 5404. Merit increases

"(a) For purposes of this section—

"(1) the term 'applicable reference rate', as used with respect to the rate of basic pay of an employee, means the rate equal to the sum of—

"(A) the minimum rate of basic pay provided under section 5332 of this title for the grade of the position held by such employee; and

"(B) one-third of the difference between the maximum rate of basic pay provided for such grade under such section and the minimum rate of basic pay so provided;

"(2) the term 'merit increase' means, with respect to a grade, an increase equal to one-ninth of the difference between the maximum rate of basic pay provided for such grade under section 5332 of this title and the minimum rate of basic pay so provided; and

"(3) a reference to the performance rating of an employee shall, for purposes of any increase which may take effect under this section in a year, be considered to be a reference to the level of performance of such employee, as most recently determined under section 4302a of this title before the effective date of such increase.

"(b) Subject to section 5405(a)(1)(A) of this title, under regulations prescribed by the Office of Personnel Management, the rate of basic pay of an employee covered by this chapter shall be increased each year in accordance with the applicable provisions of subsection (c) of this section, effective as of the beginning of the first applicable pay period commencing on or after October 1 of such year.

"(c)(1)(A) If the rate of basic pay of the employee does not equal or exceed the applicable reference rate on the day before the effective date of an increase under this section, and the performance of such employee is rated at the fully successful level or either of the two levels above the fully successful level, the rate of basic pay of the employee shall be increased by an amount equivalent to a merit increase.

"(B) If the rate of basic pay of the employee equals or exceeds the applicable reference rate on the day before the effective date of an increase under this section, and the performance of such employee is rated—

"(i) at the level two levels above the fully successful level, the rate of basic pay of the employee shall be increased by an amount equivalent to a merit increase;

"(ii) at the level one level above the fully successful level, the rate of basic pay of the employee shall be increased by an amount equivalent to one-half of a merit increase; or

"(iii) at the fully successful level, the rate of basic pay of the employee shall be increased by an amount equivalent to one-third of a merit increase.

"(2) The rate of basic pay of an employee whose performance is rated at either of the two levels below the fully successful level shall not be increased under this section for the year involved.

"§ 5405. Pay administration

"(a)(1) An employee covered by this chapter—

"(A) may not be paid at a rate greater than the maximum rate of basic pay for the grade of the employee's position, as set forth in section 5332 of this title; and

"(B) except as provided in paragraph (2) of this subsection, may not be paid at a rate less than the minimum rate of basic pay for such grade, as set forth in section 5332 of this title.

"(2) An employee may be paid at a rate less than the minimum rate of basic pay for the grade of such employee's position to the extent that payment of the lesser rate is the result of the employee having received less than a full general pay increase under section 5403 of this title.

"(b) Any employee whose position is brought under this chapter shall, so long as the employee continues to occupy the position, be entitled to receive basic pay at a rate of basic pay not less than the rate the employee was receiving when the position was brought under this chapter, plus any subsequent increases under sections 5403 and 5404 of this title.

"(c) The Office of Personnel Management shall prescribe regulations governing the method by which an increase under section 5403 of this title and an increase under section 5404 of this title shall be made in any case in which both of those increases are to take effect beginning on the same date.

"(d) Under regulations which the Office shall prescribe, the benefit of advancement through the range of basic pay for a grade shall be preserved for any employee who is covered by this chapter and whose continuous service is interrupted in the public interest by service in the Armed Forces, or by service in essential non-Government civilian employment during a period of war or national emergency.

"(e) For the purpose of section 5941 of this title, rates of basic pay of employees covered by this chapter shall be considered rates of basic pay fixed by statute.

"(f) In the case of an employee covered by this chapter for whose position a higher rate of basic pay has been established under section 5303 of this title, any reference in this chapter to a rate of basic pay provided under or set forth in section 5332 of this title shall be deemed to be a reference to the corresponding rate of basic pay established under such section 5303.

"§ 5406. Performance awards

"(a)(1) Any employee who is covered by this chapter, and whose performance for an appraisal period is rated under section 4302a of this title at the level two levels above the fully successful level, shall be paid a performance award under this section for such period.

"(2) The amount of a performance award referred to in paragraph (1) of this subsection shall be determined by the appropriate agency head, except that any such award shall be not more than 10 percent of the employee's annual rate of basic pay and, effective after fiscal year 1985, shall be not less than 2 percent of such annual rate.

"(b)(1) Any employee who is covered by this chapter, and whose performance for an appraisal period is rated under section 4302a of this title at the level one level above the fully successful level or at the fully successful level, may be paid a performance award under this section for such period.

"(2) The amount of a performance award referred to in paragraph (1) of this subsection shall be determined by the appropriate agency head, except that any such award

shall be not more than 10 percent of the employee's annual rate of basic pay.

"(c)(1) Subject to subsections (a)(2) and (b)(2) of this section, the aggregate amount of performance awards paid under this section by an agency during any fiscal year shall be—

"(A) not less than the product of—

"(i) the applicable minimum percentage for such year under paragraph (2) of this subsection, multiplied by

"(ii) an amount equal to that part of the aggregate amount appropriated for such year for basic pay of employees of such agency which is allocable to employees who are covered by this chapter; and

"(B) not more than the product of—

"(i) the applicable maximum percentage for such year under paragraph (2) of this subsection, multiplied by

"(ii) the amount under subparagraph (A)(ii) of this paragraph for such year.

"(2) The applicable minimum and maximum percentages for the 5 fiscal years during which this chapter has effect are:

Fiscal year	*Minimum percentage*	*Maximum percentage*
1985	*0.7500*	*1.5000*
1986	*0.9375*	*1.5000*
1987	*1.1250*	*1.5000*
1988	*1.3125*	*1.5000*
1989	*1.5000*	*None.*

"(d) A failure to pay a performance award authorized by subsection (b) of this section may not be appealed.

"(e) A performance award paid to an employee under this section shall be in addition to the basic pay of the employee and any cash award paid under section 5407 of this title.

"§ 5407. Cash award program

"(a) The head of an agency may pay a cash award to, and incur necessary expenses for the honorary recognition of, any employee who is covered by this chapter, and who—

"(1) by the employee's suggestion, invention, superior accomplishment, or other personal effort, contributes to the efficiency, economy, or other improvement of Government operations, or achieves a significant reduction in paperwork; or

"(2) performs a special act or service in the public interest in connection with or related to the employee's Federal employment.

"(b) The President may pay a cash award to, and incur necessary expenses for the honorary recognition of, any employee who is covered by this chapter, and who—

"(1) by the employee's suggestion, invention, superior accomplishment, or other personal effort, contributes to the efficiency, economy, or other improvement of Government operations, or achieves a significant reduction in paperwork; or

"(2) performs an exceptionally meritorious special act or service in the public interest in connection with or related to the employee's Federal employment.

A Presidential cash award may be in addition to an agency cash award under subsection (a) of this section.

"(c) A cash award paid to an employee under this section shall be in addition to the basic pay of the employee and any performance award paid under section 5406 of this title. Acceptance of a cash award under this section constitutes an agreement that the use by the Government of any idea, method, or device for which the award is made does not form the basis of any claim of any nature against the Government by the employee accepting the award, or the employee's heirs or assigns.

"(d) A cash award to, and expenses for the honorary recognition of, any employee who is covered by this chapter may be paid from the fund or appropriation available to the activity primarily benefiting, or the various activities benefiting, from the suggestion, invention, superior accomplishment, or other meritorious effort of the employee. The head of the agency concerned shall determine the amount to be contributed by each activity to any agency cash award under subsection (a) of this section. The President shall determine the amount to be contributed by each activity to a Presidential award under subsection (b) of this section.

"(e)(1) Except as provided in paragraph (2) of this subsection, a cash award under this section may not exceed $10,000.

"(2) If the head of an agency certifies to the Office of Personnel Management that the suggestion, invention, superior accomplishment or other meritorious effort of an employee for which a cash award is proposed is highly exceptional and unusually outstanding, a cash award in excess of $10,000 but not in excess of $25,000 may be awarded to the employee on the approval of the Office.

"(f) The President or the head of an agency may pay a cash award under this section notwithstanding the death or separation from the service of an employee, if the suggestion, invention, superior accomplishment, or other meritorious effort of the employee for which the award is proposed was made or performed while the employee was covered by this chapter.

"§ 5408. Report

"The Office of Personnel Management shall submit an annual report to the President and each House of the Congress evaluating the effectiveness of the performance management and recognition system established by this chapter. Each such report shall be prepared after consultation with the respective heads of a sufficient range of agencies so as to permit an adequate basis for making a meaningful evaluation.

"§ 5409. Regulations

"The Office of Personnel Management shall prescribe regulations to carry out this chapter, except that the Office may not prescribe any regulations which would restrict—

"(1) the amount of any individual award payable under section 5406 of this title; or

"(2) the aggregate amount of awards payable under such section during any fiscal year.

"§ 5410. Termination

"This chapter and any regulations prescribed under this chapter shall cease to be effective after September 30, 1989.".

(b) The table of chapters at the beginning of part III of title 5, United States Code, is amended by striking out the item relating to chapter 54 and inserting in lieu thereof the following:

"54. Performance Management and Recognition System .... 5401".

PERFORMANCE APPRAISAL SYSTEMS

SEC. 202. (a) Chapter 43 of title 5, United States Code, is amended by inserting after section 4302 the following new section:

"§ 4302a. Establishment of performance appraisal systems for performance management and recognition system employees

"(a) Each agency shall develop one or more performance appraisal systems for employees covered by chapter 54 of this title which—

"(1) provide for periodic appraisals of job performance of such employees;

"(2) require the joint participation of the supervising official and the employee in establishing performance standards; and

"(3) use the results of performance appraisals as a basis—

"(A) for adjusting the base pay and making performance award decisions with respect to any such employee in accordance with the applicable provisions of such chapter 54; and

"(B) for training, rewarding, reassigning, promoting, reducing in grade, retaining, and removing any such employee.

"(b) Under regulations which the Office of Personnel Management shall prescribe, each performance appraisal system under this section shall provide for—

"(1) five levels of performance ratings as follows:

"(A) two levels which are above the fully successful level;

"(B) a fully successful level; and

"(C) two levels which are below the fully successful level;

"(2) establishing, in writing, performance standards and critical elements which will, to the maximum extent feasible, permit accurate evaluation of job performance on the basis of objective criteria related to the job in question;

"(3) communicating, at the beginning of each appraisal period and in writing, to each employee who is covered by chapter 54 of this title the performance standards and critical elements of the employee's position;

"(4) evaluating each such employee during the appraisal period on the basis of such standards;

"(5) assisting any such employee in improving performance rated at a level below the fully successful level; and

"(6) reassigning, reducing in grade, or removing any employee who continues to perform at a level below the fully successful level, after such employee has been provided with written notice of such employee's less than fully successful rating and afforded reasonable opportunity to raise such employee's level of performance to the fully successful level or higher.

"(c)(1) Appraisals of performance under this section—

"(A) shall take into account individual performance and organizational accomplishment;

"(B) shall be based on factors such as—

"(i) any improvement in efficiency, productivity, and quality of work or service, including any significant reduction in paperwork;

"(ii) cost efficiency;

"(iii) timeliness of performance;

"(iv) other indications of the effectiveness, productivity, and quality of performance of the employees for whom the employee is responsible; and

"(v) meeting affirmative action goals and achievement of equal employment opportunity requirements.

"(2) When a determination is made under this section that the work of an employee is below the fully successful level, such employee shall be entitled to prompt written notice of that determination and an opportunity

for reconsideration of that determination within such employee's agency under uniform procedures prescribed by the Office. If the determination is affirmed on reconsideration, the employee is entitled to appeal to the Merit Systems Protection Board.

"(d)(1) In order to promote the purposes of this section, there shall be established within each agency a performance standards review board (hereinafter in this subsection referred to as the 'board'), consisting of at least six members, all of whom shall be chosen by the agency head from individuals employed in or under such agency. Of the members, at least one-half shall be employees who are covered by chapter 54 of this title and who are in the competitive service. A board shall be chaired by the member of the board designated for that purpose by the agency head.

"(2) It shall be the function of each board—

"(A) to assess, by the use of representative sampling techniques, the appropriateness of performance standards developed and used by the agency under this section;

"(B) to study the feasibility of an awards program based on the collective performance of units or other groups of employees who are covered by chapter 54 of this title, and to submit as part of its annual report under paragraph (3) of this subsection recommendations for any actions which the board considers appropriate with respect to any such program; and

"(C) to provide technical assistance with respect to any demonstration projects which may relate to performance standards of the agency under this section.

"(3) A board shall report to the head of the agency on its activities under this subsection annually.

"(e) In carrying out this section, neither the Office nor any other agency may prescribe a distribution of levels of performance ratings for employees covered by chapter 54 of this title.

"(f) The Office may not prescribe, or require an agency to prescribe, any specific performance standard or element for purposes of this section.

"(g) This section and any regulations prescribed under this section shall cease to be effective as of the date on which chapter 54 of this title ceases to be effective.".

(b) The table of sections for chapter 43 of title 5, United States Code, is amended by inserting after the item relating to section 4302 the following new item:

"4302a. Establishment of performance appraisal systems for performance management and recognition system employees.".

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 203. (a) Title 5, United States Code, is amended—

(1) in sections 4501(2)(A), 5332(a), 5334(c)(2), 5334(f), 5335(e), 5336(c), and 5362(c)(3), by striking out "the merit pay system established under section 5402" each place it appears and inserting in lieu thereof "the performance management and recognition system established under chapter 54";

(2) in section 5361(5), by striking out "merit pay system" and inserting in lieu thereof "performance management and recognition system"; and

(3) in section 5948(g)(1)(C), by striking out "Merit Pay System" and inserting "performance management and recognition system".

(b) Section 1602 of title 10, United States Code, and section 731(b) of title 31, United States Code, are each amended by striking out "5401(a)" and inserting in lieu thereof "5401".

EFFECTIVE DATE; TRANSITION PROVISIONS

SEC. 204. (a)(1) The amendments made by this title shall take effect beginning October 1, 1984, and shall apply with respect to pay periods commencing on or after that date.

(2) Before the amendments made by this title take effect—

(A) the Office of Personnel Management and each agency which is to become subject to section 4302a of title 5, United States Code, as amended by this title, shall take all appropriate action necessary to ensure that the development of performance appraisal systems required under such section has been completed; and

(B) the Office shall prescribe regulations under which, during the fiscal year ending September 30, 1985, a merit increase under section 5404 of title 5, United States Code, as amended by this title, shall be made based on the last performance appraisal made in the case of the employee involved under subchapter I of chapter 43 of such title (as in effect before the amendments made by this title take effect).

(b) The rate of basic pay for any individual serving in a position—

(1) which is in the merit pay system before the date on which the amendments made by this title take effect, but

(2) which does not become covered by the performance management and recognition system,

shall not be reduced on account of such position not becoming so covered.

(c) The rate of basic pay for any individual serving in a position which ceases to be covered by the performance management and recognition system as a result of the termination of such system under section 5410 of title 5, United States Code, as amended by this title, shall not be reduced on account of such termination.

TITLE III—SENIOR EXECUTIVE SERVICE

CONGRESSIONAL FINDINGS

SEC. 301. The Congress finds that the Senior Executive Service should be continued indefinitely.

PERFORMANCE AWARDS

SEC. 302. Subsection (b) of section 5384 of title 5, United States Code, is amended—

(1) in paragraph (2), by striking out "exceed" and inserting in lieu thereof "be less than 5 per centum nor more than"; and

(2) by amending paragraph (3) of such subsection to read as follows:

"(3) The aggregate amount of performance awards paid under this section by an agency during any fiscal year—

"(A) may not be less than an amount equal to 2 per centum of the aggregate amount of basic pay paid to career appointees in such agency during the preceding fiscal year; and

"(B) may not exceed the greater of—

"(i) an amount equal to 4 per centum of the aggregate amount of basic pay paid to career appointees in such agency during the preceding fiscal year; or

"(ii) an amount equal to 20 per centum of the average of the annual rates of basic pay paid to career appointees in such agency during the preceding fiscal year;

except that the requirement under subparagraph (A) of this paragraph shall not apply to an agency in a fiscal year if the head of such agency makes a determination, in writing, that such agency is unable to comply with such requirement in such year due to an insufficient number of career appointees qualifying for awards under this section. The agency head shall submit a copy of any such determination to Congress.".

NONCAREER APPOINTEE LIMITATION

SEC. 303. (a) The second sentence of section 3134(b) of title 5, United States Code, is amended to read as follows: "The total number of noncareer appointees in all agencies in a fiscal year may not exceed 10 per centum of the average number of senior executives occupying Senior Executive Service positions in all agencies during the preceding fiscal year.".

(b) Section 3134(d)(1) of such title is amended to read as follows:

"(1) 25 per centum of the average number of senior executives occupying Senior Executive Service positions in the agency during the fiscal year preceding the then-current fiscal year; or".

REDUCTIONS IN FORCE

SEC. 304. (a) Section 3594(b) of title 5, United States Code, is amended to read as follows:

"(b) A career appointee who has completed the probationary period under section 3393(d) of this title, and who—

"(1) is removed from the Senior Executive Service for less than fully successful executive performance as determined under subchapter II of chapter 43 of this title; or

"(2) is removed from the Senior Executive Service under section 3595(b)(5) of this title;

shall be entitled to be placed in a civil service position (other than a Senior Executive Service position) in any agency.".

(b) Section 3595(b) of such title is amended—

(1) in paragraph (3)(B), by inserting "to" after "(ii)"; and

(2) by striking out paragraphs (4) and (5) and inserting in lieu thereof the following:

"(4) A career appointee who is not assigned under paragraph (3)(A) may be removed from the Senior Executive Service and the civil service due to a reduction in force if the career appointee declines a reasonable offer for placement in a Senior Executive Service position under paragraph (3)(B).

"(5) A career appointee who is not assigned under paragraph (3)(A) may be removed from the Senior Executive Service due to a reduction in force if the career appointee is not placed in another Senior Executive Service position under paragraph (3)(B) within 45 days after the Office receives certification regarding that appointee under paragraph (3)(B).".

(c) Section 3593(c)(1)(B) of such title is amended by inserting "before October 1, 1984," after "title".

DIRECTED REASSIGNMENT; TRANSFER OF FUNCTION

SEC. 305. (a) Section 3395(a)(2) of title 5, United States Code, is amended to read as follows:

"(2)(A) Except as provided in subparagraph (B) of this paragraph, a career appointee may be reassigned to any Senior Executive Service position only if the career appointee receives written notice of the reassignment at least 15 days before the effective date of such reassignment.

"(B) A career appointee may not be reassigned to a Senior Executive Service position outside the career appointee's commuting area unless—

"(i) before providing notice under clause (ii) of this subparagraph, the agency consults with the career appointee on the reasons for, and the appointee's preferences with respect to, the proposed reassignment; and *"(ii) the career appointee receives written notice of the reassignment, including a statement of the reasons for the reassignment, at least 60 days before the effective date of the reassignment.".*

(b) Section 3595 of such title is amended by adding at the end thereof the following new subsection:

"(e) The Office shall prescribe regulations under which the rights accorded to a career appointee in the event of a transfer of function are comparable to the rights accorded to a competing employee under section 3503 of this title in the event of such a transfer.".

(c) Section 7543(a) of such title is amended by striking out "or malfeasance." and inserting in lieu thereof "malfeasance, or failure to accept a directed reassignment or to accompany a position in a transfer of function.".

(d) Section 8336(d) of such title is amended by inserting after the first sentence the following new sentence: "For purposes of paragraph (1) of this subsection, separation for failure to accept a directed reassignment to a position outside the commuting area of the employee concerned or to accompany a position outside of such area pursuant to a transfer of function shall not be considered to be a removal for cause on charges of misconduct or delinquency.".

EFFECTIVE DATE

SEC. 306. The amendments made by this title shall take effect on October 1, 1984, except that the amendments made by section 305 of this title shall take effect beginning on the date of the enactment of this Act.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentlewoman from Ohio [Ms. OAKAR].

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "An act to promote pay equity and to eliminate certain discriminatory wage-setting practices within the Federal civil service; to establish a performance management and recognition system; to improve the Senior Executive Service; and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 5680) was laid on the table.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on the bill just passed.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO HAVE UNTIL MIDNIGHT, FRIDAY, JUNE 29, 1984, TO FILE PRIVILEGED REPORT

Mr. YATES. Mr. Chairman, I ask unanimous consent that the Committee on Appropriations may have until midnight, Friday, June 29, 1984, to file a privileged report on the Department of Interior and related agencies appropriations bill for fiscal year 1985.

Mr. McDADE reserved all points of order on the bill.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF AN AMENDMENT TO THE SENATE AMENDMENT ON H.R. 2769, CARIBBEAN BASIN ECONOMIC RECOVERY ACT

Mr. HALL of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 98-879) on the resolution (H. Res. 543) providing for consideration of an amendment to the Senate amendment on the bill (H.R. 2769) to promote economic revitalization and facilitate expansion of economic opportunities in the Caribbean Basin region, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 5950, INCREASING FEDERAL CONTRIBUTION FOR QUADRENNIAL POLITICAL PARTY PRESIDENTIAL NATIONAL NOMINATING CONVENTIONS

Mr. HALL of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 98-880) on the resolution (H. Res. 544) providing for the consideration of the bill (H.R. 5950) to increase the Federal contribution for the Quadrennial Political Party Presidential National Nominating Conventions, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 5953, INCREASE IN LIMIT ON PUBLIC DEBT

Mr. HALL of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 98-881) on the resolution (H. Res. 545) providing for the consideration of the bill (H.R. 5953) to increase the statutory limit on the public debt, which was referred to the House Calendar and ordered to be printed.

WATER RESOURCES CONSERVATION, DEVELOPMENT, AND INFRASTRUCTURE IMPROVEMENT AND REHABILITATION ACT OF 1983

The **SPEAKER** pro tempore [Mr. BROWN of California]. Pursuant to House Resolution 515 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3678.

□ 1908

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3678) to provide for the conservation and development of water and related resources and the improvement and rehabilitation of the Nation's water resources infrastructure, with Mr. SAM B. HALL, Jr. in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Monday, June 18, 1984, all time for general debate had expired.

Pursuant to the rule, the amendment in the nature of a substitute consisting of the text of the amendment printed in the CONGRESSIONAL RECORD of May 31, 1984, by Representative ROE shall be considered by titles as an original bill for the purpose of amendment under the 5-minute rule in lieu of the amendments recommended by the Committees on Public Works and Transportation, Agriculture, Interior and Insular Affairs, and Merchant Marine and Fisheries, and each title shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 reads as follows:

That this Act may be cited as the "Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1983".

The CHAIRMAN. Are there any amendments to section 1?

Mr. HOWARD. Mr. Chairman, I move to strike the last word.

□ 1910

Mr. Chairman and my colleagues, we have not had a water resources bill before this Congress since the administration of Gerald R. Ford. It is a greatly needed bill. I have been a Member of this body and a member of the Committee on Public Works and Transportation for 20 years, and I cannot recall one piece of legislation that had as much work, effort and dedication put into it as this piece of legislation, which involves hundreds of congressional districts across the country.

The gentleman from Minnesota, Mr. STANGELAND, members of the subcommittee, have worked hard for 3 years on this bill. We have had countless hours by the staff, going back to last summer when we had staff members working on this night and day, Saturdays, sleeping in the offices Saturday night, being awakened by the chairman, the gentleman from New Jersey, Mr. ROE, at 6 o'clock Sunday morning to work on it further. The staff deserves a great deal of credit for this.

Without taking anything away from anyone else, this legislation is a tribute to the chairman of the Subcommittee on Water Resources, the gentleman from New Jersey, Mr. ROE. No one works harder on this than he does. We have a friendly joke in the Committee on Public Works and Transportation about the good news and the bad news. "The good news is I have a job. The bad news is, I work for BOB ROE."

But seriously, this is very important legislation. We are very sorry that we had to bring this to you at this time. We intend to conclude it this evening. We have a long way to go, with a conference with the other body.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I would be happy to yield to the gentleman from Massachusetts.

Mr. O'NEILL. During the course of the day, we have made an agreement that we are to rise at 10 o'clock and we trust that we will remain with that agreement.

Mr. HOWARD. I certainly hope we will be completed by that time, Mr. Speaker.

Mr. O'NEILL. I said that we will rise at 10 o'clock.

Mr. HOWARD. And so we will.

So we have about 2 hours and about 45 minute to work on this legislation. We want all Members to be able to participate. We hope they will be brief. We have good legislation, we ask for your support.

Mr. MILLER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I am happy to yield to the gentleman from Ohio.

Mr. MILLER of Ohio. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of H.R. 3678.

Mr. Chairman, I rise in strong support of the measure before the House today, the Water Resources Conservation, Development and Infrastructure Improvement Act of 1984. I want to take this opportunity to commend the House Public Works and Transportation Committee for responding to the urgency of the Gallipolis locks and dam project, as well. The committee knows, as I have known for years, that the economic and environmental health and welfare of the entire Ohio River Valley is tied to the future and fate of Gallipolis locks and dam. Opened to traffic in 1937, the existing 600-foot main locking chamber at Gallipolis stands today as the most hazardous navigational facility on the Ohio River. I daresay, Mr. Speaker, that there is no more dangerous locking chamber on America's inland waterways than Gallipolis. The evidence has been apparent for years that this particular compound must be replaced with a complex that includes a modern 1,200-foot chamber.

Just this past spring, Gallipolis was the site of yet another series of potentially devastating barge accidents and spills as tows attempted to negotiate the dangerous Gallipolis pool and curve that feeds the main chamber at the compound. The accidents snagged river traffic, forced delays at a facility where delays are already legendary, added costs to the movement of coal, chemicals, and petroleum products being moved through Gallipolis and threatened to alter traffic patterns on the river from Pittsburgh to Cincinnati. It normally takes a tow about 8 to 10 hours to move through Gallipolis. During the most recent accident sequence at Gallipolis, the delay period jumped to 35 hours. The U.S. Army Corps of Engineers estimated that the cost of delays brought on by the accidents I've noted totaled over $2 million. Even most pressing, Mr. Speaker, is the clear environmental threat presented by the aging, outdated, and obsolete Gallipolis complex.

It is difficult to imagine the environmental disaster the Ohio Valley would experience if another accident at Gallipolis leads to the loss of lethal chemicals or toxic substances from their barges. The environmental emphasis in the case of Gallipolis has to be on prevention: The prevention of another mishap that could harm the entire region. I've made these warnings before and I believe they warrant repeating until Gallipolis has been given the attention it needs and deserves. There is no reason for delay.

The project has a benefit-cost ratio of 12 to 1. It has the backing of every major industrial, economic, navigational, and civic organization along the Ohio River and throughout the industrial heartland of this country. There is one particular provision in this bill (H.R. 3678) that cost-conscious taxpayers should find especially attractive. Under the committee bill language, up to one-third of the cost of the Gallipolis project will be paid from the barge industry's Inland Waterways Trust Fund, which was established by Congress in 1978 and has since imposed a gradually increasing fuel tax on barge traffic using the Nation's inland streams. The tax will be 8 cents a gallon in fiscal year 1985 and will jump to 10 cents a gallon the following year. The Inland Waterways Trust Fund, which was created specifically to involve the barge industry in the construction, renovation, and replacement of major navigational facilities, is expected to receive revenues of $47 million in fiscal year 1985, $65 million in fiscal year 1986, and $80 million in fiscal year 1987. To date, no expenditures from the fund have been made, simply because an omnibus water projects bill which authorizes projects eligible for assistance from the fund has not been approved by Congress and signed into law for 8 years. It is worth noting that one-third of the anticipated cost for the Gallipolis project would be covered by the fund, which is supported by taxes on the barge industry and not on the public at large.

The last water resources bill signed into law was in 1976. The last true construction authorization bill was signed into law in December 1970. The 1974 and 1976 water resources acts consisted primarily of authorization for advanced engineering and design projects rather than actual construction. Over this 14-year period, the need for a new Gallipolis has become more apparent everyday.

Approval of this legislation by the House is only the first of several steps which will lead to the finalization of a new water projects bill. The measure has to be approved by the Senate and accepted by the White House. We can take a giant step toward a new Gallipolis lock. However, with a positive response to this bill by the House today. I urge House approval without further delay.

Mr. ANDERSON. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I am happy to yield to the gentleman from California.

Mr. ANDERSON. I thank the gentleman for yielding.

Mr. Chairman, I rise in strong support of H.R. 3678, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1983.

At the outset, I want to commend our distinguished chairman of the Subcommittee on Water Resources, BOB ROE, and the subcommittee's ranking minority member, ARLAN STANGELAND, on another fine job but also, JIM HOWARD, chairman of the full Public Works and Transportation Committee, and GENE SNYDER, ranking minority member of the full committee, should be congratulated. These four individuals, and their fine staffs, have devoted countless hours to the development of this important legislation and you can be sure that their efforts have not gone unnoticed.

As you know, Mr. Chairman, the Congress has not adopted a comparable water development bill since 1970. And, no new Army Corps of Engineers project authorizations have been approved by the Congress since 1976.

Of particular interest to me are titles I and XIII of the bill dealing with port development and the port infrastructure development and improvement trust fund, respectively.

As you know, with regard to port development, this measure authorizes six deep-draft ports with depths of more than 45 feet and 27 general cargo ports less than 45 feet deep. With regard to cost sharing, H.R. 3678 recommends that the Federal share of port project, planning, construction, and operation and maintenance cost be 100 percent for work to a depth of 45 feet. Any additional, or incremental costs associated with work deeper than 45 feet will be shared 50-50 by the Federal Government and the non-Federal project sponsor.

The Federal share of construction and maintenance costs will be financed from customs duties collections—up to $2 billion per year—and deposited in a new port development trust fund, established within the Treasury.

It's my understanding that the so-called young slasher, OMB Director David Stockman, has put the word out on the street that he intends to recommend a Presidential veto of this measure, should it remain unchanged. Apparently, with regard to ports, the administration wants 100 percent local funding of dredging projects deeper than 45 feet and 50 percent for general cargo dredging projects shallower than 45 feet. In concert with this, it's been reported that the administration would like to cap Federal port maintenance expenditures at approximately $350 million a year and to impose user fees. It's interesting to note that the administration has failed to specify how these fees should be imposed. As you know, there has been a running controversy over the past few years between the large ports and the small ports on whether such fees should be imposed based on cargo value or tonnage. Further, the administration says the new port development trust fund is too expensive, that it circumvents the appropriations process, and pulls the rug out from under the President's budgeting authority.

I contend that all of these arguments are not only shortsighted, but also very unfair. Seaports throughout this country are a vital link in achieving economic growth and are essential to both our domestic and international commerce.

Although seaports do provide significant economic and transportation benefits and meet important national defense needs, they are directly responsible for producing tremendous revenue for the Treasury.

As a matter of fact, during hearings at the Public Works and Transportation Committee in March 1984, the Director of the Office of Inspection at the U.S. Customs Service estimated that of the $9.2 billion collected by Customs during fiscal 1981 in duties, taxes, and fees, $4 to $4½ billion were collected from commercial cargo arriving by sea. Of this amount, the Ports of Los Angeles and Long Beach generated well over 25 percent or $1.136 billion, of it.

Along these same lines, it was announced last month that, for the first time in history, collections at the U.S. Customs Service's Los Angeles District surpassed New York. Specifically, during the first quarter of fiscal year 1984, total Customs' receipts for its 15 largest collection districts was $2.8 billion, with Los Angeles showing a total of $471.7 million as compared to New York's $403.4 million.

The point I'm trying to make here is that our Nation's seaports are far from being a burden on us. As a matter of fact, they are one of this Nation's most treasured assets. That is why I continue to be surprised and confused by the administration's seemingly lack of understanding to this important matter.

By creating a port trust fund we are simply reconfirming our intent to assure ports a source of funding for future modernization projects and maintenance.

I would like to turn, just for a moment, to provisions of this measure which will affect my area in southern California.

Section 101 authorizes the Deepening of the entry channel to the harbor of Los Angeles to a depth of 65 feet, and the deepening of the entry channel to the harbor of Long Beach to a depth of 76 feet. This also includes the creation of 800 acres of "new" land with the dredged material from this project. This important project, commonly referred to as phase I of the San Pedro Bay development plan, is estimated to cost $230 million.

Not only will this project obviously allow the largest of colliers to call on the port complex but, just as important, the additional 800 acres of land created will permit the relocation of the loading and unloading facilities for handling toxic and hazardous materials, as well as the storage tanks used for these dangerous substances, away from the inner harbor high-density residential areas where they are now. The need to make this relocation has been a long-time concern of mine.

Next, I would like to turn to a shoreline erosion study slated for Rancho Palos Verdes. Specifically, the Army Corps of Engineers is authorized to conduct a study on the feasibility of constructing shoreline erosion mitigation measures along the Rancho Palos Verdes coastline for the purpose of providing additional stabilization for the Portuguese Bend landslide area.

The situation in Portuguese Bend is a serious one and should be addressed immediately. Since 1957, portions of the hillside have moved oceanward in excess of 500 feet. Most recently during the 1982-83 winter storms, over 30 feet of coastline eroded at Portuguese Bend. In addition to this, there are now two more slides that have become active in recent years, Abalone Cove and Klondike Canyon.

Another important feature of H.R. 3678 pertains to the improvement of the breakwater at King Harbor in Redondo Beach. Specifically, this provision would: First provide that all future costs of dredging and maintenance of the general navigation features of the project be borne by the Federal Government; second, restore the entire breakwater to a height of 22 feet and maintain the breakwater at such height; and third, provide for the Army Corps of Engineers to study the feasibility of raising the breakwaters to a height greater than 22 feet.

The 1983 winter storm damage to King Harbor again demonstrated the need to raise the breakwater to a sufficient level to protect our multimillion-dollar investment in the area. The development of the breakwater began nearly 50 years ago and still today does not provide adequate protection from wave action.

Section 755 of the bill modifies the navigation project for Newport Bay. The Army Corps of Engineers is authorized to dredge and maintain upper Newport Bay to the boundary of the Upper Newport Bay State Ecological Preserve to a depth consistent with the depth in the existing project for Lower Newport Bay.

As stated in the committee report,

> Newport Bay is one of the major centers of commercial and recreational boating on the southern California coast. Boating activities support a large concentration of related industries providing services and supplies, retail sales, food and lodging. The Upper and Lower bay areas are integrally related. Sediment from the Upper bay adds significantly to the amount available to the Lower bay. For these reasons the Committee (on Public Works and Transportation) has extended the existing project to the Upper bay.

I might add, Mr. Chairman, that this provision is widely supported throughout the city of Newport Beach.

In conclusion, Mr. Chairman, H.R. 3678 is an important piece of legislation and deserves the support of all the Members. Granted, not everyone will agree with every provision, but it will help us meet the water development needs of tomorrow. In addition to authorizing these projects, it also deauthorizes more than 300 projects or portions of projects that have an estimated completion cost of $11 billion. I certainly hope that the Senate will follow our lead on this matter so that we can get to conference and a bill on the President's desk for his approval.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I am happy to yield to the gentleman from Indiana.

Mr. MYERS. I thank the gentleman for yielding.

Mr. Chairman, I, too, want to join the many colleagues here who are expressing their appreciation in the hard work of their committee. Not serving on this subcommittee nor on the Committee on Public Works and Transportation, but working with them through the Committee on Appropriations through the years, I know what an outstanding job you have had, what an outstanding job you have done in bringing this bill here tonight.

It is not an easy job, but I think that Chairman ROE, and the ranking member, the gentleman from Minnesota [Mr. STANGELAND] as well as certainly the gentleman from New Jersey [Mr. HOWARD] and Mr. SNYDER, the ranking member have done a great job here and they are to be congratulated.

These are the kind of bills that keep America strong. Thank you for the hard work that all of you have done to bring this fine bill to the floor.

Mr. HOWARD. Mr. Chairman, before yielding back my time, I would like to say we would like to get moving on this because, should we not be completed by 10 p.m. this evening, we may not see the remainder of this bill perhaps until the next Congress.

Mr. MINISH. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I am happy to yield to the gentleman from New Jersey.

Mr. MINISH. I thank the gentleman for yielding.

Mr. Chairman, I take great pleasure in rising today to announce my strong support of H.R. 3678, the omnibus water resources development bill of 1984.

I would especially like to extend my congratulations to my colleague from New Jersey, Representative BOB ROE, for the outstanding job he has done in formulating this legislation.

Mr. Speaker, I want to speak out strongly today in support of section 1189 of the omnibus water bill which I co-authored with Representative ROE, that provides for a Federal buyout of homes in the flood-ravaged Passaic River Basin.

There is perhaps no area of the Nation that has suffered more from flooding over the years than the Passaic River Basin, which covers some 786 square miles of New Jersey, including sections of Essex, Morris, Passaic, Begen, Hudson, Somerset, Sussex, and Union Counties.

The residents of the area have continually suffered the ravages of flood waters while local, State, and Government agencies have bickered over what actions to take to relieve the dangerous situation under which they live.

This past spring was a perfect example of the type of conditions homeowners in that flood plain are living under. Last April, the heavy rains that deluged the Northeast resulted in flooding that saw waters in the basin rise more than 10 inches an hour, leaving area residents virtually defenseless in efforts to either escape from their homes or to protect their belongings.

When the storm finally abated, there were several deaths reported, more than 6,000 homeless, and property damage estimates totaled more than $150 million. No sooner had those families started to put their lives back together again when a second storm hit and the floodwaters returned with a vengeance, destroying whatever rebuilding the homeowners had been able to accomplish.

Mr. Speaker, flood control in the Passaic River Basin has been discussed and studied for more than a century. For the last 50 years the New York District of the U.S. Corps of Engineers has, under congressional direction, studied the problem and made recommendations. Its past proposals have been rejected. Now the corps has come up with a new plan for the construction of a giant flood tunnel to alleviate the flooding problems that have existed there for so long.

While the concept of the tunnel, and its purpose, are both laudable, the project is estimated to cost nearly $1 billion and not be completed before the end of the century.

The fact of the matter is that the people of my congressional district and others living in that flood plain cannot afford to wait until 1995 for a solution to this problem. Many of the homeowners in the region want to get out now, but they cannot even sell their homes because the recent storms have destroyed their resale value as well as their lifelong possessions.

Section 1189 calls for allocating $50 million to purchase the homes of willing sellers in the Passaic River Basin area at fair market prices. The residences would be acquired by the Secretary of the Army who would retain the properties for future use in conjunction with flood protection and flood management programs in the Passaic River Basin.

Mr. Speaker, the Federal Government has already expended hundreds of millions of dollars in emergency funding and loan programs to help the residents of the Passaic River Basin rebuild their lives after each flood.

The expenditure of $50 million to bring immediate relief to those homeowners through the purchase of their properties would be both the wisest economical and most humane action we can take.

I strongly urge my colleagues to give their full support to H.R. 3876, which contains this most vital amendment.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. HOWARD] has expired.

(On request of Mr. EDGAR and by unanimous consent, Mr. HOWARD was allowed to proceed for 2 additional minutes.)

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I am happy to yield to the gentleman from Pennsylvania.

Mr. EDGAR. I thank the gentleman for yielding.

Mr. Chairman, I want to compliment the chairman of the full committee for the work that has been done on this legislation, the gentleman from New Jersey [Mr. ROE], the gentleman from Minnesota [Mr. STANGELAND], the gentleman from Kentucky [Mr. SNYDER], and others who have been able to forge a piece of legislation that we have before us tonight.

Notwithstanding the pressure of the 10 o'clock period, I want to say that as an opponent of major water legislation over the last 8 years, as one of the people who has been the major obstacle to getting an omnibus water bill passed, I stand today in full support of this legislation. It is not simply because I have had a change of heart on projects or on water policy, but it is because of the leadership of the Committee on Public Works and Transportation, who have been willing to work on some reform issues, including a cost-sharing provision, an environmental mitigation fund, a provision to make sure that as we move to deep ports that there is some cost sharing provided by the locals below 45-foot depths, and most importantly for the older industrial regions of the country, there is an urban revolving loan fund to replace aging water supply systems.

I think it should be stated early on that one of the reasons why everyone is so enthusiastic and excited about the legislation is because the policy initiatives included in the bill are significant. They move us in the right direction. While there will be a few amendments offered that we hope we can have thoughtful discussion and debate on, I would urge my colleagues to support this legislation in terms of final passage, and I would also urge my colleagues to look at the policy reforms that we have included in the legislation, as well as checking out their individual projects and what is being done in those particular areas.

I want to compliment the gentleman in the well. I think his leadership on Tuesday on the Clean Water Act and again here is outstanding.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. HOWARD] has again expired.

(By unanimous consent, Mr. HOWARD was allowed to proceed for 2 additional minutes.)

Mr. LEHMAN of Florida. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I yield to the gentleman from Florida.

Mr. LEHMAN of Florida. I thank the gentleman for yielding.

Mr. Chairman, I want to compliment the gentleman from New Jersey [Mr. Howard] and my friend, the gentleman from New Jersey [Mr. Roe] for all the hard work they have done on this bill. I totally support this bill. I just wish they had worked even harder and consumed more time on this bill for my own benefit, but I thank them for the help they have given me.

Mr. Chairman, I would like to express my support for the water project authorization bill, H.R. 3678.

Included in this bill is the authorization for the Dade County beach erosion control and hurricane protection project, north of Haulover Beach Park. The need for beach restoration in this area has been clear for many years. Tourism is the economic backbone of south Florida and attractive beaches are crucial to the tourist trade.

Sunny Isles, as the area along the unrestored beach is known, is full of hotels that depend upon visitors from the North as well as from abroad. A larger beach is essential in order to bring in new tourists and to keep them coming back. Beach restoration will stimulate more economic activity as businessmen invest in hotels and restaurants which in turn will bring in more tourists and more jobs.

The local population will also benefit from the hurricane protection afforded by a larger beach. South Florida has been fortunate not to have had a major hurricane in recent years, but the threat remains. The damage to property and the potential loss of life during a hurricane can be devastating. This fact alone, I believe, provides sufficient justification for this restoration project.

The people in Florida's 17th Congressional District have waited patiently for a number of years for this project to become a reality. They have seen the wonderful results of the projects to the north and to the south. I am pleased that H.R. 3678 is finally coming to the floor of the House for consideration, and I will vote in favor of the passage of this bill.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I yield to the gentleman from New York.

Mr. BIAGGI. I thank the gentleman for yielding.

Mr. Chairman, I think at this point it is important to make note of the fact that title I of this bill, the port development portion of the bill, is the initial product of the Merchant Marine Subcommittee of which I am chairman. With the cooperation of the leadership, Chairman Walter Jones, we produced the legislation, working together with the gentleman from New Jersey [Mr. Roe] and we are happy that it is part of the overall bill.

I rise in full support of the legislation and hope that we will complete it this evening; otherwise, it will drag on unendingly.

Mr. HOWARD. I thank the gentleman.

Mr. Chairman, I would like to state that on legislation this broad, our committee's jurisdiction certainly does happen to overlap with other committees, such as the Committee on Merchant Marine and Fisheries. We would not have this fine bill here today without the cooperation and the ability of the gentleman from New York and the members of his Merchant Marine and Fisheries Committee.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I would be happy to yield to the ranking member, our good friend representing Falmouth in Kentucky, Mr. Snyder.

☐ 1920

Mr. SNYDER. Mr. Chairman, I thank the gentleman for yielding.

I want to join in commending those who have worked so hard on this bill, particularly the gentleman from New Jersey, Mr. Bob Roe and the gentleman from Minnesota, Mr. Arlan Stangeland. I thank the gentleman in the well, too, for his cooperation.

Mr. Chairman, I rise in support of the subcommittee chairman's amendments to the bill.

I would also like to take this opportunity to rise in strong support of H.R. 3678, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act. This water resources authorization bill provides landmark changes in the Nation's water policy and addresses key water resources issues vital to all Americans.

It has been far too long since we have had enacted a comprehensive water resources bill of this sort. The last omnibus bill became law in 1976, and the last major water resources construction authorization law for the Corps of Engineers dates back to 1970. The size and scope of H.R. 3678 reflects the many projects and policies that have awaited action in the intervening years.

The importance of the legislation, however, is not in its size, but in the needed projects it authorizes and significant cost-sharing and other policy changes that it makes.

H.R. 3678 stands as a tribute to full committee Chairman Jim Howard as well as the the chairman of the subcommittee, the gentleman from New Jersey [Mr. Roe] the ranking member from Minnesota, Mr. Stangeland, and the many others who have spent literally days and nights over the course of 2 years on this bill. Each provision, each project, each concept in the bill has been scrupulously reviewed numerous times. This indepth analysis, despite the extensive nature of H.R. 3678, argues for the strong support I am confident the bill will receive. It is noteworthy, Mr. Chairman, that, the bill was voted out of the Committee on Public Works and Transportation by a unanimous vote of 49 to 0, an accomplishment that is unprecedented, at least in recent years, with water project authorization legislation.

Some may claim that the reforms in H.R. 3678 do not go far enough. Others may say they go too far. I believe they are far-reaching and comprehensive changes, defining the direction our water resources program should proceed through the remainder of this decade. In this period of economic revitalization we must be sure that our programs, while fiscally responsible, do not result in counterproductive economic and social impacts. H.R. 3678 balances the need for new policies, including increased non-Federal cost sharing, with sensitivity for existing economic conditions and important environmental values.

Mr. Chairman, H.R. 3678 provides programs for water resources infrastructure that are a fundamental part of the economic underpinnings of the United States. Projects authorized in the bill will improve local, regional, and national economics, and encourage increased trade, especially exports, which can improve our balance of payments. The bill also authorizes a number of new projects and programs to protect our citizens from the ravages of floods and hurricanes. It also authorizes recreation at many projects and, in the process, adds measurably to the social well-being of individuals and communities throughout the Nation.

It is important to note that this legislation is an authorizing bill. Thus, it does not directly affect spending. Each project and program will have to go through the appropriations process to obtain funding. The leadership of the Committee on Appropriations, incidentally, has been exceptionally cooperative. There has been great pressure to provide funding for many projects not yet authorized, but they have resisted this pressure in order to allow our committee and the Congress to complete action on this policy bill.

Mr. Chairman, allow me to highlight some of the main aspects of H.R. 3678. Title I deals with port development. In addition to authorizing numerous port projects throughout the country, this title envisions use of a $2 billion a year trust fund, financed from customs receipts, to pay the costs of construction, operation, and maintenance with respect to port depths between 14 and 45 feet. The fund will also pay half the incremental costs for depths greater than 45 feet for construction, operation, and maintenance, less amounts credited for certain costs incurred by non-Federal interests.

Title I also provides authorization for local interests to proceed with construction of authorized projects, subject to approval of the corps, and authorization for local interests to proceed with the planning of port projects and be reimbursed for their costs when the project is authorized. Further, the bill establishes consolidated study, permit review, and fast-track decisionmaking procedures for certain port projects prior to initiation of construction. These provisions are designed to speed the process of initiating and carrying out post projects.

Title I of the bill also authorizes a Federal guarantee of 90 percent of the non-Federal share of construction costs for ports having depths greater than 45 feet where the non-Federal interest expedites construction.

Title II involves the inland waterway transportation system. This title authorizes seven priority inland waterway projects:

First, Oliver lock and dam, Alabama;

Second, Gallipolis lock and dam, Ohio and West Virginia;

Third, Winfield locks and dam, West Virginia;

Fourth, lock and dam 7, Monongahela River, PA;

Fifth, lock and dam 8, Monongahela River, PA;

Sixth, lock and dam 26, second lock, Alton, IL; and

Seventh, Bonneville lock and dam, Oregon and Washington.

The projects are to be built, over a 7-year period, with one-third of construction costs coming out of the inland waterway trust fund and two-thirds out of general appropriations. This means that non-Federal interests will be paying a one-third cost-share for these projects, because the trust fund derives entirely from a fuel tax on commercial inland waterway users.

In title III of the bill, numerous critically needed flood control projects are authorized and new cost-sharing requirements are established. The bill provides that, for new flood control projects, the local share—consisting of lands, easements, rights of way, and relocations—are to be provided up front. Where the cost of such items of local cooperation is less than 25 percent, the local share will be raised to 25 percent, but the increased amount will be repaid over a 15-year period. Where these costs exceed 25 percent, a 30-percent cap is placed on the local share.

Mr. Chairman, as I mentioned, title III addresses a number of extremely important flood control projects. One of these, Falmouth Dam, is of special importance to me and my constituents. I strongly support the bill's current language and I urge opposition to the Falmouth amendment that will be offered by my colleague from Kentucky, Congressman **Hopkins**. You will hear, if you have not already, that there is opposition to the Falmouth project. I would simply like to take this opportunity to inform the members that the constituents which I represent strongly support this project and I hope that you will support their efforts to see Falmouth Dam come to realization. I will have an opportunity to discuss this matter at length next week when the amendment is offered, but I wanted to alert you to the fact that the amendment of the other gentleman from Kentucky will be vigorously opposed by this member.

Title IV authorizes a variety of shore protection projects. With each of these projects, care was taken to assure that any environmental issues were appropriately resolved. Where there are open questions, additional studies are called for. Where mitigation or other measures can address environmental matters, they are specifically authorized. This is true for projects throughout H.R. 3678.

Title V includes a variety of authorizations, the main type of which are mitigation projects. To ensure that any disruption caused by a Corps of Engineers water resources project is minimized, mitigation plans consisting of construction requirements, purchase of land or easements for fish and wildlife purposes, development of habitat at projects, and other measures are developed and implemented. These plans are usually part of the project report itself. However, for older projects or ones where new impacts are discovered, a separate mitigation report is prepared and separate authorization is required. Title V contains a number of projects in this category.

Title VI provides authority for a variety of water resources studies and establishes a new requirement for cost sharing for these studies, which up to now has been totally Federal. A 25-percent local share is set, with at least one-half in cash and up to one-half in kind. The local share for a study will be credited toward the local share for the construction of any project which results from the study.

Title VII provides modifications on many existing Corps of Engineers projects. Over years of development, construction, and operation, changes or newly discovered conditions or needs require modifications of federally authorized Corps of Engineers projects. Although there is limited authority for the corps to make changes, larger modifications require congressional action. These are contained in this part of the bill.

Title VIII provides for Federal assistance, in the form of loans to local interests, for the expansion, rehabilitation, and improvement of water supply facilities. It authorizes $800 million per year in loans to be provided through the Corps of Engineers. No more than $40 million per year per project and no more than $80 million per year per State would be provided under this authority. Loans are for 80 percent of the cost of the project. Locals must provide the remaining 20 percent from other sources and must pay back the loan over 50 years with interest. Thus, under title VII's new program, project costs are paid 100 percent by non-Federal public and private interests. The Federal role is to provide a portion of the up-front funding. Only projects with applications approved by resolution of the House and Senate Public Works Committee and authorized by Congress could receive loans, except for projects authorized in the bill.

Title IX provides name changes for a number of water resources projects. Because projects are authorized with names, usually after local towns, rivers, physical features, and the like, in order to change a project or project component's name, a congressional authorization is required.

Title X is one of the key portions of the bill. This title deauthorizes more than 300 projects, having a total estimated first cost of some $11 billion. This group of deauthorized projects represents approximately 30 percent of authorized and unconstructed projects and project features of the Corps of Engineers. Other projects will be reviewed later for possible deauthorization to further reduce the backlog. H.R. 3678 also provides for deauthorizing studies and projects in this bill which have not proceeded expeditiously in order to prevent redeveloping a backlog problem.

Title XI contains a variety of general provisions relating to many policies and programs of the Corps of Engineers. Its sections direct new actions, increase or change authorities, and, in general, provide direction for the improved management of the water resources program of the corps.

A new National Board on Water Policy is established in title XII. The Board will coordinate water project activities of the Federal agencies, including development of principles and standards for planning water projects. Membership includes the Secretaries of Interior, Agriculture, and Army; the Administrator of the Environmental Protection Agency; one person each recommended by the House and the Senate; and an independent chairman nominated by the President. Title XII also authorizes a regional/State advisory committee with membership from the major water resources regions. The title also provides $20 million per year for 5 years for 50-50 matching grants to States to promote State water planning.

Title XIII establishes the port trust fund from which projects in title I will be funded. Title XIV provides authority to modify certain bridges over navigable waters that require changes. Title XV provides for referral of certain mitigation reports to the Committee on Merchant Marine and Fisheries.

The version of H.R. 3678 that is being considered is a compromise. It has been agreed to by the Public Works, Merchant Marine, Interior, and Agriculture Committees. The vast majority of the bill's provisions are identical to what was reported by the Committee on Public Works and Transportation. Where there have been modifications, they have been based on agreements with the other committees after those committees reviewed and acted on referred portions of the bill.

Mr. Chairman, H.R. 3678 was unanimously voted out of committee last August. In the time since then, many Members have brought additional matters to the attention of the committee. These include changes to items already in the bill, new projects or policies, clarifications, and updates of costs and reports. These suggestions are being as thoroughly reviewed as was the original bill and, where warranted, they will be included in committee amendments to each title of the bill when amendments are considered next week.

It is evident by the size and scope of H.R. 3678 that it is a major piece of legislation. More importantly, the bill provides the basis on which to chart a strong, steady course for the Nation's water resources needs for the remainder of the decade. I know that the subcommittee chairman, Mr. Roe, and the ranking member, Mr. Stangeland, have spent months on this legislation, and the bill's quality is evidence of these efforts. I also know that the vast majority of my colleagues join in appreciation for this work and this legislation. I urge the Members to give this bill the strongest possible vote to encourage swift action by the other body and ensure enactment this year.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. Howard] has expired.

(By unanimous consent, Mr. Howard was allowed to proceed for 1 additional minute.)

Mr. HOWARD. Mr. Chairman, I want to make one final point. We talk about pork barrel and we talk about water projects that have a life of their own. That criticism is usually pointed at this committee.

In his 3 years of work on this committee the gentleman from New Jersey [Mr. Roe] evaluated personally every one of the over 1,000 Army Corps of Engineers water projects that had been authorized by this body over the past 50 years. In that evaluation he saw projects that we ought to eliminate and he deauthorized over 300 projects that are no longer needed, no longer feasible. He visited with every Member who represented the areas of those 300 projects to talk with them and get their agreement on the deauthorization.

There is probably only one argument coming up this evening on one of them.

When this was finished, the gentleman then wrote a forward-looking bill. This kind of work has not been done for over 50 years.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. Howard] has again expired.

(By unanimous consent, Mr. Howard was allowed to proceed for an additional 30 seconds.)

Mr. HOWARD. Mr. Chairman, I doubt that we will ever have as hard a working Member as the gentleman from New Jersey [Mr. Roe] in the next 50 years to do this kind of work. I believe that all of the taxpayers, the Members of Congress, and the members of our committee owe a great debt to the gentleman from New Jersey [Mr. Roe] for having done this work.

Mr. Chairman, with what time I have left, I would like to yield briefly to the great chairman of the Committee on Merchant Marine and Fisheries, the gentleman from North Carolina [Mr. Jones].

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. Howard] has expired.

(On request of Mr. Jones of North Carolina, and by unanimous consent, Mr. Howard was allowed to proceed for 2 additional minutes.)

Mr. HOWARD. Mr. Chairman, I yield to the gentleman from North Carolina.

Mr. JONES of North Carolina. Mr. Chairman, I am pleased to join with my colleagues in urging the House to pass H.R. 3678, as amended.

On March 8, 1984, the Committee on Public Works and Transportation reported H.R. 3678 with an amendment, at which time certain provisions of it were referred to the Committee on Merchant Marine and Fisheries until April 12, 1984. On April 11, 1984, the Committee on Merchant Marine and Fisheries met to consider H.R. 3678, as reported, and adopted seven amendments to it. The following day, the committee reported the bill to the full House (Report No. 98-616, part III).

Subsequent to the reporting of the bill, The Committee on Merchant Marine and Fisheries has worked closely with the Committee on Public Works and Transportation and, through cooperative negotiations, has reached a joint committee agreement on H.R. 3678.

The joint committee compromise contains provisions of special interest to the Committee on Merchant Marine and Fisheries. The first is the consolidation of the environmental review and permit process associated with port improvement projects in section 104(c), and provisions relating to cost sharing between local ports electing to undertake a port improvement project and the Federal Government in section 105(b).

In addition, the two committees have agreed upon provisions in section 107 that authorize the Corps of Engineers to guarantee a portion of the obligations issued by a port to finance authorized, deep-draft navigation projects. Local, non-Federal interests would also be required to assume a portion of the costs associated with the projects.

Finally, the joint committee compromise preserves the existing system for winter navigation on the Great Lakes, thereby avoiding any undue extension of the navigation season on the Great Lakes.

Mr. Chairman, aside from these provisions, which the two committees were able to successfully negotiate between themselves, it is this committee's understanding that the Committee on Public Works and Transportation intends to offer an additional amendment to title I of H.R. 3678 that pertains to title I of the Ocean Dumping Act.

We would like to point out that the Committee on Public Works and Transportation currently has before it a bill reported from our committee which amends the same act which these provisions in H.R. 3678 would affect. We therefore think that that bill, commonly referred to as the Ocean Dumping Act Amendment, is a more appropriate vehicle for these changes. This is so primarily for two reasons: First, this amendment directs the Administrator of the Environmental Protection Agency to conduct certain activities pursuant to the Marine Protection, Research and Sanctuaries Act. Therefore, it should be framed specifically as an amendment to that act. Second, as the Merchant Marine and Fisheries Committee has not reviewed this amendment, by including it as part of the Ocean Dumping Act amendments, the two committees would be able to confer on the proposal.

Because we understand this amendment to be a good-faith effort on the part of the Committee on Public Works and Transportation to resolve outstanding issues regarding the mud dump site, our committee will not oppose the amendment. We do not, however, wish our silence to in any way be interpreted as a change in the jurisdictional understanding the two committees have with respect to the issue of ocean dumping.

In closing, I would like to express my appreciation to the chairman of the Committee on Public Works and

Transportation and the Subcommittee on Water Resources, and their staff, for their cooperation and diligence in working with our committee on certain provisions of this important legislation.

In addition to protecting and preserving our Nation's water resources, passage of this bill will lead to essential administrative and financial improvements which are vital to the development of our Nation's ports.

Mr. Chairman, I urge my colleagues to support H.R. 3678.

Mr. HOWARD. Mr. Chairman, I thank the committee chairman for his remarks, and I urge our colleagues in the House to support this committee and the fine legislation we will be handling over the next 2 hours and 38 minutes.

Mr. ROE. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The gentleman from New Jersey [Mr. Roe] is recognized for 5 minutes.

Mr. ROE. Mr. Chairman, I hope my colleagues will indulge me for a moment. I appreciate the kind encomiums that were extended to myself and to the gentleman from Minnesota, Mr. Arlan Stangeland, and the members of my committee.

In order to expedite this bill, and as the rule was extended to the committee, the legislation has 15 sections, with one section to be added, the 16th section. We have approximately 11 committee amendments which are general committee amendments.

They are technical in nature. They were published in the Record the other day. We could materially expand this and give ourselves the time we need to debate the other legislation, in view of the fact that the Speaker has advised us he is going to put us out of here at 10 o'clock.

So our goal is to try to keep the continuity of this legislation going to complete it at 10 o'clock but to give ample time on all our amendments, those that we have been notified of and are concerned with. So this has been a totally open rule, a totally open process, and with the indulgence of the Members and their acquiescence, of course—and I have checked this out with the gentleman from Minnesota [Mr. Stangeland], my counterpart on the other side—I would like to ask at this moment unanimous consent that the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

Mr. EDGAR. Mr. Chairman, reserving the right to object, I do not plan to object, but I just want to clarify it.

I am a bit nervous about the fact that I understand the Speaker has said that we have to leave as of 10 o'clock because he has made that promise. I am nervous about opening the bill at any point because I want to make sure that we protect the rights of Members who have worked very hard on their amendments.

My fear is that we will get onto one of the controversial amendments that will in fact take 2 hours and we will find ourselves at 5 minutes to 10 and someone will move that all debate end at 10 o'clock. Then Members who have worked for weeks and weeks on their amendments will not get the opportunity to offer them.

I just wanted to make that statement, Mr. Chairman.

Mr. ROE. Mr. Chairman, if the gentleman will yield, the gentleman makes a very good point. This bill has been worked on for 3 years. The gentleman has been a major participant in it himself.

It is certainly not the intention of this Member and certainly not the intention of the gentleman from Minnesota [Mr. Stangeland], I am sure, to in any way cut off any debate on anything because then we would be breaking faith with out efforts.

That is not the intent and it has never been the action of this committee. All we are simply saying is that there are a series of 11 amendments that are committee amendments. Now, we can do it one of two ways if you want to get them to the floor. One would be to take it title by title. We can do that if you want to do it that way. That is all right by me, but it is going to take twice as long because those are technical amendments, and we will take those amendments.

If that is the agreement, that is what we are asking to do, No. 1, and then I would suggest the following——

Mr. EDGAR. Mr. Chairman, I will withdraw my reservation of objection.

Mr. ROE. Mr. Chairman, if the gentleman would yield further, I would like to suggest the following, because I know the gentleman from Kentucky [Mr. Hopkins] is concerned. I would suggest that if we stick to title I, there are certain Members who have items in title I, and then we can go to title II. We can go right on through, and we would have the continuity to do it and we will speed this up by an hour and a half and get done by 10 o'clock.

Mr. Chairman, section 2 of the bill provides that, in order to insure against cost overruns, each estimated cost set forth in the bill for a project shall be the maximum amount authorized for that project. Those amounts are to be automatically increased for changes in construction costs as indicated by appropriate cost indexes, modifications which do not materially alter the scope or functions of the authorized project, and additional studies, modification, and actions (including mitigation and other environmental actions) authorized by the bill or required by changes in Federal law. This amendment clarifies the committee's intention that the prices cited in the bill are October 1982 prices, and that the calculations for any cost changes authorized by the bill must be calculated from that date.

The detailed analysis of this amendment is as follows:

TITLE I

Mobile

(Page 3, line 24 et seq.) Section 101 of the Bill authorizes the Corps of Engineers to deepen and widen the Mobile Bay Channel. In view of the concerns expressed by environmental interests about disposing of dredged material at the Brookley disposal area in Mobile Bay, the authorization provides that, for reasons of environmental quality, the dredged material will be disposed of in open water in the Gulf of Mexico. Since the time the Committee report was filed, the Committee has been informed that non-Federal interests and environmental interests are working on an environmentally acceptable plan to dispose of dredged material in the Brookley disposal area, along with a plan to mitigate damages to fish and wildlife caused by disposal of dredged material in that area. This amendment provides that within one year the Corps of Engineers, the Fish and Wildlife Service, the Environmental Protection Agency, and appropriate non-Federal interests shall develop, and transmit to the House Committee on Public Works and Transportation and the Senate Committee on Environment and Public Works, a plan to dispose of dredged material to the Mobile project in the Brookley disposal area, and a plan to mitigate damages to fish and wildlife from disposal of that material in the Brookley disposal area. Except for funds appropriated to the Environmental Protection and Mitigation Fund, no appropriation shall be made for the acquisition of any interest in property for or for the actual construction of the Mobile project unless those plans have been approved by resolutions of the two Committees or unless the non-Federal sponsor of the project transmits within one year a letter to both Committees indicating that the Corps, the Fish and Wildlife Service, the Environmental Protection Agency and the non-Federal interests are not able to develop such plans. No dredged or fill material shall be disposed of in the Brookley disposal site unless the plans for the disposal have been approved by resolutions adopted by the two Committees. This amendment will allow the Federal and non-Federal interests to continue working on an environmentally acceptable plan for disposing of dredged and fill material at the Brookley disposal site and will allow the project be modified to incorporate such a plan if one can be developed within a reasonable amount of time. It is not intended, however, that the construction of the project should be delayed while such a plan is considered.

Texas City

Page 4, line 24. This amendment modifies Section 101 of the Bill to provide that, with respect to the navigation project for Texas City, Texas, authorized by that section, no appropriation shall be made for the acquisition of any interest in land for or for the actual construction of the project until that acquisition or construction has been approved by resolutions adopted by the House Public Works and Transportation Committee and the Senate Environment and Public

Works Committee. This prohibition does not apply to reaches 6, 7, 8, and 9 of the Common Entrance Channel.

New York/Kill Van Kull dredged material

(Page 5, line 9 et seq.) Section 101 of the bill provides that, for the New York Harbor and Adjacent Channels Project and for the Kill Van Kull Project, any ocean disposal of dredge material (other than rock, beach quality sand or other suitable fill material) shall take place at a site at least 25 miles from the shoreline—unless the Corps determines, for reasons of environmental quality, that an ocean disposal site less than 25 miles from the shoreline is more suitable. These amendments remove that prohibition as it applies to those projects. The amendment commencing on page 38 after line 6, adds a new section 112 to establish new requirements with respect to dredged material from projects in the area of the Port of New York and New Jersey. See that provision for a more detailed explanation.

Cleveland Harbor

(Page 16, line 9 et seq) This amendment modifies the navigation project for Cleveland Harbor, authorized by Section 101 of the Bill, to clarify that the project authorized shall include the deepening and widening of the West Harbor Entrance as well as the East Harbor Entrance and that the estimated cost of the project is $36,000,000.

Oakland Inner Harbor

(Page 19, line 10 et seq.) Section 102 of the Bill authorizes the construction of a navigation project for Oakland Outer Harbor, California, in accordance with the Report of the Chief of Engineers. This amendment adds authorization for construction of the navigation project for Oakland Inner Harbor, California, as described in the Draft Report of the San Francisco District Engineer, in light of the fact that approximately $1 million in Government expenses may be saved if both the Oakland Harbor projects are constructed within the same time period. Physically, the two channels commence as one, entering from the naturally deeper water of San Francisco Bay at Oakland Bar. That reach of channel serves as part of Oakland's common channel system before separating into its two branches. This amendment recognizes the fact that the Port of Oakland consists of an integrated network of channels, marine terminals and other transportation infrastructure.

Blair and Sitcum Waterways

(Page 20, line 22 et seq.) Section 102 of the Bill authorizes the project for navigation, Blair and Sitcum Waterways, Tacoma Harbor, Washington, as recommended in the Report of the Chief of Engineers, except that a permanent bypass road for the Blair Waterway may be constructed in lieu of constructing the East 11th Street Bridge recommended by the Chief of Engineers. This amendment makes it clear that the bypass road may only be constructed if (1) the Corps determines that construction of the bypass road is economically and environmentally feasible (2) construction of the bypass road is approved by the Governor of Washington and (3) the bypass road is approved through adoption of resolutions by both the Tacoma City Council and the Tacoma Court Commission.

New York/Kill Van Kull dredged material

Page 38, after line 6. This amendment adds a new section 112 which requires the Administrator of the Environmental Protection Agency within four years to designate at least one site for the disposal of dredged material from the Port of New York and New Jersey and the Hudson River. The newly designated site or sites shall be located between 20 and 40 miles from the shoreline. The Environmental Protection Agency's designation is to be made in accordance with the Marine Protection, Research and Santuaries Act of 1972 and is to be made in consultation with apropriate Federal, State, interstate and local agencies. The Administrator, within one year and annually thereafter, is to report to the House Public Works and Transportation Committee and the Senate Environment and Public Works Committee on the status of the site designation effort.

Beginning 30 days after the date on which a site or sites are designated by the Environmental Protection Agency pursuant to this section, any ocean disposal of dredged material (other than acceptable dredged material, as defined in this section) by any entity authorized pursuant to the Marine Protection, Research, and Sanctuaries Act of 1972 to dispose of dredged material at the Mud Dump site on or before the date of designation shall take place at the newly designated site or sites in lieu of the Mud Dump site.

"Acceptable dredged material" is defined, for the purposes of this section only, to mean rock, beach quality sand, material excluded from testing under ocean dumping regulations promulgated by the Environmental Protection Agency pursuant to the Marine Protection Research and Sanctuaries Act of 1972, and other dredged material (including that from new work) determined by the Corps, in consultation with the Environmental Protection Agency, to be substantially free of pollutants.

Notwithstanding any other law or regulation, the Corps is to ensure that, within 30 days after the date on which a new site or sites are designated by the Environmental Protection Agency pursuant to this section, all existing and future Department of the Army permits and authorizations for disposal of dredged material at the Mud Dump site shall be modified, revoked and issued, as appropriate, to ensure that only acceptable dredged material, as defined as in this section, shall be disposed at the Mud Dump site and that all other dredged material determined to be suitable for ocean disposal will be disposed of at the new site or sites.

Emergency response services

New Section 113 authorizes the Corps to make grants to non-Federal interests operating port projects, which grants are to be for the provision of emergency response services in ports, including the provision of necessary personnel training, and the procurement of equipment and facilities either by the non-Federal interest, by a local agency or municipality, or by a combination of local agencies or municipalities on a cost-reimbursable basis, either by cooperative agreement, mutual aid plan, or mutual assistance plan entered into between one or more non-Federal interests, public agencies, or local municipalities. New Section 114 authorizes appropriations from the Port Infrastructure Development and Improvement Trust Fund for the Corps to make a grant, for reasons of navigation safety, for the construction of a new port office at Morro Bay Harbor, California.

TITLE II

This amendment modifies the authorization in section 201 of the bill for the replacement of the lock at Bonneville Lock and Dam, Oregon and Washington. Section 201 provides that the dredged material from the project is to be disposed of at Ross Island to the extent necessary to prevent damage to the blue heron rookeries on Pierce Island and Ives Island. This amendment provides that the dredged material from that project may be deposited at locations other than at Ross Island, as determined appropriate by the corps, so long as the blue heron rookeries on Pierce and Ives Islands are not damaged. This amendment is appropriate because the relatively long haul distance from the project site to Ross Island may make the disposal of the bulk of the dredged material at that site uneconomical.

TITLE III

Nonconnah Creek

(Page 50, line 3) This amendment provides that the project for Nonconnah Creek, Tennessee and Mississippi, authorized in Section 301 of the Bill, shall be constructed in accordance with the Joint Report of the District Engineer and the State Conservationist for Tennessee, in order to assure that the portion of the project developed by the Soil Conservation Service for Johns Creek will also be constructed. The control of sediment and the added flood control increment which the Johns Creek portion will provide are essential to the success of the works proposed by the Corps of Engineers for flood control and to the public utilization of the main channel of Nonconnah Creek.

Saw Mill Run

(Page 56, line 11) Section 301 of the Bill authorizes a project for flood control on Saw Mill Run in Pittsburgh, Pennsylvania. This amendment provides that that project shall also include the construction of a portion of the Saw Mill Run relief sewer in the City of Pittsburgh. The primary water resources problem of the Saw Mill Run area is the inability of the existing channel of Saw Mill Run to contain flood flows within its banks; however, during high flows storm drains and sanitary sewers, which comprise a combined sewer system, regularly back up and overflow in the area. This amendment recognizes the complex interrelation of the overbank flooding of Saw Mill Run—and the concomitant flooding caused by overflowing combined sewers—by authorizing the construction of the necessary relief sewer facilities along with the required deepening and realignment of Saw Mill Run itself. As amended, the project will substantially reduce the frequency of flooding in the project area and prevent the deposition of raw sewage on the floodplain, thereby significantly enhancing the health and welfare of the community.

St. Johns/New Madrid

(Page 58, line 25) Section 301 of the bill authorizes a flood control project for St. Johns Bayou/New Madrid Floodway. This project includes mitigation for fish and wildlife habitat losses. Part of the planned mitigation is acquisition of 2,500 acres in the Ten Mile Pond mitigation area. Some of the valuable fish and wildlife habitat lands in this area have become available since the report was completed. The State of Missouri has acquired some of this land and plans to acquire more, all for fish and wildlife and related purposes. This amendment provides that lands acquired by the State of Missouri after January 1, 1982, for mitigation of damage to fish and wildlife within the Ten Mile Pond mitigation area shall be counted as part of the total quantity of mitigation lands required for the project and shall be maintained by the State for such purpose.

This will ensure that the valuable fish and wildlife habitat lands are acquired for the public rather than lost to some other use. the lands already acquired by Missouri in that area or that may be acquired will count toward the mitigation lands required for the project. The State of Missouri will maintain the lands.

Ste. Genevieve

(Page 58, after line 25) This amendment authorizes flood protection for Ste. Genevieve, Missouri, as described in the St. Louis District Engineer's feasibility report dated March 1984. The project includes levee and other work to protect the oldest non-Spanish settlement west of the Mississippi. The architectural significance of the area has been verified by the National Trust for Historic Preservation, which strongly supports its protection. Ste. Genevieve is classified as a National Historic Landmark, and its preservation is most important. The project authorized by this amendment will add vital flood protection to the area.

Brush Creek

(Page 59, line 5) Section 301 of the Bill authorizes a flood control project for Brush Creek and Tributaries, Missouri and Kansas. It specifies that the project shall include the replacement of the Kansas City Public Service Railway bridge, recommended for removal as part of the project, if the Corps determines that appropriate non-Federal interests will use the bridge as part of a regional public transit system in the ten year period following the initiation of the project. This amendment clarifies that the estimated cost of the project is to include the cost of replacing that bridge.

North Branch of the Chicago River

(Page 62, line 25) Section 301 of the Bill authorizes a project for flood control for the North Branch of the Chicago River, Illinois. It also provides that, in recognition of the flood damage prevention benefits provided on the North Branch of the Chicago River by the Techny Reservoirs constructed by non-Federal interests on the West Fork of the North Branch of the Chicago River, the Corps shall, subject to appropriations, reimburse non-Federal interests for an amount equal to 75% of the costs of planning and constructing those reservoirs. This amendment expands that authorization to include similar reimbursement to non-Federal interests for an amount equal to 75% of the costs of planning and constructing the Mid-Fork Reservoir and the Mid-Fork Pumping Station on the Middle Fork of the Chicago River. These facilities also provide flood damage prevention benefits for the project area. The reimbursement amount is based on the percentage of the Federal share for local flood protecton projects established by Section 302.

Little Calumet River

(Page 63, line 3 et seq.) This amendment specifies that the authorized plan of improvement for flood control, Little Calumet River, Indiana, shall be plan 3A, as described in the Report of the Chicago District Engineer. Plan 3A is the detailed plan alternative developed by the District Engineer which will provide the greatest degree of flood protection benefits.

Prado Dam

(Page 72, line 15) Section 301 of the Bill authorizes a project for flood control on the Santa Ana River Mainstem, California. The recommended plan includes the construction of a number of structural components, in addition to raising the existing Prado Dam by 30 feet and modifying its spillway and outlet works. In its Report to accompany H.R. 3678, the Public Works and Transportation Committee recognized the benefit that may accrue through enhanced water conservation activities as a result of the Santa Ana Project and pronounced a policy of attempting to maximize water conservation in the operation of Prado Dam by encouraging the Corps to ensure, whenever possible, that each year at the end of the winter storm and flood season the Corps would collect up to 50,000 acre feet of water behind Prado Dam and release that water at a rate that ensures maximum use by municipal and regional water districts, while preserving the property rights of land owners above and below Prado Dam. This amendment clarifies that the Corps shall study the feasibility of, and environmental impact of, including conservation storage at the end of the winter storm season at Prado Dam as a project purpose and the effects that that storage might have on recreation and leasehold interests at Prado Reservoir, on downstream riparian rights, and any water supply benefits associated with that storage. Within one year the Corps is to transmit to the House Public Works Committee and the Senate Environment and Public Works Committee a report on the results of the study.

Talbert Valley Channel

(Page 73, line 3) This amendment provides that any relocation of the Talbert Valley Channel, undertaken in connection with the Santa Ana Mainstem Project authorized by Section 301 of the Bill, shall be constructed with a channel capacity sufficient to accommodate a 100-year flood. Under the plan authorized in the Bill the segment of the Talbert Valley Channel in Huntington Beach, California, running parallel and adjacent to the Santa Ana Mainstem, will need to be relocated to provide for the widening of the River itself. The Corps' Phase I report is not specific as to the level of flood protection that will be provided by the Talbert Channel after it is relocated. This amendment directs that the relocated Talbert Channel shall provide at least a capacity sufficient to carry the 100-year flood.

Monroe and West Monroe

(Page 79, line 3) Section 301(i) authorizes and directs the Corps to undertake such structural and non-structural measures as it deems feasible to prevent flood damage to the Cities of Monroe and West Monroe, Louisiana, and Ouachita Parish, Louisiana. This amendment clarifies that provision to provide that the estimated cost of this project is $40 million.

Passaic River Basin

(Page 79, after line 9 et seq.) This amendment adds ten new subsections to section 301. New subsection (j) authorizes and directs the Corps to undertake measures for flood damage protection and allied purposes in the Passaic River Basin, New Jersey and New York, as described in the Report of the Chief of Engineers dated February 18, 1976, with such modifications as the Corps deems advisable. These measures include:

—Molly Ann's Brook Subbasin, New Jersey

—Lower Saddle River Basin, New Jersey

—Plan 6B of the Ramapo River at Oakland, Pompton Lakes and Wayne, New Jersey

—Upper Rockaway River Basin, New Jersey

—Nakoma Brook, Sloatsburg, New York

—Ramapo and Mahwah River at Mahwah, New Jersey and Suffern, New York.

This amendment also authorizes a project for flood protection on the Third River, Passaic Basin, New Jersey.

Meredosia

New subsection (k) authorizes the Corps to design and construct flood control works for the protection of Meredosia, Illinois, which shall include, but not be limited to, the construction of a levee approximately ⅓ of a mile long. The local cost-sharing provisions of section 302 shall apply to this project, and, for purpose of analyzing the costs and benefits of any project recommended by the Corps as the result of any study on the Illinois River authorized by resolution of the Senate Environment and Public Works Committee or the House Public Works and Transportation Committee, the Corps is required to take into account the costs and benefits of any measures undertaken by the Corps pursuant to the authorization in this subsection.

Meredosia is located on the Illinois River and has been subject in recent years to recurrent floods, which have caused considerable property damage. No levees currently exist to provide protection against such floods. The Corps is unable to undertake the necessary levee work under its discretionary small flood control project authority because there is an existing authorized flood control project for that portion of the Illinois River. However, that authorized project is currently only in the preliminary design stage, and construction of the overall project cannot commence for several years, leaving Meredosia subject to continued flooding during that period of time. The limited levee work authorized by this amendment will provide the necessary interim protection for Meredosia.

Mission Zanja Creek

New subsection (l) authorizes the Corps to undertake a project for flood control along the Mission Zanja Creek within the City of Redlands, California, in accordance with the small flood control project reconnaissance report developed by the District Engineer. The Mission Zanja Creek cuts through the downtown core of the City of the Redlands' Redevelopment District. The channel within the area studied by the district engineer is primarily an undersized, man-made channel—a reinforced concrete box culvert—with approximately a 25-year discharge capacity.

The Mission Zanja Creek overflows and the City of Redlands experiences some degree of flooding nearly every year. As the City of Redlands and the Mission Zanja Basin grow, the flooding problem will only worsen if remedial action is not taken. The plan of improvement recommended by the District Engineer for the Mission Zanja Creek will consist of an inlet structure and a box culvert of sufficient size to provide protection against the 100-year flood. The estimated first cost of the recommended plan is $13,209,000. The individual project limitation on small flood control projects of the Corps is presently $4 million per project, and section 1148 of the Bill will raise that limitation to $7,500,000 per project. However, even with the increase provided in the Bill, this project will remain beyond the scope of the Corps' continuing authority to construct small flood control projects. This amendment authorizes the Corps to proceed with construction of the Mission Zanja Creek project and applies to it the cost-sharing provisions of Section 302 of the Bill.

Rio Puerto Nuevo

New subsection (m) authorizes the Corps to study the nature and scope of flood problems along the Rio Puerto Nuevo in Puerto Rico. This study shall take into account the objectives described in Section 1101 of the Bill—including the objective of the prevention of loss of life—and it is to take into account benefits and costs attributable to any project considered to minimize such flood problems. The Corps is required within 18 months to submit to Congress a report on the results of this study, including recommendations on measures necessary to minimize flood problems in the area. Nearly a quarter of a million people live in Rio Puerto Nuevo Basin in the City of San Juan, Puerto Rico. When the river overflows, it endangers over 6,000 families, numerous public buildings and facilities, and the City's major transportation arteries. Annual damages from floods are estimated to be $20,000,000, and, if a major hurricane were to hit Puerto Rico, the costs of the resulting floods in terms of lives and property lost would be enormous.

This amendment also authorizes and directs the Corps to undertake, on an emergency basis, such structural and non-structural measures as the Corps deems necessary to prevent flood damage in the City of San Juan caused by the Rio Puerto Nuevo. This limited emergency work is to provide interim protection to the City of San Juan and is to be provided at full Federal expense. The Corps is to take into account the costs and benefits associated with this emergency work in the analysis of any project studied by the Corps for flood protection for the City of San Juan.

Eel River

New subsection (n) authorizes the Corps to undertake such measures, including silt removal and channel modification, in the vicinity of the confluence of the Salt and Eel Rivers, California, as the Corps determines to be necessary to prevent recurring floods in that area. Approximately 3,000 acres of farmland are now affected by recurrent flooding due to major snags and debris that have virtually closed the mouth of the Eel River. Unless this junction point is opened, and adjacent and upstream farmlands are allowed to drain, this flooding problem can only worsen in the future. The cost-sharing provisions of section 302 of the Bill will apply to this project.

Malheur and Harney Lakes

New subsection (o) authorizes and directs the Corps to undertake such structural and non-structural measures as the Corps determines to be necessary to prevent flood damage resulting from rising lake levels at Malheur and Harney Lakes, Oregon. Malheur and Harney Lakes are in a closed basin with no natural outlets. The lakes have risen to more than 6 feet over the historical high levels. In April of 1984 Malheur at elevation 4,999 above sea level. This was a record level, the normal lake level for that time of year being 4,093. Harney Lake is normally the outlet sump from Malheur Lake and about 8 feet lower. In April of 1984 Harney Lake was only slightly lower than Malheur Lake. Normally the two lakes cover an area of 70,000 acres, but at the time they were measured in April of 1984 they covered 150,000 acres. As a result of this rise, major flooding damages have already been sustained and even more extensive damages are anticipated as a result of snowmelt and rainwater runoff conditions.

It is estimated that the structural work required will include a 14.5-mile-long drainage canal with a control structure, from Malheur Lake into a reservoir at the Norman Branch. Approximately 7,500 cubic yards of rock will need to be excavated, and approximately 80% of the canal will require a concrete lining because of unstable soil conditions in the area.

Chicago Tunnel and Reservoir Plan

New subsection (p) of Section 301 authorizes the Corps to construct the O'Hare portion of the Chicagoland Underflow Plan, substantially in accordance with the April 1984 Draft Report of the Chicago District Engineer, except that the reservoir is to provide a capacity of at least 1050 acre feet to provide optimum storage. The main project, which has been underway for a number of years, is commonly known as the Tunnel and Reservoir Plan, or TARP. The overall project provides a combination of flood control and water quality measures for the metropolitan Chicago area. The authority in this subsection is for a portion of the project which has recently been developed by the Corps. The capacity authorized by this amendment is economically justified and will provide significantly greater protection that the smaller-than-optimum reservoir recommended in the District Engineer's Draft Report. Information has been provided that the smaller project would reduce annual flood damages by less than 50 percent, while the project, as authorized in this subsection, will reduce damages by more than 85 percent.

Louisville

New subsection (q) of Section 301 of the Bill authorizes the Corps to provide technial assistance to the City of Louisville, Kentucky, for correction of flooding caused by drainage problems in that City. The Corps is also directed to undertake a project including measures necessary to correct flooding problems in the south end of the City of Louisville. The cost-sharing provisions of Section 302 of the Bill are to apply to this project.

Poplar Brook

New subsection (r) of section 301 of the Bill authorizes the Corps to construct a project for flood control for Poplar Brook, New Jersey, including reconstruction of the Brook through the Borough of Deal, New Jersey, to accommodate the runoff from a storm having an average frequency of occurence of once every fifteen years, replacement of the culvert through the Conrail railroad embankment with a new culvert designed to pass a maximum flow equivalent to the peak flow of a storm having an average frequency of occurence of once every fifteen years, use of the area upstream of the embankment as an on-stream detention basin, and gabion or other lining as determined appropriate by the Corps. The cost-sharing provisions of Section 302 of the Bill are to apply to this project.

Shoccoe

New subsection(s) of Section 301 authorizes and directs the Corps to design and construct—for the purpose of providing flood control for the Pearl River Basin in Mississippi, including, but not limited to, Carthage, Jackson, Monticello, and Columbia, Mississippi—a flood retarding dam on the Pearl River, upstream of the Ross Barnett Dam, in the vicinity of Shoccoe, Mississippi. It also authorizes and directs the Corps to design and construct a combination roadway crossing of the Pearl River and a floodwater detention and storage facility in east central Leake County, Mississippi; a levee system in the south part of Carthage, which will upgrade, extend, and improve the protective levee system on the south side of Highway 16 in Leake County and the City of Carthage; appropriate drainage structure and bridge modifications to expand and improve the storm water conduits under Mississippi Highway 35, south of Carthage, for the purpose of reducing backwater influence for areas upstream of that highway; upstream reservoirs on the Pearl River; other structures, as necessary, to alleviate unforeseen flooding in the Leake County area as a result of the construction of the Shoccoe Dry Dam; and channel improvements on the upstream Pearl River. Prior to initiation of construction of the work authorized in this subsection, the appropriate non-Federal interests are to agree to hold and save the United States free from damages due to the construction and operation of the projects, and to operate and maintain the projects in accordance with regulations prescribed by the Corps. The cost sharing provisions of Section 302 of the Bill are to apply to this project.

Reimbursement Limits

(Page 81, line 23) Section 215(a) of the Flood Control Act of 1968 authorizes the Corps to enter into agreements providing for reimbursement, or credit toward the non-Federal cooperation requirements, for non-Federal interests that perform work on authorized Corps projects. Under authority of that law, the amount of Federal reimbursement, including reductions in contributions, is limited to $1 million per project.

Section 302(c) of the Bill provides that, if the Corps determines after the completion of a local flood protection project that the costs of the lands, easements and rights-of-way required to be provided by the non-Federal interests exceed the established 30 percent cap on the non-Federal share, the corps shall pay to the non-Federal interest an amount equal to the excess. This amendment clarifies that reimbursement payments under that provision shall not be subject to the $1 million limitation contained in section 215(a) of the Flood Control Act of 1968.

Contribution limits

(Page 84, line 2) Paragraph 2 of subsection (g) of section 302 of the Bill provides that, if non-Federal interests construct part of an authorized local flood protection project, their costs are to be credited toward their required contribution for the project. This amendment makes it clear that such work by local interests shall not be subject to the monetary limitations contained in section 215(a) of the Flood Control Act of 1968, referred to in the preceding paragraph.

Ground-water-induced flood damages

(Page 84, after line 6) Section 1 of the Flood Control Act of 1936 established a Federal interest in participating in the improvement of navigable waters or their tributaries for flood control purposes. Section 2 of the Flood Control Act of 1944 provided that the words "flood control" as they appeared in the 1936 Act, should be construed to include channel and major drainage improvements. This amendment constitutes a further definition of the term "flood control" as it is used in the 1936 Act, and establishes a Federal interest in flood control work which includes improvements for protection from ground water-induced damages. Ground water-induced damages have been experienced, for example, in Arcadia, Wisconsin. This amendment will permit the Corps of Engineers to investigate and provide flood protection for Arcadia and other communities with similar ground water problems.

TITLE IV

Monroe County

(Page 88, line 3) The Bill authorizes a shoreline protection project for Monroe County, Florida, in accordance with the Report of the Division Engineer. The Division Engineer's report recommended that 8,770 feet of beach be constructed, including 3,000 feet of beach at Smathers Beach, 3,400 feet at Rest Beach to the west of Smathers Beach, and about 2,400 feet of new beach to the east of Smathers Beach. Because of environmental concerns raised by the State of Florida and Federal agencies regarding possible adverse effects that the project might have on the seagrass community in the project area, the Committee included in the authorization for the project a requirement that the Corps within one year shall transmit to the House Public Works and Transportation Committee and the Senate Environment and Public Works Committee a report on the effects that construction, operation and maintenance of the project may have on the seagrass community in the area. Except for funds from the Environmental Protection and Mitigation Fund, no appropriations could be made for acquisition of lands for, or actual construction of, the project until approved by resolutions of the two Committees. Since the time the Bill was ordered reported by the Committee, the Monroe County project has been reviewed by the Board of Engineers for Rivers and Harbors. The Board recommended that the Smathers Beach segment be constructed first, and that, prior to constructing the other two segments, studies should be conducted to demonstrate that there is sufficient demand to justify construction of the other two segments. Also, since the time the Bill was ordered reported by the Committee, the State and Federal agencies which originally objected to the project have lifted their objections to construction of the Smathers Beach segment of the project, but have asked to be given further opportunity to comment on the environmental effects of construction of the remainder of the recommended project.

Accordingly, this amendment modifies the Bill's authorization regarding the requirement that the Corps study the effects of the project of the seagrass community and report its findings to the Committees, and regarding the prohibition of appropriations prior to the Committees' approval. That study requirement and prohibition of appropriations shall not apply to the Smathers Beach portion of the project. However, the Smathers Beach portion of the project shall include any measures which the Corps determines, in coordination with the Fish and Wildlife Service, the Environmental Protection Agency, and the National Marine Fisheries Service, to be appropriate to minimize adverse effects of that portion of the project on the seagrass community.

Casino Beach

(Page 88, after line 23) This amendment authorizes a shoreline protection project for Casino Beach at Chicago, Illinois, in accordance with the recommendations of the Report of the Board of Engineers for Rivers and Harbors. The primary problem at Casino Beach is the loss of sand through an existing jetty, which is deteriorating. The last major rehabilitation of the jetty was accomplished in 1943. A major failure could occur to the jetty in the relatively near future as a result of storm wave attack. Sand eroding from Casino Beach and passing through the jetty would reduce the area for recreational beach use and would create a shoaling problem in the Jackson Park Harbor entrance channel. Jetty deterioration is already curtailing sport fishing.

The Board's recommended plan includes the rehabilitation of the outer 1,800 feet of the existing jetty at Casino Beach in Jackson Park, Chicago, by encasing the jetty in steel sheet piling with a concrete cap. The plan will also restore beach fill, if needed, and will provide a safety hand rail along the jetty center line. The recommended plan will preserve Casino Beach and other properties, will provide recreational beach use and navigation benefits, and will acommodate sport fishermen.

Illinois Beach State Park

This amendment also authorizes a shoreline protection project for Illinois Beach State Park, Illinois, described as alternative 3A in the June 1982 Interim Report 1 on Illinois-Wisconsin Stateline to Waukegan. Illinois Beach State Park, the only state-owned recreational area along Lake Michigan, covers approximately seven miles of shoreline at the extreme northern end of the State. The southern unit of 1800 acres contains a large expanse of natural beach and coastal dunes that is so unique that 900 acres were designated as Illinois' first nature preserve. The Illinois Beach State Park has been the most heavily used state recreational facility, with more than 1.6 million visitors annually. Significant erosion is seriously threatening the shoreline and the use of the State Park. Protection is needed for this unique environmental and recreational facility. Plan 3A consists of a total of 46 breakwaters, with 13 constructed in the south unit in the reach north of the Park Lodge, and 33 in the north unit, all with a spacing of 330 feet between each breakwater. There will also be 100,000 cubic yards of coarse beach fill deposited at the north end of the Nature Preserve to prevent severe erosion in the reach, with periodic replacement of the material as needed.

American Samoa

(Page 91, after line 12) This amendment adds two new subsections to Section 401 of the Bill. New subsection (e) of section 401 authorizes the Corps to carry out the project for shore protection at Coconut Point, Tutuila Island, American Samoa, including a 3,600-foot long revetment to protect communal lands and public facilities.

Union Beach

New subsection (f) of section 401 of the Bill authorizes the Corps to construct a project for shoreline protection and flood control at Union Beach, Monmouth County, New Jersey. This project is to include a seawall or bulkhead from Flat Creek extending north approximately 4,000 feet at an elevation of 10 feet above main sea level. From the north terminus of the bulkhead, a stone groin is to be constructed for the purpose of beach protection. The project will also provide beach fill and beach nourishment for a distance of 1,000 feet north of the groin to an elevation of 10 feet above main sea level. The non-Federal share of this project will be fifty percent.

TITLE V

Atlantic Intracoastal Waterway Bridges

(Page 95, line 13) Section 501 of the Bill modifies the provisions of local cooperation required by Section 101 of the River and Harbor Act of 1970 to relieve the State of North Carolina from the obligation of contributing 25% of the cost of replacing three bridges across the Atlantic Intracoastal Waterway. Those bridges were constructed and are owned by the United States. This amendment changes the estimated cost of replacing those bridges from $32,360,000 to $34,300,000.

Jacksonville Harbor

(Page 97, line 23 et seq.) Section 501 of the Bill authorizes a project for navigation, Jacksonville Harbor (Mill Cove), Florida, and includes a provision that the Corps, in consultation with the State of Florida, shall study and report on the adequacy of available dredged material disposal areas for construction, operation, and maintenance of the project. This amendment provides that the Corps, in consultation with the State, shall also study the potential of using such disposal areas for recreational development, and shall include in the report required to be transmitted to the House Public Works and Transportation Committee and the Senate Environment and Public Works Committee recommendations for a recreational master plan.

Yazoo backwater area

(Page 99, line 2) Section 501(a) of the Bill authorizes a project for the mitigaton of wildlife habitat losses for the Yazoo Backwater Area, Mississippi. Section 501(a) requires the Corps to acquire of 40,000 acres for mitigation, as recommended by the District Engineer, rather than 11,300 acres, as recommended by the Mississippi River Commission. This amendment modifies that authorization to specify that a portion of those mitigation lands—as determined by the Secretary, in consultation with the Fish and wildlife Service and the Governors of the States of Mississippi and Arkansas—may be acquired from willing sellers in the State of Arkansas.

Red River Waterway

(Page 101, after line 9) This amendment authorizes a project for the mitigation of the fish and wildlife losses, Red River Waterway, Louisiana, substantially in accordance with the Report of the Board of Engineers for Rivers and Harbors. The report was prepared pursuant to seciton 3(c) of the Fish and Wildlife Coordination Act of 1958.

Construction of the Red River Waterway project, authorized by Public Law 90-483, will result in the direct loss or degradation of terrestrial wildlife habitat in the States of Louisiana, Texas, Arkansas, and Oklahoma. Public Law 96-285 authorized the Secretary of the Army and the Secretary of the Interior to acquire land located along the Tensas River in Madison, Tensas, and Franklin Parishes, Louisiana, for the Tensas River National Wildlife Refuge. That portion of the Refuge acquired by the Secretary of the Army was to serve as fish and wildlife habitat loss mitigation for that element of the Red River Waterway project below river mile 104 and for other designated Corps of Engineers projects. Public Law 96-285 does not provide authority to use Refuge lands for mitigation of fish and wildlife impacts due to the Red River Waterway project above river mile 104.

Construction of the Red River Waterway Project above river mile 104 is expected to result in the loss or degradation of approximately 28,000 acres of terrestrial wildlife habitat, including bottomland hardwoods, pasture, rowcrop land, willow-sandbar, mixed pine-hardwoods, and cypress-tupelo swamp, and there is a need to mitigate the expected losses attributable to that portion of the project. The mitigation plan recommended by the Board of Engineers includes fee acquisition, development, and management of approximately 14,000 acres of land to compensate for terrestrial wildlife losses above river mile 104. Mitigation areas will be located in the Red River flood plain on separable lands in Avoyelles Parish and near St. Maurice in the Pool Number Three area of the project. Development and management of the mitigation lands will include providing access roads; fencing to prevent grazing by cattle and trespassing; selective tree cutting to enhance survival and productivity; mass producing trees; enhancing undergrowth; establishing food lots; erecting woodduck boxes; and converting 500 acres of open area to bottomland hardwoods. This plan will increase habitat diversity in the population of key wildlife species on the mitigation lands and will fully mitigate for the wildlife resources lost due to the project above river mile 104. The United States Fish and Wildlife Service and the Louisiana Department of Wildlife and Fisheries are in agreement with the recommended plan. The Louisiana Department of Wildlife and Fisheries has agreed to assume operation and management responsibilities on the mitigation lands, and the Red River Waterway Commission has agreed to provide the necessary requirements of non-Federal participation for the project.

Missouri River Bank Stabilization

(Page 103, line 25 et seq.) Section 501(a) of the bill authorizes a project for the mitigation of Fish and Wildlife Losses attributable to the Missouri River Navigation Project, which was authorized by seven Acts of Congress enacted between 1912 and 1945. This amendment provides that this mitigation project is to be accomplished substantially in accordance with the Report of the Chief of Engineers, which has been finalized since the Bill was reported. It also deletes the requirement that the project include any modifications recommended by the Corps under subsection (b) of section 501 of the Bill, because that subsection only applies to projects for which a final report of the Chief of Engineers has not been completed.

Cooper Lake

Page 107, line 25. Section 501 of the Bill authorizes a project for the mitigation of fish and wildlife resource losses at Cooper Lake and Channels, Texas, substantially in accordance with the Report of the Chief of Engineers. The Report of the Chief of Engineers recommends that the non-Federal costs of the recommended mitigation plan be incurred in the same proportion as the overall costs of other project components. This amendment provides that the non-Federal share of that portion of the costs of the mitigation project attributable to the water supply and recreation features of the Cooper Lake Project shall be repaid in accordance with the Water Supply Act of 1958.

Wailua Falls

(Page 108, after line 17) This amendment authorizes a project for hydroelectric power generation facilities at Wailua Falls on the Wailua River on the Island of Kauai. The recommended plan includes a non-reservoir, conduit-type small hydropower facility, including a diversion dam, various water conveyance and control structures and a power plant. Other features will include a diversion modification to the existing facilities on the North Fork Wailua River and power lines extending from the proposed power plant eastward to the coast. The power plant will have a capacity of 5 megawatts and will produce approximately 11.28 million kilowatt hours of electric power annually. The project will include an impoundment of 23.5 acre feet upstream of the proposed diversion dam, covering an area of 4.4 acres. This hydropower storage will not significantly affect long-term flow stability. The maximum diversion discharge for hydropower development will be 390 cubic feet per second, and the diversion dam will be designed to withstand the estimated probable maximum flood of 115,000 cubic feet per second. The plan also includes an additional visitor lookout area to be located near the diversion dam. The project design will allow a sufficent base flow in the Wailua River to retain the natural beauty of Wailua Falls, and the placement of the intake, conveyance piping, powerhouse, and transmission lines for the project will ensure that their visibility will be only minor to observers of the Falls.

Bethel bank stabilization

(Page 109, line 8) This amendment authorizes the project for bank stabilization, Bethel, Alaska, in accordance with the report of the Chief of Engineers. The project is to include such modifications as may be necessary to accommodate related work undertaken and carried out by non-Federal interests. The Committee understands that non-Federal interests, on their own, have undertaken significant work to stabilize the bank in the project area. This amendment makes it clear that the Corps work shall be undertaken, to the extent feasible, to accommodate that non-Federal work.

Cost-sharing recommendations

(Page 110, line 20) This amendment provides that if any provision in any report designated by Title V recommends that a State contribute 5 or 10 percent of the construction costs, allocated to nonvendible or vendible purposes, respectively, that provision shall not apply to the project recommended by that report.

Barnegat Inlet

(Page 115, line 5) Section 505 of the Bill authorizes a project for beach erosion control, navigation, and storm protection, from Barneget Inlet to Longport, New Jersey, substantially in accordance with the Report of the Chief of Engineers dated October 21, 1975. This amendment clarifies that that project shall also include the construction a fishermen's walkway on top of the jetty, as described in the Report of the Chief of Engineers dated January 20, 1983, and that the cost of the project is estimated to be $57,200,000.

Kanawha River erosion

(Page 117, line 15 et seq.) Section 507 of the Bill authorizes and directs the Corps to establish and conduct for a period of 5 years at multiple sites on the Ohio River and its tributaries a streambank erosion prevention and control demonstration program and provides that, at a minimum, such demonstration projects are to be conducted at sites on that reach of the Ohio River between the Captain Anthony Maldahl Locks and Dam and the McAlpine Locks and Dam, and on the Licking River. This amendment specifies that such a demonstration project shall also be conducted on the Kanawha River in the vicinity of St. Albans, West Virginia.

Passaic River flood control

(Page 118, line 9) Section 509 of the bill authorizes snagging and clearing and channel rectification measures along the Passaic and Pequannock Rivers in New Jersey, as interim measures to provide flood relief pending completion of studies of the area by the Corps. This amendment clarifies that the authorized work will include flood control work along the Passaic, Pompton, Pequannock, and Ramapo Rivers, New Jersey, from Beatties Dam in Little Falls on the Passaic River upstream to the confluence of the Pompton River at Two Bridges, upstream along the Pompton River to and including the Pompton Feeder on the Pequannock and Ramapo Rivers, and upstream along the Ramapo River to the Pompton Lakes Dam, and along tributaries of such rivers (including Singac Brook and Weasel Brook), including the modification of such structures, flood proofing, and flood warning measures, as determined necessary by the Chief of Engineers.

Sauk Lake

(Page 123, line 3) Section 519 of the bill authorizes and directs the Corps to remove silt and aquatic growth from the southern portions of Sauk Lake, in the vicinity of Sauk Centre, Minnesota. There are additional aquatic growth problems elsewhere on the lake, and the camp and resort areas along the northern end have been particularly hard-hit by the extensive week buildup. This amendment eliminates the limitation on performing this work on the southern end only. The removal program will then be carried out wherever there are problems in the lake area.

Muck levee

(Page 123, after line 11) This amendment adds 15 new sections to Title V of the Bill. New section 520 directs the Corps to repair and rehabilitate the Muck Levee, Salt Creek, Logan County, Illinois. The Muck Levee was constructed by the Corps and is maintained by non-Federal interests, who spent over $34,000 on maintenance of the levee during the period 1977 through 1982. In December of 1982 flood waters from Salt Creek cut a hole approximately 110 to 150 feet wide in the levee. Expenditures of approximately $12,000 will be necessary to restore the damaged area, using approximately 16,000 cubic yards of fill.

Passaic River Bank Stabilization

New section 521 directs the Corps to carry out a demonstration project for bank stabilization and development, operation, and maintenance of a recreation and greenbelt area on public properties along the East Bank of the Passaic River, New Jersey, from Dundee Dam to Kearney Point. The project will include the construction, operation and maintenance of recreational facilities; terraforming; and such tree plantings, vegetation and wildlife protection and development, and other activities as will enhance the natural environment for recreational purposes. This construction and maintenance is to be conditioned upon the public ownership of the land interests necessary for these purposes; and the operation and maintenance of structures and activities shall be undertaken by the counties and cities owning the lands on which those structures are to be located or on which those activities are to be carried out. In implementing the project, the Corps may acquire by purchase, donation, exchange or otherwise, lands and interests therein as the Corps and the Passaic River Restoration Steering Committee determine are necessary to carry out the project. No interests in land may be acquired for this project by the United States or by any State or local government, without the consent of the owner. Also, nothing in this provision is to constitute an additional restriction on any interest in land which is not owned by the United States or a State or local government.

Rillito River

New section 522 authorizes and directs the Corps to undertake a project for bank erosion control on the Rillito River in the vicinity of Tucson, Arizona, for the purpose of providing protection against the level of flooding that occurred in October of 1983. The estimated cost of the project is $41,900,000.

The Corps of Engineers has been studing flooding and related problems on the Rillito River in Tucson pursuant to its Gila River and Tributaries (Second Interim) study authority. The final report of that study is currently scheduled for completion in July of 1985. As part of this ongoing study, the Corps and local government officials have determined that channel instability and the resultant widespread bank erosion is the principal and most frequent problem, with traditional overbank flooding being a problem only in relatively large and more infrequent events, such as a 100-year flood. This fact was clearly demonstrated by flooding that occurred on the Rillito River in October of 1983, which was estimated to have been a 20-year event. Traditional procedures for estimating flood damages indicated that this flood should have been essentially nondamaging; however, millions of dollars' worth of damages actually occurred, illustrating the magnitude of the bank erosion problem, the lack of adequate technology with which to predict the location and extent of future damages from erosion and the inability of traditional bank protection measures to withstand the high velocity flows common in the Southwest.

A large-scale bank erosion problem, such as that found on the Rillito River, is beyond the specific study authority for the Rillito River Flood Control Study, and is generally beyond the existing legal magnitude of the Corps relating to flood control. The Corps' solutions to bank erosion problems are typically a consequence of an overall solution to flooding, rather than the primary purpose of the solution.

For the reasons outlined above, in its final report on the Rillito River flooding problem the Corps is not expected to identify an implementable Federal project, nor is it expected to recommend solutions for solving the severe bank erosion problem. The report will probably contain a qualitative statement indicating that, based on preliminary projections, approximately $1,800,000 in average annual damages from bank erosion alone can be expected on the Rillito River. This specific authorization is necessary to enable the Corps to alleviate the severe and costly bank erosion and flooding problems along the Rillito River in the vicinity of Tucson.

Crescent City

New Section 523 authorized the Corps to undertake such measures as the Corps determines necessary to reduce or prevent erosion of bluffs along Pebble Beach Drive, Crescent City, California. Several neighborhoods are threatened by the continued serious erosion of bluffs along city and county lands in Del Norte County, California. This provision authorizes the Corps to undertake measures to shore up the bluffs through such measures as shoreline abutments.

Horatio

New Section 524 authorizes and directs the Corps to provide protection against streambank erosion on the Little River in the vicinity of the Highway 41 Bridge, which crosses the Little River near Horatio, Arkansas. High river flows have led to serious bank erosion problems in the vicinity of the Highway 41 bridge crossing. The Corps has identified several sections, totalling at least 2,000 linear feet, needing protection. The project will include placement of riprap and taking other measures as appropriate to protect against bank erosion in these and other areas needing protection.

Swan Creek

New section 525 authorizes the Corps to take such measures as may be necessary to maintain a harbor refuge in Swan Creek, Newport, Michigan. Non-Federal interests will be required to provide a public wharf and such other facilities as may be necessary for a harbor of refuge which shall be open to all on equal terms, as well as provide such other requirements as the Corps determines necessary. Swan Creek enters Lake Erie north of Monroe, Michigan. On western Lake Erie there are presently no official harbors of refuge which can be used by commercial and recreational craft traveling along the coast or operating in the region. With improvements by the Corps, the mouth of Swan Creek where it enters Lake Erie can be used for this purpose. This amendment will enable the Corps to make such improvements.

Caney Creek

New section 526 authorizes the Corps to construct such bank stabilization measures as are necessary for flood damage prevention and erosion control along approximately 3,000 feet of Caney Creek in the vicinity of Jackson, Mississippi. Caney Creek is a tributary to the Pearl River and drains about 11 square miles in the southwest Jackson area. The upper reach of the drainage basin lies in a continually growing commercial area, and flooding and extensive erosion are occurring through the residential area. In recent flooding more than 30 homes were damaged and other property was damaged by bank erosion along the creek. The Corps is presently studying flood problems in the area under authority of section 205 of the Flood Control Act of 1948. This amendment will permit the Corps to provide interim flood damage protection and erosion control work along a critical stretch of Caney Creek, and it provides that the Corps shall continue its study of the area and take into account in that study the costs and benefits of measures undertaken pursuant to this section.

Deal Lake

New section 527 authorizes the Corps to undertake a demonstration project for removal of silt and stumps from, and the control of pollution from nonpoint sources in, Deal Lake in Monmouth County, New Jersey. Upon completion of the demonstration project the Corps is to submit a report and recommendations for further measures to improve the water quality of Deal Lake to the House Public Works and Transportation Committee and the Senate environment and Public Works Committee.

Dredge Hyde

New section 528 directs the Corps to transfer to New Hanover County, North Carolina, title to the hopper dredge Hyde in Wilmington, North Carolina. New Hanover County must agree to utilize that vessel only for the purpose of establishing an artificial fish habitat, as requested by local interests. It is anticipated that the Hyde will be towed to an approved site approximately 10 miles off the North Carolina coast between Wrightsville Beach and Carolina Beach, where it will be demolished and sunk to the ocean floor, creating a much-needed fishery habitat and enhancing the area as an attraction for commercial and sport fishermen. This will be accomplished at no cost to the United States and will save States approximately $90,000, which would be spent for towing and general preparation of the vessel if it were to be retired to the Federal Reserve Fleet site.

Wilson County Youth Ranch

New section 529 authorizes the Corps to lease, at a fair market rental rate, approximately 100 acres of land adjacent to the Old Hickory Lock and Reservoir in Tennessee to the Wilson County Youth Ranch, a nonprofit organization in Wilson County Tennessee. These lands are to be used to provide residential and other facilities for orphans at that location. The proposed youth ranch has received wide support from community leaders and civic groups in the area, and its operation will involve an area which is not presently extensively developed for public use.

Platte River demonstration program

New section 530 authorizes and directs the Corps to conduct a five-year flood control and streambank erosion prevention demonstration program at multiple sites on the Platte River and its tributaries in Nebraska. Annual reports on the program will be submitted to Congress.

The flood control projects authorized by this section are to be carried out substantially in accordance with the February 6, 1984, plan of action of the Chief of Engineers and 1976 and 1978 studies of the Corps. The projects are to include construction, operation, and maintenance of flood damage reduction measures, including, but not limited to, bank protection and stabilization works, embankments, clearing, snagging, and dredging. They shall also include recreational facilities deemed appropriate by the Corps.

The streambank erosion prevention projects will include identifying measures, conducting research, testing designs, field testing and evaluating methods and engineering techniques; and identifying and quantifying economic losses. Environmental impacts of each demonstration project shall be evaluated, environmental losses minimized, and wildlife and wildlife habitat enhanced as a purpose coequal with other purposes and objectives.

Demonstration projects will be undertaken to reflect a variety of geographical and environmental conditions. At a minimum, sites will be on (1) the reach of the Platte River between Hershey, Nebraska, and the boundary between Lincoln and Dawson Counties, and (2) the reach from the boundary between Calfax and Dodge Counties to the confluence with the Missouri River and the portion of the Elkhorn River from the boundary between Antelope and Madison Counties to its confluence with the Platte River.

For the most part, lands for these projects may not be acquired without permission of the owner. Up to five percent of lands for each project may be acquired without permission, but only where this involves less than fee title acquisition. A Platte River Advisory Group will be established, and projects are to be carried out in coordination and consultation with the Advisory Group. Non-Federal interests will provide lands, easements, and rights-of-way and pay 50% of the costs of operation and maintenance.

This provision addresses the long-term problems of persistent, intensifying chronic flooding and streambank erosion along the Platte River and its tributaries in Nebraska. Numerous areas have problems and are expected to be included. The areas cited specifically have well-documented ongoing problems that need immediate action.

Wheeling Creek watershed

New Section 531 provides that the Corps, in cooperation with the Soil Conservation Service, the United States Geological Survey, the Office of Surface Mining, the State of Ohio, and other appropriate Federal and non-Federal agencies, is to study the flooding problems in the Wheeling Creek Watershed, Ohio, and measures to prevent or reduce such flooding, including control of erosion of coal mine areas to reduce deposition of sediments in Wheeling Creek, removal of sediment deposits in Wheeling Creek, and other measures deemed appropriate by the Corps and the other agencies. Within two years the Corps is to submit a report on the results of that study, together with its recommendations, to the House Committee on Public Works and Transportation and the Senate Committee on Environment and Public Works. This amendment also authorizes the Corps to undertake interim emergency flood control measures, including the removal of sediment deposits from Wheeling Creek and other measures deemed appropriate by the Corps, to reduce flood damages in vicinity of Goosetown, Wolfhurst, Barton, Crescent, Maynard, Blainsville, Fairpointe, Crabapple, and Lafferty, Ohio. For the purpose of analyzing the benefits and costs of any project recommended by the Corps as a result of the study authorized by this section, the Corps is to take into account the costs and benefits of the interim emergency measures undertaken pursuant to this section.

Wilson Harbor

New Section 532 directs the Corps to maintain the navigation project for Wilson Harbor, Wilson, New York to its authorized dimensions.

Oak Orchard Harbor

New Section 533 directs the Corps to maintain the navigation project for Oak Orchard Harbor, Carlton, New York, to its authorized dimensions.

Five Mile Creek

New Section 534 authorizes the Corps to construct a project for flood damage protection along Five Mile Creek, Dallas, Texas. The project is to include dredging a channel at the lower end of Five Mile Creek and constructing a retention structure at the upper end of the Creek. Five Mile Creek is located in the southern portion in the City of Dallas, and drains over 56 square miles. The Creek is still in a natural condition, and several large stands of floodplain forests remain. Adjacent to the Creek are numerous homes and businesses that are periodically flooded. The City of Dallas has accomplished detailed design for planned improvements on other streams in the area and currently has under construction Phase I of a two-phase flood control project for the area, which project is estimated to cost $17 million. The City has also studied flooding problems on Five Mile Creek and has recommended a course of action for relieving those flooding problems; however, constructing the necessary flood relief measures on Five Mile Creek is beyond the City's means at this time. This amendment authorizes the Corps to perform that work, which is needed to protect lives and property in the area.

TITLE VI

Artificial Reefs

(Page 126, line 17) This amendment modifies section 605(b) of the Bill. Section 605(b) authorizes the Corps to conduct demonstration projects of alternative or beneficially modified habitats for wildlife. One of these demonstration projects is to be the construction of a reef for fish habitat in Lake Erie in the vicinity of Buffalo, New York. This amendment provides for the construction of two other such demonstration projects—the construction of an artificial reef for fish habitat off the Atlantic Coast in the vicinity of Fort Lauderdale, Florida, and the construction of an artificial reef for fish habitat in Lake Ontario in the vicinity of Newfane, New York.

Jamaica Bay

(Page 133, line 16) This amendment adds 5 new sections to Title VI. New section 620 authorizes the Corps to undertake a study of the feasibility of opening a channel between Jamaica Bay and Reynolds Channel on Long Island, New York, for the purpose of improving the water quality of Jamaica Bay. At one time there existed a water connection from the Bay to Reynolds Channel approximately at Beach 35th Street and running from Beach Channel Drive. This provision will authorize the Corps to study the feasibility of reopening such a connection and reestablishing the natural flushing of the Bay. The Corps is to report the results of that study to Congress within one year.

Land Acquisition Policies Study

New section 621 directs the Corps to study the land acquisition policies applicable to its water resources projects. The study is to include, among other things, an analysis of mineral rights acquisition policies and a detailed report on the policies and procedures used by the Corps to acquire mineral rights at the Lake Somerville project in Texas, as well as the policies and procedures followed in permitting project lands to be used for mineral exploration and development. Within one year the Corps is to transmit to the House Public Works and Transportation Committee and the Senate Environment and Public Works Committee a report on the results of this study, along with any recommendations the Corps may have for modifications to its land acquisition policies. The Committee is aware of the controversy concerning mineral rights acquired by the Corps for the Lake Somerville project and other such projects and needs the information to be provided by the study authorized by this section in order to formulate future policies and any remedial measures which may be necessary.

Columbia and Arkansas River Basins

New section 622 provides that no Federal agency shall study or participate in the study of any regional or river basin plan or any plan for any Federal water and related land resource project which has as its objective the transfer of water from the Columbia River Basin, or the Arkansas River Basin, to any other region or any other major river basin of the United States.

Black Warrior River Erosion Study

New section 623 directs the Corps to undertake an expedited 6-month study of erosion problems on the southern bank of the Black Warrior-Tombigbee River from river mile 253 to river mile 255. The Corps is to report to the House Public Works and Transportation Committee and the Senate Environment and Public Works Committee on the results of that study and include in its report any recommendations for measures to eleviate the serious erosion problems which are occurring along that portion of the river.

Stormwater Runoff Study

New section 624 authorizes the Corps to conduct a two year study of the feasibility of developing measures to control stormwater runoff on a watershed basis. The study is to include, among other things, a review of existing drainage codes, State statutes, and Federal programs relating to the prevention of drainage soil erosion and flooding. The Corps is to report the results of this study, along with recommendations concerning the development of measures to control stormwater runoff, to the House Public Works and Transportation Committee and the Senate Environment and Public Works Committee.

Blue Marsh Reservoir

New section 625 authorizes the Corps, in consultation with the Environmental Protection Agency, to conduct a one year study of the feasibility of reallocating water quality storage space in the Blue Marsh Reservoir in Pennsylvania in order to provide needed municipal and industrial water supply in the eastern Pennsylvania region. This study is to include an analysis of the use of the Blue Marsh Reservoir for water quality purposes, the extent to which the Environmental Protection Agency or the State has planned for the use of that project for water quality purposes in any areawide waste treatment planning and the need for the use of the project for water quality and water supply purposes.

Fencing Practices Study

New section 626 authorizes and directs the Corps to conduct a study analyzing the differences among Corps Districts regarding boundary delineation and fencing practices at Corps projects. The study is to include an analysis of the costs of fencing activities and the relationship of those costs to the benefits derived from those activities. It is also to include an analysis of the need for providing, the greatest extent practicable and consistent with authorized project purposes, access to the general public at Corps projects for recreational purposes. The Corps is to report the results of this study to Congress within one year.

TITLE VII

Santa Cruz Harbor

(Page 139, line 1 et seq.) This amendment replaces section 712 of the Bill. Section 712 would have modified the navigation project for Santa Cruz Harbor, Santa Cruz, California, to provide that the full cost of operating and maintaining the sand bypass facility for the Harbor shall be paid for by the United States. The previously authorized project provided that, if a permanent sand bypass facility were determined to be necessary, the United States would reimburse local interests for the costs of plant operation and maintenance up to a limit of $35,000 annually. That amount was considered at the time of authorization to be sufficient to cover the full cost of maintaining an open channel. In recognition of unexpected increased shoaling rates and drastically increased operating expenses, Section 712 of the Bill would have provided for Federal operation and maintenance of the bypass facility. Section 712 would have further modified the project to authorize the Corps to undertake such maintenance dredging outside the boundaries of the authorized project as may be necessary to prevent or mitigate shoaling, surge, and related problems in the Harbor.

This amendment changes the modification of the Santa Cruz Harbor Project by substituting a new Section 712 to provide that the United States shall reimburse the non-Federal interests for 80 percent of the cost acquiring and installing the sand bypassing facility which is authorized as part of the project, and that none of the costs of operating and maintaining that sand bypassing facility or any maintenance dredging in that harbor shall be paid by the United States. The project is also modified by this amendment to authorize the Corps to seal the East jetty of the Santa Cruz Harbor to prevent sand from passing through. The Corps is to study the long-term solutions to shoaling problems in the Santa Cruz Harbor and to report the results of that study, along with its recommendations, to the Congress.

Trilby Wash

(Page 152, line 17) This amendment modifies Section 741 of the Bill. Section 741 authorizes the Secretary to take necessary remedial measures to assure the structural integrity and flood control capacity of the Trilby Wash Detention Basin (McMicken Dam) and Outlet Channel, Maricopa County, Arizona. That section also transfers the authority over the Dam from the Air Force to the Army. In July of 1977 it was necessary to breach McMicken Dam because of its unsafe condition. The Dam was contructed for the Air Force by the Corps of Engineers. It is no longer needed for the Air Force Base, but it is needed to provide flood protection to downstream areas. Section 741 authorizes the reconstruction of the project to provide the needed flood protection. Local interests have expressed a desire to proceed expeditiously with remedial measures to restore the Dam and to provide additional flood protection. This amendment authorizes the Corps to reimburse any non-Federal interest for any remedial measures carried out after January 1, 1983, and before the date of enactment, to assure the structural integrity and flood control capability of the Trilby Wash Detention Basin (McMicken Dam) at a level of flood protection equal to the level of protection provided by the Dam before it was breached in 1977. Those remedial measures carried out by non-Federal interests must also be approved by the Dam Safety Agency of the State of Arizona.

Lake Texoma

(Page 158, line 2) This amendment changes section 752 of the Bill. Section 752 modifies Dennison Dam (Lake Texoma) Project, Texas and Oklahoma, to provide for an increased allocation of storage space in the Reservior for water supply. As part of the prescribed reallocation, section 762 requires that, for the portion of water storage reserved for users in the State of Texas, the Corps is to enter into a contract with the Greater Texoma Regional Planning Commission for 75,000 acre-feet of storage space, in increments as needed. This amendment changes that requirement, and provides that, for the portion of the water storage reserved for the users in the State of Texas, the Corps is to contract, in increments as needed, for 50,000 acre-feet with the Greater Texoma Utility Authority and for 100,000 acre-feet with the North Texas Water District.

It also provides that no payment is to be required from, and no interest is to be charged to, users in the States of Oklahoma or Texas for the reallocation authorized by this section until the time the water supply storage reserved under that reallocation is actually first used. Any contract entered into for the use of the water received under this section is to require the contracting entity to begin principal and interest payments on that portion of the water allocated under the contract at the time the entity begins the use of that water. Until that time, storage for which reallocation is authorized in this section may be used for hydropower production.

South Michigan Avenue Bridge

(Page 158, line 25) This amendment changes section 753 of the Bill. Section 753 modifies the navigation project for the Buffalo Ship Canal, New York, to authorize and direct the Corps to take such actions as might be necessary to ensure that a lift span bridge at South Michigan Avenue over the Canal shall be restored. This amendment authorizes and directs the Corps to construct a high-lift span bridge over the Canal in the vicinity of the Coast Guard Station, approximately 3,600 feet north of South Michigan Avenue, rather than taking actions necessary to ensure that the bridge at South Michigan Avenue be restored. The amendment makes no change in the estimated cost of the project modification.

Hansen Dam

(Page 163, after line 21) This amendment adds six new sections to Title VII. New section 762 modifies the Corps' Hansen Dam Project in Los Angeles County, California, authorized as part of the Flood Control Project for the Los Angeles and San Gabriel Rivers, California. It authorizes the Corps to contract for the removal and the sale of dredged material from the Hansen Dam flood control basin for the purposes of facilitating flood control, recreation, and water conservation. All funds received by the Corps from the sale of that dredged material are to be deposited in the general fund of the Treasury. New section 762 also authorizes to be appropriated for each fiscal year after fiscal year 1984 an amount not to exceed the amount of funds received by the Corps from the sale of the dredged material. The amounts appropriated under this authority shall be available to the Corps to construct, operate, and maintain recreational facilities at the Hansen Dam Project; and, to the extent consistent with other authorized project purposes, to facilitate water conservation and groundwater recharge measures at the Project in coordination with the City of Los Angeles and the Los Angeles Flood Control District.

Newport News Creek

New Section 763 modifies the project for navigation, Newport News Creek, Virginia, to authorize the relocation and reconstruction by the Commonwealth of Virginia of that project, upon approval by the Corps of the plans for relocation and reconstruction and compliance by the Commonwealth of Virginia with all applicable Federal permit requirements. It is to be relocated to a location approximately 80 feet eastward of the existing project. This change is necessary to gain approval for the construction for the Interstate Highway 664 crossing of Hampton Roads, and will result in no increased Federal costs for the navigation project.

Turtle Creek

New section 764 modifies the project for flood protection, Turtle Creek, Pennsylvania, to authorize and direct the Corps to repair and restore that project so that it can serve its intended purposes. The repair and restoration is not to be commenced until each appropriate non-Federal interest has entered into a written agreement with the Corps to furnish the required non-Federal cooperation for the necessary repairs and restoration in accordance with the project agreement and to comply with the non-Federal cost-sharing requirements of Section 302 of the Bill.

The Turtle Creek Flood Control Project serves the Turtle Creek Watershed, which comprises a drainage basin of 145 square miles, situated within the two Pennsylvania counties of Westmoreland and Allegheny. Thirty municipalities located totally in or partly in the Watershed have a total population of more than 340,000. The project is presently in a state of disrepair and cannot adequately handle flooding. It must be restored to avoid inevitable substantial property damage and risk to human life. Correction of this areawide problem is beyond the immediate fiscal means of the non-Federal interests involved, and the annual maintenance cost estimate, originally calculated to be $50,000 per year, has proved to have been extremely low. Due to the imminent danger of flooding and potential catastrophic loss of life and property damage in the Turtle Creek Watershed, it is necessary for the Corps to move quickly to correct maintenance deficiencies—including sedimentation, wild vegetative growth, eroded slide slopes and damaged access ramps—in order to restore the integrity of the project. However, before that repair and restoration can be commenced, each non-Federal interest must enter into an agreement with the Corps to furnish its respective items of non-Federal cooperation required for that work, including continued maintenance of the project.

Dunkirk Harbor

New section 765 modifies the project for navigation, Dunkirk Harbor, New York, to authorize the Corps to include dredging and maintenance of the Eastern Inner Harbor of that project in accordance with such plans as the Corps, in consultation with appropriate non-Federal interests may develop. The City of Dunkirk is undertaking a major harbor revitilization plan to provide vital public improvements in order to revitilize the community and to insure employment stability for the area's residents. In 1979, through a combined effort by the City and the Corps, the harbor's inner and outer breakwalls were improved, the public dock was completely rebuilt, a lakefront boulevard was constructed, and a public boat launch and other public facilities were built. The redevelopment effort enjoys enthusiastic local support from residents and merchants, and major private sector involvement is encouraging and impressive. The vital element in continued private sector participation hinges on the dredging of the area where marina and upland development will occur. The dreding and channel maintenance authorized in this amendment will enable non-Federal interests to proceed with their redevelopment efforts.

Bayport Ship Channel

New section 766 modifies a 1958 authorization relating to the Houston Ship Channel project. The provision authorizes and directs the Corps to maintain a 40-foot depth in the Bayport Ship Channel. Local interests, on their own initiative, have dredged the Bayport Ship Channel to a 40 foot depth. The maintenance of the Channel will be useful for numerous interests, and Federal assumption of maintenance is therefore justified.

Kalihi Channel

New section 767 modifies the project for navigation for Honolulu Harbor, Hawaii, to authorize and direct the Corps to maintain a 23-foot project depth in the Kalihi Channel portion of that project, and grants the consent of Congress to the State of Hawaii to construct, operate, and maintain a fixed-span bridge over the Kalihi Channel. The Honolulu Harbor project, as presently authorized, provides for a depth of 35 feet in the Kalihi Channel. Reducing the authorizing depth from 35 to 23 feet in the Kalihi Channel will continue to meet the navigation needs of medium-draft vessels which will continue to use the channel, as well as allow a fixed-span bridge to be constructed as desired by non-Federal interests. The Kalihi Channel is used extensively by recreational craft from Keehi Lagoon and by trailered boats launched at the Keehi Boat Harbor. Tugs and barges also use the channel to unload aggregates at the Keehi Lagoon aggregate dock. Also, the Corps is conducting a study of possible navigational improvements to Keehi Boat Harbor, stemming from its ongoing "Review of the Coasts of the Hawaiian Islands." This amendment will allow the continued use of the channel by medium-draft vessels and at the same time, allow the construction of a fixed-span bridge over the channel.

Bayou La Fourche and La Fourche-Jump

New Section 768 modifies the project for Bayou La Fourche and La Fourche-Jump, Louisiana, to provide that the corps is to maintain a channel 30 feet deep from mile minus 2 to mile minus 0, and a 24-foot channel from mile 0 to mile 4 in Bayou La Fourche. It alos directs the Corps to study the feasibility of deepening the Bayou La Fourche segment of the project to 30 feet and to report to the House Public Works and Transportation Committee and the Senate Environment and Public Works Committee.

Noyo

New Section 769 modifies the project for harbor improvement at Noyo, Mendocino County, California, to provide that the non-Federal interests shall contribute 25 percent of the costs of area required for initial and subsequent disposal or dredged material, and of necessary retaining dikes, bulkheads, embankments, and movement of materials. The requirement for non-Federal 25 percent cost-sharing is to be waived by the Corps if the Environmental Protection Agency finds that (1) for the project construction area, the State of California, municipalities, and other appropriate political subdivisions of the State and industrial concerns are participating in, and in compliance with, an approved plan for the general geographical area of the dredging activity for construction, modification, expansion, or rehabilitation of waste treatment facilities, and (2) applicable water quality standards are not being violated. If, in lieu of diked disposal, the Corps determines ocean disposal is necessary to carry out the project, the Federal share of the ocean disposal shall be 100 percent.

TITLE VIII

Corps Services for Water Supply Loan Applicants

(Page 172, line 10) Subtitle A of Title VIII establishes an 80 percent loan program to be administered by the Corps for the purpose of repairing, rehabilitating, expanding, and improving public water supply systems and publicly regulated water supply systems. This amendment provides that the Corps may not provide planning, design, or construction-related services to applicants for loans under Subtitle A.

Water Supply Loan Eligibility

(Page 174, after line 21) Section 813 of the Bill authorizes 16 water supply projects to receive loans under the Water Supply Rehabilitation and Conservation Program established in Subtitle A of Title VIII. Since it ordered the bill reported, the Committee has received information with respect to the need for additional projects for water supply system improvement and rehabilitation. This amendment adds twelve additional projects to those projects listed in section 813, which are to be authorized to receive loans under Subtitle A. The added projects are as follows:

Conveyance, pumping, distribution, and storage facilities for Cook County, Illinois (Northwest Suburban Municipal Joint Action Water Agency).

Treatment, conveyance, pumping, distribution, production, and storage facilities for Brockton, Massachusetts.

Treatment, conveyance, pumping, distribution, production, and storage facilities for Hesperia, California.

Treatment, conveyance, distribution, and pumping facilities for Philadelphia, Pennsylvania.

Intake, pumping and distribution facilities for Huntington, West Virginia.

Treatment, conveyance, distribution, pumping facilities for Grand Haven, Michigan.

Treatment, conveyance, pumping, distribution, production, and storage facilities for Battle Creek, Michigan, including identification and development of alternative sources of water and necessary relocation of wells.

Storage facilities consisting of a water tank in Tufuna, Tualauta County, eastern Tutuila Island, American Samoa.

Storage facilities consisting of a water tank in the village of Leona, Lealataua County, western Tutuila Island, American Samoa.

Treatment, conveyance, pumping, distribution, and storage facilities for Beccaria Village, Pennsylvania.

Conveyance, pumping, distribution, and storage facilities for the Blue Creek Community in Ohio.

Treatment, conveyance, pumping, distribution, production, and storage facilities for Morris County, New Jersey.

Technical Assistance for Water Systems

(Page 177, line 14 et seq.) This amendment modifies subsection B of Title VIII of the Bill. Subtitle B declares a national interest in economically conserving existing water supplies and in economically developing new water supplies through Federal participation in the repair, rehabilitation, and improvement of water supply systems and through Federal construction of single and multiple purpose water supply projects. Section 852 of the Bill authorizes the Corps to provide technical assistance to public water supply operators in order to identify water supply problems and to develop measures for repair, rehabilitation, expansion, and improvement of water supply systems. This amendment provides that the Corps' authority to provide technical assistance under Section 852 is limited to reconnaissance reports and prefeasibility studies, except when the Corps determines that a public water supply operator cannot utilize the services of the private sector for economic or other reasons. The Committee recognizes that the technical expertise in the private sector has effectively served the purpose of advising and assisting local water supply authorities and private water utilities in many instances; however, the Committee also recognizes that in some instances public water supply operators are unable to utilize the services of the private sector for economic or other reasons.

TITLE IX

Peyton S. Hawes Visitor Center

(Page 184, after line 11) Title IX of the Bill changes the names of eight water resources projects constructed by the Corps and names specific features of two other such projects. This amendment adds 3 new sections to Title IX. New section 911 names the visitor center at the powerhouse at the Richard B. Russell Dam and Lake Project, South Carolina and Georgia, after Peyton S. Hawes. Mr. Hawes is a retired justice of the Supreme Court of Georgia who spent enormous amounts of his own time to advance the Richard B. Russell project, helping to obtain its authorization in 1966 and to obtain funding for the project as it was constructed. Naming the visitor center after him will be a most appropriate recognition of his long career of public service in Georgia and his efforts toward the development of our Nation's water resources.

Armisted I. Selden

New section 912 names the Lock and Dam on the Warrior River in Hale County, Alabama, commonly known as the Warrior Lock and Dam, after Armisted I. Selden. Mr. Selden has had a long and distinguished career in public service. He served three years in the Alabama State Legislature and sixteen years in the U.S. House of Representatives, where he became Chairman of the Subcommittee on Inter-American Affairs of the Foreign Affairs Committee. Upon his resignation from Congress, Mr. Selden was appointed Deputy Assistant Secretary of Defense for the Development of International Policy and Procedure and later served as Ambassador to New Zealand, Fiji, Tonga, and U.S. Samoa during three administrations. In Congress, he often promoted the value of a sound and responsible inland waterway system. He was particularly prominent in the funding and construction of the Warrior Lock and Dam in Hale County, and it is fitting that this lock and dam be named in his honor.

H.K. Thatcher

New section 913 renames the Calion Lock and Dam, located on the Ouachita River near Calion, Arkansas, after H.K. Thatcher. Mr. H.K. Thatcher served for thirty years, from 1950 to 1980, as Executive Vice President of the Ouachita River Valley Association. During that period, a modern navigation system for the Ouachita River was authorized by Congress and constructed by the Corps. Partly as a result of his leadership and personal sacrifice the Ouachita River Project is now nearing completion. Naming the lock and dam at Calion, which is near his hometown of Camden, Arkansas, in his honor is particularly appropriate in light of his long service to his community and the Nation.

TITLE X

Bayou Bartholomew

(Page 187, line 4) This amendment deletes the Bayou Bartholomew, Arkansas, project, authorized by the Flood Control Act of 1966, from the list of projects to be deauthorized. In the time since the deauthorization list was developed by the Public Works and Transportation Committee, significant new interest has developed for a project in the area. In order not to foreclose the opportunity to use all or part of the existing authority to help meet the needs of the region, the authorization will be retained.

Lakeport Lake

(Page 190, line 8) This amendment deletes the Lakeport Lake, California, project from the list of projects to be deauthorized by the Bill. In the time since the list was developed, it was discovered that lands had been acquired for the project. Because there was desire to permit transfer of these lands to local flood control interest, the deauthorization for this project has been moved to new section 1006. See that provision for details.

Connecticut Deauthorizations

(Page 192, after line 17) This amendment adds three uncompleted portions of projects in the State of Connecticut to the list of projects listed for deauthorization in section 1001. These projects are:

The uncompleted portions of the project for navigation, New Haven Harbor, Connecticut, authorized in 1946, which portions consist of deepening the lower end of the Quinnipiac River Channel to 22 feet up to a point 1,000 feet above Ferry Street.

The project for navigation, New Haven Harbor, Connecticut, authorized in 1910.

The uncompleted portions of the project for navigation, Milford Harbor, Connecticut, which portions consist of a 5-acre anchorage, 10 feet deep, behind the east jetty at the east side of that jetty.

Bayou Bartholomew

(Page 207, line 10) This amendment removes from the list of projects to be deauthorized in the Bill the project for Bayou Bartholomew, Louisiana, which was originally authorized by the Flood Control Act of 1950. The original project authorization included channel improvements and closure of the high water outlets on the mainstem of Bayou Bartholomew, enlargement of Deep Bayou, and clearing and enlargement of Overflow Creek. Public Law 89-789 added authority to construct 10 retention lakes on the western tributaries of Bayou Bartholomew in Arkansas, six local levee units for flood protection, along the mainstem of Bayou Bartholomew in Louisiana, and a fish and wildlife mitigation measure. Because of significant new local interest in this project, it will be continued as an authorized project.

Bayou Segnette

(Page 208, line 7) This amendment removes from the list of projects to be deauthorized by the Bill the project for navigation, Bayou Segnette, Jefferson Parish, Louisiana. This project, which was authorized by the River and Harbor Act of 1954, included a channel 9 feet deep, 60 feet wide and 12.2 miles long. The project was constructed to an interim channel size 6 feet deep and 30 feet wide. Because of new local interest in completing the channel to its authorized dimensions, expressed since the filing of the Committee's report of H.R. 3678, this project is to remain authorized.

Black River Harbor

(Page 212, line 21) This amendment deletes the Black River Harbor, Alcona County, Michigan, project from the list of projects to be deauthorized. This project was authorized pursuant to the provisions of Section 201 of the Flood Control Act of 1965, being approved by House and Senate Public Works Committee resolutions in 1970. The Waterways Commission of the State of Michigan considers this to be an important project and has requested that its authorization be retained.

Alpena Harbor

(Page 215, after line 6) This amendment adds a portion of the navigation project for Alpena Harbor, Michigan, to the list of projects to be deauthorized. This project, authorized by the River and Harbor Act of 1965, includes channel dredging, a turning basin, and breakwater reconfiguration. While the channel dredging portion of the project will be retained because of local support for that aspect of the project, the feature consisting of the proposed turning basin and breakwater reconfiguration will be deauthorized.

Harriet Island Harbor

(Page 215, line 17) This amendment deletes the Harriet Island Harbor, Minnesota, project from the list of projects to be deauthorized. The project, authorized by the River and Harbor Act of 1962, provides for general navigation facilities for numerous small craft. The City of St. Paul, Minnesota, is planning numerous river-oriented improvements and has been considering this project as a part of its overall improvement program.

Oswego Harbor

(Page 219, line 15) This amendment deletes the uncompleted portions of the project for navigation, Oswego Harbor, New York, from the list of projects to be deauthorized. This project is being removed from the list because of new local interest in completion of the project which has been expressed since the Committee ordered the bill reported.

Texas Deauthorizations

(Page 233, after line 25) This amendment adds uncompleted portions of two projects in the State of Texas to the projects listed for deauthorization in section 1001 of the bill. Those projects are as follows:

The Dallas Floodway Extension feature of the project for flood control, Trinity River and Tributaries, Texas.

The Liberty Local Protection feature of the project for flood control, Trinity River and Tributaries, Texas.

Neabsco Creek

(Page 234, line 22) This amendment removes from those projects listed for deauthorization in section 1001 of the bill, the project for Neabsco Creek, Virginia. That project consists of authorization for a navigation channel from the Potomac River to Atkinson's Upper Landing and Willis Wharf.

Kalihi Channel

(Page 240, line 17) This amendment deletes section 1003 of the bill, which would have deauthorized the Kalihi Channel portion of the navigation project for Honolulu Harbor, Hawaii, and would have granted the consent of Congress for construction, operation, and maintenance of a fixed span bridge over the channel. While the deeper channel authorized by the River and Harbor Act of 1954 is not considered necessary, there is a continuing need to maintain a shallower 23-foot channel. Because of this, the provision was changed and included in the project modification title—Title VII—as new section 767. See that provision for additional details.

Lakeport Lake

Page 241, after line 25. This amendment adds new section 1006 to deauthorize the Lakeport Lake, California, project and make provisions for the transfer of lands already acquired for the project. Lakeport Lake, authorized by the Flood Control Act of 1965, would have been located on Scotts Creek, approximately four miles west of the City of Lakeport, California. The project would have included a 203-food-high dam and about seven miles of downstream levees and channel improvements.

After authorization, two tracts of land, of 160 acres and 480 acres each, were acquired for the project at an acquisition cost of $64,000 and $264,000, respectively. Although the overall project is no longer desired, some local flood protection is still needed, and these lands could serve as part of a local flood protection project. Therefore, the Lake County Flood and Water Conservation District will be given the opportunity to purchase these lands within a five year period, at the price at which the lands were acquired by the United States. If non-Federal interests purchase the land, they must continue to administer the land for flood control and related purposes, or ownership of the land is to revert to the United States.

TITLE XI

Preservation of Cultural and Historical Values

(Page 242, line 2 et seq.) This amendment modifies section 1101 of the Bill. Section 1101 defines the objectives for which water resources projects carried out by the Corps are to be planned and for which the benefits and costs, both quantifiable and unquantifiable, shall be included in the Corps' evaluation of projects. Section 1101 provides that the objectives of enhancing regional economic development, enhancing the quality of the total environment, enhancing the well-being of the people of the United States, enhancing the prevention of loss of life, and enhancing the national economic development, shall be the objectives to be included in Corps water resources projects. The objective relating to the prevention of loss to life is a new project objective, added by section 1101 of the Bill, to the requirements of existing law. This amendment adds another objective to be included in the evaluation of Corps projects—enhancing the preservation of cultural and historical values.

Low-Income Area Projects

(Page 242, after line 10) Section 1101 of the Bill defines the objectives for which water resources projects carried out by the Corps are to be planned and for which the benefits and costs, both quantifiable and unquantifiable, are to be included in the evaluation of project. These factors, which are listed in the proceeding paragraph, must all be evaluated and described in the Corps' project recommendations. This amendment adds a new subsection (b) to section 1101 to provide that, notwithstanding any other provision of law, for the purpose of analyzing the costs and benefits of any water resources project which includes any element that provides flood protection to any distressed low-income area, the benefits to be derived from carrying out that element shall exceed the costs of carrying out that element. With this amendment the Committee recognizes that, in purely economic terms, the protection of some low-income areas may be subject to a benefit-to-cost ratio below unity. This can occur because the market value of properties in such areas may be relatively low. However, in light of the obvious social value of protecting the lives and property of the inhabitants of such areas, the Committee believes this amendment is a valuable addition to the project evaluation criteria set out in section 1101.

Meramec River

(Page 248, line 19 et seq.) Section 1107 of the Bill amends section 2 of Public Law 97-128, which deauthorized the Meramec Dam Project in Missouri and authorized the Corps to undertake such structural and nonstructural measures as it determined to be economically and engineeringly feasible to prevent flood damage to communities along the Meramec River and its Tributaries in St. Louis and Jefferson Counties, Missouri. Section 1107 of the Bill modifies this prior statutory authority to include Franklin County, Missouri, along with St. Louis and Jefferson Counties; to increase the estimated cost from $20 million to $100 million; and to provide that the project is to be constructed at full Federal expense. This amendment clarifies section 1107 to provide that any structural measures undertaken under authority of Public Law 97-128, as amended, shall not include the construction of any dam or reservoir on the Meramec River.

Unsafe Dams

(Page 249, line 11) This amendment modifies section 1109 of the Bill. Section 1109(a) authorizes the Corps to restore to a safe condition dams owned by States or their political subdivisions, which dams have been found to be hazardous as part of the Corps' Inspection of Dams program undertaken pursuant to the authority of Public Law 92-367. Non-Federal interests are to repay the Corps for such work in accordance with the repayment provisions of the Water Supply Act of 1958. This amendment makes it clear that the authority for the Corps to restore an unsafe dam owned by a State or its political subdivision is authorized regardless of whether the particular dam has been found to be hazardous as part of an inspection under authority of Public Law 92-367 or under authority of any other Federal law, including surveys authorized by House or Senate Committee resolutions in accordance with Federal law.

Milton Dam

(Page 250, after line 23) This amendment directs the Corps to make necessary repairs to Milton Dam in Mahoning County, Ohio, in accordance with the work described in the Report of the Pittsburgh District Engineer entitled "Milton Dam, Mahoning County, Ohio: Investigation to Determine the Adequacy of Structural and Hydraulic Components", dated February 1980. Non-Federal interests are to repay the Corps for this work within 50 years, in accordance with the repayment provisions of the Water Supply Act of 1958.

Milton Dam is a 66-year-old dam which was constructed by the City of Youngstown, Ohio, for water supply purposes. The dam retains a 1,685 acre lake containing about 8 billion gallons of water. On December 11, 1971, the Senate Committee on Environment and Public Works, by Committee resolution, authorized a study of the need for repair, modification, or replacement of Milton Dam and Reservoir. The final report on that study defined the structural and hydraulic deficiencies that exist at Milton Dam, including the related potential hazard to public safety, and presented corrective measures required to alleviate the problems. The report concluded that various structural and hydraulic components of the Milton Dam structure are inadequate under current Corps criteria and that, in view of the present deteriorated condition of the dam, it could be concluded that the continued safety of the structure is not sufficiently assured and that an emergency situation may ultimately result. The report recommended that remedial measures should be undertaken as soon as possible by the owner of the structure, the City of Youngstown. The recommended remedial measures included additional instrumentation and the stabilization and repair of the structural components of the Dam. The total estimated cost for implementing the recommended remedial measures is approximately $6 million. Due, in part, to the depressed economy in northeastern Ohio—and particularly the steel-producing Youngstown, Ohio, area—these remedial measures are presently beyond the immediate means of the local community. This amendment will authorize the Corps to make the necessary repairs in order to protect the lives and property of downstream residents and will allow the City of Youngstown to repay the Corps for that work within 50 years.

Dam Inventory Update

(Page 251, line 7) Section 5 of the National Dam Inspection Act of 1972 required the Corps to submit to Congress by July 1, 1974, a report including an inventory of all dams located in the United States. A Corps report on the activities conducted under the National Dam Inspection Act through 1975, including a National Inventory of Dams, was transmitted to the Congress in November of 1976. The National Inventory of Dams, which was compiled in 1975, was updated in September of 1980 and was verified to contain over 68,000 dams. This amendment adds a new subsection (b) to section 5 of the National Dam Inspection Act to provide that the Corps shall annually update its inventory of dams and annually submit a report to the Congress on the results of those updates. Maintaining a current inventory of dams in the United States is essential to keep the Congress apprised of the scope and nature of dam safety problems throughout the nation.

Corps Leases

(Page 277, line 3 et seq.) This amendment modifies section 1133 of the Bill. Section 1133 provides that on and after January 1, 1990, the Corps is to continue in effect any cottage site lease of property, or assignment of the lease, until such time as the lease is terminated by the leaseholder—or by the Corps if the property covered by the lease is needed for immediate use for public park purposes or other higher public use or for navigation or flood control project, or if the leaseholder violates a provision of the lease. Any such continuation beyond the date of expiration of such a lease as in effect on January 1, 1990, shall be at fair market rentals and on other terms specified in section 1133 of the Bill.

Cottage site leases are presently covered under the provisions of section 6 of Public Law 97-140, which provides that no houseboat, floating cabin, marina, or lawfully installed dock or cabin shall be required to be removed before December 31, 1989 from any Federal water resources reservoir or lake project administered by the Corps if the property is maintained in usable condition and does not occasion a threat to life or property. The purpose of section 1133 of the Bill is to establish a policy for cottage site leases, as well as the items covered by section 6 of Public Law 97-140, beginning at the time of the expiration of the authority contained in that law. Accordingly, this amendment clarifies that the date from which the Corps shall be required continue in effect cottage site leases and the prohibition on the removal of structures specified in Section 6 of Public Law 97-140 shall be December 31, 1989. It also specifies that lease violations, for which a cottage lease may be terminated by the Corps, must be substantial violations.

New York State Barge Canal

(Page 280, line 5) Section 1136 of the Bill authorizes the Corps to reconstruct, rehabilitate and maintain the New York State Barge Canal for commercial, recreational, historical and environmental purposes. That section also requires that, before performing any such work, the corps is to enter into an agreement with the State of New York which provides that the State will pay to the Corps an amount equal to fifty percent of the costs of reconstruction and rehabilitation and fifty percent of the annual costs of maintaining the Canal.

This amendment provides that the State is to continue to own and to operate the Canal and that the Corps is authorized to reimburse the State for 50 percent of the costs of maintaining and operating the canal if the work involved is in accordance with an agreement between the Corps and the State.

This amendment also authorizes the Corps to reimburse the State for 50 percent of the cost of reconstructing and rehabilitating the Canal for navigation, flood control, water supply, irrigation, power, recreational, historic, and environmental purposes, in accordance with the recommendations of the Corps in the report required to be transmitted to the House Public Works and Transportation Committee and the Senate Environment and Public Works Committee and in accordance with an agreement between the Corps and the State. The Corps is also to study, in cooperation with the State, the need for reconstruction and rehabilitation of the Canal for navigation, flood control, water supply, irrigation, power, recreational, historical, and environmental purposes.

Planning Assistance to States

(Page 301, after line 2) This amendment adds a number of new sections to the Bill. New Section 1174 modifies section 22 of the Water Resources Development Act of 1974. Section 22 of that Act authorized the Corps to cooperate with States in the preparation of comprehensive plans for the development, utilization, and conservation of water and related land resources of drainage basins located within the boundaries of each State and to submit to Congress reports and recommendations with respect to appropriate Federal participation in carrying out those plans. Expenditures in any one State are currrently limited to $200,000 annually and expenditures under the entire program are limited to $4 million per year. Due to increases in planning costs in the years since the 1974 Act was passed, these amounts are no longer adequate to carry out this program. This amendment provides that expenditures under this program cannot exceed $500,000 per year for any one State, and provides that expenditures for the overall program are to be limited to $10 million annually.

Berkeley Pier

New section 1175 authorizes and directs the Corps to remove the Berkeley Pier, which extends approximately 12,000 feet into San Francisco Bay. The estimated cost of the removal is $1,500,000. The Berkeley Pier is a continuous source of drift and debris, and creates a constant threat of damage to commercial and recreational vessels in San Francisco Bay.

St. John River Basin

New section 1176 authorizes the Corps to implement a program of research in order to demonstrate the cropland irrigation and conservation techniques described in the Report of the New England Division Engineer on the St. John River Basin, Maine. For the purposes of this program thee is authorized to be appropriated $1,825,000 for Fiscal Year 1985, $820,000 for Fiscal year 1986, and $785,000 for Fiscal Year 1987.

Western Tutuila Island

New section 1177 authorizes the Corps to construct a seawall from the canneries in the Village of Atu'u, Ma'oputasi County, to Breakers Point near the Village of Tafananai, Sua County, Western Tutuila Island, American Samoa.

Eastern Tutuila Island

New section 1178 authorizes the Corps to rehabilitate a fuel dock between the Villages of Utulei and Fagatogo in Ma'oputasi County, Eastern Tutuila Island, American Samoa.

Reimbursement and Credit for Non-Federal Work

New section 1179 amends section 215 of the Flood Control Act of 1968, which authorized reimbursement or credit for advanced work performed by non-federal public bodies after authorization of water resources development projects, but limited such reimbursement or credit to $1,000,000 per project. This amendment raises that $1,000,000 limitation to $5,000,000 per project, in view of increased construction costs experienced since 1968.

Nondomestic Fill Material

New section 1180 authorizes the Corps to acquire from non-domestic sources and to utilize fill material for beach erosion and beach nourishment projects if such material is not available, for environmental or economic reasons, from domestic sources.

Flood Hazard Area Information

New section 1181 directs the Corps, the Federal Emergency Management Agency, and the Soil Conservation Service to take necessary actions to ensure that information relating to flood hazard areas is generally available to the public. These actions include, but are not limited to, the posting and distribution of information and the preparation of distribution of educational materials and programs. Of the approximately 34,000 communities in the United States, the Federal Emergency Management Agency has determined that 19,938 have some flood hazard areas. Detailed floodplain maps have been prepared for 11,777 of these communities, and 9,035 are in the National Flood Insurance program. The National Resources Inventory, completed by the Soil Conservation Service in 1977, estimates that about 175,000,000 acres of non-Federal rural land are prone to flooding. Detailed flood hazard maps, sketched flood hazard boundary maps, and flood insurance rate maps prepared by the Corps, the Federal Emergency Management Agency and the Soil Conservation Service, as well as other related information, could be of more use in preventing flood related damages if it were made more widely available for viewing by the public. This amendment is designed to increase public awareness and concern for flooding by making these educational materials more widely available.

Fish and Wildlife Enhancement

New section 1182 authorizes the Corps to accept funds from any entity, public or private, in accordance with the Pacific Northwest Electric Power Planning and Conservation Act to be used to protect, mitigate, and enhance fish and wildlife in connection with projects constructed or operated by the Corps. The Corps is authorized to accept and use funds for such purposes without regard to any limitation established under any law or rule. This amendment is designed to facilitate implementation of an anadromous fish enhancement program in the Columbia River Basin. In enacting the Northwest Power Act of 1980 (Public Law 96-501) Congress recognized the need to revitalize salmon and steelhead resources in the Columbia River Basin. That Act required that the Northwest Power Planning Council, after extensive public involvement, develop a fish and wildlife enhancement program that would then be implemented by the Bonneville Power Administration and the Federal Hydropower Regulatory and Operating Agencies under the Council's guidance. On the mainstem of the Columbia River, the Bonneville, the Dalles, John Day and McNary Dams were constructed by the Corps. On its tributary, the Snake River, Corps projects include the Ice Harbor, Lower Monumental, Little Goose, and Lower Granite Dams.

The Power Council's fish and wildlife program was formally adopted in 1982, and it is now in the implementation phase. The cooperation is essential in carrying out that fish and wildlife program at Corps' projects, and for off-sight mitigation for the impacts of those projects, as called for in the Northwest Power Act.

This amendment is to remove any uncertainty that the Corps may accept funds from the Bonneville Power Administration to carry out the fish and wildlife program developed by the Northwest Power Planning Council.

Compliance With Non-Federal Cooperation Requirements

New section 1183 provides that, whenever on the basis of any information available to him, the Secretary finds any non-Federal interest is not providing any legally required item of cooperation with respect to a water resources project, he shall issue an order requiring the non-Federal interests to provide that cooperation. If, after notice and an opportunity for a hearing, the Secretary finds that any person is violating an order issued under this section, that person will be subject to a civil penalty of up to $10,000 per day, with a total maximum penalty for any violation of $50,000.

In order to enforce the provisions of this section, the Secretary may request the Attorney General to bring a civil action for appropriate relief, including permanent or temporary injunctions, for any violation of an order issued under this section, to collect a civil penalty imposed under this section, or to recover any costs incurred by the Secretary in undertaking performance of any item of non-Federal cooperation required under Section 221(d) of the Flood Control Act of 1970.

Great Lakes Consumptive Use Study

New section 1184 authorizes the Administrator of the Environmental Protection Agency, in cooperation with other interested Federal and State agencies, to conduct a study of control measures which can be implemented to reduce the quantity of Great Lakes water consumed without adversely affecting projected economic growth of the Great Lakes region. This study is to include an analysis of both existing and new technologies which are likely to be feasible in the foreseeable future and shall, at a minimum, include (1) a review of the methodologies used to forecast Great Lakes consumptive uses, including an analysis of the sensitivity of key variables affecting such uses; (2) an analysis of the effect that enforcement of provisions of the Federal Water Pollution Control Act relating to thermal discharges has had on consumption of Great Lakes water; (3) an analysis of the effect of laws, regulations, and national policy objectives on consumptive uses of Great Lakes water used in manufacturing; (4) an analysis of the economic effects on a consuming industry and other Great Lakes interests associated with a particular consumptive use control strategy; (5) an analysis of associated environmental impacts, both singularly and in combination with other consumptive use control strategies; and (6) a summary discussion containing recommendations for methods for controlling consumptive uses, which methods maximize benefits to the Great Lakes ecosystem and also provide for continued full economic growth for consuming industries as well as other industries which depend on the use of Great Lakes water.

Recent studies by the International Joint Commission have projected a five-fold increase in the amount of Great Lakes water that will be consumed over the next 50 years. In 1975, the consumptive use of Great Lakes water was estimated at 3.2 billion gallons per day; by the year 2035, consumptive use is expected to increase to over 16.4 billion gallons per day. This increase in consumptive use may cause serious impacts, including loss of wetlands and reduction of fish spawning and habitat areas, as well as serious economic losses to vital Great Lakes industries. The study authorized in this section is included in recognition of the National goal of providing environmental protection and preservation of our natural resources while, at the same time, allowing continued economic growth.

Great Lakes Diversion

New section 1185 provides that no water shall be diverted from any portion of the Great Lakes or their tributaries for use outside a Great Lakes State unless that diversion is approved by all eight Great Lakes States and the International Joint Commission established by the Boundary Waters Treaty of 1909. It also provides that no Federal agency may undertake any study, or expend any Federal funds to contract for any study, of the feasibility of diverting any water from any portion of the Great Lakes or their tributaries for use outside of a Great Lakes State. This prohibition is not to apply to any study or collection of data performed by any Federal agency under the direction of the International Joint Commission in accordance with the Boundary Waters Treaty of 1909. This amendment recognizes that the Great Lakes are a most important natural asset and that the water in the Great Lakes must be carefully managed and protected to meet current and future needs within the Great Lakes States and Canadian Provinces. Any new diversions of Great Lakes water for use outside of the Great Lakes States will have significant economic and environmental impacts, adversely affecting the use of this resource by the Great Lakes States and Canadian Provinces, and would effect relations between the Government of the United States and the Government of Canada. Therefore, it is declared to be the policy of Congress to take immediate action to protect the limited quantity of water available from the Great Lakes system for use by the Great Lakes States and to prohibit any diversion of Great Lakes water by any State, any Federal agency, or any private entity for use outside the Great Lakes States unless that diversion is approved by all the Great Lakes States and the International Joint Commission; and to prohibit any Federal agency from undertaking any studies that would involve the transfer of Great Lakes water for use outside of the Great Lakes States.

Buffalo River

New section 1186 authorizes the Corps, in consultation with the Environmental Protection Agency, to take such action as may be necessary to remove and dispose of toxic pollutants from areas of the Buffalo River in New York which contain high levels of toxic pollutants. No appropriation is to be made for the removal and disposal of toxic pollutants from the Buffalo River under this section unless it has been approved by resolution adopted by the House Committee on Public Works and Transportation and the Senate Committee on Environment and Public Works. The Corps, in consultation with the Environmental Protection Agency, is to conduct a study of the Buffalo River to determine which areas of the River contain high levels of toxic pollutants, to determine whether or not removal and disposal of those pollutants from those areas is economically and environmentally feasible, and to determine the most efficient and effective methods of removing those pollutants from those areas and of disposing of them after their removal. Within one year the Corps is to transmit to the House Public Works and Transportation Committee and the Senate Environment and Public Works Committee a report on the results of the study (including a list of areas identified as containing high levels of toxic pollutants), along with recommendations concerning whether or not removal and disposal of toxic pollutants from the identified areas is economically and environmentally feasible and concerning methods of removing and disposal of those pollutants.

The Committee recognizes that for some time the Niagara Frontier has been faced with the occurrence of toxic chemical substances in the environment. Most recently, concern has been raised about polluted toxic "hot spots" in the Buffalo River. One of the most heavily contaminated sites appears to be within the Federal navigation channel of the Buffalo River, a location that may contain a number of carcinogens at high levels. In view of the relationship between these contaminated sites and the Corps' dredging program, it is appropriate that the Corps expand its dredging program in that area to include remedial measures to alleviate the problem of sediment contamination, if economically and environmentally feasible.

Bayou La Fourche Nonnavigability

New section 1187 declares Bayou La Fourche, between Canal Boulevard in the City of Thibodaux and the Southern Pacific Railroad Bridge crossing the Bayou in the city of Thibodaux, to be a non-navigable waterway of the United States within the meaning of the laws of the United States relating to the construction of bridges across navigable waters.

Use of River Improvements

New section 1188 modifies section 14 of the Act of March 3, 1899. Section 14 of that Act declares it to be unlawful for any person to take possession of or make use of for any purpose, or build upon, alter, deface, destroy, move, injure, obstruct by fastening vessels thereto, or otherwise, or in any manner whatever impair the usefulness of any seawall, bulkhead, jetty, dike, levee, wharf, pier, or other work built by the United States, or any piece of plant, floating or otherwise, used in the construction of such work under the control of the United States, in whole or in part, for the preservation and improvement of any of its navigable waters or to prevent floods or as boundary marks, tide gauges, surveying stations, buoys, or other established marks, or to remove any stone or other material composing such works. That Act also provided that the Secretary of the Army may grant permission of the temporary occupation of any such works when in his judgment that occupation or use will not be injurious to the public interest. This amendment provides that the Secretary of the Army may, on the recommendation of the Chief of Engineers, grant permission for the alteration or permanent occupation or use of any of the Public Works mentioned in Section 14 when, in his judgment, that occupation or use will not be injurious to the public interest and will not impair the usefulness of those works.

Passaic River Basin Flood Damage Reduction

New section 1189 authorizes the Corps to acquire from willing sellers lands on which residential structures are located, which lands are subject to frequent and reoccurring flood damage, in the area being studied pursuant to the Passaic River Basin Flood Control Study authorized by Section 101(a) of the Water Resources Development Act of 1976. Any lands acquired under this section are to be retained by the Corps for future use in conjunction with flood protection and flood management within the Passaic River Basin.

Contract Set-Asides Report

New section 1190 provides that, in order to assure a fair and reasonable distribution of civil works contracts set aside for small and disadvantaged businesses, the Corps shall, on a quarterly basis, transmit the House Public Works and Transportation Committee and the Senate Environment and Public Works Committee a report describing the number and dollar amount of contracts awarded in each industry category or subcategory in each Corps District.

TITLE XIII

This amendment modifies title thirteen of the bill. Title thirteen establishes a port infrastructure development and improvement trust fund and provides that there is to be appropriated each year to that trust fund an amount equal to the customs duties collected during the preceding year, but not to exceed $2 million annually. Amounts in the trust fund are to be available, as provided by appropriations acts, for studies, construction, operation and maintenance of general cargo and deep draft navigation projects; for St. Lawrence Seaway projects; and for making payments to any non-federal interest which has planned, designed or constructed a port in accordance with the specific criteria set forth in the bill. This amendment provides that sums in the trust fund established in title thirteen shall be available for the Corps of Engineers to make grants to non-federal interests for emergency response services and facilities at ports.

Mr. EDGAR. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

Mr. HOPKINS. Mr. Chairman, reserving the right to object, I would like to ask the gentleman who made the request if I am going to be protected. That is what I am concerned about.

Mr. ROE. Mr. Chairman, if the gentleman will yield, positively the gentleman will be protected. There is no question about that.

Mr. HOPKINS. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The text of the committee print, an amendment to H.R. 3678, beginning with section 2, is as follows:

Sec. 2. In order to insure against cost overruns, each estimated cost set forth in this Act for a project shall be the maximum amount authorized for that project, except that such maximum amount shall be automatically increased for—

(1) changes in construction costs (including real property acquisitions, preconstruction studies, planning, engineering, and design) as indicated by engineering and other appropriate cost indexes;

(2) modifications which do not materially alter the scope or functions of the project as authorized; and

(3) additional studies, modifications, and actions (including mitigation and other environmental actions) authorized by this Act or required by changes in Federal law.

Sec. 3. For purposes of this Act, the term "Secretary" means the Secretary of the Army, acting through the Chief of Engineers.

Sec. 4. Sections 201 and 202 and the fourth sentence of section 203 of the Flood Control Act of 1968 shall apply to all projects authorized by this Act.

TITLE I—PORT DEVELOPMENT

Sec. 101. The following projects for ports are hereby authorized to be prosecuted by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated in this section, except as otherwise provided, or in accordance with such plans as the Secretary determines advisable in any case in which there is no report designated.

NORFOLK HARBOR AND CHANNELS, VIRGINIA

The project for navigation, Norfolk Harbor and Channels, Virginia: Report of the Chief of Engineers, dated November 20, 1981, at an estimated cost of $248,700,000 including such modifications as may be recommended by the Secretary in the report or reports transmitted under this paragraph. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall study the effects that construction, operation, and maintenance of each segment of the proposed project will have on fish and wildlife resources and the need for mitigation of any damage to such resources resulting from such construction, operation, and maintenance. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study with respect to the project or separate reports on the results of such study with respect to each segment of the project, along with recommendations for modifications in any such segment which the Secretary determines to be necessary and appropriate to mitigate the adverse effects of such construction, operation, and maintenance on such resources. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, any such segment if such acquisition and actual construction have not been approved by resolution adopted by each such committee.

MOBILE HARBOR, ALABAMA

The project for navigation, Mobile Harbor, Alabama: Report of the Chief of Engineers, dated November 18, 1981, at an estimated cost of $386,700,000; except that if non-Federal interests construct a bulk material transshipment facility in lower Mobile Bay, the Secretary, upon request of such non-Federal interests, may limit construction of such project from the Gulf of Mexico to such facility and except that, for reasons of environmental quality, dredged material from such project shall be disposed of in open water in the Gulf of Mexico in accordance with all provisions of Federal law. Notwithstanding any other provision of law, no dredged or fill material shall be disposed of in the Brookley disposal area, referred to in such report of the Chief of Engineers.

MISSISSIPPI RIVER SHIP CHANNEL, GULF TO BATON ROUGE, LOUISIANA

The project for navigation, Mississippi River Ship Channel, Gulf to Baton Rouge, Louisiana: Report of the Chief of Engineers, dated April 9, 1983, at an estimated cost of $333,400,000. Nothing in this paragraph and such report shall be construed to affect the requirements of Public Law 89-669, as amended.

TEXAS CITY CHANNEL, TEXAS

The project for navigation, Texas City Channel, Texas: Report of the Board of Engineers for Rivers and Harbors, dated January 19, 1983, at an estimated cost of $117,990,000, including such modifications as may be recommended by the Secretary with respect to such project under section 103.

NEW YORK HARBOR AND ADJACENT CHANNELS, NEW YORK AND NEW JERSEY

The project for deepening of the Ambrose Channel feature of the navigation project, New York Harbor and Adjacent Channels, to a depth of 55 feet and widening such channel to 770 feet, and for deepening of the Anchorage channel feature of such navigation project to a depth of 55 feet and widening such channel to 660 feet, at an estimated cost of $175,900,000. Any ocean disposal of dredged material (other than rock, beach quality sand, or other suitable fill material) from construction, operation, and maintenance of such features of such project shall take place at a site at least 25 miles from the shoreline unless the Secretary determines, for reasons of environmental quality and in accordance with all applicable provisions of Federal law, that an ocean site less than 25 miles from the shoreline is more suitable. Disposal of beach quality sand from construction, operation, and maintenance of such features of such project shall take place at the ocean front on Staten Island, New York, and Sea Bright and Monmouth Beach, New Jersey, at full Federal expense. The Secretary in consultation with appropriate Federal, State, and local agencies, shall study sites for disposal of such dredged material under this paragraph and the technical, environmental, and economic feasibility of each such site. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for an appropriate disposal site under this paragraph. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee.

LOS ANGELES AND LONG BEACH HARBORS, SAN PEDRO BAY, CALIFORNIA

The project for deepening of the entry channel to the harbor of Los Angeles, California, to a depth of 65 feet and for deepening of the entry channel to the harbor of Long Beach, California, to a depth of 76 feet, including the creation of 800 acres of land with the dredged material from the project, as Phase I of the San Pedro Bay development, at an estimated cost of $230,000,000.

SEC. 102. The following projects for ports are hereby authorized to be prosecuted by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated in this section, except as otherwise provided, or in accordance with such plans as the Secretary determines advisable in any case in which there is no report designated.

PORTSMOUTH HARBOR AND PISCATAQUA RIVER, NEW HAMPSHIRE

The project for navigation, Portsmouth Harbor and Piscataqua River, New Hampshire: Report of the Division Engineer, New England Division, dated April 1983, at an estimated cost of $21,200,000, including such modifications as may be recommended by the Secretary in the report transmitted under this paragraph or with respect to such project under section 103. The Secretary, in consultation with Federal, State, and local agencies, shall study the adequacy of potential disposal sites necessary for construction, operation, and maintenance of the project. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for modifications in the project which the Secretary determines to be necessary and appropriate to assure that adequate disposal sites are available for construction, operation, and maintenance of such project. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee.

NEW HAVEN HARBOR, CONNECTICUT

The project for navigation, New Haven Harbor, Connecticut: Report of the Chief of Engineers, dated July 26, 1982, with such modifications as may be recommended by the Secretary in the report submitted under this paragraph, at an estimated cost of $23,000,000. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall study the effects that construction, operation, and maintenance of the proposed project will have on oyster beds and the production of oysters in New Haven Harbor. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for modifications in the project which the Secretary determines to be necessary and appropriate to mitigate adverse effects of such construction, operation, and maintenance on such beds and production. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project unless such acquisition and actual construction have been approved by resolution adopted by each such committee.

GOWANUS CREEK CHANNEL, NEW YORK

The project for navigation, Gowanus Creek Channel, New York: Report of the Chief of Engineers, dated September 14, 1982, at an estimated cost of $2,000,000.

KILL VAN KULL, NEW YORK AND NEW JERSEY

The project for navigation, Kill Van Kull and Newark Bay Channels, New York and New Jersey: Report of the Chief of Engineers, dated December 14, 1981, at an estimated cost of $182,665,000, including any modifications in the project recommended by the Secretary in the report transmitted under this paragraph. Any ocean disposal of dredged material (other than rock, beach quality sand, or other suitable fill material) from construction, operation, and maintenance of such project shall take place at a site at least 25 miles from the shoreline unless the Secretary determines, for reasons of environmental quality and in accordance with all applicable provisions of Federal law, that an ocean site less than 25 miles from the shoreline is more suitable. The Secretary in consultation with appropriate Federal, State, and local agencies, shall study sites for disposal of such dredged material under this paragraph and the technical, environmental, and economic feasibility of each such site. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for an appropriate disposal site under this paragraph. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee.

ARTHUR KILL, NEW YORK AND NEW JERSEY

The project for navigation, Arthur Kill, New York and New Jersey: Draft report of the District Engineer for New York, dated May 1983, at an estimated cost of $55,000,000, including any modifications that may be recommended by the Secretary with respect to that project under section 103 of this Act.

NEW YORK HARBOR AND ADJACENT CHANNELS, NEW YORK AND NEW JERSEY

The project for (1) an access channel 45 feet deep below mean low water and generally 450 feet wide with suitable bends and turning areas to extend from deep water in the Anchorage Channel, New York Harbor, westward approximately 12,000 feet along the southern boundary of the Port Jersey peninsula to the head of navigation in Jersey City, New Jersey, at an estimated cost of $25,000,000; and (2) for a channel 42 feet deep below mean low water and generally 300 feet wide with suitable bends and turning areas to extend from deep water in the Anchorage Channel westward approximately 11,000 feet to the head of navigation in Claremont Terminal Channel, at an estimated cost of $14,000,000. Any ocean disposal of dredged material (other than rock, beach quality sand, or other suitable fill material) from construction, operation, and maintenance of such project shall take place at a site at least 25 miles from the shoreline unless the Secretary determines, for reasons of environmental quality and in accordance with all applicable provisions of Federal law, that an ocean site less than 25 miles from the shoreline is more suitable. The Secretary in consultation with appropriate Federal, State, and local agencies, shall study sites for disposal of such dredged material under this paragraph and the technical, environmental, and economic feasibility of each such site. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for an appropriate disposal site under this paragraph. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee.

WILMINGTON HARBOR-NORTHEAST CAPE FEAR RIVER, NORTH CAROLINA

The project for navigation, Wilmington Harbor-Northeast Cape Fear River, North Carolina: Report of the Chief of Engineers, dated September 16, 1980, at an estimated cost of $8,078,000.

CHARLESTON HARBOR, SOUTH CAROLINA

The project for navigation, Charleston Harbor, South Carolina: Report of the Chief of Engineers, dated August 27, 1981, including construction of a two-mile extension of the harbor navigation channel in the Wando River to the State port authority's Wando River terminal, at an estimated cost of $79,055,000.

SAVANNAH HARBOR, GEORGIA

The project for navigation, Savannah Harbor, Georgia: Report of the Chief of Engineers, dated December 19, 1978, at an estimated cost of $12,701,000, except that non-Federal interests shall be reimbursed by the Secretary for moving or modifying docks, bulkheads, warehouses, towers, and railroad facilities necessary for project construction, at an estimated cost of $2,960,000. Such reimbursement at total Federal expense shall be based on the replacement costs, exclusive of betterment, minus the fair market value of the existing structures.

MANATEE HARBOR, FLORIDA

The project for navigation, Manatee Harbor, Florida: Report of the Chief of Engineers, dated May 12, 1980, at an estimated cost of $12,158,500, including such modifications as may be recommended by the Secretary in the report transmitted under this paragraph. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall study the effects that construction, operation, and maintenance of the proposed project will have on the benthic environment of the area to be dredged. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for modifications in the project which the Secretary determines to be necessary and appropriate to mitigate the adverse effects of such construction, operation, and maintenance on such benthic environment. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such Committee. The Secretary shall monitor the effects of construction, operation, and maintenance of the project on the benthic environment of the dredged area.

TAMPA HARBOR, EAST BAY CHANNEL, FLORIDA

The project for navigation, Tampa Harbor, East Bay Channel, Florida: Report of the Chief of Engineers, dated January 25, 1979, at an estimated initial cost of $2,717,000. The Secretary shall monitor the effects of construction, operation, and maintenance of the project on water quality and the environment.

SAN JUAN HARBOR, PUERTO RICO

The project for navigation, San Juan Harbor, Puerto Rico: Report of the Chief of Engineers, dated December 23, 1982, at an estimated cost of $72,791,000, including the acquisition of 22 acres of land for mitigation of the loss of algal beds associated with the project, as recommended in the report of the District Engineer, Jacksonville, Florida, entitled "Phase I: General Design Memorandum on San Juan Harbor, Puerto Rico".

CROWN BAY CHANNEL—ST. THOMAS HARBOR, VIRGIN ISLANDS

The project for navigation, Crown Bay Channel—St. Thomas Harbor, Virgin Islands: Report of the Chief of Engineers, dated April 9, 1982, at an estimated cost of $3,499,000. The Secretary shall monitor the turbidity associated with construction, operation, and maintenance of the project and establish a program to maintain, to the extent feasible, such turbidity at a level which will not damage adjacent ecosystems. In selecting a configuration for the disposal area for dredged material from the project, the Secretary shall consider configurations which will minimize, to the extent feasible, the loss of shallow water habitat.

GULFPORT HARBOR, MISSISSIPPI

The project for navigation, Gulfport Harbor, Mississippi: Report of the Chief of Engineers, House Document Numbered 96-18, at an estimated cost of $73,678,000; except that, for reasons of environmental quality, dredged material from such project shall be disposed of in open water in the Gulf of Mexico in accordance with all provisions of Federal law. For the purpose of economic evaluation of this project the benefits from such open water disposal shall be deemed to be at least equal to the costs of such disposal. If the Secretary determines, after competitive bidding and pursuant to the provisions of Public Law 95-269, that transportation and disposal of dredged material cannot be carried out by contract at reasonable prices and in a timely manner, the Secretary is authorized to acquire any dredged material transport equipment necessary for prosecution of the project.

CLEVELAND HARBOR, OHIO

The project for harbor modification, Cleveland Harbor, Ohio (deepening and widening the east harbor entrance): Stage 2 Report for Reformulation (Phase 1 General Design Memorandum) of the District Engineer for Buffalo, New York, July 1982, at an estimated cost of $6,000,000, including such modifications as may be recommended by the Secretary with respect to such project under section 103. The existing dredged material containment site known as site 14 may be used for the containment of excavated material from construction of the project.

LORAIN HARBOR, OHIO

The project for navigation, Lorain Harbor, Ohio: Draft report of the District Engineer for Buffalo, New York, dated May 1983, at an estimated cost of $32,000,000, including such modifications as may be recommended by the Secretary with respect to such project under section 103.

GRAND HAVEN HARBOR, MICHIGAN

The project for navigation, modifications to Grand Haven Harbor, Michigan: Report of the Chief of Engineers, dated October 9, 1979, at an estimated cost of $12,879,000.

MONROE HARBOR, MICHIGAN

The project for navigation, Monroe Harbor, Michigan: Report of the Chief of

Engineers, dated November 25, 1981, at an estimated cost of $145,280,000, including, for reasons of environmental quality, the formation of a 700 acre marsh in Plum Creek Bay, as described in the report of the District Engineer, Detroit District, dated February 1980, as revised December 15, 1980. The formation of such marsh shall be a Federal responsibility.

BRAZOS ISLAND HARBOR, TEXAS—BROWNSVILLE CHANNEL

The project for navigation, Brazos Island Harbor, Texas—Brownsville Channel: Report of the Chief of Engineers, dated December 20, 1979, at an estimated cost of $27,075,000. The Secretary shall study, in consultation with appropriate Federal, State, and local agencies, the need for additional measures to mitigate losses of estuarine habitat and productivity associated with the project. The Secretary is authorized to undertake any measures which he determines to be necessary and appropriate to mitigate such losses.

DULUTH-SUPERIOR, MINNESOTA AND WISCONSIN

The project for navigation, Duluth-Superior, Minnesota and Wisconsin: Report of the Board of Engineers for Rivers and Harbors, dated April 4, 1983, at an estimated cost of $7,215,000, including such modifications as may be recommended by the Secretary in the report transmitted under this paragraph or with respect to such project under section 103. The Secretary shall study, in consultation with appropriate Federal, State, and local agencies, the need for measures to mitigate losses of fish and wildlife habitat and productivity. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for modifications in the project which the Secretary determines to be necessary and appropriate to mitigate such losses. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee.

SAN FRANCISCO HARBOR, CALIFORNIA—FISHERMAN'S WHARF AREA

The project for navigation, San Francisco Harbor, California—Fisherman's Wharf Area: Report of the Chief of Engineers, dated February 3, 1978, as amended by the supplemental report of the Chief of Engineers dated June 7, 1979, at an estimated cost of $14,370,000. Any relocation of historic ships required for construction of the project shall be a Federal responsibility.

OAKLAND OUTER HARBOR, CALIFORNIA

The project for navigation, Oakland Outer Harbor, California: Report of the Chief of Engineers, dated January 7, 1980, at an estimated cost of $36,040,000. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall study alternative dredged material disposal plans, including but not limited to plans which include marsh formation. The Secretary is authorized to undertake and monitor the effects of such dredged material disposal measures, including but not limited to such measures as will result in fish and wildlife habitat enhancement, as the Secretary determines are necessary and appropriate.

RICHMOND HARBOR, CALIFORNIA

The project for navigation, Richmond Harbor, California: Report of the Chief of Engineers, dated August 8, 1982, at an estimated cost of $48,443,000.

SACRAMENTO DEEP WATER SHIP CHANNEL, CALIFORNIA

The project for navigation, Sacramento Deep Water Ship Channel, California: Report of the Chief of Engineers, dated November 20, 1981, at an estimated cost of $77,000,000.

HILO HARBOR, HAWAII

The project for navigation, Hilo Harbor, Hawaii: Report of the Division Engineer, dated February 26, 1982, at an estimated cost of $4,086,000, including such modifications as may be recommended by the Secretary with respect to such project under section 103.

BLAIR AND SITCUM WATERWAYS, TACOMA HARBOR, WASHINGTON

The project for navigation, Blair and Sitcum Waterways, Tacoma Harbor, Washington: Report of the Chief of Engineers, dated February 8, 1977, House Document Numbered 96-26, at an estimated cost of $31,756,000; except that a permanent bypass road for the Blair Waterway may be constructed in lieu of construction of the East 11th Street bridge replacement recommended in such report if (1) the Secretary determines that construction of the bypass road is economically and environmentally feasible, and (2) construction of the bypass road is approved by the Governor of the State of Washington. If the bypass road is constructed in lieu of the bridge replacement project, the Federal share of the cost of construction of the bypass road shall not exceed an amount equal to the amount which would have been the Federal share of the cost of the bridge replacement project if the bridge replacement project had been carried out in accordance with such report.

GRAYS HARBOR, WASHINGTON

The project for navigation, Grays Harbor, Washington: Report of the Board of Engineers for Rivers and Harbors, dated January 17, 1983, at an estimated cost of $86,281,000 including such modifications as may be recommended by the Secretary with respect to such project under section 103.

EAST, WEST, AND DUWAMISH WATERWAYS, WASHINGTON

The project for navigation, East, West, and Duwamish Waterways, Navigation Improvement Study, Seattle Harbor, Washington: Report of the Board of Engineers for Rivers and Harbors, dated July 18, 1983, at an estimated cost of $48,745,000, including such modifications as may be recommended by the Secretary with respect to such project under section 103.

Sec. 103. (a) In the case of any project authorized by this title for which a final report of the Chief of Engineers has not been completed before the date of enactment of this Act, the Secretary shall, not later than one year after the date of enactment of this Act, transmit a copy of any final environmental impact statement required by section 102(2)(C) of the National Environmental Policy Act of 1969, and any recommendations of the Secretary, with respect to such project to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by such committees.

(b) If any provision in any report designated by this title recommends that a State contribute in cash 5 per centum of the construction costs allocated to non-vendible project purposes and 10 per centum of the construction costs allocated to vendible project purposes, such provision shall not apply to the project recommended in such report.

Sec. 104. (a)(1) A non-Federal interest may plan and design any navigation project for a port not authorized by Federal law and submit such plan and design to the Secretary for review under paragraph (2).

(2) The Secretary shall review each plan and design submitted under paragraph (1) for the purpose of determining whether or not such plan and design and the process under which such plan and design were developed comply with Federal laws and regulations applicable to the planning and designing by the Secretary of navigation projects for ports. Not later than one hundred and eighty days after receiving any plan and design submitted under paragraph (1), the Secretary shall transmit to the Congress, in writing, the results of such review and any recommendations the Secretary may have concerning the project described in such plan and design.

(3) Subject to appropriation of funds, the Secretary shall reimburse any non-Federal interest for the cost of developing any plan and design submitted under paragraph (1) for any navigation project for a port authorized by any provision of Federal law enacted after the date of such submission; except that in the case of a navigation project for a deep-draft port which is to be constructed by the Secretary, in lieu of such reimbursement, the amount of such cost shall be credited towards the non-Federal share of the cost of construction of such project.

(b)(1) A non-Federal interest may (A) construct, in whole or in part, any navigation project for a port authorized by this title or any other provision of Federal law enacted before, on, or after the date of enactment of this title, and for which appropriations may be made for acquisition of interests in real property and actual construction, and (B) acquire lands for disposal of dredged material, and make relocations of utilities, structures, and other improvements, necessary for such construction, if the Secretary first approves the plans for construction of such project by the non-Federal interest and if the non-Federal interest enters into an agreement to pay the non-Federal share (if any) of the cost of operation and maintenance of such project.

(2) The Secretary shall regularly monitor and audit any project for a port being constructed under this subsection by a non-Federal interest in order to ensure that such construction is in compliance with the plans approved by the Secretary.

(3) Subject to appropriation of funds, the Secretary shall reimburse any non-Federal interest for the Federal share of the cost of any port project carried out substantially in accordance with the plans approved by the Secretary under this section.

(c)(1) The Secretary, on request from an appropriate non-Federal interest in the form of a written notice of intent to construct a navigation project for a port, shall initiate procedures to establish a schedule for consolidating Federal, State, and local agency environmental assessments, project reviews, and issuance of all permits for the construction of the project, including associated access channels and berthing areas, and onshore improvements, before the initiation of construction.

(2) Within fifteen days of the receipt of notice under paragraph (1) of this subsection, the Secretary shall publish that notice in the Federal Register. The Secretary also shall provide written notification of the receipt of a notice under paragraph (1) of this subsection to all State and local agencies that may be required to issue permits for the construction of the project or related activities. The Secretary shall solicit the cooperation of those agencies and request their entry into a memorandum of agreement described in paragraph (3) of this subsection. Within thirty days after publication of the notice in the Federal Register, State and local agencies that intend to enter into the memorandum of agreement shall notify the Secretary of their intent in writing.

(3) Within ninety days of receipt of notice under paragraph (1) of this subsection, the Secretary of the Interior, the Secretary of Commerce, the Administrator of the Environmental Protection Agency, and any State or local agencies that have notified the Secretary under paragraph (2) of this subsection shall enter into an agreement with the Secretary establishing a schedule of decisionmaking for approval of the project and permits associated with it and with related activities. The schedule of compliance may not exceed two and one-half years from the date of the agreement.

(4) The agreement entered into under paragraph (3) of this subsection, to the maximum extent practicable, shall consolidate hearing and comment periods, procedures for data collection and report preparation, and the environmental review and permitting processes associated with the project and related activities. The agreement shall detail, to the extent possible, the non-Federal interest's responsibilities for data development and information that may be necessary to process each permit, including a schedule when the information and data will be provided to the appropriate Federal, State, or local agency.

(5) The agreement shall include a date by which the Secretary, taking into consideration the views of all affected Federal agencies, shall provide to the non-Federal interest in writing a preliminary determination whether the project and Federal permits associated with it are reasonably likely to receive approval. The Secretary may revise the agreement once to extend the schedule to allow the non-Federal interest the minimum amount of additional time necessary to revise its original application to meet the objections of a Federal, State, or local agency which is a party to the agreement.

(6) Six months before the final date of the schedule, the Secretary shall provide to Congress a written progress report for each navigation project for a port subject to this section. The Secretary shall transmit the report to the committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. The report shall summarize all work completed under the agreement and shall include a detailed work program that will assure completion of all remaining work under the agreement.

(7) Not later than the final day of the schedule, the Secretary shall notify the non-Federal interest of the final decision on the approval of the project and related permits.

(8) Not later than one year after the date of enactment of this Act, the Secretary shall prepare and transmit to Congress a report estimating the time required for the issuance of all Federal, State, and local permits for the construction of navigation projects for ports and associated activities. The Secretary shall include in that report recommendations for further reducing the amount of time required for the issuance of those permits, including any proposed changes in existing law.

(d) This section does not apply to any port project for that portion of the Saint Lawrence Seaway administered by the Saint Lawrence Seaway Development Corporation.

SEC. 105. (a) The Federal share of the cost of planning, designing, engineering, and surveying which is necessary to carry out a navigation project for a port shall be—

(1) in the case of a general cargo port, 100 per centum;

(2) in the case of a deep-draft port, an amount equal to the sum of (A) an amount equal to 100 per centum of the cost which the Secretary determines would be incurred for planning, designing, engineering, and surveying if such project had a depth of 45 feet, and (B) an amount equal to 50 per centum of the cost of planning, designing, engineering, and surveying for such project over the cost which the Secretary determines would be incurred for planning, designing, engineering, and surveying if such project had a depth of 45 feet.

(b)(1) The Federal share of the cost of construction of general navigation features, including but not limited to navigation channels and turning basins, for a navigation project for a port shall be—

(A) in the case of a general cargo port, 100 per centum; and

(B) in the case of a deep-draft port, 100 per centum of the cost of construction of the portion of the project to a depth of 45 feet and 50 per centum of the cost of construction of the portion of the project which is deeper than 45 feet.

(2) An amount equal to the excess of—

(A) the value and costs of lands, easements, rights-of-way, reasonable mitigation measures, and disposal sites for dredged or fill material which are provided by non-Federal interests for a navigation project for a deep-draft port, over

(B) the value and costs of lands, easements, rights-of-way, reasonable mitigation measures, and disposal sites for dredged or fill material which the Secretary determines would be required for such project if such project had a depth of 45 feet,

shall be credited toward the non-Federal share of the cost of construction of such project.

(c) The Federal share of the cost of operation and maintenance of each navigation project for a port shall be—

(1) in the case of a general cargo port, 100 per centum; and

(2) in the case of a deep-draft port, an amount equal to the sum of (A) an amount equal to 100 per centum of the cost which the Secretary determines would be incurred for operation and maintenance of such project if such project had a depth of 45 feet, and (B) an amount equal to 50 per centum of the excess of the cost of the operation and maintenance of such project over the cost which the Secretary determines would be incurred for operation and maintenance of such project if such project had a depth of 45 feet.

(d) The Federal share of the cost of relocation of any oil, natural gas, or other pipeline, any electric transmission cable or line, any communications cable or line, and facilities related to such pipeline, cable, or line the relocation of which is necessary for construction, operation, and maintenance of each navigation project for a port and which may only be built or commenced if authorized by the Secretary under section 10 of the Act of March 3, 1899 (30 Stat. 1151; 33 U.S.C. 403), shall be—

(1) in the case of a general cargo port, 50 per centum; and

(2) in the case of a deep-draft port, an amount equal to the sum of (A) an amount equal to 50 per centum of the cost the Secretary determines would be incurred for such relocations if such project had a depth of 45 feet, and (B) an amount equal to 25 per centum of the excess of the cost of such relocations over the cost which the Secretary determines would be incurred for such relocations if such project had a depth of 45 feet.

In the case of any relocation to which the Federal share established by this subsection applies, the non-Federal share shall be paid by the owner of the facility being relocated; except that in the case of a deep-draft port, two-thirds of the non-Federal share shall be paid by such owner and one-third of the non-Federal share shall be paid by the non-Federal interest.

(e) The Federal share of any cost of a navigation project for a port, for which cost a Federal share is not provided in subsection (a), (b), (c), or (d) of this section, shall be the share of such cost otherwise provided by law.

(f) This section shall apply to any navigation project for a port authorized by this title (except as provided in subsection (g)) or any other provision of Federal law enacted before, on, or after the date of enactment of this title, except that subsections (a), (b), and (d) shall not apply to any project for which Federal funds have been obligated for actual construction before July 1, 1983.

(g) Subsections (a), (b), (c), and (d) of this section shall not apply to the project for Gowanus Creek Channel, Brooklyn, New York, authorized by section 102 of this title.

SEC. 106. The amount of any non-Federal share of the cost of any navigation project for a port authorized by this title or any other provision of Federal law enacted before, on, or after the date of enactment of this title shall be paid to the Secretary and shall, in the case of the non-Federal share of the cost of construction, be paid on an annual basis during the period of construction, beginning not later than one year after construction is initiated.

SEC. 107. (a) On application by the appropriate non-Federal interest, the Secretary may guarantee, and enter into commitments to guarantee, the payment of the interest on, and the unpaid balance of the principal of, any obligation issued by a non-Federal interest to finance a navigation project authorized for a port by this title or another law of the United States enacted after the date of enactment of this Act, that is subject to a requirement for non-Federal contribution to the cost of project construction, operation, and maintenance under section

105 of this Act and with respect to which the non-Federal interest elects to construct the project with the approval of the Secretary under section 104 of this Act.

(b) The Secretary may guarantee the payment of any obligation in the amount of ninety per centum of the principal of that obligation.

(c) The full faith and credit of the United States Government is pledged to the payment of a guarantee made under this section, including interest as provided for in the guarantee accruing between the date of default on a guaranteed obligation and the payment in full of the amount guaranteed.

(d) The Secretary, to the extent provided for in appropriations laws, may reimburse a non-Federal interest for not to exceed one-half of the interest cost incurred by the non-Federal interest on any obligation which is guaranteed under subsection (a) of this section and the interest on which is subject to Federal income taxes, during the period of project construction and until the level of project-derived revenues equals those amounts necessary to make payments of principal and interest on such obligations for the project.

(e) A guarantee, or commitment to guarantee, made by the Secretary under this section is conclusive evidence of the eligibility of the obligation for that guarantee, and the validity of any guarantee, or commitment to guarantee, so made is incontestable.

(f) The unpaid principal amount of the obligations which are guaranteed, or for which commitments to guarantee have been entered into, under this section and which are outstanding at any time may not exceed $1,000,000,000.

(g) The Secretary shall assess a guarantee fee of not less than one-quarter of one per centum per annum of the average principal amount of a guaranteed obligation outstanding under this section. All amounts received by the Secretary shall be deposited in the Federal Port Navigation Project Financing Fund established by subsection (h) of this section.

(h) There is established in the Treasury of the United States a fund to be known as the "Federal Port Navigation Project Financing Fund" (hereinafter in this section referred to as the "Fund"), consisting of such amounts as may be deposited in the Fund under subsection (g). Amounts in the Fund shall be available to the Secretary, as provided by appropriation Acts, for making payments under subsection (i) of this section. Amounts in the Fund which are not needed for current withdrawals shall be invested in bonds or other obligations of, or guaranteed as to principal and interest by, the Federal Government.

(i)(1) For a default that has continued for thirty days in a payment by the obligor of principal or interest due under an obligation guaranteed under this title—

(A) the Secretary may assume the obligor's rights and duties under the guarantee or agreement related to the guarantee before a demand is made under clause (B) of this paragraph; or

(B) the obligee or the obligee's agent, not later than the period specified in the guarantee or related agreement (but not later than ninety days from the date of the default), may demand payment by the Secretary of the unpaid principal amount of that obligation and the unpaid interest on the obligation to the date of payment, except when the Secretary—

(i) has assumed the obligor's rights under clause (A) of this paragraph and the Secretary has made the payments in default;

(ii) finds there was not a default by the obligor in the payment of principal or interest; or

(iii) finds that the default has been remedied before the demand.

(2) Any amount required to be paid by the Secretary under this section shall be paid in cash from the Fund established in subsection (h) of this section. If the amounts in the Fund are not sufficient to pay any amount the Secretary is required to pay under this subsection, the Secretary may issue to the Secretary of the Treasury notes or other obligations in any form and denomination, bearing any maturities and subject to any terms and conditions that are prescribed by the Secretary, with the approval of the Secretary of the Treasury. Those notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the Federal Government of comparable maturities during the month preceding the issuance of those notes or other obligations. The Secretary of the Treasury shall purchase any notes and other obligations to be issued under this paragraph. For that purpose the Secretary may use as a public debt transaction the proceeds from any securities issued under chapter 31 of title 31, United States Code. The purposes for which securities may be issued under that chapter include purchase of those notes and obligations. The Secretary of the Treasury may sell the notes or other obligations acquired by the Secretary under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of those notes or other obligations shall be treated as public debt transactions of the Federal Government. Amounts borrowed under this section shall be deposited in the Fund, and redemptions of those notes and obligations shall be made by the Secretary from the Fund.

(3) For a default under a guaranteed obligation or a related agreement, the Secretary shall take any action against the obligor or any other liable parties that the Secretary believes is required to protect the interests of the Federal Government. A suit may be brought in the name of the Federal Government or in the name of the obligee, and the obligee shall make available to the Federal Government all records and evidence necessary to prosecute that suit. The Secretary may accept a conveyance of title to and possession of property from the obligor or other parties liable to the Secretary, and may purchase the property for an amount not to exceed the unpaid principal amount of the obligation and interest thereon. If the Secretary receives, through the sale of property, money in excess of any payment made to an obligee under this section and the expenses of collection of those amounts, the Secretary shall pay that excess to the obligor.

SEC. 108. Any navigation project for a port authorized by this title or any other provision of law enacted before, on, or after the date of enactment of this title may be constructed in usable increments.

SEC. 109. Notwithstanding any other provision of law, if any non-Federal interest required to pay any share of the cost of any navigation project for a deep-draft port authorized by section 101 of this title or any other provision of Federal law enacted before, on, or after the date of enactment of this title levies and collects fees on vessels for the purpose of paying such share (including the retirement of any bonds issued to pay such share), such fees may only be levied and collected on vessels which require a channel with a depth of more than 45 feet and, in the case of vessels owned and operated by the United States, any other nation or political subdivision thereof, or any State or political subdivision thereof, only when such vessels are engaged in commercial service.

SEC. 110. Any non-Federal interest shall provide the United States the information necessary for military readiness planning and port and national security, including information necessary to obtain national security clearances for individuals employed in critical port positions.

SEC. 111. There is authorized to be appropriated from the Port Infrastructure Development and Improvement Trust Fund for fiscal years beginning after September 30, 1983, such sums as may be necessary to make reimbursements under section 104 and to pay the Federal share of the cost of projects authorized by sections 101 and 102 and of navigation projects for ports authorized by any other provision of Federal law enacted before the date of enactment of this title.

SEC. 112. For purposes of this title—

(1) the term "deep-draft port" means a port which is authorized to be constructed to a depth of more than 45 feet (other than a port for which a project is authorized by section 102 of this title);

(2) the term "general cargo port" means a port for which a project is authorized by section 102 of this title and any other port which is authorized to be constructed to a depth of 45 feet or less;

(3) the term "non-Federal interest" has the meaning such term has under section 221 of the Flood Control Act of 1970;

(4) the term "port" means (A) any port or channel in the United States with a depth authorized by law of more than fourteen feet, including any channel administered by the Saint Lawrence Seaway Development Corporation and any channel connecting the Great Lakes, and (B) any lock or other improvement on any such channel; except that such term does not include an entrance channel providing access solely to a harbor with an authorized depth of fourteen feet or less and does not include the Bonneville Lock and Dam project on the Columbia River; and

(5) the term "United States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands.

SEC. 113. This title may be cited as the "Port Development and Navigation Improvement Act of 1984".

TITLE II—INLAND WATERWAY TRANSPORTATION SYSTEM

SEC. 201. (a) The following works of improvement for the benefit of navigation are hereby authorized to be prosecuted by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated in this section, except as otherwise provided, or in accordance with such plans as the Secretary determines are advisable in any case in which there is no report designated. The Secretary shall complete each such work of improvement not later than seven years after the date on which funds are first appropriated for such project.

OLIVER LOCK AND DAM, BLACK WARRIOR-TOMBIGBEE RIVER, ALABAMA

Construction of a lock and dam to replace the William Bacon Oliver Lock and Dam, Black Warrior-Tombigbee River, Alabama, including facilities for generating hydroelectric power, at an estimated cost of $120,000,000. The Secretary shall, not later than one year after the date of enactment of this Act, transmit a copy of any final environmental impact statement required by section 102(2)(C) of the National Environmental Policy Act of 1969, and any recommendations of the Secretary, with respect to such project to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee.

GALLIPOLIS LOCKS AND DAM REPLACEMENT, OHIO RIVER, OHIO AND WEST VIRGINIA

The project for navigation, Gallipolis Locks and Dam Replacement, Ohio River, Ohio and West Virginia: Report of the Chief of Engineers, dated April 8, 1982, at an estimated cost of $260,000,000.

WINFIELD LOCKS AND DAM, KANAWHA RIVER, WEST VIRGINIA

Construction of improvements to, and an additional lock in the vicinity of, the Winfield Locks and Dam, Kanawha River, West Virginia, and acquisition of lands for fish and wildlife mitigation in such vicinity, at an estimated cost of $134,000,000. The Secretary shall, not later than one year after the date of enactment of this Act, transmit a copy of any final environmental impact statement required by section 102(2)(C) of the National Environmental Policy Act of 1969, and any recommendations of the Secretary, with respect to such project to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee.

LOCK AND DAM 7 REPLACEMENT, MONONGAHELA RIVER, PENNSYLVANIA

The project for navigation, Lock and Dam 7 Replacement, Monongahela River, Pennsylvania: Report of the Chief of Engineers, dated May 5, 1972, with such modifications (including acquisition of lands for fish and wildlife mitigation) as the Secretary determines are advisable, at an estimated cost of $95,000,000.

LOCK AND DAM 8 REPLACEMENT, MONONGAHELA RIVER, PENNSYLVANIA

The project for navigation, Lock and Dam 8 Replacement, Monongahela River, Pennsylvania: Report of the Chief of Engineers, dated May 5, 1972, with such modifications (including acquisition of lands for fish and wildlife mitigation) as the Secretary determines are advisable, at an estimated cost of $63,300,000.

LOCK AND DAM 26, MISSISSIPPI RIVER, ALTON, ILLINOIS AND MISSOURI

Construction of a second lock having a length of 600 feet at lock and dam 26, Mississippi River, Alton, Illinois, and Missouri at an estimated cost of $245,000,000.

BONNEVILLE LOCK AND DAM, OREGON AND WASHINGTON—COLUMBIA RIVER AND TRIBUTARIES, WASHINGTON

The project for navigation, Bonneville Lock and Dam, Oregon and Washington—Columbia River and Tributaries, Interim Report: Report of the Chief of Engineers, dated March 14, 1980, at an estimated cost of $177,000,000. Dredged material from the project shall be disposed of at Ross Island to the extent necessary to prevent damage to the Blue Heron rookery on Pierce and Ives Islands. No construction shall take place on Pierce and Ives Islands during the heron nesting period. The Secretary shall establish a bioengineering committee to review plans for the project, recommend measures to minimize adverse affects of the project, and develop a mitigation plan for the project. Such committee shall include representatives of the Corps of Engineers, the contractor for construction of the project, and appropriate State and Federal agencies.

(b) If any provision in any report designated by subsection (a) recommends that a State contribute in cash 5 per centum of the construction costs allocated to non-vendible project purposes and 10 per centum of the construction costs allocated to vendible project purposes, such provision shall not apply to the project recommended in such report.

Sec. 202. (a) Two-thirds of the cost of construction of the general navigation features, including but not limited to, channels, locks, dams, and turning basins, of each project authorized by this title shall be paid only from amounts appropriated from the general fund of the Treasury. One-third of such cost shall be paid only from amounts appropriated from the Inland Waterways Trust Fund. For purposes of this subsection, the term "construction" shall include planning, designing, engineering, and surveying, the acquisition of all lands, easements, and rights-of-way necessary for the project, including lands for disposal of dredged material, and relocations (other than relocations described in subsection (b)) necessary for the project.

(b) One-third of the cost of relocation of any oil, natural gas, or other pipeline, any electric transmission cable or line, any communications cable or line, and facilities related to such pipeline, cable, or line (1) the relocation of which is necessary for construction, operation, and maintenance of a project authorized by this title, and (2) which may only be built or commenced if authorized by the Secretary under section 10 of the Act of March 3, 1899 (30 Stat. 1151; 33 U.S.C. 403), shall be paid only from amounts appropriated from the general fund of the Treasury. One-sixth of such cost shall be paid only from the Inland Waterways Trust Fund. The remainder of such cost shall be paid by the owner of the facility being relocated.

(c) Any Federal responsibility with respect to a project authorized by this title which responsibility is not provided for in subsection (a) or (b) of this section shall be paid only from amounts appropriated from the general fund of the Treasury.

Sec. 203. There is authorized to be appropriated for fiscal years beginning after September 30, 1983, such sums as may be necessary from the general fund of the Treasury and from the Inland Waterways Trust Fund to pay the costs specified in section 202.

TITLE III—FLOOD CONTROL

Sec. 301. (a) The following works of improvement for the control of destructive floodwaters are hereby adopted and authorized to be prosecuted by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated in this section, except as otherwise provided, or in accordance with such plans as the Secretary determines are advisable in any case in which there is no report designated.

QUINCY COASTAL STREAMS, MASSACHUSETTS

The project for flood control, Quincy Coastal Streams, Massachusetts (Town Brook Interim): Report of the Chief of Engineers, dated December 14, 1981, at an estimated cost of $25,100,000.

ROUGHANS POINT, MASSACHUSETTS

The project for flood control, Roughans Point, Revere, Massachusetts: Report of the Division Engineer, dated January 3, 1983, at an estimated cost of $10,040,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section.

CAZENOVIA CREEK, NEW YORK

The project for flood control, Cazenovia Creek Watershed, New York: Report of the Chief of Engineers, dated September 8, 1977, House Document Numbered 96-126, at an estimated cost of $1,800,000. Such project shall include features necessary to enable the project to serve as a part of a streamside trail system if the Secretary determines such features are compatible with the project purposes.

MAMARONECK, SHELDRAKE, AND BYRAM RIVERS, NEW YORK AND CONNECTICUT

The project for flood control, Mamaroneck and Sheldrake River Basins, New York and Connecticut, and Byram River Basin, New York and Connecticut: Report of the Chief of Engineers dated April 4, 1979, at an estimated cost of $45,600,000. Such project shall include flood protection for the town of Mamaroneck as recommended in the report of the Division Engineer, North Atlantic Division, dated March 28, 1978.

RAHWAY RIVER AND VAN WINKLES BROOK, NEW JERSEY

The project for flood control, Rahway River and Van Winkles Brook at Springfield, New Jersey: Report of the Chief of Engineers, dated October 24, 1975, House Document Numbered 96-20, at an estimated cost of $12,300,000.

ROBINSON'S BRANCH—RAHWAY RIVER, NEW JERSEY

The project for flood control, Robinson's Branch of the Rahway River at Clark, Scotch Plains, and Rahway, New Jersey: Report of the Chief of Engineers, dated October 10, 1975, House Document Numbered 96-21, at an estimated cost of $13,500,000.

GREEN BROOK SUB-BASIN, RARITAN RIVER BASIN, NEW JERSEY

The project for flood control, Green Brook Sub-basin, Raritan River Basin, New Jersey: Report of the Chief of Engineers, dated September 4, 1981, at an estimated cost of $155,900,000. Such project shall include flood protection for the upper Green Brook Sub-basin and the Stony Brook tributary, as described in plan A in the report of the District Engineer, New York District, dated August 1980.

JAMES RIVER BASIN, VIRGINIA

The project for flood control, James River Basin, Richmond, Virginia: Report of the Chief of Engineers, dated November 16, 1981, at an estimated cost of $92,960,000. Such project shall include flood protection for the Richmond municipal wastewater treatment facility, as recommended in the report of the District Engineer, Norfolk District, dated September 1980.

OATES CREEK, GEORGIA

The project for flood control, Oates Creek, Georgia: Report of the Chief of Engineers, dated December 23, 1981, at an estimated cost of $8,800,000. Such project shall include (1) measures determined by the Secretary to be necessary and appropriate to minimize pollution of shallow ground and surface waters which may result from construction of the project, and (2) planting of vegetation along the channel for purposes of enhancing wildlife habitat.

VILLAGE CREEK, ALABAMA

The project for flood control, Village Creek, Jefferson County, Alabama: Report of the Chief of Engineers, dated December 23, 1982, at an estimated cost of $20,700,000

THREE MILE CREEK, ALABAMA

The project for flood control, Three mile Creek, Mobile, Alabama: Report of the Division Engineer, dated February 7, 1983, at an estimated cost of $12,100,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section. The Secretary shall include as part of the non-Federal contribution of the project any local flood protection work carried out by non-Federal interests after January 1, 1982, and before the date of enactment of this Act which work the Secretary determines is reasonably compatible with the project. Costs and benefits resulting from such work shall continue to be included for purposes of determining the economic feasibility of the project.

BUSHLEY BAYOU, LOUISIANA

The project for flood control, Bushley Bayou, Louisiana: Report of the Chief of Engineers, dated April 30, 1980, at an estimated cost of $42,800,000.

LOUISIANA STATE PENITENTIARY LEVEE

The project for flood control, Louisiana State Penitentiary Levee, Mississippi River, Louisiana: Report of the Chief of Engineers, dated December 10, 1982, at an estimated cost of $20,512,000. No acquisition of land for or actual construction of the project may be commenced until appropriate non-Federal interests shall agree to undertake measures to minimize the loss of fish and wildlife habitat lands in the project area.

SOWASHEE CREEK, MERIDIAN, MISSISSIPPI

The project for flood control, Sowashee Creek, Meridian, Mississippi: Report of the District Engineer for Mobile, Alabama, dated July 1983, at an estimated cost of $10,100,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section.

NONCONNAH CREEK, TENNESSEE AND MISSISSIPPI

The project for flood control, Nonconnah Creek, Tennessee and Mississippi: Report of the Chief of Engineers, dated December 23, 1982, at an estimated cost of $19,200,000. The project shall include an evaluation of fish and wildlife losses which may result from construction of the project and such additional measures as the Secretary deems necessary and appropriate to mitigate such losses. The Secretary shall adopt and implement guidelines in connection with clearing and snagging as the Secretary determines necessary and appropriate to minimize adverse effects on fish and wildlife habitat.

HORN LAKE CREEK AND TRIBUTARIES, TENNESSEE AND MISSISSIPPI

The project for flood control, Horn Lake Creek and Tributaries, including Cow Pen Creek, Tennessee and Mississippi: Report of the Chief of Engineers, dated January 4, 1983, at an estimated cost of $2,500,000, including such additional measures as may be recommended by the Secretary in the report transmitted under this paragraph. The Secretary shall (1) reexamine the adequacy and feasibility of the recommended measures for fish and wildlife habitat, and (2) reexamine upland dredged disposal alternatives. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such reexamination, along with recommendations for additional measures which the Secretary determines to be necessary and appropriate to mitigate the adverse effects of the project on fish and wildlife habitat. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution of the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. The Secretary shall also adopt and implement such guidelines in connection with channel clearing and drift removal for the project as the Secretary, in consultation with the Fish and Wildlife Service, determines are necessary and appropriate to minimize adverse effects on fish and wildlife habitat.

MUSKINGUM RIVER, KILLBUCK, OHIO

The project for flood control, Muskingum River, Killbuck, Ohio: Report of the Chief of Engineers, dated February 3, 1978, House Document Numbered 96-117, at an estimated cost of $6,420,000.

MUSKINGUM RIVER, MANSFIELD, OHIO

The project for flood control, Muskingum River, Mansfield, Ohio: Report of the Chief of Engineers, dated February 3, 1978, House Document Numbered 96-117, at an estimated cost of $3,500,000.

HOCKING RIVER, LOGAN, OHIO

The project for flood control, Hocking River at Logan, Ohio: Report of the Chief of Engineers, dated June 23, 1978, at an estimated cost of $6,244,000. The Secretary shall review potential sites for disposal of dredged material from the project and shall select such sites as he determines necessary and appropriate with a view toward minimizing adverse effects on fish and wildlife habitat areas.

HOCKING RIVER, NELSONVILLE, OHIO

The project for flood control, Hocking River at Nelsonville, Ohio: Report of the Chief of Engineers, dated June 23, 1978, at an estimated cost of $6,760,000. The Secretary shall review potential sites for disposal of dredged material from the project and shall select such sites as he determines necessary and appropriate with a view toward minimizing adverse effects on fish and wildlife habitat areas.

SCIOTO RIVER, OHIO

The project for flood control, Scioto River at North Chillicothe, Ohio: Report of the Chief of Engineers, dated September 4, 1981, at an estimated cost of $9,100,000.

LITTLE MIAMI RIVER, OHIO

The project for flood control, Miami River, Little Miami River, Interim Report Number 2, West Carrollton-Holes Creek, Ohio: Report of the Chief of Engineers, dated December 23, 1981, at an estimated cost of $6,000,000.

MIAMI RIVER, FAIRFIELD, OHIO

The project for flood control, Miami River, Fairfield, Ohio: Report of the Chief of Engineers, dated June 22, 1983, at an estimated cost of $9,200,000. To the extent the Secretary, in consultation with appropriate Federal, State, and local agencies, determines necessary and appropriate, the project shall include additional measures for mitigation of losses of fish and wildlife habitat, including seeding and planting in disturbed areas, limiting removal of riparian vegetation to the minimum amount necessary for project objectives, performing work along the north streambank where construction is planned on only one side of the channel, limiting construction activities to the right streambank in the reach of Pleasant Run extending from mile 2.75 to mile 3.10, the use of gabions and riprap for bank protection in lieu of concrete, and the inclusion of pool-riffle complexes at bridges.

HARRISBURG, PENNSYLVANIA

The project for flood control, Harrisburg, Pennsylvania: Report of the Chief of Engineers, dated May 16, 1979, at an estimated cost of $101,900,000, including such modifications and additional measures as may be recommended by the Secretary in the report transmitted under this paragraph. To the extent the Secretary, in consultation with appropriate Federal, State, and local agencies, determines necessary and appropriate, the project shall include (1) a low-flow channel or fishway in both the improved earth channel and the concrete channel portion of the project, (2) utilization of sloping side sections in the concrete channel, and (3) modifications to bridges crossing Paxton Creek to prevent damming of the creek. The project shall include the cost of any relocation required for geodetic control survey monuments. The Secretary shall study the feasibility of providing a floodway along Paxton Creek between Wildwood Lake and Maclay Street as an alternative to the recommended plan and shall reexamine fish and wildlife habitat mitigation measures recommended in the report of the Chief of Engineers. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such study and reexamination, along with recommendations for any modifications in the project which the Secretary determines to be feasible and appropriate to construct such floodway and for any additional measures which the Secretary determines to be necessary and appropriate to reduce fish and wildlife habitat losses in the project area. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution of the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

LOCK HAVEN, PENNSYLVANIA

The project for flood control, Lock Haven, Pennsylvania: Report of the Chief of Engineers, dated December 14, 1981, at an estimated cost of $65,500,000. The project shall be constructed to provide protection against the standard project flood as recommended by the District Engineer, Baltimore District, in his report dated July 1980, in order to prevent potential catastrophic losses in human life and property.

SCHUYLKILL RIVER BASIN, POTTSTOWN, PENNSYLVANIA

The project for flood control and other purposes for Pottstown and vicinity, Schuylkill River Basin, Pennsylvania: Report of the Chief of Engineers, House Document Numbered 93-321, at an estimated cost of $5,138,000. The Congress hereby finds that the application of the provisions of section 209 of the Flood Control Act of 1970 result in the benefits from flood control measures authorized by this paragraph exceeding their economic costs.

SAW MILL RUN, PENNSYLVANIA

The project for flood control, Saw Mill Run, Pittsburgh, Pennsylvania: Report of the Chief of Engineers, dated January 30, 1978, House Document Numbered 96-25, at an estimated cost of $7,020,000.

WYOMING VALLEY, PENNSYLVANIA

The project for flood control, Wyoming Valley, Pennsylvania: Report of the Board of Engineers for Rivers and Harbors, dated November 1, 1982, at an estimated cost of $212,900,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section.

EIGHT MILE CREEK, PARAGOULD, ARKANSAS

The project for flood control, Eight Mile Creek, Paragould, Arkansas: Report of the Chief of Engineers, dated August 10, 1979, including improvement of Fifteen Mile Bayou and tributaries as recommended by the District Engineer and the Mississippi River Commission in reports dated February 1978 and May 24, 1977, respectively, at an estimated cost of $21,600,000.

FOURCHE BAYOU BASIN, ARKANSAS

The project for flood control, Fourche Bayou Basin, Little Rock, Arkansas: Report of the Chief of Engineers, dated September 4, 1981, at an estimated cost of $20,200,000.

HELENA AND VICINITY, ARKANSAS

The project for flood control, Helena and Vicinity, Arkansas: Report of the Chief of Engineers, dated June 22, 1983, at an estimated cost of $11,600,000.

WEST MEMPHIS AND VICINITY, ARKANSAS

The project for flood control, West Memphis and Vicinity, Arkansas: Report of the Mississippi River Commission, dated April 25, 1983, at an estimated cost of $19,881,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section.

MINGO CREEK, OKLAHOMA

The project for flood control, Mingo Creek, Tulsa, Oklahoma: Report of the Chief of Engineers, dated November 16, 1981, at an estimated cost of $82,100,000. The project shall include measures determined appropriate by the Secretary, after consultation with the city of Tulsa, to minimize adverse effects associated with the use of flood water detention sites for the project.

FRY CREEKS, OKLAHOMA

The project for flood control, Fry Creeks, Oklahoma: Report of the Board of Engineers for Rivers and Harbors, dated January 18, 1983, at an estimated cost of $8,500,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section, except that the Secretary shall acquire a total of 20 acres of land for mitigation of fish and wildlife losses and such lands, to the extent feasible, shall be contiguous and shall be in a corridor not less than 50 feet wide.

MALINE CREEK, MISSOURI

The project for flood control, Maline Creek, Missouri: Report of the Chief of Engineers, dated November 2, 1982, at an estimated cost of $39,330,000.

ST. JOHNS BAYOU AND NEW MADRID FLOODWAY, MISSOURI

The project for flood control, St. Johns Bayou and New Madrid Floodway, Missouri: Report of the Chief of Engineers, dated January 4, 1983, at an estimated cost of $75,600,000, except that the land for mitigation of damages to fish and wildlife shall be acquired as soon as possible from available funds, including the Environmental Protection and Mitigation Fund established by section 1104 of this Act.

BRUSH CREEK AND TRIBUTARIES, MISSOURI AND KANSAS

The project for flood control, Brush Creek and Tributaries, Missouri and Kansas: Report of the Chief of Engineers, dated January 3, 1983, at an estimated cost of $12,100,000. The project shall include replacement of the Kansas City Public Service Railway Bridge recommended for removal as part of the project if the Secretary determines, before the acquisition of any land for or the actual construction of the project, that appropriate non-Federal interests will use the bridge as part of a regional public transportation system in the ten-year period following initiation of the project.

CAPE GIRARDEAU, MISSOURI

The project for flood control, Cape Girardeau, Jackson Metropolitan Area, Missouri: Report of the Division Engineer, dated January 3, 1983, at an estimated cost of $24,700,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section.

HALSTEAD, KANSAS

The project for flood control, Halstead, Kansas: Report of the Chief of Engineers, dated May 8, 1979, at an estimated cost of $6,130,000, including the acquisition of such additional lands and access points as may be recommended by the Secretary in the report transmitted under this paragraph. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall study the need for additional lands for mitigation of fish and wildlife losses caused by the project and the need for additional access points to the Little Arkansas River. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such study, along with recommendations for additional measures which the Secretary determines to be necessary and appropriate to mitigate the adverse effects of the project on fish and wildlife habitat. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution of the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

UPPER LITTLE ARKANSAS RIVER, KANSAS

The project for flood control, Upper Little Arkansas River Watershed, Kansas: Report of the Board of Engineers for Rivers and Harbors, dated January 19, 1983, at an estimated cost of $8,190,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section.

ROCK RIVER, ILLINOIS

The project for flood control, Rock River, Rockford and Vicinity, Illinois (Loves Park Interim): Report of the Chief of Engineers, dated September 15, 1980, at an estimated cost of $25,000,000. The project shall include flood protection measures along Small Unnamed Creek, as described in the Interim Report of the District Engineer, Rock Island, dated February 1979. Before the acquisition of land for or the actual construction of the project the Secretary shall study the probable affects of the project on existing recreational resources in the project area and, as part of the project, shall undertake such measures as he determines necessary and appropriate to mitigate any adverse effects on such recreation resources.

GREEN BAY LEVEE AND DRAINAGE DISTRICT NUMBER 2, IOWA

The project for flood control, Mississippi River, Coon Rapids Dam to Ohio River, Green Bay Levee and Drainage District Number 2, Iowa: Report of the Chief of Engineers, dated October 21, 1981, except that borrow material for the project shall be obtained from the island source as recommended by the District Engineer, Rock Island District, in his report dated November 1978, and revised November 1979, at an estimated cost of $5,500,000.

SOUTH QUINCY DRAINAGE AND LEVEE DISTRICT, ILLINOIS

The project for flood control, South Quincy Drainage and Levee District, Illinois: Report of the Board of Engineers for Rivers and Harbors, dated March 25, 1983, at an estimated cost of $10,100,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section. The Secretary shall, to the extent feasible, obtain borrow material from sites in the main channel of the Mississippi River and place fill material on the landward side of the existing levee in order to protect wildlife habitat.

NORTH BRANCH OF CHICAGO RIVER, ILLINOIS

The project for flood protection for the North Branch of the Chicago River, Illinois: Draft Report of the District Engineer, Chicago District (Phase I General Design Memorandum), dated June 1983, at an estimated cost of $11,209,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section. In recognition of the flood damage prevention benefits provided in the North Branch of the Chicago River, Illinois Basin, by the Techny Reservoirs constructed by non-Federal interests on the West Fork of the North Branch of the Chicago River, the Secretary shall, subject to such amounts as are provided in appropriation Acts, reimburse non-Federal interests for an amount equal to 75 per centum of the costs of planning and construction of such reservoirs.

LITTLE CALUMET RIVER, INDIANA

The project for flood control, Little Calumet River, Indiana: Report of the Division Engineer, dated October 12, 1982, at an estimated cost of $56,800,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section.

PERRY CREEK, IOWA

The project for flood control, Perry Creek, Iowa: Report of the Chief of Engineers, dated February 4, 1982, at an estimated cost of $28,630,000.

MUSCATINE ISLAND, IOWA

The project for flood control, Muscatine Island Levee District and Muscatine-Louisa County Drainage District No. 13, Iowa: Report of the Chief of Engineers, dated July 22, 1977, at an estimated cost of $12,500,000, including such modifications as may be recommended by the Secretary in the report transmitted under this paragraph. The Secretary shall reexamine the drainage system recommended in the report of the Chief of Engineers and the feasibility of obtaining material for the levee from upland rather than aquatic sources in order to minimize adverse effects on fish and wildlife habitat. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such reexamination, along with recommendations for modifications in the project which the Secretary determines to be necessary and appropriate to minimize adverse effects of the project on Spring Lake and on fish and wildlife habitat. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution of the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

DES MOINES RIVER BASIN, IOWA AND MINNESOTA

The project for flood control, Des Moines River Basin, Iowa and Minnesota: Report of the Chief of Engineers, dated July 22, 1977, at an estimated cost of $11,200,000. Before the acquisition of any interest in real property for or the actual construction of the project, the Secretary shall, in consultation with appropriate Federal, State, and local agencies, study the feasibility of minimizing increased flood stages along Jordon Creek in the vicinity of the Chicago, Rock Island and Pacific Railroad Bridge and the implementation of nonstructural and structural flood plain management techniques along the reach of Walnut Creek, including the improvement of channel capacity in the vicinity of Grand Avenue. In addition, the Secretary shall, in consultation with appropriate Federal, State, and local agencies, review the location of river access points and boat ramps. The Secretary is authorized to undertake such additional measures as he determines necessary and appropriate to carry out the results of such study and review.

REDWOOD RIVER, MINNESOTA

The project for flood control, Redwood River at Marshall, Minnesota: Report of the Chief of Engineers, dated November 16, 1981, at an estimated cost of $3,130,000.

ROOT RIVER BASIN, MINNESOTA

The project for flood control, Root River Basin, Minnesota: Report of the Chief of Engineers, dated May 13, 1977, House Document Numbered 96-17, at an estimated cost of $8,150,000.

SOUTH FORK ZUMBRO RIVER, MINNESOTA

The project for flood control, South Fork Zumbro River Watershed at Rochester, Minnesota: Report of the Chief of Engineers, dated February 23, 1979, House Document Numbered 96-115, at an estimated cost of $82,200,000. Notwithstanding such report and any other provision of law (including section 302 of this title), the Federal share of the cost of the project shall be determined in accordance with such section, except that non-Federal interests shall not be required before and during construction of the project to provide lands, easements, and rights-of-way necessary for changes to highway bridges and foot bridges and approaches to such bridges, and to make relocations of utilities, structures, and other improvements necessary for such changes.

MISSISSIPPI RIVER AT ST. PAUL, MINNESOTA

The project for flood control, Mississippi River at St. Paul, Minnesota: Report of the Chief of Engineers, dated June 16, 1983, at an estimated cost of $7,230,000.

PARK RIVER, GRAFTON, NORTH DAKOTA

The project for flood control, Park River, Grafton, North Dakota: Report of the Board of Engineers for Rivers and Harbors, dated July 18, 1983, at an estimated cost of $15,200,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section.

FOUNTAIN CREEK, COLORADO

The project for flood control, Fountain Creek, Pueblo, Colorado: Report of the Chief of Engineers, dated December 23, 1981, at an estimated cost of $6,600,000.

METROPOLITAN DENVER, COLORADO

The project for flood control, Metropolitan Denver and South Platte River and Tributaries, Colorado, Wyoming, and Nebraska: Report of the Chief of Engineers, dated December 23, 1981, at an estimated cost of $12,000,000. The Secretary shall include as part of the non-Federal contribution of the project any work carried out by non-Federal interests after January 1, 1978, and before the date of enactment of this Act for upstream drainage improvements and downstream channelization which work the Secretary determines is reasonably compatible with the project. Costs and benefits resulting from such work shall continue to be included for purposes of determining the economic feasibility of the project.

BOGGY CREEK, TEXAS

The project for flood control, Boggy Creek, Austin, Texas: Report of the Chief of Engineers, dated January 19, 1981, at an estimated cost of $13,830,000. The Secretary shall include as part of the non-Federal contribution of the project any work carried out by non-Federal interests on bridges after September 30, 1979, and before the date of enactment of this Act which work the Secretary determines is reasonably compatible with the project. Costs and benefits resulting from such work shall continue to be included for purposes of determining the economic feasibility of the project.

BUFFALO BAYOU AND TRIBUTARIES, TEXAS

The project for flood control, Buffalo Bayou and Tributaries (Upper White Oak Bayou), Texas: Report of the Chief of Engineers, dated June 13, 1978, House Document Numbered 96-182, at an estimated cost of $75,000,000.

LAKE WICHITA, HOLLIDAY CREEK, TEXAS

The project for flood control, Lake Wichita, Holliday Creek, Texas: Report of the Chief of Engineers, dated July 9, 1979, at an estimated cost of $19,500,000. The Secretary shall include as part of the non-Federal contribution of the project any local flood protection work carried out by non-Federal interests after January 1, 1983, and before the date of enactment of this Act which work the Secretary determines is reasonably compatible with the project. Costs and benefits resulting from such work shall continue to be included for purposes of determining the economic feasibility of the project.

LOWER RIO GRANDE, TEXAS

The project for flood control, Lower Rio Grande Basin, Texas: Report of the Board of Engineers for Rivers and Harbors, dated April 29, 1983, at an estimated cost of $120,430,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall study adverse effects of discharges of sediments and pollutants from the project on fish and wildlife. The Secretary is authorized to undertake such measures as he determines necessary and appropriate to minimize such adverse effects and to mitigate the adverse effects of the project on fish and wildlife habitat. Before the acquisition by the Secretary of any interest in real property for the project or the actual construction of the project, the Secretary, after consultation with the Secretary of Agriculture, shall determine that Phases II and III of the project (as set forth in such report) will be undertaken by the Secretary of Agriculture. The Secretary and the Secretary of Agriculture, in consultation with appropriate Federal, State, and local agencies, shall develop an overall mitigation plan for Phases I, II, and III of the project. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a copy of such plan, along with recommendations for additional measures which the Secretary determines to be necessary and appropriate to mitigate the adverse effects of the project on fish and wildlife habitat. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution of the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

SIMS BAYOU, TEXAS

The project for flood control, Sims Bayou, Texas: Report of the Division Engineer, dated March 18, 1983, at an estimated cost of $114,900,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section.

MIDDLE RIO GRANDE, NEW MEXICO

The project for flood control, Middle Rio Grande Flood Protection, Bernalillo to Belen, New Mexico: Report of the Chief of Engineers, dated June 23, 1981, at an estimated cost of $39,850,000. The project shall include the establishment of 75 acres of wetlands for fish and wildlife habitat and the acquisition of 200 acres of land for mitigation of fish and wildlife losses, as recommended by the District Engineer, Albuquerque, District, in his report dated June 13, 1979.

PUERCO RIVER AND TRIBUTARIES, NEW MEXICO

The project for flood control, Puerco River and Tributaries, Gallup, New Mexico: Report of the Chief of Engineers, dated September 4, 1981, at an estimated cost of $3,220,000.

LITTLE COLORADO RIVER, ARIZONA

The project for flood control, Little Colorado River at Holbrook, Arizona: Report of the Chief of Engineers, dated December 23, 1981, at an estimated cost of $7,730,000.

CACHE CREEK BASIN, CALIFORNIA

The project for flood control, Cache Creek Basin, California: Report of the Chief of Engineers, dated April 27, 1981, at an estimated cost of $21,060,000. The Secretary shall reexamine, in consultation with interested Federal and State agencies and affected Indian tribes, the design of the bypass channel with a view to minimizing adverse effects on archeological resources and shall make such changes in the design as he deems necessary and appropriate to minimize such adverse effects.

REDBANK AND FANCHER CREEKS, CALIFORNIA

The project for flood control, Redbank and Fancher Creeks, California: Report of the Chief of Engineers, dated May 7, 1981, at an estimated cost of $57,200,000. The project shall include measures determined appropriate by the Secretary to minimize adverse effects on groundwater and to maximize benefits to groundwater, including ground water recharge.

SANTA ANA RIVER MAINSTEM, CALIFORNIA

The project for flood control, Santa Ana River Mainstem, including Santiago Creek, California: Report of the Chief of Engineers, dated January 15, 1982, at an estimated cost of $1,178,000,000 except that acquisition of any interest in real property for, and the actual construction of, such project shall be restricted to the following elements of the project: improvements at Prado Dam which limit the reservoir taking line to no greater than elevation 566 feet; Santa Ana River channel improvements in Orange County; improvements along Santiago Creek; improvements of the Oak Street drain; improvement of the Mill Creek levees; features for mitigation of project effects on and preservation of endangered species; and recreation features as identified in the report of the Chief of Engineers for these project elements. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for acquisition of any interest in real property for or the actual construction of other elements of the project if such acquisition and actual construction have not been approved by resolution of the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. No acquisition of any interest in real property for or actual construction of other elements of the project shall be undertaken unless such acquisition and actual construction have been agreed to by resolutions of the non-Federal sponsoring agencies.

ALENAIO STREAM, HAWAII

The project for flood control, Alenaio Stream, Hawaii: Report of the Board of Engineers for Rivers and Harbors, dated January 18, 1983, at an estimated cost of $5,600,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section.

AGANA RIVER, GUAM

The project for flood control, Agana River, Guam: Report of the Chief of Engineers, dated March 14, 1977, House Document Numbered 96-16, at an estimated cost of $6,300,000.

LITTLE WOOD RIVER, IDAHO

The project for flood control, Little Wood River, vicinity of Gooding and Shoshone, Idaho: Report of the Chief of Engineers, dated November 2, 1977, House Document Numbered 96-9, at an estimated cost of $3,750,000. After completion of the project, the Secretary shall evaluate and monitor the extent of any fish losses that are attributable to the project and undertake such additional mitigation measures as he determines appropriate.

YAKIMA-UNION GAP, WASHINGTON

The project for flood control, Yakima-Union Gap, Washington: Report of the Chief of Engineers, dated May 7, 1980, at an estimated cost of $8,640,000, including such additional measures as may be recommended by the Secretary in the report transmitted under this paragraph. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall review the probable effects of the project on fish and wildlife resources and the feasibility of including recreation as a project purpose. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such review, along with recommendations for additional measures which the Secretary determines to be necessary and appropriate to mitigate the adverse effects of the project on fish and wildlife habitat.

CHEHALIS RIVER, WASHINGTON

The project for flood control, Chehalis River at South Aberdeen and Cosmopolis, Washington: Report of the Chief of Engineers, dated February 8, 1977, House Document Numbered 96-27, at an estimated cost of $19,300,000. Before beginning the actual construction of the project, the Secretary shall perform additional studies relating to foundation materials in the project area and with regard to dredged spoil disposal sites and make such modifications as he determines appropriate.

CENTRALIA, WASHINGTON

The project for flood control, Centralia-Chehalis Flood Damage Reduction Study, Chehalis River and Tributaries, Washington: Report of the District Engineer, Seattle District, dated December 1982, at an estimated cost of $18,200,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section.

(b) The Secretary is authorized and directed to construct, at full Federal expense, a project for the purposes of flood damage reduction and recreation in the vicinity of Falmouth, Kentucky, at an estimated cost of $189,000,000, and to design and construct, at full Federal expense, such flood control measures at or in the vicinity of Salyersville, Kentucky, on Licking River as the Secretary determines necessary and appropriate to afford the city of Salyersville, Kentucky, and its immediate environs a level of protection against flooding at least sufficient to prevent any future losses to such city from the likelihood of flooding such as occurred in December 1978, at an estimated cost of $7,000,000. With respect to each such project, Congress finds that the benefits determined in accordance with section 209 of the Flood Control Act of 1970 and attributable to the flood measures authorized for such project exceed the cost of such measures.

(c) The Secretary is authorized to construct a project for flood damage prevention in the community of Gold Gulch, near Felton, Santa Cruz County, California, at an estimated cost of $6,000,000. The provisions of section 302 of this title shall apply to such project.

(d)(1)(A) The Secretary is authorized and directed to undertake such structural and nonstructural measures as he deems feasible to prevent flood damage to communities in the Pearl River Basin, St. Tammany Parish, Louisiana, at an estimated cost of $25,000,000.

(B) For purposes of analyzing the costs and benefits of any project recommended by the Secretary as a result of the study entitled Pearl River Basin, Mississippi and Louisiana, the Secretary shall take into account the costs and benefits of measures undertaken pursuant to this paragraph.

(2) The Secretary is authorized and directed to design, construct, and undertake such measures as the Secretary determines are necessary to provide a level of protection sufficient to prevent recurring flood damages along the following rivers:

(A) Amite River, Louisiana;
(B) Comite River, Louisiana;
(C) Tangipahoa River, Louisiana;
(D) Tchefuncte River, Louisiana;
(E) Tickfaw River, Louisiana;
(F) Bogue Chitto River, Louisiana; and
(G) Natalbany River, Louisiana;

at an estimated cost of $25,000,000.

(e) The Secretary is authorized and directed to purchase such land along Highway 75 in Minnesota as may be required for the construction of the International Levee segment of the Emerson, Manitoba, flood control project and to upgrade existing flood control levees in the vicinity of Noyes, Minnesota, at an estimated cost of $200,000.

(f) In the case of any project authorized by subsection (a) of this section for which a final report of the Chief of Engineers has not been completed before the date of enactment of this Act, the Secretary shall, not later than one year after the date of enactment of this Act, transmit a copy of any final environmental impact statement required by section 102(2)(C) of the National Environmental Policy Act of 1969, and any recommendations of the Secretary, with respect to such project to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such Committee.

(g) The Secretary is authorized to undertake flood control works along the lower portion of Calleguas Creek, Conejo Creek to the Pacific Ocean, California, at an estimated cost of $40,000,000. The provisions of section 302 of this title shall apply to such project.

(h) The Secretary is authorized to undertake appropriate local flood control protection measures along the lower portions of Coyote Creek adjacent to and in the vicinity of Alviso, California, and along the Guadalupe River in the vicinity of San Jose, California. The Secretary shall include as part of the non-Federal contribution of the project any local flood protection work carried out by non-Federal interests after January 1, 1983, and before the date of enactment of this Act which work the Secretary determines is reasonably compatible with such measures. Costs and benefits resulting from such work shall continue to be included for purposes of determining the economic feasibility of such measures. The provisions of section 302 of this title shall apply to such project.

(i)(1) The Secretary is authorized and directed to undertake such structural and nonstructural measures as he deems feasible to prevent flood damage to the cities of Monroe and West Monroe, Louisiana, and Ouachita Parish, Louisiana, at an estimated cost of $20,000,000.

(2) For purposes of analyzing the costs and benefits of any project recommended by the Secretary as a result of the study entitled Monroe-West Monroe Interim Study of the Ouachita Basin Study, Ouachita River Basin, Arkansas and Louisiana, the Secretary shall take into account the costs and benefits of measures undertaken pursuant to this subsection.

(j) If any provision in any report designated by subsection (a) of this section recommends that a State contribute in cash 5 per centum of the construction costs allocated to nonvendible project purposes and 10 per centum of the construction costs allocated to vendible project purposes, such provision shall not apply to the project recommended in such report.

SEC. 302. (a)(1) Except as provided in paragraph (2) of this subsection, the non-Federal share of the cost of any project for flood control (A) which is authorized by section 301(a) of this title, or (B) which is authorized by any other law enacted before the date of enactment of this Act and for which a contract for construction has not been entered into before such date of enactment, shall be 25 per centum. For purposes of this section, each element of the project for flood control, Mississippi River and tributaries, shall be considered as a separate project.

(2) If the sum (as determined by the Secretary upon completion of the project) of (A) the value of all lands, easements, and rights-of-way required for a project for flood control to which paragraph (1) applies (other than a nonstructural project), plus (B) the cost of all necessary relocations of utilities, structures, and other improvements for such project is a percentage of the cost of such project which is greater than 25 per centum, the non-Federal share of the cost of such project shall be such percentage, except that in no event shall the non-Federal share determined under this paragraph exceed 30 per centum of the cost of the project.

(b) If the Secretary estimates before the beginning of construction of any project for flood control to which subsection (a) applies that the sum of (1) the value of all lands, easements, and rights-of-way required for such project, plus (2) the cost of all necessary relocations of utilities, structures, and other improvements for such project will be a percentage of the cost of such project which is greater than 30 per centum (or which is greater than 25 per centum in the case of a nonstructural project), the Secretary shall, upon request by the non-Federal interests, acquire such lands, easements, and rights-of-way and make such relocations, except that the aggregate amount of the value of lands, easements, and rights-of-way acquired by the Secretary and the cost of necessary relocations made by the Secretary shall be limited to the amount by which such estimated sum exceeds an amount equal to 30 per centum of the estimated cost of the project (or an amount equal to 25 per centum of the estimated cost of a nonstructural project).

(c) If the Secretary determines after completion of a project for flood control to which subsection (a) applies that the sum of (1) the value of lands, easements, and rights-of-way provided by the non-Federal interests, plus (2) the cost of relocations of utilities, structures, and other improvements made by the non-Federal interests is less than the non-Federal share of the cost of the project, the non-Federal interests shall pay to the Secretary the amount necessary to meet the non-Federal share, plus interest from the date of such determination (as computed under subsection (e)), over a period of fifteen years from the date of such determination or such shorter period as the non-Federal interests may request. If such sum exceeds the non-Federal share of the cost of the project (as so determined), the Secretary shall pay to the non-Federal interests an amount equal to such excess, plus interest from the date of such determination, subject to the general availability of appropriations for that purpose.

(d) After completion of any project to which subsection (a) applies, the Secretary shall transfer, without consideration, to the non-Federal interests any lands, easements, and rights-of-way acquired by the Secretary under subsection (b).

(e) The interest rate used for purposes of computing interest under subsection (c) shall be determined by the Secretary of the Treasury as of the date on which the project is substantially completed and provides the flood protection benefits for which such project is designed, as determined by the Secretary. Such interest rate shall be determined on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations, which are neither due nor callable for redemption for fifteen years from the date of issue.

(f)(1) For purposes of this section, the cost of a project includes, but is not limited to, the value of lands, easements, and rights-of-way, and the cost of relocations of utilities, structures, and other improvements, necessary to carry out the project.

(2) For purposes of this section, the value of lands, easements, and rights-of-way (other than lands, easements, and rights-of-way acquired by purchase for the project by the Secretary for any non-Federal interest) shall be determined by the Secretary as of the date on which actual construction of such project is begun.

(g)(1) For purposes of analyzing the costs and benefits of a proposed project for flood control in any study of such project, the Secretary shall take into account the costs incurred in and the benefits produced by any local flood protection work carried out by non-Federal interests after the later of (A) the first day of the five-year period ending on the date of enactment of this Act, or (B) the first day of the five-year period ending on the date on which funds are first obligated for such study, if the Secretary determines that such work can reasonably be expected to be compatible with the project being considered by the Secretary. This paragraph shall not apply to any study for a project which project is authorized by this Act or any Act enacted before the date of enactment of this Act.

(2) The Secretary shall include as part of the non-Federal contribution of any authorized project for flood control the cost of any local flood protection work which is part of such project and which is carried out by the non-Federal interests after the date of such authorization or after the date of enactment of this Act, whichever is later. With respect to any local flood protection work carried out by non-Federal interests after the first obligation of funds for a study of a project for flood control (but not before the first day of the five-year period ending on the date of enactment of this Act), the Secretary shall recommend in any report submitted to Congress relating to such project that the cost of such work be included as part of the non-Federal contribution of such project if the Secretary determines that such work is reasonably compatible with the proposed project.

SEC. 303. Before construction of any project for local flood protection, the non-Federal interests shall agree to participate in and comply with applicable Federal flood plain management and flood insurance programs.

TITLE IV—SHORELINE PROTECTION

SEC. 401. (a) The following works of improvement for the benefit of shoreline protection are hereby adopted and authorized to be prosecuted by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated in this section, except as otherwise provided, or in accordance with such plans as the Secretary determines are advisable in any case in which there is no report designated.

ROCKAWAY INLET TO NORTON POINT, NEW YORK

The project for shoreline protection, Atlantic Coast of New York City from Rockaway Inlet to Norton Point: Report of the Chief of Engineers, dated August 18, 1976, House Document Numbered 96-23, including beach fill up to 250 feet beyond the historical shoreline as described in the report of the District Engineer, New York District, dated August 1973, at an estimated cost of $9,700,000. The non-Federal share of the cost of construction and nourishment of the additional beach fill shall be 50 per centum.

CAPE MAY INLET TO LOWER TOWNSHIP, NEW JERSEY

The project for shoreline protection, Cape May Inlet to Lower Township, New Jersey: Report of the Chief of Engineers, dated December 23, 1981, including construction of beach erosion mitigation measures from Cape May Inlet to Lehigh Avenue in Cape May Point Borough substantially in accordance with Plan A of the Phase I General Design Memorandum, titled "Cape May Inlet to Lower Township, New Jersey", dated August 1980, at an estimated cost of $40,000,000.

ATLANTIC COAST OF MARYLAND (OCEAN CITY)

The project for shoreline protection, Atlantic Coast of Maryland (Ocean City) and Assateague Island, Virginia: Report of the Chief of Engineers, dated September 29, 1981, at an estimated cost of $20,000,000.

WILLOUGHBY SPIT, VIRGINIA

The project for shoreline protection, Willoughby Spit and Vicinity, Norfolk, Virginia: Report of the District Engineer, Norfolk District, dated January 1983, at an estimated cost of $1,558,600, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section.

WRIGHTSVILLE BEACH, NORTH CAROLINA

The project for shore and hurricane wave protection, Wrightsville Beach, North Carolina: Report of the Board of Engineers for Rivers and Harbors, dated March 23, 1983, at an estimated annual cost of $260,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section.

FOLLY BEACH, SOUTH CAROLINA

The project for shoreline protection, Folly Beach, South Carolina: Report of the Chief of Engineers, dated March 17, 1981, at an estimated cost of $1,107,000.

PANAMA CITY BEACHES, FLORIDA

The project for shoreline protection, Panama City Beaches, Florida: Report of the Chief of Engineers, dated July 8, 1977, House Document Numbered 96-65, at an estimated cost of $26,220,000.

ST. JOHNS COUNTY, FLORIDA

The project for shoreline protection, St. Johns County, Florida: Report of the Chief of Engineers, dated February 26, 1980, at an estimated cost of $7,660,000. To the maximum extent feasible, the Secretary shall construct such project so as to avoid adverse effects on sea turtle nesting.

CHARLOTTE COUNTY, FLORIDA

The project for shoreline protection, Charlotte County, Florida: Report of the Chief of Engineers, dated April 2, 1982, at an estimated cost of $1,440,000. To the maximum extent feasible, the Secretary shall construct such project so as to minimize the harm to marine borrow areas and reefs.

INDIAN RIVER COUNTY, FLORIDA

The project for shoreline protection, Indian River County, Florida: Report of the Chief of Engineers, dated December 21, 1981, at an estimated cost of $2,300,000, except that the non-Federal share of the cost of the Sebastian Inlet State Park segment shall be 30 per centum. To the maximum extent feasible, the Secretary shall construct such project so as to avoid adverse effects on sea turtle nesting.

DADE COUNTY, FLORIDA

The project for shoreline protection, Dade County, north of Haulover Beach Park, Florida: Report of the Board of Engineers for Rivers and Harbors, dated January 19, 1983, at an estimated cost of $3,990,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section. To the maximum extent feasible, the Secretary shall construct the project so as to minimize adverse effects on coral reefs.

MONROE COUNTY, FLORIDA

The project for shoreline protection, Monroe County, Florida: Report of the Division Engineer, dated February 25, 1982, at an estimated cost of $1,650,000, including such modifications as may be recommended by the Secretary in the report transmitted under this paragraph and including such modification as may be recommended by the Secretary with respect to such project under subsection (b) of this section. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall study the effects that construction, operation, and maintenance of the proposed project may have on the seagrass community in the project area. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for modifications in the project which the Secretary determines to be necessary and appropriate to minimize the adverse effects of such construction, operation, and maintenance on such seagrass community. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project unless such acquisition and actual construction have been approved by resolution adopted by each such committee.

PRESQUE ISLE PENINSULA, ERIE, PENNSYLVANIA

The project for shoreline protection, Presque Isle Peninsula, Erie, Pennsylvania: Report of the Chief of Engineers, dated October 2, 1981, at an estimated cost of $18,550,000.

INDIANA SHORELINE, INDIANA

The project for shoreline protection, Indiana Shoreline Erosion, Indiana: Report of the Board of Engineers for Rivers and Harbors, dated January 28, 1983, at an estimated cost of $7,390,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section.

MAUMEE BAY, LAKE ERIE, OHIO

The project for shoreline protection for the southeast shore of Maumee Bay State Park, Ohio: Report of the District Engineer, Buffalo District, dated June 1983, at an estimated cost of $10,396,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section. The requirements of section 221 of the Flood Control Act of 1970 (Public Law 91-611) shall not apply to any agreements between the Federal Government and the State of Ohio for local cooperation as a condition for the construction of such project. The Secretary is authorized to contract with the State of Ohio on the items of local cooperation for such project, which are to be assumed by the State, notwithstanding that the State may elect to make its performance of any obligation contingent upon the State legislature making the necessary appropriations and funds being allocated for the same or subject to the availability of funds on the part of the State.

(b) In the case of any project authorized by subsection (a) of this section for which a final report of the Chief of Engineers has not been completed before the date of enactment of this Act, the Secretary shall, not later than one year after the date of enactment of this Act, transmit a copy of any final environmental impact statement required by section 102(2)(C) of the National Environmental Policy Act of 1969, and any recommendations of the Secretary, with respect to such project to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such Committee.

(c) The Secretary is authorized and directed to design and construct an erosion control structure approximately 8,200 feet in length on the western shore of Tangier Island, Virginia, adequate to protect such island from further erosion, at an estimated cost of $3,500,000. Such project shall be carried out on an emergency basis, in view of the national, historic, and cultural value of the island and in order to protect the Federal investment in public facilities.

(d) The project for shore protection and beach erosion control at Monmouth Beach and Sea Bright, New Jersey, including repair and restoration of the existing seawall, placement of sand and periodic beach nourishment, and construction of new groins and repair of existing groins is hereby authorized to be carried out by the Secretary, at an estimated cost of $23,000,000. Construction and periodic nourishment of the project shall be a Federal responsibility. Prior to initiation of construction of the project, non-Federal interests shall agree to provide public access to the beach for which such project is authorized in accordance with all requirements of State law.

(e) If any provision in any report designated by subsection (a) recommends that a State contribute in cash 5 per centum of the construction costs allocated to non-vendible project purposes and 10 per centum of the construction costs allocated to vendible project purposes, such provision shall not apply to the project recommended in such report.

SEC. 402. (a) The Secretary shall undertake demonstration projects for shoreline erosion control at the following communities in New Jersey: Fort Elsinboro, Sea Breeze, Gandys Beach, Reeds Beach, Pierces Point, and Fortescue.

(b) Such demonstration projects shall be carried out in cooperation with Federal, State, and local agencies, and private organizations.

(c) Such demonstration projects may be carried out on private or public lands except that privately owned lands shall not be acquired under authority of this section. In the case of sites located on private or non-Federal public lands, the demonstration projects shall be undertaken in cooperation with non-Federal interests who shall pay 25 per centum of construction costs at each site and assume operation and maintenance costs upon completion of the project.

(d) The Secretary shall prepare and submit to Congress a report on each site during the fiscal year following completion of construction at that site. Such report shall include an analysis of the technique or techniques used and an evaluation of their functioning to that point.

(e) There is authorized to be appropriated not to exceed $12,500,000 to carry out this section for fiscal years beginning after September 30, 1983.

TITLE V—WATER RESOURCES CONSERVATION AND DEVELOPMENT

SEC. 501. (a) The following works of improvement for water resources development and conservation and for other purposes are hereby adopted and authorized to be prosecuted by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated in this section, except as otherwise provided, or in accordance with such plans as the Secretary determines advisable in any case in which there is no report designated.

NEPONSET RIVER, MILTON TOWN LANDING TO PORT NORFOLK, MASSACHUSETTS

The project for dredging, Neponset River, Milton Town Landing to Port Norfolk, Massachusetts, including the disposal of the dredged material at sea, at an estimated cost of $3,000,000.

BIG RIVER RESERVOIR, RHODE ISLAND

The project for flood control, Big River Reservoir, Rhode Island: Report of the Chief of Engineers, dated March 9, 1983, at an estimated cost of $40,900,000, including the acquisition of such additional lands as the Secretary recommends in the report transmitted under this paragraph. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall reevaluate the acquisition of mitigation lands recommended in the report of the Chief of Engineers for purposes of determining the need for additional lands for mitigation of fish and wildlife losses. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such reevaluation, including a description of any additional lands determined by the Secretary to be necessary and appropriate for mitigation of fish and wildlife losses. No appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee.

OLCOTT HARBOR, NEW YORK

The project for navigation, Olcott Harbor, New York: Report of the Chief of Engineers, dated June 11, 1980, at an estimated cost of $5,780,000. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall conduct additional studies of the effects of the project on fish and wildlife resources. Such studies shall include the development and testing of a physical model of the proposed plan. The Secretary is authorized to undertake any additional measures which he determines necessary and appropriate to minimize any adverse effects of the project on fish and wildlife production and habitat.

HAMPTON ROADS DEBRIS REMOVAL, VIRGINIA

The project for the removal of debris from Hampton Roads and Vicinity, Virginia: Report of the Board of Engineers for Rivers and Harbors, dated January 19, 1983, at an estimated cost of $2,133,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section.

RUDEE INLET, VIRGINIA

The project for navigation and shoreline protection, Rudee Inlet, Virginia Beach, Virginia: Report of the Division Engineer, dated February 4, 1983, at an estimated cost of $1,124,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section.

ATLANTIC INTRACOASTAL WATERWAY BRIDGES, NORTH CAROLINA

The project for replacement of Atlantic Intracoastal Waterway Bridges, North Carolina: Report of the Chief of Engineers, dated October 1, 1975, House Document Numbered 94-597, at an estimated cost of $32,036,000.

RICHARD B. RUSSELL DAM AND LAKE, GEORGIA AND SOUTH CAROLINA

The project for mitigation of fish and wildlife losses at Richard B. Russell Dam and Lake Project, Savannah River, Georgia and South Carolina: Report of the Chief of Engineers, dated May 11, 1982, House Document Numbered 97-244, at an estimated cost of $18,700,000, including utilization for purposes of fish and wildlife habitat mitigation of such Federal lands as may be described by the Secretary in the report transmitted under this paragraph. The Secretary and the State of South Carolina, in consultation with the United States Fish and Wildlife Service, shall identify those Federal lands at Clarks Hill Lake to be utilized for purposes of fish and wildlife habitat mitigation. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report describing the lands so identified. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee.

METROPOLITAN ATLANTA AREA, GEORGIA

The project for water supply, Metropolitan Atlanta Area, Georgia: Report of the Chief of Engineers, dated June 1, 1982, at an estimated cost of $24,500,000, including such additional measures as may be recommended by the Secretary in the report transmitted under this paragraph. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall further evaluate the possible effects of the proposed project on fish and wildlife habitat and related resources. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such evaluation, along with recommendations for additional measures which the Secretary determines to be necessary and appropriate to mitigate the adverse effects of the project on fish and wildlife habitat and related resources. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution of the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

JACKSONVILLE HARBOR (MILL COVE), FLORIDA

The project for navigation, Jacksonville Harbor (Mill Cove), Florida: Report of the Chief of Engineers, dated February 12, 1982, at an estimated cost of $5,700,000, including such modifications as may be recommended by the Secretary in the report transmitted under this paragraph. The Secretary, in consultation with the State of Florida, shall study the adequacy of available dredged material disposal areas for construction, operation, and maintenance of the project. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for modifications in the project which the Secretary determines to be necessary and appropriate to assure that adequate dredged material disposal areas are available for construction, operation, and maintenance of the project. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee. After completion of the project, the Secretary shall monitor and evaluate the effectiveness of the project in reducing shoaling.

YAZOO BACKWATER AREA, MISSISSIPPI

The project for mitigation of fish and wildlife losses at the Yazoo Backwater Project, Mississippi: Report of the Mississippi River Commission, dated December 16, 1982, at an estimated cost of $17,610,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section for additional measures. The project shall include acquisition of 40,000 acres for mitigation of project-induced fish and wildlife losses as recommended in the report of the District Engineer, Vicksburg District, dated July 1982.

GREENVILLE HARBOR, MISSISSIPPI

The project for navigation, Greenville Harbor, Mississippi: Report of the Chief of Engineers, dated November 15, 1977, as amended by the supplemental report of the Chief of Engineers dated February 22, 1982, at an estimated cost of $28,800,000, except that initial construction of the project shall be to the full project dimensions, including a channel width of 500 feet and a depth of 12 feet.

VICKSBURG HARBOR, MISSISSIPPI

The project for navigation, Vicksburg Harbor, Mississippi: Report of the Chief of Engineers, dated August 13, 1979, at an estimated cost of $54,700,000, except that initial construction of the project shall be to the full project dimensions.

MEMPHIS HARBOR, MEMPHIS, TENNESSEE

The project for navigation, Memphis Harbor, Memphis, Tennessee: Report of the Chief of Engineers, dated February 25, 1981, including such modifications as may be recommended by the Secretary in the report transmitted under this paragraph, at an estimated cost of $42,010,000, except that initial construction of the project shall be to the full project dimensions and the project shall include acquisition of such additional lands, but not to exceed 500 acres, for mitigation of losses of bottomland hardwood habitat as may be recommended by the Secretary in such report. The Secretary shall reevaluate, in consultation with the Fish and Wildlife Service, the need for mitigation of project-induced losses of bottomland hardwood habitat. The Secretary, in consultation with the Environmental Protection Agency, shall conduct further studies of the quality of the water in the project area and the need for measures to prevent adverse effects on the quality of the water. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such reevaluation and study, along with recommendations for additional lands which the Secretary determines to be necessary and appropriate to mitigate project-induced losses of bottomland hardwood habitat and for additional measures which the Secretary determines necessary and appropriate to prevent adverse effects on water quality. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such Committee.

LAKE PONTCHARTRAIN NORTH SHORE, LOUISIANA

The project for navigation, Lake Pontchartrain North Shore, Louisiana: Report of the Chief of Engineers, dated February 14, 1979, at an estimated cost of $850,000.

ATCHAFALAYA BASIN, LOUISIANA

The project for flood control, Atchafalaya Basin Floodway System, Louisiana: Report of the Chief of Engineers, dated February 28, 1983, at an estimated cost of $195,000,000.

CABIN CREEK, WEST VIRGINIA

The project for flood damage prevention features, Cabin Creek, West Virginia: Report of the Chief of Engineers, dated March 1, 1979, at an estimated cost of $4,000,000, including channel improvement for 10.5 miles on Cabin Creek, establishment of flood plain management guidelines, and supplemental flood proofing. The construction of such features shall be coordinated with any construction by other Federal agencies of other features described in such report under applicable Federal laws.

OBION CREEK, KENTUCKY

The project for mitigation of fish and wildlife losses, West Kentucky Tributaries Project, Obion Creek, Kentucky: Report of the Chief of Engineers, dated September 16, 1980, at an estimated cost of $4,650,000, except that (1) the Secretary, in consultation with the United States Fish and Wildlife Service, shall acquire and preserve not less than 6,000 nor more than 9,000 acres of woodland for mitigation of project-induced woodland and wetland habitat losses, and (2) the land for mitigation of damages to fish and wildlife shall be acquired as soon as possible from available funds, including the Environmental Protection and Mitigation Fund established by section 1104 of this Act.

MUDDY BOGGY CREEK, PARKER LAKE, OKLAHOMA

The project for flood control and water supply, Parker Lake, Muddy Boggy Creek, Oklahoma: Report of the Chief of Engineers, dated May 30, 1980, at an estimated cost of $40,200,000.

FORT GIBSON LAKE, OKLAHOMA

The project for Fort Gibson Lake, Oklahoma: Report of the Board of Engineers for Rivers and Harbors, dated July 18, 1983, at an estimated cost of $23,200,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section.

HARRY S TRUMAN DAM AND RESERVOIR, MISSOURI

The project for modification of the Harry S Truman Dam and Reservoir Project, Missouri: Report of the Chief of Engineers, dated December 21, 1981, at an estimated cost of $2,000,000. The Secretary, in consultation with the State of Missouri and the United States Fish and Wildlife Service, shall acquire lands, or designate project joint-use lands, for mitigation of fish and wildlife losses in addition to those lands recommended for such purposes by such report; except that the total acreage of all mitigation lands shall not exceed 1,000 acres.

TRIMBLE WILDLIFE AREA, SMITHVILLE LAKE, LITTLE PLATTE RIVER, MISSOURI

The project for replacement of the Trimble Wildlife Area, Smithville Lake, Little Platte River, Missouri: Report of the Chief of Engineers, dated September 22, 1977, House Document Numbered 95-389, at an estimated cost of $7,769,000.

ST. LOUIS HARBOR, MISSOURI AND ILLINOIS

The project for navigation, St. Louis Harbor, Missouri and Illinois: Report of the Board of Engineers for Rivers and Harbors, dated April 6, 1983, at an estimated cost of $10,440,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section, and except that initial construction of the project shall be to the full project dimensions.

MISSOURI RIVER MITIGATION, MISSOURI, KANSAS, IOWA, AND NEBRASKA

The project for mitigation of fish and wildlife losses, Missouri River Bank Stabilization and Navigation Project, Missouri, Kansas, Iowa, and Nebraska: Report of the Board of Engineers for Rivers and Harbors, dated September 30, 1982, at an estimated cost of $48,400,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section for additional mitigation measures. The Secretary shall study the need for additional measures for mitigation of losses of aquatic and terrestrial habitat caused by such project and shall report to Congress, within three years after the date of enactment of this Act, on the results of such study and any recommendations for additional measures needed for mitigation of such losses.

DAVENPORT, IOWA (NAHANT MARSH)

The Davenport, Iowa Local Protection Project—Fish and Wildlife Mitigation Plan: Report of the Chief of Engineers, dated July 9, 1979, at an estimated cost of $387,000.

HELENA HARBOR, PHILLIPS COUNTY, ARKANSAS

The project for navigation, Helena Harbor, Phillips County, Arkansas: Report of the Chief of Engineers, dated October 17, 1980, including such modifications as may be recommended by the Secretary in the report transmitted under this paragraph, at an estimated cost of $37,100,000, except that initial construction of the project shall be to the full project dimensions and the project shall include acquisition of such additional lands as may be recommended by the Secretary in such report. The Secretary, in consultation with the Fish and Wildlife Service, shall evaluate the adequacy of the recommended measures for mitigation of losses of wildlife habitat. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such evaluation, along with recommendations for additional lands which the Secretary determines to be necessary and appropriate to mitigate the adverse effects of the project on fish and wildlife habitat. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such committee.

WHITE RIVER NAVIGATION TO BATESVILLE, ARKANSAS

The project for navigation, White River Navigation to Batesville, Arkansas: Report of the Chief of Engineers, dated December 23, 1981, including such modifications as may be recommended by the Secretary in the report transmitted under this paragraph, at an estimated cost of $22,900,000, except that the project shall include 1,865 acres of habitat mitigation lands. The Federal share of the cost of relocation of any oil, natural gas, or other pipeline, any electric transmission cable or line, any communications cable or line, and facilities related to such pipeline, cable, or line (1) the relocation of which is necessary for construction, operation, and maintenance of the project, and (2) which may only be built or commenced if authorized by the Secretary under section 10 of the Act of March 3, 1899 (30 Stat. 1151; 33 U.S.C. 403), shall be 50 per centum. The non-Federal share of such cost shall be paid by the owner of the facility being relocated. The acquisition of all lands, easements, and rights-of-way necessary for the project, including lands for disposal of dredged material, shall be at full Federal expense. The Secretary, in consultation with the Fish and Wildlife Service, shall evaluate the effect of the project on the Fat Pocketbook Pearly Mussel. The Secretary shall also evaluate, in consultation with the Fish and Wildlife Service, the feasibility of including weirs in tributary areas to benefit aquatic habitat and is authorized to include them as he determines appropriate. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such evaluations, along with recommendations (A) for additional measures which the Secretary determines to be necessary and appropriate to mitigate the adverse effects of the project on the Fat Pocketbook Pearly Mussel, and (B) for weirs in tributary areas which the Secretary determines to be necessary and appropriate to benefit aquatic habitat. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such Committee. Nothing in this paragraph shall be construed to effect the requirements of Public Law 89-669, as amended.

TRINITY RIVER, TEXAS

The project for the mitigation of fish and wildlife losses, Trinity River, Texas: Report of the Board of Engineers for Rivers and Harbors, dated October 4, 1982, at an estimated cost of $9,310,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section for additional mitigation measures.

COOPER LAKE AND CHANNELS, TEXAS

The project for the mitigation of fish and wildlife resource losses, Cooper Lake and Channels, Texas: Report of the Chief of Engineers, dated May 21, 1982, at an estimated cost of $7,570,000.

SACRAMENTO RIVER BANK PROTECTION, CALIFORNIA

The project for mitigation of fish and wildlife losses, Sacramento River Bank Protection Project, California: Report of the Chief of Engineers, dated September 1, 1981, at an estimated cost of $1,867,000.

SWEETWATER RIVER, CALIFORNIA

The project for mitigation of fish and wildlife losses, Sweetwater River channel improvement project, California: Report of the Division Engineer, dated July 15, 1982, at an estimated cost of $3,477,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section for additional mitigation measures.

LAVA FLOW CONTROL, HAWAII

The project for lava flow control, Island of Hawaii: Report of the Chief of Engineers, dated July 21, 1981, at an estimated cost of $3,949,000.

CITY WATERWAY, TACOMA, WASHINGTON

The project for the relocation of the boundaries of the City Waterway, Tacoma Harbor, Washington: Report of the Division Engineer, dated January 28, 1982, at an estimated cost of $5,000. Subsection (b) of this section shall not apply to the project.

MC NARY LOCK AND DAM, WASHINGTON AND OREGON

The project for McNary Lock and Dam, Second Powerhouse, Columbia River, Washington and Oregon, Phase I, General Design Memorandum: Report of the Chief of Engineers, dated June 24, 1981, at an estimated cost of $600,000,000.

BETHEL BANK STABILIZATION, ALASKA

The project for bank stabilization, Bethel, Alaska: Report of the Board of Engineers for Rivers and Harbors, dated January 26, 1983, at an estimated cost of $13,780,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section.

KODIAK HARBOR, ALASKA

The project for navigation, Kodiak Harbor, Alaska: Report of the Chief of Engineers, dated September 7, 1976, Senate Document Numbered 96-6, at an estimated cost of $13,440,000.

ST. PAUL ISLAND, ALASKA

The project for navigation, St. Paul Island Harbor, Alaska: Report of the Board of Engineers for Rivers and Harbors, dated January 24, 1983, at an estimated cost of $11,986,800, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section. The cost sharing for the project shall be determined in accordance with section 105 of this Act.

(b) In the case of any project authorized by this section for which a final report of the Chief of Engineers has not been completed before the date of enactment of this Act, the Secretary shall, not later than one year after the date of enactment of this Act, transmit a copy of any final environmental impact statement required by section 102(2)(C) of the National Environmental Policy Act of 1969, and any recommendations of the Secretary, with respect to such project to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate. Except for funds appropriated to the Environmental Protection and Mitigation Fund pursuant to section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project if such acquisition and actual construction have not been approved by resolution adopted by each such Committee.

(c) If any provision in any report designated by subsection (a) recommends that a State contribute in cash 5 per centum of the construction costs allocated to non-vendible project purposes and 10 per centum of the construction costs allocated to vendible project purposes, such provision shall not apply to the project recommended in such report.

SEC. 502. The Secretary is authorized and directed to undertake a demonstration project for the removal of silt and aquatic growth from Albert Lea Lake, Freeborn County, Minnesota, at full Federal expense and at an estimated cost of $4,270,000. The Secretary shall report to the Administrator of the Environmental Protection Agency the plans for and results of such project together with such recommendations as the Secretary determines necessary to carry out the program for freshwater lakes under section 314 of the Federal Water Pollution Control Act.

SEC. 503. (a) The Secretary shall, after consultation with the advisory committee established under subsection (b), carry out a demonstration project for the development, operation, and maintenance of a recreation and greenbelt area on, and along the Des Moines River, Iowa, between the point at which the Des Moines River is intersected by United States Highway 20 to the point downstream at which relocated United States Highway 92 intersects the Des Moines River. Subject to subsections (b) and (c) of this section, such project shall include, but not be limited to—

(1) the construction, operation, and maintenance of recreational facilities and streambank stabilization structures;

(2) the operation and maintenance of all structures constructed before the date of enactment of this Act (other than any such structure operated and maintained by any person under a permit or agreement with the Secretary) within the area described in the Des Moines Recreational River and Greenbelt Map and on file with the Committee on Public Works and Transportation of the House of Representatives; and

(3) such tree plantings, trails, vegetation, and wildlife protection and development and other activities as will enhance the natural environment for recreational purposes.

(b)(1) The advisory committee referred to in subsection (a) shall be constituted as follows:

(A) five persons shall be appointed by the Governor of Iowa;

(B) two persons shall be appointed by their respective board of supervisors to represent each of Mahaska, Marion, Warren, Jasper, Polk, Dallas, Boone, and Webster Counties;

(C) one person shall be appointed by the mayor of the city of Des Moines and one additional person shall be appointed by the mayor of each other incorporated municipality within whose boundaries a portion of such recreation area lies; and

(D) three employees or officials of the Corps of Engineers shall be appointed by the Secretary.

(2) Each member of the advisory committee shall serve at the pleasures of the authority which appointed such member.

(3) No member of the advisory committee who is not an officer or employee of the United States shall receive compensation on account of his service on the committee or travel expenses or per diem in lieu of subsistence with respect to the performance of services for the committee. Members of such advisory committee who are officers or employees of the United States shall not receive additional compensation on account of their service on the committee.

(4) The advisory committee may elect such officers and spokesmen as it deems appropriate and may appoint such ad hoc committees of interested citizens as it deems appropriate to assist the committee in advising the Secretary.

(c) The construction and maintenance of structures and plant and husbandry activities referred to in subsection (a) of this section shall be conditioned upon the ownership by the United States of the land or interests therein necessary for such purposes.

(d) In carrying out the project described in subsection (a) of this section, the Secretary may acquire by purchase, donation, exchange, or otherwise land and interests therein, as the Secretary determines are necessary to carry out such project. If the Secretary purchases any land or interest therein from any State or local agency, he shall not pay more than the original cost paid by such State or local agency for such land or interest therein. No land or interest therein may be acquired by the United States to carry out such project without the consent of the owner, and nothing herein shall constitute an additional restriction on the use of any land or any interest therein which is not owned by the United States.

(e) Notwithstanding any other provision of law, the Federal share of the project to be carried out pursuant to this section shall be 100 per centum of the cost of the project.

(f) There is authorized to be appropriated to carry out this section $6,000,000, for fiscal years beginning after September 30, 1983.

Sec. 504. The Secretary is authorized to carry out the project for beach erosion control, navigation, and storm protection from Hereford Inlet to the Delaware Bay entrance to the Cape May Canal, New Jersey, substantially in accordance with the report of the Chief of Engineers, dated September 30, 1975, at an estimated cost of $40,000,000. The Secretary may construct the beach erosion control, navigation, or storm protection features of the project separately or in combination with the other such features. The non-Federal share for any such feature which is separately constructed shall be the appropriate non-Federal share for that feature.

Sec. 505. The Secretary is authorized to carry out the project for beach erosion control, navigation, and storm protection from Barnegat Inlet to Longport, New Jersey, substantially in accordance with the report of the Chief of Engineers dated October 24, 1975, at an estimated cost of $35,800,000. The Secretary may construct the beach erosion control, navigation, or storm protection feature of the project separately or in combination with the other such features. The non-Federal share for any such feature which is separately constructed shall be the appropriate non-Federal share for that feature.

Sec. 506. The Secretary shall carry out a demonstration project for the removal of silt, aquatic growth, and other material in Lake George, Hobart, Indiana, and in that part of Deep River upstream of such lake through Lake Station, Indiana, and to construct silt traps or other devices to prevent and abate the deposit of sediment in Lake George and such part of Deep River, at full Federal expense and at an estimated cost of $4,360,000.

Sec. 507. (a) The Secretary is authorized and directed to establish and conduct for a period of five years at multiple sites on the Ohio River and its tributaries a streambank erosion prevention and control demonstration program. The program shall—

(1) identify streambank erosion measures likely to provide the highest degree of protection technically and economically feasible for both high and low flow conditions;

(2) conduct necessary research on the interaction of erodible boundaries with flowing water in order to more accurately predict the behavior and optimum design of protective works;

(3) define and test optimum designs of bed slopes and grade control structures for a wide range of soil and flow conditions;

(4) develop, field test, and evaluate new erosion protection products or methods, including but not limited to earth or rock-filled grids, reinforced earth bulkheads, stabilized mattings for vegetation seeding, and patterned schemes using manufactured blocks in loose, matted, or interconnected configurations;

(5) develop and evaluate engineering techniques to control overbank drainage;

(6) identify and quantify economic losses occurring along the Ohio River and its tributaries due to streambank erosion; and

(7) construct demonstration projects, including bank protection works.

(b) For each demonstration project and streambank measure undertaken under subsection (a) of this section, the Secretary shall evaluate the environmental impacts of such project or measure with respect to both riverine and adjacent land-use values, with the view of minimizing environmental losses.

(c) Demonstration projects authorized by this section shall be undertaken to reflect a variety of geographical and environmental conditions, including naturally occurring erosion problems and erosion caused or incurred by man-made structures or activities. At a minimum, demonstration projects shall be conducted at sites on—

(1) that reach of the Ohio River between the Captain Anthony Meldahl Locks and Dam and the McAlpine Locks and Dam; and

(2) the Licking River.

(d) There is authorized to be appropriated not to exceed $25,000,000 to carry out this section.

(e) The Secretary shall report to Congress each year on work undertaken pursuant to this section.

Sec. 508. The Secretary is authorized to construct, at full Federal expense, an elevated walkway on the Bird Island pier, located at the confluence of the Niagara River and Lake Erie, Buffalo, New York, in order to provide safe pedestrian access and prevent the loss of life, at an estimated cost of $4,500,000.

Sec. 509. The Secretary is authorized and directed to implement at full Federal cost snagging and clearing and channel rectification measures along the Passaic and Pequannock Rivers, New Jersey, from Beatties Dam in Little Falls on the Passaic River upstream to the confluence of the Pequannock River at Two Bridges, along the Pequannock River upstream to Pompton Plains Feeder Dam, and along tributaries of such rivers (including Singac Brook and Weasel Brook), including the modification of such structures, flood proofing, and flood warning measures as determined necessary by the Chief of Engineers, at an estimated cost of $25,000,000. None of the work authorized by this section shall affect the analysis of costs and benefits for projects presently being studied by the Secretary.

Sec. 510. The Secretary is authorized to replace the dike at the Small Boat Harbor, Buffalo Harbor, New York, at an estimated cost of $6,140,000.

Sec. 511. The Secretary is authorized and directed to take such measures as may be necessary to correct erosion problems along the banks of the Red Lake River, Minnesota, approximately one and one-half miles west of Gentilly, Minnesota, adequate to protect the nearby highway and bridge, at an estimated cost $300,000.

Sec. 512. The Secretary is authorized to perform intermittent dredging and such other work as may be required on the Yazoo River in Mississippi, from Greenwood south, to remove natural shoals as they occur, at an annual average cost of $200,000, so as to allow commerce to continue. Responsible local interests shall agree to (1) provide without cost to the United States all lands, easements, and rights-of-way required for dredging and disposal of dredged materials; (2) accomplish without cost to the United States such alterations, relocations, and rearrangement of facilities as required for dredging and disposal of dredged materials; and (3) hold and save the United States free from damages due to the dredging and disposal of dredged materials.

Sec. 513. The Secretary is authorized and directed to undertake a demonstration project for the removal of silt and stumps from Greenwood Lake and Belcher Creek, New Jersey, at full Federal expense and at an estimated cost of $10,000,000. The Secretary shall report to the Administrator of the Environmental Protection Agency the plans for and results of such project together with such recommendations as the Secretary determines necessary to carry out the program for freshwater lakes under section 314 of the Federal Water Pollution Control Act.

Sec. 51[illegible] (a) The Secretary shall take such action as may be necessary to remedy slope failures and erosion problems (1) along the banks of the Coosa River, Alabama, in order to protect the Fort Toulouse National Historic Landmark and Taskigi Indian Mound in Elmore County, Alabama, at an estimated cost of $29,000,000, and (2) along the banks of the Black Warrior River, Alabama, in order to protect the Mound State Monument National Historic Landmark near Moundville, Alabama, at an estimated cost of $4,620,000. Such actions shall be coordinated with the Secretary of the Interior and the State of Alabama.

(b) Prior to initiation of construction of the project authorized by subsection (a), appropriate non-Federal interests shall agree—

(1) to provide without cost to the United States all lands, easements, and rights-of-way necessary for construction and operation of the project;

(2) to hold and save the United States free from damage due to construction, operation, and maintenance of the project, not including damages due to the fault or negligence of the United States or its contractors;

(3) to accomplish without cost to the United States all modifications or relocations of existing sewerage and drainage facilities, buildings, utilities, and highways made necessary by construction of the project; and

(4) to maintain and operate all features of the project after completion, in accordance with regulations prescribed by the Secretary.

Sec. 515. The Secretary is authorized to undertake such measures as may be necessary to maintain the Larkspur Ferry Channel, Larkspur, California, at a depth sufficient for ferry boat service between Marin County and San Francisco, California, at an estimated cost of $500,000.

Sec. 516. The Secretary is authorized to perform dredging in Weeks Bay, Vermilion Bay, and Southwest Pass, Louisiana, to a depth of 13 feet, as necessary to provide a water access route to the Gulf of Mexico from the Port of Iberia Commercial Canal through Weeks Bay, Vermilion Bay, and Southwest Pass, at an estimated cost of $3,000,000.

Sec. 517. The Secretary is authorized to undertake in La Conner, Washington, such bank erosion control measures along the Swinomish Channel as the Secretary determines necessary to prevent damage to structures in the La Conner Historical District, at an estimated cost of $1,177,000.

Sec. 518. The Secretary is authorized to acquire from willing sellers in a timely manner at fair market value 67,000 acres of land for mitigation of wildlife losses resulting from construction and operation of the project for the Tennessee-Tombigbee Waterway, Alabama and Mississippi. Such lands shall be in addition to, and not in lieu of, lands currently owned by the United States in the project area which are designated as wildlife mitigation lands for such project. Of the lands acquired under this section, not less than 20,000 acres shall be acquired in the area of the Mobile-Tensaw River delta, Alabama, and not less than 25,000 acres shall be acquired in the areas of the Pascagoula River, the Pearl River, and the Mississippi River delta, Mississippi. Other lands acquired under this section may be acquired anywhere in the States of Alabama and Mississippi. The Secretary shall select lands to be acquired under this section in consultation with appropriate State and Federal officials. Emphasis shall be placed on acquisition of lands which are predominantly flood plain forest. The States of Alabama and Mississippi shall provide for the management for wildlife purposes of lands acquired under this section and lands currently owned by the United States in the project area which are designated as wildlife mitigation lands for such project. Subject to such amounts as are provided in appropriation Acts, the Secretary shall reimburse such States for such management and initial development costs as specified in a plan for management of mitigation lands to be developed by the Secretary, the United States Fish and Wildlife Service, and the States of Alabama and Mississippi.

SEC. 519. The Secretary is authorized and directed to undertake a demonstration project for the removal of silt and aquatic growth from the southern portion of Sauk Lake in the vicinity of Sauk Centre, Stearns County, Minnesota, at full Federal expense and at an estimated cost of $1,400,000. The Secretary shall report to the Administrator of the Environmental Protection Agency the plans for and results of such project together with such recommendations as the Secretary determines necessary to carry out the program for freshwater lakes under section 314 of the Federal Water Pollution Control Act.

TITLE VI—WATER RESOURCES STUDIES

SEC. 601. The Secretary is authorized and directed to prepare and submit to Congress feasibility reports on the following water resources projects at the following locations:

Illinois River in the vicinity of Hardin, Illinois, to recommend remedial measures for bank stabilization.

Kinnickinnic River, Milwaukee County, Wisconsin, for flood control and allied purposes.

SEC. 602. The Secretary is authorized and directed to undertake the detailed engineering and design for a flood control project at Milton, Pennsylvania, including, but not limited to, final construction plans at a cost not to exceed $2,500,000.

SEC. 603. The Secretary is hereby authorized and directed to make studies in cooperation with the Secretary of the Interior and the governments of Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands for the purposes of providing plans for the development, utilization, and conservation of water and related land resources of such jurisdiction, at an estimated cost of $2,000,000 for each of the four studies. Such studies shall include appropriate consideration of the needs for flood protection, wise use of flood plain lands, navigation facilities, hydroelectric power generation, regional water supply and waste water management facilities systems, general recreation facilities, enhancement and control of water quality, enhancement and conservation of fish and wildlife, and other measures for environmental enhancement, economic and human resources development. Such studies shall be compatible with comprehensive development plans formulated by local planning agencies and other interested Federal agencies.

SEC. 604. (a) The Secretary shall make a study of the possibility of rehabilitating the hydroelectric potential at former industrial sites, millraces, and similar types of facilities already constructed and of the possibility of converting such sites for use as new, small hydroelectric projects. The Secretary shall also provide technical assistance to local public agencies and cooperatives in any such rehabilitation at sites studied or qualified for study under this section.

(b) There is authorized to be appropriated to carry out this section, $5,000,000 per fiscal year for the fiscal years ending September 30, 1984, September 30, 1985, and September 30, 1986.

SEC. 605. (a) The Secretary shall investigate and study the feasibility of utilizing the capabilities of the United States Army Corps of Engineers to conserve fish and wildlife (including their habitats) where such fish and wildlife are indigenous to the United States, its possessions, or its territories. The scope of such study shall include the use of engineering or construction capabilities to create alternative habitats, or to improve, enlarge, develop, or otherwise beneficially modify existing habitats of such fish and wildlife. The study shall be conducted in consultation with the Director of the Fish and Wildlife Service of the Department of the Interior, the Assistant Administrator for Fisheries of the National Oceanic and Atmospheric Administration, and the Administrator of the Environmental Protection Agency, and shall be transmitted, within the 30-month period beginning on the date of enactment of this Act, by the Secretary to Congress, together with the findings, conclusions, and recommendations of the Chief of Engineers. The Secretary, in consultation with the Federal officers referred to in the preceding sentence, shall undertake a continuing review of the matters covered in the study and shall transmit to Congress, on a biennial basis, any revisions to the study that may be required as a result of the review, together with the findings, conclusions, and recommendations of the Chief of Engineers.

(b) The Secretary is further authorized to conduct demonstration projects of alternative or beneficially modified habitats for fish and wildlife, including but not limited to man-made reefs for fish. There is authorized to be appropriated not to exceed $10,000,000 to carry out such demonstration projects. Such projects shall be developed, and their effectiveness evaluated, in consultation with the Director of the Fish and Wildlife Service and the Assistant Administrator for Fisheries of the National Oceanic and Atmospheric Administration. One of such demonstration projects shall be the construction of a reef for fish habitat in Lake Erie in the vicinity of Buffalo, New York.

SEC. 606. The Secretary, in consultation with appropriate Federal, State, and local agencies, is authorized to make a nationwide study and appraisal of the nature and scope of the Nation's flood problems and the effectiveness of existing programs, both structural and nonstructural, in reducing losses from floods, at an estimated cost of $5,000,000, and to report thereon to Congress within three years with recommendations on proposed modifications to existing laws and policies to improve the overall effectiveness of the nationwide efforts to reduce such losses. In the conduct of this study particular attention should be given to flood problems existing in highly developed urban watersheds and their relationships to local storm drainage and pollution control measures.

SEC. 607. Section 142 of the Water Resources Development Act of 1976 (Public Law 94-587) is amended by inserting immediately after "Napa," the following: "San Francisco, Marin,".

SEC. 608. The Secretary, in consultation with appropriate Federal, State, and local agencies, shall determine the extent of shoreline erosion damage in the United States causally related to the regulation of the waters of Lake Superior by the International Joint Commission—United States and Canada, in response to an emergency application by the United States made on January 26, 1973. The Secretary shall report to Congress, not later than the end of the fiscal year following the fiscal year for which the initial appropriation is made to carry out this section, the results of such survey, together with recommendations of a methodology for, and a determination of, the costs of indemnifying individual shoreline property owners, and a recommended schedule for such indemnification. There is authorized to be appropriated to carry out this section not to exceed $2,130,000.

SEC. 609. The Secretary shall study the feasibility of requiring, in the interest of safety, each boat loading facility which is or has been built only after authorization by the Secretary under section 10 of the Act of March 3, 1899 (30 Stat. 1151; 33 U.S.C. 403), to display sufficient lighting from sunset to sunrise to make such facility's presence known within a reasonable distance. The Secretary shall transmit a report of such study, including recommendations to the Congress not later than September 30, 1984.

SEC. 610. (a) Not later than two years after the date of enactment of this Act, the Secretary shall prepare and submit to Congress an estimate of the long-range capital investment needs for water resources programs under the jurisdiction of the Secretary, including, but not limited to, deep-draft ports, inland waterway transportation, flood control, municipal and industrial water supply, and hydroelectric power and recreation and fish and wildlife conservation and enhancement associated with such programs.

(b) The estimate prepared under this section shall include, but not be limited to—

(1) an estimate of the current service levels of public capital investments and alternative high and low levels of such investments over a period of ten years in current dollars and over a period of five years in constant dollars;

(2) capital investment needs in each major program area over a period of ten years;

(3) an identification and analysis of the principal policy issues that affect estimated capital investment needs;

(4) an identification and analysis of factors that affect estimated capital investment needs including but not limited to the following factors:

(A) economic assumptions;

(B) engineering standards;

(C) estimates of spending for operation and maintenance;

(D) estimates of expenditures for similar investments by State and local governments;

(E) estimates of demand and need for public services derived from such capital investments and estimates of the service capacity of such investments; and

(F) the effects of delays in planning and implementation of water resources projects on the capital investment costs of water resources programs, including increased costs associated with interest rates and inflation; and

(5) a description of the economic, social, and environmental benefits realized from past investments and expected to be realized from future investments, including the protection of life and property.

SEC. 611. The Secretary is directed to expedite completion of the study of New York Harbor and Adjacent Channels, New York and New Jersey, authorized by a resolution of the Committee on Environment and Public Works of the Senate, dated December 15, 1980, and to submit a report to Congress on the results of such study not later than October 1, 1985.

SEC. 612. The Secretary is authorized to study the feasibility of identifying the amounts, types, and locations of flood control benefits produced by reservoir projects and of requiring non-Federal participation in such projects in proportion to the benefits received from such projects. The Secretary shall transmit a report on the results of such study together with recommendations to Congress not later than two years after the date of enactment of this Act.

SEC. 613. (a) The Secretary shall study and monitor the extent and adverse environmental effects of dioxin contamination in the Passaic River-Newark Bay navigation system.

(b) Not later than one year after the date of enactment of this Act, the Secretary shall transmit a report on the results of such study and monitoring along with any recommendations of the Secretary concerning methods of reducing the effects of such contamination to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives.

SEC. 614. Not later than one year after the date of enactment of this Act, the Secretary shall submit to Congress a list of water resources studies which have been authorized before the date of enactment of this Act and for which no report has been transmitted to the Congress. For each such study the Secretary shall include the following information:

(1) the date of authorization and the manner in which the study was authorized;

(2) a description of the purposes of the study;

(3) a description of funding that has been made available for the study;

(4) a description of any work that has been performed in carrying out the study; and

(5) a description of any work that remains to be done in carrying out the study and the time necessary for and estimated cost of completing such work.

For each such study the Secretary shall make a recommendation as to whether the study should continue to be authorized.

SEC. 615. (a) The Secretary shall prepare and submit the annual report required by section 8 of the Act of August 11, 1888, in two volumes. Volume I shall consist of a summary and highlights of Corps of Engineers' activities, authorities and accomplishments. Volume II shall consist of detailed information and field reports on Corps of Engineers' activities.

(b) The Secretary shall prepare biennially for public information a report for each State containing a description of each water resources project under the jurisdiction of the Secretary in such State and the status of each such project. The report for each State shall be prepared in a separate volume.

SEC. 616. The Secretary is authorized and directed to undertake a study of the feasibility of navigation improvements at Saginaw Bay and Saginaw River, Michigan, including channel widening and deepening. The Secretary shall submit the feasibility report on such study to the Congress not later than September 30, 1985.

SEC. 617. The Secretary is authorized to study the feasibility of constructing shoreline erosion mitigation measures along the Rancho Palos Verdes coastline, California, for the purpose of providing additional stabilization for the Portuguese Bend landslide area. The Secretary shall submit the feasibility report on such study to the Congress not later than two years after the date of enactment of this Act.

SEC. 618. The Secretary is directed to expedite completion of the study of the navigation project for Sunset Harbor, California, at an estimated cost of $820,000, and to submit a report to the Congress on the results of such study not later than October 1, 1984. The study shall include a determination of the feasibility of recovery of Federal project costs through Federal participation in the local economic benefits created by the construction and operation of the project.

SEC. 619. In order to determine the advisability of specific measures to diminish shoreline erosion, marsh deterioration, salt water intrusion, hurricane vulnerability, and barrier island destruction and to carry out reasonable planning efforts that require suitable sediment for nourishment, the Secretary is authorized to conduct a nearshore sediment inventory to determine availability of suitable sediment in the offshore waters of Louisiana between Southwest Pass and Sabine Pass and in Lake Pontchartrain and in Lake Borgne, at a cost not to exceed $2,000,000.

TITLE VII—PROJECT MODIFICATIONS

SEC. 701. The navigation project for Lynnhaven Inlet, Bay, and connecting waters, Virginia, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1173, 1174) is hereby modified to provide that the United States shall pay for the remedial work to Long Creek Canal which the city of Virginia Beach, Virginia, was required to carry out as a result of such navigation project, at a cost not to exceed $1,660,000.

SEC. 702. The project for navigation on the Southern Branch of Elizabeth River, Virginia, authorized by resolutions of the Senate and House Public Works Committees, dated October 1, 1976, and September 23, 1976, respectively, under the provisions of section 201 of Public Law 89-298, is hereby modified to delete the requirement that local interests contribute in cash for land enhancement benefits 2.4 per centum of the construction cost, including engineering and design and supervision and administration thereof, of all work to be provided by the Corps of Engineers.

SEC. 703. The general comprehensive plan for flood control and other purposes in the Ohio River Basin authorized by the Flood Control Act approved June 28, 1938, is hereby modified to authorize the Secretary to reconstruct and repair the Cherry Street bridge and the Walnut Street bridge, Massillon, Ohio, at an estimated cost of $2,100,000. Non-Federal interests shall own, operate, and, upon completion of the work authorized by this section, maintain such bridges in accordance with the requirements of the Flood Control Act approved June 28, 1938.

SEC. 704. The navigation project at Mamaroneck Harbor, New York, authorized by the first section of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved September 22, 1922 (42 Stat. 1038), the first section of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved August 30, 1935 (49 Stat. 1029), and section 101 of the Rivers and Harbors Act of 1960 (74 Stat. 480) is hereby modified to provide that the Federal share of the additional cost of disposing in ocean waters dredged material resulting from dredging necessary to maintain the project, above the cost of disposing of such dredged material on land, shall be 80 per centum.

SEC. 705. The hurricane-flood protection project for Lake Pontchartrain, Louisiana, authorized by section 204 of the Flood Control Act of 1965 (Public Law 89-298) is hereby modified to provide that the Secretary is authorized to construct features, such as a flood wall with sluice gates or other means, at an estimated cost of $3,500,000, to insure that, by the most economical means, the level of protection within Jefferson Parish provided by the hurricane-flood protection project will be unimpaired as the result of any pumping station constructed by local interests. Requirements for non-Federal cooperation for the additional work authorized by this section shall be on the same basis as levee improvements for hurricane-flood protection on this project.

SEC. 706. The project for Reelfoot Lake, Lake numbered 9, Kentucky, authorized by resolution of the Committee on Public Works of the Senate adopted December 17, 1970, and resolution of the Committee on Public Works of the House of Representatives adopted December 15, 1970, under section 201 of the Flood Control Act of 1965 (Public Law 89-298), is hereby modified to provide that operation of the pumping plant feature of such project shall be the responsibility of the United States.

SEC. 707. The Yaquina Bay and Harbor project, Oregon, authorized by the River and Harbor Act approved March 2, 1919, is modified to authorize the Secretary to raise the south jetty to protect vehicular access which was provided at non-Federal cost and to protect public use areas on accreted land adjacent to the south jetty, from damaging effects of overtopping of the jetty, on condition that local interests provide the necessary lands, easements, and rights-of-way for such modification. The estimated Federal construction cost of this modification is $2,200,000.

SEC. 708. The project for flood control and other purposes on the South Platte River Basin in Colorado, authorized by the Flood Control Act of 1950 (64 Stat. 175) is hereby modified to authorize the Secretary, upon request of and in coordination with the Colorado Department of Natural Resources and upon the Chief of Engineers' finding of feasibility and economic justification, to reassign a portion of the storage space in the Chatfield Lake project to joint flood control-conservation purposes, including storage for municipal and industrial water supply, agriculture, and recreation and fishery habitat protection and enhancement. Appropriate non-Federal interests shall agree to repay the cost allocated to such storage in accordance with the provisions of the Water Supply Act of 1958, the Federal Water Project Recreation Act, and such other Federal laws as the Chief of Engineers determines appropriate.

Sec. 709. The project for flood protection on the Sacramento River, California, authorized by the Flood Control Act approved March 1, 1917, as amended, is hereby further modified to authorize the Secretary to construct bank protection works along the reach of the Sacramento River and its tributaries from Red Bluff to Shasta Dam, and from Chico Landing downstream along each bank to the head of the Sacramento River flood control project levees, subject to the same requirements of non-Federal cooperation applicable to other similar elements of the project, and to include mitigation of fish and wildlife losses induced by the project. The evaluation and justification of the project shall be based on the overall benefits and costs of all project elements. In addition to previous authorizations, there is hereby authorized to be appropriated the sum of $25,000,000 to carry out the purposes of this section.

Sec. 710. The project for King Harbor, Redondo Beach, California, authorized in the River and Harbor Act of 1950, is hereby modified to provide that all costs of the dredging and maintenance of such project shall be borne by the United States and that the Secretary shall restore the breakwaters to a height of 22 feet and maintain the breakwaters at such height. The Secretary is authorized to study the need for and feasibility of raising the breakwater to a height greater than 22 feet. Not later than two years after the date of enactment of this Act, the Secretary shall make a report of such study with recommendations to the Congress.

Sec. 711. The plan for the harbor improvement at Honolulu Harbor, Oahu, Hawaii, authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1092) is hereby modified to delete the requirement that local interests contribute in cash, prior to initiation of construction, a lump sum amounting to 2.6 per centum of the estimated first cost of the general navigation facilities for the project, ascribed to land enhancement through disposition of dredged material.

Sec. 712. The navigation project for Santa Cruz Harbor, Santa Cruz, California, authorized in section 101 of the River and Harbor Act of 1958 (Public Law 85-500) is hereby modified to provide that 100 per centum of the cost of operating and maintaining the sand bypassing facility authorized as part of such project shall be paid by the United States. In addition, such project is further modified to authorize the Secretary to undertake such maintenance dredging outside the boundaries of the authorized project as may be necessary to prevent or mitigate shoaling, surge, and related problems in the harbor.

Sec. 713. The project for the mouth of the Colorado River, Texas, authorized by the River and Harbor Act of 1968, is hereby modified to provide that the diversion channel authorized as a part of such project to divert Colorado River flows into Matagorda Bay shall be constructed and maintained entirely at Federal expense and for the purpose of fish and wildlife enhancement, at an estimated additional construction cost of $425,000. The benefits attributable to the diversion channel shall be deemed to at least equal its costs.

Sec. 714. The project for the town of Niobrara, Nebraska, authorized by section 213 of the Flood Control Act of 1970 (84 Stat. 1824, 1829) is hereby modified to authorize and direct the Secretary to relocate existing Nebraska Highway Numbered 12 through the relocated town of Niobrara, Nebraska, with necessary connections to Nebraska Highway Numbered 14, at an estimated cost of $1,600,000.

Sec. 715. The comprehensive plan for the development of the water resources of the Alabama-Coosa River and tributaries, authorized by section 2 of the River and Harbor Act approved March 2, 1945 (59 Stat. 10), as modified by Public Law 83-436, approved June 29, 1954 (68 Stat. 302), is further modified as follows: the plan for the Coosa River segment of the waterway between Montgomery and Gadsden, Alabama, is hereby modified generally in accordance with the plans contained in the report of the District Engineer, Mobile District, entitled "Montgomery to Gadsden, Coosa River Channel, Alabama, Design Memorandum No. 1, General Design", dated May 1982, subject to such modification thereof from time to time as the Secretary may deem advisable. The interest rate to be used in determining benefits and costs of the modified project shall continue to be that rate which is applicable to the project as originally authorized.

Sec. 716. (a) The LaFarge Dam project for flood control and allied purposes for the Kickapoo River, Wisconsin, authorized by the Flood Control Act of 1962, is hereby modified to authorize and direct the Secretary to construct as soon as possible and with available funds, the flood control levee, channel improvement, and interior drainage facilities for Gays Mills, Wisconsin, substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 450, Eighty-seventh Congress, at an estimated cost of $4,000,000. The project features authorized by this section may be funded under section 205 of the Flood Control Act of 1948, as amended. Benefits and costs resulting from construction of such project features shall continue to be included for purposes of determining the economic feasibility of completing the partially constructed LaFarge Dam.

(b) The Secretary is authorized and directed to complete as soon as possible a reconnaissance study under section 205 of the Flood Control Act of 1948 with respect to such structural and nonstructural measures as the Secretary determines are necessary and appropriate to prevent flood damage in the vicinity of Viola, Wisconsin.

Sec. 717. The project for flood control in East Saint Louis and vicinity, Illinois, authorized by section 204 of the Flood Control Act of 1965, is hereby modified to authorize the Secretary to provide drainage channels in conjunction with the pumping plant to improve project effectiveness and the local environment, substantially in accordance with the report of the District Engineer, Saint Louis district, entitled "Reevaluation Report, Bluewaters Ditch area", dated September 1976, at an estimated additional cost of $1,130,000.

Sec. 718. The project for flood protection at Winona, Minnesota, authorized under the provisions of section 201 of the Flood Control Act of 1965, is hereby modified to provide that changes to two bridges within the limits of the city of Winona, Minnesota, made necessary by the project and its present plan of protection, shall be accomplished entirely at Federal expense, at an estimated cost of $630,000.

Sec. 719. The project for flood control, Wenatchee, Washington, Canyons 1 and 2, authorized by resolution of the Committees on Public Works of the House of Representatives and Senate on December 15 and 17, 1970, respectively, is hereby modified, notwithstanding any other provision of law (including section 302 of this Act), to authorize the Secretary to acquire lands, easements, and rights-of-way and to make relocations for such project on condition that local interests enter into a legally binding agreement before construction to reimburse the United States for the non-Federal share of the cost of such project, including interest on the unpaid balance, in not more than fifty equal annual installments. The non-Federal share of the cost of such project shall be determined under such section 302. The rate of interest on the unpaid balance shall be that specified in section 301(b) of the Water Supply Act of 1958 (Public Law 85-500).

Sec. 720. The project for replacement of locks and dam 26, Mississippi River, Alton, Illinois and Missouri, authorized by section 102 of the Act of October 21, 1978 (Public Law 95-502), is modified to provide for the repair of the Red School House County Road, St. Charles County, Missouri, to such standard as the Secretary determines reasonable, but in no event to a standard less than the minimum standard required by such county.

Sec. 721. (a) Subsection (a) of section 66 of the Water Resources Development Act of 1974 (Public Law 93-251) is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and thereafter to maintain such channel free of such trees, roots, silt, debris, and objects.".

(b) Subsection (b) of section 66 of the Water Resources Development Act of 1974 (Public Law 93-251) is amended by adding at end thereof the following new sentence: "Non-Federal interests shall pay 25 per centum of the cost of maintaining the channel free of such trees, roots, silt, debris, and objects.".

Sec. 722. Subsection (a) of section 92 of the Water Resources Development Act of 1974 (Public Law 93-251) is amended—

(1) by inserting "(1)" immediately after "(a)";

(2) in the third sentence thereof, by striking out "Each installment" and inserting in lieu thereof "Except as provided in paragraph (2) of this subsection, each installment"; and

(3) by adding at the end thereof the following new paragraph:

"(2) The Secretary of the Army, acting through the Chief of Engineers, shall, upon the request of Saint Bernard Parish, Louisiana, modify the agreement entered into between the Secretary and Saint Bernard Parish pursuant to this section so that each installment to be paid by Saint Bernard Parish as its part of the non-Federal share of the cost of the hurricane-flood protection project on Lake Pontchartrain, Louisiana, shall be one-fiftieth of the remaining unpaid balance as set forth in such agreement plus interest on such balance, and the total of such installments shall be sufficient to achieve full payment of such balance plus interest, within fifty years of the initiation of project construction.".

Sec. 723. The second sentence of subsection (b) of section 116 of the River and Harbor Act of 1970 (84 Stat. 1822) is amended to read as follows: "The Secretary of the Army, acting through the Chief of Engineers, shall, before beginning any operation to maintain the channel authorized by this section, enter into a separate agreement with the appropriate non-Federal interests which is applicable only to that operation and which requires such non-Federal interests to pay 25 per centum of the cost of such maintenance operation.".

Sec. 724. The second paragraph under the center heading "Brazos River Basin" in section 10 of the Flood Control Act of 1946 (60 Stat. 649), is amended by inserting "or water supply" after "irrigation".

Sec. 725. The project for navigation at Houston Ship Channel (Greens Bayou), Texas, authorized under section 301 of the River and Harbor Act of 1965 (79 Stat. 1091) is hereby modified to authorize and direct the Secretary to perform such dredging operations as are necessary to maintain a forty-foot project depth in that section of Greens Bayou from mile 0 to mile 0.34 as described in House Document Numbered 257, Eighty-ninth Congress.

Sec. 726. The Secretary is authorized to modify any water resources development project for mitigation of damages to fish and wildlife if the estimated cost of such modification does not exceed 10 per centum of the estimated total cost of such project or $7,500,000, whichever is the lesser. No appropriation shall be made for any such modification of a project if such modification has not been approved by resolutions adopted by the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives. For the purpose of securing consideration of such approval, the Secretary shall transmit to Congress a report of such modification, including all relevant data and all costs.

Sec. 727. (a) Bank protection activities conducted under the Rio Grande bank protection project pursuant to the First Deficiency Appropriation Act, 1945, approved April 25, 1945 (59 Stat. 89), may be undertaken in Starr County, Texas, notwithstanding any provision of such Act establishing the counties in which such bank protection activities may be undertaken, at an estimated cost of $700,000.

(b) Any bank protection activity undertaken in Starr County, Texas, pursuant to subsection (a) of this section shall be—

(1) in accordance with such specifications as may be prepared for such purpose by the International Boundary and Water Commission, United States and Mexico; and

(2) except as provided in subsection (a), subject to the terms and conditions generally applicable to activities conducted under the Rio Grande bank protection project.

Sec. 728. The project for the Anacostia River and tributaries, District of Columbia and Maryland, approved under authority of section 205 of the Flood Control Act of 1948, is hereby modified to authorize the Secretary to prevent damage to the project caused by the one hundred-year flood, including, but not limited to, replacing riprap, removing sediment deposits, shaping and sodding slopes, and seeding, at an estimated cost of $4,400,000.

Sec. 729. The Richard B. Russell Dam and Lake Project, authorized by the Flood Control Act of 1966 (80 Stat. 1420), is hereby modified to authorize the Secretary to provide such power to the city of Abbeville, South Carolina, as the Secretary determines to be necessary to mitigate the reduction in hydroelectric power produced at the city-owned hydroelectric plant at Lake Secession caused by the construction and operation of such project. Such power shall be provided to the city of Abbeville for a period not to exceed the remaining service life of such hydroelectric plant as part of the operational requirements and costs of the project, under such terms and conditions as the Secretary determines to be appropriate.

Sec. 730. The navigation project for Yazoo River, Mississippi, authorized by the River and Harbor Act of 1968, is hereby modified to provide that the cost of the alteration of the Shepardstown Bridge (mile 147.8) shall be entirely borne by the United States, at an estimated cost of $3,600,000.

Sec. 731. The project for flood control on Corte Madera Creek, Marin County, California, authorized by section 201 of the Flood Control Act of 1962 is hereby modified to authorize and direct the Secretary to construct the project for unit 4, from the vicinity of Lagunitas Road Bridge to Sir Francis Drake Boulevard, substantially in accordance with the plan, dated February 1977, on file in the office of the San Francisco district engineer. The plan is hereby further modified to authorize and direct the Secretary to construct such flood proofing measures as may be necessary to individual properties and other necessary structural measures in the vicinity of Lagunitas Road Bridge to insure the proper functioning of the completed portions of the authorized project. The non-Federal share of the costs of such measures shall be in accordance with the cost-sharing provisions contained in section 73(b) of the Water Resources Development Act of 1974. The project is hereby further modified to eliminate any channel modifications upstream of Sir Francis Drake Boulevard.

Sec. 732. The project for improvement of the Mississippi River below Cape Girardeau with respect to the Teche-Vermilion Basins, Louisiana, authorized in the Flood Control Act of 1966, is hereby modified to require the Secretary to relocate at Federal expense the Highway 71 bridge required to be relocated by this project or, at his discretion, to reimburse local interests for such relocation carried out by them at an estimated cost of $1,200,000.

Sec. 733. The Granger Dam project, San Gabriel River, Texas, is modified to require the Secretary to elevate, relocate, or make such other changes as may be necessary to insure that county roads numbered 361 and 428, including bridges, Williamson County, Texas, be upgraded to conform to the same standards as relocated FM Road numbered 971 at a cost not to exceed $3,800,000. The work authorized by this section shall not be commenced until appropriate non-Federal interests agree to furnish without cost to the United States lands, easements, and rights-of-way necessary for the work, to hold and save the United States free from damages due to the work, and to accept all such work thereafter for operation and maintenance.

Sec. 734. The project for Lewisville Lake, Texas, authorized by the River and Harbor Act approved March 2, 1945, is hereby modified to authorize and direct the Secretary to take such actions as may be necessary to insure that approximately four thousand feet, including bridges and approaches, of the road crossing Cottonwood Branch of Lewisville Lake, Texas, formerly designated State Highway 24T, will be above elevation five hundred and thirty-two feet above mean sea level, at an estimated cost of $3,200,000. Prior to the undertaking of the work authorized by this section, appropriate non-Federal interests shall agree to furnish without cost to the United States lands, easements, and rights-of-way necessary for the work, to hold and save the United States free from damages due to the work and to accept all such work thereafter for operation and maintenance.

Sec. 735. The project for Dardanelle lock and dam, Arkansas, authorized by the River and Harbor Act approved July 24, 1946, is hereby modified to authorize and direct the Secretary to take such action as may be necessary to replace the existing bridge across Cane Creek, Logan County, Arkansas, with a new bridge at an estimated cost of $1,800,000. Prior to the undertaking of the work authorized by this section, appropriate non-Federal interests shall agree to furnish without cost to the United States lands, easements, and rights-of-way necessary for the work, to hold and save the United States free from damages due to the work, and to accept all such work thereafter for operation and maintenance and no other requirements shall be imposed on non-Federal interests in connection with this work.

Sec. 736. The project for flood protection on the Susquehanna River at Sunbury, Pennsylvania, authorized by the Flood Control Act of 1936, as modified by the Flood Control Act of 1941, is hereby modified to authorize and direct the Secretary to permanently seal the closure structure at the abandoned Reading Railroad site, at an estimated cost of $75,000.

Sec. 737. The project for the Hudson River, New York; New York City to Waterford authorized by the Act of June 25, 1910 (Public Law 318, Sixty-first Congress), as amended, is modified to authorize the Secretary to remove shoals between the mouth of Roeliff Jansen Kill, Columbia County, New York, and the present navigation channel and to place such removed material at an appropriate site designated by the State of New York, at an estimated cost of $150,000.

Sec. 738. The flood control project for the San Lorenzo River, Santa Cruz County, California, authorized by the Flood Control Act of 1954, is hereby modified to authorize and direct the Secretary to dredge the San Lorenzo River to provide flood protection to Santa Cruz, California, and surrounding areas, entirely at Federal expense, at an estimated cost of $3,500,000. No dredging of such river (other than that authorized by the preceding sentence) shall be accomplished by the Secretary, except as provided in a law enacted after the date of enactment of this Act.

Sec. 739. The project for flood protection along the Sacramento River and its tributaries, California, authorized by the Flood Control Act of 1917, as amended, is hereby modified to authorize and direct the Secretary to accomplish remedial construction necessary to restore the project flood control levees along the Colusa Trough Drainage Canal and the Knights Landing Ridge Cut, at an estimated cost of $10,400,000.

Sec. 740. The project for New Melones Dam and Reservoir, California, authorized by the Flood Control Act of 1962 is hereby modified to authorize the following roads to be upgraded to Federal-aid secondary system standards: (1) 5.1 miles of the Parrotts Ferry Road, from north of the Parrotts Ferry Bridge to State Route 4 at Vallecito, Calaveras County, California, and (2) 5.4 miles of Parrotts Ferry Road from south of the Parrotts Ferry Bridge to State Route 49 near Sonora, Tuolumne County, California, at an estimated Federal cost of $15,000,000. The cost of the work authorized by this section shall be paid entirely by the United States.

SEC. 741. After the date of the enactment of this section, the Secretary of the Army shall have all of the authority which the Secretary of the Air Force has immediately prior to such date over the Trilby Wash Detention Basin (McMicken Dam) and Outlet Channel, Maricopa County, Gila River Basin, Arizona. The Secretary is authorized to take necessary remedial measures to assure structural integrity and flood control capacity of the Trilby Wash Detention Basin (McMicken Dam) and Outlet Channel, Maricopa County, Gila River Basin, Arizona, constructed under authority of section 304 of Public Law 209 of the Eighty-third Congress, at an estimated cost of $7,500,000.

SEC. 742. The Secretary is authorized to acquire real property by condemnation, purchase, donation, exchange, or otherwise, as a part of any water resources development project for use for public park and recreation purposes, including but not limited to, real property not contiguous to the principal part of the project.

SEC. 743. The following water resources development projects are modified to authorize the Secretary to construct the beach erosion control, storm protection, or navigation feature of the project separately or in combination with the other such features:

(1) Great Egg Harbor Inlet and Peck Beach, New Jersey, authorized in accordance with section 201 of the Flood Control Act of 1965 (79 Stat. 1073, 1074).

(2) Corson Inlet and Ludlam Beach, New Jersey, authorized in accordance with section 201 of the Flood Control Act of 1965.

(3) Townsend Inlet and Seven Mile Beach, New Jersey, authorized in accordance with section 201 of the Flood Control Act of 1965.

The non-Federal share for any such feature which is separately constructed shall be the appropriate non-Federal share for that feature.

SEC. 744. The project for the Apalachicola-Chattahoochee-Flint Rivers, Georgia and Florida, authorized in section 2 of the River and Harbor Act of 1945 (Public Law 79-14; 59 Stat. 10) is hereby modified to authorize the Secretary—

(1) in the course of routine maintenance dredging, to restore and maintain access (in the interest of navigation and ecological restoration) to bendways and interconnecting waterways, including the upper and lower inlets to Poloway cutoff, isolated during construction and maintenance activities by the Federal Government; and

(2) to acquire lands for and to construct, operate, and maintain water-related public use and access facilities along and adjacent to the Apalachicola River downstream of Jim Woodruff lock and dam to Apalachicola, Florida, except that the Secretary shall proceed with the acquisition of lands for the construction of water-related public use and access facilities and the operation and maintenance of such facilities at not more than one area within each county bordering the Apalachicola River.

The Federal and non-Federal share of activities authorized by paragraph (2) of this subsection shall be determined in accordance with the provisions of the Federal Water Project Recreation Act of 1965 (Public Law 89-72; 79 Stat. 213).

SEC. 745. In order to assure adequate flood protection for developed areas in the vicinity of the Cowlitz and Toutle Rivers, Washington, and to improve navigation in the Columbia River, the navigation project on the Cowlitz River, Washington, authorized by the first section of the Act entitled "An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved June 25, 1910 (36 Stat. 665), is hereby modified to authorize the Secretary to implement and maintain interim flood control measures on the Cowlitz and Toutle Rivers by dredging or other means determined by the Secretary to be necessary to assure flood protection for developed areas in the vicinity of such rivers against a one-hundred-year flood on the lower Cowlitz River and to reduce sedimentation flow and the chance of blockage on the Columbia River.

SEC. 746. The project on Milk River for local flood protection at Havre, Montana, authorized by section 10 of the Flood Control Act approved December 22, 1944 (58 Stat. 897), is hereby modified to authorize the Secretary to reconstruct or replace, whichever the Chief of Engineers determines necessary and appropriate, the water supply intake weir of the city of Havre, Montana, at an estimated cost of $1,400,000.

SEC. 747. The Lower Granite lock and dam feature of the project for navigation, Snake River, Oregon, Washington, and Idaho, authorized by the first section of the River and Harbor Act approved March 2, 1945 (59 Stat. 21), is hereby modified to authorize the Secretary to construct an all-weather surface road in Whitman County, Washington, from Whitman County Road 9000 in Wawawai Canyon to Lower Granite Dam and the Port of Almota, at an estimated cost of $7,870,000.

SEC. 748. The project for Curwensville Lake, Pennsylvania, authorized by the Flood Control Act of 1954 is hereby modified to authorize the Secretary to construct, at full Federal expense, a water line with pumps from the Pike Township Water Authority to the Bloomington holding tank in order to provide water for municipal use to the town of Bloomington, Pennsylvania, at an estimated cost of $300,000.

SEC. 749. The project for flood protection, Waterloo, Iowa, authorized by section 204 of the Flood Control Act of 1965 is hereby modified to provide that the reconstruction of the bridge on United States Highway 20 and the Lafayette Street bridge which are required as a result of the Blowers Creek phase of the project shall be carried out at full Federal expense, at an estimated cost of $1,700,000.

SEC. 750. The Mud Lake feature of the project for the western Tennessee tributaries, Tennessee and Kentucky, authorized by resolution of the Committee on Public Works of the Senate adopted December 17, 1970, and resolution of the Committee on Public Works of the House of Representatives adopted December 15, 1970, under section 201 of the Flood Control Act of 1965 (Public Law 89-298), is hereby modified to provide that the requirements of local cooperation shall be (1) to hold and save the United States free from damages due to the construction works, and (2) to maintain and operate all the works after completion in accordance with regulations prescribed by the Secretary.

SEC. 751. The project for flood control on the Kawkawlin River, Michigan, authorized under the authority of section 205 of the Flood Control Act of 1948, as amended, is hereby modified to provide that the operation and maintenance of the project shall be the responsibility of the Secretary, at an estimated annual cost of $70,000.

SEC. 752. The project for Denison Dam (Lake Texoma), Red River, Texas and Oklahoma, authorized by the Flood Control Act approved June 28, 1938 (52 Stat. 1219), as amended, is hereby modified to provide that the Secretary is authorized to reallocate from hydropower storage to water supply storage, in increments as needed, up to an additional 150,000 acre-feet for municipal, industrial, and agricultural water users in the State of Texas and up to 150,000 acre-feet for municipal, industrial, and agricultural water users in the State of Oklahoma. For that portion of the water storage reserved for users in the State of Oklahoma, the Secretary may contract, in increments as needed, with qualified individuals, entities, or water utility systems for use within the Red River Basin; except that for any portion of that water to be utilized outside the Red River Basin, the Secretary shall contract with the RedArk Development Authority. For the portion of the water storage reserved for users in the State of Texas, the Secretary shall contract, in increments as needed, for 75,000 acre-feet with the Greater Texoma Utility Authority, and for the remaining 75,000 acre-feet with the Texoma Regional Planning Commission; except that if either body lacks the authority to so contract, a reasonable length of time will be extended for the required legislative or statutory authority to be granted. All contracts entered into by the Secretary under this section shall be under terms in accordance with section 301(b) of the Water Supply Act of 1958 (Public Law 85-500). Nothing in this section shall be construed as amending or altering in any way the Red River Compact. In consideration of benefits in connection with such reallocation and usage of municipal, industrial, and agricultural water, all benefits that can be assigned to the Arkansas-Red River chloride control project, Texas and Oklahoma, or the Red River and tributaries multipurpose study, Oklahoma, Texas, Arkansas, and Louisiana, and any individual projects arising from such study, shall be reserved for such projects. Nothing in this section shall affect water rights under the laws of the States of Texas and Oklahoma.

SEC. 753. The navigation project for Buffalo Ship Canal, Buffalo, New York, authorized by the River and Harbor Act of March 2, 1945, is hereby modified to authorize and direct the Secretary to take such actions as may be necessary to ensure that a lift span bridge at South Michigan Avenue over the ship canal shall be restored and the cost shall be entirely borne by the United States, at an estimated cost of $18,000,000.

SEC. 754. The project for Jackson Hole, Snake River, local protection and levee, Wyoming, authorized by the River and Harbor Act of 1950, is hereby modified to provide that the operation and maintenance of the project and additions and modifications thereto constructed by non-Federal interests shall be the responsibility of the Secretary, except that the non-Federal interests shall pay the first $35,000, in cash or materials, of the cost of any such operation and maintenance in any one year.

SEC. 755. The project for navigation for Newport Bay Harbor, Orange County, California, authorized by the River and Harbor Act approved August 26, 1937 (50 Stat. 849), and section 2 of the River and Harbor Act approved March 2, 1945 (59 Stat. 21), is modified to authorize the Secretary to dredge and maintain the upper Newport Bay to the boundary of the Upper Newport Bay State Ecological Preserve to a depth consistent with the depth in the existing project for lower Newport Bay, at an estimated cost of $2,500,000.

Sec. 756. The project for flood control and other purposes in the South Platte River Basin in Colorado, authorized by the Flood Control Act of 1950 (64 Stat. 175), is modified to provide that the Chatfield Dam and any other authorized Federal improvements in the South Platte River Basin shall be operated in a manner that achieves the authorized level of flood protection, as determined by the Secretary, for the area beginning at the Chatfield Dam and ending at a point 82 miles downstream.

Sec. 757. The multipurpose project at Beaver Lake, Arkansas, authorized by the Flood Control Act of 1954, is hereby modified to authorize and direct the Secretary, in cooperation with the Administrator of the Environmental Protection Agency and in consultation with appropriate State and local agencies, to conduct a one-year comprehensive study of the Beaver Lake reservoir to identify measures which will optimize achievement of the project's purposes while preserving and enhancing the quality of the reservoir's water. Upon completion of the study the Secretary shall undertake a demonstration project at Beaver Lake to determine the effectiveness of measures identified in such study for preserving and enhancing the quality of the reservoir's water for current and future users, at full Federal expense and at an estimated cost of $5,000,000.

Sec. 758. (a) The Mississippi River-Gulf outlet feature of the project for Mississippi River, Baton Rouge to Gulf of Mexico, authorized by the Act of March 29, 1956 (Public Law 455 of the Eighty-fourth Congress, 70 Stat. 65), is modified to provide that the replacement and expansion of the existing industrial canal lock and connecting channels or the construction of an additional lock and connecting channels shall be in the area of the existing lock. The Federal share of the cost of such modification shall be paid from the Port Infrastructure Development and Improvement Trust Fund. The conditions of local cooperation specified in House Document Numbered 245, Eighty-second Congress, shall apply to the construction of the replacement or additional lock and connecting channels, except that the additional costs, as determined by the Chief of Engineers, of lands, easements, and rights-of-way acquisition and relocations of residences, industries, and utilities beyond those costs at the Meraux site (Violet), including such costs attributable to the relocation, replacement, modification, or construction of bridges, shall be borne by the United States. All other costs of relocation, replacement, modification, or construction of bridges (at a cost not to exceed $94,500,000), required as a result of the construction of the replacement or additional lock and connecting channels shall be borne by the United States; and before construction of bridges may be initiated the non-Federal public bodies involved shall agree (1) to hold and save the United States free from damages resulting from construction of the bridges and their approaches, (2) upon completion of construction, to accept title to such bridges and approaches and thereafter to operate and maintain the bridges and their approaches as free facilities.

(b) The Secretary is directed to make a maximum effort to assure the full participation of members of minority groups, living in the affected areas, in the construction of the replacement or additonal lock and connecting channels authorized by subsection (a) of this section, including actions to encourage the use, wherever possible, of minority-owned firms. The Chief of Engineers is directed to report on July 1 of each year to the Congress on the implementation of this section, together with recommendations for any legislation that may be needed to assure the fuller and more equitable participation of members of minority groups in this project or others under the direction of the Secretary.

Sec. 759. The project for flood protection on the Saginaw River, Michigan, authorized by the Flood Control Act of 1958 (Public Law 85-500), is modified (1) to provide that the Secretary shall first construct the Flint and Shiawassee Rivers portion of the Shiawassee Flats unit of such project and that such construction shall begin, with available funds, during fiscal year 1984, and (2) to authorize the Secretary to reconstruct or relocate, whichever the Secretary determines is necessary, the Curtis Road Bridge, at full Federal expense and at an estimated cost of $350,000. Such project is also modified to include necessary measures to alleviate project-induced flood damages to areas outside the project area and to include such channelization measures in the Shiawassee Flats unit as the Secretary determines necessary for flood control purposes. For the purpose of determining the non-Federal share of the cost of the project, as modified, the cost of reconstruction or relocation of the Curtis Road Bridge, as the case may be, shall not be included in the cost of the project.

Sec. 760. The navigation project for Brunswick Harbor, Georgia, authorized by the River and Harbor Act of 1950, is hereby modified to incorporate the Georgia Ports Authority's 30-foot-deep by 300-foot-wide by 8,000-foot-long channel in the South Brunswick River serving Colonel's Island terminal facilities.

Sec. 761. The project for navigation at Houston Ship Channel (Barbour Terminal Channel), Texas, authorized by section 107 of the River and Harbor Act of 1960 (74 Stat. 486), is modified to authorize and direct the Secretary to perform such dredging operations as are necessary to maintain a 40-foot project depth in the Barbour Terminal Channel.

TITLE VIII—WATER SUPPLY

Subtitle A—Loan Program

Sec. 801. This subtitle may be cited as the "Water Supply Rehabilitation and Conservation Act of 1983".

Sec. 802. The Congress hereby finds that—

(1) many water supply systems are in deterioration and that authority has not been granted to any Federal water development agency to assist many existing municipal and industrial water supply systems;

(2) certain regions of the Nation are facing serious water supply problems and large quantities of water are being wasted as a result of aging and deteriorating water supply and distribution facilities;

(3) modernizing existing water supply systems is an important part of any effort to rejuvenate the Nation's older cities and remove impediments to economic growth;

(4) many water supply systems have experienced difficulty in obtaining capital necessary to accomplish repairs, rehabilitations, expansions, and improvements required for efficient and reliable operation;

(5) in light of historic and continuing Federal involvement in meeting many other water supply needs, there is a national need to rehabilitate and upgrade existing water supply systems;

(6) in all regions of the country and in all circumstances in which the Federal Government is involved in providing water supply, it is essential to promote water conservation; and

(7) encouraging the use of low-flow devices in new construction, improving metering and rate schedules and leak detection programs, and adopting other water conservation methods saves water and energy.

Sec. 803. For purposes of this subtitle—

(1) The term "expansion", as used with respect to a water supply system, means the installation of water supply facilities necessary to increase the service capability or efficiency of the water supply system.

(2) The term "improvement", as used with respect to a water supply system, means any activity other than rehabilitation designed to improve service reliability or efficiency of the water supply system.

(3) The term "rehabilitation", as used with respect to a water supply system, means the repair or replacement of components or facilities required to restore service reliability or efficiency of the water supply system.

(4) The term "State" means the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands.

(5) The term "water supply system" means the facilities used in the production and pumping of water for consumption (including, but not limited to, water storage, desalination, and other collection and purification techniques), water treatment facilities (other than sewage treatment facilities), and the water distribution and conveyance facilities used to provide water for municipal and industrial purposes.

Sec. 804. (a) Subject to the provisions of this subtitle, the Secretary may make loans to—

(1) any department, agency, or instrumentality of one or more State or local governments which operates a water supply system, and

(2) any person who operates a water supply system the rates and services of which are subject to regulation by a department, agency, or instrumentality of a State government,

for the purpose of repair, rehabilitation, expansion, or improvement of such system.

(b)(1) Subject to the provisions of section 810, the amount of any loan under this subtitle shall not exceed 80 per centum of the cost of the project for which the loan is made. Such costs shall include, but not be limited to, the costs of (A) engineering, (B) design, and (C) acquisition of water rights, lands, easements, and rights-of-way, necessary to carry out the project.

(2) The Secretary may not lend under this subtitle in any fiscal year (A) more than $40,000,000 to any operator of a water supply system, and (B) more than $80,000,000 for water supply projects in any State.

(c) No loan may be made under this subtitle for any purpose not related to water supply or water conservation.

(d) No loan may be made under this subtitle for the purpose of acquisition by a supplier of water of any other supplier of water serving a population of more than 1,000 persons.

(e) No loan may be made under this subtitle for any project which is intended solely to increase the number of persons served by a water supply system.

(f)(1) For the purpose of securing consideration and approval of loans under this subtitle, not later than 180 days after the date of enactment of this Act, and not later than January 15 of each year thereafter, the Secretary shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate (hereinafter in this subsection referred to as "the committees") a list of any applications for loans fulfilling all requirements for loans under this subtitle, a detailed summary of all such applications, and a recommendation of approval or disapproval for a loan for each such application. Not later than 270 days after the date of enactment of this Act, and not later than May 15 of each year thereafter, the committees shall adopt a resolution listing those loans, if any, approved under this subtitle. Except for loans authorized by section 813 of this Act, no appropriation shall be made for any loan under this subtitle if the application for such loan has not been approved by such resolution adopted by the committees.

(2) Any loan approved and authorized for appropriations pursuant to the provisions of paragraph (1) of this subsection shall not be authorized after the 5-year period beginning on the date of approval of such loan by the committees unless during such period funds have been obligated for such loan under this subtitle.

Sec. 805. (a) Any operator of a water supply system seeking a loan under this subtitle shall submit an application to the Secretary for such loan in such form and manner as the Secretary may require by regulation. Each such application shall be accompanied by a payment of one percent of the amount of the loan requested in such application (but in no event more than $10,000).

(b) Any application for a loan under this subtitle shall include, among other things (1) a detailed plan and estimated cost of the project for which the loan is applied, (2) a showing (A) that the applicant holds or can acquire all lands and interests in land (except public and other lands and interests in land owned by the United States which are within the administrative jurisdiction of the Secretary and subject to disposition by the Secretary) and rights to the use of water pursuant to applicable State law necessary for the successful completion, operation, and maintenance of the project, and (B) that the applicant is ready, willing, and able to finance the portion of the cost of the project which will not be covered by the loan, and (3) a showing of the improvements the proposed project will make in supplying water for domestic, commercial, and industrial purposes, as well as public purposes including fire protection and recreation.

(c) The Secretary may only make loans under this subtitle with respect to projects which the Secretary determines are technologically feasible and which constitute a reasonable financial risk.

(d) In making loans under this subtitle, the Secretary shall give priority to those water supply systems which are polluted, contaminated, or threatened with pollution or contamination, to such an extent that they present a potential danger to human health.

Sec. 806. Upon approval or disapproval of a loan application under this subtitle by the Secretary, the Secretary shall pay the applicant the amount by which the payment made by such applicant under section 805(a) with respect to such application exceeds the cost incurred by the Secretary in processing such application.

Sec. 807. (a) The Secretary may only make loans under this subtitle to an operator of a water supply system if the Secretary determines that, before completion of the proposed project, the operator will, to the best of the operator's ability, implement a model water conservation program or a water conservation program, suitable to local conditions, which is equivalent to a model water conservation program.

(b) For purposes of this section, the term "model water conservation program" includes the following:

(1) Encouraging each community served by the water supply system to establish plumbing codes which promote water conservation in new construction.

(2) To the extent feasible and appropriate, utilizing water meters which promote water conservation.

(3) Establishing water rate schedules which encourage water conservation.

(4) Providing a comprehensive leak detection and repair program for water supply systems.

(5) Making public information available on home and business water conservation techniques and benefits.

(6) Developing a drought contingency plan.

Sec. 808. The Secretary shall enter into an agreement with each person to whom a loan is to be made under this subtitle. Subject to the provisions of section 810, such agreement shall include the following terms, among others:

(1) The maximum amount of the loan to be made and the time and method of making funds available under the loan.

(2) An interest rate for the loan determined in accordance with section 301(b) of the Water Supply Act of 1958 (72 Stat. 319; Public Law 85-500).

(3) Computation of interest in accordance with such section 301(b).

(4) A repayment period and a plan of repayment of the sums lent and interest determined in accordance with such section 301(b).

(5) Such provisions as the Secretary shall deem necessary or proper to provide assurance of and security for prompt repayment of the loan and interest, including a provision that the operator of the water supply system shall maintain adequate rates in order to be reasonably expected to meet its obligations under the agreement and to maintain, repair, and rehabilitate the project for which the loan is made.

Sec. 809. Amounts paid with submission of loan applications under section 805(a) and amounts of loans (including interest accruing on such loans) repaid under this subtitle shall be deposited in the general fund of the Treasury.

Sec. 810. The Secretary may increase the maximum percentage of the cost of a project for which a loan may be made under this subtitle if the project for which the loan is made will serve a remote rural area or if the Secretary determines that such increase is appropriate for economic reasons.

Sec. 811. The Secretary shall issue such regulations and carry out such actions as may be necessary to carry out the objectives of this subtitle.

Sec. 812. There is authorized to be appropriated to carry out this subtitle $800,000,000 per fiscal year for each of the fiscal years ending September 30, 1984, September 30, 1985, September 30, 1986, and September 30, 1987, and such sums as may be necessary for each fiscal year thereafter.

Sec. 813. The following water supply projects are authorized to receive loans under this subtitle:

(1) Treatment, conveyance, distribution, and pumping facilities for Buffalo, New York, at an estimated cost of $20,000,000.

(2) Treatment, conveyance, distribution, and pumping facilities for Berlin, New Hampshire, at an estimated cost of $10,000,000.

(3) Treatment, conveyance, distribution, and pumping facilities for Rochester, New Hampshire, at an estimated cost of $10,000,000.

(4) Treatment, conveyance, distribution, pumping, and storage facilities for the Islands of Saint Thomas, Saint Croix, and Saint John, Virgin Islands, at an estimated cost of $35,000,000.

(5) Conveyance, distribution, pumping, and storage facilities for Dupage County, Illinois (Dupage County Commission), at an estimated cost of $280,000,000.

(6) Conveyance facilities (Third Water Tunnel, First Stage) for New York City, at an estimated cost of $220,000,000.

(7) Treatment, conveyance, distribution, pumping, and storage facilities for Fort Smith and Van Buren, Arkansas, at an estimated cost of $25,000,000.

(8) Treatment, conveyance, distribution, production, pumping, and storage facilities for American Samoa, at an estimated cost of $20,000,000.

(9) Treatment, pumping, and conveyance facilities for William H. Harsha Lake, Ohio River Basin, Ohio, at an estimated cost of $18,400,000.

(10) Treatment, conveyance, distribution, and pumping facilities for Totowa, New Jersey (Passaic Valley Water Commission), at an estimated cost of $25,000,000.

(11) Conveyance, pumping, and distribution facilities for Jersey City, New Jersey, at an estimated cost of $15,000,000.

(12) Treatment, conveyance, pumping, distribution, production, and storage facilities for Rockaway Township, New Jersey, at an estimated cost of $10,000,000.

(13) Treatment, conveyance, pumping, distribution, production, and storage facilities for Falmouth, Kentucky, at an estimated cost of $2,500,000.

(14) Treatment, distribution, pumping, and storage facilities for the Borough of Ford City, Pennsylvania, at an estimated cost of $1,600,000.

(15) Treatment, conveyance, distribution, pumping, and storage facilities for Tucson, Arizona, at an estimated cost of $50,000,000.

(16) Conveyance, pumping, and distribution facilities for Boston, Massachusetts, at an estimated cost of $86,000,000.

Subtitle B—Water Supply Projects

Sec. 851. (a) The Congress declares that there is a national interest in the conservation of existing water supplies and in the development of new water supplies, on an economical basis, for domestic, municipal, industrial, and other public purposes through Federal participation in the repair, rehabilitation, and improvement of water supply systems and through Federal construction of single and multiple purpose water supply projects.

(b) In carrying out a policy to encourage a more efficient use and adequate supply of water as a way to benefit municipal and industrial development, wetland preservation, fish and wildlife protection, and other national purposes, the Secretary is authorized and directed to survey, plan, and recommend to the Congress (1) projects for the repair, rehabilitation, expansion, and improvement of water supply systems (including, but not limited to, demand-reducing techniques), and (2) projects for the construction of single and multiple purpose water supply systems (including, but not limited to, storage, treatment, conveyance, and distribution facilities) needed to meet existing and anticipated future demand, consistent with the policies set forth in this section. No appropriation shall be made for any such survey if such appropriation has not been approved by resolution adopted by the Committee on Environment and Public Works of the Senate or the Committee on Public Works and Transportation of the House of Representatives.

(c)(1) Except as provided in paragraph (2), the appropriate non-Federal interests shall provide the necessary lands, easements, and rights-of-way for any project carried out pursuant to a survey undertaken under subsection (b). If the value of the lands, easements, and rights-of-way so provided is less than 20 per centum of the cost of the project allocable to municipal and industrial water supply (including the value of such lands, easements, and rights-of-way), the non-Federal interests shall pay to the Secretary before construction of the project an amount equal to the excess of (A) the amount equal to 20 per centum of such cost, over (B) the value of such lands, easements, and rights-of-way.

(2) If the Secretary estimates before the beginning of construction of any project to which paragraph (1) applies that the value of all lands, easements, and rights-of-way required for such project will be a percentage of the cost of the project allocable to municipal and industrial water supply which is greater than 20 per centum, the Secretary shall, upon request by the non-Federal interests, acquire such lands, easements, and rights-of-way, except that the aggregate amount of the value of lands, easements, and rights-of-way acquired by the Secretary shall be limited to the amount by which such estimated sum exceeds an amount equal to 20 per centum of the estimated cost of the project allocable to municipal and industrial water supply.

(3) An amount equal to the cost of the project allocable to municipal and industrial water supply less the value of lands, easements, and rights-of-way provided and any amount paid to the Secretary under paragraph (1) by the non-Federal interests shall be repaid to the United States over a period not to exceed fifty years, with interest determined in accordance with section 301(b) of the Water Supply Act of 1958.

(4) The Secretary may reduce the amount required to be paid under paragraph (1), and the value of lands, easements, and rights-of-way required to be provided under paragraph (2), by non-Federal interests for any project to which paragraph (1) applies if the project will serve a remote rural area or if the Secretary determines that such reduction is appropriate for economic reasons.

Sec. 852. The Secretary is authorized to provide technical assistance to operators of public water supply systems for the purpose of identifying water supply problems and developing measures for repair, rehabilitation, expansion, and improvement of public water supply systems.

Sec. 853. The Secretary shall study existing water resources projects under the jurisdiction of the Secretary to determine the feasibility of utilizing such projects for water supply on an interim or permanent basis. The Secretary shall transmit a report of the results of such study, along with recommendations for the utilization of such projects for water supply, not later than two years after the date of enactment of this Act.

Sec. 854. The Secretary is authorized to design and construct a treatment plant and a regional conveyance system of water from Lake Arcadia to Edmund, Oklahoma, at an estimated cost of $12,000,000. The Secretary shall acquire and provide to the non-Federal interests the necessary lands, easements, and rights-of-way for the project. The non-Federal interests shall pay to the Secretary, before construction of the project, an amount equal to 20 per centum of the cost of such project (including the value of such lands, easements, and rights-of-way). The non-Federal interests shall repay the remainder of the costs of the project to the Secretary in accordance with the Water Supply Act of 1958, except that the interest rate shall be the applicable rate under the existing water supply contract, signed by the Secretary on November 13, 1979, and numbered DACW 56-79-C-0072.

Sec. 855. The Secretary is authorized and directed to construct treatment facilities and conveyance facilities to treat and convey water from Parker Lake to municipalities and rural water systems within the jurisdiction of the RedArk Development Authority in the State of Oklahoma, at a cost not to exceed $88,636,000. Subsection (c) of section 851 shall apply to such project.

Sec. 856. (a) The project for the Caesar Creek, Ohio River Basin, Ohio, authorized by section 4 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 28, 1938 (52 Stat. 1217), is hereby modified to authorize and direct the Secretary to construct a public water supply system in accordance with the document entitled "Southwest Ohio Water Plan", prepared by the Ohio Department of Natural Resources (April 1976), with such modifications as the Chief of Engineers deems advisable, at an estimated cost of $66,000,000.

(b) Prior to the construction of the water supply system pursuant to subsection (a) of this section, the Secretary shall enter into an agreement with appropriate non-Federal interests which provides that (1) such non-Federal interests will provide the Secretary with the lands, easements, and rights-of-way necessary for the Secretary to construct such water supply system, (2) after such construction is completed, all right, title, and interest of the United States, in such water supply system shall be conveyed to such non-Federal interests who shall thereafter operate and maintain such water supply system, and (3) the costs of construction shall be repaid to the Federal Government over a period of fifty years after completion of construction of the water supply system. The first annual payment shall be a minimum of 0.1 per centum of the total amount to be repaid. The annual payments shall be increased by 0.1 per centum each year until the tenth year at which time the payment shall be 1 per centum of the total principal amount to be repaid. Subsequent annual payments for the balance of forty years shall be one-fortieth of the balance remaining after the tenth annual payment (including interest over such fifty-year period at the rate specified in section 301(b) of the Water Supply Act of 1958).

Sec. 857. The Secretary, in cooperation with the States and political subdivisions thereof, shall make a detailed estimate of needed repair, rehabilitation, and construction of water supply and distribution facilities for municipal and industrial uses and the costs thereof in all of the States and of needed repair, rehabilitation, and construction of water supply and distribution facilities for municipal and industrial uses and the costs thereof in each of the States. The Secretary shall not include in this estimate any needed repair, rehabilitation, and construction of water supply and distribution facilities constructed in accordance with the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory and supplementary thereto). In preparing such detailed estimate, the Secretary shall utilize information provided by the States. The Secretary shall transmit such detailed estimate to Congress not later than two years after the date of enactment of this Act.

TITLE IX—NAMINGS

Sec. 901. The reservoir created by dam numbered 9 on the Arkansas River, Arkansas, constructed as part of the project for navigation on the Arkansas River and tributaries, shall hereafter be known and designated as the "Winthrop Rockefeller Reservoir". Any law, regulation, document, or record of the United States in which such reservoir is referred to shall be held to refer to such reservoir as the "Winthrop Rockefeller Reservoir".

Sec. 902. Lock and dam numbered 4 on the Arkansas River, Arkansas, constructed as part of the project for navigation on the Arkansas River and tributaries, shall hereafter be known and designated as the "Emmett Sanders Lock and Dam". Any law, regulation, document, or record of the United States in which such lock and dam are referred to shall be held to refer to such lock and dam as the "Emmett Sanders Lock and Dam".

Sec. 903. Lock and dam numbered 3 on the Arkansas River, Arkansas, constructed as part of the project for navigation on the Arkansas River and tributaries, shall hereafter be known and designated as the "Joe Hardin Lock and Dam". Any law, regulation, document, or record of the United States in which such lock and dam are referred to shall be held to refer to such lock and dam as the "Joe Hardin Lock and Dam".

Sec. 904. Lock and dam numbered 13 on the Arkansas River, Arkansas, constructed as part of the project for navigation on the Arkansas River and tributaries, shall hereafter be known and designated as the "James W. Trimble Lock and Dam". Any law, regulation, document, or record of the United States in which such lock and dam are referred to shall be held to refer to such lock and dam as the "James W. Trimble Lock and Dam".

Sec. 905. Lock and dam numbered 9 on the Arkansas River, Arkansas, constructed as part of the project for navigation on the Arkansas River and tributaries, shall hereafter be known and designated as the "Arthur Ormond Lock and Dam". Any law, regulation, document, or record of the United States in which such lock and dam are referred to shall be held to refer to such lock and dam as the "Arthur Ormond Lock and Dam".

Sec. 906. The harbor located in Elmwood Township, Leelanau County, Michigan, and authorized as the Grand Traverse Bay by section 101 of the River and Harbor Act of

1948 (62 Stat. 1173) shall hereafter be known and designated as the "Greilickville Harbor". Any reference in a law, map, regulation, document, record, or other paper of the United States to that harbor shall be deemed to be a reference to the "Greilickville Harbor".

Sec. 907. The harbor of the Port of Hickman on the Mississippi River at Hickman, Kentucky, shall hereafter be known and designated as the "Elvis Stahr Harbor, Port of Hickman". Any law, regulation, document, or record of the United States in which such harbor is referred to shall be held to refer to such harbor as the "Elvis Stahr Harbor, Port of Hickman".

Sec. 908. Dam numbered 2 on the Arkansas River, Arkansas, constructed as part of the project for navigation on the Arkansas River and tributaries, shall hereafter be known and designated as the "Wilbur D. Mills Dam". Any law, regulation, document, or record of the United States in which such dam is referred to shall be held to refer to such dam as the "Wilbur D. Mills Dam".

Sec. 909. The China Bluff access area which is being constructed by the Army Corps of Engineers as part of the Gainesville lock and dam portion of the Tennessee-Tombigbee Waterway project and which is located near Warsaw in Sumter County, Alabama, shall hereafter be known as the "S. W. Taylor Memorial Park". Any reference in any law, map, regulation, document, or other record of the United States to the China Bluff access area shall be held to be a reference to the "S. W. Taylor Memorial Park".

Sec. 910. The main channel of the project for San Leandro Marina, California, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution adopted by the Committee on Public Works of the House of Representatives on June 22, 1971, and by the Committee on Public Works of the Senate on December 15, 1970, shall hereafter be known and designated as the "Jack D. Maltester Channel". Any law, regulation, document, or record of the United States in which such channel is referred to shall be held to refer to such channel as the "Jack D. Maltester Channel".

TITLE X—PROJECT DEAUTHORIZATIONS

Sec. 1001. The following projects, with a total estimated authorized cost of $11.1 billion, are not authorized after the date of enactment of this Act, except with respect to any portion of such a project which portion has been completed before such date or is under construction on such date:

ALABAMA

The project for flood control, Alabama River, Montgomery, Alabama, authorized by the Flood Control Act of 1958.

The project for hydroelectric power, Alabama-Coosa River Basin, Big Wills Creek Lake, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Crooked Creek Lake, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Hatchet Creek Lake, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Little River Lake, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Mill Creek Lake, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Terrapin Creek Lake, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Waxahatchee Creek Lake, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Weogufka Creek Lake, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Yellowleaf Creek, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Big Canoe Creek Lake, Alabama, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

ALASKA

The project for navigation, Myers Chuck Harbor, Alaska, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The jetty extension feature of the project for navigation, Nome Harbor, Alaska, authorized by the River and Harbor Act of August 30, 1935, Public Law 409, Seventy-fourth Congress.

The project for navigation, Skagway River, Alaska, authorized by the River and Harbor Act of June 20, 1938, Public Law 685, Seventy-fifth Congress, and section 10 of the Flood Control Act of 1946, except the 6,700 foot training dike and the 1,800-foot breakwater.

ARKANSAS

The project for flood control, Bayou Barthlomew, Arkansas and Louisiana, authorized by the Flood Control Act of 1966.

The project for flood control, Crooked Creek Lake Levee, Arkansas, authorized by the Flood Control Act of 1968.

The Gillette New Levee feature of the project for flood control, Lower Arkansas River, North Bank, Arkansas, authorized by the Flood Control Act of May 15, 1928, Public Law 391, Seventieth Congress; the Flood Control Act of June 22, 1936, Public Law 738, Seventh-fourth Congress; and the Flood Control Act of 1946.

The project for flood control, Murfreesboro Reservoir, Pike County, Arkansas, authorized by the Flood Control Act of 1950.

CALIFORNIA

The project for flood control, Alhambra Creek, California, authorized by the Flood Control Act of 1968.

The Aliso Creek Dam feature of the project for the Santa Ana River Basin, Orange County, California, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

The project for flood control, Bear River, California, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution of the Committee on Public Works and Transportation of the House of Representatives, dated September 23, 1976, and resolution of the Committee on Environment and Public Works of the Senate, dated October 1, 1976.

The project for flood control, Butler Valley Dam, Mad River, California, authorized by the Flood Control Act of 1968.

The project for flood control, Eel River, California, authorized by the Flood Control Act of 1965, except for the completed levees on the right bank of the Eel River in the Sandy Prairie area.

The Sierra Madre Wash feature of the project for flood control, Los Angeles County Drain Area, California, authorized by the Flood Control Act of August 18, 1941, Public Law 228, Seventy-seventh Congress.

The barrier groin and sandtrap feature of the project for navigation, Monterey Harbor, California, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for flood control, Napa River Basin, California, authorized by the Flood Control Act of 1965.

The features of the project for navigation, Napa River, California, authorized by the River and Harbor Act of July 24, 1946, Public Law 525, Seventy-ninth Congress, which features consist of construction of dikes and revetments.

That portion of the project for navigation, Old River, San Joaquin County, California, authorized by the River and Harbor Act of August 26, 1937, Public Law 392, Seventy-fifth Congress, consisting of a side channel at Orwood and completion of the project channels from the mouth of Old River to Lammers Ferry road and from Crocker Cut to the Holly Sugar Factory.

The San Juan Dam feature of the project for the Santa Ana River Basin, Orange County, California, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

The Trabuco Dam feature of the project for the Santa Ana River Basin, Orange County, California, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

The project for flood control, University Wash and Spring Brook, California, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution of the Committee on Public Works of the House of Representatives, dated December 15, 1970, and resolution of the Committee on Public Works of the Senate, dated June 22, 1971.

The project for flood control, Lakeport Lake, California, authorized by the Flood Control Act of 1965.

The shallow-draft channel, Calusa to Red Bluff, feature of the project for navigation, Sacramento River, California, authorized by the River and Harbor Act of August 30, 1935, Public Law 409, Seventy-fourth Congress.

Those features of the project for navigation, San Joaquin River, Stockton Deepwater Ship Channel, California, authorized by the River and Harbor Act of 1950, which features consist of construction of a new turning basin near Rough and Ready Island; enlargement of Upper Stockton Channel; construction of a 30-foot depth Burns Cut-off Channel around Rough and Ready Island, including construction of a combination rail and highway bridge; and construction of a new settling basin on San Joaquin River upstream from its confluence with Stockton Channel.

COLORADO

The project for flood control, Boulder, Colorado, authorized by the Flood Control Act of 1950.

The project for flood control, Castlewood Lake, Douglas County, Colorado, authorized by the Flood Control Act of August 18, 1941, Public Law 228, Seventy-seventh Congress.

CONNECTICUT

The features of the project for navigation, Bridgeport Harbor-Black Rock Harbor, Connecticut, authorized by the River and Harbor Act of 1958, which features provide for construction of two rubble-mound breakwaters at the entrance to Black Rock Harbor and dredging a 28-acre anchorage 6 feet deep in Burr and Cedar Creeks at the head of Black Rock Harbor.

The project for navigation, Connecticut River below Hartford, Connecticut, authorized by the River and Harbor Act of 1950.

The feature of the project for navigation, Mystic River, New London County Channel, Connecticut, authorized by the River and Harbor Act of March 4, 1913, Public Law 429, Sixty-second Congress, which provides for the widening of the channel extending 4,700 feet from the United States Route 1 drawbridge to the Mystic Seaport site from its constructed width of 80 to 90 feet to a width of 100 feet.

The Walnut Beach and impermeable groins features of the project for beach erosion control, Silver Beach to Cedar Beach, Connecticut, authorized by the River and Harbor Act of 1954.

The six-foot anchorage at northeast end of Stonington Harbor feature of the project for navigation, Stonington Harbor, New London County, Connecticut, authorized by the River and Harbor Act of 1950.

The feature of the project for navigation, Thames River, New London County, Connecticut, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, which provides for an increased channel width in the bend at Long Reach Upper Light (river mile 6.8).

DISTRICT OF COLUMBIA

The project for flood control, Washington, D.C., and vicinity, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

FLORIDA

The Cross Bank to Key West portion of the project for navigation, Atlantic Intracoastal Waterway, Miami to Key West, Florida, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for flood control, Biscayne Bay, Dade County, Florida, (Hurricane Barrier) authorized by the Act of June 15, 1955, Public Law 71, Eighty-fourth Congress.

That portion of the project for navigation, Cedar Keys Harbor, Levy County, Florida, authorized by the River and Harbor Act of July 5, 1884, consisting of the excavation of 1,500 cubic yards from an area known as the "middle ground" within the alignment of the main ship channel.

The navigation features of the Broward County and Hillsboro Inlet, Florida, beach erosion control and navigation project, authorized by section 301 of the River and Harbor Act of 1965.

The Sebastian Channel feature of the project for navigation, Intracoastal Waterway, Jacksonville to Miami, Florida, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

Those portions of the project for navigation, Jacksonville Harbor Mooring Basin, Naval, Florida, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, which portions consisting of a channel 28 feet deep by 590 feet wide extending from Laura Street to Saint Elmo W., Acosta Bridge; a channel and floodway along the south side of Commodore Point; and an approach and mooring basin at the Naval Reserve Armory near the Main Street bridge.

That portion of the project for navigation, Key West Harbor, Monroe County, Florida, authorized by the River and Harbor Act of September 19, 1890, consisting of two uncompleted jetties at the entrance to the northwest channel.

The uncompleted portions of the project for navigation, Miami Harbor, Miami River, Florida, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, which portions consist of widening the mouth of the Miami River; providing a channel 8 feet by 20 feet from the mouth of the river to the Intracoastal Waterway, thence 100 feet wide to Government Cut; and providing a channel 12 feet by 100 feet from Miami to a harbor of refuge in Palmer Lake.

The Stuart turning basin feature of the project for navigation, Okeechobee Waterway, Martin County, Florida, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

That portion of the project for navigation, Oklawaha River, Florida, authorized by the River and Harbor Act of March 2, 1907, consisting of a channel 6 feet deep from the mouth of the river to the head of Silver Springs Run.

That portion of the project for navigation, Palm Beach Harbor, Florida, authorized by the River and Harbor Act of June 20, 1938, Public Law 685, Seventy-fifth Congress, consisting of a channel 16 feet deep and 150 feet wide from the Palm Beach Harbor Channel to an anchorage basin 16 feet deep, 750 feet wide, and 2,000 feet long in Lake Worth opposite Tangier Avenue.

The project for beach erosion control, Lake Worth Inlet to South Lake Worth Inlet, Palm Beach County, Florida, authorized by the River and Harbor Act of 1958, except the transfer plant.

The Carrabelle to St. Marks portion of the Gulf Intracoastal Waterway, Apalachicola Bay to Saint Marks River, Florida, authorized by the River and Harbor Act of August 26, 1937, Public Law 392, Seventy-fifth Congress; the Act of July 23, 1942 (Public Law 675, Seventy-seventh Congress); and the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The modification of the project for navigation, Pensacola Harbor, Florida, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

That portion of the project for navigation, Saint Augustine Harbor, Florida, authorized by the River and Harbor Act of 1950, which portion consists of the uncompleted future landward extension of the groin and jetty on the northside of the inlet.

That portion of the project for navigation, Tampa Harbor, Florida, authorized by the Flood Control Act of 1970, which portion consists of the last incremental one-foot depth for underkeel clearance.

GEORGIA

The project for hydroelectric power, Alabama-Coosa River Basin, Canton Lake, Georgia, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Cartecay Lake, Georgia, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Gilmer Lake, Georgia, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Kingston Lake, Georgia, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for hydroelectric power, Lazer Creek Lake, Georgia, authorized by the Flood Control Act of 1965.

The project for hydroelectric power, Lower Auchumpkee Creek Lake, Georgia, authorized by the Act of December 30, 1963, Public Law 88-253.

The project for hydroelectric power, Spewrell Bluff Lake, Georgia, authorized by the Act of December 30, 1963, Public Law 88-253.

HAWAII

The project for navigation, Ala Wai Harbor, Oahu, Hawaii, authorized by the River and Harbor Act of 1968.

The project for beach erosion control, Hanapepe Bay Seawall, Kauai, Hawaii, authorized by the River and Harbor Act of 1958.

The project for navigation, Kaunakakai Deep Draft Harbor, Molokai, Hawaii (modification), authorized by the River and Harbor Act of 1962.

The project for beach erosion control, Waimea Beach Seawall, Kauai, Hawaii, authorized by the River and Harbor Act of 1958.

IDAHO

The project for flood control, Mud Lake Area, Idaho, authorized by Flood Control Act of 1950.

The project for flood control, South Fork, Clearwater River, Idaho, authorized by Flood Control Act of 1950.

The project for flood control, Teton River, Idaho, authorized by Flood Control Act of 1950.

The project for flood control, Blackfoot Reservoir, Idaho, authorized by Flood Control Act of 1962.

The project for flood control, Boise Valley, Idaho, authorized by Flood Control Act of 1950.

The project for flood control, Cottonwood Creek Dam, Idaho, authorized by Flood Control Act of 1966.

The project for flood control, Heise-Roberts Levee Extension, Idaho, authorized by Flood Control Act of 1950, except for constructed levees along the left bank of the Snake River downstream from the mouth of Henry's Fork.

The project for flood control, Weiser River, Idaho, authorized by Flood Control Act of 1950.

The project for flood control, Whitebird Creek, Idaho, authorized by Flood Control Act of 1950.

ILLINOIS

The project for navigation, Chicago River, Cook County, Illinois, authorized by the River and Harbor Act of July 24, 1946, Public Law 525, Seventy-ninth Congress.

The improvements to the beartraps feature of the project for navigation, Dam 43, Ohio River, Illinois, authorized by the River and Harbor Act of March 3, 1909, Public Law 317, Sixtieth Congress.

The project for flood control, Farmers Drainage and Levee District, Illinois, authorised by Flood Control Act of 1962.

The project for flood control, Freeport, Illinois, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

The feature of the Illinois Waterway Navigation project, Illinois, authorized by the River and Harbor Act of August 30, 1935, Public Law 409, Seventy-fourth Congress, which feature consists of straightening a curve in the channel in the vicinity of Pekin, Illinois.

That portion of the project for shore protection, Kenilworth, Illinois, Shore of Lake Michigan, Illinois, authorized by the River and Harbor Act of 1954, which portion consists of protection of the Mahoney Park 200-foot long beach frontage located at the extreme south end of the village limits by constructing a steel sheet piling impermeable groin, about 200 feet long near the south lines of Mahoney Park.

The project for flood control, Levee Unit 1, Wabash River, Gallatin County, Illinois, authorised by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

The project for flood control, Levees District Numbered 21, Vandalia, Illinois, authorized by the Flood Control Act of 1958.

The project for flood control, Little Calumet River, Illinois, authorized by the Flood Control Act of 1954.

The project for flood control, Metropolis, Illinois, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

That portion of the project for navigation, Mississippi River between Missouri River and Minneapolis, Minnesota, authorized by the River and Harbor Act of July 3, 1930, Public Law 520, Seventy-first Congress, which portion consists of construction of about 600 feet of guidewall extensions each at locks numbered 4, 5, 5A, 7, 8, 9, and 10.

The project for navigation, Ohio River Open Channel, Louis District, Illinois, authorized by the River and Harbor Act of March 2, 1827.

The project for navigation, Ohio River Open Channel, Ice Pier, Illinois, authorized by the River and Harbor Act of January 21, 1927.

The project for navigation, Ohio River Open Channel, Illinois, authorized by the River and Harbor Act of July 3, 1930.

The project for flood control, Peoria, Peoria County Levees, Illinois, authorized by the Flood Control Act of 1962.

The project for flood control, Shawneetown, Gallatin County Levee Enlargement, Illinois, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Scott County Drainage and Levee District, Illinois, authorized by the Flood Control Act of 1962.

The project for flood control, South Beloit, Illinois, authorized by the Flood Control Act of 1948.

The project for navigation, Waukegan Harbor, Illinois, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution of the Committee on Public Works of the House of Representatives, dated December 17, 1970, and resolution of the Committee on Public Works of the Senate, dated December 8, 1970.

The project for flood control, William L. Springer Lake, Illinois, authorized by the Flood Control Act of 1962.

The project for navigation, Alton Commercial Harbor, Illinois, authorized by the River and Harbor Act of 1958.

The project for flood control, Keach Drainage and Levee District, Green County, Illinois, authorized by the Flood Control Act of 1962.

The project for flood control, Big Swan Drainage and Levee District, Illinois, authorized by the Flood Control Act of 1962.

The project for flood control, Fort Chartres and Ivy Landing Drainage District Numbered 5, Illinois, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution of the Committee on Public Works of the House of Representatives, dated December 15, 1970, and resolution of the Committee on Public Works of the Senate, dated December 17, 1970.

INDIANA

The project for flood control, Anderson, Madison County, Indiana, Earth Levee, authorized by the Flood Control Act of June 22, 1936, Public Law 738, 74th Congress.

The project for navigation, Illinois Waterway, Cal-Sag Channel, Part 2, Indiana, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, and the River and Harbor Act of July 24, 1946, Public Law 525, Seventy-ninth Congress.

The project for flood control, Levees between Shelby Bridge & Baums Bridge, Indiana, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

The project for flood control, Marion, Indiana, authorized by the Flood Control Act of 1968.

That portion of the project for flood control, Vincennes, Indiana, authorized by the Flood Control Act of 1946, which portion consists of the uncompleted downstream levee to connect with high ground southeast of the city.

IOWA

The project for flood control, Davids Creek Lake, Iowa, authorized by the Flood Control Act of 1968.

The project for navigation, Fort Madison Harbor, Iowa, authorized by the River and Harbor Act of 1968.

The project for navigation, Keokuk Small Boat Harbor, Iowa, authorized by the River and Harbor Act of 1962.

The project for flood control, Missouri Levee System (units L-753, L-747, L-739, L-733, L-729, L-728, L-715, L-700, L-691, L-670, L-651, L-650, L-643, L-637, L-528), Iowa, authorized by the Flood Control Act of August 18, 1941, Public Law 228, Seventy-seventh Congress.

KANSAS

The project for flood control, El Dorado, West Branch, Walnut River, Butler County, Kansas, authorized by the Flood Control Act of 1965.

The project for flood control, Garnett Lake, Pottawatomie Creek, Kansas, authorized by the Flood Control Act of 1954.

The project for flood control, Grove Lake, Kansas, authorized by the Flood Control Act of 1962.

The project for flood control, Indian Lake, Kansas, authorized by the Flood Control Act of 1970.

The project for navigation, Kansas River Navigation, Kansas, authorized by the River and Harbor Act of 1965.

The project for flood control, Missouri River Levee System, Kansas (units R402 and R395-393), authorized by the Flood Control Act of August 18, 1941, Public Law 228, Seventy-seventh Congress.

The project for flood control, Neodesha Lake, Wilson County, Verdigris River, Kansas, authorized by the Flood Control Act of August 18, 1941, Public Law 228, Seventy-seventh Congress.

The project for flood control, Tomahawk Lake, Blue River, Johnson County, Kansas, authorized by the Flood Control Act of 1970.

The project for flood control, Towanda Lake, Kansas, authorized by the Flood Control Act of 1965.

The modification to the project for flood control, Tuttle Creek Lake, Kansas, authorized by section 18 of the Water Resources Development Act of 1974, which modification consists of relocation of a portion of FAS 1208.

The project for flood control, Wolf-Coffee Lake, Kansas, authorized by the Flood Control Act of 1970.

The project for flood control, Cedar Point Lake, Kansas, authorized by the Flood Control Act of 1950.

The project for flood control, Cow Creek-Hutchison, Kansas, authorized by the Flood Control Act of 1962.

The project for flood control, Missouri River Levee System Levee R414, Kansas, authorized by the Flood Control Act of August 18, 1941, Public Law 228, Seventy-seventh Congress.

KENTUCKY

The project for flood control, Caseyville, Union County, Kentucky, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Cloverport, Kentucky, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Concordia, Meade County, Kentucky, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The section A-A portion of the floodwall of the project for flood control, Louisville, Kentucky, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Middlesboro, Yellow Creek, Bell County, Kentucky, authorized by the Flood Control Act of December 22, 1944, Public Law 534, Seventy-eighth Congress.

The project for flood control, Tolu, Crittenden County, Kentucky, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

LOUISIANA

The project for flood control, Bayou Bartholomew, Louisiana, authorized by the Flood Control Act of 1950.

The project for flood control, Black Bayou, Reservoir, Caddo Parish, Louisiana, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

The project for navigation, Overton-Red River Waterway above Mile 31, Louisiana, authorized by the River and Harbor Act of July 24, 1946, Public Law 526, Seventy-ninth Congress.

The uncompleted portions of the project for navigation, Bayou La Fourche and La Fourche Jump, Louisiana, authorized by the River and Harbor Act of August 30, 1935, Public Law 409, Seventy-fourth Congress, and the River and Harbor Act of 1960.

A portion of the project for navigation, Bayou La Fourche, Louisiana, authorized by the River and Harbor Act of August 30, 1935, Public Law 409, Seventy-fourth Congress, which portion consists of a 6-foot deep by 60-foot wide channel, 22 miles in length from Thibodaux to Lockport, Louisiana.

The project for navigation, Bayou Segnette, Jefferson Parish, Louisiana, authorized by the River and Harbor Act of 1954.

MAINE

That portion of the project for navigation, Bar Harbor, Maine, authorized by the River and Harbor Act of August 11, 1888, and the River and Harbor Act of September 19, 1890, which portion consists of completing the breakwater to its fully authorized cross-section.

The Dickey-Lincoln School project, Saint John River, Maine, authorized by section 204 of the Flood Control Act of 1965.

That portion of the project for navigation, Kennebec River, Maine, authorized by the River and Harbor Act of June 13, 1902, which portion consists of the 27-foot channel above the bridge at Bath, Maine.

That portion of the project for navigation, Rockland Harbor, Maine, authorized by the Act of June 29, 1956, Public Law 630, Eighty-fourth Congress, which portion consists of an 18-foot access channel, 100 feet wide and 900 feet long to the shipyard along southern waterfront, and uncompleted portions of the outer limits of three branch channels along the central waterfront.

MARYLAND

The feature of the project for navigation, Baltimore Harbor and channels, Maryland, authorized by the River and Harbor Acts of August 8, 1917, January 21, 1927, July 3, 1930, October 17, 1940, March 2, 1945, July 3, 1958, and December 31, 1970, which feature consists of a navigation channel 150 feet wide to Ferry Bar and thence 27 feet deep and 150 feet wide to the Hanover Street Bridge.

MASSACHUSETTS

The project for navigation, Edgartown Harbor, Massachusetts, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution adopted by the Committee on Public Works of the House of Representatives on December 15, 1970, and by the Committee on Public Works of the Senate on December 19, 1970.

The feature of the project for navigation, Fall River Harbor Channel, Massachusetts, authorized by the Act of July 3, 1930, Public Law 520, Seventy-first Congress, which feature consists of rock removal to a depth of 30 feet at the lower end of Hog Island Shoal at the north side of the entrance to Mount Hope Bay.

The project for navigation, Ipswich River, Massachusetts, authorized by the Flood Control Act of 1968.

The feature of the project for navigation, Nantucket Harbor of Refuge Anchorage, Massachusetts, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, which feature consists of 15-foot deep anchorage, 2,800 feet long by 300 to 1,100 feet wide near the west side of the inner harbor, and a 15-foot deep fairway 200 feet wide between the anchorage and the main waterfront.

The project for navigation, New Bedford and Fairhaven Harbor, Bristol County, Massachusetts, authorized by the River and Harbor Act of July 25, 1912, Public Law 241, Sixty-second Congress.

The feature of the project for navigation, Newburyport Harbor, Essex County, Massachusetts, authorized by the Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, which feature consists of deepening the entrance channel from 12 to 15 feet and deepening the turning basin along the Newburyport waterfront from 9 to 12 feet.

The Nookagee Lake feature of the project for flood control, North Nashua River, Massachusetts, authorized by the Flood Control Act of 1968, which feature consists of a multiple-purpose earthfill dam and reservoir on the North Nashua River in Westminister, Massachusetts.

The project for navigation, Pleasant Bay, Massachusetts, authorized by the Flood Control Act of 1970.

The feature of the project for navigation, Salem Harbor, Essex County, Massachusetts, authorized by the Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, which feature consists of deepening to 10 feet a channel from deep water in the central part of Salem Harbor to Pickering Wharf near the South River.

The uncompleted groin feature of the project for beach erosion control, Winthrop Beach, Massachusetts, authorized by the River and Harbor Act of 1950.

The feature of the project for navigation, Lynn Harbor, Massachusetts, authorized by the River and Harbor Act of 1954, which feature consists of enlarging the turning basin to include the easterly 300 feet of the municipal channel.

The feature of the project for navigation, Lynn Harbor, Massachusetts, authorized by the River and Harbor Act of August 30, 1935, Public Law 409, Seventy-fourth Congress, which feature consists of deepening from 22 to 25 feet a 2.7-mile channel from Bass Point to and including a turning basin at the head of Lynn Harbor.

The project for flood control, Monoosnoc Brook, Massachusetts, authorized by the River and Harbor Act of 1966.

The project for flood control, Monoosnoc Lake, Worcester County, Massachusetts, authorized by the River and Harbor Act of November 7, 1966.

The feature of the project for beach erosion control, Cape Cod Canal to Provincetown, Massachusetts (Town Neck Beach), authorized by the River and Harbor Act of 1960 which feature consists of widening approximately 6,500 feet of beach east of the eastern entrance to Cape Cod Canal to 125 feet and raising the inshore end of the existing east jetty at the east entrance to such Canal.

MICHIGAN

The project for navigation, Black River Harbor, Alcona County, Michigan, authorized by section 201 of the Flood Control Act 1965 and approved by resolution adopted by the Committee on Public Works of the House of Representatives on December 15, 1970, and by the Committee on Public Works of the Senate on December 17, 1970.

The project for navigation, Forestville Harbor, Michigan, authorized by the River and Harbor Act of 1968.

The project for navigation, Middle Channel, Saint Clair River, Michigan, authorized by the River and Harbor Act of July 24, 1946, Public Law 525, Seventy-ninth Congress.

The project for flood control, Red Run Drain, Lower Clinton River, Michigan, authorized by the Flood Control Act of 1970.

The uncompleted portion of the project for navigation, Grand Marais Harbor, Michigan, authorized by the River and Harbor Act of June 14, 1880, which portion consists of widening the inner portion of the channel from 250 to 300 feet.

The uncompleted portion of the project for navigation, Keweenaw Waterway, Houghton County, Michigan, authorized by the River and Harbor Act of August 30, 1935, Public Law 409, Seventy-third Congress, which portion consists of extending the lower entrance breakwater by 2,000 feet, including the necessary alteration or replacement of structures due to channel deepening.

The turning basin feature of the project for navigation, Ontonagon Harbor, Ontonagon County, Michigan, authorized by the River and Harbor Act of 1962.

The Sanilac Flats feature of the project for flood control, Saginaw River, Michigan, authorized by the Flood Control Act of 1958, which feature provides for major drainage improvements on Middle Branch and South Branch, Cross River, and a short reach of East Branch.

The Corunna feature of the project for flood control, Saginaw River, Michigan, authorized by the Flood Control Act of 1958, which feature provides for flood protection by channel improvement, levee construction, and related work including construction of a 1,500 foot levee on the right bank; widening of two constrictive reaches of the Saginaw River at, and downstream of, the mill dam; enlargement of the spillway capacity of the mill dam; and removal of the remains of an abandoned railway bridge at the tile plant.

The Owosso feature of the project for flood control, Saginaw River, Michigan, authorized by the Flood Control Act of 1958, which feature provides flood protection by enlarging the river channel from the Ann Arbor Railroad Bridge to the city sewage treatment plant, removal of a portion of a building which encroaches on the river channel, removal of four dams and underpinning of the Main Street Bridge, and the provision of scour protection of four bridges.

The project for beach erosion control, Berrien County, Michigan (Saint Joseph Shore), authorized by the Flood Control Act of 1958.

MINNESOTA

The project for flood control, Warroad River and Bull Dog Creek, Minnesota, authorized by the Flood Control Act of 1962.

The feature of the navigation project for the Mississippi River between the Missouri River and Minneapolis, Minnesota, authorized by the River and Harbor Act of July 3, 1930, which feature consists of extension of the upper guidewall about 600 feet in length at lock numbered 3.

The project for navigation, Harriet Island Harbor, Minnesota, authorized by section 101 of the River and Harbor Act of 1962.

MISSISSIPPI

The project for navigation, Biloxi Harbor, Old Fort Bayou, Mississippi, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for flood control, Buffalo River, Mississippi, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

The project for navigation, Pascagoula Harbor, Main Channel, Mississippi, authorized by the the River and Harbor Act of March 2, 1827.

MISSOURI

The project for recreation, Angler Use Sites, Missouri, authorized by the Flood Control Act of 1966.

The project for flood control, Braymer Lake Shoal Creek, Missouri, authorized by the Flood Control Act of 1965.

The project for flood control, Brookfield Lake, Yellow Creek, Missouri, authorized by the Flood Control Act of 1965.

The project for flood control, East Muddy Creek, Missouri, authorized by the Flood Control Act of 1965.

The project for flood control, Mercer Lake, Missouri, authorized by the Flood Control Act of 1965.

The project for flood control, Mississippi River Agricultural Area 12, Missouri, authorized by the Flood Control Act of 1966.

The project for flood control, Pattonsburg Lake, Missouri, authorized by the Flood Control Act of 1965.

The project for hydroelectric power, Pomme de Terre Lake (Power Project), Missouri, authorized by the Flood Control Act of 1954.

The project for navigation, Sandy Slough Remedial Measures, Missouri, authorized by the River and Harbor Act of 1962.

The project for flood control, Trenton Lake, Missouri, authorized by the Flood Control Act of 1965.

The project for flood control, Upper Grand River, Missouri, authorized by the Flood Control Act of 1965.

The project for flood control, Mill Creek Lake, Missouri, authorized by the Flood Control Act of 1970.

NEBRASKA

The project for flood control, Little Nemaha River, Nemaha County, Nebraska, authorized by the Flood Control Act of 1965.

NEVADA

The project for flood control, Gleason Creek Dam, Nevada, authorized by the Flood Control Act of 1960.

The project for flood control, Humboldt River and Tributaries, Nevada, authorized by the Flood Control Act of 1950.

NEW JERSEY

The feature of the project for navigation, Newark Bay, Hackensack and Passaic Rivers, New Jersey, authorized by the River and Harbor Act of 1954 and by the River and Harbor Act of 1966 which feature consists of deepening of portions of the Hackensack River to 32 and 15 feet.

NEW MEXICO

The project for flood control, Rio Grande Floodway, New Mexico, San Acacia to Bosque, del Apache Unit, authorized by the Flood Control Act of June 30, 1948, Public Law 858, Eightieth Congress, and the Flood Control Act of 1950.

The project for flood control, Rio Grande Floodway, New Mexico, Espanola Valley Unit, authorized by the Flood Control Act of June 30, 1948, Public Law 858, Eightieth Congress, and the Flood Control Act of 1950.

NEW YORK

The project for flood control, Allegany, New York, Unit 2, Five Mile Creek, authorized by the Flood Control Act of July 24, 1946, Public Law 526, Seventy-ninth Congress.

The project for flood control, Allegany, New York, Unit 1, Allegheny River, authorized by the Flood Control Act of July 24, 1946, Public Law 526, Seventy-ninth Congress.

The project for navigation, Hudson River, New York City to Albany (12-foot harbors), New York, authorized by the River and Harbor Act of June 25, 1910, Public Law 264, Sixty-first Congress.

The project for navigation, Hudson River, New York City to Albany (27-foot channel), New York, authorized by the Act of March 3, 1925, Public Law 585, Sixty-eighth Congress.

The project for navigation, Ogdensburg Harbor, New York, authorized by the River and Harbor Act of August 30, 1935, Public Law 409, Seventy-third Congress.

The uncompleted portion of the project for navigation, Oswego Harbor, deepen East Outer Harbor, New York, authorized by the River and Harbor Act of July 3, 1930, Public Law 520, Seventy-first Congress.

The project for flood control, Red Creek, New York, authorized by the Flood Control Act of 1966.

The uncompleted portion of the project for navigation, Ticonderoga River, Essex County, New York, authorized by the River and Harbor Act of March 3, 1881.

The project for navigation, Cape Vincent Harbor, New York, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for navigation, East Chester Creek, New York, authorized by the River and Harbor Act of 1950.

The project for hurricane protection, East Rockaway Inlet to Rockaway Inlet, Part 2, New York, authorized by the Flood Control Act of 1965.

The project for flood protection, Hammondsport, Glen Brook (Glen Brook Flume), New York, authorized by the Flood Control Act of August 18, 1941, Public Law 228, Seventy-seventh Congress.

NORTH CAROLINA

The feature of the project for navigation, Atlantic Intracoastal Waterway—Peltier Creek, Carteret County, North Carolina, authorized by the River and Harbor Act of 1954, which feature includes a 12-foot channel. Maintenance of the existing 6-foot deep by 50-foot wide channel shall remain authorized.

The project for navigation, Atlantic Intracoastal Waterway Tidal Lock in Snows Cut, North Carolina, authorized by the River and Harbor Act of January 21, 1927, Public Law 560, Seventieth Congress.

The unconstructed portion of the project for flood control, Carolina Beach and Vicinity, South Area, North Carolina, authorized by the Flood Control Act of 1962, which portion extends south of the town limits of Carolina Beach.

The feature of the project for beach erosion control, Fort Macon State Park, North Carolina, authorized by the River and Harbor Act of 1962 and the Flood Control Act of 1962, which feature includes placing of capstone and remaining portions of beach fill and replenishment thereof.

The feature of the project for navigation, Morehead City Harbor, North Carolina, authorized by the River and Harbor Act of August 26, 1937, Public Law 392, Seventy-fifth Congress.

The project for beach stabilization and hurricane protection, Ocracoke Island, North Carolina, authorized by the Flood Control Act of 1965.

The project for beach stabilization and hurricane protection, Ocracoke Island-Village Shore, North Carolina, authorized by the Flood Control Act of 1965.

The feature of the project for navigation, Ocracoke Inlet Jetty, Hyde County, North Carolina, authorized by the River and Harbor Act of 1960, which feature consists of a single jetty extending from Ocracoke Island to the 20-foot depth in the Atlantic Ocean.

The portion of the project for navigation, Roanoke River, Halifax County, North Carolina, authorized by the River and Harbor Act of June 20, 1938, Public Law 685, Seventy-fifth Congress, which portion consists of constructing a 50-mile-long channel above Palmyra Landing to Weldon, North Carolina, 5 feet deep and 50 feet wide by dredging, snagging, and regulating.

OHIO

The additional beartraps, guardwalls, and extension of guidewalls features of the project for navigation, Ohio River, Ohio, authorized by the Flood Control Act of 1937.

The project for flood control, Burlington, Ohio, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Chesapeake, Ohio, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Empire-Stratton, Ohio, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Martins Ferry, Belmont County, Ohio, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Powhatan Point, Belmont County, Ohio, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Proctorville, Ohio, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, South Point, Ohio, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

OREGON

The project for flood control, Columbia Drainage District No. 1, Oregon, authorized by the Flood Control Act of 1950.

The project for flood control, Deer Island Drainage District, Oregon, authorized by the Flood Control Act of 1950.

The project for flood control, Shelton Ditch, Marion County, Oregon, authorized by the Flood Control Act of 1950.

The project for flood control, Umpqua River-Scholfield River, Oregon, authorized by the Flood Control Act of September 22, 1922, Public Law 362, Sixty-seventh Congress, and the Flood Control Act of 1954.

The project for flood control, Cascadia Lake, Oregon, authorized by the Flood Control Act of 1962.

The project for flood control, Gate Creek Lake, Oregon, authorized by the Flood Control Act of 1962.

The project for flood control, Grande Ronde Lake, Oregon, authorized by the Flood Control Act of 1965.

The project for flood control, Grande Ronde Valley, Oregon, authorized by the Flood Control Act of 1950.

The project for flood control, Holley Lake, Oregon, authorized by the Flood Control Act of 1950.

The project for flood control, Pendleton Levees, Riverside Area, Oregon, authorized by the Flood Control Act of 1950.

The uncompleted portions of the project for navigation, Willamette River above Portland and Yamill River, Oregon, authorized by the River and Harbor Act of June 3, 1896, as modified by the River and Harbor

Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for navigation, Willamette River at Willamette Falls, Oregon, authorized by the River and Harbor Act of June 25, 1910, Public Law 264, Sixty-first Congress, and the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

PENNSYLVANIA

The project for flood control, Brackenridge, Tarentum, and Natrona, Pennsylvania, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for navigation, Chester River, Delaware County (8-ft. channel), Pennsylvania, authorized by the River and Harbor Act of March 2, 1919, Public Law 323, Sixty-fifth Congress.

The project for flood control, Leetsdale, Allegheny County, Levee and Drainage Facility, Pennsylvania, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Muddy Creek Lake, Pennsylvania, authorized by the Flood Control Act of 1962.

The project for flood control, Neville Island, Pennsylvania, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, New Kensington and Parnassus, Pennsylvania, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Rochester, Beaver County, Pennsylvania, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifty Congress.

The project for flood control, Trexler Dam and Lake, Lehigh County, Pennsylvania, authorized as part of the Delaware River Basin project pursuant to section 203 of the Flood Control Act of 1962.

The project for navigation, Youghiogheny River Canalization, Pennsylvania, authorized by the River and Harbor Act of 1930, Public Law 395, Seventy-first Congress.

The project for flood control, Aquashicola Lake, Pennsylvania, authorized by the Flood Control Act of 1962.

The project for flood control, Maiden Creek Lake Earth Dam, Pennsylvania, authorized by the Flood Control Act of 1962.

PUERTO RICO

The project for navigation, Fajardo Harbor (28 foot Channel and Tidal Basin), Puerto Rico, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for navigation, Guayanes Harbor (23 foot channel and anchorage), Puerto Rico, authorized by the River and Harbor Act of August 26, 1937, Public Law 392, Seventy-fifth Congress.

RHODE ISLAND

The features of the project for navigation, Great Salt Pond, Newport County, Rhode Island, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, which features include a 1,200-foot long north jetty at the entrance to Great Salt Pond and a 12-foot access channel and basin in the inner harbor (Trim Pond).

The features of the project for navigation, Harbor of Refuge, Block Island, Rhode Island, authorized by the River and Harbor Act of July 25, 1912, Public Law 241, Sixty-second Congress, which features include two 15-foot anchorages in the outer harbor.

The portions of the project for navigation, Pawcatuck River, Washington County, Rhode Island, authorized by the River and Harbor Act of June 3, 1896, which portions include widening the middle section of the Little Narraganset Bay channel by an additional 100 feet to 200 feet, widening a 5,000 foot section of the river channel at Avondale by an additional 100 feet to 200 feet, and by deepening a 2,000 foot section of the upper river channel by an additional 3 feet to 10 feet.

The portion of the project for navigation, Providence River and Harbor, Rhode Island, authorized by the River and Harbor Act of 1965, which portion consists of the branch channel along the India Point waterfront, 30 feet deep, 150 feet wide, and about 1,000 feet long.

The project for flood control, Westerly Hurricane Protection, Rhode Island, authorized by the Flood Control Act of 1965.

SOUTH CAROLINA

The project for navigation, Charleston Harbor, Ft. Moultrie Anchorage Area, South Carolina, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for navigation, Myrtle Beach, Anchorage Basin, South Carolina, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for flood control, Reedy River, Greenville, South Carolina, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution of the Committee on Public Works of the House of Representatives, dated December 1970, and resolution of the Committee on Public Works of the Senate, dated December 1970.

TENNESSEE

The project for navigation, Cumberland River above Nashville, Tennessee, authorized by the River and Harbor Act of August 5, 1886.

The project for navigation, Hiwassee River, Polk and Bradley Counties, Tennessee, authorized by the River and Harbor Act of August 14, 1876.

The project for flood control, Rossview Lake, Tennessee and Kentucky, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for hydroelectric power, Alabama-Coosa River Basin, Jacks River Lake, Tennessee, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

TEXAS

The project for flood control, Alpine, Texas, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution of the Committee on Public Works of the House of Representatives, dated April 11, 1974, and resolution of the Committee on Public Works of the Senate, dated May 31, 1974.

The project for navigation, Brazos Island Harbor, Texas, authorized by the River and Harbor Act of 1960.

The project for navigation, Brazos River, Velasco to Old Washington, Texas, authorized by the River and Harbor Act of June 13, 1902.

The project for navigation, Cedar Bayou (mile 3.0 to mile 11.0), Harris, Texas, authorized by the River and Harbor Act of September 19, 1890, as amended by the River and Harbor Act of July 3, 1930, Public Law 520, Seventy-first Congress.

The feature of the navigation project for the Channel to Port Bolivar, Texas, authorized by the River and Harbor Act of March 2, 1907, Public Law 168, Fifty-ninth Congress, as amended by the River and Harbor Act of June 25, 1910, Public Law 264, Sixty-first Congress, and the River and Harbor Act of March 2, 1919, which feature consists of a turning basin of 750 wide by 1,600 feet long and 30 feet deep.

The project for flood control, Duck Creek Channel Improvement, Texas, authorized by the Flood Control Act of 1965.

The portion of the project for navigation, Gulf Intracoastal Waterway Channel to Harlingen, Texas, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, which portion consists of a channel from mile 25.8 to mile 31.0 on the Arroyo Colorado, upstream of the turning basin between Rio Hondo and Harlingen, Texas.

The feature of the project for navigation, Gulf Intracoastal Waterway-Chocolate Bayou, Texas, authorized by the River and Harbor Act of 1965, which feature consists of channel enlargement to 9 by 100 feet from channel mile 8.2 to channel mile 13.2 and construction of a turning basin 600 feet wide and 9 feet deep at channel mile 13.2 on Chocolate Bayou.

The project for navigation, Gulf Intracoastal Waterway Harbor of Refuge at Seadrift, Texas, authorized by the River and Harbor Act of 1954.

The portion of the project for navigation, Houston Ship Channel, Greens Bayou, Texas, authorized by the River and Harbor Act of 1965, which portion consists of the upper 1.1 mile increment of the project channel on Greens Bayou.

The portion of the project for navigation, Gulf Intracoastal Waterway, Texas, Channel Relocation in Matagorda Bay, authorized by the River and Harbor Act of June 25, 1910, Public Law 264, Sixty-first Congress, as amended by the River and Harbor Act of 1925, Public Law 585, Sixty-eighth Congress, the River and Harbor Act of January 21, 1927, Public Law 560, Sixty-ninth Congress, the River and Harbor Act of July 23, 1942, Public Law 675, Seventy-seventh Congress, and the River and Harbor Act of 1962, which portion consists of the relocation of a segment of the Gulf Intrascoastal Waterway in Matagorda Bay between miles 454.3 and 471.3.

The project for flood control, Lake Brownwood, Texas, authorized by the Flood Control Act of 1968.

The project for flood control, Lake Fork Lake-Lake Fork Creek, Texas, authorized by the Flood Control Act of 1970.

The project for flood control, Mill Creek Brazos River, Austin County, Texas, authorized by the River and Harbor Act of July 24, 1946, Public Law 525, Seventy-ninth Congress.

The project for flood control, Navasota Lake, Texas, authorized by the Flood Control Act of 1968.

The project for flood control, Navidad and Lavaca Rivers, Jackson and Lavaca Counties, Texas, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

The project for flood control, Pecan Bayou Lake, Texas, authorized by the Flood Control Act of 1968.

The project for flood control, Peyton Creek, Matagorda County, Texas, authorized by section 201 of the Flood Control Act of 1965 and approved by resolutions of the Committee on Public Works of the House of Representatives and the Committee on

Public Works of the Senate, dated October 12, 1972.

The project for flood control, Plainview, Texas, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution of the Committee on Public Works of the House of Representatives, dated December 15, 1970, and the Committee on Public Works of the Senate, dated December 17, 1970.

The project for flood control, Roanoke Lake, Texas, authorized by the River and Harbor Act of 1965.

The portion of the project for navigation, Sabine Neches Waterway Channel to Echo, Texas, authorized by the River and Harbor Act of 1962, which portion consists of the unconstructed channel in the Sabine River between Orange and Echo, Texas.

The project for navigation, Sabine River, Echo to Morgan Bluff, Texas, authorized by the Flood Control Act of 1970.

UTAH

The project for flood control, Weber River and Tributaries, Morgan County, Utah, authorized by section 206 of the River and Harbor Act of 1968.

VERMONT

The project for flood control, Bennington, Vermont, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress.

The project for navigation, Otter Creek, Addison County, Vermont, authorized by the River and Harbor Act of June 10, 1872.

The project for flood control, Rutland Otter Creek, Vermont, authorized by the Flood Control Act of June 22, 1936, Public Law 738, Seventy-fourth Congress, as amended by the Flood Control Act of July 31, 1947, Public Law 296, Eightieth Congress.

VIRGINIA

The project for navigation, Thimble Shoal Channel, Virginia, authorized by the River and Harbor Act of 1954 consisting of side channels 32 feet deep and 450 feet wide on both sides of the 1,000-foot channel.

The navigation project for Neabasco Creek, Virginia, authorized by the River and Harbor Act of March 3, 1881.

The project for flood control, water quality control, recreation, fish and wildlife enhancement, and hydroelectric power generation, Moore's Ferry Lake, Virginia and North Carolina, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The feature of the project for navigation, Pamunkey River, Hanover and King Counties, Virginia, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, Seventy-ninth Congress, which feature consists of a channel 5 feet deep and 50 feet wide between Bassett Ferry and Manquin Bridge.

VIRGIN ISLANDS

The uncompleted portion of the project for navigation, Christiansted Harbor-St. Croix, Virgin Islands, authorized by the River and Harbor Act of 1950, which portion consists of an approach channel 25 feet and 300 feet wide from the Caribbean Sea to and including a turning basin 25 feet deep, approximately 600 feet wide, and 900 feet long.

The portion of the project for navigation, St. Thomas Harbor, Virgin Islands, authorized by the River and Harbor Act of August 26, 1937, Public Law 392, Seventy-fifth Congress, which portion consists of construction of an entrance channel 36 feet deep and 600 feet wide, an anchorage area 33 feet deep, a breakwater 700 feet long between Rupert Rock and the mainland, and removal of Scorpion Rock to a depth of 36 feet.

WAKE ISLAND

The project for navigation, Wake Island Harbor, Wake Island, authorized by the River and Harbor Act of August 26, 1937, Public Law 392, Seventy-fifth Congress.

WASHINGTON

The project for flood control, Entiat River, Chelan County, Washington, authorized by the Flood Control Act of 1950.

The project for flood control, Lower Walla Walla River, Washington, authorized by the Flood Control Act of 1950.

The project for flood control, Methow River, Okanogan County, Washington, authorized by the Flood Control Act of 1950.

The uncompleted portion of the project for flood control, Okanogan River, Okanogan, Washington, authorized by the Flood Control Act of 1950.

The unconstructed groin feature of the project for navigation, Quillayute River, Clallam County, Washington, authorized by the Act of July 3, 1930, Public Law 520, Seventy-first Congress.

The feature of the project for navigation, Seattle Harbor, King County, Washington, authorized by the Act of July 3, 1930, Public Law 520, Seventy-first Congress, which feature consists of a settling basin located at the upper end of the existing Duwamish waterway navigation project about 1.4 miles above the 14th Avenue South Bridge.

The project for flood control, Spokane River, Spokane, Washington, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Yakima River at Ellensburg, Washington, authorized by the Flood Control Act of 1950.

The project for flood control, Palouse River, Whitman County, Washington, authorized by the Flood Control Act of 1950.

The project for flood control, Pullman Palouse River, Washington, authorized by the Flood Control Act of 1944.

The project for navigation, Stillaquamish River, Washington, authorized by the Act of March 2, 1945, Public Law 14, Seventy-ninth Congress.

WEST VIRGINIA

The project for flood control, Moundsville, Marshall County, Levees, West Virginia, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Panther Creek Lake, West Virginia, authorized by the Flood Control Act of 1965.

The project for flood control, Proctor, Wetzel County, West Virginia, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Ravenswood, West Virginia, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Rowlesburg Lake, West Virginia, authorized by the Flood Control Act of 1965.

The project for flood control, Warwood, Ohio County, Wall and Drainage, West Virginia, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, North Wheeling, Ohio County, West Virginia, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Wheeling, Ohio County, Levees, Walls and Pumping Plant, West Virginia, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Wheeling Island, Ohio County, West Virginia, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Birch Lake, West Virginia, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

The project for flood control, Woodlands, Marshall County, West Virginia, authorized by the Flood Control Act of June 28, 1938, Public Law 761, Seventy-fifth Congress.

WISCONSIN

The project for navigation, Hudson Small Boat Harbor, Wisconsin, authorized by the Flood Control Act of 1950.

The project for navigation, Cassville Small Boat Harbor, Grant County, Wisconsin, authorized by the River and Harbor Act of 1962.

WYOMING

The project for flood control, Buffalo, Johnson County, Diversion Channel, Wyoming, authorized by the Flood Control Act of 1950.

SEC. 1002. (a) The project for navigation at Eastport Harbor, Maine, authorized by section 101 of the River and Harbor Act of 1960 (74 Stat. 480), is not authorized after the date of enactment of this Act.

(b) The Secretary shall transfer without consideration to the city of Eastport, Maine, title to any facilities and improvements constructed by the United States as part of the project described in subsection (a) of this section. Such transfer shall be made as soon as practicable after the date of enactment of this Act. Nothing in this section shall require the conveyance of any interest in land underlying such project title to which is held by the State of Maine.

SEC. 1003. (a) The Kalihi Channel portion of the project for navigation for Honolulu Harbor, Hawaii, authorized by section 101 of the River and Harbor Act of 1954, is not authorized after the date of enactment of this Act.

(b) The consent of Congress is hereby given to the State of Hawaii to construct, operate, and maintain a fixed-span bridge in and over the water of the Kalihi Channel, Honolulu Harbor, Hawaii.

SEC. 1004. (a) The Onaga Lake project, Vermillion Creek, Kansas, authorized by the Flood Control Act of 1962 (Public Law 87-874), is not authorized after the date of enactment of this Act.

(b) The Secretary shall expedite the current study under section 216 of the Flood Control Act of 1970 with respect to the addition of water supply storage at Tuttle Creek Lake, Kansas.

SEC. 1005. (a) The portion of the flood control project for the Illinois River and tributaries, Illinois, Wisconsin, and Indiana, authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 1189) which is to be located on the Sangamon River, Illinois, about 1 mile upstream from Decatur, Illinois, and which is known as the William L. Springer Lake project is not authorized after the date of enactment of this Act.

(b) Notwithstanding section 203 of the Federal Property and Administrative Services Act of 1949 and any other provision of law, before any lands acquired by the United States for the William L. Springer

Lake project referred to in subsection (a) of this section are sold or otherwise disposed of or used for any purpose other than to carry out such project, such lands shall first be made available for purchase by the city of Decatur, Illinois, at the price at which such lands were acquired by the United States.

TITLE XI—GENERAL PROVISIONS

Sec. 1101. The objectives of enhancing regional economic development, the quality of the total environment (including its protection and improvement), the well-being of the people of the United States, the prevention of loss of life, and national economic development shall be the objectives to be included in water resources projects carried out by the Secretary, and the benefits and costs attributable to such objectives, both quantifiable and unquantifiable, shall be included in the evaluation of the benefits and costs of such projects.

Sec. 1102. (a) In the case of any water resources study authorized to be undertaken by the Secretary, the Secretary shall prepare a feasibility report. Such feasibility report shall describe, with reasonable certainty, the environmental benefits and detriments, the costs and benefits attributable to each of the objectives set forth in section 1101 of this title, the engineering features (including hydrologic and geologic information), the public acceptability, and the purposes, scope, and scale of the recommended plan. The feasibility report shall also include the views of other Federal agencies and non-Federal agencies with regard to the recommended plan, a description of a nonstructural alternative to the recommended plan when such plan does not have significant nonstructural features, and a description of the Federal and non-Federal participation in such plan, and shall demonstrate that States, other non-Federal interests, and Federal agencies have been consulted in the development of the recommended plan. This subsection shall not apply to (1) any study with respect to which a report has been submitted to Congress before the date of enactment of this Act, (2) any study for a project which project is authorized by this Act, and (3) any study for a project which is authorized under any of the following sections: section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s), section 2 of the Flood Control Act of August 28, 1937 (33 U.S.C. 701g), section 14 of the Flood Control Act of 1946 (33 U.S.C. 701r), section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577), section 3 of the Act entitled "An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property", approved August 13, 1946 (33 U.S.C. 426g), and section 111 of the River and Harbor Act of 1968 (33 U.S.C. 426i).

(b) Before preparing any feasibility report under subsection (a), the Secretary shall first perform, at full Federal expense, a reconnaissance survey of the potential water resources project for the purpose of defining water resources problems and needs to be addressed by such project and identifying potential solutions to such problems in sufficient detail to enable the Secretary to determine whether or not planning of such project should proceed to the preparation of such feasibility report. Such survey shall include a preliminary analysis of the Federal interest, costs, benefits, and environmental impacts of such project and an estimate of the costs of preparing the feasibility report.

(c)(1) Non-Federal interests shall contribute 25 per centum of the cost of any feasibility report for any water resources study prepared by the Secretary. Not less than one-half of such non-Federal contribution shall be made by payments, and not more than one-half of such contribution may be made by the provision of services, materials, or supplies necessary to prepare the feasibility report. Any amount contributed by non-Federal interests under this paragraph shall be credited toward the non-Federal share, if any, of the cost of construction of the project for which such report is prepared.

(2) This subsection shall only apply to any water resources study for which no Federal funds have been obligated before the date of enactment of this Act. This subsection shall not apply to any water resources study for any navigation improvement to the inland waterway system.

Sec. 1103. In the evaluation by the Secretary of benefits and costs of a water resources project, the benefits attributable to measures included in a project for the purpose of environmental quality, including protection and improvement of the environment, mitigation of project-caused fish and wildlife losses (including habitat), and fish and wildlife enhancement shall be deemed to be at least equal to the costs of such measures.

Sec. 1104. There is established an Environmental Protection and Mitigation Fund. There is authorized to be appropriated to such fund $35,000,000 for fiscal years beginning after September 30, 1983. Amounts in the fund shall be available for undertaking, in advance of construction of any water resources project authorized to be constructed by the Secretary, such measures authorized as part of such project, including the acquisition of lands and interests therein, as may be necessary to ensure that project-induced losses to fish and wildlife production and habitat will be mitigated. The Secretary shall reimburse the Fund for any amounts expended under this section for a water resources project from the first appropriations made for construction, including planning and designing, of such project.

Sec. 1105. (a) The Secretary, in coordination with the Secretary of the Interior and in consultation with appropriate Federal, State, and local agencies, is authorized to study the water resources needs of river basins and regions of the United States. The Secretaries shall report the results of such study to Congress not later than October 1, 1987.

(b) In carrying out the studies authorized under subsection (a) of this section, the Secretaries shall consult with State, interstate, and local governmental entities.

Sec. 1106. (a) The Secretary may establish and develop separate campgrounds for individuals sixty-two years of age or older at any lake or reservoir under the jurisdiction of the Secretary where camping is permitted.

(b) The Secretary may prescribe regulations to control the use of and the access to any separate campground established and developed under subsection (a) of this section.

(c) There are authorized to be appropriated such sums as may be necessary for fiscal years beginning after September 30, 1983, to carry out subsection (a) of this section.

(d) The Secretary shall establish and develop the parcel of land (located in the State of Texas at the Sam Rayburn Dam and Reservoir) described in subsection (g) of this section as a separate campground for individuals sixty-two years of age or older.

(e) The Secretary shall prescribe regulations to control the use of and the access to the separate campground established and developed pursuant to subsection (d) of this section.

(f) There are authorized to be appropriated for fiscal years beginning after September 30, 1983, $600,000 to carry out subsection (d) of this section.

(g) The parcel of land to be established and developed as a separate campground pursuant to subsection (d) of this section is a tract of land of approximately 50 acres which is located in the county of Angelina in the State of Texas and which is part of the Thomas Hanks survey. The boundary of the parcel begins at a point at the corner furthest west of tract numbered 3420 of the Sam Rayburn Dam and Reservoir:

thence north 81 degrees 30 minutes east, approximately 2,800 feet to a point at the edge of the water;

thence south along the edge of the water approximately 2,600 feet;

thence north 80 degrees 30 minutes west, approximately 1,960 feet to a point at the reentrant corner of tract numbered 3419 of the Sam Rayburn Dam and Reservoir;

thence along the boundary line of tract numbered 3419 north 46 degrees 15 minutes west, 220 feet to a point at the center line of a road at the corner common to tract numbered 3419 and tract numbered 3420;

thence along the southwestern boundary line of tract numbered 3420 north 46 degrees 15 minutes west, 230 feet to a point at the corner furthest east of tract numbered 3424 of the Sam Rayburn Dam and Reservoir;

thence along the boundary line of tract numbered 3424 south 32 degrees 4 minutes west, 420 feet to a point;

thence along the boundary line of tract numbered 3424 north 28 degrees 34 minutes west, 170 feet to a point;

thence along the boundary line of tract numbered 3424 north 38 degrees 15 minutes east, 248 feet to a point;

thence along the boundary line of tract numbered 3424 north 32 degrees 44 minutes east, 120 feet to a point at the corner furthest north of tract numbered 3424;

thence along the southwestern boundary line of tract numbered 3420 north 46 degrees 15 minutes west, 460 feet to the beginning point.

Sec. 1107. Section 2(h) of the Act entitled "An Act to deauthorize several projects within the jurisdiction of the Army Corps of Engineers" (Public Law 97-128) is amended to read as follows:

"(h) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to undertake such structural and nonstructural measures as he determines to be economically and engineeringly feasible to prevent flood damage to communities along the route of the Meramec River and its tributaries in Saint Louis, Jefferson, and Franklin Counties, Missouri, at an estimated cost of $100,000,000.".

Sec. 1108. Section 111 of the River and Harbor Act of 1968 is amended by inserting after "construct projects" the following: "(both structural and nonstructural)".

Sec. 1109. (a) Section 4 of the Act entitled "An Act to authorize the Secretary of the Army to undertake a national program of inspection of dams", approved August 8, 1972 (Public Law 92-367; 33 U.S.C. 467c), is amended by inserting "(a)" immediately after "Sec. 4.", and by adding at the end thereof the following new subsection:

"(b) In any case where the Secretary determines that a dam inspected under this Act which is owned by a State, a political subdivision thereof, or any other such public agency or instrumentality is in such a hazardous condition that it is a danger to human life or property, the Secretary is authorized to restore such dam to a safe condition if the State, political subdivision, or other public agency or instrumentality owning such dam agrees prior to any such restoration (1) to repay to the United States, over a period not to exceed fifty years from the date of completion of the restoration, all costs of such restoration, together with interest, at a rate computed in accordance with section 301(b) of the Water Supply Act of 1958, and (2) to maintain such dam upon completion of such restoration in a safe condition. The Secretary is not authorized to carry out any of the work described in this subsection unless the State in which the work is to be accomplished has in existence and is maintaining a dam safety program for non-Federal dams which insures that non-Federal dams are built in accordance with sound engineering practice, protect the safety of the public, and are maintained in safe condition.".

(b) Section 3 of the Act entitled "An Act to authorize the Secretary of the Army to undertake a national program of inspection of dams" (Public Law 92-367; 33 U.S.C. 467b) is amended by adding after the first sentence thereof the following new sentence: "In any case in which any hazardous conditions are found during an inspection, upon request by the owner, the Secretary, acting through the Chief of Engineers, may perform detailed engineering studies to determine the structural integrity of the dam, subject to reimbursement of such expense.".

(c) The Secretary, in accordance with section 4 of the Act entitled "An Act to authorize the Secretary of the Army to undertake a national program of inspection of dams", approved August 8, 1972, as amended by subsection (a) of this section, shall repair the spillway and undertake such other measures as the Secretary determines are necessary to restore the safety of the dam used to supply water to Schuyler County Public Water Supply District Number 1, Missouri.

(d) Section 5 of the Act entitled "An Act to authorize the Secretary of the Army to undertake a national program of inspection of dams", approved August 8, 1972 (86 Stat. 507), is amended by inserting "(a)" after "Sec. 5." and by adding at the end thereof the following new subsection:

"(b) The Secretary shall annually update the inventory of dams required to be prepared under subsection (a) and submit a report to the Congress on the results of such update.".

Sec. 1110. (a) Section 202(f) of the Water Resources Development Act of 1976 is amended to read as follows:

"(f) There is authorized to be appropriated to carry out this section such sums as may be necessary for fiscal years beginning after September 30, 1983.".

(b) The Secretary shall develop, implement, and maintain a project under section 202 of the Water Resources Development Act of 1976 for removal of drift and debris from Buffalo Harbor, New York, and removal of dilapidated structures from the adjacent shoreline.

Sec. 1111. Lake Pend Oreille, Idaho, is hereby declared to be not a navigable water of the United States for purposes of section 10 of the Act entitled "An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 3, 1899 (33 U.S.C. 403).

Sec. 1112. Section 104(b) of the River and Harbor Act of 1958, as amended, is amended by striking out "$10,000,000" and inserting in lieu thereof "$12,000,000".

Sec. 1113. Upon request of the Governor of a State, or the appropriate official of local government, the Secretary is authorized to provide designs, plans, and specifications, and such other technical assistance as he deems advisable, at Federal expense, to such State or local government for its use in carrying out projects for removing accumulated snags and other debris, and clearing and straightening channels in navigable streams and tributaries thereof.

Sec. 1114. (a) The Secretary shall undertake a program to increase his capability to control river ice and harbor ice, and to assist communities in breaking up such ice that would otherwise be likely to cause or aggravate flood or other damage or severe streambank erosion.

(b) The Secretary is further authorized to provide technical assistance to units of local government to implement local plans to control or break up river ice and harbor ice. As part of such authority, the Secretary is authorized to purchase, utilize, and, if requested by units of local government, loan any necessary ice-control or ice-break equipment to such units of local government.

(c) The sum of $5,000,000 is authorized to be appropriated to the Secretary for each of the fiscal years ending September 30, 1984, September 30, 1985, and September 30, 1986, to implement this section.

Sec. 1115. The laws of the United States relating to the improvement of rivers and harbors, flood control, beach erosion, and other water resource development enacted after November 8, 1966, and before January 1, 1984, shall be compiled under the direction of the Secretary of the Army and the Chief of Engineers and printed for the use of the Department of the Army.

Sec. 1116. The Secretary is authorized to preserve, restore, interpret, and maintain those historic properties located on water resource development projects under the jurisdiction of the Department of the Army if such properties have been entered into the National Register of Historic Places.

Sec. 1117. Subsection (b) of section 120 of the Water Resources Development Act of 1976 is amended to read as follows:

"(b) There is authorized to be appropriated $10,000,000 per fiscal year for each fiscal year beginning after September 30, 1983, to carry out this section.".

Sec. 1118. (a) The Secretary shall, notwithstanding any other provision of law, convey to the Metropolitan Park District of Columbus and Franklin County, Ohio, all right, title, and interest of the United States in and to all or any part of the eight hundred thirty-four and nine one-hundredths acres of land which were acquired for the Big Darby Lake flood control project and which have been determined to be surplus property. The Secretary shall convey any such right, title, and interest for consideration in an amount equal to the consideration paid by the Secretary for acquisition of such right, title, and interest for such project.

(b) The conveyance of land under subsection (a) of this section shall be made on the condition that such Park District administer such land for park purposes. If, at any time after such conveyance, such land is not so administered, all right, title, and interest in such land shall revert to the United States which shall have immediate right of reentry thereon.

Sec. 1119. Section 16(b) of the Water Resources Development Act of 1974 is amended by striking out "$1,342,000" and all that follows through the period at the end of such section and inserting in lieu thereof "$1,700,000.".

Sec. 1120. The Secretary shall maintain the navigation project for the Delaware River, Philadelphia to the sea, and the navigation project for the Delaware River, Trenton to Philadelphia, to their authorized dimensions.

Sec. 1121. (a) Downstream recreation on the Gauley River is declared to be an additional project purpose of the Summersville Project, West Virginia. During the fall flood control drawdown period for the project, the Secretary shall provide releases from the Summersville Dam for whitewater recreation in the 26 mile tailwater segment of the Gauley River commencing at the base of such dam. Releases at times and levels (minimum 2,400 cubic feet per second) suitable for such recreation shall commence on the first weekend after Labor Day of each year and continue during each weekend thereafter (and during such weekday periods as the Secretary finds appropriate) for approximately five weeks or until commencement of the traditional West Virginia Department of Natural Resources fish stocking program in the tailwaters area (during hunting season), whichever comes first.

(b)(1) To the extent feasible, whitewater recreation releases in addition to those referred to in subsection (a) may be scheduled by the Secretary during Spring and Summer. Such releases shall not be injurious to fish in the tailwaters of the Summersville Dam or to recreation, including fishing, in the Summersville Lake, as determined by the Secretary, in consultation with the West Virginia Department of Natural Resources and shall be compatible with other project purposes of the Summersville Project.

(2) For purposes of scheduling releases under this subsection, the Secretary may provide for daily increments of water storage during weekdays (until lake levels reach not more than 12 inches above summer pool level) to be released on weekends at time and levels (minimum 2400 cubic feet per second) suitable for whitewater recreation. Such releases shall be scheduled only during periods after the lake is filled to summer level and when inflow into the lake during the previous week is adequate. A scheduled release may be cancelled at any time if the release would reduce lake levels below the summer pool level.

(c) The Secretary may temporarily suspend (for such period as may be necessary) or modify any release required under subsection (a) or scheduled under subsection (b) when necessary for purposes of flood control or any other project purpose, or for reasons of public health and safety.

(d) The Secretary shall schedule the whitewater recreation releases under subsection (b) as early as adequate hydrological data is available and shall, to the maximum extent feasible, provide early advance public notice of all such releases, of all whitewater recreation releases to be provided under subsection (a), and of all suspensions, modification, or cancellations of such releases.

Sec. 1122. (a) To ensure the coordinated development and enhancement of the Upper Mississippi River system, it is hereby declared to be the intent of Congress to recognize that system as a nationally significant ecosystem and a nationally significant commercial navigation system. Congress further recognizes that the system provides a diversity of opportunities and experiences. The system shall be administered and regulated in recognition of its several purposes.

(b) For purposes of this section—

(1) the terms "Upper Mississippi River system" and "system" mean those river reaches having commercial navigation channels on the Mississippi River main stem north of Cairo, Illinois; the Minnesota River, Minnesota; Black River, Wisconsin; Saint Croix River, Minnesota and Wisconsin; Illinois River and Waterway, Illinois; and Kaskaskia River, Illinois;

(2) the term "master plan" means the comprehensive master plan for the management of the Upper Mississippi River system dated January 1, 1982, prepared by the Upper Mississippi River Basin Commission and submitted to Congress pursuant to Public Law 95-502; and

(3) the term "GREAT I, GREAT II, and GRRM studies" means the studies entitled "GREAT River Environmental Action Team—GREAT I—A Study of the Upper Mississippi River", dated September 1980, "GREAT River Environmental Action Team—GREAT II—A Study of the Upper Mississippi River", dated December 1980, and "GREAT River Resource Management Study", dated September 1982.

(c)(1) Congress hereby approves the master plan as a guide for future water policy on the Upper Mississippi River system.

(2) Subsection (i) of section 101 of Public Law 95-502 is repealed. Section 101(b) of such Public Law is amended by striking out the parenthetical clause in the last sentence.

(d)(1) The consent of the Congress is hereby given to the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, or any two or more of such States, to enter into agreements, not in conflict with any law of the United States, for cooperative effort and mutual assistance in the comprehensive planning for the use, protection, growth, and development of the Upper Mississippi River system, and to establish such agencies, joint or otherwise, or designate an existing multi-State entity, as they may deem desirable for making effective such agreements.

(2) The Secretary is authorized to enter into cooperative agreements with the Upper Mississippi River Basin Association or any other agency established under paragraph (1) of this subsection to promote and facilitate active State government participation in the river system management, development, and protection.

(3) The Upper Mississippi River Basin Association or any other agency established under paragraph (1) of this subsection is hereby designated by Congress as the caretaker of the master plan. Any changes to the master plan recommended by the Secretary shall be submitted to such association or agency for review. Such agency or association may make such comments with respect to such recommendations as such agency or association deems appropriate and shall transmit such comments to the Secretary. The Secretary shall transmit such recommendations along with the comments of such agency or association to the Congress for approval.

(e)(1) The Secretary, in consultation with the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, is authorized to undertake, as identified in the master plan—

(A) a program for the planning, construction, and evaluation of measures for fish and wildlife habitat rehabilitation and enhancement;

(B) implementation of a long-term resource monitoring program; and

(C) implementation of a computerized inventory and analysis system.

(2) Each program referred to in paragraph (1) shall be carried out over a ten-year period beginning on the date of enactment of this Act. Before the last day of such ten-year period, the Secretary, in consultation with the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, shall conduct an evaluation of such programs and submit a report on the results of such evaluation to Congress. Such evaluation shall determine each such program's effectiveness, strengths, and weaknesses and contain recommendations for the modification and continuance or termination of such program.

(3) For purposes of carrying out paragraph (1)(A) of this subsection, there is authorized to be appropriated to the Secretary not to exceed $8,200,000 for the first fiscal year beginning after the date of enactment of this Act, not to exceed $12,400,000 for the second fiscal year beginning after the date of enactment of this Act, and not to exceed $13,000,000 per fiscal year for each of the succeeding eight fiscal years.

(4) For purposes of carrying out paragraph (1)(B) of this subsection, there is authorized to be appropriated to the Secretary not to exceed $7,680,000 for the first fiscal year beginning after the date of enactment of this Act and not to exceed $5,080,000 per fiscal year for each of the succeeding nine fiscal years.

(5) For purposes of carrying out paragraph (1)(C) of this subsection, there is authorized to be appropriated to the Secretary not to exceed $40,000 for the first fiscal year beginning after the date of enactment of this Act, not to exceed $280,000 for the second fiscal year beginning after the date of enactment of this Act, not to exceed $1,220,000 for the third fiscal year beginning after the date of enactment of this Act, and not to exceed $975,000 per fiscal year for each of the succeeding seven fiscal years.

(6) The Secretary shall determine if the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin are adequately participating in the planning, construction, evaluation, and implementation of those programs authorized by paragraph (1) of this subsection during the third fiscal year after the first appropriation of funds to carry out such paragraph. If participation of the States is not adequate to allow the Secretary to carry out such paragraph, the Secretary shall submit a report to Congress asking for termination of the program's funding.

(7) None of the funds appropriated pursuant to any authorization contained in this subsection shall be considered to be chargeable to navigation.

(f)(1) The Secretary, in consultation with any agency established under subsection (d)(1) of this section, is authorized to implement a program of recreational projects for the system substantially in accordance with the recommendations of the GREAT I, GREAT II, and GRRM studies and the master plan reports. In addition, the Secretary shall conduct an assessment of the economic benefits generated by recreational activities in the system.

(2) For purposes of carrying out the program of recreational projects authorized in paragraph (1) of this subsection, there is authorized to be appropriated to the Secretary not to exceed $500,000 per fiscal year for each of the first ten fiscal years beginning after the effective date of this Act and, for purposes of carrying out the assessment of the economic benefits of recreational activities as authorized in paragraph (1) of this subsection, there is authorized to be appropriated to the Secretary not to exceed $300,000 per fiscal year for the first and second of such fiscal years and $150,000 for the third of such fiscal years.

(g) The Secretary, in consultation with any agency established under subsection (d)(1) of this section, shall submit to Congress annual recommendations to be undertaken to increase the capacity of specific locks throughout the system by employing nonstructural measures and making minor structural improvements.

(h)(1) The Secretary, in consultation with any agency established under subsection (d)(1) of this section, shall monitor traffic movements on the system for the purpose of verifying lock capacity, updating traffic projections, and refining the economic evaluation so as to verify the need for future capacity expansion of the system.

(2) The Secretary, in consultation with the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, shall determine the need for river rehabilitation and environmental enhancement based on the condition of the environment, project developments, and projected environmental impacts from implementing any proposals resulting from recommendations made under subsection (g) and paragraph (1) of this subsection.

(3) There is authorized to be appropriated to the Secretary for each of the ten fiscal years beginning after the date of the enactment of this Act such sums as may be necessary to carry out this subsection.

(i)(1) The Secretary shall, as he determines feasible, dispose of dredged material from the system pursuant to the recommendations of the GREAT I, GREAT II, and GRRM studies.

(2) The Secretary shall establish and request appropriate Federal funding for a program to facilitate productive uses of dredged material. The Secretary shall work with the States which have, within their boundaries, any part of the system to identify potential users of dredged material.

(j)(1) Notwithstanding another provision of this section, the Secretary shall enter into an interagency agreement with the Secretary of the Interior, with respect to projects and programs in the master plan for which the Department of the Interior (or any agency or bureau of the Department) is designated in the plan as the lead agency, under which the Secretary of the Interior will carry out all functions that the Secretary, but for this subsection, would carry out regarding those projects and programs.

(2) For purposes of carrying out the functions set forth in the agreement under paragraph (1) of this subsection, there is authorized to be appropriated such sums as may be necessary to the Secretary of the Interior for each of the first ten fiscal years beginning after the date of enactment of this Act. Amounts appropriated for any fiscal year under this paragraph shall be in lieu of, and shall not be in addition to, amounts authorized to be appropriated to the Secretary of the Army, acting through the Chief of Engineers, under this section for such fiscal year.

SEC. 1123. (a) To ensure the coordinated economic revitalization and environmental enhancement of the Great Lakes and their connecting channels and the Saint Lawrence Seaway (hereinafter in this section referred to as the "Great Lakes"), known as the "Fourth Seacoast" of the United States, it is hereby declared to be the intent of Congress to recognize the importance of the economic vitality of the Great Lakes region, the importance of exports from the region in the United States balance of trade, and the need to assure an environmentally and socially responsible navigation system for the Great Lakes. Congress finds that the Great Lakes provide a diversity of agricultural, commercial, environmental, recreational, and related opportunities based on their extensive water resources and water transportation systems.

(b)(1) There is hereby established a Board to be known as the Great Lakes Commodities Marketing Board (hereinafter in this subsection referred to as the "Board").

(2)(A) The Board shall develop a strategy to improve the capacity of the Great Lakes region to produce, market, and transport commodities in a timely manner and to maximize the efficiency and benefits of marketing products produced in the Great Lakes region and products shipped through the Great Lakes.

(B) The strategy shall address, among other things, environmental issues relating to transportation on the Great Lakes and marketing difficulties experienced due to late harvest seasons in the Great Lakes region. The strategy shall include, as appropriate alternative storage, sales, marketing, multimodal transportation systems, and other systems, to assure optimal economic benefits to the region from agricultural and other commercial activities. The strategy shall develop—

(i) methods to improve and promote both bulk and general cargo trade through Great Lakes ports;

(ii) methods to accelerate the movement of grains and other agricultural commodities through the Great Lakes;

(iii) methods to provide needed flexibility to farmers in the Great Lakes region to market grains and other agricultural commodities; and

(iv) methods and materials to promote trade from the Great Lakes region and through Great Lakes ports, particularly with European, Mediterranean, African, Caribbean, Central American, and South American nations.

(C) In developing the strategy, the Board shall conduct and consider the results of—

(i) an analysis of the feasibility and costs of using iron ore vessels which are not being utilized to move grain and other agricultural commodities on the Great Lakes;

(ii) an economic analysis of transshipping such commodities through Montreal, Canada, and other ports;

(iii) an analysis of the economic feasibility of storing such commodities during the non-navigation season of the Great Lakes and the feasibility of and need for construction of new storage facilities for such commodities;

(iv) an analysis of the constraints on the flexibility of farmers in the Great Lakes region to market grains and other agricultural commodities, including harvest dates for such commodities and the availability of transport and storage facilities for such commodities; and

(v) an analysis of the amount of grain and other agricultural commodities produced in the United States which are being diverted to Canada by rail but which could be shipped on the Great Lakes if vessels were available for shipping such products during the navigation season.

(D) In developing the strategy, the Board shall consider weather problems and related costs and marketing problems resulting from the late harvest of agricultural commodities (including wheat and sunflower seeds) in the Great Lakes region.

(E) In developing the strategy, the Board shall consult United States ports on the Great Lakes and their users, including farm organizations (such as wheat growers and soybean growers), port authorities, water carrier organizations, and other interested persons.

(3) The Board shall be composed of seven members as follows:

(A) the chairman of the Great Lakes Commission or his or her delegate,

(B) the Secretary or his or her delegate,

(C) the Secretary of Transportation or his or her delegate,

(D) the Secretary of Commerce or his or her delegate,

(E) the Administrator of the Saint Lawrence Seaway Development Corporation or his or her delegate,

(F) the Secretary of Agriculture or his or her delegate, and

(G) the Administrator of the Environmental Protection Agency or his or her delegate.

(4)(A) Members of the Board shall serve for the life of the Board.

(B) Members of the Board shall serve without pay and those members who are full time officers or employees of the United States shall receive no additional pay by reason of their service on the Board, except that members of the Board shall be allowed travel or transportation expenses under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business and engaged in the actual performance of duties vested in the Board.

(C) Four members of the Board shall constitute a quorum but a lesser number may hold hearings.

(D) The cochairmen of the Board shall be the Secretary or his or her delegate and the Administrator of the Saint Lawrence Seaway Development Corporation or his or her delegate.

(E) The Board shall meet at the call of the co-chairmen or a majority of its members.

(5)(A) The Board shall, without regard to section 5311(b) of title 5, United States Code, have a Director, who shall be appointed by the Board and shall be paid at a rate which the Board considers appropriate.

(B) Subject to such rules as may be prescribed by the Board, without regard to 5311(b) of title 5, United States Code, the Board may appoint and fix the pay of such additional personnel as the Board considers appropriate.

(C) Upon request of the Board, the head of any Federal agency is authorized to detail, on a reimburseable basis, any of the personnel of such agency to the Board to assist the Board in carrying out its duties under this subsection.

(6)(A) The Board may, for purposes of carrying out this subsection, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Board considers appropriate.

(B) Any member or agent of the Board may, if so authorized by the Board, take any action which the Board is authorized to take by this paragraph.

(C) The Board may secure directly from any department or agency of the United States any information necessary to enable it to carry out this subsection. Upon request of the co-chairmen of the Board, the head of such department or agency shall furnish such information to the Board.

(D) The Board may use the United States mail in the same manner and under the same conditions as other departments and agencies of the United States.

(E) The Administrator of General Services shall provide to the Board on a reimbursable basis such administrative support services as the Board may request.

(7) Not later than September 30, 1987, the Board shall transmit to the President and to each House of the Congress a report stating the strategy developed under this subsection and the results of each analysis conducted under this subsection. Such report shall contain a detailed statement of the findings and conclusions of the Board together with its recommendations for such legislative and administrative actions as it considers appropriate to carry out such strategy and to assure maximum economic benefits to the users of the Great Lakes and to the Great Lakes region.

(8) The Board shall cease to exist 180 days after submitting its report pursuant to this subsection.

(9) There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this subsection for fiscal years beginning after September 30, 1984, and ending before October 1, 1988.

(c)(1) The President shall invite the Government of Canada to join in the formation of an international advisory group whose duty it shall be (A) to develop a bilateral program for improving navigation, through a coordinated strategy, on the Great Lakes, and (B) to conduct investigations on a continuing basis and make recommendations for a system-wide navigation improvement program to facilitate optimum use of the Great Lakes. The advisory group shall be composed of five members representing the United States, five members representing Canada, and two members from the International Joint Commission established by the treaty between the United States and Great Britain relating to boundary waters between the United States and Canada, signed at Washington, January 11, 1909 (36 Stat. 2448). The five members representing the United States shall include the Secretary of State, one member of the Great Lakes Commodities Marketing Board (as designated by the Board), and three individuals appointed by the President representing commercial, shipping, and environmental interests, respectively.

(2) The United States representatives to the international advisory group shall serve without pay and the United States representatives to the advisory group who are full time officers or employees of the United States shall receive no additional pay by reason of their service on the advisory group, except that the United States representatives shall be allowed travel or transportation expenses under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular place of business and engaged in the actual performance of duties vested in the advisory group.

(3) The international advisory group established by this subsection shall report to Congress and to the Canadian Parliament on its progress in carrying out the duties set forth in this subsection not later than one year after the formation of such group and biennially thereafter.

(d) The Secretary and the Administrator of the Environmental Protection Agency, in cooperation with the Secretary of the Interior, the Administrator of the National Oceanic and Atmospheric Administration, and other appropriate Federal and non-Federal entities, shall carry out a review of the environmental, economic, and social impacts of navigation in the United States portion of the Great Lakes. In carrying out such review, the Secretary and the Administrator shall use existing research, studies, and investigations relating to such impacts to the maximum extent possible. Special emphasis shall be made in such review of the impacts of navigation on the shoreline and on fish and wildlife habitat, including, but not limited to, impacts associated with resuspension of bottom sediment. The Secretary and the Administrator shall submit to Congress an interim report of such review not later than September 30, 1986, and a final report of such review along with recommendations not later than September 30, 1988.

Sec. 1124. In the case of any water resources project which is authorized to be constructed by the Secretary before, on, or after the date of enactment of this Act, construction of which has not commenced before such date of enactment, and which involves the acquisition of lands or interests in lands for the mitigation of fish and wildlife losses attributable to the project or for fish and wildlife enhancement, such lands or interests (1) shall be acquired before any construction of the project (other than such acquisition) commences, or (2) shall be acquired along with the acquisition of lands and interests in lands for project purposes (other than mitigation of fish and wildlife losses or enhancement of fish and wildlife), whichever the Secretary determines is appropriate.

Sec. 1125. In the case of any water resources project which is authorized to be constructed by the Secretary before, on, or after the date of enactment of this Act, construction of which has not commenced before such date of enactment, and which involves the acquisition of lands or interests in lands for recreation purposes, such lands or interests shall be acquired along with the acquisition of lands and interests in lands for other project purposes.

Sec. 1126. The Secretary shall not require, under section 4 of the Flood Control Act of December 22, 1944 (58 Stat. 889), and the Federal Water Project Recreation Act, non-Federal interests to assume operation and maintenance of any recreational facility operated by the Secretary at any water resources project as a condition to the construction of new recreational facilities at such project or any other water resources project.

Sec. 1127. The Secretary shall establish in the Directorate of Civil Works of the Office of the Chief of Engineers an Office of Environmental Policy. Such Office shall be responsible for the formulation, coordination, and implementation of all matters concerning environmental quality and policy as they relate to the water resources program of the United States Army Corps of Engineers. Such Office shall, among other things, develop, and monitor compliance with, guidelines for the consideration of environmental quality in formulation and planning of water resources projects carried out by the Secretary, the preparation and coordination of environmental impact statements for such projects, and the coordination with Federal, State, and local agencies of environmental aspects of such projects and regulatory responsibilities of the Secretary.

Sec. 1128. (a) Section 4 of the Act entitled "An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 4, 1915 (38 Stat. 1053; 33 U.S.C. 560), is amended by adding at the end thereof the following: "No funds may be accepted or expended under this section unless such acceptance and expenditure has been specifically authorized for that project by law.".

(b) The proviso in section 5 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes" approved June 22, 1936 (33 U.S.C. 701h), is amended by inserting after "as advantageous in the public interest," the following: "except that no such funds may be accepted or expended unless such acceptance and expenditure has been specifically authorized for that project by law,".

Sec. 1129. In addition to amounts authorized to be appropriated to carry out agreements entered into with the State of Illinois pursuant to section 110 of the River and Harbor Act of 1958 relating to the repair and modification of the Illinois and Mississippi Canal, there is authorized to be appropriated to the Secretary not to exceed $15,000,000 to carry out such agreements.

Sec. 1130. For purposes of analyzing the costs and benefits of any project recommended by the Secretary as a result of any study on the Pearl River Basin, Mississippi and Louisiana, authorized by resolution of the Committee on Environment and Public Works of the Senate, or the Committee on Public Works and Transportation of the House of Representatives, adopted before the date of enactment of this Act, the Secretary shall take into account the costs and benefits of any measures undertaken by the Secretary pursuant to any provision of law (other than any provision of this Act) enacted after July 1, 1983, and before December 31, 1984, in the interest of preventing flood damages along the Pearl River in the vicinity of Jackson, Mississippi.

Sec. 1131. The prohibitions and provisions for review and approval of activities in waters of the United States as set forth in sections 9, 10, and 13 of the Act of March 3, 1899 (30 Stat. 1151), the first section of the Act of June 13, 1902 (32 Stat. 371), and section 404 of the Federal Water Pollution Control Act shall not apply to any works or improvements constructed or maintained now or in the future in the Great Miami River Basin, the Great Miami River, and the tributaries of the Great Miami River above river mile 7.5, by any political subdivision established pursuant to chapter 6101, Ohio Revised Code, as in effect on July 1, 1983.

Sec. 1132. Any project authorized for construction by this Act shall not be authorized after the last day of the five-year period beginning on the date of enactment of this Act unless during such period funds have been obligated for construction, including planning and designing, of such project.

Sec. 1133. (a) On and after January 1, 1990, the Secretary shall continue in effect any lease or assignment thereof to which this section applies, until such time as such lease is terminated by the leaseholder, any successors or assigns of the leaseholder, or by the Secretary under subsection (b) of this section. Any such continuation beyond the date of expiration of such lease as in effect on January 1, 1990, shall be at fair market rentals and on such other reasonable terms and conditions not inconsistent with this section as the Secretary deems necessary. No continuation shall be made beyond such date unless the leaseholder agrees to hold the United States harmless from any claim for damages or injury to persons or property arising from occupancy of or through the use of the property subject to such lease.

(b)(1) On and after January 1, 1990, the Secretary and any other officer or employee of the United States shall not terminate a lease to which this section applies, except as provided in paragraph (2) of this subsection.

(2) On and after January 1, 1990, the Secretary may terminate a lease to which this section applies only if—

(A) the property covered by the lease is needed for immediate use for public park purposes or other higher public use or for a navigation or flood control project; or

(B) the leaseholder violates a provision of such lease.

(c) This section applies to (1) any cottage site lease of property, which lease was entered into by the Secretary of the Army pursuant to section 4 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved December 22, 1944 (58 Stat. 889; 16 U.S.C. 460d), and is in effect on January 1, 1990, and (2) any assignment of such a lease.

Sec. 1134. In the construction of any water resources project, the Secretary is authorized to make only such modifications—

(1) as reflect changes in construction costs (including costs of real property acquisitions, preconstruction studies, planning, and engineering and design), as are indicated by engineering and other appropriate cost indexes;

(2) as do not materially alter the scope or functions of the project; or

(3) as are the result of additional studies, modifications, or other actions (including mitigation and other environmental actions) authorized by this Act or any other law enacted before, on, or after the date of enactment of this Act.

Sec. 1135. (a) The Secretary is authorized to review the operation of water resources projects constructed by the Secretary before the date of enactment of this Act to determine the need for modifications in the structures and operations of such projects for the purpose of improving the quality of the environment in the public interest.

(b) The Secretary is authorized to carry out a demonstration program in the two-year period beginning on the date of enactment of this Act for the purpose of making such modifications in the structures and operations of water resources projects constructed by the Secretary before the date of enactment of this Act which the Secretary determines (1) are feasible and consistent with the authorized project purposes, and (2) will improve the quality of the environment in the public interest.

(c) The Secretary shall coordinate any actions taken pursuant to this section with appropriate Federal, State, and local agencies.

(d) Not later than two years after the date of enactment of this Act, the Secretary shall transmit to Congress a report on the results of the review conducted under subsection (a) and on the demonstration program conducted under subsection (b). Such report shall contain any recommendations of the Secretary concerning modification and extension of such program.

(e) There is authorized to be appropriated not to exceed $25,000,000 to carry out this section.

Sec. 1136. (a) The Secretary is authorized to reconstruct, rehabilitate, and maintain the New York State Barge Canal for commercial, recreational, historic, and environmental purposes in accordance with the recommendations of the Secretary in the report transmitted under subsection (b). Before performing any such work, the Secretary shall enter into an agreement with the State of New York which provides that the State of New York shall pay to the Secretary an amount equal to 50 per centum of the costs of reconstruction and rehabilitation of such canal and 50 per centum of the annual costs of maintaining such canal. The State of New York shall continue to own and operate such canal.

(b) The Secretary shall study the need for reconstruction and rehabilitation of the New York State Barge Canal for commercial, recreational, historic, and environmental purposes. Not later than two years after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report of such study, along with recommendations of the Secretary for reconstruction and rehabilitation of such canal. No appropriation shall be made for any rehabilitation and reconstruction authorized by subsection (a), if such reconstruction and rehabilitation have not been approved by resolution adopted by each such committee.

(c) For purposes of this section, the term "New York State Barge Canal" means—

(1) the Erie Canal, which connects the Hudson River at Waterford with the Niagara River at Tonawanda;

(2) the Oswego Canal, which connects the Erie Canal at Three Rivers with Lake Ontario at Oswego;

(3) the Champlain Canal, which connects the easterly end of the Erie Canal at Waterford with Lake Camplain at Whitehall; and

(4) the Cayuga and Seneca Canals, which connect the Erie Canal at a point near Montezuma with Cayuga and Seneca Lakes and through Cayuga Lake and Ithaca and through Seneca Lake with Montour Falls.

Sec. 1137. (a) The Secretary is hereby authorized to develop and implement a flood warning system for the Whitewater River, San Bernadino and Riverside Counties, California, at an estimated cost of $300,000.

(b) Prior to installation, local interest shall agree to operate and maintain the system authorized by subsection (a), and develop, maintain, and implement emergency evacuation plans satisfactory to the Secretary.

Sec. 1138. (a) In constructing any water resources project in a labor market area which has a high unemployment rate, the Secretary shall, to the extent he determines feasible, provide for the employment of residents of such labor market area.

(b) Not later than ninety days after the President or any other official of the executive branch requests the appropriation of initial funds for any water resources project, the Secretary shall transmit to Congress current information on the potential benefits of the project which are attributable to the employment of unemployed residents of the labor market area in which the project is located.

(c) For purposes of this section—

(1) The term "labor market area" shall have the meaning given such term by the Secretary of Labor.

(2) A labor market area has a high rate of unemployment if the average rate of unemployment for such area, as determined by the Secretary of Labor, over the most recent twelve-month period for which satistics are available is higher than the national average rate of unemployment, as determined by the Secretary of Labor, over such twelve-month period.

Sec. 1139. Notwithstanding section 5901(a) of title 5, United States Code, the uniform allowance for uniformed civilian employees of the United States Army Corps of Engineers may be up to $400 annually.

Sec. 1140. Section 145 of the Water Resources Development Act of 1976 is amended by inserting "by such State of 50 per centum" after "upon payment".

Sec. 1141. The Secretary shall amend the contract between the State of Illinois and the United States for use of storage space for water supply in Rend Lake on the Big Muddy River in Illinois to relieve the State of Illinois of the requirement to make annual payments for that portion of the maintenance and operation costs applicable to future water supply storage as is consistent with the Water Supply Act of 1958 (Public Law 85-500), until such time and in such proportion as the storage is used for water supply purposes.

Sec. 1142. After an agreement for the sale by the Southern California Water Company to the city of Hawaiian Gardens, California, of the water supply system which serves such city is entered into, the Secretary shall make a loan to such city to pay the cost of acquisition and rehabilitation of such system at an estimated cost of $8,500,000. Such city shall repay the cost of such acquisition and rehabilitation to the Secretary in accordance with the Water Supply Act of 1958.

Sec. 1143. The Secretary shall procure by contract not less than 30 per centum of architectural and engineering services required for the design and construction of water resources projects undertaken by the Secretary.

Sec. 1144. Any surveying or mapping services to be performed in connection with a water resources project which is or has been authorized to be undertaken by the Secretary shall be procured in accordance with title IX of the Federal Property and Administrative Services Act of 1949.

Sec. 1145. (a) The California Debris Commission established by the first section of the Act of March 1, 1893 (33 U.S.C. 661) is hereby abolished.

(b) All authorities, powers, functions, and duties of the California Debris Commission are hereby transferred to the Secretary.

(c) The assets, liabilities, contracts, property, records, and the unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used arising from, available to, or to be made available in connection with the authorities, powers, functions, and duties transferred by this section, subject to section 202 of the Budget and Accounting Procedure Act of 1950, are hereby transferred to the Secretary for appropriate allocation. Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

(d) All acquired lands, and other interests therein presently under the jurisdiction of the California Debris Commission are hereby authorized to be retained, and shall be administered under the direction of the Secretary, who is hereby authorized to take such actions as are necessary to consolidate and perfect title; to exchange for other lands or interests therein which may be required for recreation or for existing or proposed projects of the United States; to transfer to other Federal agencies or dispose of as surplus property; and to release to the coextensive fee owners any easements no longer required by the United States, under such conditions or for such consideration as the Secretary shall determine to be fair and reasonable. Except as specifically provided herein all transactions will be in accordance with existing laws and procedures.

Sec. 1146. Section 5(a) of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved August 18, 1941 (33 U.S.C. 701n), is amended by striking out "drinking" each place it appears in the second sentence and by inserting immediately after the first sentence the following new sentence: "In any case in which the Chief of Engineers is otherwise performing work under this section in an area for which the Governor of the affected State has requested a determination that an emergency exists or a declaration that a major disaster exists under the Disaster Relief Act of 1974, the Chief of Engineers is further authorized to perform on public and private lands and waters for a period of ten days following the Governor's request any emergency work made necessary by such emergency or disaster which is essential for the preservation of life and property, including, but not limited to, channel clearance, emergency shore protection, clearance and removal of debris and wreckage endangering public health and safety, and temporary restoration of essential public facilities and services.".

Sec. 1147. Section 156 of the Water Resources Development Act of 1976 (90 Stat. 2933) is amended by striking out "fifteenth" and inserting in lieu thereof "fiftieth".

Sec. 1148. (a) Section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s) is amended by striking out "$30,000,000" in the first sentence and inserting in lieu thereof "$50,000,000" and by striking out "$4,000,000" in the third sentence and inserting in lieu thereof "$7,500,000". Such section is further amended by adding at the end thereof the following new sentence: "Section 302 of the Water Resources, Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1983, relating to non-Federal share, acquisition of lands, easements, and rights-of-way, and relocations of utilities, structures, and other improvements, shall apply to projects under this section.".

(b) Section 2 of the Flood Control Act of August 28, 1937 (33 U.S.C. 701g) is amended by striking out "$5,000,000" and inserting in lieu thereof "$10,000,000" and by striking out "$250,000" and inserting in lieu thereof "$750,000".

(c) Section 14 of the Flood Control Act of 1946 (33 U.S.C. 701r) is amended by striking out "$10,000,000" and inserting in lieu thereof "$15,000,000" and by striking out "$250,000" and inserting in lieu thereof "$750,000".

(d) Subsection (a) of section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577) is amended by striking out "$25,000,000" and inserting in lieu thereof "$50,000,000". Subsection (b) of such section is amended by striking out "$2,000,000" and inserting in lieu thereof "$4,000,000".

(e) Section 3 of the Act entitled "An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property", approved August 13, 1946 (33 U.S.C. 426g), is amended (1) by striking out "$25,000,000" and inserting in lieu thereof "$30,000,000", and (2) by striking out "$1,000,000" and inserting in lieu thereof "$3,000,000".

(f) Section 111 of the River and Harbor Act of 1968 (33 U.S.C. 426i) is amended by striking out "$1,000,000" and inserting in lieu thereof "$3,000,000".

(g) Section 3 of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works or rivers and harbors, and for other purposes", approved March 2, 1945 (33 U.S.C. 603a), is amended by striking out "$300,000" and inserting in lieu thereof "$4,000,000".

(h) The Secretary is authorized to use the authority contained in section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s), section 2 of the Flood Control Act of August 28, 1937 (33 U.S.C. 701g), section 14 of the Flood Control Act of 1946 (33 U.S.C. 701r), section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577), section 3 of the Act entitled "An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property", approved August 13, 1946 (33 U.S.C. 426g), and section 111 of the River and Harbor Act of 1968 (33 U.S.C. 426i) in the Trust Territory of the Pacific Islands.

(i) The amendments made by this section shall not apply to any project under contract for construction on the date of enactment of this Act.

Sec. 1149. The Secretary shall expedite completion of the study of a new lock parallel to the existing Poe Lock being undertaken as part of the study of additional locks on the Saint Lawrence Seaway and shall submit to the Congress a report on such additional lock not later than September 30, 1985.

Sec. 1150. (a) After the Chief of Engineers transmits his recommendations for a water resources development project to the Secretary of the Army for transmittal to the Congress, as authorized in the first section of the Act of December 22, 1944, and before authorization for construction of such project, the Chief of Engineers is authorized to undertake continued planning and engineering (other than preparation of plans and specifications) for such project if the Chief of Engineers finds that the project is without substantial controversy and justifies further engineering, economic, and environmental investigations and the Chief of Engineers transmits to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a statement of such findings. In the two-year period after authorization for construction of such project, the Chief of Engineers is authorized to undertake planning, engineering, and design for such project.

(b) Not later than January 15, 1985, and each January 15 thereafter, the Secretary shall prepare and transmit a report on the activities undertaken under this section in the preceding fiscal year to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

(c) There is authorized to carry out this section not to exceed $20,000,000 per fiscal year for each of the fiscal years 1984 and 1985.

(d) The authorizations made by this section shall be in addition to any other authorizations for planning, engineering, and design of water resources development projects and shall not be construed as a limitation on any such other authorization.

Sec. 1151. The Secretary shall reevaluate the feasibility of the Elk Creek Lake feature of the project for the Rogue River, Oregon and California, authorized by the Flood Control Act of 1962 (76 Stat. 1192), including an evaluation of the feasibility of adding hydroelectric power as a project purpose. The evaluation and justification of the Elk Creek Lake feature shall be based on the benefits and costs of all features of the project for the Rogue River. Hydroelectric power shall be added as a project purpose if the Secretary determines that such addition will increase the amount by which total economic benefits of the project exceed total economic costs. In reviewing the economic feasibility of such project, the Secretary shall use the rate of interest that applied at the time such project was authorized.

Sec. 1152. In recommending funding for construction of water resources projects, the Secretary shall not give priority to any project for which the non-Federal interests agree to provide a greater non-Federal share than is required by the law authorizing such project.

Sec. 1153. The Secretary shall study and evaluate the measures necessary to increase the capabilities of the United States Army Corps of Engineers to undertake the planning and construction of water resources projects on an expedited basis and to adequately comply with all requirements of law applicable to the water resources program of the Corps of Engineers. The Secretary shall implement such measures as may be necessary to improve such capabilities, including the establishment of increased levels of personnel, changes in project planning and construction procedures designed to lessen the time required for such planning and construction, and procedures for expediting the coordination of water resources projects with Federal, State, and local agencies.

Sec. 1154. Not later than January 15, 1985, and each January 15 thereafter, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report which—

(1) specifies the amount of electricity generated by each water resource project constructed by the Secretary which generated electricity in the preceding fiscal year;

(2) specifies the revenues received by the United States from the sale of electricity generated by such project; and

(3) specifies the costs of construction, operation, and maintenance of such project allocated to the generation of electricity.

The first report submitted under this section shall specify the amounts of electricity generated, the revenues received, and the costs allocated for each such project before October 1, 1984, on a fiscal year basis. Each report thereafter shall specify the amounts of electricity generated, the revenues received, and the costs allocated for each such project for the preceding fiscal year.

Sec. 1155. Section 22 of the Water Resources Development Act of 1974 (Public Law 93-251) is amended by adding at the end thereof the following:

"(c) For the purposes of this section, the term 'State' means the several States of the United States, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.".

Sec. 1156. (a) The President may appoint a regular officer of any of the Armed Forces who is serving on active duty as the Federal Commissioner of the Red River Compact Commission.

(b) Notwithstanding any other provision of law, acceptance by a regular officer of any of the Armed Forces of an appointment as the Federal Commissioner of the Red River Compact Commission, or the exercise of the functions of the Federal Commissioner and chairman of such Commission, by such officer shall not terminate or otherwise affect such officer's appointment as a military officer.

Sec. 1157. The Secretary shall undertake such measures as are necessary to ensure that standard and uniform procedures and practices are followed by each district office (and each division office for any area in which there is no district office) of the United States Army Corps of Engineers in the preparation of feasibility reports on water resources projects.

Sec. 1158. The first proviso of section 4 of the River and Harbor Act approved July 5, 1884 (23 Stat. 147), as amended by section 6 of the River and Harbor Act, approved March 3, 1909 (33 U.S.C. 5), is amended to read as follows: "*Provided*, That whenever, as determined by the Secretary, the condition of any of the aforesaid works is such that its reconstruction is essential to its efficient and economical maintenance and operation, the reconstruction thereof may include such modifications in plan and location as may be necessary to provide adequate facilities for navigation. No appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, any such reconstruction if such acquisition and actual construction have not been approved by resolution of the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives:".

Sec. 1159. (a) In the preparation of feasibility reports for projects for flood damage prevention in urban and rural areas, the Secretary shall consider and evaluate measures to reduce or eliminate damages from flooding without regard to frequency of flooding, drainage area, and amount of runoff.

(b) The provisions of section 302 of this Act shall apply to all measures authorized after the date of enactment of this Act to reduce or eliminate damages from flooding in urban and rural areas.

Sec. 1160. The Secretary is authorized to construct and improve facilities at the Niagara Frontier Transportation Authority, Port of Buffalo, including the construction of bulkheading in a total length of 1,000 feet, sufficient to facilitate a 1,000-foot class X vessel or a 730-foot class VII vessel, at an estimated cost of $6,450,000.

Sec. 1161. The Secretary is authorized to construct and maintain a navigation channel 9 feet deep and 100 feet wide from the mouth of the Beaver River at Bridgewater, Pennsylvania, a distance of approximately three miles upriver, to the dam at New Brighton, at an estimated cost of $700,000. Prior to initiation of construction of the project, non-Federal interests shall agree to pay one-half of the costs of construction of the project attributable to recreational boating.

Sec. 1162. Section 1114 of title 18, United States Code, is amended by inserting "or any uniformed civilian official or uniformed civilian employee of the Corps of Engineers of the Department of the Army assigned to perform investigations, inspections, or law or regulatory enforcement functions in connection with civil activities of the Department of the Army," immediately after "Foreign Service,".

Sec. 1163. The Secretary, in consultation with appropriate Federal, State, and local agencies, is authorized to plan, design, and construct a demonstration project for the recharge of groundwater in the drainage basin of the Tucson, Arizona, metropolitan area, at an estimated cost of $2,500,000.

Sec. 1164. (a) The Secretary is authorized, with the concurrence of the Director of the National Park Service and the South Florida Water Management District, to modify the schedule for delivery of water from the central and southern Florida project to the Everglades National Park required by section 2 of the River Basin Monetary Authorization and Miscellaneous Civil Works Amendments Act of 1970 (Public Law 91-282) and to conduct an experimental program for the delivery of water to the Everglades National Park from such project for the purpose of determining an improved schedule for such delivery.

(b) The Secretary shall, as soon as practicable, make such modifications in the comprehensive plan for flood control and other purposes, central and southern Florida, authorized by the Flood Control Act of 1948 and subsequent Acts of Congress, as may be necessary to restore the natural flow of water to the Everglades National Park. The Secretary is further authorized to acquire such interests in lands as are necessary to permit the natural flow of water to the Everglades National Park, at an estimated cost of $75,000,000. The Secretary shall acquire any interest in land under this subsection at the fair market value of such interest based on conditions existing after the construction of the project described in subsection (a) of this section and before any modification is made to the schedule for delivery of water to the Everglades National Park under such subsection and before the restoration of such natural flow. The Secretary is also authorized to construct necessary flood protection measures for protection of homes in the area affected by any modification of such delivery schedule or by the restoration of such natural flow.

Sec. 1165. The Secretary is authorized and directed to undertake such emergency bank stabilization measures as are necessary to protect bridges on Elm Creek in the vicinity of Decatur, Nebraska, at an estimated cost of $500,000.

Sec. 1166. Section 221(a) of the Flood Control Act of 1970 is amended by adding at the end thereof the following: "In any such agreement entered into by a State, such State may make the furnishing of all or any portion of its required cooperation contingent upon the appropriation by the State of necessary funds for that purpose.".

Sec. 1167. The Secretary is authorized and directed to improve public access to, and lessen a health and safety hazard at, Pearson-Skubitz Big Hill Lake, Kansas, by upgrading existing roads to the extent feasible and acquiring additional rights-of-way and constructing new roads as required, at an estimated cost of $1,200,000.

Sec. 1168. The Secretary is authorized to contract with existing, nonprofit economic development organizations to assist in the preparation of projects as provided in sections 804(a) and 851(b) and to undertake such actions as may be necessary to identify and stimulate the long-term economic development envisioned as the result of projects which serve remote rural areas or in areas where such are justified because of economic reasons.

Sec. 1169. (a) Section 201 of the Flood Control Act of 1970, as amended by section 153 of the Water Resources Development Act of 1976, is amended by striking out the last sentence of the paragraph under the center heading "ARKANSAS-RED RIVER BASIN".

(b) The first sentence of the paragraph under the center heading "ARKANSAS AND RED RIVERS" in section 203 of the Flood Control Act of 1966, as amended, is amended by striking out "$46,400,000" and inserting in lieu thereof "$177,600,000".

Sec. 1170. In order to assure the most economical and cost-saving construction of water resources projects authorized before, on, or after the date of enactment of this Act, the Secretary shall require a value engineering review during design for each water resources project authorized before, on, or after such date of enactment which has an estimated cost in excess of $10,000,000. For purposes of this section, the term "value engineering review" means a specialized cost control technique which uses a systematic and creative approach to identify and to focus on unnecessarily high costs in a project in order to arrive at a cost saving without sacrificing the reliability or efficiency of the project.

Sec. 1171. (a) Except as provided in subsection (b), the appropriate non-Federal interests shall provide the necessary lands, easements, and rights-of-way for any water resources demonstration project authorized by this Act or by any Act enacted after the date of enactment of this Act. If the value of the lands, easements, and rights-of-way so provided is less than 10 percent of the cost of the project (including the value of such lands, easements, and rights-of-way), the non-Federal interests shall pay to the Secretary over a 15-year period an amount equal to the excess of (1) the amount equal to 10 percent of such cost, over (2) the value of such lands, easements, and rights-of-way.

(b) If the Secretary estimates before the beginning of construction of any project to which subsection (a) applies that the value of all lands, easements, and rights-of-way required for such project will be a percentage of the cost of the project which is greater than 10 percent, the Secretary shall, upon request by the non-Federal interests, acquire such lands, easements, and rights-of-way, except that the aggregate amount of the value of lands, easements, and rights-of-way acquired by the Secretary shall be limited to the amount by which such estimated value exceeds 10 percent of the estimated cost of the project.

Sec. 1172. (a) Beginning October 1, 1983, the Secretary, in cooperation with the State of Illinois, shall carry out measurements and make necessary computations required by the decree of the United States Supreme Court (388 U.S. 426) relating to the diversion of water from Lake Michigan and shall coordinate the results with downstate interests. The measurements and computations shall consist of all flow measurements, gauge records, hydraulic and hydrologic computations, including periodic field investigations and measuring device calibrations, necessary to compute the amount of water diverted from Lake Michigan by the State of Illinois and its municipalities, political subdivisions, agencies, and instrumentalities, not including water diverted or used by Federal installations.

(b) There are authorized to be appropriated such sums as may be necessary for fiscal years beginning after September 30, 1983, to carry out this section, including those funds necessary to maintain the measurements and computations, as well as necessary capital construction costs associated with the installation of new flow measurement devices or structures declared necessary and appropriate by the Secretary.

Sec. 1173. Notwithstanding any other provision of this Act and any other provision of law, the total amount which may be appropriated from the general fund of the Treasury for construction of water resources projects by the Secretary shall not exceed $1,500,000,000 per fiscal year for each of the fiscal years ending September 30, 1984, and September 30, 1985, and $1,600,000,000 per fiscal year for each of the fiscal years ending September 30, 1986, September 30, 1987, and September 30, 1988.

TITLE XII—WATER RESOURCES POLICY ACT

Subtitle A—Short Title

Sec. 1201. This title may be cited as the "Water Resources Policy Act of 1983".

Sec. 1202. Nothing in this title shall be construed to expand or diminish either Federal or State jurisdiction, responsibility, or rights in the field of water or related land resources planning, development, or control; nor to displace, supersede, limit, or modify any interstate compact or the jurisdiction or responsibility of any legally established joint or common agency of two or more States, or of two or more States and the Federal Government; nor to limit the authority of Congress to authorize and fund projects.

Subtitle B—National Board

Sec. 1221. There is hereby established a National Board on Water Resources Policy (hereinafter in this title referred to as the "Board") which shall be composed of seven members as follows: (1) the Secretary of the Interior, the Secretary of Agriculture, the Secretary of the Army, and the Administrator of the Environmental Protection Agency, or their respective designees, (2) two members who shall be appointed by the President with the advice and consent of the Senate, one from among nominations made by the Speaker of the House of Representatives, and one from among nominations made by the President pro tempore of the Senate; and (3) a Chairman who shall be appointed by the President by and with the advice and consent of the Senate. Any person designated a member by a Secretary or Administrator must be designated from among persons who are officers of the United States appointed by the President with the advice and consent of the Senate. The Chairman shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code. The two additional members appointed by the President shall be compensated on a daily basis for each day of service at the daily rate applicable to level IV of the Executive Schedule under section 5313 of title 5, United States Code, and shall be reimbursed for necessary travel and reasonable expenses incurred in attending meetings of the Board. During the period of his service on the Board, the Chairman and the members appointed by the President shall not hold any other position as an officer or employee of the United States, except as a retired officer or retired civilian employee of the Federal Government. No retired officer or employee shall receive from the Federal Government for retirement benefits and service to the Board total compensation which exceeds the applicable rate for level III or IV of the Executive Schedule, as the case may be. The Chairman of the Board shall request the Secretary of Commerce, the Secretary of Housing and Urban Development, the Secretary of Transportation, and the Secretary of Energy and the heads of such other Federal agencies as may be appropriate to participate without a vote with the Board when matters affecting their responsibilities are considered by the Board. The Board shall meet at least once during each quarter of the year. Any action of the Board shall require a quorum to be present and a majority vote of those members present and voting.

SEC. 1222. The Board shall—

(1) perform studies and prepare assessments at such intervals as the Board may determine, of the adequacy of supplies of water (both quality and quantity) necessary to meet the water requirements in each water resource region in the United States and the national interest therein, taking into consideration the special needs of rural areas due to increasing demands for water to provide sustained economic development and agricultural productivity; and

(2) perform studies and prepare assessments of the relation of regional or river basin plans and programs to the requirements of larger regions of the Nation and of the adequacy of administrative and statutory means for the coordination of the water and related land resources policies and programs of the several Federal agencies; appraise the adequacy of existing and proposed policies and programs to meet such requirements; and make recommendations to the President and to Congress with respect to Federal policies and programs.

For purposes of this section, policies and programs shall include, but not be limited to, water and related land resources planning, development, management, and conservation; integration of water quantity and water quality planning and management; and enhancement of State and local capabilities with respect to water and related land resources planning, development, management, and conservation.

SEC. 1223. (a) The Board shall assist in interagency coordination of Federal water resources research. Such coordination shall include, but not be limited to, (1) continuing review of the adequacy of Federal programs in water resources research and identification of technical needs in various water resources research categories, (2) identification of duplication and overlapping between two or more Federal water resources research programs and elimination of such duplication and overlapping to the extent that this may be accomplished under existing law, (3) recommendations to the Federal agencies involved in Federal water resources research with respect to allocation of technical efforts among such agencies, (4) recommendations to such Federal agencies concerning management policies to improve the quality of Federal research efforts, and (5) actions to facilitate interagency communication at management levels.

(b) The Board shall report annually to Congress concerning actions taken to implement this section and include in such report any recommendations for changes in legislation that it deems appropriate to meet the objectives of this section.

(c) For the purposes of this section, the Board shall make use of the Water Resources Scientific Information Center, established under section 302 of the Water Research and Development Act of 1978 (Public Law 95-467), or any successor agency.

SEC. 1224. (a) The Board shall establish by rule, after such consultation with other interested entities, both Federal and non-Federal, as the Board may find appropriate, principles, standards, and procedures for Federal participants in the preparation of comprehensive regional or river basin plans and for the formulation and evaluation of Federal water and related land resources projects. The objectives of enhancing regional economic development, the quality of the total environment (including its protection and improvement), the well-being of the people of the United States, the prevention of loss of life, and national economic development shall be the objectives to be included in each such project, and the benefits and costs attributable to such objectives, both quantifiable and unquantifiable, shall be included in the evaluation of the benefits and costs of each such project. Such principles, standards, and procedures shall require that every report relating to any such water or related land resources project include specific information on the benefits and costs attributable to each of such objectives. Such principles, standards, and procedures shall also define the objective of water conservation as including projects, programs, or features thereof, designed to (1) improve efficiency in use and reduce losses and waste of water (including by storage), (2) reduce the demand for water, or (3) improve land management practices to conserve water.

(b) The Board shall establish separate principles, standards and procedures as described in subsection (a) for small Federal water or related land resources projects administered by the United States Department of Agriculture.

(c) The principles, standards, and procedures promulgated under the Water Resources Planning Act by the Water Resources Council, as contained in sections 711.1 through 716.309 of title 18 of the Code of Federal Regulations as those sections were in effect on March 9, 1983, shall be in effect until such time as principles, standards, and procedures established under this section take effect.

SEC. 1225. (a) For the purpose of carrying out the provisions of this subtitle, the Board may (1) hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and print or otherwise reproduce and distribute so much of its proceedings and reports thereon as it may deem advisable; (2) acquire, furnish, and equip such office space as is necessary; (3) use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States; (4) employ and fix the compensation of such personnel as it deems advisable; (5) procure services as authorized by section 3109(b) of title 5, United States Code, at rates not in excess of the daily equivalent of the rate prescribed for grade GS-18 under section 5332 of title 5 of the United States Code in the case of individual experts or consultants; (6) purchase, hire, operate, and maintain passenger motor vehicles; and (7) incur such necessary expenses and exercise such other powers as are consistent with and reasonably required to perform its functions under this subtitle.

(b) Any member of the Board is authorized to administer oaths when it is determined by a majority of the Board that testimony shall be taken or evidence received under oath.

(c) To the extent permitted by law, all appropriate records and papers of the Board may be made available for public inspection during ordinary office hours.

(d) Upon request of the Board, the head of any Federal department or agency is authorized (1) to furnish to the Board such information as may be necessary for carrying out its functions and as may be available to or procurable by such department or agency, and (2) to detail to temporary duty with such Board on a reimbursable basis such personnel within his administrative jurisdiction as it may need or believe to be useful for carrying out its functions, each such detail to be without loss of seniority, pay, or other employee status.

(e) The Board shall be responsible for (1) the appointment and supervision of personnel, (2) the assignment of duties and responsibilities among such personnel, and (3) the use and expenditures of funds.

SEC. 1226. (a) There is hereby established a regional-State water resources advisory committee (hereinafter referred to as the "committee").

(b) The Board shall appoint one member from each of the major water resources regions described in the document entitled "Second National Water Assessment", dated December 1978, and transmitted to the President on January 25, 1979. The Board shall give consideration to recommendations of the Governors of the States which lie wholly or partially within such a region when appointing a member from such region. Each member of the committee shall be selected on the basis of knowledge of water resources management and water resources needs of the region that he or she represents. The chairman of the committee shall be selected by the members from among the members of the committee.

(c) The committee is authorized to submit to the Board the recommendations of the committee on any matter which is before the Board, and the recommendations of the committee shall be included in any recommendations of the Board reported to the President and Congress under section 1022(2) of this subtitle, with respect to such matter.

SEC. 1227. (a) Simultaneously with promulgation or repromulgation of any rule by the Board, under authority of any law of the United States relating to principles, standards, and procedures for Federal participants in the preparation of comprehensive regional or river basin plans and for the formulation, evaluation, and review of Federal water and related land resources projects, the Board shall transmit a copy thereof to the Secretary of the Senate and the Clerk of the House of Representatives. Such rule shall not take effect before 90 calendar days of continuous session of Congress following the date of such transmission.

(b) For purposes of subsection (a) of this section—

(1) continuity of session is broken only by an adjournment of Congress sine die; and

(2) the days on which either House is not in session because of an adjournment of more than three days to a day certain are

excluded in the computation of 90 calendar days of continuous session of Congress.

(c) For purposes of this section, the term "rule" includes, but is not limited to, any rule, regulation, principle, standard, or procedure, or any part thereof.

Sec. 1228. No later than fifteen days following the transmission of the President's budget submittal to the Congress the Board shall transmit to the Speaker of the House of Representatives and the President pro tem of the Senate reports on, as appropriate, Bureau of Reclamation, Army Corps of Engineers, and Department of Agriculture water resource studies or projects (1) which are not included in the President's budget submittal; (2) for which feasibility studies or construction have previously been authorized; and (3) the construction of which have not been completed. Such reports shall include a detailed description of each project, the President's explanation for not including the projects in his budget submittal, and information on the compliance of each project with any relevant principles, standards, and procedures.

Sec. 1229. There is authorized to be appropriated to carry out the provisions of this subtitle, the sum of $3,000,000 for each of the fiscal years 1984, 1985, 1986, 1987, and 1985 of which no more than $50,000 is authorized each such fiscal year to carry out section 1226.

Subtitle C—Assistance for State Water Planning and Management

Sec. 1241. (a) In recognition of the controlling role of the States in State and regional water and related land resources planning and management and a national need for—

(1) water conservation;

(2) State integration of water quantity and water quality planning and management;

(3) State integration of ground and surface water planning and management;

(4) protection and management by the States of ground water supplies;

(5) protection and management by the States of instream values; and

(6) enhanced cooperation and coordination between Federal, State, and local units of government to achieve these goals;

the Congress hereby authorizes the Board to make grants to the States to assist them in the development, implementation, and modification of comprehensive programs and plans for the use, development, conservation, and management of State and regional water and related land resources.

(b) The Board shall, after consultation with the States, prescribe guidelines by rule, no later than one hundred and eighty days after enactment of this title, to carry out its functions and responsibilities under this subtitle.

Sec. 1242. (a) From the sums appropriated for any fiscal year pursuant to section 1244 and upon application of a State, the Board shall make grants to States in accordance with the guidelines prescribed pursuant to section 1241(b) on the basis of population, land area, financial need and the need for water and related land resources planning and management assistance, except that each State shall receive not less than the sum of $100,000 for each of the fiscal years 1984, 1985, 1986, 1987, and 1988.

(b) The sums allocated under this section shall be matched on the basis of not less than one non-Federal dollar for every Federal dollar. Contributions by the States to fulfill the matching requirements of this subsection may be in cash or in kind.

(c) No funds under this section may be withheld in an effort to force States to alter their water policies to comply with Federal policies or policies of the Board.

Sec. 1243. The assistance provided for State water planning and the programs established pursuant to this subtitle shall be consistent with the provisions contained in section 1202 of this title.

Sec. 1244. There are authorized to be appropriated to carry out the provisions of this subtitle $20,000,000 per fiscal year for each of the fiscal years 1984, 1985, 1986, 1987, and 1988 all of which is to remain available until expended.

Sec. 1245. For the purposes of this subtitle, "State" means each of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

Subtitle D—General Provisions

Sec. 1261. The Water Resources Planning Act (42 U.S.C. 1962 et seq.) is repealed.

Sec. 1262. Notwithstanding any other provision of this title, no payment under this title shall be effective except to such extent or in such amounts as are provided in appropriation Acts.

TITLE XIII—PORT INFRASTRUCTURE DEVELOPMENT AND IMPROVEMENT TRUST FUND

Sec. 1301. (a) There is established in the Treasury of the United States a trust fund to be known as the "Port Infrastructure Development and Improvement Trust Fund" (hereinafter in this title referred to as the "Trust Fund"), consisting of such amounts as may be appropriated or credited to the Trust Fund as provided in subsection (b) or section 1303(b).

(b) There is hereby appropriated to the Trust Fund for each fiscal year beginning after September 30, 1983, an amount equal to the custom duties collected during the preceding fiscal year, but not to exceed $2,000,000,000 for each such year.

(c)(1) Amounts in the Trust Fund shall be available, as provided by appropriation Acts, for making expenditures (A) for feasibility studies for, and construction, operation, and maintenance of, projects for ports by the Secretary, (B) for feasibility studies for, and construction, rehabilitation, and maintenance of, projects for ports for the Saint Lawrence Seaway by the Saint Lawrence Seaway Development Corporation, (C) for relocations of utilities, structures, and other improvements, necessary for construction, operation, and maintenance of such projects, and (D) for making payments to any non-Federal interest which has planned and designed or planned, designed, and constructed a port in accordance with section 104 of this Act. No amount may be appropriated out of the Trust Fund unless the law authorizing the expenditure for which the amount is appropriated explicitly provides that the appropriation is to be made out of the Trust Fund.

(2) Nothing in this section shall be deemed to authorize any program, project, or other activity not otherwise authorized by law.

Sec. 1302. The amounts appropriated by section 1301(b) to the Trust Fund shall be transferred at least monthly from the general fund of the Treasury to the Trust Fund on the basis of estimates made by the Secretary of the Treasury of the amounts referred to in section 1301(b). Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

Sec. 1303. (a) It shall be the duty of the Secretary of the Treasury to hold the Trust Fund and to report to the Congress each year on the financial condition and the results of the operations of the Trust Fund during the preceding fiscal year and on its expected condition and operations during the next five fiscal years. Such report shall be printed as a House document of the session of the Congress to which the report is made.

(b)(1) It shall be the duty of the Secretary of the Treasury to invest such portion of the Trust Fund as is not, in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States. For such purpose, such obligations may be acquired—

(A) on original issue at the issue price, or

(B) by purchase of outstanding obligations at the market price.

(2) Any obligation acquired by the Trust Fund may be sold by the Secretary of the Treasury at the market price.

(3) The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

Sec. 1304. For purposes of this title—

(1) the term "construction" includes any planning, designing, engineering, and surveying which is necessary to carry out a project for a port and which is performed after authorization of the project; and

(2) the terms "port" and "United States" have the meanings given such terms in section 112 of this Act.

TITLE XIV—BRIDGES OVER NAVIGABLE WATERS

Sec. 1401. (a) The Secretary shall reimburse, from sums appropriated under this section—

(1) the owner of the Port of Houston Authority bridge over Greens Bayou, Texas, approximately two and eight-tenths miles upstream of the confluence of Greens Bayou and the Houston Ship Channel, and

(2) the owner of the pipeline bridge over Greens Bayou, Texas, immediately adjacent to the Port of Houston Authority bridge over Greens Bayou,

for work done before the date of enactment of this Act for alterations to each such bridge which were reasonably necessary for the purposes of navigation.

(b) There is authorized to be appropriated not to exceed $450,000 to carry out paragraph (1) of subsection (a) and not to exceed $250,000 to carry out paragraph (2) of subsection (a).

Sec. 1402. The Secretary of Transportation, in consultation with the Secretary, is authorized and directed to transmit to Congress a list of those bridges over navigable waters of the United States which have Federal permits and which were constructed, reconstructed, or removed during the period Janaury 1, 1948, to January 1, 1984.

TITLE XV—REPORTS

ADDITIONAL SUBMISSIONS

Sec. 1501. If any report required to be transmitted under this Act to the Committee on Environment and Public Works of the Senate pertains in whole or in part to fish and wildlife mitigation, benthic environmental repercussions, or ecosystem mitigation, the Federal officer required to prepare or transmit that report also shall transmit a copy of the report to the Committee on Merchant Marine and Fisheries of the House of Representatives.

COMMITTEE AMENDMENTS OFFERED BY MR. ROE

The CHAIRMAN. Does the gentleman from New Jersey [Mr. Roe] seek recognition?

Mr. ROE. Mr. chairman, I want to make another unanimous-consent request.

I ask unanimous consent that the committee amendments at the desk be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments offered by Mr. Roe: On the first page, line 10, after "design)" insert "from October 1982".

Page 3, line 24, before the semicolon, insert the following: ", including such modifications as may be recommended in a plan transmitted under this paragraph".

Page 4, after the period on line 7, insert the following: "For reasons of environmental quality, not later than one year after the date of enactment of this Act, the Secretary, the United States Fish and Wildlife Service, the Administrator of the Environmental Protection agency, and appropriate non-Federal interests shall develop, and transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate, a plan to dispose of dredged material from such project in the Brookley disposal area, referred to in such report of the Chief of Engineers, and a plan to mitigate damages to fish and wildlife from disposal of such material in the Brookley disposal area. Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, such project unless such plans have been approved by resolution adopted by each such committee or unless the non-Federal sponsor of such project transmits, in the one-year period beginning on the date of enactment of this Act, a letter to each such committee indicating that the Secretary, the United States Fish and Wildlife Service, the Administrator of the Environmental Protection Agency, and the non-Federal interests are not able to develop such plans.".

Page 4, before the period on line 9, insert the following: "unless such plans have been approved by resolution adopted by each such committee".

Page 4, after the period on line 24, insert the following: "Except for funds appropriated to the Environmental Protection and Mitigation Fund under section 1104 of this Act, no appropriation shall be made for the acquisition of any interest in real property for, or the actual construction of, any portion of the project (other than reaches six, seven, eight, and nine of the Common Entrance Channel) is such acquisition and actual construction have not been approved by resolution adopted by the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.".

Page 5, line 9, before the period insert ", including such modifications as may be recommended by the Secretary with respect to such project under section 103".

Page 5, line 9, strike out "Any" and all that follows through the period on line 16.

Page 5, line 20, strike out "The" and all that follows through the period on line 6 of page 6.

Page 9, line 14, strike out the comma and all that follows through the period on line 8 of page 10 and insert in lieu thereof a period.

Page 11, line 11, before the period insert ", including such modifications as may be recommended by the Secretary with respect to such project under section 103".

Page 11, line 11, strike out "Any" and all that follows through the period on line 3 of page 12.

Page 16, strike out line 9 and insert in lieu thereof the following: "Ohio (deepening and widening the east and west harbor entrances) as described in".

Page 16, line 12, strike out "$6,000,000" and insert in lieu thereof "$36,000,000".

Page 19, strike out line 10 and insert in lieu thereof the following:

Oakland Outer Harbor and Oakland Inner Harbor, California

Page 19, after line 21, insert the following: "The project for navigation, Oakland Inner Harbor, California, as described in the Report of the District Engineer, San Francisco District, dated April 1984, at an estimated cost of $28,000,000, including such modifications as may be recommended by the Secretary with respect to such project under section 103."

Page 20, line 22, strike out "and" the second place it appears.

Page 20, line 24, strike out the period and insert in lieu thereof a comma and the following: "and (3) the bypass road is approved through adoption of resolutions by both the Tacoma City Council and the Tacoma Port Commission."

Page 38, after line 6, insert the following new section:

Sec. 112. (a) Not later than four years after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall designate one or more sites in accordance with the Marine Protection, Research, and Sanctuaries Act of 1972 for the disposal of dredged material which, without such designation, would be disposed of at the Mud Dump (as defined in subsection (g)). The designated site or sites shall be located not less than 20 miles nor more than 40 miles from the shoreline. The Administrator, in determining sites for possible designation under this subsection, shall consult with the Secretary and appropriate Federal, State, interstate, and local agencies.

(b) Beginning on the 30th day following the date on which the Administrator of the Environmental Protection Agency makes the designation required by subsection (a), any ocean disposal of dredged material (other than acceptable dredged material) by any person or governmental entity authorized pursuant to the Marine Protection, Research, and Sanctuaries Act of 1972 to dispose of dredged material at the Mud Dump on or before the date of such designation shall take place at the newly designated ocean disposal site or sites under subsection (a) in lieu of the Mud Dump.

(c) Until the 30th day following the date on which the Administrator of the Environmental Protection Agency makes the designation required by subsection (a), there shall be available a lawful site for the ocean disposal of dredged material by any person or governmental entity authorized pursuant to the Marine Protection, Research, and Sanctuaries Act of 1972 to dispose of dredged material at the Mud Dump on or before the date of such designation.

(d) Not later than one year after the date of enactment of this Act and annually thereafter until the designation of one or more sites under subsection (a), the Administrator of the Environmental Protection Agency shall submit a report to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate describing the status of such designation.

(e) Notwithstanding any other provision of law, including any regulation, the Secretary shall ensure that, not later than the 30th day following the date on which the Administrator of the Environmental Protection Agency makes the designation required by subsection (a), all existing and future Department of the Army permits and authorizations for disposal of dredged material at the Mud Dump shall be modified, revoked, and issued (as appropriate) to ensure that only acceptable dredged material will be disposed of at such site and that all other dredged material determined to be suitable for ocean disposal will be disposed of at the site or sites designated pursuant to subsection (a) of this section.

(f) For purposes of this section, the term "acceptable dredged material" means rock, beach quality sand, material excluded from testing under the ocean dumping regulations promulgated by the Administrator of the Environmental Protection Agency pursuant to the Marine Protection, Research, and Sanctuaries Act of 1972, and any other dredged material (including that from new work) determined by the Secretary, in consultation with the Administrator, to be substantially free of pollutants.

(g) For purposes of this section, the term "Mud Dump" means the area located approximately 5¾ miles east of Sandy Hook, New Jersey, with boundary coordinates of 40 degrees 23 minutes 48 seconds N, 73 degrees 51 minutes 28 seconds W; 40 degrees 21 minutes 48 seconds N, 73 degrees 50 minutes 00 seconds W; 40 degrees 21 minutes 48 seconds N, 73 degrees 51 minutes 28 seconds W; and 40 degrees 23 minutes 48 seconds N, 73 degrees 50 minutes 00 seconds W.

Sec. 113. (a) The Secretary is authorized to make grants to any non-Federal interest operating a project for a port for provision of emergency response services in such port (including the provision of necessary personnel training and the procurement of equipment and facilities either by the non-Federal interest, by a local agency or municipality, or by a combination of local agencies or municipalities on a cost-reimbursable basis, either by a cooperative agreement, mutual aid plan, or mutual assistance plan entered into between one or more non-Federal interests, public agencies, or local municipalities).

(b) There is authorized to be appropriated from the Port Infrastructure Development and Improvement Trust Fund for fiscal years beginning after September 30, 1984, such sums as may be necessary to carry out subsection (a) of this section.

Sec. 114. (a) For reasons of navigation safety, the Secretary is authorized to make a grant to the non-Federal interest operating Morro Bay Harbor, California, for construction of a new port office at such harbor.

(b) There is authorized to be appropriated from the Port Infrastructure Development and Improvement Trust Fund for fiscal years beginning after September 30, 1984, such sums as may be necessary to carry out subsection (a) of this section.

Page 38, line 7, strike out "Sec. 112." and insert in lieu thereof "Sec. 115.".

Page 39, line 10, strike out "Sec. 113." and insert in lieu thereof "Sec. 116.".

Page 43, line 9, insert after "Ross Island" the following: ", and such other sites as the Secretary considers appropriate,".

Page 50, line 3, before the comma insert "and St. Johns Creek".

Page 50, after the period on line 7, insert the following:

The improvements for Johns Creek and tributaries shall be included as a separate part of the project and shall be constructed by the United States Department of Agriculture Soil Conservation Service, at an estimated cost of $19,500,000 in accordance with the recommendations of the State Conservationist as contained in the report, Nonconnah Creek and Tributaries, Tennessee and Mississippi, dated September 1981. Subsection (f) of this section shall not apply to such improvements.

Page 56, line 11, strike out "$7,020,000." and insert in lieu thereof the following: "$32,020,000, including construction of the portion of the Saw Mill Run relief sewer in the city of Pittsburgh, Pennsylvania, beginning at the northern boundary of Woodruff Street and ending at the point where Saw Mill Run Creek crosses the southern boundary of such city.".

Page 58, line 25, before the period insert the following: "and except that lands acquired by the State of Missouri after January 1, 1982, for mitigation of damage to fish and wildlife within the Ten Mile Pond mitigation area shall be counted as part of the total quantity of mitigation lands required for the project and shall be maintained by such State for such purpose".

Page 58, after line 25, insert the following:

STE. GENEVIEVE, MISSOURI

The project for flood control, Ste. Genevieve, Missouri, as described in the feasibility report of the District Engineer, St. Louis district, dated March 1984, at an estimated cost of $31,350,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (f) of this section.

Page 59, line 5, after "include" insert the following: ", at an estimated additional cost of $700,000,".

Page 62, line 25, after "River" insert the following: "and by the Mid Fork Reservoir and the Mid Fork Pumping Station constructed by non-Federal interests on the Middle Fork of the North Branch of the Chicago River".

Page 63, line 3, after "reservoirs" insert "and pumping station".

Page 63, lines 5 and 6, after "Indiana" insert the following: "(designated as Plan 3A)".

Page 72, after the period on line 15, insert the following:

The Secretary shall study (1) the feasibility and environmental impact on including conservation storage at the end of the winter storm season at Prado Dam as a project purpose, (2) the effects on such storage on recreation and leasehold interests at Prado Reservoir and on riparian rights downstream of such dam, and (3) any water supply benefits associated with such storage. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study.

Page 73, after the period on line 3, insert the following:

Any relocation of the Talbert Valley Channel undertaken in connection with the project shall be constructed with a channel capacity sufficient to accommodate a 100-year flood.

Page 79, line 3, strike out "$20,000,000" and inserting in lieu thereof "$40,000,000".

Page 79, after line 9, insert the following:

(j) The Secretary is authorized to undertake the following elements of the overall project for flood damage protection and allied purposes in the Passaic River Basin, New Jersey and New York, as described in the report of the Chief of Engineers, dated February 18, 1976, with such modifications as the Chief of Engineers deems advisable, which modifications shall include, but are not limited to, plans being developed by the District Engineer:

(1) Molly Ann's Brook Subbasin, New Jersey, at an estimated cost of $6,600,000;

(2) Lower Saddle River Basin, New Jersey, at an estimated cost of $55,000,000;

(3) plan 6B of the Ramapo River at Oakland, Pompton Lakes and Wayne, New Jersey at a cost of $8,500,000;

(4) Upper Rockaway River Basin, New Jersey, at an estimated cost of $25,000,000;

(5) Nakoma Brook Sloatsburg, New York, at an estimated cost of $4,500,000;

(6) Ramapo and Mahwah Rivers at Mahwah, New Jersey, and Suffern, New York, at an estimated cost of $5,900,000; and

(7) the project for flood protection in the Third River, Passaic Basin, New Jersey, at an estimated cost of $12,000,000.

The provisions of section 302 of this title apply to such projects.

(k)(1) The Secretary is authorized to design and construct flood control works for the protection of Meredosia, Illinois, at an estimated cost of $80,000. Such project shall include, but not be limited to, a levee which is approximately one-fifth of a mile long. The provisions of section 302 of this title shall apply to such project.

(2) For purposes of analyzing the costs and benefits of any project recommended by the Secretary as a result of any study on the Illinois River, authorized by resolution of the Committee on Environment and Public Works of the Senate or the Committee on Public Works and Transportation of the House of Representatives, the Secretary shall take into account the costs and benefits of any measures undertaken by the Secretary pursuant to paragraph (1) in the interest of preventing flood damages along the Illinois River in the vicinity of Meredosia, Illinois.

(l) The Secretary is authorized to undertake a project for flood control works along Mission Zanja Creek within the city of Redlands, California, in accordance with the plan developed by the District Engineer based on studies pursuant to section 205 of the Flood Control Act of 1948, at an estimated cost of $13,209,000. The provisions of section 302 of this title shall apply to such project.

(m)(1) The Secretary is authorized and directed to study the nature and scope of flood problems resulting from Rio Puerto Nuevo, Puerto Rico. Such study shall take into account the objectives described in section 1101 of this Act and the benefits and costs attributable to any project considered to minimize such flood problems. Not later than 18 months after date of the enactment of this Act, the Secretary shall submit to Congress a report on the results of such study including recommendations on measures necessary to minimize such flood problems.

(2) The Secretary is authorized and directed to undertake, on an emergency basis, such structural and nonstructural measures as the Secretary deems necessary to prevent flood damage in the city of San Juan, Puerto Rico, from Rio Puerto Nuevo, Puerto Rico, at an estimated cost of $25,000,000.

(n) The Secretary is authorized to undertake such measures, including silt removal and channel modification, in the vicinity of the confluence of the Salt and Eel Rivers, California, as the Secretary determines necessary to prevent recurring floods along the Eel River and its tributaries, at an estimated cost of $800,000. The provisions of section 302 of this title shall apply to such project.

(o) The Secretary is authorized and directed to undertake such structural and nonstructural measures as the Secretary determines necessary to prevent flood damage resulting from rising lake levels at Malhauer and Harney Lakes, Oregon, at an estimated cost of $15,000,000. The provisions of section 302 of this title shall apply to such project.

(p) The Secretary is authorized to construct the project for flood control, O'Hare System of the Chicagoland Underflow Plan, Illinois, substantially in accordance with the Draft Report of the District Engineer, Chicago District, dated April 1984, at an estimated cost of $17,200,000, except that the capacity of the flood control reservoir shall be at least 1,050 acre-feet in order to provide optimum storage capacity for flood control purposes.

(q)(1) The Secretary shall undertake such measures as he deems necessary to correct flooding problems in the south end of Louisville, Kentucky, within an area bounded by New Cut Road west to the city limits and Palatka Road south to the city limites at an estimated cost of $1,200,000. The provisions of section 302 of this title shall apply to such project.

(2) The Secretary is authorized to provide technical assistance to the city of Louisville, Kentucky, to assist such city in the correction of flooding caused by drainage problems in such city.

(r) The Secretary is authorized to construct a project for flood control for Poplar Brook, New Jersey, including reconstruction of the brook through the Borough of Deal, New Jersey, to accommodate the runoff from a storm having an average frequency of occurence of once every 15 years, replacement of the culvert through the Contrail railroad embankment with a new culvert designed to pass a maximum flow equivalent to the peak flow from a storm having an average frequency of occurence of once every 15 years, use of the area upstream of the embankment as an on-stream detention basin, and Gabion or other lining as determined appropriate by the Secretary, at an estimated cost of $2,300,000. The provisions of section 302 of this title shall apply to such project.

(s)(1) The Secretary is authorized and directed, at an estimated cost of $81,225,000, to design and construct for the purpose of providing flood control for the Pearl River Basin in Mississippi, including, but not limited to, Carthage, Jackson, Monticello, and Columbia, Mississippi—

(A) a flood retarding dam on the Pearl River, upstream of the Ross Barnett Dam, in the vicinity of Shoccoe, Mississippi;

(B) a combination roadway crossing of the Pearl River and floodwater detention and storage facility in east central Leake County, Mississippi;

(C) a levee system in the south part of Carthage, Mississippi, which will upgrade, extend, and improve the protective levee system on the south side of Highway 16 in Leake County and the city of Carthage;

(D) appropriate drainage structure and bridge modifications to expand and improve the stormwater conduits under Mississippi Highway 35, south of Carthage, Mississippi, for the purpose of reducing backwater influence for areas upstream of such highway;

(E) upstream reservoirs on the Pearl River;

(F) such other structures as may be necessary to alleviate unforeseen flooding in the Leake County area as a result of the construction of the Shoccoe Dry Dam; and

(G) channel improvements on the upstream Pearl River.

(2) Prior to initiation of construction of the projects authorized by paragraph (1), non-Federal interests shall agree (A) to hold and save the United States free from damages due to the construction and operation of such projects, and (B) to operate and maintain such projects in accordance with regulations prescribed by the Secretary. The provisions of section 302 of this title shall apply to such projects.

Page 79, line 10, strike out "(j)" and insert in lieu thereof "(t)".

Page 79, line 23, strike out "For" and all that follows through the period on line 2 of page 80.

Page 81, line 23, after the period insert the following:

Payments under the preceding sentence shall not be subject to the limitation contained in the last sentence of section 215(a) of the Food Control Act of 1968.

Page 84, line 2, after the period insert the following:

Any local flood protection work included as part of the non-Federal contribution of a project for flood control under this paragraph shall not be subject to the limitation contained in the last sentence of section 215(a) of the Flood Control Act of 1968.

Page 84, after line 6, insert the following:

SEC. 304. Section 2 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved December 22, 1944 (58 Stat. 889; 33 U.S.C. 701a-1), is amended by inserting after "drainage improvements" the following: "and flood prevention improvements for protection from groundwater-induced damages".

Page 88, line 3, after "project" insert the following: "(Other than the portion of the project consisting of Smathers Beach)".

Page 88, line 17, after "project" insert the following: "(Other than the portion of the project consisting of Smathers Beach)".

Page 88, after the period on line 19, insert the following:

The portion of the project consisting of Smathers Beach shall include any measures which the Secretary determines, in consultation with the United States Fish and Wildlife Service, the Environmental Protection Agency, and the National Marine Fisheries Service, are appropriate to minimize adverse effects from carrying out such portion on the seagrass community.

Page 88, after line 23, insert the following:

CASINO BEACH, CHICAGO, ILLINOIS

The project for shoreline protection, Interim II, Casino Beach, Chicago, Illinois, Report of the Board of Engineers for Rivers and Harbors, dated December 1, 1983, at an estimated cost of $4,155,000 including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section.

ILLINOIS BEACH STATE PARK, ILLINOIS

The project for shoreline protection, Illinois Beach State Park, Illinois described as alternative 3A in Interim Report 1, Illinois-Wisconsin Stateline to Waukegan of the District Engineer, Chicago District, dated June 1982, at an estimated cost of $11,890,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section.

Page 91, after line 12, insert the following:

(e) The Secretary is authorized to carry out the project for shore protection at Coconut Point, Tutuila Island, American Samoa, including a 3,600-foot long rock revetment to protect communal lands and public facilities, at an estimated cost of $1,500,000.

(f) The Secretary is authorized to construct a project for shoreline protection flood control at Union Beach, Monmouth County, New Jersey, at an estimated cost of $1,500,000. Such project shall consist of (1) a seawall or bulkhead from Flat Creek extending north along the shoreline approximately 4,000 feet and at an elevation of 10 feet above mean sea level, (2) a stone groin at the north terminus of the bulkhead for the purpose of beach protection, and (3) installation of beach fill along the shoreline extending 1,000 feet north of the stone groin to an elevation of 10 feet above mean sea level and periodic nourishment of such beach. The non-Federal share of the project authorized for this subsection shall be 50 per centum.

Page 91, line 13, strike out "(e)" and insert in lieu thereof "(g)".

Page 95, line 13, strike out "$32,036,000" and insert in lieu thereof "$34,300,000".

Page 97, line 23, before the period, insert "and the potential of such disposal areas for recreational development".

Page 98, line 7, before the period, insert "and recommendations for a recreational master plan".

Page 99, line 2, after the period insert the following:

A portion of such 40,000 acres which the Secretary, in consultation with the United States Fish and Wildlife Service and the Governors of the States of Mississippi and Arkansas, may determine may be acquired from willing sellers in the State of Arkansas.

Page 101, after line 9, insert the following:

RED RIVER WATERWAY, LOUISIANA

The project for mitigation of fish and wildlife losses, Red River Waterway, Louisiana: Report of the Board of Engineers for Rivers and Harbors, dated March 21, 1984, at an estimated cost of $10,495,000, including such modifications as may be recommended by the Secretary with respect to such project under subsection (b) of this section.

Page 103, line 25, strike out "Board" and all that follows through "1982," on line 2 of page 104, and insert in lieu thereof "Chief of Engineers, dated April 24, 1984.".

Page 104, line 2 strike out ", including" and all that follows through the period on line 5 and insert in lieu thereof a period.

Page 107, line 25, strike out the period and insert in lieu thereof the following: ", except that the non-Federal share of any portion of the costs of mitigation of fish and wildlife losses attributable to water supply features of the project shall be repaid in accordance with the Water Supply Act of 1958 and the non-Federal share of any portion of the costs of mitigation of fish and wildlife losses attributable to recreation features of the project shall be repaid in accordance with the Federal Water Project Recreation Act.".

Page 108, after line 17, insert the following:

WAILUA FALLS, WAILUA RIVER, KAUAI, HAWAII

The project for hydroelectric power generation at Wailua Falls, Wailua River, Kauai, Hawaii: Report of the Board of Engineers for Rivers and Harbors, dated July 18, 1983, at an estimated cost of $11,243,000.

Page 109, strike out lines 8 through 13 and insert in lieu thereof the following:

The project for bank stabilization, Bethel, Alaska: Report of the Chief of Engineers, dated July 30, 1983, at an estimated cost of $13,800,000, including such modifications as may be necessary to accommodate related work undertaken and carried out by non-Federal interests.

Page 110, lines 20 and 21, strike out "subsection (a)" and insert in lieu thereof "this title".

Page 115, lines 5 and 6, strike out "at an estimated cost of $35,800,000" and insert in lieu thereof "except that such project shall also include construction of a fisherman walkway on top of a jetty as described in the report of the Chief of Engineers dated January 20, 1983, at an estimated total cost of $57,200,000".

Page 117, line 15, strike out "and" the second place it appears.

Page 117, line 16, strike out the period and insert in lieu thereof "; and and".

(3) the Kanawha River in the vicinity of St. Albans, West Virginia.

Page 118, lines 5 and 6, strike out "and Pequannock" and insert in lieu thereof ", Pompton, Pequannock, and Ramapo".

Page 118, strike out lines 7 through 9, and insert in lieu thereof the following: "on the Passaic River upstream to the confluence of the Pompton River at Two Bridges, upstream along the Pompton River to and including the Pompton Feeder on the Pequannock and Ramapo Rivers, and upstream along the Ramapo River to the Pompton Lakes dam, and along".

Page 118, line 9, after "River" insert "and Ramapo River".

Page 118, line 9, strike out "Plains Feeder Dam" and insert in lieu thereof "Lake Dam on the Ramapo River".

Page 123, line 3, strike out "the southern portion of Sauk Lake" and insert in lieu thereof the following: "Sauk Lake and its tributary streams".

Page 123, line 5, strike out "$1,400,000" and insert in lieu thereof "$2,000,000".

Page 123, after line 11, insert the following:

SEC. 520. The Secretary shall repair and rehabilitate the Muck Levee, Salt Creek, Logan County, Illinois, at an estimated cost of $12,000,000.

SEC. 521. (a) The Secretary shall, after consultation with the Passaic River Restoration Steering Committee, carry out a demonstration project for bank stabilization and development, operation, and maintenance of a recreation and greenbelt area on public properties on, and along the east bank of the Passaic River, New Jersey, from Dundee Dam to Kearney Point. Such project shall include, but not be limited to—

(1) the construction, operation, and maintenance of recreational facilities (including, but not limited to, a multipurpose pathway described in the Passaic River Restoration Master Plan) and streambank stabilization structures;

(2) terraforming; and

(3) such tree plantings, vegetation and wildlife protection and development, and other activities as will enhance the natural environment for recreational purposes.

(b) The construction and maintenance of structures and plant and husbandry activities referred to in subsection (a) of this section shall be conditioned upon the ownership by the public of the land or interest therein necessary for such purposes. The operation and maintenance of such structures and activities shall be undertaken by the counties or cities owning the lands on which such structures are to be located or on which such activities are to be carried out.

(c) In carrying out the project described in subsection (a) of this section, the Secretary may acquire by purchase, donation, exchange, or otherwise, lands and interests therein as the Secretary and the Passaic River Restoration Steering Committee determine are necessary to carry out such project. No lands or interests therein may be acquired by the United States or any State or local government to carry out such project without the consent of the owner, and nothing herein shall constitute an additional restriction on the use of any lands or interests therein which is not owned by the United States or a State or local government.

(d) Notwithstanding any other provision of law, the Federal share of the project to be carried out pursuant to this section shall be 100 percent of the cost of the project. There is authorized to be appropriated to carry out this section $10,000,000 for fiscal years beginning after September 30, 1984.

Sec. 522. The Secretary is authorized and directed to undertake a project for bank erosion control on the Rillito River in the vicinity of Tucson, Arizona, for the purpose of providing protection against the level of flooding that occurred in October 1983, at an estimated cost of $41,900,000.

Sec. 523. The Secretary is authorized to undertake such measures as the Secretary determines necessary to reduce or prevent erosion of bluffs along Pebble Beach Drive, Crescent City, California, at an estimated cost of $2,000,000.

Sec. 524. The Secretary is authorized and directed to provide protection against stream bank erosion on the Little River in the vicinity of the Highway 41 bridge, Horatio, Arkansas, at an estimated cost of $500,000.

Sec. 525. The Secretary is authorized to take such measures as may be necessary to maintain a harbor of refuge in Swan Creek, Newport, Michigan. Non-Federal interests shall provide a public wharf and such other facilities as may be necessary for a harbor of refuge which shall be open to all on equal terms and such other requirements as the Secretary deems necessary.

Sec. 526. (a) The Secretary is authorized to construct such bank stabilization measures as the Secretary determines necessary for flood damage prevention and erosion control along approximately 3,000 feet of Caney Creek in the vicinity of Jackson, Mississippi, between McDowell and Raymond Road, at an estimated cost of $1,250,000.

(b) The Secretary shall complete his study of flood and soil erosion problems along Caney Creek and its tributaries in the vicinity of Jackson, Mississippi. For purposes of analyzing cost and benefits of any project recommended by the Secretary as a result of such study, the Secretary shall take into account the cost and benefits of measures undertaken pursuant to subsection (a).

Sec. 527. The Secretary shall undertake a demonstration project for the removal of silt and stumps from, and the control of pollution from nonpoint sources in, Deal Lake, Monmouth County, New Jersey, at an estimated cost of $8,000,000. Upon completion of the demonstration project, the Secretary shall submit a report of such project, along with recommendations for further measures to improve the water quality of Deal Lake, to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works in the Senate.

Sec. 528. Nothwithstanding any other provision of law, the Secretary shall transfer to new Hanover County, North Carolina, its successors or assigns, without consideration, all right, title, and interest of the United States to a surplus dredging vessel (known as the "Hyde hopper dredge") in Wilmington, North Carolina, if such county agrees in writing to utilize such vessel only for the purpose of establishing an artificial fish habitat at no cost to the United States.

Sec. 529. The Secretary is authorized to lease, at a fair market rental rate, approximately 109 acres in tracts I-908 and I-909 in Wilson County, Tennessee, acquired by the United States for the Old Hickory Lock and Reservoir project, Tennessee, to the Wilson County Youth Ranch, a nonprofit organization in Wilson County, Tennessee, for use in providing residential and other facilities for orphans.

Sec. 530. (a) The Secretary is authorized and directed to establish and conduct for a period of five years at multiple sites on the Platte River and its tributaries in Nebraska a demonstration program consisting of projects for flood control and streambank erosion prevention. The program shall have as its objectives the protection of property, environmental enhancement, and social well-being.

(b) Flood control projects carried out under this section shall include projects for the construction, operation, and maintenance of flood damage reduction measures, including but not limited to bank protection and stabilization works, embankments, clearing, snagging, dredging, and all other appropriate flood control measures, and shall also include recreational facilities deemed appropriate by the Secretary. Such projects shall be carried out substantially in accordance with the plan of action of the Chief of Engineers dated February 6, 1984, and with the Platte River and Tributaries, Nebraska, Study of 1978 and the Platte River Basin, Nebraska, Level B Study of 1976.

(c) In carrying out any streambank erosion prevention project under this section, the Secretary shall—

(1) identify streambank erosion measures likely to provide the highest degree of protection technically and economically feasible for both high and low flow conditions;

(2) conduct necessary research on the interaction of erodible boundaries with flowing water in order to more accurately predict the behavior and optimum design of protective works;

(3) define and test optimum designs of bed slope and grade control structures for a wide range of soil and flow conditions;

(4) develop, field test, and evaluate new erosion protection products or methods, including but not limited to earth or rock-filled grids, reinforced earth bulkheads, stabilized mattings for vegetation seeding, patterned schemes using manufactured blocks in loose, matted, or interconnected configurations, and any other appropriate techniques recommended under section 32 of the Water Resources Development Act of 1974;

(5) develop and evaluate engineering techniques to control overbank drainage; and

(6) identify and quantify economic losses occurring along the Platte River and its tributaries due to streambank erosion.

(d) For each demonstration project under this section, the Secretary shall evaluate the environmental impacts of such project with respect to both riverine and adjacent landuse values, with the view of enhancing wildlife and wildlife habitat as a major purpose coequal with all other purposes and objectives, and with the view of minimizing environmental losses.

(e) Demonstration projects authorized by this section shall be undertaken to reflect a variety of geographical and environmental conditions, including naturally occurring erosion problems and erosion caused or incurred by man-made structures or activities. At a minimum, demonstration projects shall be conducted at sites on—

(1) that reach of the Platte River between Hershey, Nebraska, and the boundary between Lincoln and Dawson counties, Nebraska; and

(2) that reach of the Platte River from the boundary between Colfax and Dodge Counties, Nebraska, to its confluence with the Missouri River and that portion of the Elkhorn River from the boundary between Antelope and Madison Counties, Nebraska, to its confluence with the Platte River.

(f) The Secretary shall condition the construction, operation, and maintenance of any project under this section upon the availability to the United States of such land and interests in land as he deems necessary to carry out such project and to protect and enhance the river in accordance with the purposes of this section. Lands and interests in land for any project under this section shall not be acquired without the consent of the owner, except that not to exceed five percent of the lands acquired for such a project may be acquired in less than fee title without the consent of the owner if determined necessary by the Secretary because of flooding or streambank erosion problems causing or threatening to cause serious damage in the Platte River Basin.

(g) The Secretary shall establish a Platte River Advisory Group consisting of representatives of the State of Nebraska and political subdivisions thereof, affected Federal agencies, and such private organizations as the Secretary deems desirable. Projects under this section shall be carried out in coordination and consultation with such Advisory Group.

(h)(1) Except as provided in paragraph (2), projects carried out under this section shall be at full Federal expense.

(2) Prior to construction of any project under this section, non-Federal interests shall agree that they will provide without cost to the United States lands, easements, and rights-of-way necessary for construc-

tion, operation, and maintenance of such project; hold and save the United States free from damages due to construction, operation, and maintenance of such project; and share equally in the costs required to operate and maintain such project.

(i) There is authorized to be appropriated for fiscal years beginning after September 30, 1984, not to exceed $25,000,000 to carry out this section.

(j) The Secretary shall report to Congress each year of the demonstration program under this section on work undertaken pursuant to such program.

(k) The Congress finds that the benefits for national economic development, regional development, social well-being, and environmental quality exceed the costs of the projects authorized by this section.

Sec. 531. (a) The Secretary, in consultation with the Soil Conservation Service of the Department of Agriculture, the United States Geological Survey and the Office of Surface Mining of the Department of the Interior, the State of Ohio, and other appropriate Federal and non-Federal agencies, shall study the flooding problems in the Wheeling Creek Watershed, Ohio, and measures to prevent or reduce such flooding, including control of erosion of coal mine areas to reduce deposition of sediments in Wheeling Creek, removal of sediment deposits in Wheeling Creek, and other measures deemed appropriate by the Secretary. Not later than two years after the date of enactment of this Act, the Secretary shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study together with recommendations taking into consideration the objectives set forth in section 1101 of this Act.

(b) The Secretary is authorized to undertake interim emergency flood control measures, including the removal of sediment deposits from Wheeling Creek and other measures deemed appropriate by the Secretary, to reduce flood damage in the vicinity of Goosetown, Wolfhurst, Barton, Crescent, Maynard, Blainsville, Fairpoint, Crabapple, and Lafferty, Ohio. For purposes of analyzing the costs and benefits of any project recommended by the Secretary as a result of the study authorized by subsection (a) of this section, the Secretary shall take into account the costs and benefits of measures undertaken pursuant to this subsection.

(c) There is authorized to be appropriated to carry out the provisions of subsection (b) of this section not to exceed $7,000,000.

Sec. 532. The Secretary shall maintain the navigation project for Wilson Harbor, Wilson, New York, to its authorized dimensions.

Sec. 533. The Secretary shall maintain the navigation project for Oak Orchard Harbor, Carlton, New York, to its authorized dimensions.

Sec. 534. The Secretary is authorized to construct a project for flood protection along Five Mile Creek, Dallas, Texas, including dredging of a channel at the lower end of such creek and developing a retention structure at the upper end of such creek, at an estimated cost of $7,100,000.

Page 126, line 17, strike out the period and insert in lieu thereof the following: ", one of such projects shall be the construction of a reef for fish habitat in the Atlantic Ocean in the vicinity of Fort Lauderdale, Florida, and one of such projects shall be the construction of a reef for fish habitat in Lake Ontario in the vicinity of the town of Newfane, New York.".

Page 133, after line 16, insert the following:

Sec. 620. The Secretary is authorized to undertake a study of the feasibility of opening a channel between Jamaica Bay and Reynolds Channel, Long Island, New York, for the purpose of water quality improvement. The Secretary shall report the results of such study to Congress not later than one year after the date of enactment of this Act.

Sec. 621. The Secretary shall study land acquisition policies applicable to water resources projects carried out by the Secretary, including, among other things, an analysis of the acquisition policies of mineral rights in connection with such projects. Such study shall also include a complete detailed report on (1) the acquisition policies and procedures utilized by the Secretary in the acquisition of mineral rights at the water resources project for Lake Sommerville, Texas, authorized by the Flood Control Act of June 28, 1938, and (2) the acquisition policies and procedures followed in permitting reservoir lands to be used for mineral exploration and development subsequent to construction of such project. Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study along with such recommendations as the Secretary may have for modifications of such land acquisition policies.

Sec. 622. No Federal agency shall study or participate in the study of any regional river basin plan or any plan for any Federal water and related land resource project which has as its objective the transfer of water from the Columbia River Basin, or the Arkansas River Basin, to any other region or any other major river basin of the United States.

Sec. 623. The Secretary shall immediately investigate erosion problems on the southern bank of the Black Warrior-Tombigbee River from river mile 253 to river mile 255. Not later than six months after the date of enactment of this Act, the Secretary shall report to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate on the results of such investigation along with recommendations for measures to alleviate such erosion problems.

Sec. 624. The Secretary is authorized to conduct a study of the feasibility of developing measures to control storm water runoff on a watershed basis. Such study shall include, among other things, a review of existing drainage codes, State statutes, and Federal programs relating to prevention of drainage soil erosion and flooding. Not later than two years after the date of enactment of this Act, the Secretary shall submit a report to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Enviroment and Public Works of the Senate on the results of such investigation along with recommendations concerning development of such measures.

Sec. 625. The Secretary, in consultation with the Administrator of the Environmental Protection Agency is authorized to conduct a study of the feasibility of reallocating water quality storage space in the Blue Marsh Reservoir, Pennsylvania, in order to provide needed industrial and municipal water supply for the eastern Pennsylvania region. Such study shall include, among other things, an analysis of the use of such reservoir for water quality purposes, the extent on which the Environmental Protection Agency or the State of Pennsylvania has planned for the use of such reservoir for water quality purposes in areawide waste treatment planning, and the need for the use of the reservoir for water quality and water supply purposes. Not later than one year after the date of enactment of this Act, the Secretary shall submit a report to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate on the results of such study along with recommendations.

Sec. 626. The Secretary is authorized and directed to conduct a study (1) to analyze the differences among Corps districts and Corps divisions regarding boundry delineation and fencing practices, (2) to analyze the cost of fencing activities and the relationship of such cost to the benefits derived from such activities, and (3) to analyze the need for providing, to the greatest extent practicable and consistent with authorized project purposes, access of the project area to the general public for recreational purposes. The Secretary shall submit a report on the results of such study to Congress not later than one year after the date of the enactment of this Act.

Page 138, strike out line 20 and all that follows through line 5 on page 139 and insert in lieu thereof the following:

Sec. 712. (a) The navigation project for Santa Cruz Harbor, Santa Cruz, California, authorized in section 101 of the River and Harbor Act of 1958 (Public Law 85-500) is hereby modified to provide that the United States shall reimburse the non-Federal interests for 80 percent of the cost of acquiring and installing the sand bypassing facility authorized as part of such project, at an estimated cost of $36,000,000, and that none of the costs of operating and maintaining such facility or of any maintenance dredging in such harbor shall be paid by the United States. Such project is also modified to authorize the Secretary to seal the East jetty of such harbor to prevent sand from passing through.

(b) The Secretary shall study the long-term solutions to the shoaling problems in Santa Cruz Harbor and shall report the results of such study, along with recommendations, to the Congress upon completion of such study. There is authorized to be appropriated $600,000 for fiscal years beginning after September 30, 1984, to carry out this subsection.

Page 139, lines 1 and 2, after "authorize" insert following: "and direct the Secretary to perform such dredging as may be necessary, but not less than four times a year, to maintain the project and to authorize".

Page 139, line 5, after the period insert the following:

The Secretary shall perform a comprehensive study to evaluate and make recommendations with respect to long-term solutions to the shoaling problems in the harbor and shall report the results of such study to Congress not later than two years after the date of enactment of this Act. There is authorized to be appropriated $750,000 to carry out such study.

Page 152, after the period on line 17, insert the following:

The Secretary is authorized to reimburse any non-Federal interest for any remedial measure (1) carried out by such interest, after January 1, 1983, and before the date of enactment of this Act, to assure structural integrity and flood control capacity of the Trilby Wash Detention Basin (McMicken Dam) at a level of flood protection equal to the level of flood protection provided by such dam before January 1, 1977, and (2) approved by the Dam Safety Agency of the State of Arizona.

Page 158, line 2, strike out "75,000" and all that follows through the period on line 7 of page 158 and isert in lieu thereof the following: "50,000 acre-feet with the Greater Texoma Utility Authority and 100,000 acre-feet with the North Texas Municipal Water District.".

Page 158, line 10, after the period, insert the following:

No payment shall be required from and no interest shall be charged to users in the States of Oklahoma or Texas for the reallocation authorized by this section until such time as the water supply storage reserved under such reallocation is actually first used. Any contract entered into for the use of the water received under this section shall require the contracting entity to begin principal and interest payments on that portion of the water allocated under the contract at the time the entity begins the use of such water. Until such time, storage for which reallocation is authorized in this section maybe used for hydropower production.

Page 158, line 25, strike out "to ensure" and all that follows through the comma on line 2 of page 159 and insert in lieu thereof the following: "to construct a high-lift span bridge in the vicinity of the Coast Guard station, approximately 3,600 feet north of South Michigan Avenue, over the ship channel, at full Federal expense,".

Page 163, after line 21, insert the following:

SEC. 762. (a) The Hansen Dam project authorized as part of the flood control project for the Los Angeles and San Gabriel Rivers, California, by section 5 of the Flood Control Act approved June 22, 1936 (49 Stat. 1589), is hereby modified to authorize the Secretary to contract for the removal and sale of dredged material from the flood control basin for Hansen Dam, Los Angeles County, California, for the purpose of facilitating flood control, recreation, and water conservation. All funds received by the Secretary from the sale of such dredged material shall be deposited in the general fund of the Treasury.

(b) There is authorized to be appropriated for fiscal years beginning after September 30, 1984, an amount not to exceed the amount of funds received by the Secretary from the sale of dredged material under subsection (a). Amounts appropriated under this subsection shall be available to the Secretary—

(1) to construct, operate, and maintain recreational facilities at the Hansen Dam project; and

(2) to the extent consistent with other authorized project purposes, to facilitate water conservation and ground water recharge measures at the Hansen Dam project in coordination with the city of Los Angeles, California, and the Los Angeles Flood Control District;

at full Federal expense.

SEC. 763. The project for navigation, Newport News Creek, Virginia, authorized by the River and Harbor Act of 1946, is hereby modified to authorize the relocation and reconstruction by the State of Virginia of the project upon approval of plans for such relocation and reconstruction by the Secretary.

SEC. 764. The project for flood protection, Turtle Creek, Pennsylvania, authorized by the Flood Control Act of 1958, is hereby modified to authorize and direct the Secretary to repair and restore such project so that such project serves its project purposes. Such repairs and restoration shall not be commenced until each non-Federal interest has entered into a written agreement with the Secretary to furnish its required cooperation for such repairs and restoration in accordance with the project agreement and to comply with section 221 of the Flood Control Act of 1970 and non-Federal share requirements of section 302 of this Act.

SEC. 765. The project for navigation, Dunkirk Harbor, New York, authorized by section 201 of the Flood Control Act of 1965 and approved by resolution of the Committee on Public Works of the House of Representatives, dated December 15, 1970, and resolution of the Committee on Public Works of the Senate, dated June 22, 1971, is modified to authorize the Secretary to include dredging and maintenance of the eastern inner harbor of such project in accordance with such plans as the Secretary, in consultation with appropriate non-Federal interests, may develop, at an estimated cost of $2,300,000.

SEC. 766. The project for navigation at Houston Ship Channel (Bayport Ship Channel), Texas, authorized by section 101 of the River and Harbor Act of 1958 (72 Stat. 298), is modified to authorize and direct the Secretary to perform such dredging operations as are necessary to maintain a 40-foot project dept in the Bayport Ship Channel.

SEC. 767. (a) The project for navigation for Honolulu Harbor, Hawaii, authorized by section 101 of the River and Harbor Act of 1954, is modified to authorize and direct the Secretary to maintain a 23-foot project depth in the Kalihi Channel portion of such project.

(b) The consent of Congress is hereby given to the State of Hawaii to construct, operate, and maintain a fixed-span bridge in and over the water of the Kalihi Channel, Honolulu Harbor, Hawaii.

SEC. 768. The project for navigation, Bayou Lafourche and Lafourche-Jump Waterway, Louisiana, authorized by the River and Harbor Act of August 30, 1935, is hereby modified to provide for the maintenance by the Secretary of a channel 30 feet deep from mile minus 2 to mile 0 in Belle Pass and of a channel 24 feet deep from mile 0 to mile 4 in Bayou Lafourche. The Secretary is authorized and directed to study the feasibility of deepening the channel from mile 0 to mile 4 in Bayou Lafourche to 30 feet. The Secretary shall report the results of such study with recommendations to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

SEC. 769. (a) The project for harbor improvement at Noyo, Mendocino County, California, authorized by the River and Harbor Act of 1962 (76 Stat. 1173), is hereby modified to provide that the non-Federal interests shall contribute 25 per centum of the cost of areas required for initial and subsequent disposal of dredged material, and of necessary retaining dikes, bulkheads, embankments, and movement of materials therefor.

(b) The requirements for appropriate non-Federal interests to contribute 25 per centum of the construction costs as set forth in subsection (a) shall be waived by the Secretary upon a finding by the Administrator of the Environmental Protection Agency (1) that for the area to which such construction applies, the State of California, municipalities, and other appropriate political subdivisions of the State and industrial concerns are participating in, and in compliance with, an approved plan for the general geographical area of the dredging activity for construction, modification, expansion, or rehabilitation of waste treatment facilities, and (2) that applicable water quality standards are not being violated.

(c) If, in lieu of diked disposal, the Secretary determines ocean disposal is necessary to carry out the project, the Federal share of the cost of such ocean disposal shall be 100 per centum.

Page 172, line 10, strike out the period and insert in lieu thereof the following: ", except that the Secretary may not provide planning, design, or construction-related services to applicants for loans under this subtitle.".

Page 174, after line 21 insert the following new paragraphs:

(17) Conveyance, pumping, distribution, and storage facilities for Cook County, Illinois (Northwest Suburban Municipal Joint Action Water Agency), at an estimated cost of $154,400,000.

(18) Treatment, conveyance, pumping, distribution, production, and storage facilities for Brockton, Massachusetts, at an estimated cost of $9,500,000.

(19) Treatment, conveyance, pumping, distribution, production, and storage facilities for Hesperia, California, at an estimated cost of $32,000,000.

(20) Treatment, conveyance, distribution, and pumping facilities for Philadelphia, Pennsylvania, at an estimated cost of $66,000,000.

(21) Intake, pumping, and distribution facilities for Huntington, West Virginia, at an estimated cost of $2,400,000.

(22) Treatment, conveyance, distribution, and pumping facilities for Grand Haven, Michigan, at an estimated cost of $6,900,000.

(23) Treatment, conveyance, pumping, distribution, production, and storage facilities for Battle Creek, Michigan, including identification and development of alternative sources of water and necessary relocation of wells, at an estimated cost of $3,000,000.

(24) Storage facilities consisting of a water tank in Tafuna, Tualauta County, Western Tutuila Island, American Samoa at an estimated cost of $450,000.

(25) Storage facilities consisting of a water tank in the village of Leona, Lealataua County, Western Tutuila Island, American Samoa, at an estimated cost of $425,000.

(26) Treatment, conveyance, pumping, distribution, and storage facilities for the Beccaria-Houtzdale area, Pennsylvania, at an estimated cost of $2,000,000.

(27) Conveyance, pumping, distribution, and storage facilities for the community of Blue Creek, Ohio (Northwest Water System, Inc.), at an estimated cost of $2,200,000.

(28) Treatment, conveyance, pumping, distribution, production, and storage facilities for Morris County, New Jersey (Morris County Municipal Utilities Authority), at an estimated cost of $26,300,000.

Page 177, line 14, strike out "The" and insert in lieu thereof "(a) Except as provided in subsection (b), the".

Page 177, after line 18, insert the following:

(b) The authority of the Secretary to provide technical assistance under subsection (a) is limited to providing technical assistance for reconnaissance reports and prefeasibility studies except in any case in which the Secretary determines that the public water supply operator cannot utilize the services of the private sector for economic or other reasons.

Page 184, after line 11, insert the following:

SEC. 911. The visitor center at the powerhouse at the Richard B. Russell Dam and Lake project, South Carolina and Gerogia, shall hereafter be known and designated as the "Peyton S. Hawes Visitor Center". Any reference in any law, map, regulation, document, record, or other paper of the United States to such visitor center shall be deemed to be a reference to the "Peyton S. Hawes Visitor Center".

SEC. 912. The lock and dam on the Warrior River in Hale County, Alabama, commonly known as the Warrior Lock and Dam, shall hereafter be known and designated as the "Armistead I. Selden Lock and Dam". Any reference in a law, map, regulation, document, or paper of the United States to such lock and dam shall be held to be a reference to the "Armistead I. Selden Lock and Dam".

SEC. 913. Calion Lock and Dam located on the Quachita River near Calion, Arkansas, shall hereafter be known and designated as the "H.K. Thatcher Lock and Dam". Any reference in a law, map, regulation, document, record, or other paper of the United States to such lock and dam shall be held to be a reference to the "H.K. Thatcher Lock and Dam".

Page 187, strike out lines 4 through 6.

Page 190, strike out lines 8 through 10.

Page 192, after line 17, insert the following:

The uncompleted portions of the project for navigation, New Haven Harbor, Connecticut, authorized by the River and Harbor Act of 1946, which portions consist of deepending the lower end of the Quinnipiac River Channel to 22 feet up to a point 1,000 feet above Ferry Street.

The project for navigation, New Haven Harbor, Connecticut, authorized by the River and Harbor Act of June 25, 1910, Public Law 264, Sixty-first Congress.

The uncompleted portions of the project for navigation, Milford Harbor, Connecticut, authorized by the River and Harbor Act of June 13, 1902, and the River and Harbor Act of August 26, 1937, Public Law 392, Seventy-fifth Congress, which portions consist of a five-acre anchorage, ten feet deep, behind the east jetty at the east side of such jetty.

Page 207, strike out lines 10 through 12.

Page 207, strike out lines 21 through 25.

Page 208, strike out lines 7 through 9.

Page 212, strike out line 21 and all that follows through line 2 on page 213.

Page 215, after line 6, insert the following:

The feature of the project for navigation, Alpena Harbor, Michigan, authorized by the River and Harbor Act of 1965, which feature consists of the proposed turning basin and breakwater reconfiguration.

Page 215, strike out lines 17 through 19.

Page 219, strike out lines 15 through 18.

Page 233, after line 25, insert the following:

The Dallas Floodway Extension feature of the Trinity River project for flood control, Trinity River and tributaries, Texas, authorized by the Flood Control Act of 1965.

The Liberty Local Protection feature of the project for flood control, Trinity River and tributaries, Texas, authorized by the Flood Control Act of 1965.

Page 234, strike out lines 22 through 24.

Page 240, strike out lines 17 through 24.

Page 241, before line 1, insert the following:

SEC. 1003. (a) The project for flood control, Lakeport Lake, California, authorized by the Flood Control Act of 1965, is not authorized after the date of enactment of this Act.

(b) Notwithstanding section 203 of the Federal Property and Administrative Services Act of 1949 and any other provision of law, the Secretary shall, during the five-year period beginning on the date of enactment of this Act, make all lands acquired by the United States for the Lakeport Lake project available for purchase by the Lake County Flood and Water Conservation District at the price at which such lands were acquired by the United States. Such District may waive the right to purchase any lands under the preceding sentence at any time during such period.

(c) Any conveyance of land under subsection (b) shall be made on the condition that the Lake County Flood and Water Conservation District administer such land for flood control and related purposes. If, at any time after such conveyance, such land is not so administered, all right, title, and interest in such land shall revert to the United States which shall have immediate right of reentry thereon.

Page 242, line 2, after "Sec. 1101." insert "(a)".

Page 242, line 5, after "life," insert "preservation of cultural and historical vaules,.".

Page 242, after line 10, insert the following new subsection:

(b) Notwithstanding any other provision of law, for purposes of analyzing in accordance with the first section of the Flood Control Act of June 22, 1936 (49 Stat. 1570; 33 U.S.C. 701a), the costs and benefits of a water resources project which includes any element which provides flood protection to any distressed low-income area, as determined by the Secretary, the benefits to be derived from carrying out such element shall be deemed to exceed the costs of carrying out such element.

Page 248, line 19, after "undertake" insert the following: ", at full Federal expense,".

Page 248, line 25, after the first period insert the following:

Such structural measures shall not include the construction of any dam or reservoir on the Meramec River.

Page 249, line 11, after "Act" insert the following: "or under the authority of any other Federal law".

Page 250, after line 23, insert the following new subsection:

(d) The Secretary, in accordance with such section 4, shall make necessary repairs to the Milton Dam in Mahoning County, Ohio, in accordance with the remedial measures described in the report of the District Engineer, Pittsburgh District, entitled "Milton Dam, Mahoning County, Ohio, Investigation to Determine the Adequacy of Structural and Hydraulic Components", dated February 1980.

Page 250, line 24, strike out "(d)" and insert in lieu thereof "(e)".

Page 251, line 7, after the first period insert the following:

In conducting such update, the Secretary shall take into account any other review of dams which the Secretary has conducted under the authority of any other law.

Page 277, lines 3, 9, 17, and 21, strike out "January 1, 1990" and insert in lieu thereof "December 31, 1989".

Page 278, line 3, insert "substantially" after "leaseholder".

Page 278, line 5, strike out "This section applies" and insert in lieu thereof "Subsections (a) and (b) of this section apply".

Page 278, line 11, strike out "January 1, 1990" and insert in lieu thereof "December 31, 1989".

Page 278, after line 12, insert the following:

(d) On and after December 31, 1989, no houseboat, floating cabin, marina (including any with sleeping facilities), or lawfully installed dock or cabin and appurtenant structures shall be required to be removed from any Federal water resources reservoir or lake project administered by the Secretary on which it was located on the date of enactment of this Act, if such property is maintained in usable condition, and, in the judgment of the Secretary, does not occasion a threat to life or property, except where necessary for immediate use for public purposes or other higher public use or for a navigation or flood control project.

Page 280, strike out line 5 and all that follows through the period on line 20 and insert in lieu thereof the following:

SEC. 1136. (a)(1) The Secretary is authorized to reimburse the State of New York for 50 percent of the costs of maintaining and operating the New York State Barge Canal, if the work involved is in accordance with an agreement between the Secretary and the State of New York. The State of New York shall continue to own and operate such canal.

(2) The Secretary is authorized to reimburse the State of New York for 50 percent of the cost of reconstructing and rehabilitating the New York State Barge Canal for navigation, flood control, water supply, irrigation, power, recreational, historic, and environmental purposes in accordance with the recommendations of the Secretary in the report transmitted under subsection (b) and in accordance with an agreement between the Secretary and the State of New York.

(b) The Secretary shall, in cooperation with the State of New York, study the need for reconstruction and rehabilitation of the New York State Barge Canal for navigation, flood control, water supply, irrigation, power, recreational, historic, and environmental purposes.

Page 301 after line 2, insert the following new sections:

SEC. 1174. Section 22(b) of the Water Resources Development Act of 1974 is amended—

(1) by striking out "$4,000,000" and inserting in lieu thereof "$10,000,000"; and

(2) by striking out "$200,000" and inserting in lieu thereof "$500,000".

SEC. 1175. The Secretary is authorized and directed to remove the Berkeley Pier, which extends into San Francisco Bay, California, approximately 12,000 feet, at an estimated cost of $1,050,000.

SEC. 1176. (a) The Secretary is authorized to implement a program of research in order to demonstrate the cropland irrigation and conservation, techniques described in the report issued by the New England Division Engineer, dated May 1980, for the Saint John River Basin, Maine.

(b) For the purposes of this section, there is authorized to be appropriated to the Secretary the sums of $1,825,000 for the fiscal year ending September 30, 1985, $820,000 for the fiscal year ending September 30, 1986, and $785,000 for the fiscal year ending September 30, 1987, such sums to remain available until expended.

Sec. 1177. The Secretary is authorized to construct a seawall from the canneries in the village of Atu'u, Ma'oputasi County, to breakers Point near the village of Tafananai, Sua County, Western Tutila Island, American Samoa, at an estimated cost of $1,200,000.

Sec. 1178. The Secretary is authorized to rehabilitate the fuel dock adjacent to the Rainmaker Hotel between the villages of Utulei and Fagatogo in Ma'oputasi County, Eastern Tutila Island, American Samoa, at an estimated cost of $350,000.

Sec. 1179. Section 215(a) of the Flood Control Act of 1968 is amended by striking out "$1,000,000" and inserting in lieu thereof "$5,000,000".

Sec. 1180. Notwithstanding any other provision of law, in any case in which the use of fill material for beach erosion and beach nourishment is authorized as a purpose of an authorized water resources project, the Secretary is authorized to acquire by purchase, exchange, or otherwise from nondomestic sources and utilize such material for such purposes if such materials are not available from domestic sources for environmental or economic reasons.

Sec. 1181. The Secretary, the Director of the Federal Emergency Management Agency, and the Administrator of the Soil Conservation Service shall take necessary actions, including the posting and distribution of information and the preparation and distribution of educational materials and programs, to ensure that information relating to flood hazard areas is generally available to the public.

Sec. 1182. The Secretary is authorized to accept funds from any entity, public or private, in accordance with the Pacific Northwest Electric Power Planning and Conservation Act to be used to protect, mitigate, and enhance fish and wildlife in connection with projects constructed or operated by the Secretary. The Secretary may accept and use funds for such purposes without regard to any limitation established under any other provision of law or rule of law.

Sec. 1183. (a) The Secretary may require compliance with any requirements pertaining to cooperation by non-Federal interests in carrying out any water resources project authorized before, on, or after the date of enactment of this Act.

(b) Whenever on the basis of any information available to the Secretary, the Secretary finds that any non-Federal interest is not providing any cooperation required under subsection (a), the Secretary shall issue an order requiring such non-Federal interest to provide such cooperation. After notice and opportunity for a hearing, if the Secretary finds that any person is violating an order issued under this section, such person shall be subject to a civil penalty not to exceed $10,000 per day of such violation, except that the total amount of civil penalties for any violation shall not exceed $50,000.

(c) The Secretary may request the Attorney General to bring a civil action for appropriate relief, including permanent or temporary injunction, for any violation of an order issued under this section, to collect a civil penalty imposed under this section, or to recover any cost incurred by the Secretary in undertaking performance of any item of cooperation under section 221(d) of the Flood Control Act of 1970. Any action under this subsection may be brought in the district court of the United States for the district in which the defendant is located or resides, or is doing business, and such court shall have jurisdiction to restrain such violation, to require compliance, to require payment of any civil penalty imposed under this section, and to require payment of any costs incurred by the Secretary in undertaking performance of any such item.

Sec. 1184. (a) In recognition of the serious impacts that are expected to occur to the Great Lakes environment as a result of a projected fivefold increase in consumption of Great Lakes water, including loss of wetlands and reduction of fish spawning and habitat areas, as well as serious economic losses to vital Great Lakes industries, and in recognition of the national goal to provide environmental protection and preservation of our natural resources while allowing for continued economic growth, the Administrator of the Environmental Protection Agency, in cooperation with other interested departments, agencies, and instrumentalities of the United States and the eight Great Lakes States and their political subdivisions, is authorized to conduct a study of control measures which can be implemented to reduce the quantity of Great Lakes water consumed without adversely affecting projected economic growth of the Great Lakes region.

(b) The study authorized by this section shall include an analysis of both existing and new technology which is likely to be feasible in the foreseeable future and shall at a minimum include the following:

(1) a review of the methodologies used to forecast Great Lakes consumptive uses, including an analysis of the sensitivity of key variables affecting such uses;

(2) an analysis of the effect that enforcement of provisions of the Federal Water Pollution Control Act relating to thermal discharges has had on consumption of Great Lakes water;

(3) an analysis of the effect of laws, regulations, and national policy objectives on consumptive uses of Great Lakes water used in manufacturing;

(4) an analysis of the economic effects on a consuming industry and other Great Lakes interests associated with a particular consumptive use control strategy;

(5) an analysis of associated environmental impacts, both singularly and in combination with other consumptive use control strategies; and

(6) a summary discussion containing recommendations for methods of controlling consumptive uses which methods maximize benefits to the Great Lakes ecosystem and also provide for continued full economic growth for consuming industries as well as other industries which depend on the use of Great Lakes water.

(c) There is authorized to be appropriated for fiscal years beginning after September 30, 1984, $4,500,000 to carry out this section. Sums appropriated under this section shall remain available until expended.

(d) For purposes of this section, the term "Great Lakes States" means Minnesota, Wisconsin, Illinois, Ohio, Michigan, Indiana, Pennsylvania, and New York.

Sec. 1185. (a) The Congress finds and declares that—

(1) the Great Lakes are a most important natural resource to the eight Great Lakes States and two Canadian provinces, providing water supply for domestic and industrial use, clean energy through hydropower production, an efficient transportation mode for moving products into and out of the Great Lakes region, and recreational uses for millions of United States and Canadian citizens;

(2) the Great Lakes need to be carefully managed and protected to meet current and future needs within the Great Lakes States and Canadian provinces;

(3) any new diversions of Great Lakes water for use outside of a Great Lakes State will have significant economic and environmental impacts, adversely affecting the use of this resource by the Great Lakes States and Canadian provinces; and

(4) the Great Lakes are international waters and are defined as boundary waters in the Boundary Waters Treaty of 1909 between the United States and Canada, and as such any new diversion of Great Lakes water in the United States would affect the relations of the Government of the United States with the Government of Canada.

(b) It is therefore declared to be the purpose and policy of the Congress in this section—

(1) to take immediate action to protect the limited quantity of water available from the Great Lakes system for use by the Great Lakes States and in accordance with the Boundary Waters Treaty of 1909;

(2) to prohibit any diversion of Great Lakes water by any State, Federal agency, or private entity for use outside of a Great Lakes State unless such diversion is approved by all the Great Lakes States and the International Joint Commission; and

(3) to prohibit any Federal agency from undertaking any studies that would involve the transfer of Great Lakes water for any purpose for use outside of a Great Lakes State.

(c) As used in this section, the term "Great Lakes State" means each of the States of Illinois, Indiana, Michigan, Minnesota, Ohio, Pennsylvania, New York, and Wisconsin.

(d) No water shall be diverted from any portion of the Great Lakes within the United States, or from any tributary within the United States of any of the Great Lakes, for use outside of a Great Lakes State unless such diversion is approved by all eight Great Lakes States and the International Joint Commission established by the treaty between the United States and Great Britain relating to boundary waters between the United States and Canada, signed at Washington January 11, 1909 (36 Stat. 2448) (referred to in this section as the "Boundary Waters Treaty of 1909").

(e) No Federal agency may undertake any study, or expend any Federal funds to contract for any study, of the feasibility of diverting water from any portion of the Great Lakes within the United States, or from any tributary within the United States of any of the Great Lakes, for use outside of a Great Lakes State. The prohibition of the preceding sentence shall not apply to any study or data collection effort performed by the Corps of Engineers or other Federal agency under the direction of the International Joint Commission in accordance with the Boundary Waters Treaty of 1909.

Sec. 1186. (a) Subject to the provisions of this section, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, is authorized to take such action as may be necessary to remove and dispose of toxic pollutants from areas of the Buffalo River, New York, which contain high levels of such pollutants.

(b) No appropriation shall be made for the removal and disposal of toxic pollutants from the Buffalo River, New York, under this section if such removal and disposal have not been approved by resolution adopted by the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

(c)(1) The Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall conduct a study of the Buffalo River to determine which areas of such river contain high levels of toxic pollutants, to determine whether or not removal and disposal of such pollutants from such areas is economically and environmentally feasible, and to determine the most efficient and effective methods of removing such pollutants from such areas and of disposing of such pollutants after their removal.

(2) Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of the study conducted under this subsection (including a list of areas identified as containing high levels of toxic pollutants), along with recommendations concerning whether or not removal and disposal of toxic pollutants from identified areas is economically and environmentally feasible and concerning methods of removing and disposing of such pollutants.

(3) There is authorized to be appropriated such sums as may be necessary to conduct the study under subsection (c) of this section for fiscal years beginning after September 30, 1984.

SEC. 1187. (a) Bayou Lafourche, in the State of Louisiana, between Canal Boulevard, city of Thibodaux, Parish of Lafourche, and the Southern Pacific Railroad bridge crossing the bayou, city of Thibodaux, Parish of Lafourche, is hereby declared to be a nonnavigable waterway of the United States within the meaning of the laws of the United States relating to the construction of bridges across navigable waters.

(b) The right to alter, amend, or repeal this section is hereby expressly reserved.

SEC. 1188. Section 14 of the Act of March 3, 1899 (33 U.S.C. 408), is amended by inserting "(1)" after "grant permission for" and by striking out the period at the end thereof and inserting in lieu thereof ", and (2) the alteration or permanent occupation or use of any of the aforementioned public works when in his judgment such occupation or use will not be injurious to the public interest and will not impair the usefulness of such works.".

SEC. 1189. The Secretary is authorized to acquire from willing sellers lands on which residential structures are located, which lands are subject to frequent and recurring flood damage, within the area being studied pursuant to the Passaic River Basin flood control study authorized by section 101 of the Water Resources Development Act of 1976. Lands acquired by the Secretary under this section shall be retained by the Secretary for future use in conjunction with flood protection and flood management in the Passaic River Basin. There is authorized to be appropriated $50,000,000 to carry out this section.

SEC. 1190. (a) In order to assure a fair and reasonable distribution of civil works contracts set aside for small and disadvantaged business, the Secretary shall, on a quarterly basis, transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate, a report describing the number and dollar amount of contracts awarded in each industry category or subcategory broken down by Engineer District of the Army Corps of Engineers. Such report shall include the number and dollar amount of contracts (1) set aside for small business concerns; (2) awarded to small business or small disadvantaged business concerns; (3) available for competition by qualified firms of all sizes; and (4) awarded to other than small business or small disadvantaged business concerns.

(b) For purposes of this section, the term—

(1) "contract" means any contract, or any subcontract in connection with a subcontracting plan entered into pursuant to section 8(d) of the Small Business Act, as amended (15 U.S.C. 637(d)), which is funded through appropriations made available to the Corps of Engineers-Civil; and

(2) "industry category or subcategory" means to fourth digit SIC category or subcategory defined by the Small Business Administration.

Page 314, line 17, strike out "and".

Page 314, line 20, before the period insert a comma and the following: "1 and (E) for grants under sections 113 and 114 of this Act".

Page 316, line 15, strike out "112" and insert in lieu thereof "115".

Mr. ROE (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. The gentleman from New Jersey [Mr. ROE] is recognized for 5 minutes in support of his amendments.

Mr. ROE. Mr. Chairman, I would defer to the gentleman from New York [Mr. BIAGGI], and I yield my time to him.

The CHAIRMAN. Without objection, the gentleman from New York [Mr. BIAGGI] is recognized for 5 minutes.

There was no objection.

Mr. BIAGGI. Mr. Chairman, my amendment confers clear authority upon non-Federal interests to levy tonnage duties or fees upon vessels under certain conditions and limitations.

First, the circumstances under which this authority may be exercised is limited to the construction, operation, and maintenance of a deep-draft port navigation project. This means an authorized project or more than 45 feet in depth. Therefore, only those few ports with authorized deep-draft navigation projects can exercise this authority.

Second, this authority may only be exercised in connection with the cost-sharing provisions of the legislation. The purpose for those fees would either be to reimburse the Federal Government for the non-Federal share of project construction, operations, and maintenance where the Government has constructed the project—or to finance the entire project where it is constructed by the non-Federal interest, less any reimbursement by the Federal Government.

Third, a non-Federal interest may only levy these fees upon vessels requiring deep-draft channels. This is consistent with the provisions of the legislation as it now stands.

The remainder of my amendment establishes an administrative framework to ensure that any such fees are levied in an efficient and orderly manner.

The inclusion of this limited authority is necessary to fill a void in the legislation arising out of the requirement for limited cost sharing by non-Federal interests applicable to deep-draft port navigation projects. It is simply inequitable to require those entities to finance a portion of the cost of those projects without giving the clear authority to raise sufficient local revenues to either reimburse the Federal Government for the local share of the cost of the project or to provide a secure source of revenue to permit local financing of those projects.

My amendment has been cleared with the Public Works Committee. I know of no opposition to the amendment. I urge its adoption.

Mr. ROE. Mr Chairman, will the gentleman yield?

Mr. BIAGGI. I am delighted to yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, the committee has reviewed this amendment. It is a very important amendment and a very great contribution by the distinguished chairman of the Subcommittee on Merchant Marine. It is a great addition to the bill, and we have no objection on this side to the gentleman's amendment.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from Minnesota.

Mr. STANGELAND. Mr. Chairman, we have reviewed the amendment on this side, and we have no objection to it at all.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, just for clarity, this only relates to the fact that you do not want to levy on the ships that do not need the 55-foot depth; is that correct?

Mr. BIAGGI. That is correct. The gentleman is absolutely correct.

Mr. EDGAR. Mr. Chairman, I thank the gentleman.

Mr. BIAGGI. Mr. Chairman, I yield back the balance of my time.

PARLIAMENTARY INQUIRY

Mr. ROE. Mr. Chairman, I have a parliamentary inquiry.

We have accepted the Biaggi amendment, as I understand it, and the gentleman from Minnesota has accepted it. I think we are at that point.

Mr. HOWARD. Mr. Chairman, we just asked for a vote on the Biaggi amendment.

The CHAIRMAN. The Chair has to put the question on the committee amendments offered en bloc first.

Does the gentleman from Mississippi [Mr. Franklin] seek recognition?

Mr. FRANKLIN. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The gentleman from Mississippi [Mr. Franklin] is recognized for 5 minutes.

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Mr. FRANKLIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to take this time to enter into a colloquy with the chairman of the subcommittee and the gentleman from Arkansas [Mr. Alexander] dealing with language in title V of the committee amendments, with one of the projects, the Yazoo backwater plot project and some of the language contained therein.

The provision in that amendment now requires that some of the mitigation land, the acreage will be taken in Arkansas, even though the project will be in the State of Mississippi and that language requires consultation with the U.S. Fish and Wildlife Service and the Governors of both the State of Mississippi and the State of Arkansas.

I would like in order to establish legislative intent here concerning that language to ask, is it the chairman's understanding that there would have to be an agreement among and between those parties, the U.S. Fish and Wildlife Service, the Governors of Mississippi and Arkansas?

If I could engage the gentleman form Arkansas [Mr. Alexander] who shares that alluvial flood plain with me on the other side of the great Mississippi River, called the Delta, if it is the understanding of the gentleman from Arkansas [Mr. Alexander] that the Governors of Arkansas and Mississippi and the Wildlife Service would have to be in agreement concerning this mitigation on this project.

Mr. ALEXANDER. Mr. Chairman, if the gentleman will yield, the gentleman is correct. The State of Arkansas, as I understand it, is anxious to engage with the gentleman in pursuing that agreement and to share the mitigation lands with the State of Mississippi.

Mr. FRANKLIN. Mr. Chairman, I thank the gentleman.

Mr. RAHALL. Mr. Chairman, I rise in support of the amendment being offered on behalf of the Committee on Public Works and Transportation to H.R. 3678.

Included in this amendment is an approval for a low-interest Federal loan for a water supply improvement project in Huntington, WV.

The bill, under title VIII, creates a program to combat the deterioration of the Nation's water supply infrastructure. In order to facilitate improvements, public and private water supply systems must have access to reasonable interest rates for the long-term capital needed for rehabilitation, expansion, and improvement of water supply systems.

The program in H.R. 3678 authorizes the Secretary of the Army, acting through the Chief of Engineers, to make low-interest loans for water supply rehabilitation and conservation. Public and private water supply systems may apply for these loans if they meet certain requirements. However, a number of specific water supply projects which the committee has reviewed are listed in the legislation and they would automatically receive loan approval.

The committee amendment adds a project for intake, pumping, and distribution facilities for Huntington, WV, to this list. The estimated cost of the project is $2.4 million.

Water service for Huntington is provided by the investor-owned Huntington Water Corp. which has served the city since 1887. The company is seeking to improve its raw intake and pumping facilities at its 24th Street treatment plant.

The existing raw water intake facility consists of an intake structure on the bank of the Ohio River and a low service pump building located near a flood wall. This intake structure skims water from the surface of the river with the result that great quantities of debris and industrial waste enter the treatment facility. Constructed in the early 1900's, deterioration is causing inefficiencies in the system.

The improvement project would replace the existing raw intake and low service pump station with a single intake structure designed to draw water from a minimum depth of 15 feet below the river surface.

Mr. Chairman, I would like to express my appreciation to the distinguished chairman of the Subcommittee on Water Resources, Bob Roe, and to full committee chairman, Jim Howard, for their assistance on this matter.

PARLIAMENTARY INQUIRY

Mr. STANGELAND. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. STANGELAND. Mr. Chairman, I understand that we have a committee amendment before us, an amendment by the subcommittee chairman of the Committee on Merchant Marine to that amendment and those amendments should be voted on en bloc before further proceedings.

The CHAIRMAN. The Chair will put the question if there are no further amendments to those amendments.

The question is on the committee amendments offered by the gentleman from New Jersey [Mr. Roe].

The committee amendments were agreed to.

AMENDMENT OFFERED BY MR. BREAUX

Mr. BREAUX. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Breaux: Page 301, after line 2, insert the following:

Sec. 1174. Notwithstanding any other provision of law, the Secretary may dispose of any vessel, and any related equipment, which is under the control of the Corps of Engineers and is used for dredging, through sale or lease to a non-domestic government as part of a Corps of Engineers technical assistance program or to a Federal or State maritime academy for training purposes, or through sale solely for scrap to non-domestic or domestic interests. Any such vessel shall not be disposed of under this section or any other provision of law for use within the United States for the purpose of dredging. Amounts collected from the sale or lease of any such vessel or equipment shall be deposited into the revolving fund authorized pursuant to the Civil Functions Appropriations Act, 1954 (33 U.S.C. 576), to be available, as provided in appropriations Acts, for the operation and maintenance of vessels under the control of the Corps of Engineers.

Mr. BREAUX (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BREAUX. Mr. Chairman, this is an amendment that is supported by the Corps of Engineers and by the administration. It is a very simple amendment.

The administration supports enactment of the legislation in this amendment that would authorize the U.S. Army Corps of Engineers to dispose of their inactive retired or excess dredges which are under their control. The disposal of these dredges should be through sale or lease to Federal or State maritime academies or to foreign governments for training purposes or through the sale of such vessels or equipment solely for scrap to foreign or domestic interests.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. BREAUX. I am glad to yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, the committee has reviewed this amendment, and we have no objection to the amendment.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. BREAUX. I am glad to yield to the ranking minority member.

Mr. STANGELAND. Mr. Chairman, we have looked at the amendment on this side, and we are happy to accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana [Mr. BREAUX].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. EDGAR

Mr. EDGAR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDGAR: On page 32 of the substitute, strike out line 1 and all that follows through line 24 on page 36.

Redesignate subsequent sections of Title I accordingly.

Mr. EDGAR. Mr. Chairman, before I begin to explain what my amendment does, I would like to just focus one more time on the fact that we are here on a very important bill that has taken many years to put together.

I do strongly support the provisions of this bill that deal with policy. One of the sections of the bill that led me to be excited about the bill as it passed our Public Works Committee was a clarification of a policy decision that was very complicated. We studied for a long time the issue of deep port dredging. We knew that New York, Baltimore, and Hampton Roads, Louisiana, and California and other areas that have ports wanted to move below 45-foot depths and there were many proposals offered by many people to try to figure out how you would get hold of that issue, given the many complicated issues.

For example, in New York it is very short from the port to the ocean, but in a place like Philadelphia it is very long from the city of Philadelphia to the sea.

Some communities will benefit from the ability to move to 55-foot depths, so that you can use the large supercolliers. Other communities will not benefit.

So we came up with a policy out of our committee that simply said that the Federal Government's responsibility will be to maintain ports to a depth of 45 feet and ports that wish to go below that 45 feet to compete with the international trade, particularly in the coal colliers, would simply have to come up with 50 percent of the funding to move from 45-to 55-foot depths. That meant there would be some economic incentives, some competition. We would try to figure out which ports made sense and which did not, but the thing we were trying to avoid was the problem that some of our witnesses stated and that is that if every port that has a wish list, who wished to go to the 55-foot depth were permitted to do it and if the economy did not warrant that number of ships visiting that port, the Federal Government would have to maintain that port forever at a depth of 55 feet, even though no ships were visiting that port that needed that kind of draft.

What my amendment does is strike out the language that was added by the Merchant Marine Committee. This amendment strikes the section of the bill dealing with the deep port financing which was added by the Committee on Merchant Marine.

Very simply, the amendment would restore the original position of the Public Works Committee on this issue, which requires a flat 50-percent non-Federal financing share of port construction for incremental harbor deepening of more that 45 feet.

The provision now contained in the substitute amendment would allow local sponsors of these deep port projects to obtain Federal loan guarantees for most of the local share of the port construction costs. The Federal share for construction plus the loan guarantee provision would ultimately leave the Federal Government liable for up to 90 percent of the cost of construction of these enormous projects.

As the distinguished chairman of the Water Resources Subcommittee knows, my vocal support for H.R. 3678 has been based on fundamental policy changes and reform contained in the legislation. I have always viewed the strong position of our committee as important, particularly in this area of deep port financing and I am distressed when I talk with the staff of both committees that it is difficult to understand exactly what the Merchant Marine Committee intended.

Let me see if I can figure it out and perhaps the chairman of the Merchant Marine Committee or somebody else can help me understand it. In our committee it was very simple. If you wanted to move to 55-foot depths, all you needed to do was come up with a 50-percent cost, from 45 feet to 55 feet.

Now that we have put loan guarantees in place, it looks to me like a port can go out, can finance the construction to 55 feet and can come back and rely on the Federal Government to guarantee its bonds up to 90 percent of that construction and perhaps we will have two situations, one where a port in an area that is economically infeasible for deep draft ships to visit, they will move to 55 feet.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent, Mr. EDGAR was allowed to proceed for 2 additional minutes.)

Mr. EDGAR. That those ports will not be able to finance their bonds and the Federal Government will have to come in and bail them out up to 90 percent without any economic advantage to the community because the port is not being used at that depth.

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Or, on the other hand, ports that are economically advantaged will be able to use the provision, dig their ports deep and get a windfall from the Federal Government of that protection.

Perhaps the chairman of the Merchant Marine Committee can explain to me exactly what his intention was in this area.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from New York.

Mr. BIAGGI. I thank the gentleman for yielding. First let me point out a very important fact, except for this guarantee, you will not have any financing legislation, no financial element to this whole proposition. We are talking about port development.

What brought that about? We found we do not have the ability in this Nation to harbor the super colliers, unless we get the super colliers and super vessels, we will not be able to compete effectively with foreign vessels in transportation costs.

This situation developed during the coal crisis, during the energy crisis that we sought to develop this legislation.

Now, in order to finance them, there are two elements; fare striking and financing. Fare striking we understand right now takes them 21 years to start a project and complete it. Totally unconscionable.

Financing is another matter. We thought in order to encourage the respective ports to get under way, we would develop an ability for them to be financed. That financing would be reimbursed as a result of the user fees that would come on stream.

Mr. EDGAR. If I could return to my time, how much reimbursement will a local port have to provide under the Merchant Marine provision?

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent, Mr. EDGAR was allowed to proceed for 5 additional minutes.)

Mr. EDGAR. I yield to the gentleman and the question I am asking is: If a local port uses your provision of financing and goes out and digs its port to 55-foot depth, how much local share will they have to provide?

Mr. BIAGGI. Cost-sharing is 50-50 if it is over 45 feet. Now, with the issuance of the bonds, it is a new market; no one really knows what kind of return there will be. So in order to encourage the bond people to get involved, we are asking for 90 percent guaranty.

And as far as your concern about other ports trying to come in and develop a windfall, clearly that is not the fear because there will only be a few ports in our Nation that would be first, eligible and second, be able to sustain that kind of an operation. Without the guarantee the whole thing would fall apart.

We received that testimony. We have documentation to that effect. Guarantee is essential and in the larger ports the steady stream of revenue would guarantee the repayment of the bonds and hence the reimbursement of the Federal Government.

Mr. EDGAR. The bonds would pay up to 50 percent of the cost?

Mr. BIAGGI. Correct.

Mr. EDGAR. Let me ask one additional question. The testimony we received was that if all the ports that wished to go to 55 feet had a magic wand and they all were able to move to that depth, there simply would not be enough world trade to utilize all of those facilities.

How will your amendment insure that we do not overbuild in this area of deep port development?

Mr. BIAGGI. I think the marketplace will dictate, that no bonding company would issue a bond for a port that has a channel of 14 feet with no prospects of substantially increasing its cargo in the harbor.

Mr. EDGAR. But if the Federal Government is guaranteeing 90 percent of their investment, they would not have anything to lose by granting the funding, granting the bonds, granting the money and if it went sour because the ports were not utilized, they would know that up to 90 percent of that funding would be restored to them.

Mr. BIAGGI. Except the Government would participate in the approval process.

Mr. EDGAR. Who would make that decision?

Mr. BIAGGI. It would be a question of the Corps of Army Engineers would have a substantial impact on it, the Department of Transportation would have a substantial impact. There are a number of agencies that participate in this process.

As a matter of fact, I think there are some 19 or 20 steps in the whole process where we have a multiagency response. It is that multiagency response that has been responsible for the dilatory processing of the applications in the past.

Mr. EDGAR. So your intention would be that the agency would be selective in its decisions as to which ports could move to that 55-foot depth?

Mr. BIAGGI. Clearly.

Mr. EDGAR. Rather than the marketplace making those decisions?

Mr. BIAGGI. It would go hand in hand, because the agency would be looking at the marketplace. They would be reviewing, make an analysis of the entire picture.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from New Jersey.

Mr. ROE. I thank the gentleman from Pennsylvania, I want to thank him for, again, for his enormous contribution, particularly on this issue. I know this was a delicate one and very carefully crafted.

But as you know in our work with the Merchant Marine Committee and the work that they have done, in effect, what we are saying here is that with that 90 percent guarantee it would be our direction and our intention that the Secretary would set the guidelines of what eligibility would be involved under that 90 percent guarantee.

I think the point the gentleman makes has merit. We are all concerned about not having a proliferation of these excessive superports. But I think the way the language is drafted, it gives us the flexibility to move ahead now.

And I think we ought to, if the gentleman would think about, drop that amendment at the moment, giving us a chance to work in that direction. Let us get this started. If we do not feel this will work out satisfactorily, we can come back and adjust that.

Mr. ANDERSON. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from California.

Mr. ANDERSON. Mr. Chairman, I thought this legislation, in answer to Mr. EDGAR's question authorizes only six deep-draft ports with depths of more than 45 feet and there are 27 general cargoes. I thought we had put, in a sense, a general limit that would direct the Secretary to limit the number of ports so you will not have a large number of ports all seeking 50 feet.

Mr. ROE. Mr. Chairman, will the gentleman continue to yield?

Mr. EDGAR. I yield to the gentleman from New Jersey.

Mr. ROE. The gentleman is right in part, except the way this section is drafted, if a particular port chooses to go ahead with a superport below 45 feet, they have to get permission from the Secretary, work with the Secretary.

If they put up all their own money first, which is the accelerated part of the program, they can go ahead with the approval of the Secretary by putting all the funds up initially themselves.

Mr. ANDERSON. But they would have to get the approval of the Secretary to go beyond those six.

Mr. ROE. Yes; definitely they would have to get permission.

Mr. ANDERSON. So there is some control; we could not have 50 ports?

Mr. ROE. Yes.

Mr. EDGAR. Thank you.

Mr. Chairman, this amendment strikes a section of the bill dealing with deep port financing which was added by the Merchant Marine Committee. Very simply, the amendment would restore the original position of the Public Works Committee on this issue, which requires a flat 50 percent non-Federal financing share of port construction for incremental harbor deepening of more than 45 feet.

The provision now contained in the substitute amendment would allow local sponsors of these deep port projects to obtain Federal loan guarantees for most of the local share of port construction costs. The Federal share for construction plus the loan guarantee provision would ultimately leave the Federal Government liable for up to 90 percent of the costs of construction of these enormous projects.

As the distinguished chairman of the Water Resources Subcommittee knows, my vocal support of H.R. 3678 has been based on fundamental policy changes and reforms contained in this legislation. I have always viewed the strong position our committee took on deep port financing as a key policy issue. The bill reported from the Public Works Committee authorizes construction at five ports at depths of more than 45 feet at a total cost of over $1.3 billion. While there is obviously substantial interest in the construction of deep harbors, testimony in our committee hearings made it clear that the economics of the international coal trade and other commerce will not justify the construction of all ports authorized in H.R. 3678 and other previous legislation. There must be some mechanism whereby those projects which make sense can be constructed without constructing more deep ports than are needed at great cost to the Treasury. This is the rationale for requiring a stiff non-Federal contribution of 50 percent for deep port work.

The requirement for a local contribution for port construction is a fundamental change in the traditional financing in this area. I think all of us who have worked on this issue recognize the difficulty of finding fair and reasonable formulas for port financing. However, the move to construction of ports deeper than 45 feet moves the entire port construction program into a new area. This is why I believe that the changes in the financing role of the Federal Government contained in H.R. 3678 are justified.

The loan guarantee provisions contained in the Merchant Marine Committee amendment will ultimately place up to 90 percent of the financing burden for construction of these projects on the Federal Government. The enactment of this measure could only be an incentive for the construction of several of these projects when only one or two of these projects might be economically justified. On the other hand, selection of those projects which would receive loan guarantees will put the politically difficult decisions about selecting individual projects for construction back in the hands of the Secretary of the Army and the Congress at some future time. This is true because we can safely assume that all these projects will eventually come to the corps with applications for loan guarantees.

My view is that we should settle this question now, in this bill, and let the economics of the situation dictate which of these ports should ultimately be constructed. Those ports which can finance, on their own, 50 percent of the steep costs of these projects will be the ones which ultimately represent worthwile investments of taxpayer funds.

In sum, I believe the loan guarantee provisions will only complicate the selection and financing provisions laid out in the bill and ultimately delay construction of ports which are economically feasible. I think we should stick with the original committee position on this issue and strike out the loan guarantee provision.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. Edgar] has expired.

(By unanimous consent, Mr. Edgar was allowed to proceed for 10 additional seconds.)

Mr. EDGAR. Mr. Chairman, with the assurance of the chairman of the Merchant Marine Committee and the assurance of the chairman of the Subcommittee on Water Resources, I ask unanimous consent to withdraw my amendment at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PARLIAMENTARY INQUIRY

Mr. BIAGGI. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman from New York will state it.

Mr. BIAGGI. Mr. Chairman, my amendment was introduced a few moments ago, accepted by the Chairman, Mr. Roe, and by Mr. Stangeland.

I think some of us were under the impression that was included in the block of amendments that Mr. Roe made reference to.

I would like to determine whether or not that is true. And if it is not true, I would ask the Chairman to put the amendment to a vote.

The CHAIRMAN. The gentleman's amendment was not offered in those amendments which were offered en bloc.

AMENDMENT OFFERED BY MR. BIAGGI

Mr. BIAGGI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Biaggi: Strike Section 109 of the bill, as reported, and insert the following:

"Sec. 109. Congressional Consent to the Levy of Duties of Tonnage by a Non-Federal Interest.

"(a) The Congress consents, under clauses two and three of section 10 of article 1 of the Constitution, to the levy by a non-Federal interest of duties of tonnage on vessels entering a deep-draft port, subject to the following conditions:

"(1) Duties of tonnage may only be levied for the following purposes in amounts not to exceed those necessary to—

"(A) reimburse the United States Government for the non-Federal share of construction and operations and maintenance costs of a deep draft port navigation project under the requirements of section 105 of this Act; or

"(B) finance the cost of construction and operations and maintenance of a deep draft port navigation project under subsection (b)(1) of section 104 of this Act, less any reimbursement by the Secretary from the Port Infrastructure Development and Improvement Trust Fund under section 111 of this Act; and

"(C) provide emergency response services in the port, including the provision of necessary personnel training and the procurement of equipment and facilities, less any reimbursement by the Secretary from the Port Infrastructure Development and Improvement Trust Fund under section 113 of this Act.

"(2) Duties of tonnage may not be levied for the purpose described in subparagraph (1)(C) of this subsection after the duties cease to be levied for the purposes described in subparagraphs (1)(A) or (B) of this subsection.

"(3) Duties of tonnage may only be levied on vessels entering the port and their cargo, subject to the following limitations:

"(A) duties of tonnage may only be levied and collected on vessels which require a channel with a depth of more than 45 feet;

"(B) any vessel engaged in intra-port movement shall be exempted from the levy of those duties; and

"(C) any vessel not engaged in commercial service which is owned and operated by the United States, or any other nation or political subdivision thereof, or by a State or political subdivision thereof shall be exempted from the levy of those duties.

"(4) The non-Federal interest shall provide to the Comptroller General of the United States, upon his request, such books, documents, papers, or other information as the Comptroller General considers to be necessary and appropriate to enable him to carry out the audit required under subsection (b) of this section.

"(5) The non-Federal interest shall designate an officer or authorized representative, including the Secretary of the Treasury acting by contract through the appropriate customs officer, to receive tonnage certificates and cargo manifests from vessels which may be subject to the levy of duties of tonnage, export declarations from shippers, consignors, and terminal operators, and such other documents as may be necessary for the imposition, computation, and collection of duties of tonnage.

"(b) The Comptroller General of the United States shall carry out periodic audits of the operations of non-Federal interests that elect to levy duties of tonnage under this section in order to ascertain if the conditions of subsection (a) of this section are being complied with. The Comptroller General shall submit to each House of the Congress a written report containing the findings resulting from each audit and shall make such recommendations as he deems appropriate regarding the compliance of those non-Federal interests with the requirements of this section.

"(c) The United States District Court for the district in which is located a non-Federal interest that levies duties of tonnage under this section shall have original and exclusive jurisdiction over any matter arising out of, or concerning, the imposition, computation, or collection of duties of tonnage by a non-Federal interest under this section and, upon petition of the Attorney General or any other party, may grant appropriate injunctive relief to restrain any act by that non-Federal interest that violates the conditions of consent in subsection (a) of this section, or grant other relief or remedy as appropriate.

"(d)(1)(A) Upon the arrival of a vessel in a deep-draft port in which the vessel may be subject to the levy of duties of tonnage under this section, the master of that vessel shall, within forty-eight hours after arrival and before any cargo is unloaded from that vessel, deliver to the appropriate authorized representative appointed under subsection (a)(5) this section a tonnage certificate for the vessel and a manifest of the cargo aboard that vessel or, if the vessel is in ballast, a declaration to that effect.

"(B) The shipper, consignor, or terminal operator having custody of any cargo to be loaded on board a vessel while the vessel is in a deep-draft port in which the vessel may be subject to the levy of duties of tonnage under this section shall, within forty-eight hours before departure of that vessel, deliver to the appropriate authorized representative appointed under subsection (a)(5) of this section an export declaration specifying the cargo to be loaded on board that vessel.

"(2) The Secretary of the Treasury, acting through the appropriate customs officer, shall withhold, at the request of an appropriate authorized representative referred to in subsection (a)(5) of this section or acting in his own capacity as agent of the non-Federal interest under contract, the clearance required by section 4197 of the Revised Statutes of the United States (46 App. U.S.C. 91) for any vessel—

"(A) if the master of that vessel is subject to subparagraph (1)(A) of this subsection and fails to comply with that subparagraph; or

"(B) if the shipper, consignor, or terminal operator having custody of any cargo to be loaded on board that vessel is subject to subparagraph (1)(B) of this subsection and fails to comply with that subparagraph.

"(3) In lieu of the procedures specified in paragraph (1) of this subsection, clearance may be granted upon the filing of a bond or other security satisfactory to the Secretary of the Treasury.

"(4) Duties of tonnage levied under this section against a vessel constitute a maritime lien against that vessel that may be recovered in an action in rem in the United States District Court for the district within which the vessel may be found.".

Mr. BIAGGI (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. EDGAR. Reserving the right to object, Mr. Chairman, is the gentleman going to explain the specifics of the amendment?

Mr. BIAGGI. That is the original amendment with the levying on the tonnage of the user fees.

Mr. EDGAR. I thank the gentleman.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BIAGGI. Mr. Chairman, I was out of the city last week during general debate on this legislation and wish my general remarks addressed to title I of the bill under consideration be included in the RECORD at the appropriate point.

I rise in strong support of H.R. 3678, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1983. In particular, I am pleased to join with my good friend and colleague, the gentleman from New Jersey [Mr. ROE], in authoring title I of the legislation, the Port Development and Navigation Improvement Act of 1984.

This legislation is the first new authorizing legislation for port navigation projects in the 189 deep-draft ports in the United States comprising the National Port System in 8 years. More importantly, it represents a culmination of a joint effort by the Committee on Merchant Marine and Fisheries and the Committee on Public Works and Transportation in fashioning generic reforms of the authorization and permitting processes applicable to port navigation projects.

This effort began on July 13, 1978, with a joint briefing before the newly-formed Congressional Port Caucus by the Dredging Committee of the California Marine Affairs & Navigation Conference entitled "The Regulation of Dredging: A Muddle Over MUD," an acronym standing for money, uncertainty, and delay.

That presentation prompted both committees to initiate efforts to expedite, clarify, and integrate the regulatory process for the construction and maintenance dredging of authorized port navigation projects, and access channels and berthing areas constructed and maintained by non-Federal interests as conditions of local cooperation in conjunction with federally authorized port navigation projects. The first tangible evidence of the results of this collaborative effort was reflected in the Comptroller General's report entitled "Managerial Changes Needed to Speed Up Processing Permits for Dredging Projects" (CED 80-71) issued on June 9, 1980 by committee request. That report documented permit processing delays of up to several years inherent in multiagency permit review and escalation procedures, prompting congressional enactment of necessary procedural reforms of section 404 of the Federal Water Pollution Control Act in 1978.

At the same time momentum began to develop for generic reform of the entire water resources authorization process applicable to port navigation projects—a process dating from the Federal interest in navigation written into the Constitution in 1789, and implemented since 1824 through a Federal-State partnership—implemented through local ports, municipalities, and State port authorities—in which the Federal Government has constructed and maintained navigable channels to promote trade and commerce, and local ports have provided the necessary infrastructure of shoreside facilities to accommodate the needs of waterborne transportation.

As Federal capital expenditures for navigation projects declined during the mid-1970's and maintenance dredging commanded an even-increasing share of total navigation project expenditures, the backlog of authorized projects has increased, and the time required from initiation of project feasibility study to commencement of construction has expanded to 21.6 years on the average. This fact was recently documented in a report by the Comptroller General entitled "Update on Army Corps of Engineers Planning and Designing Time for Water Resources Projects" (RCED 84-16) issued on January 4, 1984.

The Congressional Budget Office in a report entitled "Efficient Investments in Water Resources: Issues and Options" issued in August 1983 described the port navigation project authorization process as follows:

> Once a water resources problem is recognized and the Congress approves a feasibility study, it takes on the average, 4.4 years for the Corps of Engineers to receive an appropriation to pay for the study. The study itself takes about 4 years to complete, during which time an environmental impact statement is prepared. Review by the Congress, Office of Management and Budget, and the Corp of the feasibility report takes another 1.5 years on the average. If approved by all reviewers, authorizing legislation must be passed by the full Congress and signed by the president. Once authorized, it takes on the average of 11 years to obtain construction funding and design the final water project. Actual construction takes an average of 5.7 years, each of which requires another Corps' request for appropriations, approval by OMB, and appropriations by Congress:

After reviewing this process, CBO concluded that—

> Although this multistep process—including 19 separate steps identified in a recent technical memorandum by the Congressional Office of Technology Assessment entitled "Coal Exports and Port Development" issued in April 1981—was designed to promote projects in the public interest and limiting undesirable ones, more and more projects are simply being delayed, thus causing massive backlogs.

The Comptroller General identified 400 authorized enacted projects requiring in the aggregate $36 billion to complete in a recent report entitled "Water Project Construction Backlogs, a Serious Problem With No Easy Solution" (RCED 83-49) issued on July 26, 1983.

To expedite the authorization process, CBO recommended the substitution of an alternative economic screening device to the more imprecise cost/benefit analysis providing economic justification for project construction—that of willingness to pay by the beneficiaries of the project. This could take the form of up-front local financing of a share of project costs or local commitment to legally binding contracts for repayment of a share of project costs during the period of construction or the economic life of the project.

Consistent with the historical pattern of most reform legislation, it required a crisis in the form of the steam coal export boom experienced during the winter of 1980-81 to crystalize public and congressional opinion upon the need for generic reform of the traditional authorization process for port navigation projects. Much deserved credit in facilitating this process must go to the gentlelady from Louisiana, LINDY BOGGS, for her efforts to initiate this process through the introduction of H.R. 55 in the waning days of the 96th Congress.

In the interim, independent groups such as the Heritage Foundation lent their voices to an emerging groundswell urging generic reform of the authorization process concluding in a 1981 study entitled "An Agenda for Progress Examining Federal Spending," which concluded that "The two most expensive factors in project delays are the cost of time and inflation." The Heritage Foundation recommended the substitution of a 50-50 percent split in project financing for the "myriad of payback schedules and cost-sharing formula now in existence." It concluded that "A 50-50 percent split would most nearly harmonize the principles of local responsibilities and Federal assistance."

I introduced H.R. 4627—H.R. 1512 in the 98th Congress—the Port Development and Navigation Improvement, early in the 97th Congress incorporating many of these recommended reforms. This was designed to provide a model for comprehensive port development legislation. From an inspection of the structure of title I of H.R. 3678 and title X of S. 1739, the legislation obviously achieved its intended purpose. H.R. 4627 eventually became the only House-reported port development bill in the 97th Congress (H. Rept. 97-454, Part 2).

The legislation incorporated three elements that I believe are essential to reform the Byzantine process in which we plan, review, approve, finance, and construct port navigation projects.

The first of these is fast tracking or expediting the authorization and permit processes applicable to port navigation projects. Under section 104 of the bill under consideration a local port would have three options by which to plan, finance, and construct local navigation projects. First, a local port may plan and design any navigation project and submit it to the Secretary of the Army for his review and approval. Within 180 days, the Secretary must report his recommendation concerning the project to Congress. Thereafter, if the local port decides to construct its own project, it may commence a process analogous to the section 404 interagency permit and review process under the Federal Water Pollution Control Act that must result in a decision by the Secretary within 2½ years from the filing of written notice of intent to construct the project. The port then may construct and maintain the project entirely at its own expense.

Second, a local port may seek congressional authorization for the port to construct its own port navigation project. It may still undertake its own feasibility study at its own expense. If the project is subsequently authorized, the local port may be reimbursed by the Secretary for the cost of the feasibility study from the port infrastructure development and improvement trust fund established under the legislation, subject to annual appropriations. Thereafter, the port may commence the 2½-year expedited decisionmaking process, substituting its willingness to pay by paying the cost of project construction subject to authorization for later reimbursement by the Secretary from the trust fund, subject to local cost-sharing requirements in the case of a deep-draft port and availability of annual appropriations, in lieu of a traditional cost-benefit analysis otherwise required.

The third alternative is the traditional process of project authorization for construction by the Secretary with or without local initiation of a project feasibility study, and subject to local cost-sharing requirements under the legislation in the case of a deep-draft port.

The second element of comprehensive port development legislation incorporated in the bill is local cost-sharing, included as a legitimate reform of the traditional authorization process rather than an indirect revenue-raising measure, given the excessive backlog of authorized navigation project and competing demands for Federal resources under current and prospective fiscal and budgetary conditions. It reflects the Merchant Marine Committee's survey of the manner of financing of navigation projects adopted in most developed countries. Based upon this survey, the committee found that most of the national governments in those countries financed general navigation improvements including main and entrance channels to a depth of 45 feet—13.5 meters—to accommodate general cargo vessels. At the same time most of those countries require local contribution to the cost of construction and maintenance of navigation and projects in excess of that depth to accommodate larger, specialized vessels increasingly operating in liquid and dry bulk trades. This assistance is normally justified on the basis of national and regional economic development. The national governments in those countries that normally require a local contribution to the cost of construction and maintenance of navigation improvements, also normally guarantee the issuance of locally issued revenue bonds to finance the local share of the cost.

The bill applies this experience by reconciling national investment policy toward future port development with prevailing international practice. This is accomplished through the determination of a national standard of depth of 45 feet, distinguishing the continued requirement for construction and maintenance of a national port system supporting general cargo movement, and the incorporation of a requirement for local contribution to the cost of construction and incremental operations of maintenance of deep-draft navigation projects in excess of 45 feet in depth under a 50 to 50 Federal-local cost-sharing formula. A 90-percent Federal guarantee of locally issued revenue bonds to finance the cost of construction and navigation improvements is incorporated striking a balance between local initiative and responsibility, and the necessity for Federal financing assistance in order to ensure the marketability of locally issued project financing in the absence of a historical market for such financing instruments. In addition, for consistency purposes, a deep-draft port subject to local cost-sharing requirements in the future would be granted additional credit for local expenditures for environmentally related project mitigation measures, provision of approved dredged material disposal techniques, and expenditures, in relocating cables and pipelines in the same ratio as applies to the cost of project construction and incremental operations and maintenance.

I intend to add the third critical element of this legislation by way of floor amendment. This is the required consent of Congress under the constitution for local ports subject to the cost-sharing requirements of the legislation to levy local harbor dues in the form of duties of tonnage—representing an historic void in local revenue-raising authority and one routinely employed by most developed nations—subject to certain restrictions incorporated in the legislation as reported by the Committee on Public Works and Transportation. Since a secure revenue stream is necessary as a condition of market acceptance of locally issued revenue bonds even with a Federal guarantee, this authority, subject to the requirement for its implementation in a nondiscriminatory manner under an administrative framework necessary to preclude any negative impact on the movement to waterborne commerce and trade, is a necessary prerequisite to the successful implementation of the legislation.

Mr. Speaker, at the White House signing ceremony for the Shipping Act of 1984 which I likewise authored, the President reaffirmed his intention to seek an agreement on port development legislation this year. The critical challenge facing the U.S. port industry is how to meet the needs of rapidly advancing shipping technologies while striving to achieve financial independence. The Maritime Administration determined that U.S. ports have spent $5 billion since World War II in capital investments and are anticipated to spend an additional $5 billion in shoreside capital improvements over the balance of this decade. Local ports cannot be expected to make these necessary improvements to facilitate the continued expansion of U.S. international trade so vital to an expanding economy and rising domestic employment, without the restoration of a climate of certainty surrounding future capital investments reflected in a long-term consistent Federal policy towards port development. This legislation is vital to set a steady course for future port development and trade expansion in the United States. I urge strong support of this legislation by my colleagues so that it may send a signal to the other body prompting its timely consideration of this important measure at the earliest opportunity.

Mr. Chairman, I urge the adoption of the amendment.

Mr. SUNDQUIST. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment to title III of the water resources authorization bill offered by the Subcommittee on Water Resources chairman, Mr. ROE. This particular amendment provides an authorization for a flood control project affecting my congressional district.

This project, located in Johns Creek, is the USDA portion of the Nonconnah Creek project in Shelby County, TN. Although the pending legislation, H.R. 3678, includes $19.2 million for the Corps of Engineers Nonconnah Creek project, the USDA portion to be administered by the Soil Conservation Service was inadvertantly left out, and is provided for in this amendment.

Johns Creek is a major tributory of Nonconnah Creek located in the southern portion of Shelby County in a rapidly urbanizing area of Memphis and Shelby County where over 1,000 homes, several bridges, and other public facilities are subject to its flooding. The importance of this project to Memphis and Shelby County is pressing since the chances of a major flood increases with each season and since rapid urbanization threatens the availability of land needed for the project.

The USDA portion provided for in this amendment also includes accelerated land treatment for the entire Nonconnah Creek Basin to control critical soil erosion which is filling the streams and adding to the in-stream pollution in the Memphis area.

This amendment will provide $16,663,300. The control of sediment and the added flood control increment which this Johns Creek portion will provide are essential to the success of the proposed Corps of Engineers work for flood control and public utilization of the main channel of Nonconnah Creek.

Mr. Chairman, for this reason I urge passage of this critical amendment.

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The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. BIAGGI].

The amendment was agreed to.

Mr. KOSTMAYER. Mr. Chairman, I move to strike the requisite number of words.

I do so only to ask unanimous consent that in the matter proposed to be inserted after line 16 on page 133, section 625 shall now be struck out.

The CHAIRMAN. Is the gentleman offering an amendment?

Mr. KOSTMAYER. Mr. Chairman, I am asking unanimous consent that that section be struck out of the committee amendments.

The CHAIRMAN. The gentleman will identify the section he has reference to.

Mr. KOSTMAYER. Yes, Mr. Chairman. It is on page 133, section 625, immediately following line 16.

I have checked this with the minority and with the gentleman from New Jersey [Mr. ROE], the chairman of the subcommittee. It meets with approval on both sides of the aisle. It is a noncontroversial matter.

Mr. Chairman, to clarify my unanimous-consent request to strike section 625 from the committee amendments, I have moved to delete this language only in order to expedite consideration by the Corps of Engineers of alternative water supplies to the Point Pleasant project in Bucks County, PA.

The corps, at my request, is currently undertaking a study of alternatives which was scheduled to be completed approximately 1 month ago. We certainly do not want to delay their evaluation, and would encourage them to make alternative sources available. The language which has been struck conceivably could have delayed the results of that study by the corps for a full year.

I thank the chairman of the subcommittee, and the ranking minority member for allowing this unanimous-consent request deleting the language in the committee amendments offered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania for the modification?

There was no objection.

AMENDMENT OFFERED BY MR. BATEMAN

Mr. BATEMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BATEMAN:

Page 29, line 1, after "material" insert the following: and costs for removal, alteration, and reconstruction of the armor (protective covering) of existing bridge tunnels attendant to dredging a channel deeper than 45 feet.

Page 29, line 6, after "material" insert the following: and costs for removal, alteration, and reconstruction of the armor (protective covering) of existing bridge tunnels.

MR. BATEMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BATEMAN. Mr. Chairman, this is an amendment which, rather than being controversial, diffuses a controversy that was potential.

It simply adds to certain items of cost which are inherently involved in a deep-draft port project one other item that is inherently involved and deals with that item in the same way as all others.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. BATEMAN. I yield to the gentleman from New Jersey.

Mr. ROE. I thank the gentleman for yielding.

Mr. Chairman, we have reviewed the gentleman's amendment on this side of the aisle. The gentleman has taken it up with us before. We have no objection to it on this side of the aisle.

Mr. BATEMAN. I thank the gentleman.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. BATEMAN. I yield to the gentleman from Minnesota.

Mr. STANGELAND. I thank the gentleman for yielding.

Mr. Chairman, we have looked at the amendment on this side and certainly support the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. BATEMAN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ACKERMAN

Mr. ACKERMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ACKERMAN: Page 5, line 20, after the period insert the following:

No disposal of dredged material from construction, operation, and maintenance of such features of such project shall take place at Bowery Bay, Flushing Bay, Powell's Cove, Little Bay, or Little Neck Bay, Queens, New York.

Page 11, line 11, after the period insert the following:

No disposal of dredged material from construction, operation, and maintenance of such project shall take place at Bowery Bay, Flushing Bay, Powell's Cove, Little Bay, or Little Neck Bay, Queens, New York.

Mr. ACKERMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ACKERMAN. Mr. Chairman, I rise to offer an amendment to H.R. 3678, the water resources development bill. My amendment would prohibit the Army Corps of Engineers from dumping dredged materials from New York Harbor into sites along the north shore of Queens County.

This issue is of utmost importance to my constituents. The north shore supports both recreational and commercial facilities, and is in close proximity to schools, homes, and parks. The residents take pride in their community, yet they have not sealed themselves off from the rest of the city. They have assumed their share of responsibility for municipal services: Rikers Island Prison, La Guardia Airport, and Con Edison powerplant are all located there.

Imagine how these people feel, then, when that much-beloved arm of the Federal Government, the Army Corps of Engineers, with its reputation as one of this country's most effective pillagers of land and sea, tells them that their bay may be the dumping grounds for sludge possibly laden with PCB's mercury, and a host of other undesirable substances. Not suprisingly, the inhabitants of the north shore of Queens are outraged. This sludge is the same stuff that the Environmental Protection Agency has deemed unsuitable for ocean disposal. Well, if the dredgings from New York Harbor are too contaminated for the ocean, then surely it should not be placed in Flushing Bay, less than 1 mile from the shoreline.

But wait—the scenario gets more ludicrous. For years, citizens and business groups from the north shore have banded together in an attempt to get Flushing Bay dredged. This waterway sits at the tip of historic Flushing Meadows-Corona Park, home of two World's Fairs, the first home of the United Nations, and the birthplace of the State of Israel. But overflow from the sewer system has brought enormous amounts of raw sewage into the water, causing siltation and muck to accumulate. The situation is summed up in a local joke: At low tide, you can tell why it's called Flushing Bay.

After much haggling and negotiation, the Army Corps of Engineers finally launched a dredging project there. The operation commenced in August 1983, and is expected to cost $2.5 million. Incredibly, the corps has not dropped its consideration of the bay as a possible disposal site for sludge from the harbor. The corps could end up taking dredged materials out on one barge, and back in on another. And the stuff they bring in will not only be foul and malodorous, but contaminated as well.

I might add that the New York State Department of Conservation, the New York-New Jersey Port Authority, the Federal Aviation Administration, and the Department of the Interior have objected to the designation of some or all of the sites that the corps has under study along the north shore of Queens County. Thus, this is not merely a local issue. I ask that all Members interested in preserving the environment vote in favor of my amendment. Thank you.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. ACKERMAN. I yield to the gentleman from New Jersey.

Mr. ROE. I thank the gentleman for yielding.

Again, Mr. Chairman, the committee on our side has reviewed the amendment. We have no objection to the amendment.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. ACKERMAN. I yield to the gentleman from Minnesota.

Mr. STANGELAND. I thank the gentleman for yielding.

Mr. Chairman we have reviewed the amendment on our side and have no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. ACKERMAN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MC HUGH

Mr. McHUGH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McHUGH: Page 163, after line 21, insert the following:

SEC. 762. The project for flood control, Endicott, Johnson City, and Vestal, New York, authorized by the Flood Control Act of 1954, is hereby modified to authorize the Secretary to undertake such measures as may be necessary to correct erosion problems affecting the levee at Vestal, New York, and to perform necessary work to protect the levee and restore it to its design condition, at an estimated cost of $700,000. The non-Federal share of the cost of such measures and work shall be determined under section 302 of this Act.

Mr. McHUGH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. McHUGH. Mr. Chairman, the amendment I am offering would authorize the Army Corps of Engineers to undertake remedial work on the Federal flood control project in Vestal, NY, which is located in my congressional district. Under the amendment, the corps is directed to take all necessary measures and perform the work required to protect an existing levee by correcting serious erosion problems and to restore the levee to its design condition. Mr. Chairman, the area protected by this levee is in jeopardy if the work is not performed. It is a serious situation that cannot be addressed by existing law, and I would like to describe it for my colleagues so that they will understand the need for this amendment.

At the present time, the levee, which is on the Susquehanna River, is seriously threatened due to chronic soil erosion problems. According to a field examination done by the corps, the erosion is the result of the river being directed against the left bank because of an island in the center of the river and a bend in the riverbank. These natural changes in the river have resulted in the left bank being undercut and endangering the levee. According to this report, the erosion is continuous and the deterioration will result in a failure of the levee. Ultimately, the surrounding communities will be imperiled by floodwater. Action is necessary to halt the erosion and prevent the levee from collapsing.

Mr. Chairman, I would also like to point out that the corps' report determined that the erosion is beyond the scope of New York State's maintenance responsibility. Moreover, it determined that the problem has not been caused by any dereliction of duty on the part of the State. In fact, the New York State Department of Environmental Conservation has taken steps to try to solve the problem and stem the erosion. However, these measures are temporary given the scale and severity of the problem as defined by the corps' report. Permanent, corrective measures are required to solve the problem and insure that the communities are protected from the floodwaters of the Susquehanna.

If the levee were to fail, several hundred residences, commercial establishments and public buildings would be vulnerable to the resulting floodwaters. More than half of the buildings would experience flooding on the first level, and all would have to be evacuated by boat as the waters would totally isolate the area. Obviously the threat to the area and its citizens is a grave one.

Since the erosion problem is not the result of negligence on the part of the State, I think it is appropriate to provide Federal assistance to correct the problems by stabilizing the riverbank and restoring the design protection of the levee. I believe we have a responsibility to protect these communities.

In addition to protecting the area surrounding the levee, I think that we have an obligation to protect the investment that the Federal Government has already made in the construction of this flood control project. It has been estimated that the restorations will cost $700,000. However, it will be far cheaper to perform the corrective work, restore the levee, and prevent its collapse than it would be to construct an entirely new flood control project that would be needed if the existing one fails and must be replaced.

In summary, therefore, my amendment allows us to fulfill our duty to protect the lives and property of those threatened by the potential failure of the levee, and the opportunity for us to protect the legitimate financial interest that the Federal Government has in the project. I believe my amendment makes sense in human and economic terms.

I urge my colleagues to support it.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. McHUGH. I yield to the gentleman from New Jersey.

Mr. ROE. I thank the gentleman for yielding.

Again, Mr. Chairman, we have reviewed this amendment in depth. This committee has no objection on this side.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. McHUGH. I yield to the gentleman from Minnesota.

Mr. STANGELAND. I thank the gentleman for yielding.

Mr. Chairman, we have reviewed the amendment on this side and we have no objection to the amendment.

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. McHUGH. I yield to the gentleman from New York.

Mr. HORTON. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of H.R. 3678, and wish to commend the members of the Public Works Committee for their efforts in developing this bill and bringing it to the floor.

Of particular interest to me and my constituents are the provisions regarding the Federal-local cost-sharing formula for new-start water projects. I believe that the cost-sharing formula developed by the committee represents a conscientious effort to resolve a longstanding controversy.

There are some who oppose this formula believing that too little of the project cost is borne by the beneficiaries. Conversely, there are those who oppose this formula because they believe that not enough of the cost is being borne by the Federal Government. I have a great deal of respect for my colleagues on both sides of this issue, but I would remind them that this longstanding debate has delayed the implementation of many important projects. These projects were delayed not because they lacked sufficient local or Federal support, but because we in Congress could not agree on a new formula. In our struggle to define a fair and fiscally responsible way of sharing these costs, these worthwhile local projects, and the communities which depend on them, have been the losers.

To illustrate my point, I offer an example from my own congressional district—the Port Ontario Harbor of Refuge project in Oswego Country in New York.

In 1945, the Port Ontario project and several other Harbor of Refuge projects on Lake Ontario, were authorized to provide refuge to recreational boaters caught in Lake Ontario storms. My colleagues representing Great Lakes States know firsthand the severity of these storms and the importance of adequate refuge.

It took the Corps of Engineers and the local community until 1978 to complete the final designs for the Port Ontario project. Upon completion of these designs, a local cooperation agreement was drafted, signed by the State of New York and returned to the Corps of Engineers for final execution. That final endorsement was never received pending congressional approval of a new cost-sharing formula.

The State of New York, describing Port Ontario as their No. 1 priority recreational project, went ahead and developed their share of the harbor project. To date, New York has invested nearly $10 million in fish hatcheries and new boating facilities. I might point out that the Federal portion of this project is only $5 million.

The need for Port Ontario was great in 1945. It became even more important during the seventies as recreational boating grew more popular. In 1984, completion of this project is urgently needed. Port Ontario is the only possible refuge along a 50-mile stretch of Lake Ontario. Tricky currents, combined with normal wave action, often close the mouth of this natural refuge, blocking the entrance to many of the nearly 1,000 recreational boaters in this area on any given day.

Passage of this bill, and resolution of the cost-sharing controversy, will clear the way for construction of this and other desperately needed port projects. I commend the sponsors of this bill for their efforts and urge my colleagues to support final passage of this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. McHugh].

The amendment was agreed to.

Mr. ROTH. Mr. Chairman, I move to strike the requisite number of words.

I would like to engage in a short colloquy with the gentleman from New Jersey. I would like to express my concern to the distinguished Member that there is no provision providing for a study to analyze the deepening of the Green Bay Harbor in Green Bay, WI, in this authorization bill.

I was inquiring if provision will be made and some study in future legislation.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. ROTH. I yield to the gentleman from New Jersey.

Mr. ROE. I thank the gentleman for yielding.

Mr. Chairman, the distinguished gentleman has expressed often his concern for this project. I would like to assure the gentleman that a resolution is being considered by the committee which would call on the Corps of Engineers, the Board of Engineers Review, the report published in document 470, 87th Congress with particular reference to the deepening of Green Bay Harbor.

I have taken this up with the chairman, the gentleman from New Jersey [Mr. Howard]. And it will be considered in the middle of July.

Mr. ROTH. I thank the chairman very much for those assurances. I want to thank the chairman and the gentleman from Minnesota [Mr. Stangeland] and all the members of the committee and staff for the wonderful job they have done on this bill.

AMENDMENT OFFERED BY MR. PATMAN

Mr. PATMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Patman: Page 232, strike out lines 22 through 25.

Mr. PATMAN. Mr. Chairman, this amendment simply strikes from a list of projects for deauthorization the project being described as follows: The project for flood control, Navidad and Lavaca Rivers, Jackson and Lavaca Counties, TX, authorized by the River and Harbor Act of March 2, 1945, Public Law 14, 79th Congress.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from New Jersey.

Mr. ROE. I thank the gentleman for yielding.

Again, Mr. Chairman, we have reviewed this amendment and as we have worked very carefully with every Member in the House, this is a section that was deauthorized by mistake and we want to undo that.

So we have no objection to the gentleman's amendment.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. I thank the gentleman for yielding.

Mr. Chairman, I have no objection to the gentleman's amendment either. I just want clarification. This was put in by mistake; is that correct?

Mr. PATMAN. Through error was taken out.

Mr. EDGAR. Does the community intend to build the project?

Mr. PATMAN. It is a project that is under consideration still.

Mr. EDGAR. Would the gentleman be opposed to having 25-percent cost sharing for his project like the other projects in the legislation?

Mr. PATMAN. We would like to leave it as it is, I will say to the gentleman. Without such an amendment.

Mr. EDGAR. I am sure the gentleman would like to leave it the way it is.

It just occurs to me that if this is a future project just because it was put on the books in the past the gentleman is, in a sense, reauthorizing the project by his amendment in a very technical way because what he is doing is taking out the deauthorization that was in here.

I would just urge the gentleman to consider what level of local cost sharing he might provide.

Mr. PATMAN. We will give that due consideration, I assure the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. Patman].

The amendment was agreed to.

Mrs. SMITH of Nebraska. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would just like to express my deep gratitude to the gentleman from New Jersey [Mr. Roe], our distinguished chairman; and the gentleman from Minnesota [Mr. Stangeland], our distinguished ranking minority member, and all the members of the committee and the staff for this legislation that I know you have worked on for 3 years.

It is going to be a great thing for our whole country. I am so grateful that in Nebraska our amendment, sponsored by all of our delegation, has been approved, because now, for the first time, we are going to have a chance to stop that tremendous flooding on the Platte River that we have endured year after year.

I know many times we have said that every $1 invested in flood control yields $7 back. This is going to be a great thing for our whole part of the country and for our Nation.

Mr. Chairman, I rise in support of this amendment to title V of H.R. 3678 and of the bill itself. This bill and amendment present the best hope the people of Nebraska have had in nearly 14 years for addressing the increasingly frequent and intensifying chronic flood problems along the Platte River and its tributaries.

On behalf of the people of Nebraska's Third Congressional District, I thank the distinguished chairman and ranking minority member for accepting my plan as part of this important public works bill.

This legislation is far from perfect, but we have run out of time both along the Platte River and the Halls of Congress. With $1 billion of property and crop damages being reported in Nebraska and other farm States from floods, we can wait no longer.

My plan would authorize a 5-year, $25 million program of construction of conventional and innovative flood control, bank stabilization, and wildlife enhancing demonstration projects beginning with the 46-mile reach of the Platte River from Hershey eastward to the Lincoln County line.

As the second ranking minority member of the House Appropriations Subcommittee on Energy and Water Development, I have always looked to State and local leadership in shaping Federal water policies affecting Nebraska.

Therefore, my bill provides that demonstration projects shall be carried out in coordination and consultation with a watchdog Platte River advisory group consisting of representatives of the State of Nebraska and local political subdivisions, affected Federal agencies such as the Bureau of Reclamation, and such other private water planning and preservationist organizations as the Secretary of the Army may designate.

My plan was crafted in consultation with the two other Nebraska Members in the House, who are joining me in sponsoring this legislation. Technical guidance was provided by Army Corps of Engineers planning experts, the House Office of Legislative Counsel, and the Public Works Committee staff.

Despite my formal request last August for State guidance in addressing our flood problems in Nebraska in this giant omnibus public works bill now before the Congress, none has been forthcoming.

Testimony about the problems was presented to my Appropriations Subcommittee by representatives of the Twin Platte Natural Resources District and the Platte River Flood Control Association. My plan can be changed and amended as the bill, H.R. 3678, moves through the full legislative process, including consideration of a Senate version, and, presumably, in a House-Senate conference committee to reconcile differences in the two versions.

Most importantly, money can be spent for any demonstration projects under my plan only with the approval of my House Appropriations Subcommittee on Energy and Water Development.

The subcommittee holds hearings annually here in Washington, usually late in March or early April to allow State and local leaders to express themselves about individual projects. Special hearings can be scheduled sooner than that in cases of emergency.

I hope and trust that our State and local water-planning experts will avail themselves of the many opportunities to help us refine this new flood-fighting plan.

Here are key provisions of my plan as detailed by this amendment:

The Army Secretary is authorized and directed to establish and conduct for 5 years at multiple sites on the Platte River and its tributaries in Nebraska a demonstration program consisting of projects for flood control and steambank erosion prevention.

Objectives are the protection of property, environmental enhancement, and social well-being.

Every new, old, experimental, or innovative device, structure, and technique is authorized to be employed in trying to solve the difficult problems encountered in trying to use and conserve the Platte River waters and stabilize river banks. This includes dams, concrete jettys, special erosion-fighting fencelike arrangements, discarded automobile tires—anything that will work.

Use of construction funds for planning and research is authorized, including employment of all the new information and techniques developed under the Streambank Erosion Program conducted under section 32 of the Water Resources Development Act of 1974. Even though this program expired on September 30, 1982, little effort has been made to exploit its significant research and development work.

Environmental impact of each demonstration project and each streambank measure shall be evaluated with the view of enhancing wildlife and wildlife habitat as a major purpose coequal with other purposes and with the view of minimizing environmental losses.

Demonstration projects shall address a variety of geographical and environmental conditions beginning with the Lincoln County area, moving thence to that reach from the boundary between Colfax and Dodge Counties in eastern Nebraska to the confluence with the Missouri River and that portion of the Elkhorn River from the boundary between Antelope and Madison Counties to the confluence with the Platte River.

As in many other Army Corps projects, construction and planning shall be at full Federal expense, but State and local entities must provide lands, easements, and rights-of-way necessary for construction, operation, and maintenance of the demonstration projects.

The Army Secretary must report to Congress each year of the demonstration program on work undertaken.

I urge my colleagues to approve this amendment and the bill on final passage.

AMENDMENT OFFERED BY MR. WATKINS

Mr. WATKINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WATKINS:

Page 163, after line 21, insert the following:

SEC. 762. The flood control project for Sardis Lake, authorized by section 203 of the Flood Control Act of 1962, as modified by section 108 of the Energy and Water Development Appropriation Act of 1982, is modified to authorize and direct the Secretary to plan, design, and construct access road improvements to the existing road from the west end of Sardis Lake to Daisy, Oklahoma, at full Federal expense and at an estimated cost of $10,000,000. Non-Federal interests shall operate and maintain facilities at their own expense.

Mr. WATKINS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. WATKINS. Mr. Chairman, I have checked with the chairman on the majority side and the ranking member on the minority side.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. WATKINS. I yield to the gentleman from New Jersey.

Mr. ROE. I thank the gentleman for yielding.

Again, Mr. Chairman, we have reviewed this amendment which is an amendment to an existing project. We have no objection to it. It is a worthwhile amendment.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. WATKINS. I yield to the gentleman from Minnesota.

Mr. STANGELAND. I thank the gentleman for yielding.

Mr. Chairman, we, too, have reviewed the amendment. We think the amendment is meritorious and accept the amendment.

Mr. WATKINS. I thank the chairman and the minority.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. WATKINS].

The amendment was agreed to.

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AMENDMENT OFFERED BY MR. ORTIZ

Mr. ORTIZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ORTIZ:

Page 230, strike out lines 3 through 5, and insert in lieu thereof the following:

The portion of the project for navigation, Brazos Island Harbor, Texas, authorized by the River and Harbor Act of 1960, which portion consists of the north jetty extension.

Mr. ORTIZ. Mr. Chairman, I rise to offer an amendment to the amendment in the nature of a substitute to H.R. 3678.

The original intent of the language included in this legislation was to deauthorize only the north jetty extension portion of the Brazos Island Harbor TX, navigation project. However, in the process of printing the bill, or somewhere along the line, the entire project was eliminated. Therefore, my amendment simply strikes out lines 3 through 5 on page 230 and inserts in lieu thereof the following:

The portion of the project for navigation, Brazos Island Harbor, TX, authorized by the River and Harbor Act of 1960, which portion consists of the north jetty extension.

Just last week I met with Col. Alan Laubscher, the district engineer for the Corps of Engineers to discuss this legislation and the provisions affecting my congressional district, Colonel Laubscher assured me that everything was in order and anticipated no problems with authorization.

Mr. Chairman, this particular project is of great concern to the city of Brownsville. Since its authorization in 1960, millions of Federal dollars have been spent on its maintenance. The work to be continued at the Port of Brownsville is most important and will benefit not only its citizens, but the Nation as well.

H.R. 3678 authorizes the existing channel to be deepened from its present 36 feet to 42 feet. Deepening the channel will increase traffic into and out of the port and provide much needed jobs at the local level. It would truly be a disaster for the citizens of Brownsville and, indeed, of the United States if the project were to be halted at this late date.

Mr. Speaker, I offer this amendment to restore order and ensure that the work begun at the Brownsville Port so many years ago continues, as it was orginally intended.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. ORTIZ. I yield to the gentleman from New Jersey.

Mr. ROE. The gentleman is correct. When the project was partially put in for deauthorization, which you had asked for, there was an error when the entire project was put in, including the jetties and we would support the gentleman's amendment. It is just correcting a technical error.

Mr. Chairman, we have no objection to the amendment on this side of the aisle.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. ORTIZ].

The amendment was agreed to.

Mr. HAMMERSCHMIDT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it is my understanding that the gentleman from Texas [Mr. HANCE] has an amendment to offer to section 622, which was earlier passed en bloc, committee amendments, and I yield to the gentleman for his request.

Mr. HANCE. Mr. Chairman, I would ask unanimous consent that modification of section 622 be considered at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas to modify section 622 of the ROE amendments agreed to en bloc?

There was no objection.

AMENDMENT OFFERED BY MR. HANCE

Mr. HANCE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HANCE: Strike out the period at the end of section 622 as proposed to be added by the amendment and insert in lieu thereof the following: ", unless such study is approved by the Governors of all affected States.".

Mr. HANCE. I would point out that this amendment, what it does, it says that unless such study, and it is talking about studies of the Government in any river basin, it says that unless such study is approved by the Governors of all affected States. That was put in the language in the Great Lakes area, it was left out as far as the Arkansas River Basin, and the Columbia River Basin.

Mr. HAMMERSCHMIDT. Mr. Chairman, that adds language to an amendment that I had put in the bill earlier, and I am in total agreement with it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. HANCE].

The amendment was agreed to.

Mr. EDGAR. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we are going through a series of amendments here that are moving very fast and very furiously and while my attention was distracted on one of the amendments, one of our colleagues was successful in getting an amendment passed to provide for an access road to an existing project. I have no objection to that access road except for the fact that it is a $10 million, 100-percent investment by the Federal Government in that project which will have some at least substantial economic incentive to that community.

I would just like to inform the Members that from this point on I would like to have some clarification as to what these amendments actually do, and I am going to insist, where possible, that some consideration be given to the thrust of the policy in the bill that 25 percent of any of these projects that are new projects have a local or State investment in them.

I would urge those Members who have 100-percent funding for projects that they are offering in these quick and fast amendments would check with the gentleman from Pennsylvania, otherwise I think we will have an extended debate on those amendments.

Mr. LIPINSKI. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to engage the distinguished chairman of the Water Resources Subcommittee, Mr. ROE, in a colloquy regarding section 1185 of H.R. 3678, the Water Resources Conservation, Development, and Infratructure Improvement and Rehabilitation Act of 1983.

Section 1185 would prohibit any diversion of Great Lakes water for use outside of a Great Lakes State unless such diversion is approved by all the Great Lakes States and the International Joint Commission.

My question to the Representative is this: Am I correct in my understanding that this provision will not change the existing diversion of Lake Michigan water at Chicago by the State of Illinois, which is used entirely within Illinois, and which is authorized pursuant to a U.S. Supreme Court decree?

Mr. ROE. Mr. Chairman, if the gentleman will yield, let me say to my good friend from Illinois that he is absolutely correct in his understanding.

Mr. LIPINSKI. Mr. Chairman, may I ask the distinguished Representative further, am I correct that this provision, if enacted, will not remove the U.S. Supreme Court's jurisdiction over Illinois' diversion of Lake Michigan water, nor will it allow Illinois to increase its Lake Michigan diversion?

Mr. ROE. Mr. Chairman, I respond to the distinguished Representative that he is completely correct that this provision does not affect the U.S. Supreme Court's continuing jurisdiction over Illinois' Lake Michigan diversion nor does it authorize an increase in Illinois' diversion of Lake Michigan water.

Mr. LIPINSKI. Further, is it the chairman's understanding that nothing in section 1185 endorses or approves interbasin diversion or interstate diversion of water within the Great Lakes region as defined by this section. These questions are being studied by the Council of Great Lakes Governors for recommendations to the States and Congress for approval.

Mr. ROE. Yes, the gentleman from Illinois is correct in stating that this section does not approve either interbasin nor the interregion diversion of water.

Mr. LIPINSKI. Mr. Chairman, may I further ask the distinguished Representative is my understanding correct that section 1185 does not extend or modify the responsibilities of the International Joint Commission as provided for in the Boundary Waters Treaty of 1909?

Mr. ROE. Mr. Chairman, let me say to my colleague that his understanding is correct.

Mr. BONIOR of Michigan. Mr. Chairman, will the gentleman yield?

Mr. LIPINSKI. I yield to the gentleman from Michigan.

Mr. BONIOR of Michigan. I thank the gentleman for yielding.

As you can imagine, those of us from Michigan and I suspect the other Great Lakes States are very concerned about this issue of diversion, and I just want to emphasize that I gather from the colloquy that both of my colleagues have engaged in is that what we are suggesting is that we are not to allow diversions into Illinois beyond initial watershed that such diversions commence with. Is that correct?

Mr. LIPINSKI. Yes; that is absolutely correct. That was covered in the colloquy that I had with Chairman ROE.

Mr. BONIOR of Michigan. And that any further decisions with respect to expanding that would have to be made, as you pointed out in your colloquy with virtually total agreement of the Great Lakes Governors and those people who are concerned with this issue?

Mr. LIPINSKI. I agree with the gentleman 100 percent.

Mr. BONIOR of Michigan. I thank the gentleman for yielding.

Mr. LIPINSKI. Thank you very much.

AMENDMENT OFFERED BY MR. GORE

Mr. GORE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GORE:

In section 529 which is proposed to be inserted after line 11 on page 123, strike out ", at a fair market rental rate,".

In section 529 which is proposed to be inserted after line 11 on page 123, strike out "orphans" and insert in lieu thereof "children".

Mr. GORE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. GORE. Mr. Chairman, I will not take the full 5 minutes. This amendment relates to the Boys Ranch being established in Wilson County, TN. It is an extremely worthwhile project. This amendment has been cleared with the chairman of the subcommittee and the ranking minority member as well as the gentleman from Pennsylvania, and I would like to yield to the chairman of the subcommittee.

Mr. ROE. Yes; we visited this very carefully and the gentleman is absolutely correct because what you are looking at, where there are really good organizations such as the Boy Scouts and those kinds of nationally recognized organizations in our country that would give them the same relationship they have always had with the corps and we have no objection on this side of the aisle.

Mr. GORE. I yield to my distinguished colleague, the ranking minority Member.

Mr. STANGELAND. Mr. Chairman, we are happy to accept the amendment on this side.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield to the gentleman.

Mr. EDGAR. I want to thank the gentleman for clearing the amendment and talking to me about it and I also support the amendment and commend the gentleman for his action.

Mr. GORE. Thank you very much.

Mr. Chairman, just one other thing, the language of the bill refers to orphans and I want it to be clear that it covers juveniles in the typical Boys Ranch fashion and some of them are not orphans.

Mr. ROE. That is how we interpreted it here.

Mr. GORE. This is an excellent project and I ask for support. I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. GORE].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SHAW

Mr. SHAW. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHAW: Page 241, after line 25, insert the following:

SEC. 1006. (a)(1) The high-level lock barge canal from the St. Johns River across Florida to the Gulf of Mexico authorized by the Act of July 23, 1942 (56 Stat. 703), is not authorized after the date this section becomes effective.

(2) Subject to the provisions of subsections (b) and (c) of this section, the Secretary is authorized to operate and maintain the existing facilities (and lands appurtenant thereto) of the Cross-Florida Barge Canal project referred to in paragraph (1) of this subsection in such manner as the Secretary determines to be necessary unless and until a law of the United States enacted after the date of enactment of this Act provides for further disposition of the project, its facilities, and lands and interests in lands owned by the United States.

(b)(1) The Secretary shall operate the Rodman Dam authorized by the Act of July 23, 1942 (56 Stat. 703), in a manner which will assure the continuation of the reservoir known as Lake Ocklawaha. The Secretary shall not operate the Eureka Lock and Dam in a manner which would create a reservoir on lands not flooded on January 1, 1984.

(2) The Secretary is authorized to acquire, by purchase or exchange with donated or appropriated funds, such lands and interests in lands acquired by the State of Florida for the Cross-Florida Barge Canal project as may be necessary to comply with the provisions of paragraph (1) of this subsection. For acquisition of such lands or interests in lands, the Secretary—

(A) shall pay the owner of any such lands or interests in lands an amount, or

(B) in the case of an exchange, give such owner lands or interests in lands with a fair market value, which is not less than the fair market value of the lands or interests in lands to be acquired.

(c)(1) The Lake Ocklawaha Federal Recreation District is hereby established and shall be administered by the Secretary. Such District shall include the Rodman Dam authorized by the Act of July 23, 1942 (56 Stat. 703), the reservoir which is created by the dam pursuant to the easements granted and transferred to the United States by the State of Florida pursuant to this section, and any lands and interests in lands acquired by the Secretary under subsection (b)(2) of this section. The Secretary is directed to operate the Rodman Dam, and manage the recreation district, in a manner consistent with maintaining the recreational values of the reservoir and consistent with applicable water management policies of the State of Florida. In operating the Rodman Dam, the Secretary shall consult the St. Johns River Water Management District Board.

(2) The Secretary is directed to request the transfer of all easements held by the State of Florida on lands associated with the Cross-Florida Barge Canal project referred to in subsection (a) of this section from the Eureka Lock and Dam to the St. Johns River.

(3) The Secretary shall receive and administer each easement granted or transferred to the United States pursuant to this section to further the purposes of the District established by paragraph (1) of this subsection.

(d) Subsections (a) and (b) of this section shall not become effective until—

(1) the State of Florida enacts a law which assures that, upon deauthorization of the Cross-Florida Barge Canal project referred to in subsection (a) of this section, all valid public uses of the lands and interests in lands acquired by the State of Florida for such project will be protected by providing that, before the State transfers any such lands or interests in lands to any other person (except the Federal Government), the county in which such lands are located shall have the first right to purchase, at fair market value, such lands or interests in lands;

(2) the State of Florida enacts a law which assures that, upon deauthorization of such project, the State of Florida will never transfer to any person (except the Federal Government) any lands owned by the State and contained within the expanded boundary of the Ocala National Forest as proposed and shown on the map dated July 1978, on file with the Chief of the Forest Service, Department of Agriculture, Washington, District of Columbia; and

(3) the State of Florida enacts a law which assures that, upon deauthorization of such project, that the State will grant to the United States a perpetual easement to flood that portion of the lands referred to in paragraph (2) of this subsection from the Eureka Lock and Dam to the St. Johns River.

(e) There are authorized to be appropriated for fiscal years beginning after September 30, 1984, such sums as may be necessary to carry out the provisions of this section.

Mr. SHAW (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SHAW. Mr. Chairman, at this time I yield to the gentleman from Florida [Mr. MACKAY].

Mr. MACKAY. I thank the gentleman for yielding.

Mr. Chairman, the Cross-Florida Barge Canal is a canal that is a unique water project among the many unique water projects in America today. This project was originally authorized in Florida in 1942. The sponsor was then-Senator CLAUDE PEPPER. It was authorized originally as a sea-level ship canal.

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Subsequently, after the war, it was discovered that there would be a tremendous environmental impact to a sea-level cut across the State of Florida. Work was ceased at that point. The project was reauthorized in 1964 as a high-level ship canal with a number of locks so that the environmental disadvantage of a sea-level cut across the State could be avoided.

No environmental impact statement was required under the law in 1964, so the project was begun. Construction continued until 1971, at which point President Nixon halted construction because of concern for environmental damage. That decision was made in part on the basis of a study which I have here tonight. It was a hydrological study by the USGS, and it pointed out that in the Summit Pool, which is the part of the canal that is in my district, the ridge part of Florida, in the Summit Pool there would be a 28-mile cut into the Floridan Aquifer. The Floridan Aquifer is a porous limestone strata which carries most of the water, the drinking water for the central and western part of south Florida.

This study indicated and showed that the interchange of water between the canal and that section near Silver Springs, FL, which flows over 500 million gallons a day, that the interchange of water between the canal and that point in the aquifer would be in the order of 42 million gallons per day.

As a result of the halting of the canal by President Nixon, litigation began. One of the unique things about this project is that it has been one of the most litigated projects in America during its time. It has also been one of the most studied projects in America during its time.

At the conclusion of the litigation, which began in 1971, in 1974 the Federal judge said this issue should be resolved by the U.S. Congress. He also ordered that there should be a complete restudy of the project, environmentally as well as economically, before any work was restarted.

As a result of that, the Congress appropriated $2.6 million and there was a complete restudy done, a 2-year restudy. I have here the four volumes of this restudy, so for those of my colleagues who often wondered what $2.6 million will buy in terms of a study, this is it, one of the most exhaustive studies environmentally and economically that I have ever seen, and I think that my colleagues would have ever seen.

As a result of that study in 1977, the Corps of Engineers issued a report. I would just like to read the summary section, the recommendation of that report.

> In this case, the adverse environmental effects are determinant factors in project justification. When the marginal economic justification is combined with adverse environmental impacts, the combined total effect does not favor completion. The overriding expression of public interest appears to be the opposition of the Governor of Florida and the State Cabinet.
>
> Finally, because of the marginal economic justification and the absence of State support, the Administration should not seek further funding for this project other than may be necessary to assist Congress in reaching a decision and to maintain existing facilities in the interim.

That was the Corps of Engineers. In addition, four other Federal agencies, upon the conclusion of that report, made the following recommendations. This is the Department of the Interior, the U.S. Department of Agriculture, the EPA, and the Council on Environmental Quality.

> The do-not-construct option is strongly recommended. No option for the completion of the canal is recommended. Action should be initiated to obtain deauthorization of the canal project as presently authorized.

Finally, the State of Florida, with its division of State planning, thoroughly reviewed the Corps of Engineers study and recommended that the project not be completed and recommended that the State go on record against completion of the project.

The CHAIRMAN. The time of the gentleman from Florida [Mr. SHAW] has expired.

(On request of Mr. EDGAR and by unanimous consent, Mr. SHAW was allowed to proceed for 5 additional minutes.)

Mr. SHAW. I yield further to the gentleman from Florida.

Mr. MACKAY. As a result, we have first the hydrological study which showed a tremendous interchange of water between the aquifer and the canal. Then we had a Corps of Engineers study costing $2.6 million, four other Federal agencies, and the State agency which is responsible, all of which are recommending against completion.

Following that, we have the Governor and Cabinet on record in the State of Florida against completion, and then the final thing we have in May of this year, which I think should be a determinant factor in this issue, the Florida Legislature, both houses of the Florida Legislature, passed deauthorization legislation which is necessary also at that level, in effect requesting that the project be discontinued without a single dissenting vote in either house.

Mr. EDGAR. Mr. Chairman, will the gentleman yield at that point?

Mr. SHAW. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. I thank the gentleman for yielding.

Mr. Chairman, I wonder if the gentleman would repeat the comment. Is the gentleman suggesting that both the House and Senate in the State Legislature in Florida have come out for deauthorization of the project?

Mr. MACKAY. The House and Senate in the State of Florida, first in 1979, did this. They passed legislation indicating that if the Congress deauthorized the canal, exactly what they would do with the canal assets. That was in 1979. They did that again this year to coordinate with the legislation that I have filed, or that my colleagues and I have filed, and that was passed unanimously, without a single dissenting vote in either house of the legislature.

The Governor of Florida was up here lobbying for this the first part of the week, as was the attorney general.

Mr. SHAW. Did I hear the gentleman correctly? Was this a unanimous decision of both the senate and the house of the Florida Legislature?

Mr. MACKAY. This was a unanimous decision. This was a judgment based on the same studies that we have available to us by the people who are most involved from both parties, from all sections of the State of Florida, asking that this project be discontinued.

Mr. SHAW. What the gentleman is telling the House here is that this is a direct request from Florida totally, by both of the houses of its legislature, to deauthorize this project.

Mr. MacKAY. I am suggesting that if this Congress chooses not to deauthorize, with a unanimous request from the State legislature, then a number of us should rethink what we mean when we talk about States' rights.

Mr. BENNETT. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I yield to the gentleman from Florida.

Mr. BENNETT. I thank the gentleman for yielding.

Mr. Chairman, I think there ought not be any ambiguity about it. I think there is at least a degree of ambiguity. It rests in the fact that the implication has been given to this House that the Legislature of Florida, not on one occasion but on two occasions, has passed a resolution of some sort asking Congress to deauthorize the canal. That is categorically untrue.

What the legislature did do and what was unanimous, it said that if Congress deauthorized the canal, it set up its procedures to dispose of the $70 million worth of assets which has been obtained from the Federal Government at the request of the State of Florida by the passage of laws which have never been repealed in the State of Florida.

I checked on this again today, because the "Dear Colleague" material that has been sent out clearly says that the State of Florida's Legislature has asked for the deauthorization of the canal.

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This is categorically untrue. I checked with the Governor's office today about it, and he says that is categorically untrue. All the State of Florida has ever done in regard to this is to pass laws saying the canal will be built. This is not imposed on the State of Florida by the Federal Government. It was requested by the Federal Government, and your own constituency asked as loudly as any constituency I know, and they have never appealed it outside, and my county taxpayers have spent about $10 million of their money for it.

So to let this House feel that you are saying that the Legislature of Florida has asked that this project be deauthorized is to fly in the teeth of reality because they have not repealed the laws which asked for this undertaking by the Federal Government. They have not asked in word that it be deauthorized at all by implication. They have merely passed a resolution attempting to distribute the assets which were acquired from the taxpayers of my district and the taxpayers from all over the country.

Mr. SHAW. Mr. Chairman, reclaiming my time, I would ask the gentleman from Florida [Mr. BENNETT], when did the State ask that this canal be built?

Mr. BENNETT. Well, it first asked in the legislature on October 2 in 1824. They asked for it to be done. They asked for it again just prior to World War II. It was passed by the Congress. I came here in 1949, and every year since I have been here the State of Florida has requested money until Nixon's unconstitutional action of halting the canal. And when that negated it, that is why we have the delay here.

The CHAIRMAN. The time of the gentleman from Florida [Mr. SHAW] has expired.

(By unanimous consent, Mr. SHAW was allowed to proceed for 5 additional minutes.)

Mr. BENNETT. Mr. Chairman, if the gentleman will yield further, the State of Florida has asked me continuously and the constituents of the gentleman in the well have asked me continuously to build this canal, and I have a part to play in it. I first went to see President Truman. He said it ought to be done for national defense purposes, if nothing else.

I went to General Eisenhower. He put the money in the bill to have it studied to see what could be done. Then Jack Kennedy actually started the construction. Well, the actual digging started under Lyndon Johnson, but the authority of the President through the Office of Management and Budget, and that came at the end of Jack Kennedy's term. But the request was not made by the Federal Government; it was made by the State of Florida to me, and it was repeated every year. They asked me to go before the corporation and ask for the funds for the canal, which I did.

I thought it was a good project. I still think it is a good project. And bear in mind we have authorized and appropriated the funds for the completion of this study, the final study, $450,000 for that. It is due to be completed next year. That is what I think we should hold up this project for until this study is completed.

Mr. SHAW. Mr. Chairman, reclaiming my time, I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I thank the gentleman for yielding.

I appreciate the comments of the gentleman from Florida [Mr. BENNETT] on this issue in terms of past history. I do think it is important for the House to hear two statements that are current history.

The first is a letter to the Florida congressional delegation dated June 22, 1984, which states—and I quote—"Ocean barge and unit rail transportation of coal provided energy-efficiency methods of delivering coal to Florida. The option of an inland Cross-Florida barge canal does not appear to offer any advantages in energy efficiency and would not be economically attractive to the purchase of coal in the State."

That is from the Governor's energy office in the State of Florida.

But probably more important than that is, just a few days later, on the June 26, the Governor of Florida came and talked to many of us and held a press conference, and that press conference he stated the following:

"The State of Florida finds itself in a legal quagmire which it is powerless to end and cannot avoid, all over a project which it strongly opposes but cannot terminate."

That is the current state in June 1984 of the Florida Energy Office and the Governor's office, and I think it demonstrates the helplessness on the part of the State legislature that they cannot proceed with this project unless they get some direction from the Federal Government.

Mr. Chairman, I think the gentleman's amendment is a good one, and I support it.

Mr. SHAW. Mr. Chairman, reclaiming my time, I would also point out, in furtherance of what the gentleman from Pennsylvania just pointed out, that the attorney general, Jim Smith, from the State of Florida has been in town, and he has been talking about this problem. He is also a strong advocate. He is a member of the Governor's cabinet, he is for deauthorization, and he was talking to me about the tremendous amount of litigation that this has caused for the State of Florida. He has made a specific request that this canal be deauthorized.

Mr. MACK. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I yield to my friend, the gentleman from Florida, [Mr. MACK].

Mr. MACK. Mr. Chairman, there are several points I would like to build on. I guess one is that there is an indication that maybe you had misled your constituency during your campaign, that the gentleman from Florida indicated that he had for many years been asked by his constituency to continue the authorization of the canal. I assume that during your campaign that was an issue that was raised and it was clear as to what your position was.

I wonder whether you might comment on that.

Mr. MacKAY. Mr. Chairman, as a matter of fact, I would like to respond to that. I appreciate the question. This was a specific issue in my campaign.

I made it clear that I favored the deauthorization of the canal. I think, in all fairness, my colleague, the gentleman from Florida [Mr. BENNETT], whom I respect very much, should point out that it would take someone with a set of blinders and earmuffs on not to have understood in the Florida

Legislature that the passage of that legislation was a request for the deauthorization of the Cross-Florida Barge Canal.

I would also point out in all fairness that my constituents, according to the gentleman from Florida [Mr. Bennett], have not requested the continuation of this canal since 1971, and at that time it was the first time it was clear as to the problem we had with the Floridian aquifer, which is the major environmental reason which led to the discontinuance of construction.

Mr. MACK. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I yield to the gentleman from Florida.

Mr. MACK. Mr. Chairman, the second point was the apparent misunderstanding or confusion about what the position of the State of Florida is with regard to this canal, and I think it is fair to say that both the Governor and the cabinet, which as I understand it, is really the agency that oversees the canal authority and the State legislature on both sides of the aisle, in both the Senate and the House, agreed, and there is unanimous agreement about the position of the State of Florida.

So I just wanted to clarify at least my understanding.

The CHAIRMAN. The time of the gentleman from Florida [Mr. Shaw] has expired.

Mr. SHAW. Mr. Chairman, I ask unanimous consent that I may be permitted to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. HOWARD. Mr. Chairman, reserving the right to object, I certainly am not going to object at all, but what I would hope, with the time limit we do have, since there are several Members who wish to speak both for and against this amendment, I was wondering if perhaps each Member might get his or her 5 minutes and use that 5 minutes and not ask for extensions of time. Then we could let the next Member get 5 minutes, and each Member might be able to get 5 minutes. Then we could see where we stand at that time, rather than having one Member get 15 minutes, 10 of it yielded to some one else, yield to other Members and then have that Member get 5 minutes on his own time.

I just wonder if we might be able to do something like that under the time limitation. I am not trying to restrict it. If we did it this way, everybody would know that they would have 5 minutes, and perhaps we could do it that way. As I say, I certainly will withdraw my reservation of objection, and I am not going to object. That is just something that we can think about.

Mr. SHAW. Mr. Chairman, I thank my friend, the chairman of the Public Works and Transportation Committee. I think that is an excellent idea. With that in mind, I will yield the time I have remaining to the gentleman from Florida [Mr. MacKay].

The CHAIRMAN. Without objection, the gentleman from Florida [Mr. MacKay] is recognized for 5 minutes.

There was no objection.

Mr. MacKAY. Mr. Chairman, if I might, I would simply like to outline the provisions of the amendment which is under consideration today, and then I will terminate my further remarks.

This essentially says that the facilities, the Federal facilities, that are now completed would be retained. One of those facilities, which is a fine outdoor recreation facility in its own right, Lake Ocklawaha, would become a Federal recreation area.

It further says that local government would have the right to select any of the lands which were not environmentally sensitive which are needed for local government purposes. For example, there is a need to four-lane a highway bridge on State Route 40, which is now a high-level bridge, 100-foot-high bridge, and it is not possible to determine whether it has got to be four lanes. That would have four lanes with another 100-foot-high span, which would cost $10 million, or whether we could have one 100 feet high and another that is a normal bridge, that would cost $3 million.

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It then goes on to say that all the environmentally sensitive land in the Ocklawaha River valley would be retained in public ownership and it makes provision for the sale of nonenvironmentally sensitive land at market value to provide the money which would return to the counties the ad valorem taxes which were used to acquire the land in the first place.

It provides a mechanism whereby the litigation which is now going on could be terminated, the uncertainty and the confusion could be terminated and the project could be ended, but the Federal investment could be protected.

Mr. SHAW. Mr. Chairman, while the gentleman is in the well, I would like to ask one question. Is it not correct that the State, not the Federal Government, owns the land that this project is situated on?

Mr. MacKAY. The State owns the land. It owns it under a contract whereby it is obligated to hold it subject to the terms of the canal agreement with the Federal Government. One of the provisions of that contract is that the State has to defend litigation and there is now substantial litigation, ironically from property owners who are saying this canal has in fact been abandoned and we would like to have our property back.

Mr. SHAW. Mr. Chairman, I would like to congratulate the gentleman in the well for being the original author of the amendment, although I was the one who offered it for consideration in the House this evening. The gentleman has certainly done an excellent job. He has a tremendous grasp of the situation.

I have personally gone down at the gentleman's invitation and viewed the Ocklawaha River which is one of the most beautiful and most picturesque rivers in central Florida.

There are some things that man does not have a right to destroy and this happens to be one of them. I commend the gentleman for bringing this to the attention of the House and I heartily support this amendment.

Mr. CHAPPELL. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I yield to the gentleman.

Mr. CHAPPELL. Was this amendment offered in committee?

Mr. SHAW. Yes. This amendment was offered in the committee and defeated on a voice vote.

Mr. CHAPPELL. Did the committee approve the amendment?

Mr. SHAW. The gentleman was standing in the back of the room with his arms folded at the time, I recall. I think the gentleman recalls as I do the Members that were there.

Mr. CHAPPELL. But there were a lot of the Members not standing in the room with their arms folded and may not know that this amendment was overwhelmingly defeated in committee.

Mr. SHAW. Mr. Chairman, if I may reclaim my time, it was not overwhelmingly defeated. It was defeated on a close vote, which I determined to be extremely close.

Mr. CHAPPELL. About 21 to 3.

Mr. BENNETT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, my concern about this matter is manyfold, but the main concern I have about it, really, frankly, it is a tremendous project. It is about a $75 million or thereabouts project, which cavalierly is being approached here on the floor of the House as if that was a fair thing to do.

When I learned that there was going to be an amendment like this offered, I asked the committee if I could appear before the committee in opposition to it, bring witnesses opposed to it.

I was told there was no chance that any such amendment would go through, because Congress has authorized or appropriated money to complete a study on it to see whether in fact it ought to be done; so obviously, they were not going to do something like that as destructively by an amendment when you already authorized a half a million dollar study to see whether it should be completed. So I dismissed it from my mind. Then it comes here to the floor. If we should do something so capricious as to end a project of such magnitude, I do not have time to tell you all the things it would do, but one thing it would do, there are about $10 million that my constituents have paid, not in Federal taxes, but in their own local taxes to take care of their part of this canal. They are not going to be paid back.

There are also people's property taken away from them that they had for generations, easements taken away from them, property taken away from them. They have got some kind of a moral interest in this. That ought to be looked at.

Well, obviously, it would be real easy to pass that State law, because that State law gave all the assets to the State. The State did not put the money in it. The State got the money from my constituents in Duval County and the other counties. They are the ones that taxed themselves, not the State of Florida.

So the law that was passed in the State legislature was really a nice big grab of money, substantial money, contributed by the Federal taxpayers and by the taxpayers of Duval and the other counties.

How unfair can you be about a matter of that type?

Now, it was talked about whether or not there was a bill introduced in the legislature to deauthorize it. There were a number of bills introduced in the State legislature over a period of years, a number of them, quite a few of them. They were all defeated. None of them were passed. The only ones that were passed were ones that were taking a Federal contribution and the Duval County contribution and the other local contributions to this canal and distributed to the State.

How arrogant can you be? This State law says what—it says the Federal Government can buy back from the State lands that the State never bought. They did not put up the money for it at all. My constituents put up the money for it. They taxed themselves for it in Duval County, FL, where Jacksonville is.

Now, a number of other things have been said here. I do not know how much time I have left, but I want to address them.

The Corps of Engineers did not condemn this project in the way in which it has been implied here. They said that adverse environmental impacts are not so severe as to demand a decision against completion of the canal. That is the report from which the gentleman was reading. He chose to pick out the things he wanted to say.

Congress has addressed this issue after that 1977 finding several times. One time was in the 95th Congress in Report No. 95. It found it was not only bad environmentally, but they have eagles there. They have 12 eagles nests there now. There was not a one there before. There are 12 there now. There are osprey nests, the wading bird, alligators, down-backed terrapins. It has improved the environment. It has not hurt the environment.

As a matter of fact, the legislation in the State legislature that passed said that it is going to preserve all the things in the canal now. It is not going to change it.

They talk about 28 more miles that are going to be taken out of the Ocklawaha. The Corps of Engineers in 1976 ended that project. They ended the original project. They said they are going to bypass the Ocklawaha, that beautiful river that you say should not be destroyed. It will not be destroyed. It is not part of the project.

Another thing that was said so cavalierly here, half a billion dollars, whether it is a $500 million project. There is no authority for that at all. That is just as much a figment of the imagination of people who are speaking about this matter as the State legislature asking us to deauthorize. They never asked to deauthorize. Nobody ever found this project would cost a half a billion dollars. Maybe it will, but that study has never been completed.

The distortions, the complexities, the difficulties about this matter are certainly great.

Now, one thing was pointed out, there is litigation. Yes, there is litigation possible against the State of Florida.

Do you know how it can be evaded? It can be evaded by the simple project, if the State does not want to go ahead with this project, it can be done by Duval County, FL, it can be done by the other counties along the waterway, as it is done in most States. There are very few States that come on bended knee to the U.S. Government and ask them to spend $70 million. It is usually done by the people along the particular waterways and that is what should be done here. If the State of Florida does not want to answer that litigation, Duval County would be happy to answer the litigation. They would be glad to take over the authority for running this canal.

For those who are asking me to yield, I would rather not yield. I do not have much time left, but I do want to say within the 5 minutes that I have got that this project is not one that is condemned environmentally. The Corps of Engineers in its report said it was not a bad project. The thing that disturbed the Corps of Engineers clearly was the political difficulties and that came about because Nixon unlawfully did what he did.

I guess if this is restricted to 5 minutes, I will have to quit.

Mr. BEVILL. Mr. Chairman, I move to strike the requisite number of words.

I yield to the gentleman from Florida [Mr. BENNETT] if the gentleman wants another minute. I will be glad to yield to the gentleman.

Mr. BENNETT. Well, Mr. Chairman, I will take less than 1 munute, I am sure.

I will just conclude by saying that I am convinced this is a good project. Many millions of dollars have been spent on it. It is not a thing that we should cavalierly turn off here. If we are going to turn this back, we ought to do it on the basis of the study that is already authorized, already approved, already funded, and that will probably be done within the next 6 or 7 months. That is the way we ought to do it if we feel we ought to do it. We ought to look at that and see whether it is a good or sound project or not.

Mr. BEVILL. I wish to compliment the gentleman from New Jersey, the chairman [Mr. JIM HOWARD], the ranking member, the gentleman from Kentucky [GENE SNYDER], as well as the gentleman from New Jersey [Mr. ROE], and the ranking minority member, the gentleman from Minnesota [Mr. ARLAN STANGELAND] and the members of this committee for a tremendous bill.

The Committee on Public Works and Transportation has brought to the floor a truly comprehensive water resources development act which focuses responsibility on the very serious water resources problem facing this Nation.

Mr. Chairman, the last water resources development bill to be enacted into law was the Water Resources Development Act of 1976. The last true authorization bill containing project authorizations rather than primarily study authorizations was enacted in 1970. In this long period of time the Nation's water resources needs and problems have become more acute. The inland waterway system and our coastal ports system are in dire need of improvement to enable us to transport goods efficiently within the United States and to compete effectively in the foreign market. The Nation's flood control problems remain a serious problem as the events of the last 2 years vividly demonstrate.

H.R. 3678 not only addresses these needs but addresses them in a way which is equitable and fair to all regions of the country. Furthermore, the Committee on Public Works and Transportation in this bill has gone to great lengths to protect and enhance the environment in connection with water resources development. It demonstrates what we have maintained all along—that development and conservation of our Nation's water resources, which are so important to our very survival, can be accomplished in a manner which is not inconsistent with our desire to preserve and protect the environment.

Only yesterday the House passed the conference report on the energy and water development appropriations bill by an overwhelming margin. On Tuesday of this same week amendments to the Federal Water Pollution Control Act were passed by a similar margin. I urge my colleagues today to extend the same degree of support to this water resources development bill which is so urgently needed.

□ 2040

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Indiana.

Mr. MYERS. I certainly concur with my chairman and what he has said. In our committee as well as the subcommittee bringing this bill before the floor we have seen this happen before. It is easy to attack a program like this because Members of Congress come and go, Governors come and go, legislatures come and go. The popularity of programs like this is up and down.

But if we had not built many of the projects in the country because at one particular time we had some opposition to them, we would not be able to fly home tomorrow night because we would not be able to build an airport, we would not be able to build the fine highways that we have today.

Someone has to make a sacrifice. Here is something that has been in the works for quite some time. Our colleague from Florida, Mr. BENNETT, and certainly our other colleagues from Florida here, including the Senator, worked for many years for this project. It would be tragic for just at this hour tonight for Members here tonight to come and strike a program like this that has been so many years in the making.

This is not the way to deauthorize, nor would it be the way to deauthorize. There has been entirely too much work, too much effort, too much involvement in the past to do it this way. It should be done properly, and this is not the proper time or the proper place to take this type of action.

Mr. BEVILL. I thank the gentleman. For over 40 years every committee in this Congress that has looked into this project has taken this position, and they are not supporting this amendment. I think the Members of the House ought to think about that and consider it.

I would just like to urge my colleagues to vote this amendment down and support this committee.

Mr. EDGAR. Mr. Chairman, I move to strike the requisite number of words.

I would like the attention of Chairman BEVILL. I would like to draw your attention to a statement that you made earlier.

I commend you for your kind statements about the bill and I, too will support the bill regardless of what happens to this or other amendments because I think there are some good policy initiatives and it is time to move forward and not just keep saying no, but to say yes.

But I think there is a statement that you made that needs to be corrected. That statement essentially is that no one who is speaking for this amendment is on the committee that has reviewed the issue. The gentleman from Florida [Mr. SHAW] is on the Public Works and Transportation Committee, is on the committee that has jurisdiction over the authorization. The gentleman from Pennsylvania [Mr. EDGAR] is also on that committee. We have listened carefully to the testimony over the years, and there is an honest difference of opinion on this specific project.

But I do not think that it is accurate to indicate to the House that the Appropriation Committee members are the only ones who look at the details of this legislation. We have looked at it and looked at it and dealt with it in our committee.

The gentleman from Florida [Mr. CHAPPELL] made the statement that there was a recorded vote of 20 to 3. The record should be clear; it was a voice vote. It was a voice vote; it was not a recorded vote. There were members of the committee in opposition. There is no record in the hearing as to whether it was close or not close.

We have brought the issue to the House floor not as naive Members of Congress but as Members who have worked very diligently on the legislation.

So I just want to correct for the record those two comments.

Mr. CHAPPELL. Will the gentleman yield?

Mr. EDGAR. I am glad to yield to the gentleman.

Mr. CHAPPELL. I would like to correct the gentleman. I did not say there was a recorded vote. But as one who was there and could observe, you could easily count the number, the sounds, and watch the people vote, and I assure you that was true.

Mr. EDGAR. If I can take my time back, I was there and I was a member of the committee. I was there. We participated in the debate and discussion. There was no recorded vote at that time. And we brought up the issue here to the House floor as members of the Public Works and Transportation Committee, and I think it is legitimate.

Mr. BEVILL. Will the gentleman yield?

Mr. EDGAR. I yield now to the chairman of the Appropriations Subcommittee.

Mr. BEVILL. In further response to your question, my remarks should be that at hearings we held in 1977 or 1978 we had some very extensive hearings on this project, and this is the position we took. It is the position that every committee in Congress has taken for over 40 years, since it was authorized.

Mr. EDGAR. Just in conclusion I want to say that I support the gentleman from Florida [Mr. SHAW] and Mr. BUDDY MACKAY's amendment. I think we ought to deauthorize this project. Our subcommittee deauthorized almost $11 billion worth of projects. I think we moved in the right direction. This would be a good addition.

Mr. SHAW. Will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from Florida.

Mr. SHAW. I would like to take up just a moment on what my friend from Alabama said with regard to what the Appropriations Committee has done. As I understand the drift of his argument, it is that you are not going to build it anyway, so why disturb it.

I think there is a question of if you are not going to build it anyway, then let us get rid of it. It is costing the State of Florida. There are some 20 cases right now that are in litigation or have been completed through litigation. The State of Florida has asked that it be deauthorized. The majority, the vast majority of the Members of the Florida delegation are here tonight to ask that it be deauthorized.

I think that in just the name of commonsense that we ought to get rid of it. The Senate has asked that it be deauthorized now on two occasions, and I think it just makes sense if you believe in States rights at all, and I know the gentleman from Alabama certainly believes in States rights, that we ought to get rid of this thing. It is a dinosaur and it is time we got rid of it.

Mr. EDGAR. I yield back the balance of my time.

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to support the amendment of my colleague from Florida to deauthorize the cross Florida Barge Canal.

This issue has been around for a long time and I believe the time has come to lay it to rest. The fact is that the State of Florida does not want the canal. Sponsorship of the project by the State was formally withdrawn in 1979, following the legislature's ratification of a resolution of the Governor and cabinet. As recently as last month, the legislature, by unanimous recorded votes in both the House and Senate, adopted a measure implementing the changes in State law required by this amendment.

The ecological damage that would result from completion of the canal would be devastating to the water supply of the entire southern half of Florida, not to mention the area in the immediate vicinity of the canal. The MacKay amendment would ensure that these environmental concerns are mitigated by providing for the continued existence of Lake Oklawaha; the creation of a Federal recreation area to manage the lake; preventing the Corps of Engineers from operating the Eureka Dam in any way which would create a new reservoir on the Oklawaha River; guaranteeing State ownership of environmentally sensitive lands in the Oklawaha River Valley.

The Army Corps of Engineers recommended deauthorization in 1977. Our colleagues in the other body passed a deauthorization bill in 1978, although it never reached the floor of the House. Legislation has been reintroduced there this year to deauthorize the canal.

There is no way that the completion of the canal can be justified economically. It will benefit only a very small group of people, while the cost of completion is over $500 million. Furthermore, the State is in a very difficult position of being legally responsible for suits against the canal, since it is the owner of the right of way, even though the State has done everything it can to terminate the canal.

We must bite the bullet now and put an end to further money being thrown down the drain and ensure that the environmental problems associated with the canal are resolved. I hope our colleagues will support this amendment.

Mr. CHAPPELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to say to my good friend DANTE FASCELL that I would like him to come up in my district and repeat some of those words about all the friends and power, and so forth. DANNY, I ask you to come up and do that, and I appreciate your thoughts about it.

But I am afraid my good friend DANTE FASCELL has not availed himself of the opportunity to bring himself current on the canal issue. We are not talking about a ship canal. That was long abandoned, abandoned a long time ago.

What we have before us now is a barge canal, a barge canal, and its day has arrived. Its day has not gone, its day has arrived. Look at the Mississippi, and the Missouri, and all of the great waterways of this country, particularly those that are protected. Shipment by barge, shipment by water, is the most economical method of bulk transportation. You can take $1 worth of fuel and deliver 1 ton of bulk commodities, 65 miles by rail and 333 miles by water transportation. The day of barge transportation has arrived. And that is what we are talking about here.

When it is said that we have authorized a restudy on the canal, I would advise my colleagues that that is not so. What this Congress did last year was to appropriate the moneys to complete a study which was court-ordered several years ago, and the committee upon which I serve, and TOM BEVILL and JOHN MYERS, and many others ordered the Corps of Engineers to complete that study.

Now, let us see what we are really talking about here. We have spent in this country almost $3 billion in perfecting the inland waterways from Philadelphia to Florida and on the gulf from beyond Corpus Christi to the shores of Florida. The Cross Florida is designed to link those two major waterways and thereby save the necessity of going 1,500 miles around the tip of Florida; $70 million has been spent on this project with bridges, and dams, and locks, and recreation areas in place.

Are we going to ignore that investment? Are we going to close off an option that gives us the opportunity to link those waterways together.

I think we should not. However, we are not asking for construction money. We have not asked for construction money in 10 years. But this project ought to be left on the books for consideration at another time. The facilities which are in place, provide just in my district, fishing, boating, and other recreational activities for over a million people from every part of this country.

If any of you have doubts as to how beautiful this project is, I brought some photographs here, and I hope you will have time to look at them.

Let me say once more, we are not here asking for construction moneys. this amendment was considered and rejected by the Committee on Public Works.

I invite the Members of the Congress to review the report that accompanied the bill which was offered before the Congress and passed in 1977. In that, report the committee enumerated certain findings. Mr. MACKAY said here that it was not a favorable report. Let me relate some of the things that this Congress found. The committee found, based upon the positive testimony—and I have here the testimony.

The CHAIRMAN. The time of the gentleman from Florida [Mr. CHAPPELL] has expired.

(By unanimous consent, Mr. CHAPPELL was allowed to proceed for 2 additional minutes.)

Mr. SHAW. Mr. Chairman, will the gentleman yield?

Mr. CHAPPELL. I will not yield at this time. I believe the gentleman has had ample time to make himself clear, and I would like to simply point out the findings, and facts, not fiction.

My good friend from Florida has put out some of the most spurious information I have ever seen, all of which should not be called trivia but bunk, because that is exactly what it is. Bunk. Here is why: The committee that I am talking about, the Appropriations Subcommittee on Energy and Water Development, the only committee that has had hearings on this project, held in 1977, and I am quoting almost verbatim from that report. It says that there would be no damage to the quality of the ground water or the ground water supply by completion of the canal, that there would be no damage to the aquifer. The water supply of south Florida would not be affected.

Can you imagine a project 325 miles from Miami, can you imagine this project supplying the water for Miami? It so happens that the water in this area flows north, it does not flow south.

So that, again, is bunk.

Now, you have heard something about the danger of saltwater intrusion. The committee found, based upon those studies, that no such thing was true, that there would be no lowering of the water table, save along the littoral of this project. Every argument that has been presented has been refuted.

Now, let me close quickly to say that if you vote for this amendment, which has not had hearings, you do not know what you are buying, but you are risking huge sums of money. This bill authorizes money, the expenditure of money. Have you heard anything about the cost of deauthorization? Nobody knows how much it would cost. Nobody knows the effect, because in my particular district, where most of a 14,000-acre lake—and, incidentally, this involves Mr. BENNETT's district, Mr. FUQUA's district, Mr. MACKAY's district, and mine.

The CHAIRMAN. The time of the gentleman from Florida [Mr. CHAPPELL] has again expired.

(By unanimous consent, Mr. CHAPPELL was allowed to proceed for 1 additional minute.)

□ 2100

There are four of us that are directly involved. Four of us, only one is seeking deauthorization. The rest of us are asking you to leave it in place. This leaves the option open; it retains for this country valuable asests that have already cost it millions of dollars, and instead of the estimate being $500 million to complete, the best estimates by the corps are considerably less.

So there is just a whole lot of misinformation. We ask you simply: Let us take the study that is forthcoming that this Congress has already ordered, and let us deal from facts and not fiction.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield on that point?

Mr. CHAPPELL. No, sir, I will not. I believe the gentleman has had plenty of time. You have been talking about trivia; I am talking about facts. You have been talking about bunk; we are talking about well-established findings and I simply ask you, based on this information and upon the study that is forthcoming, to give us a chance at the proper time to do what ought to be done. I urge the Members to vote down this amendment.

Mr. NELSON of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is obviously a time that is somewhat painful because good friends, a part of the same State delegation, are split very sharply on this particular issue, but it is a time that has come to be clear to express what one understands one's constituents to say and what one understands clearly the people of Florida to say.

Primarily, the people of Florida are saying that they are concerned about the environmental damage that could be done by digging this canal across the central core region of Florida which will cut into the aquifer. Indeed, the study of the U.S. Army Corps of Engineers in 1977, said that that was a distinct possibility, and it said, and I quote:

"The adverse environmental impacts are determinant factors in project justification. When the marginal economic justification is combined with those environmental factors, the combined total effect does not favor completion." Now that is the Corps of Engineers saying that. When you also understand that the people of the State of Florida speak through their Governor, speak through their elected cabinet, speak through their elected legislature, then you will understand what the wishes of the people of the State of Florida are.

I ask you to support the MacKay amendment.

Mr. STANGELAND. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong opposition to the gentleman from Florida's amendment. I do so for procedural reasons more than anything else. The Committee on Public Works and Transportation has long followed a policy of deferring to the wishes of the Members of this body in terms of deauthorizing water resources projects. Where a disagreement exists between Members concerning whether the project should be deauthorized, the committee's longstanding practice and the tradition of this body has been to defer deauthorization until the matter could be more fully and more closely studied. I believe that, while there are strong arguments in support of deauthorizing the project, there are equally as persuasive arguments in support of continued authorization. Under these circumstances, I believe the most appropriate action for us to take with respect to this amendment is to continue the deauthorization practices of the committee and of the House and to reject the gentleman's amendment.

Mr. Chairman, as you know, the Subcommittee on Water Resources made a major effort in developing H.R. 3678 to examine the backlog of authorized but unconstructed corps of engineers projects and to deauthorize as many of those projects as was appropriate. The bill before us contains deauthorization for more than 300 of these backlogged projects. The total cost to complete these projects totals more than $11 billion. The subcommittee is committed to continuing its review of projects for possible deauthorization. This project can certainly be part of such review. We would hope that the interests on both sides of this issue would continue working toward a mutually agreeable solution. In addition to committee review, there is a process already established by section 12 of the 1974 Water Resources Act through which the Corps of Engineers reviews and submits to Congress projects which have gone unfunded and for which there is no longer interest. Unless action is taken, these projects are automatically deauthourized. Many hundreds of projects have already been deauthorized through this process.

That is why I believe that this is not the best way to deal with this project, by way of the amendment before us. I would urge my colleagues to join me in voting against this amendment.

Mr. YOUNG of Florida. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, I realize that we are anxious to vote, but I have got to tell my colleagues, I have waited 23 years for a change to discuss this on the floor, and to have a chance to vote on this issue of the barge canal. I tell you it gives me no great pleasure to be in competition with my friends from Florida, or my friend from Alabama, who chairs the Subcommittee on Appropriations or his ranking member, Mr. MYERS of Indiana.

I do not like to be in competition with them, because I remember the first year that I served in Congress, going before their subcommittee and testifying against money for the barge canal, and strangely enough, that year my district did not get $1 of public works money I do not know if they are related or not. But that is the way it worked out.

This is a burning issue in Florida. Talk to the political family in the State: The State legislators, the Governor, the cabinet, the county officials, the city officials, and most of the Members of Congress from Florida, it is a burning issue. It started out with a spark.

Twenty-three years ago this year, this Member, as a member of the Florida Senate, stood on the floor of the senate to offer an amendment to delete the money for the barge canal in the State budget. You would not believe how official Florida came down on my head, but yet we raised the issue. We started the encounter, and over the years, people began to look at this issue of the barge canal, and contrary to what my friend from Indiana, Mr. MYERS, said, this is not a roller coaster; it is not a situation where it is being supported one year and opposed the next year, and then supported and then opposed.

It started out with total support, and we have gotten to the point where it is practically total opposition to this canal in Florida. The reason we have not voted in this House before, this is the first time that we have ever had a member of our delegation representing the area of the barge canal who was in opposition to it. I compliment my colleague, Mr. MACKAY, for having the courage to stand up to some of those interests who support the barge canal.

We ought to go ahead and pass this amendment; we ought to deauthorize the project. President Nixon, my friend, Mr. BENNETT, the dean of our delegation, who I love and respect, said that President Nixon's action was unconstitutional. I do not think so, because I was the Member of Congress that asked President Nixon to stop funding the canal, and he did so, and I appreciate that. I do not think that it was unconstitutional.

Ever since then, ever since 1971, when President Nixon stopped the funding, this project has been on a political respirator. A political respirator.

□ 2110

We have been talking in our committee hearings about death with dignity. Let us give this project death with dignity. Pull the plug tonight and pass this amendment and deauthorize this project.

Mr. PEPPER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and Members of the House, I rise in opposition to this amendment because the adoption of that amendment would be, in my opinion, definitely contrary to the national interest.

I handled this bill on the floor of the Senate in 1942 when it was there ratified by the Senate, after the House had previously acted in the same way. What we are talking about is an incident that has been recognized as in the national interest at least back to the days of John Quincy Adams. In 1829, John Quincy Adams, then President, transmitted a message to the Congress conveying a report on the proposed waterway across the State of Florida connecting the Gulf of Mexico and the Atlantic Ocean, and in concluding his statement to the Congress, John Quincy Adams said:

> In execution of this law I transmit herewith a report from the Secretary of War, with a copy of that of the Board of Engineers upon this great and most desirable national work.

The next time a President had a very important part in respect to this project was when another President, one who lived in New York State, initiated the first construction of the canal with relief money early in the New Deal administration. That President thought this was an asset of great national interest and value and strongly appealed time after time, to my personal knowledge, to the great Speaker Sam Rayburn and others on its behalf, and practically all of the Southern Representatives supported the approval of the project by the House and the Senate in 1942.

The next President that had an integral part in this project, showing it was a national asset, was from Texas, President Lyndon B. Johnson. He shot off a keg of dynamite commemorating the beginning of the construction of this canal. I say he was from Texas, not Florida.

I live 300 miles away from this canal, but I want my colleagues to take a look here at this map. Almost 1,000 miles long is a waterway from the Mexican border to a little place named St. Marks on the west coast of Florida. It is authorized all the way down to Yankeetown, which is the western terminus of the canal, nearly 1,000 miles long, built by the Government and State and local authorities on the gulf coast of our country.

Over here is another canal, another coastal canal, minimum depth of 12 feet and a minimum width of 100 feet, which goes up to Trenton, NJ. It is about 900 miles long.

Yet the thing that separates them is the peninsula of Florida, and it is about 107 miles long, the length of this proposed canal. Only 32 miles of it cuts through dry land. The rest of it is in the bed of the Oklawaha River on the east coast, and the Withlacoochee River on the west coast. This project is already one-third built. Everything is in order for its completion that has already been authorized by the House of Representatives, the Committee on Appropriations, and my colleagues have been told about that.

With available funds, the Corps of Engineers is directed to use $450,000 to update and expand its 1977 economic analysis of the Cross-Florida Barge Canal project.

Let me tell my colleagues what the last report of the Corps of Engineers said, and this sums up the whole story. It says:

> In releasing the final report and making his recommendations to the Secretary of the Army, the Chief of Engineers concluded the following: that construction of the canal is feasible from an engineering standpoint, that the economic justification must be considered marginal until such time as significant transportation savings or regional economic development benefits can be clearly supported in excess of their expectation, and that the adverse environmental impact are not so severe as to demand a decision against completion of the project if it were economically justified by an ample margin.

The CHAIRMAN. The time of the gentleman from Florida [Mr. PEPPER] has expired.

(By unanimous consent, Mr. PEPPER was allowed to proceed for 3 additional minutes.)

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from Texas.

Mr. WRIGHT. I want to commend the distinguished gentleman from Florida and to suggest that this is one of many very noteworthy things that have flowed from his fertile mind and his active service.

I just want to comment that when the Gulf Intercoastal Canal, which would connect with this canal and through it connect with the East Coastal Canal, was first contemplated, the Corps of Engineers anticipated that it would have a beneficial cost ratio based upon the assumption that it might ultimately achieve some 7 million tons a year of commerce. I do not know what the current figure is, but a few years ago when last I had a current figure, that canal was accommodating more than 100 million tons of commerce. The benefit/cost ratio, instead of being 1½ to 1 as initially anticipated was 15 or 20 to 1.

I would anticipate that if at some future time it is determined feasible as a result of the current, ongoing studies to construct the canal that we would be grateful to the gentleman for his continued championship of it, which began when he was in the U.S. Senate, and further, that I can see no valid reason to be served by deauthorizing it prior to the receipt of these most current studies that have been authorized by the Congress.

So I just want to commend the gentleman for his continuing championship of this project.

Mr. PEPPER. I thank the able gentleman.

Mr. Chairman, I have a minute left. Let me just say this in conclusion.

You have already heard about the authorization of the Corps of Engineers to complete this study, part of which is to study coal being moved on this canal now that coal is being used in the utilities of that area. I say to my colleagues, do not take away from America this great asset forever, which is what they want us to do. Keep it. If it can be used for America's commerce or defense, let us use it and not throw it away after we have built a third of it so far.

Mr. YOUNG of Florida. Mr. Chairman, will my colleague from Florida yield?

Mr. PEPPER. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank my colleague and friend for yielding.

I just wanted to tell the gentleman that the senior citizens in my district are opposed to this canal in overwhelming numbers.

Mr. PEPPER. That is the first mistake I have ever known a senior citizen to commit.

Mr. ROE. Mr. Chairman, I move to strike the requisite number of words.

Do not mess around with CLAUDE PEPPER.

Mr. Chairman, ladies and gentlemen, you have been very kind and we have come a long way. We have had a chance to spend about an hour to listen to the feelings from the Representatives from Florida. It seems to me that we have been generous. I think that everyone has had at least 1 minute to talk.

It is the fool—it is the fool—who attempts to inject hmself among the brothers. I think that both issues in Florida have been made very clear. There are two very distinct different opinions. Members came back and they said to us who are listening to the debate from the distinguished Florida delegation, and by the way, I have more people from my State living in Florida than most of you Floridians but we listened intently and I was pleased to see that there were not that many outlanders, people who were not from Florida, who got involved in telling Florida how to live their lives.

I think the debate has been made, but there is an issue before us that is important, and I think the gentleman from Florida, CLAUDE PEPPER, the distinguished chairman of our Committee on Rules, developed that.

☐ 2120

I think the gentleman from Minnesota, ARLAN STANGELAND, our distinguished Member, my counterpart, started to develop the point with you.

I am here to represent the other 49 States. I am here to represent the other 49 States in this sense.

On my desk I was given a plaque one time, as you have 10,000 on your desks, and it said to me the following: "More mistakes are made from lack of facts than from poor judgment."

Let me repeat that, "More mistakes are made from lack of facts than poor judgment."

We have visited this issue. There are two issues involved. One, should this land mass, this national treasure, be used for a transportation artery, as a part of the debate—if you do not mind back there with the competition, fellows—or should we be in a position of saying to the people of the United States that something strange has happened.

The distinguished Senator and the chairman of the Rules Committee in 1942 helped this program to be born and the gentleman from Florida, DANTE FASCELL says, "Yes, but things have changed."

Yes, of course, they have changed; but something wonderful has happened. What would have happened if there had not been a Cross-Florida Barge Canal? This argument would not take place. The environmental argument would not exist and through the foresight in 1942, for another reason, that land was protected and it has become a treasure.

The fight is not over barges. The fight is over the land.

And what have we done? We spent $73 million that we speak to for this project—not Florida money, oh, no, New Jersey money, New York money, Wisconsin money, Maryland money, every State in the Union contributed to that.

And we came back and said what would it cost under the plan?

Let me suggest one thing, if you can forgive my aggrandizement. There is nobody who has gone into every one of these projects in depth—I do not speak from my opinion, I speak from the facts, that more mistakes are made from lack of facts than poor judgment, and we have saved that treasure. The treasure is not to be used for barges. It is there for us to decide, the rest of the people of the United States, as to how it should go.

Now, this Member who is chairman of this committee visited with our Florida people and when the debate came up in the committee, we had an answer for the Florida people.

We said, "Listen to us. Our goal is to save that natural environmental resource treasure, not to get caught between the brothers in their warfare. Save the treasure and then decide what to do with it."

But we were not heard. People had ears but they could not listen.

We said, "Would you let us try the solution?"

No; because we have emotionally made up our minds. Some were right and some were wrong, and we did not win that day.

But something happened there. Some of the distinguished Florida Members who were on one side of this issue have now begun to germinate a little idea. They want to save the treasure, because most of the Members of the House do not understand this issue. Fundamentally this property and the way the scheme is set up, it is now the cart before the horse. Florida does not have the right to make that decision unilaterally. That decision has to be made by the Congress of the United States, one way or the other. If you are going to deauthorize the land, that is a decision you must make, if that is the will of this body.

If you want to take another alternative course, that is the will of this body; but I caution you, more mistakes are made from lack of facts than from poor judgment.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

(By unanimous consent, Mr. ROE was allowed to proceed for 5 additional minutes.)

Mr. ROE. If you deauthorize that land today, you have nothing to replace it. You have no system, no matter what the State of Florida has done, because there is a reversionary clause in the agreement in the State of Florida that has to do with that land and how that land would be disposed of and in the agreement it is not that the land would be returned to the people of Florida at the price they paid for it, no way. Under the legislation that has been proposed and in the article in the Washington Post in the headline, that today the people should be recompensed at fair market value, and fair market value comes from where? Where does that money come from? It comes from an authorization of the Congress of the United States that has yet to be decided, not what you do on deauthorization.

Oh, yes, it does if that is to be replaced at fair market value. That is what part of that agreement is.

Let me finish now. I have listened to everybody here and to keep me quiet for an hour is a miracle. That is why I did not interrupt the brothers. Now, please do not ask me for time at this moment.

Now, we went behind this issue. There are two documents which are facts that I want to call to your attention. One is a coummunication that came in to our committee in the study of this issue and it came in from then Secretary Gianelli and he says as follows:

> In summary, it seems to me we are on the horns of a dilemma. On the one hand we have a one-third completed project which is not operable for its originally intended purpose and with its attendant continuing liability to operate and maintain what facilities are in place. We should try to minimize any continuing Federal responsibilities on the other hand. It seems to me that the state by virtue of its initial support for the project should have some liability towards the continuing responsibility that exists. It may be appropriate to raise the entire issue officially with the State.

Then he closes on this statement:

> I would suggest—

He is writing this to the Office of Management and Budget—

> we take no position on the de-authorization pending in the legislation in the Congress at this time.

In the report that we have that came from the Corps of Engineers, the indepth report and in the study that was made by another distinguished gentleman from Florida, there is a statement and it goes as follows:

> Current estimate of value of land, a meaningful figure is not available.

No one knows at this point what the exposure of the Federal Government is to try to make Florida whole. Nobody can tell you that. The corps cannot tell you that. I cannot tell you that. Nobody else can because there have been no appraisals made of what the cost today or what the repayment would be involved today in this overall program.

Now, there is a letter from the attorney general of the State of Florida and the attorney general writes in the State of Florida and he speaks in his letter of the problems of the court suits that are being bantered back and forth on this issue and he makes a very succinct point and if you will just indulge me for 1 minute more he says:

> Since these cases are tried—

He is talking about the Florida Power Light Co.—

> the company has filed suit in Marion County seeking to recover fee title on their land. Of this land, 3,200 acres are under or around the Lake Ocklawaha area and 5,900 acres border the Ocklawaha River in the proposed Eureka Pool.

It does not mean too much to too many, but it says:

> Unfortunately present and future recreation issues may be thwarted, first if all or most of the canal authority lands are returned to private ownership, the protection of sensitive ecological resources contemplated by the 1979 legislation or any degree or restoration will vastly complicate the system or make it nonworkable.

Now, you have been very kind to me. Now have given me more time than you should have, but let me say this to you. I am not before you as chairman of this committee as your friend to argue the issue of this barge or to argue the issue of a determination today. I am saying to the members of this committee that to vote deauthorization of this project now, and I am not judging the merits of the two positions, is to say that you throw the whole thing into chaos and what it simply means at that point, you are creating—and God forgive me, you are creating then an environmental nightmare and a lawyer's paradise and to make that mistake without a judgment having been made by the Congress of the United States in concert with Florida—yes, in concert with Florida, it is part of their land, but it should be a system that is worked out and not an ad hoc decision that is made because emotions have been running high.

And remember, more mistakes are made from lack of facts than poor judgment. I ask you to vote down this amendment.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

(At the request of Mr. HEFTEL of Hawaii, and by unanimous consent, Mr. ROE was allowed to proceed for 2 additional minutes.)

Mr. HEFTEL of Hawaii. Mr. Chairman, will the gentleman yield?

Mr. ROE. Of course, I yield.

Mr. HEFTEL of Hawaii. Mr. Chairman, as I listened to the debate, one of the first questions that entered my mind was what does it cost the Federal Government to compensate the original landowners, since the land was acquired through easement and eminent domain?

Mr. ROE. If the gentleman will yield, no one has any idea.

Mr. HEFTEL of Hawaii. I understand in the course of the gentleman's presentation the gentleman said that we do not know.

What I ask of the gentleman and of my colleagues is, how can we possibly act to deauthorize when we do not know what it may cost in zero to $100 million, $100 million to $1 billion, $1 billion to $2 billion.

Mr. ROE. The gentleman is correct.

Mr. HEFTEL of Hawaii. In Florida real estate and these thousands of acres to be dealing in billions of dollars is normal.

□ 2130

It is this that I would like to hear you address the body more extensively on so that we might realize that we must first find out more about what it would cost before we take action to deauthorize.

Mr. ROE. It is costing the Federal Government approximately $2 million a year to maintain and operate this base, No. 1. The cost of the money in interest to return to the State of Florida is $32 million. We know that.

The rest of it no one has any idea. It could be as much as $100 million.

I simply say proceed with caution and do not make this mistake until the Congress is prepared to act on the issue.

Mr. SHAW. Will the gentleman yield for one point?

Mr. ROE. I yield to the gentleman.

Mr. SHAW. I think there is one point that must be made. The flavor of the litigation, talking there about national treasures and you talk about the land, the flavor of the litigation going on now and the question people are raising in the litigation and prevailing on is that the land was taken for canal purposes and is not now being used for canal purposes. The land is being lost. It is being lost in a piecemeal fashion.

It is the right time right now, as Congressman YOUNG said, to pull the plug. Let us get this thing in the proper perspective.

Mr. ROE. I do not disagree with you. I do not think anything I have said has been in disagreement.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. ROE] has again expired.

(By unanimous consent Mr. ROE was allowed to proceed for 1 additional minute.)

Mr. ROE. I am simply saying that the methodology of deauthorization is not going to cure that problem unless you put together what we talked about in the committee once before. Put in a piece of legislation that is going to determine the relationship between the Federal Government and the State of Florida to do what you want to do.

We have been fittering and diddling in 3 years because everybody is fighting those ships through the desert. That is not going to solve the problem and deauthorizing is not going to solve the problem for you, not on the facts that we have before you. That is the issue.

Mr. SHAW. If the gentleman will yield further, since we are not going to build it then let us deauthorize it. Let us be honest about what this Congress does.

Mr. ROE. Deauthorizing it is going to throw it into chaos. I think you know that.

Mr. SHAW. Mr. Chairman, it is in chaos right now.

Mr. ROE. I understand.

Mr. MACK. Mr. Chairman, I move to strike the requisite number of words.

I want to thank a number of my colleagues for a great deal of information and a lesson that I guess I have learned through the process. I heard my colleague, BILL YOUNG, has waited 23 years to debate and vote on this issue. I have learned that Mr. FASCELL has done a great deal of work in international affairs. I have learned that Mr. CHAPPELL is an able man and has powerful friends, and I have a feeling that I am going to find that out before this program is all over. And also I have learned that my friend, CLAUDE PEPPER, for the first time is going against citizens.

But I heard a note here a little bit earlier that really struck a chord with me. My colleague, the gentleman from Indiana [Mr. MYERS] sensed some frustration about the fact that we were going to spend an hour of time talking about an issue that is very dear to the hearts of the people that live in Florida and I think it is appropriate that we take that time. I think there is a frustration, frankly, with the people all throughout the country asking this Congress to listen to what they have to say. And clearly the State of Florida is indicating that it is time to authorize this canal.

Not only the people, but the State legislature, the cabinet, and the Governor.

Let me move on to one additional point having to do with the environmental issue. We heard a little bit earlier in the discussion that the adverse environmental impacts are not so severe as to demand a decision against completion of the canal if it were economically justified by ample margin.

What you were not told is that the environment went on a little further. It is a classic case of quotation out of context.

The very next sentence of the same report reads, "However, in this case the adverse environmental impacts are determinant factors in the project's justification. When the marginal economic justification is combined with adverse environmental impacts the combined total effect does not favor completion."

Now, most of the time we are asked to make decisions in this Congress to balance environmental and economic needs. We have a classic case here where both the environmental and the economic needs are not justified.

I therefore ask you to support the MacKay amendment.

Mr. ROE. Mr. Chairman, I hope now that we have all had our chance and with the greatest of respect to all of the Members, I think all has been said, if I may say respectfully to the Members, that can be said. I hope we can get ready to vote because I see the Speaker looking over my shoulder. I think we ought to deal with this issue now.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. ROE. I did not take any time; I just made an offhand comment.

Mr. McCOLLUM. Mr. Chairman, I move to strike the requisite number of words.

Mr. EDGAR. Will the gentleman yield for a unanimous-consent request?

Mr. McCOLLUM. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I would like to ask unanimous consent that all debate on this issue end at 9:45.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Pennsylvania?

Mr. **YOUNG** of Florida. Reserving the right to object, Mr. Chairman, I reserve the right to object to raise the same point I was going to raise with our colleague, Mr. ROE. Our colleague who represents the district most affected by this has not had his time this evening and I would hope that he would have time.

Mr. **EDGAR**. I would like to amend my unanimous consent request and request that following the gentleman's comments that 5 minutes be allotted to each side to end debate on this issue.

Mr. **YOUNG** of Florida. But further reserving the right to object, the colleague that I am talking about is Mr. MACKAY.

Mr. **EDGAR**. That is the gentleman I am suggesting. I am suggesting that the gentleman from Florida [Mr. MACKAY], have 5 minutes and that the opposition have 5 minutes following the time of the gentleman in the well.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Pennsylvania?

Mr. **ROE**. Mr. Chairman, reserving the right to object, I do not want to object, but I do think we have a chairman of the subcommittee who is capable of deciding how the time, at least working with his colleagues, should be allocated. If we have a Member that is in his district and he has not had the opportunity to be heard, he certainly should get the opportunity to be heard, and I think he ought to get preferential treatment, and I would so recommend to the committee.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Pennsylvania?

Mr. **HOWARD**. Mr. Chairman, reserving the right to object, I think we are winding it down pretty much. I think that we realize we are not going to get to anything else this evening. When we do get to vote, if it is 10 minutes from now, it will take us only 5 minutes past the magic hour of 10 o'clock. I perhaps think we ought to, since we have been able to air this, to try and let it run down the best we can so that people do not feel they were unfairly shut out.

So, unfortunately, I would object.

The **CHAIRMAN**. Does the gentleman withdraw his request?

Mr. **EDGAR**. I withdraw my unanimous consent request, Mr. Chairman.

The **CHAIRMAN**. The gentleman from Florida [Mr. MCCOLLUM] is recognized for 5 minutes.

Mr. **McCOLLUM**. I do not intend to use those 5 minutes because you have heard more tonight about the Cross Florida Barage Canal than you want to hear, I am sure.

You have heard a complete history of it from A to Z, from the days back in the century gone by when it was first conceived, to who started it and who legislated it and so on. And you have heard a great division among the Florida delegation, and you have heard some national perspective. And in a few moments you are going to hear from the author of the amendment that I stand here to support tonight to strike, to end, and to finally deauthorize this Cross Florida Barge Canal.

The bottom line point of all of this, as I see it, just to briefly summarize, as a Member who has looked at this, who has lived in the area of central Florida, where this canal has come into being or started, all of his life.

The points I would like to make are very simple.

No. 1 is, as an earlier speaker said, there was a time when this canal had viability. The time for the Cross-Florida Barge Canal has come and gone. It is no longer and it has not been for many years cost effective. Nobody can foresee a day when it is likely to be.

Should ever the need arise that that be necessary, there is no reason why this Congress cannot come back and pass a new authorization bill instead of just continuing on forever on the books this particular plan, and being of great concern to many, many citizens of Florida.

Yes, the citizenry of my State has changed over the years. There are literally millions of more citizens in our State than when this canal was conceived, millions more than when it was started, and most of those people are in a part of the State, or at least perceived to be, that is potentially adversely affected.

They do not, as represented by the Members of the delegation who have spoken for the most part tonight, they do not want the continuation and the completion of this canal.

There is another point that needs to be made and the last point I really want to make. I had occasion not long ago, at the invitation of the gentleman from the district most affected by this, Mr. MACKAY, who has offered this amendment, to travel the Ocklawaha that has been discussed tonight, traveled the remainder of the Ocklawaha River, viewed the entire stretch of this canal from point A to point B to the end of it. The thing that impressed me the most about that was the fact that we have a beautiful new recreation area that under the gentleman's amendment will be preserved. I think that point has been made tonight and needs to be made. That would be preserved as a Federal national recreation area that encompasses most of what construction has been done.

□ 2140

We have unfortunately, though, a decaying environment surrounding that lake and extending into what is the river. And if the canal ever were to be completed, even if it does not follow completely the channel of that river, it would be most destructive to the long-term health and environment of that river and to the ecology surrounding it.

Oh, yes, for the short run while those particular Cypress trees die, there is a unique environment that is there, but now we ought to get to the point of looking to the future; the future is bleak for the environment and we need to deauthorize this canal for numerous reasons.

The **CHAIRMAN**. The Chair recognizes the gentleman from Florida [Mr. MACKAY].

Mr. **MACKAY**. Mr. Chairman, Members of this committee, I am the person in whose district the uncompleted portion of this canal is located. I am the person whose constituents face the environmental risk and I want to say again in all seriousness, putting aside large dreams of the future and talking about the realities of central Florida, there is a 28-mile cut proposed into the Florida aquifer, there is the USGS study from 1970 which has never been refuted or questioned, that says the interchange of water from Silver Springs alone into that 28-mile section would be 42 million gallons a day.

Now that is in a State where water quality and drinking water purity is so important that you have to get a State permit to drill a 2-inch well to put any water into the aquifer and you have to prove in the State of Florida that you are not going to degrade the quality of the drinking water.

So here we are in Washington saying to a State, "We have got evidence that 42 million gallons a day which will be coming out of an industrial barge canal is going to go into your aquifer, that is just the main drinking water supply, that is all right; we understand your policies, that is a Federal project, this is part of a federal system."

Let me just say one other thing about this vast grand intercoastal canal: There are 270 miles of missing canal, intercoastal canal, that is not yet built. The cost of that is $750 million.

Let me read you about that so you will realize what a can of worms you are being enticed to get into to fulfill someone's dream. This project would involve "carving a 12-foot deep, 150-foot wide channel across five national wildlife refuges, four State wildlife areas, two State preserves and two State protected estuaries."

Oil drilling has already been prohibited in that area. And you are proposing to fill out a missing link and the last study of that one showed, and the best study that has ever been made of that one showed a cost-benefit ratio of point 43.

This project was requested to be deauthorized unanimously by the Florida Legislature. I think it is time that this Congress respected that request.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. SHAW].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SHAW. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 201, nays 204, not voting 28, as follows:

[Roll No. 295]

AYES—201

Ackerman
Archer
Aspin
Barnes
Bartlett
Bates
Bedell
Bereuter
Berman
Bethune
Bilirakis
Boehlert
Boland
Bonker
Borski
Boxer
Brown (CA)
Bryant
Burton (IN)
Campbell
Carper
Chandler
Chappie
Cheney
Clay
Coats
Coleman (MO)
Coleman (TX)
Collins
Conable
Conte
Conyers
Cooper
Coughlin
Courter
Craig
D'Amours
Dannemeyer
Dellums
DeWine
Dingell
Downey
Dreier
Duncan
Durbin
Eckart
Edgar
Edwards (CA)
Edwards (OK)
English
Evans (IA)
Evans (IL)
Fascell
Feighan
Fiedler
Fish
Fowler
Frenzel
Garcia
Gejdenson
Gekas
Gilman
Gingrich
Glickman
Goodling
Gradison
Gramm
Green
Gregg
Hamilton
Hansen (UT)
Harkin
Hartnett
Hertel
Hiler
Hillis
Hopkins
Ireland
Jeffords
Johnson
Kasich
Kastenmeier
Kemp
Kildee
Kleczka
Kostmayer
Kramer
Lagomarsino
Latta
Leach
Lehman (CA)
Lehman (FL)
Leland
Levin
Levine
Lewis (FL)
Lowery (CA)
Lowry (WA)
Lujan
Lundine
Lungren
Mack
MacKay
Madigan
Markey
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Martinez
McCollum
McCurdy
McGrath
McKernan
McKinney
Mica
Michel
Miller (CA)
Minish
Moody
Moorhead
Morrison (CT)
Morrison (WA)
Nelson
Nielson
Oberstar
Obey
Olin
Ottinger
Owens
Oxley
Panetta
Parris
Paul
Pease
Penny
Petri
Porter
Pritchard
Quillen
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Rogers
Roukema
Roybal
Russo
Sawyer
Schaefer
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sharp
Shaw
Sikorski
Siljander
Simon
Skeen
Slattery
Smith (FL)
Smith (NJ)
Smith, Denny
Snowe
Solarz
Solomon
Spence
Spratt
Studds
Synar
Tallon
Tauke
Thomas (CA)
Thomas (GA)
Torres
Towns
Udall
Vander Jagt
Vento
Vucanovich
Walgren
Walker
Waxman
Weaver
Weber
Weiss
Wirth
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Young (FL)
Zschau

NOES—204

Addabbo
Akaka
Albosta
Anderson
Annunzio
Applegate
Badham
Barnard
Bateman
Beilenson
Bennett
Bevill
Biaggi
Bliley
Boggs
Boner
Bonior
Bosco
Boucher
Breaux
Britt
Brooks
Broomfield
Brown (CO)
Broyhill
Burton (CA)
Byron
Carney
Carr
Chappell
Clinger
Coelho
Corcoran
Coyne
Crane, Daniel
Crane, Philip
Crockett
Daniel
Darden
Daschle
Daub
Davis
de la Garza
Derrick
Dickinson
Dicks
Dixon
Donnelly
Dorgan
Dowdy
Dwyer
Dyson
Edwards (AL)
Emerson
Erdreich
Fazio
Fields
Flippo
Florio
Foley
Ford (MI)
Ford (TN)
Franklin
Frost
Fuqua
Gaydos
Gephardt
Gibbons
Gonzalez
Gore
Gray
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hall, Ralph
Hall, Sam
Hammerschmidt
Hance
Harrison
Hatcher
Hayes
Hefner
Heftel
Hightower
Holt
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Jacobs
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kazen
Kennelly
Kindness
Kogovsek
Kolter
LaFalce
Lantos
Leath
Lent
Levitas
Lewis (CA)
Lipinski
Livingston
Lloyd
Long (LA)
Long (MD)
Luken
Marlenee
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McEwen
McHugh
McNulty
Mikulski
Miller (OH)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moore
Murphy
Murtha
Myers
Natcher
Neal
Nichols
Nowak
O'Brien
Oakar
Ortiz
Packard
Pashayan
Patman
Patterson
Pepper
Perkins
Pickle
Price
Pursell
Rahall
Rangel
Ratchford
Ray
Rodino
Roe
Roemer
Rose
Rostenkowski
Roth
Rowland
Sabo
Savage
Shelby
Shumway
Shuster
Sisisky
Skelton
Smith (IA)
Smith (NE)
Smith, Robert
Snyder
St Germain
Stangeland
Stenholm
Stokes
Stratton
Stump
Sundquist
Swift
Tauzin
Taylor
Torricelli
Traxler
Vandergriff
Volkmer
Watkins
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Wilson
Winn
Wright
Yatron
Young (AK)
Young (MO)

NOT VOTING—28

Alexander
Andrews (NC)
Andrews (TX)
Anthony
AuCoin
Clarke
Dymally
Early
Erlenborn
Ferraro
Foglietta
Frank
Hansen (ID)
Hawkins
Loeffler
Lott
McDade
Mrazek
Robinson
Rudd
Schulze
Sensenbrenner
Shannon
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Mr. RAY, Mr. FORD of Tennessee, Mrs. KENNELLY, and Mrs. HALL of Indiana changed their votes from "aye" to "no."

Mr. MARTINEZ changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. DAUB. Mr. Chairman, I rise in strong support of H.R. 3678, the Water Resources Conservation, Development and Infrastructure Improvement and Rehabilitation Act of 1984, and the committee substitute amendment thereto. I wish to congratulate and commend our chairman, Mr. HOWARD, subcommittee chairman, Mr. ROE, ranking members, Mr. SNYDER and Mr. STANGELAND, and my colleagues on the committee for their outstanding effort in developing this comprehensive and long-awaited package, and I ask permission to extend my remarks and to have them appear in full in the RECORD at this point.

I am pleased to call attention to several accomplishments in this legislation. The minimum 25 non-Federal cost-share requirement established in H.R. 3678 takes us in a necessary direction, given present-day budget constraints and controversy between environmental and developmental interests. It is my hope that we will proceed further in this direction and at some point begin to require up-front non-Federal cost-sharing, as a significant way in which to mandate localities to achieve a consensus on projects—with sufficient local support—prior to coming to the Federal Government for funding. Not only would it be more cost effective, but it would greatly reduce the incidence of litigation over water project development.

Although concerns have been expressed over funding levels in this measure, it is important to point out the Corps of Engineers spending over the last 15 years has dropped 70 percent, not the mention to drop below operation and maintenance spending levels for the first time, in fiscal year 1984.

I would like to add my special appreciation for the efforts of my colleagues on the committee to assist me in providing desperately needed flooding and streambank erosion control funding and authorization for residents in my district and other parts of Nebraska. This legislation comes at a time when my constituents are enduring some of the most devastating flood and storm damage experienced in 30 years. Although a great deal of damage has already occured, it is only through this legislation that repair and rehabilitation will commence on areas which have been sorely neglected, and without which, many of my constituents would have little hope for future protection from future destruction to their crops, homes, businesses, and communities. Funding under these provisions will provide long-term streambank stabilization and erosion control along the Platte River, its tributaries, the Elkhorn River, and Elm Creek. These provisions have been carefully arrived at with the support and concurrence of the entire Nebraska delegation in the House of Representatives.

Once again, I thank my colleagues for the support and guidance in developing this provision, at such a critical time for the residents of Nebraska.

Mr. BEREUTER. Mr. Chairman, I rise today in support of H.R. 3678, the Water Resources Conservation and Infrastructure Improvement and Rehabilitation Act and the committee's amendment. I ask permission to revise and extend my remarks.

Mr. Chairman, I wish to thank the Public Works and Transportation Committee and the Subcommittee on Water Resources for their work on this bill. In particular, I wish to thank my colleagues from Nebraska, HAL DAUB and VIRGINIA SMITH and their staff for their assistance and cooperation in drafting an amendment which has graciously been accepted by the committee. The Nebraska amendment will provide much needed relief from high water and flooding for the citizens of Nebraska.

As you may know the Platte River runs the entire distance across the State of Nebraska and is again this year experiencing high water due to massive snowmelt in the Rocky Mountains and above-normal, heavy rainfall within the State. The high water and subsequent flooding have caused damage to homes, businesses, and cropland in the communities and on the farms throughout the Platte River Valley in Nebraska.

The committee's amendment provides $25 million over a 5-year period for flood control and bank stabilization demonstration projects along critical stretches of the Platte River and its tributaries which each year are prone to flooding. In my State, the U.S. Soil Conservation Service, the natural resources districts, and the local dike and drainage districts have, for many years, all too frequently been required to battle the flooding problems and pursued bank stabilization work on a piecemeal or patchwork basis. The resources of many NRD's and dike and drainage districts have been inadequate or inadequately applied. The flood damage to dikes, levees, and bank stabilization structures in many areas is now so severe that the agencies responsible for maintaining these structures have neither the adequate tax base, nor sufficient resources on hand, to properly or permanently repair these structures.

Because of the high water, the bank erosion along several stretches of the Platte and Elkhorn Rivers and a tributary, the Salt Creek, has become more severe this year. Many of these stretches are seriously destabilized due to the bank erosion and improperly constructed bank stabilization structures. As the river begins to change its course in one area it creates a "billiard ball" erosion effect on other stretches of the riverbank downstream. In areas where serious bank erosion has occurred, homes have been swept into the river, businesses have been placed underwater, and thousands of acres of crop land have either been lost or placed underwater.

The farmers in Nebraska have been particularly hard hit again this year. The problems they already face with high interest rates, low commodity prices, and declining farm land values are only being complicated by the high water and flooding problems. Many farmers in Nebraska this year will not be able to plant their crops at all because of the floodwater which still covers much of their fields.

The Nebraska provisions as included in the committee's amendment will finally permit the Corps of Engineers and it will encourage State and local agencies to take a comprehensive look at the flooding and bank stabilization problems along the Platte River and especially its major tributary, the Elkhorn River. The funds authorizied in this bill will be used to provide permanent rehabilitation and reconstruction of flood control and bank stabilization structures along the Platte River and its tributaries. Hopefully this will result in a comprehensive more effective approach to dealing with the flooding and bank erosion problems in Nebraska.

I appreciate the support of my colleagues on the committee's amendment.

● Mr. LAFALCE. Mr. Chairman, I rise in support of H.R. 3678 and the amendment offered by the Committee on Public Works and Transportation. I will address my comments, however, to several provisions which I believe are of particular importance to my constituents.

Too often, recreational dollars—money spent by tourists and sports enthusiasts—are dismissed as inconsequential in comparison to the business and private sector dollar for which every region of this country competes. Unfortunately, if a community anchors itself to a particular business or industry to stay afloat, and economic difficulties force the business to either sink or relocate, the effect on a community can be devastating. Portions of my district have had to learn this the hard way. Our region is not learning that dollars spent by fishermen and tourists, "recreational" dollars, can keep struggling communities above water.

An entire lake harbor community can be stimulated from the money poured into boat sales and rentals, charter activity, fishing equipment, licenses, fees and bail. The demand for secure, accessible harbors has increased dramatically in recent years. For example, in 1955, there were 20.8 million fishermen in this country; this number doubled to 41.9 million by 1980. The total number of days spent fishing increased from 4 million in 1955 to over 1 billion in 1980. Each day spent fishing translates into dollars for harbor communities which support the fishing industry. According to a study conducted by the U.S. Fish and Wildlife Service, roughly 3 million fishermen fished the Great Lakes in 1980 and spent $373 million on food, lodging, and transportation in towns and villages.

Closer to home, these figures can be significant. For example, in Niagara County on Lake Ontario alone, $2.6 million were derived from the sports fishing industry in 1982. By 1985, this figure is expected to quadruple to over $10 million. In neighboring Orleans County, the Empire State/Lake Ontario Trout and Salmon Derby held in 1980, resulted in $274,980 for the county's economy. The vital role played by the tourist, pleasure boating and fishing industries cannot be underestimated.

A plentiful supply of fish and safe, accessible harbors are the magnets which attract recreational dollars to harbor communities, and are often taken for granted. No one enjoying a pleasant outing on the waters appreciates that the voyage is possible only because the channels and harbors are properly dredged and maintained. Historically, the Federal Government has assumed the responsibility for ensuring safe and easy access to waterways. When funds for such projects are depleted, and dredging in harbors is neglected, the result can be most harmful. This is what has happened in my district, specifically in Wilson, Olcott, and Oak Orchard harbors on Lake Ontario.

In all three harbors, the depth of the water has become dangerously low, to the point where boat groundings and injury are common. Sailing vessels are bogged down in channel entrances, and become trapped in water which can be as low as 1½ feet, and which averages 5 to 6 feet in harbors intended to be 10 to 12 feet deep. The immediate dangers are clear. Perhaps less apparent are the potential side effects on the already depressed local economies of upstate New York along Lake Ontario. The promotion of sports fishing and other water activites may be the last hope for towns plagued by the flight of their local industries to the sunbelt.

Mr. Chairman, I don't need to say what the loss of the "recreational" dollars would mean to these areas. But that is exactly what would result if the harbors remain unsafe and inaccessible, and the supply of fish in this portion of Lake Ontario is not kept constant. That is why I am urging my colleagues to support both H.R. 3678 and the committee amendment, which provide for dredging in Wilson, Olcott, and Oak Orchard Harbors. Passage of these provisions will restore safety and free access for pleasure seekers and sports fishermen on Lake Ontario.

Another needed shot in the arm for these shoreline communities is the creation of an artificial reef off the coast in Lake Ontario. Water pollution and a number of other factors have contributed to the serious decline of fish in Lake Ontario. Towns on the lake like Newfane, NY, are attempting to ensure a constant supply of fish in the region.

This amendment has the support of the U.S. Fish and Wildlife Service, the New York State Department of Environmental Conservation, and the local scientific community. The reef would be an effort to introduce to the lake species of fish no longer in the lake, or which are needed for ecological balance. It will trigger the regeneration of trout, cohoe, and salmon and will benefit the local economy as recreational dollars pour into the area.

Also included in the bill is a section which is of utmost importance—the historical New York State Barge Canal. Today, the canal plays a vital role in the lives of countless New Yorkers and tourists from other States. The canal is the only inland waterway in the country which is not financially supported by the Federal Government. Currently, the canal faces serious deterioration. The Army Corps of Engineers has expressed concern that if the deterioration continues at the present pace, the canal may have to be closed for commercial use in this decade. This would be a tragedy, not only for businesses which use the canal for commercial shipping, but also for the communities which border the canal and rely on canal-related businesses. Section 1136 of H.R. 3678 authorizes the Federal Government to pay for 50 percent of the costs of rehabilitating and maintaining the canal. This section is essential for the continued vitality of this great inland waterway, which otherwise will face extinction if the Federal Government fails to assume its responsibility.

Mr. Chairman, for these reasons, I strongly support the bill in its entirety and the committee amendment, and urge each and every one of my colleagues to do likewise.●

● Ms. FERRARO. Mr. Chairman, I rise in strong support of H.R. 3678, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act. This complex and important piece of legislation is the product of more than 3 years of extensive hearings by the Water Resources Subcommittee. I want to commend and express my personal thanks to the chairman of the subcommittee, the gentleman from New Jersey, and the ranking minority member, the gentleman from Minnesota, for bringing forth a bill that contains major reforms in water resources policy and enjoys broad, bipartisan support.

Let me touch on just a few features of the bill that I think are particularly significant. For the first time, the legislation provides Federal assistance for the purpose of rehabilitating and reconstructing our Nation's existing water supply systems. That many of these systems are old and deteriorating is now well known. But many communities are unable to finance necessary improvements to their water supply systems because of high interest rates. The bill before us provides for loans to finance up to 80 percent of the cost of an approved water supply project. It's important to stress that these are loans, which must be paid back, with interest, over the expected life of the project.

This program will be of tremendous value in the older areas of our country where the water systems, typically, were built 75 to 100 years ago. In this connection, I am especially pleased that New York City's massive third water tunnel and Buffalo's water supply system are among the projects specifically authorized to receive loans under title VIII of the bill.

Mr. Chairman, the Water Supply Loan Program is also significant because it reflects a long overdue policy shift. For many years, Federal capital programs have been criticized for their strong bias in favor of new construction. With this program, we are acknowledging the importance of maintaining and upgrading facilities that are already in place.

H.R. 3678 contains a number of other innovative and progressive features. The Environmental Protection and Mitigation Fund will provide financial resources that can be used before a project's construction to minimize any adverse environmental impacts upon fish and wildlife.

I also believe it is significant that the bill deauthorizes more than $11 billion of dormant Corps of Engineers' projects. The committee carefully considered the corps' backlog of unconstructed projects, many of which are either obsolete or have serious environmental shortcomings. With this deauthorization, the committee has reaffirmed its commitment to a project selection process that takes into account contemporary social and environmental considerations.

Finally, as a Member from New York, I would be remiss if I did not mention the port development provisions in the bill. Title I authorizes six deep-draft navigation projects—including New York Harbor and adjacent channels—and 29 projects for the improvement of general cargo ports, 4 of which are for the Port of New York and New Jersey. I think it is noteworthy that the deep-draft projects require local interests to bear 50 percent of the project costs. I am also pleased with the provision that would allow ports to expedite a project by proceeding on their own to design and construct the improvement, with the hope of subsequent Federal reimbursement.

Mr. Chairman, it has been 8 years since Congress passed a water authorization bill. Today we have the opportunity to enact a bill that incorporates significant improvements in national water policy.

I strongly urge my colleagues to support this vital piece of legislation.●

● Mr. SAM B. HALL, JR. Mr. Chairman, the authorization bill before the House represents a tremendous effort by members of the Public Works and Transportation Committee to give the American people a comprehensive water development policy on a national basis. Chairman HOWARD and Chairman ROE, other full committee and subcommittee members, and staff have worked long and hard on this legislation. They have taken one of the most complex and, indeed, critical issues facing the American people—water resources—and fashioned a piece of legislation that will help guarantee adequate water supply into the next century. The entire committee deserves our thanks, appreciation, and admiration.

I am very pleased that the committee has addressed in a forthright, in-depth manner the Cooper Lake and Channels Project in my congressional district. For some 13 years this vital project has been delayed to the everlasting dismay of literally hundreds of thousands of people in northeast Texas whose future water needs are dependent upon its successful completion.

One Federal district judge has singlehandedly held up Cooper on the basis that it contained an inadequate environmental impact statement. Literally millions of dollars have been spent to satisfy his objections but to no avail, and the entire matter is now before the Fifth Circuit Court of Appeals. Oral arguments have been held before the fifth circuit, and we are now awaiting a decision on whether work on the project can proceed.

It is good to know that the committee has taken a stand in its report language to the effect that authorization of the mitigation plan, which was the subject of the original enjoinment by the district court, is appropriate at this time in order to avoid any further delay once the injuction is lifted.●

● Mr. WILLIAMS of Ohio. Mr. Chairman, a recent headline in the Youngstown Vindicator read "Officials Fail to Convince Residents of Milton Dam Safety." This is but one of the many headline stories dealing with an important issue in my congressional district—the safety of Lake Milton Dam. Many newspaper stories and public meetings on this issue have prompted concern and fear among area residents. The scenario sounds all too familiar to them—meetings, reports, and continued discussion on a situation which has been escalating for years, while in the meantime, Lake Milton Dam sits deteriorating with no action being taken to avert a possible disaster.

A study of Lake Milton Dam was authorized by the Committee on Public Works of the U.S. Senate by a resolution adopted on December 11, 1971. The study was with regard to the need for repair, modification, or replacement of Milton Dam and Reservoir, Mahoning County, OH.

The preliminary draft report for the study was completed in December 1979. The final report, dated February 1980, was submitted to the proper authorities for review and approval. The office of the Chief of Engineers of the Army Corps of Engineers transmitted the report concurring with the study findings to the Secretary of the Army for appropriate action. The Milton Dam report, responsive to the study resolution, was submitted to Congress by the Secretary of the Army on November 2, 1982.

Attention and concern over the safety of Lake Milton Dam emerged years ago as an issue of importance to the residents of the Mahoning Valley. The issue has become increasingly urgent over the years, gaining increased attention from local residents, and from me as their representative.

Now, I stand before you and ask that the results of the studies, meetings, and reports be acted on immediately. We have the opportunity to authorize funds to the city of Youngstown so that the necessary repairs to Lake Milton Dam can be made.

Mr. Speaker, almost every major dam collapse since 1972 has been preceded by warnings about the dam's safety coupled with inaction by government officials to force corrective actions. Let us heed the warnings and take the necessary action to avert a disaster.

I strongly urge my colleagues to support the committee amendment to H.R. 3678.●

● Mr. LUNDINE. Mr. Chairman, I rise in support of the bill as amended by the Roe amendment. This is the first major authorization for water projects we have had before us for close to a decade. Many worthwhile projects have been delayed for lack of an authorization which would allow them to proceed. While these projects can range from flood control to shoreline protection, today I would like to talk about what I feel is one of the key benefits of a water project in my district: employment.

The city of Dunkirk, located 40 miles southwest of Buffalo on the shores of Lake Erie in New York State, is a prime example of the uneven distribution of our country's economic recovery. While Dunkirk is surrounded by an agricultural economy, the city is heavily dependent on its industrial and manufacturing base. Dunkirk is still suffering the severe economic and financial stress which characterized the national economy until this year. Three specialty steel firms, the backbone of the local economy, are operating at 35 percent of capacity and have permanently laid off 61 percent of their workforce. Earlier this year a smaller specialty steel plant employing 165 workers closed permanently. Most importantly, the city of Dunkirk is presently suffering from an extremely high unemployment rate of 30 percent. This is over 200 percent higher than county, State, and national averages. The reported national economic recovery has not been felt in Dunkirk.

City finances reflect the eviscerated local economy. As is true with many of our Northeastern industrial cities, Dunkirk revenue sources are severely strained. Property taxes have been raised 20 percent; utility revenues are down 20 percent; the city's share of State sales tax receipts declined by 41 percent; New York State aid is down 49 percent. To add to Dunkirk's problems, the city's bond rating dropped from an A to a Baal due to its static tax base. These statistics paint a picture of a city whose continued economic and social viability is threatened.

The city council, realizing that job creation and economic development are absolutely essential to the survival of Dunkirk, has embarked on an aggressive campaign to expand the economic base of the city. One of the major components of this jobs creation strategy is development of the Dunkirk Harborfront. Over 85 percent of the current users of Dunkirk Harbor are from outside the general Dunkirk area, so that the harbor is in fact a regional facility, complementing Buffalo's various waterfront development projects. Dunkirk can begin the road to recovery with this project. The Dunkirk Harborfront Development Program will create close to 800 construction and permanent jobs as well as contribute $340,000 in new revenues for the city, which has an annual budget of only $7 million.

After 4 years of work, over $8 million has already been spent for various improvements to the harbor and the city is coordinating further phases of public and private investment in the program. With a $5.6 million contribution, the city plans to leverage over $22 million in private investment. The key project which will enable this public-private partnership to work is the dredging of Dunkirk's inner harbor; $2.3 million is contained in the bill we have under consideration which would allow the Army Corps of Engineers to perform this critically needed task. This is certainly a project worthy of Federal support. We are helping to stimulate investment of private funds which will generate sustainable private sector jobs in a critically depressed city. More importantly, we are investing in the future of a city and its people.

I am sure that many other projects are equally worthwhile and merit our support. I therefore urge the passage of H.R. 3678.●

Mr. ROE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. SAM B. HALL, JR., Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3678) to provide for the conservation and development of water and related resources and the improvement and rehabilitation of the Nation's water resources infrastructure, had come to no resolution thereon.

MAKING IN ORDER CONSIDERATION OF AT ANY TIME ON TOMORROW OR ANY DAY THEREAFTER CONFERENCE REPORT ON H.R. 5174, BANKRUPTCY AMENDMENTS OF 1984

Mr. RODINO. Mr. Speaker, I ask unanimous consent that it shall be in order any rule of the House to the contrary notwithstanding to consider the conference report to accompany the bill H.R. 5174, the Bankruptcy Amendments of 1984, at any time on Friday, June 29, or any day thereafter, and that any points of order against the conference report be waived, and that the conference report be considered as having been read when called up for consideration.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

Mr. McCANDLESS. Mr. Speaker, reserving the right to object, for the record, the conferees on this side of the aisle are in accordance with the illustrious chairman in his request.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER. It will be on the calendar for tomorrow.

PERMISSION FOR COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT TO HAVE UNTIL 5 P.M., JULY 20, 1984, TO FILE PRIVILEGED REPORT IN THE MATTER OF REPRESENTATIVE GEORGE V. HANSEN OF IDAHO

Mr. STOKES. Mr. Speaker, I ask unanimous consent that the Committee on Standards of Official Conduct may have until 5 p.m., on July 20, 1984, to file a privileged report in the matter of Representative George V. Hansen of Idaho.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

POPULATION—THE U.S. ROLE

The SPEAKER. Under a previous order of the House, the gentleman from Michigan [Mr. Levin] is recognized for 60 minutes.

Mr. LEVIN of Michigan. Mr. Speaker, I have taken out this special order in order for us to talk tonight about international population programs and U.S. assistance thereto.

I. OVERVIEW

Mr. Speaker, population issues are inviting targets for extremist positions. They can raise emotions easily.

In the population field, public policy involves itself with intimate human behavior and values—reproduction, family size, sexual behavior, and male/female roles. Also involved are linkages to other critical societal issues, including food and natural resources.

Adding to that inflammatory mix since World War II has been the fact that the unprecedented high population growth has occurred in nations once held as colonies, thus generating factors of race and nationalism.

The reactions in industrialized nations to post-World War II population growth followed a number of themes. Some focused on the impact of such growth on the individual family and the likely impact on a particular nation's economic development. There were other voices with a more Malthusean ring. Perhaps believing that action required shock treatment, some modern commentators in the West issued new warnings of immediate, dire consequences, there was "famine—1975" by the Paddocks with its claim of pending perpetual famines across China and the Indian subcontinent and its advocacy of triage, and the widely read "population bomb" of the Ehrlichs, with its advocacy of "coercion perhaps, but coercion in a good cause."

At times as a result, during these earlier years of debate and action on population issues, the needs of individual families and specific developing nations were lost in the shuffle of dire predictions, frustrations with the slow fact of response in developing nations and the appeal of simple prescriptions with quick remedies.

At the 1974 Bucharest World Conference on Population a clash occurred between representatives of developing and developed nations. As it was portrayed in the media, developing nations proclaimed that the solution to rapid population growth was more rapid economic development and Western nations argued that the solution was "the pill." These descriptions were in part caricature, but were accurate enough that both sides, having flirted with an extreme position, went home from Bucharest to reject it.

Bucharest turned out to provide, therefore, not only clash but catharsis. The United States and some other industrialized nations which criticized the developing countries' emphasis at Bucharest on economic and social development, went home to give international population assistance programs a clearer development focus. And some developing countries which criticized the emphasis by Western nations on family planning went home and began to emphasize family planning.

As a result of this post-Bucharest activity, through much trial and error, a consensus began to emerge among industrialized and developing nations.

High-population growth represents a major barrier to general socioeconomic development in many developing countries; or to put it another way, general economic development and the rate of population growth can vitally affect each other;

As a result, population and other development programs need each other;

The extent of the need and the kinds of interrelationships vary from nation to nation;

Reducing population growth rates is therefore far more than a question of dissemination of contraceptive technology and information, but cannot occur without them, or will occur far more slowly.

Beginning in 1981, 15 years after the Paddocks and Ehrlich raised Malthusean echoes, there began to be heard more loudly voices with a different brand of extreme and rigid message. Far from being the answer to poverty, they said, population programs are a dangerous fraud. The target of their attack was the evolving consensus on population issues between north and south.

This challenge has now emerged in the draft of a proposed U.S. position paper for the August international population conference in Mexico. The attack is based on three arguments:

The period of high population growth rates is ending, whatever the pattern of the last three decades;

There is no real evidence that high-population growth rates are handicapping the developing countries in their struggles for economic progress, nor is population pressure threatening the global environment;

Even if industrialized nations ought to assist population programs in developing countries, they are improperly imposing population control on the people of the developing world; each is a myth.

II. MYTHS

MYTH NO. 1

It is true that birthrates are dropping in many developing countries. Those who dispute the continuation of high-population growth rates cite drops in birthrates in China, Indonesia, India, and Egypt, among other places. But this tells only half the story. Their statements often fail to take into account falling death rates, largely the result of better education, higher food production, and better health. In many of the developing countries, death rates are falling faster than birth rates, so, for example, the overall population growth rate today in Egypt is close to 3 percent per annum, compared to 2.5 percent in 1966. While the population growth rate trend for developing countries as a whole is down if China is excluded, it is only slightly so overall: From 2.45 percent per annum in 1965-70 to 2.36 per annum in 1975-79. Change is real, but the problem remains.

The Joint Economic Committee recently considered the situation of young adults, those who will be 20 to 40 years old in the year 2000. They have been born already, so we can speak of them with certainty. They will need jobs. They are mobile. Satisfaction or frustration of economic expectations within this age group can affect political stability. Between 1980 and 2000, the developing countries will see the number of young adults increase by more than 630 million; the developed countries will experience an increase in this age group of nearly 20 million. During the preceding two decades the corresponding figures were 350 and 60 million. People in developing countries are seeing and feeling the impact of this burst of population in their own lifetimes. Their national leaders are already facing the problems of the next generation. They must deal with the whole story. If we are to understand their dilemmas, we cannot indulge a partial, rosy view.

MYTH NO. 2

Attacks on the linkages between population growth rates and levels of economic development often rest on theoretical arguments about likely patterns in the very long run—over 100 years. In the long run, they say, populations reach equilibrium levels. In the long run, they say, as opportunities and the standard of living rise, the birth rate falls. In an era where the predictions of economics often fail within a year, can we put much faith in predictions about 100 years from now? More importantly, what about the next 20 to 30 years—the focus of development issues an programs? Can we await and accept the historical forces that limit population growth: whether overall socioeconomic growth, social disorder, disease, famine, death? Are we to embrace triage where standards of living cannot rise in the face of rising populations, in Bengal, in Bihar?

These new extremists may be vocal, but among their professional colleagues they are not persuasive; they are an isolated, small minority.

More important, their arguments ignore the practical conclusions reached by leaders of a wide variety of developing countries about the expected effects of rapid population growth in their own countries—in their lifetimes. These leaders and their citizens must bear the consequences of the policies we debate. Officials from countries as diverse as India, China, and Indonesia in Asia, Jordan, and Egypt in the Mideast, Kenya in Africa, and Peru in Latin America, have concluded that rapid population growth is a barrier to national economic development.

> A big population without the ability or possibility of heightening the people's prosperity, in fact, becomes a burden to society and it may cause disaster to successive generations.—President Soeharto, Indonesia.

The current controversy within the administration echoes debate at Bucharest. As mentioned earlier, in simplistic but dramatic terms, the debate was described as "Development Versus the Pill." At that time, the United States was seen as too narrowly focused in widespread supply of contraceptives. The developing countries emphasized the need for more aid and investment to accelerate economic development. The lesson from Bucharest was captured by an early and lofty pioneer in the field, John D. Rockefeller III. In his speech at Bucharest, he said:

> Rapid population growth is only one among many problems facing most countries * * * it is a multiplier and intensifer of other problems rather than the cause of them * * * reducing population growth is not an alternative to development, but an essential part of it for most countries. And motivation for family planning is best stimulated by hope that living conditions and opportunities in general will improve.

The draft position paper prepared in the White House for Mexico City throws us back to Bucharest with an ironic switch: the United States would embrace the position in Mexico taken by some Third World nations at Bucharest—leave it to economics—a position since rejected by most of these nations.

MYTH NO. 3

A line of attack on U.S. population programs increasingly heard these last few years is that they "clearly had gone beyond simply offering other countries material and information assistance * * * the U.S. aims to bring people in other countries to want the fertility that we think they ought to want."

It is true that in the 1960's and 1970's the impetus for action on high-population growth rates in LDC came more from nations of the north than the south. Several factors in developing countries during the 1950's and 1960's worked against their own recognition of the problems stemming from high population growth: First, the post-World War II period coincided with the early years of independence for most developing countries and massive malnutrition in most; second, the desperate need to build infrastructure and increase food production overshadowed concern about long-term population growth; third, cultural and religious factors also operated to discourage the development of national programs to reduce population growth; fourth, large families were a time-honored tradition among the most rural populations of less-developed countries. As of 1975, only a few developing countries had articulated policies embodying concern for the population growth rates within their nation—although it must be remembered some developing nations—notably South Korea, Taiwan, and Singapore adopted national policies in favor of reduced population growth rates and created programs to lead in that direction.

In the United States there were factors working in favor of recognition of and action on the international population issues: First, the successful battle for freedom of access to contraception; second, the revolutionary breakthrough in contraceptive technology, the pill; and third, the existence of institutions such as the Rockefeller and Ford Foundations with the interest and funds to help spark inquiry and activity in the field of population. As a result, there was a corps of people, especially in the United States, trained and energized by successful domestic efforts, armed with new technology, and supported by major private technical and financial resources.

To their important credit, in my judgment, these forces helped break the barriers of ignorance and inertia. Too often, in my judgment, some worshipped too rigidly at the altar of new technology and were sometimes insentitive to the importance of the social and cultural content of other nations, and the complexity of human behavior and the centrality of individual choice.

The key point here, conveniently ignored by latter-day critics, is that the late seventies saw rapid and fundamental changes in the population approach taken by industrialized and by many developing countries. By 1980, the number of countries with population programs in operation had doubled, and perhaps even tripled.

The most successful family planning programs have been rooted in a country's vision of its future and the desire of its families to control their own destinies. In Indonesia, a strong Presidential commitment to population planning was followed by a new program based in the villages. U.S. aid made an important contribution, but the Indonesian program is the product significantly of Indonesian creativity, building upon a village system several thousand years old and highly specific to Indonesia. The hallmark of the Indonesian viewpoint is concern with family welfare. The village family planning network teaches about maternal and child health care, better nutrition and seeks ways to increase women's income. Primary level education and literacy, which show a strong relationship to decisions for smaller families, have been given first priority in the national development budget. The Indonesian investments in education, to achieve broad social and economic development objectives, enable the self-determined choices needed for continuing success with family planning. And for most families the choices are clear; 2 million new entrants to the labor force each year means jobs will be hard to find. Migration from Java to sparsely populated outer islands is too expensive for more than a small number of families. Four of five children in a family at the subsistence margin severely limits prospects for the future. In Indonesia, family planning is woven into socioeconomic development in ways that could not have been caused by outsiders. In brief, today the impetus for developing countries' programs to enable smaller family size emanates vitally from those countries.

III. WHY THE ATTACKS

Why, in view of these realities, the renewed assault on U.S. international population assistance?

First, the critics seem to see an opportunity to attack government planning in the developing countries. They define the problem as economic statism, the "pathology" of governmental control of economics. They suggest that since the population problem is not the cause of poverty, leaders in developing countries must be using rapid population growth as an excuse, an explanation for poverty which is due to their bad policies.

There is no question that LDC government economic policies have been in many cases one source of failure to reduce poverty. But this is not a new revelation or position of the U.S. Government. For a number of years, the State Department and AID have acted upon the policy that "sound economic policies and freeing of individual initiative" are fundamental. Must we once

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again get caught up in a fallacious and erroneous either/or position: Family planning or economic development. Only these new prophets see the choice in such terms.

Second, many of these critics have been involved in the arguments over limits of natural resources. They reject the limited resources argument of the Club of Rome and the Global 2000 report, dismissing them as a "wave of cultural anxiety." Once again, U.S. assistance to LDC population programs is in danger of becoming a magnet for debate over related but extraneous issues. One can reject "doomsday scenarios," without denying the need to conserve resources. In any event, population growth issues involve policy dilemmas facing the developing nations now and in the foreseeable future. If the developing world pulled back from the family planning effort, the resulting population growth would most certainly test the critics' hypotheses about the abundance of resources. But at whose expense? If these hypotheses are wrong, it will be at the expense of people now in the developing countries, and their future generations. We must avoid the lures of extremists on these issues.

Third, some critics apparently are motivated by their strong feeling against abortion. I respect those views. But it is unwise and unjustifiable to project that issue willy-nilly into the arena of international population assistance. Current U.S. policy prohibits use of U.S. funds for abortion or abortion-related activities. That policy has been vigorously and faithfully implemented by AID. I can say that firsthand as to the years 1977-81 when I was Assistant Administrator of Aid in charge of the Bureau which housed the population office. The same has been true, as far as all available evidence, of this administration.

It is being urged by some that while there is no direct U.S. assistance to abortion-related activities, there is indirect aid because moneys are going to organizations, including UNFPA, which provide assistance to countries that carry on abortion programs. There has been specific reference to UNFPA programs in China.

I believe it is legitimate, indeed vital, to discuss the approach being used in China. It clearly contains coercive elements. The United States cannot and should not assist coercive components in any program, in China or anywhere.

UNFPA money is not being spent on abortion programs in China.

Should we cut off assistance to UNFPA because it is providing moneys for other components of Chinese programs?

There are some thorny issues and interrelated concerns involved here, which won't be helped by facile rhetoric. There are some difficult, careful choices to be made. Should President Reagan have spoken out, publicly or privately, on this issue when he was in China several months ago? If China is to develop alternative ways to encourage smaller families, without coercion, without compulsory abortion, the experience and resources of the United Nations could be helpful. Certainly, a withdrawal of UNFPA funds will only assure continuation of present policies. As Robert McNamara has argued, when rates of population growth are too far out of balance with rates of social and economic advance, individual families will move to higher levels of abortion, particularly of female fetuses, and higher rates of female infanticide. It is especially wise to provide families means of birth control other than abortion.

IV. CONCLUSION

As I think about current U.S. policy, policy honed by experience and hard-fought battles in north and south, I am puzzled by the charges of new critics. In these attacks, the critics are entangled in serious inconsistencies. They say there are no simple answers, yet they propose one to the developing countries: "Get your economic house in order, and all other problems will be taken care of." They allege that the United States was trying to force its views on others, that U.S. population policies are "culturally elitist." But some would impose a rigid set of economic policies on the international population efforts, and use U.S. assistance as leverage on the abortion policies of other nations.

As we approach the International Population Conference at Mexico City, needing to build on the hard-won consensus on population growth issues, we must go beyond arguments that are a throw-back to Bucharest. There are outstanding key, quite specific issues. It has seemed to be they should be the focal point of discussion at Mexico City and thereafter. They include decisions about voluntary versus compulsory approaches to family size limitation, and the use of incentives and disincentives; contraceptive safety; the allocation of responsibilities for population within the government agencies of developing countries, whether to an existing agency such as the Health Ministry or to a separate unit for population activities; the impact of one-child families on the individual child and family and the society at large; the extent of need for new contraceptive research; bilateral versus multilateral management of resources, and the level of resources available to LDC population programs.

The adequacy of resources allocated to population programs is, indeed, a critical issue. Throughout most of the 1970's, resources often matched, or came close to matching, the funding needs of sound project proposals. But by 1980, a significant gap had opened. AID population funding had leveled off, as part of a general leveling of development assistance, just at the time more developing countries began undertaking major population programs, including the populous countries of China, India, Bangladesh, Egypt, and Mexico.

A Member of the Senate has described the NSC draft statement for Mexico City as "candid, optimistic, humane, sensible, unafraid to challenge time-worn shibboleths." I believe the contrary is true. The draft statement distorts facts rather than helping to understand the real options for developing countries; it adopts a pollyanna view rather than optimism based on experience; it invokes what are said to be humane principles but ignores the human condition of millions of individual families; it is senseless in its promotion of rigid theories; and in the guise of challenging time-worn shibboleths, it attacks strawmen and posits a new set of shiny, simplistic half-truths.

It is essential that our Nation do much better between now and August.

● Mr. PORTER. Mr. Speaker, I would like to present my testimony before the Subcommittee on Census and Population. I wanted to commend the chair, the Honorable KATIE HALL, for holding this very important hearing today on the draft White House position paper to be presented at the United Nations Conference on Population and Development to be held in Mexico City this August. I appreciate the opportunity to testify before the subcommittee.

I think it is very important that the Congress lend a critical eye to the policy position taken by the U.S. delegation at the Mexico conference. The paper presented by the delegation will define U.S. policy on voluntary family planning to the other nations from around the world that will participate. The United States has long been a leader in the promotion of voluntary family planning programs that have improved the quality of life for families in numerous countries who can now make choices on when they want to have children. Should this White House draft position paper become Federal policy it could result in the curtailment of as much as $100 million of the current U.S. foreign assistance commitment in this area. The message contained in the final paper is critical to the success of voluntary family planning efforts all over the world. To send the message contained in the draft paper before us would be a serious mistake.

I would like to discuss two issues that are raised in the paper. One is the question of voluntary family planning efforts and economic growth, and the other is the question of the U.S. role in supporting governments with family planning assistance when they

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may offer abortion as part of a population control program.

On the question of economic growth, I am one who sees voluntary family planning efforts and economic growth initiatives as concepts that work quite well together. The draft paper from the White House seems to disagree with that notion. Yesterday I sponsored a briefing where representatives from the Population Association of America, the association of the Nation's professional demographers, came to discuss this very issue. One of the presenters, T. Paul Schultz, the Malcolm K. Brachman professor of economics and demography at Yale University and director of Yale's Economic Growth Center, made some comments that are appropriate here.

The paper makes a statement that population density may actually be a good thing as it concentrates the need for both human services and technology. Mr. Schultz countered by noting that in earlier periods, low population density may well have created a limitation to economic growth. However, he went on to state that:

> There is virtually no scientific evidence to suggest that greater population density would be of economic value in the majority of low income countries that contain the bulk of the Third World's population. Nor is there any accepted evidence for believing that growth in the size of the population, by merely expanding the numbers of consumers in the market, will create significant economies of scale for nations today.

The paper credits oppressive Government economic policies as the real threat to those who would otherwise work, save and invest; and the real cause of joblessness. The paper makes assertions that if governmental policies which restrict, for example, the rewards of agricultural pursuits, encourage the abandonment of farmland, and concentrate people in urban areas were to be removed, population pressures would be diminished and potentially ameliorated. It suggests the U.N. conference should focus on these real remedies for undeveloped countries—here infering I suppose, that the successes of the past in limiting family size through voluntary family planning efforts were somehow not real.

I don't think this argument holds water. The first example I can give to counter it is that of Brazil. Brazil is a country where there is substantial Government control of the economy yet it has experienced significant fertility decline despite the lack of a national population policy of Government-supported family-planning programs. In the Brazilian case, commercial suppliers—aided by government protection and subsidies—provided the means of contraception along with private-organized family-planning programs. It worked. Another example is that of Cuba. Cuba, which is not known for its free economy, has experienced the most rapid fertility decline in all of Latin America over the past decade.

My main point is, it is not whether you agree or disagree with the thesis that free governments produce greater economic growth and a better standard of living for their people. I for one do support that point of view and my voting record in the Congress attests to that. What is wrong with the paper's argument is that it indicates this real remedies option is the only solution and that voluntary family planning efforts have been of no consequence. This is just not the case and Brazil is just one example.

While I am still on the subject of Brazil, I would like to mention one more thing. In 1982, I traveled to Brazil where I presented President Reagan's statement to the Western Hemisphere Conference of Parliamentarians on Population and Development. In his statement the President said:

> Many world leaders have expressed concern over the dimension of rapid population growth and its effects on the process of economic development. In our attempts to find solutions to this historically unprecedented set of problems, policies need to respect cultural and religious values and enhance the stability of the family and society.

In my view, the policies the President is talking about in his statement are the same policies I support. Voluntary family planning policies can and do go hand in hand with free enterprise policies to stimulate economic growth. I feel very strongly that our Government should continue to provide both, and I hope the draft paper will be reworked to reflect this view.

This second topic I would like to raise is that of abortion. The White House paper states:

> The United States * * * does not consider abortion an acceptable element of family planning programs and will not contribute to those of which it is a part. Nor will it any longer contribute directly or indirectly to family planning programs funded by governments or private organizations that advocate abortion as a instrument of population control.

But U.S. funds cannot be used for the purpose of abortion. This has been a longstanding provision of law in the Foreign Assistance Act. In addition, this policy has been affirmed year after year by the Congress and Republican as well as Democratic administrations.

I support these restrictions on U.S. funds, and not only on foreign assistance funds but on domestic funding as well. I do not believe abortion should ever be used as a method of family planning. But abortion becomes an instrument of population control only when adequate family planning services are not available.

Advocates of the policy presented in this paper are doing exactly the opposite of what they think they are doing. Family planning services reduce, not increase, the prevalence of abortion. During the briefing yesterday, Dr. Jane Menken, the assistant director of the office of population research of Princeton University and professor of sociology and public affairs at Princeton, made the following statement:

> Effective family planning reduces abortion because fewer unwanted pregnancies occur. If the availability of methods of contraception plummets, pregnancies follow. * * * Some women inevitably will resort to abortion, with all of the dangers of back-street abortionists. If the intent of U.S. policy is to reduce abortions, withdrawing support from family planning programs will have exactly the opposite of the desired effect.

I strongly agree with Dr. Menken's words.

In conclusion, I hope the White House will listen to the views of the many who take strong exception to this paper. To present this policy paper to the developing world, after decades of U.S. leadership in voluntary family planning, would be an embarrassment to our country. It was Caspar Weinberger, then Secretary of the Department of Health, Education, and Welfare, that presented the U.S. policy position at the first population conference 10 years ago—the U.S. policy that urged support of these same voluntary family planning efforts we are discussing today. I see no reason to reverse our progress in this area.

Thank You.●

● Mr. SCHEUER. Mr. Speaker, there has been a flood of controversy concerning a position paper for the upcoming U.N. International Conference on Population drafted by the White House Office of Policy Development and the National Security Council.

Politicians, demographers, economists, and program administrators alike have expressed their concern that the position paper presents a simplistic and misleading analysis of population growth, and that it distorts our longstanding bipartisan consensus on international population aid.

It is widely held that this document would represent a foreign policy embarrassment if it were presented to the world in August as the official U.S. position.

I would like to share with my colleagues an article which appeared on the op-ed page of the New York Times today. Written by Raphael Salas, an Under Secretary General of the United Nations and executive director of the United Nations Fund for Population Activities, this article presents a better analysis of the world population situation as we prepare for this important conference in August.

[From the New York Times, June 28, 1984]

Poisoning Population Assistance

(By Rafael M. Salas [1])

In the last few weeks, there has been a concerted attack on the overall usefulness of international population assistance.

Several groups have proposed that the United States withhold all aid to international organizations and countries that practice or advocate abortions. This attack poisons the atmosphere for effective population programs and undermines the role of the United Nations in population work.

Why does the United Nations involve itself in population work? Because its sovereign member states perceive a need for population activities. The United Nations does not fund abortion programs and it supports population activities only after countries have requested assistance for voluntary family-planning and maternal and child-health services.

Any significant cutback of donations for international population work will have a devastating impact on the already frail economies of many third world countries. It will also undo the painstaking efforts of a decade of population work.

For the first time, the world's annual population growth rate is slowing down. Virtually all third world states have population policies. More than 80 percent of the people of the third world live under governments that wish to reduce fertility, while 3 percent live under governments that wish to increase it.

Many developing countries have humane, prudent and voluntary population programs, and many are themselves putting $4 into such programs for every dollar that they receive from donor countries. Indeed, in many developing countries, the demand for family-planning services has begun to outstrip the ability to supply them.

Ten years ago, representatives of 138 ideologically and politically diverse nations met in Bucharest to discuss population growth and development. They vigorously debated what should be done about the world's rampant population growth, and, not surprisingly, they disagreed on solutions. In the end, they agreed that each nation must decide for itself what would work best in its own setting but noted that international cooperation had a valuable role to play in supporting programs proposed by individual countries.

Now, the nations of the world are preparing to meet again, in Mexico City, in early August, to assess what happened in the last decade in the field of population and development. What will they discuss?

The population problem is far from solved. The overall reduction in the world's population growth rate—currently 1.67 percent a year—is largely the result of a fall off in the industrialized states. In the developing countries, the growth rate is more than 2 percent each year. By the end of the century, the world will have 6.1 billion people—1.6 billion more than today. Many developing countries have active, effective population policies. But for some time to come they will need continuing international assistance in the crucial areas of research, training, equipment, supplies and expertise.

In the industrialized countries, the small family became the norm only after a long period of relative prosperity. Experts used to think it would take at least as long in today's developing nations, but the experiences of dozens of countries in Asia, Africa and Latin America have led the experts to change their minds. In countries with comparatively lower infant-mortality rates, longer life expectancy, higher literacy and better access to family-planning, families are already becoming smaller. And when people understand the economic and social value of small families, and use family-planning effectively, they have less need to resort to drastic measures such as abortion.

Economic development and family planning are part of a single effort to improve human welfare. The concern with population growth is motivated by the need to shape a more satisfying future for forthcoming generations. Although the global population-growth rate is declining, the rate is not expected to stabilize until almost the end of the next century. The world is still adding some 80 million more people each year to its population of 4.7 billion. This is likely to increase to 90 million per year by the year 2000.

The United Nations estimates that world population will reach 8.1 billion in 2025 if current trends continue. But if the move toward smaller families could be accelerated, the total could be lowered by as much as a billion. To do this will require fresh determination and unity in the developing countries and the international community. This is a time for constructive action, not for getting sidetracked in political arguments.●

● Mr. SCHEUER. Mr. Speaker, I have long been interested in the topic of population.

From 1978 to 1980, I served as chairman of the House Select Committee on Population.

I now serve as the chief elected officer of the Global Committee of Parliamentarians on Population and Development.

I have traveled to practically all the world's regions to attend population meetings.

And I have had continuous contact with research scientists and parliamentarians to discuss many aspects of population.

In all of my years of following population issues, I have never come across a document that presents such a simplistic and misleading analysis of population growth as the one drafted by the White House Office of Policy Development and the National Security Council.

It is upsetting to read this naive and rhetorical document and know that it is intended for such an important forum as the United Nations International Conference on Population.

This White House document distorts our country's longstanding bipartisan consensus on population policy which underlies our congressional authorizations and appropriations.

It ignores National Security Memorandum 200 of December 1974 which defined U.S. policy in international population matters.

It ignores the official position statements of the United States Delegation to the World Population Conference in Bucharest in 1974.

It ignores the 1982 official Population Policy Paper of the U.S. Agency for International Development which sets out the principles under which our Government provides assistance to developing countries for their population and family planning programs.

This document would represent a foreign policy embarrassment if it were presented to the world in August as the "official U.S. position."

Those charged with drafting the document have ignored that many countries, including Mexico, the conference host, have made major commitments to population programs

Some have called the approach of this position paper "Revolutionary."

It is not.

Some have said that a new U.S. policy for population assistance is needed.

It is not.

I object to the substance of the position paper, especially to the sweeping provisions on banning U.S. aid to governments or private organizations that include abortion in their programs.

The question of abortion is irrelevant.

Current U.S. policy prohibits the use of U.S. population aid to pay for abortions, abortion research, or lobbying for abortion.

What is relevant, is that this paper dismisses the importance of family planning.

I have worked closely with distinguished senior Republican Members like SILVIO CONTE and JOHN ERLENBORN.

We have worked long and constructively together for support for international family planning aid.

The unilateral process by which the position paper was drafted dismisses this concurrence of Democrats and Republicans.

The flurry of press coverage, the flood of calls to the White House, and the fact of this very hearing all confirm that no such reversal of U.S. policy should be undertaken without serious congressional discussion and scrutiny.

This draft document should not be revised.

It should remain a draft—and forgotten.

The United States would be better served by having a delegation to the U.N. Population Conference that submitted nothing, that remained silent, and that learned from the presentations of its neighbors.●

● Mr. FASCELL. Mr. Speaker, the draft policy paper on international population policy put forward by the White House presents a dramatic oversimplification of the problems of rapid population growth and how to deal with them. In arguing that population problems can be resolved by increasing economic freedom for individuals, the draft policy paper makes no more sense than would claims that simply making available contraceptives would be the magic wand that would wave away the world's population problems.

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[1] Rafael M. Salas, an Under Secretary General of the United Nations and executive director of the United Nations Fund for Population Activities, has been named Secretary General of the World Population Conference, to be held in Mexico City in early August.

It is particularly unfortunate that the United States should consider putting forward this unbalanced, simplistic analysis at this time. The consensus which has been emerging both within the United States and internationally for the past several years has been a recognition of a middle ground. Family planning programs and economic growth both are important in helping to slow population growth rates, and family planning programs are most effective in countries where equitable economic growth is taking place.

The draft paper, produced with no consultation with concerned Members of Congress and very little apparent discussion within the administration, disregards the policies and rationale of U.S. population assistance programs which have evolved over 20 years of bipartisan efforts between the executive branch and the Congress.

The Foreign Assistance Act states that effective family planning depends upon economic and social change as well as the delivery of family planning services and requires that population assistance programs give particular attention to the interrelationship between population growth and overall development. Indeed, U.S. assistance for family planning programs is only about 16 percent of all U.S. development assistance efforts, 5 percent of total U.S. economic assistance, and less than 2 percent of all economic assistance worldwide as measured by the Development Assistance Committee of the OECD. To try to argue, therefore, that the unprecedented rates of population growth in developing countries have provoked an overreaction in emphasis on family planning programs, as the draft policy paper claims, ignores the reality of the interrelationship between population growth and economic development and the response of both developed and developing countries to that relationship.

The forthcoming edition of the World Bank's World Development Report is devoted almost exclusively to a review and analysis of population change and its links to development. The report details the complex interrelationships between population growth and overall economic growth and concludes that while economic and social progress helps slow population growth, that rapid population growth also hampers economic development. The report reviews the experience of the past decade which illustrates that widespread access to family planning, particularly when accompanied by improvements in education, health, and other development measures, does reduce fertility. It concludes that efforts to slow the pace of population growth can make a difference, and that the ingredients for doing so are also those that will increase economic growth. Neither side of the equation, in effect, makes sense without the other.

The draft policy report also proposes to prohibit U.S. population assistance to any organization or country which permits abortion. Again, this position ignores both policy and reality. U.S. foreign aid for abortion has been prohibited since 1974, and this policy has been scrupulously adhered to. Representative LEVIN in his capacity as an assistant administrator of the Agency for International Development was responsible for implementing this requirement and can testify personally to AID's strict adherence to it. Restricting family planning programs because they may be tainted by some association to abortion ironically will have the opposite effect from that advocated by its proponents, no matter how indirect. Provision of family planning facilities reduces the incidence of abortion, while reduction in family planning services increases both legal and illegal abortions. Thus, those people who want to eliminate abortion entirely should be the most avid supporters of family planning, for abortion will disappear only when there is provision for safe, effective, and readily available family planning for all.

In expressing my concern about the positions put forward in the White House paper, I must express my hope that the final version of this paper will more accurately represent the reality of the current international situation. My colleague, Representative BROOMFIELD, the ranking minority member of the Foreign Affairs Committee, and I have repeatedly offered to meet with Secretary of State Shultz, Deputy Secretary of State Dam, and others in the executive branch to discuss this matter. I remain hopeful that consultation with Members of Congress from both parties, as well as with the various concerned and involved executive branch agencies, will produce an accommodation which recognizes the impact of appropriate economic policies on reducing population growth while at the same time giving adequate recognition to the important contributions of family planning programs in reaching this goal.●

GENERAL LEAVE

Mr. LEVIN of Michigan. Mr. Speaker, I ask unanimous consent that all Members may revise and extend their remarks on the subject of my special order today.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

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CONTROVERSIAL LEGISLATION

The SPEAKER. Under a previous order of the House, the gentleman from Vermont [Mr. JEFFORDS] is recognized for 10 minutes.

Mr. JEFFORDS. Mr. Speaker, it is a rare ocassion when I feel compelled to take the precious time of this body to speak at the close of legislative business. But tonight I am upset.

Last night, or more accurately, in the wee hours of this morning, the House adopted with little comment and no objection, legislation that will make a profound change in our society by requiring that the States must adopt a 21-year-old drinking age or face the loss of a substantial portion of Federal highway funds. Twenty-seven States are to be bludgeoned into changing their laws by this bill. The districts of 230 Members of Congress are affected by it.

I am upset first and foremost with myself. I left the floor of the House last night to return to my office based on the assurance that business had been concluded. And once there, seeing that the transportation bill was being brought up, I delayed in returning to the floor because I was naive enough to think that someone would of course object. I was wrong on both counts. Upon realizing my error I raced over to the House floor just in time to greet the motion to adjourn.

As the cloakroom tape well put it, "dogs and cats can come up at any time" on the eve of a recess. For those who might be listening but are not familiar with the congressional vernacular, "dogs and cats" to us means something like it does to everybody else, they are pets—pet projects, pet bills. And they are almost uniformly bad policy.

I am upset with Members who often appear before us and call for courage to debate the important issues of the day.

Where were they last night? Where were they when the House whisked through this critical and controversial legislation?

Make no mistake, this legislation is controversial. That is the reason we never, I repeat, never, took a vote on this subject. Did we deliberately duck the issue or due to shrewd actions were we denied the opportunites.

But the blame cannot be heaped at any one door. It takes many conspirators to manipulate passage of legislation such as this. You need the consent of the leadership of both sides of the aisle.

Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. I just want to say that I agree with the gentleman's observation about the issue in question. I, as a result of the way the Public Works Committee dealt with this issue, I am going to be offering legislation as soon as we return, forbidding the requirement that anyone under the age of 21 be required to register for the draft so long as the provisions of that legislation are in effect.

I find it absurd to tell people that they are old enough to pick up a gun and carry it for this country, but if they are married and are sitting in the privacy of their own home, that they should not be allowed to have a glass of wine. I just think that prohibition in the end will work no better for 20-year-olds than it works for 40-year-olds.

I think that the way this issue was handled by the committee is most unfortunate. I will be looking for ways to provide an opportunity for this House to give a full discussion of those issues involved. Regardless of how you feel about the issue, a major social and sociological change such as this should have been discussed fully with notice. It was not; I do not quarrel with anyone who has different views than I do on the subject, but I do believe that the House made a major mistake last evening, and I will be circulating a letter asking Members to join me in that legislation because I think it indicates the inconsistency of what was done, not so much last night, because it was inevitable at that point, but what was done earlier when the House passed the legislation in the first place.

I thank the gentleman for yielding.

Mr. JEFFORDS. I thank the gentleman for his comments, and I am pleased to note that certainly there are others in this body that agree with me. I would also point out that at the time this was brought up and discussed it also was done with no vote and on very short notice.

While I'm at it, let me take a shot at the civil libertarians, too. We have said with this legislation that an 18-year-old should be able to get blown to bits in Beirut, but Heaven forbid that he or she buy a Bloody Mary back home. I seem to recall a bill, stillborn in the Energy and Commerce Committee, that would have prohibited discrimination in insurance based on gender, race, or nationality. The argument, if I could summarize it, was, "Why not look at people as individuals?" Some teenage boys are good drivers. Why should they be treated arbitrarily based on their sex?

And why, I ask my colleagues, should they be treated arbitrarily based on their age? There is no question about it, some teenagers do not drive responsibly. So why not require the driving age be raised to 21? Excessive teenage drinking does not endanger anyone in most cases, bad driving does, whether it's under the influence of booze or drugs, or simply a high-speed joy ride.

Why don't we raise the driving age? Well, that's an issue for the States to decide. You bet it is, and so's the drinking age. The States don't think that they should have to submit to this Federal blackmail, and I don't either. The National Governors' Association has gone on record in opposition, and I would be remiss if I did not also mention the considerable courage shown on this issue by my own State's Governor, Richard Snelling, a past president of the NGA.

By the way, what happened to the States' rights advocates last night? Looks like the Sagebrush Rebellion has a bad case of stage fright.

The young people in this country, too, share in this mess. My office has received only a handful of mail on this issue from young Vermonters. They and their peers had better wake up to the fact that their interests can only be represented if their voices are heard. Last night they lost the privilege to drink as far as Congress is concerned. Who knows what they will lose on the eve of the next recess?

Without a doubt, we need to do something to reduce the number of drunk drivers on our Nation's roads. But it is a vast oversimplification to think that this problem will go away by increasing the drinking age.

We have all heard the statistics that 18- to 21-year-olds make up 9 percent of the country's drinking population yet they are involved in 17 percent of all alcohol-related accidents. Sure this figure is high, but what of the remaining 83 percent of the accidents? An increase in the drinking age is not about to touch this group. Raising the drinking age is a copout, a band-aid approach to a very serious problem. We need to actively address this issue and not hide behind a carrot and stick idea passed one night with the hope that all will be fine the next.

Rather than the Federal Government intruding upon a traditional responsibility of the States, I think our time would be better spent becoming involved in programs and initiatives that will get at the heart of this problem. Instead of a reward of transportation funds, how about a reward of increased education funds for States that institute mandatory educational programs on the dangers of drinking and driving?

The idea of encouraging stiff criminal penalties for drunk driving is a good one. This cuts across all age groups and does not require the singling out of any one group. A drunk driver of any age is a menace and should be controlled. I can support our encouragement of this type of action by the States.

We must really look at what we have done by increasing the drinking age. Could we be promoting backyard, house party, even on-the-road drinking instead of the relatively supervised drinking in a bar or restaurant? What we need is a higher level of consciousness on this issue among a broad range of groups and individuals: individuals of drinking age, parents, teachers, legislators, bar and restaurant owners, enforcement officials, et cetera. If this will take a combination of education and enforcement, let's get on with it. But, let's not think that we can sit back and pat ourselves on the back for increasing the drinking age to 21.

And let's not get too sanctimonious in the future about our willingness, our eagerness, to take on the tough issues. Last night was a sad day for this body. Let there not be another one.

A CELEBRATION OF SOLIDARITY WITH THE ETHIOPIAN JEWS

The SPEAKER. Under a previous order of the House, the gentleman from New York [Mr. SOLARZ] is recognized for 60 minutes.

● Mr. SOLARZ. Mr. Speaker, tonight I have requested a special order, along with Representative FRANK, Representative ACKERMAN, and Representative LANTOS, so that we in the House of Representatives might have this opportunity to pay tribute to a remarkable community of men, women, and children, the Ethiopian Jews.

This week of June 24 to July 1 is being celebrated in many places across the United States, Canada, and Israel as an International Week of Solidarity with Ethiopian Jewry. It is an opportunity for all of us engaged in the struggle for greater international recognition and observance of human rights to recognize the truly remarkable men, women, and children whom we seek to aid. These people fully appreciate the importance of human rights, and what it is like to live as a threatened minority, yet they are willing to pay any price, endure any hardship to protect their most precious and cherished heritage and traditions. The Jews of Ethiopia are just one of the many groups of people struggling today to protect and preserve their way of life against the pressures of governmental indifference, hostility, and sometimes the indifference of the international community. But they struggle on.

For over 2,000 years the Falasha, as they are sometimes called, have maintained their Judaism despite centuries of isolation from other Jewish groups, and the constant pressures to assimilate, to give up their different ways and beliefs and to fit in to the more popular or contemporary creed. Generations of Ethiopian Jews resisted these pressures and managed to survive centuries of political conflicts, war, civil upheavals, religious persecution, and natural disasters. And they have survived. But these calamities have taken their toll and a once large community has been reduced to only 25,000.

At the beginning of this decade the vast majority lived in Ethiopia in the provinces of Tiegre, Gonder, and Walla. Ethiopia is one of the poorest countries of Africa, and the northern region where most of the Falasha, or Beta Israel live is one of the most isolated and underdeveloped areas, wracked by guerrilla warfare. But the Falasha have managed to survive, a proud people who cherish their family ties, their religious beliefs, their strict observance of the Sabbath, but above all they are determined to one day reach the Promised Land. Praying in an ancient classical Ethiopian language called Ge'ez, they say:

> Do not separate me, O Lord, from the chosen, from the joy, from the light, from the splendor. Let me see, O Lord, the light of Israel.

Although the Falasha experienced some persecution, arrests, and harassment under local governmental officials until relatively recently, Ethiopia's Marxist government permits them to own land and to observe their religious beliefs. But there are problems living in Ethiopia for all minorities—and the right to emigrate is forbidden under Ethiopian law. Those who attempt to flee the country are subject to arrest and imprisonment. But despite such laws, many Ethiopian Jews have fled to neighboring countries in hopes of finding a place where they might live freely and openly as Jews.

Last year the Ethiopian Government allowed the gentleman from Michigan, **Howard Wolpe**, the respected chairman of the House Subcommittee on Africa, to lead a congressional delegation to visit the Falasha. In meetings with Ethiopian officials, the delegation urged that Ethiopian Jews be allowed to teach Hebrew and that those separated from their families be allowed to emigrate to reunite with their families. The delegation also visited some of the drought-stricken regions of Ethiopia. Upon their return they expressed grave concern that more needed to be done immediately to prevent further sufferings and deaths, lest this famine repeat the tragedy of 1973 when 200,000 Ethiopians perished from drought and famine.

The Congress and the American people rallied to aid Ethiopia and other drought-stricken countries by providing increased food and humanitarian assistance. But still more needs to be done, particularly in the mountainous and isolated areas where few roads exist or where local guerrilla activities make it difficult to provide food assistance. Pressured by increasing food scarcity and stepped up guerrilla fighting, thousands of Ethiopians have fled to the Sudan in search of food and greater security. And many of us are concerned about conditions in these camps, and the difficulties generated by the influx of large new refugee populations into the Sudan. It is an area which deserves our careful attention.

But far from these problems in Africa, some 7,000 Ethiopian Jews have reached their Promised Land, and now face the challenging task of learning Hebrew and adjusting to a modern technological society. Ethiopian Jews, like every other new group of immigrants to Israel, have problems as they seek to develop new job skills and patterns of life, but with careful assistance, counseling, and absorption programs, they will soon be making major contributions to their new land.

The fact that the story of the Falasha is so widely known in the United States, as is evidenced by the number of Members participating in the special order tonight, is a tribute to many dedicated and idealistic leaders in the American Jewish community. These men and women have selflessly have devoted their energies and resources to helping these survivors of an ancient heritage realize their dreams of reaching Israel.

Like activists in every cause they have written, preached, pamphletered, visited, demonstrated, and demanded that everything possible be done by governments, international organizations, and private groups to help this small minority maintain its traditions and beliefs. These leaders were not unwilling at times to "afflict the comfortable in order to comfort the afflicted." And they made us pay attention to this small beleaguered group, one of many Ethiopian minorities which have experienced difficulties in Ethiopia both under the current and past government, but they challenged us to find creative solutions now.

Two of these dedicated activists are close friends of mine and I would like to pay tribute to them, Nate Shapiro of Chicago and Edith Evert of New York. There are many, many others both in the United States and in Israel who alone or with their organizations have tirelessly worked to bring aid to these people and to find ways to bring them "out of the darkness and into the light." I congratulate them for all that they have done, and I urge that together we continue our efforts until every Ethiopian Jewish family has been reunited, and is able to live freely in the land of their choosing.

Mr. Speaker, these halls have rung over the centuries with many cries for freedom and religious liberty. Tonight we add the cause of Ethiopian Jewry as another example of the fight for human rights. We urge that our Government, and other governments, continue to do all that they can to see that this proud people are able to survive and flourish. For while any group is persecuted and repressed for their beliefs, all of us are involved, all of us are diminished. It is the very nature of our humanity which cries out that we must do whatever we can to aid our brothers and sisters in need—whether they are in Ethiopia, or Afghanistan, or Poland.

Mr. Speaker, I thank you for making this special order possible●

● Mr. GREEN. Mr. Speaker, I rise in support of this special order commemorating the International Week of Solidarity with Ethiopian Jews. I would first like to commend my distinguished colleagues for bringing this order to the floor.

Ethiopia is the world's sixth poorest country with a per capita income of only $140 per year. Poverty and infant mortality are severe problems for all Ethiopians, but are especially severe for the Jewish minority. The Ethiopian Jews, or Falashas, are a 2,000-year-old culture that is now in danger of being eliminated by both political and natural forces. Once a thriving culture of 1 million people, now only about 20,000 remain. Today they face civil war, drought and forced assimilation, a combination of problems that are probably more severe than they have ever been.

The war between the Government and the Eritrean separatists is moving closer to the Falasha villages and resulting in civilian casualties. As fundamentalist Jews, the Falashas fear the predominantly Muslim Eritreans on one hand; and, as beneficiaries of land reform started by the Government, they fear retaliation from the former landowners on the other. In addition, the revolutionary, Soviet backed, Ethiopian Government has been actively trying to suppress all religions.

On top of their manmade problems a drought is spreading famine through the areas inhabited by the Falashas. It is little wonder that the decline in the number of Ethiopian Jews had become more rapid than ever before.

There are many complications to aiding these people, not the least being the war, but, Mr. Speaker, I believe that aid them we must. We cannot be indifferent to the fate of this culture and it is in danger of dying out.

There is a bright side to the picture though. For example, AID has allocated $12 million in emergency famine relief aid for Ethiopia in 1984. Also, in the last year approximately 4,000 Ethiopian Jews were able to emigrate to Israel where, I understand, they have acculturated quickly and have been well received. In this week of solidarity, Mr. Speaker, I ask that we do all that we can to help save this ancient culture from possible extinction.●

● Mr. OWENS. Mr. Speaker, today we pay tribute to the Jews of Ethiopia who have survived as a community over the last 2,000 years. Although it is not clear how this remnant reached Ethiopia, it is clear they have survived as a community, preserving their religion and culture in a physical, social, and cultural climate that has not been particularly supportive.

The current situation in Ethiopia is difficult. The country is in the midst of political change with all of the problems associated with a change from an autocratic monarchy to a government which has been described as Marxist. To compound the situation of the Ethiopian people, including the Ethiopian Jews, Ethiopia is the sixth poorest nation in the world and it has suffered from the drought which has hit that part of the world.

At this time, Ethiopian Jews are severely restricted in their ability to move about in Ethiopia or to leave Ethiopia. The Government's position is hostile to Israel, which has prevented emigration from Ethiopia to Israel. It is my hope that the Ethiopian Government will change its policies on emigration and permit the Ethiopian Jews to emigrate so that family reunification can take place.

The Bible tells us that a remnant shall survive. The Ethiopian Jews are living proof that this has occurred. The current pressures on the community are such that continued survival is in doubt. I urge the Ethiopian Government to ensure the survival of this group by lifting internal restrictions and permitting family reunification through emigration.●

● Mr. GILMAN. Mr. Speaker, today we have special occasion to show our unity and commitment to the Ethiopian Jews in Israel and in Africa, and I thank my colleague, the gentleman from New York, Mr. SOLARZ, for arranging this special order today.

The Falashas (which means "stranger" or "landless one"), are an ancient Jewish community residing primarily in the Northwestern Ethiopian Province of Gondar. At the height of their history the Falasha community encompassed 1 million people, enjoyed political and economic independence and had their own Kings and Queens.

Then in the 17th century Christian and Muslim forces overpowered the Ethiopian Jews and took away their power and freedom. By the end of the 18th century, only 250,000 Ethiopian Jews remained.

When former Emperor Haile Selassie took power in 1930, the Ethiopian Jewish population had dwindled to 50,000 and during his 44-year reign their plight grew progressively worse.

In 1974, Lt. Col. Mengistu Haile Mariam deposed Haile Selassie and formed a Marxist government which is presently battling antigovernment forces on three fronts. Although the Marxist revolution brought needed land reforms, the Jews have not benefited from this policy. Actually, the Falashas have been caught in the crossfire of the war and up to 5,000 disappeared during the Red Terror Campaign in 1978-79. From 1981, until recently, the Governor of the Gondar Province closed all Jewish villages to outsiders, tightened security at borders and imprisoned people trying to escape. Even worse, Hebrew teachers and religious leaders, accused of being Zionists or CIA agents, were arrested and tortured.

Aside from the political turmoil, the current drought and famine plaguing the country threatens 3 million Ethiopians; and as many as 150 children die every day. In addition, 1 million people have fled to neighboring countries, such as the Sudan, for refuge and relief.

The decline of the Ethiopian Jewish community from social dislocation, famine and guerilla war reached the point at which the very survival of their culture is endangered. The only hope for the Falashas still remaining in Ethiopia is that the Ethiopian Government will accede to family reunification programs and let all who desire to emigrate, to do so.

Now, after 2,000 years in the diaspora, many Ethiopian Jews are finally beginning to make alliyah to Israel. Life in Israel is not easy for these new citizens but it offers them two things which they never had before, opportunity and equality. This new freedom, after centuries of searching, has finally put them in a land which they can proudly call home.

As exciting and fulfilling as it is, absorption of the Ethiopian Jews into Israeli society is a long and tenuous process which often takes two to four times longer than a similar process involving westerners. This problem is certainly understandable considering that most of the Ethiopians arrive from an unsophisticated rural society and are adapting to the technology of the 20th century, as well as to their new country. We must have compassion for the Falashas, who have not heard of the Renaissance, the Industrial Revolution, or the Holocaust.

Because of their unfamiliarity with Western society, most Ethiopian Jews spend their first year at an absorption center. Gradually they are introduced to modern services such as gas, electricity, and sanitation. They are also tutored in Hebrew, which is difficult because most Falashas are illiterate. Yet their education takes many forms apart from learning to read and write their name. They also must learn to use new utensils such as a knife and fork, and cup, and saucer, as well as learning how to travel by bus or shop in a store.

Although it is difficult for the Falashas to adjust to Western civilization, they have shown the patience and desire which makes absorption possible. Many are employed as welders, carpenters, machinists, and mechanics. In addition, the Israeli Defense Force has a program to teach men and women a profession or trade during their term of military service.

Some of the younger immigrants have completed high school and are able to study at one of Israel's universities. Of course, due to the pace of resettlement, advancement in academia will be greater for future generations. But, because of Israel's commitment to the Ethiopian Jews the day is fast approaching when they will be active and productive members of society.

Of course, in our excitement over these new Israeli citizens, we must not forget their friends and relatives who remain in Ethiopia and as refugees in the Sudan. Ethiopia is the world's sixth poorest country, where the per capita income in 1983 was $140 per year, life expectancy was 37 to 39 years and there exists the lowest ratio of doctors to population in the world.

Accordingly, many Members of Congress have actively expressed their concerns for the welfare and well-being of Ethiopian Jews, not only to the present administration, but in cosponsorship and active support of House Concurrent Resolution 107. This measure details our concerns about the unique plight of Ethiopian Jewry, and having been adopted in the other body as Senate Concurrent Resolution 55, I would hope that the House would act swiftly to adopt this measure.●

● Mr. FISH. Mr. Speaker, I am here today to give public support to the cause of Falashas in Ethiopia.

This group is very small; estimates range from 5,000 to 25,000. Although small in number, the Falashas are an important group. They are very devout Jews, descendents of the tribe of Dan. They have strictly adhered to the laws and values of Judaism. They observe the teachings of the Torah and keep the Sabbath holy. They do this in spite of the terrible persecution they suffer. Their schools and synagogue have been shut down. The Government of Ethiopia does not recognize Judaism as a religion. These devout Jews are left with no place to worship and no way to educate their children about their religion and way of life. Although there is a lot of sectarian strife within the country—various groups pitted against each other—every group is against the Jews. The Falashas have been persecuted, tortured, and ostracized in their own land.

Ethiopia is a country whose people suffer greatly. Everyone there faces hardship yet it is the Falashas who are hardest hit. Although all of the country has been hurt economically by the recent drought, it is the Jews there who feel the impact the most. The Jews as a whole own such small amount of land that the drought has left them with no hope to provide for themselves.

The great majority of the Falashas want only to emigrate to Israel—the promised land. The Government does not allow them to do so; they are denied visas to leave Ethiopia. In order to achieve their dream and go to Israel they must leave their villages in a clandestine manner so as not to alert the officials of their escape. It is not an easy feat to leave the country—the terrain is rough and must be traveled by night so as to avoid capture. Ultimately, capture means punishment and often death. Not only do they have to fear for their own lives, but those they leave behind face further persecution. Their families are used to set an example to others of the consequences of escape. Once in a country and resettled they try desperately to get their families out of Ethiopia.

What happens to those who succeed in leaving the country? Where are they to go? Often they end up in Sudanese refugees camps. These camps, like the borders surrounding Ethiopia, are hostile to Falashas. Life in these camps is rough—they face continued persecution. They must hide their identity in order to ensure their safety. They suffer from disease and malnutrition. Unfortunately, not enough Falashas can get passage out of Africa. Staying in Sudan means a life of concealment, little education, and poor living conditions. From these camps, they wait and hope for passage into Israel.

We in the world community and particularly those of us in this body, must make every effort to help this small persecuted group achieve their dreams; help bring families together, educate them, and give them hope. We must let them know that they are not forgotten.●

● Mr. LAGOMARSINO. Mr. Speaker, I rise in support of this special order for solidarity with the Ethiopian Jews.

Ethiopia is the world's sixth poorest country and is continuously plagued by drought, famine, and disease. This wretched situation is exacerbated by the repressive rule of Lieutenant Colonel Mengistu, increasingly becoming yet another Soviet puppet.

Ethiopian Jewish villages have been closed to outsiders. Emigration and Hebrew teaching are strictly forbidden. Synagogues have been forceably closed. Jews are not allowed to own land and are kept in virtual serfdom. Those Ethiopian Jews, or Falashas, who have managed to escape to Israel and other nations tell stories of great horror. The totalitarian regime ruling Ethiopia falsely accuses many Jews of being Zionist or CIA agents and this has led to mass arrests and torture. For example, during the bloody 1978-79 Red Terror Campaign over 5,000 Jews disappeared.

Using Cuban troops and Soviet advisers, the Mengistu regime persecutes the Eritreans, Tigres, Somalis and other Ethiopians. These courageous and freedom-loving peoples have fiercely resisted. The result is a bloody civil war in which innocent Jewish villages have become targets of Mengistu's aggression.

The Ethiopian Jews, as well as other Ethiopians, are entitled to the basic rights of life, liberty, and the pursuit of happiness. As Americans, we must support these basic rights and prevent another holocaust from occurring.

I have cosponsored House Concurrent Resolution 107 which expresses the grave concern of the Congress regarding the plight of Ethiopian Jews. I urge my colleagues to support House Concurrent Resolution 107 and I am thankful that this serious matter has been brought to the Nation's attention.●

● Mr. ADDABBO. Mr. Speaker, I wish to express my solidarity with the Jews of Ethiopia. This week is being observed in the United States, Canada, and Israel as an International Week of Solidarity With Ethiopian Jews in order to call world attention to the plight of these people and offer them our support.

The Jews of Ethiopia, referred to in Israel as the Falasha community, are threatened by many factors. Race, assimilationist pressures, tribal wars, and numerous persecutions. In addition, they face the hostile living conditions in Ethiopia where disease is rampant and poverty commonplace. The drought over the last few years has taken many lives and wiped out several communities. There is a need for food, water, and shelter in almost every community.

To date, about 7,000 Falasha Jews have emigrated to Israel. Many more wish to emigrate but are unable to do so. In Ethiopia they are not allowed to comfortably practice their religion but in Israel religious freedom is plenty.

As a free country, it has always been our appreciation for religious freedom that has moved us to assist peoples such as the Ethiopian Jews who wish to emigrate. Today, as we call attention to their distinguished culture, it is not only important to assist them with their rights to emigrate, but reaffirm our commitment to provide resources to their underprivileged nation which faces life-threatening conditions of hunger and poverty.●

● Mr. SMITH of Florida. Mr. Speaker, today I rise to bring the attention of my colleagues to the human rights violations of a little known race of people, the Jews of Ethiopia, also called Falashas which means exiles in their native tongue. Ethiopian Jews are outcasts in their own country. These Jews represent a unique ancient Jewish community that has been subjected to religious persecution, poverty, and disease, and yet has still survived.

The plight of Ethiopian Jewry remains a grave concern. According to the U.S. Department of State "Country Reports on Human Rights Practices for 1983" human rights prospects in Ethiopia continue to look bleak. The report confirmed World Jewish Organization findings that the plight of Ethiopian Jews had eased somewhat, but Hebrew teachers are still barred from teaching the language, and the Ethiopian Jews are definitely discriminated against. A focus of world concern should be to assure the Falashas survivial, since the Ethiopian Government has limited the access to its Jewish community and all activities are closely monitored.

As the friction between the Ethiopian Jewish community and the authorities continues, this Jewish community needs our support to gain its freedom. Not only are the Falashas persecuted and discriminated against for practicing Judaism and desiring to emigrate to Israel, but they are also the most severely affected by the drought that many parts of Africa are now suffering.

It is of great importance that we do all that we can to promote human rights throughout the world, so that all peoples have the freedoms and liberties that we enjoy.●

● Mr. MARTINEZ. Mr. Speaker, I am proud to join my colleagues tonight to commemorate the small community of Ethiopian Jews, who through their perserverance and courage are deserving of this special tribute being celebrated in their honor. This week has been declared by the United States, Canada, and Israel as an "International Week of Solidarity with Ethiopian Jews." I can think of no other group of people who have more dramatically portrayed the strength of the human spirit and the need for universal support.

The Jews of Ethiopia have existed as a community for over 3,000 years. Religious persecution and pressure to assimulate have marked their history but have not weakened the community's commitment to their religion nor their traditional lifestyle. Today, Ethiopia is one of Africa's poorest nations. The nation suffers from severe drought and subsequent famine. Life for the Ethiopian Jews have been made even more complicated by the internal political turmoil and rebel insurrections.

The past official policy of the Ethiopian Government prohibited emigration. I, as a cosponsor of House Concurrent Resolution 107, urge that this right to emigrate not be denied, and that further persecution of this ancient and honorable people be steadfastly opposed by this Congress and the American people.●

● Mr. YATES. Mr. Speaker, I am pleased to participate in this special tribute to the Falasha Jews of Ethiopia. The situation for this African minority has been extremely serious for many years and recognition of their hardships by the international community, especially by the United States, is vital to their struggle for religious and political freedom.

As defenders of human rights, we must assist the Falasha Jews in their liberating efforts by calling on the Government of Ethiopia to put an end to its disgraceful treatment of its people and to open the doors to emigration. Under the current Government of Ethiopia, the Falasha Jews are not allowed to practice Judaism or learn Hebrew. They are blatantly ostracised in their communities through expulsion from schools, and are the victims of frequent burglaries and physical attacks. In addition, they suffer from malnutrition, as do many others in the region, and they want very much to leave Ethiopia. Sudan currently offers the only viable passage to freedom for the Falasha Jews. Sudan must not close this path, or the vision of "aliyah" to Israel will dissolve.

With this resolution, we mark a major increase of our support for the Falasha Jews. But the plight of the Falasha Jews is desperate, and we must utilize our strength as a nation, working with Israel and other concerned nations, to bring freedom and the right to practice the religion of one's choice to the Jews of Ethiopia. I commend the cosponsors of the resolution and hope that our continuing efforts will meet with success. Thank you.●

● Mr. WAXMAN. Mr. Speaker, as a cosponsor of House Concurrent Resolution 107 and an active supporter of efforts to ease the plight of Ethiopian Jews, I wish to take this opportunity to join my colleagues to pay special tribute to the beleaguered descendants of this ancient culture.

The International Week of Solidarity with Ethiopian Jews is being observed in Canada and Israel, as well as in the United States. It is my fervent hope that someday soon it will no longer be necessary to schedule such special events to call attention to the problems of the Jews of Ethiopia.

Today's Ethiopian Jews are the descendants of people who have continued to follow their religious beliefs and traditions for more than 2,000 years. Rare, indeed, are people who have managed to so tenaciously carry on such a long tradition of deep belief in the face of persecution and oppression.

It is this belief, this tradition that, in fact, has enabled the Ethiopian Jews to survive in a hostile environment despite centuries of poverty, disease, and persecution.

Today we are seeking to aid those Falashas still in Ethiopia to emigrate to Israel, where some 7,000 Ethiopian Jews have been able to settle and rejoice in the freedom to practice their religion and maintain their unique culture.

Mr. Speaker, adoption of House Concurrent Resolution 107 by the House will be a major expression of support for the Jews of Ethiopia and will clearly show the Government of Ethiopia that we stand united in support of the ancient community of Falashas.●

● Mr. PICKLE. Mr. Speaker, I would like to take this opportunity to stand with my colleagues this evening in recognizing the current plight of the Falasha Jews of Ethiopia.

Although thousands of Falashas who wish to travel to Israel have been allowed to do so, thousands are still stranded in Ethiopia. Those left behind are often the very old and very young, those who cannot make the treacherous journey out of the country.

Falasha Jews in Ethiopia are denied adequate nutrition and education, as well as religious freedom. They must bear a government unsympathetic to their worship as well as a climate unsuitable for the production of sufficient crops.

This community of devout and brave Jewish people must be recognized. Their plight cannot be ignored; we cannot forget these people and their hardships. To address this problem, I recently cosponsored House Concurrent Resolution 107 expressing the grave concern of the Congress regarding the plight of the Ethiopian Jews. This special order has called attention to what is an important problem, a problem that deserves to be addressed by this Congress.●

● Mrs. BURTON of California. Mr. Speaker, I rise to express my deep concern about the fate of the Ethiopian Jews, of the Falasha as they are called in Ethiopia.

The Falasha are authentic Jews, they have preserved their faith living in isolation and cut off from contact with other Jewish communities.

However, the future of the Falasha is threatened by the Marxist government of Ethiopia as well as the severe drought and famine that exists in that nation. Literally thousands of Falasha die every year. Their total population has dwindled to a mere 20,000. Indeed, they are in danger of becoming extinct.

The Ethiopian Government keeps the Falasha under constant surveillance. Many Hebrew teachers, religious leaders, and Jewish citizens have been arrested and tortured.

The effects of famine, the danger which confronts those Jews seeking to flee across the Ethiopian border, and the threat of arrest and persecution, all jeopardize the safety and well-being of the Ethiopian Jews.

I pledge my continued support for efforts to provide assistance to combat the drought and food shortage in Ethiopia, and join my colleagues in calling upon the Ethiopian Govrnment to cease the harassment of its Jewish population.●

● Mr. MATSUI. Mr. Speaker, I rise today in recognition of the International Week of Solidarity with the Jews of Ethiopia. The number of people who are participating in this week of tribute, in the United States, Canada, and Israel, is an indication of the growing international concern over this tragic issue.

The ancient Jewish community in Ethiopia, known as the Falashas, has existed for over 2,000 years. They are in essence a lost tribe which has guarded its identity over the ages despite centuries of pressure to assimilate, numerous conflicts, and frequent persecution.

The Falashas currently reside in a remote corner of Africa, caught in a crossfire between government and rebel armies. In addition, Ethiopia is one of the continent's poorest nations which has been wracked by internal strife, insurrections, and the devastation of 2 years of drought. Those Falashas who still reside in Africa share in this devastation of poverty, disease, and malnutrition that plagues this nation.

Since 1975 when the Israeli parliament affirmed that the Falashas were eligible to enter Israel under the law of return, some 7,000 of these people have reached their "promised land." Nevertheless, these fortunate people, who have left many loved ones behind, continue to hope and pray that those in Ethiopia may somehow be united with them in the promised land.

While the increase in international attention is encouraging, the problem of the situation remains. It is essential that we recognize the importance of aiding these courageous people. We must take the opportunity of this week to highlight the tragedy of their plight and to encourage positive action for the Jews of Ethiopia.●

● Mr. LELAND. Mr. Speaker, it has been only 12 years since the Falashas, Ethiopian Jews, have been recognized as legitimate Jews, yet this community has demonstrated its tremendous courage and endurance throughout its 2,000 plus years of existence.

The Falashas are a simple people who have continually suffered in order to practice the Jewish religion. In 1983, the Foreign Affairs and Foreign Relations Committees reported to Congress that major conflict between the Ethiopian Government and the Falashas exists because of the Government's attempts to completely block emigration, the lack of Hebrew instruction, and the Falashas resistence to Marxist-Leninist doctrine.

Baruch Tegegne, who emigrated from Ethiopia in 1974, said at a rally to call attention to the plight of the Falashas.

> We have given our blood to this religion. We do not have the right to practice, to go to school. We want that freedom.

Social dislocation, poverty, famine, and political conflicts have compounded the suffering of the Falashas. Yet, they continue to believe, to endure. The hope that sustains them is found in their belief that one day they may be allowed to emigrate to the promised land of Israel. 7,000 Falashas have been able to emigrate since 1974 when the Sephardi Chief Rabbi of Israel declared that the Falashas had the right to return to Israel as other Jews. But, since the crackdown on Ethiopian emigration, virtually no Falasha has been able to leave Ethiopia.

I commend my distinguished colleague from New York, the honorable STEPHEN SOLARZ, for introducing House Concurrent Resolution 107. I am extremely proud to be among the cosponsors of this resolution which expresses the grave concern of Congress for the plight of the Falashas.

Three months ago the Wall Street Journal wrote,

> It ought to be as much a cause to rescue a 2,000 year old tradition as to preserve an obscure species of fish, but one hears a variety of excuses for inaction.

House Concurrent Resolution 107 is a call to action. There is no more room or excuse for inaction. Thank you.●

● Mr. LEVIN of Michigan. Mr. Speaker, today's special order honors the rich culture and religious continuity of the Ethiopian Jews. As a community that has existed for over 2,500 years, these Jews have held fast to their traditions, while praying that one day they might return to Jerusalem. They have bravely withstood harassment and persecution from the successive regimes that have ruled their region. In recent years, Ethiopian Jews were caught in crossfire during the brutal revolution of 1974.

This Congress and concerned citizens have become increasingly alarmed at the plight of the Ethiopian Jews as the world has learned of the effects of the severe drought wracking Ethiopian and other countries in sub-Saharan Africa. In my own district in Michigan, many of my constituents have expressed their deep concern about the famine conditions afflicting Ethiopian Jews. The famine has only added a new urgency to the desire of many Ethiopian Jews to emigrate to Israel and, in fact, since the beginning of 1984 about 1,900 of them have gone to Israel in search of security and religious freedom. The total number of Ethiopian Jews in Israel is now 7,000 and another 14,000 to 17,000 are still awaiting the chance to seek freedom abroad.

On this day, I join my colleagues in expressing my concern about the suffering of these people and my commitment to efforts to alleviate their plight in Africa and to insure them the chance to emigrate to search for a brighter future in Israel.●

● Mr. GEJDENSON. Mr. Speaker, I am pleased that my colleague from New York has initiated this special order to bring the plight of the Ethiopian Jews to the attention of this body and to the public.

This community, that has been plagued by discrimination, war, disease, missionary conversions, and poverty, is in danger of dying out in current times. Widespread disease, starvation, and slavery have depleted their population over the last 400 years to less then 28,000.

As many of my colleagues know, these forgotten people live in Northwest Ethiopia, a rugged mountain country that is as isolated as it is harsh. Over 95 percent of Ethiopia's Jews are found scattered among 500 small highland villages. This small rural population has been for centuries at the mercy of feudal landlords and murderous bandits. Since the 1974 overthrow of the Haile Selassie' regime, these people have been at the mercy of a variety of rebel armies as well.

Over the last several years, reports coming out of Ethiopia have claimed that thousands of Ethiopian Jews have been forced to flee their homes. They have become refugees, living in fear of retribution from both the rebel army and the revolutionary government. These Jews among the general refugee population hide their identity for fear of anti-Semitic reprisals.

As though this were not enough, the Ethiopian Government frowns upon emigration. Thus, these people are restricted to remaining in their country where they are subject to repression, or they must flee to neighboring countries where they must live as refugees.

I urge my colleagues to consider sponsoring House Concurrent Resolution 107. The human rights and the very survival of this ancient religious minority must be protected and preserved. This ancient Jewish community needs our support to gain its freedom. We must act quickly to recognize their plight and secure support for their flight from Ethiopia. If we wait too long, it may be too late to matter.●

● Mr. SCHUMER. Mr. Speaker, I would like to take this opportunity to pay a special tribute to the Jews of Ethiopia during International Week of Solidarity with Ethiopian Jews.

This is a time both to celebrate and reflect. We can celebrate the fact that over 7,000 Ethiopian Jews have been able to emigrate to Israel. We can also celebrate the passage of House Concurrent Resolution 107, which expresses the grave concern of the Congress regarding the plight of Ethiopian Jews. These are accomplishments to be proud of, but we cannot let these accomplishments overshadow the work that needs to be done.

There are still many Ethiopian Jews trapped in the Horn of Africa who long to reach their "promised land"—Israel. These courageous people have stubbornly retained their belief and traditions despite centuries of persecution, poverty, and disease. It is imperative that we continue to do everything within our means to ensure that every single Ethiopian Jew be given the chance to emigrate to Israel. Although giant strides toward achieving this goal have been made, and I applaud the efforts of all those who have assiduously labored toward this end, we cannot forget that there is still much work to be done. That is something for us to reflect upon during the International Week of Solidarity with Ethiopian Jews.●

● Mr. DOWNEY of New York. Mr. Speaker, I am honored to have the opportunity to join my colleagues in speaking out about the plight of the Jews of Ethiopia.

For over 2,000 years the Falashas, as the Ethiopian Jewish community is also known, have lived the lives of their for fathers, committed to the traditions of ancient Israel. In the face of anti-Semitism, physical destruction, land confiscation, enslavement, and forced conversion the Falashas have struggled and survived. Their existance provides an inextricable link between our modern world and the wonders of an epic past.

Falasha means "stranger" or "one who owns no land." Indeed, the Falashas may fast be approaching their etimological fate as their population rapidly dwindles. Once numbering close to 1 million, the community has steadily declined for 250 years and now stands near 25,000. Since the Ethiopian Revolution of 1974, the Falashas have moved dangerously close to cultural extinction as the pressures of social dislocation, extreme famine, and guerrilla war have grown.

Only in recent years has our attention been drawn to the plight of Ethiopian Jews. Although several thousand Falashas have managed to resettle in Israel, many more remain in drought stricken Ethiopia, caught between the crossfire of the Marxist government and Eritrean rebels. This country must make the survival of the Falashas a top priority. As the New York Times has said, "They have paid dearly for their faith, earning the right at least to a decent exodus."●

● Mr. LANTOS. Mr. Speaker, I rise today in support of the reunification of Ethiopian Jews with their brothers and sisters in Israel. I also wish to commend our distinguished colleague from New York, STEPHEN SOLARZ, whose firm commitment to human rights has been demonstrated through his constructive work in Congress, and symbolized today by his request of this special order.

As one who fought against history's most awesome and criminal act of persecution, the Holocaust, I am determined not to witness as a passive bystander yet another annihilation of a very special and unique branch of the Jewish people. The ancient legacy of the Ethiopian Jewish community who bravely stood by their beliefs and principles through centuries of persecution and isolation deserves to be preserved and rescued for generations yet unborn. Throughout their history the Jews of Ethiopia have endured persecution, poverty, and slaughter of perhaps even greater intensity than even their long suffering brothers and sisters had to endure in Europe and the Middle East.

As recently as the beginning of this century the number of Ethiopian Jews was estimated at over 100,000, but today a mere remnant of about 25,000 of them are still in existence. However, these statistics alone do not speak for the countless forms of persection that plague the region within Ethiopia's borders. There are still thousands of Ethiopian Jews who are unable to leave a land that does not want them. Even if an individual gains passage to Israel, those that he leaves behind suffer the consequences of his departure. The January 19, 1984 issue of Hadassah magazine perfectly captured the feelings of a young Ethiopian Jewish boy who said "We cannot leave. If we do, our parents must suffer for it. But we cannot stay."

Several circumstances endanger the survival of these brave people in the next few months. The drought continues in northern Africa, often claiming as its victims those located in smaller, isolated villages—precisely the type of villages that the Jews inhabit. Also alarming is the effects of war on the Jews in Ethiopia. According to the State Department's Country Reports on Human Rights Practices for 1983: "Ethiopian Jews are situated in areas of insurgency and they are getting caught in the crossfire." Time is of the essence; all countries involved must act quickly and in cooperation to assure the Falasha's safety.

Through a systematic form of assimilation, the Ethiopian Jews have been subjected to religious repression by a government whose Marxist doctrine is inconsistent with competing ideologies. For this reason, the Ethiopian Government has remained recalcitrant toward the instruction of Hebrew amongst these people. This repressive policy can be witnessed by the frequent burning of Hebrew books, the incarceration of teachers, and the closing of schools where Hebrew is taught.

History has shown the tragic outcome and outrageous injustice which occurs when religious and racial oppression and persecution is allowed to go unchecked by a blind and indifferent world. Fortunately there are a few rare and committed people, such as Nate Shapiro, who energetically pursue the survival of the Ethiopian Jews, and whose voices call us to awareness of the degree of inhuman persecution happening against them.

It is the recent memory of such unimaginable cruelties perpetrated against innocent millions which makes it imperative for all of us to speak out against the cultural and physical annihilation of this courageous Jewish community.●

● Mr. ACKERMAN. Mr. Speaker, I rise to join my colleagues in expressing solidarity with the Jews of Ethiopia. These people, who have clung so tenaciously to their religious heritage, truly deserve our strongest possible support. Their community, estimated to have numbered 250,000 at its peak, has been reduced to less than 25,000 today. They have been subject to some of the worst poverty and oppression imaginable.

Following the revolution which swept Ethiopia in 1974, a significant number of Jews lost their lives as they became caught in the crossfire between the Marxist revolutionaries and the conservative forces who opposed the reforms of the new government. As the political factions struggled, the Ethiopian Jews suffered tremendously. The Government closed the synagogues, prohibited the teaching of Hebrew, and began a practice of sporadic arrests of community leaders as well as other individuals who sought to escape from the country.

In this atmosphere of political oppression, the Ethiopian Jews have also had to contend with the overwhelming poverty which afflicts all Ethiopians. The average yearly income for Ethiopian Jews is $60 making them among the poorest of the poor in this society. Health conditions for Ethiopians are also extremely severe. Over the past year, a devastating drought has swept the country, causing increased malnutrition and severe health problems for an already vulnerable population. The average life expectancy is 36 years.

Despite the challenges which exist for the Ethiopian Jews, they continue to struggle valiantly in their effort to uphold their faith. These brave souls walk great distances on foot, through territory which is rife with guerrilla warfare, in order to reach Israel. Often families are separated as parents attempt escape with the hope that their children will reach Israel later. In many other cases, parents send their children with other families because they are reluctant to leave old or sick relatives behind. In fact, there are now many Ethiopian children in Israel who have arrived without their parents. The division of families is one of the most serious problems which must now be addressed. It is my hope that the Ethiopian Government will soon recognize the plight of these families and allow them to reunite, a basic right to which all individuals are entitled.

As a cosponsor of House Concurrent Resolution 107 and a member of the Foreign Affairs Committee, I firmly believe that the U.S. Government must undertake whatever steps may be necessary to see that every Ethiopian Jew can reach Israel. This is a problem which demands action; we must not hesitate in assisting these people.

In closing, I would like to cite a letter, published in a fact sheet distributed by the Union of American Hebrew Congregations. This message was sent to Prime Minister Begin more than 4 years ago by Ethiopian Jewish leaders. It states, "We believe with all our hearts that there is a danger of immediate annihilation facing our people * * * The fate of our people must be a cause for concern for Jews everywhere. We now publicly cry out to them to save their people in Ethiopia."

Mr. Speaker, we cannot afford to ignore this plea and others which have been made since that time. Each individual and government with the capacity to assist the Jews of Ethiopia must do everything possible to help this community. We must make it possible for the thousands of Ethiopian Jews who have managed to settle in Israel to be reunited with their families. To do anything less will mean the loss of innocent individuals who are merely seeking to fulfill their basic right to live in freedom and to practice their faith in the place of their choice. I am proud to speak out today in support of this historic and brave Jewish community.●

● Mr. RANGEL. Mr. Speaker, I rise in support of this special order commemorating the hardships now plaguing Ethiopian Jews. I hope that my colleagues will see the ramifications of this modern day genocide, and support all measures offered to protect Falashan Jews.

The systematic annihilation of any racial, political or cultural group is a ghastly prospect for most members of our society. And yet, one does not have to look very far to be reminded of how inhumane man can be against fellow men. Examples similiar to the repression of the Falashas serve as a constant reminder of how little progress the world has made in the area of human rights. If the most basic human rights are not vigorously defended, how can we expect to garner support for our policies abroad.

One million Falashan Jews once resided in Ethopia. Modern estimates place that figure at 20,000 to 25,000. This decline in population has been attributed to religious persecution, political repression, lack of proper medical care, and other hardships. For those most able to flee, life has been difficult and uncertain. But for women, children, the elderly, and disabled who are not capable of leaving, their fate has been to live in uncertainty and fear.

Mr. Speaker, it is my firm belief that efforts must be made to help reverse this injustice. Efforts that would allow this culture to prosper and carry on their traditions are a vital concern to all.●

● Mr. MORRISON of Connecticut. Mr. Speaker, I rise today in support of the International Week of Solidarity with Ethiopian Jews to urge the continuing support of this House and this country for the aspirations of the Jews of Ethiopia, both those in Israel and those who remain in Africa.

The history of the Falashas is unique and impressive. Though their origins are uncertain, they have lived together in Ethiopia for thousands of years. At one point the Falashas were a community of about 1 million Jews who enjoyed political and economic independence. Beginning in the 1600's, however, the Falashas were overwhelmed by Christian and Muslim forces, and lost their sovereignty. Since that time the Falashas have struggled to preserve their culture, community, and religion against the pressures they faced: anti-Semitism, physical attack, land confiscation, enslavement and forced conversion. The Falashas have survived but their numbers have dwindled. Today there are only about 21,000 Falashas left. Some of them were able to emigrate to Israel, but thousands languish in refugee camps in the Sudan or have not been able to leave Ethiopia. For these Falashas, life has not gotten easier. They live in a state of virtual serfdom, ravaged by civil war, drought, disease, terrorism, and forced assimilation.

Hope for the Jews of Ethiopia lies in the possibility of emigration, particularly to Israel, though some choose to come to the United States and Canada. Yet emigration is not a simple option. Falashas allowed to leave Ethiopia must first travel through the Sudan, a country facing political crises of its own. For the elderly, diseased, and very young, the trip is nearly impossible. Many Falashas entering the Sudan are found to be suffering from disease and mulnutrition. And once in the Sudan, there is no guarantee that they will be able to take the next step into Israel.

Nonetheless, the Falashas refused to succumb. With the help of concerned nations the Falashas can realize their dream of relocating in Israel. It is my fervent hope that the day will come soon. Until then, I join with my colleagues in solidarity with the Jews of Ethiopia, and I strongly urge that this House adopt House Concurrent Resolution 107, expressing the concern of the Congress for the plight of this suffering community.●

● Mr. LEHMAN of Florida. Mr. Speaker, I would like to express my deep and continuing concern about the grave situation of Ethiopian Jews and to pay tribute to their culture and to recognize their long, difficult struggle for freedom.

I appreciate the opportunity provided by this special order to pay tribute to their successful 2,000 year struggle to preserve their Jewish heritage. The lives of the 20,000 Ethiopian Jews in Ethiopia and several thousand in refugee camps of neighboring African countries are now in danger of extinction through either persecution or starvation and disease. The aspirations of many Ethiopian Jews to reach Israel and to live with religious liberty have been met, but the majority of this African Jewish community is fighting for survival.

As a cosponsor of House Concurrent Resolution 107, legislation expressing the concern of the Congress for the plight of Ethiopian Jews, I believe that every appropriate means must be pursued to help move those who wish to emigrate and to alleviate their suffering. Both private and responsible public initiative must be employed if these efforts are to succeed. I urge my colleagues to support this legislation which seeks to press for these goals in every appropriate forum.●

● Mr. DYMALLY. Mr. Speaker, religious freedom and the practice of one's faith are inalienable rights of U.S. citizens as reflected in the first amendment of this country's constitution. But religious freedom should be a universal right. Without dispute, a people should not be economically, socially, or politically exploited as a result of its religious conviction; unfortunately, this type of persecution has and continues to occur in Ethiopia against the Falashas or the Ethiopian Jews.

The Falashas are a proud and vigorous people, who once enjoyed economic and political independence and freedom in the Gondar Province of present-day Ethiopia. With the advent of Christianity and Islam though, the Falashas were overpowered and forced to relinquish all freedoms, and were subjected to ominous religious persecution by the Government. Once numbering over 1 million, there are only 25,000 to 30,000 remaining today. During this time, these landless people have been isolated in the worst regions of Ethiopia where drought, famine, and misery are among the worst in the world. With the emergence of a Communist government in 1974, these conditions remained and intensified under a general policy of opposition to all religions, and specifically that of the Falashas.

The Falashas adhere to a pre-Rabbinic Judaism. They observe and emphasize the main festivals, cleanliness, and dietary laws; in addition, they practice circumcision, reject Bar Mitzvah, pray through priests, and recite their prayers in Ge'ez (classical Semitic Ethiopian language).

Though the Falashas have different cultural views and religious pratices than the Israeli Jews, they are nonetheless Jews and have the right to practice their faith in their holy land without fear of persecution.

I am happy to see that the Israeli Government has given many Ethiopian Jews a warn welcome and opportunity to settle and worship within what is considered to be the holy land by all Jews.

As a result of the 1975 "Law of Return," the Knesset has permitted Ethiopian Jews to emigrate to Israel. Since 1975, 6,500 Falashas has been allowed to enter Israel, where they have given religious freedom, in addition to economic and social benefits such as nutrition, adequate shelter, and education.

I commend the Israeli Government and all others who throughout the years have supported the Falasha cause in their fight for integrity and religious freedom. Religious freedom is a cause worthy of our support the world over.●

● Mr. MOAKLEY. Mr. Speaker, many of the Members of this House are familiar with the plight of the Jews in the Soviet Union, Europe, South America, and even right here in the United States. Yet the story of the Falasha's—the Jews of Ethiopia is unfamiliar to most of us.

The Falashas are members of an ancient Jewish community that reside in the western Ethiopian Province of Gondar. The origins of these Ethiopian Jews is a mystery to all. Yet one thing is for sure, that these unique Jews, who are so remote from the rest of the Jewish world, still hold steadfast to their religious convictions, despite the centuries of continuous anti-Semitism.

For over 2,750 years the Falasha's have had but one dream, the dream of living in their "promised land," the land of Israel. But due to many years of persecution, and severe anti-Semitism they were unable to emigrate. Today, with the problems of civil war, drought, disease, increased guerrilla activity and forced assimilation jeopardize the survival of this small Jewish community.

It is appalling to me that people are judged on their religious convictions. Not only the Jews, but all people whose beliefs differ from the majority, have traditionally been persecuted for who and what they are. It simply boils down to the understanding that all people are equal. Whether black or white, Jewish or Muslim, Catholic or Protestant, we are all equal as humans and deserve the rights of freedom and a life of peace.

Currently, over 7,000 Falashas have already fulfilled their dream, and have settled in the land of Israel. I rejoice in their new-found freedom and religious liberty, yet many still long for their family members they left behind. They hope that the day will come when the family may join hands, knowing that their loved ones are safe and well, in their "promised land."

I hope that the activities taking place this week as part of international week of solidarity with Ethiopian Jews, here in the United States, and as well in Canada and Israel, will generate a greater understanding of the plight faced by the Ethiopian Jews. I also hope that my colleagues from both sides of the isle will join the many cosponsors of House Concurrent Resolution 107, to express the concern of Congress for the plight of this small persecuted community.●

● Mr. LEVINE of California. Mr. Speaker, I am pleased to have the opportunity to participate in this special order to celebrate International Week of Solidarity with Ethiopian Jewry. I commend my distinguished colleagues, Representatives SOLARZ and ACKERMAN, for requesting this time so that we can pay tribute to this remarkable group of people.

Ethiopian Jews, known as Falashas, are an ancient community. While no one knows for sure their origin, some theories say they are descendants of Moses or of the Jews who left Israel after the destruction of the First Temple in 486 B.C.E. Another theory is that the Falashas were the lost tribe of Dan which traveled west in the early 10th century B.C.E.

By the 10th century C.E. over 1 million Falashas enjoyed political and economic independence and had their own kings and queens. From the 15th and 17th century, however, Christian and Muslim forces sought to overpower the Ethiopian Jewish community. By the 19th century the number of Falashas had dwindled to 250,000. By the beginning of this century no more than 50,000 existed in Ethiopia. Today there are only about 28,000 left.

It is the plight of the remaining Ethiopian Jews that concerns us here today. Despite centuries of anti-Semitism, physical destruction, land confiscation, enslavement, and forced conversion, the Jews of Ethiopia have preserved their faith for 2,500 years. Today the problems of drought, disease, increased guerrilla activity, and forced conversion jeopardize the survival of this small Jewish community in Ethiopia. Those who flee to neighboring countries suffer in refugee camps from malnutrition, dysentery, malaria, and small pox.

Many Falashas desire to emigrate to Israel, their ancestral homeland. Since the beginning of 1983, 1,700 Falashas have arrived in Israel and their are upward of 4,000 now living and being absorbed into Israeli society. But many more wish to return. We must do everything we can to ensure their right and ability to do so. We are here to speak out for the rights of Ethiopian Jewry and for their right to return to their homeland.

I am a cosponsor of House Concurrent Resolution 107 which expresses the grave concern of the Congress regarding the plight of Ethiopian Jews. I urge my colleagues to sponsor it as well. And as a member of the Subcommittee on Human Rights and International Organizations I will continue to do all I can to ease the plight of the Falashas.●

COMMEMORATION OF THE BATTLE OF KOSOVO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, June 28 marks the anniversary of the Battle of Kosovo, a day when Americans of Serbian descent and Serbians all over the world commemorate the heroism of their countrymen who sacrificed their lives in defense of their religion and their national existence.

On this day, in 1389, Serbia became one of the first Christian nations to be brought under Moslem influence when Turkey began its centuries-long ruthless expansion into Europe. The Serbian Tsar, Prince Lazar, and the Turkish Sultan, Murad I, were killed in this battle, and the Serbian knight, Milosh Obilich, who slew the Sultan in his tent, has been memorialized in national songs and folklore, along with the battle itself.

The Battle of Kosovo marked the beginning of a 500-year struggle to keep the Serbian national spirit alive, and despite many centuries of domination by more powerful neighbors, the Serbs continue to assert their national identity and pride. In 1882, Serbia proudly gained its independence as a kingdom, and at the concusion of World War I, under the direction of the Serbian royal dynasty, the Kingdom of Serbs, Croatians, and Slovenians was established; 11 years later, the name of this nation was changed to Yugoslavia.

Sadly, in 1954, the monarchy was abolished when the Communists invaded and dominated this country. Today, although official observances of the anniversary of the Battle of Kosovo have been harshly banned by the Communists, this historic date continues to be observed, signifying the strength and courage of a people dedicated to the preservation of their culture, their sense of community, and their national aspirations.

Mr. Speaker, the noble ideals embodied in this battle for freedom remain alive in the hearts of Serbs everywhere. Dedicated to these principles, Americans of Serbian descent have made strong and lasting contributions to the strength and greatness of this country, and I am proud to join with Serbian Americans in the 11th Congressional District of Illinois which I am honored to represent, and throughout the Nation, who are commemoraing this historic battle of Kosovo. Their commitment to the principles of individual liberty and national self-determination serves as an inspiration for all freedom-loving peoples throughout the world.●

LEGISLATION TO REDUCE THE LEVEL OF COMBAT IN HOSTILE TAKEOVERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. WIRTH] is recognized for 5 minutes.

● Mr. WIRTH. Mr. Speaker, During the past year, the Subcommittee on Telecommunications, Consumer Protection, and Finance has devoted considerable time and effort to reviewing problems in hostile takeovers.

Today, we intend to mark up legislation dealing with certain abuses in the process. It is extremely important legislation, but it is only a first step.

In the subcommittee's hearings this spring, it became clear that legislation to curb certain takeover abuses and gaps in current law would draw widespread support, such as the elimination of "golden parachutes" adopted during a takeover battle, the curbing of "greenmail" tactics, and closing current gaps in reporting significant acquisitions of securities. These and other provisions, comprising the core bill scheduled for markup today, not only have drawn widespread public support, but they address significant problems and should therefore be passed.

During the hearings, it also became clear that there was widespread concern about the overall level of combat in hostile takeovers and the plethora of tactics used by bidders and targets, such as "creeping" tender offers and "two-tier" tender offers, the sale of "crown jewels," and "scorched Earth" defenses. Members heard extensive testimony about the problems inherent in the speed with which tender offers can be accomplished under current law. In addition, numerous witnesses testified about the lack of adequate remedies for shareholders where corporate managers take actions to preserve their own power, but which damage the companies involved.

Finally, there was broad agreement among witnesses and subcommittee members that certain fundamental and complicated issues relating to tender offers must be explored in depth—and that the study of such issues would by necessity extend into the next Congress.

The legislation scheduled for markup today represents the core provisions, with respect to which there is broad consensus on the subcommittee, and which, in our view, have an excellent chance for passage during this Congress. It is extremely important that we begin moving this legislation and bring it to the House floor at the earliest possible date to ensure its passage.

However, in order to effectively lower the overall level of combat in takeover battles, two additional provisions should be added, which attack the problems in a broader fashion. I am introducing those provisions as a separate bill today. I am hopeful that the introduction of this bill will stimulate widespread discussion and that we can add the provisions to the legislation when it reaches the full Committee on Energy and Commerce. My colleagues on the subcommittee, Representatives EDWARD MARKEY, MICKEY LELAND, JOHN BRYANT, and HENRY WAXMAN, are joining me as sponsors of the legislation.

First, it appears that much of the frantic nature of the current takeover process is brought on by the fact that, under current law, a tender offer can be effected in as little as 20 business days. In the view of many experts, many of the abusive defensive tactics used by management are simply efforts to buy time. In testimony before the subcommittee, State securities administrators, academics, and at least one prominent investment banker, Felix Rohatyn, argued that the tender-offer process would operate in a much more considered and rational atmosphere if there were more time provided. Mr. Rohatyn, the State regulators, and others suggested 60 days as the minimum offering period. I have included such a provision in the bill introduced today.

Second, I believe it came across loud and clear at our hearings that it is extremely difficult to identify specifically and curb the wide range of abusive tactics used by corporate managers to thwart tender offers. These tactics may be legitimate in some cases, but in other cases they may effectively prevent shareholders from exercising their free choice in tendering their shares and, thus, primarily serve to preserve management's control. When threatened with a takeover, it is clear that corporate managers have conflicting interests. On the one hand, managers should serve as fiduciaries of the shareholders, with the best interests of the shareholders and the company at the forefront of their decisionmaking. However, when threatened with a hostile takeover, the interests of corporate managers in preserving their jobs and prestige may clearly be at odds with those of the company and the shareholders.

But under present State and Federal law, corporate managers have virtually unlimited discretion to use or sell corporate assets to defend against a takeover. Their defensive actions, in many cases, have severely damaged the financial health of the companies involved. It is clear that shareholders do not have adequate remedies to protect themselves. Therefore, I have included in the bill I am introducing today provisions which were previously contained in H.R. 5695. These provisions would give shareholders a narrow remedy to enjoy actions taken to thwart a hostile tender offer, unless management could prove such actions were fair to shareholders and in the best interests of the company. This approach, I believe, avoids the problems inherent in attempting to identify and outlaw specific conduct. Apart from the fact that creative lawyers will always be able to devise new tactics to thwart takeovers, there may be certain defensive actions which are harmful in certain cases, but are beneficial in others. This bill would give management flexibility, but would also ensure that shareholdres can protect their rights.

I believe the two key provisions of this bill, the extension of the minimum offering period and the provision for shareholder remedies, provide a balanced approach to lowering the level of warfare in corporate takeovers. By lengthening the offering period, we will prevent bidders from pressuring corporate managers and shareholders into making hasty and confused decisions, and we will permit more time for a rational consideration of the consequences of a takeover—as well as a consideration of the consequences of actions taken to defeat a takeover.

But at the same time we must ensure that corporate managers use that time wisely—and do not use it to take actions which harm the company itself in order to prevent shareholders from exercising their free choice in accepting a tender offer. Therefore, the bill provides a mechanism by which shareholders can seek a court decision on the fairness of management's actions. In order to ensure that this shareholder remedy is not abused, however, the bill provides that a court may only grant an injunction—not damages—and may award attorney's fees to an issuer, as well as to a shareholder.

Even if we can successfully lower the level of combat and ensure greater fairness in the takeover process by enacting these measures, there are much broader questions that we must return to in extensive hearings in the next Congress. Those include:

What is the impact of the threat of hostile tender offers on corporate managers? Does the preparation of elaborate defensive measures divert management's attention from the business of running the company? Does the mere threat of a hostile takeover foster a short-term mentality on the part of our corporate managers? Or, do hostile takeovers keep management accountable?

What is the impact on the credit markets and on individual companies of the tremendous borrowings used to fund mergers and leveraged buyouts?

What are the consequences of two-tier and partial tender offers? Should an acquirer be permitted to control 100 percent of the assets of a public company through ownership of only 51 percent of its outstanding shares? How can we ensure that the rights of minority shareholders will be protected?

Should we continue to permit large, open-market purchases of the shares of public companies to be conducted totally outside of the tender-offer process?

What is the impact of the increasing presence of institutional investors in the securities markets? How does this affect the loyalty of the shareholder population? What are the implications of this trend on the usefulness of requirements for shareholder votes on certain transactions?

What is the impact of the increasing numbers of companies adopting charter and bylaw amendments, providing for supermajority votes, nonvoting shares, and other provisions making corporate takeovers more difficult and insulating managements of many companies from takeovers? By one estimate, more than 1,500 of the 10,000 public companies in this country have adopted such amendments, and the numbers are growing.

What is the impact of our current tax structure on takeovers and leveraged buyouts? Does the current structure give too many incentives to unproductive acquisition activity, financed in part by Federal tax deductions?

What is the proper relationship of State and Federal law in regulating the takeover process? Does it make sense to preempt State regulation of bidders, as we now do, but permit State corporation law to dictate the behavior of target management? Should we provide consistent Federal protections, or are there benefits for State experimentation in this area?

What is the relationship between hostile takeovers and other kinds of contests for corporate control, such as proxy fights?

And, finally, we need to answer the basic question of the relative benefits or harm resulting from hostile takeovers. Should we encourage, discourage, or prohibit the use of this mechanism to shift corporate control? And, in my judgment, the impact of takeovers on shareholders should not be the only focus of this inquiry.

In our coming efforts in this area, I hope to engage the expertise of the distinguished chairman of the Judiciary Committee, PETER RODINO, who has conducted a broad inquiry into the takeover area over several years, as well as Chairman ST GERMAIN and Chairman ROSTENKOWSKI, whose jurisdictions encompass many of the significant issues. Chairman RODINO has already recognized the need for a broad review, and I want to join him in calling for such an effort.●

LEGISLATION TO RESOLVE WATER RIGHTS CLAIMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. UDALL] is recognized for 5 minutes.

● Mr. UDALL. Mr. Speaker, today, at the request of the Papago Tribe, I am introducing legislation to resolve the water rights claims of the Chuichu area of the Sells Papago Reservation and the Gila Bend Papago Reservation.

In 1982, Congress enacted legislation to resolve the water rights claims of two other Papago areas, the San Xavier Reservation and the Schuk Toak area of the Sells Reservation. That settlement was the result of many months of deliberation and compromise by a dedicated group of people representing the tribe, the major water users in and around Tucson, AZ, and the Department of the Interior. The settlement successfully resolved water claims that had been the subject of litigation for more than 7 years.

My experience with the San Xavier and Schuk Toak settlement convinced me that negotiation is far preferable to litigation as a means of solving difficult water conflicts. I hope that the insights and experience gained in the course of the first Papago negotiations will be a guide as we pursue resolution of those claims of these two other Papago Reservation areas. While I believe that we can build on that experience, it is also true that we have a way to go to realize the best solutions for the Chuichu and Gila Bend claims.

The tribe has assisted us by crafting these bills, which represent its position on the issues in this controversy. While I am not wedded to the specific provisions of this legislation, I believe these bills can be a vehicle for initiation of discussions on how best to resolve these critical issues.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. KLECZKA] is recognized for 5 minutes.

● Mr. KLECZKA. Mr. Speaker, I was unavoidably absent from the House Chamber on June 27, and therefore unable to register my vote on rollcall Nos. 277, 279, and 280. Had I been present, I would have voted "no" on rollcall No. 277, "yes" on rollcall No. 279, and "yes" on rollcall No. 280.●

CURRENT LEVEL OF SPENDING AND REVENUES FOR FISCAL YEAR 1984

(Mr. JONES of Oklahoma asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. JONES of Oklahoma. Mr. Speaker, pursuant to the procedures of the Committee on the Budget and section 311(b) of the Congressional Budget Act of 1974, I am submitting to the RECORD a letter to the Speaker advising him of the current level of spending and revenues for fiscal year 1984.

COMMITTEE ON THE BUDGET,
Washington, DC, June 27, 1984.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: On January 30, 1976, the Committee on the Budget outlined the procedure which it had adopted in connection with its responsibilities under Section 311 of he Congressional Budget Act of 1974 to provide estimates of the current level of revenues and spending.

Pursuant to Committee Rule 10, I am herewith transmitting the status report under H. Con. Res. 91, the First Concurrent Resolution on the Budget for Fiscal Year 1984. This report reflects the adjusted resolution of October 25, 1983, and the current CBO estimates of budget authority, outlays, and revenues. The attachments show the latest estimate for the current level of fiscal year 1984 spending and divide that amount among committees.

The procedural situation with regard to the spending ceiling will be affected this year by Section 5(b) of H. Con. Res. 91. As I explained during debate on the conference report on that resolution, enforcement against breaches of the spending ceiling under Section 311(a) of the Budget Act will not apply where a measure would not cause a committee to exceed its appropriate allocation pursuant to Section 302(a) of the Budget Act. In the House, the appropriate 302(a) allocation includes "new discretionary budget authority" and "new entitlement authority" only. It should be noted that under this procedure neither the total level of outlays nor a committee's outlay allocation is considered. This exception is only provided because an automatic budget resolution is in effect and would cease to apply if Congress were to revise the budget resolution for fiscal year 1984.

The intent of the Section 302(a) "discretionary budget authority" and "new entitlement authority" subceiling provided by Section 5(b) of the resolution is to protect a committee that has stayed within its spending allocation—discretionary budget authority and new entitlement authority—from points of order if the total spending ceiling has been breached for reasons outside of its control. The 302(a) allocations to House committees made pursuant to the conference report on H. Con. Res. 91 were printed in the Congressional Record, June 22, 1983, H. 4326. Adjustments to such allocations made pursuant to Section 2 of House Concurrent Resolution 91, the reserve fund, are reflected in House Reports 98-313, 98-354, 98-381, and 98-439.

The attached tables show where each committee currently stands compared to its 302(a) allocation of discretionary budget authority and of new entitlement authority.

With best wishes,
Sincerely,

JAMES R. JONES,
Chairman.

Fiscal year 1984 comparison of current level and budget resolution allocation by committee

[In millions of dollars]	*Budget authority*
House committee: Total current level	–1,604
Appropriations Committee (discretionary)	(–1,483)
Authorizing committee—discretionary action:	
Agriculture	(–383)
Armed Services	(–4)
Banking, Finance, and Urban Affairs	(+[1])
District of Columbia	(......)
Education and Labor	(–[1])
Energy and Commerce	(–192)
Foreign Affairs	(+[1])
Government Operations	(–450)
House Administration	(–[1])
Interior and Insular Affairs	(+4)
Judiciary	(+[1])
Merchant Marine and Fisheries	(+13)
Post Office and Civil Service	(–[1])
Public Works and Transportation	(+150)
Science and Technology	(+[1])
Veterans' Affairs	(+[1])
Ways and Means	(+2,313)
Unassigned (offsetting receipts)	(–2,108)

[1] Less than $500,000.

Notes: Detail may not add due to rounding; Committees are over (+) or under (–) their 302(a) allocation.

FISCAL YEAR 1984 NEW ENTITLEMENT AUTHORITY

[In millions of dollars]

Committee	Allocation	Reported	Enacted
Agriculture		678	27
Appropriations			
Armed Services	1,003	813	805
Banking, Finance and Urban Affairs			
District of Columbia			
Education and Labor	1,067	2,335	1,038
Energy and Commerce	476	261	319
Foreign Affairs	3		

FISCAL YEAR 1984 NEW ENTITLEMENT AUTHORITY—Continued

[In millions of dollars]

Committee	Allocation	Reported	Enacted
Government Operations	3,763	3,973	3,425
Interior and Insular Affairs			
Judiciary			
Merchant Marine and Fisheries			
Post Office and Civil Service	1,245		−328
Public Works and Transportation			
Science and Technology			
Small Business			
Veterans Affairs	187	214	176
Ways and Means	1,584	1,102	4,090

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 27, 1984.

Hon. JAMES R. JONES,
Chairman, Committee on the Budget, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to section 308(b) and in aid of section 311(b) of the Congressional Budget Act, this letter and supporting detail provide an up-to-date tabulation of the current levels of new budget authority, estimated outlays and estimated revenues in comparison with the appropriate levels for those items contained in the most recently agreed to concurrent resolution on the 1984 budget (H. Con. Res. 91). This report for fiscal year 1984 is based on our estimates of budget authority, outlays, and revenues using the assumptions and estimates consistent with H. Con. Res. 91.

Since my last report, the Congress has cleared for the President's signature H.J. Res. 492, the Urgent Agriculture Supplemental Appropriations. This bill changes budget authority and outlay estimates.

[In millions of dollars]

	Budget authority	Outlays	Revenues
1. Enacted	917,740	850,179	665,283
2. Entitlement authority and other mandatory items requiring further appropriation action	3,341	3,170	
3. Continuing resolution authority			
4. Conference agreements ratified by both Houses	1,124	655	
Current level	922,205	854,003	665,283
Budget resolution, H. Con. Res. 91	923,809	853,386	679,600
Current level is:			
Over resolution by		617	
Under resolution by	1,604		14,317

Sincerely,
ERIC HANUSHEK
(For Rudolph G. Penner, Director).

PARLIAMENTARIAN STATUS REPORT HOUSE SUPPORTING DETAIL, FISCAL YEAR 1984 AS OF CLOSE OF BUSINESS JUNE 26, 1984

[In millions of dollars]

	Budget authority	Outlays
I. Enacted:		
Permanent appropriations and trust funds	535,903	491,993
Appropriations enacted previous session	522,190	499,031
Offsetting receipts	−141,088	−141,088
Enacted this session:		
Veterans' Compensation Amendments of 1984 (Public Law 98–223)		145
Highway emergency relief (Public Law 98–229)	150	10
Urgent supplemental appropriations (Public Law 98–248)	290	262
Agriculture Programs Adjustment Act of 1984 (Public Law 98-258)	294	294
Omnibus Budget Reconciliation Act of 1983 (Public Law 98-270)		469
Total	917,740	850,179
II. Entitlement authority and other mandatory items requiring further appropriation action:		
Department of Defense:		
Civilian pay raises	510	494
Military pay raises	1,205	1,169
Claims, Defense	63	57
Foreign Service retirement payment	3	3
Offsetting receipts	−3	−3
Range improvements	2	1
FUBA	33	33
Medicaid	556	556
Advances to unemployment:		
Trust fund	3,932	3,932
Offsetting receipts	−3,932	−3,932
Special benefits, disabled coal miners	20	20
Special benefits, Federal employees	12	12
Social services block grants	25	25
Rehabilitation services and handicapped research	34	28
Guaranteed student loan program	132	
Payment to civil service retirement fund	230	230
Offsetting receipts	−230	−230
Civilian agency pay raises	749	774
Total	3,341	3,170
III. Continuing resolution authority [1]		
IV. Conference agreements ratified by both Houses: Urgent Agriculture supplemental appropriations, H.J. Res. 492	1,124	655
Total current level as of June 26, 1984	922,205	854,003
Budget resolution, H. Con. Res. 91	923,809	853,386
Amount remaining:		
Over ceiling		617
Under ceiling	1,604	

[1] Agriculture: foreign assistance; Treasury, Postal Service and General Government and other selected appropriations are funded under continuing resolution authority (Public Law 98-151) for the full fiscal year and, therefore, are included in the enacted category of this report.

Note: Detail may not add due to rounding.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. McCANDLESS) to revise and extend their remarks and include extraneous material:)

Mr. JEFFORDS, for 10 minutes, today.

Mr. CONTE, for 60 minutes, today.

Mr. CONTE, for 60 minutes, on June 29.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. LUNDINE, prior to votes on H.R. 5927.

Mr. McKINNEY, following remarks of Mr. DIXON and Mr. COUGHLIN in general debate on H.R. 5899 in the Committee of the Whole today.

Mr. WEISS, in support of H.R. 5680 immediately prior to the vote on final passage.

Mr. RAHALL, immediately prior to passage of the committee amendments to H.R. 3678, in Committee of the Whole today.

Mr. DAUB, on H.R. 3678, immediately prior to the Committee rising, today.

Mr. BEREUTER, in support of the committee amendment to H.R. 3678, immediately prior to the Committee rising, today.

(The following Members (at the request of Mr. McCANDLESS) and to include extraneous matter:)

Mr. CRAIG.

Mr. McEWEN.

Mr. BROOMFIELD in two instances.

Mr. GREEN in two instances.

Mr. WORTLEY.

Mr. HYDE.

Mr. DANIEL B. CRANE in three instances.

Mr. CONTE.

Mr. GILMAN in two instances.

Mr. SCHULZE.

Mr. LAGOMARSINO in three instances.

Mr. WINN.

Mr. SNYDER.

Mr. GEKAS in two instances.

Mr. PACKARD.

Mr. MADIGAN.

Mr. LENT.

Mr. PURSELL.

Mr. KEMP in two instances.

Mr. FRENZEL.

Mr. TAYLOR.

Mr. GOODLING.

Mr. SHUMWAY.

Mr. MORRISON of Washington.

(The following Members (at the request of Mr. DYSON) and to include extraneous matter:)

Mr. GORE.

Mr. STARK in two instances.

Mr. SHELBY.

Mr. BATES.

Mr. DOWNEY of New York.

Mr. LANTOS in four instances.

Mr. OTTINGER.

Mr. AuCOIN.

Mr. FRANK.

Mr. ROE.

Mr. OLIN.

Mr. FEIGHAN.

Mr. VENTO.

Mr. EDWARDS of California.

Mr. SMITH of Florida.

Mr. ANDREWS of Texas.

Mr. ROYBAL.

Mr. ROSTENKOWSKI in two instances.

Mr. NOWAK.

Mr. DARDEN.

Mr. RANGEL.

Mr. DWYER of New Jersey.

Mr. PEPPER.

Mr. DELLUMS.

Mr. SCHEUER.

Mr. DYSON in two instances.

Mr. RATCHFORD.

Mr. GUARINI.

Mr. DINGELL in two instances.

Mr. WIRTH.

Mr. MORRISON of Connecticut.

Mr. HAYES.

Mr. ADDABBO.

Mr. SAM B. HALL, JR.

Mr. TORRICELLI.

Ms. FERRARO.
Mr. TRAXLER.
Mr. LAFALCE.
Mr. LUKEN.
Mr. KASTENMEIER.
Mr. ECKART.
Mr. LONG of Maryland.
Mr. KOSTMAYER.
Mr. ERDREICH.

REFERRAL OF SENATE AMENDMENT UNDER TIME LIMITATION

Pursuant to clause 5, rule X and clause 2, rule XXIV, the Senate amendment to the bill (H.R. 1310) to provide assistance to improve elementary, secondary, and postsecondary education in mathematics and science; to provide a national policy for engineering, technical, and scientific personnel; to provide cost sharing by the private sector in training such personnel; to encourage creation of new engineering, technical, and scientific jobs; and for other purposes, was referred from the Speaker's table to the Committees on Education and Labor and the Judiciary, for a period ending not later than August 6, 1984, solely for consideration of such provisions of title VIII of the Senate amendment as fall within the jurisdictions of the committees under clauses 1 (g) and (m), rule X.

ADJOURNMENT

Mr. BENNETT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 17 minutes p.m.) the House adjourned until tomorrow, Friday, June 29, 1984, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3643. A letter from the Acting Assistant Secretary of the Army (Installations and Logistics), transmitting notification of the recent discovery and emergency disposal of a suspected chemical agent munition at Aberdeen Proving Ground, MD, pursuant to Public Law 91-441, section 506(d); to the Committee on Armed Services.

3644. A letter from the Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting notification of the Department of the Air Force's plans to study conversion of various functions at different installations from in-house operation to commerical contract, pursuant to 10 U.S.C. 2304 (Pub. L. 96-342, section 502(a) (96 Stat. 747)); to the Committee on Armed Services.

3645. A letter from the Deputy Assistant to the President and Executive Secretary, National Productivity Advisory Committee, transmitting copies of reports by the White House Conference on Productivity and the National Productivity Advisory Committee; to the Committee on Banking, Finance and Urban Affairs.

3646. A letter from the Secretary of Education, transmitting a report on the status of vocational education in fiscal year 1983, pursuant to VEA, section 112(c) (90 Stat. 2187); to the Committee on Education and Labor.

3647. A letter from the Secretary of Energy, transmitting a report on retail regulatory policies for electric utilities and retail policies for natural gas utilities, pursuant to Public Law 95-617, sections 116 and 309; to the Committee on Energy and Commerce.

3648. A letter from the Secretary of Health and Human Services, transmitting a report on the status of health personnel in the United States, pursuant to Public Law 94-63, section 951(b) (92 Stat. 3457), PHSA, section 708(d) (1) and (2) (95 Stat. 914), and PHSA section 794(c) (95 Stat. 928); to the Committee on Energy and Commerce.

3649. A letter from the Secretary of Health and Human Services, transmitting a report on the prevention activities undertaken by the Alcohol, Drug Abuse, and Mental Health Administration in the areas of alcoholism and drug abuse, pursuant to PHSA section 501(e)(2) (97 Stat. 176); to the Committee on Energy and Commerce.

3650. A letter from the Administrator, Agency for International Development, transmitting the 1983 annual report on the President's efforts to restrain arms races and proliferation of sophisticated weapons, pursuant to FAA, section 620(s)(2) (83 Stat. 820; 95 Stat. 1560); to the Committee on Foreign Affairs.

3651. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a copy of the original report of political contributions for Richard Boehm, Ambassador-designate to the Republic of Cyprus, pursuant to Public Law 96-465, section 304(b)(2); to the Committee on Foreign Affairs.

3652. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a copy of the original report of political contributions for Paul H. Boeker, Ambassador-designate to the Kingdom of Jordan, pursuant to Public Law 96-465, section 304(b)(2); to the Committee on Foreign Affairs.

3653. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a copy of the original report of political contributions for Maynard W. Glitman, with rank of Ambassador during his tenure of service as the Representative of the United States of America for Mutual and Balanced Force Reductions Negotiations, pursuant to Public Law 96-465, section 304(b)(2); to the Committee on Foreign Affairs.

3654. A letter from the firm of Leboeuf, Lamb, Leiby & MacRae, transmitting the 1983 annual report of independent auditors who have audited the records of the National Council on Radiation Protection and Measurements, pursuant to Public Law 88-376, section 14(b); to the Committee on the Judiciary.

3655. A letter from the Administrator of Veterans' Affairs, transmitting a copy of a lease prospectus for an outpatient clinic facility in Pensacola, FL, pursuant to 38 U.S.C. 5004(b) (93 Stat. 56); to the Committee on Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GARCIA: Committee of conference. Conference report on H.R. 1492 (Rept. No. 98-876). Ordered to be printed.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 5950. A bill to increase the Federal contribution for the Quadrennial Political Party Presidential National Nominating Conventions. (Rept. No. 98-877, Pt. I). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 5953. A bill to increase the statutory limit on the public debt (Rept. No. 98-878). Referred to the Committee of the Whole House on the State of the Union.

Mr. MOAKLEY: Committee on Rules. House Resolution 543. Resolution providing for the consideration of an amendment to the Senate amendment (H.R. 2769) to promote economic revitalization and facilitate expansion of economic opportunities in the Caribbean Basin region. (Rept. No. 98-879). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 544. Resolution providing for the consideration of H.R. 5950, a bill to increase the Federal contribution for the Quadrennial Political Party Presidential National Nominating Conventions (Rept. No. 98-880). Referred to the House Calendar.

Mr. HALL of Ohio: Committee on Rules. House Resolution 545. Resolution providing for the consideration of H.R. 5953, a bill to increase the statutory limit on the public debt. (Rept. No. 98-881). Referred to the House Calendar.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X the following action was taken by the Speaker:

Referral of H.R. 4829 to the Committee on Public Works and Transportation extended for a period ending not later than July 30, 1984.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROSTENKOWSKI:

H.R. 5950. A bill to increase the Federal contribution for the Quadrennial Political Party Presidential National Nominating Conventions; to the Committee on Ways and Means and House Administration.

Mr. BLILEY (for himself, Mr. FAUNTROY, Mr. DYMALLY, and Mr. MCKINNEY):

H.R. 5951. A bill to change the appointment process for judges of District of Columbia courts, and for other purposes; to the Committee on the District of Columbia.

By Mr. SCHULZE:

H.R. 5952. A bill to amend the Trade Act of 1974 to require congressional approval of certain executive actions affecting import relief; to the Committee on Ways and Means.

By Mr. ROSTENKOWSKI (for himself and Mr. Conable):

H.R. 5953. A bill to increase the statutory limit on the public debt: to the Committee on Ways and Means.

By Mr. BIAGGI:

H.R. 5954. A bill to require the Secretary of Agriculture to conduct a pilot project involving the redemption of food stamp coupons through uninsured financial institutions; to the Committee on Agriculture.

By Mr. BIAGGI:

H.R. 5955. A bill to require the Secretary of Health and Human Services to study duplicative collection of information by the Department of Health and Human Services and to recommend methods for reducing such duplicative collection; to the Committee on Government Operations.

By Mr. EARLY (for himself, and Mr. Conte):

H.R. 5956. A bill to stimulate the development of State programs for skills training and education, consistent with the employment needs of the State and involving the active participation of business concerns in the State, and for other purposes; to the Committee on Education and Labor.

By Mr. LELAND (for himself, and Mrs. Collins):

H.R. 5957. A bill to amend the Communications Act of 1934 to provide for preferences for minority applicant in cellular radio proceedings; to the Committee on Energy and Commerce.

By Mr. SCHEUER (for himself, Mr. Brown of California, Mr. MacKay, Mr. Torricelli, Mr. Biaggi, and Mr. Chandler):

H.R. 5958. A bill to provide for improvements in the Nation's environmental monitoring programs, to establish a National Commission on Environmental Monitoring, and to enhance United States participation in international monitoring programs; jointly, to the Committees on Merchant Marines and Fisheries and Science and Technology.

By Mr. MADIGAN (for himself, and Mr. Eckart):

H.R. 5959. A bill to amend the Safe Drinking Water Act; to the Committee on Energy and Commerce.

By Mr. ALBOSTA (for himself, Mr. Levin of Michigan, Mr. Conyers, Mr. Vander Jagt, Mr. Davis, and Mr. Markey):

H.R. 5960. A bill to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Saginaw Chippewa Tribe of Michigan in dockets Nos. 59 and 13E before the Indian Claims Commission and docket No. 13F before the U.S. Claims Court, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DARDEN:

H.R. 5961. A bill to designate the U.S. Post Office Building in Rome, GA, as the "John W. Davis Post Office Building;" to the Committee on Post Office and Civil Service.

H.R. 5962. A bill to designate the U.S. Post Office Building in Rossville, GA, as the "Lawrence P. McDonald Post Office Building;" to the Committee on Post Office and Civil Service.

By Mr. FISH:

H.R. 5963. A bill entitled the "Comprehensive Crime Control Act of 1984;" to the Committee on the Judiciary.

By Mr. LANTOS:

H.R. 5964. A bill to allow the Federal Government to dispose of mammals, in addition to horses and mules, which have become unfit for service by donating them to humane organizations; to the Committee on Government Operations.

By Mr. LOTT:

H.R. 5965. A bill to designate certain national forest system lands in the State of Mississippi as wilderness, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Agriculture.

By Mr. Murphy (for himself, Mr. Gaydos, Mr. Huckaby, Mr. Barnes, Mr. Latta, Mr. Weiss, Mr. Mitchell, Mr. Barnard, Mr. Towns, Mr. Kramer, Mr. O'Brien, Mr. Packard, Mr. Stokes, Mr. Corcoran, Mr. Vander Jagt, Mr. Schaefer, Mr. Taylor, Mr. Whittaker, Mr. NcNulty, Mr. Chappie, Mr. Lagomarsino, Mrs. Collins, Mr. Porter, Mr. Mollohan, Mr. Brown of Colorado, Ms. Kaptur, Mr. Rahall, Mr. Hefner, Mr. Sundquist, and Mr. Luken):

H.R. 5966. A bill to provide prompt, exclusive, and equitable compensation, as a substitute for indaquate tort remedies, for disabilities or deaths resulting from occupational exposure to asbestos; and for other purposes; jointly, to the Committees on Education and Labor and Ways and Means.

By Ms. Oakar:

H.R. 5967. A bill to require States to enact laws which require physicians and surgeons to inform breast cancer patients of alternative effective methods of treatment for breast cancer in order to qualify for Federal funds under titles V and XIX of the Social Security Act and title XIX of the Public Health Service Act; to the Committee on Energy and Commerce.

By Mr. Udall (by request):

H.R. 5968. A bill entitled: the "Gila Bend Land Exchange and Settlement Act;" to the Committee on Interior and Insular Affairs.

By Mr. Udall (by request):

H.R. 5969. A bill entitled: the "Papago-Sif Oidak Chuichu Area Water Settlement Act;" to the Committee on Interior and Insular Affairs.

By Mr. VENTO (for himself, Mr. Sabo, Mr. Martinez, and Mr. Fauntroy):

H.R. 5970. A bill to amend the Clean Air Act to establish a program for the control of acid rain; to the Committee on Energy and Commerce.

By Mr. WIRTH:

H.R. 5971. A bill to transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of the effects of radiation, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WIRTH (for himself, Mr. Markey, Mr. Leland, Mr. Bryant, and Mr. Waxman):

H.R. 5972. A bill to amend the Securities and Exchange Act of 1934; to the Committee on Energy and Commerce.

By Mr. FORD of Michigan:

H.J. Res. 613 Joint resolution designating 1985 as the "Year of the Teacher"; to the Committee on Post Office and Civil Service.

By Mr. GUARINI:

H.J. Res. 614. Joint resolution designating the seven-day period beginning on February 8, 1985, and ending on February 14, 1985, as "National Chocolate Week"; to the Committee on Post Office and Civil Service.

By Mr. MOAKLEY:

H.J. Res. 615. Joint resolution designating the week beginning May 5, 1985, as "National Arson Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. AuCOIN (for himself, Mr. Wylie, Mr. Gephardt, Mr. Conable, Mr. Addabbo, Mr. Albosta, Mr. Andrews of Texas, Mr. Archer, Mr. Aspin, Mr. Barnard, Mr. Barnes, Mr. Bateman, Mr. Bates, Mr. Bedell, Mr. Beilenson, Mr. Bennett, Mr. Bevill, Mr. Bilirakis, Mr. Bliley, Mr. Boehlert, Mrs. Boggs, Mr. Boner of Tennessee, Mr. Bosco, Mr. Britt, Mr. Brown of Colorado, Mr. Carper, Mr. Chandler, Mr. Clarke, Mr. Coelho, Mr. Coleman of Missouri, Mr. Coleman of Texas, Mr. Corcoran, Mr. Corrada, Mr. D'Amours, Mr. Darden, Mr. Daschle, Mr. Daub, Mr. de la Garza, Mr. DeWine, Mr. Dicks, Mr. Duncan, Mr. Durbin, Mr. Eckart, Mr. Edwards of Alabama, Mr. Evans of Iowa, Mr. Fazio, Mr. Fish, Mr. Frenzel, Mr. Frost, Mr. Garcia, Mr. Gore, Mr. Gradison, Mr. Gunderson, Mr. Ralph M. Hall, Mr. Harrison, Mr. Heftel of Hawaii, Mrs. Holt, Mr. Horton, Mr. Huckaby, Mr. Hughes, Mr. Hutto, Mr. Ireland, Mr. Jeffords, Mrs. Johnson, Ms. Kaptur, Mr. Kasich, Mrs. Kennelly, Mr. Kindness, Mr. Kleczka, Mr. Kogovsek, Mr. Kolter, Mr. Kostmayer, Mr. Lagomarsino, Mr. Latta, Mr. Leach of Iowa, Mr. Lehman of California, Mr. Levin of Michigan, Mr. Levine of California, Mr. Lewis of Florida, Mr. Lipinski, Mrs. Lloyd, Mr. Loeffler, Mr. Lott, Mr. Lowery of California, Mr. Luken, Mr. McCain, Mr. McCurdy, Mr. McEwen, Mr. McKernan, Mr. McKinney, Mr. McNulty, Mr. MacKay, Mr. Madigan, Mr. Markey, Mr. Martin of New York, Mr. Martinez, Mr. Matsui, Mr. Mavroules, Mr. Miller of Ohio, Mr. Minish, Mr. Mollohan, Mr. Montgomery, Mr. Morrison of Washington, Mr. Mrazek, Mr. Murphy, Mr. Neal, Mr. Nichols, Mr. Nielson of Utah, Mr. Nowak, Mr. O'Brien, Mr. Olin, Mr. Oxley, Mr. Parris, Mr. Patman, Mr. Patterson, Mr. Pease, Mr. Porter, Mr. Quillen, Mr. Rahall, Mr. Ray, Mr. Regula, Mr. Reid, Mr. Richardson, Mr. Ridge, Mr. Rinaldo, Mr. Ritter, Mr. Robinson, Mr. Roe, Mr. Rogers, Mr. Roth, Mrs. Roukema, Mr. Rowland, Mrs. Schneider, Mrs. Schroeder, Mr. Shaw, Mr. Shelby, Mr. Sikorski, Mr. Simon, Mr. Sisisky, Mr. Slattery, Mr. Smith of Florida, Ms. Snowe, Mr. Spratt, Mr. Stangeland, Mr. Stenholm, Mr. Tallon, Mr. Tauke, Mr. Tauzin, Mr. Vandergriff, Mr. Vento, Mr. Weaver, Mr. Whitehurst, Mr. Whittaker, Mr. Williams of Ohio, Mr. Winn, Mr. Wise, Mr. Wolf, Mr. Won Pat, Mr. Wyden, and Mr. Young of Alaska):

H.J. Res. 616. Joint resolution to establish a bipartisan National Commission on Federal Budget Deficit Reductions; to the Committee on Government Operations.

By Mr. DARDEN:

H.J. Res. 617. Joint resolution proposing an amendment to the Constitution relating to Federal budget procedures; to the Committee on the Judiciary.

By Mr. MATSUI (for himself, Mr. Rangel, and Mrs. Hall of Indiana):

H.J. Res. 618. Joint resolution to establish a Commission on Poverty Definition Reform; to the Committee on Government Operations.

Mr. WIRTH (for himself, Mr. Feighan, Mr. Fascell, Mr. Broomfield, Mr. Yatron, Mr. Hamilton, Mr. Foley, Mr. Solarz, Mr. Kemp, Mr. Mineta, Mr. Waxman, Mr. Panetta, Mr. Levitas, Mr. Lantos, Mr. Hyde, Mr. Leach of Iowa, Mr. McKinney, Mr. Gephardt, Mr. Patterson, Mr. Barnes, Mr. AuCoin, Mr. Wolpe, Mr. Walker, Mr. Weiss, Mr. Gingrich, Mr. Levine of California, Mr. Mack, Mr. Harkin, Mr. Porter, Mr. Ackerman, Mr. Beilenson, Mr. Gilman, Mrs. Martin of Illinois, Mr. Bethune, Mr. Chandler, Mr. Morrison of Washington, Mr. Fish, Mr. Brown of California, Mr. Schumer, Mr. Donnelly, Mr. Weber, Mr. Dellums, Mrs. Vucanovich, Ms. Ferraro, Mrs. Boxer, Mr. Boucher, Mr. Murtha, Mr. Berman, Mr. Moody, Mr. Glickman, Mr. Kleczka, Mr. Downey of New York, Mr. Dicks, Mr. Sharp, Mr. English, Mr. Durbin, Mr. Bates, Mr. Tallon, Mr. Clay, Mr. Levin of Michigan, Mr. Aspin, Mr. Jones of Oklahoma, Mr. McHugh, Mrs. Roukema, Mr. Spratt, Mr. Wise, Mr. Bryant, Mr. Hall of Ohio, Mr. Wyden, Mr. Penny, Mr. Lundine, Mr. Bedell, Mr. Slattery, Mr. Miller of California, Mr. Mavroules, Mr. Russo, Mrs. Schroeder, Mr. Lehman of Forida, Mr. Breaux, Mr. Coughlin, and Mr. Conte):

H. Con. Res. 332. Concurrent resolution expressing the sense of the Congress that the Union of Soviet Socialist Republics should provide the signatories of the Helsinki Final Act with specific information as to the whereabouts, health and legal status of Andrei Sakharov and Yelena Bonner; to the Committee on Foreign Affairs.

By Mr. ROYBAL (for himself, Mr. Pepper, Mr. Rinaldo, Mr. Ford of Tennessee, Mr. Biaggi, Mr. Hammerschmidt, Mr. Andrews of North Carolina, Mr. Regula, Mr. Bonker, Mr. Shumway, Mr. Downey of New York, Ms. Snowe, Mr. Hughes, Mr. Tauke, Mrs. Lloyd, Mr. Wortley, Mr. Lundine, Mr. Daub, Ms. Oakar, Mr. Craig, Mr. Luken, Mr. Evans of Iowa, Ms. Ferraro, Mr. Williams of Ohio, Mr. Ratchford, Mrs. Schneider, Mr. McCain, Mr. Waxman, Mr. Derrick, Mr. Vento, Mr. Frank, Mr. Lantos, Mr. Bilirakis, Mr. Gekas, Mr. Smith of New Jersey, Mr. DeWine, Mr. Wyden, Mr. Albosta, Mr. Crockett, Mr. Skelton, Mr. Hertel of Michigan, Mr. Reid, Mr. Sisisky, Mr. Vandergriff, Mr. Richardson, Mr. Dwyer of New Jersey, Ms. Kaptur, Mr. Applegate, Mr. Dyson, Mr. Owens, Mr. Solarz, Mr. Winn, Mr. Roe, Mrs. Boxer, Mr. Early, Mr. Florio, Mr. Young of Alaska, Mr. McCollum, Mr. Green, Mr. Guarini, Mr. Stenholm, Mr. Evans of Illinois, Mr. McHugh, Mr. Gregg, Mr. Stokes, Mr. Fauntroy, Mr. Morrison of Washington, Mr. Simon, Mr. Wyden, Mrs. Johnson, Mr. Frenzel, Mr. Bates, Mr. Dellums, Mr. de la Garza, Mr. Smith of Florida, Mr. Moody, Mr. McKernan, Mr. Stark, Mr. Mrazek, Mr. Mollohan, Mr. Ford of Michigan, Mr. LaFalce, Mr. Weiss, Mr. Addabbo, Mr. Fazio, Mr. Britt, Mr. Levin, of Michigan, Mr. Hunter, Mr. Ortiz, Mr. Berman, Mr. Boner of Tennessee, Mr. Hawkins, Mr. Wirth, Mr. Horton, Mr. Wise, Mr. Jeffords, Mr. Kleczka, Mr. Weaver, and Mr. Minish):

H. Con. Res. 333. Concurrent resolution expressing the sense of the Congress that the Senior Companion Program be commended on its 10th anniversary for its success in providing volunteer opportunities for older Americans; to the Committee on Post Office and Civil Service.

By Mr. DARDEN:

H. Res. 546. Resolution expressing the sense of the House of Representatives that the several States should authorize judges to require delinquent juveniles to complete a secondary education; to the Committee on Education and Labor.

By Mr. SIMON (for himself, Mr. Durbin, Mr. Hayes, Mr. Lantos, Mr. Long of Maryland, Mr. Ritter, Mr. Wilson, and Mr. Wirth):

H. Res. 547. Resolution condemning new Soviet bombing in Afghanistan and commending the Afghan resistance on its valorous struggle: to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

427. By the SPEAKER: Memorial of the Legislature of the State of California, relative to computer education; to the Committee on Education and Labor.

428. Also, memorial of the Legislature of the State of California, relative to redesignating Federal surplus property for the Corona-Norco Unified School District; to the Committee on Government Operations.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 656: Mr. Coyne and Mr. McHugh.

H.R. 1249: Mr. Wise.

H.R. 1676: Mr. Ratchford.

H.R. 1706: Mr. Traxler.

H.R. 1959: Mr. Torricelli.

H.R. 2151: Mr. Patterson and Mr. Lent.

H.R. 2584: Mr. Gunderson, Mr. Duncan, Mr. Walgren, and Mr. Stokes.

H.R. 2852: Mr. Kennelly.

H.R. 2996: Mr. Neal, Mr. Bilirakis, Mr. Whitley and Mr. Roberts.

H.R. 3010: Mr. Kolter.

H.R. 3796: Mr. Bartlett, Mr. Boner of Tennessee, Mrs. Boxer, Mrs. Byron, Mr. Chappell, Mr. Evans of Illinois, Mr. Foglietta, Mr. Gore, Mr. Gramm, Mr. Jeffords, Mr. Kemp, Mr. Lewis of California, Mrs. Lloyd, Mr. Marlenee, Mr. Martin of New York, Mr. Minish, Mr. Oberstar, Mr. Rinaldo, Mr. Schaefer, Mrs. Schneider, Mr. Traxler, and Mr. Wise.

H.R. 4356: Mr. Patterson.

H.R. 4786: Mr. Ridge and Mr. Gekas.

H.R. 4843: Mr. Walker.

H.R. 4855: Mr. Ottinger, Mr. Bosco, Mr. Conyers, Mr. Edgar, Mr. Fazio, Mr. Levine of California, Mr. Mineta, Mr. Patterson, and Mrs. Schneider.

H.R. 5000: Mr. Daniel B. Crane.

H.R. 5030: Mr. Biaggi, Mr. Bliley, Mr. Brown of California, Mr. Coats, Mrs. Collins, Mr. Daub, Mr. Eckart, Mr. Frost, Mr. Horton, Mr. Hyde, Mrs. Johnson, Mr. Kolter, Mr. Levin of Michigan, Mrs. Lloyd, Mr. McGrath, Mr. Mitchell, Mr. Mrazek, Mr. Ottinger, Mr. Owens, Mr. Rogers, Mr. Smith of Florida, Mr. Smith of Iowa, Mr. Stokes, Mr. Vento, Mr. Walgren, and Mr. Weiss.

H.R. 5037: Mr. Clinger, Mr. Kolter, Mr. Walker, Mr. Towns, Mr. Weber, Mr. Jeffords, Mr. Shuster, Mr. McHugh, Mr. Gunderson, Mr. Edgar, Mr. Kindness, Mr. Murtha, Mr. Horton, Mr. Wortley, Mr. Ridge, Mr. Gekas, and Mr. Olin.

H.R. 5110: Mr. Luken, Mr. Edwards of Oklahoma, Mr. Lehman of Florida, Mr. Madigan, Mr. Savage, Mr. Gekas, Mr. Harrison, and Mr. Hayes.

H.R. 5377: Mr. Thomas of Georgia, Mr. Duncan, Mr. Eckart, and Mr. Gingrich.

H.R. 5391: Mr. Gekas and Mr. Smith of Florida.

H.R. 5430: Mr. Owens, Mr. Walgren, Mr. Biaggi, and Mr. Sikorski.

H.R. 5432: Mr. Livingston, Mrs. Vucanovich, Mr. Franklin, Mr. Dreier of California, Mr. Lujan, Mr. Hyde, Mr. McEwen, Mr. Kasich, Mr. Hillis, Mr. Kindness, Mr. Gekas, Mr. Roberts, Mr. Brown of Colorado, Mr. Paul, Mr. Corcoran, and Mr. Schaefer.

H.R. 5529: Mr. Madigan.

H.R. 5745: Mr. Kostmayer and Mr. Evans of Illinois.

H.R. 5581: Mr. Patterson.

H.R. 5640: Mr. Patterson.

H.R. 5725: Mr. Bates, Mr. Beilenson, Mrs. Boxer, Mr. Crockett, Mr. Green, Mr. Hawkins, Mr. Martinez, Mr. Mavroules, Mr. Mitchell, Mr. Moody, Mr. Ratchford, Mr. Rodino, Mr. Seiberling, Mr. Stokes, and Mr. Whitehurst.

H.R. 5799: Mr. Crockett, and Mrs. Hall of Indiana.

H.R. 5835: Mr. Winn, Mr. MacKay, Mr. Markey, Mr. Edwards of California, and Mr. Young of Florida.

H.R. 5843: Mr. Moody.

H.R. 5845: Mr. Boehlert, Mrs. Boggs, Mr. Campbell, Mr. Chappell, Mr. Daniel B. Crane, Mr. Daub, Mr. English, Mr. Frenzel, Mrs. Hall of Indiana, Mr. Hefner, Mr. Horton, Mr. Jeffords, Mr. Jones of Oklahoma, Mr. Lewis of Florida, Mr. Lowry of Washington, Mr. NcNulty, Mr. Moore, Mr. Oberstar, Mr. Olin, Mr. Robinson, Mr. Shannon, Mr. Shuster, Mr. Smith of New Jersey, Mr. Tauke, Mr. Weaver, Mr. Whittaker, Mr. Wyden, and Mr. Young of Missouri.

H.R. 5908: Mr. Hunter.

H.R. 5913: Mr. Barnard, Mr. Lehman of California, and Mr. D'Amours.

H.R. 5948: Mr. Guarini, and Mr. Kolter.

H.J. Res. 206: Mr. Wyden, Mr. Britt, Mr. Weiss, and Mr. Spence.

H.J. Res 360: Mr. Ortiz.

H.J. Res. 453: Mr. Bosco, Mr. Burton of Indiana, Mr. Chappie, Mr. Reid, Mr. Scheuer, Mr. Shannon, Mr. Vandergriff, Mr. Conyers, Mr. Ralph M. Hall, Mr. Hammerschmidt, Mr. McCain, Mr. Breaux, Mr. Tauke, Mrs. Holt, Mr. Philip M. Crane, Mr. Gilman, Mr. Mack, Mr. Martin of New York, Mr. Mavroules, Mr. Lowery of California, Mr. Boland, Mr. Robinson, Mr. Boehlert, Mr. Howard, Mr. Carper, Mr. Kostmayer, Mr. Lantos, Mr. Sisisky, Mr. Lewis of California, Mr. Volkmer, Mr. Martin of North Carolina, Mr. Tallon, Mr. Marriott, Mr. Skelton, Mr. Rose, Mr. Andrews of North Carolina, Mr. Traxler, Mr. Nielson of Utah, Mr. Packard, Mr. Donnelly, Mr. Gephardt, Mr. Early, Mr. Roybal, Mrs. Lloyd, Mr. Moakley, Mr. Markey, Mrs. Burton of California, Mr. Coelho, Mr. Studds, Mr. Towns, Mr. Moody, Mr. Ackerman, Mr. Darden, Mr. Garcia, Mr. Dellums, Mr. Daniel, Mr. de la Garza, Mr. Dickinson, Mr. Emerson, Mr. Hansen of Utah, Mr. Hyde, Mr. Hansen of Idaho, Mr. McCloskey, Mr. Pepper, Mr. Morrison of Connecticut, Mr. Mrazek, Mr. Perkins, Mr. Ortiz, Mr. Pritchard, Ms. Snowe, and Mr. Watkins.

H.J. Res. 482: Mr. Spratt, Mr. Coelho, and Mr. Carney.

H.J. Res. 489: Mr. Kazen, Mr. Bryant, Mr. Marriott, Mr. de la Garza, and Mr. Fields.

H.J. Res. 505: Mr. Anderson, Mr. Andrews of Texas, Mr. Bereuter, Mr. Conable, Mr. Daniel, Mr. Dicks, Mr. Foglietta, Mr. Gray, Mr. Hightower, Mr. Howard, Mr. Hutto, Mrs. Kennelly, Mr. Latta, Mr. Leach of Iowa, Mr. Leland, Mr. Martin of New York, Mr. Martin of North Carolina, Mr. O'Brien, Mr. Packard, Mr. Perkins, Mr. Rangel, Mr. Rinaldo, Mrs. Schroeder, Mr. Shaw, Mr. Sikorski, Mr. Wise, and Mr. Yates.

H.J. Res. 514: Mr. Swift.

H.J. Res. 529: Mr. Pashayan, Mr. Pritchard, Mr. Solarz, Mr. Minish, Mr. Nelson of Florida, Mr. McCollum, Mr. Bartlett, Mr. Campbell, Mr. Dowdy of Mississippi, Mr. Kostmayer, Mr. Roberts, Mr. Bosco, and Mr. Boland.

H.J. Res. 554: Mr. Leach of Iowa, Mr. Anderson, Mr. Richardson, Ms. Ferraro, Mr. Markey, Mr. Britt, Mr. Ratchford, Mr. Kogovsek, Mr. McNulty, Mr. Siljander, Mr. Akaka, Mr. Lewis of Florida, Mr. McHugh, Mr. Flippo, Mr. Pashayan, Mr. Hansen of Idaho, Mr. Feighan, Mr. Lantos, Mr. Gejdenson, Mr. Rahall, Mr. Conyers, Mr. Applegate, Mr. Sabo, Mr. Hoyer, Mr. Kazen, Mr. DeWine, Mr. Nichols, Mr. Darden, Mr. Stratton, Mr. Dingell, Mr. Barnes, Mr. Dwyer of New Jersey, Mrs. Burton of California, Mr. Kasich, Mr. Gray, Mr. Carper, and Mr. Sam B. Hall, Jr.

H.J. Res. 572: Mr. Dicks, Mr. LaFalce, Mr. Coyne, Mr. Kleczka, Mr. Torricelli, Ms. Fiedler, Mr. Kastenmeier, and Mr. Guarini.

H.J. Res. 587: Mr. Chappie, Mr. Lantos, Mr. Weiss, Mr. Goodling, Mr. Wheat, Mr. Andrews of Texas, Mr. Barnes, Mr. Dixon, Mr. Bates, Mr. Martinez, Mr. Ratchford, Mrs. Boxer, Mr. Kogovsek, Mr. Morrison of Connecticut, and Mr. Rahall.

H.J. Res. 591: Mr. Russo, Mr. Britt, Mr. Dorgan, Mr. Guarini, Mr. Gekas, Mr. Simon, Mr. Levin of Michigan, Mr. Emerson, Mr. Mollohan, Mr. Hartnett, Mr. Crockett, Mr. Dixon, and Mr. Reid.

H.J. Res. 592: Mr. Berman, Mr. Foglietta, and Mr. Martinez.

H.J. Res. 602: Mr. Horton, Mr. Heftel of Hawaii, Mr. Levin of Michigan, Mr. Corrada, Mr. Mitchell, Mrs. Holt, Mrs. Byron, Mr. Barnes, Mr. Hoyer, Mr. Long of Maryland, and Mr. Dyson.

H.J. Res. 606: Mr. Archer, Mr. Biaggi, Mr. Boehlert, Mrs. Boxer, Mr. Brown of California, Mr. Broyhill, Mr. Carr, Mr. Chandler, Mr. Clarke, Mr. Cooper, Mr. Corrada, Mr. Daschle, Mr. Dicks, Mr. Dixon, Mr. Dowdy of Mississippi, Mr. Dyson, Mr. Fish, Mr. Hammerschmidt, Mr. Harrison, Mr. Hartnett, Mr. Hefner, Mrs. Johnson, Mr. Jones of North Carolina, Ms. Kaptur, Mr. Kogovsek, Mr. Lewis of California, Mr. McCain, Mr. MacKay, Mr. Martin of North Carolina, Mr. Murphy, Mr. Ortiz, Mr. Packard, Mr. Pepper, Mr. Pritchard, Mr. Rahall, Mr. Roberts, Mr. Roe, Mr. Sawyer, Mr. Schumer, Mr. Shelby, Mr. Smith of New Jersey, Mr. Swift, Mr. Traxler, Mrs. Vucanovich, Mr. Whitley, Mr. Williams of Ohio, Mr. Wilson, Mr. Won Pat, and Mr. Yatron.

H. Con. Res. 315: Mr. Bennett.

H. Con. Res. 320: Mrs. Hall of Indiana and Mr. Solarz.

H. Con. Res. 322: Mr. Fazio, Mr. Edgar, Mr. Ottinger, and Ms. Mikulski.

H. Con. Res. 327: Mr. Walker.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 4098: Mr. Rudd.

H.R. 5835: Mr. Kemp.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3678

By Mr. GUNDERSON:

—Page 139, line 1, amend title VI by adding the following new section at the end thereof:

"Sec. 620. The Secretary is authorized and directed to complete a study of the Army Corp of Engineers' project evaluation and selection criteria identifying all factors which create a disproportionate burden adverse to the selection of flood control or other projects under the Secretary's authority in rural areas and in areas with greater percentages of low-income individuals. Within one year of the enactment of this Act the Secretary shall transmit a report to Congress on the results of such study together with specific recommendations for changes in the selection criteria that would effectively eliminate any bias against projects in such areas."

EXTENSIONS OF REMARKS

NICARAGUA—LAND OF TYRANNY AND OPPRESSION

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. LAGOMARSINO. Mr. Speaker, there is a valiant and heroic struggle underway in Central America today. It involves thousands of Nicaraguans who have seen their revolution which brought together many different groups in opposing Somoza, betrayed by ideologues who openly profess "* * * Marxism-Leninism is the scientific doctrine which guides our revolution * * *." The people in that country are, as each day goes by, becoming more outspoken in their opposition to the Sandinistas' flagrant disregard for the will of the people, their ties to Cuba, the Soviet Union, the PLO, and the Bulgarians, their harassment of the Catholic Church and the Pope during his visit, the persecution of various minority groups including the Miskito Indians, their total control of the media, and their increasing militarization of all facets of Nicaraguan life.

The United States has joined these people in their heroic struggle against tyranny and oppression in Nicaragua. While we hoped that a new era of freedom and democracy would develop in Nicaragua, we, too, have seen the effect of the Sandinistas taking power. They have castigated, and in many instances convicted in absentia, those forces with which they were at one point joined in the struggle against Somoza.

Mr. Speaker, the United States cannot and must not sit idly by while the revolution is being corrupted and betrayed against the will of the Nicaraguan people. We must continue to support those elements within Nicaragua which are willing to fight for freedom for their country, to fight for democracy, to fight for freedom from outside interference, and to fight for freedom from communism.

The following letter I received I believe accurately expresses the feelings of many Nicaraguans, many of whom are now living in the United States and I recommend it to my colleagues:

JUNE 1, 1984.

DEAR MR. CONGRESSMAN, we are writing you on the subject of the Bill providing aid to the Nicaraguan patriots whose lives are sacrificed every day, on Nicaraguan land, by the Marxist-Leninist dictatorship of the Frente Sandinista de Liberacion Nacional, FSLN.

We, members of the Nicaraguan community living in the Washington Metropolitan Area, and Americans of Nicaraguan extraction, would like to express to you and to the North American people our conviction that the Nicaraguan Patriots, fighting against the Sandinista regime, represent the commitment of the people of Nicaragua to the cause of Democracy, social justice, and individual freedom. They constitute the armed arm of those who cannot take up weapons to defend themselves.

What happened in Nicaragua is that the present Sandinista rulers have betrayed the promises, and goals, of the Revolution that overthrew the Somoza regime. A few Communist "Comandantes" have imposed an oppressive system on the Nicaraguan people. Nicaragua now is a country occupied by Cubans, Russians, East Germans, PLO, Libyans, and other Soviet puppets, who have turned our country into an armed camp, and are trying to export communism to other countries in the Hemisphere.

The Nicaraguan Patriots are made up of brave people from all walks of life. The commitment of the people of Nicaragua deserves respect. Sandinista propaganda has tried to brand them as "mercenary tools of the CIA" (Who would brand the Afgan rebels with this libel?). In Nicaragua, the examples of "El Negro Chamorro" unit, and the Miskitos, fighting for democracy go back to 1981 when they were fighting without any outside aid.

It has been said that there is no alternative to the FSLN dictatorship. This is not true. There is an indigenous nation-wide resistance movement going on in Nicaragua against the repressive Marxist-Leninist FSLN due to the abuses of this bloody regime against the Churches, the free press, the Indian community, the labor unions, the peasants, and the exercise of individual liberty.

Those of use who are U.S. citizens realize that extension of communism to other countries in Central America constitutes an ultimate threat to the Panama Canal, thus to U.S. interests, then there is a common goal shared by the Nicaraguan people fighting the communist FSLN and the people of the United States. This is the reason why you have approved aid in recent months.

If aid to the Nicaraguan patriots is discontinued, the result will be a vote against U.S. interest. The warmonger FSLN left alone—without any armed opposition—will unleash their terrorists against the Central American countries, making the U.S. defense capability quite vulnerable. The Nicaraguan Patriots have strengthened civilian resistance causing a serious political crisis to the Sandinista tyranny. We need your support. We are on the side of Democracy, so are you.

We believe that President's Reagan policy in Central America, and particularly in Nicaragua, is accurate and the only way to save Central America, and eventually all of Latin America from a Communist take-over. The Kissinger Report gives a bipartisan opinion which supports our statements.

We are asking you please to give your support to the democratic struggle of the Nicaraguan people against the Cuban, Russian, Bulgarian, PLO, and all kind of "internationalist mercenaries," who have occupied Nicaragua, with the blessing of the FSLN. The right to self-determination cannot be achieved without both political and military support; this support has to come from people who love democracy as you do.

Sincerely yours,

Adriana Guillen, Jose Daniel Rivera, Cecilia Sacasa, Beatriz Rourk, Mauricio Tijerino, Ligia Guillen, Carlos Sacasa, Henry Canelo●

JACKSON MUST REPUDIATE FARRAKHAN

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. LEVINE of California. Mr. Speaker, an editorial in today's Los Angeles Times calls on Jesse Jackson to reject the hateful and antisemitic rhetoric of Louis Farrakhan.

The Times accurately commented that Jackson's persistent refusal to condemn or even to disavow the Nation of Islam leader's malevolent words both elevates Farrakhan and disparages Jackson. He said further that Jackson's response, "I have no reaction" to Farrakhan's calling Judaism a gutter religion denotes a moral void.

The Times' arguments are cogent, simple, succinct, and correct. I commend this editorial to my colleagues and ask unanimous consent to include a copy of it in the RECORD at this point.

The editorial follows:

ENOUGH, ENOUGH

Louis Farrakhan, a jawsmith of hate on the fringes of American political life, would rant in obscurity were it not for Jesse Jackson. Jackson's persistent refusal to condemn or even to disavow the Nation of Islam leader's malevolent words both elevates Farrakhan and disparages Jackson.

Jackson's response, "I have no reaction," to Farrakhan's calling Judaism a "gutter religion" denotes a moral void.

Jackson, a Christian minister, says he practices not the politics of confrontation but the politics of conciliation. But, in the Christian sense, loving Farrakhan the man does not mean that Jackson must refrain from rejecting Farrakhan's odious remarks. And in the secular, political world of America, Jackson must reject them if his claim to a special kind of moral leadership is to be credible this side of the fringe.●

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

BOILING THE OCEAN

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● **Mr. LAGOMARSINO.** Mr. Speaker, the Soviets continue to commit genocide in Afghanistan. By eliminating the valiant Afghan freedom fighters, or mujaheddin, the Soviets are attempting to "boil the ocean," the population wherein these courageous fighters live, in Mao's verbiage. I call to the attention of my colleagues the following op-ed piece from the Wall Street Journal, entitled, "Boiling the Ocean" and an article from the New York Times which details the horrendous situation among the children in Afghanistan. There exists severe malnutrition, outright starvation in many provinces of Afghanistan. The Soviets invasion of that country was appalling and immoral. Its continued policy of promoting genocide against the people of that country is the same.

The article follows:

[From the Wall Street Journal, June 8, 1984]

BOILING THE OCEAN

News from Afghanistan is both exhilarating and tragic. The Soviets have failed to crush the Afghan resistance in their largest offensive to date. But they may take their vengeance on the Afghan population with an induced famine that competent Western observers think may rank among the more spectacular disasters of the last few years.

The Soviet invaders staged a massive march this spring into the strategic Panjshir Valley stronghold of the mujahedeen, the Afghan freedom fighters, northeast of the capital city of Kabul. Military observers have marveled at the Russians' coordinated use of ground troops, helicopters, paratroops and saturation high-altitude bombing (as well as poison gas). Yet the guerrillas have bounced back. Afghan exile headquarters in Peshawa, Pakistan, claim that Soviet troops have withdrawn from the upper half of the Panjshir under increasing harassment. One Russian outpost is currently cut off. A 900-man unit of Afghans, including an Afghan general and a number of Soviet officers, surrendered in a side valley and is being brought back to Pakistan. The Soviet forces, 16,000 strong, have now concentrated in the towns of Bazared and Rukha, famous for an ice cream parlor made by Afghans out of a downed Soviet supply helicopter.

It remains to be seen whether this withdrawal is a classic anti-guerrilla tactic, designed to draw the mujahedeen out in the open, part of a Soviet plan to hold only the lower valley, or simply a retreat. But there is growing agreement that Soviet hopes of a military victory have been frustrated, and possibly at higher cost to the Russians than to the mujahedeen. Ahmad Shah Massoud, the Panjshir Valley commander who is deservedly becoming a legend, evacuated troops and civilians before the assault and left his abandoned strongholds heavily mined. Afghan sources think this tactic alone caused 400 to 500 serious injuries among elite Soviet paratroops.

In short, the Afghans appear to have kept pace with the improved Soviet military. In spite of scandalously inadequate Western aid, a network of local commanders, some of whom equal Massoud in ability if not fame, has brought the resistance to its highest level yet of coordination and organization. In turn, the Soviets appear to have decided that if they can't win a military victory, they will have a demographic one by eliminating the population that gives the resistance its base.

Warnings of this strategy came last year from Claude Malhuret, executive director of the Paris-based Medecins sans Frontieres (Doctors without Borders), a volunteer group that maintains six hospitals in mujahedeen-controlled parts of Afghanistan. If guerrillas move among the population, in Mao's words "like fish in the water," then the Soviet response is to boil the ocean. Anti-guerrilla wars aren't decided by the Western strategy of winning over the population, Dr. Malhuret concludes glumly, but by "making terror reign." Over the years his group has seen this Soviet approach firsthand several times. In the Ogaden province of Ethiopia, the populations of villages and towns were driven into Somalia. In Cambodia after the Vietnamese invasion, grain was bottled up in Kompong Som until the population that might support the resistance had starved or fled. Now it's Afghanistan's turn.

More than four million Afghans, maybe half the population under mujahedeen control, have fled to Pakistan and Iran, helped along by indiscriminate Soviet bombing, massacring and sowing of mines. (These mines are designed to maim rather than kill, French doctors from several groups report, and some have been disguised as toys.) A million more Afghans may have been driven to cities under Soviet control. The Soviet invaders are working hard to centralize the food-distribution system, and they are now trying to destroy crops they can't buy up. Afghans report Russian bombing of the irrigation system in the rich Shomali plain and napalming of storage bins to destroy the wheat harvest.

The parallel often cited is Stalin's man-made famine in the Ukraine in 1932-33, when communist confiscation of the harvest caused at least five million to seven million deaths and wiped out the entire nationalist strata of that society. So far, Afghans have escaped the worst, but danger signs are already up. The British group Afghan Aid recently released a nutritional and economic survey by Frances D'Souza of the Food Emergencies Research Unit of London University. To its shock, field examinations in remote Badakshan revealed severe malnutrition among more than 20% of the children, worse results than in Biafra. Not by accident, Badakshan sits on important Soviet supply lines; mujahedeen attacks have been intense, and earlier reports say the Russians have tried to terrorize and drive out its inhabitants by dropping "yellow rain."

The mujahedeen are deeply aware that their most important battle now may be to feed their population. Some commanders have delegated units to help with the harvest and repair the irrigation system. Emissaries to the West now plead for food aid as urgently as they ask for antiaircraft missiles. They deserve both. But if the West lacks the nerve to send them SAMs (or Stingers), it has no excuse to stint in shipping humanitarian aid. The Soviet famine strategy can be frustrated if sufficient grain supplies are made available in Pakistan to the mujahedeen distribution network. Perhaps even more so than the fight in the Panjshir Valley, the economic battle will be critically important. Will the West sit this one out too?

[From the New York Times, June 6, 1984]

500,000 AFGHANS ARE REPORTED TO FACE STARVATION

About 500,000 people in Afghanistan are in imminent danger of starvation, according to a report released yesterday in Manhattan by an independent British group that is urging the United Nations to provide aid.

The study by the group, a British organization called AfghanAid, a charitable group that sends relief supplies to Afghanistan, was conducted between September and December 1983 and was based on an investigation of the circumstances of more than 5,000 children in 30 Afghan provinces.

Speaking at a news conference at Freedom House, a human-rights organization that has been monitoring the situation in Afghanistan, Dr. Frances D'Souza, the director of the project, said regions of Afghanistan where the Soviet presence is the heaviest were particularly vulnerable.

"In all provinces where children were weighed and measured except Kabul," the Afghan capital, "between 4 percent and 20 percent of children showed severe malnutrition," the study said.

CONDITIONS IN NORTHEAST

It also said figures for the northeastern province of Badakhshan, which has been heavily bombed by Soviet forces since they invaded Afghanistan in 1979, suggested that conditions were already as severe as those found in times of famine.

Dr. D'Souza was based in Peshawar, Pakistan. In that country, she trained 14 refugees who secretly went to Afghanistan to conduct surveys and took the results back to Peshawar.

In some cases, Dr. D'Souza said, the results had to be smuggled across the border rolled up in rugs.

Although she conceded that the results of the survey were subject to a larger than usual degree of error because of wartime circumstances and the heavy reliance on hearsay evidence, she said they clearly indicated that some provinces were suffering far more than others.

Areas that border Pakistan or have their own resources are able to feed their people, Dr. D'Souza said. But she said 250,000 people in Badakhshan, 200,000 in the Panjshir Valley and 50,000 in pockets in the far west of the country would probably face death if they do not receive aid immediately. In addition, she said, there are other areas of the country where the food situation may get worse.

AfghanAid is asking the United Nations, and particularly Unicef, to lead an international effort to provide aid. Viscount Cranborne, a Member of the British Parliament who is chairman of AfghanAid, said the organization would prefer an international effort to an American one because the United States has "obvious stakes in the issue."

Dr. D'Souza, a physiologist from the University of London's School of Hygiene and Tropical Medicine, said the report was based on three types of surveys. One measured the agricultural productivity of various regions, another the nutritional status of children and a third economic factors such as food prices.

"It is almost impossible to relieve a famine once it has begun," Dr. D'Souza said. "But we are beginning to understand there are ways of intervening that will help prevent it. It requires immediate attention."●

THE 40TH ANNIVERSARY OF THE GI BILL OF RIGHTS

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. HARKIN. Mr. Speaker, this month marks the 40th anniversary of the signing of the GI bill of rights by President Franklin D. Roosevelt.

This bill, signed into law just 16 days after the D-day invasion of France, has been one of the most beneficial acts of Congress for veterans and for the American people.

The first GI bill was passed to ease the transition back to civilian life for those who so selflessly served our Nation in World War II. But those who served in World War II have not been the only ones to receive the gratitude of the American people through the GI bill.

Over the years Congress has also passed GI bills for veterans who served in Korea and in Vietnam. Approximately 18 million veterans have been educated and trained under the 3 GI bills at a cost of about $55 billion.

Not only have these bills achieved their purpose of helping veterans make up for time lost by serving in the Armed Forces during wartime, but the education and training have improved their status in society. The GI bill allowed millions of veterans to improve their education and job skills, granting them an opportunity that otherwise might have been lost as a result of their time spent serving this Nation.

In addition to the enrichment of the lives of veterans and of American society, the GI bill has been money well spent. According to the Veterans' Administration, participating veterans return to the Federal Treasury several times the amount spent on their education assistance.

Mr. Speaker, the GI bill has been one of the most enlightened and beneficial acts that Congress has passed. President Roosevelt said that the GI bill would give "* * * emphatic notice to the men and women in our Armed Forces that the American people do not intend to let them down." Our veterans didn't let us down when we needed them, and we must not let them down when they need us. I am proud to salute our veterans who have used the GI bill to better their lives and those of their fellow Americans.●

JOHN "SKIP" MEEHAN

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. KOLTER. Mr. Speaker, I rise today with regret to note the passing June 18, of former County Commissioner John A. Meehan, Jr., of New Castle, PA. He was a community leader of great initiative and success, providing an outstanding example of resource and accomplishment for all who knew him.

John Meehan, at age 29, became the youngest county coroner in the State of Pennsylvania in the 1950's. He served as county coroner 4 terms. In 1970 he became Lawrence County's first court administrator. He then served 8 years as county commissioner, 4 of those years as chairman of the board.

John will long be remembered as an outstanding example of personal and moral strength and stamina in standing for what is right when an easier political way might have been available. We will all remember him for his effective leadership and his unusual ability to help others.

For those who knew him, John has forever earned a place in our hearts and our memories. Our prayers and thoughts go out to his wife Eileen, his sons John A., James T., and Terence P., his daughter Patricia, his two sisters, Anne and Judith, and his brother Paul. I am proud to pay tribute to this exceptional man, John A. Meehan, Jr.●

THE GLOBAL POSSIBLE CONFERENCE: GOALS AND CONCLUSIONS

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. BONKER. Mr. Speaker, the World Resources Institute, a nonprofit policy research center founded in 1982, recently sponsored an international conference on "The Global Possible: Resources, Development and the New Century." Seventy-five leaders in government, science, industry, agriculture, energy, and environmental studies from around the world gathered to consider the many problems affecting life on this planet as well as their solutions. Participants concluded that the severe environmental and natural resource challenges facing us can be met, but only if governments, business, and private citizens begin now to pursue vigorously new initiatives worldwide.

The Global Possible conference statement will be published soon, and will list the agenda of action initiatives the conference participants identified as essential—and achievable—to assure sustainable economic development in harmony with our planet's finite and renewable resources. Mr. Speaker, I wish to submit for the RECORD a selection of goals and conclusions from the final conference statement, which I commend to my colleagues.

THE NEED FOR ACTION

Many pressures on the human environment increase daily in strength and extent. In the past, the most serious problems were localized in scale and acute and obvious in their effects: urban smogs, lifeless rivers or land sterilized by fumes. Today, major components of man's life support system are being changed slowly and insidiously—millions of people live in poverty and are destroying the resources on which their future depends, because no alternative is open to them. At the same time many people in developed countries use resources excessively and wastefully.

Since the United Nations Conference on the Human Environment, held at Stockholm in 1972, a number of encouraging initiatives suggest that we can build a sustainable society. We have sufficient knowledge, skill and resources—if we use them. Elements of the organization we need, internationally, nationally and within our various communities, are in place although more and better will be required.

We must mobilize now to achieve the global possible. If we do, the future can be bright. If we remain inactive, whether through pessimism or complacency, we shall only make certain the darkness that many fear.

But movement toward the global possible must start here and now, with the practical application of the skills, insights and institutions we now have.

PRIORITIES AND ACTIONS

POPULATION, POVERTY, AND DEVELOPMENT

Rapid population growth, especially in the poorest countries, contributes to resource and environmental pressures on all parts of the biosphere, and aggravates the problems of achieving a poverty-free society. Precise strategies must spring from the values and direct involvement of communities and give due account to the plurality and the diversity of the world. The key actions are: (1) to reduce poverty by accelerating labor-intensive development and providing services and access to land, livestock and other natural resources for the poor; (2) to improve the position and opportunities for women; (3) to reduce death rates by providing basic sanitary facilities and simple health care, which, although it costs only $2-$4 per person per year, is not available to three-quarters of the people in the developing world; and (4) to double access within the next decade to family planning services that build upon local customs and values and promote the welfare of entire families, especially children. With these actions we judge that it is possible to stabilize world population at around eight billion by the middle of the next century.

BIOLOGICAL DIVERSITY

The maintenance of biological diversity is important for the functioning of natural systems, improvement of crops and livestock, development of new pharmaceuticals and other useful products, and scientific and aesthetic interests. Actions required are: (1) completion of the network of protected sites, which together should total 10 percent of the world's land area; (2) a major campaign to strengthen public awareness; (3) conservation planning at the national level and proper management of protected areas; (4) new training programs; and (5) a new international convention to provide funding by the developed countries to create and manage a network of protected areas in the developing countries.

FISHERIES

We can expect only modest gains in the yield from traditional fisheries—maybe from the present 70 to about 100 million tons per annum if new species (squid, Antarctic krill) are tapped and current wastage is curbed. The potential of aquaculture, in both the sea and fresh waters, is, however, substantial. The actions required are: (1) to develop management, including licensing of fishing vessels, in coastal zones where the potential for tighter controls has been increased by the establishment of Exclusive Economic Zones; (2) to take ecosystem interactions into account in managing fisheries; (3) to develop national measures to support traditional fisheries and to protect coastal areas, including mangrove and coral reef areas, from pollution and disruption; and (4) national measures to facilitate aquaculture, backed by an international aquaculture research facility under the Consultative Group on International Agricultural Research.

ENERGY

The goals for energy policy are: (1) equity; (2) environmental soundness; (3) concern for the long-term; (4) economic efficiency; (5) self-reliance; and (6) peace. The actions required are: (1) removal of subsidies for energy production and consumption, including allowing domestic oil and gas prices to rise to the international level; (2) development of energy plans that recognize the enormous untapped potential of end-use analysis, demand management, energy conservation and renewable energy sources; (3) greatly expanded investment in fuelwood development; and (4) heavy emphasis on renewable energy research and development. . . .

AIR, ATMOSPHERE, AND CLIMATE

The dominant atmospheric problems are acid precipitation, ozone depletion, the risks of disruptive climate change from the buildup of carbon dioxide and other greenhouse gases, and urban air pollution. Actions include: (1) energy planning to avoid Co_2 risks; (2) energy conservation; (3) major reductions in sulphur dioxide and other pollutant gases in this decade and agreements to limit trans-boundary air pollution; (4) end of nonessential uses of chlorofluorocarbons; (5) development of renewable energy sources and others not based on fossil fuels, as a precaution against the "greenhouse effect"; and (6) substantial, coordinated, research on all these topics.

The era we are entering is new in human experience in that for the first time the human species has the capacity to alter the environment on a global scale and within the span of a single generation.

THE FUTURE

As we consider the contours of a brighter and sustainable future, its features become clearer. World population is stabilized before it doubles again, and the erosion of the planet's renewable resource base—the forests, fisheries, agricultural lands, wildlife and biological diversity—is halted. Societies pursue management practices which stress reliance on the "income" from these renewable resources, not a depletion of the planet's "capital." Advanced technologies are widely applied to achieve high efficiencies in the use of energy and in its production from solar, biomass, and other renewable sources. Human activity increasingly becomes "closed" in the ecological sense, so that it does not impair the functioning of natural systems.

Realizing this future will require impressive international cooperation by governments, and larger roles for those outside governments—for example, from private business, the scientific community, environmental organizations and voluntary agencies—given the burdens that governments now face. New patterns bringing forth more governance without more government must be found.

Those of us now living allow natural systems to be abused, ignored or destroyed at our children's peril. Sustainable development, in turn, by providing the means to earn a livelihood in a nondestructive manner, will reduce the pressures that people in poverty exert on natural resources.

International security is at stake also. There will be many more people on this earth soon. Without the changes we urge, a large portion would join the legions who already live with constant hunger, illness and illiteracy. If we allow their numbers to grow, if we allow economic development that is unsustainable and the pressures of people on resources increase, political tensions and conflicts will rise. The effects will be felt in every sphere of political relations, from waves of "ecological refugees," to conflict over increasingly valuable land and water, to increasingly isolationist trade, and then foreign policies.

The tasks are daunting, but the need is urgent and the rewards very great. Because so many options for effective action are available, there is no cause for despair nor justification for rampant pessimism. If we take the needed initiatives, and take them now, widespread human suffering can be alleviated, threatened natural resources protected and restored, and the vital groundwork laid for both international security and renewed—and sustained—economic growth. The New Century can be much brighter than frequently supposed, but only if our actions match our aspirations.●

THE 40TH ANNIVERSARY OF THE PASSAGE OF THE VETERANS' PREFERENCE ACT

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 27, 1984

● Mr. HAMMERSCHMIDT. Mr. Speaker, on June 27, 1944, the Veterans' Preference Act came into existence. Today, 40 years later on its birthday, we can look backward as well as forward and be certain that the Congress took a very responsible legislative action when it passed this law. Through it, hundreds of thousands of our Nation's veterans have received assistance in obtaining Federal employment. They have been excellent employees and they have brought great luster to our Government.

Mr. Speaker, there is a vast population of men and women in this country whose selfless and honorable sacrifices secured the very foundation of this Government by their service in our Armed Forces.

A grateful Nation, in what is only a token payment for those sacrifices, through the Veterans' Preference Act of 1944, as amended, offers its veterans opportunities for employment to offset the hardships and deprivations often incurred in military service.

There is no question in my mind, Mr. Speaker, that such treatment, while termed "Veterans' preference" is really our obligation to our ex-servicemen.

This Federal obligation has really been a part of our society for more than 120 years. The Congress, through the various Veterans' Preference Acts, has frequently expressed its will in this regard, particularly for the disabled veteran, who bears even a greater burden as a result of his or her commitment.

We have all benefited from veteran employment. The veterans employed in the Federal civil service have always been reliable, dedicated workers and they have served this Nation well, and I salute them.

Mr. Speaker, just yesterday the House of Representatives took special note of the 40th anniversary of this historic law by passing a resolution calling national attention to it. The Senate has taken similar action.

Just today the Director of the Office of Personnel Management, Dr. Donald Devine, led a commemoration ceremony here in Washington regarding veterans' preference in public employment. Dr. Devine was joined by high officials of the Government, leaders of our great veterans organizations, and by a host of other dignitaries. I believe he spoke for the vast majority of Americans when he said that the 40 years existence of the Veterans' Preference Act, together with its various amendments, have been good years for our Government characterized by our Nation's everlasting commitment to its defenders and characterized also by a national veterans workforce that has greatly enhanced our Government by its devotion and dedication to its success and its ideals.

Thank you, Mr. Speaker.●

CIVIL LIBERTIES ACT OF 1984

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. EDWARDS of California. Mr. Speaker, I urge every Member of this Congress to take a moment to read the

testimony our esteemed colleague, Norman Mineta, presented to the Judiciary Subcommittee on Administrative Law and Governmental Relations in support of H.R. 4110, the Civil Liberties Act of 1984.

It is eloquent testimony—both moving and insightful. I know my colleagues will find it a compelling argument in support of enacting this important legislation.

The testimony follows:

H.R. 4110—The Civil Liberties Act of 1983

(By Norman Y. Mineta)

Thank you very much, Mr. Chairman. Many of us in this room have been working on the redress issue for several years because of our belief in its urgency and importance. Today is, therefore, a day of profound excitement, and I appreciate your leadership in scheduling this hearing.

As you know, Mr. Chairman, Congress, with the assistance of this Subcommittee, enacted in 1980 Public Law 96-317 creating a special Commission on Wartime Relocation and Internment of Civilians. That Commission was to study the internment during World War II of Americans of Japanese ancestry and of Aleut Islanders, and to "recommend appropriate remedies."

I believe the Commission's work was exhaustive and complete. Its report, "Personal Justice Denied" is the definitive study of the internment. I have complete confidence in its work, and I strongly endorse the report.

That report showed conclusively that Americans of Japanese ancestry were law abiding, loyal Americans who posed absolutely no threat to the peace and security of this Nation, and wanted nothing more than the opportunity to share in the liberty and defense of this Nation.

Moreover, the Commission clearly concluded that the internment constituted "a grave personal injustice" that violated our most basic norms of Constitutional due process.

After the Commission issued its report and recommendations last year, a group of Members of both bodies met and decided to draft legislation that implemented all of the Commission's findings, "alpha to omega" as one of us said. That is the bill now before us, H.R. 4110.

We are honored to have Majority Leader Jim Wright as the prime sponsor of this bill. He also authored the legislation creating the Commission. There are 103 cosponsors of this bill in all, including the Chairman and ranking minority member of the House Judiciary Committee.

H.R. 4110 contains an explicit legislative finding accepting the Commission's findings as accurate and complete. The legislation also includes the five specific remedies proposed by the Commission as remedies for the historic damage to civil liberties caused by the internment.

These five remedies in the bill are:

First, A formal apology by the government for the internment. As Title I of the bill states, "On behalf of the Nation, the Congress apologizes."

Second, a request that the President offer pardons to those few dozen individuals who were convicted of violating the internment and associated laws and directives because of their refusal to accept racially discriminatory treatment.

Third, a request that the Administration review "with liberality" applications for administrative relief such as changing dishonorable discharges to honorable status. Several thousand young men were summarily thrown out of the armed forces solely because of their Japanese ancestry. No new statutory authority is created here.

Fourth, the creation of a trust fund to finance educational, social and humanitarian programs designed to foster knowledge and concern for civil liberties. This fund would have $1.5 billion in funds appropriated by Congress and would exist only until those funds were spent. The fund would be managed by a nine member Board of Directors.

And fifth, the payment out of that trust fund of $20,000 to each of the estimated 60,000 survivors of the internment camps: The $20,000 figure was set by the Commission.

Although the loss of property and income from the internment is estimated at perhaps as high as $6.2 billion in comparable current dollars, these payments are intended, in my mind, not as compensation for lost property but as liquidating damages resulting from the profound abridgement of basic constitutional rights.

These payments are intended as compensation for a constitutional loss of rights, not unlike the payments anticipated in this Subcommittee's bill H.R. 3142. I would add that those who were kept in camp for two years would be receiving $27.39 a day, far less than the $200 a day limit imposed by H.R. 3142.

I share the belief of many that these payments are an essential element of the legislative package, and that any step short of compensation would be an empty gesture.

Similar recommendations are included for the few hundred Aleuts who were interned.

The case for this legislation is based on the conclusion that the internment was caused not by any military or security necessity but by prejudice, ignorance, fear and greed.

Moreover, the internment constitutes one of the most significant and indefensible abridgements of civil rights in our history. I realize that people of good faith may well disagree on the most appropriate remedy for the damage left by the internment. But surely the internment itself is nothing more than a shameful and dishonorable episode that is a blot on our nation's record until erased with this legislation.

When we were first released from camp, Americans of Japanese ancestry did not think primarily of our legal rights. Our main goal was to rebuild our lives, rebuild our businesses, and regain our standing in the community. We were shamed and held up to public humiliation by the internment, and frankly we just did not want to think or speak about it. All our energies went into rebuilding. That rebuilding process began to end in the early 1960s. That is, it took twenty years for us to get back what this government took from us in 1942.

And then we began to think again about what had happened to us. And our children began to ask questions about the missing years, the silent years that were never discussed at home. The movement for redress began slowly and built up steam. In the 1970s, we obtained passage of two bills providing Social Security and Civil Service Retirement protections for those interned.

But one problem remained. Our government had labeled us—and by us I do mean all 120,000 of us—as vaguely untrustworthy and a danger to the republic.

Mr. Chairman, on behalf of all Americans of Japanese ancestry who were interned, I ask and entreat this Subcommittee to give us back our honor. Give back the dignity and the pride that this government so unnecessarily took from us in 1942. Every citizen of this land will benefit from our rededication today to equal justice.

I realize that some who were involved in the original decision to intern us are still defending their actions. I suppose if I had made as big a mistake as they did I would also be reluctant to admit it. I do not think they were evil men. But they were caught up in a web of racism and fear that blinded them to the truth and set them on their foolish course.

Their blindness was monumental. General John L. DeWitt, head of the Western Defense Command and a key figure in the internment, actually managed in speaking of the fact that no disloyal acts had been committed by Americans of Japanese ancestry to say "The very fact that no sabotage has taken place to date is a disturbing and confirming indication that such action will be taken."

So much for the principle of innocent until proven guilty.

But I come back to our premise. As the Commission report made plain—we were not traitors, we were farmers and businessmen, homemakers and teachers. We were not secret agents. Nearly twenty-five thousand of us were fourteen years old or younger. Nearly six thousand of us were born in camp.

And one thousand eight hundred and sixty two internees died while in camp, a figure which does not include people like my father-in-law, Saijiro Hinoki, who owned a dry cleaning store in Colusa, California and was a leader of the local rotary club.

The FBI arrested Mr. Hinoki early in 1942, and for two months told his family nothing about where he was or why he was being held. Finally, the family was told he had been sent to a detention camp in Bismark, North Dakota. Those who knew him said Mr. Hinoki never regained his lost will to live. He died a few years after leaving camp.

I firmly believe, as the Commission found, that there was no reason to distrust the Americans of Japanese ancestry. But even if there had been reasons to suspect the loyalty of some individuals, which I stoutly deny, what excuse is that to lock up 120,000 innocent and loyal Americans without a trial, without regard to the Constitution?

We did not lock up German Americans. We did not lock up Italian Americans. Nor did we even seriously consider interning Americans of Japanese ancestry on Hawaii, where the military dangers were the greatest.

Why is it that we just happened to lock up an ethnic group subject to decades of blatant and cruel discrimination? Because this was the group that popular opinion—and indeed the California Congressional Delegation—demanded to have locked up.

Mr. Chairman, I could speak on this subject for quite awhile but my time is limited. I could tell you about some of the loyal and brave men I know; men who left the internment camps to fight bravely to defend this nation, and who rescued the lost battalion of the 36th Texas Arrowhead Division.

I could tell you of the old women torn from their homes of decades and forced to live in cold, spartan barracks only to oblige prejudice of greedy neighbors.

I could tell you of communities such as my home town of San Jose, which stood by us and welcomed us home. And the many towns unlike San Jose which, reeking with prejudice and fear fought to prevent former internees from returning to their homes.

But let me tell you about my family. My father was not a traitor. He sold insurance from a small office in our home on North Fifth Street in San Jose, California. My mother was not a secret agent, she kept house and raised her children to be what she was, a loyal American. Who amongst us was the security risk? Was it my sister Etsu, or perhaps Helen or Aya? Or perhaps it was my brother Al, a sophomore pre-med student at San Jose State.

Or maybe I was the one, a boy of ten-and-a-half who this powerful nation felt was so dangerous I needed to be locked up without a trial, kept behind barbed wire and guarded by troops in high guard towers armed with machine guns.

What was it I had done that made me so terrifying to the Government? Murderers, arsonists, even assassins and spies get trials. But not young boys born and raised in San Jose who happened to have odd sounding last names. Is that what this country is about?

Chiseled in the marble over the Supreme Court it does not say Equal Justice Under Law Except When Things Get Sticky. It says Equal Justice. And that is what we ask for, Mr. Chairman. No more. No less. We have waited forty-two years. The time has come.

I ask on behalf of the 60,000 internees who have died with their honor clouded. I ask on behalf of the 60,000 still alive and seeking justice. I ask on behalf of all Americans who believe that our Constitution really does mean what it says. That we are created equal.

Mr. Chairman, Members of the Subcommittee. We are all supposed to wear these pins identifying us as Members of Congress. Some Members don't bother to wear the pins. I suppose they think the pins are inconvenient or silly. Yet I always wear mine because I cherish my seat in this House, and I cherish the idea that a former internee can now sit in this House and discuss this legislation with his peers.

I would like to close, Mr. Chairman, by reading a brief excerpt from a letter to friends in San Jose written by my father and published in the San Jose Mercury Herald. Although my father came here in 1902, his English was not perfect, as you will hear. The letter begins:

"We all felt so strong while we are staying at the station with you and many other friends but the train started and with the exchange of good bye then became so lonesome and when I looked Santa Clara Street from the train, I thought this might be the last look at my beloved home city.

My heart almost broke out and suddenly hot tears just pouring out.

We whole family cried out and could not stop until get out of our loved country."

Mr. Chairman, I am confident that this body will recognize the merit, importance and significance of this case.

And for the old ones who are dying, I ask that we act with firmness, and with speed.

Thank you very much.●

SURPLUS ANIMAL LAWS MUST BE CHANGED FOR HUMANE PURPOSES AND TAXPAYER SAVINGS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. LANTOS. Mr. Speaker, each year thousands of animals are purchased and used by our Government for scientific and medical experiments or other purposes. Occasionally animals are acquired by the Government and never used at all. They may be kept, caged and unused, for months and sometimes for years. In many other cases the animal is no longer suitable for the intended experiment, or it has been used and must be maintained or exterminated. Even though the Government has no further use for the animal, under current law there is no alternative except to keep the creature caged until it dies or to destroy it humanely. Either of these alternatives is unsatisfactory—one is costly to the taxpayer, the other is cruel treatment of an otherwise healthy animal. Humane societies wishing to offer refuge for these animals are not permitted to provide facilities for them.

There is one exception to this rule in the U.S. Code. In 1938 the Congress passed legislation allowing horses and mules which have become unfit for service to be destroyed or put out to pasture. The following year, in 1939, the language was amended to permit reputable humane organizations to provide refuge for these horses and mules for the remainder of their lives at no cost to the Government. In actuality, the potential saving to the Government may be considerable. No essential change has been made in this legislation for 45 years! It is time to update this section of the law, making it reflect the changes in Government use of animals for defense and other purposes during this last half-century.

The legislation I am introducing will amend the statute by extending animal "retirement privileges" under this law from only horses and mules to any other mammals, and allowing facilities suitable for animals other than pastures to be included as refuges. Unchanged in the law is the language permitting "financially sound and reputable humane organizations whose facilities permit them to care for them during the remainder of their natural life, at no cost to the Government."

This legislative act is significant for all who have sought legal and appropriate channels for the release of animals no longer needed by the Government, but who have been informed that there is no way those animals can be given away or sold as surplus to humane organizations. Horses and mules have been the only exceptions. Under the proposed change, dogs, cats, primates, and other mammals may be included.

I urge my colleagues to join me in making this minor change to modernize the language in this archaic section of the Code. It costs us nothing if we make this change; it costs our conscience if we do not.●

CELLULAR COMMUNICATIONS MINORITY OPPORTUNITIES

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. LELAND. Mr. Speaker, today I am introducing the "Cellular Communications Minority Opportunities Act of 1984", a bill which will ensure basic fairness in the granting of cellular mobile communications licenses by the Federal Communications Commission. Briefly put, this bill is designed to promote minority participation in the ownership and operation of these valuable cellular communications franchises.

There can be no doubt but that cellular mobile communications is one of the most exciting and most promising new telecommunications technologies. Eventually, the entire Nation will be served by an interconnected network of mobile telephone facilities. To a great extent, the foundation of our Nation's telephone communications system for the next century is being built at this moment through cellular licensing deliberations at the FCC. These deliberations will determine just who will participate in that future telephone industry and who will not.

Most recently the FCC made two critically important decisions affecting the cellular licensing process. First, the commission decided to institute lotteries for all cellular markets excluding the top 30 U.S. metropolitan areas. Concurrently, the FCC rejected any suggestions that preferences be awarded to minority applicants.

When the FCC adopted this policy, Commissioner Henry Rivera observed that only congressional action can ensure that minority preferences will be awarded and minority participation in the potentially huge cellular services industry be effectively promoted. Commissioner Rivera's statement is an open invitation for this Congress to so act.

This bill has one goal: to develop a procedure—in both the context of a lottery and that of a comparative hearing—whereby minorities are encouraged to apply for cellular franchises. This can only be accomplished if some advantage is attached to applications which involve significant minority participation.

Despite decades of discussion and support for increasing minority participation in the telecommunications industry, little has been accomplished. As we sit, minorities, in the aggregate, own less than 2 percent of all broadcast properties in the United States. The situation outside the broadcast context is even more depressing.

I must point out that the FCC as currently constituted has continually rejected the use of preferences for minorities for other areas of communications besides broadcast—often stating that it sees no "public interest" or "public benefit" to minority ownership and participation in the nonbroadcast areas of the communications industry.

This bill's introduction recognizes and affirms the principle that minority participation in all industries and all markets is in the public interest.

For more than 20 years Congress and the executive branch have recognized this principle. Together we have authorized and encouraged many agencies to assist efforts to increase minority business ownership and participation. Loan programs in the Small Business Administration, construction funding from the Department of Housing and Urban Development, procurement guidelines in the Department of Defense, and training and apprenticeship policies of the Department of Labor all are founded on the principle that increasing minority business ownership and participation is in the public interest.

Regrettably, the FCC would restrict such efforts to the limited area of broadcast and says it can see no public interest in minority ownership in other areas.

The commission is an arm of Congress established and overseen by us. Accordingly, we cannot allow it to promote a policy so blind to our wishes and high principle.

It is imperative that the FCC and the Congress intensify their efforts to promote minority participation in the increasingly vital telecommunications industry. Specifically, it is critical that these efforts be broadened to include promoting minority participation in the ownership and operation of common carrier and other emerging new technologies. We must work together to guarantee that the ownership patterns which took root in the broadcast industry are not transplanted to nonbroadcast telecommunications.

Something must be done now. This summer the FCC will begin to issue cellular licenses on an accelerated basis through lottery procedures. At the same time, comparative hearings for cellular markets 1 through 30 are under way. I had hoped that the FCC would act responsibly to promote minority participation in this new and vital industry. It is now clear that congressional direction and oversight are needed. This legislation is carefully drafted to award preferences to cellular applicants which involve minority participation at significant levels. The bottom line is that preferences work to advance both the cause of minority business persons and the quality of service offered in the communities they serve. The legislation would apply to both comparative hearing and lottery procedures.

Congresswoman Collins and I have written the leadership of the Senate Commerce Committee asking their favorable and prompt consideration of this legislation. Our time grows short in this session of Congress but we must act now that the FCC has rejected any notion that the public is better served if minorities participate in all elements of the communications industry. I urge my colleagues to cosponsor this very important legislation, and I hope prompt action on this bill will be taken this summer.●

NATIONAL COLLEGE OF DISTRICT ATTORNEYS

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. ANDREWS of Texas. Mr. Speaker, this year marks the 50th anniversary of the establishment of the National College of District Attorneys. The college is an educational institution which is unique in its purpose. It was a product of the need to improve the prosecutorial function at all levels of Government. It embodies the vision and positive action of such men as Leon Jaworski, Louis B. Nichols, and J. Frank Coakley. In honor of this anniversary and in recognition of the very important service which the college has performed over the years, it is appropriate to reflect on its inception, its history and its goals.

The idea for the college was the result of collective planning by four professional organizations which dedicate themselves to addressing the needs of the legal community. These four organizations, the National District Attorneys Association, the American College of Trial Lawyers, the American Bar Association, and the International Academy of Trial Lawyers, joined to address those needs as they relate to prosecutorial functions. Through the efforts of its founders, the college received contributions from the M.D. Anderson Foundation of Houston and the Moody Foundation of Galveston to fund its first curriculum and in 1970, the first career prosecutor marked the beginning of the college as a functioning institution.

The college is dedicated to insuring competent legal representation for the public through education and training for prosecutors. It has committed itself to improving the quality of prosecution and enhancing ethical standards of the profession.

In the prosecutorial community and indeed, the legal community in general, the college is considered an important mechanism for continuing legal education. The importance of its work has permitted the institution to live and grow notwithstanding the termination of all governmental financial support. The college has continued to enhance its curriculum in quality and quantity and now presents over 20 programs all over the United States annually.

The first course, entitled the career prosecutor course, was attended by 62 prosecutors. Since that small beginning, over 2,000 prosecutors have completed this intensive program. The executive prosecutor course, which is directed to the elected or appointed prosecutor or first assistant in policy-making positions, has graduated over 500 alumni since its inception in 1973. From the first effort in 1970 to the present, the college has had over 18,000 graduates from its resident, State, and specialized courses.

Specialized courses sponsored by the college focus on various legal topics, practices and procedures covering such important areas as violent crime, investigation, and juvenile justice, that have particular relevance to prosecutors. In addition to the specialized courses, the college also conducts courses on a cooperative basis for State associations and large offices. Attendance clearly establishes nationwide recognition of the college's important function. The college has also gained acceptance internationally, having enrolled prosecutors from Sweden, Korea, Japan, Philippines, Singapore, and England.

The college is undeniably an institution of excellence. It became so by the concerted effort of men of excellence. Two men were instrumental in securing initial funding for the college. The late Louis B. Nichols, a former Assistant Director of the Federal Bureau of Investigation and former chairman of the ABA section on criminal law, played an important role in securing financial contributions to begin the National College of District Attorneys. The man most responsible over the years for securing financing for the college was the late Leon Jaworski, a war crimes prosecutor at Nuremberg, former special Watergate prosecutor and former president of the American Bar Association.

The late J. Frank Coakley, former district attorney of Alameda County, Oakland, CA, is also considered a founder of the National College of District Attorneys. He was instrumental in organizing the first curriculum for the college. These three men were among the college's first regents and each served as a member of the board of regents until his death. They embodied the spirit of excellence which the college embraced from its inception and still embraces today. This tradition of excellence has been perpetuated by the present chairman of the board of regents, Newman Flanagan, district attorney of Suffolk County, Boston, MA, and former president of the National District Attorneys Association.

The college has recognized that unless this commitment to excellence carries over into the quality of education and training made available to prosecutors, the college's function cannot be served. Thus, the National College of District Attorneys enlists the highest quality of faculty: individuals who are recognized experts in their respective fields. The college has had such distinguished faculty members as John F. Keenan, former special prosecutor in New York and presently U.S. district judge for the southern district of New York; Stephen S. Trott, Assistant Attorney General with the U.S. Department of Justice; and the Honorable Charles E. Moylan, associate judge, Maryland Court of Special Appeals. These are representative of the standard of excellence to which the college adheres in selection of its faculty.

Many of the college's supporters have been particularly active and unrelenting in their association with the college. John Price is one such benefactor. Price was the first chairman of the college's board of regents, a position which he held for 10 years. Price is also former president of the National District Attorneys Association and served for many years as district attorney of Sacramento County, CA. In 1979, the college, at the request of the Sacramento District Attorney's Office and in honor of Price's retirement, established the John Price lecture series, which represents one of the highest honors which the college can bestow upon its faculty members. Since 1979, this lecture has been given by Philip Heyman, Assistant Attorney General, Criminal Division of the U.S. Department of Justice; Peter Bensinger, Administrator of the Drug Enforcement Administration, Washington, DC; D. Lowell Jensen, Assistant Attorney General, Criminal Division, U.S. Department of Justice; Leroy S. Zimmerman, attorney general of Pennsylvania and John Van de Kamp, attorney general, Los Angeles, CA. The first dean of the college, George Van Hoomissen is another such benefactor. Van Hoomissen is the former district attorney of Multnomah County, Portland, OR, and served as dean of the college from 1970 to 1973. In 1973, he was succeeded by Col. John Jay Douglass, formerly dean of the Army's graduate law school, the Judge Advocate General's School, at the University of Virginia. For over 10 years, Douglass has contributed to the college a continuity of strength and leadership that is important to the growth of any institution. Through the support and dedication of such men, the college has consistently pursued its commitment to enhancing the prosecutorial function.

In terms of its curricula, the college has embraced the same high standards. The college has actively sought to expose itself to continuing evaluation in order to insure refinement and improvement of its curricula, for to maintain its function in the prosecutorial community, it must remain aware of its usefulness to the group which it serves. With a view to this, the college has intensified its focus on civil law problems which have become an expanding burden, in both time and money, to prosecutors at all levels of Government with civil responsibilities. The college has addressed this problem by expanding two courses which it recently introduced; the public civil law problems course and investigation and prosecution—the prosecutor's dual role course. The public civil law problems course focuses on effective methods for handling public civil matters with emphasis on litigation and minimizing civil liability. The investigation and prosecution—the prosecutor's dual role course focuses on the prosecutor's office in performance of its interrelated functions as investigator and prosecutor. An additional problem faced by prosecutors which the college has attempted to address is the rising prevalence of juvenile violent crime. With the aid of a grant awarded in 1984 by the U.S. Justice Department's Office of Juvenile Justice and Delinquency Prevention, it has undertaken to develop a training curriculum in the area of juvenile justice for this purpose.

"Our criminal justice system requires competent and well trained advocates for both sides; any weakness in any one impairs the entire process." This is a statement written by Chief Justice Warren E. Burger in 1969 in a letter concerning the potential function of the National College of District Attorneys at a time when the college was still very young; at a time when its goals were as yet unrealized. The college has seen much success in meeting its projected goals as an education and training institution committed to improving the prosecutorial function. However, it is not the intention of the college to become stagnated in curricula and function by standing on its past accomplishments. Rather, it must and will remain an institution that is as dynamic as the law and as dynamic as the needs of the prosecutors and the society which they serve.●

DR. MILDRED STAHLMAN: NEW PRESIDENT OF THE AMERICAN PEDIATRIC SOCIETY

HON. ALBERT GORE, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. GORE. Mr. Speaker, Dr. Mildred Stahlman, professor of pediatrics at the Vanderbilt University School of Medicine, has been elected president of the American Pediatric Society. Dr. Stahlman has enjoyed a very distinguished career as one of the leading neontologists in the United States and the world. Her election to the prestigious position of president of the APA is both a fitting tribute to her accomplishments and a signal that the association will continue to stand for excellence in pediatric care.

Dr. Stahlman has been a professor of medicine at Vanderbilt University since 1951. She has served as a member of the National Advisory Child Health and Human Development Council of the National Institutes of Health since 1976. In addition, she served as a member of the Basic Research Advisory Committee of the National March of Dimes from 1977 through 1980. Dr. Stahlman has held numerous other positions in which she has donated her time and considerable energy to the advancement of child health, particularly the newborn.

Mr. Speaker, Dr. Stahlman is an inspirational example for us all. She exemplifies the things that can be accomplished through tireless work and selfless dedication to the needs of others. Her good works and outstanding reputation extend far beyond Nashville, the city in which she lives and works. I am pleased to count her as a close personal friend, and I wish her well on assuming her new duties as president of the American Pediatric Association.●

NEW ALTERNATIVE FOR ACID RAIN CONTROL

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. VENTO. Mr. Speaker, the problem of acid rain is well-known. Increasing scientific evidence and public concern about the acid rain problem are clear indications that Congress must act on this issue now.

Although the effects of acid rain are best understood on aquatic systems, new documentations of dying trees and decline in forest productivity in areas subject to acid rain continue to mount. These new data and scientific facts reinforce the importance of congressional action on the acid rain problem.

With the defeat of H.R. 3400 in the Subcommittee on Health and Environment, the future of acid rain control looks dim for this session. In order to continue the policy debate and to develop a foundation for future action, I am introducing a compromise bill. My legislation incorporates many of the goals and mechanisms of H.R. 3400. However, I have modified some of the areas about which objections and concerns have been raised.

My bill maintains the 10-million-ton sulfur dioxide reduction goal of H.R. 3400 as well as aspects of the user fee and the 90-percent financial assistance provisions. However, I have modified these provisions to provide for equitable funding for the control plan; a credit to those utilities that have already reduced their sulfur dioxide emissions by installing scrubbers; and the assurance of funding for utilities and States to achieve the objectives and promise set out in the legislation.

My major changes are, therefore, threefold. They provide for a pollution reduction credit, a fair share payment system, and trust fund viability.

POLLUTION REDUCTION CREDIT

This applies to those utilities that have installed a technological system of continuous emission reduction. These utilities would receive a 50-percent credit for the cost of the system installed. However, this credit cannot exceed 50 percent of the fee the utility would pay into the fund. This system combines a national approach to acid rain control with recognition of past contributions and financial commitments by utilities and consumers to reduce their emissions. My legislation would benefit States and utilities that have significantly reduced their emissions. For example, in Minnesota, utilities have spent a considerable amount of money to reduce their emissions by technological devices. A recent cost analysis completed by the Congressional Research Service shows that my bill would result in less cost to Minnesota than H.R. 3400 or S. 2001. My bill would cost Northern States Power Co. in Minnesota $77 million less than H.R. 3400 and $200 million less than S. 2001—a significant difference.

FAIR SHARE PAYMENT SYSTEM

This will insure that the utilities and the States will be guaranteed a fair share of the trust fund. The fund will be divided by distributing 70 percent to the top 50 polluting utilities and 30 percent to the States. This 70 percent to 30 percent distribution of the fund is approximate to the projected share in the reduction of sulfur dioxide for utilities and States. This approach will resolve the uncertainty of funding for the top 50 polluting utilities and will assure the States a portion of the fund based on their share of emission reductions. Insuring funds to the States will also give them more time to develop a rational emission reduction plan.

TRUST FUND VIABILITY

My bill guarantees adequate funds for utilities and States to accomplish their emission reduction goals; the deadline of the indexed 1-mill fee will be the date on which all required payments have been made.

The acid rain problem is difficult. We are forced with a tough decision in deciding on a plan which would be beneficial to our environment, and at the same time, would be fair to the States and utilities. The fact remains that in order to control acid rain, a national effort is necessary. This proposal does not, and I sincerely trust that the final policy on acid rain will not, compromise the goal of emission reductions. That, indeed, would be a most unfair and false savings at the expense of our environment and natural resource heritage.

The effects of acid rain are now being discovered throughout the United States, not just in New England or Minnesota. Florida, California, and North Carolina are all experiencing environmental problems due to acid rain pollution. It is time for Congress to act on an acid rain control plan that is a workable, national approach to this growing problem. I believe that the measure being submitted today responds to important concerns that have been raised. While the clock is running out in this 98th Congress, there is still time to stop and reverse the relentless environmental havoc caused by acid rain.●

EXCELLENCE IN EDUCATION

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. SMITH of Florida. Mr. Speaker, I want to take this moment to congratulate the students and teachers of American Senior High in Hialeah, FL. The Department of Education has awarded this school its Secondary School Recognition Award. Only 202 schools across the Nation received this award. They were chosen from among 555 schools nominated by 48 States. Though the school will receive a specially designed flag and plaque in honor for this award, the students and faculty merit special recognition here for their achievement.

The schools were recognized after numerous interviews with parents, teachers, students, district administrators, and onsite visits by the Department of Education. The schools chosen to receive this award were recognized as outstanding institutions due to their extraordinary characteristics ranging between such diverse qualities as innovative programming, exemplary student-faculty relations, and superior administrative processes.

The importance of honoring and encouraging these qualities should be obvious to us all. Education is the cornerstone of our society, representing the future of our country, both in body and spirit. Growth and innovation in our educational system bodes very well for the future. The extraordinary schools honored by the Department of Education should thus be made into an example for other schools, and into a hope for our Nation's future.

I am very proud to have American Senior High within my district, and I congratulate its students and faculty on their great achievements.●

CALIFORNIA DENTISTS SHOW LEADERSHIP IN COST CONTAINMENT AND PUBLIC SERVICE; MID-PENINSULA DENTAL HEALTH FOUNDATION PROVIDES IMPORTANT SERVICE

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. LANTOS. Mr. Speaker, one of our most pressing domestic issues in the 1980's is the seemingly endless battle with escalating medical costs. As our Nation provides worldwide leadership in the advancement of the healing arts and medical technologies, we must shoulder the burden of an ever-increasing pricetag associated with high-quality health care.

As a result, it is important for this House to take note of a group of health care professionals who have demonstrated their commitment to holding the line on medical costs, yet reaffirm their dedication to quality care for all. I am referring, Mr. Speaker, to the members of the dental profession.

While dramatically advancing their ability to ease pain and effectively treat dental disease, since 1972 America's dentists have been able to cut the real dollar cost of our Nation's dental bill. It is unfortunate that the positive influence of dentistry on health care costs is often lost amid the increases associated with other medical costs. Public officials, and all citizens concerned with stemming the tide of spiraling medical bills, should remember that dentistry should be recognized as important leaders in health-care cost containment.

While managing to hold the line on real dollar fees, dentists throughout the Nation have also demonstrated a strong commitment to delivering quality dental care to segments of the population that previously have not had access to such care due to a lack of funds or adequate insurance.

An outstanding example of such an Outreach Program is found in my home district in California. The Mid-Peninsula Dental Health Foundation, which is funded almost entirely through the voluntary donations of time and money from local dentists, provided quality dental care to 148 low-income patients during the last fiscal year. This number represents a 66-percent increase in the number of patients treated over the preceding year, and clearly indicates the need for such a selfless program of medical service.

I salute Dr. Alvin A. Janklow, president of the Mid-Peninsula Dental Foundation, and the almost 100 dedicated dentists of my district who have established this distinguished record of service to their neighbors.●

DRUG FORUM SUCCESSFUL

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. FEIGHAN. Mr. Speaker, as chairman of the House Task Force on International Narcotics Control, I am pleased to report that a very successful drug forum was recently held in my district. Over 350 concerned citizens participated in a wide-ranging discussion of drug trafficking and drug abuse in the Greater Cleveland area.

Because the fight against drugs is one of the most important issues confronting Congress, I would like to summarize some of the expert testimony presented at the forum.

I know this information will be quite useful for those Members of Congress who are also concerned about the drug problem in their community.

After introducing our panel, I spoke about my chairmanship of the Narcotics Task Force and I also discussed my antidrug work on the House Crime Subcommittee. My task force has been investigating a wide range of international narcotics issues. We have held hearings to examine the problem of cocaine smuggling through the Caribbean, particularly the Bahamas. Evidence gathered by the task force suggests that drug smugglers may be operating with the help of corrupt Bahamian officials. United States and Bahamian enforcement agencies are now pursuing official inquiries into the matter.

My task force has also been investigating the connections between international terrorism and the drug trade. We have documented the links between international drug smuggling and foreign governments that have sponsored terrorist activities, including Bulgaria and Cuba. Evidence now exists that international routes used for smuggling guns and arms to terrorist groups are also used to ship illegal drugs. In addition, we are studying legislative initiatives that will tie American foreign aid to drug control projects in foreign countries. This will help us encourage crop control programs in countries such as Colombia, Peru, and Pakistan.

Our first presentation was from the coach of the Cleveland Browns, Sam Rutigliano, who spoke about the Browns' nationally recognized drug treatment program, the Inner Circle.

The Inner Circle, which is the most successful program of its kind in the National Football League, is run by Coach Rutigliano with the help of respected ex-NFL stars Paul Warfield and Calvin Hill, a religious adviser, and a psychiatrist, Dr. Greg Collins of the Cleveland Clinic, who also spoke at the forum.

According to Coach Rutigliano, there are currently eight players on the Browns who are in the Inner Circle program. Coach Rutigliano explained how educating the user and showing compassion are crucial in the fight against drug abuse. At the same time, he warned, the recovering drug user must be monitored closely in order to prevent relapses.

Players in the Inner Circle must attend weekly group sessions. They also have to attend meetings of Narcotics Anonymous. Some attend meetings of Alcoholics Anonymous. Then there is a weekly one-on-one session with Dr. Collins. And each player has to submit to urinalysis twice a week.

Dr. Collins spoke next and praised Coach Rutigliano for acknowledging the drug problem in the NFL and forming the Inner Circle. Dr. Collins then described how significantly Inner Circle participants have improved their lives both on and off the field.

Dr. Collins, who called drugs "a social cancer," explained how doctors and hospitals are incapable of preventing the spread of drug abuse. "Wars aren't won in the hospitals," he said. "They're won on the front lines. Where will this battle be won or lost? The front lines are in schools, police stations, and the home. Treatment deals with 1 percent of the problem."

James Morgan, Regional Director for the U.S. Drug Enforcement Administration, spoke next. According to Mr. Morgan, drugs are flooding into this country and their prices are dropping as a result. "There's a glut on the market. Basically, we have a sale on cocaine," he said. "Last year, a kilogram of cocaine cost $60,000 while this year it costs $23,000 to $30,000."

Mr. Morgan explained that because of heavy enforcement in Florida, the Great Lakes region, including Cleveland, has become a favored route for drug smugglers. Mr. Morgan said that 70 percent of the Drug Enforcement Administration's work in Cleveland turns into an international case.

James Glass, representing the National Institute on Drug Abuse, gave the next presentation and discussed nationwide trends of substance abuse. Mr. Glass said that while there have been some decreases in the rate of first-time drug use, "adverse health consequences of certain drugs have increased due to more potent supplies and more dangerous methods of administering the drug, particularly cocaine."

Mr. Glass emphasized that "even though our prevention efforts have begun to show some results, the drug abuse situation in America continues to require our national concern and priority attention."

Bay Village Police Chief Peter Gray was the next speaker. According to Chief Gray, every illegal drug in the world is available on the West Side. Marijuana, LSD, cocaine, and demerol are the four biggest sellers, he said, and LSD use is increasing dramatically.

Chief Gray discussed the relationship between drugs and crime.

> Where and how users get their money concerns all of us. They steal it. First from their friends and families, their employers, and then you and me. For every $100 in cash that they need, they have to steal and sell $300 in merchandise, our possessions. Organized crime buys the stolen merchandise, turns a profit, and then invests in more drugs. With profits coming in from both directions, it's no wonder that their business is bigger than General Motors. How do you fight anything that big?

Chief Gray called for stiff sentencing laws, more Federal funds for law enforcement, and increased drug education in the schools. He also praised the formation of WEB, the West Shore Enforcement Bureau, a regional police group that combats drug trafficking in Bay Village, Lakewood, Fairview Park, Westlake, North Olmsted, and Rocky River.

The psychologist for the Brecksville-Broadview Heights school system, Carol Larson, testified next. Ms. Larson, who runs a drug educaton program in her school, spoke about her efforts to reduce drug use among students.

Ms. Larson discussed her participation with Project CARE [chemical abuse reduced through education], which operates in 64 school districts in our area and is fast becoming a model for other drug education programs in the country.

According to Ms. Larson, although Project CARE groups have an outstanding record of success, they need more community support and funding in order to assist the increasing number of students who are asking for help with a drug problem.

Dr. Nikki Babbit, director of the New Directions Drug Treatment Center in Solon, followed Ms. Larson. Dr. Babbit testified that drug use is at a very high level in Greater Cleveland and an estimated 45,000 teenagers in our area have a problem with substance abuse. She cited a recent survey which showed that 25 percent of local high school students had their first drink at age 11 or younger, and one in three has used an illicit drug in the last 3 months. Dr. Babbit emphasized that there is a severe shortage of local treatment centers, and this hinders our ability to deal with the drug problem.

After her presentation, Dr. Babbit introducted Mickey and her son Craig, who spoke candidly about coping with a drug crisis in their family. Mickey who referred to herself as "a recovering parent of a chemically dependent son," said that when Craig's drug problem began in the sixth grade, the entire family become sick also. "Drug addiction is a family illness," she explained.

Mickey called on parents to deal with a loved one's drug problem as a family unit, and she warned the audience to educate themsleves about substance abuse and the recognizable symptoms of a drug user.

While discussing his drug problem, Craig vividly described how his life nearly ended when he was addicted to drugs between the 6th and 10th grade. "It amazes me that I'm here today," he said. "I am one of those statistics. I could have been one of those fatalities."

After undergoing treatment at New Directions and receiving a lot of support from family and friends, Craig was cured of this addiction. "Through the help of a lot of caring people, I have been able to maintain sobriety for 2½ years."

However, Craig warned that drug abuse in his school and among his peers "is still a real problem." And he asked concerned parents "to take a look at their own use" of substances. "Lots of parents talk out of both sides of their mouth," he said. "They'll tell kids not to drink while sipping another martini."

We now know that the Greater Cleveland area has become a point of entry for drugs being smuggled into the United States. We also learned how the influx of drugs into our community has made our streets unsafe and harmed our children.

Every effort must be made to protect ourselves from the drug threat. This forum on drug trafficking and drug abuse was extremely educational and will help us meet our responsibility and face up to the challenges before us. We must deal effectively with the drug problem in all its dimensions.●

GENERAL MOTORS CORP. RECEIVES ARTS CAUCUS AWARD

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. DOWNEY of New York. Mr. Speaker, at the opening of the 1984 Congressional Art Competition exhibit, the Arts Caucus was proud to honor General Motors Corp. for its outstanding contributions to our Nation's cultural activities.

At the luncheon honoring high school artists from congressional districts across the country, Mr. Roger Smith, General Motors' chairman, was presented a special Arts Caucus Award for setting an example of enlightened corporate responsibility toward the arts and education in the country. Each year the Arts Caucus honors exceptional American artists and organizations who have made outstanding contributions to our Nation's culture. This year marks the first time a corporation has received the award.

General Motors has shown extensive commitment to recognizing artistic and academic achievement among young people, with the other half of its corporate contributions spent on educational and cultural activities. The corporation has developed several unique public service programs in conjunction with schools throughout the country. One of these programs, "The Best of Class," spotlights 10,000 valedictorians on television nationwide. The production "George Washington," aired this past April, is yet another example of General Motors' steadfast promotion of and loyal dedication to the arts and education. Mr. Smith expressed this firm commitment as he accepted the award: "Over the years, we at General Motors have made it our business to encourage and support young people—especially those creative and artistic young people who add so much to the quality of American life."

General Motors has generously supported national cultural organizations—including the National Corporate Fund for Dance, the National Symphony, the Metropolitan Opera, and the Kennedy Center—as well as numerous other local arts centers, arts councils, museums, theaters, orchestras, opera, and dance companies.

The Arts Caucus is proud to have General Motors as its sponsor of the 1984 Congressional Art Competition. We are also proud to pay tribute to a corporation which has helped foster the creative talents of young Americans and which has played a rewarding role in encouraging and sustaining artistic and educational endeavors in this country.●

IN HONOR OF MARIO OBLEDO

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. STARK. Mr. Speaker, on July 28, 1984, the Mexican-American Chamber of Commerce of Southern Alameda County will honor Mario G. Obledo, attorney at law.

Mr. Obledo has distinguished himself professionally in many ways. These include his work as a consultant in labor law, personnel management, and government relations. Also, he has been a legislative and administrative advocate. He has been active in environmental health issues, Western hemispheric trade, and civil rights matters. Mr. Obledo has worked hard on State and Federal equal opportunity compliance laws and regulations.

Born in San Antonio, TX, he was 1 of 12 children. Mario Obledo served his country in the Korean war. He holds a degree in pharmacy from the University of Texas, Austin and a degree in law from St. Mary's University, San Antonio. Additionally, he has completed various institutes of law and pharmacy.

Not only has Mr. Obledo excelled professionally, but his community activities are equally exemplary. He is the recipient of over 1,000 honors for his contributions. He has been legal counsel to the Coalition of Hispanic Organizations and national president of LULAC, the largest Hispanic organization in the United States. He has received the Distinguished Urban Service Award from the Urban Coalition and numerous other civic awards.

I applaud Mario Obledo's achievements and I join his friends in thanking him for his commitment to helping others.●

EDUCATION FORUMS

HON. JAMES R. "JIM" OLIN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. OLIN. Mr. Speaker, Mr. Chairman, I have been holding education forums in my district in Virginia during the past few months. What follows is a summary of my latest forum pointing out what some of my constituents like about the educational system in America and what they feel needs to be changed. I would like to share it at this time with my colleagues in the House.

The summary follows:

JIM OLIN'S EDUCATION FORUM, LYNCHBURG, VA—JUNE 2, 1984

Our Education Forum held on Saturday, June 2nd, at Linkhorne Middle School in Lynchburg attracted administrators, teachers, parents, students and interested people from Lynchburg and Amherst County. Kenneth White, chairman of the State Board of Education introduced Dr. John Casteen, Secretary of Education for the Commonwealth of Virginia who gave an excellent basis for the discussions that followed.

Dr. Casteen outlined the changes that have taken place in our schools in the past decade: More informality and less discipline in the classrooms; fewer students taking science, math and foreign language courses; less depth in English and history courses; more students in the "general track" which prepared them for neither college or a vocation; a drop out rate of 25%; a decline in SAT and achievement test scores; a decline in the school population; changes in the economic and ethnic characteristics of the school population; changes in childrens' needs and strengths; changes in the needs of the labor market; more students entering college; more emphasis on special education, especially the learning disabled; more and better vocational-technical programs.

He agreed with the findings of the several educational task forces that we need to develop more respect for teachers and a more structured curriculum and school day. Also, it should be recognized that schooling is the student's job, his work.

As for the future of education, he described the important roles of the family and the local, state and federal governments. The local governments in Virginia have traditionally provided about half of the financial support. The state government provides about half, sets educational standards and is responsible for teacher education, certification and retirement plans. The federal government has provided less than ten percent in Virginia. However, it has encouraged the development of high cost programs such as Kindergarten and Headstart, education for the handicapped and disadvantaged and the construction of vocational-technical facilities.

The mobility of our labor force makes education a national concern. Employers most want employees who have a basic foundation of skills in reading, writing, math and science. Vo-Tech programs must build over and above these skills. To underpay teachers is to underfund education. Teacher compensation is the largest part of most school budgets (80%), so increasing teachers' salaries will be costly. A related issue is merit pay. Four programs are now being tested in Virginia.

A lively discussion followed Dr. Casteen's speech and was continued in the small groups. The following is a summary of the recorders' notes and the participants' verbal and written comments:

THE STUDENT'S FAMILY

Instills the motivation to learn and to take responsibility. There are students who have a desire to learn.

Parents should be more involved in the schools and in decision making along with teachers and administrators.

Parents need to take more responsibility for their children's learning, work with their children. The Individual Educational Plan (IEP) idea could be adopted for all students.

Parents want the best for their children but there is no vehicle for getting their opinions. (What happened to the PTA concept?)

How can the schools deal with changes that have taken place in the family? More working mothers, single-parent families and hours of television watching.

Students who work after school may be shortchanging their academic achievements.

THE SCHOOL ADMINISTRATION

Is concerned about students and the schools

"Has kept the schools going through the years"

In Lynchburg it works well with other community organizations.

Some suggestions for improvement in the administrative area

Higher pay for administrators. Better training in psychology and communication. Administrators (at all levels) should listen to and implement suggestions from teachers. Less specific regulation of teachers. More help for the weak teacher and if that doesn't work, dismissal. Better interpretation of test scores and what they mean. (Teaching to the tests can be harmful.) Guidance counsellors in the elementary schools. Vocational guidance early on in high school. More interaction with area colleges. More aides for special education classes. Lower pupil-teacher ratio for secondary mentally retarded classes. We need to study the importance of the pupil-teacher ratio at different grade levels and types of courses.

TEACHERS

Are dedicated and devoted; are hardworking in spite of the attitudes of society and "heavy off"; are well trained; are caring and attentive; there are many fine teachers in spite of low salaries and status.

What is needed

Higher pay to keep and attract good teachers. (Some schools of Education are closing.)

To keep good teachers in the classroom—not force them into administration or other jobs.

For schools to identify for teacher training colleges and universities what skills, knowledge and attitudes they want in future teachers.

Teacher training puts too much emphasis on method, not enough on content.

Teachers need more training in handling children with problems, group dynamics, student involvement.

People who are not suited for teaching should be identified early.

There should be ongoing in-service training.

Teachers should not teach courses for which they are not qualified.

Teachers should have more say in curriculum, materials selection, school operation.

A meaningful teacher evaluation plan is needed, such as the use of questionnaires for parents and students.

Merit pay.

Not merit pay, it would cause contention among teachers.

Weed out incompetent teachers; don't give them raises. Early retirement could be used.

Teachers should go into industrial situations to see what is expected of workers.

PROGRAM

What's good about our schools?

The Headstart program; the school lunch program; we educate students of all levels of ability; minorities have made great strides; special education and the programs for the learning disabled; there is freedom of thought in our schools and we're not fearful of innovation; there is an interest in the emotional well-being of the students; school-parent communication; the volunteer program; discipline and order in the classrooms; an excellent college preparatory program; exciting subjects and a variety of courses; girls and boys are free to take all courses; advanced placement courses; the state-supported Governor's School; Vo-Tech programs; competency tests for seniors.

Some changes that were suggested

A prevention program for children with early signs of behavior and adjustment problems; more emphasis on the basics—reading, writing, math, science; all children should learn to read; less homework in the lower grades and fewer "busy-work" projects; more reading homework; less emphasis on marks and grades; a grading system based on mastered skills, not the rigid A,B,C,D,F system; more emphasis on the love of learning and sharing; put music, art and physical education back in the elementary schools; more application of skills that have been learned; more hands-on activities along with the book work; more programs for the gifted; more programs for the learning disabled.

Foreign language study should start in elementary school and continue to a level of real proficiency; foreign language books in the school libraries; more emphasis on world history; programs to keep all children in school; keep the courses best suited to students who cannot compete with "the brains"; alternative education opportunities (job skill centered) for certain students; vocational training for the Educable Mentally Retarded (EMR); employers want students who know the basics and who then can be taught specific job skills; vocational courses should be used to stimulate an interest in academics, not as an end in themselves.

Focus on life problems that affect learning, such as pregnancy, gender roles, death in the family, abusive parents and divorce; parenting courses; gym courses should not be counted in the grade point average; improved technology could increase the efficiency of schools (i.e. video tapes, interactive T.V., computers, language tapes); there should be less emphasis on extra-curricular activities; we don't need driver education; the transcript of courses and grades is more meaningful than the diploma; we need to catch up with foreign countries—take academic education more seriously.

THE COMMUNITY

People are now paying more attention to education and that's good, but there is room for improvement:

We need leadership for a genuine commitment to all levels of society.

We need more positive support of education from community leaders. (At the state and national levels also).

We need a partnership of parents, business and industry. Business employers could help the schools most by supporting their local school boards.

More money is needed for education.

Single interest pressure groups can be a problem, focusing on narrow issues at the expense of the broad program.

More respect and status should be given to teachers at all school levels.

Will future taxpayers be more or less willing to support education?

ROLE OF THE FEDERAL GOVERNMENT

To take a leadership role. (However, one participant suggested that we get rid of the United States Department of Education.)

To take the lead in research and development, especially in "high tech" educational programs and materials.

To fully fund the programs it has mandated.

Federal aid is OK but not federal dictation.

Many valuable suggestions and some new approaches to education came out of the Forum. It certainly stimulated my thinking; and I believe that was the general feeling of the participants. We are proud of our schools, but there is always room for improvement. We must be looking forward to the future.●

INTRODUCTION OF THE ASBESTOS WORKERS' RECOVERY ACT

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. MURPHY. Mr. Speaker, I rise today to introduce the Asbestos Workers' Recovery Act of 1984. Up to a quarter of a million Americans may fall victim to asbestosis or an asbestos-related cancer over the next 20 years and the great majority of them will die. None can be certain of compensation under the current tort system.

Asbestos tort litigation has proven to be costly, time consuming, and inefficient. The American Bar Association at its 1983 meeting states that the number of asbestos claims have become clearly excessive burdens upon the State and Federal judicial system with approximately 20,000 cases currently pending. The American Bar Association advocates "appropriate legislation to provide adequate compensation." Currently, 63 cents of every dollar spent has gone to lawyers, court fees, and other legal expenses, while only 37 cents ever reaches an injured worker.

The Asbestos Workers' Recovery Act will replace the inefficient and complex tort litigation with an administrative compensation system. The bill relies on existing State and Federal workers' compensation system to make medical determinations necessary to validate a claim of asbestos-related injury. All supplemental benefits will be paid out of a special asbestos-related disease trust fund created under the act. The new trust fund will be financed by asbestos company tort defendants, their insurers and, the Federal Government to the extent of its direct responsibility.

I urge my colleagues to support the Asbestos Workers' Recovery Act, which will meet the immediate goal of providing asbestos disease victims with an equitable and prompt system by which to obtain legitimate levels of compensation.

There are approximately 18 million workers who have been exposed to asbestos on the job over the last 40 years, and at least half of these individuals worked in Government or contract shipyards. The plight of the asbestos worker is particularly tragic because these afflicted individuals are not receiving the financial assistance which they deserve.

The complex asbestos disease problem is best understood by taking a brief look at its history. The question of health protection and who had responsibility for it was to become one of crucial importance. In the 1940's, knowledge of asbestos was limited. The British, who have been weaving asbestos for several decades, had discovered in the late 1920's that asbestos dust scarred lung tissue and shortened breath in workers exposed to large quantities of asbestos dust during the weaving process. They had named this lung ailment "asbestosis" and believed it could be prevented by holding down dust levels.

In 1938, the U.S. Public Health Service established a safe exposure level of 5 million particles of asbestos per cubic foot of air, and inspectors were supposed to enforce this level in the shipyards and private companies began observing it in their own plants.

The evidence is that the 5-million particle maximum, as inadequate as it later proved to be, was almost totally ignored in shipyards. The wartime and cold war buildup of the U.S. Fleet demanded large quantities of asbestos for insulation. An inspector who investigated conditions at the Bath, ME, shipyard late in 1944 reported dust levels as high as 52 million particles per cubic foot of air in some ship construction areas.

The fundamental problem with asbestos-related diseases is that there is often a long latency period between the time of exposure and the manifestation of the disability. It has taken three to four decades for shipyard workers employed during World War II to develop symptoms of asbestosis. In the 1960's asbestos was established as a cause of mesothelioma, a rare cancer of the chest and abdominal cavity linings.

Financial assistance for the diseased workers initially came from State workers' compensation programs, company medical benefits, private pension plans, Social Security and veterans' benefits. However, the payments often were inadequate to cover lost income and care for the families of disabled or deceased workers.

In 1973, an appellate court affirmed that asbestos-related disease victims can sue companies they contend are responsible for their diseases. The flood of legal actions which followed has overburdened our court system.

Asbestos tort litigation has proven to be costly, time consuming, and inefficient. Approximately 20,000 asbestos lawsuits are now pending in State and Federal courts throughout the Nation, and tens of thousands are expected in the next decade. The American Bar Association at its 1983 meeting stated that the number of asbestos claims have become clearly excessive burdens upon the State and Federal judicial system, and the ABA advocates "appropriate legislation to provide adequate compensation." Currently, 63 cents of every dollar spent has gone to lawyers, court fees, and other legal expenses, while only 37 cents ever reaches an injured worker.

The Asbestos Workers' Recovery Act will replace the inefficient and complex asbestos tort litigation with an administrative compensation system. This act will provide our injured workers with prompt compensation, without wasting the enormous sums on legal fees and without extended delay in courts.

Under the Asbestos Workers' Recovery Act, a worker who contracts an asbestos-related disease would first file a claim with the appropriate State or Federal workers' compensation program. Where State workers' compensation laws are inadequate to protect occupational disease victims because of unreasonable statutes of limitations or other technical deficiencies, the worker would nevertheless be eligible to apply for the Federal supplemental benefit. This benefit will be payable in a lump-sum amount, or claimants can elect to have all or a portion of the award paid in the form of an annuity.

All supplemental benefits will be paid out of a special asbestos-related disease trust fund. The new trust fund will be financed by asbestos company tort defendants, their insurers and, the Federal Government to the extent of its direct responsibility.

A recent study by the Urban Institute found that a federally legislated asbestos disease compensation program would result in budget savings which would offset all or a large portion of Government's cost under the legislated program. The study estimated that asbestos cases cost the Federal court system—taxpayers—at least $4,000 per case annually. Since approximately 12,000 cases are now pending in the Federal courts, the current annual cost to the Federal Government from asbestos litigation exceeds $48 million. Asbestos cases in State courts cost these systems approximately $500 per year. Since an estimated 8,000 cases are now pending in State courts nationwide, asbestos litigation presently costs these systems in excess of $4 million annually.

The Asbestos Workers' Recovery Act will also provide potential savings in public assistance payments. Asbestos disease victims and their survivors receive income assistance from a variety of Federal and State programs. These include Social Security disability payments, veterans' pensions, supplemental security income, food stamps, and Medicaid. The new compensation system created under this act would reduce the recipients' need for assistance from Federal income transfer programs. The Urban Institute estimates that the automatic benefit reductions already mandated by law, when triggered by asbestos compensation payments, could potentially save the Federal Government between $19 and $31 million per year. States could save another $3 to $6 million annually.

The $67 to $79 million that the Federal Government will save annually by replacing asbestos litigation with an efficient compensation program constitutes a significant sum, conceivably large enough to offset the Federal Government's obligation for its share of payments to injured workers under the Asbestos Workers' Recovery Act. Moreover, it is clearly in the best economic interest of the Government to support this administrative compensation program while there are still active, profitmaking companies to contribute their fair share of the costs of such a program.

The Occupational Safety and Health Administration [OSHA] estimated that 2.3 to 2.6 million workers are currently exposed to asbestos. And an internal agency study concluded that somewhere between 8 and 260 of every 1,000 workers exposed to asbestos at the current standard will contract cancer over a lifetime of exposure. Therefore, the volume of asbestos litigation will expand greatly over the next generation. More importantly, however, is the tragic fact that a new generation of American workers will die prematurely because their jobs have exposed them to asbestos.

It is time for Congress to act by supporting the Asbestos Workers' Recovery Act which will meet the immediate goal of providing asbestos disease victims and their families with an equitable and prompt system by which to obtain legitimate levels of compensation. By engaging in serious dialog on this important issue it is my hope that Congress will not only support an equitable compensation program for asbestos victims, but will also work to prevent another asbestos crisis through the vigorous enforcement of workplace safety rules.●

DEBORAH SZEKELY: WELL QUALIFIED FOR JOB

HON. JIM BATES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. BATES. Mr. Speaker, I am pleased to submit into the CONGRESSIONAL RECORD today an editorial that appeared in the June 20, 1984, edition of the San Diego Tribune supporting the appointment of Deborah Szekely to become the new President of the Inter-American Foundation.

Deborah Szekely has earned the respect of the San Diego community through hard work and involvement. Her career has been unique and fits no stereotype. She has been consistent in achieving a high level of success in her various endeavors, both business and civic activities. Most of all, she has the knack of getting people to work together toward common objectives and turning difficult situations into positive opportunities.

I am aware that some controversy has surrounded the Inter-American Foundation during the past 2 years and that some of my colleagues have concerns regarding the Foundation's future course. Those of us who know Deborah Szekely from her work in San Diego are confident she can rest those concerns.

I would ask that the editorial from the June 20, 1984, San Diego Tribune appear at this point in the RECORD.

DEBORAH SZEKELY: WELL QUALIFIED FOR JOB

There should be no doubt about Deborah Szekely's qualifications for the job of president of the Inter-American Foundation, a U.S. government agency which gives about $20 million a year to encourage self-help efforts of the poor in this hemisphere.

We who have known the energetic founder of two health spas in this region know that Szekely can contribute greatly to the continued success of the agency, which was established by Congress in 1969.

She was named to the post by a 4-2 vote of the foundation's board of directors last week. Four Reagan-appointed directors voted for her; two Carter-appointed directors voted against her.

It's unfortunate that partisanship has divided the board, but that should not detract one whit from Szekely's effectiveness in the job. Democrats in Congress who are inclined to criticize the appointment should look again at her qualifications.

She is attractive, dynamic, idealistic and dedicated. Her Rancho La Puerta health spa in Tecate, Baja California, is as successful as her newer Golden Door health spa in Escondido. Her ability to speak Spanish, her familiarity with Latin American culture, her record of volunteer work in the San Diego community, her energy and her good sense—these are the assets she will bring to the job. And they should not be obscured by petty partisanship.●

THE SENATE SHOULD DEFEAT COVERT AID

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. OTTINGER. Mr. Speaker, I would like to include in today's RECORD an op-ed from The New York Times of June 24, 1984, by Messrs. Laurence Birns and James Anderson.

Although the Senate has postponed its consideration of covert aid to Nicaragua, it is important to consider the facts in this article as they pertain to the sagacity of continuing this aid at all. The House has consistently voted against the administration's continual requests for funds for assistance to the Contras, the Nicaraguan counterrevolutionary forces. Aside from the unsupported claim that Nicaragua plans to export revolution to the rest of Central and Latin America, the administration has failed to produce any adequate evidence to show that any covert aid is necessary or even beneficial. It is my sincerest hope that the Senate will follow the House in opposing any more covert aid.

I commend this article to the attention of my colleagues.

[From the New York Times, June 24, 1984]

A CONTRA-DICTION

(By Laurence R. Birns and James M. Anderson)

WASHINGTON.—The Senate will face a crucial test this week as it votes on President Reagan's request for $21 million to continue the anti-Sandinista contra operation. How can the Senate think of approving this money in the wake of former Central Intelligence Agency analyst David C. MacMichael's revelation that "there has not been a successful interdiction, or a verified report, of arms moving from Nicaragua to El Salvador since April 1981"?

For three years now, the President has served the public a tireless litany of assertions about weapons routes from Nicaragua to El Salvador—and has offered this accusation as the sole plausible justification for our aid to the contra, or counterrevolutionary, fighters. He has nevertheless refused to provide any substantial evidence to support his claims.

What is at stake here is the Administration's central thesis that Nicaragua is acting as a Soviet and Cuban proxy, exporting terrorism into El Salvador. Until now, the Senate has never mustered the courage to confront this publicly unsupported thesis—the heart of a policy that, left unchallenged, could lead to involvement of United States ground forces in a regional conflagration. Mr. MacMichael's testimony should make it much easier to mount that challenge. If the Senate fails now, it will have failed us all in its responsibility as our most important deliberative body.

The Administration seems to have chosen a strategy much like the one President Lyndon B. Johnson used at the time of the Tonkin Gulf incident—make the charge, use it to get Congress to approve the policy and then lie in order to sustain it.

The Reagan Administration first made its case about the Nicaraguan arms connection in a "white paper" released in February 1981. The following June, the Wall Street Journal largely discredited the report in an interview with its author, who admitted that much of the document was "over-embellished" and "misleading." Nevertheless, the State Department insisted that its conclusions were "fully valid," and in December 1981 the C.I.A. began aiding the contras. At the time the Administration claimed that both Congressional intelligence committees had been fully briefed about the arms conduits.

The Administration's only other formal presentation of its argument was the release in May 1983 of a "background paper" that essentially reshuffled the charges presented in 1981. The countless informal accusations made since have been equally assertive but little more informative. Repeated requests for evidence have been declined, always with the contention that this would jeopardize "sensitive" and "Clandestine" intelligence sources.

Yet surely the Administration does not lack overt means to gather such evidence. Its abundant facilities for this purpose include continuous spy-plane overflights of El Salvador, United States troop exercises in Honduras and the constant presence of United States naval vessels in the strategic Gulf of Fonseca. Data from these sources could be presented to the American public without threatening any personnel in so-called "sensitive" situations. Why then does the Administration continue to hide behind such a strategem? Can it be that the White House simply does not have any evidence?

In two years, after more than $50 million in expenditures, the contra operation has not intercepted one arms shipment of any kind. Rather than preventing the export of revolution, the program has caused the deaths of more than 1,000 civilians and inflicted some $3 million in damages to the Nicaraguan economy. These are the results the Senate has to show for its knee-bending.

What should the Senate do now? Proposals to provide additional but limited funding to "wind down" the operation are empty political gestures. The Administration doesn't need extra money for this purpose: It has shown an ample capacity for guile in outflanking Congressional efforts to cut off funds by appropriating money designated for other purposes. What's needed now is nothing less than a total cutoff of covert assistance. The Nicaraguan Government has offered amnesty to all exile fighters not directly linked to the hated National Guard of the late dictator Anastasio Somoza Debayle. Those undesirables not covered by the decree could be allowed to take refuge in the United States or elsewhere.

As it takes up this critical vote, the Senate should make one last effort to redeem its honor by publicly demanding that the Reagan Administration show cause for the funding that it seeks. In the unlikely event that any evidence exists, let it be revealed and held up to public scrutiny.●

PRESIDENT REAGAN ADDRESSES CONFERENCE ON UNITED STATES/SOVIET EXCHANGE

HON. CHARLES McC. MATHIAS, JR.

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Thursday, June 28, 1984

● Mr. MATHIAS. Mr. President, this week a Conference on United States/Soviet Exchange is taking place at the Kennan Institute for Advanced Soviet Studies of the Smithsonian Institution's Woodrow Wilson Center. The Conference is important and timely. It underscores the need to maintain as many lines of communication open with the Soviet Union as we possibly can, and it allows us to evaluate our progress in this critical area.

It is noteworthy and gratifying that President Reagan singled out the Conference for special notice by inviting its members to the White House yesterday. Significantly, the President used the occasion to review the status of a number of cultural and scientific exchange agreements and activities between the United States and the Soviet Union. The President spoke with feeling of the U.S. desire to expand contacts with the Soviet Union and with its peoples. In doing so, I believe he expressed the view of the vast majority of Americans.

President Reagan did not gloss over the obstacles in the way to a more constructive dialogue between our two countries but he made it clear that he supports a wide range of scientific and cultural exchanges designed to enhance our dialog.

Mr. President, I ask that the text of President Reagan's remarks to the participants in the Conference on United States/Soviet Exchange be printed at this point in the RECORD.

The speech follows:

REMARKS OF THE PRESIDENT AT MEETING WITH PARTICIPANTS IN THE CONFERENCE ON UNITED STATES/SOVIET EXCHANGE

Thank you all very much. Well, Drs. Billington, Hamburg, Ellison, and Johnson, thank you for bringing your distinguished group to the White House. When I heard that you would be meeting at the Smithsonian to discuss United States-Soviet exchanges, I was eager to share my thoughts with you on this timely and important topic.

First, I want to congratulate the Woodrow Wilson Center and the Carnegie Corporation of New York; certainly nothing is more worthy of our attention than finding ways to reach out and establish better communication with the people and the government of the Soviet Union.

For many months, I have encouraged the Soviet Union to join with us in a major effort to see if we could make progress in these broad problem areas, reducing the threat and use of force in solving international disputes, reducing armaments in the world, and establishing a better working relationship with each other.

At the United Nations, at the Japanese Diet, at Georgetown University, and at the Irish Parliament I have explained our efforts to reduce arms, particularly nuclear arms and to establish a useful dialogue on regional issues. Let me describe to you some of the many efforts that we're making to establish a better working relationship with the Soviet Union.

We have informed the Soviet Government that we're prepared to initiate negotiations on a new exchange agreement and we've completed our preparations for these negotiations. We propose to resume preparations to open consulates in New York and Kiev. We've taken steps to remove our—or revive our agreements for cooperation in environmental protection, housing, health, and agriculture. Activities under these agreements have waned in recent years, because there've been no meetings of their joint committees to plan projects.

We've proposed that preparations begin for such meetings in order to increase the number of active projects. We're in the process of renewing several bilateral agreements that otherwise would have expired this year, and we've agreed to extend our fishing agreement for 18 months, and we're looking at possibilities to increase cooperation under the terms of the agreement.

We've proposed that our Agreement to Facilitate Economic, Industrial and Technical Cooperation be renewed for another 10 years; and that preparations begin for a meeting of our Joint Commercial Commission.

The U.S. Navy Delegation held talks last month with their Soviet counterparts in accord with our agreement on avoiding incidents at sea. And we've agreed to extend this useful agreement for another three years.

We're reviewing the World Oceans Agreement which has been useful in promoting joint oceanographic research; and we'll give careful thought to renewing the agreement prior to its expiration. And we've made proposals in several other areas to improve dialogue, foster cooperation and solve problems.

We've proposed a fair and equitable resolution of our differences on the maritime boundary off Alaska. We've proposed a joint simulated space rescue mission in which astronauts and cosmonauts would carry out a combined exercise in space to develop techniques to rescue people from malfunctions in space vehicles.

And we're currently conducting another round of talks on consular matters trying to improve visa procedures and facilitate travel between our two countries.

We've suggested discussions between the U.S. Coastguard and the Soviet Ministry of Merchant Marine on search and rescue procedures to assist citizens of all countries lost of sea.

And we've made progress in our talks on upgrading the hotline, proposing discussions on potential nuclear terrorist incidents, on establishing a joint military communications line, and on upgrading embassy communications in both countries.

We've also suggested regular high-level contacts between military personnel of our two countries.

So, as you can see, we've offered comprehensive and sensible proposals to improve the U.S.-Soviet dialogue and our working relationship. And if the Soviets decide to join us, new avenues would open, I think, for your efforts.

It's still too early to judge the results. A few proposals are near agreement. Many others are still under discussion, and some have been rejected—at least for now.

Meaningful contact with a closed society will never be easy. And I'm as disturbed as you are by recent reports of new measures taken by Soviet authorities to restrict contacts between Soviet citizens and foreigners. These restrictions come on top of intensified repression of those brave Soviet citizens who've dared to express views contrary to those of the Soviet political elite.

The people of the Soviet Union pay a heavy price for the actions of their government. In fact, we all pay a price. When the Soviet government takes repressive actions against its people, and attempts to seal them off from the outside world, their own intellectual and cultural life suffers. At the same time, the rest of the world is deprived of the cultural riches of the Soviet people. What would classical music be without a Tchaikovsky or literature without a Tolstoy or chemistry without a Mendeleyev.

Civilized people everywhere have a stake in keeping contacts, communication and creativity as broad, deep and free as possible. The Soviet insistence on sealing their people off and on filtering and controlling contacts and the flow of information remains the central problem.

When Soviet actions threaten the peace or violate a solemn agreement or trample on standards fundamental to the civilized world, we cannot and will not be silent. To do so would betray our deepest values. It would violate our conscience and ultimately undermine world stability and our ability to keep the peace. We must have ways short of military threats that make it absolutely clear that Soviet actions do matter and that some actions inevitably affect the quality of the relationship.

These reactions do lead to a decrease in contacts with the people of the Soviet Union and this is a dilemma. However, our quarrel is not with the Russian people, with the Ukranian people or any of the other proud nationalities in that multinational state. So we must be careful in reacting to actions by the Soviet government not to take out our indignation on those not responsible. And that's why I feel that we should broaden opportunities for Americans and Soviet citizens to get to know each other better.

But our proposals to do that are not a signal that we have forgotten Afghanistan. We'll continue to demonstrate our sympathy and strong support for the Afghan people. The United States will support their struggle to end the Soviet occupation and to reestablish an independent and neutral Afghanistan.

Nor do our proposals mean that we will ignore violations of the Helsinki Final Act or the plight of Andrei Sakharov, Yelena Bonner, Anatoly Shcharansky, Yuri Orlov and so many others. The persecution of these courageous, noble people weighs very heavily on our hearts. It would be wrong to believe that their treatment and their fate will not effect our ability to increase cooperation. It will because our conscience and that of the American people and freedom-loving people everywhere will have it no other way.

Now, I know these thoughts do not resolve the dilemma we face. But it is a dilemma for all of us. And I'll value your advice.

You know, I don't think there's anything we're encouraging the Soviet leaders to do that is not as much in their interest as it is in ours. If they're as committed to peace as they say, they should join us and work with us. If they sincerely want to reduce arms, there's no excuse for refusing to talk, and if they sincerely want to deal with us as equals, they shouldn't try to avoid a frank discussion of real problems.

Some say for the Soviet leaders peace is not the real issue, rather, the issue is the attempt to spread their dominance by using military power as a means of intimidation, and there is much evidence to support this view. But it should be clear by now that such a strategy will not work, and once they realize this, maybe they'll understand they have much to gain by improving dialogue, reducing arms, and solving problems.

The way governments can best promote contacts among people is by not standing in the way. Our administration will do all we can to stay out of the way and to persuade the Soviet Government to do likewise. Now we know this won't happen overnight, but if we're to succeed, you must stay involved and get more Americans into wider and more meaningful contact with many more Soviet citizens.

It may seem an impossible dream to think there could be a time when Americans and Soviet citizens of all walks of life travel freely back and forth, visit each other's homes, look up friends and professional colleagues, work together in all sorts of problems and, if they feel like it, sit up all night talking about the meaning of life and the different ways to look at the world.

In most countries of the world, people take those contacts for granted. We should never accept the idea that American and Soviet citizens cannot enjoy the same contact and communication. I don't believe it's an impossible dream and I don't think you believe that, either.

So let me just conclude by saying thank you and God bless you for what you're doing. (Applause.)●

THIRD CONGRESSIONAL ART EXHIBITION OPENS

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. DOWNEY of New York. Mr. Speaker, nearly 70 talented young artists gathered with Members in our Cannon tunnel, along with actress Carol Channing and General Motors' chairman, Roger Smith, to officially open "An Artistic Discovery"—the third national exhibition of winning artworks by high school students from congressional districts across the country. The day's festivities included a special tour of the U.S. Capitol, a ribbon-cutting ceremony, and a luncheon hosted by General Motors Corp.

Sponsored by the Arts Caucus, "An Artistic Discovery" is an expression of the bipartisan commitment to the artistic talents of our young American artists. A total of 215 House Members conducted local art competitions which involved thousands of high school students.

The winner from my congressional district is Karen Quigley of Babylon High School. She submitted a figure drawing in litho crayon, which will be hung alongside the other winning entries representing nearly half the congressional districts across the country. Ms. Quigley, who will attend the Parsons School of Design in New York City, plans to pursue a career in art.

The artistic energies of young Americans are virtually boundless. As a society, we can only benefit by recognizing and nourishing these energies. Through "An Artistic Discovery," Members have played another rewarding part in encouraging the creative spirit of today's youth.●

BLACKS AND JEWS: COMING TOGETHER

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. FRANK. Mr. Speaker, last month, our colleague, Mr. WOLPE of Michigan, gave an important, courageous, and thoughtful speech on the subject of relations between Jews and blacks in America. Most of the black and Jewish Members of the House believe strongly in Mr. WOLPE's eloquent central point:

Blacks and Jews must stand together because we recognize what it means to stand alone. Blacks and Jews, because of our common experience with overcoming the social barriers of prejudice and exclusion, are in a unique position to impact in a human and positive way on decisions that affect us all on the local, national, and international levels.

Of course, we do not serve in this House as Jewish or black Representatives. We serve as American citizens representing all of those who live in our respective districts. But as Jewish and black Americans, many of us feel the responsibility that HOWARD WOLPE so ably discharges here—to dispel the dangerous myth that the black and Jewish communities have become each other's opponents. Black support in Congress for an American policy supportive of the State of Israel has been and remains high. Jewish opposition to the oppression in South Africa remains equally strong, as does the support of most Jewish Members for firm action against the racial discrimination that still plagues our Nation. Blacks and Jews in the House share a commitment to the protection of pluralism so important to minority groups.

HOWARD WOLPE is too honest and creative a thinker to make the sort of bland speech with which everyone will agree. His remarks on this occasion, in which the Board of Rabbis of Greater Philadelphia paid well-deserved tribute to our colleague BILL GRAY for his outstanding service, were forceful and provocative. And they deserve to be considered by all of those of all races and religions who share HOWARD WOLPE's and BILL GRAY's firm commitment to improving democracy at home, and fighting for it abroad.

The fruitful and principled collaboration between BILL GRAY and HOWARD WOLPE on behalf of human rights in America and the world symbolizes at its best what relations between the black and Jewish communities can be—and what many of us in the House believe it has been and will continue to be, overall.

I ask that Mr. WOLPE's remarks be reprinted here.

BLACKS AND JEWS: COMING TOGETHER

(By the Honorable Howard Wolpe)

I am honored to participate in this evening's tribute to my friend Bill Gray, for whom I have the greatest respect and admiration. Bill and I have shared a great deal the past six years. We entered Congress at the same time and we were both initially assigned to the House Foreign Affairs Committee where we began what has become a close and continuing collaboration on a variety of foreign affairs issues. Today, in addition to our foreign affairs responsibilities (which Bill now executes as a Member of the House Appropriations Committee), we both also serve on the House Budget Committee—where our collaboration has widened to encompass a broad host of domestic issues as well. I tell you nothing you did not already know when I say that in just three terms the representative of Pennsylvania's second Congressional District has become one of the most visible and respected Members of the U.S. House of Representatives.

It is particularly satisfying—and particularly appropriate—that this evening's tribute is being sponsored by the Philadelphia Board of Rabbis, and I want to commend my cousin Rabbi Wolpe, and the entire Board, for your good judgment. For there are few Members of Congress, Jewish or non-Jewish, who better embody the values of Jewish tradition than does Bill Gray. Bill's commitment to human rights—whether in the Soviet Union, South Africa, or the United States—is exemplary. His belief in the principles of social justice and equal rights has made him a leading spokesman for those causes. And his support for the State of Israel has been vocal and unwavering throughout his tenure in Congress. In short, Bill Gray is a *mensch*—well deserving of this evening's recognition and of our highest esteem.

This tribute for an exceptional Member of Congress comes at a time of growing stress and strain in Black/Jewish relationships, and provides the opportunity for re-examining the coalition of self-interest that has long sustained both Blacks and Jews in the United States. We must think through together the sources of Black/Jewish conflict, so that we may generate a new sense of community and shared purpose. In the spirit of Bill Gray's efforts and those of the Rabbis of this community, I would like to address the content of the dialogue which is being called for, and which must take place between Blacks and Jews.

First, let me relate a personal encounter I had just a few weeks ago which I think is reflective of the current relationship between Blacks and Jews. I had just returned to National from a week-end in my district when I was suddenly accosted by a reporter I know who writes for a Jewish periodical. He was extremely agitated, insensitive to the suitcase I was clutching en-route to my car, and insistent that I listen to his concern: "Why," he proclaimed with deep feeling, "can't the Blacks in Congress give more support for Israel? After all, given what Steven Solarz and Howard Wolpe are doing to help the Blacks in South Africa, why can't the Black Caucus show some reciprocity on the Middle East?"

I was stunned by his ignorance. He was wrong on so many counts. First of all, no segment of the Congress has remained more steadfast in its commitment to a strong and secure Israel than the Membership of the Black Caucus. Moreover, that commitment predated, by decades, the emergence of South Africa as a major American political issue.

Secondly, South Africa is far more than a "Black" issue, and Jewish Members of Congress have been deeply involved in the anti-apartheid movement not because of a drive "to do something for Blacks," but because we believe American interests are directly threatened by a growing perception that the United States has entered into a long-term accommodation with the racist system of apartheid.

My initial response to my reporter-friend was muted. I simply indicated he was dead wrong in perceiving Black Members as insufficiently supportive of Israel and that I was going to be addressing the subject of Black/Jewish relations in a speech I was to be giving in Philadelphia. I promised to send a copy. (And I will!)

But as I later reflected on the reporter's observations, I was struck by how much they revealed of the racism that underlies much contemporary Black/Jewish conflict. For how long have we Jews struggled to get non-Jews to understand Israel as not simply a "Jewish issue," but as an "American issue?" We have correctly insisted that a strong and secure Israel serves not only Jewish interests but American national interests—and it is this recognition that has formed American policy toward the Middle East since Israel's inception as an independent state.

Yet, when our Jewish reporter's focus shifted to South Africa there was a complete inability to comprehend the racial system of apartheid as equally an American issue, of comparable importance to American interests and to White as well as Black Americans.

The unconscious racism of this Jewish reporter was manifest not only in his inability to comprehend South Africa as his own issue, but in his assertion that Blacks owed something to Jews because of Jewish participation in the anti-apartheid movement. How often through the years have we heard this refrain: "We have done so much for the Blacks, and see how they express their gratitude." When will we begin to recognize the insulting paternalism of this formulation? The implicit racism? We will not heal the rift between our two groups if we Jews are unable to approach Blacks as people with perspectives and agendas as equally important as our own.

I do not use the term "racist" loosely. I recognize that few words are more emotionally charged—particularly to American Jews who have long recognized the parallels between the Black and Jewish experiences with slavery and genocide, and who historically have long prided themselves on their involvement in the struggle for social justice both at home and abroad. Racism, the belief that one's own race, is superior and therefore has an inherent right to subjugate another race is a very unpleasant topic. We're uncomfortable in talking about it. No ugly four-letter word hurled with disdain provokes as much vehement denial and defensiveness by a white person than when he is called a "racist."

I can speak for myself in that regard. It was not too many years ago that I blistered with rage when anyone labelled me a racist, defending myself against such accusations with indignation. After all, I had participated in civil rights marches and in open housing and affirmative action campaigns. I even taught courses on the politics of race and was a specialist in African culture and political systems. How could I possibly be a racist given my manifest concern and involvement in so many noble causes?

But, as much as I wanted to keep my blinders on, a series of racial encounters in Kalamazoo, Michigan—where I had been elected to the City Commission—forced me to take a second look at myself, and at all that I professed to believe. And I frankly didn't like what my self-examination revealed. I suddenly realized how I somehow had always excluded myself as a member of the white race responsible for the oppression of Blacks, and how much of my condemnation of the racism of others was a means of avoiding coming to terms with my own racial prejudices and my own participation in the perpetuation of racist practices and institutions. For the first time, I began to acknowledge how frightened I, the great liberal, was of Blacks. I also realized, for the first time, how uncomfortable I was in situations in which Blacks were in the leadership role. In short, I came to understand—and to accept—that all my protestations notwithstanding, I was very much a racist. This was a very painful admission—but in the end it proved enormously liberating!

I say all of this tonight not because I enjoy autobiographical reflection—but because I suspect that my experience is not that dissimilar from other Jewish Americans who have been traditionally socialized to think of themselves as distinctively free from irrational prejudices and unshakeably committed to rectifying longstanding social inequities. The harsh truth, however, is that Jews are also white, and as such we have never been immune from racism. All of the concern and involvement of Jewish Americans in the civil rights movement notwithstanding, most Jews in the 1960's really knew very little about Blacks and were more than a little uncomfortable with the new assertiveness and militancy of Black America. And, more recently, significant elements of the Jewish community have become distinctively more conservative—resisting affirmative action programs, embracing conservative political ideologies and candidates, abandoning traditional Jewish advocacy of social justice issues. And all of this very evident back-pedaling comes at a time when the economic and social gains won by Blacks in the course of the civil rights movement are being rapidly eroded by a depressed and unstable economy and a newly reactionary and insensitive American government.

I emphasize the importance of Jews coming to terms with our own racism this evening because I believe it is this that lies at the core of contemporary tensions between the Black and Jewish communities. What we Jews often ignore, but what Blacks can never forget, is that we are also white and have historically been as much a part of the problem as a part of the solution. It is not that Blacks have not recognized the unique contribution of individual Jewish Americans to the civil rights struggle. It was Martin Luther King who once observed, "It would be impossible to record the contribution that Jewish people have made toward the Negro's struggle for freedom, it has been so great." And Dr. Price Cobbs, the black psychiatrist and author of the book, "The Jesus Bag," in discussing racism attempted to differentiate Jews from other whites by stating that Jews were only 99½ percent white, but that ½ percent was so important that were he to have to choose between a Jew and any other white he would choose a Jew. The oppression Jews have encountered, their enslavement and persecution made them ½ percent more compassionate and therefore more human.

My point this evening is not to denigrate the significant contributions Jewish Americans have made to the civil rights struggle in the United States, but rather to suggest that if we are to eradicate the growing tensions between blacks and Jews we must probe our own racism.

But this is only one side of the coin. The other side is the similar necessity for blacks to recognize and confront the irrationality and destructiveness of their anti-semitism. At the core of that confrontation must be the realization that just as certain catchwords and behaviors are signals to blacks of an anti-black attitude, the same thing applies in regard to Jewish sensibilities.

What I am pleading for is a new look, with increasing sensitivity, at what causes hurt and anxiety on both sides. In the spirit of our historic partnership and common purpose, each must seek to understand and protect the vulnerabilities of the other. Racism and anti-semitism are venomous, contagious diseases, as debilitating to their agents as to those who are their targets. And no one should know this better than Blacks and Jews. Moreover, no other groups have as great a stake in eradicating this virulence. As leaders of reform Judaism recently noted, "only the haters seeking to separate us from each other and segregate us from the rest of society benefit from the alienation of Blacks and Jews . . ."

It is time now for Blacks and Jews to transcend their irrational myths, and to move from blame-throwing and defensiveness to open communication and determined resolution of conflict. Only then will we fully realize our stake in each other's future, and will Blacks and Jews be able to accord each other the dignity to which we all are entitled.

Blacks and Jews must stand together because we recognize what it means to stand alone. Blacks and Jews, because of our common experience with overcoming the social barriers of prejudice and exclusion, are in a unique position to impact in a humane and positive way on decisions that affect us all on the local, national and international levels.

We both know what it is like to try to explain irrational hate and discrimination to our children. We both sense the pervasive undercurrent of fear that stands ready to erupt with an ominous turn of events. We have both found strength in our histories and cultures which impel us to remain a vital force in the growth and creativity of this nation. We have both developed insight which is useful in predicting and avoiding the negative consequences of ill-conceived and insensitive social policies and practices.

These are difficult and challenging times. These are times that demand new commitment, new sensitivity, new leadership. And that is why we honor Bill Gray tonight. His unwavering commitment to the transcendent ideals that unite Blacks and Jews has set an example for his colleagues in the Congress. Let each of us—religious leaders and community leaders alike—use tonight's tribute to Bill Gray as the impetus for a new commitment to improved understanding between Blacks and Jews. Let us each take ownership, as Bill has done, for finding solutions to our common problems. It seems appropriate to close with the often quoted but beautifully fitting words of Rabbi Hillel: "If I am not for myself, who will be for me? But if I am for myself alone, What Am I? And if not now, When?"●

DISTINGUISHED COMMUNITY BOARD CHAIRMAN RETIRES

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. GREEN. Mr. Speaker, one of my district's local leaders stepped down Tuesday night as chairman of Manhattan's Community Board No. 3.

Mr. Richard Ropiak retired from his position after a long period of service to his community. First elected secretary of community board No. 3 in 1973, he subsequently served as vice chairman and acting chairman until his election as chairman in 1982.

As chairman of community board No. 3 in the Lower East Side of Manhattan, Mr. Ropiak had the difficult task of reconciling the often conflicting interests of some of the most diverse ethnic and income groups in New York City. Mr. Ropiak will continue to serve the needs of his community as a member of this board.

Mr. Speaker, I would like to thank the House for this opportunity to recognize Mr. Ropiak, one of the outstanding leaders in my district.●

SPACE EXPLORATION DAY

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. FUQUA. Mr. Speaker, I rise in strong support for House Joint Resolution 555, to designate July 20, 1984, as "Space Exploration Day." I am proud to say that 222 Members of the House have signed on as cosponsors of this resolution, enabling it to be brought to the House floor earlier this week.

The designation of a commemorative holiday to observe "Space Exploration Day" is a fitting tribute to the accomplishments of this Nation in the last quarter century. We have just celebrated the 25th anniversary of the National Aeronautics and Space Administration. July 20 of this year will mark the occasion of the 15th anniversary of the first manned exploration of the Moon. In these few short years, we have begun to tap the vast potential of space for the benefit of all mankind. Our explorations have yielded countless scientific and technological benefits in all areas of man's endeavors. The technological advancements this country has made in space have propelled the United States into a position of scientific and technological leadership unequalled in the world. Our economy has been strengthened by the contributions of the U.S. aerospace industry and our universities to research and development and the space program. This Nation can say with pride that the U.S. space program reflects the best in the American character—sacrifice, ingenuity, and an unrelenting spirit of adventure.

The designation of a "Space Exploration Day" gives opportunity for pause to reflect on our remarkable past accomplishments in space, and to focus on what will be a new era in space as we begin to explore the commercial potential of the space environment. Our President, this Congress, and this Nation are committed to the development of a permanently manned space station within the next decade.

The President has invited our international partners and friends to assume a partnership in this venture, a step which will perhaps do more to strengthen our ties with our international friends than any other cooperative endeavor. We are truly about to embark on the exploration of the next, and perhaps, the last, frontier.

I commend this resolution to my colleagues, to celebrate July 20, 1984, as Space Exploration Day in honor of our past and future explorations in space, for the benefit of all mankind.●

NEWS PUBLISHER LAUDED FOR SERVICE

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. SHELBY. Mr. Speaker, I would like to honor and pay tribute to an outstanding gentleman from my hometown of Tuscaloosa, AL. Mr. Charles H. Land, publisher of the Tuscaloosa News, recently was presented, by UA President Joab L. Thomas, the Henry and Julia Tutwiler Award, the highest service honor given by the University of Alabama, for his efforts to strengthen the university business leadership and the county's industrial development prospects.

Following is an article written by Jack Wheat, News staff writer, that provides an account of Charlie's award and gives a fascinating insight of this extraordinary individual.

[From the Tuscaloosa News]

PUBLISHER AWARDED TUTWILER AWARD

(By Jack Wheat)

The Tutwiler Award—founded in 1978 in memory of the pioneer Alabama educator Henry Tutwiler and his daughter, Julia, a widely celebrated crusader for educational and prison reform—honors people who have made exceptional contributions to the University and the state. Not awarded annually, the honor was last presented in 1982 to Montgomery developer and new UA Trustee Aaron Aronov.

Speakers said Land has contributed influence, time and money to the University and has forged a remarkable degree of cooperation that is resulting in progress for Tuscaloosa County.

The landmark UA-United Auto Workers-General Motors Applied Research Facility agreement; the combining of the Tuscaloosa and Northport chambers of commerce into a single effective organization; and the marshaling of an organized and dynamic industrial development effort are among the achievements Land helped bring about, speakers said.

Thomas said "I can't think of anyone who would be a more appropriate recipient of a service award" that bears the 'Tutwilers' name. Many of the achievements the University and community have made "we owe to Charles Land," said Thomas.

Land commented after the tributes, "After listening to all that, I'd sort of like to meet myself." He quipped. "Any newspaperman who has this many nice things said about him and is still alive must not be doing his job. Athough I don't agree with everything you've said, I deeply respect your opinions."

He said, "It's almost unthinkable to me I'd be here as recipient of this award.

"I see this award not as a reflection of what little I've helped accomplish," but what a great many people have worked together to attain, he said.

A "much stronger bridge between the University and community" exists now than any other time recently and perhaps ever. "A lot of people are working together," he said.

"The University is such a vital part of our community and such a special part that it's difficult to assess its impact sometimes," said Land.

Even after the economic impact of the University on the community, its contributions to the quality of life of the people of Tuscaloosa County and its importance as a resource for economic development are accounted for, Land said, the institution has great significance.

"How do you put a value on the education of young people?" he asked. "How do you put a value on research that can mean so much to so many for so long?"

Land noted a "strong, fresh, positive spirit in our community these days," and "a strong, fresh, positive spirit on the campus of the University." He said he senses, as well, the "opportunity for a brave new spirit in our state."

James B. Boone, Jr., former publisher of The News and now head of a Natchez, Miss.-based newspaper group, described Land as a man of "intelligence, loyalty, ethics, determination, humor and sensitivity"—a combination that "makes him somewhat of a complex person at times."

"He has a sense of loyalty to whatever it is he's behind, he's nurturing or he's putting his shoulder behind," Boone said. His "sense of humor is one of the finest you'll ever run into," he said, adding that humor often masks Land's "great sensitivity." Behind Land's "laid-back" countenance, Boone assured the crowd at the banquet at North-River Yacht Club, is a man who was deeply moved by the honor coming to him.

Land, Boone said, began working at The News on the sales staff, then moved to the mail room and then to the position of sports editor. After Boone became publisher of the News he eventually succeeded at convincing Land to become managing editor.

"We produced the best product the time Charlie Land was managing editor" that was produced in the years he was publisher, Boone said. In succeeding years, Land became general manager, associate publisher and editor and publisher.

Malcolm Portera, UA vice president for external affairs, told Land, "We want to thank you for the very many numbers of positive responses you've given to this University."

Anytime the University has asked Land to serve on a committee, he has, Portera said. Anytime the University has asked him for financial contributions, he has provided them, Portera said.

Portera thanked Land "for sending GM to the University of Alabama" and for taking the lead in going to the Greater Tuscaloosa Chamber of Commerce and the Tuscaloosa County Industrial Development Authority to raise $75,000 that was crucial to launching the UA-UAW-GM Applied Research Facility agreement. The project saved the Rochester Products Division plant in Tuscaloosa and propelled the University to the forefront of research in industrial automation research and new modes of labor relations.

Land has made trips to Montgomery to help secure greater funding for the University, Portera said.

Leaders of communities around the state are envious of the progress Tuscaloosa is making in economic development, Portera said.

"There is momentum in Tuscaloosa and the University of Alabama," he said. It is "complementary momentum, and in many ways it's the same momentum." Land, he said, is responsible for much of it.

Jim O'Brien, past president of the Greater Tuscaloosa Chamber of Commerce, said, "We've had the elements of success in this community for a long time," and Land has been instrumental in pulling them all together.

In addition to running a community-oriented newspaper, O'Brien said, Land in his civic work has gotten people together, sorted out complex situations and worked out differences.

"He has the Industrial Development Authority functioning not in theory but in practice," O'Brien said. Land played an essential role in bringing together "the new Chamber of Commerce to serve the entire country." The UA-UAW-GM agreement "Is a classic combination of real teamwork," involving the Chamber, the University, labor and management, said O'Brien.

Tuscaloosa Mayor Al DuPont also praised Land for his "unique ability to bring people together" and to "foster cooperation."

Land, 51, was named the Greater Tuscaloosa Chamber of Commerce's Man of the Year in 1981, primarily for efforts in economic development.

Born in Memphis, Tenn., Land grew up in Tuscaloosa, attending public schools and the University. He served three years in the Army.

He has won a number of writing awards from the Alabama Associated Press and the Alabama Press Association through the years, and was Sportswriter of the Year for Alabama in 1966. He has been active in affairs of the Alabama Press Association and the Southern Newspaper Publishers Association.

He served two years as president of the Greater Tuscaloosa Chamber of Commerce and became chairman of The Chamber of Commerce when the unified organization was created. He has served two years as chairman of the Industrial Development Authority and was active in the Industrial Development Foundation drive that raised $700,000 in 1981.

He is a member of the UA President's Cabinet, Society for the Fine Arts Steering Committee and the UA School of Communication Board of Visitors. He has served on the board of directors for the School of Communication Alumni Association and on the steering committee for the Tuscaloosa County Sesquicentennial Capital Campaign.

Land is a member of the Governor's Task Force on Economic Recovery. He serves on boards of directors for the Druid City Hospital Foundation, the Capstone Health Services Foundation, the United Way of Tuscaloosa County, the Tuscaloosa County Chapter of the American Cancer Society and the Black Warrior Boy Scout Council. He is a former Tombigbee Girl Scout Council board member. He served as chairman of the United Negro College Fund drive for Tuscaloosa County in 1983.

Charlie Land is an asset to his community and the State of Alabama as a leader of outstanding dedication, whose praiseworthy contributions should serve as an inspiration to all of us. It is a pleasure and an honor to know this fine man and to have the forum in which to extend to him my own congratulations for a job well done and an honor so deserved.●

CONGRATULATIONS TO JOHN P. LONG

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. LONG of Maryland. Mr. Speaker, today I wish to congratulate a constituent of mine from the Dundalk area, John P. Long, on his upcoming investiture as an Eagle Scout, which will take place on Thursday, July 12, 1984.

John has been extremely active in Scouting since he joined as a Cub Scout more than 7 years ago. He has earned 21 merit badges along the way, including the lifesaving, first aid, and environmental sciences badges. His Eagle project, besides demonstrating a great deal of hard work and perseverance, also exhibited a deep concern for the less fortunate in his community. John spent over 107 hours creating a cassette lending library for the members of St. Rita's parish who are shut in and unable to attend regular services. John began the project by holding a bake sale to raise the necessary funds for tape recorders and blank tapes. He then recorded over 20 hours of Bible stories and verses to create St. Rita's cassette library, offering an invaluable service to parish members confined to their homes.

In addition to his involvement in the Eagle Scouts, John is an active member of St. Rita's church. He was an altar boy for 4 years and has also helped the St. Rita's Men's Club in their biannual holiday distribution of food baskets to the needy in the Dundalk area, once again demonstrating his awareness of the importance of helping others.

As a student at the Mount Carmel High School, John has developed a keen interest in computers and hopes to have a computer certificate before graduating.

I am proud that an outstanding young man like John should not only live in my district, but, coincidentally, share my last name. I join with John's friends and parents, Mr. and Mrs. John T. Long, Jr., in congratulating John on his many accomplishments, and particularly this month, on attaining the rank of Eagle Scout.●

REFORMS ARE URGENTLY NEEDED IN THE FOOD STAMP PROGRAM

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. PEPPER. Mr. Speaker, earlier this week, the Wall Street Journal reported on conditions in a Newark, NJ, welfare office—"Food Stamp Red Tape Raises Tension Levels in Understaffed Offices," June 27, 1984. The article is illustrative of the damaging and chaotic effects changes in the Food Stamp Program have had on its efficient and effective operation. Ill-conceived proposals such as the monthly reporting/retrospective budgeting eligibility determinations requirements enacted as part of the Omnibus Budget Reconciliation Act of 1981 were originally set forth to streamline administrative procedures and to eliminate fraud. Unfortunately, these innovations have served only to deprive the needy of basic sustenance, to clog the program's administrative wheels, and to subject employees and beneficiaries alike to utter frustration.

Unfortunately, Mr. Speaker, the Reagan administration's failure to understand the source of fraud in the program as well as the need it fills has jeopardized the ability of many of our needy to obtain access to one of our most important nutrition assistance programs.

Most of us in the Congress are painfully aware of the growth in demand for emergency food assistance throughout our Nation. In my own Dade County, FL, district emergency feeding centers funded by both local and Federal Government moneys and those which are supported by charitable contributions reported increases in the demand for their services of up to 200 percent between 1981 and 1982 and demand has continued to rise up to this very day. I have visited the emergency stations and seen people in need having to come forward to receive food for their families. Some of these individuals were newly unemployed—people used to an average standard of living who are forced to seek charity. Many of the hungry in my district are elderly people who are on fixed incomes and unable to make it through the month since, in many cases, their food stamp benefits have been reduced in the last 3 years.

Recognizing the severity of nutrition deficiencies among our Nation's poor, the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition of the Committee on Agriculture held hearings in urban and rural areas around the country to more accurately determine the needs which are present. Indeed the subcommittee, led by the able gentleman from California [Mr. PANETTA], visited my own Dade County. The subcommittee's findings revealed a straining demand on emergency nutrition programs in all parts of the Nation. Testimony revealed that much of the demand is from the recently unemployed and in many cases the result of Food Stamp Program participants' benefits not lasting through the month.

Monthly reporting requirements enacted as part of the Gramm-Latta reconciliation legislation enacted in 1981 have created an administrative burden for agencies implementing the program and have resulted in additional hindrances for eligible individuals in need of food stamps. The practice was meant to ensure that States reduce error rates by forcing them to scrutinize each beneficiary's income situation on a monthly basis and to adjust benefits accordingly. The widely acknowledged target of this detection practice is the individual who is among the working poor—someone whose income is insufficient to supply all of the needs of his or her family solely on the basis of wages earned and who theoretically is expected to have a fluctuating cash flow.

In addition to working all day to house, clothe, and feed his or her family, such a recipient must also complete a several page form each month for submission to the food stamp office or risk losing his or her benefits entirely. The cost effectiveness of this approach—with the substantial administrative burden it creates—is questionable at best. In fact there is little evidence whatsoever that the monthly reporting practice would have a significant beneficial effect in detecting the more common types of fraud which are committed against the Food Stamp Program.

In recognition of the needs which have emerged since 1981 and of the importance of maintaining a viable Food Stamp Program, our colleague, Mr. PANETTA, introduced H.R. 5151, the Hunger Relief Act of 1984. This bill, which amends the Food Stamp Program to improve its efficiency and effectiveness, has strong bipartisan support as a well-thought response to the needs of our less fortunate citizens. The legislation would implement a number of the recommendations of the President's own Task Force on Food Assistance. It would restore benefits to logically reflect 100 percent of the costs of the Thrifty Food Plan and would repeal the requirement that States implement a program of monthly reporting for benefit level verification.

Instead, the bill sets up a system of sanctions to be applied against States with unacceptably high error rates without requiring them to use any particular verification method. The value of this proposal is that it will permit each State to select the most efficient method of error detection to suit its own situation. H.R. 5151 would also clarify an administrative misunderstanding by statutorily declaring that homeless individuals are eligible to receive food stamps if they meet the applicable income criteria.

Mr. Speaker, my own observations as well as those of Representative PANETTA's subcommittee regarding the growth of hunger is confirmed by nationwide studies conducted by the General Accounting Office, the Center on Budget and Policy Priorities, the U.S. Conference of Mayors, and the Food Research and Action Center. The investigations by these as well as numerous other regional and national public interest groups demonstrate an alarming increase in domestic hunger. It is only our responsibility to recognize these growing needs and to take action to alleviate them.●

EULOGY FOR MR. FRANK PERUGINO

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. DYSON. Mr. Speaker, on June 19, 1984, an outstanding citizen in my district, Mr. Frank Perugino, passed away. He was active in community and local political affairs and devoted much of his time to the American Legion Joseph L. Davis Post No. 47 in Havre de Grace, MD. He was also active in the Northern Maryland Society for the Aid to Retarded Citizens and a member of my advisory panel on veterans affairs. I was so touched by the eulogy delivered at Mr. Perugino's funeral that I feel it should be included in the RECORD. The eulogy that follows was delivered posthumously in letter form by a close personal friend of Mr. Perugino, Mr. Tom Simmons.

DEAR FRANK: As so often happens, the writing of this letter has been postponed beyond the time it should have been completed. Although it will never be delivered personally, I am leaving it in Betty's care with the hope that somewhere, somehow, the thoughts contained herein will be transmitted to you.

To you, in this manner, I will freely admit that I was never strong enough to express my true feelings for you, or my admiration for the way you conducted your entire life. If ever a person took to heart the ideals stated in the preamble to the Constitution of the American Legion, and lived by those principles, you are that person.

Your unwavering devotion to God and country, your unblushing respect for, and worship of, Betsy, Johnny, Roxanne and Frankie, Jr., your undeniable service to community, state and nation; your unswerving support of the American Legion and its programs; your unending and deep and abiding friendship extended to so many of us and your unbelievable good cheer, happiness and lack of complaint about personal problems, formed the basis for my admiration, love and respect for you.

Although at the moment, I feel a tremendous personal loss, I know that the much greater loss would have been not to have known you at all. In our 30 short years of association, it has been my good fortune to have known you as a "true friend", in every sense of the term, and it is the way I shall remember you for the remainder of my life. I will remember your patience, your guidance, your support and your willingness and tact in telling me when I was wrong. I will remember the many hours of time you so freely gave to accompany me on trips all over the State of Maryland and your support for my aspirations. I will remember that when I was down, you propped me up, when I limped, you were my crutch, when I was wrong, you were my conscience. I will remember that you had an extensive vocabulary—for you were an educated man—but it did not contain the words "hate or revenge". I will remember that your family, although they feel a tremendous loss now, was more fortunate than most, for it is rare to see the love, devotion and respect which you gave to them.

I remember all of this and much, much more. And I can assure you that my life has been richer because of you.

Rest in peace My Comrade;
Rest in peace My Friend;
With love through eternity,

TOM SIMMONS.●

ERMA J. MOORE—PUBLIC SERVICE AWARD WINNER FROM EAST PALO ALTO

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. LANTOS. Mr. Speaker, the Congressional Public Service Award Advisory Committee for East Palo Alto has chosen Mrs. Erma J. Moore to receive the Public Service Award for its community. I would like to share with my colleagues in the House some of the outstanding achievements of Mrs. Moore.

Erma Moore has been a resident of East Palo Alto for the past 22 years. Not only is she a true role model in her community through her active involvement in many volunteer service organizations, she is also a wife and mother of five and now has her first grandchild. Her husband, Willie M. Moore, has supported her in her community activities.

Mrs. Moore's dedication to the education of the young people of East Palo Alto has been a driving force of her life. She has been active in the PTA, and a variety of other organizations concerned with improving the schools in East Palo Alto. She organized a club for boys in elementary school and taught them some of her favorite activities, including cooking and cleaning. She was a Den Mother for the Club Scouts, and served as a volunteer for Little League baseball organization and the Pop Warner Youth Football League, and she worked with the Cooperative Nursery School.

In many other ways, she has served her community of East Palo Alto. For many years, she has been an active member of the East Palo Alto Economic Development Task Force and has also been associated with the Committee for Equal Representation and the Committee to Incorporate East Palo Alto.

Mrs. Erma Moore has displayed great initiative in making East Palo Alto a better community. She is certainly deserving of his honor that comes to her. I commend the East Palo Alto Public Service Advisory Committee for its excellent choice, and I congratulate Erma Moore for her outstanding record of volunteer public service.●

THE PERSIAN GULF CRISIS

HON. DANIEL B. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. DANIEL B. CRANE. Mr. Speaker, 400 Stinger missiles are now in Saudi Arabia. By the use of emergency powers possessed by the President, the missiles were sent without standard congressional review of notification.

I fully understand the administration's concern for security in the region. It is of critical importance that petroleum shipments are allowed to pass freely through the Persian Gulf region.

I am worried, however, that this highly advanced weapon might easily fall into the hands of terrorists in the region, or on the other hand, be used against Israel, a country with which the Saudis are still in a state of war.

While precautionary measures, such as a double warehousing arrangement or a leasing agreement, might mitigate such dangers, they have yet to be attached to any of the transfers.

In the absence of such safeguards, we face a particular danger as the Stinger missiles' capability and design make it a weapon almost tailormade to terrorist operations. Civilian aircraft would be especially vulnerable to such a threat. I would stress that if even a single missile fell into the hands of fanatical terrorist groups in the region, a tragedy of catastrophic proportions could result.

I call your attention to the following facts: The Stinger is a highly lethal, manportable missile which requires a minimal amount of training to operate. Its small, 2.2 kilogram warhead reaches a speed of 2.2 mach. With a total weight of less than 16 kilograms, and its sophisticated "fire and forget" capability, the Stinger introduces a new and potentially potent instrument for terrorist blackmail in the Middle East.

I would remind my colleagues of previous and apparently surreptitious transfers of weapons originally shipped to the Saudis from the United States which were later found in PLO terrorist arms caches in Lebanon.

Ostensibly, the Stinger missiles are designed to protect tankers from attack. Iraqi attacks, however, have been carried out using intermediate or long-range missiles. The range of the Stinger missile is 5 kilometers, and thus would be ineffective against the principal threat to oil tankers in the region. Iranian attacks, on the other hand, have composed only one-tenth of the total number of attacks on tankers. Iranian air power, according to most assessments, appears to be extremely weak and the Redeye antiaircraft missiles already in the Saudi arsenal would appear to be adequate to meet the present threat posed by the few Iranian warplanes still in operation.

We have sold an enormous quantity of highly sophisticated weaponry to Saudi Arabia. Now we have shipped Stinger missiles. What has been the marginal increment in security? The Saudis are unwilling to coordinate tangible actions to assure security in the Gulf. The Saudis have so far refused to grant access to bases on their territory and accordingly, where the range of U.S. fighter planes, based off ships outside the Straits of Hormuz, ends, a war zone begins. I am disturbed by what seems to be an attitude which closely mirrors remarks made by a Saudi official in 1979: "We want you everywhere in the region, but we don't want to have anything to do with it."

We must ask an even more fundamental question: How did this escalation come about?

It was, after all, the Iraqis who were responsible for the escalation of this conflict. Essentially Iraq, frightened by the prospects of Iranian gains in the conflict, has succeeded in drawing the other Gulf States to its side in this whole episode of bloody, ill-conceived adventurism.

The Iraqi escalation, therefore, has accomplished its objective. Continued Iraqi attacks would not be sustainable without the multibillion dollar subsidies and credits coming from the Saudis. The Saudis do have a legitimate fear of a Khomeni-type Islamic revolutionary fervor sweeping through their country, but they also stand to gain from the byproduct of this escalation, a repeat of price runups in spot petroleum prices attributable to scarcity hysteria. These market fears, rather than substantial cutbacks in actual supply, can accomplish what limited market power never could. OPEC, and its price leader, Saudi

Arabia, will be the principal beneficiary in this scenario.

We seem to be missing the most important point. The most effective measure the United States could take to reduce tension in the region would be to bring pressure to bear on the Saudis and demand a curtailment of aid to Iraq until it ends its attacks on tankers in the gulf. The Saudis have indirectly financed these attacks and now we must insist that they exhaust all efforts to put a stop to them.

The U.S. policy should be one of neutrality in the Iran/Iraq war. Both nations have a history of supporting terrorism and other activities that are totally unacceptable to the American people.

I hope that the President does not use ongoing emergency powers to give Saudi Arabia carte blanche with their long shopping list of advanced weaponry. I do not object to the loan of KC-10 tanker planes to the Saudis to enable their aircraft to remain on patrol around the clock. If more weapons are to be sent to Saudi Arabia, however, adequate safeguards and conditions must be attached to their delivery. Working to end all attacks on oil tankers should be our first priority. By doing so we address the principal cause of this crisis rather than simply treating the symptoms.●

EPA HAS AVOIDED ITS RESPONSIBILITY

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. FEIGHAN. Mr. Speaker, in 1972, the residents of four communities in my district reached an understanding with the Environmental Protection Agency. Essentially, they agreed to build and operate a wastewater treatment facility employing a new carbon filtration technology. They were assured at that time that they would be eligible for reimbursement of 85 percent of the projects cost.

For 12 years, the people of Rocky River, Westlake, Fairview Park, and Bay Village have been asking the EPA to live up to its end of the bargain. For 12 years, they have borne the costs of the plant—and invested millions more when the new technology failed. For 12 years, EPA has avoided its responsibility to provide reimbursement for this project.

The bill before us today includes a provision that will remedy this injustice. Under H.R. 3282, the administrator is directed to allocate $2.3 million for the reimbursement of these four communities.

These cities have struggled a long time to meet the mandates we have established to protect the quality of our water resources. I am delighted that this bill supports their efforts—at long last.●

FORMER PRESIDENTS SPEAK OUT ON U.S. EMBASSY IN ISRAEL

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. WINN. Mr. Speaker, in 1948 when the State of Israel proclaimed its existence, the United States was the first country to extend it recognition. The United States opened its Embassy in Tel Aviv which was then Israel's seat of Government. There is now legislation in Congress to move the U.S. Embassy from Tel Aviv to Jerusalem. Even though Israel has made Jerusalem its capital, the United States has never formally recognized this step and moved the U.S. Embassy to Jerusalem. The U.S. position on Jerusalem has not changed since 1948—that is, the status of Jerusalem is to be resolved through negotiation.

Eight U.S. Presidents have recognized that the importance of Jerusalem is so great to so many people that its final status would have to be resolved through negotiations. Personally, I believe that Jerusalem is and always will be the capital of Israel. And by Jerusalem, I mean a united Jerusalem open to all faiths as it is today under Israeli sovereignty.

However, I am also willing to accept the judgment of successive U.S. Presidents, including President Reagan, that a congressional effort to force the move of the U.S. Embassy in Israel to Jerusalem would not only be unconstitutional, it would seriously undermine the prospects for peace in the Middle East. It would signify prior to negotiations, U.S. acquiescence to the Israeli annexation of Jerusalem and thus remove an important incentive for the Arab States to come to the peace table. And it would seriously damage U.S. credibility in facilitating the Arab-Israeli peace process—a credibility which has been central to the five Arab-Israeli agreements negotiated from 1974 to 1979 including the Egyptian-Israeli Treaty of Peace. Even though efforts to make peace in the Middle East are now stalemated, they should and can be resumed. In addition to the significant U.S. military, economic, political support and friendship for Israel, it is the U.S. ability to help conduct Arab-Israeli negotiations that will most contribute to Israeli security and well-being over the long run. Our congressional impatience with current stalemate should not detract from this extremely important peace process.

In addition to President Reagan, our three living former Presidents have also spoken out against this legislation to move the U.S. Embassy from Tel Aviv to Jerusalem. I would like for my colleagues who are interested in this legislation to have the benefit of their remarks which were submitted to the Foreign Affairs Committee or which appeared in print.

Mr. Chairman, Members of the Committee, I am pleased to submit a statement for the record on H.R. 4877.

The Congress is considering proposals for legislation requiring that the U.S. Embassy in Israel be moved from its present location in Tel Aviv. I am concerned that these proposals, if passed, will do harm to our relations with many friendly nations, and will impair America's ability to encourage moderate Arab states in the search for an overall permanent, negotiated peace settlement.

The United States has been at the center of efforts to bring peace to the Middle East throughout the postwar period. Our close relations with states on both sides of the Arab-Israeli dispute have placed our government in a unique position to ensure that full advantage is taken of all opportunities for peace. The Israeli-Egyptian and Israeli-Syrian disengagement agreements of 1974, the Sinai II agreement of 1975, the Camp David Accords of 1978, and the Egypt-Israel Peace Treaty of 1979 attest not only to our successes but also to the possibilities that lay ahead as we face further challenges in this troubled region.

I am hopeful and confident that other Arab states will be willing to enter the peace process when the political environment is favorable for doing so. There are many factors involved in producing such an environment, not the least of which is the perception that the United States is determined to maintain a fair and consistent approach to the key issues involved in this dispute.

The status of Jerusalem is one such issue that lies at the heart of the problems of the Middle East. The position of the United States consistently has been that the final status of Jerusalem should be determined through negotiations in the context of a general peace settlement. In the meantime, the U.S. has refused to recognize the unilateral claim of any party to sovereignty over Jerusalem. The long standing location of our Embassy in Tel Aviv and the independence of our Consulate General in Jerusalem reflect this position. Changing the arrangements concerning these two posts would be perceived as an abandonment of America's past policies toward Jerusalem, and our efforts to encourage other states in the region to participate in U.S.-sponsored peace efforts would suffer. Arab states willing to support the peace process will find it increasingly difficult to do so.

A legislative mandate by the Congress requiring that our Embassy in Israel be moved to Jerusalem, or that the American Consulate General in Jerusalem be made subordinate to the Embassy in Tel Aviv, would damage our relations with the Arab states and handicap U.S. efforts to move the Middle East peace process forward. Any roadblock to the overall peace process would prolong the isolation of Israel from its neighbors.

I urge Congress not to pass H.R. 4877.

GERALD R. FORD.

Hon. Lee Hamilton,
Chairman, Subcommittee on Europe and the Middle East, Committee on Foreign Affairs:

As requested by you, Mr. Chairman, I am pleased to give my opinion to the Subcommittee on Europe and the Middle East of the Committee on Foreign Affairs concerning the proposed move of the United States Embassy from Tel Aviv to Jerusalem.

In my opinion, such a decision by our country would be a devastating blow to the prospects for further progress toward peace in the region, would seriously damage relations between the United States and all Arab countries, and would be counter to the best interests of Israel. There is an additional Constitutional question concerning Presidential powers which I need not address.

The Democratic Party in convention in 1976 and in 1980 adopted such a plank because of political considerations during those presidential election years, and on both occasions I announced immediately that as the nominee of our party I would not honor this commitment if elected President. I regret that this issue has again made its quadrennial appearance, this time in the Congress.

During the Camp David negotiations (which would have been impossible had the United States recognized Israel's claim that a unified Jerusalem was its capital), we had long discussions about the status of this holy city. Eventually, President Sadat and Prime Minister Begin agreed on the wording of a paragraph which all of us believed might provide some resolution of this most sensitive of religious and political issues. However, at the last minute both leaders requested that this portion of the agreement be deleted because it would overshadow the other items which were included. This experience indicates, I believe, that it is not entirely out of the question that good faith negotiations between Israel and Arab leaders might some day resolve this problem. It might also demonstrate the explosive reaction which might be expected among the millions of Moslems who would interpret such unilateral action by our country to be a betrayal of their beliefs and a violation of solemn American commitments made by administrations of both parties since the earliest days of Israeli occupation of the disputed territories.

There are many Israelis who still desire to have peace with their neighbors based upon U.N. Resolution 242 and the spirit and text of the Camp David accords. They realize that there must be some accommodation with their Arab neighbors based on withdrawal from occupied territories, Israeli security and a right to live in peace, and on the granting of basic human rights to Palestinians. These questions are being hotly debated and might be partially resolved in the July elections in Israel.

The final status of an undivided Jerusalem must eventually be resolved through negotiation. Although few Israelis would be willing to relinquish control of East Jerusalem, they know that an element of neutrality in the United States is a prerequisite to further peace talks and that moving our embassy to Jerusalem would, in effect, eliminate our country from its crucial role as peacemaker.

Endorsement of this proposal by the Congress, even if it were subsequently vetoed by the President, would be very harmful as an expression of national purpose. My hope is that your action on this legislation will be postponed, indefinitely if possible. This would do no damage to Israel and would not adversely affect the relationship between our two countries, but it would greatly facilitate any future efforts to bring peace with justice to the Middle East.

Sincerely,

Jimmy Carter.

[From the New York Times, May 29, 1984]

Moving the U.S. Embassy Is "Anti-Israel"

To the Editor: For several weeks I have been following with great interest, and also great concern, news reports concerning the proposal to move our embassy in Israel from Tel Aviv to Jerusalem.

I am deeply committed to the security of Israel, as demonstrated by my action in providing for the massive airlift to Israel during the 1973 war and the alert of our forces which prevented the Soviet Union from intervening in that war. It is because I am committed to Israel's security that I am opposed to the proposal to move our embassy.

Such a move would not contribute one iota to Israel's security. On the contrary, it would jeopardize it.

Israel has desperate economic problems, with an inflation rate of 200 percent and with 30 percent of its gross national product going for defense, the highest percentage in the world. The Israelis suffered casualties in three months in Lebanon which were the equivalent of what the United States suffered in 10 years in Vietnam. The conclusion is inescapable: Israel needs peace.

The United States is the only major nation which can play a positive role in building a structure of peace in the Mideast. Israel cannot have peace if it continues to be surrounded by implacable enemies—not just the radical Syrians but more moderate states like Jordan, Egypt and Saudi Arabia as well. It is better for the United States to be a friend of Israel's neighbors and potential enemies than to leave a vacuum which an avowed enemy of Israel—the Soviet Union—is thirsty to fill.

The ability of the United States to influence Israel's neighbors is at a low point, in part because of the tragic events in Lebanon. If the U.S. moves its embassy to Jerusalem, the situation would be dangerously exacerbated, and the U.S. would lose whatever influence it has today to play a constructive role in the area.

Congress will soon make its decision on the embassy proposal. So far, Congressional debate has presented the view that a vote to move the embassy is pro-Israel and that a vote against moving the embassy is anti-Israel. This puts the issue upside down: the exact opposite is the truth.

Richard M. Nixon.●

THE COMMITTEE FOR THE ABSORPTION OF SOVIET EMIGREES [CASE]—A MODEL FOR REFUGEE RESETTLEMENT

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. LANTOS. Mr. Speaker, I wish to bring to the attention of my colleagues the exciting work being achieved each and every day by the Committee for the Absorption of Soviet Emigrees [CASE].

CASE has developed an exhaustive program to aid in acclimating new Soviet emigrees. CASE believes that for a resettlement program to be successful it has to address all the needs of the human personality and, as a result, has become involved with the physical, mental, emotional, and spiritual needs of the recently arrived and usually traumatically uprooted Soviet immigrant. I feel that the success of this approach can be used as a model for other immigrant groups, easing their transition into our society, and enabling them to become productive, contributing citizens.

CASE first came to my attention last summer, when, in my capacity as cochairman of the congressional human rights caucus, I sponsored a major exhibit in the Capitol rotunda of unofficial art from the Soviet Union. I learned then that the dissident artists were not only engaged in producing outstanding abstract art, but were also dedicated to finding new answers to the age-old problem of disoriented and culture-shocked immigrants seeking to survive in an alien society.

Since its founding in 1974, CASE has sponsored a wide variety of programs to provide low-cost housing for the newly arrived refugees. CASE has become involved in rebuilding a rundown part of Jersey City, and helped in the restoration of the famous brownstones. It also extends low-cost loans to the refugees through a federally chartered credit union.

The CASE advocacy program is one of its most important programs. As the organ for undisputed experts of Soviet life—people who actually lived and suffered under its tyranny—the advocacy program instructs both the American and European public as to the nature of the human rights violations in the Soviet Union. They have briefed several of our colleagues before congressional trips, which resulted in the delivery of vital necessities to refusenik families; they cooperate with the U.S. Information Agency in compiling lists of noted Russian defectors and dissidents living in the West; and they have sponsored speaking tours by Russian dissidents throughout the West.

To help bridge the culture shock that confronts new immigrants, they publish a Russian language weekly newspaper and sponsor Russian and English speaking religious services. They also sponsor a magazine called Third Wave which speaks out against Soviet repression of intellectual inquiry and creative expression.

Because so much mail originating in the West and sent to the Soviet Union is never delivered to the addressee, CASE has monitored and recorded scores of examples of this type of interference. They then inform the post office and congressional committees when letters properly dispatched to friends and relatives in Russia do not arrive.

Partly as a result of accumulating such evidence, the House Committee on Post Office and Civil Service, through the Subcommittee on Investigations, conducted extensive research of a project called inconnue, which deals with the problem of the disappearance of mail in the Soviet Union. This led directly to House Concurrent Resolution 294, which was introduced by our distinguished colleague from New York, BEN GILMAN. This resolution passed the House by unanimous vote on June 19.

One of their most impressive projects in the CASE Museum of Russian Contemporary Art in Exile, which is devoted exclusively to art that has been smuggled out of the Soviet Union, or produced by exiled Soviet artists. The museum is in Jersey City, and has one of the most complete collections of Soviet dissident art in the world.

I heartily support the inspiring work undertaken by CASE. May they be an example to all of us of the ability of the human spirit to survive against tyranny, and to retain that creative, healing part of us in the process.●

HON. DAVID NORTON EDELSTEIN

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. GREEN. Mr. Speaker, I rise today to pay tribute to the Hon. David Norton Edelstein for his 33 years of outstanding service on the U.S. District Court for the Southern District of New York. It is my pleasure to bring to the attention of my colleagues in the U.S. House of Representatives the accomplishments of this dedicated servant of the law.

Judge Edelstein received his masters degree and his law degree from Fordham University. Upon admittance to the New York State Bar, he began his long and distinguished career of public service as an assistant U.S. attorney for the Southern District of New York in 1945. His enthusiasm and intelligence earned him the respect of his superiors, and, only 6 years later, he was nominated judge of the U.S. District Court for the Southern District of New York. In 1971, he was nominated chief judge.

These accomplishments bespeak a first-rate legal mind, but they do not give due credit to the numerous contributions Judge Edelstein has made to his profession over the years. For example, he is a former elected member of the Judicial Conference of the United States, the Attorney General's Conference on Crime, the Steering Committee of the New York Federal Executive Board, the Planning Committee of the Metropolitan Conference of Chief Judges, and the founder of the student litigation training program for the Southern District. Judge Edelstein has also been active in numerous professional associations, including the Federal Bar Association, the American Bar Association, and the American Trial Lawyers Association.

In view of these and other accomplishments, it is clear that the Nation owes Judge Edelstein a debt of gratitude for the energy and enlightened leadership he has provided during the past 33 years. Perhaps his distinguished career is best summed up by paraphrasing the great American jurist Oliver Wendell Holmes: "The rule of joy and the law of duty seem to him all one."

Therefore, Mr. Speaker, I call upon my colleagues in the Congress of the United States to join me in this opportunity to pay tribute to the Honorable David Norton Edelstein.●

BUFFALO'S CHICKEN WINGS MARK 20TH ANNIVERSARY

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 1984

● Mr. NOWAK. Mr. Speaker, James Griffin, the distinguished mayor of the city of Buffalo, NY, has proclaimed this week as "Buffalo Chicken Wing Festival Week."

This delicacy was invented in 1964 by Frank and Teressa Bellissimo at the Anchor Bar in Buffalo and its fame, popularity, and availability have spread to many cities in the United States and even to London, England.

As part of this anniversary observance, 6,000 of these chicken wings were added today to the buffet in the Members' private dining room to acquaint them with this tasty morsel that originated in my hometown.

For the RECORD, Mr. Speaker, I would like to insert the following articles on this observance which appeared in the Buffalo News and the New York Times:

[From the Buffalo News, June 28, 1984]

CHICKEN WINGS WILL BE KING OF CAPITOL HILL

(By Douglas Turner)

WASHINGTON.—Buffalo-style chicken wings, flown in from Buffalo, mind you, will invade the House of Representatives side of the federal Capitol at lunchtime tomorrow.

There will be 6,000 cooked wings, with celery and three gradations of blue-cheese sauce available for the 435 members of the House in their private dining room.

The event marks the 20th anniversary of the invention of Buffalo-style wings by Frank and Teressa Bellissimo at their restaurant, Frank and Teressa's Anchor Bar, Main and East North Street, Buffalo.

Actually, the wing snack was created there in July 1964. Nevertheless, Mayor Griffin has designated the week of June 25-July 1 as "Buffalo Chicken Wing Festival Week,"

The observance at the Capitol was arranged by Reps. John J. LaFalce, D-Town of Tonawanda, and Henry J. Nowak, D-Buffalo, with the cooperation of House Doorkeeper James T. Molloy, a former Buffalo firefighter.

Their will be a welcoming ceremony of sorts at the south entrance of the Capitol involving the congressmen, Mr. Molloy and a model hired in Washington to play the part of "the Buffalo Chicken, Wilhelmina Wing."

The wings and the transportation are being provided by a subsidiary of the Delaware North Companies Inc., which provides food service at a number of airports including Greater Buffalo International and Washington National.

Representing Delaware North will be Peter Castrilli, Washington regional director of its Air Terminal Services subsidiary, and Ernest Wooden, boss of the Sport Service subsidiary here, concessionaire at the Washington Convention Center.

Mr. Molloy, whose help was required because he controls the House restaurant system, said he is sure that House members will be able to consume only a minority of the donated wings.

He said as a result, he will see they are shared with House staffers and others.

Buffalo-style chicken wings are among the fast foods sold in the converted old Post Office on Pennsylvania Avenue, now called the Pavilion. The popularity of the dish has spread to Harbor Place in Baltimore and as far away as London.

The delicacy has supplanted beef on kummelweck as the most popular dish at the annual Buffalo Night Party staged by Rep. Nowak; Rep. Jack F. Kemp, R-Hamburg; and Rep. LaFalce in one of the House office buildings.

This is the first tribute to wings in the Capitol. Perhaps they'll get a reception in the White House Rose Garden on their 25th anniversary.

[From the New York Times, June 27, 1984]

CHICKEN WINGS OF BUFFALO

This week is Buffalo Chicken Wings Week, according to a proclamation by Mayor James Griffin. The city's famous culinary product was created on the spur of a moment in July 1964 by Teressa Bellissimo, opening the kitchen of her husband's Anchor Bar on Main Street while her son Dominic tended bar out front.

A bunch of the buddies were drinking and enjoying themselves," Dominic Bellissimo, who is frequently known as Rooster, said recently, recalling the historic occasion. "It was a Friday night at exactly 12 o'clock. Mother went into the icebox, where there was a big platter of chicken wings. She chopped them down the middle, she improvised a barbecue sauce which we continue to use to this day with very little embellishment and she got out the blue cheese dressing we used for the salad. She brought out this big platter and my buddies at the bar went crazy. It took a good month, five weeks, and they just mushroomed into what today has become a business within the business."

It goes without saying that the ingredients of the masterpiece are secret. Mr. Bellissimo says he does not even make the barbecue sauce on the premises any longer, so fearful is he that someone might steal the recipe. Nonetheless, the idea has spread. "I'll bet my life there's got to be at least 6,000 to 7,000 bars and restaurants in Buffalo," Mr. Bellissimo said, "and at least three-quarters of them are selling chicken wings. It's put Buffalo on the map." Moreover, he said, a friend, traveling in Britain and looking for the quintessential pub, was taken to a London establishment with this sign: "Genuine Buffalo Chicken Wings."

For the real and authentic Anchor Bar Buffalo wings, Mr. Bellissimo understandably feels, there is only one source. But for the rest of this week Fantasy Island, an amusement park just outside the city, will be host to the Chicken Wing Festival, with races, contests, food sculptures and a bicycle marathon. For those who want the unadulterated product, the Anchor Bar is at 247 Main Street, at the corner of North Street.

Versions of Buffalo chicken wings can be found in a number of places around New York City, including the above-mentioned West Side Express and Pie in the Sky, 194 Third Avenue (17th Street), where they must be ordered specially.●

THE 45TH WEDDING ANNIVERSARY OF JOHN AND GERT O'CONNOR

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 30, 1984

● Mr. CONTE. Mr. Speaker, I would like to take this opportunity to help celebrate 45 years of love and devotion between two dear friends. John and Gert O'Connor of South Hadley, MA, will mark that milestone on July 8.

I have been fortunate to know John and Gert for a great many years. My wife Corinne and I have valued their friendship immensely. Throughout my political career, John and Gert have stood by me and extended their support and rendered a large portion of their time in assisting with my campaigns. Friends like these no man should be without.

The O'Connors have a wide and loving circle of friends—friends that have been able to call on them in good times and in bad, friends to whom John and Gert have been so loyal, so generous, and so sincerely helpful. I can certainly attest to that because they've always been there ready to lend a hand when I've needed them.

It is a rare marriage that lasts 45 years and it takes two exceptional people to make it work. It calls for generous amounts of love and loyalty, mixed thoroughly with faith. John and Gert's commitment has been what has kept them and their relationship so young through 45 years.

May their continued life together remain as wonderful and prosperous as the past 45 have proven to be. I salute these two exceptional people on their 45th wedding anniversary milestone.●